2023
ANNUAL REPORT

bank btpn

A MEMBER OF
SMBC Group



IMPACTING MILLIONS OF LIVES

PT BANK BTPN Tbk

Disclaimer and Limitation of Liability

- This Annual Report 2023 is an english translation of Laporan Tahunan 2023, if there is any inconsistencies in translation, please refer to Bahasa version.
- In order to minimize the above circumstances and to enhance the content of this Annual Report, if necessary, we will re-upload the updated version on 7 March 2024.

IMPACTING MILLIONS OF LIVES

The theme of the 2023 annual report diverges from the patterns observed in previous years' reports (since 2018), which depicted the evolution of Bank BTPN, ranging from mergers to navigating through the COVID-19 crisis.

As a refreshing, this 2023 annual report departs from the perspective of Bank BTPN's service users and the broader Indonesian community, focusing on Bank BTPN's aspirations to become a premier provider of comprehensive financial solutions in Indonesia, offering complete financial solutions and services to various retail, micro, SME, and corporate segments in Indonesia to realize the vision of becoming the bank of choice in Indonesia capable of bringing significant change to millions of lives.

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STRENGTHENING THE RETAIL CUSTOMER BASE

Micro Business Customers

13,935 Customers

In 2023, the number of micro-business customers reached 13,935, an increase of 16.64% compared to 2022, which had 11,947 customers.

Disbursement of Loans

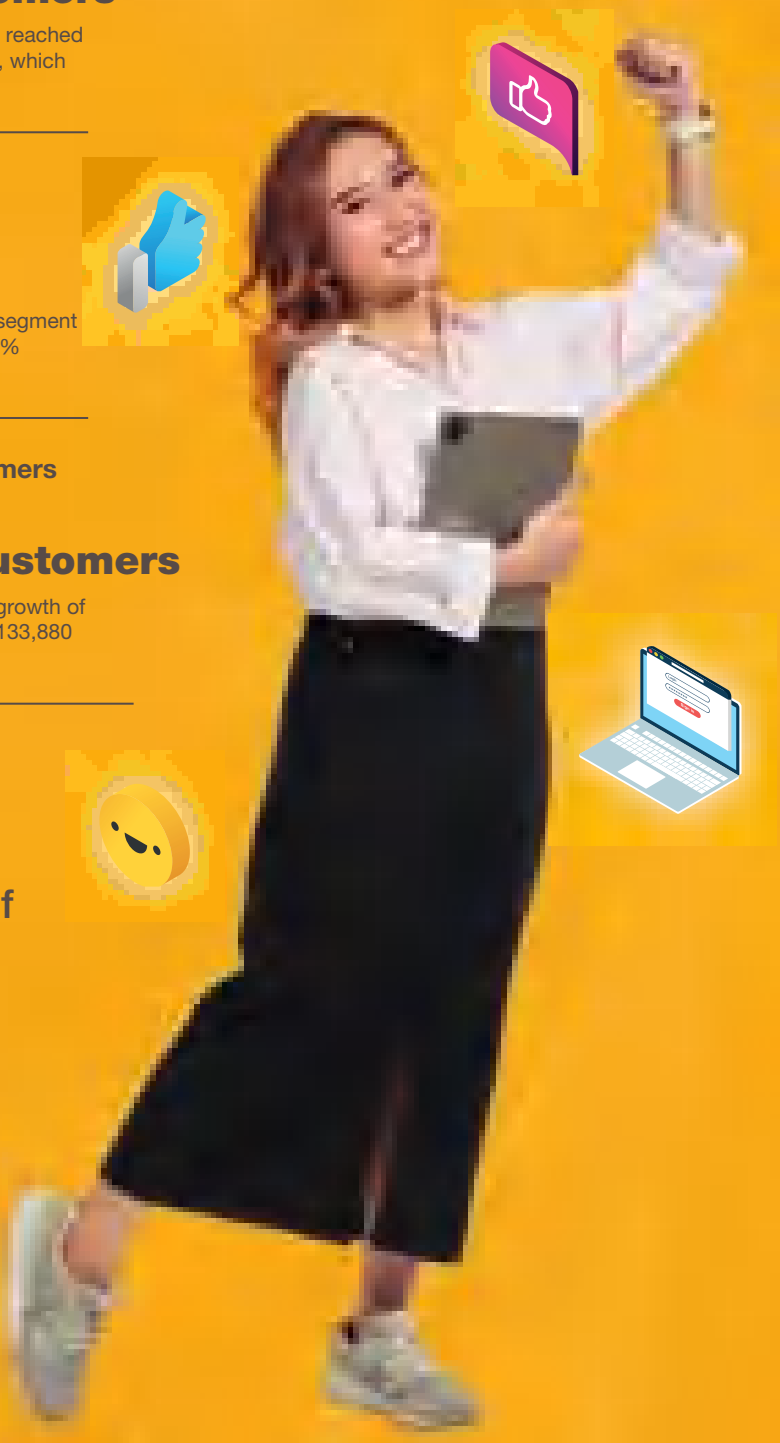
75.77%

The disbursement of loans in the micro-business segment throughout 2023 reached Rp1 trillion, up by 75.77% compared to Rp743.1 billion in 2022.

Wealth Management Business Customers

137,248 Customers

In 2023, the wealth management business saw a growth of 2.5%, reaching 137,248 from the previous year's 133,880 units.



Expanding the customer base is one of Bank BTPN's key strategies in achieving its mission to make a meaningful difference in the lives of millions of people.

Retail Customers

Enhancement of Jenius platform capabilities, optimization of distribution channels, and cross-line-of-business collaborations.

Corporate Customers

- Tier-1 and -2 companies in Indonesia
- Suppliers/distributors of Tier-1 and -2 corporate customers

ENHANCING JENIUS PLATFORM CAPABILITIES

New Features

- Self-top-up and management of e-money from the e-Wallet Center
- Yay Points redemption
- Jenius Paylater
- #FlexiRasaMaxi 2 Program

Registered User Count

4.8 Million

+19%



5.2 Million Customers

In 2023, the number of customers served by Jenius increased by 19.20%, from 4.4 million customers in 2022 to 5.2 million customers.



Rp25.5 Trillion

The Total Third-Party Funds (DPK) managed by Jenius in 2023 reached Rp25.5 trillion, up by 7.6% compared to Rp23.7 trillion in 2022.



120.6%

The realization of funding from Jenius increased by 120.6% in 2023, reaching Rp2.2 trillion from the previous year's Rp1.0 trillion.

MAINTAINING OPERATION EXCELLENCE

Bank BTPN continues to develop operational excellence, realized through innovation in information technology, digital service digitization, robotic-based automation, and compliance enhancement through several supporting reporting applications.

01 Revitalization and integration of the bank-wide core banking system

02 Accelerating digitization processes

03 Strengthening digital and cyber security capabilities

04 Empowering human resources with superior competencies

MAINTAINING CREDIT PORTFOLIO QUALITY

Credit Disbursement

7.1%

Until 2023, the total credit disbursed by the Bank reached Rp156.6 trillion, up by 7.1% compared to the position in 2022, which was Rp146.1 trillion.

Corporate & Commercial Credit Disbursement

7.6%

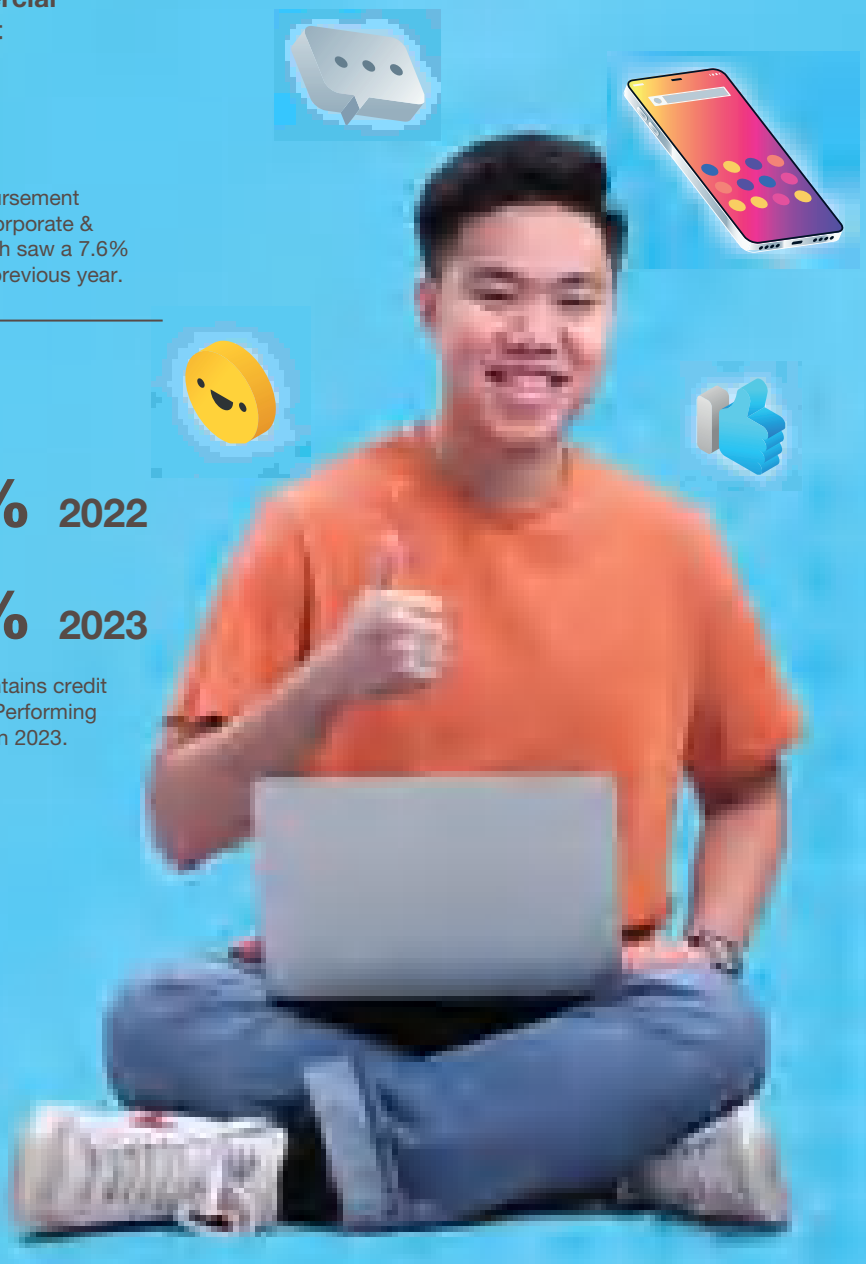
The increase in credit disbursement is primarily driven by the Corporate & Commercial segment, which saw a 7.6% increase compared to the previous year.

NPL (Bruto)

1.43% 2022

1.36% 2023

The Bank consistently maintains credit quality reflected by a Non-Performing Loan (NPL) ratio of 1.36% in 2023.





MAIN HIGHLIGHTS

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> Amidst a challenging environment, Bank BTPN has still managed to achieve positive financial performance while maintaining a focus on risk management.

PERFORMANCE 2023

Interest Income

Rp18.8 Trillion

The Bank successfully recorded an 18.3% increase in interest income, primarily driven by interest income from credit disbursements.

KPMM

29.9 %

The Bank's Minimum Capital Adequacy Requirement (KPMM) in 2023 was higher compared to the previous year by 27.3%.

LCR

199.7 %

The Bank's Liquidity Coverage Ratio (LCR) stood at a healthy level by the end of 2023.

Operating Income

Rp14.1 Triliun

Operating income increased by 3.1% from Rp13.7 trillion in 2022, contributed by a 3.1% increase in net interest income and a 3.0% increase in other operating income.

Net Profit for the Year

Rp2.7 Trillion

The bank decided to increase loan reserves in 2023 and also as a form of anticipation of the end of POJK relaxation on restructured loans on March 31, 2024. This had an impact on the achievement of net profit which decreased by 26.1% compared to 2022.

CASA Ratio

40.8 %

The Bank successfully increased CASA balance in 2023 by 10.0%, leading to an increase in CASA ratio to 40.8% from 35.0%.

Branch Offices

58 Offices

ATM

214 Units

Sub-Branch Offices

197 Offices

> Bank BTPN provides convenience to customers through the availability of branch office networks and ATMs.

Description	Total
Operational Head Office	1
Non-Operational Regional Office	9
Branch Office	**58**
Supporting Branch Office	**197**
Functional Office	
• Operation Functional Office	1
• Non-Operation Functional Office	0
Total Office Network	266
ATM	214
TCR	0
Payment Point	18
Total Office Network & ATM	**498**

* Office Network Data of BTPN Individual

FINANCIAL HIGHLIGHTS

(Rp million, unless stated otherwise)

Description	2023	2022	2021	2020
Balance Sheet				
Total Assets	201,448,392	209,169,704	191,917,794	183,165,978
Earning Assets [1]	197,325,929	204,169,669	187,244,554	176,915,917
Loans [2]	156,561,297	146,123,516	135,598,774	136,212,619
Deposits from Customers [3]	108,198,576	114,866,548	109,380,130	100,788,906
Borrowings	34,283,897	48,025,106	37,615,236	37,176,039
Securities Issued	200,569	200,134	996,089	993,045
Investment in Shares	102,586	103,473	22,522	22,522
Total Liabilities [3]	160,165,288	169,756,680	155,838,867	150,201,225
Total Shareholders' Equity [4]	41,283,104	39,413,024	36,078,927	32,964,753
Number of Shares Issued and Fully Paid (in units)	8,149,106,869	8,149,106,869	8,149,106,869	8,148,931,869
Income statement				
Interest Income	18,815,673	15,899,646	14,748,604	16,403,483
Interest Expenses	(6,771,610)	(4,221,331)	(3,605,564)	(5,779,055)
Net Interest Income	12,044,063	11,678,315	11,143,040	10,624,428
Other Operating Income	2,073,443	2,012,615	1,959,784	1,688,837
Other Operating Expenses	(7,606,552)	(7,193,087)	(6,982,870)	(6,883,113)
Provision for impairment losses expense	(3,049,919)	(1,840,167)	(2,111,776)	(2,799,638)
Operating Income – Net	3,461,035	4,657,676	4,008,178	2,630,514
Current Profit Before Income Tax	3,457,682	4,657,319	4,007,172	2,633,076
Current Net Income	2,682,484	3,629,564	3,104,215	2,005,677
Current Profit (Loss) Attributed to:				
• Owners of the parent	2,358,334	3,095,701	2,664,714	1,749,293
• Non-Controlling Interest	324,150	533,863	439,501	256,384
Other Comprehensive Income for the Year, after Income Tax	18,348	(154,602)	78,604	24,198
Total Comprehensive Income for the Year, after Income Tax	2,700,832	3,474,962	3,182,819	2,029,875
Total Comprehensive Income Attributable to:				
• Owners of the parent	2,376,847	2,939,728	2,742,035	1,776,256
• Non-Controlling Interest	323,985	535,234	440,784	253,619
Earnings per share	293	384	331	217

Notes:
1. Including loans sharia financing/receivables, current accounts with BI and other banks, placements with BI and other banks, securities, investment in shares, acceptance receivables, and derivative receivables.
2. Including Sharia financing/receivables.
3. Including temporary syirkah funds.
4. Including non-controlling interests.

(in %)

Keterangan	2023	2022	2021	2020
Financial Ratios				
Capital				
Minimum Capital Adequacy Requirement [5]	29.9	27.3	26.2	25.6
Earning Assets				
Non-performing earning assets and non-performing non-productive assets to total earning assets and non-productive assets	0.7	0.7	0.8	0.6
Non-performing earning assets to total earning assets	0.7	0.7	1.3	1.0
Reserves for Impairment Losses (CKPN) for financial assets to earning assets	2.5	1.8	2.2	2.0
NPL –gross	1.4	1.4	1.7	1.2
NPL-net	0.4	0.4	0.4	0.5
Profitability				
Return on Asset (ROA) [6]	1.7	2.4	2.2	1.4
Return on Equity (ROE)	6.5	9.1	8.6	6.1
Net Interest Income Margin (NIM)	6.5	6.3	6.6	6.1
Operating Expense to Operating Income (BOPO) [7]	83.7	75.1	76.0	85.5
Cost of Funds	4.4	2.7	2.5	3.8
Cost to Income Ratio (CIR) [7]	52.7	49.8	49.3	53.9
Profit (loss) to Income/Sales	16.6	26.0	24.0	14.6
Liability				
Loan to Deposit Ratio [8]	142.7	126.7	123.1	134.2
Current Ratio	33.7	45.3	44.8	39.5
Solvency				
Liabilities to Assets	79.5	81.2	81.2	82.0
Liability to Equity	414.2	460.0	458.8	481.2
Compliance				
Percentage of BMPK Violation				
• Related Parties	-	-	-	-
• Non-Related Parties	-	-	-	-
Percentage of Excessive BMPK				
• Related Parties	-	-	-	-
• Non-Related Parties	-	-	-	-
Minimum Rupiah Main Statutory Reserves	8.3	8.2	3.7	3.2
Minimum Foreign Currency Main Statutory Reserves	4.0	4.0	4.0	4.0
Net Foreign Currency Position	0.5	0.3	0.1	0.4
Others				
Number of Branch Office [9]	333	358	477	536
Number of ATM and TCR	228	221	224	227
Number of Employee [10]	20,933	19,740	19,334	19,370

Notes:
5. Including credit, operational and market risks.
6. RoA before tax.
7. BOPO and CIR for 2019-2021 have been restated to match the presentation of the ratios in 2022 (in accordance with SEOJK No. 9/SEOJK.03/2020 dated June 30, 2020 regarding "Transparency and Publication of Conventional Commercial Bank Reports").
8. LDR (not including Loan to Bank).
9. Including Payment Points & Functional Offices.
10. Including BTPN Syariah.

FINANCIAL HIGHLIGHTS

01

Customer Deposits
(including temporary syirkah funds)

Rp108.2 Trillion



Total
Equity

Rp41.3 Trillion



02

03



CAR
Ratio

29.9%

Return on
Equity (RoE)

6.5%



04

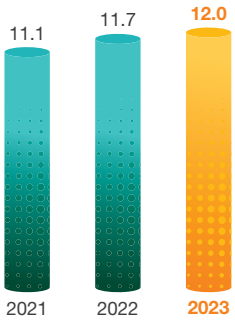
05

Total
Assets

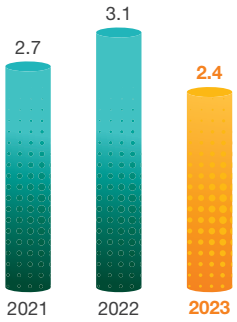
Rp201.4 Trillion



Net Interest Income
(in trillion rupiah)



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



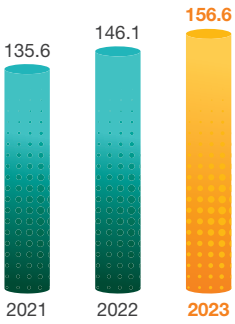
Other Operating Income
(in trillion rupiah)



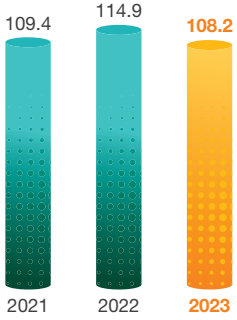
Operating Expenses
(in trillion rupiah)



Loans
(in trillion rupiah)



Third Party Funds
(in trillion rupiah)



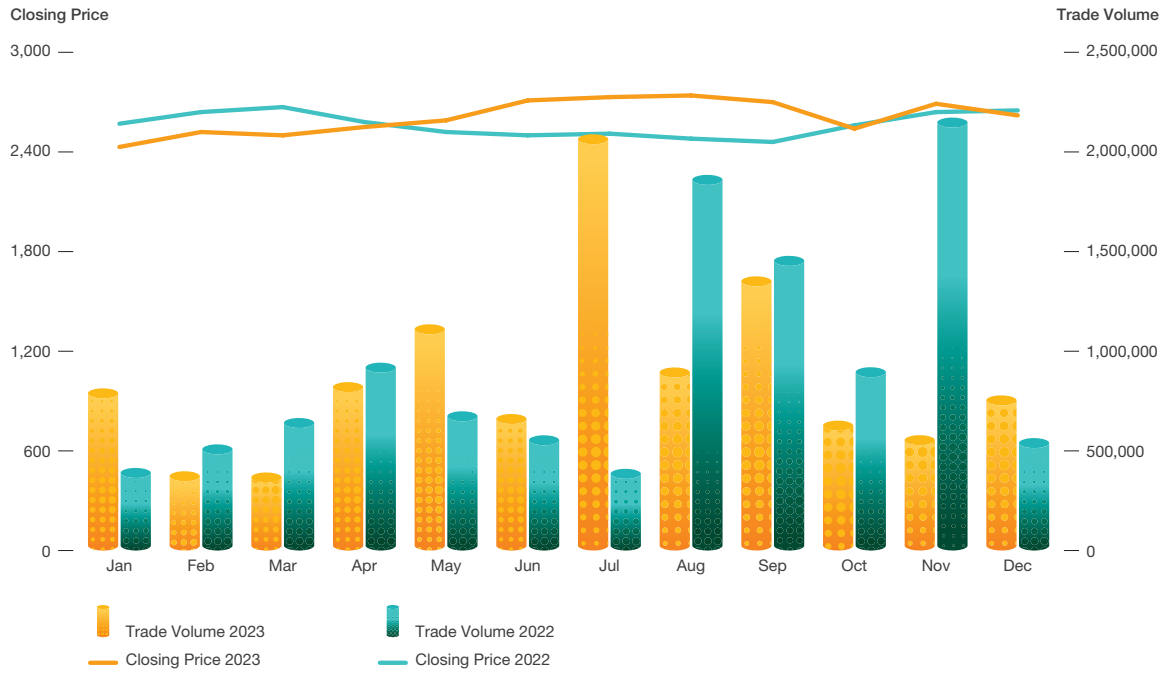
SHARE PERFORMANCE

INITIAL PUBLIC OFFERING

PT BANK BTPN Tbk ("Bank BTPN", "Bank") held an initial public offering (IPO) on 8 June 2007. In this corporate action, a total of 267,960,220 shares was offered to the public with a nominal value of Rp100 (full value) per share. The offering price was Rp2,850 (full value) per share. The shares were listed on the Indonesia Stock Exchange on 12 March 2008.

Period	Highest (Rp)	Lowest (Rp)	Closing (Rp)	Trade Volume (Share)	Total Listed Share (Share)	Market Capitalization (Rp)
2023						
Quarter I (March)	2,580	2,400	2,500	1,599,600	8,149,106,869	20,372,767,172,500
Quarter II (June)	2,710	2,460	2,710	2,661,600	8,149,106,869	22,084,079,614,990
Quarter III (September)	2,780	2,700	2,700	4,379,500	8,149,106,869	22,002,588,546,300
Quarter IV (December)	2,700	2,520	2,620	2,008,000	8,149,106,869	21,350,659,996,780
2022						
Quarter I (March)	2,680	2,570	2,670	1,608,600	8,149,106,869	21,758,115,340,230
Quarter II (June)	2,620	2,490	2,500	2,216,100	8,149,106,869	20,372,767,172,500
Quarter III (September)	2,530	2,380	2,460	3,772,700	8,149,106,869	20,046,802,897,740
Quarter IV (December)	2,850	2,420	2,650	3,654,400	8,149,106,869	21,595,133,202,850

MONTHLY STOCK TRADING



CORPORATE ACTION

On 7 December 2023, the Bank held its Extraordinary General Meeting of Shareholders (EGMS) with the following agenda:

1. Approval on the withdrawal of shares resulting from the buyback.
2. Approval on plans for Additional Capital Investment by Granting Pre-Emptive Rights II ("PMHMETD II") or Rights Issue II.

The Bank acquired the approval of the Shareholders for the two above agendas.

Based on the announcement to creditors on December 8 2023, the withdrawal of Treasury Stock was carried out to comply with OJK Regulation no. 2/POJK.04/2013 concerning Buyback of Shares Issued by Issuers or Public Companies in Significantly Fluctuating Market Conditions (which has been revoked and replaced by OJK Regulation No. 13 of 2023 concerning Policies for Maintaining Capital Market Performance and Stability in Conditions Markets That Fluctuate Significantly), effective within 60 days if there is no objection from the creditors.

Subsequenty, based on the disclosure of information to the shareholders with regard to PMHETD II on 11 December 2023, the Bank disclosed that plans on the use of the PMHETD II on 11 funds were set for business expansion and investment through the acquisition of Companies involved in business financing activities, namely PT Oto Multiartha and PT Summit Oto Finance, from PT Summit Auto Group which is currently a subsidiary of Group Sumitomo Corporation and SMBC.

INFORMATION ON TEMPORARY SUSPENSION OF STOCK TRADING

Throughout the year 2023, there was no temporary suspension on the Bank's stock trading.

ISSUANCE OF BONDS AND SUKUK

During the year 2023, the Bank did not issue any Bonds/Sukuk.

OVERVIEW OF BONDS AND SUKUK

Description	Date of Listing	Total Bonds (Rp)	Interest Rate (%)	Maturity Date	Outstanding (Rp)
Public offering of Bank BTPN Shelf Registered Bonds IV with Fixed Interest Rate Stage I of Year 2019					
B Series	27 November 2019	201,000,000,000	7.75	26 November 2024	201,000,000,000

RATING OF BANK BTPN BONDS

Obligation	2023 Rating	2022 Rating	2021 Rating
Public offering of Bank BTPN Shelf Registered Bonds IV with Fixed Interest Rate Stage I of Year 2019	AAA (idn)	AAA (idn)	AAA (idn)

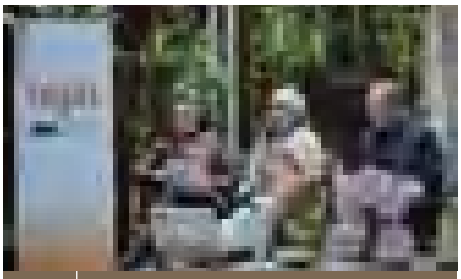
PAYMENT OF INTEREST AND PRINCIPAL LOAN IN 2023

In the year 2023, the Bank actualized the payment of interest and Bank BTPN Shelf Registered Bonds IV with Fixed Interest Rate Stage I of Year 2019 B Series. Following are the details:

Description	Date of Payment	Total Payment (Net)
Coupon-13	27 February 2023	Rp3,894,375,000,-
Coupon-14	26 May 2023	Rp3,894,375,000,-
Coupon-15	28 August 2023	Rp3,894,375,000,-
Coupon-16	27 November 2023	Rp3,894,375,000,-
Coupon-17	26 February 2024	Rp3,894,375,000,-
Coupon-18	26 May 2024	Rp3,894,375,000,-
Coupon-19	26 August 2024	Rp3,894,375,000,-
Coupon-20	26 November 2024	Rp204,894,375,000,-



2023 EVENT HIGHLIGHTS



25 January

Bank BTPN held the first Media Gathering since Henoch Munandar was appointed as President Director on 29 September 2022. The event was attended by 29 journalists from 27 media. Also present from BTPN were Compliance Director Dini Herdini, Head of Wholesale, Commercial, and Transaction Banking Nathan Christianto, and Communications and Daya Head Andrie Darusman.

The event was held so as to get to know the media members more closely and be acquainted with one another directly as well as a form of the Bank's appreciation for the cooperation which has been well established. On this occasion, Henoch Munandar and Dini Herdini conveyed the latest information regarding Bank BTPN's profile and commitments, especially to remain in support of the achievement of the Sustainable Development Goals (SDGs) through Bank BTPN's business units, programs and products.



5 February

Bank BTPN's Jenius collaborated with Pocari Sweat as the main sponsor during the POCARI SWEAT Run Indonesia 2023 press conference held in coincide with Pocari Sweat's 10th Anniversary. Present as speakers at the event were Ridwan Kamil acting as the West Java Governor, Puspita Winawati as the Marketing Director of PT Amerta Indah Otsuka, Daniel Mananta as the Brand Ambassador of Pocari Sweat, and Anita Ekasari as Head of Digital Banking Acquisition, Service, and Marketing of Bank BTPN.

The press conference was hosted by Melanie Putria and began with a morning run together with the speakers and a number of public figures. POCARI SWEAT Run Indonesia 2023 was carried out in hybrid and flag-off was at Gedung Sate, Bandung, on 30 July 2023. Categories included in this event were: marathon, half-marathon, and 10K for offline category. Meanwhile for the virtual run, categories consisted of marathon, half-marathon, 10K, 5K, 3K, and kids dash. To add to the excitement, Jenius of Bank BTPN extended a special offer for the purchase of offline and virtual tickets, activities with communities, up to the point of race pack collection and on race day.



28 February

Bank BTPN conducted a Press Conference on the Exposure of the 2022 Financial Performance held offline at Menara BTPN, 27th Floor, Jakarta. On this occasion, Bank BTPN reported its solid performance of 2022 which recorded a 16% growth amidst threats of global recession and the transition period from pandemic to endemic.

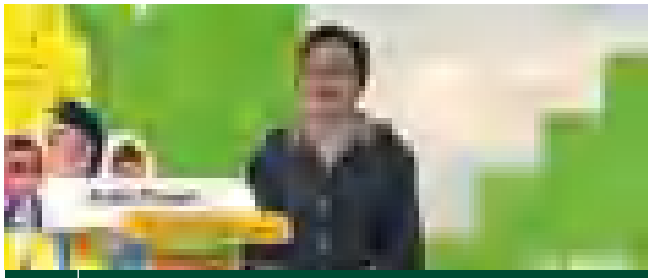
The Press Conference was joined by Henoch Munandar as President Director of Bank BTPN, Hanna Tantani as Finance Director of Bank BTPN, Dini Herdini as Compliance Director of Bank BTPN, and Irwan Tisnabudi as Head of Digital Banking of Bank BTPN as speakers. Some 20 journalists from 19 media companies attended the conference.



13 April

Bank BTPN held its Annual General Meeting of Shareholders (AGMS) which determined the change in the composition of the Board of Directors and the Board of Commissioners, as well as on the use of the net profit of fiscal year 2022 for the payment of dividend, the first to be conducted since the year 2017. Bank BTPN confirmed Atsushi Hino as the Director to replace Kan Funakoshi, with term of office effective upon acquiring the complete work and residence permits until the 2025 AGMS.

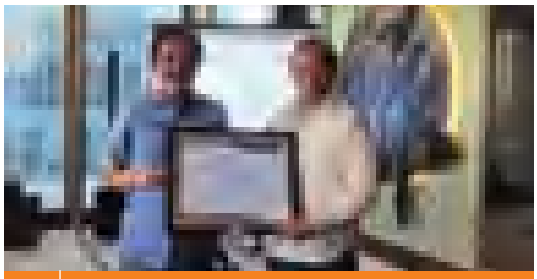
In addition, Bank BTPN also confirmed the change in composition of the Board of Directors with the acceptance of the resignation of Irwan Mahjudin as the Company's Independent Commissioner and the appointment of Onny Widjanarko effective upon approval from OJK until the 2025 AGMS.



14 April

Bank BTPN's Jenius held a virtual Press Conference on Jenius Study: Behaviors of the Digital Savvy Ahead of the Eid al-Fitr Celebration. Through this survey, Jenius observed the behaviors of the digital savvy who maintain their financial habits since the month of Ramadan during the pandemic and Eid al-Fitr of this year.

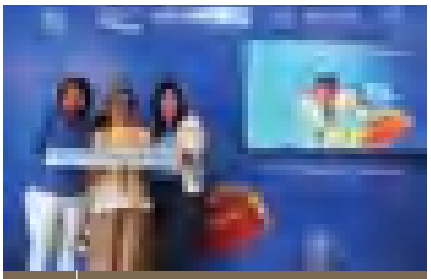
The survey was conducted during the months of March-April of 2023, involving 127 respondents of the ages 18-40 years and concluded that 76% of the respondents received their holiday allowance (THR) for the year. Survey results show that there were three characteristics of the digital savvy who received their holiday allowance, namely The Saver (41%) who allocates the allowance for savings, The Spender (40%) allocates the allowance for various spending, and The Investor (19%) allocates the funds for investment.



4 May

Bank BTPN, together with 4 (four) other creditors, namely PT Bank DBS Indonesia, PT Bank Mayapada Internasional Tbk, PT Bank Mizuho Indonesia, and Bank of China (Hong Kong) Ltd of Jakarta branch, reached agreed to provide a syndicated loan facility for a total of Rp1.111 trillion to PT Seino Indomobil Logistics (PT SIL) for capital expenditure financing.

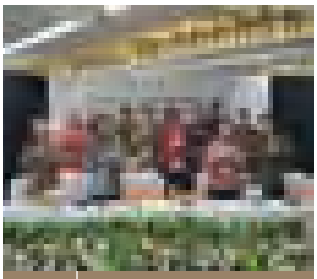
The creditors and PT SIL signed the syndicated loan facility agreement on Thursday, 4 May 2023, in Jakarta. Bank BTPN acts as Coordinator, Mandated Lead Arranger, and Bookrunner under this five-year tenor of syndicated agreement. This syndicated loan distribution was set to encourage Bank BTPN's performance to continue to grow. This cooperation was symbolically marked by a ceremony which was attended by the President Director of Indomobil Group, Jusak Kertowidjojo and Wholesale Banking Head of Bank BTPN, Moses Ronal Supardi, on Friday, 5 May 2023, in Jakarta.



25 May

Jenius of Bank BTPN held a Media Gathering #LariBarengJenius (#RunTogetherWithJenius) in Surabaya in conjunction with Jenius as co-title sponsor for the Pocari Sweat Run Indonesia, Jenius invited friends of Jenius in Surabaya to take part (in hybrid) in the annual marathon event at Gedung Sate, Bandung, on 30 July 2023; altogether at the same time carried out offline in Bandung and virtually throughout Indonesia.

Jenius provided special offers upon purchase of tickets, activities with Jenius Co.Create community and running communities throughout various cities in Indonesia, up to the excitement in race pack collection and on race day through the #RunTogetherWithJenius program.



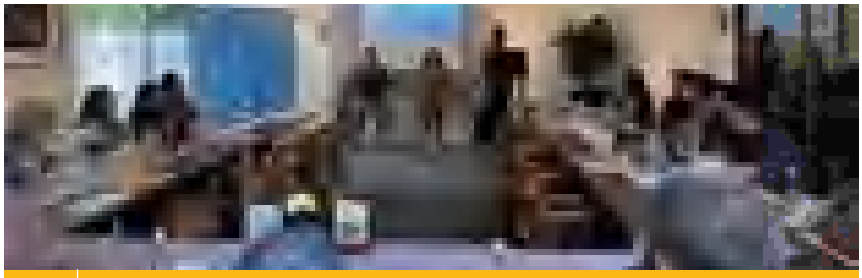
22 June

Bank BTPN conducted its Extraordinary General Meeting of Shareholders (EGMS) that determined a change in the composition of the Board of Directors and appointed Keishi Kobata as Director, replacing Hiromichi Kubo, effective upon acquiring his complete limited work permit and residence permit until the Annual GMS to be held in the year 2025.



22 June

Bank BTPN and International Finance Corporation (IFC) collaborated for an agreement on social and green bonds to strengthen climate action and encourage inclusive development in Indonesia. Under this agreement, IFC invests up to US$500 million in Bank BTPN which consists of the issuance of social bonds and green bonds. Such issuance would be the first for Bank BTPN and it would strengthen its commitments in supporting the micro, small and middle-scale businesses (UMKM) in Indonesia, specifically businesses led by women as well as adaptive actions toward climate change.

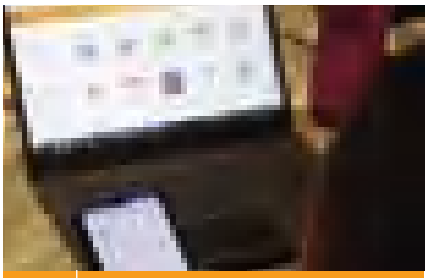


27 July

Jenius of Bank BTPN, as co-title sponsor of the Pocari Sweat Run Indonesia, held a press briefing as part of its support in the annual running event through a series of activities within the #runtogetherwithjenius program. The collaboration between Jenius and Pocari Sweat Run Indonesia will extend for the next three years until 2025. The #runtogetherwithjenius program consists of a series of events and attractive promotional offers to be enjoyed by friends of Jenius, including a special offer to purchase Pocari Sweat Run Indonesia tickets offline and virtual by paying through Jenius, attractive promotions to shop for running sports equipment, fun run together with running communities in 13 cities, to various exciting activities held at Jenius booths on the day of race pack collection and on race day.

As part of the series of activities in the Road to Pocari Sweat Run Indonesia 2023, Jenius collaborated with Pocari Sweat to invite running communities to take part in the #runtogetherwithjenius fun run activities in 34 cities, including Jakarta, Bogor, Bekasi, Bandung, Surabaya, Bali, Magelang, Malang, Jogyakarta, Makassar, Balikpapan, Pekanbaru, Semarang, and several other cities. From these cities, Jenius Co.Create carried out various co-creation activities and community gatherings together with runners in 15 cities and followed by more than 600 participants.

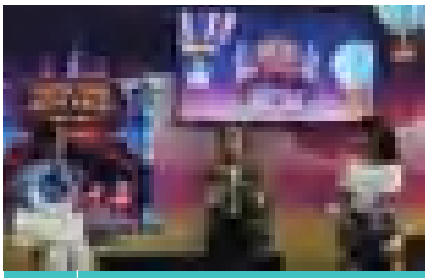
2023 EVENT HIGHLIGHTS



21 August

Bank BTPN has altered its Human Capital Management (HCM) process by partnering with Darwinbox, a renowned global human resource technology provider. With such a strategic step, Bank BTPN reaffirmed its commitments to provide valuable opportunities that extend significant impact for millions of people, strengthen its position as technology innovator in the financial industry through a truly human-centered approach.

Through this platform, Bank BTPN retains the vision to innovate within digital transformation of all HR integrated processes, starting from the integration of new employees, performance management process, to a continuous learning approach and a survey system capable of measuring employee feedback. This includes all aspects, from talent acquisition, talent management, to employee development.



22 Agustus

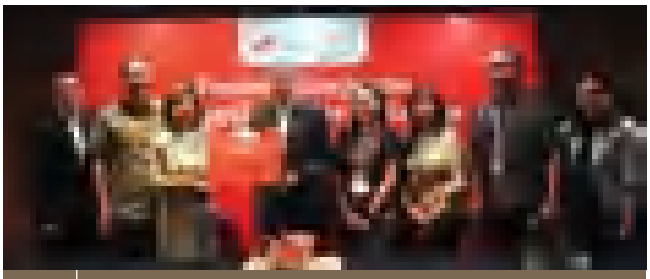
Jenius of Bank BTPN held a press briefing which coincided with the commemoration of its 7th anniversary. In its seventh year, Jenius continues to innovate through co-creation process and collaboration with the digital savvy communities. On celebrating its 7th anniversary, Jenius presented a 7-days 7-nights program of #jadilebihjenius (#becomingmore jenius) through various anniversary special offers. The special offers were available for 7 days straight, from 11 to 17 of August, consisted of 7 special offers in selective food and beverage outlets, 7 special offers in selective merchants, 7 special offers from Jenius special features.



4 September

On the National Customer Day, members of the Board of Directors and Management of Bank BTPN took part directly in serving the customers and took the role in explaining products, in the empowerment program, in accompanying customers at time of credit agreement carried out in various Bank BTPN branches throughout Indonesia, distributed roses and chocolates to Bank BTPN customers across Indonesia.

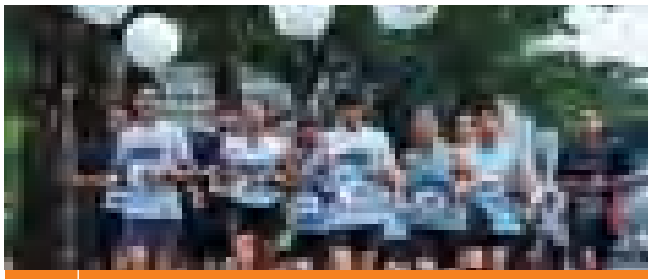
During the National Customer Day, Bank BTPN conducted various activities for customers from various business units, such as Sinaya, Micro, Small and Medium-Scale Enterprises, Jenius and Purna Bakti (Retirement). Bank BTPN's activities during the National Custome Day included health services for customers, Retirement Week, special offers from Jenius and Daya program, also attended by officials from partners, namely PT TASPEN (Persero) an PT ASABRI (Persero).



12 September

Bank BTPN collaborated with Great Eastern General Insurance Indonesia (GEGI) on bancassurance distribution. This collaboration was officially marked by the signing of a cooperation agreement attended by Jeffrey Tjoeng, Head of Business Banking of Bank BTPN, and Linggawati Tok as Director of Marketing representing GEGI.

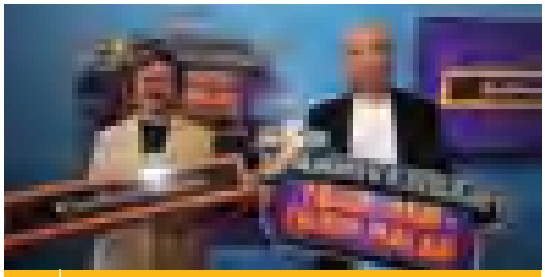
Through such collaboration, Bank BTPN participated in the government's program to actualize sustainable development goals by supporting the growth of small and medium-scale businesses in Indonesia. The synergy between Bank BTPN and GEGI started off with six products, namely industrial all-risk, earthquake insurance, marine cargo insurance, motor vehicle insurance, contractor all risk, and contractor's plants and machinery insurance. These products were specifically provided for customers of Bank BTPN who require business and asset protection.



24 September

Jenius of Bank BTPN supported the 2023 Garmin Run Asia Series at Uptown Park-Summarecon Mall Serpong, Tangerang. This run event carried on with "From Zero to Hero" theme followed by some 5,000 participants of various age groups for 5K, 10K to 21K and Kids Dash categories.

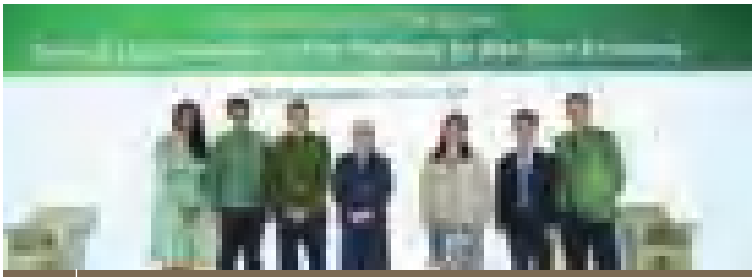
On this occasion, Jenius presented the #runtogetherwithjenius program through fun run, workshop and talk show on preparing for running competitions. Jenius also presented special offers for Jenius users such as on purchasing tickets to Garmin Run Indonesia 2023 and special discounts for the purchase of Garmin products with Jenius payment facility. To add to the excitement, during the two days of race pack collection on 22-23 September 2023, and on race day of Garmin Run 2023 Indonesia, Jenius held the Jenius Auction, Jenius Cheering Zone, Jenius Running Experience Booth and many more.



6 October

Jenius of Bank BTPN again held the 7 Days 7 Nights #becomingmorejenius program by presenting for the first the Jenius Online Travel Fair, on 11-17 October 2023. Discounts of up to Rp7 million were available at Traveloka for the purchase of tickets, accommodations, to holiday activities. Jenius Online Travel carried on a new travel fair concept never before offered to customers.

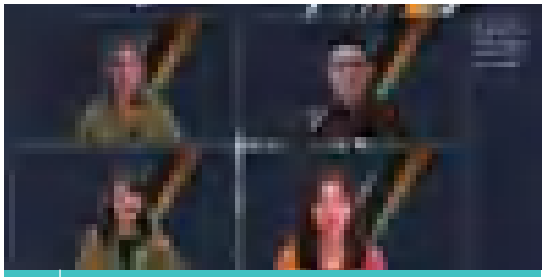
Friends of Jenius could join the voucher war to obtain a discount of Rp7 million only by purchasing a voucher worth Rp7,007 at the Loket.com booth by using Jenius Visa Credit and Debit Cards. The voucher may be redeemed at Traveloka for various purposes, such as hotel, transportation to entertainment bookings. More than 5,000 vouchers were allocated for grabs during the voucher war event. Aside from the Rp7 million discount by using Jenius Credit and Debit Cards for purchasing at Traveloka, friends of Jenius could also take up on the special offers of extra cashback up to Rp2.5 million from Flexi Cash.



12 October

Bank BTPN held the 2023 Sustainability Seminar on "Addressing Climate Change through Decarbonization Initiatives Across Wider Business Sectors" with the theme "Beyond Energy Transaction: Seizing Opportunities in the Pathway to Net Zero Economy". Attended by at least 200 guests from 60 companies, the seminar was conducted at The Westin Hotel Jakarta on 12 October 2023, aimed at sharing knowledge to corporate customers regarding decarbonization businesses that may also be of interest to various business sectors. Not only the customers, the event was also attended by 18 journalists from various media, from Bisnis Indonesia, Infobank, Tempo Sindonews.om, SWA, Gatra and others.

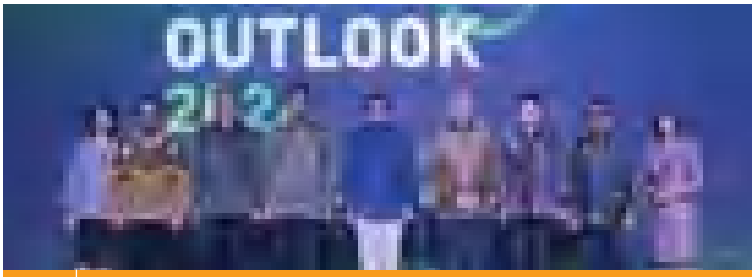
Three main speakers took part in the seminar, namely Head of Region I of the Ministry of the National Development Planning Agency-Abdul Malik Sadat Idris, Director of Derivative Financial Supervision and Carbon Exchange of Financial Services Authority-Lufaldy Ernanda, and Head of Business Development 2 Division of the Indonesia Stock Exchange-Ignatius Denny Wicaksono. The seminar consisted of four sessions covering various topics by various speakers as follows: Nanda Noor from Principal for Policy & Program of Indonesia Business Council (IBC), Sonali Gupta from Climate-Specialized Associate Investment Officer of International Finance Corporation (IFC), Katherine Pamintuan as Head of ESG Convene. In addition, also present was the Head of Sustainability Solutions Group (APAC) of Sumitomo Mitsui Banking Corporation, Priya Bellino as moderator.



2 November

Bank BTPN announced its partnership cooperation with PT Manulife Asset Management Indonesia (MAMI), Indonesia's largest investment management company with mutual funds under management (AMU) of Rp45.8 trillion (as of end of September 2023). Through such cooperation, Bank would complete its business by presenting 7 (seven) Manulife mutual funds to provide investment solutions to its customers.

This product consists of one money market mutual funds in rupiah denomination, two fixed income mutual funds in rupiah, one fixed income mutual funds in US dollar, two stock mutual funds in rupiah, and one offshore stock mutual funds in US Dollar, of which the portfolio consists of stocks of global-scale Asian companies.

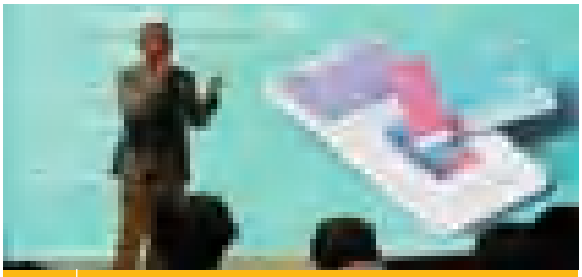


22 November

Bank BTPN held the 2024 Economic Outlook in accord with the launching of Bank BTPN's newest innovative product the "ESG Deposit", at the Grand Ballroom of Hotel Indonesia Kempinski, Jakarta. At this year's Economic Outlook event, Bank BTPN carried on the headline of "Navigating Through 2024: Strategies for Resilience and Growth" which reflected the strategic vision of Bank BTPN to walk together with customers through the challenges of years ahead with resilience and facilitate sustainable economic growth.

On this occasion, the Secretary of BUMN Ministry, Rabin Indrajad Hattari and head of the Fiscal Policy Agency (BKF) of the Finance Ministry of the Republic of Indonesia, Febrio Kacaribu, were present as representatives of the government to extend the main speeches. Co-Founder of Creco Research Institute, Chatib Basri, also attended the event to discuss macro-economic prospects during the election year amidst uncertainties in the global economy. Meanwhile, Yustinus Prastowo as Special Staff for Strategic Communication of the Finance Ministry conveyed the fiscal strategy to improve Indonesia's economic growth in 2024. Closing the event, Muhammad Qodari as Political Observer and Executive Director of Indo Barometer talked about Indonesia's Election period of 28 November 2023 to 10 February 2024.

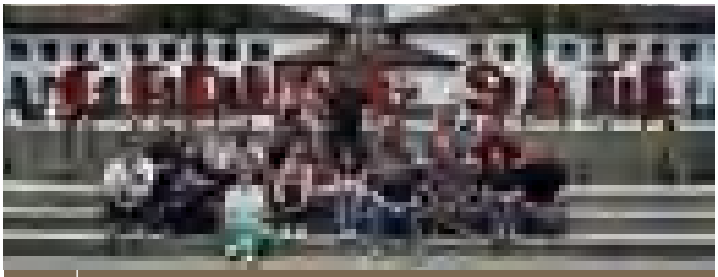
2023 EVENT HIGHLIGHTS



23 November

Jenius of Bank BTPN held a Press Conference on the presentation of Yay Points exchange on the Jenius Visa Credit Card which made it even more complete with the presence of a travel category for the exchange to KrisFlyer Miles and Traveloka Points. This was a further development after previously, in May 2023, Yay Points were exchangeable with e-Wallet balance, namely GoPay and OVO.

To further maximize the collection of Yay Points, because at Jenius #SemuaAdaPinnya (#EverythingHave Points), Jenius also has the Double Yay program. The Double Yay program allows each domestic transaction for selected category and overseas transaction in multiples of Rp10,000 to receive 2 Yay Points (1 Yay Point worths Rp5,000). Not only that, friends of Jenius may also receive a bonus of Triple Yay Points (3x Yay Points) from a transaction using Jenius Visa Credit Card, with minimum accumulated transaction of Rp20,000,000 per month.



30 November-1 December

Bank BTPN held a Year-End Media Gathering 2023 "Back to the Roots: Get To Know Bank BTPN Again" at De Driekleuru Building, Bandung. The event was held as a form of appreciation and gratitude to the media for their support and cooperation that have been established and maintained, as well as to further strengthen the relationship between Bank BTPN and the media. Bank BTPN's officials also attended the event: President Director Henoch Munandar, Compliance Director Dini Hardini, Head of Wholesale, Commercial, and Transaction Banking Nathan Christianto, Head of Digital Banking Business Stream Anita Ekasari, and Communications and Daya Head Andrie Darusman.

A series of activities began with a sharing session for the 22 attending journalists from 11 national media and 11 Bandung local media with speakers from Bank BTPN. In addition, journalists were given the opportunity to visit the branch office of Bank BTPN Ahmad Yani to take a closer look at various activities on health services, benefits for retired customers, as well as a walking tour around Bandung city with Beritabandung.id to visit several typical Bandung culinary spots.



7 December

Bank BTPN held its Extraordinary General Meeting of Shareholders (EGMS) on 7 December 2023 where the shareholders officially approved the following: (1) plans to withdraw Company shares from buyback ("Treasury Stock"); and (2) plans for Additional Capital Investment by Granting Pre-Emptive Rights II ("PMHMETD II") or Rights Issue II, in accordance with the provisions in the Company Articles of Association and applicable laws and regulations.



11-12 December

Bank BTPN again held an annual event known as "Daya Fest 2023", on 12-13 December 2023. Carrying on the theme "An Empowerment for A More Meaningful Sustainable Life", a series of activities of Daya Fest 2023 became one of Bank BTPN's commitments in implementing sustainable development which is inseparable from the role of external stakeholders who conduct business or interact with Bank BTPN, as well as in providing education to broaden the understanding of sustainability topics for the community.

AWARDS AND CERTIFICATION

AWARDS



AWARDS AND CERTIFICATION

No.	Awards			Date	Type of Awards	Additional Information
	Name of Awards	Category	Institution of Provider			
1	4th Anniversary of Indonesia's Popular Digital Products Awards 2023	KBMI 3 Mobile Banking	The Iconomics	17 February 2023	N/A	The award is a form of appreciation to innovative institutions in Indonesia's digital sector capable of coping with opportunities, challenges and competitions from technological disruption waves. Jenius of Bank BTPN received the award in the KBMI 3 category, namely a bank with core capital of more than Rp14-70 trillion for mobile banking.
2	Triple A Country Awards 2022	Sustainable Finance 2022: 1. "Best Green Loan" 2. "Best Local Currency Green Loan"	The Asset	23 February 2023	N/A	Bank BTPN received 2 (two) awards for category "Sustainable Finance 2022". The first for "Best Green Loan" through Bank BTPN's green financing program worth US$750 million provided to PT Perusahaan Listrik Negara/PLN (the National Electric Company) in December 2022, whereby Bank BTPN and Sumitomo Mitsui Banking Corporation (SMBC) act as coordinating mandated lead arranger and bookrunner, and green loan coordinator. Under the same category, BTPN was awarded for the "Best Local Currency Green Loan" through the provision of green financing facility worth Rp1.06 trillion to PT Kepland Investama since October 2021 where BTPN acts as sole lender.
3	Indonesia Public Relations Award (IPRA) 2023: Winning Economic Growth through Consistent Collaboration	Category: Conventional Bank Best Public Relations in Company Management on Expanding Mass Market Product and Services	WartaEkonomi.co.id	24 February 2023	Certificate of Merit	The awards were given to the public relations of companies with outstanding role and function in their innovation to improve the company's quality and performance amidst industry's increasingly tight competition and improvement in Indonesia's economic conditions. Bank BTPN received "Best Public Relations in Company Management on Expanding Mass Market Products and Services" for Conventional Bank category.
4	PR INDONESIA AWARDS (PRIA) 2023	Category: Most Popular in Print and Online Media 2022 Sub-Category: National Private and Multinational Public Companies	PR INDONESIA	17 March 2023	Certificate of Merit	The award was extended to the company which has succeeded in obtaining the highest positive exposure level in print and online media. Bank BTPN received the award for category "Most Popular" in 2022 print and offline media, sub-category of National Private and Multinational Public Companies.
5	Top 100 Most Outstanding Women 2023	Hanna Tantani, Top 100 Most Outstanding Women	Infobank	05 April 2023	NA	The awards were extended as a form of appreciation and acknowledgement to the best women leaders for their contribution through their experience and performance in the development of the institutions/corporations they lead. Hanna Tantani as Finance Director of Bank BTPN was in 39th position out of the 100 Most Outstanding Women.

No.	Awards			Date	Type of Awards	Additional Information
	Name of Awards	Category	Institution of Provider			
6	12th Infobank Digital Brand Awards 2023	1. The Best Bank with Digital Services (KBMI 3) – Jenius 2. The 3rd Best of Conventional Commercial Bank's Deposit – BTPN Time Deposit 3. The 3rd Best Debit Card of Conventional Commercial Bank – BTPN Debit Card (Jenius)	Infobank	12 April 2023	Certificate of Merit, Plate	The awards were given to institutions that have succeeded in digitally promoting the company's brands and products in the past year (2022-2023) and assessed as one of the best banks based on public's assessment and social media feedback on the digital-based banking products and services. Bank BTPN received three awards, namely as The Best Bank with Digital Services (KBMI 3) – Jenius, The 3rd Best Deposit of Conventional Commercial Banks – BTPN Time Deposit, and the 3rd Best Debit Card of Conventional Commercial Banks (Jenius).
7	PPKM Award 2023	Certificate of Merit for COVID-19 Handling Category: Domestic Private Institution	Ministry of Health of the Republic of Indonesia	8 May 2023	Certificate of Merit	The award was extended for the contribution provided in managing COVID-19 in Indonesia. Bank BTPN was one of 153 award recipients for domestic private institution category.
8	20th Infobank-MRI Banking Service Excellent 2023	1. Jenius - The Pioneer of Digital Banking In Indonesia (Special Rank) 2. The 2nd Best In Service Excellence 3. The 1st Best Bank With Digital - Jenius (BTPN) 4. The 1st Best Call Center 5. The 1st Best Email 6. The 2nd Best Mobile Banking 7. The 2nd Best Chatbot 8. The 2nd Best Live Chat	Infobank	20 June 2023	Certificate of Merit	The award was extended as a form of appreciation to banks for their services of excellence and customer experience in 2022, based on reviews by Infobank Research Bureau (BiRI) and Marketing Research Indonesia (MRI). Jenius of Bank BTPN was awarded with eight awards altogether.
9	Best Companies to Work for in Asia 2023	Best Companies to Work for in Asia 2023 (Indonesia Region)	HR Asia	27 June 2023	Plate & Certificate of Merit	The awards were given to companies in Asia with the best performance in human resource sector. This is reflected in the high level of employees involvement and excellent working culture. Bank BTPN was one of the recipients for Best Companies to Work For in Asia TM 2023 (Indonesia Region)
10	Indonesia Most Powerful Women Awards 2023	Indonesia Most Powerful Women 2023 in Maximizing Digital Technology Utilization to Support National Economic Resilience (Hanna Tantani) Category: Conventional Bank	HerStory	27 July 2023	NA	The awards were given as a form of appreciation to women leaders who have consistently performed innovation, adaptation, and development in companies of each industrial sector. Bank BTPN (Hanna Tantani) received the award for Indonesia Most Powerful Women 2023 in Maximizing Digital Technology Utilization to Support National Economic Resilience in Conventional Bank category.

AWARDS AND CERTIFICATION

No.	Awards			Date	Type of Awards	Additional Information
	Name of Awards	Category	Institution of Provider			
11	Indonesia Digital Customer Engagement Champion 2023	Category FINANCIAL SERVICE BANK Assessment VERY GOOD	SWA & Business Digest Magazines	27 July 2023	Certificate	The awards were extended as a form of appreciation to companies assessed as successful in managing digital involvement through program strategy, innovation and implementation or performance of excellence in support of company sustainable growth. Jenius of Bank BTPN was assessed as "Very Good" for Bank Financial Service category.
12	28th Infobank Award 2023	"DIAMOND TROPHY" EXCELLENT FINANCIAL PERFORMANCE BANK IN 20 CONSECUTIVE YEARS (2003-2023) & EXCELLENT FINANCIAL PERFORMANCE BANK IN 2022	Infobank	25 August 2023	Trophy, Certificate of Merit	The award is a form of appreciation extended to 62 banks in Indonesia assessed for their successful performance as "Very Good" on the "2023 Infobank Rating of 106 Banks". Infobank magazine extended special awards to 32 banks, namely 9 banks with the Golden Trophy, 4 banks with the Platinum Trophy, 3 banks with the Titanium Trophy, 11 banks with the Diamond Trophy and 5 banks with the Crown Trophy. Bank BTPN received the Diamond Trophy category award for its financial performance assessed as very good in the year 2022 and for the span of 20 consecutive years (2003-2022). Bank BTPN was one of the 11 banks awarded with the Diamond Trophy.
13	Asia Sustainability Reporting Rating (ASRRAT) 2023	Platinum Rank	National Center for Corporate Reporting (NCCR)	06 November 2023	Trophy	The award is a form of appreciation for the contribution of companies in attaining sustainable development through the implementation of environmental, social and governance principles in their business operations. The assessment is based on the level of compliance and quality of their sustainability reporting against the Global Reporting Initiative (GRI) standards. There are four award rating, namely Platinum, Gold, Silver and Bronze. 2023 is the 3rd year that Bank BTPN has received a Platinum rating in a row in its four years of participation in the event.
14	Top 20 Financial Institution Awards 2023	Assessed as "Very Good" for the category of Banks with assets worth Rp100<Rp500 trillion Best CFO for Bank Category	The Finance	14 November 2023	Certificate of Merit	This award is a form of appreciation to banks, general and life insurance as well as multi-finance companies that have succeeded in maintaining stable and positive growth in performance for 3 financial periods. Bank BTPN received the award as "Very Good" for category Banks with assets worth Rp100<Rp500 trillion, and for Hanna Tantani as Best CFO for Bank Category.

No.	Awards			Date	Type of Awards	Additional Information
	Name of Awards	Category	Institution of Provider			
15	Infobank Top 100 CEO & The Next 200 Leaders 2023	Top 100 CEO 2023	Infobank	4 December 2023	NA	This award is a form of appreciation to company leaders in such industries as banking, life insurance, general insurance, multi-financing, State-Owned Enterprise, and financial sector support considered to have provided encouraging results for the companies they lead. The awarded was given to President Director of Bank BTPN, Henoch Munandar.
16	Indonesian Sustainable Development Goals Award 2023	Platinum Award	Corporate Forum for CSR Development	4 December 2023	Certificate of Merit	This award is dedicated to companies in Indonesia regarded as successful in implementing programs that have significantly support 17 Sustainable Development Goals (SDGs). Bank BTPN was awarded with Platinum.
17	Detikcom Awards 2023	Digital Bank with Most Innovative Features	Detik.com	29 December 2023	Trophy	This award is a form of appreciation to various revolutionary innovations created by Jenius of Bank BTPN as life finance solutions for the digital savvy. Jenius of Bank BTPN was awarded as Digital Bank with the Most Innovative Features.

CERTIFICATION

No	Name of Certification	Time Presented	Validity Period	Institution of Provider
1	ISO 9001: 2015 Corporate Procurement & Vendor Governance	28 October 2022	28 October 2025	SGS
2	ISO/IEC 27001:2013 Retail Account Services	01 July 2023	31 October 2025	BSI Group Indonesia
3	ISO 9001:2015 Retail Loan Processing	19 January 2023	06 January 2025	TUV Rheinland



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> Bank BTPN's positive business performance in 2023 was the result of hard work by management and the supporting organization. Likewise, the role of shareholders and regulator, that the Bank's operations function smoothly in compliance with existing regulations and best business practices, despite the significant challenges of business activity.



The Board of Commissioners considered that the Board of Directors was successful in ensuring that Bank BTPN performed well. Bank BTPN's commitment to emphasizing prudential banking standards in all business decisions contributed to its strong performance.

Chow Ying Hoong
President Commissioner

REPORT FROM THE BOARD OF COMMISSIONERS

Dear Shareholders and Stakeholders,

Under applicable laws and regulations, the Board of Commissioners is responsible for supervising and advising the Board of Directors on the management of the Bank's business activities. This report is part of the implementation of statutory regulations governing the duties and responsibilities of the Board of Commissioners, as well as a form of transparency and disclosure of information by PT BANK BTPN Tbk ("Bank BTPN" or "Bank").

The Board of Commissioners believed that the management had faced very dynamic conditions in fiscal year 2023, which required quick and appropriate responses to ensure that the Bank's performance would not be harmed by external developments and global market uncertainty, such as the high interest rate environment.

Nonetheless, the Board of Directors had responded well to the evolving situation, resulting in improved performance for Bank BTPN. The Bank generated a net profit attributable to owners of parent entity of Rp2.36 trillion. The proportion of low-cost funds, commonly known as Current Accounts and Savings Accounts (CASA), had improved, as did credit disbursement.

The Board of Commissioners would like to express appreciation for this achievement especially because it demonstrated the Bank's exceptional resilience and adaptability. Similarly, GCG implementation continued to improve, which would contributes to the Bank's long-term business performance.

DEVELOPMENTS IN THE ECONOMY AND INDUSTRY

The global recovery process from the consequences of the COVID-19 pandemic had not been smooth in 2023. Furthermore, during the recovery process, geopolitical situations such as the ongoing Russian-Ukrainian conflict and tensions between Israel and Palestine posed further challenges to improve the global economic performance.

These political conflicts continued to influence global supply chain activities, therefore many governments maintained high interest rates to combat possible inflation. The global economic recovery process was delayed and uneven across different countries.

China, for example, faced low levels of domestic demand. Added to this was the burden of the property sector crisis, which hampered the country's economic progress and ultimately contributed to the slowing of global economic growth.

REPORT FROM THE BOARD OF COMMISSIONERS

Despite adverse global conditions, the Indonesian economy had demonstrated strong resilience. The Central Statistics Agency (BPS) reported a Gross Domestic Product (GDP) growth rate of 5.05% in 2023, slightly less than the 5.31% recorded in 2022.

This strong economic performance was aided, among other things, by the government's ability to lower inflation, which boosted people's purchasing power. According to BPS data, household consumption grew by 4.83% in 2023.

The monetary sector was likewise very stable, despite the fact that Bank Indonesia (BI) raised its benchmark interest rate, the BI 7-Day Reverse Repo Rate (7DRRR), to 6.00% in October 2023 from 5.75%. Deposit and lending rates had also risen to 5.25% and 6.75%, respectively.

The increase in interest rates was part of the measures to stabilize the national economy by lowering inflation and easing the pressure on the rupiah exchange rate, given that industrialized countries still had high interest rates. As a result, inflation in December 2023 remained low at 2.61% (yoy), lower than the inflation recorded for 2022 at 5.51% (yoy).

Banking resilience was also well maintained, as evidenced by strong capital and minimal credit risk. The capital adequacy ratio (CAR) was recorded at a high level of 27.65% in December 2023. Meanwhile, credit risk was under control, with a non-performing loan (NPL) ratio of 2.19% gross and 0.75% net as of December 2023.

Bank Indonesia's stress test findings showed that Indonesia's banking resilience remained solid in the face of global pressure. BI would continue to strengthen policy synergies with the Financial System Stability Committee (KSSK) to mitigate various risks that could jeopardize financial system stability.

The implementation of the Bank intermediation function also continued to improve. As of December 2023, third-party funds (DPK) rose by 3.73% year on year. Meanwhile, bank credit disbursement increased by 10.38%. Increased credit/financing disbursement was driven by rising demand, which coincided with stable corporate and household economic performance. Credit growth was primarily driven by the trade, industrial, and business services sectors

ASSESSMENT OF DIRECTORS' PERFORMANCE AND BASIS FOR ASSESSMENT

When examining the Board of Directors' performance, the Board of Commissioners took into account the Board of Directors' response to the dynamic external conditions of 2023. Furthermore, the Board of Commissioners supervised and evaluated the Board of Directors' performance with reference to the Bank Business Plan and its revisions, which were prepared by the Board of Directors, approved by the Board of Commissioners, and submitted to the Financial Services Authority (OJK).

Given all of this, the Board of Commissioners considered that the Board of Directors was successful in ensuring that Bank BTPN performed well. Bank BTPN's commitment in emphasizing prudential banking standards in all business decisions contributed to its strong performance.

This strong performance was demonstrated, among other things, by an 18.3% increase in interest income compared to the same period last year (yoy), while net interest income increased by 3.1% to Rp12.0 trillion. Meanwhile, consolidated operating income increased by 3.1% year on year. Pre-Provision Operating Profit (PPOP) reached Rp6.5 trillion, while the Net Interest Margin (NIM) grew to 6.45%.

In 2023, Bank BTPN decided to increase its loan provisioning as part of its risk management commitment. This was also in anticipation of the conclusion of POJK credit restructuring relaxation policy on 31 March 2024.

With this additional provision, credit costs rose to Rp1.20 trillion, affecting Bank BTPN's net profit after tax. On a consolidated basis, the Bank's net profit attributable to parent entity owners was Rp2.3 trillion at the end of 2023, a decrease of 23.8% (year on year).

Board of Commissioners' Supervision on Strategy Formulation and Implementation

The Board of Commissioners supervised the management of Bank BTPN by the Board of Directors, from strategy formulation to implementation. These actions were monitored through the Bank Business Plan Realization Indicators.

In carrying out its supervisory and advisory function, the Board of Commissioners held joint meetings with the Board of Directors both on a regular and ad hoc basis. During these joint meetings in 2023, the Board of Commissioners made recommendations to the Board of Directors, all of which were followed up. The regular joint meetings focused primarily on developments in the Bank's performance indicators.

The Board of Commissioners believed that in 2023, the Board of Directors performed effectively in terms of strategy formulation and execution, as indicated by the Bank's strong performance during the fiscal year. For this reason, the Board of Commissioners would like to express gratitude not only for the outcomes, but also for the efforts of the Board of Directors, in collaboration with the bank staff at all levels of the organization, in developing and implementing strategies.

Frequency and Method of Providing Advice

Aside from supervising, the Board of Commissioners regularly monitored and advised the Board of Directors. This was accomplished by submitting recommendations, either directly in meetings between the Board of Commissioners and the Board of Directors or through committees under the Board of Commissioners.

Throughout 2023, the Board of Commissioners met six times with the Board of Directors. These meetings reviewed hundreds of agenda items and included input from the Board of Commissioners to be followed-up by the Board of Directors.

The Board of Commissioners could provide advice to the Board of Directors outside of meetings as well. The Board of Commissioners obtained input from committees, which assisted the Board of Commissioners in performing its duties and functions, and the outcomes weree presented to the Board of Directors as recommendations.

OUTLOOK ON BUSINESS PROSPECTS

The Board of Commissioners believed that in the preparation of business prospects, it was necessary to consider the numerous issues that may have an impact on Bank BTPN's performance. These issues included internal and external conditions, such as the impact of environmental changes on business, products, and technology. A SWOT analysis (strengths, weaknesses, opportunities, and threats) was conducted on the Bank's competitive position taking into consideration the Bank's business position in the banking industry, financial performance, organizational structure, infrastructure, managerial capabilities, and human resource availability.

This consideration included an analysis of all alternative strategies in light of the Bank's strategic objectives, risk tolerance, and long-term goals. From this process, the Bank's business prospects were identified, including, among other things, the potential for credit and funding expansion, increased company profitability, corporate action plans, and business objectives.

The Board of Commissioners had also determined that 2024 would be a difficult year for the Board of Directors owing to the general elections for Indonesia president and vice president, legislative members, and regional leaders.

As a result, the Board of Commissioners urged the Board of Directors to continue monitoring company developments and anticipate potential issues in 2024. Furthermore, the Board of Commissioners gave frequent feedback on the implementation of good corporate governance (GCG) and anti-fraud management, as well as regular monitoring of Bank BTPN's performance.

REPORT FROM THE BOARD OF COMMISSIONERS

IMPLEMENTATION OF CORPORATE GOVERNANCE

The Board of Commissioners viewed the implementation of good corporate governance (GCG) standards as a solid foundation in maintaining the sustainability of Bank BTPN's business. Banking was a financial services industry that operated on the basis of stakeholder trust.

Given the importance of adopting GCG principles, the Board of Commissioners, in addition to constantly monitoring their execution, was actively involved in the governance process. Bank BTPN conducted semi-annual and annual comprehensive evaluations of the implementation of GCG.

In fiscal year 2023, the self-assessment of Bank BTPN's GCG implementation was graded "Rank 2, the same as the previous year. The findings of this assessment were an integral aspect of the governance implementation report.

An independent party also evaluated Bank BTPN's GCG in accordance with international standards, specifically the ASEAN Corporate Governance Scorecard (ACGS). In 2023, Bank BTPN's total score (overall score) for GCG practices implemented in 2022 was 99.19 points.

Overall, Bank BTPN's GCG application achieved the "Very Good" rating, or Level 4 (90.00-100.00). Achieving this rating indicated that Bank BTPN's implementation of GCG principles met all international requirements as outlined by the ACGS standards.

Whistleblowing System Implementation

The Board of Commissioners fully supported the implementation of the Whistleblowing System (WBS) within Bank BTPN. The Board of Commissioners, in its function as the Audit Committee, conducted direct inspections of the complaint channel and its management at any time as needed.

Furthermore, any reports of fraud involving the Board of Commissioners/Board of Directors/Board of Management (BoM)/Executive Officers or Bank Financial Statements could be reported to the Audit Committee or the Risk Monitoring Committee. The committee would make decision based on the finding in accordance with applicable regulations.

The Board of Commissioners believed that the WBS implementation at Bank BTPN was adequate and working smoothly.

Assessment of Committees under the Board of Commissioners

Until the end of the 2023 fiscal year, the Board of Commissioners of Bank BTPN (bank-only) was assisted by four committees: Audit Committee, Remuneration and Nomination Committee, Risk Monitoring Committee, and Corporate Governance Committee. All committees were responsible for performing reviews and supervision in accordance with the roles and responsibilities outlined in their individual committee work rules and charters.

Every year, the Board of Commissioners would assess the performance of these committees. This assessment's parameters or criteria include, among other things, meeting attendance. This was significant because the recommendations made at the meeting would be used by the Board of Commissioners to perform its supervisory duties.

Aside from that, the committee's assessment also took into account the results of the recommendations, which demonstrated the committee's competency. In implementing these assessment parameters in 2023, the committees also visited branch offices to check on adherence to Bank BTPN's compliance and governance framework.

In light of these parameters, the Board of Commissioners considered that the performances of the committees under its purview were acceptable. These committees had given the Board of Commissioners its full support in carrying out its tasks and functions.

CHANGES IN BOARD OF COMMISSIONERS COMPOSITION AND THE REASONS

The Board of Commissioners' composition changed in 2023. The Annual General Meeting of Shareholders (GMS), convened on 13 April 2023, approved Irwan Mahjudin Habsjah's resignation as Independent Commissioner, effective as of the close of the GMS. Bank BTPN would like to extend its heartfelt gratitude and appreciation for the services rendered during his period in office.

At the same time, the GMS designated Onny Widjanarko as Independent Commissioner of Bank BTPN. Thus, the Board of Commissioners' composition till the conclusion of the fiscal year 2023 was as follows:

Position	Name
President Commissioner	Chow Ying Hoong
Commissioner	Takeshi Kimoto
Independent Commissioner	Ninik Herlani Masli Ridhwan
Independent Commissioner	Onny Widjanarko
Independent Commissioner	Edmund Tondobala
Commissioner	Ongki Wanadjati Dana

APPRECIATION

Bank BTPN's positive business performance in 2023 was the result of hard work by management and the supporting organization. As a result, the Board of Commissioners would like to extend our heartfelt gratitude to the Board of Directors and all staff who had helped make this happen.

The Board of Commissioners would also like to thank the shareholders for giving them the chance to be part of Bank BTPN's business activities. Similarly, with the direction and guidance offered, the Board of Commissioners could carry out its tasks and activities effectively. Meanwhile, the Board of Commissioners would like to thank the regulator for their assistance and supervision in ensuring that the Bank's operations function smoothly in compliance with existing regulations and best business practices, despite the significant challenges of business activity.

The Board of Commissioners would like to thank our other stakeholders for their continued cooperation. It was with the support of stakeholders, the Management could achieved the strong business results for the fiscal year 2023.

Jakarta, March 2024
On behalf of the Board of Commissioners,



Chow Ying Hoong
President Commissioner

THE BOARD OF COMMISSIONERS







1. **Chow Ying Hoong**
   President Commissioner
2. **Onny Widjanarko**
   Independent Commissioner
3. **Ongki Wanadjati Dana**
   Commissioner







4. **Edmund Tondobala**
   Independent Commissioner
5. **Ninik Herlani Masli Ridhwan**
   Independent Commissioner
6. **Takeshi Kimoto**
   Commissioner



Despite continuing severe external conditions in 2023, Bank BTPN was able to achieve encouraging results. The Bank's loan growth was strong, liquidity and funding levels remained healthy, and the capital adequacy ratio was high.

Bank BTPN intends to accelerate its growth while remaining optimistic about the economy by providing sustainable financial services solutions for all segments, supported by cutting-edge digital technology, and incorporating sustainability values into every step we take to continue bringing positive change to customers.

Henoch Munandar
President Director

REPORT FROM THE BOARD OF DIRECTORS

Dear Shareholders and Stakeholders,

Please allow us to submit the Annual Report of PT BANK BTPN Tbk ("Bank BTPN", "Bank") for fiscal year 2023 as part of the implementation of good corporate governance principles. Despite numerous challenges throughout the fiscal year, the Bank achieved favorable results.

The Bank's external dynamics include, for example, the uneven rate of the world economy's recovery following the impact of the COVID-19 epidemic. Aside from that, there were rising geopolitical tensions, which raised the prospect of global interest rates remaining high for an extended period of time (the higher-for-longer phenomenon), thus pushing up global inflation rates.

Central banks the world over, and particularly in industrialized countries, sought to keep inflation under control by implementing restrictive monetary policy throughout the year. This, in turn, exerted pressure on economic performance.

Indonesia, like many other nations, had been dealing with the long-term effects of the Covid-19 pandemic and ways to manage it. Among other things, Bank Indonesia had hiked the benchmark interest rate in order to curb inflationary pressures and stabilize the rupiah. The tight monetary policy imposed a strain on the economy.

Nonetheless, Indonesia's economy has proven to be extremely resilient. The Central Statistics Agency (BPS) reported that Gross Domestic Product (GDP) increased by 5.05% in 2023, down slightly from 5.31% in 2022.

The national banking industry remained resilient. This was mostly evidenced in a high capital level and low credit risk. Commercial banks' capital adequacy ratio (CAR) stood at 27.65% in December 2023. Credit risk was also under control, as evidenced by the low non-performing loan (NPL) rates of 2.19% (gross) and 0.75% (net) per December 2023.

Stress tests undertaken by Bank Indonesia (BI) demonstrated that banking resilience remained high in the face of global pressures. Aside from that, BI continued to pursue policy synergy with the Financial Sector Stability Committee (KSSK) to mitigate various risks that could threaten the financial system stability.

The improvement in banking intermediation continued. As of November 2023, third-party funds (DPK) had increased by 3.73% annually (year on year/yoy), whereas bank credit increased by 10.38% year on year. The growth in credit/financing was driven by increased demand for credit, which coincided with stable corporate and household performance. Credit growth was primarily driven by the trade, industrial, and business services sectors.

REPORT FROM THE BOARD OF DIRECTORS

Bank BTPN achieved acceptable results despite continuing adverse external conditions in 2023. At the end of year, the Bank reported solid credit growth. The increase occurred mostly in the corporate segment, which expanded by 7.6% annually (yoy), as well as the small and medium businesses (SME) segment, Jenius, and Joint Finance which rose by 17.7%, 131.1%, and 681.7%, compared to the previous year.

Thus, Bank BTPN's Growing Business group rose by 9.5% (year on year). However, Transforming Business declined by 4.1%, resulting in a 7.1% increase in total consolidated credit disbursed by Bank BTPN as of the end of December 2023 to Rp156.6 trillion, from Rp146.1 trillion at the end of December the previous year.

In terms of capital, Bank BTPN began raising additional capital in the fourth quarter of 2023 via the Rights Issue with Pre-emptive Rights II (PMHMETD II). The proceeds from the public offering (after deducting emission expenses) were intended to fund future Bank projects that stimulate corporate growth.

Included in the planned utilization of these funds is the acquisition of 2 (two) multifinance companies, namely PT Oto Multiartha and PT Summit Oto Finance. The acquisition is expected to be completed in the first quarter of 2024.

PERFORMANCE IN 2023

Challenges and Obstacles

Throughout 2023, Bank BTPN was able to overcome the challenges in the implemention of its business development strategy. Among them, global market instability that could have an impact on the domestic economy in 2023-2025. Even though incidences of the COVID-19 pandemic had declined, new varieties might impede economic recovery by limiting people's social activities should cases increase.

Similarly, global political tensions and ongoing hostilities between countries had influenced commodity supplies and prices in 2023. The conflict between Russia and Ukraine continued to strain global supply systems, putting further pressure on commodities and energy prices.

These factors also promoted more economic volatility. The Israel-Hamas conflict had the potential to grow, putting pressure on global financial performance, inflation, and energy prices.

In the financial markets, the Federal Reserve's (The Fed) interest rate hike put additional pressure on the rupiah and the Indonesian economy. Similarly, rising inflation owing to increased commodity and energy prices had impeded economic growth. As a result, raising the benchmark interest rate in an effort to lower inflation might increase the risk of a crisis.

Internally, Bank BTPN continued to face pressure in its Transforming Business lines, where the Bank needed to properly manage businesses that are classified as mature.

Target Markets, Strategy and Strategic Policies, and Their Implementation

In 2023, Bank BTPN's target market was to focus on serving the retail and mass market segments consisting of retirees, micro, small, and medium enterprises (MSMEs), productive underprivileged communities, consuming class segments, as well as the corporate segment. This business focus was supported by the Bank's business units, namely BTPN Wealth Management Business – a funding and wealth management business unit that focuses on the growth of third-party funds from the middle to upper-income individual segment.

Another business unit that supports achieving market targets is BTPN Retail Lending, which focuses on serving retirees, pre-retirees, and micro-business customers. Then, BTPN Business Banking – which focuses on serving small and medium businesses, Jenius for the consuming class segment via digital platforms, as well as a corporate business unit, which focuses on serving large national, multinational, commercial, and Japanese companies.

Additionally, Bank BTPN has a subsidiary, PT Bank BTPN Syariah Tbk, which focuses on serving customers from productive, underprivileged communities. Through the Daya program, a sustainable and measurable mass market empowerment initiative, Bank BTPN regularly provides training and information to increase customer capacity to grow and get opportunities for a better life.

In general, several strategies and strategic policies were implemented by the Bank in the 2023 financial year, namely:

1. Growing loans by setting a risk appetite that is in line with Bank's objectives and by encouraging distribution through the value chain.
2. Increasing the retail customer base and revenue by enhancing Jenius' capabilities as a platform and wealth management, optimizing distribution channels, collaboration across line of business (LOB), and strategic partnerships with the market ecosystem.
3. Increasing Current Account and Savings Account (CASA) and fee-based and foreign exchange income by developing customer value propositions, capabilities, products and services.
4. Investing in talent and instilling a high-performance, trust-based culture.
5. Implementing operational excellence bank-wide by implementing digitalization and process excellence.
6. Optimizing resources use and return on assets.
7. Developing optimized value propositions and collaboration to the level permitted by regulators with BTPN Syariah, SMBC's subsidiary in Indonesia, and SMBC's global network.
8. Developing information technology operational excellence and continue to build digital and cyber security capabilities.
9. Continuing to strengthen our Human Resources, Risk Management, Compliance, and GCG in support of business growth.

Role of the Board of Directors in Strategy and Strategic Policy Formulation and Efforts to Ensure Strategy Implementation

When Bank BTPN was preparing the Bank Business Plan (RBB), the process included Board of Directors' meetings that review company objectives, budgets, and risks. Similarly, the strategy's applicability to the budget and business objectives, as well as the Bank's risk appetite, must be considered. The study was conducted to provide suggestions and strategic priorities based on the principle of prudence and the implementation of risk management with complete coverage.

After the business plans, budgets, and goals were developed and approved, the KPIs (Key Performance Indicators) were next to be developed. This technique helped the management monitor the Bank's performance using more practical and measurable indicators (qualitative and quantitative).

The Board of Directors periodically evaluated these KPIs to verify that plans and strategic policies were operating effectively in order to meet corporate objectives. The material for the monthly Board of Management (BOM) Meeting covers the evolution of financial KPI successes.

Every quarter, the Business Plan Realization Report included details on monitoring and evaluation. This document contained follow-up actions or efforts that should be taken to improve the implementation of the business plan.

The process just described demonstrated that the Bank BTPN Board of Directors had been involved, starting from the formulation of strategies to meet the Bank's objectives. The Board of Directors also carried out regular monitoring of the implementation of strategies and strategic policies through KPI achievement evaluation meetings.

Comparison between Achievements and Targets

Bank BTPN's successful implementation of the 2023 strategy and strategic policies had resulted in strong bank performance, as indicated by its interest income, which increased 18.3% year on year (yoy) to Rp18.8 trillion during the fiscal year. Meanwhile, net interest income was Rp12.0 trillion, up 3.1% from the previous year and 99.8% from the target set.

The Net Interest Margin (NIM) was recorded at 6.45%, up from 6.36% in the prior year. The increase in net interest income was driven by growth of 7.6% in corporate segment loans, 17.7% in SME financing, and 131.1x% in Jenius lending as well as Joint Finance financing of 681.7%.

Overall, the total credit disbursed by Bank BTPN in 2023 was Rp156.6 trillion, 7.1% higher than the previous year. Meanwhile, in terms of credit quality, the Bank's Non-Performing Loans (NPL) were 1.36%, down from 1.43% previous year. Compared to the target, the achievement in loan disbursement is 97.8%.

REPORT FROM THE BOARD OF DIRECTORS

The Bank's operating income for the year also increased by 3.1%, on the strength of the growth in net interest income as well as a 3.0% (yoy) increase in other operating income. Meanwhile, Pre-Provision Operating Profit (PPOP) totaled Rp6.5 trillion.

In 2023, Bank BTPN decided to make additional loan provisioning, including in anticipation of the conclusion of POJK credit restructuring relaxation policy on 31 March 2024.

With this additional provision, credit costs increased by Rp1.2 trillion. This, in turn, had an impact on Bank BTPN's net profit after tax (consolidated) attributable to the owners of the parent entity, which was recorded at Rp2.36 trillion, or 23.8% lower than the previous year, and represented a 97.3% achievement rate against the target.

In terms of fund collection, the Bank's CASA was recorded at Rp44.2 trillion, growing 10.0% compared to the previous year. Thus, the CASA ratio in 2023 rose to 40.8%, from 35.0% in 2022. Meanwhile, time deposits declined by 14.3% to Rp64.0 trillion. Overall, third-party funds declined by 5.8% (yoy) to Rp108.2 trillion.

Commitment to MSME Development

Bank BTPN continued to lend to Micro, Small, and Medium Enterprises (MSMEs) as part of its commitment to sustaining inclusive services and supporting businesses that contribute to the national economy. As a result, the Bank had developed a strategy plan to meet the Macroprudential Inclusive Financing Ratio (RPIM) requirement for MSME lending based on three financing pillars, namely:

1. **Direct Financing & Supply Chain Financing**
   a. Scale up the MSME business by improving existing services and product offerings and optimizing the branch network.
   b. Provide loans to small and medium enterprises (SME) and commercial and corporate customers who distribute loans to the MSME supplier/buyer network.
   c. Provide supply chain financing through internal collaboration with Wholesale Banking and Corporate Japan.
   d. Provide loans to new SME target markets en masse through digital channels, namely the SME Digital platform.
   e. Provide loans through the Pension Portfolio to low-income customers who meet the criteria in the RPIM calculation.

2. **Financing through Financial Institutions**
   a. Financing through People's Economic Banks (BPR) - previously known as People's Credit Banks - with a loan "implementation" scheme for MSMEs.
   b. Financing through multi-finance companies and peer-to-peer (P2P) through a loan channeling scheme.

3. **Financing through SBPI (Inclusive Financing Securities)**
   This initiative is carried out through the Treasury Department by exploring the issuance or purchase of SBPI/bonds.

The implementation of these initiatives resulted in a RPIM ratio of 29.14% at the end of December 2023. This achievement was an improvement from the previous year's realization of 24.57%.

BUSINESS OUTLOOK

The global economy is forecast to rise 3.0% in 2024, aided by the strengthening of the US and Indian economies in tandem with increased consumption and investment. The economic downturn in China, as well as the decline in economic growth that occurred in the United Kingdom and Japan for two consecutive quarters, are projected to continue in 2024, potentially reducing global economic growth prospects. The risk of global inflationary pressure could stem from the escalationn of global geopolitical conflicts, which could lead to an increase in energy commodity prices. Aside from that, weather disturbances have the ability to exacerbate the risk of global and domestic inflation.

The downward trend in the benchmark interest rate in the United States is predicted to begin in the second semester of 2024, owing to the country's considerable inflation pressure. The increase of the dollar index weakened developing countries' currency rates versus the US. This makes Bank Indonesia cautious about when to begin the cycle of lowering the domestic benchmark interest rate, due to the increasing risk of fluctuations in the Rupiah exchange rate against the Dollar, which is still relatively high, even though the risk of domestic inflation remaining relatively stable at 2.6% YoY in 2023.

Inflation in 2024 is expected to be in the range of 2.5% with a deviation of 1%. Domestic economic growth is estimated to be in the range of 4.7%-5.5% YoY for 2024, supported by domestic demand which is supported by the holding of elections, as well as increased investment, especially buildings in line with the continued development of National Strategic Projects (PSN) including the Archipelago Capital (IKN) . Credit growth in 2024 is predicted to increase in the range of 10-12% YoY.

Bank BTPN predicts growing competition in the collection of Third Party Funds (DPK), which will result in gradual adjustments to interest rates on customer deposits and loans. In these settings, the Bank will seek preserve its resilience and ability to absorb various possible risks as the global economic climate evolves.

Bank BTPN also seeks inorganic growth to meet its long-term objectives. To that end, the Bank intends to carry out a rights issue in Quarterly I 2024 to purchase 51% of the shares of PT Oto Multiartha (OTO) and PT Summit Oto Finance (SOF). The Bank believes that this corporate action will open up various potential synergies between entities in the group.

IMPLEMENTATION OF CORPORATE GOVERNANCE

In 2023, the Financial Services Authority (OJK) released OJK regulation (POJK) Number 17, which replaced POJK Number 55/POJK.03/2016 on the Implementation of Governance for Commercial Banks. The regulation attempts to strengthen governance while also encouraging banks to improve governance implementation.

To ensure compliance with evolving legislation, Bank BTPN continued to make progressive changes and revisions to policies, procedures, and other implementing guidance for good corporate governance (GCG) within the Bank. Bank BTPN's application of GCG applied not only to all levels of the Bank's structure, but also to entities within the business group, and was carried out through regular coordination in audit, risk, finance, and compliance.

In accordance with POJK Number 21/POJK.04/2015 and Financial Services Authority Circular Letter (SEOJK) Number 32/SEOJK.04/2015 concerning Public Company Governance Guidelines, Bank BTPN had also implemented aspects and principles of corporate governance on the basis of the "comply or explain" approach.

To strengthen its governance structure, Bank BTPN initiated the formation of a Board of Commissioners Committee, known as the Governance Committee, in 2023. This committee oversees and analyzes the audit, risk management, finance, compliance, and governance functions of the Bank's financial group.

In addition, the Bank had established two Board of Directors Committees. The first was the Fraud Committee, charged with following up on investigation reports relating to fraud occurrences, determining sanctions for parties directly or indirectly implicated in fraud incidents, and determining necessary legal actions to be done. The second was the Sustainability Committee, charged with formulating strategies, policies, and targets, as well as supervising, evaluating, and providing suggestions related to Bank BTPN's implementation of sustainable financing.

GCG concepts were also visible in vendor selection procedures, anti-corruption programs, whistleblowing mechanisms, and internal controls. Bank BTPN already had policies in these areas, supported by frequent evaluations.

To ensure that Bank BTPN's GCG implementation had complied with applicable rules, the Bank conducted a self-assessment in 2023, which was graded "Rank 2" (2022: 2). The findings of this assessment were an integral aspect of the governance implementation report.

REPORT FROM THE BOARD OF DIRECTORS

Bank BTPN also appointed an independent party to review GCG implementation in accordance with ASEAN Corporate Governance Scorecard (ACGS) guidelines. In 2023, Bank BTPN's overall score for GCG implementation in 2022 was 99.19 points.

Overall, the assessment results of Bank BTPN's GCG implementation received the rating of "Very Good", or Level 4 (90.00-100.00). This achievement meant that the implementation of GCG principles at Bank BTPN had complied with all international requirements in accordance with the standards set by ACGS.

IMPLEMENTATION OF CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

The Bank implemented social and environmental responsibility by referring to sustainable financial reporting standards as stated in OJK Regulation Number 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies. A full report had been prepared and presented separately from this annual report.

The Bank is firmly committed to supporting national economic growth while managing climate impacts through integration between the green economy and the Bank's business model framework. With this focus, Bank BTPN aimed to ensure that the measures taken benefit the national economy while also positively impact on sustainability efforts, climate change management, and environment preservation.

Bank BTPN, as part of the SMBC Group, strengthens its commitment to supporting the SMBC Group's sustainability policy goal in achieving the Net Zero Emission (NZE) target for the Bank's operating activities in 2030 and the NZE target for loans and portfolios by 2050. This pledge represents the SMBC Group's contribution to a sustainable world, as well as its unique action to combat climate change and promote a better society in accordance with the "Paris Agreement" goal to reach net zero emissions.



To achieve its sustainability commitment, Bank BTPN had developed the following sustainability strategy:

1. **Development of Sustainable Financial Product Innovations**

   As a financial services provider, Bank BTPN is committed to actively developing and promoting an economic system based on economic, social, and environmental sustainability. As a result, Bank BTPN continues to develop innovative sustainable financial products in accordance with sustainability policies and the Sustainable Finance Action Plan (RAKB).

   The Bank is committed to being not only a successful financial institution but also a participant in the development of a sustainable and inclusive economy for the entire community by applying sustainable finance practices. This commitment is reflected in the Bank's support for environmentally friendly financing facilities for economic activities or projects targeted at lowering greenhouse gas emissions and promoting sustainable economic development.

The realization of sustainable financing to date includes financing the first wind power plant in Indonesia with a capacity of 75MW located in Sidrap, South Sulawesi. There is also the Cirata Floating Solar Power Plant construction project, West Java, which is the first large-scale solar power plant project in Indonesia.

2. **Employee Capacity Development**
   Bank BTPN manages its human resources using sustainability principles to generate long-term value for the Bank, its employees, and society as a whole. Human resource management is carried out in a manner that considers factors of welfare, diversity, and inclusion, as well as fair and transparent treatment. Bank BTPN aspires to establish a decent work environment that can enable its employees to have a positive impact on society (#MoreThanAJourney).

3. **Implementation of Sustainable Finance Principles in Organization and Governance**
   Bank BTPN integrates principles of sustainability into its business operations through the adoption of environmentally friendly practices. The Bank promotes a sustainable culture by working to preserve energy, cut carbon emissions, and achieve net zero emissions (NZE) of greenhouse gases (GHG) in scopes 1 and 2 by 2030.

   Internal operational management's efforts to foster energy efficiency culminated in 2023 with the installation of solar panels at the Gunung Sahari branch office. Bank BTPN useds New Renewable Energy (EBT) to meet its branch electricity demands.

In addition, Bank BTPN aimed to achieve net zero GHG emissions scope 3 by 2050. This policy demonstrated the Bank's commitment to helping to mitigate climate change by considerably lowering its carbon footprint in operations and business activities.

This year, Bank BTPN had also launched a special sustainability channel on the Bank's official website, namely https://www.btpn.com/id/tentang-kami/keberlanjutan, as an initiative to support and strengthen transparency of information related to sustainability policies and performance. Meanwhile, periodically and in accordance with OJK regulations, the Bank published a Sustainability Report separately from this Annual Report.

HUMAN RESOURCE DEVELOPMENT

In 2023, Bank BTPN's Human Resources (HR) management and development were primarily focused on creating talent resources to enable long-term organizational growth. As a result, the Bank's Human Resources Directorate had launched a number of major programs to attract, develop, and retain talent. Among them are:

1. **Organizational Development**
   This consists of organizational review, which include organizational review, employee engagement programs, diversity and inclusion, as is the ongoing adoption and evaluation of flexible work locations. In accordance with the talent management process, the Bank has conducted talent profile assessments and succession planning, as well as establishing development programs for successor candidates, such as training, coaching, and other programs.

   In terms of the employee engagement initiative, the Bank will conduct an employee engagement survey again in 2023, with the participation of all employees. Meanwhile, the Bank is continuing to implement the flexible work location framework for the next batch of employees.

2. **Talent Development.**
   The Bank is devoted to managing human resources and consistently improving its quality, which is achieved by improving employee competency in technical, non-technical, and leadership areas. The Bank also adheres to the principles of prioritization and equitable allocation of HR work competencies.

REPORT FROM THE BOARD OF DIRECTORS

To assist the overall learning management and employee training process, the bank provides a learning management system that can be accessed via the Darwinbox HRIS platform. This initiative is expected to improve the experience of Bank BTPN employees while accessing the Bank's e-learning, which is presently available via mobile phones.

In addition, the Bank ensures that employees fulfill the mandatory banking and professional certification according to competency requirements in their respective positions.

3. Human Resource System.

In 2023, the Bank had plans to adopt automation initiatives and digital transformation activities throughout the cycle of human resources management and processes for employees. The Bank had introduced new technologies, including the Human Resources Core System, HR Mobile Platform, and the creation of an HR Dashboard.

4. Review of Employee Remuneration and Benefits

In keeping with its objective of attracting, developing, and retaining talent, the Bank consistently reviewed employee salary and benefits. This effort was made to ensure that Bank BTPN remained competitive in the talent market while also adapting to market changes.

INFORMATION TECHNOLOGY DEVELOPMENT

The management and development of Bank BTPN's information technology (IT) in 2023 was part of the Mid Term Plan (2022-2025). The emphasis was on increasing digital capabilities and cyber resilience, strengthening IT governance, and actively aiding the Bank in meeting its business objectives and directions.

Among significant accomplishments in the fiscal year were:

1. Stabilization of the IT system following the consolidation of the Bank's core banking system, which simplified system management and allowed the Bank to provide digital solutions, especially for the corporate segment. Core banking can also help to structure corporate banking transactions and operations more efficiently.
2. Improvement in credit card system services by expanding infrastructure capacity and incorporating new features into the core credit card system that is integrated in the Jenius digital platform. Through this initiative, Bank BTPN can provide more comprehensive digital credit card services.
3. Ensuring the availability of IT talent to support the ongoing development of BTPN's digital products and the digitalization of processes at Bank BTPN.
4. Managing and strengthening Bank BTPN's cyber capabilities to ensure the effective protection of client data and transactions.
5. Conducted the consolidation, rejuvenation, and phasing-out of the Bank's applications to make the IT service portfolio more effective and nimble in supporting the Bank's operations.

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS AND THE REASONS

During 2023, there were 2 (two) changes to the composition of the Board of Directors. First, the Annual General Meeting of Shareholders (GMS) held on 13 April accepted Kan Funakoshi's resignation as Director of the Bank. On the same occasion, the GMS appointed Atsushi Hino as Director for a term of office until the closing of the Bank's Annual GMS in 2025.

Second, the Extraordinary GMS accepted Hiromichi Kubo's resignation as Director of the Bank. The EGMS also appointed Keishi Kobata as Director of the Bank for a term of office until the Company's Annual GMS in 2025.

Bank BTPN wishes to convey its heartfelt gratitude and appreciation to the former Directors for the services they gave throughout their tenure. The Bank also welcomes the new members to the Board of Directors; let us work together to improve the Bank's performance. The makeup of the Board of Directors as of the end of the fiscal year 2023 is as follows:

Position	Name
President Director	Henoch Munandar
Deputy President Director	Darmadi Sutanto
Deputy President Director	Kaoru Furuya
Director	Dini Herdini
Director	Atsushi Hino
Director	Keishi Kobata
Director	Merisa Darwis
Director	Hanna Tantani

APPRECIATION FOR STAKEHOLDERS

Bank BTPN performed well in 2023, despite the fact that external situations remain dynamic and challenging. This accomplishment was made possible by the help of various parties, both inside and external to the Bank.

The Board of Directors wishes to thank the Board of Commissioners and Shareholders for their guidance and trust in managing the Bank's commercial operations. Similarly, the regulators for their guidance.

Employees who have given all of their resources to supporting the Bank's achievements are likewise much appreciated. This includes other stakeholders, such as customers and business partners, with whom we have previously collaborated successfully; we appreciate your support. Bank BTPN hopes that interaction with internal and external stakeholders will be even better next year.

Jakarta, 28 February 2024
On behalf of the Board of Directors,



Henoch Munandar
President Director

THE BOARD OF DIRECTORS









1. **Henoch Munandar**
   President Director
2. **Atsushi Hino**
   Director
3. **Keishi Kobata**
   Director
4. **Merisa Darwis**
   Director



5. **Darmadi Sutanto**
   Deputy President Director
6. **Hanna Tantani**
   Director
7. **Dini Herdini**
   Compliance Director
8. **Kaoru Furuya**
   Deputy President Director

BOARD OF MANAGEMENT



1. **Helena**
   Head of Wealth Management Business and Network & Distribution
2. **Nathan Christianto**
   Head of Wholesale and Commercial Banking
3. **Sendiaty Sondy**
   Head of Wholesale and Commercial Banking
4. **Jeffrey C. Tjoeng**
   Head of Business Banking
5. **Purnomo B. Soetadi**
   Head of Retail Lending Business



6. **Jeny Mustopha**
   Head of Information Technology
7. **Nurhajati Soerjo Hadi**
   Head of Internal Audit
8. **Wiwig Santoso**
   Head of Treasury
9. **Mira Fitria**
   Head of Human Resources
10. **Irwan Sutjipto Tisnabudi**
    Head of Digital Banking

EXECUTIVE OFFICERS





STATEMENT LETTER OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS REGARDING RESPONSIBILITY FOR THE 2023 ANNUAL REPORT OF PT BANK BTPN TBK

We, the undersigned, declare that all information contained in the 2023 Annual Report of PT BANK BTPN Tbk has been presented in their entirety, and that we assume full responsibility for the accuracy of the contents of the Annual Report of PT BANK BTPN Tbk.

This statement is made truthfully.

Jakarta, 28 February 2024

BOARD OF COMMISSIONERS



Chow Ying Hoong
President Commissioner

Takeshi Kimoto
Commissioner

Ninik Herlani Masli Ridhwan
Independent Commissioner

Onny Widjanarko
Independent Commissioner

Edmund Tondobala
Independent Commissioner

Ongki Wanadjati Dana
Commissioner

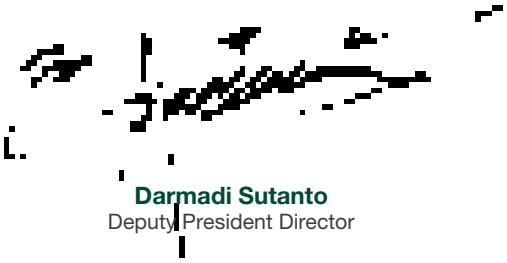
BOARD OF DIRECTORS



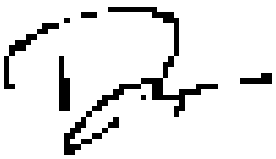
Henoch Munandar
President Director



Kaoru Furuya
Deputy President Director



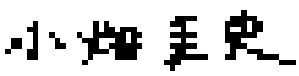
Darmadi Sutanto
Deputy President Director



Dini Herdini
Compliance Director



Atsushi Hino
Director



Keishi Kobata
Director



Merisa Darwis
Director



Hanna Tantani
Director



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> The Bank's primary mission is to provide optimal service to customers with the aim of helping them achieve their goals and aspirations, as well as making a positive impact on Indonesian society.

GENERAL INFORMATION

Name of Company
PT BANK BTPN Tbk

bank btpn SMBC A MEMBER OF SMBC Group

Information on Changes of Company Name
1958 : Initial name was Bank Pegawai Pensiunan Militer (Bapemil)
1985 : Bapemil was changed to PT Bank Tabungan Pensiunan Nasional
2019 : PT Bank Pensiunan Nasional Tbk was altered to PT BANK BTPN Tbk

Line of Business
Banking Services

Authorized Capital
Rp300,000,000,000

Issued and Fully Paid-Up Capital
Rp162,982,137,380

Name of Stock Exchange and Date of Listing
Indonesia Stock Exchange
12 March 2008

Share Code
BTPN

ISIN Code
101000118508

Year of Establishment
1958

Rating (Fitch)
- Rating by PT Fitch Ratings Indonesia AAA (idn), stable outlook and F1+ (idn)
- Rating by PEFINDO idAAA (Triple A, Stable Outlook)

Shareholder Composition
- Sumitomo Mitsui Banking Corporation (89.98%)
- PT Bank Central Asia Tbk (1.02%)
- PT Bank Negara Indonesia (Persero) Tbk (0.15%)
- Public (<5%) (7.72%)
- Treasury Stock (1.13%)

Legal Basis of Establishment
PT BANK BTPN Tbk ("Bank BTPN; BTPN; Bank") was established under Notarial Deed No. 21 dated 6 October 1959 from Notary Noezar S.H. The deed was amended, as contained in Deed of 31 May 1960 No. 203 and Deed of 7 November 1960 No. 53 of Notary Noezar S.H., and was announced in the State Journal of the Republic of Indonesia dated 14 February 1961 No. 13, Supplement No. 5.

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

Website and E-mail
www.btpn.com
info@btpn.com
corporate.communication@btpn.com

BRIEF HISTORY OF THE COMPANY

PT BANK BTPN Tbk ("Bank BTPN", "BTPN", "Bank") established in 1958 in Bandung, West Java, initially only managed savings and provided loans to members. Then the Bank transformed into PT Bank Tabungan Pensiunan Nasional in 1985.

Bank BTPN was officially established as a bank in 1993 through the Decision Letter of the Minister of Finance of the Republic of Indonesia No. 055/KM.17/1993 dated 22 March 1993. This change occurred in line with the enforcement of Law No. 7 of 1992 on Banking (as further amended with Law No. 10 of the Year 1998).

On its 50th year in 2008, Bank BTPN became a public company by releasing its shares through an initial public offering (IPO) and listed its shares on the Jakarta Stock Exchange, currently the Indonesia Stock Exchange (BEI). 2008 was also marked as one of BTPN's milestones, following TPG Nusantara S.a.r.l's acquisition of 71.61% of BTPN's shares. The Bank's focus consequently expanded to the Small and Medium-Scale Business (UMKM) sector. Bank BTPN transformed further by merging with PT Bank Sumitomo Mitsui Indonesia (SMBCI), effective from 1 February 2019.

Since that year, Bank BTPN has been officially operating as a new bank as a result of the business merger. In running the business, the Bank became a universal bank with the support of digital technology that retains a more comprehensive business coverage to serve a wider range of customers, from retail to corporate segments.

Information on Changes of The Company Name

The name initially used in 1958 was Bank Pegawai Pensiunan Militer (or Bank for Retired Military Personnel) (Bapemil). Bapemil transformed into PT Bank Tabungan Pensiunan Nasional (National Pension Savings Bank) with the business permit as a Savings Bank in compliance with Law No. 14 of the Year 1967 regarding Banking General Provisions effective at the time.

Following the official merger with SMBCI, the name PT Bank Tabungan Pensiunan Nasional Tbk was amended to PT BANK BTPN Tbk. This name change was officially effective upon the following decrees:

1. Approval of the Minister of Law and Human Rights of the Republic of Indonesia through a Decision Letter of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0006169. AH.01.10.YEAR 2019 regarding the Approval of the Change in Articles of Association of the Company dated 22 January 2019;
2. The decision of the Deputy Commissioner of Banking Supervision of the Financial Services Authority No. KEP-9/PB.1/2019 on Establishing the change in the Business Permit of PT Bank Tabungan Pensiunan Nasional Tbk to the Business Permit of PT Bank BTPN Tbk dated 28 January 2019.



MILESTONES

1958-1986

- Established in Bandung, West Java, under the name Bank Pegawai Pensiunan Militer (Bank for Retired Military Personnel) (Bapemil).
- In 1960, Bank acquired the permit as a commercial bank.
- In 1986, the name changed to PT Bank Tabungan Pensiunan Nasional (National Pension Savings Bank).

2008

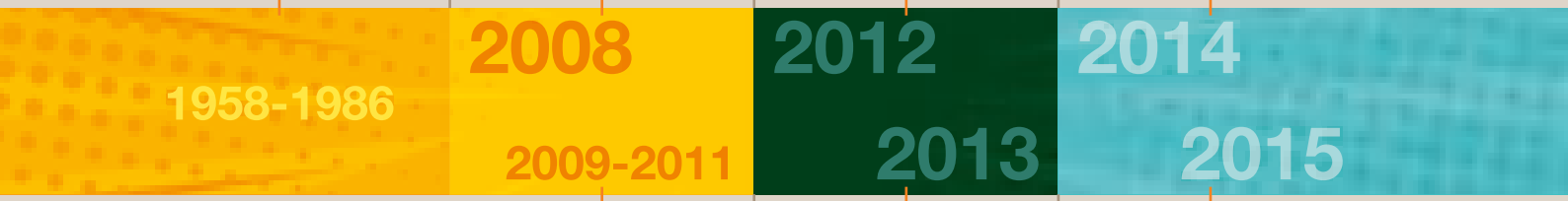
In 2008, TPG Nusantara S.a.r.l acquired 71.6% of Bank's shares on the Indonesia Stock Exchange. Bank became a public bank with an asset value of Rp13.7 trillion.

2012

- BTPN Syariah – Tunas Usaha Rakyat grew significantly. By the end of the year, it managed to serve 28,927 community centers in Banten, West Java, and East Java, as well as empowered 444,000 customers in community centers.
- Bank completed testing on the new mobile banking named BTPN Wow!, which was subsequently launched in 2015.

2014

Sumitomo Mitsui Banking Corporation (SMBC) of Japan increased its share in BTPN and became the controlling shareholder with 40.0% ownership. SMBC is Japan's second-biggest bank based on market value, with an asset of US$1.3 trillion.



2009

- Bank launched the small and medium-scale business (UMKM) under the name BTPN Mitra Usaha Rakyat (or People's Business Partner) by opening 539 branch offices and successfully recording a credit growth of Rp2.3 trillion.
- Bank issued the first rupiah long-term bond with a rating of A+ (National Scale Rating) from Fitch Ratings and obtained the rupiah long-term loan facility from the International Finance Corporation, a World Bank subsidiary.

2010

The asset value of Bank flourished to Rp34.5 trillion compared to Rp13.7 trillion two years prior. The Bank became the 10th biggest bank in market capitalization, ranked 5th in the total number of branch offices, and ranked 6th in the total number of employees.

2011

- Bank launched Daya, a sustainable mass market empowerment program that also became an integral part of Bank's business activities. The Funding Business introduced the Sinaya (Sinar yang memberdayakan or Empowering Light) brand, linked with the Daya initiative.
- Completed the testing period of the Perbankan Komunitas Syariah (Sharia Community Banking) business (BTPN Syariah – Tunas Usaha Rakyat or the People's Business).
- Bank expanded its ATM services network with the Prima ATM network in addition to the existing ATM Bersama. The overall connected network reached more than 57,331 ATM units throughout Indonesia.

2013

- The financing of BTPN Syariah – Tunas Usaha Rakyat doubled, reaching around Rp1.4 trillion and contributing 3% of BTPN's total credit. The Syariah Business Unit network reached 69,500 centers nationwide, empowering more than 931,500 customers in rural areas.
- Bank acquired PT Bank Sahabat Purba Danarta ("Bank Sahabat"), which was converted to a sharia bank before Bank separated the sharia unit into a new entity in 2014.
- Sumitomo Mitsui Banking Corporation (SMBC) from Japan owns 24.3%-share of Bank through purchasing shares previously owned by TPG Nusantara S.a.r.l and other shareholders.

2015

Bank officially launched BTPN Wow!, a banking service for the mass market that utilizes cellular telephone and is supported by agency services as an extension of the Bank to increase its service reach to the public, which has been untouched by banking services. Transactional services include savings, cash withdrawal, fund transfer, billing payment, and request applications for loans and insurance product purchases of the micro business sector.

2016

- In February 2016, Bank began operation as a foreign exchange bank upon receiving the permit in December 2015, which allowed the Bank to conduct transactions in foreign currencies and be more flexible to start offering liability deposit products in foreign currencies.
- Jenius was the second mobile phone platform launched. Jenius cellular phone services utilize the smartphone to connect customers' accounts with the Bank and conduct banking transactions. Until December 2016, Jenius captured 70,000 followers on social media and received over 3 million YouTube viewers.

2017

Bank expanded its BTPN Wow! and Jenius mobile Banking application features to develop its customer base and increase banking transactions. Focus on the customer-centric of the two mobile banking services has significantly improved customer experience and impacted the Support Unit's operations. The transformation, referred to as "Gemilang" covers the Bank's organizational structure, technology, human resources, and risk management. The Bank's branch office network has greatly transformed, where all branches can provide banking services to all customer segments.

2018

Bank completed two important corporate actions. The first was the initial public offering (IPO) of BTPN Syariah, a subsidiary with the majority of shares. The second was the merger process of Bank BTPN and PT Bank Sumitomo Mitsui Indonesia (SMBCI). As a result of the merger, the Bank now offers a wider range of various financial services to all spectrum of customers, from individual to corporate customers, covering large corporations to micro businesses and communities in rural areas. Results from the Gemilang project carried out the year before, as well as BTPN Wow! and Jenius mobile banking platforms, began to fruit in 2019.

2019

The merger of BTPN with SMBCI was officially effective on 1st February. The business merger strengthened the Bank's capability to provide more comprehensive banking services for a wider customer base. We are now a universal bank.

2020

Bank BTPN launched the SINAYA PRIORITAS and collaborated with Jenius, which launched the Sinaya Prioritas Apps.

2021

- Bank BTPN provided PT Kepland Investama with a green loan facility of Rp1.06 trillion as a commitment towards sustainable financing. The green loan facility in the rupiah currency was one of the first available in the Indonesian market.
- Throughout 2021, Bank BTPN received 19 awards from external parties as proof and acknowledgment of the stakeholders for the Bank's performance.

2022

- Bank BTPN received the title of "2022 Best Contact Center in Indonesia" from Indonesia Contact Center Association (ICCA), at the same time acknowledged by the Contact Center Association of Asia Pacific (CC-APAC) international organization. The Bank stood in the top 10 best positions by winning 14 awards, which included three Platinum, three Gold, three Silver, and five Bronze.
- Bank BTPN received the 2022 LPS Banking Awards from Lembaga Penjamin Simpanan (LPS) or Deposit Insurance Institution. Bank BTPN received the award for the category "Best Bank to Deliver Information on Deposit Insurance Program" from the private banking group.
- The "2022 Best Transparency in Corporate Emission Reduction and Calculation" Award by Investor magazine. Bank BTPN received the award for "Green Category of the Transparency in Corporate Emission Reduction of Issuer Sector" and "Platinum Category of the Transparency in Corporate Emission Calculation of Issuer Sector."
- Bank BTPN received the "2022 Indonesian Sustainable Development Awards" from the Corporate Forum for CSR Development (CFCD). Bank BTPN was the only bank to participate in this event and received the Gold Award for its success in carrying out the programs that contributed to accelerating the 17 Sustainable Development Goals (SDGs).

2023

- Bank BTPN and the International Finance Corporation (IFC) entered into a collaboration on social and green bond deals to strengthen climate action and promote inclusive development in Indonesia. This $500 million bond issuance will be the first for Bank BTPN and reinforces its commitment to supporting micro, small, and medium-sized enterprises (MSMEs) in Indonesia, particularly businesses led by women and climate change adaptation efforts.
- At the Extraordinary General Meeting of Shareholders (EGM) of Bank BTPN on December 7, 2023, shareholders officially approved the plan to withdraw Company shares resulting from the repurchase ("Treasury Stock") and the plan to Increase Capital by Providing Preemptive Rights II ("PMHMETD II") or Right Issue II.
- Bank BTPN once again achieved Platinum rank in the "Asia Sustainability Reporting Rating (ASRRAT) 2023" event. This marks the third consecutive year that Bank BTPN has received the highest rank in four years of participation in this event. The award event, participated by 68 companies and organizations, was organized by the National Center for Corporate Reporting (NCCR) as an appreciation for companies' contributions to achieving sustainable development goals through the application of environmental, social, and governance principles in their business operations.
- Bank BTPN won two awards in the Sustainable Finance 2022 category, namely "Best Green Loan" and "Best Local Currency Green Loan," at the "Triple A Country Awards 2022" organized by The Asset in Hong Kong. Bank BTPN received the "Best Green Loan" award through a total of US$750 million green financing program to PT Perusahaan Listrik Negara (PLN) in December 2022 to support PLN's activities in transitioning to renewable energy. Meanwhile, Bank BTPN received the "Best Local Currency Green Loan" award through the provision of a green financing facility worth Rp1.06 trillion to PT Kepland Investama since October 2021.

LINE OF BUSINESS

Line of Business in accordance with the Articles of Association

A. Main Business Activities:

1. To collect funds from public in the form of current account, time deposit, certificate of deposit, saving and/or other forms similar thereto, either in Rupiah currency or in foreign currency;
2. To distribute the funds collected from public in the form of loan, either long term, middle term or short term, or loan in any other forms commonly provided in banking business, either in Rupiah currency or in foreign currency.

B. Supporting Business Activities

1. Issue letter of debt acknowledgment;
2. Buy, sell, or guarantee at own risk as well as for the interest and on upon the request of customers such as for the following:
   a. Money order/draft, including those accepted by the Bank with a validity period not longer than usually applicable in such securities trading;
   b. Letter of acknowledgment of debt and other trade documents with a validity period not longer than usually applicable in such securities trading;
   c. State treasury notes and Government guarantee letters;
   d. Bank Indonesia Certificate (SBI);
   e. Bonds;
   f. Trade and/or promissory notes with a validity period of up to 1 (one) year;
   g. Instruments of other securities with a validity period of up to 1 (one) year.
3. Transfer of funds for own interest or the interest of customers;
4. Placement of funds at, borrow funds from, or lend funds to other banks by means of letters, telecommunication facilities as well as drafts, cheques, and other means;
5. Receive payments from billings of securities and make calculations with or among third parties;
6. Provide space to safe keep valuables and securities;
7. Provide depository services for the interest of other parties pursuant to contract and/or agreement;
8. Placement of funds from customers to other customers in the forms of securities, both listed and non-listed at the Stock Exchange;
9. Purchase of collaterals through public sale/ auction or other means, in whole or partial, in the event debtors fail to meet their obligations to the Bank, provided that the purchased collaterals are to be immediately liquidated;
10. Conduct factoring, credit card business, and trusteeship activities;
11. Conduct equity capital in banks carrying out sharia-based business in accordance with regulations set forth by authorized agencies;
12. Conduct activities in foreign currencies by complying with regulations set forth by authorities;
13. Conduct equity capital in banks (including sharia banks) or other companies in the such financial sectors as in lease business, venture capital, securities companies, and insurance, as well as in clearing, guarantee, settlement, and depository institutions, subject to compliance with regulations stipulated by authorities;
14. Conduct temporary capital investment to manage non-performing loans and/or failure in other financings, provided such investments must be withdrawn as stipulated in accordance with regulations set forth by the Financial Services Authority;
15. Take action as founder and care-taker of pension funds in accordance with prevailing laws and regulations;
16. Issue various forms of letters of credit and bank guarantees;
17. Conduct other activities appropriately performed by banks, provided not in violation of prevailing laws and regulations.

Line of Business Performed in the Fiscal Year

The lines of business carried out during the fiscal year were in accordance with those listed in the latest Articles of Association.

PRODUCTS AND SERVICES

Corporate/ Wholesale Banking

Hedging Products
- IRS/CCS and foreign exchange transactions

Loan Products
- Bilateral and Syndication Loans (IDR, USD, EUR and, JPY)
- Working capital loan
- Investment loan
- Project/Structured Finance
- ECA
- Green/SocialLoan
- Sustainability-Linked Loans
- Other Loans

Funding Products
- ESG Deposits
- Green Deposits

Jenius
- Jenius application with biometric-based customer verification
- Savings (Flexi Saver, Dream Saver & Foreign Exchange)
- Term Deposits (Maxi Saver)
- Bill payment
- Jenius ATM Card/Debit
- Transfer (BIFAST, RTOL, SKN, RTGS & Remittance)
- e-Wallet top-up
- Loans (Flexicash, Buy Now Pay Later & Credit Card)
- Jenius Pay
- jenius QRIS
- Jenius for Business
- Bisniskit by Jenius
- Moneytory
- Sinaya Prioritas in the Jenius Application
- Jenius application for BTPN's retail business line (Jenius as a Platform)
- Mutual Funds

Treasury
- Foreign Exchange
- Derivatives
- Money market
- Fixed Income

Wealth Management Business
- Sinaya Savings (Rupiah, Forex, Business)
- Current Account (Rupiah, Foreign Currency)
- Term Deposits (Rupiah, Foreign Currency, Flexi, On Call)
- Mutual Funds
- Bancassurance
- Sinaya ATM/Debit Card
- Safe Deposit Box
- Sinaya prioritas
- Government Bonds

Micro Business
- People's Business Loan
- Mitra Usaha Savings
- Savings Equivalent to Deposits
- Maxi Micro Loan (secured loan):
  1. Current Account Loans
  2. Term Installment Loans
  3. Term Loans
- Digital Micro Flexicash Loan (Unsecured loan):
  1. Term installment loans

Joint Finance
- Joint Financing
  1. Motor Vehicle Credit (KKB)
  2. Medical Devices
  3. Durable Goods
  4. Multipurpose
- Chanelling
  1. Short term loan (max tenor 1 month)
  2. Medium term loan (max tenor 12 months)
  3. Long term loan (max tenor 60 months)

Retail Lending Business
- Pension Loan
- Pre-Retirement Loan
- Active Employee Loan
- Citra Pension Savings

Business Banking
- Basic/Generic Products
  1. PRK (Current Account Loan)
  2. PB (Term Loan)
  3. PAB (Term Installment Loan)
- ABF (Asset Based Financing)
- BPR Financing
- Business Current Account
- Mitra Current Account
- Karya Current Account
- TOUCHBIZ application (mobile banking for business): bank transfers, payroll, bill payments, e-Wallet top-up, MaxCash, Term Deposits, foreign exchange rate info

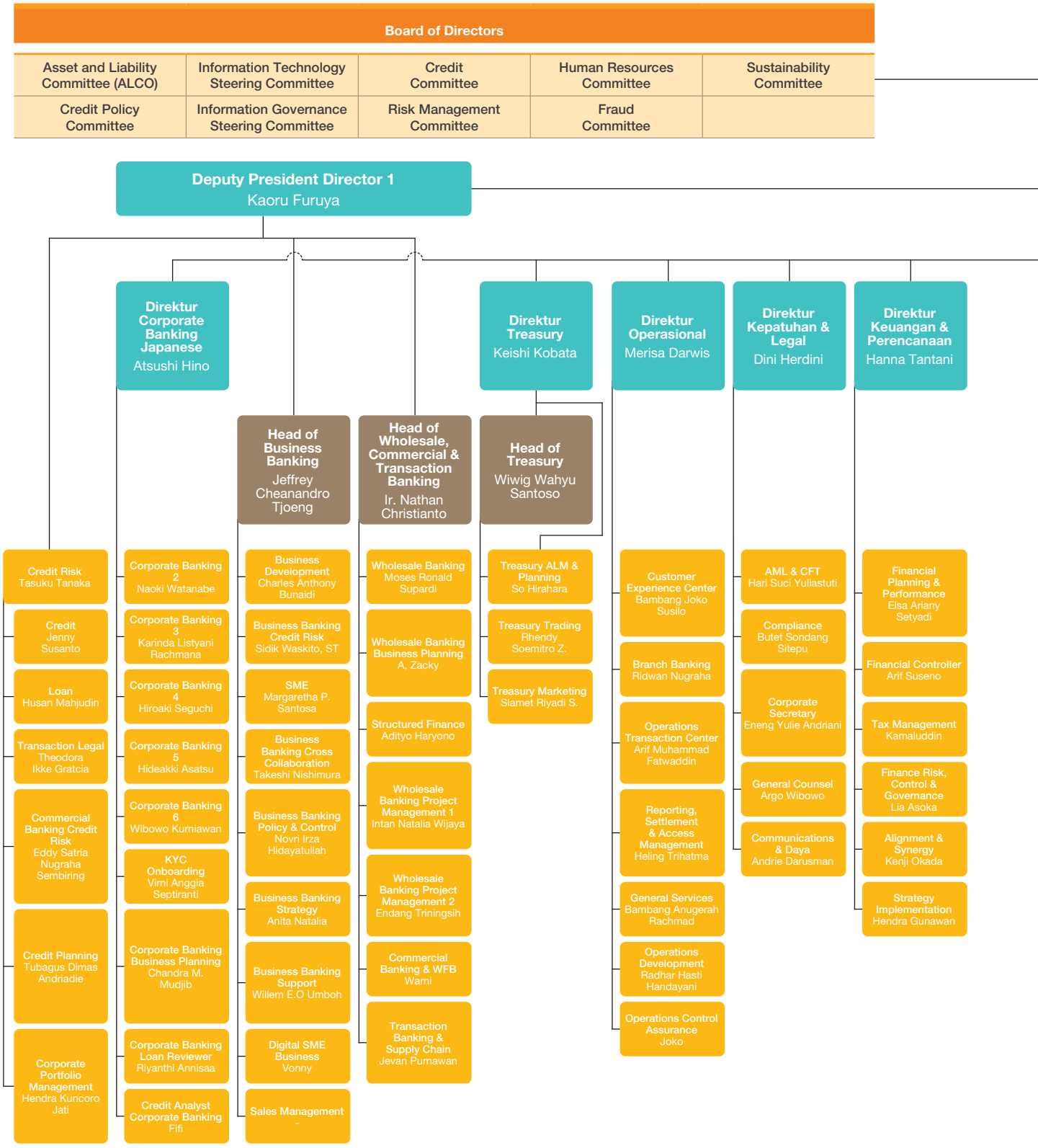
Transaction Banking & Supply Chain

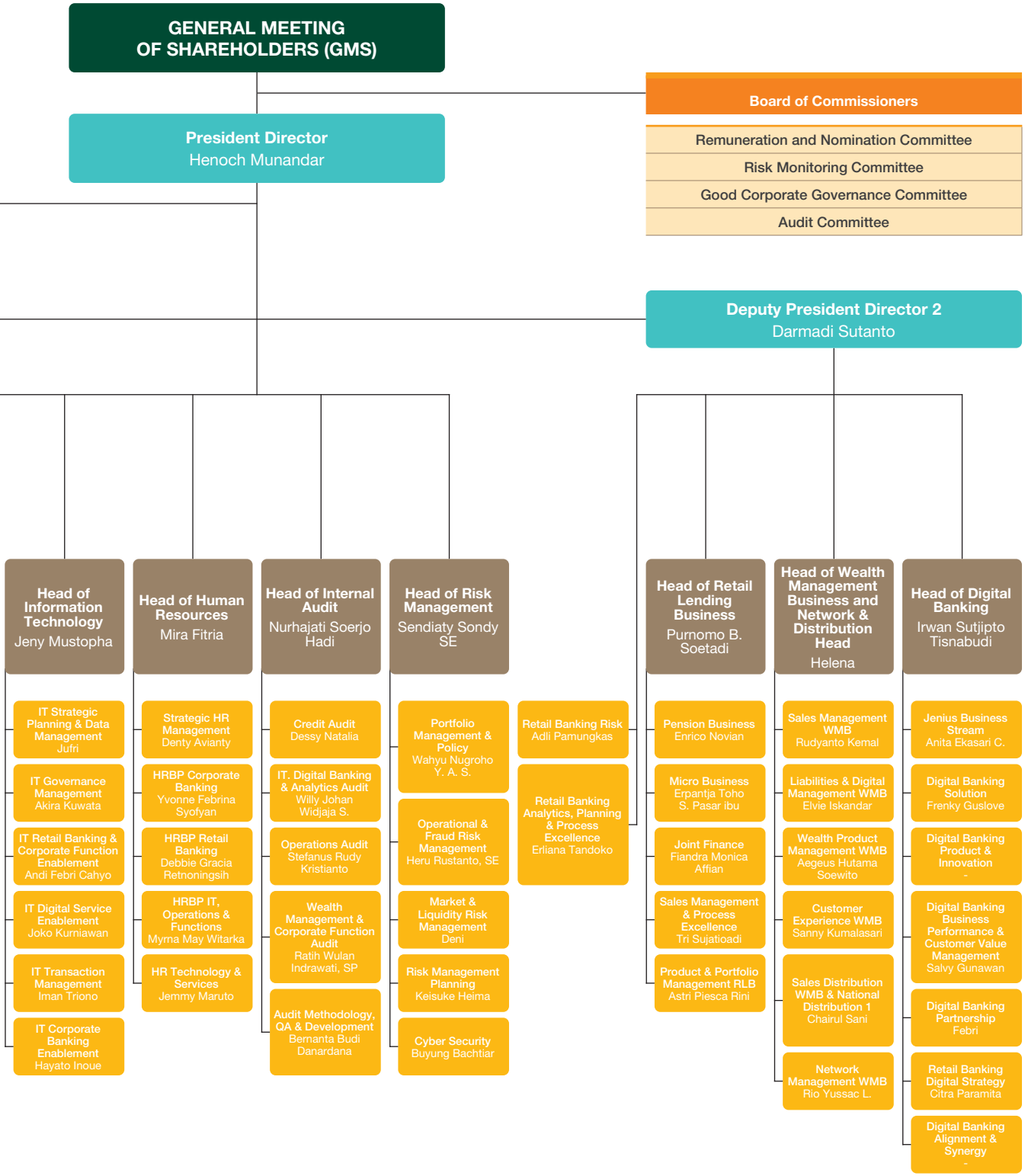
Cash & Digital Solution
- Current Accounts & Time Deposits
- Money Transfers (SKN/RTGS, Payroll, Overbooking, Telegraphic Transfer)
- Receive Money (SKN/RTGS, BI-FAST, Telegraphic Transfer, Check/Cash Deposit)
- e-Tax Payment (With/without ID Billing)
- Virtual Account (API SNAP, Offline)
- Internet Banking / Host to Host
- Liquidity Management (Domestic Cash Pooling, Auto TD Placement, Cross Border Pooling)
- Auto Debit

Trade
- Import & Export Letter of Credit & SKBDN
- Import & Export Bill Collection
- Import & Export Documentary Collection
- Bank Guarantee & SBLC & Counter Guarantee
- Trade Loans & TR
- Foreign Bills Bought & Forfaiting
- Account Receivable Purchase
- Import Avalization & LC Confirmation
- BL Endorsement & Shipping Guarantee

Supply Chain
- Supply Chain Financing (Distributor Financing/Supplier Financing)
- Lending Program

ORGANIZATIONAL STRUCTURE





The Board of Directors

The Board of Management

The Board of Commissioners Committee & The Board of Directors Committee

VISION

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

MISSION

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

About Vision and Mission

The basic foundation of the integration of the Bank's Vision and Mission is to serve the customers of SMBCI and Bank BTPN with the best means to achieve their objectives and aspirations and hopefully provide a positive impact on the people of Indonesia. For this reason, the Bank will become a reliable and trustworthy partner that is capable of understanding and effectively accommodating the developing financial needs of the customers.

The established Vision and Mission are in line with the integrated business plans as reflected in the summary of the integrated business plan. The Vision and Mission have also been reviewed by the Board of Commissioners and the Board of Directors.

MAIN VALUES

The values we adopt are guidelines for us to conduct our business.
There are 5 (five) values as explained below:

01

Integrity

As professionals, always act sincerely with high ethical standards.





02

Customer First

Always view from the customers' perspective to deliver added value.

03

Proactive & Innovative

Have the courage to unceasingly act and innovate.





04

Speed & Quality

Make speed and quality from decision-makings and also provide services as a factor of difference.

05

Synergy

Collaborate as one team.



PROFILE OF THE BOARD OF COMMISSIONERS



Chow Ying Hoong

President Commissioner

Nationality
Singapore

Domicile
Singapore

Age
63 years as of the end of Fiscal Year 2023

Educational Background
Bachelor's degree in Business Administration, National University of Singapore (1984)

Certification
Risk Management Certification – Level 1, issued by LSPP and its Refreshment issued by BSMR with validity period until 26 July 2027.

History and Legal Basis of Appointment
First appointed as Deputy President Commissioner of BTPN since the effective the date of the merger, 1 February 2019 and reappointed through the Annual GMS dated 15 February 2019. Appointed as President Commissioner through the Extraordinary GMS dated 18 November 2020 and reappointed through Annual GMS on 21 April 2022.

Concurrent Position
- Member of BTPN Remuneration and Nomination Committee.
- Senior Regional Advisor, Asia Pacific Division of Sumitomo Mitsui Banking Corporation

Work Experience
- General Manager of Planning Department, Asia Pacific Division of SMBC (2011-2013).
- General Manager, Debt Capital Market Department and Joint General Manager of SMBC, Singapore (2005-2010).
- Head of Syndication for S.E. Asia of Sumitomo Bank Singapore Branch (2000-2005).
- Branch Manager/Managing Director of Societe Generale Bank – Malaysia Branch (1997-2000).
- Head of Syndication for Asia of ABN Amro Bank Asia HQ (1996-1997).
- Team Head of Offshore Corporates of ABN AMRO Bank N.V., Singapore Branch (1993 to 1996)
- Senior Manager of The Sanwa Bank Ltd, Singapore Branch (1989 to 1993)
- Account Manager of ABN Bank N.V., Singapore Branch (1987 to 1989)
- Bank Officer, United Overseas Bank (1984-1987).

Affiliation
Management relationship with the Controlling Shareholders.



Takeshi Kimoto
Commissioner

Nationality
Japanese

Domicile
Singapore

Age
53 years as of the end of Fiscal Year 2023

Educational Background
Bachelor of Arts in Business and Commerce from KEIO University (1989-1993)

Certification
Risk Management Certification – Level 1, issued by LSPP and its Refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Commissioner of BTPN since the effective date of the merger on 1 February 2019 and reappointed through the Annual GMS dated 15 February 2019 and 21 April 2022.

Concurrent Position
- Member of BTPN Risk Monitoring Committee.
- Executive Officer, Managing Director of Asia Growing Markets Department of Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Financial Group

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

Affiliation
Management relationship with the Controlling Shareholders.

PROFILE OF THE BOARD OF COMMISSIONERS



Ninik Herlani Masli Ridhwan

Independent Commissioner

Nationality
Indonesian

Domicile
Jakarta

Age
66 years as of the end of Fiscal Year 2023

Educational Background
- Master's degree in Finance from Universitas Indonesia (2008).
- Bachelor's degree in Economics from Universitas Trisakti (1983)

Certification
Risk Management Certification – Level 4 and SMR maintenance, issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as BTPN Independent Commissioner since the effective date of the merger, 1 February 2019, and reappointed through the Annual GMS dated 15 February 2019 and 21 April 2022.

Concurrent Position
- Chairman of BTPN Audit Committee.
- Chairman of BTPN Remuneration and Nomination Committee.

Work Experience
- Independent Commissioner of PT Bank Sumitomo Mitsui Indonesia (2013-2019)
- Joined PT Bank Central Asia Tbk with last position as Head of the Audit Development and Quality Control (1985-2012)
- Senior Auditor at Utomo Accounting Firm (SGV-Utomo) (1981-1985)

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.



Onny Widjanarko
Independent Commissioner

Nationality
Indonesian

Domicile
Jakarta

Age
59 years as of the end of Fiscal Year 2023

Educational Background
- Master in Management from the Asian Institute of Management (1999)
- Bachelor of Finance Management from STIE Malangkucecwara (1989)

Certification
Level 2 Risk Management Certification, issued by BSMR valid until January 13, 2027

History and Legal Basis of Appointment
First appointed as an Independent Commissioner of BTPN effectively on May 8, 2023, based on the Annual GMS decision on April 13, 2023

Concurrent Position
- Chair of BTPN's Risk Monitoring Committee
- Chair of BTPN's Corporate Governance Committee

Work Experience
- President Commissioner of PT Artajasa Electronic Payment (September 2020 - April 2023)
- Joined Bank Indonesia with the last position as Head of the Bank Indonesia Jakarta Representative Office (January 1992 - September 2022)
- Management Trainee and Finance Staff at Komatsu Indonesia (PT United Tractors) (October 1989-December 1990)

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.

PROFILE OF THE BOARD OF COMMISSIONERS



Edmund Tondobala

Independent Commissioner

Nationality
Indonesian

Domicile
Jakarta

Age
58 years as of the end of Fiscal Year 2023

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

Certification
Risk Management Certification – Level 4, issued by LSPP and its Refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Independent Commissioner through the Extraordinary GMS on 18 November 2020 and reappointed through the Annual GMS on 21 April 2022.

Concurrent Position
- Member of BTPN Audit Committee.
- Member of BTPN Risk Monitoring Committee

Work Experience
- Head of International Banking of PT Bank Central Asia Tbk., Indonesia (2011-April 2020).
- Director of BCA Finance Hongkong (2011-November 2011).
- Director of BCA Remittance Sdn Bhd Malaysia (2009-2011).

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.



Ongki Wanadjati Dana

Commissioner

Nationality
Indonesian

Domicile
Jakarta

Age
66 years as of the end of Fiscal Year 2023

Educational Background
Bachelor's degree in Mechanical Engineering from Institut Teknologi Bandung/ITB (1981).

Certification
Risk Management Certification – Level 5, issued by LSPP and its Refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Commissioner of BTPN through the Annual GMS on 21 April 2022.

Concurrent Position
- Member of BTPN Risk Monitoring Committee.
- Member of BTPN Good Corporate Governance Committee
- Commissioner of PT Bank BTPN Syariah Tbk

Work Experience
- President Director of PT BANK BTPN Tbk (2019-April 2022)
- Deputy President Director of PT Bank Tabungan Pensiunan Nasional Tbk (2008-January 2019).
- Director of Wholesale Banking of Bank Permata (2002-2008).
- Deputy President Director of Bank Universal (2000-2002).
- President Director of Bank Subentra (1993-1998).
- Senior advisor of Bank Universal (1999-2000).
- Credit Cycle Manager – Consumer Banking, Citibank N.A. (1987-1990).

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.

PROFILE OF THE BOARD OF DIRECTORS



Henoch Munandar

President Director

Nationality
Indonesian

Domicile
Jakarta

Age
57 years as of the end of Fiscal Year 2023

Educational Background
Bachelor's degree in Economics from Universitas Atma Jaya, Jakarta (1989)

Certification
Risk Management Certification – Level 5, issued by LSPP and its refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Director of BTPN since the effective date of the merger, 1 February 2019, and reappointed through the Annual GMS dated 15 February 2019 and 21 February 2022. Appointed as President Director through the Extraordinary GMS on 29 September 2022.

Concurrent Position
No Concurrent Position

Work Experience
- Director at PT BANK BTPN Tbk (2019 – September 2022).
- Director at PT Bank Sumitomo Mitsui Indonesia (2014 - January 2019).
- Deputy Head of Credit/Credit Risk Management Head of SMEC of Bank DBS Indonesia (2010-2013).
- Deputy of SMEC Risk & Remedial Head of PT Bank Danamon Indonesia Tbk (2006-2010).
- Co-Dept Head of Corporate Banking, Bank of Tokyo Mitsubishi UFJ (2006-2006).
- Local Corporate Head-Senior Manager, Sanwa Bank Indonesia/Bank United Financial of Japan (UFJ) (1995-2006).
- Account Manager at PT Bogor Multifinance (1995-1995).
- Account Manager at Panin Bank (1993-1995).
- Sub-Branch Manager at Bank Susila Bakti (1991-1993).

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.



Kaoru Furuya

Deputy President Director

Nationality
Japanese

Domicile
Jakarta

Age
58 years as of the end of Fiscal Year 2023

Educational Background
Bachelor's degree in Law from Hosei University, Tokyo, Japan (1989)

Certification
Risk Management Certification – Level 5, issued by LSPP and its refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Deputy President Director of BTPN effective since 4 January 2021 based on the resolutions of the Extraordinary GMS on 18 November 2020 and reappointed through the Annual GMS dated 21 April 2022.

Concurrent Position
No Concurrent Position

Work Experience
- Senior General Manager of Asia Growing Market Dept. (2020)
- General Manager of Corporate Banking Dept., Asia Pacific Division. Member of Risk Management, ALM and Compliance Committees for APAC, SMBC (2019-2020)
- General Manager of Singapore Branch. Member of Risk Management, ALM and Compliance Committees for APAC, SMBC (2018-2019).
- General Manager of Loan Capital Markets Department. Member of Risk Management, ALM and Compliance Committees for EMEA of SMBC Europe Limited in London (2013-2018).
- Joint General Manager, Global Trade Finance Dept of SMBC Tokyo (2011-2013).
- Senior Vice President, Global Trade Finance Dept. SMBC New York (2004-2011).
- Assistant General Manager of Global Institutional Banking Dept. of SMBC Tokyo (2002-2004).

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.

PROFILE OF THE BOARD OF DIRECTORS



Darmadi Sutanto

Deputy President Director

Nationality
Indonesian

Domicile
Jakarta

Age
59 years as of the end of Fiscal Year 2023

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

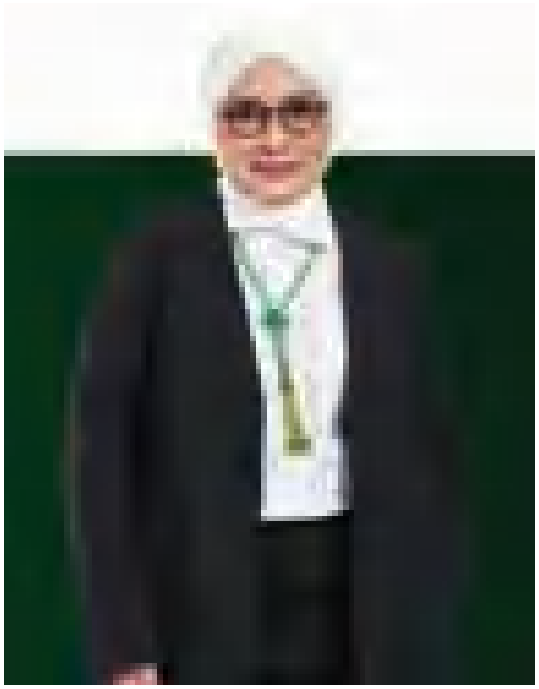
Certification
Risk Management Certification – Level 5, issued by LSPP and its refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Deputy President Director of BTPN effective since 14 May 2020 based on the Resolutions of the Annual GMS dated 23 April 2020 and reappointed through the Annual GMS dated 21 April 2022.

Concurrent Position
No Concurrent Position

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

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.



Dini Herdini

Compliance Director

Nationality
Indonesian

Domicile
Jakarta

Age
58 years as of the end of Fiscal Year 2023

Educational Background
Bachelor's degree in Law from Universitas Trisakti, Jakarta (1987)

Certification
Risk Management Certification – Level 5, issued by LSPP and its refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Compliance Director since effective date of merger, 1 February 2019 and reappointed through the Annual GMS dated 15 February 2019 and 21 April 2022.

Concurrent Position
No Concurrent Position

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

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.

PROFILE OF THE BOARD OF DIRECTORS



Atsushi Hino

Director

Nationality
Japanese

Domicile
Jakarta

Age
47 years as of the end of Fiscal Year 2023

Educational Background
Bachelor of Business and Commerce from Keio University (1999)

Certification
Risk Management Certification (SMR) Level 5, issued by LSPP with validity period until November 19, 2024.

History and Legal Basis of Appointment
He was first appointed as Director of BTPN effective May 15, 2023 based on the resolution of the Annual GMS dated April 13, 2023.

Concurrent Position
Does not have any concurrent positions

Work Experience
- Group Head/Joint General Manager of Asia Markets Growing Department, SMBC Singapore (September 2018-April 2023)
- Head of Corporate Banking Department, PT Bank Sumitomo Mitsui Indonesia (October 2014-September 2018)
- Vice President/Senior Vice President, SMBC Hong Kong branch Hong Kong (April 2009-August 2014)
- Vice President Tokyo Corporate Banking Department 4, SMBC (April 2006-April 2009)
- Vice President Tohoku Corporate Business Office, SMBC (July 2001-April 2006)
- First joined SMBC as Junior Staff (April 1999-July 2001)

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.



Keishi Kobata
Director

Nationality
Japanese

Domicile
Jakarta

Age
50 years as of the end of Fiscal Year 2023

Educational Background
- Master of Information Engineering from the University of Tokyo (1998)
- Bachelor of Architecture from the University of Tokyo (1996)

Certification
Risk Management Certification (SMR) Level 5, issued by LSPP and SMR maintenance issued by BSMR and valid until July 5, 2024.

History and Legal Basis of Appointment
He first served as Director of BTPN effective July 25, 2023 based on the resolution of the Extraordinary GMS dated June 22, 2023.

Concurrent Position
Does not have any concurrent positions

Work Experience
- Treasury ALM & Planning Head PT BANK BTPN Tbk (March 2022-June 2023)
- Technical Advisor of Treasury Directorate PT BANK BTPN Tbk (October 2019-February 2022)
- Assigned to SMBC Hong Kong branch as Head of Money Market & Fixed Income Group, International Treasury Department and with the last position as Senior Vice President (May 2016-October 2019)
- First joined SMBC Tokyo with the last position as Head of Money Market & Fixed Income Group, International Treasury Department (Hong Kong) (April 1998-May 2016).

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.

PROFILE OF THE BOARD OF DIRECTORS



Merisa Darwis

Director

Nationality
Indonesian

Domicile
Jakarta

Age
56 years as of the end of Fiscal Year 2023

Educational Background
Bachelor's degree in Information Technology from Institut Teknologi Bandung/ITB (1991)

Certification
Risk Management Certification – Level 5, issued by LSPP and its refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Director since the effective date of the merger, 1 February 2019, and reappointed through the Annual GMS dated 15 February 2019 and 21 April 2022.

Concurrent Position
No Concurrent Position

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

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.



Hanna Tantani
Director

Nationality
Indonesian

Domicile
Jakarta

Age
56 years as of the end of Fiscal Year 2023

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

Certification
Risk Management Certification – Level 5, issued by LSPP and its refreshment issued by BSMR with validity period until 26 July 2025.

History and Legal Basis of Appointment
First appointed as Director based on the Resolutions of the Extraordinary GMS dated 11 September 2019 and reappointed through Annual GMS dated 21 April 2022.

Concurrent Position
No Concurrent Position

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

Affiliation
No affiliation with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.

PROFILE OF EXECUTIVE OFFICERS

No.	Name	Education	University	First Joined BTPN	Position
1	Naoki Watanabe	S1	University of Tsukuba	2021	Corporate Banking 2 Head
2	Karinda Listyani Rachmana	S1	Ritsumeikan Asia Pacific University	2019	Corporate Banking 3 Head
3	Hiroaki Seguchi	S1	Tokyo University of Science	2020	Corporate Banking 4 Head
4	Hideaki Asatsu	S1	Osaka University	2022	Corporate Banking 5 Head
5	Wibowo Kurniawan	S1	Universitas Bina Nusantara	2019	Corporate Banking 6 Head
6	Virni Anggia Septiranti	S1	Institut Ilmu Sosial Ilmu Politik Jakarta	2019	KYC Onboarding Head
7	Chandra Murprabowo Mudjib	S1	Institut Teknologi Sepuluh Nopember Surabaya	2019	Corporate Banking Business Planning Head
8	Riyanthi Annisaa	S2	Macquarie University	2019	Corporate Banking Loan Reviewer Head
9	Fifi	S1	Tokyo International University	2019	Credit Analyst Corporate Banking Head
10	Ir Nathan Christianto	S2	University of Groningen, The Netherlands	2019	Head of Wholesale, Commercial & Transaction Banking
11	Jevan Purnawan	S2	University of Manchester	2019	Transaction Banking & Supply Chain Head
12	Moses Ronald Supardi	S3	Leiden University	2019	Wholesale Banking Head
13	Warni	S1	Stiba Persada Bunda Pekanbaru	2019	Commercial Banking & WFB Head
14	Ahmad Zacky Hendarman	S1	Institut Teknologi Bandung	2019	Wholesale Banking Business Planning Head
15	Adityo Haryono	S1	Boston University	2020	Structured Finance Head
16	Intan Natalia Wijaya	S1	Sanata Dharma - Jogjakarta	2021	Wholesale Banking Project Management_1
17	Endang Triningsih	D3	ASMI	2023	Wholesale Banking Project Management_2
18	Wiwig Wahyu Santoso	S2	CSU Fullerton	2019	Head of Treasury
19	So Hirahara	S1	Kyushu University	2023	Treasury ALM & Planning Head
20	Adi Erianto	S2	Monash University, Australia	2019	Treasury Assets & Liabilities Management Head
21	Rhendy Soemitro Zoro	S2	Institut Teknologi Bandung	2023	Treasury Trading Head
22	Slamet Riyadi S.	S1	Perbanas Institute	2019	Treasury Marketing Head
23	Sutan Alamsaputra Ad	S1	Universitas Indonesia	2019	Treasury Planning Head
24	Jeffrey Cheanandro Tjoeng	S1	Oklahoma State University	2020	Head of Business Banking
25	Willem E.o Umboh	S1	Universitas Sam Ratulangi Manado	2015	Business Banking Support Head
26	Sidik Waskito,St	S1	Universitas Sebelas Maret	2012	Business Banking Credit Risk Head
27	Novri Irza Hidayattullah	S1	Universitas Gadjah Mada	2019	Business Banking Policy & Control Head
28	Margareth P. Santosa	S2	Universitas Indonesia	2019	SME Head

No.	Name	Education	University	First Joined BTPN	Position
29	Anita Natalia	S1	Universitas Trisakti	2013	Business Banking Strategy Head
30	Vonny	S2	Edith Cowan University	2015	Digital SME Business Head
31	Charles Anthony Bunaidi	S1	Pensicola Christian College	2022	Business Banking Business Development Head
32	Takeshi Nishimura	S1	Ritsumeikan University	2023	Business Banking Cross Collaboration Head
33	Kamaluddin	S1	Universitas Indonesia	2021	Tax Management Head
34	Arif Suseno	S1	Universitas Indonesia	2019	Financial Controller
35	Kenji Okada	S1	Kyoto University	2021	Alignment & Synergy Planning Head
36	Hendra Gunawan	S1	Universitas Tarumanagara	2021	Strategy Implementation Head
37	Lia Asoka	S1	Unika Atmajaya	2021	Finance Risk, Control & Governance Head
38	Elsa Ariany Setyadi	S1	Universitas Tarumanagara	2023	Financial Planning & Performance Head
39	Jeny Mustopha	S2	Emeritus Institute of Management	2020	Head of Information Technology
40	Jufri	D3	Alexander Collage - Perth, Western Australia	2013	IT Strategic Planning & Data Management Head
41	Andi Febri Cahyo	S2	Universitas Indonesia	2008	IT Retail Banking & Corporate Functions Enablement Head
42	Hayato Inoue	S2	Graduate School of Tsukuba	2021	IT Corporate Banking Enablement Head
43	Joko Kurniawan	S1	Binus Business School	2010	IT Digital Service Enablement Head
44	Akira Kuwata	S2	Keio University	2023	IT Governance Management Head
45	Iman Triono	S2	Gunma University	2019	IT Transaction Management Head
46	Sendiaty Sondy Se	S1	Universitas Trisakti	2012	Head of Risk Management
47	Wahyu Nugroho Y.a.s	S2	Perbanas	2021	Portfolio Management & Policy Head
48	Heru Rustanto, Se	S2	Universitas Tarumanagara	2014	Operational & Fraud Risk Management Head
49	Deni	S2	Universitas Indonesia	2019	Market & Liquidity Risk Management Head
50	Keisuke Heima	S2	Kyoto University	2022	Risk Management Planning
51	Buyung Bachtiar	S1	Universitas Bina Nusantara	2019	Cyber Security Risk Management Head
52	Tasuku Tanaka	S1	The University of Tokyo	2023	Credit Risk Head
53	Husan Mahjudin	S1	Universitas Trisakti	2019	Loan Head
54	Jenny Susanto	S1	Monash University, Australia	2019	Credit Head
55	Theodora Ikke Gratcia	S1	Universitas Indonesia	2021	Transaction Legal Head

PROFILE OF EXECUTIVE OFFICERS

No.	Name	Education	University	First Joined BTPN	Position
56	Eddy Satria Nugraha Sembiring	S2	Sekolah Tinggi Manajemen Prasetiya Mulya (Jakarta)	2019	Commercial Banking Credit Risk Head
57	Tubagus Dimas Andriadie	S2	Magister Management Agribisnis - Institut Pertanian Bogor	2019	Credit Planning Head
58	Hendra Kuncoro Jati	S2	University of Technology Sydney	2019	Corporate Portfolio Management Head
59	Hari Suci Yuliastuti	S1	Universitas Gadjah Mada	2019	Anti Money Laundering & CFT Head
60	Butet Sondang Sitepu	S2	Universitas Gadjah Mada	2009	Compliance Head
61	Eneng Yulie Andriani	S2	Universitas Indonesia	2019	Corporate Secretary Head
62	Argo Wibowo	S2	Universitas Indonesia	2011	General Counsel
63	Andrie Darusman	S1	Universitas Indonesia	2015	Communications & Daya Head
64	Arif Muhammad Fatwaddin	S1	Universitas Mataram	2013	Operations Transaction Center Head
65	Radhar Hasti Handayani	S1	Universitas Katolik Parahyangan	2008	Operations Development Head
66	Ridwan Nugraha	S2	Universitas Katolik Indonesia Atma Jaya Jakarta	2011	Branch Banking Head
67	Bambang Joko Susilo	S1	Universitas Trisakti	2014	Customer Experience Center Head
68	Patritius Joko	S2	Institut Teknologi Bandung	2015	Operations Control Assurance Head
69	Heling Trihatma	S1	Universitas Pancasila Jakarta	2006	Reporting, Settlement & Access Management Head
70	Bambang Anugerah Rachmad	S1	Universitas Trisakti - Jakarta	2019	General Services Head
71	Mira Fitria	S2	London School of Economic and Political Science, Uk	2020	Head of Human Resources
72	Yvonne Febrina Syofyan	S2	Golden Gate University	2019	HRBP Head Corporate Banking
73	Denty Avianty	S2	Universitas Indonesia	2015	Strategic HR Management Head
74	Myrna May Witarka	S2	Strathclyde University Glasgow Uk	2022	HRBP Head IT, Operations & Functions
75	Jemmy Maruto	S1	Universitas Bina Nusantara	2020	HR Technology & Services Head
76	Debbie Gracia Retnoningsih	S2	Thunderbir, Graduate School of International Management	2015	HRBP Head Retail Banking
77	Nurhajati Soerjo Hadi	S1	Oregon State University, Or - Usa	2023	Head of Internal Audit
78	Willy Johan Widjaja S.	S2	Bina Nusantara	2016	IT, Digital Banking & Analytics Audit Head
79	Bernanta Budi Danardana	S1	Universitas Indonesia	2019	Audit Methodology, QA & Development Head
80	Dessy Natalia	S1	STIE Malangkucecwara	2012	Credit Audit Head
81	Stefanus Rudy Kristianto	S1	Institut Pertanian Bogor	2013	Operations Audit Head
82	Ratih Wulan Indrawati, Sp	S1	Institut Pertanian Bogor	2022	Wealth Management & Corporate Functions Audit Head
83	Purnomo B. Soetadi	S3	Universitas Padjadjaran	2023	Head of Retail Lending Business
84	Enrico Novian	S1	Universitas Indonesia	2023	Pension Business Head RLB

No.	Name	Education	University	First Joined BTPN	Position
85	Yose Parlinta,Sip.	S1	Universitas Gadjah Mada	2011	Sales Distribution Pension Business 1 & Business Excellence Head
86	Irradiatie Pierenika	S1	Universitas Gajah Mada	2023	Sales Distribution Pension Business 2 & National Distribution Head 2
87	Dewi Puspita Sari	S1	Perbanas	2017	Strategic Partnership & Relationship Management Head Pension Business
88	Tri Sujatioadi	S1	Institut Teknologi Bandung	2010	Sales Management & Process Excellence Head RLB
89	Fiandra Monica Affian	S1	Universitas Trisakti	2019	Joint Finance Head
90	Erpantja Toho S. Pasaribu	S1	Universitas Sumatera Utara	2019	Micro Business Head
91	Astri Piesca Rini	S1	Institut Teknologi Bandung	2023	Product & Portfolio Management Head RLB
92	Helena	S1	Institut Pertanian Bogor	2008	Head of Wealth Management Business and Network & Distribution
93	Rudyanto Kemal	S1	Universitas Gajah Mada	2009	Sales Management Head WMB
94	Aegeus Hutama Soewito	S2	Universitas Indonesia	2020	Wealth Product Management Head WMB
95	Chairul Sani	S1	Universitas Islam Sumatera Utara	2023	Sales Distribution WMB & National Distribution Head 1
96	Elvie Iskandar	S1	Universitas Tarumanagara	2008	Liabilities & Digital Management Head WMB
97	Rio Yussac Lopa	S1	Purdue University	2021	Network Management Head
98	Sanny Kumalasari	S2	Unika Atma Jaya	2019	Customer Experience Head WMB
99	Frenky Guslove	S1	President University	2015	Digital Banking Solution Head
100	Irwan Sutjipto Tisnabudi	S1	The University of New South Wales	2016	Head of Digital Banking
101	Febri	S2	Prasetiya Mulya	2015	Digital Banking Partnership Head
102	Salvy Gunawan	S1	Curtin Uni of Technology	2021	Digital Banking Business Performance & Customer Value Management Head
103	Anita Ekasari. C	S1	Universitas Katolik Parahyangan	2016	Jenius Business Stream Head
104	Citra Paramita	S2	Prasetiya Mulya	2022	Retail Banking Digital Strategy Head
105	Kosuke Shimada	S2	Strathclyde Business School	2021	Digital Banking Alignment & Sinergy Head
106	Adil Pamungkas	S1	UPN Veteran Yogjakarta	2020	Retail Banking Risk Head
107	Erliana Tandoko	S1	Institut Pertanian Bogor	2015	Retail Banking Analytics, Planning & Process Excellence Head

EMPLOYEE STATISTICS

Until the end of fiscal year 2023, the total number of employees reached 6,636, with details as follows:

Number of Employees based on Employment Status

Employment Status	2023	2022	2021
Permanent	6,346	6,584	6,686
Contract	290	388	443
Total	**6,636**	**6,972**	**7,129**

Number of Employees based on Gender

Gender	2023	2022	2021
Male	3.695	3.975	4.105
Female	2.941	2.997	3.024
Total	**6,636**	**6,972**	**7,129**

Number of Employees based on Education Level

Education	2023	2022	2021
Academy	844	958	1.056
Bachelor's Degree	5.467	5.692	5.783
Master's Degree	325	322	290
Total	**6,636**	**6,972**	**7,129**

Number of Employees based on Position Grade

Grade of Position	2023	2022	2021
Grade 2-7 (Clerical)	1.224	1.556	1.807
Grade 8-9 (Officer/Supervisor)	1.590	1.596	1.616
Grade 10-13 (Management)	2.891	2.919	2.831
Grade 14-15 (Senior Management)	743	718	710
Grade 16-18 (Top Management)	178	173	156
Grade BOM (Board Management)	10	10	9
Total	**6,636**	**6,972**	**7,129**

Number of Employees based on Years of Service

Years of Services	2023	2022	2021
0 - < 1 Year	1.222	1.377	1.109
> 1 - < 3 Years	758	1.081	1.322
> 3 - < 5 Years	933	504	665
> 5 - < 10 Years	1.758	2.177	2.341
> 10 - < 20 Years	1.763	1.590	1.428
> 20 Years	202	243	264
Total	**6,636**	**6,972**	**7,129**

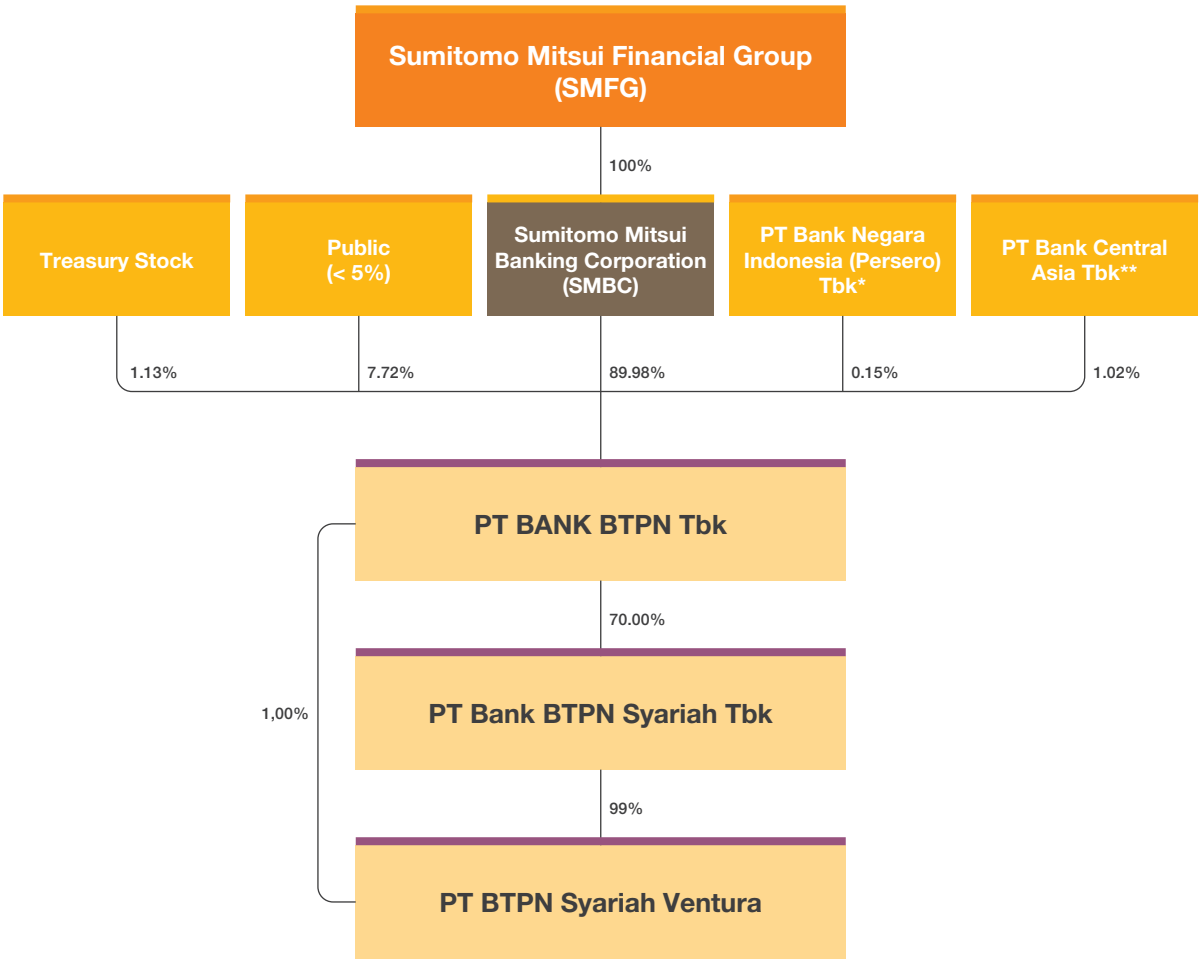
Number of Employees based on Directorate/Division

Directorate/Division	2023	2022	2021
Business Banking	559	600	679
Corporate Banking - Japanese	115	101	98
Credit Risk	74	71	60
Digital Banking	461	420	332
Executive Secretary to Retail Banking Director	1	-	1
Human Resources	107	106	90
Internal Audit	59	50	56
Compliance & Legal	119	116	112
Finance & Planning	88	82	79
Risk Management	56	51	58
Micro Business	-	553	651
Operations	2.367	2.491	2.549
Retail Banking Analytics, Planning & Process Excellence	38	42	31
Retail Banking Risk	632	622	645
Retail Lending Business	935	640	681
Secretary to Deputy President Director	1	1	1
Information Technology	475	492	478
Treasury	40	35	34
Wealth Management Business and Network & Distribution	331	346	346
Wholesale Banking	178	153	148
Total	**6,636**	**6,972**	**7,129**

Number of Employees based on Age

Age	2023	2022	2021
< 25 years old	228	274	250
25-29 years old	1.000	1.079	1.154
30-34 years old	1.443	1.621	1.757
35-39 years old	1.655	1.756	1.866
40-44 years old	1.272	1.204	1.122
45-49 years old	601	606	570
50-54 years old	417	413	388
55-59 years old	19	19	22
> 60 years old	1	0	0
Total	**6,636**	**6,972**	**7,129**

SHAREHOLDERS STRUCTURE



Position as of 31 December 2023

Note:

Ultimate Shareholder

Controlling Shareholders

* Converted shares due the Merger with PT Bank Sumitomo Mitsui Indonesia

** In compliance with Regulation PP No.29 Year 1999 on the Share Purchase of Commercial Bank and are converted shares due to the Merger with PT Bank Sumitomo Mitsui Indonesia

ULTIMATE PARENT ENTITY

SUMITOMO MITSUI FINANCIAL GROUP

Sumitomo Mitsui Financial Group, Inc. (“SMFG”), established on 2 December 2002 as the parent entity of Sumitomo Mitsui Banking Corporation (“SMBC”), is the Controlling Shareholder of BTPN. SMFG shares are listed in the Tokyo Stock Exchange (First Section) and Nagoya Stock Exchange (First Section).

The Business Mission of SMFG is to grow and prosper together with customers by providing services of higher value to the customers; to maximize the value of the shareholders through sustainabile business growth as well as to create a working environment that supports and respect diligent and highly motivated employees.

With the Head Office in Tokyo, SMFG operates in the management of banking subsidiaries and other companies that can be treated as subsidiaries based on the provisions of Japanese Banking Laws. In addition, SMFG carries out ancillary functions, as well as functions that can be executed by banking holding companies under the regulations of the Japanese Banking Laws.

Companies within the SMFG business group are mainly operating in commercial banking through such financial services as follows: leasing, securities, consumer financing, finance, system development data processing and asset management.

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

MAJORITY SHAREHOLDERS

SUMITOMO MITSUI BANKING CORPORATION

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

With the Head Office in Tokyo, Japan, SMBC is currently one of the biggest banks in Japan with a business network vastly spread throughout the world, such Australia, Europe, Canada, Brazil, and Indonesia. SMBC and its group of companies offer various financial services centralized in banking. SMBC's banking business has nestled in 16 countries outside of its homeland Japan. They also operate in the business of leasing, securities, credit card, investment, housing loan securities (KPR), venture capital, and other related-credit business.

Aside from BTPN in Indonesia, SMBC also retains investments in several other companies, namely PT Sumitomo Mitsui Finance and Leasing Indonesia, PT Nikko Sekuritas Indonesia and PT SBCS Indonesia.

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

SHAREHOLDER COMPOSITION AS OF 31 DECEMBER 2023

Shareholder	Total Shares	Percentage (%)
Sumitomo Mitsui Banking Corporation	7,332,311,297	89.98
PT Bank Central Asia Tbk	83,052,408	1.02
PT Bank Negara Indonesia (Persero) Tbk	12,007,137	0.15
Treasury Stock	92,292,198	1.13
Public (<5%)	629,443,829	7.72
Total	**8,149,106,869**	**100.00**

COMPOSITION OF 20 LARGEST SHAREHOLDERS

No.	Shareholder	Total Shares	Percentage (%)
1	Sumitomo Mitsui Banking Corporation - EQ	7,332,311,297	89.98
2	UBS AG London Branch Equities House -214	400,000,000	4.91
3	Barclays Capital Securities Limited SBL/	200,000,000	2.45
4	PT Bank Central Asia TBK	83,052,408	1.02
5	PT Bank Negara Indonesia (Persero) Tbk	12,007,137	0.15
6	Christian Santoso	2,341,800	0.03
7	Cayuga Pacific Group Limited	1,177,500	0.01
8	Engelbert Winoto	1,173,700	0.01
9	Kamajaya	922,500	0.01
10	Jany Candra	910,000	0.01
11	Henry Gunawan Cahyono Putro	877,800	0.01
12	Ir. Ongki Wanadjati Dana	860,804	0.01
13	PT Timur Nusa Niagajaya	820,600	0.01
14	Bank Julius Baer and Co Ltd Singapore	806,400	0.01
15	Linda Sulistyaningsih, BCS	794,300	0.01
16	Djoko Susanto	542,500	0.01
17	Caceis Bank, Ireland Branch / Nichejungl	531,700	0.01
18	Andy Tanujaya	415,700	0.01
19	Hendry Sunito	364,100	0.00
20	Yansen Lokanata	364,100	0.00

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

Shareholder	Total Shares	Percentage (%)
Indonesian Individuals	24,385,815	0.30
Pension Fund	117,500	0.00
Bank	187,921,743	2.31
Limited Liability Companies	1,335,034	0.02
Mutual Funds	25,100	0.00
Foreign Individuals	212,772	0.00
Foreign Companies	7,935,108,905	97.37
Total	**8,149,106,869**	**100.00**

MAJORITY SHAREHOLDERS

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

Direct

Direct share ownership by members of the Bank's Board of Commissioners and Board of Directors comes from the Material Risk Taker program.

Name	Total Shares	Share Percentage (%)	Status
Board of Commissioners			
Chow Ying Hoong	0	0.000	President Commissioner
Takeshi Kimoto	0	0.000	Commissioner
Ninik Herlani Masli Ridhwan	0	0.000	Independent Commissioner
Onny Widjanarko	0	0.000	Independent Commissioner
Edmund Tondobala	0	0.000	Independent Commissioner
Ongki Wanadjati Dana*	860,804	0.011	Commissioner
Board of Directors			
Henoch Munandar	173,756	0.002	President Director
Kaoru Furuya	3,000	0.000	Deputy President Director
Darmadi Sutanto	89,120	0.001	Deputy President Director
Dini Herdini	118,572	0.001	Compliance Director
Atsushi Hino	0	0.000	Director
Keishi Kobata	0	0.000	Director
Merisa Darwis	222,358	0.003	Director
Hanna Tantani	148,154	0.002	Director

* Share ownership comes from the Material Risk Taker program when serving as a member of the Bank's Board of Directors.

Indirect

There are no members of the Board of Commissioners and Board of Directors who indirectly own shares of BTPN. All shareholdings are shares in the name and are owned directly as stated above.

LIST OF SUBSIDIARIES

Name of Company
PT Bank BTPN Syariah Tbk

Ownership
70%

Line of Business
Sharia Banking

Type of Legal Entity
Limited Liability Company (PT)

Head Office Address
BTPN Tower, 12th Floor
CBD Mega Kuningan
Jl. Dr. Ide Anak Agung Gde Agung, Kav. 5.5-5.6 South Jakarta 12950

2023 Total Asset
Rp21,429,607 (million)

Operation Status
Operational

Name of Company
PT BTPN Syariah Ventura

Ownership
Direct ownership: **1%** (based on deed No. 02, dated June 2, 2022)
Indirect ownership through PT Bank BTPN Syariah Tbk: **69,3%**

Line of Business
Venture Capital

Type of Legal Entity
Limited Liability Company (PT)

Head Office Address
Jl. Radio Dalam No. 100
Kebayoran Baru - South Jakarta

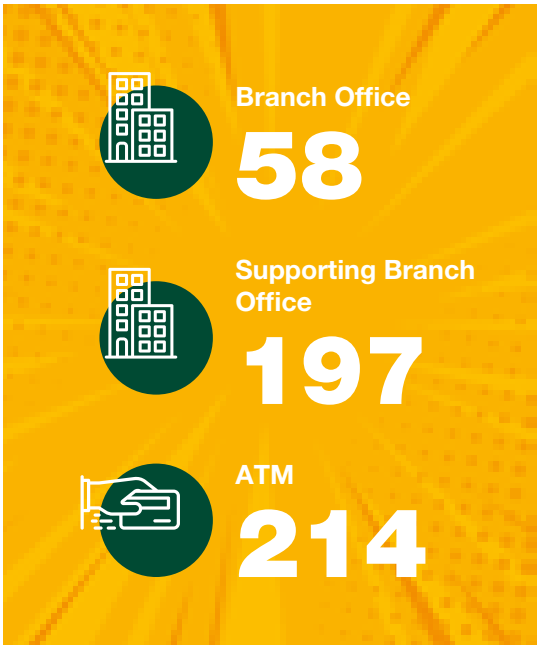
2023 Total Asset
Rp320,596 (million)

Operation Status
Acquired operation permit from the Financial Services Authority through the Decision Letter of Members of the Board of Commissioners No. KEP-23/D.05/2022 dated 20 May 2022 on the Issuance of Company Business Permit for Sharia Venture Capital to PT BTPN Syariah Ventura and effective to carry out operational activities on 30 May 2022.

OPERATIONAL AREA

OFFICE NETWORK

Description	Total
Operational Head Office	1
Non-Operational Regional Office	9
Branch Office	**58**
Supporting Branch Office	**197**
Functional Office	
• Operation Functional Office	1
• Non-Operation Functional Office	0
Total Office Network	266
ATM	214
TCR	0
Payment Point	18
Total Office Network & ATM	**498**



BRANCH OFFICE ADDRESS

No.	Branch Office	Address	Telephone	Facsimile
1	A. Yani	Jl. Jend.Achmad Yani 618 Bandung	(022) 7211693, 7278887	(022) 7278900, 7278901
2	Bandung	Jl. Lengkong Besar No. 38 Bandung	(022) 4205397, 4207582	(022) 4207583
3	Garut	Jl. Merdeka No. 84-A Garut	(0262) 232749, 231349, 232092	(0262) 235447
4	Tasikmalaya	Jl. KH.Z.Mustofa 289 Tasikmalaya	(0265) 336786	(0265) 332049
5	Sukabumi	Jl. R.E. Martadinata 51 Sukabumi	(0266) 221053	(0266) 221184
6	Cirebon	Jl. Dr.Wahidin Sudirohusodo 72 Cirebon	(0231) 208030, 208224, 205022	(0231) 209591
7	Jakarta (Gn.Sahari)	Jl.Gunung Sahari Raya 87 Jakarta	(021) 4211311	(021) 4204150
8	Pondok Labu	Jl. RS Fatmawati No. 1A, RT 002/RW 001 Kel. Pondok Labu, Kec. Cilandak, South Jakarta	(021) 27811381	(021) 27814435
9	Bogor	Jl. Raya Pajajaran No.63 Bogor	(0251) 8373149, 8373150	(0251) 373151/2
10	Serang	Jl. KH. Tb. A. khatib 43 Serang	(0254) 203282 (hunting)	(0254) 208794
11	Kebayoran Baru	Jl. Petogogan II no. 6-8 Blok A South Jakarta	(021) 2702782, 72795313	(021) 2702782, 72795313
12	Cililitan	Jl. Dewi Sartika No. 46, Kel. Cililitan Kec. Kramat Jati, East Jakarta	(021) 80875102-5	(021) 80875106
13	Pontianak	Jl. Gajah Mada No. 153-157 Kode Pos 78121 Pontianak	(0561) 748236	(0561) 761529, 760058

No.	Branch Office	Address	Telephone	Facsimile
14	Depok	Jl. Margonda Raya No. 77 Depok	(021) 7777357	(021) 7777358
15	Banjarmasin	Jl.Jend A. Yani No. 240 Km 3,5 Banjarmasin	(0511) 3256912-5	(0511) 3256916
16	Samarinda	Jl. Pahlawan No. 88 - 89, RT 27, Kel. Dadi Mulya, Kec. Samarinda Ulu, Kota Samarinda	(0541) 201030	(0541) 200930
17	Palangkaraya	Jl. Cilik Riwut KM. 1 No. 30 Palangkaraya	(0536) 3242682	(0536) 3242492
18	Balikpapan	Jl. Ahmad Yani No. 10, RT 045, Kel. Gunung Sari Ilir, Kec. Balikpapan Tengah, Balikpapan	(0542) 428100	(0542) 417676
19	Magelang	Jl. Diponegoro 18 Magelang	(0293) 362425	(0293) 363431
20	Semarang	Jl. MT. Haryono No. 715 Semarang	(024) 8454592-93-94	(024) 8454591, 8319135
21	Kudus	Jl. P. Sudirman 117 Kudus	(0291) 439286	(0291) 435002
22	Tegal	Jl. Dr. Soetomo 24 Tegal	(0283) 352520	(0283) 352522
23	Yogyakarta	Jl.Bintaran Tengah No.15 Yogyakarta	(0274) 377228	(0274) 370137
24	Surakarta	Jl.Brigjen Slamet Riyadi No. 526 Surakarta	(0271) 719203, 724581,724582	(0271) 724580, 715668, 722630
25	Purwokerto	Jl. Wiriaatmaja No. 16, Desa Kedungwuluh, Kec. Purwokerto Barat, Kabupaten Banyumas	(0281) 632038	(0281) 632037
26	Surabaya	Jl. Indrapura No.1 EFG Surabaya	(031) 3533054, 3533058	(031) 3532035
27	Kertajaya	Jl. Kertajaya 30 Surabaya	(031) 5017537	(031) 5019484
28	Denpasar	Jl. Letda Tantular No. 1 Rukan Dewata Square No. A21-A23 Denpasar	(0361) 233344 (Hunting)	(0361) 233336
29	Mataram	Jl. Pejanggik No. 86 Mataram	(0370) 629844, 629845, 629848	(0370) 629847
30	Kupang	Jl. Irian Jaya, RT. 11/RW 03, Kel. Fatubesi, Kec. Kelapa Lima, Kota Kupang	(0380) 832999	(0380) 833368
31	Malang	Jl. Jaksa Agung Suprapto No. 63 Malang	(0341) 362963	(0341) 340413
32	Madiun	Jl. Salak Raya 65 Madiun	(0351) 462974	(0351) 453311
33	Jember	Jl. Kalimantan 18-A Jember	(0331) 335237	(0331) 335701
34	Kediri	Jl. Brigjen Katamso 32 Kediri	(0354) 685990	(0354) 673553
35	Medan	Jl Putri Hijau No. 20 Medan	(061) 4151655	(061) 4151711, 4522566
36	Pematang Siantar	Jl. Sutomo No. 5/II Pematang Siantar	(0622) 21762	(0622) 431957
37	Sibolga	Jl. Putri Runduk No. 10, Kel. Pasar Belakang, Kec. Sibolga, Kota Sibolga	(0631) 21112	
38	Padang	Jl. Khatib Sulaiman No. 45, Kel. Belanti Barat, Kec. Padang Barat, Padang	(0751) 7050655	(0751) 446360
39	Bukittinggi	Jl. Profesor M. Yamin No. 9 A/B/C/D, Kelurahan Aur Kuning, Kecamatan Aur Birugo Tigo Baleh, Kota Bukittinggi	(0752) 8100567	(0752) 8100568
40	Batam Kota	Compound of Raflesia Business Centre Block G No. 1, Kel. Teluk Tering, Kec. Nongsa, City of Batam	0778 – 424893	(0778) 4173224, 4173225, 4173226
41	Pekanbaru	Jl. Jenderal Sudirman No.484 C-D, Pekanbaru	(0761) 839445	(0761) 839609
42	Jambi	Jl. Prof. M. Yamin, SH No. 32-34, RT. 13/ RW.04, Kel. Payo Lebar, Kec. Jelutung, Jambi	(0741) 668849	(0741) 668596
43	Bandar Lampung	Jl. Wolter Mongonsidi No.15 Bandar Lampung	(0721) 267445	(0721) 267448
44	Palembang	Jl. Jend. Sudirman No. 16 Palembang	(0711) 360548, 360547	(0711) 360549

OPERATIONAL AREA

No.	Branch Office	Address	Telephone	Facsimile
45	Bengkulu	Jl. Jenderal Ahmad Yani No. 925, Kel. Jitra, Kec. Teluk Segara, Bengkulu	(0736) 28776	(0736) 28769
46	Makassar	Jl. G. Bawakaraeng 170-176 Makassar	(0411) 4585, 449073, 435911	
47	Parepare	Jl. Sultan Hasanuddin No. 12 dan 13, Kel. Ujung Sabbang, Kec. Ujung, Parepare	(0421) 24582	(0421) 22943
48	Manado	Jl. Dr.Sam Ratulangi 100-102 Manado	(0431) 854102, 854104, 856346, 856347, 852339	(0431) 864401, 866615
49	Ternate	Jl. Hasan Esa No. 87, Kelurahan Tanah Tinggi, Kecamatan Ternate Selatan, Kota Ternate, Maluku Utara	(0921) 3110787	
50	Kendari	Jl. DR. Sam Ratulangi No. 10, RT 001/RW 001, Kelurahan Mandonga, Kecamatan Mandonga, Kota Kendari, Sulawesi Tenggara	(0401) 3129111	(0401) 3129111
51	Palu	Jl Prof. M Yamin Nomor 114, Paluta Building Blok A1,A2,A3, Kel. Tatura Utara, Kedungdoro Kec. Palu Selatan, Palu	(0451) 454565	(0451) 454054
52	Ambon	Jl. Anthony Rhebok No. 41, Kel. Honipopu, Kec. Sirimau, Kota Ambon, Provinsi Maluku	(0911) 345806	
53	Jayapura	Jl. Raya Abepura – Kotaraja No. 51A – 51B (Samping Kantor Askes/BPJS), Kecamatan Abepura, Kota Jayapura	(0967) 531324	(0967) 531323
54	Juanda	Jl. Ir. H. Juanda No. 8 Bandung	(022) 4268100 - 01	(022) 4206749
55	Panglima Polim	Jl. Panglima Polim Raya No. 67 A-B, Kebayoran Baru, Jakarta	(021) 7234388	(021) 7234377
56	Zainul Arifin Medan	Jl. K.H. Zainul Arifin No. 25, Medan	(061) 4574034	(061) 4574022
57	Pandanaran	Jl. Pandanaran No. 23, Kelurahan Randusari, Kecamatan Semarang Selatan, Semarang	(024) 86453203, 86453204	(024) 86453200
58	Diponegoro	Jl. Ciliwung No. 9, Kel. Darmo, Kec. Wonokromo, Surabaya	(031) 5621172, 5621173, 5621205, 5664555	(031) 5621080,5621030

BUSINESS PARTNER NETWORK

Business Partner	Total
Individual	**32**
• Domestic	32
• Foreign	0
Institutional	**589**
• Domestic	577
• Foreign	12

MEMBERSHIP IN ASSOCIATIONS

Association	Position
Indonesia Issuers Association (AEI)	Member
National Banking Association (Perbanas)	Member
Indonesia International Banks Association (PERBINA)	Member
Forum Komunikasi Direktur Kepatuhan	Member
Asosiasi Sistem Pembayaran (ASPI)	Member
Indonesian Corporate Secretary Association (ICSA)	Member

CHRONOLOGY OF SHARES LISTING

The listing chronology of BTPN shares on the Indonesia Stock Exchange is outlined in the table below:

Date of Listing	Corporate Action	Nominal Value/ Share (Rp)	Exercise Price	Additional Shares	Total Shares
12 March 2008	Initial Offering	100	2,850	267,960,220	943,936,190
10 December 2010	Public Offering with Right Issue I	100	-	188,787,238	1,132,723,428
28 March 2011	Stock Split	20	-	-	5,663,617,140
14 March 2012	Additional Shares from IFC Loan Conversion	20	-	176,670,117	5,840,287,257
23 May 2016	Buy Back	20	-	-	5,840,287,257
1 February 2019	Total Addition from SMBCI Shares	20	-		8,148,916,869
26 August 2019	Fulfillment of Free Float Stock Terms	20	3,600	400,000,000	8,148,928,869
31 December 2019	MESOP 2015:		-	-	
	Stage I	20	-	-	
	Stage II	20	-	-	
	Stage III	20	-	-	
	Stage IV	20	-	-	
	Stage V	20	-	-	
	Stage VI	20	-	-	
31 December 2021	MESOP 2016:				
	Stage I	20	2,617	10,670,600	
	Stage II	20	2,617	1,112,900	
	Stage III	20	2,617	12,000	
	Stage IV	20	2,617	3,000	8,148,931,869
	Stage V	20	2,617	-	
	Stage VI	20	2,617	175,000	8,149,106,869

CHRONOLOGY OF OTHER SECURITIES LISTING

Name of Obligation	Date of Issue	Principla Value	Interest	Currency	Maturity Date	Rating		Rating Period
						2024	2023	
Public Offering of Shelf Registered Bonds IV Bank BTPN with Fixed Interest Rate Stage I Year 2019 B series	27 November 2019	201,000,000,000	7.75	IDR	26 November 2024	AAA (idn)	AAA (idn)	13 April 2023 – 13 April 2024

PUBLIC ACCOUNTANT FIRM

Name of KAP	:	KAP Siddharta Widjaja & Rekan (a member firm of KPMG International Limited)
Address	:	33rd floor Wisma GKBI 28, Jl. Jend.Sudirman Jakarta 10210
Telephone	:	+62 (0) 21 574 2333 / 574 2888
Assignment Period	:	2023
Audit Services Provided	:	Interim Financial Statement Audit September 30, 2023
Fees	:	Rp10,800,000,000 (excluding VAT)
Audit Services Provided	:	Annual Financial Statement Audit December 31, 2023
Fees	:	Rp5,100,000,000 (excluding VAT)
Non Audit Services Provided	:	Comfort Letter Services
Fees	:	Rp1,350,000,000 (excluding VAT)

NAMES AND ADDRESSES OF CAPITAL MARKET INSTITUTIONS AND/OR SUPPORTING INSTITUTIONS

SECURITIES ADMINISTRATION BUREAU

PT Datindo Entrycom
Jl. Hayam Wuruk No. 28 Jakarta 10120
Tel : +62 21 350 8077 (Hunting)
Fax : +62 21 350 8078

RATING AGENCY

PT Fitch Ratings Indonesia
DBS Bank Tower, Lt 24, Suite 2403
Jl. Prof. Dr. Satrio Kav 3-5 Jakarta 12940
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PT Pemeringkat Efek Indonesia (PEFINDO)
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INFORMATION ON COMPANY WEBSITE

The information contained in Bank BTPN's website complies with the provisions set out in the Financial Services Authority Regulation No. 8/POJK.04/2015 on the Website of Issuers or Public Companies. All information can be accessed by the public through the website www.btpn.com.



Information available include the following:

Information	Link
About Us	
• BTPN in Brief • Management • Vision, Mission and Values • Contact Us • Daya • Unit Bisnis	https://www.btpn.com/id/tentang-kami
Products and Services	
• Saving • Loan • Banking Transaction • Investment Product and Bancassurance • Treasury Solution	https://www.btpn.com/id/produk-dan-pelayanan/simpanan
News and Media	
• News Broadcast/Press Release • Events • Special Review • Customer Success Story • Financial Education	https://www.btpn.com/id/berita-media#!
Investor Relation	
• Publication on Risk Exposure & Capitalization by Category • Annual Report and Sustainability Report • Financial Statement • Financial Highlights • Leverage Ratio & Disclosure of Capitalization in Accordance with Basel Framework • Information on Investor & Public Expose • Composition of Shareholders and Group's Organizational Structure • General Meeting of Shareholders (GMS) • Corporate Governance • Information Transparency • Corporate Action • Capital Market Institution & Supporting Profession • NCR NSFR Report	https://www.btpn.com/id/hubungan-investor
Interest & Exchange Rate	
• Exchange Rate • Basic Credit Interest Rate	https://www.btpn.com/id/prime-lending-rate/kurs



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143 Changes In Accounting Policies
143 Tax Payer Compliance
144 Marketing Aspect
144 Strategi Pemasaran
145 Pangsa Pasar

In 2023, the national banking sector's capitalization level remains robust, liquidity remains adequate, and non-performing loans are well-maintained despite continued credit growth.

ECONOMIC REVIEW AND THE BANKING INDUSTRY

> Indonesia's economy has shown resilience despite facing an unstable global economy.

Economic growth in 2023 YoY

5.05%

Indonesia's economy in 2023 grew by 5.05%, lower than the achievement in 2022 which experienced growth of 5.31%.

Banking third party funds growth in 2023 YoY

3.73%

Banking TPF grew by 3.73%, driven by an increase in current accounts of 4.57%.

ECONOMIC REVIEW

Global economic performance in 2023 has slowed, with growth of 3.1% annually or year on year (YoY), compared to 3.5% in 2022. This slowdown was caused by a significant increase in global interest rates.

In 2023, the US economy remained strong, driven by household consumption and investment. On the other hand, China's economy slowed due to low household consumption and investment as a result of the property sector's poor performance.

The decline in inflation in developed countries, including the United States, Europe, and the United Kingdom, continues. This condition implies that the cycle of benchmark rate reductions is expected to begin in the second quarter of 2024, or even the second semester. Meanwhile, the Central Statistics Agency (BPS) announced that the Indonesian economy grew by 5.05% year on year. This achievement exceeds the International Monetary Fund's (IMF) and World Bank projections of 5% and 4.9%, respectively.

In terms of inflation, conditions in Indonesia continue to improve. In 2023, it was only 2.6%, down from 5.5% in 2022. The country's low inflation rate could support a reduction in the benchmark interest rate in 2024.

Nonetheless, the risk of rising inflation remains, as does the risk of rising food prices as a result of the extended dry season. In addition, energy commodity prices are rising in response to the ongoing global geopolitical conflict.

Development of Several Economic Indicators

Indicator	Unit	2023	2022	2021
National GDP Growth	(%, (yoy))	5.05	5.31	3.70
GDP Per Capita	(USD) – Nominal	4,919.7	4,798.1	4,362.7
External Current Account	% of GDP	(0.11)	0.97	0.30
Central Government Debt	% of GDP	38.11	39.6	41.0
Foreign Exchange Reserves-IRFCL	(USD Billion)	146.4	137.2	144.9
Foreign Exchange Reserves Capacity	(number of months of imports and external debts)	6.5	5.9	8.6
BI Interest Rate Policy	(% year-end)	6.0	5.5	3.5
Consumer Price Index	(% year-end)	2.61	5.51	1.87
Fiscal Balance	(% of GDP; Fiscal Year)	(1.65)	(2.38)	(4.65)
S&P Rating – Foreign Currency	-	BBB	BBB	BBB

BANKING INDUSTRY REVIEW

According to Financial Services Authority data, commercial banks in Indonesia have a high capital adequacy ratio (CAR), at 27.65% in December 2023. Bank liquidity remains adequate, as evidenced by the December 2023 Liquid Assets to Third Party Funds (LA/TPF) ratio, which remains at a high 28.73%.

Banking liquidity is also relatively stable, reflecting the high level of banking placements in liquid securities and Bank Indonesia's implementation of the Macroprudential Liquidity Incentive Policy (KLM). Banking liquidity capacity (lending capacity) is also supported by strengthening pro-market monetary operations strategies, including through trading of Bank Indonesia Rupiah Securities (SRBI) in the secondary market, which allows banks to manage liquidity.

Meanwhile, the banking non-performing loan (NPL) ratio was recorded as low, at 2.19% gross and 0.71% net. Overall, strong banking resilience is bolstered by corporations and households continued strong repayment capacity, which is consistent with improving corporate performance and household income expectations. The stress-test results from Bank Indonesia show that the banking sector's resilience remains strong in the face of future uncertainties.

Performance of Conventional Commercial Banks

Indicator	Unit	2023	2022	2021
Capital Adequacy Ratio (CAR)	%	27.7	25.7	25.7
Net Interest Margin (NIM)	%	4.8	4.7	4.6
Loan to Deposit Ratio (LDR)	%	83.8	78.8	77.1
Non-Performing Loan (NPL)	%	2.2	2.4	3.0
Special Mention (SM)	%	4.3	3.8	4.1
Loan Growth	%	10.4	11.4	5.2
Deposit Growth	%	3.7	9.0	12.2
Net Profit After Tax	Rp Trillion	243.3	201.8	140.2

Source: OJK

PERFORMANCE REVIEW BY BUSINESS SEGMENT

> Bank BTPN's performance remains well-preserved, especially in the retail segment, in line with the Bank's implemented strategy.

Jenius Customer

19.20%

In 2023, the number of customers served by Jenius increased by 19.20% to 5.4 million customers, from 4.4 million customers in 2022.

Syariah Segment

Rp1.1 trillion

Net profit achieved by the Syariah segment on a consolidated basis.

PT Bank BTPN Tbk ("Bank BTPN", "BTPN", "Bank") operates in five segments: Retail Banking, Business Banking, Corporate Banking, Treasury, and Sharia Banking.

Sharia banking business activities are carried out by a subsidiary, PT Bank BTPN Syariah. Thus, the business performance report for each business segment presented is consolidated.

RETAIL BANKING

The Retail Banking business segment is divided into several main business units, including digital banking through Jenius, wealth management business, retail lending business, which includes pension business, micro businesses, and joint finance. These businesses offer a wide range of products and services, both traditional and digital.



BTPN continues to develop new products and services in order to provide complete, fast, and secure life finance transactions. As a dynamic business, Retail Banking is constantly adapting to new challenges, particularly in terms of lending and funding portfolio growth. These efforts are carried out through the continued development of innovation, as well as improvements in digitalization and branding.

The Bank also actively participates in the online/offline ecosystem by providing new products and investments, thereby increasing the number of customers. Similarly, the number of transactions increased, as did non-interest income (fee-based income).

2023 Initiatives and Strategies

Retail Banking continues to develop Jenius as a digital transaction platform for all retail products in order to increase savings and deposits while also lowering the cost of funds. Other initiatives include:

- Strengthening the business model, especially to support the growth of the loan portfolio and low-cost funds.
- Expanding products and services by adding loan, funding, bancassurance, investment products and improving the service network.
- Building digitalization of all businesses through the Jenius platform.
- Develop features to attract new customers, increase banking transactions and expand cooperation with various online partners (e-commerce).
- Improve Retail Banking branding, especially in Jenius & customer experience.

Performance Achievement

In 2023, the number of customers in the Retail Banking business segment had reached 5.4 million. The number increased by 17.8%, compared to 4.6 million in 2022.

Third Party Funds (TPF) were successfully recorded at Rp37.9 trillion, increased from Rp37.2 trillion the year before. Meanwhile, loan distribution had reached Rp26.7 trillion in 2023, up by 3.49% compared to 2022, which was Rp25.8 trillion.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

2023 Retail Banking Operational Performance

Description	Unit	2023	2022	2021
Customer	Million	5.4	4.6	3.9
Third Party Fund	(Rp Trillion)	37.9	37.2	33.3
Loan	(Rp Trillion)	26.7	25.8	28.2

2024 Strategic Plan

In the future, Retail Banking will continue its three-year execution strategy with several initiatives, including:

- Increase income growth from various businesses, maintain loan portfolio quality, and develop profitable businesses.
- Introducing more loan products, implementing Banking as a Service (BaaS), and expanding service channels.
- Expanding Jenius' capabilities as a digital platform for all retail products while also developing end-to-end process digitalization.

Increasing participation in the ecosystem, both online and offline, by encouraging collaboration with various potential partners and promoting inorganic growth.

- Strengthen collaboration between business lines, both within retail and non-retail.

JENIUS

Jenius is one of the business units within the Retail Banking business segment. This unit offers digital banking services. The Jenius digital banking platform is accessible through a smartphone application that can be downloaded.

Jenius provides customers with a revolutionary banking experience through a variety of features that can be accessed from anywhere and at any time. Customers can use this service to manage their finances digitally.

Jenius is equipped with Visa debit and credit cards, allowing you to manage your life finances more simply, smartly, and safely on Android and iOS smartphones.

2023 Initiatives and Strategies

Throughout 2023, the Jenius business line implemented strategic initiatives such as:

1. Extended the foreign currency feature's operating hours from 09.00 to 21.00 WIB on Monday through Friday, up from 09.00-18.00 WIB previously. The number of foreign currencies at Jenius is also increasing, with the addition of 2 (two) new currencies, the Chinese Yuan (CNY) and the Thai Baht (THB). Jenius now has nine foreign currencies: USD, AUD, JPY, GBP, HKD, SGD, EUR, THB, and CNY.
2. QRIS is becoming increasingly popular for cashless transactions. Jenius recognized this potential and introduced the fast-track Jenius QR scan. This innovation allows users to scan QRIS directly on the PIN page to complete transactions.
3. To celebrate Jenius' 7th anniversary, the Bank is launching a 7 Days 7 Nights promotion program that took place from August 2023 to January 2024, from 11-17 every month. This program provides attractive promotions ranging from food, drink, transportation, fashion, and the gadget of your choice.
4. Redeeming Yay Points with the Jenius Credit Card is becoming more interesting. Jenius Credit Card Yay Points could previously be exchanged for e-wallet balances (OVO and GoPay), but they can now also be exchanged for travel categories such as Traveloka Points and KrisFlyer Miles. This exchange can be completed online and in real time using the application.
5. The customer onboarding process is streamlined and safer. Jenius introduces Liveness Biometrics with facial recognition for a more seamless and secure verification process.

Jenius continues to engage in co-creation activities with the digitally literate community, including both Jenius users and potential users, by accommodating and

implementing their ideas as future iterations of Jenius. By the end of 2023, more than 44,000 digitally savvy individuals have joined Jenius Co.Create, with locations across the country and abroad. This channel has been used to conduct over 1,000 online surveys and focus group discussions (FGD). To reach a larger audience, all Jenius Co.Create activities are held both online and offline.

2023 Performance Achievement

In 2023, the number of customers served by Jenius had increased by 19.20% over 2022. Jenius' collection of third-party funds (TPF) had reached Rp25.5 trillion in 2023, an increase of 7.57% compared to Rp23.7 trillion the year before.

Meanwhile, funding for customer products (Flexi Cash, Pay Later, and Credit Cards) increased significantly in 2023, by 120.57%. In 2023, total funding had reached Rp2.2 trillion, an increase from Rp1.0 trillion in 2022. In terms of portfolio quality, it remains stable, with a non-performing loan (NPL) level of approximately 2.48%.

The increase in customer engagement with Jenius products in 2023 is reflected in the number of QRIS transactions, which increased by 238.73% from the previous year. Foreign currency transactions on the Jenius app also increased by 93.91% compared to 2022. In addition, Jenius Credit Card spending volume increased by 3997% over the previous year.

Jenius Operational Performance in 2023

Description	Unit	2023	2022	2021
Customer	People	5.238.842	4.395.173	3.664.171
Third Party Fund	(Rp Million)	25.491.621	23.698.326	15.602.929
Funding	(Rp Million)	2.210.521	1.002.172	325.337

2024 Strategic Plan

In 2024, Jenius will continue to develop the features required by its users as part of its commitment to remaining a complete and relevant life finance solution. Among other things, the introduction of a new brand direction called "Think Unthinkable," foreign currency features, Jenius digitalization services on other platforms, expanding collaboration with partners for transactions and Yay Points exchange, and expanding QRIS transaction services with Jenius.

The Think Unthinkable message, which highlights Jenius's spirit from the beginning to present innovation and features in previously unthinkable ways, was also introduced by Jenius to kick off 2024. This innovation is being carried out to improve the lives of digitally savvy individuals. This message also includes an Unthinkable Days promotion with favorite merchants, which runs every day from February 1 to April 30, 2024.

The foreign currency feature will be operational Monday through Sunday for 24 hours (24/7). Accordingly, Jenius users can sell, buy, send, and receive foreign currency over an extended period of time.

Jenius will continue to contribute to the development of an integrated digital ecosystem both domestically and internationally. Additional collaboration with domestic and foreign partners related to Jenius Pay, a QRIS-based payment ecosystem, and Yay Points exchange will continue to generate interest in Jenius among digitally savvy people.

In addition, Jenius will focus on collaborating with partners to add financial and banking services to partner platforms using digital technology. This integration and collaboration represent Jenius' effort to provide partner platform users with digital banking services owned by Jenius, allowing users to have a more comprehensive service experience with "Banking as a Service" from Jenius.

On the other hand, the Jenius application model will be implemented by banking businesses to segment and target markets with specific financial and digital literacy. Previously, this strategy was implemented in the BTPN Sinaya business, which served priority customers, and in 2024, it will return to serve customer segments with different and simpler financial needs via Jenius as a Platform.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

Jenius' strategic activity plans include education on data and transaction security. Education, as in previous years, will be carried out both online and offline by involving creators (co-creators - members of the Jenius Co.Create community), media, or Jenius's communication activities via social media.

The ongoing partnership activities in creation (co-creation) will be continued. Through this process, co-creators can continue to provide feedback and collaborate on developing Jenius features, ensuring that they remain relevant in everyday life.

RETAIL LENDING BUSINESS

Retail Lending Business (RLB) provides services and access to funding for consumptive and productive purposes for individual customers. It consists of 3 (three) business units:

Pension Business

This unit offers pension benefit payment services through Citra Pensiun Savings accounts, which include a variety of features and conveniences tailored specifically for retired customers. These services are available through a variety of BTPN service channels, including the BTPN branch network, the BTPN, Bersama, and PRIMA ATM networks, and the Indonesian Post Office network.

Meanwhile, Pension Business offers multi-purpose loan products that can be used for a wide range of consumer needs for active, pre-retired, and retired employees, tailored to each customer's abilities and needs.

In addition, Pension Business is currently developing home ownership loan products for employees, professionals, and entrepreneurs.

Micro Business

This business unit focuses on providing services and credit to productive economic actors in Indonesia's micro and small sectors, as well as their communities. This business unit offers 2 (two) service products: Maxi Micro (secured loan) and Digital Micro (digitally based unsecured loan).

Joint Financing Business

RLB's business unit focuses on providing services and credit to individual debtors and business entities through collaboration with multi-finance and fintech companies.

For this collaboration, the business unit provides 2 (two) types of collaboration services in the form of joint financing and channeling. Joint financing is a method of channeling bank credit to customers who collaborate with multi-finance companies under certain terms and conditions, including a mutually agreed-upon financing portion.

Channeling is a method of distributing bank credit to customers through partnerships with multi-finance or fintech companies. The bank provides certain terms and conditions, as well as all financing funds.

2023 Initiatives and Strategies

The RLB business units' 2023 initiatives and strategies are as follows:

Pension Business

Pension Business collaborates with PT Taspen (Persero), a long-standing partner, as well as PT Asabri (Persero) and various SOE Pension Funds, to provide pension payment services. As a trusted partner in providing pension payment services, Pension Business will always maintain its role and function by focusing on and implementing the following:

a. Ensure and guarantee payments to eligible retirees— appropriate people.
b. Pension payments/services are conducted on time and in the appropriate amount.
c. Send accurate and reliable monthly reports on a regular basis to partners - appropriate administration.

Pension Business provides the following financial services to meet the retirement aspirations of TNI/POLRI members:

a. One of the financial aspirations of active TNI/POLRI members as they near retirement is to become entrepreneurs.
b. In addition, active TNI/POLRI members require a retirement planning and preparation program.

The following are some of the strategic steps taken in consumer loan products:

a. Implementing new acquisition, collection, and collaboration models with third parties, such as credit portfolio sales and purchases, as well as credit distribution collaborations with other financial institutions.
b. Concentrating on customer segments such as state civil servants, TNI/POLRI members, SOE employees, private employees, and others who meet the criteria, beginning with those who are still active and progressing to those who have retired. Through the Daya program, prospective retirees are being prepared to support business preparations while entering and undergoing retirement.
c. Integrate banking services into digital platforms using mobile phones and applications.
d. Business processes are simplified, including process centralization, to provide faster and better services. To adapt to the "new normal" conditions, business processes were developed to minimize "face-to-face" interactions.
e. Align work processes, policies, infrastructure requirements, products, and services in accordance with priority needs and policy changes implemented by work partners, including the development of necessary technology such as biometrics, QR codes, and so on.
f. Collaborating with Taspen to develop integrated service processes and systems, particularly for online and real-time Taspen participants using SLA one-hour online service (Taspen One Hour Online Service - TOOS).
g. Improving the Bank's services and competitiveness by focusing more on improving services through network expansion and new forms of collaboration with third parties for pension benefit payment, as well as providing chip-based ATM card facilities to all Retail Lending - Pension customers in accordance with NSICCS standards, and transforming branch offices into one-stop shops for retirement-related matters.
h. Reviewing and developing new collaborations with insurance partners to strengthen credit portfolio protection, including the development of a management system for calculating required insurance premiums.
i. In addition, to support retail business development and meet customer needs, BTPN will develop and distribute new consumer loan products based on customer needs, including cross-selling to customer families.
j. Create programs that are primarily aimed at maintaining existing credit portfolios.

Micro Business

In 2023, multiple adjustments have been made to the Bank's initiatives and strategies as a respond to the challenges, with the goal of focusing on business growth and maintaining good credit quality during implementation.

In order to address these challenges, the strategies that were implemented include:

a. Maintaining loan portfolio quality and increasing growth through continues transformation process.
b. Optimizing the use of digital applications and internal systems by transitioning to a transformation model that combines sales forces and digital processes with the goal of increasing customer productivity.
c. Implement a distribution model or micro business service line that is tailored to the existing distribution model.
d. Implement and continuously improve human resource capabilities in accordance with the digital micro business model.
e. Continuing and managing the KUR business model through a partnership and the Avalis model.

Joint Finance Business

In 2023, the joint finance business took the initiative to focus on business growth in existing multi-finance and fintech companies while also bringing on new, selectively chosen multi-finance and fintech collaboration partners. This allows for the maintenance of high credit quality.

The strategies that were implemented include:

a. Establish closer relationships with existing collaboration partners by offering financing products that business units could not previously provide.
b. Sourced for new collaboration partners more selectively using strict criteria to maintain credit quality.
c. Following and observing financing market conditions as they are carried out by collaboration partners in order to monitor the development of their businesses.
d. Develop more comprehensive periodic monitoring media to assess the performance of collaboration partners.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

e. Develop bank application system capabilities to meet the operational requirements of collaboration partners.
f. Improving the capability of the customer's SLIK checking system, ensuring the SLIK checking results can be obtained quickly, allowing operational process with collaboration partners to meet the agreed-upon SLA.

Performance Achievement

Pension Business

In 2023, the total number of Pension Business customers had reached 447,981 people. The number of customers decreased by 5.56%, compared to 474,373 in 2022. Normal repayment, accelerated repayment, deceased, and switch payment offices are the leading causes of the decline in the number of RLB customers.

The total loan portfolio managed by Pension Business had reached Rp22.2 trillion, a 7.63% decrease from Rp24.1 trillion the year before. The main cause is due to the maturity level of the RLB portfolio has entered. However, compared to previous years, the decline has slowed and is expected to resume growth next year.

Meanwhile, the savings portfolio had reached Rp2.2 trillion in 2023, a 0.92% decrease from Rp2.2 trillion in 2022. The causes of this decline are still related to the previous explanations.

The following are some of the Pension Business's notable performance achievements in 2023:
1. The loan portfolio at several Pension Business branches has grown positively, and this growth is expected to continue throughout the Pension Business in 2024.
2. Strategic collaboration with one of the largest Pay Office Partners, PT Pos Indonesia, has progressed to the next level by offering banking services to PT Pos Indonesia employees.
3. On the technological front, digital banking applications have begun to be developed specifically for retired customers. This is expected to improve the convenience and speed of banking access for this demographic of customers.

2023 Pension Business Operational Performance

Description	Unit	2023	2022	2021
Customer	People	447.981	474.373	531.567
Third Party Fund	(Rp Billion)	2.155	2.175	2.301
Funding	(Rp Billion)	22.222	24.058	27.472

Micro Business

In 2023, the number of Micro Business customers had reached 13,935, up by 16.64% compared to 11,947 customers in 2022. Meanwhile, the realization of loan disbursement had reached Rp1 trillion in 2023, a 75.77% increase compared to Rp743.1 billion in 2022.

Several factors contributed to the increase in the number of Micro Business customers and total loans disbursed. Among other things, there has been an increase in the loan acceleration process and the number of qualified human resources serving Micro Business customers.

2023 Micro Business Operational Performance

Description	Unit	2023	2022	2021
Customer	People	13.935	11.947	6.656
Funding	(Rp Million)	1.306.176	743.106	483.723

Joint Finance Business

As of December 31, 2023, the Joint Financing business unit's outstanding collaboration loans with collaboration partners totaled Rp1.1 trillion with 160,994 number of accounts (NOA). This achievement is significantly better than in 2022, with outstanding loans totaling Rp148.9 billion and NOA of 33,677 accounts.

In terms of loan quality, Non-Performing Loans (NPL) were recorded at 0.9% in 2023. This condition is better than that of 2022, which was 1.8%.

2024 Strategic Plan

In order to meet the work targets set for 2024, each business unit at RLB has the following strategic plan:

Pension Business

In 2023, in addition to continuing the strategic steps that have been conducted to achieve the work targets set, Pension Business will also carry out several strategic initiatives for 2024, as follows:

1. Use of digital-based banking applications for pre-retirement and retirement customers to improve transaction efficiency and speed.
2. Penetration into the Civil Servant (PNS) and SOE Employee customer segments with funding services and products.
3. Simplify processes and document requirements to speed up the process and make it easier for customers.
4. A credit process that requires as little face-to-face interaction as possible will also be implemented.
5. Homeownership Credit product development will also be completed, and this is expected to serve as a new source of growth for the credit portfolio.

Micro Business

In 2024, Micro Business has a strategic plan to continue increasing growth, as shown in the table below:

Strategies	Description
Business Performance Management	1. Addition of human resources by accelerating the process of fulfilling human resources through an outsourcing model that is tailored to the micro market potential. 2. Increase the number of new sales points by maximizing Universal branches based on micro market potential.
Program for Customers	1. Mentoring and Training Program through BTPN Daya.id to develop micro-business customers 2. Webinar program for micro-business customers that adapts to their business development and improvement needs through competent resource persons.
Process and Reach Optimization	1. Continuing to finance productive economic business actors and their communities through the implementation of a micro business model that adapts to customers' business needs and capital while maintaining high portfolio quality. 2. Implement a microbusiness model with digital-based micro loan financing.
Strengthening Strategic Partnerships with Mitra Bisnis	1. Establish local partnerships and the MSME community to help them grow their businesses through digital banking platforms. 2. Collaborate with a number of business units with micro sector financing potential.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

Joint Finance Business

The JF business unit has a strategic plan in place with the aim of continuing to increase growth and maintain loan quality in 2024, as shown in the table below:

Strategies	Description
Business Performance Management	1. Add collaboration partners selectively while upholding the principle of prudence in terms of the RAC of customers selected from collaboration partners to receive loans. 2. Manage existing collaboration partners to increase financing volume and cooperation limits based on loan quality managed by collaboration partners. 3. Explore new forms of collaboration with other collaboration partners while maintaining adherence to existing OJK provisions/regulations. 4. Hold regular meetings with collaboration partners to discuss the performance of portfolios managed by the Bank and those managed as a whole by collaboration partners, allowing joint follow-up to be carried out in addition to increasing volume and maintaining loan quality. 5. Improve communication with associations that oversee collaboration partners to better understand overall financing market conditions. 6. The addition of human resources is in line with the increased financing volume targets.
Financing Program	Continue to investigate financing programs carried out by collaboration partners in order for them to be financed by BTPN, with a focus on the volume and quality of financing implemented by collaboration partners.
System and Process Optimization	1. Continuing to develop systems to meet collaboration partners' operational needs and services. 2. Coordinate and collaborate with the Bank's operational team to address new operational processes that occur in collaboration partners.

WEALTH MANAGEMENT BUSINESS

The Wealth Management Business ("WMB") is one of Retail Banking's business units. This unit is designed to provide individual customers in the affluent segment with savings and investment products, as well as excellent customer service, via the Sinaya Prioritas service, which is available at 58 BTPN branch offices across 38 cities. Customers can also access services through a digital platform (Jenius), allowing them to transact at any time and from any location.

WMB focuses on developing investment products and providing excellent customer service through a variety of networks, including branch offices and digital applications. In this way, it can offer comprehensive wealth management solutions.

2023 Initiatives and Strategies

Throughout 2023, in accordance with the Bank's business plan, the WMB unit has implemented a number of strategic initiatives, including:

1. Jenius application development to provide market updates and investment advice.
2. Expanding investment products that can provide more alternatives in order to meet customers' investment needs, as follows:
   - Additional 7 mutual fund products from Manulife, the new investment manager partner
   - Additional 2 (two) mutual funds denominated in IDR and 1 (one) denominated in USD.
   - Additional 4 (four) products/series of USD-denominated government bonds in the secondary market
   - Additional Bancassurance products from Allianz, Guardia Legacy, and Guardia Pintar.
3. Simplifying and rebranding savings products as Sinaya Savings.

Performance Achievement

In 2023, the WMB customers increased by 2.5%, reaching 137,248. Meanwhile, third-party funds recorded at Rp33.9 trillion (consisting of Rp27.3 trillion in savings product funds and Rp6.6 trillion in investment product funds), with a 0.9% growth rate. Interest expense rose to 4.39% in line with Bank Indonesia's benchmark interest rate increase.

Wealth Management Product Performance*

Description	Unit	2023	2022	2021
Total Customers	People	137,248	133,880	125,070
Total Third-Party Fund	Rp Billion	33,974	33,681	27,787
Saving Product Fund	Rp Billion	27,320	27,224	21,392
Investment Product Fund	Rp Billion	6,653	6,437	6,395

Wealth Management Performance Indicator*

Description	Unit	2023	2022	2021
Interest Expense	%	4.39	3.49	3.62
Net Interest Income	Rp Billion	440	299	198
Other Income	Rp Billion	175	174	160
Operating Expense	Rp Billion	(169)	(174)	(240)

* WMB's performance as a business unit including product marketing results via digital platforms (Jenius)

2024 Strategic Plan

In accordance with the BTPN Sinaya business unit strategy of developing Wealth Management products and Excellent Customer Services that use digital technology as a Unique Value Proposition (UVP), BTPN Sinaya will carry out the following service development plans in 2024:

1. Continued development of digital services for Prime customers includes, but is not limited to:
   a. Jenius application feature development, including transaction features and investment product education.
   b. Adding benefits to digital-based Prima Customer Service.
   c. Developing applications for staff to use as a tool in the sales process and improve service quality.
2. Developing Wealth Management products, including but not limited to, adding investment manager partners and mutual fund products, adding bancassurance products, and becoming a distribution partner for government bond initial offering to retail investors.

BUSINESS BANKING

BTPN Mitra Bisnis (SME), a business unit in the Business Banking business segment, offers a comprehensive range of products and services, including loan, funding, and other banking services, as well as training. BTPN Mitra Bisnis has developed an electronic channel through Digital SME, which currently has digital capabilities for funding, payments, transactions, and simple cash management.

The main business requirements of the MItra Bisnis are timeliness and availability of working capital at all times when carrying out its business turnaround, market access requirements, sustainable and long-term relationships with suppliers, and the need for increased competence and business information. BTPN Mitra Bisnis responds to these needs by offering a "3 in 1" financial package that includes:

1. Banking products and transactions development that are tailored to the needs of customers.
2. Supply chain products development to meet market access requirements supported by the system.
3. Customer capacity-building programs.

2023 Initiatives and Strategies

Throughout the financial year, BTPN Mitra Bisnis implemented a number of initiatives and strategies to improve its performance, including:

1. Focus on proactively managing loan restructuring and pandemic-affected customers management.
2. Continue the implementation of principle of prudence in order to promote loan distribution growth.
3. Supply chain financing and internal collaboration with wholesale banking and Japanese corporate businesses.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

4. Continue the development of SME Digital with a more digitally savvy target segment, as well as assisting BTPN Mitra Bisnis customers with business transformation process and changes in business transaction behavior.
5. Develop the operational systems to improve effectiveness and efficiency.

Performance Achievement

By the end of 2023, the number of accounts served by BTPN Mitra Bisnis had reached 3,000 customers. There was a 20.0% increase over 2,500 customers in 2022.

In terms of financing distribution, the total amount realized in 2023 had reached Rp13.3 trillion. This achievement is 20.9% higher compared to Rp11.0 trillion in 2022.

2024 Strategic Plan

A number of strategic initiatives to support business growth for 2024, specifically:

1. In order to expand customer services, a supply-chain financing scheme will be developed, including collaboration with other banks and institutions/ businesses. In addition, strategic collaboration will be carried out to create an ecosystem partnership to attract potential customers for both savings and loans.
2. Focus on customer needs by providing holistic product solutions by developing training that focuses on solution style selling.
3. As a foreign exchange bank, BTPN allows BTPN Mitra Bisnis to offer services and products in foreign currency in the form of savings and loan products (including trade finance financing) in stages to customers who require them.
4. SME digital development in the form of a website platform for existing BTPN Mitra Bisnis customers. This is intended to complement the mobile platform, which is currently being developed to make it easier for customers to conduct banking transactions via various transaction channels.
5. Focus on building collaborations with other platforms in the digital ecosystem that can benefit customers.

CORPORATE BANKING

The Corporate Banking business segment consists of Japanese corporate and non-Japanese corporate business lines. The non-Japanese corporate segment serves customers from large Indonesian and multinational companies (MNC), financial institutions (FI) and commercial banking.

In general, the services provided by this segment include financing, funds collection and cash management. In the field of financing, BTPN is not limited to short-term working capital financing, but also medium and long-term investment financing denominated in rupiah or foreign currency.

The corporate segment also continues to actively participate in syndicated financing, in particular: infrastructure projects; new renewable energy projects; financing related to Environment, Social, Governance (ESG) including green financing; and supporting industries including export supporting industries, which are in line with the Indonesian government's development program. Supporting services also continue to be improved for this segment, such as trade finance and foreign exchange.

In the field of fund collection, the Bank provides corporate account services in the form of current accounts, including cash management. This current account service can be accessed via digital technology, so it does not limit customers' time and space.

2023 is a challenging year for national economic conditions, with numerous challenges affecting the global economy, which has also had an impact on the Indonesian economy. Following the Covid-19 pandemic, demand began to rise, and the resulting supply shock caused inflation to skyrocket. Furthermore, geopolitical tensions continued to influence economic dynamics in 2023, causing commodity prices to fluctuate, resulting in an increase in inflation.

The central bank responded to high inflation by raising the benchmark interest rate. On the one side, higher interest rates reduce inflation as aggregate demand falls, while also lowering energy commodity prices. An increase in the reference interest rate makes it more difficult for banks to distribute loan to the public.

Efforts to maintain portfolio quality continue to be made by accelerating the completion of several ongoing restructuring applications and ensuring the Bank has allocated sufficient reserves. This is in line with Government and OJK policies in restructuring policies. In addition, customers who have the potential to be affected by the geopolitical crisis are also identified.

In the aspect of funds collection, the average performance of deposits and CASA showed positive achievements, exceeding the targets set for 2023. The data indicates stability and confidence in the Bank's services.

At the end of 2023, the corporate segment introduced "ESG Deposit", a cash management product that supports financial sustainability. The positive response from customers is reflected in several names who have entrusted their funds to be managed to support sustainability principles. The growth of cash management products provides a positive picture of the Bank's efforts to diversify funding sources.

2023 Initiatives and Strategies

In the midst of persistent dynamic conditions in 2023, the Bank has implemented a number of strategic initiatives to support business performance. In the field of lending, for example, the Bank concentrates on disbursing loans using the principle of prudence to avoid non-performing loan.

Throughout 2023, the corporate segment actively collaborated with the Retail Banking and Business Banking units to increase cross sell activities for BTPN. As examples, such as payroll services, payroll loans and supply chain financing.

In line with the plans to increase contributions to financial sustainability, ESG Deposit was introduced to accommodate shifting customer concerns and support the achievement of global and Indonesian Government initiatives towards sustainability.

In 2023, Japanese corporate business lines adopted an efficient business model and full-service banking. In addition, collaboration does not only occur internally at Bank BTPN, but also involves the SMBC group of companies, both operating in Indonesia and abroad. This reflects the commitment to improve operational effectiveness and expand the range of services in synergy with the Company's group.

In 2023 the corporate segment is in the process of developing its custodian business. The Custodian development initiative has started in the first quarter of 2023, with the achievement focus and priorities as follows:

1. Develop a Custodian system by an experienced IT development company in the Capital Markets industry.
2. Prepare the required documents to apply for a commercial bank license as a Custodian to the OJK, such as Standard Operating Procedures (SOP), Review of Product Programs from Legal, Risk and Compliance aspects, procurement of rooms with limited access and have a security system
3. Build a separate HR -Custody Support team from commercial bank operations who have specialized skills regarding Custodians and Capital Markets

Continuing the initiative in 2023, the corporate segment has also continued to develop the distribution of green & sustainability financing, in line with the sustainable finance roadmap and SMBC Group's commitment to reduce GHG (greenhouse gas) emissions towards net zero by 2030. In 2023, BTPN collaborated with SMBC to hold a sustainability seminar with the headline "Beyond Energy Transition: Seizing Opportunities in The Pathway to Net Zero Economy" and launched the ESG Deposit product at the end of 2023. The corporate segment utilizes the expertise/capabilities of the SMBC Group in sectors that support green & sustainable financing.

Performance Achievement

A description of the achievements of the Corporate Banking business segment is presented based on services described below:

FUND COLLECTION

The total Third Party Funds (DPK) recorded by the Corporate Banking business segment in 2023 stood at Rp57.4 trillion, a 12% decrease compared to Rp65 trillion in 2022.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

2023 Corporate TPF Performance

(in billion Rp, unless otherwise stated)

Segment	2023	2022	2021
Corporate Banking Japanese	34,630	37,639	33,705
Wholesale Banking	21,952	26,704	31,133
Commercial	835	703	415
Total	**57,416**	**65,046**	**64,622**

FINANCING

In 2023, the total financing allocated by the Corporate Banking business segment had reached Rp104.9 trillion, a 8% increase compared to Rp97.4 trillion in 2022.

2023 Corporate Financing Performance

(in billion Rp, unless otherwise stated)

Segment	2023	2022	2021
Corporate Banking Japanese	38,873	43,381	33,797
Wholesale Banking	61,047	50,574	48,929
Commercial	4,624	3,496	3,210
Total	**104,904**	**97,450**	**85,936**

TRADE FINANCE

In 2023, the total realization of trade finance had reached Rp6.9 trillion. There was a 42% decrease compared to Rp12.1 trillion in 2022.

Trade Finance's Performance

(in billion Rp, unless otherwise stated)

Segmen	2023	2022	2021
Corporate Banking Japanese	289	522	221
Wholesale Banking	3,967	9,559	8,443
Commercial	2,711	1,997	1,520
Total	**6,966**	**12,078**	**10,184**

CASH MANAGEMENT

As of December 31, 2023, corporate cash management had reached Rp57.4 trillion, a 12% lower than Rp65.0 trillion in 2022.

From the cash management, BTPN's CASA ratio achievement had reached 45.6%. There was a 9.7% increase compared to 35.9% the year before.

2023 Cash Management Performance

(in billion Rp, unless otherwise stated)

Segment	2023	2022	2021
Corporate Banking Japanese	34,629	37,639	32,991
Wholesale Banking	21,951	26,704	30,662
Commercial	835	703	369
Total	57,416	65,046	64,022
Rasio CASA	45.6%	35.9%	39.3%

FOREIGN EXCHANGE

As of December 31, 2023, foreign exchange management had reached Rp556.8 trillion. There was a 6% decrease compared to Rp590.5 trillion in 2022.

2023 Foreign Exchange Performance

(in billion Rp, unless otherwise stated)

Segment	2023	2022	2021
Corporate Banking Japanese	520,608	555,060	512,628
Wholesale Banking	34,846	34,272	35,696
Commercial	1,384	1,126	1,016
Total	556,838	590,458	549,340

2024 Strategic Plan

In general, the 2024 strategic plan is a continuation of what was carried out in the previous year. The corporate segment plans to expand target segments, add new products, improve technology, and develop new sectors.

In terms of target segments, the corporate segment plans to expand the customer base of Indonesian companies in the Tier 1 and Tier 2 segments. In addition, the Commercial Banking customer base is also will be expanded by targeting suppliers or distributors in the Tier 1 and Tier 2 customers.

The Bank also continue to increase fee-based transactions. This is done, among other things, through trade finance transactions, structured finance (project finance and ECA), syndication & agency services as well as improvements on the treasury side (systems, products and trading capability).

Regarding products, the corporate segment is gradually developing several additional products/services, such as green loans/sustainability linked loans and corporate bond investment/bond trading.

With regard to banking technology, the corporate segment is developing ecosystems and connectivity for end-to-end financing, cash management and forex. This effort is carried out by increasing system capabilities, including interconnection between systems, initiating digital trade, and developing products related to LCS. In addition, BTPN will implement API based solutions for the integration of cash management services and trade finance services.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

TREASURY

The Treasury business segment serves customers' needs for treasury products such as foreign exchange, securities/bonds, and derivatives. The Bank is constantly developing new products to meet the needs of its customers.

This segment synergizes with all of BTPN's business lines to carry out its business activities. This is done to maintain the Bank's commitment to providing the best possible service to its customers. Foreign exchange and derivative transactions are among the services offered.

In 2023, the treasury business had begun to improve following the end of the pandemic, though it was still hampered by global economic uncertainty as a result of the wars in Ukraine and Palestine.

During that financial year, the Bank's focus was on providing the best foreign exchange services to customers, both through product development and synergy among BTPN's lines of business. Furthermore, the Bank is focusing on developing and expanding the reach and activities of digital banking product services for customers in anticipation of increased Fintech competition.

The Bank also continued to develop system requirements that can support business development and customer transactions needs by considering costs and benefits in accordance with the bank's strategic plan.

Treasury continues to serve customer needs for treasury products by developing Treasury products while adapting to and participating in the Bank Indonesia BPPU initiative. Treasury product development aims to meet the needs of both retail and corporate customers in order to grow market share. The Treasury product development in question concerns FX and Derivative transactions, Fixed Income, and Structured Products.

Initiatives and Strategy for 2023

In order to address the developing situation in 2023, the Bank has implemented a number of strategic initiatives, namely:

1. In order to maintain liquidity levels at a safe level, BTPN has taken several strategic steps, including:
   - Maintain liquidity indicators in a safe condition, namely higher than the required provisions. As of December 31, 2023, the Liquidity Coverage Ratio (LCR) was 199.68% and the Net Stable Funding Ratio (NSFR) was 113.79%
   - Diversify funding sources through developing funding from the wholesale sector, retail funding and the public sector/financial institutions.
   - Continue to monitor developments in the long-term funding market, such as the issuance of rupiah bonds, long-term bilateral loan facilities in rupiah and foreign currency from local banks and foreign banks/international financial institutions, including funding from the SMBC Group.

2. The Bank's policy and liquidity management (ALMA) adequacy is relatively sufficient and is always updated through the following supporting indicators:
   - Improve the Bank's ALM by better monitoring interest rates through Funding Lending Meetings and ALCO meetings.
   - Had a comprehensive policy in place to maintain liquidity availability in accordance with the Bank's assets & liabilities profile structure. The bank also has a procedure for limiting liquidity management authority. Accountability and levels of delegation of authority have been implemented in accordance with the Bank's needs.
   - Had a contingency plan program in place to provide liquidity back-up.

3. Development of products and services to support the wholesale, retail and public sector/financial institutions business sectors as follows:
   - Development of foreign exchange services and products, namely by adding transactable foreign currencies, diversifying products related to FX and derivative transactions such as transactions using the Local Currency Settlement (LCS), Domestic Non-Deliverable Forward (DNDF), Options and Call Spread Option schemes (CSO) and Range Forward.

- Development of securities services and products, namely by adding a series of bonds sold to retail customers, including a series of bonds in USD (Global Bond).

Performance Achievement

In 2023, the total customers served by the Treasury business segment reached 1,170 units. In comparison to 2022, which was 1,369 units, there was a 14.5% decrease, due to customers' continued recovery from the pandemic, as well as global economic conditions that remain uncertain.

Meanwhile, the value of foreign currency transactions was recorded at US$10.3 billion, down 1.5% compared to 2022, which was US$10.5 billion, in line with the increasingly tight business competition from other banks.

The derivative transaction value totaled $526 million. There was a 12.4% increase over the previous year's total of US$468 million. This increase was caused by customers hedging against global economic uncertainty.

2023 Treasury Operational Performance

Description	Unit	2023	2022	2021
Total Customers	People	1,170	1,369	1,110
Total FX Customers	US$ Million	10,347	10,507	12,203
Total Derivative Customers	US$ Million	526	468	492

2024 Strategic Plan

In 2024, the development focus related to Treasury includes:

1. Bank Indonesia policy regarding the Money Market Development Blueprint (BPPU) 2025
   - The Bank will review and develop systems related to the Central Clearing Counterparty (CCP) and Trade Repository (TR). CCP and TR are mandatory requirements that must be fulfilled by the Bank in relation to FX and Derivative transactions
   - In line with this initiative, the Bank will update the system and develop FX option and Call Spread Option products as well as consider carrying out further development of the Overnight Index Swap (OIS) product.
2. Development of Bond products, both IDR and USD. This development includes repo and reverse repo trading transactions with other banks and bonds with both retail and corporate customers.
3. Development of a Treasury Transaction support system:
   - The Bank aims to improve the efficiency and effectiveness of its services by creating an interface system that connects its business units to the Treasury system, given the growing volume of transactions from retail and corporate customers.
   - The Bank also collaborates with Trading Platform providers to accommodate customer needs in providing competitive and immediate prices (real time).
   - In order to minimize maturity mismatch, Bank BTPN continues to maintain and increase long-term funding sources. In 2024, the Bank will explore plans to issue bonds in Rupiah with the amount and timing of issuance considering loan growth, liquidity conditions and market conditions. In addition, Bank BTPN will also continue to explore bilateral cooperation to obtain fresh funding facilities from domestic and foreign financial institutions, including the SMBC Group.

SHARIA BANKING

PT Bank BTPN Syariah Tbk is the subsidiary that manages the Sharia Banking business segment of Bank BTPN. Since 2018, this company has gone public, and its shares are listed on the Indonesia Stock Exchange.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

2023 Strategies and Initiatives

In 2023, BTPN Syariah had successfully implemented its key strategic initiatives, including the development of an empowerment platform that gives customers access to knowledge and a larger market. We named this digital platform, Bestee Tepat (Berdaya Bersama Sahabat Tepat Indonesia), which allows employees and stakeholders to participate in providing real support to inclusive customers through various forms.

In addition, BTPN Syariah has successfully developed the Deposit on Call feature, in order to enhance the Bank's control process, facilitate its management of liquidity, stimulate the Indonesian secondary market for sharia securities, and boost returns from its treasury portfolio through trading activities, the treasury system went live in October 2023. The Bank focused its treasury securities trading activities on sharia capital markets and sharia money market instruments.

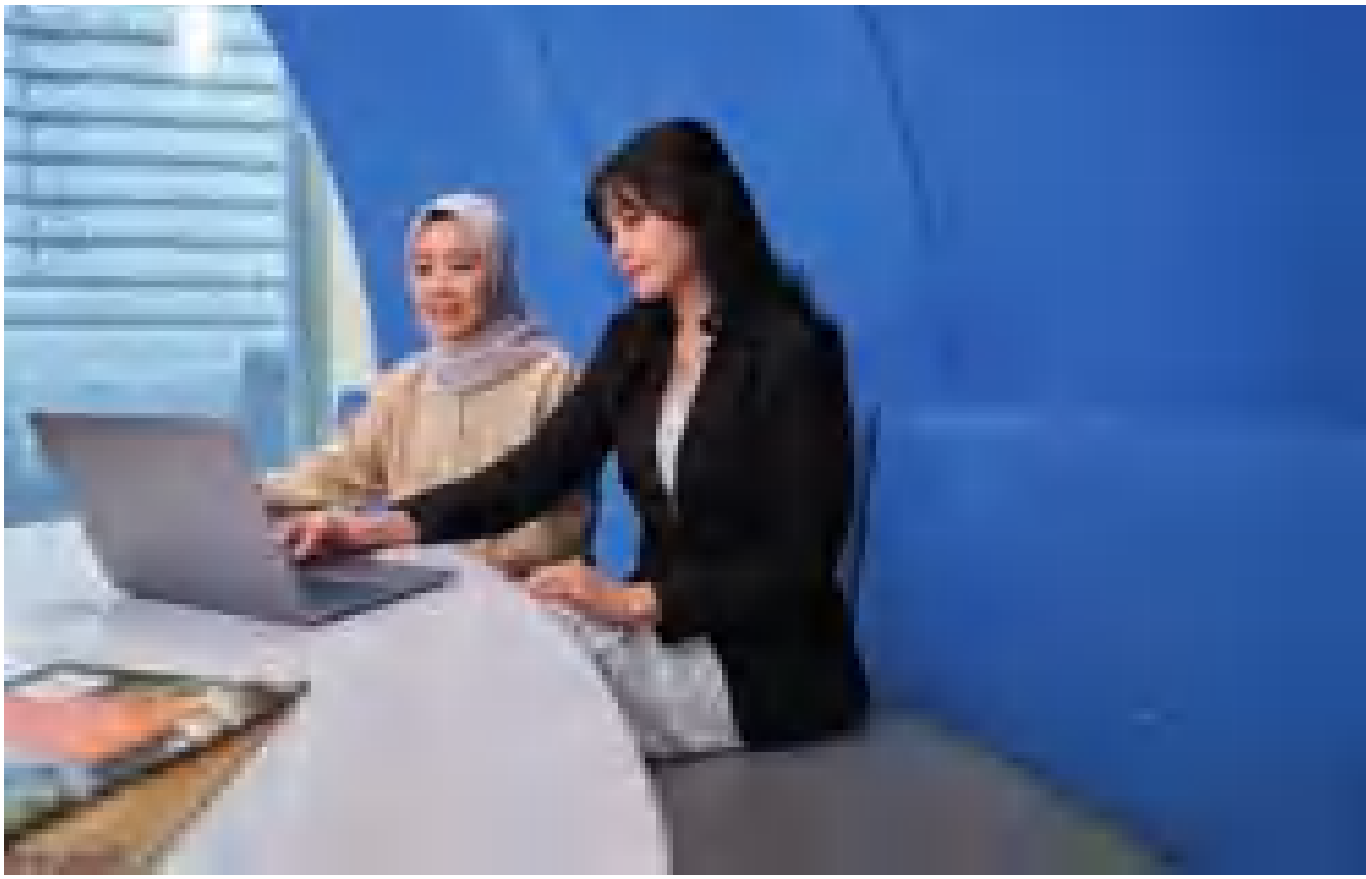
BTPN Syariah strongly upholds the protection of the company's information assets, particularly customer personal data and transactions. By ensuring information security across all domains, including processes, technology, and human resources. As proof of our commitment to information security protection, the bank has adopted international best practice standards for information security in order to maintain the security of processing company information assets, and the Bank has received ISO27001:2013 certification for information security management systems at the end of Q2 2023 following an inspection and testing process by independent parties.

BTPN Sharia also continue its sharing program for financing customers. Among others, the Umrah program for Inspirational Customers, mentoring program for Inspirational and Successful Customers, and Bersemi program (Berkah Seru Silaturahmi)

1. Inspirational Customer Umrah Departure Program
   In 2023, the bank has dispatched 320 inspirational customers to Umrah, along with 60 BTPN Syariah employees. All Umrah pilgrims departed on February 22, 2023 and returned home on March 2, 2023.
2. Tumbuh Bersama Nasabahku (TBNku) Program
   Last year, the Bank continued the mentoring program for Inspirational and Successful Customers, combining the two into a single program named as Tumbuh Bersama Nasabahku (TBNku). This program, which was updated in 2023, aims to reach out to more customers who would benefit from mentoring. This program, which ran from April to December 2023, attracted nearly 10,000 successful customers as well as 400 inspirational customers.
3. BTPN Syariah continues customer mentoring through the Bestee Tepat program (formerly Tepat Daya).
   The Ministry of Education supports this program, known as Magang Merdeka. The Bestee Tepat program has entered its 3rd period, and until December 2023, it has implemented an independent internship program with approximately 1,821 facilitators and served over 49 000 customers.
4. BERSEMI Program (Berkah Seru Silaturahmi).
   The BERSEMI program offers incentives to customers who pay on time. This program aims to promote the development of 4 key empowerment characteristics: Dare to Try, Discipline, Hard Work, and Help Each Other (BDKS). During the BERSEMI program period 2, which lasted from April 2022 to April 2023, over 235,000 customers have been successfully reached with outstanding financing amounted to Rp 3.1 trillion. The Bank provides an incentive of 5% of the given ceiling value, which is paid every 3 months for a maximum of four payment periods. The Bank extended the BERSEMI program period 3 from April 2023 to March 2024. As of December 31, 2023, the outstanding customer financing for the BERSEMI program period 3 participants amounted to Rp 3.3 trillion.

Performance Achievement

The total assets of BTPN Syariah had reached Rp21.4 trillion in 2023, up 1.0% compared to Rp21.2 trillion the year before. Meanwhile, the total financing allocated had reached Rp11.4 trillion. There was a 1.2% decrease compared to Rp11.5 trillion in 2022.



The decrease in the number of customer and Bank financing is consistent with the bank's strategy of focusing on quality improvement. Customers who exhibit BDKS behavior (Dare to Try, Discipline, Hard Work, Solidarity) are more likely to receive allocation.

Meanwhile, Third Party Funds (TPF) collected by the Sharia Banking segment had reached Rp12.1, up 0.8% compared to Rp12.0 trillion in 2022. BTPN Syariah's liquidity is very adequate due to its resilient funding and strong capital.

2023 Sharia Banking Operational Performance

Description	Unit	2023	2022	2021
Total Asset	(Rp Million)	21,429,607	21,161,976	18,543,856
Third Party Fund	(Rp Million)	12,142,929	12,049,255	10,993,548
Financing	(Rp Million)	11,387,861	11,527,463	10,443,469

2024 Strategic Plan

For 2024, given the challenges faced by the Bank's pre-financial inclusion segment of society, the Bank has decided to ensure business stability, implement the precautionary principle, and implement strategic steps. Nonetheless, BTPN Syariah will continue to focus on the productive pre-financial inclusion segment and consistently continue the 4 (four) major pillar initiatives in the previous year: strengthening current business processes by improving portfolio quality and customer service; exploring new business opportunities and advanced products; building operational excellence; and strengthening organizational capabilities.

PERFORMANCE REVIEW BY BUSINESS SEGMENT

PROFITABILITY BY BUSINESS SEGMENT

The table below shows the Bank's profitability performance by business segment:

Retail Banking

(Rp Million)

Indicator	2023	2022	2021
Net Interest Income/(Expenses)	1,965,935	2,075,596	2,446,726
Net Operating Income/(Expenses)	(1,752,782)	(1,661,435)	(1,534,149)
Profit/(Loss) Before Income Tax	213,998	415,677	914,181
Net Profit/(Loss)	174,473	335,096	719,872

Corporate

(Rp Million)

Indicator	2023	2022	2021
Net Interest Income/(Expenses)	2,774,433	2,671,778	2,216,907
Net Operating Income/(Expenses)	(1,091,442)	(471,839)	(1,003,193)
Profit/(Loss) Before Income Tax	1,682,971	2,199,928	1,213,702
Net Profit/(Loss)	1,372,131	1,773,463	955,731

UMKM

(Rp Million)

Indicator	2023	2022	2021
Net Interest Income/(Expenses)	538,814	647,051	741,354
Net Operating Income/(Expenses)	(504,029)	(931,940)	(1,018,370)
Profit/(Loss) Before Income Tax	36,527	(284,191)	(275,982)
Net Profit/(Loss)	29,780	(229,099)	(217,322)

Fund Collection and Treasury

(Rp Juta)

Indicator	2023	2022	2021
Net Interest Income/(Expenses)	1,505,131	1,254,540	1,458,843
Net Operating Income/(Expenses)	(855,280)	(873,535)	(1,002,015)
Profit/(Loss) Before Income Tax	643,106	376,503	455,753
Net Profit/(Loss)	524,326	303,516	358,884

Sharia (Individual)

(Rp Million)

Indicator	2023	2022	2021
Net Interest Income/(Expenses)	5,248,947	5,025,886	4,279,210
Net Operating Income/(Expenses)	(3,878,191)	(2,751,452)	(2,399,180)
Profit/(Loss) Before Income Tax	1,371,161	2,269,376	1,877,386
Net Profit/(Loss)	1,071,723	1,768,665	1,464,918

Sharia (Consolidated)

(Rp Million)

Indicator	2023	2022	2021
Net Interest Income/(Expenses)	5,259,750	5,029,350	4,279,210
Net Operating Income/(Expenses)	(3,880,680)	(2,748,898)	(2,399,180)
Profit/(Loss) Before Income Tax	1,379,895	2,282,394	1,877,473
Net Profit/(Loss)	1,080,589	1,779,580	1,465,005

FINANCIAL PERFORMANCE REVIEW

> As part of risk management implementation, in 2023, the Bank increased credit reserves.

Net Interest Income

Rp12.0 trillion

In 2023, the Bank's net interest income reached Rp12.0 trillion, up by 3.1% from 2022.

Loan Disbursement

Rp156.6 trillion

Loan disbursements in 2023 grew by 7.1% compared to 2022, reaching Rp156.6 trillion.

The narrative on the financial performance of PT BANK BTPN Tbk ("Bank BTPN", "BTPN", "Bank") is compiled in accordance with the consolidated financial statements, which adhered to the Financial Accounting Standards (SAK) for the year that ended on 31 December 2023. The financial statements are also part of this Annual Report.

BALANCE SHEET

Assets

In 2023, Bank BTPN's recorded assets reached Rp201.4 trillion, a 3.7% decrease compared to 2022, which was Rp209.2 trillion. This decline is primarily due to the optimization and diversification of funding undertaken by the bank amid rising interest rates. The optimization considers the necessary funds to support credit growth.

Loans granted and Sharia financing/receivables amounted to Rp156.6 trillion, growing by 7.1% from 2022, which was Rp146.1 trillion. The amount placed with Bank Indonesia decreased by Rp12.9 trillion (59.1%), with the available space utilized to support credit growth and maintain healthy liquidity and funding ratios.



Asset Development

(Rp Million)

Description	2023	2022	2021
Cash	1,428,683	1,747,461	1,884,858
Current Accounts with Bank Indonesia	9,276,598	10,215,350	5,602,993
Current Accounts with Other Banks	962,387	2,189,561	1,757,967
Placements with Bank Indonesia and Other Banks	8,961,654	21,885,214	20,655,248
Securities	17,038,501	18,835,877	21,275,789
Loans Provided and Financing/Sharia Receivables	156,561,297	146,123,516	135,598,774
Fixed Assets - Net	2,047,812	2,118,505	2,243,790
Intangible Assets – Net	1,089,384	1,076,738	1,036,681
Other Assets	4,082,076	4,977,482	1,861,694
Total Assets	**201,448,392**	**209,169,704**	**191,917,794**

Financial Assets

BTPN's financial assets include current accounts with Bank Indonesia and other banks, placements with both Bank Indonesia and other banks, securities, derivative receivables, acceptance receivables, and disbursed loans. In the fiscal year 2023, the Bank's total financial assets reached Rp197.3 trillion. There was a 3.4% decrease from 2022, when Rp204.2 trillion was recorded. Placements with Bank Indonesia and other banks dropped by 59.1%, accounting for the majority of the decrease.

Disbursed loans make up the vast majority of financial assets. In 2023, the value reached Rp156.6 trillion, or 80.6% of total financial assets.

FINANCIAL PERFORMANCE REVIEW

Loan Distribution

Bank BTPN divides customers in the loan business line into 2 (two) categories: first, growing business, which includes corporate and commercial, Sharia financing, SMEs, Jenius, and joint finance; and second, transforming business, which includes retail lending and micro.

The total loan disbursed by the Bank reached Rp156.6 trillion by 2023, a 7.1% increase from Rp146.1 trillion in 2022. The increase in loan was primarily driven by an 7.6% increase in the corporate and commercial segments compared to the position in 2022, followed by the SME, Jenius and Joint Finance segments which grow 17.7%, 131.1%, and 681.7% respectively compared to the previous year.

In terms of segmentation, the growing business segment absorbed the majority of the funding realization, accounting for Rp132.8 trillion, or 84.8% of the total loan. Loans to corporations and commercial entities are the primary component of this segment, which was worth Rp104.9 trillion in 2023, accounting for 79.0% of total loans in the growing business segment.

Loan Disbursement Based on Segment

(Rp Million)

Description	2023	2022	2021
Growing Business			
Corporate and Commercial	104,904,359	97,450,293	85,936,309
Small and Medium Scale Business	13,255,054	11,257,389	10,702,612
Joint Finance	1,138,955	145,699	201,529
Sharia Financing/Receivables	11,387,861	11,527,463	10,443,469
Jenius	2,049,171	886,694	325,337
Transforming Business			
Retail Lending	22,403,012	23,989,672	27,364,293
Micro	1,306,173	743,076	489,268
Others	116,712	123,300	135,957
Total	**156,561,297**	**146,123,516**	**135,598,774**

Note: There were adjustments to the credit segment classification in 2023 (Growing Business, Transforming Business and Others). The presentation of the credit segment in 2022 and 2021 has been adjusted to follow the presentation in 2023.

In terms of utilization, working capital accounts for the majority of loan distribution, at Rp92.8 trillion, or 59.3% of total loan. Working capital loan realization increased by 9.3% over the previous year.

Loan Disbursement Based on Utilization

(Rp Million)

Description	2023	2022	2021
Working Capital	92,844,745	84,959,202	70,691,663
Investment	37,934,030	35,926,108	36,879,740
Consumption	25,782,523	25,238,206	28,027,371
Total	**156,561,297**	**146,123,516**	**135,598,774**

The Bank consistently maintains loan quality as part of its risk management implementation. In 2023, the gross non-performing loan (NPL) ratio was 1.36%, down from 1.43% in 2022. Meanwhile, Bank loan quality is higher than in the banking industry, where it was 2.19% as of December 2023. Meanwhile, the net NPL from Bank loan stands at 0.40% level.

Loan Disbursement Based on Collectability

(Rp million, unless stated otherwise)

Description	2023	2022	2021
Current	147,614,238	138,614,738	125,749,548
Under Special Attention	6,850,490	5,433,369	7,565,947
Total Performing Loan	154,464,728	144,048,107	133,315,495
Substandard	477,678	567,953	747,898
Doubtful	118,169	116,370	145,208
Total Non-Performing Loan	1,500,722	1,391,086	1,390,173
NPL	2,096,569	2,075,409	2,283,279
Total Loan	156,561,297	146,123,516	135,598,774
NPL-Gross	1.4%	1.4%	1.7%
NPL-Net	0.4%	0.4%	0.4%
LLP/NPL	220.3%	172.5%	173.2%

Liabilities

BTPN's total liabilities for 2023 were recorded at Rp160.1 trillion, a 5.6% decrease from Rp169.8 trillion in 2022. This decrease was primarily the result of a 30.5% decrease in borrowings and a 5.8% decrease in customer deposits. In 2023, the Bank made payments on SMBC's foreign loans in order to optimize funding costs and net interest income while maintaining liquidity and strong funding.

Liability Development

(Rp Million)

Description	2023	2022	2021
Customer Deposits	98,277,756	105,023,287	100,474,227
Temporary Syirkah Funds	9,920,820	9,843,261	8,905,903
Deposits from Other Banks	10,814,638	166,131	3,877,851
Issued Securities	200,569	200,134	996,089
Borrowings	31,204,497	44,911,606	34,764,736
Other Liabilities	9,747,008	9,612,261	6,820,061
Total Liabilities	**160,165,288**	**169,756,680**	**155,838,867**

Customer Deposits

Total customer deposits (including temporary syirkah funds) fell 5.8%, from Rp114.9 trillion in 2022 to Rp108.2 trillion in 2023. Deposit balances fell by 14.3%, causing the decrease. Meanwhile, CASA (Current Account and Saving Account) balances increased by 10.0%, primarily from corporate and Jenius customers, bringing the CASA ratio to 40.8% at the end of December 2023, up from 35.0% in December 2022.

The majority of the Bank's customer funds are in the form of deposits, which totaled Rp64.0 trillion by 2023, accounting for 59.2% of total deposits. Meanwhile, 24.6% of deposits are in current accounts, while 16.2% are in savings.

FINANCIAL PERFORMANCE REVIEW

Details of Customer Deposits (Including Temporary Syirkah Funds)

(Rp Million)

Description	2023	2022	2021
Current Account	26,628,683	23,765,802	25,922,785
Saving	17,558,817	16,396,199	11,954,604
Deposit	64,011,076	74,704,547	71,502,741
Total	**108,198,576**	**114,866,548**	**109,380,130**

Based on currency, deposits denominated in Rupiah totaled Rp85.4 trillion, accounting for 78.9% of total deposits. Meanwhile, in the previous year, Rupiah deposits totaled Rp92.4 trillion, accounting for 80.4% of all deposits.

Details of Customer Deposits Based on Currency (Including Temporary Syirkah Fund)

(Rp Million)

Description	2023	2022	2021
Rupiah	85,397,073	92,351,151	98,675,647
Foreign Currency	22,801,503	22,515,397	10,704,483
Total	**108,198,576**	**114,866,548**	**109,380,130**

Borrowings

Borrowings by the Bank until the end of December 2023 totaled Rp31.2 trillion, a 30.5% decrease from Rp44.9 trillion in 2022. The decrease was primarily caused by SMBC's foreign loan payments, which were made to optimize funding costs and net interest income while maintaining strong liquidity and funding.

Equity

The equity component includes share capital, additional paid-in capital, fixed asset revaluation reserves, and others. Until the end of the fiscal year in 2023, the Bank's total equity reached Rp41.3 trillion, a 4.7% increase from Rp39.4 trillion the previous year.

Equity components that increased included retained earnings and non-controlling interests.

Equity Development

(Rp Million)

Description	2023	2022	2021
Share Capital	162,982	162,982	162,982
Additional Paid-Up Capital	11,162,238	11,160,647	11,158,962
Fixed Asset Revaluation Reserves	954,224	874,452	874,452
kurang strip di tahun 2023		-	-
Fair Value Reserves	2,906	(7,704)	117,867
Transactions with Non-Controlling Interest	(24,267)	(24,267)	(24,267)
Profit Balance (Reserved & Non-Reserved)	26,402,237	24,734,912	21,669,613
Treasury Stock	(254,695)	(255,147)	(255,147)
Non-Controlling Interests	2,616,678	2,506,348	2,113,664
Other Equity Components	260,801	260,801	260,801
Total Equity	**41,283,104**	**39,413,024**	**36,078,927**

PROFIT AND LOSS PERFORMANCE

In 2023, the Bank decided to increase loan reserves as a form of anticipation for the end of the POJK restructuring credit relaxation on March 31 2024. With this additional provision, loan costs rose by Rp1.2 trillion, affecting the Bank's Net Profit after Tax. Bank BTPN's net profit after tax (consolidated) attributable to parent entity owners was Rp2.4 trillion at the end of 2023, a 23.8% decrease from the previous year which amounted to Rp3.1 trillion.

Profit Loss Development

(Rp Million)

Description	2023	2022	2021
Interest Income	18,815,673	15,899,646	14,748,604
Interest Expense	(6,771,610)	(4,221,331)	(3,605,564)
Net Interest Income	12,044,063	11,678,315	11,143,040
Other Operating Income	2,073,443	2,012,615	1,959,784
Operating Expense	(10,656,471)	(9,033,254)	(9,094,646)
Current Year Profit – Before Tax	3,457,682	4,657,319	4,007,172
Net Profit for the year	2,682,484	3,629,564	3,104,215
Net Profit After Tax/NPAT Attributed to Owner of Parent Entity	**2,358,334**	**3,095,701**	**2,664,714**

Operating Income

The Bank's total net operating income in 2023 reached Rp14.1 trillion, a 3.1% increase over Rp13.7 trillion in 2022. Interest income, a component of business income, has risen in tandem with loan growth, particularly in the corporate and commercial segments, the SME segment, and sharia financing. On the other hand, interest expenses in 2023 had increased. The increase in interest expenses was due to an increase in the cost of funds, which was consistent with the trend of rising interest rates and increased customer deposits, particularly time deposits. Overall, net interest income totaled Rp12.0 trillion, a 3.1% yoy increase over the previous year's position.

Operating Expenses

The total operating expenses incurred by the Bank in 2023 reached Rp10.7 trillion. There was an 18.0% increase over 2022, which was Rp9.0 trillion. The Bank increased the Allowance for Impairment Losses (CKPN) from Rp1.8 trillion to Rp3.0 trillion. Meanwhile, other operational costs (excluding CKPN) have increased by 5.8% over the previous year, reaching Rp7.6 trillion in 2023.

FINANCIAL PERFORMANCE REVIEW

CASH FLOW

BTPN's cash and cash equivalents totaled Rp23.5 trillion at the end of 2023, a 40.3% decrease from Rp39.4 trillion in 2022.

Cash Flow Performance

(Rp Million)

Description	2023	2022	2021
Net Cash Flow Provided from (Used for) Operating Activities	(2,397,197)	(4,416,068)	13,150,455
Net Cash Flow (Used for) Provided from Investment Activities	394,010	3,151,992	(7,001,869)
Net Cash Flow Provided from (Used for) Financing Activities	(13,887,114)	9,056,776	223,345
Impact of Exchange Rate Changes on Cash and Cash Eqivalent	(14,462)	3,376	(17,885)
Net Increase (Decrease) in Cash and Cash Equivalent	(15,890,301)	7,792,700	6,371,931
Cash and Cash Equivalent Balance at Beginning of Year	39,377,753	31,581,677	25,227,631
Cash and Cash Equivalent Balance at End of Year	23,472,990	39,377,753	31,581,677

Cash Flow from Operating Activities

Net cash from operating activities in 2023 was recorded at minus Rp2.4 trillion, 45.7% higher than in 2022, when it was minus Rp4.4 trillion.

Cash Flows from Investment Activities

Net cash from investment activities in 2023 totaled Rp0.4 trillion, 87.5% less than in 2022, when it was Rp3.2 trillion.

Cash Flow from Funding Activities

Net cash from funding activities in 2023 was recorded as minus Rp13.9 trillion, a 253.3% decrease from Rp9.1 trillion in 2022.

ABILITY TO PAY DEBT

The Bank's liquidity and solvency levels remain strong until the end of the fiscal year in 2023. This is reflected in the ability to meet maturing obligations on time, both for debt principal payments and interest expenses.

External rating agencies have also rated the Bank's ability to meet short- and long-term obligations as very good. PT Fitch Rating Indonesia assigns a rating of AAA (idn), stable outlook, and F1+ (idn). Meanwhile, PT Pemeringkat Efek Indonesia (PEFINDO) is rated idAAA (Triple A, stable outlook).

Liquidity Ratio

The ability to meet short-term obligations is demonstrated, among other things, by liquidity ratios, which include the Loan to Deposit Ratio (LDR), Loan to Funding Ratio (LFR), Liquidity Coverage Ratio (LCR), and Net Stable Funding Ratio (NSFR).

In 2023, the bank's LDR level reached 142.7%. Meanwhile, in 2022, the position was 126.7%. The Bank's funding comes not only from third-party funds but also from loans, mostly from the parent company and from other banks, as well as from issued securities. The LCR and NSFR ratios as of December 31, 2023 were 199.7% and 113.8%, respectively, which exceeded the OJK's regulatory limit of 100%. Overall, the Bank's liquidity is very healthy.

Solvency Ratio

Another indicator of debt repayment capacity is the capital ratio, which is calculated using the solvency ratio. The Bank always maintains adequate capital, including meeting the Capital Adequacy Ratio (CAR) or Minimum Capital Adequacy (KPMM) set by the regulator. This ratio is useful for assessing loan, market, and operational risk.

In 2023, the KPMM ratio reached 29.9%, which is 2.6% higher than the position in 2022, which was 27.3%. This achievement exceeds Bank Indonesia's expectations and demonstrates the potential for future growth.

Loan Collectability

The Bank consistently maintains the quality of productive assets in order to ensure long-term business performance. This is demonstrated, among other things, by the level of loan collectability, which is detailed in the table below.

Details of Loan Collectability

(Rp Million, unless stated otherwise)

Description	2023	2022	2021
Before maturity/Current	147,614,238	138,614,738	125,749,548
Arrears 1-90 days	6,850,490	5,433,369	7,565,947
Arrears >90 days	2,096,569	2,075,409	2,283,279
Total loan arrears	8,947,059	7,508,778	9,849,226
Total loans provided – gross	156,561,297	146,123,516	135,598,774
% of total arrears to total loans provided - gross	5.71%	5.14%	7.26%

PRIME LENDING RATE

In accordance with Financial Services Authority Regulation Number 32/POJK.03/2016 on Transparency and Publication of Bank Reports, all commercial banks are required to report and publish its Prime Lending Rate (SBDK). This publication, among other things, aims to provide clarity and make it easier for customers to weigh the benefits, costs, and risks of the loan being offered.

In addition, SBDK aims to improve good corporate governance and promote healthy competition in the banking industry. The Bank categorizes prime lending rates according to credit segmentation into 4 (four) segments, namely corporate, retail, micro, and consumption.

Rupiah Prime Lending Rate Based on Credit Segment

	(Period of 31 December 2023)				
	Corporate Loan	Retail Loan	Micro Loan	Consumption Loan	
				Housing Loan	Non-Housing Loan
Prime Lending Rate (SBDK)	7.64%	10.22%	18.31%	0.00%	12.62%

CAPITAL STRUCTURE

Capital Structure Policy

The policy of maintaining capital adequacy is intended to allow the Bank to support business growth while also protecting itself from market volatility. This policy is carried out by striking a balance between capital efficiency and the rate of return on shareholder investment, while ensuring the availability of sufficient additional capital to cover potential risks.

In accordance with the implementation of Basel II capital, the Bank has submitted a report to the Financial Services Authority (OJK) on the process used to determine the Bank's capital adequacy (ICAAP), which complies with applicable regulations. The Bank also maintains sufficient capital in accordance with its risk profile.

The Bank uses a Standard Approach in managing capital for credit risk. RWA calculations are generally carried out by referring to risk weights in accordance with OJK regulations and rating results published by rating agencies that have been determined by the regulator.

FINANCIAL PERFORMANCE REVIEW

For operational risk capital adequacy assessment, the Bank utilizes the Standardized Approach (SA) method. Under this approach, the Bank determines the minimum capital allocation for operational risk by multiplying the Business Indicator Component (KIB) with the Internal Loss Multiplier (FPKI).

In assessing RWA for Market Risk, the Bank adheres to the standard method specified in OJK regulations for calculating RWA associated with Market Risk.

In accordance with Financial Services Authority Regulation No. 11/POJK.03/2016 regarding the Minimum Capital Adequacy of Commercial Banks and Financial Services Authority Regulation No. 34/POJK.03/2016 regarding amendments to POJK No. 11/POJK.03/2016 and Financial Services Authority Regulation No. 27/2022 regarding the second amendment to POJK No. 11/POJK.03/2016, the Bank is required to provide minimum capital in accordance with its risk profile. The Bank's minimum capital requirement based on the current risk profile is 9% to less than 10% of Risk Weighted Assets (RWA).

In addition to meeting the minimum capital based on the risk profile, banks are also required to provide additional buffer capital with details: (1) Capital Conservation Buffer; (2) Countercyclical Buffer; and (3) Capital Surcharge for Domestic Systemically Important Banks (D-SIB).

Capital Structure Details

The Bank's total capital reached Rp41.2 trillion by the end of the 2023 fiscal year, a 4.0% increase over Rp39.6 trillion in 2022. This is caused by an increase in the retained earnings balance, which increases the core capital balance.

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

Capital Structure Development

(Rp Million, unless stated otherwise)

Description	2023	2022	2021
Tier 1 Model	36,613,893	34,966,039	32,145,281
Tier 2 Model	4,543,487	4,626,967	4,202,230
Total Capital	41,157,380	39,593,006	36,347,511
Risk-Weighted Asset:			
• Credit RIsk	125,294,554	121,057,375	115,006,000
• Credit and Operational Risks	135,795,396	144,374,143	138,149,885
• Credit, Operational and Market Risks	137,651,897	145,091,415	138,893,556
Capital Adequacy Ratio:			
• Credit Risk	32.8%	32.7%	31.6%
• Credit and Operational Risks	30.3%	27.4%	26.3%
• Credit, Operational and Market Risks	29.9%	27.3%	26.2%

MATERIAL COMMITMENT RELATED TO CAPITAL GOODS INVESTMENT

Bank BTPN do not have any material commitment related to capital goods investment.

REALIZATION OF CAPITAL GOODS INVESTMENT

Realization of Capital Goods Investment in 2023

(Rp Million)

Name of Capital Goods	Investment Objective	Investment Value
Fixed Asset	Office supplies	218,932
Intangible Asset	Software Development	436,590
Total		655,522

INFORMATION AND MATERIAL FACTS THAT OCCURED AFTER THE REPORT DATE

Information and material facts occurring after the reporting date are as follows:

- By the lapsing of the time period on Creditor's objection filing in regards to the capital changes as meant by the Law No. 40 Year 2007 on Limited Liability Company, the changes in the articles of association have been stipulated in the Deed No. 7 dated 7 December 2023 which was made by Notary Ashoya Ratam SH, MKn, and has been approved by the Minister of Law and Human Rights No. AHU-0082757.AH.01.02. Year 2023 dated 7 February 2024.

- In regards to the plan of Capital Increase by Granting Pre-emptive Rights (PMHMETD) or Rights Issue which has been decided in the Extraordinary General Meeting of Shareholders (EGMS) dated 7 December 2023, Bank has obtained the effective statement from Financial Service Authority with letter Number S-29/D.04/2024 dated 19 February 2024.

  The Bank has disclosed its plan to use the proceed from the Rights Issue fund to expand and invest through the acquisition of financing business companies namely PT Oto Multiartha and PT Summit Oto Finance, from SMBC and PT Summit Auto Group (which is currently a subsidiary of Sumitomo Corporation).

TARGETS, REALIZATION, AND PROJECTIONS

The global economy is still dealing with the effects of socioeconomic conflicts and previous attempts at fostering economic stability, even after emerging from the COVID-19 pandemic with the socioeconomic issues and policies put in place the year before.

Indonesia, like many other countries, is dealing with the consequences of the COVID-19 pandemic and the measures put in place to combat it. This includes the need to reduce inflationary pressures and tighten monetary policy, both of which weigh on the economy.

In 2023, Bank BTPN has adjusted to account for current conditions, resulting in realization growth below the target.

The realization of the Bank's credit growth in 2023 was 7.1%, which is lower than the target of 8-10%. Customer deposits decreased by 5.8%, while the growth target was around 7-9%. This was primarily due to a 14.3% decrease in deposit balances, while CASA balances increased by 10.0% as a result of the Bank's efforts to optimize the cost of funds.

The rate of return on assets (ROA) and rate of return on equity (ROE) were lower than the target set in conjunction with lower profit achievement due to additional loan reserve costs. However, the capital adequacy ratio was found to be higher than expected. The Bank's NPL (gross) was recorded at 1.4%, meeting the target, demonstrating the bank's ability to maintain excellent loan quality.

In terms of income, the Bank has successfully exceeded its target, but the achievement of the net profit after tax attributable to the parent entity's owners was lower than the target.

FINANCIAL PERFORMANCE REVIEW

Comparison between Target and Realization

Description	2023 Target	2023 Realization
Capital Structure (Capital Adequacy Ratio)	>22%	29.9%
Loan Growth	8-10%	7.1%
Deposit Growth	7-9%	(5.8%)
ROA	>2%	1.7%
ROE	>7%	6.6%
NPL (gross)	<2%	1.4%

2024 Projections

The Bank has developed business projections or targets for the upcoming year, considering factors like the persistently high rate of inflation, the possibility of a persistently high benchmark interest rate, and uncertainties that could impede economic growth, such as China's economic slowdown, disruptions in the global supply of commodities, and rising geopolitical tensions that could have an impact on the world economy in 2024.

The Bank is targeting loan growth in line with industrial growth projections by Bank Indonesia in the range of 10-12% by continuing to maintain credit quality, and supported by healthy growth of Third Party Funds, to produce sustainable profitability, by maintaining a healthy NIM and by continuing to maintain a strong CAR level above 22%.

Indicator	Target
NIM	5-6%
Capital Structure (Capital Adequacy Ratio)	>22%
ROA	>1.5%
ROE	>6%
NPL (gross)	<2%

BUSINESS PROSPECTS

The Indonesian economy is predicted by the Asian Development Bank to expand by 5.0% in 2023 and stay at that level in 2024. This is mostly because Indonesia seems to be maintaining stable financial conditions, a strong external position, and the appropriate fiscal and monetary policies.

In 2024, industrial loan is expected to increase by 7% - 8%. The Bank anticipates increased competition in industrial TPF, resulting in gradual adjustments to interest rates for funds and loan. Despite rising global interest rates, Bank Indonesia has kept the policy interest rate at 5.75% for the majority of 2023, though they have decided to raise the benchmark interest rate to 6% in October 2023 to maintain Rupiah exchange rate stability and signal further tightening if necessary. Nonetheless, inflation has been kept low while economic stability has been maintained. In these conditions, negative risks to Indonesia are primarily caused by external factors, with events such as rising American interest rates and weak demand from the Chinese economy potentially making Indonesia vulnerable to external shocks, despite the opportunities and risks posed by the upcoming presidential election in 2024. Nonetheless, Indonesia's diversification strategy, which focuses on downstream activities in raw commodities such as nickel, as well as strong domestic demand, continue to support Indonesian economic growth and stability.

By leveraging the banking industry's economic and credit growth potential, BTPN will focus on increasing credit by setting a risk appetite in line with the required objectives and through the value chain, expanding the retail customer base by optimizing distribution channels, collaboration across Business Lines, and strategic partnerships with the market ecosystem. The company is also pursuing its CASA growth strategy and increasing fee-based income, including digital foreign exchange solutions and wealth management through Jenius for retail customers, trade and cash management for corporate customers, and other fee-based transactions.

DIVIDEND

Dividend Policy

The General Meeting of Shareholders determines the Bank's dividend distribution. This policy considers the adequacy of retained earnings balances, applicable laws and regulations, such as long-term and short-term capital requirements, the Bank's growth expectations, and market conditions.

Procedurally, the Board of Directors submits a proposal for dividend distribution to the President Director, which is then approved by the Board of Commissioners. Next, the proposal is presented to the Annual GMS for shareholder approval.

Dividend Realization

In line with the Company's strong fundamentals throughout 2022 post-merger, Bank BTPN's AGMS agreed to distribute dividends for the first time since the 2018 AGMS, in keeping with the Company's commitment to always providing sustainable added value to all shareholders, as well as appreciation to shareholders who have always supported and maintained good relations with Bank BTPN. Complete dividend payments were made in May 2023.

The following is detailed information on the realization of dividend payments:

Fiscal Year	Dividend Year	Payment Date	Dividends Distributed (Rp million)	Dividends per Share (Rp)	Dividend to Net Profit Ratio (%)
2022	2023	11 Mei 2023	619,140	76.85	20

LONG-TERM COMPENSATION: EMPLOYEE AND MANAGEMENT STOCK OWNERSHIP PROGRAM

In 2016, the bank implemented a share ownership program for its employees. This program provides long-term compensation. The entire series of programs has been implemented in stages and concluded in 2021. The Bank pays variable bonuses to Board of Directors in the form of shares, as regulated in POJK No. 45/POJK.03/2015.

REALISATION OF THE USE OF PUBLIC OFFERING PROCEEDS

The plans and realization of the use of funds from the Bank's public offering remain unchanged from when it was issued. The table below describes the details of the Bank's public offering results and the realization of the use of funds.

Bonds Issuance in Fiscal Year

Name of Bond	Nominal (Rp)	Date of Issuance	Maturity date
Shelf Registered Bonds IV Bank BTPN Stage I Year 2019 A series	799,000,000,000	27 November 2019	26 November 2022
Shelf Registered Bonds IV Bank BTPN Stage I Year 2019 B series	201,000,000,000	27 November 2019	26 November 2024

FINANCIAL PERFORMANCE REVIEW

Realization of the Use of the Proceeds from Public Offering

(Rp Million)

No.	Type of Public Offering	Effective Date	Realization Value of Public Offering Proceeds			Realization of Use of Funds		Remaining Funds from Public Offering Proceeds
			Total Public Offering Proceeds	Public Offering Expenses	Net Proceeds	Plans for Use of Funds	Realization of Use of Funds	
1	Shelf Registered Bonds IV Bank BTPN Stage I Year 2019	27 November 2019	1,000,000 A Series: 799,000 B Series: 201,000	10,219.6	989,780.4	989,780.4	989,780.4	0

Details on the Use of Proceeds from Public Offering

Realization of Loans Provision	Business Activity	Nominal Value
A	Transportation	Rp289,780,375,000
B	Property	Rp700,000,000,000

MATERIAL TRANSACTIONS WITH CONFLICTS OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATED/RELATED PARTIES

Material Transactions with Conflicts of Interest

In 2023, there were no material transactions between BTPN and members of the Board of Commissioners or the Board of Directors that involve a conflict of interest.

Transactions with Affiliates or Related Parties

Recording of transactions with related parties of BTPN complied with PSAK No.7 regarding the "Disclosure of Related Parties." An explanation of the transaction's details until the end of the period as of 31 December 2023 is provided in the table below.

Realization of Transactions with Affiliated or Related Parties

Related Party	Nature of Relationship	Nature of Transaction
Sumitomo Mitsui Banking Corporation, Tokyo	Controlling shareholders	Current accounts with other banks; deposits from other banks; derivative transactions; acceptance payable
Sumitomo Mitsui Banking Corporation, Singapura	Affiliated company	Current accounts with other banks; deposits from other banks; borrowings; subordinated loans; derivative transactions
Sumitomo Mitsui Banking Corporation, Hong Kong Branch	Affiliated company	Current accounts with other banks; deposits from other banks; derivative transactions
Sumitomo Mitsui Banking Corporation Bank International plc, London	Affiliated company	Current accounts with other banks
Sumitomo Mitsui Banking Corporation, Dusseldorf Branch	Affiliated company	Current accounts with other banks
Sumitomo Mitsui Banking Corporation, Malaysia Berhad	Affiliated company	Deposits from other banks
Sumitomo Mitsui Banking Corporation, Bangkok	Affiliated company	Current accounts with other banks; deposits from other banks; derivative transactions

Related Party	Nature of Relationship	Nature of Transaction
Sumitomo Mitsui Banking Corporation, Seoul	Affiliated company	Securities
Sumitomo Mitsui Banking Corporation, New York	Affiliated company	Current accounts with other banks
Sumitomo Mitsui Banking Corporation, New Delhi	Affiliated company	Current accounts with other banks
PT SMFL Leasing Indonesia	Affiliated company	Deposits from customers; loans; derivative transactions
PT Oto Multiartha	Affiliated company	Deposits from customers; loans; derivative transactions
PT Summit Oto Finance	Affiliated company	Deposits from customers; loans; derivative transactions
PT INA Sekuritas Indonesia	Affiliated company	Deposits from customers
PT SBCS Indonesia	Affiliated company	Deposits from customers
Key Management Personnel	Directors, Commissioners and Executive Employees	Loans, deposits from customers, payments of compensation and remuneration, post-employment benefits

Reason for Transaction

Transactions with related parties are carried out primarily for the interests and sustainability of Bank BTPN's business, including lending and borrowing funds in business activities, generating business income, and being carried out routinely, repeatedly, and/or sustainably.

Related Party Transaction Value

Details of transaction balances with related parties are disclosed in Note 36 of the Consolidated Financial Statements December 31, 2023, which is part of this Annual Report.

Transaction Review and Approval Policy

Bank BTPN has a policy for the evaluation and approval of transactions with related/affiliated parties, which among other things refers to OJK Regulation Number 32/POJK.03/2018 concerning Legal Lending Limit and Providing Large Funds for Commercial Banks and its amendments, namely POJK Number 38/OJK.03/2019.

The regulation states: (1) Banks are prohibited from providing funds to related parties that is contrary to general procedures for providing funds. (2) Banks are prohibited from providing Funds to Related Parties without the approval of the Bank's Board of Commissioners. (3) Banks are prohibited from purchasing low quality assets from related parties.

The description below is also part of the process of evaluating and granting approval for related/affiliated transactions.

Fairness, Review Mechanism, and Compliance with Transaction Regulations for Affiliated Parties

Bank BTPN has a policy of providing approval as a review mechanism for transactions involving related parties. These transactions are conducted fairly and in accordance with the applicable rules and regulations. Transactions with related parties are subject to the same terms and conditions as third-party transactions.

Banks engage in transactions with related parties because of ownership and/or management relationships. All transactions with related parties were carried out under mutually agreed policies and conditions.

Statement of the Board of Directors on Transactions' Compliance with Adequacy Procedures and in accordance with Generally Applied Business Practices

In this respect, the Company's Board of Directors stated that Affiliate Transactions, which are business activities carried out following the enactment of POJK Number 42/POJK.04/2020, was carried out in accordance with applicable procedures, including the Management of the Legal Lending Limit and Affiliate Transactions.

FINANCIAL PERFORMANCE REVIEW

The role of the Board of Commissioners and the Audit Committee in Ensuring Transactions was Implemented in accordance with Generally Applicable Business Practices, which include Compliance with Fairness Transaction Principle (Arms-Length Principle)

In accordance with its duties and functions, the Audit Committee regularly reviews the Bank's business activities, particularly in the financial sector, including transactions with affiliated/related parties. The Board of Commissioners receives reports as part of its supervisory duties.

The Board of Commissioners assesses that the Bank's transactions in 2022 met the elements of regulatory compliance, including OJK Circular Letter Number 42/POJK.04/2020, thereby in compliance with the principle of fairness.

References in the Financial Statements

Information related to affiliated transactions is explained more in detail in the audited financial statements on 36 of the consolidated financial Statements included in this Annual Report.

MATERIAL INFORMATION ON TRANSACTIONS RELATED TO INVESTMENT, EXPANSION, DIVESTMENT, ACQUISITION AND LOAN/CAPITAL RESTRUCTURING

In 2023, Bank BTPN did not engage in investment, expansion, divestment, acquisition, and debt/capital restructuring activities, therefore information related to the purpose, transaction value, and funding source of the activities are not presented by Bank BPTN.

CHANGES IN THE LAWS AND REGULATIONS WITH SIGNIFICANT IMPACT

In 2023, several new regulations have been issued and may have an impact on the business activities of Bank BTPN and its subsidiaries, including:

No.	Regulation	Regulation Subject	Impact on Financial Statement
1.	SEOJK No. 29/SEOJK.03/2022 dated December 27, 2022 concerning Cyber Resilience and Security for Commercial Banks	Implementation provisions for the issuance of POJK on the Implementation of Information Technology for Commercial Banks which specifically regulate cyber resilience and security include: • Obligations and processes in place to maintain cyber resilience • Cybersecurity maturity level assessment • Cybersecurity testing • Establishment of a special unit or function tasked with handling the Bank's cyber resilience and security • Initial notification reporting and Information Technology incident reports in the form of cyber incidents.	Does not have a significant impact on the financial statements for the current period or the previous year's period
2.	POJK No. 27 of 2022 dated December 28, 2022 concerning the Second Amendment to POJK No. 11/POJK.03/2016 concerning Minimum Capital Requirements for Commercial Banks	Adjustments to Basel 3 Reforms standards so that there are changes to the RWA calculation procedures and umbrella provisions for financial market development.	Does not have a significant impact on the financial statements for the current period or the previous year's period
3.	POJK No. 8 of 2023 dated June 14, 2023 concerning Implementation of Anti-Money Laundering Programs, Counter-Terrorism Financing and Counter Proliferation Financing of Weapons of Mass Destruction in the Financial Services Sector	Adjustment to developments in Indonesian laws and regulations which are directly or indirectly related to the implementation of the Anti-Money Laundering Program, Counter-Terrorism financing and Counter - Proliferation Financing of Weapons of Mass Destruction in the Financial Services Sector	significant impact on the financial statements for the current period or the previous year's period

No.	Regulation	Regulation Subject	Impact on Financial Statement
4.	POJK No. 17 of 2023 dated September 14, 2023 concerning Implementation of Governance for Commercial Banks	Strengthening the implementation of Governance to: • Become a guide for every party in the Bank to improve the quality of healthy Bank management • Support the enforcement of market discipline, strengthening, competitiveness and resilience of the Bank as well as upholding the integrity of the financial system	Does not have a significant impact on the financial statements for the current period or the previous year's period
5.	POJK No. 21 of 2023 dated December 22, 2023 concerning Digital Services by Commercial Banks	• Utilization of Information Technology • Licensing mechanisms and documents for Digital Services and Digital Services related to Payment Systems • Harmonization of regulations regarding identification and verification with POJK Anti-Money Laundering, Counter – Terrorism Financing and Counter Proliferation Financing of Weapons of Mass Destruction in the Financial Services Sector • Redefinition of Digital Banking Services and Electronic Banking Services into Digital Banking Services • Recategorization of Digital Services, which are divided into 2, namely Digital Services organized by Banks and Digital Services organized by Banks with partners • Adjustment of Digital Service implementation requirements that focus on the Bank's IT readiness	Does not have a significant impact on the financial statements for the current period or the previous year's period
6.	POJK No. 22 of 2023 dated December 22, 2023 concerning Consumer and Community Protection in the Financial Services Sector	Development and Improvement of the Financial Sector, this POJK contains regulatory adjustments, including: • Addition of the principle of Consumer and Community Protection, namely enforcing compliance and fair competition; • Adjustment of the scope of Financial Services Business Actors (PUJK) under the authority of the OJK in carrying out supervision; • Addition and confirmation of consumer rights and obligations in the financial services sector as well as rights, obligations and prohibitions for PUJK; • Affirmation of consumer data protection and the obligation to ensure information system security and cyber resilience; as well as • Procedures for imposing and limits on compliance with sanctions.	Does not have a significant impact on the financial statements for the current period or the previous year's period

CHANGES IN ACCOUNTING POLICIES

There are no material changes to accounting policies for the financial year 31 December 2023.

TAX PAYER COMPLIANCE

Tax Management and Payment Policy

Tax management and compliance policies, including tax payments, are contained in the Bank's standard tax operating procedures. Implementing compliance with tax regulations as a taxpayer is part of implementing good corporate governance. Therefore, the Bank always fulfills these obligations. In 2023, total Corporate Income Tax had increased over the previous year due to the addition of significant positive fiscal corrections, resulting in an increase in taxable income, which is the basis for calculating Corporate Income Tax. Meanwhile, Employee Income Tax had increased due to the increase in employee costs which are the object of Employee Income Tax.

Realization of Tax Payment

(Rp Million)

Description	2023	2022	2021
Corporate Income Tax	515,697	503,801	567,482
Employee Income Tax	345,134	309,729	293,535

MARKETING ASPECT

Marketing activities are a crucial part of the Bank's operational activities to achieve business objectives. Moreover, competition in the financial industry, especially banking, is increasingly intense from year to year, driven by evolving customer expectations.

These conditions pose challenges that Bank BTPN must address to adapt to all changes effectively. Therefore, the Bank continuously enhances service quality and implements effective marketing strategies to meet the growing and varied needs of customers.

For Bank BTPN, maintaining and increasing market share is crucial to ensure sustainable business growth.

MARKETING STRATEGY

In 2023, Bank BTPN devised and put into action marketing strategies aimed at boosting the effectiveness of its products and services. This was done not only to improve the Company's business performance but also to provide maximum satisfaction to customers.

Regarding corporate services, the Bank continues to expand its service network for corporate customers in various major cities in Indonesia, utilizing the extensive branch network of BTPN in industrial and other strategic areas to enhance customer engagement in those locations.

In terms of systems, the Bank has several electronic Banking (e-Banking) platforms including SMAR&TS, Jenius, and Business Access. Bank BTPN aims to continually create innovative platforms to enhance our services, explore new business opportunities, and initiate Greenhouse Gas emission calculations across the supply chain of our corporate customers, in line with Greenhouse Gas protocol.

To serve SME customers, BTPN Mitra Bisnis will focus on developing existing services through the optimization of branch networks and infrastructure. Furthermore, BTPN Mitra Bisnis has developed electronic channels through Digital SME which currently have digital capabilities for simple payment, transaction, and cash management.

BTPN Mitra Bisnis also collaborates with several strategic partners to enhance customer acquisition. These collaborations also include business development training and education for bank customers and potential customers.

The Bank also continues to enhance collaboration and synergy among business lines, such as Corporate, Retail Banking, and Business Banking, to increase cross-selling activities for BTPN.

In the Retail Lending segment, to serve retirees in remote locations, Bank BTPN continues to develop payment point networks in collaboration with PT Pos Indonesia, as well as with third parties, such as electronic payment device providers and other parties with extensive service/outlet networks.

Additionally, development in the micro sector remains focused on financing in the form of capital access loans and banking services for productive economic actors (MSMEs) and their communities. Financing provided to customers includes loans tailored to the needs of their businesses to enhance their business capacity. Micro customers are provided with product options tailored to their business cycles, loan purposes, and currently, the development of micro product potentials is expanded not only through direct offers to MSMEs but also through business model cooperation with BTPN partners (community partnerships). Micro customers are provided with capacity-building programs through the BTPN Daya.id online program so that they can scale up their businesses.

Bank BTPN also continues to establish new partnerships with third parties in providing financing to individual and corporate debtors, both in joint financing and channeling schemes.

Aligned with the advancements in information technology in the financial industry, including banking, the Bank has also implemented online-based marketing strategies for customers, such as web meetings, to quickly and accurately address every financial need customers may have. Additionally, the Bank regularly provides educational services to customers on various topics beyond banking products, such as seminars, training sessions, and Corporate Social Responsibility (CSR) programs.

Regarding Jenius, to enhance and deliver increasingly relevant services to customers, the Bank continues to develop revolutionary features in the Jenius application. The development process for these features, both enhancing existing features and introducing new ones, involves co-creation by listening to ideas and feedback from users and potential users.

Jenius also collaborates with partners to provide more comprehensive services, such as for the Yay Points redemption category of Jenius Credit Card for e-wallet and travel, which can be redeemed in real-time directly from the application. Moreover, to reach more people, Jenius also collaborates with several running events in Indonesia as co-title sponsors and official banking partners, as well as conducting various activities with communities in cities across Indonesia.

Jenius also collaborates with strategic partners, including cooperation with telecommunications service providers to introduce Jenius to corporate telecommunications customers or offer payroll payment services through Jenius.

Furthermore, to fulfill the Bank's obligations under OJK Regulation No. 51/POJK.03/2017 regarding the implementation of sustainable finance for Financial Services Institutions, Issuers, and Public Companies, BTPN cooperates with SMBC and other agencies to organize workshops/seminars related to Environment, Social, Governance (ESG) for corporate customers. This helps customers gain knowledge/awareness of ESG, which can then assist them in transitioning to net zero emissions. BTPN was also selected as one of the banks in the implementation of the pilot project for reporting Indonesia's Green Taxonomy (THI). This opens up opportunities for financing and other opportunities related to ESG/sustainability (including the development of ESG-related financing facilities - green, social, and sustainability linked loans) for corporate customers. As part of the SMBC Group, BTPN will identify and control emissions financed across its loan portfolio, especially for sectors that have emission reduction targets set by SMBC.

Moreover, with the increasing awareness of corporate customers about environmental and social issues, there is a growing trend among corporate customers to seek financial products that align with these values. This includes not only financing but also funding through deposit products. Through ESG Deposits, Bank BTPN encourages corporate customers to participate in creating sustainability in the financial sector. ESG Deposits reflect a commitment to good corporate governance, emphasizing integrity and ethics in fund management. This approach is supported by transparency, where sectors that can be supported by the ESG Deposit framework can be accessed through the official Bank BTPN website.

This strategy aims to maximize differentiation opportunities amid competition by offering funding products that not only provide financial benefits but also have a real positive impact. By focusing on ESG principles, Bank BTPN can enhance its reputation as a positive agent of change in society, increase customer loyalty, and attract the attention of potential customers who share these values.

To support maximum service to customers, the Bank continually measures Service Level Agreements (SLAs). The Bank handles customer complaints well, especially to ensure they are responded to promptly and accurately.

MARKET SHARE

An explanation of Bank BTPN's market share in 2023 is presented in the table below.

Market Share Bank BTPN

(Rp Million, unless stated otherwise)

Criteria	Description	2023	2022
Asset	Commercial Bank	11,765,838	11,113,321
	Bank BTPN	201,448	209,170
	Pangsa Pasar	**1.7%**	**1,9%**
Total Third-Party Fund	Commercial Bank	8,457,929	8,153,590
	Bank BTPN	108,199	114,867
	Pangsa Pasar	**1.3%**	**1.4%**
Total Loan Provided	Commercial Bank	7,090,243	6,423,564
	Bank BTPN	156,561	146,124
	Pangsa Pasar	**2.2%**	**2.3%**



RISK MANAGEMENT

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> Bank BTPN continues to enhance a risk culture within the Bank's environment, as it is crucial for all employees to understand and comprehend the risks involved in various Bank activities.

The implementation and development of risk management at PT Bank BTPN Tbk ("Bank BTPN", "BTPN", "Bank") and its Subsidiaries aim to prevent Banking activities from generating losses that exceed their predetermined risk appetite or even disrupt the continuity of the Bank's business. For this reason, the Bank continuously applies the prudential principle in carrying out business activities.

The risk management process is designed to be able to identify, measure, monitor and control the risks faced by BTPN and its Subsidiaries. The basis of its implementation is guided by the Financial Services Authority (OJK) regulations which regulate the implementation of risk management for commercial banks and by the Basel regulations issued by the Basel Committee of Banking Supervision (BCBS). Risk management is implemented both at individual and consolidated level.

The risk management framework is implemented through adequacy of policies, procedures, risk management tools, limit setting, and authority. The Bank and its subsidiaries develop risk management continuously in line with the increasing business complexity and organization development, strategy, and information system management.

The implementation of risk management within BTPN covers the following:
1. Active supervision by the Board of Commissioners and the Board of Directors;
2. Adequacy of policies, procedures, and setting limits;
3. Adequacy of identification, measurement, monitoring, and risk control processes as well as in risk management information system; and
4. Comprehensive internal control.

RISK MANAGEMENT POLICY

Implementation of the risk management policy is performed consistently in line with the Bank's vision, mission, and strategic plans. This policy is established to ensure that the Bank's risk exposure is in line with internal policies and procedures as well as prevailing laws and regulations.

Several considerations in implementing risk management policies are as follows:
1. Types of business and product carried out in accordance with the Bank's vision, mission, and business strategies.
2. Clear and controlled risk identification and mitigation, specifically related to the Bank's products and transactions.
3. Clear line of responsibility and accountability in managing each type of risk.
4. Methodology and management information system used that measures risks and supports business.
5. Implementation of authority and limit amount reflects the maximum acceptable risk of loss in line with the Bank's risk tolerance and risk appetite.
6. Management of business continuity plans (Business Continuity Management).
7. Management of information security risks.
8. Policies that regulate new products and activities.
9. Credit policies that serve as credit guidelines in regulating the provision of sound credit, analysis, credit approval authority, recording, limit setting, and reporting.
10. Measurement and establishment of the Bank's risk rating presented in the form of risk profile.
11. Treasury policies that include liquidity risk management and ALMA policy.

Reference to statutory regulations which form the basis for implementing the Bank's risk management, among others are as follows:
1. OJK Regulation No. 12/POJK.03/2021 regarding Commercial Banks.
2. OJK Circular Letter No. 34/SEOJK.03/2016 regarding the Application of Risk Management for Commercial Banks.
3. OJK Regulation No. 11/POJK.03/2022 regarding the Implementation of Information Technology by Commercial Banks
4. OJK Regulation No. 13/POJK.03/2021 regarding the Implementation of Products of Commercial Bank.
5. OJK Circular Letter No. 29/SEOJK.03/2022 regarding Cyber Resilience and Security for Commercial Banks.
6. OJK Circular Letter No. 21/SEOJK.03/2017 regarding the Application of Risk Management in the Use of Information Technology by Commercial Banks.
7. OJK Regulation No. 38/POJK.03/2017 regarding the Application of Consolidated Risk Management for Banks Exercising Control over Subsidiary Companies.
8. OJK Regulation No. 17/2023 regarding Governance Implementtaion for Commercial Banks.
9. OJK Circular Letter No. 35/SEOJK.03/2017 dated 7 July 2017 regarding the Standard Guidelines for Internal Control Systems for Commercial Banks.
10. OJK Regulation No. 1/POJK.03/2019 dated 28 January 2019 regarding the Application of Internal Audit Function for Commercial Banks.
11. OJK Regulation No. 46/POJK.03/2017 dated 12 July 2017 regarding the Implementation of Compliance Functions for Commercial Banks.

12. OJK Regulation No. 39/POJK.03/2019 regarding the Application of Anti-Fraud Strategies for Commercial Banks.
13. OJK Regulation No. 34/POJK.03/2016 regarding the Amendment to OJK Regulation No. 11/POJK.03/2016 dated 29 January 2016 regarding the Minimum Capital Requirements.
14. OJK Regulation No. 17/POJK.03/2021 regarding the Second Amendment to OJK Regulation No. 11/POJK.03/2020 regarding the National Economic Stimulus as a Countercyclical Policy on the Impact of the Spread of Coronavirus Disease 2019.
15. Basel Committee on Banking Supervision (BCBS).
16. OJK Circular Letter No. 29/SEOJK.03/2022 regarding Cyber Resilience and Security for Commercial Banks.
17. OJK Regulation No. 21 of 2023 on Digital Services by Commercial Banks.

The Bank also retains a number of internal provisions related to risk management implementation, among others are as follows:

1. Risk Management Policy
2. Compliance Policy
3. Corporate Governance Policy
4. Internal Audit and Internal Audit Charter Policy
5. Credit Policy
6. Operational Risk Management Policy
7. Information Management and Security Policy
8. Business Continuity Management Policy
9. Insurance Management Policy
10. Anti Fraud Strategy Policy
11. Third Party Risk Management Policy.
12. Information Technology Utilization Policy.

RISK MANAGEMENT GOVERNANCE

Risk governance is an inherent part of risk management implementation in BTPN. In its implementation, the Bank refers to a number of regulations, including OJK Regulation No. 17/2023 and Circular Letter No.34/SEOJK.03/2016 on the Implementation of Risk Management for Commercial Banks as well as OJK Regulation No.38/POJK.03/2017 on the Implementation of Consolidated Risk Management for Banks towards Subsidiaries. The Bank discloses its risk profile report quarterly, both at individual and consolidated level.

Risk governance in BTPN is managed by the Risk Management Directorate, which is independent of business units. At the Board of Directors level, the Bank also holds monthly meetings of the Risk Management Committee to discuss potential risks faced by the Bank and those with potentially significant impact.

The Risk Management Committee holds quarterly meetings with the Board of Commissioners to provide recommendations on improving the Bank's management activity implementation. The Risk Management Directorate regularly reviews policies and procedures, including the socialization of existing risks faced by BTPN.

RISK MANAGEMENT ORGANIZATION

The Bank and its Subsidiaries' risk management organization involve the supervision of the Board of Commissioners and the Board of Directors. The Bank and Subsidiaries also established the Risk Monitoring Committee as the highest supervisor at the Commissioners level and the Risk Management Committee at the Director's level, which is very important in risk control. The Committee become the control units that monitor all risks existing in the operational activities of the Bank and Subsidiaries.



In performing their duties related to risk management implementation, the Board of Commissioners and the Board of Directors are assisted by work units, namely as follows:

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

The Risk Management Unit (SKMR) is independent from the risk-taking units and units in charge of internal control. SKMR directly reports to the President Director or Head of Risk Management assigned to oversee the risk management function.

SKMR functions to assist the Board of Directors as follows:

1. Provides feedback to the Board of Directors in establishing risk management policies, strategies and framework.
2. Carries out risk identification, measurement, monitoring and control processes related to the Bank's business activities.
3. Monitors the implementation of risk management policies, strategies and framework.
4. Monitors risk position/exposure comprehensively, per type of risk, as well as conducts stress testing.
5. Conducts reviews on risk management process.
6. Conducts risk analysis on proposed new activities and/or products, including improvement or changes.
7. Provides recommendations to the risk taking units and Risk Management Committee in accordance with its authority.
8. Prepares and submits the Bank's risk profile report to the Board of Directors and Risk Management Committee at least quarterly as well as reports to OJK periodically as stipulated.
9. Establishes the implementation of risk management instruments application as well as assesses the model's accuracy and data validity used to measure the Bank's risks.
10. Coordinates the Bank's internal control function (quality assurance) to ensure the alignment of activities conducted by all quality assurance functions in business lines and supporting functions.

DESCRIPTION OF RISK MANAGEMENT IMPLEMENTATION

The Bank has retained the risk management implementation process set-forth in the Bank's Risk Management Policy. This process flow is explained in the table below.

No.	Risk Management Process	Description
1	Risk Identification	All types of risk inherent in each product activity and business activity must be identified. This is carried out to identify potential risks and impacts so that the Bank can prepare the control mechanism. Identification must be conducted by each Risk Taking Unit as the first line of defense and strengthened by risk identification by the Risk Management, Compliance, and Legal, Finance and Human Resources units as the second line of defense by taking into account the following matters: a. Conduct periodic identification of risks. b. Have a method or system to identify risks on all of the Bank's products and business activities. c. Identification process is conducted by analyzing all sources of risk of the Bank's products and activities as well as ensure that such risks have passed through the proper risk management process prior to being allowed or executed.
2	Risk Measurement	All identified risks must be measured as one of the materials to evaluate the results of risk management implementation and as a basis for determining the improvement steps. One of the means to measure risk exposure is by determining the risk parameters which must be adjusted if material changes occur in the products, processes, or risk factors.
3	Risk Monitoring and Limit	The Risk Taking Unit and the Risk Management Work Unit are obligated to conduct monitoring of risk exposure and risk limit, as well as to report to the Management and/or the Risk Management Committee periodically.
4	Risk Control	Risk control must be carried out on the Bank's products and activities. This control refers to the principle of three lines of defense, namely Risk Taking Unit and Business Risk as the first line of control, Risk Management, Compliance and Legal, Finance and Human Resources as the second line of control, and Internal Audit (SKAI) as the last line of control.
5	Risk Management Information System	Risk Management Information System can accommodate risk mitigation strategy, accuracy, informative on financial, functional and risk exposure performance conditions, updated, secured, consistent, and available on-time basis as well as having audit footprint.

No.	Risk Management Process	Description
6	Implementation of Consolidated Risk Management	Monitoring of consolidated risk management is carried out limited to subsidiaries involved in finance. This is in accordance with the provisions of Bank Indonesia and OJK which cover the following: a. Supervision of the Board of Commissioners and the Board of Directors. b. Adequacy of policies, procedures and limit setting. c. Adequacy of risk identification, measurement, monitoring and control processes as well as risk management information. d. Comprehensive Internal Control system.

Risk Management Culture

It is important for all employees to know and understand the risks being faced in all Bank activities. Risk management culture is implemented by establishing trust, execution and management supervision, which will ensure that bank activities have been carried out by adhering to the prudential principles.

Risk culture is established through the following:

1. Direction and supervision from the Board of Commissioners and the Board of Directors
2. Introducing risk management as an integral part of business implementation
3. Compliance with all policies, procedures, applicable laws and regulations.

Risk awareness and culture are established in all levels of the organization through the following:

1. Risk management by the Board of Commissioners and the Board of Directors is conducted through the process of providing directions and supervision in the meetings of the Risk Monitoring Committee and Risk Management Committee.
2. Communication on the expected level of risk profile is carried out through establishing various risk limitations and portfolio management.
3. Provision of authority to the employees on handling risks with caution in performing bank activities. Supervision of risk management implementation is conducted, among others, by method of self-assessment and internal monitoring system.
4. Implementation of risk awareness training and/or campaigns conducted periodically and continuously.
5. Compliance with all policies, procedures, applicable laws and regulations.
6. Monitoring of the effectiveness of risk management in all areas.

Focus in 2023

In the context of post-pandemic economic recovery, the Bank began to focus on increasing credit distribution while remaining attentive to the prudential principles and to maintaining the quality of the credit portfolio.

Plans for 2024

Improvement of risk management implementation will be continuously carried out to support business growth, improve mechanism to evaluate portfolio quality and to support system as well as infrastructure development in line with business initiatives in carrying out digitalization and preparing to implement environment-oriented risk management. Key initiatives to be implemented consist of the following:

1. Prepare framework as well as stress testing scheme related to Climate Risk in Credit Risk area and prepare Bottom up CRST piloting report in accordance with the regulator's guidance.
2. The Bank continues to develop concepts and frameworks as well as automation for predefined reports through the Enterprise Risk Datamart which covers credit, market & liquidity and fraud monitoring.
3. Develop a market risk-weighted analysis (RWA) calculation application in accordance with the latest regulatory provisions, and submit the Market Risk RWA calculation report to OJK starting at end of January 2024.
4. Stabilize the Financial Risk Analytics Framework and develop application for automation needs to accommodate the implementation of regulatory financial impact simulation which is forecasting bankwide and at business unit levels.
5. Continue with initiatives to improve cyber security which includes information security management.
6. Prepare to develop a reporting support system related to liquidity risk for the need to develop projections, simulations and stress tests as well as to anticipate Revisions to Pillar 2 Policy - Internal Liquidity Adequacy Assessment Process (ILAAP) from the OJK.
7. Prepare for the implementation of regulations related to calculation of risk-weighted assets for market risk and Fundamental Review of the Trading Book (FRTB).
8. Improve the monitoring process of subsidiaries by Bank BTPN as the parent company in implementing risk management.

REVIEW OF THE EFFECTIVENESS OF THE RISK MANAGEMENT SYSTEM

Bank BTPN annually conducts a review on the effectiveness of the risk management system used. For the 2023 financial year, results of the review are as follows:

1. In line with OJK's guidance in respond to Climate Change, the Bank start to prepare a framework that relates to Climate Risk and adapt to regulatory's directives.
2. The Bank has continuously conducted validation of PSAK 71 model and updated annual macroeconomic factors in the third quarter of 2023 as part of a sustainable review framework by continuously monitoring the implementation of POJK relaxation regulations during the pandemic while continuously coordinated with the business units.
3. The Bank continued to develop concepts and frameworks as well as automation for predefined reports through the Enterprise Risk Datamart.
4. The Bank continued to prepare a conceptual framework to be used for the Financial Risk Analytics Framework project at the finalizing stage of the model and documentation.
5. The Bank has reported RWA Operational Risk and Credit Risks report by utilizing the Standardized Approach (SA) in line with applicable provisions. The Bank also carried out piloting calculate RWA Market Risk reporting using the Standardized Approach (SA) in line with applicable provisions starting from June 2023 position and submitted to the OJK in accordance with applicable provisions.
6. The Bank periodically and continuously conducted market and liquidity risks stress testings to measure and monitor the impact on the Bank's financial condition and liquidity resilience, as well as to anticipate changes in economic and external conditions. The Bank also measured interest rate risk in the Banking Book to monitor potential drop in capital value (Economic Value of Equity/EVE) and profitability (Net Interest Income/NII).
7. The Bank has, has and continue to implement initiatives to improve information security through the application of user awareness campaigns and cyber security training including periodic and ad hoc phishing simulation programs by using the latest tools and applying due diligence as well as periodic reviews of the implementation of cyber security standards by a third party.
8. The Bank established a cyber security risk management function that is independent from the IT management function in line with PBI No. 23/7/PBI/2021 regarding Payment System Infrastructure Operators and POJK no. 11/POJK.03/2022 regarding the Implementation of Information Technology by Commercial Banks as well as SEOJK No. 29/SEOJK.03/2022 regarding Cyber Resilience and Security for Commercial Banks.
9. The Bank is developing a report related to liquidity risk which includes Basel III reporting.
10. The Bank prepared policies and procedures related to calculating risk-weighted assets for market risk and the Fundamental Review of the Trading Book (FRTB).

During the transitional period from the COVID-19 pandemic to endemic and in line with KDK 34/KDK.03/2022 regarding Special Treatment for Financial Services Institutions in Specific Regions and Sectors in Indonesia Impacted by a Disaster and OJK Board of Commissioners Decree No 34/KDK 03/2022 concerning Stipulation of Region and/or Sector Which Require Special Treatment regarding Bank Financing (the sectors and/or regions include Accommodation and Food and Drink Provision Sector, the Textile and Textile Products and Footwear Sectors, the Micro, Small and Medium Enterprises Segment and Bali Province, the Bank adjusted the provisions, procedures and methods to implement relaxation and restructuring in line with these regulations and continues to observe and supervise the quality and adequacy of CKPN for restructured debtors.

STATEMENT BY THE BOARD OF DIRECTORS AND/OR THE BOARD OF COMMISSIONERS OR THE AUDIT COMMITTEE REGARDING RISK MANAGEMENT ADEQUACY

In the risk management organization structure, the active supervision of the Board of Commissioners is carried out through the Risk Management Oversight Committee. While the Board of Directors directly leads the implementation of risk management within the Bank.

In respect of the implementation of risk management in 2023, the Board of Commissioners and the Board of Directors believe that the Bank's risk management adequacy was sufficient. The implementation has also been in line with developments in the Bank's economic and business conditions.

The Bank's internal policy regarding risk management refers to the current applicable regulations, including the provisions of the Financial Services Authority, Bank Indonesia and the Deposit Insurance Agency. The Bank also retains a review mechanism periodically conducted on the effectiveness of risk management implementation.

INTERNAL CONTROL SYSTEM

The Internal Control System approach used by BTPN is the Three Lines of Defense. Each of these stages works independently, with details described below:

- **First Line of Defense**
  The Risk Taking Unit (RTU) assisted by Business Risk/ICR related to the enforcement of discipline in daily risk management practices.

- **Second Line of Defense**
  The Risk Management Directorate, together with the Compliance Unit, Finance and Human Resources, namely to define, improve and ensure risk management implementation through identification, measurement, adequate monitoring and control processes complemented with accurate policies and procedures and coordination/ facilitation of the overall risk management activities.

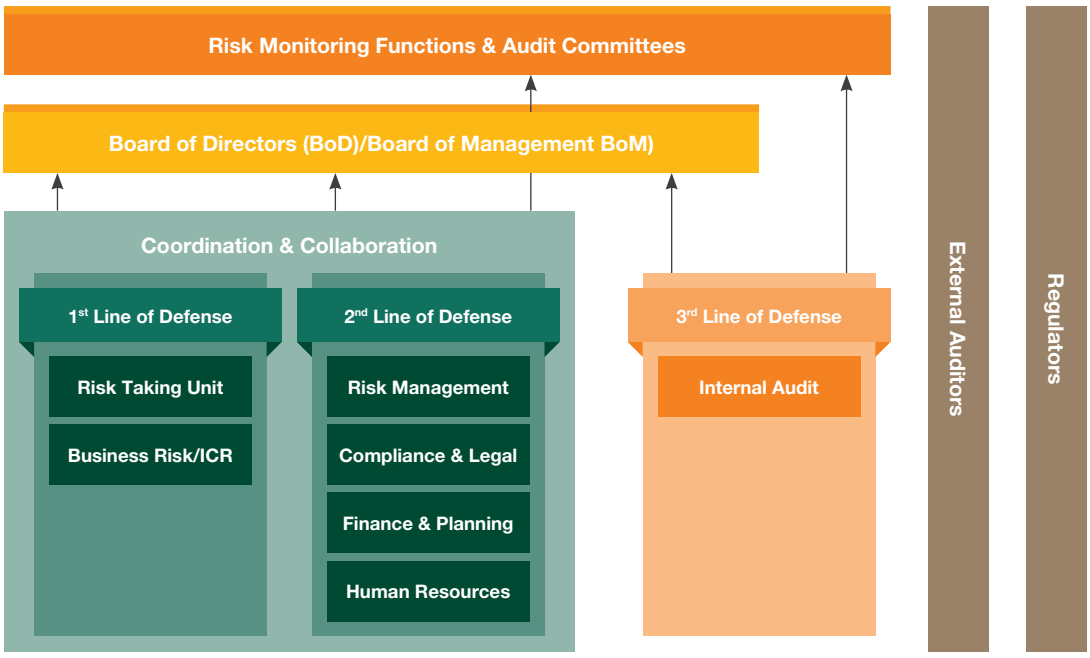
- **Third Line of Defense**
  The Internal Audit independently conducts inspection and evaluation on governance and the effectiveness of risk management application.

In practice, as the second line of defense, the Risk Management Directorate coordinates with Business Risk/ICR in the first line of defense to ensure the effective implementation of risk management. As the third line of defense in the internal control system, the Internal Audit retains the supervisory function to assess risk management, the effectiveness of internal control, and the governance of all aspects of the Bank's activities using the risk-based approach. Thus, the supervisory function is carried out in the first line of defense (Risk Taking Units and Quality Assurance) and the second line of defense (Risk Management Directorate, Compliance Unit, Finance, and Human Resources).

Evaluation by the Internal Audit on the effectiveness of internal control takes into account various aspects. Among others, the organization and human resources, customer service, the Bank's infrastructure, and the quality of implementation of the Bank's main processes, which contain risks.

The Internal Audit regularly monitors the improvement status of each finding and reports to the President Director, the Board of Directors, and the Audit Committee. Implementation of the supervisory function carried out by the Internal Audit is based on the Financial Services Authority Regulation (POJK) No. 1/ POJK.03/2019 regarding Implementation of Internal Audit Function in Commercial Bank and International Practices of Professional Framework (IPPF) established by Institute of Internal Auditors (IIA). Every 3 (three) years, the Bank conducts an audit on the supervisory function of the Internal Audit by an independent party to review its compliance with applicable standards.

Scheme of the Three Lines of Defense Model and Internal Control Flow



CAPITAL DISCLOSURE

Capital Structure

Product complexity and the Bank's business activities continue to develop. And so are the method and risk measurement techniques in the banking industry. In response thereof, Banks have to maintain adequate capital in order to anticipate risks related to Banking business.

The Bank also needs to conduct capital management to make sure that current capital is above the minimum level set by the Financial Services Authority (OJK). Capital must also be adequate to anticipate the risks faced and support the Bank's future business plans as well as strategic plans.

The Bank's capital position as at 31 December 2023, in accordance to the current OJK regulations, is as follows:

Consolidated Key Metrics Report as of 31 December 2023

(in million Rupiah)

No.	Description	T	T–1	T–2	T–3	T–4
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	36,613,893	36,474,300	35,760,429	35,868,931	34,966,039
2	Tier 1	36,613,893	36,474,300	35,760,429	35,868,931	34,966,039
3	Total capital	41,157,380	41,127,938	40,293,218	40,424,788	39,593,006
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	137,651,897	138,089,212	135,352,977	138,022,391	145,091,415
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	26.60%	26.41%	26.42%	25.99%	24.10%
6	Tier 1 ratio (%)	26.60%	26.41%	26.42%	25.99%	24.10%
7	Total capital ratio (%)	29.90%	29.78%	29.77%	29.29%	27.29%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer (2.5% from RWA) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical Buffer (0-2.5% from RWA) (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Capital Surcharge for Systemic Bank (1%-2.5%) (%)	1.00%	1.00%	1.00%	1.00%	1.00%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	3.50%	3.50%	3.50%	3.50%	3.50%
12	CET1 Component for buffer	20.60%	20.41%	20.42%	19.99%	18.06%
Basel III leverage ratio						
13	Total Exposure	223,139,453	218,986,945	215,444,235	226,232,080	230,965,581
14	Leverage Ratio, including the impact from the adjustment of the temporary exemption from account with Bank Indonesia in regards with the fulfill of stipulated Minimum Reserve Requirement (if any)	16.41%	16.66%	16.60%	15.85%	15.14%
14b	Leverage Ratio, excluding the impact from the adjustment of the temporary exemption from account with Bank Indonesia in regards with the fulfill of stipulated Minimum Reserve Requirement (if any)	16.41%	16.66%	16.60%	15.85%	15.14%
14c	Leverage Ratio, including the impact of adjustment of the temporary exemption from account with Bank Indonesia in regards with the fulfill of stipulated Minimum Reserve Requirement (if any), which already included the average from gross asset carrying value Securities Financing Transaction (SFT)	0.00%	0.00%	0.00%	0.00%	0.00%
14d	Leverage Ratio, excluding the impact of adjustment of the temporary exemption from account with Bank Indonesia in regards with the fulfill of stipulated Minimum Reserve Requirement (if any), which already included the average from gross asset carrying value Securities Financing Transaction (SFT)	0.00%	0.00%	0.00%	0.00%	0.00%

(in million Rupiah)

No.	Description	T	T–1	T–2	T–3	T–4
Liquidity Coverage Ratio (LCR)						
15	Total high-quality liquid assets (HQLA)	32,183,361	31,684,242	34,499,559	46,028,620	45,597,893
16	Total net cash outflow	17,466,631	17,448,147	16,032,996	18,001,881	17,159,157
17	LCR ratio (%)	184.26%	181.59%	215.18%	255.69%	265.74%
Net Stable Funding Ratio (NSFR)						
18	Total available stable funding	131,606,862	134,881,606	136,367,337	138,526,016	147,189,919
19	Total required stable funding	115,658,692	112,109,071	109,981,774	109,376,687	110,075,079
20	NSFR ratio (%)	113.79%	120.31%	123.99%	126.65%	133.72%

QUALITATIVE ANALYSIS

- The Bank's core capital as of 31 December 2023 was Rp36.6 trillion, increase compared to the core capital in the previous period. This was mainly due to the increase in other disclosed reserves from retained earnings.
- The Bank's total capital as of 31 December 2023 was Rp41.2 trillion, slightly increase compared to the total capital in the previous period. This is due to the increase in Tier 1 capital.
- Total RWA decreased in December 2023 to Rp137.7 trillion due to the decrease in market risk RWA. The decrease in RWA for market risk in the December 2023 compared to the September 2023 was due to a decrease in derivative transaction exposure to protect exposure arising from credit exposure carried out in November 2023.

Note:
T is quarterly period, T-1 is 1 quarterly previous period.

Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories (LI1)

(in million Rupiah)

	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items				
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
ASSET							
Cash	1,428,683	1,428,683	-	-	-	-	1,428,683
Placements with Bank Indonesia	18,000,252	18,000,252	-	-	-	18,000,252	18,000,252
Placements with other banks	1,200,387	1,200,387	-	-	-	1,200,387	1,200,387
Spot and derivative / forward receivables	1,133,149	1,133,149	-	1,133,149	-	1,133,149	1,133,149
Securities	17,038,501	17,038,501	-	-	-	17,038,501	17,038,501
Securities sold under repurchase agreements (repo)	-	-	-	-	-	-	-
Claims from securities purchased under resale agreements (reverse repo)	-	-	-	-	-	-	-
Acceptance receivables	3,289,757	3,289,757	-	-	-	3,289,757	3,289,757
Loans	145,173,436	145,173,436	145,173,436	-	-	145,173,436	145,173,436
Sharia financing/receivables	11,387,861	11,387,861	11,387,861	-	-	11,387,861	11,387,861
Equity Investments	102,586	102,586	-	-	-	102,586	102,586
Other financial asset	1,361,853	1,361,853	-	-	-	1,361,853	1,361,853
Impairment on financial assets -/-	(4,627,641)	(4,627,641)	-	-	-	-	(4,627,641)
a. Securities	(799)	(799)	-	-	-	(799)	(799)

(in million Rupiah)

	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items				
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
b. Loans and Sharia financing	(4,618,047)	(4,618,047)	(4,618,047)	-	-	(4,618,047)	(4,618,047)
c. Others	(8,795)	(8,795)	-	-	-	(8,795)	(8,795)
Intangible assets	3,541,155	3,541,155	-	-	-	-	-
Accumulated amortization of intangible assets -/-	(2,451,771)	(2,451,771)	-	-	-	-	-
Fixed assets and equipment	5,040,250	5,040,250	-	-	-	-	5,040,250
Accumulated depreciation on fixed assets and equipment -/-	(2,992,438)	(2,992,438)	-	-	-	-	(2,992,438)
Non-productive assets	79,120	79,120	-	-	-	-	79,120
a. Abandoned properties	21,099	21,099	-	-	-	-	21,099
b. Foreclosed assets	58,021	58,021	58,021	-	-	-	58,021
c. Suspense accounts	-	-	-	-	-	-	-
d. Interbranch assets	-	-	-	-	-	-	-
Other assets	2,743,252	2,743,252	-	-	-	-	2,028,100
TOTAL ASSET	**201,448,392**	**201,448,392**	**152,001,271**	**1,133,149**	**-**	**194,060,141**	**199,643,856**
LIABILITIES							
Demand deposits	26,628,683	26,628,683	-	-	-	26,628,683	26,628,683
Saving deposits	17,558,817	17,558,817	-	-	-	17,558,817	17,558,817
Time deposits	64,011,076	64,011,076	-	-	-	64,011,076	64,011,076
Electronic money	-	-	-	-	-	-	-
Liabilities to Bank Indonesia	-	-	-	-	-	-	-
Liabilities to other banks	10,814,638	10,814,638	-	-	-	10,814,638	10,814,638
Spot and derivative / forward liabilities	1,072,104	1,072,104	-	1,072,104	-	1,072,104	1,072,104
Securities sold under repurchase agreements (repo)	-	-	-	-	-	-	-
Acceptance liabilities	2,323,633	2,323,633	-	-	-	-	2,323,633
Securities issued	200,569	200,569	-	-	-	200,569	200,569
Borrowings	34,283,897	34,283,897	-	-	-	34,283,897	31,307,144
Margin deposits	-	-	-	-	-	-	-
Interbranch liabilities	-	-	-	-	-	-	-
Other liabilities	3,271,871	3,271,871	-	-	-	3,271,871	3,271,871
Minority Interest	2,616,678	2,616,678	-	-	-	2,616,678	2,616,678
TOTAL LIABILITIES	**162,781,966**	**162,781,966**	**-**	**1,072,104**	**-**	**160,458,333**	**159,805,213**

(in million Rupiah)

	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items				
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
EQUITY							
Issued and fully paid-in capital	161,136	161,136	-	-	-	-	-
a. Authorized capital	300,000	300,000	-	-	-	-	
b. Unpaid capital -/-	(137,018)	(137,018)	-	-	-	-	
c. Treasury stock -/-	(1,846)	(1,846)	-	-	-	-	
Additional paid-in capital	11,145,923	11,145,923	-	-	-	-	236,534
a. Agio	10,909,389	10,909,389	-	-	-	-	-
b. Disagio -/-	-	-	-	-	-	-	-
c. Fund for paid up capital	-	-	-	-	-	-	-
d. Others	236,534	236,534	-	-	-	-	236,534
Other comprehensive income	886,452	886,452	-	-	-	-	(70,678)
a. Profit	979,525	979,525	-	-	-	-	22,395
b. Loss -/-	(93,073)	(93,073)	-	-	-	-	(93,073)
Reserves	32,596	32,596	-	-	-	-	-
a. General reserves	32,596	32,596	-	-	-	-	-
b. Appropriate reserves	-	-	-	-	-	-	-
Profit/loss	26,440,319	26,440,319	-	-	-	-	-
a. Previous years	24,701,125	24,701,125	-	-	-	-	619,140
b. Current year	2,358,334	2,358,334	-	-	-	-	-
c. Payable dividend -/-	(619,140)	(619,140)	-	-	-	-	(619,140)
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF PARENTS	**38,666,426**	**38,666,426**	**-**	**-**	**-**	**-**	**165,856**
TOTAL EQUITY	**38,666,426**	**38,666,426**	**-**	**-**	**-**	**-**	**165,856**
TOTAL LIABILITIES AND EQUITY	201,448,392	201,448,392	-	1,072,104	-	160,458,333	159,971,069

QUALITATIVE ANALYSIS
The financial assets of lending and sharia financing are the assets with the biggest exposure and are subject to credit risk and market risk. Related to credit risk, the provision for such exposure has been calculated according to the applicable regulations. Meanwhile for market risk, the Bank has established a risk measurement method and monitors interest rate risk in the Banking Book which is reported regularly at ALCO committee meetings.

Main difference between exposures according to carrying values under scope of regulatory consolidation (LI2)

(in million rupiah)

	Total	Items according to:			
		Credit Risk Framework	Securitization Framework	Counterparty Credit Risk Framework	Market Risk Framework
Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	201,448,392	152,001,271	-	1,133,149	194,060,141
Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	201,448,392	-	-	1,072,104	160,458,333
Total net amount under regulatory scope of consolidation	-	152,001,271	-	61,045	33,601,808
Off-balance sheet amounts	121,956,264	121,956,264	-	-	-
Differences in valuations	-	-	-	-	-
Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
Differences due to consideration of provisions	-	-	-	-	-
Differences due to prudential filters	-	-	-	-	-
Exposure amounts considered for regulatory purposes	-	-	-	-	-

Standard Format Capital Disclosures Basel III (CC1)
31 December 2023

(in million rupiah)

No	Component	Bank	Consolidated
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	11,076,002	11,070,525
2	Retained earnings	21,501,133	26,440,319
3	Accumulated other comprehensive income (and other reserves)	985,957	989,726
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	N/A	N/A
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-
6	Common Equity Tier 1 capital before regulatory adjustments	33,563,092	38,500,570
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	-	-
8	Goodwill (net of related tax liability)	-	(61,116)
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	(817,524)	(1,028,268)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	N/A	N/A
11	Cash-flow hedge reserve	N/A	N/A
12	Shortfall of provisions to expected losses	N/A	N/A
13	Securitization gain on sale (as set out in paragraph 562 of Basel II framework)	-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
15	Defined-benefit pension fund net assets	N/A	N/A
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	N/A	N/A
17	Reciprocal cross-holdings in common equity	-	-
18	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold)	N/A	N/A

(in million rupiah)

No	Component	Bank	Consolidated
19	Significant investments in the common stock of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	N/A	N/A
20	Mortgage servicing rights (amount above 10% threshold)	-	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	N/A	N/A
22	Amount exceeding the 15% threshold	N/A	N/A
23	of which: significant investments in the common stock of financials	N/A	N/A
24	of which: mortgage servicing rights	N/A	N/A
25	of which: deferred tax assets arising from temporary differences	N/A	N/A
26	National specific regulatory adjustments	(1,729,598)	(797,293)
26.a	Difference between PPA and allowance	-	-
26.b	PPA from non-productive assets	(2,077)	(2,077)
26.c	Deferred tax assets	(441,560)	(715,152)
26.d	Investments	(1,285,961)	(80,064)
26.e	Capital shortfall in insurance subsidiary	-	-
26.f	Securitization exposure	-	-
26.g	Others	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-
28	Total regulatory adjustments to Common equity Tier 1	(2,547,122)	(1,886,677)
29	Common Equity Tier 1 capital (CET1)	31,015,970	36,613,893
Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	-
31	of which: classified as equity under applicable accounting standards	-	-
32	of which: classified as liabilities under applicable accounting standards	-	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1	N/A	N/A
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	-
35	of which: instruments issued by subsidiaries subject to phase out	N/A	N/A
36	Additional Tier 1 capital before regulatory adjustments	-	-
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	N/A	N/A
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-
39	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	N/A	N/A
40	Significant investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	N/A	N/A
41	National specific regulatory adjustments	-	-
41.a	Investments in AT1 instruments in other banks	-	-
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
43	Total regulatory adjustments to Additional Tier 1 capital	-	-
44	Amount of AT 1 after deduction factor	-	-
45	Tier 1 capital (T1 = CET1 + AT1)	31,015,970	36,613,893

(in million rupiah)

No	Component	Bank	Consolidated
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-
47	Directly issued capital instruments subject to phase out from Tier 2	N/A	N/A
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	2,976,753	2,976,753
49	of which: instruments issued by subsidiaries subject to phase out	N/A	N/A
50	Provisions	1,459,691	1,566,734
51	Total Supplementary Capital (Tier 2) before deduction factor	4,436,444	4,543,487
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	N/A	N/A
53	Reciprocal cross-holdings in Tier 2 instruments	-	-
54	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	N/A	N/A
55	Significant investments in the capital Banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	N/A	N/A
56	National specific regulatory adjustments	-	-
56.a	Sinking fund	-	-
56.b	Investments in Tier 2 instruments in other banks	-	-
57	Total regulatory adjustments to Tier 2 capital	-	-
58	Tier 2 capital (T2)	4,436,444	4,543,487
59	Total capital (TC = T1 + T2)	35,452,414	41,157,380
60	Total risk weighted assets	128,810,828	137,651,897
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	24,08%	26,60%
62	Tier 1 (as a percentage of risk weighted assets)	24,08%	26,60%
63	Total capital (as a percentage of risk weighted assets)	27,52%	29,90%
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	8,00%	8,00%
65	of which: capital conservation buffer requirement	2,50%	2,50%
66	of which: Bank specific countercyclical buffer requirement	0,00%	0,00%
67	of which: G-SIB buffer requirement	1,00%	1,00%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	18,08%	20,60%
National minima (if different from Basel 3)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	N/A	N/A
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)	N/A	N/A
71	National total capital minimum ratio (if different from Basel 3 minimum)	N/A	N/A
Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital of other financials	N/A	N/A
73	Significant investments in the common stock of financials	N/A	N/A
74	Mortgage servicing rights (net of related tax liability)	N/A	N/A
75	Deferred tax assets arising from temporary differences (net of related tax liability)	N/A	N/A

(in million rupiah)

No	Component	Bank	Consolidated
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	N/A	N/A
77	Cap on inclusion of provisions in Tier 2 under standardised approach	N/A	N/A
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	N/A	N/A
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	N/A	N/A
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	N/A	N/A
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A
82	Current cap on AT1 instruments subject to phase out arrangements	N/A	N/A
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A
84	Current cap on T2 instruments subject to phase out arrangements	N/A	N/A
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	N/A	N/A

Capital Reconciliation (CC2)

(in million rupiah)

No	POS POS	Balance Sheet	Consolidated Balance Sheet with Prudential Principle
		31 December 2023	31 December 2023
ASSET			
1.	Cash	931,530	1,428,683
2.	Placements with Bank Indonesia	17,236,809	18,000,252
3.	Placements with other banks	958,732	1,200,387
4.	Spot and derivative / forward receivables	1,133,149	1,133,149
5.	Securities	8,547,321	17,038,501
6.	Securities sold under repurchase agreements (repo)	-	-
7.	Claims from securities purchased under resale agreements (reverse repo)	-	-
8.	Acceptance receivables	3,289,757	3,289,757
9.	Loans	145,173,436	145,173,436
10.	Sharia financing/receivables	-	11,387,861
11.	Equity Investments	1,308,484	102,586
12.	Other financial asset	1,121,451	1,361,853
13.	Impairment on financial assets -/-	(3,413,725)	(4,627,641)
	a. Securities	(799)	(799)
	b. Loans and Sharia financing	(3,404,131)	(4,618,047)
	c. Others	(8,795)	(8,795)

(in million rupiah)

No	POS POS	Balance Sheet	Consolidated Balance Sheet with Prudential Principle
		31 December 2023	31 December 2023
14.	Intangible assets	3,096,432	3,541,155
	Accumulated amortization of intangible assets -/-	(2,278,908)	(2,451,771)
15.	Fixed assets and equipment	3,958,107	5,040,250
	Accumulated depreciation on fixed assets and equipment -/-	(2,286,537)	(2,992,438)
16.	Non-productive assets	79,120	79,120
	a. Abandoned properties	21,099	21,099
	b. Foreclosed assets	58,021	58,021
	c. Suspense accounts	-	-
	d. Interbranch assets	-	-
17.	Other assets	2,386,178	2,743,252
	TOTAL ASSET	**181,241,336**	**201,448,392**
LIABILITY AND EQUITY			
LIABILITY			
1.	Demand deposits	26,604,674	26,628,683
2.	Saving deposits	14,470,875	17,558,817
3.	Time deposits	54,980,210	64,011,076
4.	Electronic money	-	-
5.	Liabilities to Bank Indonesia	-	-
6.	Liabilities to other banks	10,818,444	10,814,638
7.	Spot and derivative / forward liabilities	1,072,104	1,072,104
8.	Securities sold under repurchase agreements (repo)	-	-
9.	Acceptance liabilities	2,323,633	2,323,633
10.	Securities issued	200,569	200,569
11.	Borrowings	34,283,897	34,283,897
12.	Margin deposits	-	-
13.	Interbranch liabilities	-	-
14.	Other liabilities	2,756,110	3,271,871
15.	Minority Interest	-	2,616,678
	TOTAL LIABILITY	**147,510,516**	**162,781,966**

(in million rupiah)

No	POS POS	Balance Sheet	Consolidated Balance Sheet with Prudential Principle
		31 December 2023	31 December 2023
EQUITY			
16.	Issued and fully paid-in capital	161,136	161,136
	a. Authorized capital	300,000	300,000
	b. Unpaid capital -/-	(137,018)	(137,018)
	c. Treasury stock -/-	(1,846)	(1,846)
17.	Additional paid-in capital	11,175,667	11,145,923
	a. Agio	10,914,866	10,909,389
	b. Disagio -/-	-	-
	c. Fund for paid up capital	-	-
	d. Others	260,801	236,534
18.	Other comprehensive income	860,288	886,452
	a. Profit	953,361	979,525
	b. Loss -/-	(93,073)	(93,073)
19.	Reserves	32,596	32,596
	a. General reserves	32,596	32,596
	b. Appropriate reserves	-	-
20.	Profit/loss	21,501,133	26,440,319
	a. Previous years	20,019,562	24,701,125
	b. Current year	2,100,711	2,358,334
	c. Payable dividend -/-	(619,140)	(619,140)
	Total Equity Attributable to the Owners of Parents	33,730,820	38,666,426
	TOTAL EQUITY	**33,730,820**	**38,666,426**
TOTAL LIABILITY AND EQUITY		**181,241,336**	**201,448,392**

Disclosure of Capital Instruments Features (CCA)
31 December 2023

No	Questions	Bank	
		Capital	Subordinated Loan
1	Publisher	PT Bank BTPN, Tbk.	SMBC
2	Idenification Number	ISIN : 101000118508	N/A
3	Law	Indonesian Law	Indonesian Law
3a	Instruments that reliable having liability to held on section 13 from TLAC term sheet achieved		
	Instruments treatment based on CAR		
4	During the period	N/A	N/A
5	After the period	CET1	T2
6	Is it eligible to Individual/Consolidation or Consolidation and Individual	Individual	Individual
7	Type of Instrument	Common Stock	Subordinated Loan
8	Amount recognized in CAR calculation	11,076,002	2,976,753
9	Par value from the instrument	162,982	-
10	Classification based on Financial Accounting Standards	Equity	Liabilitas – Amortised Cost
11	Published date	-	26 Sep 2018 and renewed on 27 Sep 2021 (USD 100 million), & 23 Nov 2018 and renewed on 22 Nov 2021 (USD 100 million)
12	without maturity date (perpertual) or with maturity date	Perpetual	With Maturity Date
13	Maturity date	-	26 Sep 2028 & 21 Nov 2028
14	Call Option execution from the approval of Otoritas Jasa Keuangan	No	No
15	Call option date, disbursed amount and other call option requirements (if any)	-	N/A
16	Subsequent call option Coupon/dividend	-	N/A
17	Dividend/Coupon with Fixed Interest or floating	-	N/A
18	The level of the coupon rate or other index be the reference	-	N/A
19	Whether or not the dividend stopper	-	N/A
20	Fully discretionary; partial or mandatory	-	N/A
21	Is there a step-up feature or other incentives	-	N/A
22	Non cumulative or cumulative.	-	N/A
23	Convertible or non-convertible	Non Convertible	In the Subordinated Loan, there is an option to do a Conversion / Write Down, which will be proposed to the Creditors through an Action Plan when the trigger event occurs and will be submitted to the OJK
24	If converted, specify a trigger point.	-	The CET1 ratio is lower or equal to 5.125% of RWA
25	If converted, whole or in part	-	N/A
26	If converted, how the conversion rate	-	N/A
27	If converted, whether mandatory or optional	-	N/A
28	If converted, specify the type of instrument conversion	-	N/A
29	If converted, specify the issuer of the instrument converts it into	-	N/A
30	Write-down Features	No	In the Subordinated Loan, there is an option to do a Conversion / Write Down, which will be proposed to the Creditors through an Action Plan when the trigger event occurs and will be submitted to the OJK
31	If the write- down, specify trigger its	-	The CET1 ratio is lower or equal to 5.125% of RWA
32	If the write-down, full or partial	-	N/A
33	If the write-down, permanent or temporary	-	N/A
34	If the temporary write- down, explain mechanisme write- up	-	N/A
35	Hierarchy of instruments at the time of liquidation	-	After the debt being paid to the creditor
36	Whether the transition to features that are non - compliant	No	N/A
37	If yes , explain the features of non -complaint	-	N/A

Consolidate	
Capital	**Subordinated Loan**
PT Bank BTPN, Tbk.	SMBC
ISIN : 101000118508	N/A
Indonesian Law	Indonesian Law
N/A	N/A
CET1	T2
Individual	Individual
Common Stock	Subordinated Loan
11,070,525	2,976,753
162,982	-
Equity	*Liabilitas – Amortised Cost*
-	26 Sep 2018 and renewed on 27 Sep 2021 (USD 100 million), & 23 Nov 2018 and renewed on 22 Nov 2021 (USD 100 million)
Perpetual	With Maturity Date
-	26 Sep 2028 & 21 Nov 2028
No	No
-	N/A
-	N/A
-	N/A
-	N/A
-	N/A
-	N/A
-	N/A
-	N/A
Non Convertible	In the Subordinated Loan, there is an option to do a Conversion / Write Down, which will be proposed to the Creditors through an Action Plan when the trigger event occurs and will be submitted to the OJK
-	The CET1 ratio is lower or equal to 5.125% of RWA
-	N/A
-	N/A
-	N/A
-	N/A
-	N/A
No	In the Subordinated Loan, there is an option to do a Conversion / Write Down, which will be proposed to the Creditors through an Action Plan when the trigger event occurs and will be submitted to the OJK
-	The CET1 ratio is lower or equal to 5.125% of RWA
-	N/A
-	N/A
-	N/A
-	After the debt being paid to the creditor
No	N/A
-	N/A

Quarterly Calculation of Capital Adequacy Report (CAR) of Conventional Commercial Banks

(in million Rupiah)

Accounts			31 December 2023 Audited		31 December 2022 Audited	
			Individual	Consolidated	Individual	Consolidated
I	Core Capital (Tier 1)		31,015,970	36,613,893	29,178,186	34,966,039
1	Common Equity Tier 1 (CET 1)		31,015,970	36,613,893	29,178,186	34,966,039
1.1	Paid in capital (less Treasury stock)		161,136	161,136	161,133	161,133
1.2	Disclosed reserves		33,399,879	38,337,357	31,532,432	36,507,624
1.2.1	Disclosed reserves		33,401,956	38,339,434	31,837,340	36,515,523
1.2.1.1	Other comprehensive income		953,361	957,130	870,786	874,453
	1.2.1.1.1	Excess differences arising from translation of financial statement	-	-	-	-
	1.2.1.1.2	Potential gain of the increase in the fair value of financial assets available for sale	2,804	2,906	-	-
	1.2.1.1.3	Fixed asset revaluation	950,557	954,224	870,786	874,453
1.2.1.2	Other disclosed reserves		32,448,595	37,382,304	30,966,554	35,641,070
	1.2.1.2.1	Agio	10,914,866	10,909,389	10,914,396	10,907,349
	1.2.1.2.2	General reserves	32,596	32,596	32,596	32,596
	1.2.1.2.3	Previous years profit	19,400,422	24,081,985	17,836,586	21,605,424
	1.2.1.2.4	Current year profit	2,100,711	2,358,334	2,182,976	3,095,701
	1.2.1.2.5	Capital paid in advance	-	-	-	-
	1.2.1.2.6	Others	-	-	-	-
1.2.2	Deduction Factor		(2,077)	(2,077)	(304,908)	(7,899)
1.2.2.1	Deduction Factor		-	-	(7,750)	(7,705)
	1.2.2.1.1	Excess differences less from translation of financial statement	-	-	-	-
	1.2.2.1.2	Potential losses from the decrease in the fair value of financial assets available for sale	-	-	(7,750)	(7,705)
1.2.2.2	Other disclosed reserve		(2,077)	(2,077)	(297,158)	(194)
	1.2.2.2.1	Disagio	-	-	-	-
	1.2.2.2.2	Previous years loss	-	-	-	-
	1.2.2.2.3	Current year loss	-	-	-	-
	1.2.2.2.4	Differences between required provision and allowance for impairment losses of earning assets	-	-	(296,964)	-
	1.2.2.2.5	Negative differences on adjustment of fair value on financial instrument in the Trading Book	-	-	-	-
	1.2.2.2.6	Required provision on non-productive assets	(2,077)	(2,077)	(194)	(194)
	1.2.2.2.7	Others	-	-	-	-
1.3	Non-Controlling Interests that can be calculated		-	-	-	-
1.4	Deduction factor to common equity tier 1 (CET 1)		(2,545,045)	(1,884,600)	(2,515,379)	(1,702,718)
1.4.1	Deferred tax calculation		(441,560)	(715,152)	(384,408)	(545,029)

(in million Rupiah)

Accounts	31 December 2023 Audited		31 December 2022 Audited	
	Individual	Consolidated	Individual	Consolidated
1.4.2 Goodwill	-	(61,116)	-	(61,116)
1.4.3 Other intangible assets	(817,524)	(1,028,268)	(845,010)	(1,015,622)
1.4.4 Investment that can be calculated as deduction factor	(1,285,961)	(80,064)	(1,285,961)	(80,951)
1.4.5 Shortage of capital on insurance subsidiary company	-	-	-	-
1.4.6 Securitization exposures	-	-	-	-
1.4.7 Other deduction factor to common equity tier 1	-	-	-	-
1.4.7.1 Placement of funds in instruments AT 1 and / or Tier 2 other banks	-	-	-	-
1.4.7.2 Cross-ownership in another entity acquired by the transition because of the law, grants, or grants will	-	-	-	-
1.4.7.3 Exposure that causing Credit Risk due to settlement risk - Non Delivery Versus Payment	-	-	-	-
1.4.7.4 Exposure in child company which held sharia principle	-	-	-	-
2 Additional Tier 1 (AT 1)	-	-	-	-
2.1 The instrument meets the requirements of AT 1	-	-	-	-
2.2 Agio/Disagio	-	-	-	-
2.3 Deduction Factors : Investment in AT1 and/or Tier 2 instruments with other Bank	-	-	-	-
2.3.1 Placement of funds in instruments AT 1 and/or Tier 2 other banks	-	-	-	-
2.3.2 Cross-ownership in another entity acquired by the transition because of the law, grants, or grants will	-	-	-	-
II Supplementary Capital (Tier 2)	4,436,444	4,543,487	4,527,153	4,626,967
1 Capital instrument in form of shares or others which are qualified Tier 2 requirements	2,976,753	2,976,753	3,113,500	3,113,500
1.1 Preferred Stock (perpetual cumulative, non perpetual), after buy back deduction	-	-	-	-
1.2 Subordinated bonds (perpetual cumulative, non perpetual), after buy back deduction	-	-	-	-
1.3 Subordinated loan (perpetual cumulative, non perpetual), after buy back deduction	3,079,400	3,079,400	3,113,500	3,113,500
1.4 Mandatory convertible bond	-	-	-	-
1.5 Tier 2 published by bank and non bank which acquired by other party (consolidated)	-	-	-	-
1.6 Amortization based on remaining maturity	102,647	102,647	-	-
2 Agio/Disagio	-	-	-	-
3 General required provision of earning assets (maximum 1.25% of RWA)	1,459,691	1,566,734	1,413,653	1,513,467
4 Deduction factor to supplementary capital	-	-	-	-
4.1 Sinking Fund	-	-	-	-
4.2 Placement of funds in instruments AT 1 and / or Tier 2 other banks	-	-	-	-
4.3 Cross-ownership in another entity acquired by the transition because of the law, grants, or grants will	-	-	-	-
TOTAL CAPITAL	35,452,414	41,157,380	33,705,339	39,593,006

	31 December 2023 Audited		31 December 2022 Audited	
	Individual	Consolidated	Individual	Consolidated
Risk Weighted Asset (RWA)				
RWA Credit Risk	116,728,894	125,294,554	113,060,445	121,057,375
RWA Market Risk	1,856,501	1,856,501	717,272	717,272
RWA Operational Risk	10,225,433	10,500,842	16,171,334	23,316,768
Total RWA	128,810,828	137,651,897	129,949,051	145,091,415
CAR Ratio Based on Risk Profile (%)	9.21%	9.21%	9.23%	9.23%
CAR Allocation Based On Risk Profile				
From CET 1 (%)	6.00%	6.00%	6.00%	6.04%
From AT 1 (%)	0.00%	0.00%	0.00%	0.00%
From Tier 2 (%)	3.21%	3.21%	3.23%	3.19%
CAR Ratio				
CET1 Ratio (%)	24.08%	26.60%	22.45%	24.10%
Tier 1 Ratio (%)	24.08%	26.60%	22.45%	24.10%
Tier 2 Ratio (%)	3.44%	3.30%	3.48%	3.19%
CAR Ratio (%)	27.52%	29.90%	25.94%	27.29%
CET 1 for Buffer (%)	18.08%	20.60%	16.45%	18.06%
Buffer Percentage Should Be Fulfilled by Bank (%)				
Capital Conservation Buffer (%)	2.50%	2.50%	2.50%	2.50%
Countercyclical Buffer (%)	0.00%	0.00%	0.00%	0.00%
Capital Surcharge For Systemic Bank (%)	1.00%	1.00%	1.00%	1.00%

Report of Total Exposure in Leverage Ratio

(in million rupiah)

No.	Description	Jumlah	
		Individual	Consolidated
1	Total assets in published financial statements. (gross amont before deduction of Impairement)	184.655.061	206.076.033
	Adjustment:		
2	Adjustment for investment in banking, financial institution, insurance company and / other entities that are consolidated for accounting purposes but outside the scope of stipulated Finacial Service Authority	-	-
3	Adjustment for collecting amount of financial asset or syariah asset as the underlying which have been divert into the asset securitization to meet the qualification for sale of without recourse of prudendce during the asset securitization for commercial banks. In the event that the financial assets or the underlying Sharia have been deducted from the total assets on the balance sheet, the number in this row is 0 (zero).	-	-
4	Adjustment for temporary exception in regards with the placement in Bank Indonesia to meet the minimum reserve requirements stipulations (if any)		
5	Adjustment for fiduciay asset that recognized as the balance sheet component based on the financial accounting standard however not included in Leverage Ratio calculation		
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date	-	-
7	Adjustment for eligible cash pooling transactions that fulfill the requirement as stipulated in Financial Service Authority regulation.	-	-
8	Adjustment for exposure amount of derivative transaction	2.382.128	2.382.128
9	Adjustment for exposure amount of Securities Financing Transaction (SFT) exposure for an example Reverse Repo transactions	-	-
10	Adjustment for exposure amount of Off Balance Transaction converts with Credit Conversions Factor	20.500.903	20.500.903
11	Prudent valuation adjustments as the deduction of capital and impairment	(5.539.733)	(5.819.611)
12	Other Adjustments	-	-
13	**Total Exposure in Leverage Ratio Calculation (Sum row 1 + row 2 until row 12)**	**201.998.359**	**223.139.453**

The Report of Calculation Leverage Ratio

(in million rupiah)

No	Description	Individual		Consolidated	
		T	T - 1	T	T - 1
Asset Exposure in Financial Statement					
1	Asset Exposure in the Financial Statement including the guarantee, but not including the exposure of Derivative Transaction and exposure of SFT (Gross amount before deduction of Impairment)	183.521.912	176.662.173	204.942.884	198.355.474
2	Revaluation for derivative collateral which given to other party which impacted decrement of total exposure in Balance Sheet because due to implementation of Financial Accounting Standard	-	-	-	-
3	(Deduction of receivables related with cash variation margin which provided in derivatives transactions)	-	-	-	-
4	(Adjustment for securities received under exposure of securities financing transactions that are recognised as an asset)	-	-	-	-
5	Impairement of the certain assets in accordance with Financial Accounting Standard	(3.413.725)	(3.124.889)	(4.627.641)	(4.073.173)
6	(Asset that has been calculated as a deduction factor of Core Capital as stated on Financial Service Authority regulation regarding the obligation of minimum capital reserve for commercial bank)	(2.126.008)	(2.116.993)	(1.191.970)	(1.177.764)
7	**Total asset Exposure in Financial Statement** **Sum of rows 1 to 6**	**177.982.179**	**171.420.291**	**199.123.273**	**193.104.537**
Derivative Transaction Exposure					
8	Replacement cost asscociated with all derivatives transaction in where has a vatiation margin that applicable or has an agreement for netting in fulfill the certain condition.	1.584.073	2.181.719	1.584.073	2.181.719
9	Add-on amounts for PFE associated with all derivatives transactions	1.931.204	1.629.109	1.931.204	1.629.109
10	(Exempted of exposure of Derivative transaction which settled throught central counterparty (CCP))	-	-	-	-
11	Adjustment of effective notional amount from credit derivatives	-	-	-	-
12	(Adjustment for notional amount tha effectively done with netting and deduction of add-on for selling of derivative credit transaction)	-	-	-	-
13	**Total Derivatives Exposures** **Sum of rows 8 to 12**	**3.515.277**	**3.810.828**	**3.515.277**	**3.810.828**
Securities Financing Transaction (SFT) Exposure					
14	Gross SFT assets	-	-	-	-
15	(Nett amounts of cash payables and cash receivables)	-	-	-	-
16	Credit Risk due to failure from the other party related with SFT Asset which refer to calculation of current exposure in accordance with the attachment of this Financial Service Authority regulation.	-	-	-	-
17	Exposure as an SFT agent	-	-	-	-
18	**Total SFT Exposure** **Sum of rows 14 to 17**	**-**	**-**	**-**	**-**
Other Off-Balance Sheet Transactions Exposure					
19	All of Commitment amount or Contigency amount, Gross amount before Impairment deduction	121.956.264	125.513.631	121.956.264	125.519.879
	(Adjustment with the result of multipliation amount between Commitment and Contigency and CCF then deducted with Impairment)				
20	(Impairment from the Off Balance Sheet Transaction in accordance with Financial Accounting Standard)	(101.400.334)	(103.384.258)	(101.400.334)	(103.389.882)
21	(provision for TRA in accordance with financial accounting standards)	(55.027)	(58.417)	(55.027)	(58.417)
22	**Total Other Off-Balance Sheet Transactions Exposures** **Sum of rows 19 to 21**	**20.500.903**	**22.070.956**	**20.500.903**	**22.071.580**
Capital and Total Exposure					
23	Core Capital	31.015.970	30.582.124	36.613.893	36.474.300
24	**Total Exposure (7+ 13+ 18 +22)**	**201.998.359**	**197.302.075**	**223.139.453**	**218.986.945**
Rasio Pengungkit					
25	Leverage Ratio includes the effect from adjustment of temporarily exception from placement in Bank Indonesia in regards with the fulfillment of Minimum Reserve Requirements (if any)	15,35%	15,50%	16,41%	16,66%
25a	Leverage Ratio not includes the effect from adjustment of temporarily exception from placement in Bank Indonesia to meet Minimum Reserve Requirements provisions (if there is)	15,35%	15,50%	16,41%	16,66%
26	Minimum value of Leverage Ratio	3%	3%	3%	3%
27	Bearing to Leverage Ratio value	N/A	N/A	N/A	N/A

(in million rupiah)

No	Description	Individual		Consolidated	
		T	T - 1	T	T - 1
	AVERAGE VALUE DISCLOSURE				
28	Average value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash				
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables				
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) average values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)				
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) average values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)				
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) average values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)				
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) average values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)				

In general, components of capital are dominated by permanent capital. The core capital is the largest element of the Bank's capital. In December 2023, the core capital to RWA ratio position was at 26.6% (consolidated). This ratio was far above the minimum CAR provision of the Financial Services Authority. The Bank also continuously strived to maintain CAR at a sound level.

The Bank's consolidated capital structure was dominated by the core capital (89.0%) of Bank BTPN's total capital. This capital position consisted of the paid-up capital and additional capital reserves, including agio and retained profit.

Capital sources are expected to be utilized by the Bank in order to actualize its capital planning or meet the Bank's capital requirements from Retained Earnings and additional capital from the shareholders, either through rights issues or public offerings. Accumulated Retained Earnings depend on the amount of dividend paid out by the Bank to the shareholders based on the resolutions of the General Meeting of Shareholders. In determining the dividend distribution, the Bank always considers the adequacy of the capital from the KPPM compliance aspect as well as from the BMPK compliance aspect in line with future credit growth plans. The Bank's capital was projected to increase in line with profit accumulation.

The Bank's total capital as of 31 December 2023 reached Rp41.2 Trillion, an increase compared to Rp39.6 trillion at the end of the year 2022. This increment is mainly contributed by the the increase in retained earnings.

Capital Adequacy

BTPN utilizes the capital ratio standards to monitor capital adequacy in accordance with industry standards. OJK's approach to measuring this capital is mainly based on the monitoring of capital needs required to available capital, and the Bank continuously applies the Internal Capital Adequacy Assessment Process (ICAAP) in accordance with applicable regulations.

This is correlated with the establishment of capital adequacy in line with the Bank's risk profile provisions. This process is performed to improve the Bank's effectiveness in implementing risk management.

The Bank utilizes the Standardized Approach to managing capital on credit risks. RWA calculation, in general, is conducted by referring to the risk weight in line with OJK provisions and the rating result issued by rating agencies determined by regulators.

The Bank calculates the capital adequacy for operational risks using the Standardized Approach (SA). Based on this method, the Bank allocates minimum capital for operational risks based on the multiplication between Business Indicator Components (KIB) and Internal Loss Multiplier Factors (FPKI).

In managing market risks, the Bank utilizes the standard method to calculate RWA for Market Risk. The Bank's Management retains a good understanding of capital management. The Bank views capital planning as an important element to manifest the Bank's strategic objectives by analyzing the Bank's capital adequacy for the present and for the future through the strategic planning process.

This shows that by maintaining the performance of the Bank and its parent entity through continuous supervision of the quality of risk management, period audits by the Internal Audit Work Unit, adequate policies on dividend distribution, as well as on the management's commitment to the Bank's strategies and targets as contained in the Bank's Business Plan (RBB).

The Bank's capital ratio is considered in an excellent position, namely above the requirement set forth by the Financial Services Authority. The trend in capital growth based on the Bank's Business Plan (RBB) also indicates the capability to support the Bank's future business expansion.

Likewise, if it is associated with the incentives for Minimum Statutory Reserves (GWM) requirements for Macroprudential Intermediation Ratio (RIM), the Bank's KPPM rating has complied with the minimum provision required by OJK, namely 8.0%-14.0%. According to the self-assessment results on the Bank's risk profile, CAR position based on risk profile as of December 2022 was 9.2%.

DISCLOSURE OF RISK EXPOSURE

A. Credit Risk

Credit risk in BTPN is the prudential principle in order to prevent risks from arising as a result of failure of other parties in fulfilling obligations to the Bank, including credit risks caused by debtors' failure, credit concentration risks, counterparty credit risk and settlement risks.

Credit Risk Management Organization



Credit Risk Management Strategy

The Bank implements the risk management strategy in line with the overall business strategy by considering the credit risk appetite framework as well as by regular monitoring in line with the Bank's Business Plan. The risk management strategies are established to ensure that the Bank's credit exposure is managed under control in line with credit policies, internal procedures, laws and regulations, as well as other applicable provisions.

A structured credit risk management strategy is set based on the following general principles:
1. Long-term orientation to ensure the Bank's business continuity by considering economic conditions/cycles.
2. Comprehensive control and manage risks and mitigation.

The risk management strategy is set by taking into consideration of the following factors:
1. Economic and business developments as well as the impact that may occur caused by risks faced by the Bank.
2. The Bank's organizational structure including adequate human resources and supporting infrastructure in conducting the Bank's business and the Bank's capability to manage risks.
3. The composition as well as diversification of the Bank's portfolio.

Policy on Credit Concentration Risk Management

In managing credit concentration risks, the Bank closely monitored, the industry's sector exposure, types of credit as well as individual and group exposures. Monitoring results are always assessed as part of early warning.

Credit Risk Management Framework

Measurement of credit risk is conducted in portfolio and transactional level. Such measurement may use a quantitative or qualitative method in accordance with standard provisions from Bank Indonesia, OJK, and/or adopted best practices or internal models developed by the Bank. Measurement of credit risk, among others, is carried out through two methods: risk rating and stress test.

Adequacy of Policies, Procedures and Limit Setting

Credit policies will be referred in the implementation of the credit process. BTPN's credit policies refer to OJK Regulation No.42/POJK.03/2017 concerning Obligation for the Compilation and Implementation of Credit or Financing Policies for Commercial Banks.

The Bank periodically conduct reviews of policies and procedures on credit, especially when there are changes in the economic conditions, regulations, and/or business approach. This policy aims to create credit risk management that is in accordance with global standards as a Bank that is internationally active and carries out credit in a reasonable and organized manner for the Bank's credit soundness.

The Bank is categorized as one of the systemic banks in Indonesia. Therefore, BTPN has prepared a Recovery Plan Document, including aspects of asset quality. This recovery plan identifies options to restore financial strength and viability if the Bank faces severe pressure, especially concerning asset quality, and has also created a resolution plan document.

The Bank continues actively managing and supervising the implementation of risk management and effectively improves policies, procedures, and the development of the risk management system.

Aside from establishing policies and procedures, the Bank also establishes limits to maintain credit risk exposure in line with the Bank's risk appetite. These limits, among others, cover the limit for credit approval authority, which is adjusted to the competency of the decision maker and the level of risk and ensures that there is no conflict of interest in the process of credit being extended to customers.

Meanwhile, establishing the Legal Lending Limit is conducted in accordance with the provisions under OJK Regulation No.32/POJK.03/2018 and its amendment in POJK Regulation No.38/POJK.03/2019 by taking into account current regulations.

The Bank manages and controls the credit risk concentration wherever such risks are identified, specifically for individual and group debtors, as well as industry, and the geographic sector.

Adequacy of Risk Identification, Measurement, Monitoring, and Control Processes, and Risk Management Information System

BTPN's framework on credit risk management is implemented through the integrated process consisting of risk identification, measurement, monitoring, and control/mitigation processes. The identification process, among others, starts from determining the industry sector or customer segment to be financed, analysis of the customer's proposed credit as well as analysis of the products and activities that may potentially generate credit risks by reviewing Credit Product Program and assessing the risk exposure increase.

Based on this identification process, the Bank measures credit risks with the main indicators that show the debtors' credit quality, such as the Non-Performing Loan ratio. The Bank regularly measures bad quality asset as well as conducts supervision on debtors included in the watchlist account. As part of the credit risk measurement, stress testing is administered to assess the Bank's resilience in extreme conditions.

The credit risk measurement system must take into consideration of the product characteristics, tenure, collateral aspect, potential default, and the Bank's capability to absorb potential failures. The Bank also carries out a quantification process, among others, on the asset portfolio composition, which covers the type, exposure feature, credit growth, expected credit loss provision, the level of concentration and quality of credit, including the level of non-performing loan and repossessed assets..

The Bank monitors actual credit risk exposure compared to the credit risk limit. Moreover, the Bank also monitors the management of non-performing loans as well as monitors the conformity between policies and the implementation of credit risk management.

Improvement of the management information system is conducted continuously in order to periodically present information on credit risks. The Management Information System covers up to the level of quite detailed information to detect any unfavorable development at the earliest possible, which would enable necessary actions to be taken on accurate timing for improvement of declining credit quality or to minimize credit loss.

BTPN closely monitors the loan portfolio, which enables the Bank to take preventive actions promptly in the event of a credit quality deterioration. This is done by early detection of problems and conducting stringent monitoring.

Internal Control System on Credit Risk

The Internal Control System is carried out to manage risks that endanger to the Bank's business continuity. For example, the implementation of procedures on effective handling of non-performing loans, which is by separating the the credit remedial function from the credit initiation function.

The results of handling non-performing loans must be documented so that they can be used as a material reference for consideration in extending or restructuring loans. Credit risks can also be controlled through risk mitigation, active management of portfolio position and risks, and establishing the target limitation of risk concentration.

Definition of Non-Performing Asset

Asset classification must be carried out for the productive and non-productive assets. In principle, the provisions on asset quality follows the provisions as stated in the Financial Services Authority Regulation No. 40/POJK.03/2019 regarding Asset Quality Assessment in Commercial Banks.

Determining the credit quality for retail and SME segment loans under 5 Billion is based on payments. Meanwhile, for SME segment above 5 Billion, commercial and corporate segments are based on 3-pillar assessment factors.

Definition of Past-Due Claim

Claims which are past due are all claims in arrears for more than 90 (ninety) days, both on principal and/or interest payments.

Definition of Impaired Claim

The Bank assesses financial assets/groups of financial assets with a diminishing value at each balance sheet date. Claims with diminishing value/impairment are determined based on the financial asset/group of financial assets with objective evidence of impairment as a result of one or more events that occurred following the initial recognition of the concerned asset (adverse event). Such adverse event impacts future cash flow estimates on the financial asset or group of financial assets that can be accurately estimated.

Approach to Establishing Reserves for Impairment Losses

The Bank applies PSAK 71 to estimate reserves/ allowance for impairment losses on financial assets. This provision requires impairment loss reserves to be acknowledged at the amount of credit loss expectancy (ECL 12 months) or credit loss lifetime of financial assets (ECL lifetime).

ECL lifetime is the expected credit loss from all possible events of default over the expected life of a financial instrument. While 12 months ECL is a portion of the expected credit loss from all possible events of default within 12 months following the date of the report.

Expected credit loss is the probability-weighted estimate of credit losses (present value of all cash shortfalls) over the expected life of a financial instrument. Cash shortfall is the difference between cash flow and what is expected to receive by an entity. Considering expected credit loss is concerned with the amount and time of payment, credit loss remains to arise, although the entity still hopes to be paid in full following the maturity date.

Expected credit loss (ECL) is acknowledged for all financial debt instruments, loan commitments, and financial collaterals classified as hold-to-collect or hold-to-collect and sell and those with SPPI cash flow. ECL is not acknowledged for financial instruments determined as FVTPL and equity instruments determined as FVOCL.

Credit exposure estimates for the purpose of risk management that is complex and which requires the use of a model because of the various exposure related to changes in the market condition, expected cash flow and timeline. Credit risk assessment from asset portfolio requires further estimation on the possibilities of default, from the related loss ratio and default correlation between parties. The Bank measures credit risk utilizing the Probability of Default (PD), Exposure at Default (EAD), Loss Given Default (LGD) and macroeconomic variables for forward-looking estimates.

In accordance with PSAK 71, the Bank applies the "Three-Stage" model to reduce the value based on the change in credit quality as of the initial recognition as summarized below:

1. Financial instruments that have not suffered credit impairment since initial recognition are classified in "Stage 1."
2. If the increase is significant in the credit risk ("SICR") since the initial identification, the financial instrument is moved to "Stage 2" yet not regarded to have suffered credit impairment.
3. If a financial instrument suffers credit impairment, the financial instrument is then moved to "Stage 3" and PSAK 71 does not apply to Subsidiaries of sharia-based entities.

The Standard Approach Used for Credit Risk

In calculating Risk-Weighted Assets (RWA) for credit risks, the Bank uses a standard approach in line with applicable regulations which refer to OJK Circular Letter No. 24/ SEOJK.03/2021 regarding Guidelines for Calculating Credit Risk-Weighted Assets by Use of the Standard Approach for Commercial Banks. With this approach, Credit Risk-Weighted Assets are calculated based on the type of portfolio category and risk weight. The risk weight is determined, among others, based on the results of debtor or counterparty ratings released by rating agencies approved by the Financial Services Authority in accordance with the Financial Services Authority Circular Letter on rating agencies and ratings approved by the Financial Services Authority, as well as based on certain percentage for certain portfolio categories.

The loan portfolio is divided into several asset classes, among others, loan to the government, to multilateral development banks and international institutions, of covered bonds, loans with residential houses as collateral, loans with commercial property as collateral, loans to public sector entities, loans to banks, loans to employees and pensions, loans to micro-small businesses and retail portfolios, loans to corporations and overdue loans, loans to securities and other financial services institutions; securities/subordinated receivables, equity and other capital instruments.

Disclosure of Credit Risk Mitigation

The Bank adopts a series of policies and practices to mitigate credit risk. In calculating the RWA Credit Risk Standard Approach, the existence of collateral, guarantees, or credit insurance can be acknowledged as credit risk mitigation techniques according to regulatory provisions.

Criteria of Acceptable Collaterals

The types of collateral that are acceptable are as follows:

1. Land and/or building
2. Vehicle
3. Equipment (including machinery and heavy equipment)
4. Cash collateral
5. SBLC
6. Receivables
7. Inventory

Management of Collaterals by BTPN

For the Bank, collaterals are the second way out to reduce the risk of losses. The Bank only accepts valuable and sellable collaterals at a reasonable cost, free from all other forms of legal binding and free from disputes. Evaluation of collaterals must be conducted prior to approval and extension of the facility or in the context of credit remedial.

As long as the credit term is effective, an evaluation and review of the collaterals must be performed, in which the frequency and criteria are established in the credit provisions. The collateral binding agreement is a prerequisite for the legal transfer of collateral and must be carried out before disbursing the credit.

Policy on the Use of Rating

Credit Scoring & Grading is a model used to predict the capability of prospective debtors to meet their obligations and analysis of debtors using historical data or references obtained from other sources. Credit Scoring & Grading refers to the same instruments. The term scoring is used internally for micro business and lower, and the term grading is used for SME, commercial, and corporate credit.

The creation and use of scoring models/grading are documented in each business's SOP. The Risk Management, as an independent unit, monitors and reviews the development and implementation of credit scoring/grading conducted by business units.

Policy on the Use of Rating Agency

On several transactions conducted by the Bank, especially those related to securities and placements, the Bank is then required to determine the limits by considering the rating conducted by rating agency recognized by Bank Indonesia/OJK.

Disclosure of Credit Quality on Assets (CR1) - Bank Stand Alone

(in million rupiah)

		Gross Carrying Value		Allowance for Impairment Losses	Allowance for Impairment Losses		Impairment (IRB Approach)	Net Worth (a+b-c)
		Overdue Bills	Undue Bills		Stage 2 and Stage 3	Stage 1		
		a	b	c	d	e	f	g
1	Credit	1,762,053	143,411,384	3,404,131	2,772,649	631,482		141,769,306
2	Securities	-	8,547,320	799	96	703		8,546,521
3	Administrative Account Transactions	-	121,956,266	52,991	23,545	29,446		121,903,275
	Total	**1,762,053**	**273,914,970**	**3,457,921**	**2,796,290**	**661,631**		**272,219,102**

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Disclosure of Credit Quality on Assets (CR1) -Consolidated Bank with Subsidiaries

(in million rupiah)

		Gross Carrying Value		Allowance for Impairment Losses	Allowance for Impairment Losses		Impairment (IRB Approach)	Net Worth (a+b-c)
		Overdue Bills	Undue Bills		Stage 2 and Stage 3	Stage 1		
		a	b	c	d	e	f	g
1	Credit	2,096,569	154,629,619	4,618,047	2,772,649	1,845,398		152,108,141
2	Securities	-	17,194,076	799	96	703		17,193,277
3	Administrative Account Transactions	-	121,956,266	52,991	23,545	29,446		121,903,275
	Total	**2,096,569**	**293,779,961**	**4,671,837**	**2,796,290**	**1,875,547**		**291,204,693**

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Disclosure of Maturity Credit and Securities Movements (CR2) - Bank Stand Alone

(in million rupiah)

		a
1	Loans and Securities Matured in the last reporting period	1,693,475
2	Loans and Securities Mature since the last reporting period	326,933
3	Loans and Securities that return to become undue bills	38,958
4	Delete book value	3,648,768
5	Other changes	3,429,371
6	Loans and Securities Maturing at the end of the reporting period (1+2-3-4+5)	**1,762,053**

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Disclosure of Maturity Credit and Securities Movements (CR2) - Consolidated Bank with Subsidiaries

(in million rupiah)

		a
1	Loans and Securities Matured in the last reporting period	2,057,724
2	Loans and Securities Mature since the last reporting period	654,745
3	Loans and Securities that return to become undue bills	48,100
4	Delete book value	3,995,103
5	Other changes	3,427,303
6	Loans and Securities Maturing at the end of the reporting period (1+2-3-4+5)	**2,096,569**

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Quantitative Disclosure related to MRK Techniques (CR3) - Bank Stand Alone

(in million rupiah)

		Unbilled Guaranteed with MRK Technique	Bill Guaranteed with MRK Technique	Bill Guaranteed with Collateral	Bill Guaranteed with Warranty, Guarantee and/or Credit Insurance	Bill Guaranteed with Credit Derivatives
		a	b	c	d	e
1	Credit	126,204,150	14,981,181	14,974,194	6,987	
2	Securities	8,546,521	-	-	-	
3	**Total**	**134,750,671**	**14,981,181**	**14,974,194**	**6,987**	
4	Credits and Overdue Securities	579,524	4,451	4,451	-	

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Quantitative Disclosure related to MRK Techniques (CR3) - Consolidated Bank with Subsidiaries

(in million rupiah)

		Unbilled Guaranteed with MRK Technique	Bill Guaranteed with MRK Technique	Bill Guaranteed with Collateral	Bill Guaranteed with Warranty, Guarantee and/or Credit Insurance	Bill Guaranteed with Credit Derivatives
		a	b	c	d	e
1	Credit	136,318,516	14,981,181	15,013,475	192,175	
2	Securities	17,193,277	-	-	-	
3	**Total**	**153,511,793**	**14,981,181**	**15,013,475**	**192,175**	
4	Credits and Overdue Securities	612,288	4,451	4,451	-	

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Disclosure of Credit Risk Exposure and Impact of MRK Techniques (CR4)
Bank Stand Alone

(in million Rupiah)

	Portofolio Category	Net Bill Before FKK Implementation and MRK Technique		Net Bill After the application of FKK and MRK Technique		Risk Weighted Assets and Average Risk Weighting	
		Statement of Financial Position	Account Transaction Administrative	Statement of Financial Position	Account Transaction Administrative	Risk Weighted Assets	Average Risk Weighting e/ (c+d))
		a	b	c	d	e	f
1	Claims to Government	24,851,253	-	24,851,253	-	-	0.00%
2	Claims on Public Sector Entities	13,188,428	6,901,498	13,188,428	740,885	9,634,880	69.17%
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	0.00%
4	Bills to Banks	3,981,135	74,196	3,981,135	7,420	1,434,195	35.96%
	Claims on Securities Companies and Other Financial Services Institutions [1]	23,817,231	20,018,328	23,817,231	2,811,572	10,059,728	37.78%
5	Claims in the form of Covered Bonds	-	-	-	-	-	0.00%
6	Claims on Corporations - General Corporate Exposure [2]	68,002,877	85,725,915	68,002,877	13,837,573	67,733,947	82.76%
	Claims on Securities Companies and Other Financial Services Institutions [3]	-	-	-	-	-	0.00%
	Special Financing Exposure [4]	2,001,243	1,039,128	2,001,243	415,651	1,156,861	47.87%
7	Receivables in the form of Subordinated Securities/ Receivables, Equity and Other Capital Instruments	22,522	-	22,522	-	56,305	250.00%
8	Claims on Micro, Small Business and Retail Portfolio	5,825,046	4,805,826	5,825,046	528,554	4,809,697	75.70%
9	Employee or Pensions loans	21,019,557	-	21,019,557	-	10,509,779	50.00%
10	Property Backed Loans	10,277,427	3,367,830	10,277,427	336,783	5,502,684	51.84%
	Residential Property Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flows	3,744,135	1,002,414	3,744,135	100,241	1,436,947	37.38%
	Residential Property-Backed Loans whose Payments Are Materially Dependent on Property Cash Flows	-	-	-	-	-	0.00%
	Commercial Property Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flows	6,533,292	2,365,416	6,533,292	236,542	4,065,737	60.06%
	Land Acquisition, Land Processing and Construction Loans	-	-	-	-	-	0.00%
	Land Acquisition, Land Processing and Construction Loans	-	-	-	-	-	0.00%
11	Claims That Have Been Due Date	584,001	-	584,001	-	584,439	100.07%
12	Other Assets	4,626,837	-	4,626,837	-	3,724,318	80.49%
13	**Total**	**178,197,557**	**121,932,721**	**178,197,557**	**18,678,438**	**115,206,833**	**58.52%**

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Disclosure of Credit Risk Exposure and Impact of MRK Techniques (CR4)
Consolidated Bank with Subsidiaries

(in million Rupiah)

	Portofolio Category	Net Bill Before FKK Implementation and MRK Technique		Net Bill After the application of FKK and MRK Technique		Risk Weighted Assets and Average Risk Weighting	
		Statement of Financial Position	Account Transaction Administrative	Statement of Financial Position	Account Transaction Administrative	Risk Weighted Assets	Average Risk Weighting e/ (c+d))
		a	b	c	d	e	f
1	Claims to Government	33,147,215	-	33,147,215	-	-	0.00%
2	Claims on Public Sector Entities	13,644,431	6,901,498	13,644,431	740,885	9,862,882	68.56%
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	0.00%
4	Bills to Banks	4,804,423	74,196	4,804,423	7,420	1,598,853	33.23%
	Claims on Securities Companies and Other Financial Services Institutions [1]	23,817,231	20,018,328	23,817,231	2,811,572	10,059,728	37.78%
5	Claims in the form of Covered Bonds	-	-	-	-	-	0.00%
6	Claims on Corporations - General Corporate Exposure [2]	68,102,750	85,725,915	68,102,750	13,837,573	67,814,010	82.76%
	Claims on Securities Companies and Other Financial Services Institutions [3]	19,472	-	19,472	-	-	0.00%
	Special Financing Exposure [4]	2,001,243	1,039,128	2,001,243	415,651	1,156,861	47.87%
7	Receivables in the form of Subordinated Securities/ Receivables, Equity and Other Capital Instruments	22,522	-	22,522	-	56,305	250.00%
8	Claims on Micro, Small Business and Retail Portfolio	16,091,837	4,805,826	16,091,837	528,554	12,407,936	74.65%
9	Employee or Pensions loans	21,019,557	-	21,019,557	-	10,509,779	50.00%
10	Property Backed Loans	10,277,427	3,367,830	10,277,427	336,783	5,502,684	51.84%
	Residential Property Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flows	3,744,135	1,002,414	3,744,135	100,241	1,436,947	37.38%
	Residential Property-Backed Loans whose Payments Are Materially Dependent on Property Cash Flows	-	-	-	-	-	0.00%
	Commercial Property Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flows	6,533,292	2,365,416	6,533,292	236,542	4,065,737	60.06%
	Land Acquisition, Land Processing and Construction Loans	-	-	-	-	-	0.00%
	Land Acquisition, Land Processing and Construction Loans	-	-	-	-	-	0.00%
11	Claims That Have Been Due Date	616,765	-	616,765	-	617,203	100.07%
12	Other Assets	5,583,714	-	5,583,714	-	4,184,042	74.93%
13	**Total**	**199,148,587**	**121,932,721**	**199,148,587**	**18,678,438**	**123,770,283**	**56.82%**

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Exposure Disclosure based on Asset Class and Risk Weighting (CR5) - Bank Stand Alone

	Portofolio Category	0%	20%	50%
1	Claims to Government	24,851,253	-	-

	Portofolio Category	20%	50%
2	Claims on Public Sector Entities	-	10,991,166

	Portofolio Category	0%	20%	30%	50%
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-

	Portofolio Category	20%	30%	40%	50%
4	Bills to Banks	2,615,648	-	-	470,857
	Claims on Securities Companies and Other Financial Services Institutions[1]	14,332,301	2,905,190	-	692,135

	Portofolio Category	10%	15%	20%	25%
5	Claims in the form of Covered Bonds	-	-	-	-

	Portofolio Category	20%	50%	65%	75%	80%
6	Claims on General Corporations[2]	4,926,644	1,403,822	-	7,130,861	-
	Claims on securities companies and other financial services institutions[3]	-	-	-	-	
	Special Financing Exposure[4]	-	-		-	186,947

	Portofolio Category	100%	150%	250%
7	Receivables in the form of Subordinated Securities/Receivables, Equity and Other Capital Instruments	-	-	22,522

	Portofolio Category	45%	75%
8	Claims on Micro, Small m Business and Retail Portfolio	48,759	5,905,275

	Portofolio Category	0%	20%	25%	30%	35%	40%	45%	50%	60%
9	Property Backed Loans	-	1,195,880	-	791,759	-	391,082	-	2,362,758	3,370,816
	Residential Property Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flows	-	1,195,880	-	791,759		391,082		379,039	
	without a credit-sharing approach[5]	-	-	-	-		-		-	
	using the credit distribution approach (guaranteed)[5]		1,195,880							
	using the credit distribution approach (guaranteed)[5]	-	-		791,759		391,082		379,039	
	Residential Property-Backed Loans whose Payments Are Materially Dependent on Property Cash Flows				-	-				-
	Commercial Property Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flows	-	-		-		-		1,983,719	3,370,816
	without a credit-sharing approach[5]	-	-		-		-		-	-
	using the credit distribution approach (guaranteed)[5]									3,370,816
	using the credit distribution approach (guaranteed)[5]	-	-		-		-		1,983,719	
	Commercial Property Backed Loans whose Payments Are Materially Dependent on Property Cash Flows									
	Land Acquisition, Land Processing and Construction Loans[5]									

	Portofolio Category	50%	100%
10	Claims That Have Been Due Date	102,154	374,367

	Portofolio Category	0%	20%	100%
11	Other Assets	931,530	-	3,637,286

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

(in million Rupiah)

100%	150%	Others	Net Bill After the application of FKK and MRK Technique
-	-	-	24,851,253

100%	150%	Others	Net Bill After the application of FKK and MRK Technique
150,959	2,787,189	-	13,929,313

100%	150%	Others	Net Bill After the application of FKK and MRK Technique
-	-	-	-

75%	100%	150%	Others	Net Bill After the application of FKK and MRK Technique
902,050	-	-	-	3,988,555
8,699,177	-	-	-	26,628,803

35%	50%	100%	Others	Net Bill After the application of FKK and MRK Technique
-	-	-	-	-

85%	100%	130%	150%	Others	Net Bill After the application of FKK and MRK Technique
1,274,430	66,884,036	-	220,657	-	81,840,450
-	-		-	-	-
	1,051,884	1,178,063	-	-	2,416,894

400%	Others	Net Bill After the application of FKK and MRK Technique
-	-	22,522

85%	100%	Others	Net Bill After the application of FKK and MRK Technique
-	399,566	-	6,353,600

65%	70%	75%	85%	90%	100%	105%	110%	150%	Others	Net Bill After the application of FKK and MRK Technique
-	-	1,381,029	1,521	-	-	-	-	-	1,119,365	10,614,210
-	-	12,468	-		-			-	1,074,148	3,844,376
-	-	12,468	-		-			-	-	12,468
									1,074,148	2,270,029
-		-	-		-			-	-	1,561,880
		-				-		-	-	-
-		1,368,561	1,521		-			-	45,217	6,769,834
									45,217	45,217
									-	3,370,816
-		1,368,561	1,521		-			-	-	3,353,801
	-			-			-	-	-	-
					-			-	-	-

150%	Others	Net Bill After the application of FKK and MRK Technique
107,480	-	584,001

150%	1250%	Others	Net Bill After the application of FKK and MRK Technique
58,021	-	-	4,626,837

No	Risk Weight	Net Bill Statement Financial Position	Account Transaction Administrative Net Bill (Before FKK Handling)	FKK Average	Net Bill (After FKK Handling and MRK Techniques)
1	< 40%	50,209,978	19,224,708	76.15%	52,873,188
2	40% - 70%	40,094,151	12,032,803	79.81%	41,604,271
3	75%	22,223,056	13,219,276	67.90%	24,063,608
4	80%	186,947	-	100.00%	186,947
5	85%	1,211,923	578,680	71.26%	1,275,951
6	90% - 100%	60,031,677	75,699,755	53.41%	72,498,098
7	105% - 130%	1,178,063	-	100.00%	1,178,063
8	150%	3,039,240	1,177,499	75.26%	3,173,347
9	250%	22,522	-	100.00%	22,522
10	400%	-	-	0.00%	-
11	1250%	-	-	0.00%	-
	Total Net Claims	**178,197,557**	**121,932,721**	**65.60%**	**196,875,995**

Exposure Disclosure based on Asset Class and Risk Weighting (CR5) - Consolidated Bank with Subsidiaries

	Portofolio Category	0%	20%	50%
1	Claims to Government	33,147,215	-	-

	Portofolio Category	20%	50%
2	Claims on Public Sector Entities	-	11,447,169

	Portofolio Category	0%	20%	30%	50%
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-

	Portofolio Category	20%	30%	40%	50%
4	Bills to Banks	3,438,936	-	-	470,857
	Claims on Securities Companies and Other Financial Services Institutions[1)]	14,332,301	2,905,190	-	692,135

	Portofolio Category	10%	15%	20%	25%
5	Claims in the form of Covered Bonds	-	-	-	-

	Portofolio Category	20%	50%	65%	75%	80%
6	Claims on General Corporations[2)]	4,926,644	1,403,822	-	7,130,861	-
	Claims on securities companies and other financial services institutions[3)]	-	19,472	-	-	
	Special Financing Exposure[4)]	-	-		-	186,947

	Portofolio Category	100%	150%	250%
7	Receivables in the form of Subordinated Securities/Receivables, Equity and Other Capital Instruments	-	-	22,522

	Portofolio Category	45%	75%
8	Claims on Micro, Small m Business and Retail Portfolio	48,759	16,172,066

(in million Rupiah)

	100%	150%	Others	Net Bill After the application of FKK and MRK Technique	
	-	-	-	33,147,215	

	100%	150%	Others	Net Bill After the application of FKK and MRK Technique	
	150,959	2,787,189	-	14,385,316	

	100%	150%	Others	Net Bill After the application of FKK and MRK Technique	
	-	-	-	-	

	75%	100%	150%	Others	Net Bill After the application of FKK and MRK Technique
	902,050	-	-	-	4,811,843
	8,699,177	-	-	-	26,628,803

	35%	50%	100%	Others	Net Bill After the application of FKK and MRK Technique
	-	-	-	-	-

	85%	100%	130%	150%	Others	Net Bill After the application of FKK and MRK Technique
	1,274,430	66,983,909	-	220,657	-	81,940,323
	-	-		-	-	19,472
		1,051,884	1,178,063	-	-	2,416,894

	400%	Others	Net Bill After the application of FKK and MRK Technique	
		-	-	22,522

	85%	100%	Others	Net Bill After the application of FKK and MRK Technique	
	-	399,566	-	16,620,391	

Exposure Disclosure based on Asset Class and Risk Weighting (CR5) - Consolidated Bank with Subsidiaries

	Portofolio Category	0%	20%	25%	30%	35%	40%	45%	50%	60%
9	Property Backed Loans	-	1,195,880	-	791,759	-	391,082	-	2,362,758	3,370,816
	Residential Property Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flows	-	1,195,880	-	791,759		391,082		379,039	
	without a credit-sharing approach[5)]	-	-	-	-		-		-	
	using the credit distribution approach (guaranteed)[5)]		1,195,880							
	using the credit distribution approach (guaranteed)[5)]	-	-		791,759		391,082		379,039	
	Residential Property-Backed Loans whose Payments Are Materially Dependent on Property Cash Flows				-	-		-		-
	Commercial Property Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flows	-	-		-		-		1,983,719	3,370,816
	without a credit-sharing approach[5)]	-	-		-		-		-	-
	using the credit distribution approach (guaranteed)[5)]									3,370,816
	using the credit distribution approach (guaranteed)[5)]	-	-		-		-		1,983,719	
	Commercial Property Backed Loans whose Payments Are Materially Dependent on Property Cash Flows									
	Land Acquisition, Land Processing and Construction Loans[5)]									

	Portofolio Category	50%	100%
10	Claims That Have Been Due Date	102,154	407,131

	Portofolio Category	0%	20%	100%
11	Other Assets	1,428,683	-	4,097,010

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No	Risk Weight	Net Bill Statement Financial Position	Account Transaction Administrative Net Bill (Before FKK Handling)	FKK Average	Net Bill (After FKK Handling and MRK Techniques)
1	< 40%	59,826,381	19,224,708	79.05%	62,489,591
2	40% - 70%	40,569,626	12,032,803	80.00%	42,079,746
3	75%	32,489,847	13,219,276	75.11%	34,330,399
4	80%	186,947	-	100.00%	186,947
5	85%	1,211,923	578,680	71.26%	1,275,951
6	90% - 100%	60,624,038	75,699,755	53.62%	73,090,459
7	105% - 130%	1,178,063	-	100.00%	1,178,063
8	150%	3,039,240	1,177,499	75.26%	3,173,347
9	250%	22,522	-	100.00%	22,522
10	400%	-	-	0.00%	-
11	1250%	-	-	0.00%	-
	Total Net Claims	**199,148,587**	**121,932,721**	**67.84%**	**217,827,025**

(in million Rupiah)

	65%	70%	75%	85%	90%	100%	105%	110%	150%	Others	Net Bill After the application of FKK and MRK Technique
	-	-	1,381,029	1,521	-	-	-	-	-	1,119,365	10,614,210
	-	-	12,468	-		-			-	1,074,148	3,844,376
	-	-	12,468	-		-			-	-	12,468
										1,074,148	2,270,029
	-		-	-		-			-	-	1,561,880
			-				-		-	-	-
	-		1,368,561	1,521		-			-	45,217	6,769,834
										45,217	45,217
									-	-	3,370,816
	-		1,368,561	1,521		-			-	-	3,353,801
		-			-			-	-	-	-
						-			-	-	-

	150%	Others	Net Bill After the application of FKK and MRK Technique
	107,480	-	616,765

	150%	1250%	Others	Net Bill After the application of FKK and MRK Technique
	58,021	-	-	5,583,714

Net Claims Disclosures based on Geographic Area - Bank Stand Alone

(in million rupiah)

No	Portofolio Category	31 December 2023					
		Net Claims based on Geographic Area					
		Java	Bali & Nusa Tenggara	Sumatra	Kalimantan & Sulawesi	Overseas	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Claims on sovereign	24,863,282	-	-	-	-	24,863,282
2	Claims on Public Sector Entity	12,796,683	-	1,132,630	-	-	13,929,313
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	5,023,097	2,596	24,359	1,630	1,612,714	6,664,396
5	Covered Bond Claims	-	-	-	-	-	-
6	Claims on Securities Companies and Other Financial Services Institutions	26,992,439	-	223,161	-	-	27,215,600
7	Claims in the form of Subordinated Securities/ Receivables, Equity, and Other Capital Instruments	22,522	-	-	-	-	22,522
8	Secured by Residential Property	2,841,679	61,068	656,306	285,323	-	3,844,376
9	Secured by Commercial Real Estate	4,742,278	119,536	1,157,521	750,499	-	6,769,834
10	Credit for Land Acquisition, Land Processing and Construction	-	-	-	-	-	-
11	Pensioners/Other institutions' employees loans	10,116,020	1,503,681	4,349,395	5,050,461	-	21,019,557
12	Claims on Micro, Small and Retail Portfolio	3,766,800	254,730	1,259,539	915,232	157,299	6,353,600
13	Claims on Corporate	72,561,719	80,619	6,603,517	4,678,425	573,674	84,497,954
14	Past due claims	416,791	10,152	100,801	55,566	691	584,001
15	Other assets	4,626,837	-	-	-	-	4,626,837
	Total	**168,770,147**	**2,032,382**	**15,507,229**	**11,737,136**	**2,344,378**	**200,391,272**

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Net Claims Disclosures based on Geographic Area - Consolidated Bank with Subsidiaries

(in million rupiah)

No	Portofolio Category	31 December 2023					
		Net Claims based on Geographic Area					
		Java	Bali & Nusa Tenggara	Sumatra	Kalimantan & Sulawesi	Overseas	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Claims on sovereign	33,159,244	-	-	-	-	33,159,244
2	Claims on Public Sector Entity	13,252,686	-	1,132,630	-	-	14,385,316
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	5,846,385	2,596	24,359	1,630	1,612,714	7,487,684
5	Covered Bond Claims	-	-	-	-	-	-
6	Claims on Securities Companies and Other Financial Services Institutions	26,992,439	-	223,161	-	-	27,215,600
7	Claims in the form of Subordinated Securities/ Receivables, Equity, and Other Capital Instruments	22,522	-	-	-	-	22,522
8	Secured by Residential Property	2,841,679	61,068	656,306	285,323	-	3,844,376
9	Secured by Commercial Real Estate	4,742,278	119,536	1,157,521	750,499	-	6,769,834
10	Credit for Land Acquisition, Land Processing and Construction	-	-	-	-	-	-
11	Pensioners/Other institutions' employees loans	10,116,020	1,503,681	4,349,395	5,050,461	-	21,019,557
12	Claims on Micro, Small and Retail Portfolio	10,163,491	708,631	4,088,332	1,502,638	157,299	16,620,391
13	Claims on Corporate	72,681,064	80,619	6,603,517	4,678,425	573,674	84,617,299
14	Past due claims	444,005	10,939	104,373	56,757	691	616,765
15	Other assets	5,282,254	33,081	203,644	64,735	-	5,583,714
	Total	**185,544,067**	**2,520,151**	**18,543,238**	**12,390,468**	**2,344,378**	**221,342,302**

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Net Claims Disclosure Based on Residual Contractual Maturity
Bank Stand Alone

(in million rupiah)

No	Portofolio Category	31 December 2023					
		Net Claims Disclosure Based on Residual Contractual Maturity					
		<1 Year	1-3 Years	3-5 Years	>5 Years	Non Contractual	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Claims on sovereign	13,584,183	2,588,274	3,590	74,080	8,613,155	24,863,282
2	Claims on Public Sector Entity	2,472,603	4,105,828	7,199,923	150,959	-	13,929,313
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	2,852,012	1,907,451	430,682	515,519	958,732	6,664,396
5	Covered Bond Claims	-	-	-	-	-	-
6	Claims on Securities Companies and Other Financial Services Institutions	5,115,960	5,323,646	14,605,120	2,170,874	-	27,215,600
7	Claims in the form of Subordinated Securities/ Receivables, Equity, and Other Capital Instruments	-	-	-	-	22,522	22,522
8	Secured by Residential Property	3,022,677	211,642	482,624	127,433	-	3,844,376
9	Secured by Commercial Real Estate	5,475,166	500,420	359,115	435,133	-	6,769,834
10	Credit for Land Acquisition, Land Processing and Construction	-	-	-	-	-	-
11	Pensioners/Other institutions' employees loans	284,154	1,957,541	3,650,717	15,127,145	-	21,019,557
12	Claims on Micro, Small and Retail Portfolio	1,868,407	1,853,780	441,659	2,189,754	-	6,353,600
13	Claims on Corporate	33,397,330	31,309,677	11,920,250	7,870,697	-	84,497,954
14	Past due claims	395,877	92,328	27,725	68,071	-	584,001
15	Other assets	-	-	-	-	4,626,837	4,626,837
	Total	**68,468,369**	**49,850,587**	**39,121,405**	**28,729,665**	**14,221,246**	**200,391,272**

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Net Claims Disclosure Based on Residual Contractual Maturity
Consolidated Bank with Subsidiaries

(in million rupiah)

No	Portofolio Category	31 December 2023					
		Net Claims Disclosure Based on Residual Contractual Maturity					
		<1 Year	1-3 Years	3-5 Years	>5 Years	Non Contractual	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Claims on sovereign	18,429,498	4,476,208	555,442	421,498	9,276,598	33,159,244
2	Claims on Public Sector Entity	2,777,786	4,206,558	7,250,013	150,959	-	14,385,316
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	3,658,181	1,917,451	430,682	515,519	965,851	7,487,684
5	Covered Bond Claims	-	-	-	-	-	-
6	Claims on Securities Companies and Other Financial Services Institutions	5,115,960	5,323,646	14,605,120	2,170,874	-	27,215,600
7	Claims in the form of Subordinated Securities/ Receivables, Equity, and Other Capital Instruments	-	-	-	-	22,522	22,522
8	Secured by Residential Property	3,022,677	211,642	482,624	127,433	-	3,844,376
9	Secured by Commercial Real Estate	5,475,166	500,420	359,115	435,133	-	6,769,834
10	Credit for Land Acquisition, Land Processing and Construction	-	-	-	-	-	-
11	Pensioners/Other institutions' employees loans	284,154	1,957,541	3,650,717	15,127,145	-	21,019,557
12	Claims on Micro, Small and Retail Portfolio	9,533,532	4,452,322	444,758	2,189,779	-	16,620,391
13	Claims on Corporate	33,432,155	31,314,133	11,920,250	7,870,697	80,064	84,617,299
14	Past due claims	426,829	94,107	27,758	68,071	-	616,765
15	Other assets	-	-	-	-	5,583,714	5,583,714
	Total	**82,155,938**	**54,454,028**	**39,726,479**	**29,077,108**	**15,928,749**	**221,342,302**

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Net Claims Dicslosure based on Economic Sector - Bank Stand Alone

No	Economic Sector	Claims on sovereign	Claims on Public Sector Entity	Claims on Multilateral Development Banks and International Institute	Claims on Bank	Covered Bond Claims
(a)	(b)	(c)	(d)	(e)	(f)	(g)
December 2023						
1	Agriculture, forestry and fisheries	-	-	-	-	-
2	Mining and excavation	-	3,354,139,00	-	-	-
3	Manufacturing	-	455,123,00	-	-	-
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	-	4,480,612,00	-	-	-
5	Water Management, Waste Water Management, Waste Management and Recycling	-	-	-	-	-
6	Construction	-	2,787,189,00	-	-	-
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	-	-	-	-	-
8	Transportation and Warehousing	-	2,717,118,00	-	-	-
9	Provision of Accommodation and Provision of Drinking Food	-	-	-	-	-
10	Information and Communication	-	15,753,00	-	-	-
11	Financial and Insurance Activities	24,863,282,00	119,379,00	-	6,664,396,00	-
12	Real Estate	-	-	-	-	-
13	Professional, Scientific, and Technical Activities	-	-	-	-	-
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	-
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	-
16	Education	-	-	-	-	-
17	Human Health Activities and Social Activities	-	-	-	-	-
18	Arts, Entertainment and Recreation	-	-	-	-	-
19	Other Service Activities	-	-	-	-	-
20	Household Activities as An Employer	-	-	-	-	-
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	-
22	Household	-	-	-	-	-
23	Not a Business Field	-	-	-	-	-
24	Others	-	-	-	-	-
	Total	**24,863,282**	**13,929,313**	**-**	**6,664,396**	**-**

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

(in million rupiah)

Claims on Securities Companies and Other Financial Services Institutions	Claims in the form of Subordinated Securities/ Receivables, Equity, and Other Capital Instruments	Claims secured by Residential Property	Claims secured by Commercial Real Estate	Credit for Land Acquisition, Land Processing and Construction	Other institutions' employees loans	Claims on Micro, Small and Retail Portfolio	Claims on Corporate	Past due Claims	Other Assets
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
-	-	46,445	130,429	-	-	43,494	3,988,906	2,450	-
-	-	12,928	19,460	-	-	6,197	4,038,231	2,725	-
-	-	965,447	2,276,185	-	-	157,178	34,223,398	190,171	-
-	-	12,833	5,111	-	-	1,701	913,252	269	-
-	-	22,953	41,855	-	-	8,627	342,520	-	-
-	-	357,548	329,286	-	-	85,534	2,069,002	31,620	-
78,432	-	2,059,249	3,472,720	-	-	769,373	15,592,102	219,584	-
-	-	126,068	184,524	-	-	16,165	2,213,674	5,646	-
-	-	64,843	30,087	-	-	12,808	52,759	13,943	-
-	-	14,944	70,188	-	-	193	8,195,651	-	-
27,122,168	22,514	-	-	-	-	-	58,526	-	-
-	-	-	8,140	-	-	1,688	1,191,266	-	-
-	-	8,522	11,105	-	-	-	2,468,554	-	-
-	-	64,688	137,892	-	-	10,555	3,898,370	6,954	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	4	-	-	-
-	-	11,778	10,582	-	-	3,544	-	-	-
-	-	749	3,791	-	-	-	225,434	-	-
-	-	63,395	14,322	-	-	117,292	41,107	1,914	-
-	-	336	-	-	-	6,404	-	281	-
-	-	-	-	-	-	-	-	-	-
-	-	11,650	24,157	-	21,019,557	5,090,893	6,555	108,444	-
-	-	-	-	-	-	-	-	-	-
15,000	8	-	-	-	-	21,950	4,978,647	-	4,626,837
27,215,600	**22,522**	**3,844,376**	**6,769,834**	**-**	**21,019,557**	**6,353,600**	**84,497,954**	**584,001**	**4,626,837**

Net Claims Dicslosure based on Economic Sector - Consolidated Bank with Subsidiaries

No	Economic Sector	Claims on sovereign	Claims on Public Sector Entity	Claims on Multilateral Development Banks and International Institute	Claims on Bank	Covered Bond Claims
(a)	(b)	(c)	(d)	(e)	(f)	(g)
December 2023						
1	Agriculture, forestry and fisheries	-	-	-	-	-
2	Mining and excavation	-	3,354,139	-	-	-
3	Manufacturing	-	455,123	-	-	-
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	-	4,480,612	-	-	-
5	Water Management, Waste Water Management, Waste Management and Recycling	-	-	-	-	-
6	Construction	-	2,787,189	-	-	-
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	-	-	-	-	-
8	Transportation and Warehousing	-	2,717,118	-	-	-
9	Provision of Accommodation and Provision of Drinking Food	-	-	-	-	-
10	Information and Communication	-	15,753	-	-	-
11	Financial and Insurance Activities	24,863,282	119,379	-	6,664,396	-
12	Real Estate	-	-	-	-	-
13	Professional, Scientific, and Technical Activities	-	-	-	-	-
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	-
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	-
16	Education	-	-	-	-	-
17	Human Health Activities and Social Activities	-	-	-	-	-
18	Arts, Entertainment and Recreation	-	-	-	-	-
19	Other Service Activities	-	-	-	-	-
20	Household Activities as An Employer	-	-	-	-	-
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	-
22	Household	-	-	-	-	-
23	Not a Business Field	-	-	-	-	-
24	Others	8,295,962	456,003	-	823,288	-
	Total	**33,159,244**	**14,385,316**	**-**	**7,487,684**	**-**

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(in million rupiah)

Claims on Securities Companies and Other Financial Services Institutions	Claims in the form of Subordinated Securities/ Receivables, Equity, and Other Capital Instruments	Claims secured by Residential Property	Claims secured by Commercial Real Estate	Credit for Land Acquisition, Land Processing and Construction	Other institutions' employees loans	Claims on Micro, Small and Retail Portfolio	Claims on Corporate	Past due Claims	Other Assets
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
-	-	46,445	130,429	-	-	2,042,167	3,988,906	6,312	-
-	-	12,928	19,460	-	-	6,202	4,038,231	2,725	-
-	-	965,447	2,276,185	-	-	1,034,844	34,223,398	192,808	-
-	-	12,833	5,111	-	-	1,701	913,252	269	-
-	-	22,953	41,855	-	-	8,627	342,520	-	-
-	-	357,548	329,286	-	-	85,534	2,069,002	31,620	-
78,432	-	2,059,249	3,472,720	-	-	7,611,579	15,611,911	244,152	-
-	-	126,068	184,524	-	-	16,197	2,213,674	5,648	-
-	-	64,843	30,087	-	-	13,353	52,759	13,956	-
-	-	14,944	70,188	-	-	193	8,195,651	-	-
27,122,168	22,514	-	-	-	-	63	77,998	126	-
-	-	-	8,140	-	-	1,688	1,191,266	-	-
-	-	8,522	11,105	-	-	2	2,468,554	-	-
-	-	64,688	137,892	-	-	10,576	3,898,370	6,954	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	4	-	-	-
-	-	11,778	10,582	-	-	3,559	-	-	-
-	-	749	3,791	-	-	-	225,434	-	-
-	-	63,395	14,322	-	-	117,461	41,107	1,917	-
-	-	336	-	-	-	553,564	-	1,833	-
-	-	-	-	-	-	-	-	-	-
-	-	11,650	24,157	-	21,019,557	5,090,963	6,555	108,445	-
-	-	-	-	-	-	164	-	-	-
15,000	8	-	-	-	-	21,950	5,058,711	-	5,583,714
27,215,600	**22,522**	**3,844,376**	**6,769,834**	**-**	**21,019,557**	**16,620,391**	**84,617,299**	**616,765**	**5,583,714**

Claims and Allowances Disclosure based on Geographic Area
Bank Stand Alone

(in million rupiah)

No	Description	31 December 2023					
		Geographic Area					
		Java	Bali & Nusa Tenggara	Sumatra	Kalimantan & Sulawesi	Overseas	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Gross claims	264,465,892	2,508,522	17,971,670	16,415,429	1,571,620	302,933,133
2	Impaired claims						
	a. Not yet matured	14,339,290	39,641	594,423	88,902	188,790	15,251,046
	b. Matured	1,313,395	21,413	205,492	135,950	1,119	1,677,369
3	Allowance for impairment losses - Stage 1	456,040	15,643	107,251	84,864	64	663,862
4	Allowance for impairment losses - Stage 2	139,219	5,315	30,036	24,583	-	199,153
5	Allowance for impairment losses - Stage 3	2,405,498	7,061	108,234	82,909	-	2,603,702
6	Amounts written-off	2,261,653	104,238	831,429	451,448	-	3,648,768

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Claims and Allowances Disclosure based on Geographic Area
Consolidated Bank with Subsidiaries

(in million rupiah)

No	Description	31 December 2023					
		Geographic Area					
		Java	Bali & Nusa Tenggara	Sumatra	Kalimantan & Sulawesi	Overseas	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Gross claims	281,989,522	3,014,026	21,089,108	17,099,287	1,571,620	324,763,563
2	Impaired claims				-	-	
	a. Not yet matured	14,339,290	39,641	594,423	88,902	188,790	15,251,046
	b. Matured	1,594,107	29,533	238,888	148,238	1,119	2,011,885
3	Allowance for impairment losses - Stage 1	1,486,461	41,499	222,076	127,678	64	1,877,778
4	Allowance for impairment losses - Stage 2	139,219	5,315	30,036	24,583	-	199,153
5	Allowance for impairment losses - Stage 3	2,405,498	7,061	108,234	82,909	-	2,603,702
6	Amounts written-off	5,553,260	275,819	1,354,538	669,656	-	7,853,273

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Claims and Allowances Disclosure based on Ekonomic Sector
Bank Stand Alone

(in million rupiah)

No	Economic Sector	December 2023						
		Gross Claims	Impaired Claims		Allowance for Impairment Losses - Stage 1	Allowance for Impairment Losses - Stage 2	Allowance for Impairment Losses - Stage 3	Amounts Written-off
			Not Yet Matured	Matured				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Agriculture, forestry and fisheries	6,218,774	1,868	8,882	4,445	525	6,440	-
2	Mining and excavation	14,092,333	-	4,659	3,458	-	1,934	-
3	Manufacturing	79,007,056	1,843,021	225,816	114,926	26,228	255,452	-
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	6,905,274	112	492	834	33	224	-
5	Water Management, WasteWater Management, Waste Management and Recycling	1,111,759	-	-	1,377	-	-	-
6	Construction	9,041,263	4,097,462	68,542	17,746	3,831	42,476	-
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	45,548,701	901,233	836,490	184,862	47,884	401,693	2
8	Transportation and Warehousing	6,782,070	366,780	9,756	15,831	2,615	4,767	-
9	Provision of Accommodation and Provision of Drinking Food	204,064	1,203	26,158	4,158	284	12,271	-
10	Information and Communication	9,735,188	7,128	-	3,551	2,816	39	-
11	Financial and Insurance Activities	65,556,903	5,211,337	245,655	6,329	1,563	-	-
12	Real Estate	1,553,271	565,227	-	166	-	-	-
13	Professional, Scientific, and Technical Activities	2,920,037	13,013	-	544	899	-	-
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	5,027,317	1,378,650	11,890	11,292	8,159	5,438	-
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	-	-	-
16	Education	4	-	-	-	-	-	-
17	Human Health Activities and Social Activities	27,053	575	-	825	91	111	-
18	Arts, Entertainment and Recreation	229,974	-	-	121	-	-	-
19	Other Service Activities	260,061	8,081	3,331	5,433	1,004	2,028	4
20	Household Activities as An Employer	8,122	-	515	84	-	234	-
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	-	-	-
22	Household	30,451,724	231,148	235,183	186,510	62,031	123,963	12,305
23	Not a Business Field	-	-	-	-	-	-	-
24	Others	18,252,185	624,208	-	101,370	41,190	1,746,632	3,636,457
	Total	**302,933,133**	**15,251,046**	**1,677,369**	**663,862**	**199,153**	**2,603,702**	**3,648,768**

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Claims and Allowances Disclosure based on Ekonomic Sector
Consolidated Bank with Subsidiaries

(in million rupiah)

No	Economic Sector	December 2023						
		Gross Claims	Impaired Claims		Allowance for Impairment Losses - Stage 1	Allowance for Impairment Losses - Stage 2	Allowance for Impairment Losses - Stage 3	Amounts Written-off
			Not Yet Matured	Matured				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Agriculture, forestry and fisheries	8,295,583	1,868	45,925	115,763	525	6,440	185,352
2	Mining and excavation	14,092,375	-	4,659	3,496	-	1,934	336
3	Manufacturing	79,935,207	1,843,021	251,869	188,827	26,228	255,452	156,727
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	6,905,274	112	492	834	33	224	-
5	Water Management, WasteWater Management, Waste Management and Recycling	1,111,759	-	-	1,377	-	-	1
6	Construction	9,041,263	4,097,462	68,542	17,746	3,831	42,476	-
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	53,146,642	901,233	1,091,829	1,151,558	47,884	401,693	3,552,528
8	Transportation and Warehousing	6,782,386	366,780	9,788	16,144	2,615	4,767	3,128
9	Provision of Accommodation and Provision of Drinking Food	207,258	1,203	26,313	6,950	284	12,271	61,468
10	Information and Communication	9,735,197	7,128	-	3,560	2,816	39	746
11	Financial and Insurance Activities	65,576,637	5,211,337	245,957	6,703	1,563	-	245
12	Real Estate	1,553,295	565,227	-	190	-	-	123
13	Professional, Scientific, and Technical Activities	2,920,074	13,013	-	579	899	-	526
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	5,027,494	1,378,650	11,895	11,453	8,159	5,438	1,968
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	-	-	-
16	Education	4	-	-	-	-	-	-
17	Human Health Activities and Social Activities	27,105	575	2	865	91	111	731
18	Arts, Entertainment and Recreation	229,974	-	-	121	-	-	9,505
19	Other Service Activities	261,432	8,081	3,419	6,720	1,004	2,028	1,641
20	Household Activities as An Employer	598,203	-	16,006	56,943	-	234	227,938
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	-	-	-
22	Household	30,451,858	231,148	235,189	186,579	62,031	123,963	13,799
23	Not a Business Field	164	-	-	-	-	-	54
24	Others	28,864,379	624,208	-	101,370	41,190	1,746,632	3,636,457
	Total	**324,763,563**	**15,251,046**	**2,011,885**	**1,877,778**	**199,153**	**2,603,702**	**7,853,273**

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Efforts to Overcome Arrears and Impairment

To maintain a good credit quality level, monitoring of debtors experiencing arrears and impairment needs to be conducted regularly. Monitoring is carried out for each credit category (Corporate, Commercial, Small and Medium Enterprises or SMEs, Micro Businesses, and Retail Lending), including Digital Lending, as well as for industrial sectors and overall credit portfolios.

Disclosure of Bills Based on Delinquent Days - Bank Stand Alone

(in million rupiah)

No	Types of Exposures	31 December 2023			
		Bills Based on Delinquent Days			
		> 90 days s.d. 120 days	> 120 days s.d. 180 days	> 180 days	Total
a	b	c	d	e	f
1	Credit that included in past due claims	205,042	100,610	1,456,401	1,762,053
2	Securities that included in past due claims	-	-	-	-
	Total	**205,042**	**100,610**	**1,456,401**	**1,762,053**

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Disclosure of Bills Based on Delinquent Days - Consolidated Bank with Subsidiaries

(in million rupiah)

No	Types of Exposures	31 December 2023			
		Bills Based on Delinquent Days			
		> 90 days s.d. 120 days	> 120 days s.d. 180 days	> 180 days	Total
a	b	c	d	e	f
1	Credit that included in past due claims	357,251	259,112	1,480,206	2,096,569
2	Securities that included in past due claims	-	-	-	-
	Total	**357,251**	**259,112**	**1,480,206**	**2,096,569**

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Disclosure of Performing and Non-Performing Assets - Bank Stand Alone

No		Performing (Quality L and DPK)		Impaired Claims	
		Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses
a	b	c	d	e	f
1	Securities	8,547,320	799	-	-
2	Loan	143,411,383	2,226,053	1,677,370	1,178,052
	a. Corporate	100,160,698	1,423,786	530,748	487,176
	b. Ritel	43,250,685	802,267	1,146,622	690,876
3	Administrative Account Transaction	121,956,266	52,990	-	-

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Disclosure of Performing and Non-Performing Assets - Consolidated Bank with Subsidiaries

No		Performing (Quality L and DPK)		Impaired Claims	
		Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses
a	b	c	d	e	f
1	Securities	17,194,076	799	-	-
2	Loan	154,629,618	3,138,216	1,677,370	1,178,052
	a. Corporate	100,200,376	1,424,183	530,748	487,176
	b. Ritel	54,429,242	1,714,033	1,146,622	690,876
3	Administrative Account Transaction	121,956,266	52,990	-	-

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

(in million rupiah)

Non Perfoming (Quality KL, D, M)				
	Non Impaired Claims			
	Have Arrears > 90 days		Have Arrears ≤ 90 days	
	Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses
	g	h	i	j
	-	-	-	-
	84,684	26	-	-
	84,684	26	-	-
	-	-	-	-
	-	-	-	-

(in million rupiah)

Non Perfoming (Quality KL, D, M)				
	Non Impaired Claims			
	Have Arrears > 90 days		Have Arrears ≤ 90 days	
	Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses
	g	h	i	j
	-	-	-	-
	407,122	293,577	12,078	8,202
	84,684	26	-	-
	322,438	293,551	12,078	8,202
	-	-	-	-

Definition of Restructured Assets

In order to minimize credit losses, the Bank considers credit restructuring for debtors experiencing difficulties, as long as it is beneficial for both parties.

Credit Restructuring is an improvement effort carried out by the Bank in its credit activities for debtors who have difficulties in meeting their obligations.

The Bank is only allowed to carry out credit restructuring for debtors with the following criteria:

i. The debtor experiences a decrease in the ability to pay for the credit principal and/or interest; and
ii. The debtor remains with good business prospects and is able to fulfill its obligations after restructuring

Disclosure of Performing and Non-Performing Restructuring Assets - Bank Stand Alone

No		Performing (Quality L and DPK)		Non Perfoming (Quality KL, D, M)	
		Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses
a	b	c	d	e	f
1	Securities	-	-	-	-
2	Credit	3,713,223	1,035,516	1,150,326	897,173
	a. Corporation	2,693,931	817,854	507,652	486,877
	b. Retail	1,019,292	217,661	642,673	410,296
3	Administrative Account Transactions	150,009	94	-	-

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Disclosure of Performing and Non-Performing Restructuring Assets - Consolidated Bank with Subsidiaries

No		Performing (Quality L and DPK)		Non Perfoming (Quality KL, D, M)	
		Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses
a	b	c	d	e	f
1	Securities	-	-	-	-
2	Credit	3,916,565	1,151,048	1,181,024	927,280
	a. Corporation	2,693,931	817,854	507,652	486,877
	b. Retail	1,222,634	333,193	673,371	440,403
3	Administrative Account Transactions	150,009	94	-	-

Starting from 2023, BTPN uses a format compliant with SEOJK 24/2021. Therefore, information for the year 2022 cannot be provided due to differences in disclosure formats.

Disclosure of Counterparty Credit Risk

Counterparty credit risk for the Bank is a risk due to the counterparty's inability to meet payments as per contract with the Bank which causes potential loss for the Bank to replace the contract.

Counterparty credit risk basically arises from FX swaps and repo/reverse repo transactions. The counterparty credit risk mitigation is carried out in accordance with SE OJK 24/SEOJK.03/2021, namely by recognizing the existence of collateral, guarantee, warranty or credit insurance and equipped with the Bank's policy to manage credit risks from counterparties.

(in million Rupiah)

	Stage 1		Stage 2		Stage 3	
	Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses
	g	h	i	j	k	l
	-	-	-	-	-	-
	645,410	86,396	381,862	64,421	3,836,277	1,781,872
	-	-	167,867	196	3,033,716	1,304,535
	645,410	86,396	213,995	64,225	802,561	477,338
	11,871	94	-	-	-	-

(in million Rupiah)

	Stage 1		Stage 2		Stage 3	
	Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses	Gross Carrying Value	Allowance for Impairment Losses
	g	h	i	j	k	l
	-	-	-	-	-	-
	645,410	86,396	381,862	64,421	3,836,277	1,781,872
	-	-	167,867	196	3,033,716	1,304,535
	645,410	86,396	213,995	64,225	802,561	477,338
	11,871	94	-	-	-	-

Table CCR1: Exposure Analysis of Counterparty Credit Risk

No		Replacement Cost (RC)	Potential Future Exposure (PFE)	EEPE	Alpha used in the calculations of Regulatory EAD	Net Receivables	RWA
a	b	c	d	e	f	g	h
1	SA-CCR (for derivative)	1,131,480,848,890	1,379,431,913,419		1.4	3,515,277,867,233	
2	Internal model method (for derivative and SFTs)					N/A	N/A
3	Simple approach for credit risk mitigation (for SFTs)					N/A	N/A
4	Comprehensive approach for credit risk mitigation (for SFTs)						
5	VaR for SFT					N/A	N/A
	Total						

Table CCR2: Credit valuation adjustment (CVA) Capital Charge

No		Net Receivables	RWA
	Total portfolio based on Advanced CVA capital charge	N/A	N/A
1	(i) VaR component (include 3× multiplier)		N/A
2	(ii) Stressed VaR component (include 3× multiplier)		N/A
3	All Portfolio based on Standardised CVA Capital Charge	1,190,788,790,928	
4	**Total based on CVA Capital Charge**	**1,190,788,790,928**	

Table CCR3: CCR Exposure Based on Portfolio Category and Weighted Risk

Portfolio Category	0%	10%	20%	50%	75%	100%	150%	Others	Total Net receivables
Claims on sovereign	12,029,467,415								12,029,467,415
Claims on Public Sector Entity									
Claims on Multilateral Development Banks and International Institute									
Claims on Bank			458,652,657,594	2,217,189,696,279		-			2,675,842,353,874
Claims on Securities Companies									
Claims on Corporate			525,838,540,952	14,218,494,778		287,349,010,215			827,406,045,945
Claims on Micro, Small and Retail Portfolio									
Other Assets									
Total	12,029,467,415		984,491,198,546	2,231,408,191,057		287,349,010,215			3,515,277,867,233

Table CCR6: Net Claims Credit Derivative

	Protection Bought	Protection Sold
Notional value	NULL	
Single-name credit default swaps		
Index credit default swaps		
Total return swaps		
Credit options		
Other Credit Derivatives		
Total Notional value	NULL	NULL
Fair Value	NULL	NULL
Positive Fair Value (Asset)		
Negative Fair Value (Liablities)		

B. Market Risk

Market risk is risk on the Balance Sheet and Administrative Account positions, which includes derivative transactions due to changes in market conditions. Changes in market conditions include fluctuation in exchange rates, interest rates, option prices, including changes in credit spreads and potential default. Market risks are found in Trading and Banking Book positions due to exposure from foreign exchange, securities, derivative and financial/money market instruments.

Interest rate risks in banking book can arise from differences in the Bank's asset and liability exposures and interest rate movement that will affect income and economic value of the Bank's capital.

Market Risk Management Framework

The Bank uses the control framework as clear and firm guidelines. The three key components in the risk control framework are as follows:

1. **Policies and Procedures**
   Determining clear regulations and standards on all Bank's business activities, control, operational strategies, and organization related to market risk.
2. **Exposure Limit**
   Providing clear limitation related to market risk. Market risk limit/tolerance is adjusted to related regulations, global policies and the Bank's local policies.
3. **Delegation of Risk Authority**
   Ensuring that decision-making on main risks is only allowed to be conducted by certain individual or work unit approved by the Bank's management committee.

Adequacy of Policies, Procedures, and Limit Setting

The Bank periodically reviews the adequacy of policies, procedures, and limit determination in managing market risks so as to be aligned with external regulations such as OJK Regulation No.18/POJK.03/2016 and OJK Circular Letter No.34/SEOJK.03/2016 regarding the implementation of risk management. Furthermore, the policies are also established in line with market risk global policies and liquidity risk policies from Sumitomo Mitsui Banking Corporation (SMBC), as BTPN is part of the SMBC group.

The Bank's market risk policies and procedures stipulate clear rules and standards on all of the Bank's business activities, control, operational strategies, and organization related to market risk. The Bank retains the methodology and its measurable and clear steps to identify, measure and monitor market risks.

To ensure that risk control is running sufficiently, the Bank also conducts check and balances and separates the front office, middle office, and back office, as well as implements the Three Lines of Defense framework, namely as follows:

1. Head of Work Unit (PUK) (first line of defense),
2. Market and Liquiidity Risk Management Department and Compliance Unit (second line of defense),
3. Internal Audit Work Unit/SKAI (third line of defense).

Market risk limit determination is reviewed periodically to ensure conformity with business developments as well as with current economic and market conditions based on factors of exchange rate and interest rate risks.

Adequacy of Risk Identification, Measurement, Monitoring, and Control Processes, and Risk Management Information System

Market risk identification is consistently conducted through the analysis of every product, transaction, or service offered by the Bank through the product program that such products, transactions, or services become market risk exposure that is measurable, monitored, and controlled on a daily basis.

For each feature development and significant growth, market risks are continually re-identified and discussed with the Risk Management Work Unit (SKMR), in this case, is the Market and Liquidity Risk Management work unit, with other related business units.

The Bank's securities portfolio is categorized as trading book and banking book. Trading book securities are mainly used to meet customers' demands. While the Banking Book Securities is managed for the purpose of serving as liquidity reserves and to obtain optimal returns in line with the business plan and certain risk levels acceptable by the Management.

The Bank's exchange rate exposure is mostly from FX transactions conducted for the interest of customers and the swap of fund sources obtained in foreign currencies. Measurement of exchange rate risk exposure is measured on the Bank's Net Foreign Currency Position, which is below 1.0% of capital or far below the limit provision on the maximum limit of Bank Indonesia, namely 20.0% of capital.

The Bank conducts a revaluation process (mark to market) based on the market price at the end of the day. The Bank also observes market risk exposure on a daily basis as part of risk mitigation as well as to ensure that such exposure does not pass over the limit established by the Asset Liabilities Committee (ALCO).

Calculation on Risk-Weighted Assets (RWA) on market risks and the capital requirement on market risk exposure is conducted based on the standardized approach in accordance with applicable regulations.

Market Risk Disclosure using Standardized Approch

(in million Rupiah)

No	Risk Type	31 December 2023				31 December 2022			
		Stand Alone		Consolidated		Stand Alone		Consolidated	
		Capital Charge	RWA	Capital Charge	RWA	Capital Charge	RWA	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Interest Rate Risk								
	a. Specific Risk	-	-	-	-	-	-	-	-
	b. General Risk	38,383	479,787	38,383	479,787	48,575	607,187	48,575	607,187
2	Foreign Exchange Risk	14,874	185,925	14,874	185,925	8,807	110,085	8,807	110,085
3	Equity Risk	-	-	-	-			-	-
4	Commodity Risk	-	-	-	-			-	-
5	Option Risk	-	-	-	-	-	-	-	-
	Total	53,257	665,712	53,257	665,712	57,382	717,272	57,382	717,272

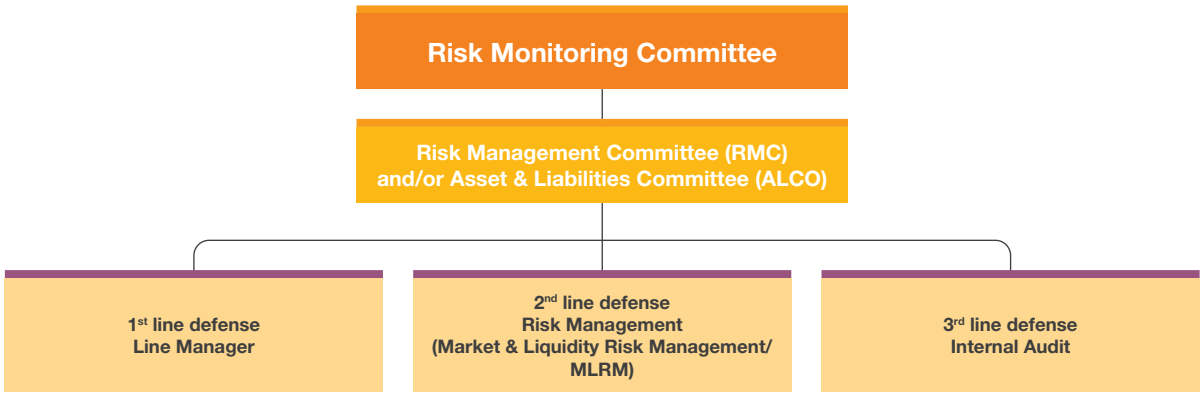
Management of market risks is carried out by reporting the results of market risk measurement and limit monitoring as established by ALCO on a daily basis. The Bank also routinely conducts calculations of PV01 and simulation on projections of the changes in net interest income (NII) and economic value of equity (EVE) as reported in the meetings held by ALCO Committee and Risk Management Committee (KMR).

Every year, or if there are additional features or products, the Bank conducts validation on the measurement of the system used. The current information system is able to facilitate the revaluation process (mark to market), providing updated information on the Bank's market risk exposure, as well as monitoring the Bank's market risk factors movement.

Internal Control System on Market Risk

Monitoring of the Market Risk is carried out through the Asset Liabilities Committee (ALCO) and the Risk Management Committee. The Internal Control System is effective in supporting the implementation of Market Risk Management. The Internal Audit conducts periodic audits on the adequacy of risk policies, procedures, and limits, as well as tolerance and compliance from each party related to the implementation of market risk management in accordance with the established audit plan of the Bank.

Organization Structure of Market Risk Governance



Disclosure of Interest Rate Risk in Banking Book

Banking book exposure of the Bank's assets and liabilities is measured by use of the sensitivity analysis based on the interest rate repricing gap profile to calculate the impact of the change in the interest rate on the Bank's net profit by use of the Net Interest Income (NII) approach, and the impact of the change in the interest rate on the Bank's capital, or by use of the Economic Value of Equity (EVE) approach.

Interest Rate Risk in Banking Book
Name of Bank : PT Bank BTPN Tbk (individual)
Report Position : December 2023

Qualitative Analysis

Measurement of IRRBB is carried out by use of the standard method in accordance with applicable provisions. In conducting IRRBB management, the Bank has established its risk appetite as manifested in the form of an internal buffer on the maximum change in EVE that must be maintained. In the event IRRBB closes in or passes over the said buffer, ALCO will determine the business strategy and hedging strategy that must be taken in order to return the IRRBB position to the desired level.

Market and Liquidity Risk Management is responsible for the periodic measurement and monitoring of IRRBB for reporting to the Board of Directors and ALCO/KMR. While the business units and treasury are responsible for carrying out the formulated business and hedging strategies.

The quantitative analysis from IRRBB measurement results for December 2022 position is shown from the Bank's biggest change in EVE that occurred on the Parallel Shock Up scenario, namely at the amount of Rp1.84 trillion (6.25% of CET1). Meanwhile, from the NII change perspective on the Parallel Shock Up scenario, the Bank's NII is projected to experience a decline of Rp0.12 trillion or 3.03% of the Bank's projected NII at baseline condition.

IRRBB Calculation Report
Name of Bank : PT BANK BTPN Tbk (individual)
Report Position : December 2023
Currency : Total in Rupiah

Table of IRRBB Calculation Report

(in million Rupiah)

	Δ EVE		Δ NII	
	December 2023	December 2022	December 2023	December 2022
Parallel up	(1,892,060.17)	(1,840,272.22)	77,558.71	(120,707.86)
Parallel down	1,840,476.02	1,745,706.33	(132,556.17)	74,096.31
Steepener	558,565.46	689,867.33		
Flattener	(984,681.32)	(1,100,938.05)		
Short rate up	(1,269,211.06)	(1,279,731.65)		
Short rate down	1,273,759.07	1,277,028.64		
Absolute Negative Maximum Value	1,892,060.17	1,840,272.22	132,556.17	120,707.86
Tier 1 Capital (for Δ EVE) or Projected Income (for Δ NII)	30,989,831.98	29,437,312.07	2,981,729.07	3,988,377.52
Maximum amount divided by Tier 1 capital (for Δ EVE) or Projected Income (for Δ NII)	6.11%	6.25%	4.45%	3.03%

C. Liquidity Risk

Liquidity Risk is a risk that may occur due to the Bank's incapability to meet matured obligations by using its cash flow and/or liquid high-quality assets as collaterals without disrupting the Bank's financial activities and conditions.

Liquidity risk is also related to optimizing balance structure and structural risk over the dependency on certain financing sources. Management of the Bank's liquidity risks strives so that liquidity risk in short-term as well as structural perspectives are manageable.

From a short-term perspective, the Bank ensures the adequacy of liquidity monitored based on the Liquidity Coverage Ratio (LCR) and other early warning indicators. From a long-term perspective, liquidity risks are managed and monitored through the Net Stable Funding Ratio (NSFR).

Liquidity Risk Management Framework

The Bank utilizes the control framework as clear and firm guidelines on the limitation in taking risks. Three key components in this control framework are as follows:

1. **Policies and Procedures**
   Establishing clear rules and standards for all Bank's business activities, control, operational strategies and organization related to liquidity risk management.

2. **Exposure Limit**
   Providing clear limits related to liquidity risks. Liquidity risk limit/tolerance is adjusted in accordance with related regulations, global policies and the Bank's local policies.

3. **Delegation of Risk Authorities**
   Ensuring that decision making on main risks is only to be carried out by certain individual or work unit as approved by the Bank's management committee.

Adequacy of Policies, Procedures, and Limit Setting

The Bank periodically reviews the adequacy of policies, procedures, and liquidity risk limits and their conformity to risk appetite. In addition to its alignment with business strategies and business growth, transactional complexity, as well as economic and market conditions.

To implement policies, procedures and establish the limitation on liquidity risks effectively, the Bank also establishes the clear separation of duties, responsibilities, and authorities among the units responsible for managing liquidity risks, namely work units with activities that are exposed to liquidity risks. The Risk Management Directorate provides independent and objective feedback and analysis in liquidity risk identification, measurement, monitoring, and management processes.

Policies and procedures currently applied have regulated the management of liquidity risks during a crisis, starting from the activation of contingency funding plan/CFP and implementation until conditions return to normal (business as usual/BAU).

Adequacy of Risk Identification, Measurement, Monitoring, and Control Processes and Risk Management Information System

Liquidity risk identification is carried out on all sources, both from product and activity aspects as well as the aspect of significant growth from the sources and results of certain funding in the form of asset position, liabilities, and administrative accounts. Identification is also conducted every time potentially increasing risk arises, including interest rate risk, credit risk, operational risk, legal risk, and risks due to new regulations from Bank Indonesia.

The Bank measures and monitors liquidity risk indicators to identify potential liquidity problems through the Early Warning Indicators/EWI that monitors the level of rollover, funding concentration, the Bank's public rating, money market liquidity level, and fulfillment of regulatory ratio. The Bank also structurally measures liquidity risks by use of ratios such as adequacy of liquid instruments ratio, Macroprudential Intermediation Ratio (RIM), as well as calculation of outgoing funds and stress testing.

Internal policies are established so that the Bank always complies with rules and regulations, such as the Liquidity Coverage Ratio (LCR). The Bank also applies the Net Stable Funding Ratio (NSFR) regulation.

Liquidity Coverage Ratio (LCR) Report as of 31 December 2023:

Tabel Laporan Perhitungan Kewajiban Pemenuhan Rasio Kecukupan Likuiditas (*Liquidity Coverage Ratio*)

No	Components	Individual			
		Report Date Position (December 2023)		Report Date Position (December 2022)	
		Outstanding commitment and liabilities/contractual receivables	HQLA after haircut, outstanding commitment and liabilities times run-off rate or contractual receivables times inflow rate	Outstanding commitment and liabilities/contractual receivables	HQLA after haircut, outstanding commitment and liabilities times run-off rate or contractual receivables times inflow rate
1	Total data used in LCR calculation		63 Hari		65 Hari
HIGH QUALITY LIQUID ASSET (HQLA)					
2	Total High Quality Liquid Asset (HQLA)		25,472,562		34,326,448
CASH OUTFLOW					
3	Retail deposits and deposits from Micro and Small Business customers, consist of:	28,324,260	2,418,719	27,692,595	2,243,874
	a. Stable Deposit/Funding	8,274,145	413,707	10,507,708	525,385
	b. Less stable deposit/funding	20,050,115	2,005,011	17,184,887	1,718,489
4	Wholesale Funding, consist of:	62,042,640	28,499,722	59,760,435	26,295,907
	a. Operational deposit	-	-	-	-
	b. Non operational deposit and/or Other Non Operational liabilities	62,042,640	28,499,722	59,760,435	26,295,907
	c. Marketable securities issued by bank	-	-	-	-
5	Secured funding		-		-
6	Other cash outflow (additional requirement), consist of:	132,744,281	5,464,957	128,430,924	5,137,937
	a. cash outflow from derivative transaction	1,632,859	1,632,859	1,209,567	1,209,567
	b. cash outflow from additional liquidity requirement	-	-	-	-
	c. cash outflow from liquidation of funding	-	-	-	-
	d. cash outflow from disbursement of loan commitment and liquidity facilities	16,965,852	2,939,105	16,683,441	3,315,491
	e. cash outflow from other contractual liabilities related to placement of funds	-	-	-	-
	f. cash outflow from other funding related to contingency liabilities	113,553,396	300,819	110,233,754	308,717
	g. other contractual cash outlow	592,173	592,173	304,162	304,162
7	**TOTAL CASH OUTFLOW**		**36,383,398**		**33,677,717**
ARUS KAS MASUK (CASH INFLOW)					
8	Secured lending	-	-	-	-
9	Claims to counterparty	34,230,590	19,951,378	29,223,176	16,613,390
10	Other Cash Inflow	2,536,599	2,087,164	1,775,479	1,500,641
11	**TOTAL CASH INFLOW**	**36,767,189**	**22,038,542**	**30,998,655**	**18,114,032**
			TOTAL ADJUSTED *VALUE*1		**TOTAL ADJUSTED *VALUE*1**
12	**TOTAL HQLA**		**25,472,562**		**34,326,448**
13	**TOTAL NET CASH OUTFLOWS**		**14,344,856**		**15,563,686**
14	**LCR (%)**		**177.57%**		**220.55%**

Note:
Adjusted value is calculated after haircut, run-off rate, inflow rate, and HQLA components maximum limit, for example, the maximum limit of HQLA is Level 2B and HQLA is Level 2, and the determined maximum limit of cash inflow that can be calculated in LCR.

	Konsolidasian			
	Report Date Position (December 2023)		Report Date Position (December 2022)	
	Outstanding commitment and liabilities/contractual receivables	HQLA after haircut, outstanding commitment and liabilities times run-off rate or contractual receivables times inflow rate	Outstanding commitment and liabilities/contractual receivables	HQLA after haircut, outstanding commitment and liabilities times run-off rate or contractual receivables times inflow rate
		63 Hari		65 Hari
		34,015,087		42,333,207
	34,596,917	2,862,204	33,635,825	2,660,316
	11,949,750	597,487	14,065,329	703,266
	22,647,167	2,264,717	19,570,496	1,957,050
	66,000,909	31,071,902	63,817,803	29,003,141
	-	-	-	-
	66,000,909	31,071,902	63,817,803	29,003,141
	-	-	-	-
		-		-
	132,744,281	5,464,957	128,430,924	5,137,937
	1,632,859	1,632,859	1,209,567	1,209,567
	-	-	-	-
	-	-	-	-
	16,965,852	2,939,105	16,683,441	3,315,491
	-	-	-	-
	113,553,396	300,819	110,233,754	308,717
	592,173	592,173	304,162	304,162
		39,399,063		**36,801,394**
	-	-	-	-
	34,586,956	20,277,037	29,478,127	16,838,631
	2,536,599	2,087,164	1,775,479	1,500,641
	37,123,555	**22,364,200**	**31,253,606**	**18,339,272**
		TOTAL ADJUSTED *VALUE*1		TOTAL ADJUSTED *VALUE*1
		34,015,087		**42,333,207**
		17,034,863		**18,462,122**
		199.68%		**229.30%**

Analysis on the Calculation of the Obligation to Fulfill Liquidity Coverage Ratio

Individual Analysis
The Bank's individual Liquidity Coverage Ratio (LCR) at the end of quarter IV/2023 was noted at 177.57%, declined by 42.98% compared to 220.55% at the end of quarter IV/2022. This was due to a decrease in the average value of high quality liquid assets (HQLA) of Rp. 8.85 trillion, greater than the decrease in the average value of net cash outflows of Rp. 1.22 trillion.

The average value of cash outflows increased by Rp. 2.71 trillion, while the average value of cash inflows was Rp. 3.92 trillion. The increase in projected cash outflows was mainly due to corporate customers and other cash outflows, while the decrease in projected cash inflows mainly came from bills to counterparties, derivative transactions and other contractual claims.

All Bank HQLA is Level 1 HQLA in the form of cash and cash equivalents, placements with Bank Indonesia, and securities issued by the Government of the Republic of Indonesia or Bank Indonesia.

Consolidated Analysis
The Bank's LCR in consolidation with its subsidiaries at the end of quarter IV/2023 was at 199.68%, dropped by 29.62% compared to 229.30% at the end of quarter IV/2022. The decline was due to a decrease in the average HQLA value of Rp. 8.32 trillion, greater than the decrease in the average value of net cash outflows of Rp. 1.43 trillion.

The average value of cash outflows on a consolidated basis increased by RP. 2.6 trillion, while the average value of cash inflows on a consolidated basis increased by Rp. 4.02 trillion. The increase in projected cash outflows mainly originated from the corporate customers, while the increase in projected cash inflows was mainly from the bills to counterparties.

Both the Bank as well as its subsidiaries consistently maintained their compliance with the LCR provisions to ensure liquidity resilience.

Bank Name : PT Bank BTPN Tbk (Individual)
Report Position : 31 December 2023

Table Individual Net Stable Funding Ratio (NSFR) Disclosure

No	Component	Position of Report (December 2023)				
		Carrying Value By Residual Maturity				
		No Specified Maturity[1]	<6 Months	≥6 Months-<1 Year	≥1 Year	Total Weighted Value
ASF Component						
1	**Capital:**	**35,038,871**	**-**	**-**	**2,976,753**	**38,015,624**
2	Regulatory Capital as per POJK CAR	35,038,871	-	-	2,976,753	38,015,624
3	Other capital instruments	-	-	-	-	-
4	**Retail deposits and deposits from micro and small business customers:**	**14,863,949**	**18,788,246**	**1,197,150**	**22,292**	**32,173,250**
5	Stable Deposits	11,546,222	4,072,652	112,043	10,134	14,954,505
6	Less Stable Deposits	3,317,728	14,715,594	1,085,108	12,158	17,218,745
7	**Wholesale Funding:**	**26,211,600**	**45,977,465**	**5,167,282**	**26,051,285**	**44,493,415**
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	26,211,600	45,977,465	5,167,282	26,051,285	44,493,415
10	**Liabilities with matching interdependent assets**	**-**	**-**	**-**	**-**	**-**
11	**Other liabilities and equity:**	**3,950,401**	**3,385,827**	**5,019**	**-**	**-**
12	NSFR derivative liabilities		-	-	-	
13	All other liabilities and equity not included in the above categories	3,950,401	3,385,827	5,019	-	-
14	**Total ASF**					**114,682,289**
RSF Component						
15	**Total NSFR HQLA**					**373,074**
16	**Deposits held at other financial institutions for operational purposes**	**986,169**	**-**	**-**	**-**	**493,085**
17	**Performing loans and securities**	**-**	**59,077,657**	**12,801,728**	**69,205,665**	**92,946,676**
18	to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	8,605,850	2,614,163	10,478,776	13,076,735
20	to non- financial corporate clients, retail and small business customers, government of Indonesia, other sovereigns, Bank Indonesia, other central banks and pubic service entities, of which:	-	46,800,963	10,187,565	56,838,889	76,807,320
21	meet the criteria for risk weight of less than or equal to 35% under OJK circular letter regarding credit risk RWA	-	2,585,000	-	1,888,000	2,519,700
22	Unpledged residential mortgages, of which:	-	-	-	-	-
23	meet the criteria for risk weight of less than or equal to 35% under OJK circular letter regarding credit risk RWA	-	-	-	-	-
24	Securities that are unpledged, not in default and do not qualify as HQLA, including exchange-traded equities	-	1,085,844	-	-	542,922
25	**Assets with matching interdependent liabilities**	**-**	**-**	**-**	**-**	**-**
26	**Other assets:**	**6,464,444**	**2,488,787**	**51,572**	**5,826,453**	**12,768,896**
27	Physical traded commodities, including gold	-				-
28	Cash, securities and other assets posted as initial margin for derivative contracts or contributions to default funds of central counterparty (CCPs)		-	-	-	-
29	NSFR derivative assets		61,045	-	-	61,045
30	NSFR derivative liabilities before deduction of variation margin posted		214,421	-	-	214,421
31	All other assets not included in the above categories	6,464,444	2,213,321	51,572	5,826,453	12,493,430
32	**Off-balance sheet items**		**14,976,909**	**47,728,850**	**59,250,506**	**837,928**
33	**Total RSF**					**107,419,659**
34	**Net Stable Funding Ratio (%)**					**106.76%**

[1] Components that shall be reported under termless category are components that do not have a contractual period, including:
Perpetual capital instruments, short position, open maturity position, current accounts, and equities that do not fall under HQLA and commodity categories.

	Position of Report (December 2022)				
	Carrying Value By Residual Maturity				
	No Specified Maturity[1]	<6 Months	≥6 Months-<1 Year	≥1 Year	Total Weighted Value
	33,386,507	-	-	3,113,500	36,500,007
	33,386,507	-	-	3,113,500	36,500,007
	-	-	-	-	-
	14,251,120	22,017,863	410,418	8,294	33,638,758
	11,120,265	1,215,657	44,131	2,752	11,763,802
	3,130,855	20,802,206	366,287	5,543	21,874,956
	23,116,175	46,380,145	2,306,108	39,515,864	60,836,693
	-	-	-	-	-
	23,116,175	46,380,145	2,306,108	39,515,864	60,836,693
	-	-	-	-	-
	3,332,671	2,181,039	42,139	-	-
		-	-	-	
	3,332,671	2,181,039	42,139	-	-
					130,975,459
					461,375
	2,192,886	-	-	-	1,096,443
	-	54,699,891	14,648,025	63,293,890	86,510,090
	-	-	-	-	-
	-	8,811,906	3,206,981	9,468,536	12,393,813
	-	42,928,571	11,441,044	52,326,413	71,662,258
	-	875,000	-	1,498,941	1,411,812
	-	-	-	-	-
	-	-	-	-	-
	-	2,084,414	-	-	1,042,207
	-	-	-	-	-
	5,749,886	2,608,192	115,270	5,838,815	12,384,368
	-				-
		-	-	-	-
		299,088	299,088	299,088	299,088
		289,547	289,547	289,547	289,547
	5,749,886	2,019,557	115,270	5,838,815	11,795,733
		118,081,135	118,081,135	118,081,135	975,017
					101,427,293
					129.13%

Individual NSFR Analysis

Individual Analysis (Audited)
The Bank's individual Net Stable Funding Ratio (NSFR) at the end of quarter IV/2023 was 106.76%, declined by 22.37% compared to 129.13% at the end of quarter IV/2022. This decrease was due to the decrease in Available Stable Funds (ASF) of Rp. 16.29 trillion, and an increase in Required Stable Funds (RSF) of Rp. 5.99 trillion.

The largest portion of ASF was funding from corporate customers at 38.80%, capital at 33.15% and deposits originating from individual customers at 28.05% of the total ASF. Meanwhile, the largest composition of ASF based on the remaining term comes from funding without term of 42.72%, tenor < 6 months of 28.75% and tenor of ≥ 1 year of 25.33% of the total ASF.

The largest portion of RSF was in the form of loans in current and special mention (performing) categories at 86.53% and other assets at 11.89% of the total RSF. Meanwhile, the composition of the RSF based on the largest remaining term consists of assets with a tenor of ≥ 1 year at 61.92% and assets with a tenor of < 6 months at 25.44% of the total RSF.

The Bank always monitor and maintain its compliance with NSFR and include aspects of funding sources and tenors in determining the Bank's funding strategy

Bank Name : PT Bank BTPN Tbk (Consolidate)
Report Position : 31 December 2023

Table Consolidated Net Stable Funding Ratio (NSFR) Disclosure

No	Component	Position of Report (December 2023)				
		Carrying Value By Residual Maturity				
		No Specified Maturity[1]	<6 Months	≥6 Months-<1 Year	≥1 Year	Total Weighted Value
ASF Component						
1	**Capital:**	43,866,014	-	-	2,976,753	46,842,767
2	Regulatory Capital as per POJK CAR	43,866,014	-	-	2,976,753	46,842,767
3	Other capital instruments	-	-	-	-	-
4	**Retail deposits and deposits from micro and small business customers:**	17,592,085	23,491,113	1,202,637	22,292	39,114,023
5	Stable Deposits	14,110,421	6,461,630	117,529	10,134	19,665,235
6	Less Stable Deposits	3,481,663	17,029,484	1,085,108	12,158	19,448,788
7	**Wholesale Funding:**	26,594,842	50,299,978	5,167,282	26,051,285	45,650,072
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	26,594,842	50,299,978	5,167,282	26,051,285	45,650,072
10	**Liabilities with matching interdependent assets**	-	-	-	-	-
11	**Other liabilities and equity:**	4,302,310	3,385,827	5,019	-	-
12	NSFR derivative liabilities		-	-	-	
13	All other liabilities and equity not included in the above categories	4,302,310	-	-	-	-
14	**Total ASF**					131,606,862
RSF Component						
15	**Total NSFR HQLA**					546,690
16	**Deposits held at other financial institutions for operational purposes**	993,288	-	-	-	496,644
17	**Performing loans and securities**	-	65,146,726	19,255,635	72,637,899	100,302,427
18	to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	8,854,220	2,618,823	10,483,218	13,120,762
20	to non- financial corporate clients, retail and small business customers, government of Indonesia, other sovereigns, Bank Indonesia, other central banks and pubic service entities, of which:	-	51,766,480	16,618,812	60,026,447	83,466,243
21	meet the criteria for risk weight of less than or equal to 35% under OJK circular letter regarding credit risk RWA	-	2,585,000	-	1,888,000	2,519,700
22	Unpledged residential mortgages, of which:	-	-	-	-	-
23	meet the criteria for risk weight of less than or equal to 35% under OJK circular letter regarding credit risk RWA	-	-	-	-	-
24	Securities that are unpledged, not in default and do not qualify as HQLA, including exchange-traded equities	-	1,941,027	18,000	240,234	1,195,722
25	**Assets with matching interdependent liabilities**	-	-	-	-	-
26	**Other assets:**	6,464,444	2,488,787	51,572	6,532,559	13,475,003
27	Physical traded commodities, including gold	-				-
28	Cash, securities and other assets posted as initial margin for derivative contracts or contributions to default funds of central counterparty (CCPs)		-	-	-	-
29	NSFR derivative assets		61,045	-	-	299,088
30	NSFR derivative liabilities before deduction of variation margin posted		214,421	-	-	289,547
31	All other assets not included in the above categories	6,464,444	2,213,321	51,572	6,532,559	13,199,537
32	**Off-balance sheet items**		14,976,909	47,728,850	59,250,506	837,928
33	**Total RSF**					115,658,692
34	**Net Stable Funding Ratio (%)**					113.79%

[1] Components that shall be reported under termless category are components that do not have a contractual period, including:
Perpetual capital instruments, short position, open maturity position, current accounts, and equities that do not fall under HQLA and commodity categories.

	Position of Report (December 2022)				
	Carrying Value By Residual Maturity				
	No Specified Maturity[1]	<6 Months	≥6 Months-<1 Year	≥1 Year	Total Weighted Value
	41,846,055	-	-	3,113,500	44,959,555
	41,846,055	-	-	3,113,500	44,959,555
	-	-	-	-	-
	16,770,121	26,584,991	416,815	8,317	40,262,737
	13,569,949	3,573,253	50,528	2,774	16,336,817
	3,200,172	23,011,738	366,287	5,543	23,925,920
	23,566,102	50,986,193	2,306,108	39,515,864	61,967,627
	-	-	-	-	-
	23,566,102	50,986,193	2,306,108	39,515,864	61,967,627
	-	-	-	-	-
	4,067,749	2,181,039	42,139	-	-
		-	-	-	
	4,067,749	-	-	-	-
					147,189,919
					619,097
	2,204,223	-	-	-	1,102,112
	-	60,606,767	20,892,291	66,769,828	93,824,523
	-	-	-	-	-
	-	9,042,406	3,224,756	9,510,467	12,479,206
	-	48,071,866	17,436,990	55,656,469	78,408,985
	-	875,000	-	1,498,941	1,411,812
	-	-	-	-	-
	-	-	-	-	-
	-	2,617,495	230,545	103,951	1,524,521
	-	-	-	-	-
	5,749,886	2,608,192	115,270	7,008,777	13,554,330
	-				-
		-	-	-	-
		299,088	299,088	299,088	299,088
		289,547	289,547	289,547	289,547
	5,749,886	2,019,557	115,270	7,008,777	12,965,695
		118,101,167	118,101,167	118,101,167	975,017
					110,075,079
					133.72%

Consolidated NSFR Analysis

Consolidated Analysis (Audited)
The Bank's consolidated NSFR at the end of quarter IV/2023 was 113.79%, decreased by 19.93% compared to 133.72% at the end of quarter IV/2022. This was due to a decrease in ASF by Rp. 15.58 trillion, while RFS was increased by Rp. 5.58 trillion.

Capital contributed the largest portion of ASF with 35.59%, funding from corporate customers totaled 34.69%, and deposits from individual customers reached 29.72%. Meanwhile, the largest composition of ASF based on the remaining period came from funding without term at 45.90%, tenor < 6 months at 29.24% and tenor of ≥ 1 year at 22.07% of the total ASF.

The largest portion of RSF was in the form of loans in current and special mention (performing) categories reaching 86.72% and other assets at 11.65% of the total RSF. Meanwhile, the RSF composition based on the largest remaining term consisted of assets with a tenor of ≥ 1 year at 60.75% and a tenor < 6 months at 24.88% of the total RSF.

Both the Bank and its subsidiaries constantly check and keep their level of compliance with the NSFR and note the items of funding sources and tenors in setting out the Bank's funding strategy.

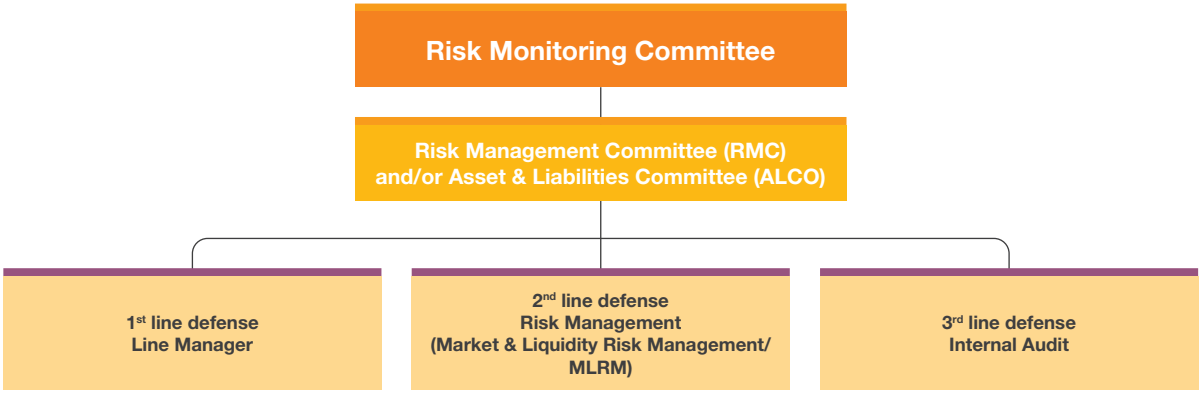
Management of liquidity risks is conducted by reporting the results from monitoring the Early Warning Indicators and Liquidity Risk Limit on a daily basis. The Bank also periodically reports the conditions and development of liquidity key risk indicators in the meetings of the ALCO Committee with the Risk Management Committee (KMR). The Risk Management Directorate, through the Market and Liquidity Risk Management Unit, conducts monitoring of liquidity risk indicators, sources, and the result of funding and position of liquidity. This includes the strategy for determining interest rates and changes in customer behavior, including the change in the structure and volatility of funding sources.

For each certain breach or risk event, liquidity risk management unit communicates and requests for follow-up from the related business unit, including forwarding the matter to the higher level of management. The current information system can provide information on liquidity conditions daily for the requirements in liquidity risk measurement, monitoring, and control processes.

Internal Constrol System on Liquidity Risk

Monitoring of liquidity risks is conducted by ALCO and the Risk Management Committee. Management of liquidity risk is also performed by preparing contingency funding plans in anticipation of a bad liquidity condition arising.

The Internal Control System has effectively supported the implementation of Liquidity Risk Management. Internal Audit has also carried out periodic audits on the adequacy of policies, procedures, applicable transaction limit and tolerance, as well as compliance of each related party in accordance with what has been set in the Bank's audit plan.



Funding Strategy Policy

In anticipation of potential liquidity pressures, Bank and its Subsidiaries have prepared adequate funding strategies and liquidity reserves. These policies are tailored to operational needs and liquidity profiles to ensure compliance with relevant regulations.

BTPN's Rupiah and Foreign Currency Contractual Maturity Profile

The maturity profile is projected on the remaining term based on the contractual date of certain assets and liabilities. Historically, most of the deposits are extended at maturity date as affected by customers' behavior and the level of trust towards the Bank and Subsidiaries. To manage liquidity risk under such conditions, the Bank and Subsidiaries determine the appropriate strategy and the amount of cash and liquid assets required to hold, which may be liquidated or used as collaterals in the event there is an urgent need for liquidity.

Liquidity Risk Measurement and Control and Stress Testing

The Bank measures and monitors liquidity risk indicators to identify potential liquidity problems through the Early Warning Indicators/EWI, which monitor the level of rollover, funding concentration, the Bank's public rating, money market liquidity level, and fulfillment of regulatory ratio. The Bank also structurally measures liquidity risk using the liquid instrument adequacy ratio, Macroprudential Intermediation Ratio (RIM), outflow calculation, and stress testing.

D. Operational Risk

Operational risk is defined as the risk resulting from inadequacy or failure of internal processes, human error, system failure, or external events affecting the Bank's operational activities.

Operational Risk Management Governance

The Board of Commissioners and the Board of Directors actively oversee operational risk management through the Risk Monitoring Committee and the Risk Management Committee. Monitoring is carried out periodically according to their respective terms of reference to discuss operational risks.

The Operational and Fraud Risk Management (OFRM) unit, at the Division level within the Risk Management Directorate, is responsible for implementing Operational Risk Management in the Bank, with the Division Head reporting directly to the Head of Risk Management.

Adequacy of Policies, Procedures, and Setting Limits

The OFRM unit is responsible for developing and implementing operational risk management, BCM (Business Continuity Management), ICR (Internal Control & Risk) Function, and fraud policies and procedures, which are periodically reviewed considering any significant changes, both internally and externally. Every unit must adhere to operational risk management policies and procedures in its daily operations.

The Bank also has systems and limits in place to support general and specific controls, such as segregation of duties, mandatory annual leave, reconciliation, and others.

Adequacy of Operational Risk Management Processes

The operational risk management process, including identification, measurement, monitoring, and control of risks, is conducted in a structured and consistent manner. The Operational Risk Management process at the Bank is based on effective best practices.

The stages of the operational risk management process, including identification, measurement, monitoring, and control of operational risks, are as follows:

1. Operational risks are assessed across all processes, products, services, systems, initiatives, and organizational structures, including new or modified ones. Operational risk identification is also facilitated through operational risk management tools such as the Risk Grading Matrix (RGM), Process Risk Control (PRC), Key Risk Indicator (KRI), and Risk Acceptance (RA).
2. The process of measuring operational risks includes self-assessment activities through Key Control Self-Assessment (KCSA), analysis of operational risk incidents and losses, internal control and risk function (ICR) audits, measurement of KRIs and Operational Risk Appetite (ORA) reported regularly at Risk Management Committee (RMC) meetings.
3. Operational risk monitoring involves reporting to senior management and regulators, both regularly and ad-hoc, including reporting significant incidents through SINP (Significant Incident Notification Protocol). This is done to ensure prompt follow-up on any issues that arise.
4. Operational risk control is also carried out by implementing effective prevention, detection, and correction mechanisms and/or providing adequate insurance to minimize operational losses for the Bank. As one control measure, the Bank has comprehensive Business Continuity Management (BCM) guidelines.

The implementation of the Internal Control & Risk System (ICRS) application serves as a database for operational risk and fraud management and is expected to provide accurate, timely, and up-to-date information to facilitate analysis and decision-making.

The calculation of the Minimum Capital Provision Requirement (KPMM) for operational risk by the Bank uses the standard approach and complies with regulatory requirements.

The Bank and its Subsidiaries have comprehensive business continuity management guidelines based on ISO 22301 industry standards, aimed at anticipating potential operational risks arising from extreme/critical situations caused by natural disasters such as floods, earthquakes, volcanic eruptions, as well as other factors such as demonstrations, fires, disruptions to the power supply system, pandemics, and unfavorable business conditions. This is to ensure continuity of service to customers.

Internal Control System for Operational Risk

Internal control over operational risk is conducted through the implementation of the three lines of defense model. In the first line of defense, the Risk Taking Unit (RTU) assisted by the Business Risk (ICR) Function manages operational risks on a daily basis. In the second line of defense, the OFRM unit is responsible for overseeing the implementation of risk management processes according to established policies.

In the third line of defense, Internal Audit independently examines and evaluates governance and the effectiveness of operational risk management. Alignment between responsible parties for Bank's internal control practices is continuously conducted through standardized ICR maturity self-assessment and forums organized by the OFRM unit to facilitate the Internal Control & Risk function.

Fraud Risk Management

The Bank maintains a zero-tolerance policy towards any fraudulent activity. The Bank consistently follows up on every fraudulent incident, including imposing sanctions on employees involved in fraudulent activities, in accordance with applicable regulations, including reporting to the authorities if necessary.

The Bank has adequate policies and procedures for anti-fraud strategies and continually improves them. Fraud risk management is systematically conducted through various processes and strategies.

Regarding fraud risk prevention processes, the Bank conducts anti-fraud awareness programs for all employees and requires the signing of integrity pacts by the Board of Directors, Board of Commissioners, and all Bank employees. Adjustments to anti-fraud strategy management policies and procedures are periodically made to ensure they remain relevant. Additionally, risk assessments are conducted on every product, service, process, system, and initiative, both new and existing.

Anti-fraud awareness is disseminated through various channels, including e-newsletters, email broadcasts, desktop/laptop wallpapers, BTPN Info, animated anti-fraud videos, mandatory anti-fraud e-learning, in-class or virtual training for employees. Furthermore, there is a whistleblowing service at the Bank that can be used to report suspected fraudulent activities.

The Bank also provides various awareness campaigns to third parties, including customers and vendors cooperating with the Bank, including conducting virtual training on anti-fraud and Entertainment & Gift policies for vendors regularly to assist the Bank in maintaining good corporate governance.

In line with the existing anti-fraud strategy, the Bank continuously communicates fraud reporting through whistleblowing channels as one of the fraud detection media, periodically communicated to all employees through various internal Bank media. Employees can report any misconduct through channels such as email (Ayo Lapor), WhatsApp, telephone, letter, or face-to-face meetings.

The Bank has adequate policies regarding the investigation process and reporting of fraudulent incidents. For every proven fraud case, the Fraud Committee decides on sanctions, involving relevant departments, Business Risk/ICR, Human Resources, and OFRM units. The implementation of Fraud Committee decisions is monitored and evaluated periodically to determine future improvement efforts.

Table of Quantitative Disclosure of Operational Risk - Bank Individually

(in million rupiah)

No	Approach Used	31 December 2023			31 December 2022		
		Business Indicator Components (Average of Last 3 Years)	Capital Expenses	RWA	Business Indicator Components (Average of Last 3 Years)	Capital Expenses	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Basic Indicator Approach				8,624,711	1,293,707	16,171,334
2	Standard Approach	818,034	818,034	10,225,432			
	Total	818,034	818,034	10,225,432	8,624,711	1,293,707	16,171,334

Table of Quantitative Disclosure of Operational Risk - Consolidated Bank with Subsidiaries

(in million rupiah)

No	Approach Used	31 December 2023			31 December 2022		
		Business Indicator Components (Average of Last 3 Years)	Capital Expenses	RWA	Business Indicator Components (Average of Last 3 Years)	Capital Expenses	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Basic Indicator Approach				12.435.609	1.865.341	23.316.768
2	Standard Approach	840.067	840.067	10.500.841			
	Total	840.067	840.067	10.500.841	12.435.609	1.865.341	23.316.768

Historical Loss Data Report - Bank as Individual

No	Business Indicator (BI) and component BI	T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Average 10 Years
Minimum limit of an operational loss event of Rp300,000,000.00 (three hundred million Rupiahs) or more												
1	Total net operating loss after calculating the recovery value (without exception))	0.00	8,204.00	5,591.00	18,623.00	17,250.00	3,000.00	14,075.00	6,230.00	22,621.00	6,616.00	10,221.00
2	Total occurrence of operational risk loss	0.00	9.00	7.00	13.00	4.00	7.00	9.00	5.00	17.00	10.00	8.10
3	Total excluded operational risk loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Total occurrence of excluded operational risk loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Total net operating loss after calculating the recovery value and excluded operational risk losses	0.00	8,204.00	5,591.00	18,623.00	17,250.00	3,000.00	14,075.00	6,230.00	22,621.00	6,616.00	10,221.00
Minimum limit of an operational loss event of Rp1,500,000,000.00 (one billion Rupiahs) or more												
6	Total net operating loss after calculating the recovery value (without exception)											
7	Total occurrence of operational risk loss											
8	Total excluded operational risk loss											
9	Total occurrence of excluded operational risk loss											
10	Total net operating loss after calculating the recovery value and excluded operational risk losses											

No	Business Indicator (BI) and component BI	T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Average 10 Years
Details of capital calculation for operational risks												
11	Are losses used in calculating the Internal Loss Multiplier (ILM)? (Yes/No)	Y										
12	If line 11 answer is 'No', is the internal loss data not use because of a discrepancy of the minimum standards for loss data? (Yes/No))											
13	Threshold used in calculating capital for operational risks (in Rupiah full amount)	300,000,000.00										
14	Other information (if any											

Historical Loss Data Report - Bank Consolidated with Subsidiaries

No	Business Indicator (BI) and component BI	T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Average 10 Years
Minimum limit of an operational loss event of Rp300,000,000.00 (three hundred million Rupiahs) or more												
1	Total net operating loss after calculating the recovery value (without exception))	0,00	8.204,00	6.408,00	22.066,00	17.879,00	3.000,00	14.075,00	6.451,00	22.621,00	6.616,00	10.732,00
2	Total occurrence of operational risk loss	0,00	9,00	9,00	17,00	5,00	7,00	9,00	6,00	17,00	10,00	8,90
3	Total excluded operational risk loss	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
4	Total occurrence of excluded operational risk loss	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
5	Total net operating loss after calculating the recovery value and excluded operational risk losses	0,00	8.204,00	6.408,00	22.066,00	17.879,00	3.000,00	14.075,00	6.451,00	22.621,00	6.616,00	10.732,00
Minimum limit of an operational loss event of Rp1,500,000,000.00 (one billion Rupiahs) or more												
6	Total net operating loss after calculating the recovery value (without exception)											
7	Total occurrence of operational risk loss											
8	Total excluded operational risk loss											
9	Total occurrence of excluded operational risk loss											
10	Total net operating loss after calculating the recovery value and excluded operational risk losses											

No	Business Indicator (BI) and component BI	T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Average 10 Years
Details of capital calculation for operational risks												
11	Are losses used in calculating the Internal Loss Multiplier (ILM)? (Yes/No)	Y										
12	If line 11 answer is 'No', is the internal loss data not use because of a discrepancy of the minimum standards for loss data? (Yes/No))											
13	Threshold used in calculating capital for operational risks (in Rupiah full amount)	300.000.000,00										
14	Other information (if any											

Business Indicator Detailed Report - Bank as Individual

No	Business Indicator (BI) and component BI	T	T-1	T-2
1	Interest, Rent and Dividend Components	4,312,213.26		
2	Interest Income	15,927,827.25	16,267,158.42	19,738,939.09
3	Interest Expense	10,116,921.64	10,232,246.31	13,484,908.83
4	Earning Assets	192,461,754.90	178,257,181.26	170,748,504.35
5	Dividend Income	332,993.33	177,957.77	242,671.27
6	Services Components	1,733,884.79		
7	Fees and Commission Income	801,571.39	797,385.36	630,183.52
8	Fees and Commission Expenses	59,689.33	44,592.61	89,402.95
9	Other Operating Income	897,094.94	1,200,424.96	874,994.19
10	Other Operating Expenses	306,305.13	378,744.77	373,812.36
11	Financial Components (KK)	770,856.99		
12	Net Profit Loss Trading Book	218,426.42	66,288.86	29,925.12
13	Net Profit Loss Banking Book	598,865.24	700,038.92	699,026.42
14	Business Indicator (BI)	6,816,955.04		
15	Business Indicator Components (KIB)	818,034.60		
16	Business Indicator Disclosure			
17	Total BI including divested activities	6,816,955.04		
18	BI reduction due to the exclusion of divested activities	0.00		
19	Additional information			

Business Indicator Detailed Report - Bank Consolidated with Subsidiaries

No	Business Indicator (BI) and component BI	T	T-1	T-2
1	Interest, Rent and Dividend Components	4,458,825.09		
2	Interest Income	21,305,383.61	16,640,341.11	23,782,766.10
3	Interest Expense	10,643,253.81	6,489,976.78	14,151,568.78
4	Earning Assets	212,910,543.69	195,796,975.12	185,802,141.61
5	Dividend Income	0.90	2.30	4.72
6	Services Components	1,769,602.97		
7	Fees and Commission Income	802,922.56	797,996.36	633,443.92
8	Fees and Commission Expenses	59,692.84	44,592.61	89,402.95
9	Other Operating Income	957,952.08	1,222,491.18	894,002.81
10	Other Operating Expenses	372,568.33	409,102.52	415,775.52
11	Financial Components (KK)	772,132.99		
12	Net Profit Loss Trading Book	218,426.42	66,288.86	29,925.12
13	Net Profit Loss Banking Book	602,693.24	700,038.92	699,026.42
14	Business Indicator (BI)	7,000,561.05		
15	Business Indicator Components (KIB)	840,067.33		
16	Business Indicator Disclosure			
17	Total BI including divested activities	7,000,561.05		
18	BI reduction due to the exclusion of divested activities	0.00		
19	Additional information			

Operational Risk RWA Calculation Report using the standardized approach Bank Individually

No	Details	T Column Validation
1	Business Indicator Components (BIC)	818,034.60
2	Internal Loss Multiplier Factor (ILM)	1
3	Operational Risk Minimum Capital (ROC)	818,034.60
4	RWA for Operational Risks	10,225,432.50

Operational Risk RWA Calculation Report using the standardized approachBank Consolidated with Subsidiaries

No	Details	T Column Validation
1	Business Indicator Components (BIC)	840,067.33
2	Internal Loss Multiplier Factor (ILM)	1
3	Operational Risk Minimum Capital (ROC)	840,067.33
4	RWA for Operational Risks	10,500,841.63

The Implementation Report of Risk Management for Operational Risk can be viewed on page xx according to SEOJK Number 6/SEOJK.03/2020 concerning the Calculation of Weighted Assets for Operational Risk using the Standardized Approach for Commercial Banks.

Information Technology and Cyber Security Risks

Risks associated with the use of Information Technology (IT) and cyber security may arise due to IT failures or cyber attacks.

The management process of IT usage risks and Cyber Security risks (including Information Security risk management) at the Bank is coordinated and managed by the Cyber Security Risk Management (CSRM) unit, which reports directly to the Risk Management Head. Additionally, there is active oversight of IT usage risks and cyber security conducted by the Board of Commissioners and the Board of Directors at every stage of IT resource usage and management, through updates and periodic reporting by the CSRM team regarding the Bank's current IT usage and cyber security risk conditions. At present, the Bank also has an IT Usage Policy and released a Cyber Security Risk Management Policy in 2023, which includes a framework and standards for implementing cyber security at the Bank. Furthermore, the Bank has formulated and established profiles and risk levels related to IT management and is in the process of reviewing and updating the profiles and Cyber Security risk levels. Monitoring of the profile and risk levels is conducted through risk management tools such as Risk Appetite and KRIs.

The CSRM unit is responsible for creating, developing, and implementing reviews and updates of cyber security risk management policies and procedures, which are periodically reviewed to incorporate any necessary changes. Additionally, the CSRM unit reviews the adequacy of IT-related policies and procedures to ensure compliance with current risk management processes at the Bank.

Every unit must adhere to cyber security policies and procedures as well as IT-related policies and procedures in their daily operations.

The IT and Cyber Security risk management process includes identification, measurement, monitoring, and control of risks conducted in a structured and consistent manner. The stages of the IT risk management process include the implementation of identification, measurement, monitoring, and control of IT operational risks, including:

1. Identification of IT Operational Risks is conducted for IT processes/products/services through processes such as determining IT operational risk levels, risk registration, risk assessment studies, and others. The risk identification process is also complemented by the use of risk management tools such as asset registers, Risk Grading Matrix (RGM), Process Risk Control (PRC), Key Risk Indicator (KRI), Operational Risk Assessment (ORA), and Risk Acceptance.
2. Measurement of IT Operational Risks includes conducting measurements considering risk ratings, performance measurements, system and infrastructure capacity planning, information security risk measurements using established criteria and rankings, as well as measuring each loss event that occurs. The process of measuring IT Operational Risks utilizes risk management tools such as Key Control Self-Assessment (KCSA), internal audits by Internal Control & Risk (ICR), measurement of KRIs and Operational Risk Appetite (ORA) reported to the Risk Management Committee (KMR) regularly.
3. Monitoring of IT Operational Risks is carried out through the implementation of follow-up action plan monitoring, clarity of accountability and responsibility, as well as periodic reporting using tools such as the risk management system (Internal Control & Risk System (ICRS)) and through reporting significant incidents through SINP (Significant Incident Notification Protocol).
4. Control of IT Risks includes conducting evaluations and testing of Disaster Recovery Plans (DRP), implementing Internal Audit IT functions by Internal Audit and external auditors as needed, implementing continuous quality assurance and self-assessment processes, and providing timely and accurate reporting obligations to the Financial Services Authority (OJK) guided by current regulations.

As for the Cyber Security risk management process, it includes the implementation of processes such as Identification, Protection, Detection, Response and Reporting, and Recovery, which can be implemented through the establishment, implementation, and periodic review of frameworks, policies, and strategies for Bank's cyber security risk management adjusted to applicable regulations and the Bank's business needs,

conducting assessments of inherent cyber security risks and cyber security risk levels. Additionally, the Bank applies cyber security maturity assessments and also assesses the Bank's cyber security risk levels periodically, as well as reports on the results of cyber security risk management implementation and cyber security incidents to stakeholders such as regulators, the group, etc., as required.

The Bank has also implemented and obtained ISO 27001 information security certification covering the Bank's main payment systems to improve the Bank's security standards and to minimize information security risks that may occur at the Bank.

Internal controls over IT and cyber security risks are carried out through the implementation of the three lines of defense model. In the first line of defense, the Risk-Taking Unit (RTU) assisted by the Business Risk (ICR) Function manages operational risks on a daily basis. In the second line of defense, the CSRM unit is responsible for overseeing the implementation of risk management processes according to established policies. In the third line of defense, Internal Audit independently ensures that remaining risks (residual risks) are within the tolerable limits set by the Bank.

Alignment between responsible parties for Bank's internal control practices is continuously conducted through standardized ICR maturity self-assessment and forums organized by the CSRM unit to facilitate the Internal Control & Risk function, as well as through the implementation of Bank's inherent risk assessments and the level of maturity of cyber security risk related to Bank's cyber security risk management.

E. Legal Risk

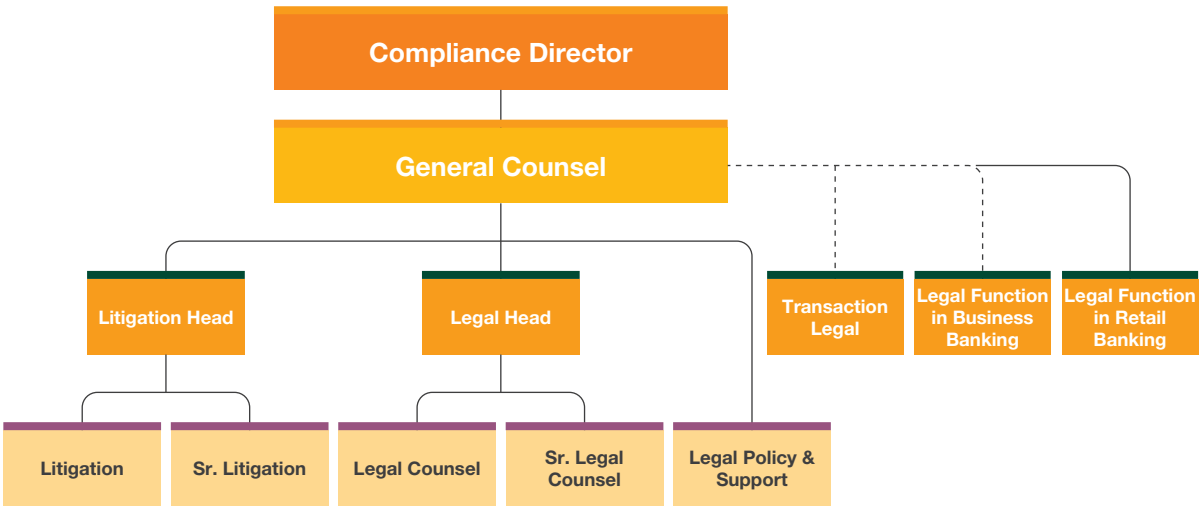
Legal risk is a risk that occurs due to lawsuits and/or flaws in the judicial aspect. The management of legal risk aims at ensuring that the legal risk management process can minimize the possibilities of negative impact from judicial weakness, absence, and/or changes in the laws and regulations, as well as in the litigation process.

Legal Risk Management Framework

The Legal and Litigation Division is directly under the supervision of the Director of Compliance, as an independent Director, so as to not supervise business and operational units, treasury, finance, internal audit, and others. For this reason, the Legal and Litigation Division independently provides legal opinion by taking into consideration of the provisions and laws, and regulations applicable in Indonesia without the influence of other work units.

The Legal and Litigation also provide legal services, both in writing and/or verbal in the form of legal opinion, legal document review, legal document drafting, legal information research, and legal assistance. Furthermore, it also provides litigation legal assistance and/or settlement of legal disputes with the Alternative Dispute Resolution (ADR) mechanism.

Organizational Structure of Legal Risk Management



Adequacy of Policies, Procedures, and Limit Setting

The Legal and Litigation Division retains the policies, procedures, and limitations of the authority of its work function so that implementation of its duties is directed in accordance with applicable regulations. Reviews of legal risk are conducted by the Legal & Litigation Division on material transactions so that legal risks that may arise can be mitigated at the beginning of the transaction, for example, the use of standard agreement draft.

Adequacy of Risk Identification, Measurement, Monitoring, and Control, and Risk Management Information System

The Bank ensures the adequacy of risk identification, measurement, monitoring, and control processes, as well as the risk management information system to prevent possible litigation or legal suits. This process is conducted by a legal organization, namely in the form of actions to prevent and/or minimize the possibilities of future legal risks.

The legal risk management process is carried out through the following course:

1. Formulation of policies and/or prior to the implementation of transaction/commitment up the settlement of legal matter that occurred.
2. Reviewing the legal aspect on products and/or implementation of the Bank's transactions and services.
3. Professional legal handling process by taking into consideration of potential losses.

Internal Control System on Legal Risks

A comprehensive internal control system in the risk management process is conducted through active supervision from the Board of Directors and the Board of Commissioners on the Bank's legal cases through such mechanisms as follows:

1. Weekly Case Report to the Compliance Director;
2. Regulation Socialization Monthly Report to Compliance Director;
3. Monthly Case Report to the General Counsel, Director of Compliance and the Board of Commissioners.
4. Quarterly Case Report to the Board of Commissioners.
5. Ad-Hoc Report to the Board of Commissioners (if any).

Although there are routine reports, however, the General Counsel at any time can provide verbal reports or opinions for emergency decision-making. Such opinions or reports must be first coordinated in advance with the Compliance Director.

F. Strategic Risk

Strategic risk is a risk that occur due to inaccurate decision making and/or implementation of a strategic decision as well as a failure in anticipating changes in business environment, inability to execute a strategic decision, or a combination of all the above. This risk also covers the Bank's ability to create competitive advantages in this increasingly competitive banking industry. The inability to face these business challenges, which continue to change from time to time, may result in the failure to achieve the set goals.

Strategic Risk Management Framework

The Strategic Risk Work Unit plays the role of managing strategic risks and is under the active supervision of the Board of Commissioners and the Board of Directors. The strategic risk work unit covers all lines of business and supporting units that work together with the Investor Relations Division and Finance Directorate in analyzing and monitoring strategic risks.

The Banking business growth in the future is closely related to strategic decision making by the Bank. Therefore, the Bank always strives to improve the quality of strategic risk management, so that risks arising from inaccuracy in making and implementing strategic decisions, as well as failure to anticipate changes in the business environment can be minimized or avoided.

The Bank continuously reviews strategic issues that arise due to changes in business operations and the environment that pose a negative impact on the Bank's business or financial conditions. All implementation of strategies is developed periodically following assessment and adjustments.

Adequacy of Policies, Procedures, and Limit Setting

The Bank retains the policies and procedures that regulate the formulating and compiling of the Bank's Business Plan, which includes reviews on strategic directions and key activities to support the implementation of planned strategies. Strategic Risk Management Policy covers the following:

1. Policy related to strategic risks as guidelines for the strategic control function.
2. Management of strategic risks that include mitigation of possible negative impacts from inappropriate strategic decision-making and failure to anticipate changes in the business environment.
3. General audit policy as guidelines to the Bank's Internal Audit.

While strategic risk procedures are related to establishing procedures and limit with reference to the implemented policies. The established strategic risk limit may cover risks due to variance of the strategic plan due to deviation of budget and target time of completion.

Adequacy of Risk Identification, Measurement, Monitoring, Control Processes, and Risk Management Information System

Identification of strategic risk is the result of studies on risk characteristics. In the identification process, the Bank continuously records and manages every strategic risk data and potential loss due to unrealized or ineffective implementation of the established business strategy or business plan, especially those with a significant impact on the Bank's capital. The Bank's strategic risk management information system comprises the following:

1. Present the need for accurate, on-time, and updated information.
2. Support the management function for easier planning and decision-making process.
3. Fulfill adequate data in accordance with the Bank's business plan.
4. Support the implementation of audit tracks on data of strategic risk incidents in managing and reporting as well as documenting every strategic risk incident for projected potential loss in a certain period.

Internal Control System on Strategic Risks

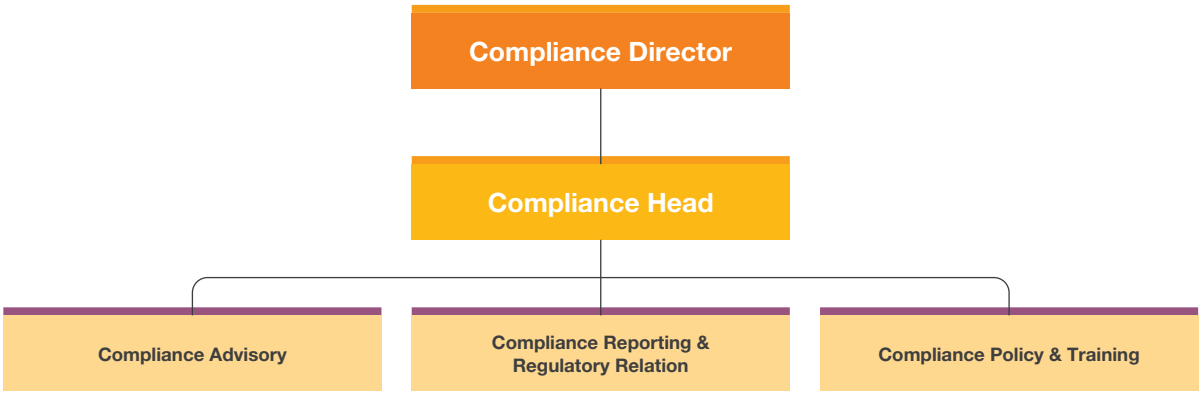
The Bank retains the internal control system for the management of strategic risks by periodic monitoring with a comparison of the Bank's performance against the expected results of the strategies implemented, both in quantitative as well as qualitative aspects. Bank BTPN continuously strives to improve the quality of its strategic risk management so that risks that arise can be minimized or prevented.

G. Compliance Risk

Compliance risk is a risk that arises if the Bank does not comply and/or does not implement applicable laws and regulations when conducting business activities.

Compliance Risk Management Framework

The Bank's Compliance Risk Management organization is as shown below:



The Bank has compliance policies and procedures which serving as the basic infrastructure in implementing Compliance Function governance. Reviews and improvements to the Bank's compliance policies are carried out continually, including in line with the issuance of new regulations from the Financial Services Authority (OJK), Bank Indonesia (BI) and the Deposit Insurance Corporation (LPS), as well as regulation other laws and regulations set from Sumitomo Mitsui Banking Corporation (SMBC) as the majority shareholder and Controlling Shareholder of the Bank. The Board of Directors and the Board of Commissioners incessantly carry out supervision on the implementation of the Compliance Function, which, among others, is administered through the following mechanism:

1. Report on the implementation of duties and responsibilities of the Compliance Division to the Director of Compliance. (monthly)
2. Report on the implementation of duties and responsibilities of the Director of Compliance to the President Director with copy to the Board of Commissioners. (quarterly)
3. Report on the implementation of duties and responsibilities of the Director of Compliance submitted to the Financial Services Authority (OJK) with copy to the President Director and the Board of Commissioners. (biannually/semester)

4. Report on the monitoring of Compliance Risk to the Board of Directors in the meetings of the Board of Directors and to the Board of Commissioners in meeting forums of the Board of Directors with the Board of Commissioners as well as in the periodic meetings of the Audit Committee.

The Board of Directors and Board of Commissioners have also approved the Compliance Policies as the basic infrastructure in implementing the Compliance Function governance. These policies is used as a guideline in implementing the Bank's Compliance Function.

In compliance with OJK Regulation No.46/POJK.03/2017 on the Implementation of Compliance Function of Commercial Banks, the Board of Commissioners assessed the Bank's Compliance Function implementation carried out at least 2 (two) times in a year (biannually/semester). This includes the provision of suggestions/recommendations to improve the Bank's Compliance Function implementation.

Monitoring the implementation of Compliance and governance functions in subsidiary companies, namely BTPN Syariah, in accordance with OJK regulations regarding Banking Synergy.

Adequacy of Policies, Procedures, and Limit Setting

The Bank has compliance policies and procedures as the basic infrastructure in implementing the Compliance Function governance. These policies serve as guideline in implementing the Bank's Compliance Function. On an ongoing basis, reviews and improvements of the policies and procedures are conduct continuously to ensure compliance with applicable regulations, including in line with the issuance of new regulations from the Financial Services Authority (OJK), Bank Indonesia (BI), and the Deposit Insurance Corporation (LPS), as well as regulations other laws and regulations from Sumitomo Mitsui Banking Corporation (SMBC) as the majority shareholder as well as the Controlling Shareholder of the Bank.

Adequacy of Risk Identification, Measurement, Monitoring and Control, and Risk Management Information System

Compliance risk management is conducted through the risk identification, measurement, monitoring, and control processes in line with the implementation of risk management in order to ensure the Bank's compliance with prevailing laws and regulations as follows:

1. The process of identifying compliance risk, among others, is carried out through compliance tests on policies, program products, scheduled corporate actions, and transactions requiring the Credit Committee's approval.
2. The process of measuring compliance risk is carried out through the self-assessment on Compliance Risk as part of establishing the Bank's risk profile. This activity is carried out periodically using a risk approach (Risk-Based Bank Rating). In addition, a Compliance Self-Assessment is carried out every semester with the aim of ensuring that the policies, systems, procedures and business activities carried out by the Bank are in accordance with the provisions of the OJK, BI, LPS, as well as the provisions of applicable laws and regulations. As a subsidiary of SMBC Group, the process of measuring risk is carried out through the implementation of a Compliance Risk Assessment (CRA) based on SMBC regulations as the majority shareholder ad Controlling Shareholder of the Bank as well as regulatory regulations related to others.
3. The process of compliance risk monitoring is carried out, among others, through reviews on the conformity of the Bank's policies with applicable regulations, fulfilling prudential parameters, submission of reports to OJK, BI, LPS and other authorized parties, follow-up on OJK and/or BI findings.
4. The process of compliance risk control is performed, among others, through periodic reviews of compliance policies and procedures, and through follow-up on results of external and internal audits.
5. The implementation of the Bank's Compliance function is periodically and continuously reported to the Director of Compliance and the President Director with copy to the Board of Commissioners. In addition, reports are also conveyed in meeting forums of the Board of Directors, joint meetings of the Board of Directors and the Board of Commissioners as well as in periodic meetings of the Audit Committee.

Internal Control on Compliance Risks

The Bank has an adequate internal control system to ensure compliance with OJK, BI and LPS regulations as well as other laws and regulations. The Bank's internal control system uses a 3 (three) layer defense model (three lines of defense), consisting of Business and Supporting Functions Working Units as Risk Taking Units and assisted by Business Risk/Internal Control & Risk (ICR) as coordinators in the implementation of compliance risk management in the first line of defense.

The second line of defense consists of the Risk Management Directorate, Compliance and Legal Directorate, Finance Division, and Human Resources Division. The Compliance Division – as part of the

second line of defense, takes the role of developing the framework and policies related to compliance, and the Internal Audit (IA), as the third line of defense, works independently in assessing the effectiveness of the compliance risk implementation.

The Internal Audit periodically inspects the adequacy of the compliance risk management as well as the compliance of each related party in accordance with the established Audit Plan.

Disclosure of risk exposure and implementation of risk management in 2023:

During the year 2023, the Bank was able to be maintained compliance with regulations of OJK, BI and other applicable laws and regulations with accomplishment, among others, as follows:

1. The Bank's level of soundness based on Risk Based Bank Rating/RBBR as of December 2023 was rated 2 (Sound/Healthy).
2. Compliance with regulatory parameter, including:
    a. Minimum Capital Adequacy Ratio (CAR), including the Leverage Ratio above the applicable regulations.
    b. There were no violations or excess of the Legal Lending Limit (LLL).
    c. Net NPL of below 1% level.
    d. Fulfillment of Statutory Reserves (GWM) for both Rupiah and Foreign currency above applicable regulations.
    e. Fulfillment of Net Open Position (PDN) according to applicable regulations.
    f. Fulfillment of the Net Stable Funding Ratio.
    g. Fulfillment of Liquidity Coverage Ratio above applicable regulations.
    h. Setting a target for the Macroprudential Inclusive Financing Ratio (MIFR) and carrying out continuous monitoring to achieve this target.
3. Fulfillment of capital surcharge in accordance with OJK regulations in line with stipulations of BTPN as a Systemic Bank.
4. Fulfillment of the commitment to follow-up on results of OJK's investigation in accordance with target timeline as determined.

H. Reputation Risk

Reputation risk is risk that arise as a result of the decline in the stakeholders' trust level that stemmed from negative perception on the Company.

Reputation Risk Management Framework

Bank BTPN's reputation is a very important asset to business continuity. For this reason, each activity that involves disclosing message/information to external party, both that involves the mass media or not, is regarded with the possibility to affect company's reputation need to be coordinated with Corporate Communications under the Communications & Daya Division.

Corporate Communications is a unit under the Compliance, Legal, and Corporate Secretary Directorate, with the main function managing the Bank's reputation. Such efforts are carried out through effective and efficient communication activities (disclosure of information) to internal and external parties in line with the Bank's strategies, vision, mission, and values.

In connection with the main function of managing the Bank's reputation, Corporate Communications is responsible and takes the role of the main door in disclosing information internally and externally. Corporate Communication also performs the supervisory function (control and monitoring) of all Bank's communication activities in general, which is carried out by each business and supporting unit.

Policies, Procedures, and Limit Setting

In controlling reputation risk, the Bank retains the policies, procedures, and mechanisms in its effort to inherently improve the quality of services, including in handling complaints from stakeholders (customers, stakeholders, and others).

The Bank prepares the steps as included in the procedures as groundwork and anticipation to respond should there be questions from the mass media or customers related to events that disrupt the Bank's reputation.

Adequacy of Risk Identification, Measurement, Monitoring, and Control, and Risk Management System

The reputation risk identification process is performed through reputation risk assessment on new products or activities in their development stage, as well as corporate actions to be undertaken, including the Bank's material transactions. The reputation risk measurement process is conducted through self-assessment of reputation risk as part of the Bank's risk profile carried out periodically. The reputation risk monitoring process is done through media monitoring on negative issues and customers' complaints in the mass media.

There are 2 (two) main parameters in measuring reputation risk, namely (1) negative reporting and (2) frequency and time of settlement of customer complaints. Monitoring the 2 (two) parameters is done continuously so that responses to negative reporting and customer complaints can be managed quickly and accurately not to impact the Bank's reputation. The reputation risk control process is implemented, among others, through the report of the results of the Internal Audit investigation as feedback for sustainable improvement of the operational process.

Monitoring of Reputation Risk is carried out, among others, through the Risk Management Committee. The Internal Audit periodically conducts an investigation on reputation risk management in each related party per the set Audit Plan.

Audit investigation is conducted on negative reporting and managing customer complaints, including documentation, follow-up, and reporting to mitigate reputation risk, reviewed during audit process.

Reputation Risk Control System

The Bank retains the internal control system for reputation risk management, covering periodical supervision of customer complaints or material negative reporting that impacts the Bank's reputation and reputation risk control culture involving all business lines.

Reputation Risk Control and Reputation Risk Management in Time of Crisis

Referring to the Crisis Communication Manual, the Communications & Daya Division is the responsible unit for reputation crisis communication at the head office and appoints the party responsible for reputation crisis communication in the regional office. This division provides support for all aspects of external and internal communication, from planning and implementation to monitoring and evaluating the communication process during a reputation crisis.

The main tasks during a reputation crisis, among others, are as follows:

1. Develop communication strategies and tactics to communicate;
2. Design and draft the key messages;
3. Consider the channels of communication to use;
4. Determine the spokesperson and person in charge of communication;
5. Coordination with the person in charge of communication and appointed spokesperson;
6. Carry out intensive communication function to external and internal parties;
7. Manage requests for information or interview with the media; and
8. Conduct monitoring and evaluation on the communication's effectiveness.



BUSINESS SUPPORT REVIEW

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236 Information Technology and Operations

> Bank BTPN continues to strengthen its business support, both in the fields of human resources, information technology, and operations, to support the Bank's sustainable performance.

HUMAN RESOURCES DEVELOPMENT

> The Bank implements several important initiatives in attracting, developing, and retaining talents.

PT Bank BTPN Tbk ("Bank BTPN," "BTPN," "Bank") regards Human Resources (HR) as an important factor in achieving the Bank's ongoing business performance. As a result, Bank BTPN consistently develops strategic HR development plans that are aligned with the Bank's strategy.

This policy is also consistent with the mandate stated in the Financial Services Authority Regulation (POJK) No. 24 of 2022 on Quality Development of Human Resources for Commercial Banks. The regulation states that the Bank is required to manage its human resources and develop HR quality on a continuous basis.

DEVELOPMENT FOCUS AND POLICY

In the year 2023, Bank BTPN's Human Resources Function successfully implemented several key initiatives. These initiatives aligned with the goal of attracting, developing, and retaining talents, with a strong emphasis on 4 (four) key pillars:

1. Organizational development
   a. Initiatives in developing the organization.
   b. Employee engagement program.
   c. Diversity and inclusion program.
   d. Development of flexible working location.

2. Talent development, learning and employee development
   a. Program to maintain retaining and developing key talents at the Bank.
   b. Prepare them for succession as well as other career development by administering several initiatives through capability enhancement.
   c. Development program by collaborating with SMBC Group.
   d. Talent succession plan program.
   e. Acceleration program.

3. Development of human resources system.
   a. HR Core System
   b. HR Mobile Platform
   c. HR Dashboard



4. Assessment of employee remuneration and benefits. In line with the strategy to attract, develop and retain talents, the Bank consistently evaluated remuneration and benefits so that they remained competitive in the talent market and persevere with market changes.

INITIATIVES AND PERFORMANCE ACHIEVEMENTS IN 2023

In line with the explanation of the Bank's Human Resources Directorate's emphasis on talent development and ongoing support for the organization's growth, In 2023, the Human Resources Directorate implemented several key initiatives, which are in line with strategic focus on attracting, developing, and retaining talents:

1. Organizational Development
   In 2023, BTPN implemented several major initiatives, including an employee engagement program, a diversity and inclusion program, and the continued implementation and review of flexible work locations. In terms of the Bank's talent management process, the Bank conducted an assessment of its talent profile, as well as succession planning, which included the design of development programs for candidate successors such as training, coaching, and other programs.

   The Bank continued the talent development program with practical seminars through leadership series that were held on a regular basis, as well as other training provided through leadership and executive training programs.

   In terms of the employee engagement program, the Bank will relaunch the employee engagement survey in 2023, which will be completed by all Bank employees.

   In 2023, the Bank continued the implementation of the flexible working location framework for the next batch of participants. Thus, at the end of 2023, the entire directorate has implemented the flexible working location framework in accordance with the scope and provisions set forth in the flexible working location procedures.

HUMAN RESOURCES DEVELOPMENT

2. Talent Development, Learning and Employee Development.
   The Bank is committed to carrying out the management and development of HR quality and capability on a continuous basis. The Bank's development and learning programs are administered through the improvement of HR work competencies in technical, non-technical, and leadership areas, including banking mandatory certification as well as competency mandatory certification in accordance with respective employees' assignments. Subsequently, the Bank also conducted HR quality development through acceleration programs for fresh graduate talents.

   Improvement of other competencies was also performed by the Bank through the Bank's e-learning and access to online learning through MOOC (Massive Open Online Courses). Overall, the Bank provided learning facilities and competency and capability development opportunities through various learning approaches and training, both face-to-face and online. In an effort to enhance employees' interests in learning and self-development, Bank BTPN held a hybrid learning festival. The theme for 2023 was "Broadening Horizon, Bringing Impact," whereby employees were asked to expand their perspectives with various knowledge and skills so that they become more capable in their work and have a more meaningful impact.

   The program also focused on the topics of transformation, growth, and quality and continued collaboration with SMBC Group in the employee development process, which was carried out through several other program initiatives. To support the learning management process and training of Bank employees as a whole, the Bank provided a learning management system, which is currently accessed from the HRIS Darwinbox platform. Through this implementation, it is hoped that Bank BTPN employees' experience in accessing e-learning can be improved, while currently the Bank's e-learning materials can be accessed via users' mobile phones.

3. Human Resources System
   In 2023, the Bank applied the automation initiative and digital transformation process to the employment cycle. In 2023, the Bank also implemented a new HR technology consisting of the Human Resource Core System, HR Mobile Platform, and preparation for the HR Dashboard.

4. Review of Employee Remuneration and Benefits.
   In line with the strategy to attract, develop, and retain talent, the Bank consistently continued the review process concerning remuneration and benefits so that it remained competitive in the talent market and kept up with market changes.

RECRUIITMENT POLICY

Bank BTPN always strives to create inclusiveness in the Bank's employee recruitment program. For this purpose, BTPN utilizes various channels of communication and information to announce such job vacancies so that more people can access the information.

Channels to submit information on job vacancies, among others, are BTPN's career website and job search site. In addition, the Bank also collaborates with several universities to obtain the best talents.

Nevertheless, filling out certain positions is intended for internal employees, with the aim of providing development opportunities for BTPN employees. Throughout the year 2023, the Bank recruited some 609 new employees.

COMPETENCY DEVELOPMENT

Strategy implementation in competency development during the year 2023 is described below:

Bank BTPN continued with HR quality development and competency development in technical and non-technical fields and in leadership, among which include the following:

a. Continued the Work/Job Competency Certification Process in the banking sector, including through Risk Management Certification, Payment System and Rupiah Currency Management, WAPERD (Mutual Fund Sales Agent Representatives), and Treasury for employees required to hold the certifications mentioned above.
b. Continued the competency certification process aside from Work/Job Competency Certification in the banking sector, among others, the HR Management certification, Compliance, Technology Information, Internal Audit, and Finance.
c. Bank Acceleration Program for fresh graduate talents
d. Continued other competency improvement processes through training provided by the bank, including through the Bank e-learning system, Massive Open Online Course (MOOC) access, and various training held both online and offline.
e. Organized the 2-day BTPN Hybrid Learning Festival, which focused on the topics of transformation, growth, and quality. In this year's learning festival, a series of programs were carried out, such as seminars with experts, sharing sessions with leaders of Bank BTPN, an employee appreciation program, a learning area/studio, as well as practical training sessions.
f. Continued collaboration with the SMBC Group on the employee development process was conducted through several programs.
g. The Bank provided the learning management system that is currently accessible through the HRIS Darwinbox platform. It is hoped that through such implementation, Bank BTPN's employees' experience may be improved in accessing the Bank's e-learning, of which e-learning materials are now accessible through users' mobile phones.

Highlights of Training Implementation

Description	2023	2022
Total Training Program	753	420
Total Participant	6,544	101,012
Total Man-Days	40,356	33,723
Total Training Investment (Rp Million)	65,031	72,672
Average Training Investment per Employee (Rp Million)	9,8	10,3
Total Training Hours	322,849	269,756

Training Based on Position Level

Position	Total Participant	Type of Training	Training Objective	Organizer
Top Management	187	In house & Public	Self-Development	Internal & External
Senior Management	740	In house & Public	Self-Development	Internal & External
Management	2,830	In house & Public	Self-Development	Internal & External
Office/Supervisor	1,564	In house & Public	Self-Development	Internal & External
Clerical	1,223	In house & Public	Self-Development	Internal & External

HUMAN RESOURCES DEVELOPMENT

REMUNERATION

Bank BTPN's remuneration policies are implemented in accordance with applicable laws and regulations, including Employment Law No. 13 of 2003. Similarly, the provisions concerning the provincial minimum wage (UMP), whose primary policy is determined by the Ministry of Manpower.

Subsequently, the Bank adheres to the principles of meritocracy in implementing remuneration. This principle prioritizes an objective assessment of performance and the resulting impact for the Bank in regulating and determining remuneration. Thus, the basic factors used to adjust employee remuneration refer to the Bank's performance as well as considerations of the economic conditions and the Bank's capabilities. Adjustments to employee remuneration and performance bonuses are granted at the beginning of the year based on the previous year's performance.

Bank BTPN performs an annual assessment on implementing benefits for employees, such as medical protection, which is currently provided in the form of health insurance for employees and their family members. In this assessment, the Bank takes into account the health facility utilization ratio and adequacy ratio. Apart from that, the Bank also compares the facilities provided by comparable banks, based on the data obtained through remuneration surveys conducted by consultants.

The Human Resources Committee, which consists of 5 (five) members of the Board of Directors and 1 (one) member of the Human Resources Officer, conducts remuneration reviews for employees. In accordance with the Human Resources Committee's scope of work, the Human Resources Committee meets at least 4 (four) times per year.

YEARS OF SERVICE REWARDS

Bank BTPN offers years of service rewards to employees who devote their productive time to the bank. Employees with 30 years, 20 years, and 10 years of service at the bank receive such rewards as a token of appreciation for their loyalty to the Company.

In 2023, the Bank extended years-of-service rewards to 382 employees in the following categories: 26 employees with 30 years of service, 13 employees with 20 years of service, and 343 employees with 10 years of service.

EMPLOYEE TURN OVER RATE

In 2023, the Bank experienced a decrease in employee turnover rate, which stood at 12.4%, compared to 13.6% in 2022. The voluntary turnover rate in 2023 was 6.92%, which shows a decline compared to the rate of 10.1% in 2022.

STRATEGIC PLANS IN 2024

To support the focus of the HR Directorate in the Bank's HR development process, as well as to support the Bank's business development going forward, particularly in attracting, developing, and retaining talents, the Bank considers that the human resource strategy that focuses on the pillars of organizational development, talent development, learning and development, HR system implementation, and assessment of remuneration and benefits for employees, is still relevant. In 2024, the Bank will prioritize employee engagement and industrial relations.

Technically described, this strategic focus is divided into 5 core pillars consisting of the following:

1. Organizational Development
   The Bank's organizational development aims to ensure that the Bank has adequate human resources qualified to carry out the Bank's strategy. For the year 2024, the Bank's strategy focus is on developing the organization, which includes talent development and an internal succession plan, as well as a Diversity & Inclusion program aimed at creating a positive working environment. Furthermore, efforts to increase competitiveness in recruiting the best talent are made by improving the Bank's Employer Branding and Employee Value Proposition through a variety of initiatives and collaboration with reputable organizations. The final key initiative in the organizational development pillar is to review and modify Bank BTPN's acceleration development program, with the goal of establishing a development program that is relevant to and aligned with the Bank's business strategy.

2. Learning & Development
   To develop employee talents of Bank BTPN, the Bank is constantly committed to managing and developing the quality and capability of its HR through the improvement of HR job competency in technical, non-technical, and leadership, which include banking mandatory certification as well as competency mandatory certification in line with employee respective assignments by taking into account the principle of prioritization and equal distribution of HR job competencies to develop
   In 2024, the Bank will prioritize core initiatives, including the continuous development and use of the Bank's e-learning, which is currently available through HRIS Darwinbox, a digital training program and analytics for bank employees, and collaboration with the SMBC group. The Bank also continues to fulfill employee certifications, including Risk Management, Payment Systems, and Rupiah Currency Management, WAPERD (Mutual Fund Sales Agent Representative), WPPE-P (Marketing Securities Trading Intermediary Representative), and Treasury for employees who are required to hold certifications as mentioned above, as well as Competency certifications other than Job Competency Certification in the banking sector include HR Management, Compliance, Information Technology, Internal Audit and Finance certifications.

3. Implementation of HR Technology
   Following the implementation of the New HRIS and integrated bank mobile platform in 2023, the Bank will continue the HR digital transformation process in 2024, which will include conducting a review and continuous development of the Bank's HRIS system, as well as developing and implementing the HR Dashboard. The HR Dashboard is expected to improve the Bank's ability to manage, process, and present information about its human resources, allowing management to make more timely and measurable decisions.

4. The Bank will continue to make efforts to increase employee engagement, which has an impact on employee motivation and performance. As a result, in 2024, the Bank will conduct another employee engagement survey, providing training for work unit leaders to understand the importance of increasing work team engagement and encouraging work unit leaders to commit to making improvements and/or repairs as needed as a follow-up to the previous survey results.

5. In 2024, the Bank and the Labor Union will collaborate to prepare, negotiate, and finalize the Bank's Collective Labour Agreement (PKB).

6. Rewards & Performance Management
   The Bank will continuously review employee remuneration and benefits in light of the current market, in order to develop a competitive employee and remuneration formula that is consistent with the Bank's strategic objectives.

INFORMATION TECHNOLOGY AND OPERATIONS

> BTPN Jenius has received ISO 27001 certification, which is part of an initiative to ensure cyber security standards.

INFORMATION TECHNOLOGY

The use of Information Technology (IT) within PT BTPN Tbk ("Bank BTPN", "BTPN", "Bank"), among others, is to support services to customers as well as the Bank's operations. This policy is in line with OJK Regulation No. 11/POJK.03/2022 regarding the Implementation of Information Technology by Commercial Banks.

As a service to customers, the Bank's main focus is carried out in the retail and corporate business sectors. BTPN also realizes that IT has a very important role in supporting the Bank's operational activities and business growth. For this reason, the Bank continues to develop digital banking, which has continuously become the Bank's main advantage.

The Bank's implementation and IT policies emphasize the optimization and effectiveness of IT resources, strengthening IT governance, and also strengthening cyber security. For this purpose, the Bank always manages its on-target IT investment.

Development Focus in 2023

In line with the Bank's Business Plan, Bank BTPN's plans in 2023 include the following:

1. Implement IT capabilities that are strategic to support digital and eco-system businesses in heightening the experience and journey of customers and partners.
2. Carry out operational excellence on a continual basis by consolidating applications, re-engineering, and standardizing technology in order to reduce operational complexities.
3. Apply an IT operation model that is in line with customers to enable agile ways of working and design thinking.
4. Implement strong governance, security, and compliance standards on regulations to mitigate risks and allow sustainable growth and agility, as well as enhance synergy between BTPN IT, BTPN Syariah IT, and SMBC IT.
5. Improve the cyber security aspect by implementing a cyber security roadmap to mitigate business risks.
6. Improve governance and operational aspects related to data use to support business as well as compliance with regulators.



Vision and Mission of Information Technology Directorate

VISION

To be the best innovative solutions provider, delivering distinct experience.

MISSION

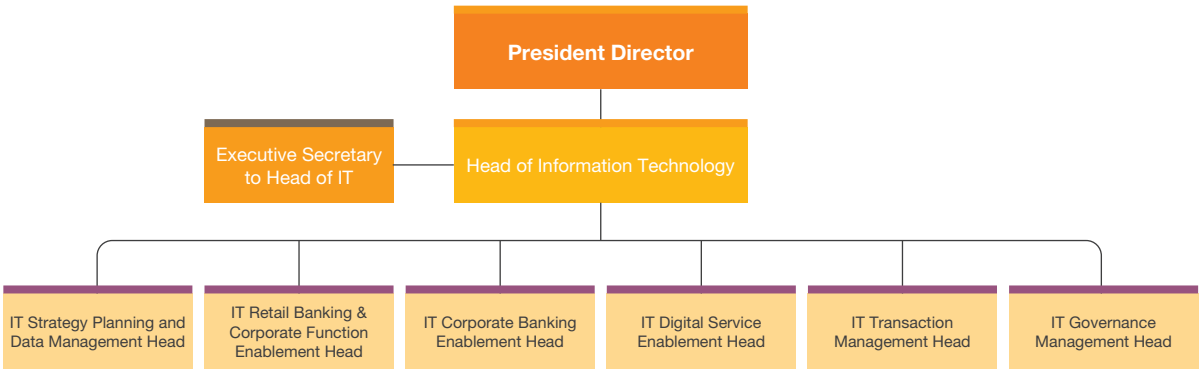
To make life easier for all stakeholders through the creation of valued services.

INFORMATION TECHNOLOGY AND OPERATIONS

IT Management Organizatiton

The implementation of information technology activities within Bank BTPN is managed by the Head of Information Technology, who reports directly to the President Director. The organizational structure that will be effective in 2023 is shown below.

IT Management Organization



Human Resources

Bank BTPN regards reliable human resource (HR) quality as critical to supporting IT development within the Bank. Especially given that BTPN is the first bank to retain digital capabilities and offer digital banking solutions. As a result, the Bank is constantly developing its human resources to ensure that it can support IT development as planned.

The total number of personnel within the Information Technology Directorate was recorded at 475 as of the end of December 2023, spread across 6 (six) organizations.

No.	Organization	Responsibility	Total (Employees)
1	IT Strategic Planning and Data Management Head	Ensuring that the management and organization functions of IT run efficiently and effectively, including strategic IT planning, IT budget management, IT procurement and Vendor Management IT, IT Project Management, and the implementation of innovation centers aligned with the bank's strategic plans and directions. Also, maintaining and enhancing Digital Capabilities, Cybersecurity readiness, overall bank Data quality, data governance, and data-driven decision making.	82
2	IT Retail Banking & Corporate Function Enablement Head	Building relationships and collaborations with Retail Banking & Corporate Functions businesses to support business, operational, and technical solutions with a Customer-Centric approach.	46
3	IT Corporate Banking Enablement Head	Building relationships and collaborations with Corporate Banking businesses to support business, operational, and technical solutions with a Customer-Centric approach.	23
4	IT Digital Service Enablement Head	Continuously develop and maintain core systems, existing payment systems to always meet the bank's business needs, and support the bank's project needs in terms of system integration.	157
5	IT Transaction Management Head	Ensure the availability of infrastructure services to support bank operations, business development, and Key Strategic Initiatives. This includes ensuring the availability and readiness of Disaster Recovery Procedures that meet SLA.	149
6	IT Governance Management Head	Lead, plan, establish, and oversee the implementation of IT governance, ensuring that governance is carried out accordingly by the IT organization, and to ensure and oversee the management of IT risks at the Bank.	16

To support HR capabilities in the IT field, the Bank has actualized a number of training in several areas, among others as follows:

1. Project Management
2. Governance with reference to COBIT 2019, and
3. Secure Code Practice from a cyber security aspect.

Certification

BTPN Jenius, one of BTPN's payment systems, received ISO 27001 certification in 2023. This certification is part of a larger initiative to ensure cyber security standards within the Bank, particularly for Jenius.

Information Technology Governance

Bank BTPN's policy for implementing IT governance within the Bank must be consistent with the plans of the Bank and its parent company (SMBC Group). In addition, the Bank's policy is to follow existing regulations imposed by financial regulators and the government.

The Bank retains operating policies, procedures, and standards, as well as instructions in a variety of areas, including IT planning, budgeting, implementation, and operations. The Bank continues to improve by adopting the common practice framework for governance, known as COBIT 5.0.

The priority for 2023 was to evaluate the process's gap analysis. This will continue as part of the ongoing evolution of the Bank's IT governance.

The IT Strategic Planning (ITSP - IT Road Map) outlines the implementation of governance policies based on the following considerations:

1. BTPN's Vision and Mission.
2. Strategic Objectives of Bank BTPN.
3. Aspirations and strategies at time of merger.
4. Industry and Information Technology trends, such as Open Source, Cloud, Open API, and others.
5. Key main points and challenges.
6. IT Strategic Initiatives previously carried out.

Identification Mechanism on Disruptions

Bank BTPN is always alert to business and technological disruptions. To understand technology disruptions, the Bank evaluates new technology that can be implemented to support the Bank's business, using the following methods:

1. An organization that functions to carry out research and development on new technology
2. A collaboration with SMBC to review new technology
3. An evaluation based on information/case study on technology use carried out by a third party

Cyber Security System Strategy

Bank BTPN is constantly striving to improve its implementation of cyber security risk management standards as it uses information technology to provide digital services to customers. Furthermore, the Bank is becoming more aware of cyber security threats.

The Bank's implementation of cyber security risk management is consistent with current laws and regulations, the parent company's cyber security risk management implementation standards (SMBC Group), and available best practices. For this reason, in 2023, Bank BTPN released and implemented the Cyber Security Risk Management Policy, which includes the Bank's framework, management strategies and standards, and cyber security risk management.

This Cyber Security Risk Management Policy generally covers the following:

1. Cyber security risk governance implementation standards were formulated to ensure the adequacy of the Bank's cyber security risk governance. This governance process includes active supervision by the Board of Commissioners and the Board of Directors, formulating risk appetite and risk tolerance, as well as organizing ongoing cyber security risk awareness campaigns on a regular basis.

INFORMATION TECHNOLOGY AND OPERATIONS

2. The cyber security risk management framework includes the availability and adequacy of cyber security strategies, the adequacy of the Bank's resources and equipment, as well as the availability and adequacy of internal provisions governing the Bank's cyber security risk management implementation standards.
3. Resources management is required in cyber security risk management implementation, in the form of Human Resources (HR), in the adequacy of the cyber security information management system, as well as in the form of other resources needed by the Bank in managing cyber security risks.
4. Cyber security risk control through the implementation of control mechanisms as well as information technology implementation necessary to control cyber security risks that may occur at the Bank.

Disaster Recovery Strategy/Process

BTPN has anticipated that disasters will occur and disrupt the Bank's operational activities. Mitigation efforts as a disaster recovery strategy carried out by the Bank include the following:

1. Retain procedures for IT Business Continuity Plan.
2. Retain data center for data recovery.
3. Regularly (annually) conduct simulation activity for data center transfer.

Reporting System/Mechanism to the Board of Directors

In accordance with OJK Regulation No. 11/ POJK.03/2022 on the Implementation of Information Technology by Commercial Banks, the Bank submits reports on the Information Technology Strategic Plan to the Board of Directors and the Board of Commissioners every semester. This report discusses IT strategic plans, IT strategic plan budgets, and the implementation of IT strategic plan initiatives.

In addition, the Bank reports quarterly to the IT Steering Committee on the following subject matter: IT strategic plan implementation, IT budget, and IT performance.

Evaluation System

Assessment of IT Performance in 2023 included delivery project, governance, branch office satisfaction, customer satisfaction, and operational excellence. Overall, the IT Division achieved outstanding results in 2023, exceeding predetermined measures or targets.

IT Development Roadmap

The IT Development Roadmap for 2023 was consistent with the implementation of the IT Strategic Plan 2022-2026, with a focus on optimizing the use of digital technology, cyber security, the effectiveness of IT resources, and IT governance. Aside from that, the Bank optimized resource utilization and governance through synergy with SMBC.

Development in 2023

IT development in 2023 was carried on in numerous areas, including the following:

1. **Operating and Delivery Model**
   a. The Bank implemented IT Agile and is currently running well to respond to business needs.
   b. The Bank started to implement IT governance.
   c. The Bank maintained availability of IT talents to support the continuity of BTPN digital products and digitalization of processes at Bank BTPN.

2. **Application and Infrastructure**
   a. The Bank has always used digital platforms for various products and channels, such as developing credit cards that are integrated into the Jenius digital platform, allowing it to offer Indonesia's first digital credit card.
   b. The Bank expanded its efforts to simplify integration with third parties, as outlined in Bank Indonesia payment service standards.
   c. In terms of infrastructure, the Bank has adopted cloud technology to support its business operations.
   d. The Bank consolidated, rejuvenated, and decommissioned its applications to make its IT service portfolio more effective and agile in supporting its business.

3. **Core Banking**
   a. The Bank was able to conduct Core Banking consolidation post-merger (retail and corporate banking).
   b. Stabilization was achieved following the implementation of Core Banking consolidation, which enabled banks to manage the system more easily and to offer digital solutions to the corporate segment. In addition, Core Banking handled Corporate Banking transactions and processes.

4. **Data Management**
   BTPN was able to enhance its Data Warehouse and Big Data capabilities, which can be used for operational and customer service purposes in accordance with the Bank's policies and governance.

5. **Cyber Security**
   Consistently maintained and improved BTPN's cyber capabilities to ensure data security and customer transactions.

BTPN IT Excellence

In order to maintain continuity and develop IT skills, the Bank retains a number of benefits, which include the following:

1. Clear objectives and focus.
   Information Technology Organization, Information Technology Special Project, 2020-2023 Information Technology Strategic Planning that will ensure stabilization and continuity towards digital aspirations.
2. Digital capability by optimizing and obtaining business value from digital infrastructure, culture, and mindset (operation model), architecture, modern application development, data management, and cyber security programs.

Technology Investment

In 2023, the total IT capital expenditure (capex) in accordance with the Bank's Business Plan was Rp400 billion. The funds were allocated for a variety of purposes, including the implementation of the loan management system, human resource management system (HRIS), trade finance system, and other digital development.

2024 Strategic Plan

Bank BTPN has plans for the following in 2024, in accordance with the bank's business plan:

1. The Bank plans to implement strategic IT capabilities to support digital business and ecosystems in the context of enhancing the experience and journey of customers and partners and also to support the Bank's business development plan, both organic and inorganic.
2. The Bank plans to continuously implement IT operational excellence by consolidating applications, re-engineering, and standardizing technology in order to reduce operational complexity.
3. The Bank plans to continuously apply an IT operation model that is aligned with customers in order to enable agile ways of working and design thinking.
4. The Bank plans to sustainably implement strong governance, security, and compliance standards on regulations to mitigate risks and allow continuous growth and agility, as well as to improve synergy between BTPN IT, BTPN Syariah IT, and SMBC IT.
5. The Bank plans to ensure the implementation of cyber security that is aligned with the cyber security framework set by the Chief Information Security Officer (CISO).
6. The Bank plans to improve the governance and operational aspects related to the use of data to support business and compliance with regulators.

INFORMATION TECHNOLOGY AND OPERATIONS

OPERATIONS

Bank BTPN's operations are guided by the policy and vision of becoming a competent partner while also continuously supporting the performance and acceleration of the Bank's business development through operational services of excellence.

In essence, the Operations Directorate's presence is intended to support the Bank's business achievements. In the year 2023, BTPN will consistently and sustainably implement the 3 (three) strategy pillars that prioritize service quality, improvement in internal control and compliance, and operational excellence.

Operations Initiatives and Strategies

BTPN's operational line implements the 5 (five)-year strategic plan (2022-2026) that focuses on the pillars that put forward service quality, improvement in internal control and compliance, and the achievement of excellence in the operational line through the following steps.

1. Development in customer service quality, which focuses on service digitalization through the use of technology, improvement in service capabilities that ensure smooth and consistent customer experience with high-level service availability.
2. Improvements in internal control and compliance in the operational line include improved accuracy and dependability of the regulator reporting process, transformation that focuses on continuous monitoring and achievement in prevention mechanisms, and automation in reconciliation and transaction settlement processes.
3. Achievement of excellence in the operational line through digitalization of the work process, expansion of integration initiatives, and implementation of automation that will enhance straight-through processing as well as improvement in data accuracy and quality.

Achievements in 2023

Throughout 2023, BTPN's Operations carried out various initiatives with the focus on improving the three strategic pillars, namely service quality, enhancement of internal control and compliance, and achievement of operational excellence, as follows:

1. Improvements in service quality to customers have been carried out through technology implementation and improvement efforts, including the application of digital services, as described below:
   a. Implementation of chatbot in Jenius application for customer contact services
   b. E-Advice for deposit and loan products for corporate clients
   c. Digitalization in loan disbursement for customers in retirement
   d. Integration of the corporate and retail branch offices at Menara BTPN (BTPN Tower)
   e. Implementation of the One Branch concept for various business services at branch offices
   f. Improvement of the queue application and transaction process application at branch offices
   g. Improvement of the human resource culture that focuses on service

2. In order to improve accuracy, internal control, and process competency, including compliance with regulators as well as the reporting process to regulators, on a continuous basis, the Bank has taken the initiative and developed the following:
   a. Improvement in the reporting to regulators is carried out through the development of a number of reporting support applications, such as the Antasena, SCV, LLL, LLD, OBOX, SLIK, APOLO, Fund Transfer, LCS, QRIS and other reports
   b. Continually increase data quality by carrying out customer data improvement efforts especially for zero data
   c. Implementation of the e-Seal system in line with tax regulations
   d. ISO quality certification on several back-office work units

3. With the focus on achieving operations excellence through automation initiatives and efforts, process improvement and system development are as follows:
    a. Expansion in the implementation of the robotic-bases automation on loan processing, trade finance and other work activities
    b. Application development for reconciliation and monitoring automation on the entire general ledger (GL), with the current automated GL reaching around 700
    c. Increase in transaction process through development activities on the system as wel as domestic and international transaction processing
    d. Application development that supports improvement and control on a number of back-office processes related to loan

Strategic Plans in 2024

In accordance with the 5 (five)-year strategic plan for the period of 2022-2026, BTPN's Operations is committed to continuing implementation that focuses on the three strategic pillars that put forward service quality, improvement in internal control and compliance, and operational excellence through the following steps:

1. The Bank will carry out development in customer service quality that focuses on service digitalization through the use of technology enhancement in service capability that ensures a smooth and consistent customer experience with a high level of service availability.
2. Improvement in internal control and compliance in the operational line through enhancement in the accuracy and dependability of the regulation reporting process, a transformation that focuses on continuous monitoring and achievement in prevention mechanisms as well as automation in reconciliation and transaction completion processes.
3. Achievement of excellence in the operational line through continuous digitalization of the work process while also attending to the environmental impact, such as with fewer paper transactions, expansion of integration initiatives, and implementation of automation that will increase the degree of straight-through processing as well as improvement in data accuracy and quality.

Aside from the three pillars mentioned above, in order to improve customer service, the Bank will continue to develop transactions using the BI-FAST service system in accordance with Bank Indonesia's business strategies and development plans.



CORPORATE GOVERNANCE

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"Bank BTPN continues to improve the implementation of GCG principles as an initiative to support the Bank's performance."

GCG or Good Corporate Governance refers to the system of rules, practices, and processes by which a company is directed and controlled. The main objectives of GCG are to ensure transparency, accountability, fairness, and responsibility in the management of a company, thereby safeguarding the interests of shareholders and stakeholders.

PRINCIPLES OF GCG IMPLEMENTATION

GCG principles in accordance with OJK regulation consists of transparencies, accountability, responsibility, and fairness, while according to General Guidelines for Indonesian Corporation 2021 issued by National Committee of Governance Policy, there are 4 GCG pilars covers ethical behaviour, accountability, transparencies, and sustainability,

of which are divided into 8 elaborations as set forth in the below table:

Description of Principle	Implementation in BTPN
Principle 1: Role and Responsibility of the Board of Directors and the Board of Commissioners	
The Board of Directors and the Board of Commissioners independently play the role and take on the responsibility to create sustainable values for the best long-term interest of the company and shareholders, by taking into account the interests of stakeholders.	The Bank established details of the duties and responsibilities of each company organ and all employees, including the Board of Commissioners and the Board of Directors, clearly and in line with the vision, mission, corporate values, and company strategies.
Principle 2: Composition and Remuneration of the Board of Directors and the Board of Commissioners	
Members of the Board of Directors and members of the Board of Commissioners are selected and appointed in such a way that the composition of the Board of Directors as the management organ and the composition of the Board of Commssioners as the supervisory organ are diverse and each consisting of Directors and Commissioners with commitment, knowledge, capability, experience, and expertise required to precisely fulfill the managing role of the Board of Directors and the supervisory role of the Board of Commissioners.	In appointing the Board of Commissioners and the Board of Directors, the Bank takes into consideration the prevailing laws and regulations, among others, OJK Circular Letter No.32/SEOJK.04/2015 on the Corporate Governance Guidelines of Public Companies and OJK Regulation No.33/POJK.04/2015 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies.
Remuneration is designed to effectively align the interests of members of the Board of Directors and members of the Board of Commissioners with the company's long-term interests and the creation of sustainable values.	In its implementation at the Bank, apart from considering the conditions and performance, the Bank also takes into account OJK Regulation No.45/POJK.03/2015 on the Provision of Remuneration for Commercial Banks.
Principle 3: Work Relations between the Board of Directors and the Board of Commissioners	
Work relations between the Board of Directors and the Board of Commissioners are tight, open, constructive, professional and mutually trusting for the company's best interests.	All organs in the Bank avoid the occurrence of domination by any one party, not effected by certain interests, free from conflict of interest and from any influence or pressure, so that decision-making can be implemented objectively.
Principle 4: Ethical Conduct	
Company has the commitment to act ethically and responsibly, to uphold the values and culture of the organization.	The Bank retains the Code of Ethics applicable to the Board of Commissioners, the Board of Directors, all employees, and independent parties. The Code of Ethics also regulates the creation of a conducive work environment by upholding the Bank's values and culture.
Principle 5: Risk Management, Internal Control and Compliance	
Company implements the integrated corporate governance practices by effective application of the internal control and risk management systems, as well as the compliance management system in support of efforts to achieve corporate goals, vision, mission, objectives and company's performance targets in carrying out business with integrity.	Every year, the Bank conducts periodic reviews on the adequacy of risk management policies and internal control systems so that they always remain relevant to industry developments.
Principle 6: Disclosure and Transparency	
Company establishes accurate and on-time disclosure of all matters related to the corporation.	The Bank conducts information disclosure both periodically and incidentally that accurately discloses information about the Bank including an explanation of the Bank's performance through the website: http://www.btpn.com or IDX's website within the time as stipulated in the applicable laws & regulations.
Principle 7: Shareholders' Rights	
Company protects and facilitates the implementation of shareholders' rights and ensures fair treatment to the shareholders, including the minority shareholders. All shareholders have the opportunity to receive effective compensation for violations of their rights.	The Bank has a reference and clearly states the rights of shareholders in the GCG Manual which is reviewed regularly and uploaded to the Bank's website.
Principle 8: Stakeholders' Rights	
Company accepts the rights of the stakeholders established under prevailing laws and regulations or an agreement consented by the company and encourages active cooperation with stakeholders in generating wealth, employment, and financially sound business sustainability.	Recognition of the rights of stakeholders is evidenced in the Bank's GCG Manual and Code of Ethics. The GCG Manual occupies the highest position in the hierarchy so that it should be the basis for every policy and procedure of the Bank. Meanwhile, the code of ethics serves as a guide for each member of the Board of Commissioners, Board of Directors, Independent Parties and Employees in carrying out their daily duties and responsibilities.

LEGAL BASIS OF IMPLEMENTATION

In implementing GCG principles, the Bank is guided by prevailing laws and regulations, among others are as follows:

1. Law No.40 of 2007 on Limited Liability Company.
2. Law No. 10 of 1998 on the amendment of Law No.7 of 1992 on Banking.
3. OJK Regulation (POJK) No. 17 of Year 2023 regarding Governance Implementation for Commercial Banks which replaced POJK No. 55/ POJK.03/2016
4. Circular Letter of Financial Services Authority No. 13/SEOJK.03/2017 regarding Governance Implementation for Commercial Banks
5. POJK No.21/POJK.04/2015 on the Implementation of Public Company Governance Guidelines.
6. Other POJKs, including those that regulate the Audit Committee, Remuneration and Nomination Committee, the Board of Commissioners and the Board of Directors, implementation of General Meeting of Shareholders, Internal Audit, Public Accountant as well as Compliance Director and Corporate Secretary.
7. General Guidelines of Indonesia Good Corporate Governance from the National Committee of Governance Policy (KNKG).
8. Articles of Association of the Bank.
9. Policies and Procedures of the Bank.

Bank's policies and procedures are grouped in a policy hierarchy that consists of the following:

- **Main Policy of the Bank**
  The Bank's Main Policy is the main or parent policy of all of the Bank's policies, which are policies concerning governance as well as other strategic matters that affect the proper operation of the Bank and are the fundamental principles and guidelines for all provisions prevailing and effective in BTPN.

  The Bank's Main Policy is the Corporate Governance Manual.

- **Operational Policy of the Bank**
  The Bank's Operational Policy is the policy that regulates each of the Bank's activities that reflects the Bank's risk management strategy, including generally explaining the Bank's risk appetite for the said activities.

  Work Guidelines and Procedures of the Board of Directors, Work Guidelines and Procedures of the Board of Commissioners, Work Guidelines and Procedures of Committees, and Procedures prevailing bank-wide, are also applicable as operational policies.

- **Standard Operating Procedures**
  Standard Operating Procedures (SOP) serve as guidelines that regulate in detail a process and explain the stages of a structured, systematic activity that must be carried out, including who, how, where, when to be conducted, and its control mechanism. The procedures must strictly apply the four-eyes function, adequate internal control function, and refer to policies.

- **User Manual/Technical Instruction/ Other Equivalent Documents**
  The User Manual or Technical Instruction, also referred to as the Implementation Guidelines, is described as follows:
  a. Stages/how to use a system/application that explains in detail how to input/fill in data on each screen and field, or
  b. Guidelines is more detailed than SOP for users, both operators and supervisors, or
  c. Setting on the standard parameter within the system, or
  d. A brief guideline used as a tool to explain to customers about products and services, and
  e. Established with reference to related SOP.

Approval for the issuance of policies and procedures and/or amendments thereof is carried out by considering the respective hierarchies. Review of the policies and procedures issued by the Bank is administered periodically, once a year or sooner if necessary.

ASEAN REFERENCE

As the strong commitment to the GCG implementation, BANK BTPN also aims to GCG applied within ASEAN region using ACGS. ACGS or the ASEAN Corporate Governance Scorecard (ACGS), of which is a tool developed by the ASEAN Capital Markets Forum (ACMF) to assess the corporate governance practices of publicly listed companies in ASEAN member states. The ACGS evaluates companies based on a set of indicators aligned with international best practices in corporate governance. A high score on the ACGS indicates that a company has robust governance practices in place, which can enhance investor confidence and contribute to the stability and growth of capital markets in the region.

To evaluate the ACGS, BANK BTPN appointed an independent consultant who shares the results among the Board of Commissioners and relevant Board of Directors members in a dedicated forum for continous improvement.

OBJECTIVES OF GCG IMPLEMENTATION

For BANK BTPN, the importance of GCG is significant. It is not only designated for BANK BTPN adhering the rule, but it is believed to contribute to several key aspects:

1. Enhanced Transparency: GCG promotes transparency by requiring companies to disclose relevant information regarding its financial performance, corporate policies, and decision-making processes. This transparency builds trust among investors, creditors, and other stakeholders.
2. Improved Accountability: GCG establishes mechanisms to hold corporate leaders accountable for their actions and decisions. This accountability ensures that management acts in the best interests of shareholders and stakeholders, rather than pursuing personal gain or agendas.
3. Protection of Shareholder Rights: GCG frameworks often include provisions to protect the rights of shareholders, such as equitable treatment and access to information. These protections help prevent abuses of power and conflicts of interest within the company.
4. Risk Management: GCG practices encourage the implementation of effective risk management processes, ensuring that companies identify, assess, and mitigate risks appropriately. This helps safeguard the company's financial stability and long-term viability.
5. Enhanced Corporate Reputation: Companies with strong GCG practices tend to enjoy a positive reputation in the marketplace. This reputation can attract investors, customers, and business partners, creating opportunities for growth and expansion.

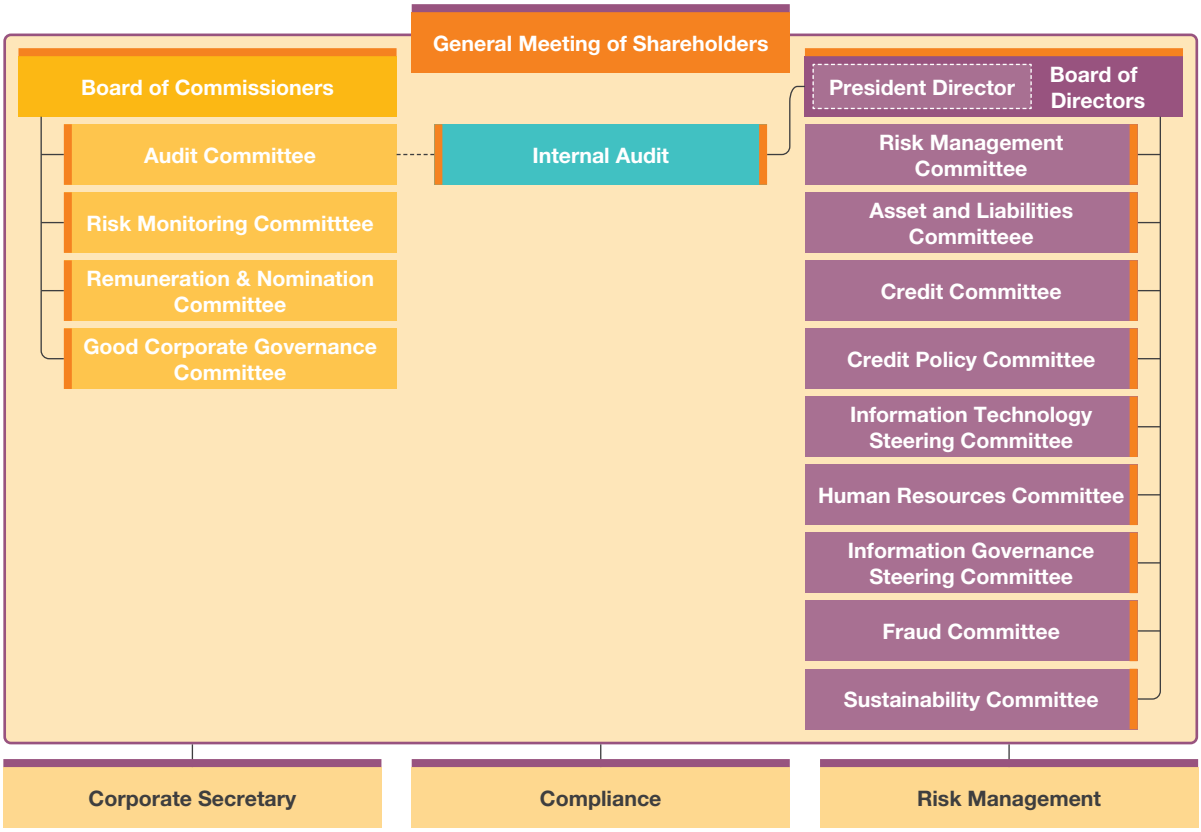
The importance of GCG in Indonesia is underscored by various laws and regulations aimed at promoting transparency, accountability, and fairness in corporate governance.

The Indonesian Financial Services Authority (OJK) has issued regulations mandating listed companies to comply with GCG principles and disclose relevant information to stakeholders. Additionally, the Indonesia Stock Exchange (IDX) has established GCG guidelines for listed companies to follow.

Overall, GCG plays a vital role in ensuring the long-term sustainability and success of companies by fostering a culture of integrity, responsibility, and trustworthiness. Its link to the ASEAN GCG Scorecard and Indonesian law reinforces its significance in the regional and domestic business environments.

GCG STRUCTURE

Until the end of fiscal year 2022, the GCG structure effective in BTPN is as follows:



GCG IMPLEMENTATION AND COMMITMENT

Assessment on GCG implementation within Bank BTPN is mainly carried out through self-assessment or by appointing an independent consultant. Results from self-assessment which refers to OJK stipulations, in the year 2023 the Bank managed to achieve a rating of 2 (from a scale of 1 to 3).

ASSESSMENT OF GCG IMPLEMENTATION IN 2023

Implementation of assessment refers to Financial Services Authority Regulation (POJK) No. 17 of Year 2023 as the replacement to POJK No. 55/POJK.03/2016 and OJK Circular Letter No. 13/SEOJK.03/2017 regarding Governance Implementation for Commercial Banks. Results of the self-assessment on the Bank's 2023 GCG implementation, which are further explained in detail, are inseparable parts of this report on governance implementation.

The Assessor

The Bank's GCG implementation self-assessment was conducted by the Corporate Secretary Division in coordination with the Compliance Division, Risk Management Work Unit, Internal Audit Work Unit, and the Planning and Finance Division.

Assessment Criteria

With reference to OJK Circular Letter No.13/SEOJK.03/2017 on Governance Implementation for Commercial Banks, the criteria used in the assessment are as follows:

1. Governance Structure
2. Governance Process
3. Governance Outcome

Implementation of the 3 (three) indicators was evaluated on these aspects: Implementation of the Duties and Responsibilities of the Board of Directors, Implementation of the Duties and Responsibilities of the Board of Commissioners, the Committees' Integrity and Duty Implementation, the Implementation of External Audit Function, the Implementation of Risk Management Function including the Internal Control System, Provision of Funds to Related Parties and Provision of Large Exposure, Transparency of Financial and Non-Financial Conditions, Governance Implementation Report and Internal Reporting, as well as the Bank's Strategic Plans; Handling Conflict of Interest; Provision of Remuneration, Shareholders; Implementation of Anti Fraud Strategy; and Implementation of Sustainable Finance..

Assessment Results

The result of the self-assessment on GCG implementation for the year 2022 was a "2" rating with a "Good" category, applied to both the individual Bank and in consolidation.

Results of Self-Assessment on Governance Implementation

	Rating	Definition of Rating
Individual	2	Good
Consolidated	2	Good

Analysis
The composite rating of 2 (two) reflects the management's "good" implementation of corporate governance. This was reflected in the adequate fulfillment of the governance principles. Should there be any weakness in implementing the corporate principles, then the management could have resolved such shortcomings with proper action.

As a form of seriousness towards GCG implementation, the Bank appointed a related consultant to conduct the assessment or review of GCG implementation comparing against the guidelines applicable in Southeast Asia. The overall score for GCG implementation in 2022 achieved by the Bank (ASEAN CG Scorecard 2023) was 99.19 point, assessed as "Very Good" or on Level 4 (90-99.99).

Thiss assessment meant that the Bank's corporate governance implementation has fully complied with international standards as required by ASEAN Corporate Governance Scorecard (ACGS).

GCG IMPLEMENTATION AND COMMITMENT

REVIEW OF GCG IMPLEMENTATION IN 2023

With the resolution of Extraordinary GMS dated 22 June 2023, BANK BTPN adjusted its articles of associations related to the changes of quorum of Board of Commissioners's Meeting and the revision of text pursuant to the actual condition of remuneration of Board of Commissioners.

To comply with OJK governing rules on GCG for financial institutions and publicly listed companies:

1. Board of Commissioners and Directors: Bank BTPN maintains the composition, roles, responsibilities, and qualifications of the board of commissioners and directors as per OJK's rule, whereby to ensure that the board members possess the necessary expertise, experience, and integrity to effectively oversee and manage the company's affairs and interest.
2. Internal Control and Risk Management: Bank BTPN established robust internal control systems and risk management frameworks to identify, assess, and mitigate risks effectively. This includes implementing controls to safeguard assets, prevent fraud, and ensure compliance with laws and regulations.
3. Transparency and Disclosure: Bank BTPN maintained transparency in its operations and provide timely and accurate disclosure of material information to stakeholders. This includes financial reports, corporate governance reports, related-party transactions, and other disclosures required by regulatory authorities.
4. Shareholder Rights and Stakeholder Engagement: BANK BTPN respects and protects the rights of shareholders, including the right to participate in decision-making processes and receive dividends. Additionally, BTPN engaged with other stakeholders, such as employees, customers, suppliers, and the community, to address their interests and concerns through various channels.
5. Ethical Standards and Integrity: BANK BTPN conducted OJK's mandate on the importance of ethical behavior and integrity in corporate governance. For such, BANK BTPN established codes of conduct and ethics policies to guide the behavior of directors, employees, and other stakeholders. This includes measures to prevent conflicts of interest, bribery, corruption, and other unethical practices.
6. Remuneration and Incentive Systems: Bank BTPN has adopted remuneration and incentive systems that are fair, transparent, and aligned with the company's long-term interests and performance. BANK BTPN refers to OJK regulations which provide guidelines for determining executive compensation, including the use of performance-based incentives and clawback provisions.
7. Compliance and Enforcement: BANK BTPN has mechanisms for monitoring compliance with GCG requirements and enforcing corrective actions when necessary. This includes conducting audits, inspections, and investigations to ensure adherence to regulatory standards and taking enforcement actions against non-compliant companies or individuals.

Overall, BANK BTPN OJK subjects to OJK regulations on GCG which aims to promote sound corporate governance practices that enhance transparency, accountability, and integrity. By complying with these regulations, BANK BTPN can strengthen investor confidence, improve risk management, and contribute to the sustainable growth and stability of the economy.

Furthermore by the issuance of the new rule on GCG for commercial bank at September 2023, BANK BTPN has started to adjust its manual and charters as well as other GCG structure, of which are still on going and estimated to be completed by mid 2024.

THE IMPLEMENTATION OF GOVERNANCE GUIDELINES OF PUBLIC COMPANIES

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

Implementation of Governance Guidelines of Public Companies

Principle	Recommendation	Compliance	Implementation
Principle 1 Improve the Value of the GMS	1.1 Public company has technical procedures for open and closed voting, which prioritizes independence and shareholders' interests.	Comply	Technical procedures for voting are stipulated in the Bank's Articles of Association and guidelines each time the Bank planned to have General Meeting of Shareholders. Both documents were published on the Bank's website and on KSEI's e-proxy platform.
	1.2 All members of the Board of Directors and the Board of Commissioner of Public Listed Company are present at the Annual GMS.	Comply	The Annual General Meeting of Shareholders was held on 13 April 2023 and was attended by all members of the Company's Board of Commissioners and the Board of Directors, physically or virtually.
	1.3 The summary of the GMS minutes of meeting is available on the Public Listed Company's website for at least 1 year.	Comply	The summary of the GMS minutes of meeting is available on BTPN website.
Principle 2 Improve the Quality of Communication of Public Companies with Shareholders or Investors	2.1 Public Companies have the policy on communication with the shareholders or investors.	Comply	BTPN has the communication policy with shareholders or investors that covers the following: 1. Strategy 2. Program 3. Time for communication
	2.2 Public Companies discloses its communication policy with shareholders or investors through the website.	Comply	The policy on communication with shareholders is disclosed on the Bank's website. The communication policy is stipulated under the Corporate Governance Manual.
Principle 3 Strengthen the Membership and Composition of the Board of Commissioners	3.1 Determining the number of members of the Board of Commissioners takes into account the condition of the Public Company	Comply	Determining the number of members of the Board of Commissioners by considerations of the need and complexity of the Bank.
	3.2 Determining the composition of members of the Board of Commissioners with attention to the various expertise, knowledge and experience needed.	Comply	The composition of the Board of Commissioners is based on the expertise, professional experience, background to support the effectiveness of duties implementation of the Board of Commissioners.
Principle 4 Improve the Quality of Duties and Responsibilities Implementation of the Board of Commissioners	4.1 The Board of Commissioners has the policy on self-assessment to evaluate the performance of the Board of Commissioners.	Comply	BTPN has the self-assessment policy to evaluate the performance of the Board of Commissioners, covering the following: 1. Purpose and objectives of activities and assessment 2. Time of implementation 3. Benchmark or criteria used in assessment The policy is stipulated in the Work Ethics Charter of the Remuneration and Nomination Committee.
	4.2 Self-assessment policy to evaluate the performance of the Board of Commissioners, disclosed through the Annual Report of the Public Company.	Comply	The self-assessment policy is stipulated in the Work Ethics and Charter of the Remuneration and Nomination Committee, and disclosed in this 2023 Annual Report in the section of Performance Assessment of the Board of Commissioners.
	4.3 The Board of Commissioners has the policy related to the resignation of members of the Board of Commissioners if involved in financial crime.	Comply	Provisions related to the resignation of members of the Board of Commissioners if involved in financial crime is stipulated in the Board of Commissioners Manual.
	4.4 The Board of Commissioners or Committees in charge of the Nommination and Remuneration function prepares the succession policy in the nomination process of members of the Board of Directors.	Comply	The succession policy in the nomination process of members of the Board of Directors is stipulated in the Remuneration and Nomination Committee Charter.
Principle 5	5.1 Determining the number of members of the Board of Directors with consideration to the conditions of the Public Company and the effectiveness of the decision-making.	Comply	Determining the number of members of the Board of Directors is based on considerations of the needs and complexity of the Bank.

GCG IMPLEMENTATION AND COMMITMENT

Principle	Recommendation	Compliance	Implementation
	5.2 Determining the composition of members of the Board of Directors with attention to the various expertise, knowledge and experience needed.	Comply	Composition of the Board of Directors is based on banking knowledge, expertise, professional experience, background to support the effectiveness of duties implementation of the Board of Directors.
	5.3 Members of the Board of Directors in charge of accounting or finance have expertise and/or knowledge in accounting.	Comply	BTPN Finance Director has the competency in accounting and finance, disclosed in this 2022 Annual Report in the Profile of the Board of Directors section.
Principle 6	6.1 The Board of Directors has the policy on self-assessment to evaluate the performance of the Board of Directors.	Comply	BTPN has the self-assessment policy to evaluate the performance of the Board of Directors, among others covering the following: 1. Purpose and objectives of activities and assessment 2. Time of implementation 3. Benchmark or criteria used in assessment The policy is stipulated in the Remuneration and Nomination Committee Charter.
	6.2 Self-assessment policy to evaluate the performance of the Board of Directors is disclosed through the Annual Report of the Public Company.	Comply	The self-assessment policy is disclosed in this 2022 Annual Report in the section on Performance Evaluation of the Board of Directors.
	6.3 The Board of Directors has the policy related to the resignation of members of the Board of Directors if involved in financial crime.	Comply	Provisions related to te resignation of members of the Board of Directors if involved in financial crime is stipulated in the Board of Directors Manual.
Principle 7 Improve Corporate Governance Aspect through Stakeholders Participation	7.1 Public Company has the policy to prevent insider trading.	Comply	Provisions on the prevention of insider trading is stipulated in the Procedures Regarding Insider Information and Personal Account Dealing & Investment.
	7.2 Provisions on the prevention of insider trading is stipulated in the Procedures for Ownership of Price Sensitive Information, Investment Transaction and Private Ownership.	Comply	Bank BTPN retains the procedures on Insider Information and Personal Transactions & Investments that regulate the prevention of insider trading, Ownership of Sensitive Information on Price, Investment Transaction and Private Ownership.
	7.3 Public Company has the policy on the selection and improvement of capabilities of suppliers or vendors.	Comply	The policy covers among others of the following: 1. Criteria for selecting vendors 2. Efforts to improve the capabilities of vendors 3. Fulfillment of rights related to vendors Provisions related to selection and improvement of capabilities of suppliers or vendors are disclosed on the Bank's website.
	7.4 Public Company has the policy on the fulfillment of creditor's rights.	Comply	The policy covers considerations in entering into agreements and follow-ups in meeting obligations to creditors. The policy is disclosed on the Bank's website.
	7.5 Public Company has the policy on whistleblowing system.	Comply	The policy on the whistleblowing system includes the following: 1. Types of violation that can be reported through the whistleblowing system. 2. Means of reporting. 3. Protection and guaranteed confidentiality of the whistleblower. 4. Complaints handling. 5. The party in charge of handling complaints. 6. Results and follow-up of reports. This policy is disclosed on the Bank's website.
	7.6 Public Company has the policy on providing long-term incentive to the Board of Directors and employees.	Comply	The policy on long-term incentives for the Board of Directors and Employees is stipulated in the MESOP (Management of Employee Stock Option) SOP.

Principle	Recommendation	Compliance	Implementation
Principle 8 Improve Implementation of Information Disclosure	8.1 Public Company makes use of information technology in wider range as the media to information disclosure.	Comply	BTPN's official social media accounts: **Facebook:** @BankBTPNOfficial https://facebook.com/BankBTPNofficial **Twitter:** @sahabatBTPN https://twitter.com/sahabatbtpn **Instagram:** @lifeatbtpn https://www.instagram.com/lifeatbtpn/ **Youtube:** Bank BTPN https://www.youtube.com/user/BTPNBank
	8.2 Annual Report of Public Company discloses the ultimate beneficial owner in Public Company's share ownership of at least 5%, in addition to disclosing the ultimate neficial owner in Public Company's share ownership through major and controlling shareholders.	Comply	Bank's Annual Report disclosed the ultimate beneficial owner in the ownership of Public Company's shares of at least 5%. Information on this is also disclosed on the Bank's website.

A. Governance Structure

1. Positive Factors of governance structure aspect of the Bank are as follows:

- The membership structure of the Board of Directors (BOD) and the Board of Commissioners (BOC) has complied with prevailing regulation.
- The incumbent members of BOD and BOC have obtained approval from General Meeting of Shareholders ("GMS") and passed the fit and proper test of OJK (Otoritas Jasa Keuangan or the Financial Services Authority of Indonesia). In accordance with the Extraordinary GMS on 22 June 2023, 1 Director has resigned and been replaced by a candidate who has passed the fit and proper test from OJK and has been effectively assumes the office as of 25 July 2023.
- All members of the Board of Directors and Board of Commissioners has commitment to keep their integrity, financial reputation and competence.
- Membership composition of each BOC' Committee has complied with prevailing regulation. Role and responsibilities of each BOC' Committee has been clearly stated in the Charter, in which are periodically reviewed and adjusted with the newest OJK Regulation No. 17 Year 2023 regarding the Implementation of Good Corporate Governance for Commercial Banks.
- The Bank has established a Policy and Procedures on conflicts of interest, in which is periodically reviewed.
- The Compliance Unit is supported by qualified human resources and is independent from the operations of other working unit. In addition, the appointment of the Compliance Director has complied with prevailing regulation.
- The internal audit function is supported by qualified human resources and independent from the operations of other working unit. The structure of Internal Audit Working Unit (SKAI) and SKAI Working Guidelines has complied with prevailing regulation.
- The organizational structure to support the implementation of risk management and internal internal control is adequate, which is supported by policies, as well as sufficient procedures and risk limits set up.
- Public Accountant (AP) and the Public Accountant Office (KAP) has been appointed as the executors of the external audit function by considering their capacity, legality of the working agreement, audit scope, professional accounting standards of public accountants and communication between OJK with the said KAP has been done properly . This assignment is in accordance with the recommendations of the Audit Committee and approved by the Annual GMS on April 13, 2023.
- The Bank has a Risk Management Policy, Credit Policy, LLL Procedure, Business Operational Procedure including monitoring and procedures for handling non-performing loans for all provision of funds including related parties.

GCG IMPLEMENTATION AND COMMITMENT

- The Bank has policies and procedures regarding procedures for implementation of transparency in financial and non-financial conditions.
- The Bank has prepared the GCG Implementation Report at the end of each financial year, latest for financial year of 2022 and has been published at 21 March 2023. GCG Implementation Report for financial year of 2023 is still under preparation and will be published through reporting media in timely manner.
- Internal reporting has been carried out in a complete, accurate, and timely manner with the support of adequate resources and procedures.
- The Bank is furnished by a reliable information system in which is supported by competent human resources and adequate information technology (security system).
- The Bank's strategic plan has been formulated in the Corporate Plan and Business Plan in accordance with the Bank's vision and mission, and to be supported by the Bank's Owner.
- In accordance with OJK letter No. SR-133/PB.32/2021 dated 15 November 2021 regarding Conglomeration Status of SMBC Group in Indonesia, the status of the Bank changed to a Bank Business Group which was originally a Financial Conglomerate. Thus, the existence of the Integrated Governance Committee at the Board of Commissioners level and the Integrated Risk Management Committee at the Board of Directors level were removed. However, as a follow-up to OJK's request for the Bank to become the Coordinating Entity of the Financial Group, Bank BTPN formed a Corporate Governance Committee at the Board of Commissioners level.

2. Negative Factor of governance structure aspect of the Bank is as follow:

There is no negative factor.

B. Governance Process

1. Positive Factors of governance process aspect of the Bank are as follows:

- Management of the Bank by BOD as well as the Oversight of BOD by BOC have been performed in accordance with its duties and responsibilities as stipulated in the respective Charter, the Bank's Policies and Procedures, and the Bank's Articles of Association, which are periodically reviewed by the Bank.
- The whole GCG implementation has been completely carried out by BOD and assured by BOC.
- The Bank's Shareholders does not intervene in the management of the Bank by BOD to implement GCG principles. The Bank has established a policy and procedure as well as conducted periodically review on Communication Line between the Bank and majority shareholder of the Bank, namely Sumitomo Mitsui Banking Corporation ("SMBC"). On the other hand, the Bank also regulates the flow of communication with its subsidiaries which are regularly reviewed by the relevant divisions
- Each BOC's Committee has performed its duties and responsibilities in accordance with the Committee's Charter. For the improvement of the Committees performance, the Committee has conducted self assessment to the committee's performance and submitted to BOC Meeting, which is then discussed in order to improve the performance of the committee. Assessment is also carried out on independent committee members individually, to assess the capacity and independence of each independent party
- BOD and BOC members do not participate in the decision making process which contain a Conflict of Interest. To manage transaction which contain a Conflict of Interest, each party shall assess the transaction that will be entered by the Bank and a party which potentially has conflict of interest with BOD and BOC. Therefore, the List of Related Parties of the Bank can be easily accessed by the respective party.

- The function of the Compliance Director and the compliance working unit have been carried out in accordance with prevailing regulation.
- The duties and responsibilities of the Directors in relation to internal control has complied with prevailing regulation. The audit findings have been followed up with the direction of BOC, and to improve the effectiveness of the Internal Audit works. The Bank has started to conduct the review on June 2022 or 3 years after the most recently in 2019. Review of the effectiveness of Internal Audit activities has been performed in 2022 or 3 years since the last review performed in 2019. The review was done by PT RSM Indonesia which is an independent assessor. The result of the review is "Generally Conform" without any issue raised nor recommendation and has been submitted to Financial Services Authority (OJK) in August 2022. The next review will be conducted in 2025.
- The appointed AP and KAP are able to work independently, meet the professional standards of public accountants and working agreements as well as the specified audit scope. In addition, the audit report and Management Letter has been submitted by AP to OJK.
- The duties of BOD and BOC related to the application of risk management are clearly stated in internal procedures in accordance with prevailing regulation and have been implemented prudently.
- The Bank has periodically evaluated and updated its policies, systems and procedures to comply with the prevailing regulations. The Bank has also ensured the adequate processes for the provision of funds to related parties and the provision of large amounts of funds (large exposure) to comply with the prudential banking principles, as well as making decisions regarding these matters carried out independently without intervention from related parties and / or other parties.
- The Bank has transparently disclosed the financial and non-financial conditions to the Stakeholders, and submit the reports as required by the prevailing regulation in a timely manner.
- The Bank's Business Plan for 2023-2025 and its changes as well as the Bank's Business Plan for 2024-2026 have been prepared in a realistic, comprehensive, achievable manner with taking the prudence principles into account, and has sufficient flexibility so that it is responsive to internal and external changes.

2. Negative Factor of governance process aspect of the Bank is as follow:

There are no negative factors.

c. Governance Outcome

1. Positive Factors of governance process aspect of the Bank are as follows:

- For financial year 2022, BOD and BOC has submitted its accountability report on the implementation of its duties and responsibility to shareholders which has been released and discharged (Acquit et de charge) by the Annual GMS on April 13, 2023. Accountability report for year 2023 will be conducted through AGMS which will be held in 2024.
- BOD and BOC Minutes of Meeting have been well documented and decisions or recommendations resulting from the Meetings have been and in the ongoing process.
- BOC Committee's performance has been improved, from the subject of discussion, the increased frequency of the meeting with more relevant meeting material, so BOC may provide appropriate input.
- Bank's operational activities are free from the intervention of shareholders/ related parties / other parties which may cause a conflict of interest or incur loss to the Bank or reduce the profit of the Bank

GCG IMPLEMENTATION AND COMMITMENT

- The Compliance culture continues to be echoed and actively conducted.
- In line with the commitment in the Governance Policy related to compliance with the applicable Laws and Regulations, every decision-making and operational activities of the Bank always refer to the prevailing regulations
- Internal Audit perpetually maintains the objectivity/independency in performing audit function. All audit scope and findings are periodically reviewed in Audit Committee meetings.
- The Bank has implemented risk management effectively. Bank soundness level both in individual and in consolidation is at level 2 for several periods consisting of an assessment of inherent risk and the quality of risk management implementation (with a risk profile level 2).
- Provision of funds to related parties and the large amounts of exposure has complied with the prevailing regulation, and has been reported in a timely manner to OJK.
- The obligation to prepare reports and submit reports to OJK has performed with the content as required by the prevailing regulation.
- The RBB revision for year 2024-2025 and the Second Amendment of Corporate Plan for year 2022-2026 have been prepared by BOD and approved by BOC, and it has submitted to OJK on 15 November 2023.

2. **Negative Factor of governance outcome aspect of the Bank is as follow:**
   There are still fines imposed by the regulator towards the late submission and/or errors of the reports. The Bank continuous to conduct socialization on the commitment to “Zero Penalties” and the implementation of a more active compliance culture. The Bank also implement the Root Cause Analysis towards the imposed fine and take the follow up action as well as preventive and corrective steps to mitigate the repetition of similar issues or can be avoided as much as possible.

GENERAL MEETING OF SHAREHOLDERS (GMS)

LEGAL BASIS

The General Meeting of Shareholders (GMS) is the Company's organ bearing all authorities not delegated to the Board of Commissioners and the Board of Directors. Through the GMS, Shareholders extend their rights in decision-making.

Based on the Bank's Articles of Association, there are 2 (two) types of GMS, the Annual GMS namely the Annual GMS and other GMS, referred to as Extraordinary GMS. The legal basis for extending GMS refers to the following:

1. Law No.40 of Year 2007 on Limited Liability Company
2. Financial Services Authority Regulation No.15/ POJK.04/2020 on the Plan and Implementation of the General Meeting of Shareholders of Public Companies.
3. Financial Services Authority Regulation No.16/ POJK.04/2020 on the Implementation of Electronic General Meeting of Shareholders of Public Companies.
4. Articles of Association of Bank BTPN.

RIGHTS AND RESPONSIBILITIES OF SHAREHOLDERS

Bank BTPN provides fair treatment to all shareholders, in accordance with the mandate provided through prevailing laws and regulations such as POJK No.17/2023 regarding Governance Implementation for Commercial Banks. This policy is reflected through the descriptions on rights and responsibilities of the Shareholders, among others which include the following:

1. Shareholders have the rights to attend GMS, either in person or represented by a power of attorney, to respond to the GMS agenda as well as to participate in the decision making in accordance with the the number of shares owned.
2. Shareholders have the rights to obtain accurate and adequate information on timely manner related to the Company as long it is related to GMS agenda and not in conflect with the interest of the Company, so that shareholders may take accurate decisions at the GMS.
3. Shareholders have the rights to obtain net profit-share in the form of dividend and in other forms profit-share in line with the number of shares owned.
4. Each shareholder is subject to submission and compliance with the Bank's Articles of Association as well as prevailing laws and regulations.
5. Controlling shareholders are obligated to take into account the interests of minority shareholders and other shareholders in accordance with prevailing laws and regulations.
6. Minority shareholders are responsible for using their rights in accordance with prevailing laws and regulations and the Bank's Articles of Association.
7. To disclose the list of related parties, if the shareholder acts as the controlling shareholder of the Bank.

GMS IMPLEMENTATION IN 2023

Throughout the year 2023, Bank BTPN conducted 3 (three) GMS, namely 1 (one) Annual GMS held on 13 April 2023 and 2 (two) Extraordinary GMS held on 22 June 2023 and 7 December 2023, attended both in person as well as virtually by the Shareholders, the Board of Commissioners and the Board of Directors.

Mechanism of GMS Decision Making and Vote Count

The mechanisms of making decisions, voting, and counting the votes are regulated by the GMS procedures as disclosed on the websites of the Bank and PT Kustodian Sentral Efek Indonesia/Indonesian Central Securities Depository (KSEI). All such information is conveyed to the Shareholders.

GENERAL MEETING OF SHAREHOLDERS (GMS)

Each Shareholder or Proxy has the right to question and/or extend an opinion to the Chairman of the meeting prior to the voting session for each meeting agenda. In vote counting, 1 (one) share provides the right of the holder to extend 1 (one) vote. If a shareholder holds more than 1 (one) share, then the concerned shareholder shall have only 1 (one) vote that represents the total number of shares owned.

The decision-making mechanism using open voting is conducted with the Meeting Chairman's request for shareholders and proxies who vote against or abstain on the proposed recommendation to raise their hands. For easier vote counting, shareholders and proxies who vote against or abstain on the proposed recommendation are asked to state their names and the number of cast votes on the ballot provided by the Securities Administration Bureau.

The officer from the Notary will then collect the filled-in ballots to be counted. The Notary reports the result of the counting to the Meeting Chairman. In the implementation of the Annual GMS and Extraordinary GMS, the Bank also administers the implementation of electronic power of attorney or E-Proxy. Shareholders may vote on the agenda's recommendation proposed by the Bank without having to attend in person to the GMS venue. The opportunity to vote is provided to shareholders from the invitation date until the GMS implementation. It is to be counted with the votes from the shareholders attending in person at the GMS implementation venue.

Involvement Of Independent Parties In Vote Counting

At the implementation of the Annual and Extraordinary GMS, the Company appointed independent parties to calculate the quorum and votes, namely Ashoya Ratam, SH, Mkn as Public Notary as well as PT Datindo Entrycom as the Securities Administration Bureau.

The Annual GMS 13 April 2023

Stages of Implementation

Submission of Meeting Plan	Announcement	Registratiin Shareholders List	Invitation	Impelementation	Submission of Meeting Resolutions
23 February 2023 and 13 March 2023	6 March 2023	20 March 2023	21 March 2023	13 April 2023	14 April 2023

Participants of the Annual GMS

Participants who attended the meeting in person are as follows:

Board of Directors	Board of Commissioners
Henoch Munandar	Chow Ying Hoong
Kaoru Furuya	Takeshi Kimoto
Darmadi Sutanto	Ninik Herlani Masli Ridhwan
Dini Herdini	Irwan Mahjudin Habsjah
Hiromichi Kubo	Edmund Tondobala
Merisa Darwis	Ongki Wanadjati Dana
Hanna Tantani	
Kan Funakoshi	

Agenda, Resolution and Realization of the Annual GMS

Agenda	Resolution
Agenda 1	
Ratification and Approval of the Financial Statements and Annual Report of Fiscal Year 2022, including but not limited to the following: 1. Report on the Implementation of Corporate Governance (GCG); 2. Report on the supervisory duty of the Board of Commissioners for fiscal year 2022; 3. Release and Discharge (Volledig Acquit et Decharge) of the Board of Directors and the Board of Commissioners appointed in fiscal year 2022.	1. To approve the Annual Report of the Board of Directors of the Company for the financial year 2022; 2. To approve the Implementation of Good Corporat Governance Report for the financial year 2022; 3. To approve the Annual Supervisory Report of the Board of Commissioners for financial year 2022; 4. Approved the Company's Consolidated Financial Statements for financial year 2022, which has been audited by the Registered Public Accountants Firm by Siddharta Widjaja & Partner, with fairly opinion, in its report No. No.00025/2.1005/AU.1/07/1212-1/1/II/2023 dated 24 February 2023; and 5. To acquit and discharge (volledig acquit en decharge) all members of Board of Directors and Board of Commissioners of the Company for all actions taken by them in management and supervision of the Company during the financia year 2022 provided that the management and supervision actions were reflected in the said Annual Report and Financial Statements of the Company for the financial year 2022 and in compliance with prevailing regulations.
Voting Result	Affirmative : 7,627,611,745 shares or 99.9998689% Non-Affirmative : 10,000 shares or 0.0001311% Abstain : 0 share or 0.0000000% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.
Agenda 2	
Decision on the Appropriation of the Company's Net Profit for the fiscal year which ended on 31 December 2022.	To approve the Determination on the appropriation of the Company's Net Profit for financial year 2022 in the total amount of Rp3,095,699,654,784.00,- (three trillion ninety five billion six hundred ninety nine million six hundred fifty four thousand seven hundred eighty four rupiah) as follows: 1. Distributed to shareholders in the form of dividends for 20% (twenty percent) of Net Profit or more or less Rp619,139,930,957 (six hundred nineteen billion one hundred thirty nine million nine hundred thirty thousand nine hundred fifty seven rupiah) or estimated at Rp76.8 (seventy six point eight rupiah) Furthermore, to authorize and delegate the Board of Directors of the Company with the substitution right in determining the timeline and procedure of dividend payment for the financial year 2022 pursuant to the prevailing regulation; 2. Not allocate any reserves, in regards to the minimum statutory reserve as stipulated in the Limited Liability Company Law, i.e minimum 20% (twenty percent) of the Issued and Fully Paid-Up Capital of the Company has been is complied. 3. The remaining Net Profit of the Company for financial year 2022 after after being deducted with the allocation for Dividends, will be booked as Retained Earnings of the Company.
Voting Result	Affirmative : 7,627,611,745 shares or 99.9998689% Non-Affirmative : 10,000 shares or 0.0001311% Abstain : 0 share or 0.0000000% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.
Agenda 3	
Change in the composition of members of the Company's Board of Directors	**First Part:** To accept the resignation of Kan Funakoshi from his position as Director of the Company effectively as of the closing of the Meeting, and to thank and highly appreciate him for the services during his term of office. **Second Part:** 1. To appoint Atsushi Hino as the Director of the Company who has passed the fit and proper test according to the decision letter of the Board of Commissioners of Financial Services Authority No. KEPR-1/d.03/2023 dated 8 March 2023, effective upon acquiring the complete work permit and limited stay permit and ends upon the closing of the Company's Annual GMS to be held in 2025, without prejudice to the rights of the GMS or other applicable laws and regulations to dismiss at any time before the term of office ends.

GENERAL MEETING OF SHAREHOLDERS (GMS)

<table>
<tr><th>Agenda</th><th>Resolution</th></tr>
<tr><td></td><td>Thus, the composition of members of the Board of Directors of the Company as of the closing of the Meeting is as follows:

<table><tr><th>Position</th><th>Name</th></tr><tr><td>President Director</td><td>Henoch Munandar</td></tr><tr><td>Deputy President Director</td><td>Kaoru Furuya</td></tr><tr><td>Deputy President Director</td><td>Darmadi Sutanto</td></tr><tr><td>Director of Compliance</td><td>Dini Herdini</td></tr><tr><td>Director</td><td>Atsushi Hino*</td></tr><tr><td>Director</td><td>Hiromichi Kubo</td></tr><tr><td>Director</td><td>Merisa Darwis</td></tr><tr><td>Director</td><td>Hanna Tantani</td></tr></table>*) Atsushi Hino will be effective as Director of the Company upon completion of acquiring his limited work and residence permits.
2. Granted the Company's Board of Directors with the authority to determine the effective date for the appointment of Mr. Atsushi Hino in connection with the concerned work permit without the need to process a decision from the General Meeting of Shareholders.
3. Granted the Company's Board of Directors with the full power and authority with the right to substitution to restate the decisions in the Third Agenda of the Meeting into a Notarial Deed and submit all related documents to authorized institutions including but not limited to the Ministry of Law and Human Rights, and for this purpose take necessary actions in accordance with the Company's Articles of Association, Bank Indonesia Regulations and the Financial Services Authority.</td></tr>
<tr><td>Voting Result</td><td>• First Section:
Affirmative : 7,627,611,745 shares or 99.9998689%
Non-Affirmative : 10,000 shares or 0.0001311%
Abstain : 0 share or 0.0000000%

Decision Making : Majority Vote

• Second Section:
Affirmative : 7,627,611,745 shares or 99.9998689%
Non-Affirmative : 10,000 shares or 0.0001311%
Abstain : 0 share or 0.0000000%

Decision Making : Majority Vote</td></tr>
<tr><td>Realization/Follow-Up</td><td>It has been carried out and followed up in conform with the resolution of the GMS.</td></tr>
<tr><td colspan="2">Agenda 4</td></tr>
<tr><td>Change in the composition of members of the Board of Commissioners.</td><td>First Section:
Accepted the resignation of Irwan Mahjudin Habsjah as the Company's Independent Commissioner as of the closing of the Meeting, by extending gratitude and highest appreciation for the services contributed during his term of office.

Second Section:
1. Appointed Onny Widjanarko as Independent Commissioner of the Company, effective upon acquiring OJK's approval and ends at the closing of the 2025 AGMS, without prejudice to the rights of the GMS or other applicable laws and regulations to dismiss at any time before the end of his term of office.</td></tr>
</table>

<table>
<tr><th>Agenda</th><th>Resolution</th></tr>
<tr><td></td><td>Thus, the composition of the Board of Commissioners of the Company as of the closing of the Meeting is as follows:

<table>
<tr><th>Position</th><th>Name</th></tr>
<tr><td>President Commissioner</td><td>Chow Ying Hoong</td></tr>
<tr><td>Commissioner</td><td>Takeshi Kimoto</td></tr>
<tr><td>Independent Commissioner</td><td>Ninik Herlani Masli Ridhwan</td></tr>
<tr><td>Independent Commissioner</td><td>Onny Widjanarko*</td></tr>
<tr><td>Independent Commissioner</td><td>Edmund Tondobala</td></tr>
<tr><td>Commissioner</td><td>Ongki Wanadjati Dana</td></tr>
</table>
*) Onny Widjanarko shall effectively serve as Independent Commissioner of the Company upon obtaining OJK's approval. In the event OJK does not approve of the appointment, or the requirements set by OJK are not met, then the decision regarding the appointment will be nulled and void without requiring the decision through another GMS.
2. Granted the Company's Board of Directors with the authority o determine the effective date of Onny Widjanarko's appointment in connection with the relevant OJK approval without the need to process a decision from a General Meeting of Shareholderes.
3. Granted full power and authority to the Company's Board of Directors with the right to substitution to restate the decisions in the Fourth Agenda of the Meeting into a Notarial Deed (deed) and submit all related documents to the authorized institutions including but not limited to the Ministry of Law and Human Rights, and for this purpose take necessary actions in accordance with the Company's Articles of Association, Bank Indonesia Regulations and the Financial Services Authority</td></tr>
<tr><td>Voting Result</td><td>• First Section:
Affirmative : 7,627,611,745 shares or 99.9998689%
Non-Affirmative : 10,000 shares or 0.0001311%
Abstain : 0 share or 0.0000000%

Decision Making : Majority Vote

• Second Section:
Affirmative : 7,627,611,745 shares or 99.9998689%
Non-Affirmative : 10,000 shares or 0.0001311%
Abstain : 0 share or 0.0000000%

Decision Making : Majority Vote</td></tr>
<tr><td>Realization/Follow-Up</td><td>It has been carried out and followed up in conform with the resolution of the GMS.</td></tr>
<tr><td colspan="2">Agenda 5</td></tr>
<tr><td>Determine the amount of salary, allowance, tantiem and/or bonus for members of the Board of Directors and determine the amount of honorarium, allowance, tantiem and/or bonus for members of the Board of Commissioners of the Company.</td><td>1. Determined the amount of honorarium and allowance for the Company's Board of Commissioners in 2023 not exceeding the total of Rp41,000,000,000.00 (forty one billion rupiah) gross before Income Tax.
2. Determined the amount of salary and allowance for the year 2023 as well as bonus for the Board of Directors for the services provided during the fiscal year which ended on 31 December 2022, to be paid in 2023, for a total not exceeding Rp138,000,000,000.00 (one hundred thirty eight bibllion rupiah) gross before Income Tax.
3. Granted the Company's President Commissioner with the authority to determine parts of the honorarium and allowance in 2023 for each member of the Board of Commissioners of the Company. The authority is carried out with consideration of the recommendations submitted by the Committee of Remuneration and Nomination.
4. Granted the Board of Commissioners of the Company with the authority to determine the salary and allowance for each member of the Board of Directors of the Company in 2023 as well as the tantiem and/or bonus for each member of the Board of Directors of the Company for their services provided during the year which ended on 31 December 2022, to be paid in 2023. The authority is carried out with consideration of the recommendations submitted by the Committee of Remuneration and Nomination.</td></tr>
<tr><td>Voting Result</td><td>Affirmative : 7,627,611,745 shares or 99.9998689%
Non-Affirmative : 10,000 shares or 0.0001311%
Abstain : 0 share or 0.0000000%

Decision Making : Majority Vote</td></tr>
<tr><td>Realization/Follow-Up</td><td>It has been carried out and followed up in conform with the resolution of the GMS.</td></tr>
</table>

GENERAL MEETING OF SHAREHOLDERS (GMS)

Agenda	Resolution
Agenda 6	
Appointment of a Public Accountant and/or Public Accounting Firm for fiscal year 2023 and determine the honorarium as well as other requirements related to the appointment.	1. Approved the appointment of Siddharta Widjaja & Partner as the Public Accounting Firm (KAP), and SUSANTO will replace NOVIE as the Public Accountant registered at the Financial Services Authority. KAP Siddharta Widjaja & Partner is assigned to audit the Company's financial statements for fiscal year 2023. 2. Granted the Company's Board of Commissioners with the authority to determine the terms and conditions as well as the fee for the audit services rendered from the Public Accounting Firm as noted in point 1 above with consideration of the recommendations from the Audit Committee of the Company. 3. Granted the Board of Commissioners with the power to establish the Public Accounting Firm Substitute and/or Public Accountant Substitute in the event as follows: • The appointed Public Accounting Firm, in accordance with the resolution of the General Meeting of Shareholders, for any reason, is not able to complete/carry on with the audit of the Financial Statements of 31 December 2023, including to determine the amount of honorarium and other requirements related to the appointment of the concerned Public Accounting Firm and/or Public Accountant Substitute. • There are changes to the provisions regarding the assignment period for Public Accounting Firms and/or Public Accountants as regulated in POJK No. 13/POJK.03/2017 regarding the Use of Public Accounting Services and Public Accounting Firms in Financial Services Activities.
Voting Result	Affirmative : 7,627,611,745 shares or 99.9998689% Non-Affirmative : 10,000 shares or 0.0001311% Abstain : 0 share or 0.0000000% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.
Agenda 7	
Approval on the Company's Resolution Plan	1. Approved the Company's Resolution Plan; and 2. Granted the Board of Directors of the Company with the authority to take actions regarded as good and necessary as mentioned in point 1.
Voting Result	Affirmative : 7,627,611,745 shares or 99.9998689% Non-Affirmative : 10,000 shares or 0.0001311% Abstain : 0 share or 0.0000000% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.
Agenda 8	
Company's Reports: a. Bank's Busisness Plan; b. Sustainable Financial Action Plan; c. Company's Recovery Plan	No decisions were taken as they were all reports, including the following: 1. Bank's Business Plan; 2. Sustainable Financial Action Plan; 3. Company's Recovery Plan Update
Voting Result	This agenda is a Report and therefore voting was not required.

The Extraordinary GMS 22 June 2023

Stages of Implementation

Submission of Meeting Plan	Announcement	Registration Shareholders List	Invitation	Implementation	Submission of Meeting Resolutions
9 May 2023	16 May 2023	30 May 2023	31 May 2023	22 June 2023	23 June 2023

Participants of the Extraordinary GMS

Participants who attended the meeting in person are as follows:

Board of Directors	Board of Commissioners
Henoch Munandar	Chow Ying Hoong
Kaoru Furuya	Takeshi Kimoto
Darmadi Sutanto	Ninik Herlani Masli Ridhwan*
Dini Herdini	Onny Widjanarko
Atsushi Hino	Edmund Tondobala
Hiromichi Kubo	Ongki Wanadjati Dana
Hanna Tantani	

*) Attended through video teleconference facilities.

Agenda, Decision and Realization of the Extraordinary GMS

Agenda	Resolution
Agenda 1	
Resignation of Members of the Board of Directors of the Company	1. Accepted the resignation of Hiromichi Kubo as Company's Director effective as of the closing of the Meeting, by extending gratitude and highest appreciation for the services provided during his term of office. 2. Granted the release and discharge (volledig acquit et de charge) for all actions taken until the effective date of his resignation, provided that the concerned Annual Report and Financial Statements are approved and ratified by the Annual General Meeting of Shareholders ("GMS") of the Company for fiscal year 2023, to be held in 2024.
Voting Result	Affirmative : 7,627,436,042 shares or 99.9999869% Non-Affirmative : 10,000 shares or 0.0001311% Abstain : 1,000 shares or 0.0000131% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.
Agenda 2	
Appointment of Members of the Board of Directors of the Company.	1. Appointed Keishi Kobata as Director of the Company who has passed the fit and proper test based on the Decree of the Board of Commissioners of the Financial Services Authority No. KEPR-12/D.03/2023 dated 5 April 2023, effective upon acquiring a complete work permit and limited stay permit and ends at the closing of the Company's Annual GMS to be held in 2025, without prejudice to the rights of the GMS or other applicable laws and regulations to dismiss at any time before the end of his term of office. Thus, the composition of members of the Board of Directors of the Company as of the closing of the Meeting is as follows:

Position	Name
President Director	Henoch Munandar
Deputy President Director	Kaoru Furuya
Deputy President Director	Darmadi Sutanto
Director of Compliance	Dini Herdini
Director	Atsushi Hino
Director	Keishi Kobata **
Director	Merisa Darwis
Director	Hanna Tantani

**) Keishi Kobata will effectively take position as Director of the Company upon acquiring a complete work permit and limited stay permit.

GENERAL MEETING OF SHAREHOLDERS (GMS)

Agenda	Resolution
	2. Granted the Board of Directors of the Company with the authority to determine the effective date of the appointment of Keishi Kobata in regards to his work permit without the need for approval of the General Meeting of Shareholders. 3. Granted the Board of Directors of the Company with full power and authority with the right to substitution to restate the resolution in the Second Agenda of the Meeting into a Notarial Deed (deed) as well as to submit all related documents to the authorized institutions including but not limited to the Ministry of Law and Human Rights, and for this purpose take necessary actions in accordance with the Company's Articles of Association, Bank Indonesia Regulations and the Financial Services Authority.
Voting Result	Affirmative : 7,627,436,042 shares or 99.9999869% Non-Affirmative : 10,000 shares or 0.0001311% Abstain : 0 share or 0.0000000% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.
Agenda 3	
Change in the Articles of Association of the Company	1. Approved the changes to the Company's Articles of Association, as the main points of the changes were presented at the Meeting. 2. Approved to grant authority to the Board of Directors of the Company to restate the changes as mentioned in point 1, as well as to compile the Company's Articles of Association in its entirety.
Voting Result	Affirmative : 7,627,436,042 shares or 99.9999869% Non-Affirmative : 0 shares or 0.0000000% Abstain : 1,000 shares or 0.0000131% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS..

The Extraordinary GMS 7 December 2023

Stages of Implementation

Submission of Meeting Plan	Announcement	Registration Shareholders List	Invitation	Implementation	Submission of Meeting Resolutions
24 October 2023	31 October 2023	14 November 2023	15 November 2023	7 December 2023	8 December 2023

Participants of the Extraordinary GMS

Participants who attended the meeting in person are as follows:

Board of Directors	Board of Commissioners
Henoch Munandar	Chow Ying Hoong*
Darmadi Sutanto	Takeshi Kimoto*
Dini Herdini	Ninik Herlani Masli Ridhwan
Atsushi Hino	Onny Widjanarko
Keishi Kobata	Edmund Tondobala
Merisa Darwis	Ongki Wanadjati Dana
Hanna Tantani	

*) Attended through teleconference video facility.

Agenda, Decision and Realization of the Extraordinary GMS

Agenda	Resolution
Agenda 1	
Approval on the implementation of shares withdrawal resulting from buyback.	1. Approved the withdrawal of 92,292,198 (ninety two million two hundred ninety two thousand one hundred ninety eight) shares resulting from share buyback by the Company. 2. Approved the amendment to Article 4 paragraph (2) of the Company's Articles of Association as a result of the implementation of shares withdrawal in point 1 above, in accordance with the table as displayed at the Meeting. 3. Approved the granting of authority to the Board of Directors of the Company to carry out all actions related to the withdrawal of shares resulting from the said share buyback, then make and sign the necessary deeds and documents and submit approval for changes to the Company's Articles of Association to the Minister of Law and Human Rights of the Republic of Indonesia, including the OJK (if necessary) and to make changes and/or additions in any form in order to obtain such approval.
Voting Result	Affirmative : 7,627,419,742 shares or 99.9996132% Non-Affirmative : 0 shares or 0.0000000% Abstain : 29,500 shares or 0.0003868% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.
Agenda 2	
Approval of the plan to Increase Capital by Granting Pre-Emptive Rights II ("PMHMETD II") or Rights Issue II.	1. Approved the plan to increase capital by granting pre-emptive Rights II ("PMHMETD II") with the total shares to be issued in the context of PMHETD II for a maximum of 3,095,000,000 (three billion ninety five million shares with a nominal value of Rp20.00 (twenty rupiah) per share, taking into account applicable laws and regulations. 2. Approved changes to Article 4 paragraph (2) of the Company's Articles of Association in connection with the increase in the Company's issued and paid-up capital as a result of the PMHETD II implementation. 3. a. Approved the granting of authority to the Board of Commissioners of the Company on PMHETD II implementation; b. Approved the granting of power to the Board of Directors of the Company to take necessary actions regarding the implementation of PMHETD II. For the above requirements, the Board of Directors of the Company has the right to appear before a Notary or authorized official, provide or request the necessary information, sign, issue and/or submit documents and take actions required to achieve the implementation of PMHETD II.
Voting Result	Affirmative : 7,627,419,742 shares or 99.9998269% Non-Affirmative : 13,200 shares or 0.0001731% Abstain : 0 shares or 0.0000000% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.

GENERAL MEETING OF SHAREHOLDERS (GMS)

Previous Year's GMS

Agenda, Resolution and Realization of the Annual GMS 21 April 2022

Agenda	Resolution
Agenda 1	
Ratification and Approval of the Financial Statements and the Annual Report for the fiscal year 2021, including but not limited to: 1. The Implementation Report of Good Corporate Governance (GCG); 2. Supervisory Duties Report of the Board of Commissioners for the financial year 2021; 3. Release and Discharge (Volledig Acquit et Decharge) of Board of Directors and Board of Commissioners for the financial year 2021	1. Approved the Annual Report of the Company's Board of Directors for fiscal year 2021; 2. Approved the Implementtion Report of Good Corporate Governance (GCG) for fiscal year 2021; 3. Approved the Annual Supervisory Report of the Company's Board of Commissioners for fiscal year 2021; 4. Approved the Company's Consolidated Financial Statements for fiscal year 2021 as audited by Siddharta Widjaja & Partner Public Accounting Firm, member of KPMG International, with fairly opinion, in the report No. No.00022/2.1005/AU.1/07/0851-3/1/II/2022 dated 23 February 2022; and 5. Granted the release and discharge (volledig acquit et decharge) to all members of the Board of Directors and the Board of Commissioners of the Commpany for all actions taken in the management and supervision of the Company during fiscal year 2021 provided that such management and supervision were reflected in the said Company's Annual Report and Financial Statements for fiscal year 2021 and in compliance with prevailing laws and regulations.
Voting Result	Affirmative : 7,615,419,105 shares or 99.9999081% Non-Affirmative : 5,000 shares or 0.0000657% Abstain : 2,000 shares or 0.0000263% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS.
Agenda 2	
Determination on the Appropriation of the Company's Net Profit for the financial year ended on 31 December 2021	Approved the Determination on the Appropriation of the Company's Net Profit for the financial year 2021 at the amount of Rp2,664,713,200,958,- (two trillion six hundred sixty four billion seven hundred thirteen million two hundred thousand nine hundred fifty eight rupiah) as follows: a. Set aside or account for the amount of Rp700,000,- (seven hundred thousand rupiah) as Mandatory Reserve Fund to comply with the provision of Article 70 of Limited Liability Companies Law. Thus, the Mandatory Reserve Fund initially at the amount of Rp32,595,727,476,- (thirty two billion five hundred ninety five million seven hundred twenty seven thousand and four hundred seventy six rupiah), will be increased to the amount of Rp32,596,427,476,- (thirty two billion five hundred ninety six million four hundred twenty seven thousand and four hundred seventy six rupiah), or equivalent to 20% (twenty percent) of the Company's issued and paid-up capital as per 31 December 2021; b. Determined the Company's Net Profit for fiscal year 2021, after deduction of the provision for Mandatory Reserve Fund, at Rp2,664,712,500.958,- (two trillion six hundred sixty four billion seven hudred twelve million five hundred thousand and nine hundred fifty eight rupiah) recorded as the Company's Retained Earnings.
Voting Result	Affirmative : 7,615,419,105 shares or 99.9999081% Non-Affirmative : 5,000 shares or 0.0000657% Abstain : 2,000 shares or 0.0000263% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS

Agenda	Resolution
Agenda 3	
a. Changes in the composition of members of the Board of Directors; b. Changes in the composition of members of the Board of Commissioners.	**First Section:** 1. Accepted the statement of Ongki Wanadjati Dana to not be reappointed as the Company's President Director, by extending gratitude for his services provided during his term of office; 2. The appointment of Adrianus Dani Prabawa upon passing the fit and proper test from the Financial Service Authority through Financial Services Authority Letter No. 3/KDK.03/2022 dated 23 February 2022, to take position as the President Director was not permissible as the concerned passed away on 25 March 2022, thus the position of President Director remained temporarily vacant; 3. Approved the plan to appoint a President Director to fill in the available position at the soonest possible in an Extraordinary General Meeting of Shareholders of 2022 ("Extraordinary GMS 2022") at the latest in an Extraordinary GMS in 2023 ("Extraordinary GMS 2023"); 4. Accepted the appointment of Kaoru Furuya who at the time was Deputy President Director of the Company to temporarity take on the function as President Director with the title as Acting President Director of the Company since the closing of the Meeting until the effective appointment of the new President Director of the Company at the soonest in an Extraordinary GMS of year 2022 or the latest Extraordinary GMS of year 2023; and 5. Reappointed all members of the Board of Directors with the exception of Ongki Wanadjati Dana for the term of office which began as of the closing of the Meeting until the Annual General Meeting of Shareholders on year 2025 ("GMS of Year 2025"). Thus, the composition of members of the Board of Directors as of the closing of the Meeting is as follows:

Position	Name
President Director	Vacant
Deputy President Director	Kaoru Furuya*
Deputy President Director	Darmadi Sutanto
Compliance Director	Dini Herdini
Director	Kan Funakoshi
Director	Henoch Munandar
Director	Hiromichi Kubo
Director	Merisa Darwis
Director	Hanna Tantani

*) Kaoru Furuya was appointed as Caretaker of President Director of the Company until the effective appointment of the new President Director at the soonest in Extraordinary GMS of 2022 or the lates in Annual GMS 2023.

Second Section:

1. Appointed Ongki Wanadjati Dana upon passing the fit and proper test through Financial Services Authority Letter No. 4/KDK.03/2022 dated 23 February 2022 to take position as Commissioner of the Company; and
2. Reappointed all members of the Board of Commissioners for the term of office effective as of the closing of the Meeting until the Annual GMS of 2025.

Thus, the composition of the Board of Commissioners of the Company as of the closing of the Meeting is as follows:

Position	Name
President Commissioner	Chow Ying Hoong
Commissioner	Takeshi Kimoto
Independent Commissioner	Ninik Herlani Masli Ridhwan
Independent Commissioner	Irwan Mahjudin Habsjah
Independent Commissioner	Edmund Tondobala
Commissioner	Ongki Wanadjati Dana

3. Granted full power and authority to the Board of Directors with substitution rights to restate the resolutions of the Third Agenda of the Meeting into a Notarial Deed as well as to submit all related documents to the authorized institution including but not limited to the Ministry of Law and Human Rights, and to for that purpose to take necessary action in accordance with the Company's Articles of Association, Regulations of Bank Indonesia and Financial Services Authority.

GENERAL MEETING OF SHAREHOLDERS (GMS)

Agenda	Resolution
Voting Result	• **First Section:** Affirmative : 7,615,418,905 shares or 99.9999055% Non-Affirmative : 5,000 shares or 0.0000657% Abstain : 2,200 shares or 0.0000289% Decision Making: **Majority Vote** • **Bagian Kedua:** Affirmative : 7,615,418,905 shares or 99.9999055% Non-Affirmative : 5,000 shares or 0.0000657% Abstain : 2,200 shares or 0.0000289% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS
Agenda 4	
Determine the amount of salary, allowance, tantiem and/or bonus for members of the Board of Directors and deermine the amount of honorarium, allowance, tantiem and/or bonus for members of the Board of Commissioners.	1. Approved to determine the amount of honorarium and allowance for the Board of Commissioners of the Company for fiscal year 2022 in total not to exceed Rp38,000,000,000,- (thirty eight billion rupiah) gross before Income Tax. 2. Approved to determine the amount of salary and allowance for fiscal year 2022 as well as bonus for the Board of Directors for services rendered during the fiscal year which ended on 31 December 2021, to be paid in the year 2022, in total not to exceed Rp184,000,000,000,- (one hundred eighty four billion rupiah) gross before Income Tax. 3. Granted authority to the President Commissioner of the Company to determine the honorarium and allowance for fiscal year 2022 for each member of the Board of Commissioners of the Company. This authority was carried out by taking into account recommendations from the Remuneration and Nomination Committee. 4. Granted authority to the Board of Commissioners of the Company to determine the salary and allowance for each member of the Board of Directors of the Company for fiscal year 2022 as well as tantiem and/or bonus for each member of the Board of Directors of the Company for services rendered during fiscal year which ended on 31 December 2021, to be paid in the year 2022. This authority was carried out by taking into account the recommendations from the Remuneration and Nomination Committee.
Voting Result	Affirmative : 7,615,418,005 shares or 99.9998936% Non-Affirmative : 6,100 shares or 0.0000801% Abstain : 2,000 shares or 0.0000263% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS
Agenda 5	
Appointment of Public Accountant and/or Public Accountant Firm for the financial year 2022 and Determination of honorarium as well as other requirements in relation to the appointment	1. Approved the appointment of Siddharta Widjaja & Partner as the Public Accounting Firm (KAP), and Novie to replace Liana Lim as the Public Accountant registered in Financial Services Authority. KAP Siddharta Wdijaja & Partner, member of KPMG International global network, assigned to conduct the Company's financial report audit for fiscal year 2022; 2. Granted authority to the Board of Commissioners of the Company to determine the requirements and provisions as well as the audit services fee of the Public Accounting Firm as mentioned in point 1 above by taking into account the recommendations of the Company's Audit Committee; dan 3. Granted authority to the Board of Commissioners to set Public Accounting Firm Substitute and/or the Public Accountant Substitute in the event the Public Accountant appointed based on the resolution of the General Meeting of Shareholders, for any reason, is not able to complete/conduct the audit of the Financial Statements ending on 31 December 2022, including to determine the amount of honorarium and other requirements related to the appointment of the said Public Accountant and/or the Public Accountant Substitute.
Voting Result	Affirmative : 7,615,418,905 shares or 99.9999055% Non-Affirmative : 5,000 shares or 0.0000657% Abstain : 2,200 shares or 0.0000289% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS

Agenda	Resolution
Agenda 6	
Adjustment of the Company's Business Activities in accordance with Government Regulation No.5 of Year 2021 on the Implementation of Risk-Based Business Licensing.	1. Approved the adjustment of the Company's business activities which therefore amended Article 3 of the Company's Articles of Association on the Purpose and Objectives as well as Business Activities; and 2. Approved to grant authority to the Board of Directors of the Company to restate the Amendment as mentioned in point 1 above, as well as to prepare the overall Articles of Association of the Company.
Voting Result	Affirmative : 7,615,418,905 shares or 99.9999055% Non-Affirmative : 5,000 shares or 0.0000657% Abstain : 2,200 shares or 0.0000289% Decision Making : **Majority Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS
Agenda 7	
Laporan Perseroan: a. Rencana Bisnis Bank; b. Rencana Aksi Keuangan Berkelanjutan; c. Rencana Aksi (*Recovery Plan*) Perseroan.	No decisions were taken as they were all reports, including the following: a. The Bank's Business Plan b. The Financial Sustainability Action Plan c. Update of the Company's Recovery Plan.
Pengambilan suara	This agenda is a Report and therefore voting was not required.
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS

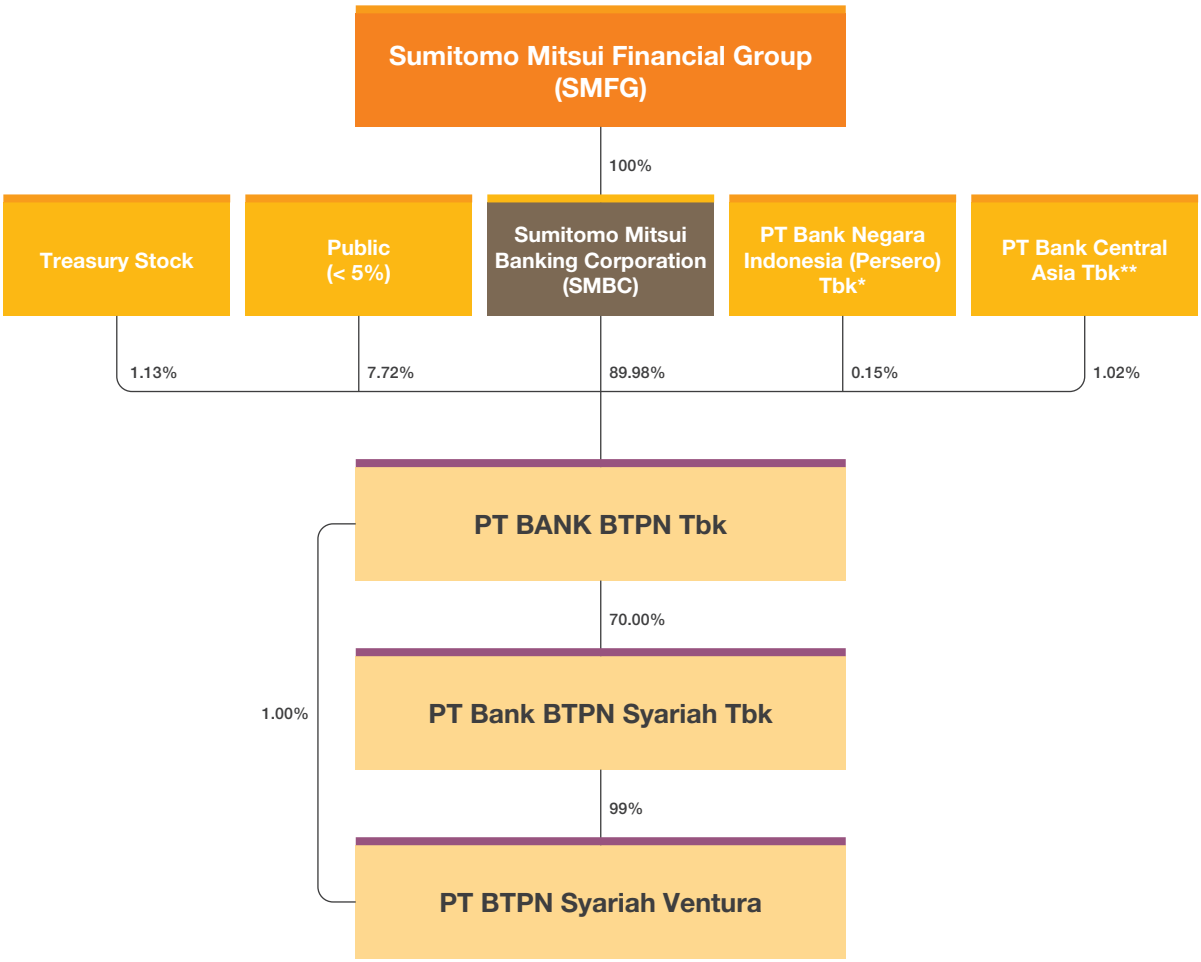
Agenda, Decision and Realization of the Extraordinary GMS 29 September 2022

Agenda	Resolution
Change in the Composition of members of the Board of Directors of the Company	1. Approved to Appoint Henoch Munandar who passed the fit and proper test on competency and compliance through the letter of the Financial Services Authority No. 30/KDK.03/2022 dated 8 August 2022 to take on the position of President Director of the Company effective as of the closing of this Meeting untilthe Annual GMS 2025. 2. Granted full power and authority to the Board dof Directors of the Company with the right to substitution to restate the Meeting Agenda's resolution into a Notary Deed as well as to submit all related documents to the authorized institution including but not limited to the Ministry of Law and Human Rights, and for such purpose to take necessary action in accordance with the Company's Articles of Association, Bank Indonesia Regulations and Financial Services Authority. Thus, the composition of members of the Board of Directors as of the closing of the Meeting is as follows:

Position	Name
President Director	Henoch Munandar
Deputy President Director	Kaoru Furuya
Deputy President Director	Darmadi Sutanto
Compliance Director	Dini Herdini
Director	Kan Funakoshi
Director	Hiromichi Kubo
Director	Merisa Darwis
Director	Hanna Tantani

Voting Result	Affirmative : 7,627,424,542 shares or 100% Non-Affirmative : 0 shares or 0% Abstain : 0 shares or 0% Decision Making : **Unanimous Vote**
Realization/Follow-Up	It has been carried out and followed up in conform with the resolution of the GMS

MAIN AND CONTROLLING SHAREHOLDERS



Position as of 31 December 2023

Note:

Ultimate Shareholders

Controlling Shareholders

* Converted shares due to Business Merger with PT Bank Sumitomo Mitsui Indonesia

** In compliance Government Regulation (PP) No.29 of Year 1999 on the Purchase of Shares of Commercial Banks and are converted shares due to Business Merger with PT Bank Sumitomo Mitsui Indonesia

THE BOARD OF COMMISSIONERS

The Board of Commissioners is the Company's organ responsible for supervising the Company's policies and advising the Board of Directors. Duties, responsibilities, and other authorities owned by the Board of Commissioners are stipulated by prevailing laws and regulations, including Regulation of the Financial Services Authority No. 33/POJK.04/2014 regarding the Board of Directors and the Board of Commissioners of Issuers or Public Companies, as well as Law No.40 of the Year 2007 on Limited Liability Company.

The Board of Commissioners is appointed and dismissed by the General Meeting of Shareholders (GMS) based on the recommendation of the Remuneration and Nomination Committee, effective as of the date set by the GMS that appoints the members of the concerned Board of Commissioners and ends as of the closing of the third annual GMS after the date of appointment. The formation of the composition of the Board of Commissioners is carried out through considerations of the needs and complexity of the Bank. The composition of the Board of Commissioners is based on expertise, professional experience, and background.

LEGAL BASIS

Provisions on the Board of Commissioners, among others, are regulated in Law No.40 of the year 2007 on Limited Liability Companies and the Financial Services Authority Regulation No. 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies, including the Articles of Association of the Company.

Bank BTPN has also developed a code of ethics and BOC Manual as a reference for BOC members in carrying out their duties and responsibilities, in addition to the laws and regulations mentioned above.

All provisions above require companies under the jurisdiction of Indonesian law to have a Board of Commissioners. The duties of the Board of Commissioners are to oversee management policy and management process within the company as well as to supervise and provide suggestion/advice to the Board of Directors.

CRITERIA OF THE BOARD OF COMMISSIONERS

In line with prevailing provisions, members of the Board of Commissioners are required to pass the Competency and Compliance Test (Fit and Proper Test) prior to performing their duties. The Bank's management must meet the requirements of integrity, competence and financial reputation in accordance with OJK regulation No. 27/POJK.03/2016 concerning the assessment of capability and appropriateness for the main parties of financial services institutions. As of 31 December 2022, all members of the Board of Commissioners complied with the requirement of passing the fit and proper test.

INDEPENDENCY OF THE BOARD OF COMMISSIONERS

On the subject of the independence of the Board of Commissioners, the Bank has complied with prevailing laws and regulations, among others, including the following:

- Members of BTPN's Board of Commissioners have fulfilled the number, composition, criteria and independency in accordance with provisions of the Financial Services Authority (OJK).
- The Board of Commissioners consisted of 6 (six) members with 3 (three) members or 50% are Independent Commissioners. This number complied with regulatory requirements, among others, as stipulated in OJK Regulation No. 55/POJK.03/2016 on the Governance Implementation in Commercial Banks that states the minimum number of Independent Commissioners is 50% of the total members of the Board of Commissioners.
- Replacement and appointment of members of the Board of Commissioners have taken into account the recommendations from the Remuneration and Nomination Committee.
- Each member of the Board of Commissioners did not have family relations up to the second degree with other members of the Board of Commissioners and/or members of the Board of Directors.
- Members of the Board of Commissioners did not have concurrent positions beyond what is allowed in OJK Regulation.

THE BOARD OF COMMISSIONERS

At the time of the fit and proper test, members of the Bank's Board of Commissioners signed the statement related to corporate governance implementation. This statement is updated annually and was last updated for the end of December 2023 position.

THE BOARD OF COMMISSIONERS MANUAL

In performing its duties and responsibilities, the Board of Commissioners refers to the Board of Commissioners Manual. The manual is periodically updated, and improvements refer to prevailing laws and regulations. The Board of Commissioners Manual was last updated on 12 December 2022.

Based on review results, the content of the Board Manual of the Board of Commissioners is as follows:

1. Organization
2. Independency
3. Duty, Responsibility and Authority
4. Formation of Committees
5. Function of the President Commissioners
6. Ethical Value of Members of the Board of Commissioneres
7. Meeting
8. Accountability of the Board of Commissioners

COMPOSITION OF THE BOARD OF COMMISSIONERS

The Bank's Board of Commissioners during the year 2022 consisted of 6 (six) members, not exceeding the Board of Directors 8 (eight) members, with 3 (three) of the 6 (six) members, or 50% of the Board of Commissioners were Independent Commissioners. The majority of members of the Board of Commissioners were Indonesian citizens residing in Indonesia.

Name	Position	Term of Office	Legal Basis of Appointment
Chow Ying Hoong	President Commissioner	2019-2022 2022-2025	• Appointed as Deputy President Commissioner since 1 February 2019 and reappointed through the Annual GMS dated 15 February 2019. • Appointed as the President Commissioner through the Extraordinary GMS on 18 November 2020 and reappointed through the Annual GMS on 21 April 2022.
Takeshi Kimoto	Commissioner	2019-2022 2022-2025	Appointment effective since 1 February 2019 and reappointed through the Annual GMS on 15 February 2019 and 21 April 2022.
Ninik Herlani Masli Ridhwan	Independent Commissioner	2019-2022 2022-2025	Appointment effective as of 1 February 2019 and reappointed through the Annual GMS on 15 February 2019 and 21 April 2022.
Onny Widjanarko	Independent Commissioner	2023-2025	Appointed through the Annual GMS on 13 April 2023 and effective as of 8 May 2023.
Edmund Tondobala	Independent Commissioner	2020-2022 2022-2025	Appointed through the Extraordinary GMS on 18 November 2020 and reappointed through the Annual GMS on 21 April 2022.
Ongki Wanadjati Dana	Commissioner	2022-2025	Appointed through the Annual GMS on 21 April 2022.

ORIENTATION FOR THE BOARD OF COMMISSIONERS

Bank BTPN assures that each new member of the Board of Commissioners receives information on the Company needed to carry out his/her duties and responsibilities. The Corporate Secretary is assigned to provide the necessary information by such members of the Board of Commissioners.

Bank BTPN provides an orientation program for new members of the Board of Commissioners, offering them insights into the business activities, future plans of Bank BTPN, work guidelines, and other responsibilities of the Board of Commissioners. Through this orientation program, new members are expected to align their work with other governance organs of the bank. This program

comprises documents prepared by the Corporate Secretary unit, including:

1. Bank's Vision and Mission
2. Bank's Code of Ethics
3. Bank's Organizational Structure
4. Bank's Articles of Association
5. Bank's Policies and Procedures
6. Board of Commissioners' Working Guidelines (BOC Manual) and Board of Commissioners' Committee Charter
7. Bank's Annual Reports
8. Bank's Business Plan

In 2023, a new member joined the Board of Commissioners, Mr. Onny Widjanarko, who is appointed as an Independent Commissioner of Bank BTPN through the EGMS on April 13, 2023, and effective as of May 8, 2023.

DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

In general, the Board of Commissioners retains the duties and responsibilities that include the following:

a. The Board of Commissioners is tasked for the interest of the Bank, to oversee policies and the management carried out by the Board of Directors, provide advice to the Board of Directors and be responsible for such supervision in accordance with the purposes and objectives of the Bank set forth under the provisions of laws and regulations, Articles of Association and Resolutions of the GMS.
b. Cohesively directs, monitors, and assesses governance implementation, risk management, and compliance as well as the Bank's strategic policies.
c. Provides sufficient time to optimally carry out duties and responsibilities.
d. Conducts supervision on follow-ups by the Board of Directors on audit findings or inspections and recommendations frorm the Bank's internal audit work units, external auditor, results of supervision by the Financial Services Authoriy and/or results of supervision by other authorities and institutions.
e. In conducting supervision as mentioned in point b, the Board of Commissioners is prohibited from taking part in the Bank's operational decision-making activities, unless:
    1) for the provision of funds to related parties as regulated in the provisions of the Financial Services Authority concerning the Commercial Banks' Maximum Limit for Providing Credit; and
    2) other matters set forth under the Bank's Articles of Association or applicable laws and regulations.
f. Duty of care
   The Board of Commissioners is responsible for carrying outs its duties and responsibilities with good intention and based on the principles of prudence as well as professionalism. In this context, the Board of Commissioners is obligated, among others, to act as follows:
   - Always act in honesty and in sincerity
   - Always apply the principle of prudence in making decisions
   - Do not instigate the Bank to violate applicable provisions
   - Attend and actively involved in Meetings of the Board of Commissioners
   - Ensure the implementation of the internal control system efficiently and effectively
g. Duty of loyalty
   It is mandatory for decision-making by the Board of Commissioners to be based solely in the interest of the Bank, in this context it is obligated to put aside personal or group's interests above the interest of the company, whereas the Board of Commissioners is not allowed to do the following:
   - Having direct and indirect transactions with the Bank, without first conveying disclosure of the relationship and obtaining approval from the Board of Commissioners and/or the GMS
   - Take advantage of the Bank, including but not limited, to using the Bank's assets and facilities for personal, family and/or other party's interests that may harm or reduce the Bank's earnings
   - Convey information that is not public information to a third party
   - Take and/or accept personal gain from the Bank other than remuneration and other facilities as setforth by the GMS
   - Use of internal information for personal gain
h. Evaluate, direct, and monitor Information Technology (IT) strategic plans.
i. Evaluate, direct, and monitor the implementation of IT governance
j. The Board of Commissioners is obligated to conduct assessment on the Board of Commissioners committee's performance at least at the end of every fiscal year
k. The Board of Commissioners may carry out its duties and other supervisory authorities.

THE BOARD OF COMMISSIONERS

Specifically, each member of the Board of Commissioners is assigned duties. Details of these duties are described in the table below:

Division of Duties of the Board of Commissioners

Name	Position	Duties
Chow Ying Hoong	President Commissioner	Perform duties and responsibilities as member of the Remuneration and Nomination Committee
Takeshi Kimoto	Commissioner	Perform duties and responsibilities as member of the Risk Monitoring Committee
Ninik Herlani Masli Ridhwan	Independent Commissioner	Perform duties and responsibilities as: a. Chairman of the Audit Committee b. Chairman of the Remuneration and Nomination Committee
Onny Widjanarko	Independent Commissioner	Perform duties and responsibilities as: a. Chairman of the Risk Monitoring Committee b. Chairman of the Good Corporate Governance Committee
Edmund Tondobala	Independent Commissioner	Perform duties and responsibilities as: a. Member of the Audit Committee b. Member of the Risk Monitoring Committee
Ongki Wanadjati Dana	Commissioner	Perform duties and responsibilities as: a. Member of the Risk Monitoring Committee b. Member of the Good Corporate Governance Committee

DECISIONS REQUIRING BOARD OF COMMISSIONER APPROVAL

- To approve Business Plan Including:
  - To approve the opening or closing of a branch or representative office of BTPN.
  - To approve establishment or dissolution of department of organization structure of the BTPN.
- To lend money or grant credit facilities or other similar banking facilities or which result in the right to claim an amount of money;
  - To a party related/affiliated to the BTPN in accordance with POJK regarding Legal Lending Limit of Commercial Bank; or
  - Which exceeds the amount as set forth by the Board of Commissioners from time to time.
- To bind BTPN as a surety or guarantor (borgtocht) or otherwise to be responsible for the payment of obligation of other party;
  - To a party related/affiliated in accordance with POJK regarding Legal Lending Limit of Commercial Bank
  - Which exceeds the amount as set forth by the Board of Commissioners from time to time.
- To establish a new company, to make or to increase the participation in the capital (except the increase of participation in the capital in connection with the issuance of stock dividend or bonus shares or in connection with efforts on credit recovery), or to decrease the participation of the capital in other company, subject to the approval of the competent authority
- To borrow money from other party (not included in letter B2) or to receive a credit facility or other banking facility which results in the borrowing of money to other party in the amount exceeding the amount from time to time determined by the Board of Commissioners
- To write off or to take out from the Company's records the BTPN's receivables exceeding the amount from time to time determined by the Board of Commissioners
- To transfer or release the BTPN's rights to demand payment of receivables that have been written off exceeding the amount from time to time determined by the Board of Commissioners
- To buy, sell or transfer or release the title, or to provide for security or collateral, the assets of the Company either in one transaction or in several independent or inter related transactions, in amount exceeding the amount from time to time determined by the Board of Commissioners

(without prejudice to Article 15 paragraph 4 of BTPN's Articles of Association)
- To approve main policies of BTPN and other policies in accordance with laws and regulations
- To conduct any strategic action or transaction which will significantly impact BTPN's continuity, as determined from time to time by the Board of Commissioners.
- To approve periodic reports required by local authorities (BOC Supervisory Report, BOC evaluation of Committee, BOC evaluation of Compliance function, Annual report on implementation of GCG, etc)
- To report and approve other matters related to Financial Conglomerate/KUB
- Huge and Extraordinary Payment or Investment. The category of huge and extraordinary payment or investment are determined by BOC from time to time.
- Recovery Plan and Resolution Plan

ASSESSMENT OF COMMITTEES UNDER THE BOARD OF COMMISSIONERS

Until the end of fiscal year 2023, the Board of Commissioners had 4 (four) committees under the Board of Commissioners: Audit Committee, Remuneration and Nomination Committee, Risk Monitoring Committee, and Corporate Governance Committee.

The Board of Commissioners views that generally all committees have carried out their duties and functions appropriately. All committees, especially those carrying out supervisory duties to then provide feedbacks and recommendations to the Board of Commissioners.

Assessment Procedures

Assessment implemented on the committees under the Board of Commissioners was conducted through 2 (two) methods of evaluating the committees' overall performance and evaluation of individual committee members.

Committee assessment is collegially conducted through the self-assessment procedure. Each committee performs such activity taking into account the fulfillment of the set assessment items or parameters. While individual assessment is performed by the chairman of the concerned committee on the set assessment parameters related to the performance of the concerned committee members. Assessment results are then submitted to the Remuneration and Nomination Committee as material for consideration in establishing recommendations to the Board of Commissioners.

Assessment Criteria

The parameters or criteria used in the assessment, among others, include the duty implementation of the committee in accordance with the Duty and Responsibility Guidelines of the concerned committee. In addition, the committee's assessment includes the independency parameter of the concerned committee member to provide professional and independent feedback to the Bank.

In this respect, the Bank sets the time limit for committee members' assignments (aside from the Audit Committee) to maintain the independence of the concerned committee member.

INDEPENDENT COMMISSIONERS

Referring to OJK Regulation No. 17 of Year 2023 on Governance Implementation for Commercial Banks, the number of Independent Commissioner must be at least 50% of the total members of the Board of Commissioners. In 2023, the number of Independent Commissioner of Bank BTPN was 3 (three) of the 6 (six) members of the Board of Commissioners. Thus, the total has complied with OJK's provision.

Criteria of the Independent Commissioners

In implementing the duties and responsibilities of the Board of Commissioners, the role of Independent Commissioners is crucial, especially when it concerns efforts to prevent conflict of interest and enhance independence and objectivity.

Independent Commissioners are obligated to comply with requirements, among others, including the following:
1. No financial, management, share ownership and/or family relations with members of the Board of Commissioners, the Board of Directors, and/or controlling shareholders or relations with the Bank that may influence its ability to act independently.
2. Not a person who works or has authorities and responsibilities to plan, lead, control, or monitor the Bank's activities in the past 1 (one) year, except for the reappointment of Independent Commissioners for the following period;
3. Does not own shares, directly and indirectly, in the Bank;
4. No affiliation with the Bank, members of the Board of Commissioners, members of the Board of Directors, or main shareholders of the Bank; and
5. No business relations, directly or indirectly, related to the Bank's business activities.

THE BOARD OF COMMISSIONERS

Independency of Independent Commissioners

In line with OJK Regulation No. 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies, Independent Commissioners are members of the Board of Commissioners from outside of Issuers or Public Companies and comply with requirements as Independent Commissioners.

The Bank records and controls the term of office of the independent commissioner so that it does not exceed 9 years. Description of independency of Independent Commissioners is provided in the table below:

Independency Aspect	Ninik Herlani Masli Ridhwan	Onny Widjanarko	Edmund Tondobala
No ownership of direct or indirect shares of the Bank.	√	√	√
No direct or indirect business relations with the Bank's business activities.	√	√	√
No concurrent positions: as the Board of Directors or Executive Officer conducting supervision.	√	√	√
No family relations up two second degree level with mutual members of the Board of Commissioners.	√	√	√

PLAN AND IMPLEMENTATION OF WORK PROGRAM IN 2023

In 2023, the Board of Commissioners actively oversaw the management and operations of Bank BTPN and provided advice and input to the Board of Directors. This oversight was aimed at ensuring governance implementation across all activities of Bank BTPN.

The supervision was focused on achieving business targets while considering risk management and compliance with applicable regulations. Supervision was conducted directly through monitoring the follow-up on recommendations from the Board of Commissioners to the Board of Directors, as well as through the formed committees.

Throughout 2023, the Board of Commissioners supervised strategic aspects of the Bank, including:

1. Reviewing the financial performance of Bank BTPN and its subsidiaries.
2. Through the Risk Monitoring Committee, the Board of Commissioners also conducted reviews of risk management, adequacy of internal control systems, and compliance culture implementation.
3. Ensuring that the Board of Directors had followed up on findings from Internal Audit, SMBC Audit, and External Audit, as well as recommendations from Internal Audit through the Audit Committee.
4. The Board of Commissioners approved recommendations from the Remuneration and Nomination Committee regarding the remuneration of Board of Commissioners and Directors.
5. Approval of the revision of the Bank's Business Plan (RBB) for 2023-2025.
6. Reviewing and approving the Bank's Business Plan for 2024-2026 and Corporate Plan Changes for 2022-2026.
7. Approval by the Board of Commissioners regarding the Annual Work Plan of the Audit Committee and the Risk Monitoring Committee.
8. The Board of Commissioners continuously monitored the implementation of governance and compliance with regulations, including financial ratios, Bank Health Level - RBBR, application of APU PPT, and risk management implementation.
9. Conducting oversight functions over the implementation of Corporate Governance through the Corporate Governance Committee.

COMPETENCY DEVELOPMENT

Policy

As stipulated in the Working Guidelines and Regulations of the Board of Commissioners, competency development programs for the Board of Commissioners are conducted to support task implementation and achieve sustainable growth and effective bank management. Bank BTPN facilitates competency development for members through training programs for the Board of Commissioners, in line with the continuously evolving industry and governance practices.

Competency development for the Board of Commissioners is also carried out through training programs for its members, reflecting Bank BTPN's commitment to support the oversight function of the Board of Commissioners. This commitment is also evident in the training attended by each member of the Board of Commissioners, as shown in the realization table below.

Realization

No	Name	Training	Date
1	**Chow Ying Hoong** President Commissioner	1. Economic Outlook Update by Raden Pardede 2. Executive Risk Management Certification Refresher 3. Leadership Series: Influence for Impact 4. Political Update by Philips J. Vermonte	1. 6 June 2023 2. 26 July 2023 3. 5 December 2023 4. 8 December 2023
2	**Takeshi Kimoto** Commissioner	1. Economic Outlook Update by Raden Pardede 2. Executive Risk Management Certification Refresher 3. Leadership Series: Influence for Impact 4. Political Update by Philips J. Vermonte	1. 6 June 2023 2. 26 July 2023 3. 5 December 2023 4. 8 December 2023
3	**Ninik Herlani Masli Ridhwan** Independent Commissioner	1. Leadership Series : Creating Strategy to Connect The Generation Gap 2. Economic Outlook Update by Raden Pardede 3. Executive Risk Management Certification Refresher 4. Leadership Series: Influence for Impact 5. Political Update by Philips J. Vermonte	1. 4 March 2023 2. 6 June 2023 3. 26 July 2023 4. 5 December 2023 5. 8 December 2023
4	**Onny Widjanarko** Independent Commissioner	1. Training Sertifikasi Manajemen Risiko Level 2 2. Induction 2022: BTPN Overview 3. Economic Outlook Update by Raden Pardede 4. Induction 2022 : Compliance 5. Leadership Series: Influence for Impact 6. Political Update by Philips J. Vermonte	1. 12 January 2023 2. 5 June 2023 3. 6 June 2023 4. 17 June 2023 5. 5 December 2023 6. 8 December 2023
5	**Edmund Tondobala** Independent Commissioner	1. Leadership Series : Creating Strategy to Connect The Generation Gap 2. Economic Outlook Update by Raden Pardede 3. Executive Risk Management Certification Refresher 4. Leadership Series: Influence for Impact 5. Political Update by Philips J. Vermonte	1. 4 March 2023 2. 6 June 2023 3. 26 July 2023 4. 5 December 2023 5. 8 December 2023
6	**Ongki Wanadjati Dana** Commissioner	1. Leadership Series : Creating Strategy to Connect The Generation Gap 2. Economic Outlook Update by Raden Pardede 3. Leadership Series : Managing Global Business Risk 4. Executive Risk Management Certification Refresher 5. Leadership Series: Influence for Impact 6. Political Update by Philips J. Vermonte	1. 4 March 2023 2. 6 June 2023 3. 14 June 2023 4. 26 July 2023 5. 5 December 2023 6. 8 December 2023

THE BOARD OF DIRECTORS

The Board of Directors is an important company organ in corporate governance, holding full responsibility for the Bank's management in line with the purpose and objectives of the Bank. This authority is used for the interests and objective achievement of the Bank. This is aligned with the provisions set under the regulation that states the Board of Directors may represent the Bank, both in or out of the court, in accordance with the provisions of the articles of association.

Among the regulations governing the Board of Directors are as follows: Financial Services Authority Regulation No. 33/POJK.04/2014 regarding the Board of Directors and the Board of Commissioners of Issuers or Public Companies as well as Law No. 40 of Year 2007 regarding Limited Liability Companies.

Each member of the Board of Directors carries out the duties according to the division of tasks and authorities. The objective is to achieve management effectiveness and maximum achievement results. BTPN's Board of Directors incessantly upholds high professional attitude, strategic thinking, and the Bank's interests as a priority.

LEGAL BASIS

Provisions on the Board of Directors are, among others, regulated by Law No.40 of the year 2007 on Limited Liability Companies and OJK Regulation No.33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies, including the Company's Articles of Association.

Furthermore, the Bank also refers to OJK Regulation No. 55/POJK.03/2016 on Governance Implementation in Commercial Banks, stipulating that the Board of Directors is fully responsible for the management of the Bank. For this reason, the Board of Directors is obligated to implement good corporate governance principles in each implementation of the Bank's business activities at all levels or paths of the organization.

The Bank also prepares a code of ethics and BOD Manual as a reference for BOD members in carrying out their duties and responsibilities, in addition to the laws and regulations as mentioned above.

BOARD OF DIRECTORS CRITERIA

Referring to OJK Regulation No. 27/POJK.03/2016 concerning Fit Proper Test for Main Parties of Financial Servivces Institutions, each member of the Board of Directors are obligated to fulfill the set criteria and pass the fit and proper test prior to effective carry out their assigned duties. Determining the criteria for the Board of Directors, among others, relies on OJK Regulation No. 33/POJK.04/2014 regarding the Board of Directors and the Board of Commissioners of Issuers or Public Companies. Upon appointment, the Board of Directors must at least fulfill a number of requirements, namely as follows:

1. Has good character, moral and integrity.
2. Competent in legal actions.
3. In 5 (five) years prior to appointment and during office term:
   a. Never been declared bankcrupt
   b. Never been a member of the Board of Directors and/or member of the Board of Commissioners found guilty of causing a company to be declared bankrupt
   c. Never been convicted of a crime that caused the state's financial loss and/or related to the financial sector
   d. Never been a member of the Board Directors and/or member of the Board of Commissioners that during the term of office:
      - Never hold Annual GMS
      - Accountability as member of the Board of Directors and/or member of the Board of Commissioners not accepted by the GMS or failed to submit accountability as member of the Board of Directors and/or member of the Board of Commissioners to the GMS
      - Has caused a company that received the permit, approval or registration from the Financial Services Authority but failed to comply with the obligation to submit annual report and/or financial statements to the Fiinancial ServicesAuthority.
4. Has the commitment to comply with the laws and regulations.
5. Has the knowledge and/or expertise in the fields required by the Issuer or Public Company.

Compliance with such requirements must be disclosed in a statement letter and submitted to the Bank. Then the Bank is obligated to review and keep it on record.

INDEPENDENCY OF THE BOARD OF DIRECTORS

All members of the Board of Directors have no ownership, financial or management relations with the Bank's controlling shareholders, with mutual members of the Board of Directors and members of the Board of Commissioners.

BTPN has also complied with prevailing laws and regulations related to the independence of the Board of Directors, such as the following:

1. Members of Bank BTPN's Board of Directors have complied with the criteria and independency as stipulated by regulator.
2. Replacement and appointment of members of the Board ofDirectors have taken into account the recommendations from the Remuneration and Nomination Committee.
3. Each member of the Board of Directors had no family relations up to the second degree level with other members of the Board of Directors and/or members of the Board of Commissioners.
4. Members of the Board of Directors had no concurrent positions as stipulated in OJK Regulation.

Members of the Bank's Board of Directors signed the statement related to Corporate Governance implementation at the processing time of their fit and proper test. This statement is updated yearly and was last updated for the end December 2023 position.

COMPOSITION OF THE BOARD OF DIRECTORS

Establishing the composition of the Board of Directors is carried out through considerations of the needs and complexity of the Bank. The composition of the Board of Directors is based on banking knowledge, expertise, professional experience, and background to support the effectiveness in implementing the duties of the Board of Directors, disregarding gender, ethnicity, race, and religion. In 2022, the Bank's Board of Directors comprised 8 (eight) members, of which 3 (three) were female.

Name	Position	Term of Office	Legal Basis of Appointment
Henoch Munandar	President Director	2019-2022 2022-2025	• Appointed as Director since 1 February 2019 and reappointed through the Annual GMS on 15 February 2019 and 21 April 2022. • Appointed as President Director through the Extraordinary GMS on 29 September 2022.
Kaoru Furuya	Deputy President Director	2021-2022 2022-2025	• Appointed through the Extraordinary GMS on 18 November 2020 and effective since 4 January 2021. • Reappointed through the Annual GMS on 21 April 2022.
Darmadi Sutanto	Deputy President Director	2020-2022 2022-2025	• Appointed through the Annual GMS on 23 April 2020, and effective since 14 May 2020. • Reappointed through the Annual GMS on 21 April 2022.
Dini Herdini	Compliance Director	2019-2022 2022-2025	Effective since 1 February 2019 and reappointed through the Annual GMS on 15 February 2019 and 21 April 2022.
Atsushi Hino	Director	2023-2025	Appointed through the Annual GMS on 13 April 2023 and effective takes on the position as of 15 May 2023.
Keishi Kobata	Director	2023-2025	Appointed through the Extraordinary GMS on 22 June 2023 and effective takes on the position as of 25 July 2023.
Merisa Darwis	Director	2019-2022 2022-2025	Effective since 1 February 2019 and reappointed through the Annual GMS on 15 February 2019 and 21 April 2022.
Hanna Tantani	Director	2019-2022 2022-2025	Appointed thrugh the Extraordinary GMS on 11 September 2019 and reappointed through the Extraordinaty GMS on 21 April 2022.

ORIENTATION FOR NEW MEMBERS OF THE BOARD OF DIRECTORS

The President Director ensures that new members of the Board of Directors receive necessary information related to the Bank to carry out their duties and responsibilities properly. The Corporate Secretary, in this respect, invites the functions of compliance, risk management, and finance to provide the necessary information required by the respective members of the Board of Directors.

THE BOARD OF DIRECTORS

Bank BTPN implements an orientation program for new members of the Board of Directors aimed at providing an overview of business activities, the Bank's future plans, work guidelines, and other responsibilities of the Board of Directors.

Through this orientation program, new members of the Board of Directors are expected to work in harmony with other governance bodies of the bank. The orientation program materials consist of documents prepared by the Corporate Secretary's office, including:

1. Bank's Vision and Mission
2. Bank's Code of Ethics
3. Bank's Organizational Structure
4. Bank's Articles of Association
5. Company Policies and Procedures
6. Board of Directors' Guidelines (BOD Manual) and Board Committee Charters
7. Relevant Banking and Capital Market Regulations
8. Bank's Annual Reports
9. Bank's Business Plans

In 2023, there were 2 new members appointed to the Board of Directors: Mr. Atsushi Hino, appointed through an AGMS on April 13, 2023, and effective since May 15, 2023. Additionally, Mr. Keishi Kobata was appointed through an EGMS on June 22, 2023, and effective since July 25, 2023.

DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

In general, the Board of Directors retains the duties and responsibilities, among others, as follows:

1) Carry out and be responsible for the management of the Bank for the interests of the Bank as well as authorized to represent the Bank in accordance with the purposes and objectives of the Bank as setforth by the provisions of applicable laws and regulations, the Articles of Association and Resolutions of the GMS;
2) Integratedly implement Good Corporate Governance in the Bank, risk management and compliance in alignment with the latest development in banking ecosystem as well as supported by technological digitalization and innovation in all levels of the organization.
3) Follow up on audit or inspection findings and recommendations from the Internal Audit Work Unit, external auditor, results of supervision by the Financial Services Authority and/or results of supervision by other authorities and institutions;
4) In implementing good corporate governance in the Bank, the Board of Directors is obligated to form an Internal Audit Work Unit, Risk Management Work Unit and Compliance Work Unit as well as other required work units in accordance with OJK Regulations;
5) Disclose to all employees on the Company's internal policies that are strategic in personnel area.
6) Accountable for the implementation of duties to the shareholders through the GMS
7) In managing data and information related to the Bank, the Board of Directors is obligated to do the following:
   - retain and provide data and informasi that are accurate, relevant, and on time, including to the Board of Commissioners; and
   - carry out data and information management in accordance with Good Corporate Governance in the Bank and provisions of the laws and regulations.
8) Ensure transparency of material information related to the Company's business conditions;
9) Duty of care
   The Board of Directors is responsible for carrying out its duties and responsibilities with good intention and based on the principles of prudence as well as professionalism. In this context, the Board of Directors is obligated, among others as follows:
   - Always act in honesty and in sincerity
   - Always use the principle of prudence in decision making
   - Not instigate the Bank to violate applicable provisions
   - Attend and be actively involved in the Board of Directors Meetings
   - Ensure the implementation of the internal control system efficiently and effectively
10) Duty of loyalty
    The Board of Directors is obligated to make decisions solely in the interest of the Bank, in this context, personal or group interests must be set aside over the interest of the company. In this

case, the Board of Directors is prohibited from the following:

- Have direct and indirect transactions with the Bank, without first disclosing the relationship as well as obtaining approval from the Board of Commissioners and/or the GMS
- Take advantage of the Bank, including but not limited, to using the Bank's assets and facilities for personal, family's and/or other party's interests that may harm or reduce earnings for the Bank
- Disclose information to third parties that is not for public consumption
- Take and/or receive personal gain from the Bank other than remuneration and othe facilities as setforth by the GMS
- Use internal information for personal gain

11) Set IT strategic plans;
12) Establish and effectively communicate policies, standards, an procedures related to the implementation and adequate use of IT, to the implementing work units and IT users;
13) Evaluate the strategic objectives, direct the Bank's executive officials and monitor all IT implementation activities;
14) The Board of Directors is obligated to assess the performance of the Board of Directors Committees at least at every end of the year

Division of Duties of Each Member of the Board of Directors

Position	Roles and Responsibilities
President Director	Coordinate and generally oversee the duties and responsibilities of all members of the Board of Directors, covering but not limited to the following areas: a. Corporate Banking (Japanese) b. Wholesale Banking c. Retail Banking d. Treasury e. Operational f. Compliance & Legal g. Finance h. Human Resources*) i. Internal Audit*) j. Information Technology*) k. Risk Management*)
Deputy President Director	Coordinate and generally oversee the duties and responsibilities of the following: a. Corporate Banking (Japanese) b. Treasury In particular, oversee the following: a. Credit Risk Division: • Credit • Loan • Transaction Legal • Commercial Banking Credit Risk • Credit Planning • Corporate Portfolio Management b. Wholesale, Commercial & Transaction Banking*) • Wholesale Banking • Wholesale Banking Business Planning • Structured Finance • Wholesale Banking Project Management 1 • Wholesale Banking Project Management 2 • Commercial Banking & WFB • Transaction Banking and Supply Chain c. Business Banking*) • Business Development • Business Banking Credit Risk • SME • Business Banking Cross Collaboration • Business Banking Academy • Business Banking Policy & Control • Business Banking Strategy • Business Banking Support • Digital SME Business • Sales Management Act as Chief Strategic Officer (CSO) based on assignment by the President Director, with duties as follows: 1. Establish business strategies in the context of collaboration with Sumitomo Mitsui Banking Corporation (SMBC) group 2. Ensure the alignment of business strategies of subsidiaries with the Company as parent entity 3. Ensure the alignment of business of subsidiaries and the Company as the main entity and controlling shareholder.

THE BOARD OF DIRECTORS

Division of Duties of Each Member of the Board of Directors

Position	Roles and Responsibilities
Deputy President Director	Specfically to oversee the following: a. Retail Lending Business • Pension Business RLB • Personal Loan RLB • Micro Business RLB • Joint Finance RLB • Sales Management & Process Excellence • Product & Portfolio Management b. Wealth Management Business and Network & Distribution*) • Sales Management WMB • Liabilities & Digital Management WMB • Wealth Product Management WMB • Customer Experience WMB • Sales Distribution WMB & National Distribution 1 • Network Management WMB c. Digital Banking*) • Digital Banking Acquisition, Service & Marketing JENIUS • Digital Banking Solution • Digital Banking Product • Digital Banking Business Performance & Customer Value Management • Digital Banking Partnership • Retail Banking Digital Strategy d. Retail Banking Risk e. Retail Banking Analytics, Planning & Process Excellence
Compliance Director	Specifically to oversee the following: a. AML&CFT b. Compliance c. Corporate Secretary d. General Counsel e. Communications & DAYA
Director of Corporate Banking (Japanese)	Specifically to oversee the following: a. Corporate Banking 2 b. Corporate Banking 3 c. Corporate Banking 4 d. Corporate Banking 5 e. Corporate Banking 6 f. KYC Onboarding g. Corporate Banking Business Planning h. Corporate Banking Loan Reviewer i. Credit Analyst Corporate Banking
Operations Director	Specifically to oversee the following: a. Customer Experience Center b. Branch Banking c. Operations Transaction Center d. Reporting, Settlement & Access Management e. General Services f. Operations Development g. Operations Control Assurance
Treasury Director	Specifically to oversee the following: a. Treasury ALM & Planning b. Treasury Trading c. Treasury Marketing
Financial & Planning Director	Specifically to oversee the following: a. Financial Planning and Performance b. Financial Controller c. Tax Management d. Finance Risk, Control & Governance e. Alignment & Synergy f. Strategy Implementation

*) Related duties and responsibilities are overseen by a member of the Board of Management (BOM).

SUCCESSION OF THE BOARD OF DIRECTORS

The policy on the succession of the Board of Directors is facilitated by the Human Resource organization within the Bank, carried out through the talent management & succession planning process. In this context, Human Resource conducts assessment on the availability of prospective members of the Board of Directors and their potential future development.

Implementation of this succession is done through identification of executive officers with such potentials. Each member of the Board of Directors conveys the replacement who will be assessed by the Remuneration and Nomination Committee. This is then forwarded to the Board of Commissioners for ratification by the GMS.

PLANS AND REALIZATION OF WORK PROGRAMS IN 2023

In carrying out its duties, the Board of Directors periodically convenes meetings to discuss matters of a strategic nature that require consideration and approval by the Board of Directors.

Throughout the year 2023, the Board of Directors' meetings addressed various agendas, including but not limited to:

1. Monitoring the financial performance of the Bank and its subsidiaries.
2. Evaluating the performance of business units against established targets.
3. Updating on strategic initiatives and activities conducted by the finance directorate, including strategic projects.
4. Reviewing the implementation of Information Technology (IT) and operational aspects of the Bank, as well as initiatives in the IT and operational fields.
5. Approval of strategic plans for Business Units and Support Units.
6. Approval of revisions to the Bank's Business Plan (RBB) for the years 2023-2025.
7. Approval of employee compensation reviews for the year 2022.
8. Reviewing the implementation of risk management, compliance, and internal controls, including monitoring the implementation of Anti-Money Laundering and Counter-Terrorist Financing (AML & CFT) policies, including a review of regulations/ guidelines from regulators and their impact on the Bank.
9. Monitoring follow-up actions on audit findings from Internal Audit, SMBC Audit, and External Audit, as well as oversight results from OJK and other authorities.
10. Reviewing internal fraud, whistleblowing system, and follow-up efforts.
11. Approval of the Bank's Business Plan for the years 2024-2026 and Changes to the Corporate Plan for the years 2022-2026.
12. Updates on the Bank's Finance and Planning.

COMPETENCY DEVELOPMENT OF THE BOARD OF DIRECTORS

Policy

As stipulated in the Board of Directors' Working Guidelines and Regulations, competency development programs for the Board of Directors are conducted to support the execution of duties and achieve sustainable growth and effective Bank management. Bank BTPN facilitates competency development through training programs for the Board of Directors, aligned with the evolving industry and governance practices.

Competency development for the Board of Directors is also carried out through training programs tailored for members of the Board of Directors. This program reflects Bank BTPN's commitment to enhancing competencies to support the day-to-day duties and responsibilities of the Board of Directors. Details of the training attended by each member of the Board of Directors can be found in the Company Profile section of this Annual Report.

THE BOARD OF DIRECTORS

Realization

No	Name	Training	Date
1	**Henoch Munandar** President Director	1. Thriving in the age of Analytics with Digital Mindset 2. Leadership Series : Creating Strategy to Connect The Generation Gap 3. Media Training 4. Executive Risk Management Certification Refresher - 2023 5. Sustainable Finance Offline Seminar 6. Seminar Nasional "Kebijakan Insentif Likuiditas Makroprudensial 7. Bank BTPN Sustainability Seminar 2023 8. CEO Networking 2023 9. Bank BTPN Economic Outlook 2024 10. Dialog Akhir Tahun Anggota Dewan Komisioner OJK dan Industri Jasa Keuangan 11. Leadership Series: Influence for Impact with Najwa Shihab 12. Political Update by Philip J. Vermonte	1. 18 January 2023 2. 14 March 2023 3. 6 July 2023 4. 26 July 2023 5. 11 August 2023 6. 13 September 2023 7. 12 October 2023 8. 7 November 2023 9. 22 November 2023 10. 1 December 2023 11. 5 December 2023 12. 8 December 2023
2	**Kaoru Furuya** Deputy President Director	1. Leadership Series : Creating Strategy to Connect The Generation Gap 2. BTPN Leaders' Onboarding Program: Indonesia Professional Etiquette and HR Practices 3. Economic Outlook Update by Raden Pardede 4. X-Talk Leadership Series : "Managing Global Business Risks: A Proactive Approach" by Tantowi Yahya 5. BTPN Supply Chain Approach Workshop 6. Media Training 7. Executive Risk Management Certification Refresher - 2023 8. Sustainable Finance Offline Seminar 9. Bloomberg CEO Forum @ASEAN 10. Bank BTPN Sustainability Seminar 2023 11. Bank BTPN Economic Outlook 2024 12. Leadership Series: Influence for Impact with Najwa Shihab 13. Political Update by Philip J. Vermonte	1. 14 March 2023 2. 26 May 2023 3. 6 June 2023 4. 14 June 2023 5. 25 June 2023 6. 6 July 2023 7. 26 July 2023 8. 11 August 2023 9. 6 September 2023 10. 12 October 2023 11. 22 November 2023 12. 5 December 2023 13. 8 December 2023
3	**Darmadi Sutanto** Deputy President Director	1. Leading in Digital Era 2. Economic Outlook Update by Raden Pardede 3. Media Training 4. Executive Risk Management Certification Refresher - 2023 5. Sustainable Finance Offline Seminar 6. Bank BTPN Sustainability Seminar 2023 7. Bank BTPN Economic Outlook 2024 8. Leadership Series: Influence for Impact with Najwa Shihab 9. Political Update by Philip J. Vermonte	1. 16-21 April 2023 2. 6 June 2023 3. 6 July 2023 4. 26 July 2023 5. 11 August 2023 6. 12 October 2023 7. 22 November 2023 8. 5 December 2023 9. 8 December 2023
4	**Dini Herdini** Compliance Director	1. Thriving in the age of Analytics with Digital Mindset 2. Leadership Series : Creating Strategy to Connect The Generation Gap 3. Seminar HKHPM "Undang-Undang Perkembangan dan Penguatan Sektor Jasa Keuangan di Indonesia: Implikasi Pada Sektor Pasar Modal" 4. Webinar ICSA-OJK : Pendalaman POJK No.14/POJK.04/2019 - Penambahan Modal Perusahaan Terbuka dgn memberikan Hak Memesan Efek terlebih dahulu 5. Media Training 6. Executive Risk Management Certification Refresher - 2023 7. Sustainable Finance Offline Seminar 8. Deloitte Southeast Asia Financial Crime Symposium | The Emerging Issue of Financial Crime 9. Bank BTPN Sustainability Seminar 2023 10. IMD's Orchestrating Winning Performance, Singapore Leadership Series: Influence for Impact with Najwa Shihab 11. Political Update by Philip J. Vermonte	1. 18 January 2023 2. 14 March 2023 3. 20 March 2023 4. 8 June 2023 5. 6 July 2023 6. 26 July 2023 7. 11 August 2023 8. 3 October 2023 9. 12 October 2023 10. 20-24 November 2023 11. 8 December 2023
5	**Atsushi Hino** Director	1. Economic Outlook Update by Raden Pardede 2. Media Training 3. Bank BTPN Sustainability Seminar 2023 4. Talent Insight Discovery Training 5. Bank BTPN Economic Outlook 2024 6. Political Update by Philip J. Vermonte	1. 6 June 2023 2. 6 July 2023 3. 12 October 2023 4. 16 October 2023 5. 22 November 2023 6. 8 December 2023

No	Name	Training	Date
6	**Keishi Kobata** Director	1. Executive Risk Management Certification Refresher - 2023 2. Sustainable Finance Offline Seminar 3. Bank BTPN Sustainability Seminar 2023 4. Bank BTPN Economic Outlook 2024 5. Leadership Series: Influence for Impact with Najwa Shihab 6. Political Update by Philip J. Vermonte	1. 26 July 2023 2. 11 August 2023 3. 12 October 2023 4. 22 November 2023 5. 5 December 2023 6. 8 December 2023
7	**Merisa Darwis** Director	1. Leadership Series : Creating Strategy to Connect The Generation Gap 2. Economic Outlook Update by Raden Pardede 3. IMD - Individual Learning Development – Orchestrating Winning Performance 4. Media Training 5. Executive Risk Management Certification Refresher - 2023 6. Sustainable Finance Offline Seminar 7. Bank BTPN Sustainability Seminar 2023 8. Bank BTPN Economic Outlook 2024 9. Leadership Series: Influence for Impact with Najwa Shihab 7. Political Update by Philip J. Vermonte	1. 14 March 2023 2. 6 June 2023 3. 26-30 June 2023 4. 6 July 2023 5. 26 July 2023 6. 11 August 2023 7. 12 October 2023 8. 22 November 2023 9. 5 December 2023 10. 8 December 2023
8	**Hanna Tantani** Director	1. OJK Webinar - Tren Perbankan di Tahun 2023 2. Thriving in the age of Analytics with Digital Mindset 3. OJK Webinar - Implementasi Artificial Intelligence di Industri Jasa Keuangan 4. OJK Webinar - The Role of GRC in Supporting Financial Sector Performance 5. Webinar - PwC Indonesia Economic Update Q1 – 2023 6. Harvard yang Driving Digital Strategy 7. Leadership Series : Creating Strategy to Connect The Generation Gap 8. McKinsey session with BTPN on “AI-enabled customer service” 9. BCG and AC Ventures’ report launch: Shaping the Future of Fintech in Indonesia 10. Economic Outlook Update by Raden Pardede 11. Empowering Women <IDX> 12. Media Training 13. Executive Risk Management Certification Refresher - 2023 14. PwC WEBINAR: Tax Breakfast Briefing - Discussion on the new rules of Benefits In-Kinds 15. Sustainable Finance Offline Seminar 16. Bank BTPN Sustainability Seminar 2023 17. Bank BTPN Economic Outlook 2024 18. Leadership Series: Influence for Impact with Najwa Shihab 19. Political Update by Philip J. Vermonte	1. 17 January 2023 2. 18 January 2023 3. 2 February 2023 4. 23 February 2023 5. 9 March 2023 6. 12-17 March 2023 7. 14 March 2023 8. 16 March 2023 9. 29 March 2023 10. 6 June 2023 11. 8 June 2023 12. 6 July 2023 13. 26 July 2023 14. 2 August 2023 15. 11 August 2023 16. 12 October 2023 17. 22 November 2023 18. 5 December 2023 19. 8 December 2023

ASSESSMENT OF COMMITTEES UNDER THE BOARD OF DIRECTORS

Criteria and Procedures of Assessment

In assessing the committees under the Board of Directors, considerations, among others, including meeting attendance, as well as the implementation of duties. Especially to ensure that all main strategies and initiatives are acted on.

Assessment Results

Based on considering conducting the assessment, the Board of Directors views that in the year 2023, all committees have appropriately carried out their duties. Thus, the committees under the supervision of the Board of Directors were actively involved in supporting the duties of the Board of Directors.

TRANSPARENCY OF INFORMATION ON THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

DIVERSITY IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

The policy on the diversity in the composition of the Board of Commissioners and the Board of Directors applied within the Bank refers to the Circular Letter of the Financial Services Authority No. 32/SEOJK.04/2015 on the Integrated Corporate Governance Guidelines. Therefore, the appointment of the Board of Commissioners and the Board of Directors has taken into account and complied with the diversity factor.

Diversity in the Board of Commissioners is reflected in determining the expertise, knowledge, and experience required to perform supervisory duties and provide advice. The composition that has taken into account the needs of a Public Company is a positive point, specifically with respect to decision-making as part of the implementation of its supervisory function with consideration of a wider range of aspects.

As in the case with the Board of Commissioners, diversity in the composition of members of the Board of Directors is a combination of preferred characteristics, both from the aspect of the Board of Directors as a company organ as well as an individual, in line with the needs of the Bank. Such combination is determined by means of considering the expertise, knowledge, and experience in accordance with the division of duties and functions of the Board of Directors in accomplishing the objectives of the Bank.

Considerations on the combination of characteristics of the Board of Commissioners will impact the accuracy of the nomination and appointment process of individual members of the Board of Directors or collegially the Board of Directors. This also applies in the case of the Board of Commissioners.

Aspect of Diversity	Board of Commissioners	Board of Directors
Nationality	• Indonesian • Singaporean • Japanese	• Indonesian • Japanese
Education	• Economy • Financial Management • Monetary	• Economy • Management Finance • Law
Work Experience	• Banking Practitioner • Auditor	• International Banking • Risk Management • Financial Executive
Gender	• 1 Female • 5 Male	• 3 Female • 5 Male

MEETINGS OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Meetings of The Board Commissioners

Provisions and Reference

The provisions that regulate the meetings of the Board of Commissioners as contained in the Board Manual of the Board of Commissioners, among others, include the following:

1. Meetings of the Board of Commissioners must be held periodically at least 1 (one) time within 2 (two) months.
2. Meetings of the Board of Commissioners must be attended in person by members at least 2 (two) times in a year.
3. The Board of Commissioners must periodically hold the meetings jointly with the Board of Directors at least 1 (one) time every 4 (four) months.
4. The Board of Commissioners must schedule the meetings for the following year prior to the end of the fiscal year.
5. Meetings of the Board of Commissioners are lead by the President Commissioner or in the event the President Commissioners is unavailable, by another Commissioner appointed in the meeting.

6. Meetings of the Board of Commissioners are valid and have the right to make binding decisions if more than ½ (one half) of the total members of Commissioners are present or represented in the meetings.
7. Decision-making in the Meetings of the Board of Commissioners is conducted based on deliberation and consensus.
8. If deliberative decision for consensus cannot be reached, then the decision is valid if it is taken by voting based on affirmative votes of at lelast 2/3 (two thirds) of the total votes casted at the meeting.
9. All decisions legally made in the Meetings of the Board of Commissioners are biding to all membersof the Board of Commissioners.
10. Dissenting opinions that occur in the Meetings of the Board of Commissioners are required to clearly recorded in the meeting minutes together with the reasons behind such difference in opinions.

Meeting Frequency and Attendance of the Board of Commissioners

Name	Positions	Meeting of the Board of Commissioners			Coordination Meeting of the Board of Commissioners & the Board of Directors			Attendance in the GMS		
		Number of Meeting	Total Attendance	%	Number of Meeting	Total Attendance	%	Total GMS	Total Attendance	%
Chow Ying Hoong	President Commissioner	7	7	100	6	6	100	3	3	100
Takeshi Kimoto	Commissioner	7	6	86	6	6	100	3	3	100
Ninik Herlani Masli Ridhwan	Independent Commissioner	7	7	100	6	6	100	3	3	100
Onny Widjanarko[1)]	Independent Commissioner	5	5	100	4	4	100	2	2	100
Edmund Tondobala	Independent Commissioner	7	7	100	6	6	100	3	3	100
Ongki Wanadjati Dana	Commissioner	7	7	100	6	6	100	3	3	100
Irwan Mahjudin Habsjah [2)]	Independent Commissioner	1	1	100	1	1	100	1	1	100

[1)] Onny Widjanarko was appointed as Independent Commissioner since the closing of AGMS on 13 April and effective as of 8 May 2023
[2)] Irwan Mahjudin Habsjah was no longer as Independent Commissioner since the closing of AGMS on 13 April 2023

Meeting Agenda of the Board of Commissioners

No.	Minutes of Meeting No.	Date	Agenda
1	MOM.0001/BOC/I/2022	26 January 2023	1. Q4/2022 Audit Committee Report 2. Q4/2022 Risk Monitoring Committee Report 3. Q4/2022 Remuneration & Nomination Committee Report 4. Q4/2022 GCG Committee Report
2	MOM.0002/BOC/IV/2023	17 April 2023	1. Q1/2023 Audit Committee Report 2. Q1/2023 Risk Monitoring Committee Report 3. Q1/2023 Remuneration & Nomination Committee Report 4. Q1/2023 GCG Committee Report
3	MOM.0003/BOC/VI/2022	22 June 2023	1. Self-Assessment Report for the Performance of Audit Committee 2. Self-Assessment Report for the Performance of Risk Monitoring Committee 3. Self-Assessment Report for the Performance of Remuneration & Nomination Committee 4. Self-Assessment Report for the Performance of Good Corporate Governance Committee 5. Committee Site Visit Report
4	MOM.0004/BOC/VII/2023	26 July 2023	1. Q2/2023 AuditCommittee Report 2. Q2/2023 Risk Monitoring Committee Report 3. Q2/2023 Remuneration & Nomination Committee Report 4. Q2/2023 GCG Committee Report
5	MOM.0005/BOC/IX/2023	5 September 2023	1. BOC Approval on Project Utiopia 2. BOC Approval on Treasury Stock
6	MOM.0006/BOC/X/2023	25 October 2023	1. Q3/2023 AuditCommittee Report 2. Q3/2023 Risk Monitoring Committee Report 3. Q3/2023 Remuneration & Nomination Committee Report 4. Q3/2023 GCG Committee Report
7	MOM.0007/BOC/IX/2023	23 November 2023	1. BOC Approval on Audit Committee Working Plan FY2024 2. BOC Approval on Risk Monitoring Committee Working Plan FY2024

TRANSPARENCY OF INFORMATION ON THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Meetings of The Board Of Directors

Provisions and Reference

The provisions that regulate the meetings of the Board of Directors as contained in the Board Manual of the Board of Directors, among others, include the following:

1. Meetings of the Board of Directors must be held periodically at least 1 (one) time every month.
2. Meetings of the Board of Directors may be held if attended or represented by majority of all the members of the Board of Directors.
3. The Board of Directors must periodically hold the meetings jointly with the Board of Commissioners at least 1 (one) time every 4 (four) months.
4. The Board of Directors must schedule the meetings for the following year prior to the end of the fiscal year.
5. For scheduled meetings, related mateials are delivered to participants at the latest by 5 (five) days prior to the meeting.
6. Meetings of the Board of Directors are valid and have the right to make binding decisions if more than ½ (one half) of the total members of the Board of Directors are present or represented in the meetings.
7. In the event a meeting is to be held outside of the set schedule, meeting materials are to be delivered at the latest before the meeting is held.
8. Every strategic policy and decision must be established through the meeting of the Board of Directors by taking into consideration of prevailing provisions.
9. Meetings of the Board of Directors are lead by the President Director, or in the event the President Director is unavailable, by another Director appointed in the meeting which does not require to be proven to a third-party.
10. Decision-making in the Meetings of the Board of Directors is conducted based on deliberation and consensus.
11. If deliberative decision for consensus is not reached, then the decision is valid if taken through voting based on affirmative votes of more than ½ (one half) of the total votes casted during the meeting.
12. All decisions legally made in the Meetings of the Board of Directors are binding to all members of the Board of Directors.
13. Dissenting opinions that occur in the Meetings of the Board of Directors are required to clearly recorded in the meeting minutes together with the reasons behind such difference in opinions.

Meeting Frequency and Attendance of the Board of Directors

Name	Position	Meeting of the Board of Directors			Coordination Meeting of the Board of Commissioners & the Board of Directors			Attendance in the GMS		
		Number of Meeting	Total Attendance	%	Number of Meeting	Total Attendance	%	Total GMS	Total Attendance	%
Henoch Munandar	President Director	47	40	85	6	6	100	3	3	100
Kaoru Furuya	Deputy President Director	47	41	87	6	6	100	3	3	100
Darmadi Sutanto	Deputy President Director	47	43	91	6	6	100	3	3	100
Dini Herdini	Compliance Director	47	45	96	6	6	100	3	3	100
Keishi Kobata [1]	Director	25	21	84	3	3	100	1	1	100
Atsushi Hino [2]	Director	31	27	87	4	4	100	2	2	100
Merisa Darwis	Director	47	46	98	6	6	100	3	3	100
Hanna Tantani	Director	47	45	96	6	6	100	3	3	100
Kan Funakoshi [3]	Director	13	13	100	1	1	100	1	1	100
Hiromichi Kubo [4]	Director	20	20	100	3	3	100	2	2	100

1) Keishi Kobata was appointed as Director since the closing of EGMS on 22 June 2023 and effective as of 25 July 2023.
2) Atsushi Hino was appointed as Director since the closing of AGMS on 13 April 2023 and effective as of 15 May 2023.
3) Kan Funakoshi was no longer in office as Director since the closing of AGMS on 13 April 2023.
4) Hiromichi Kubo was no longer in office as Director since the closing of EGMS on 22 June 2023.

Meeting Agenda of the Board of Directors

No.	Minutes of Meeting No.	Date	Agenda
1	MOM.0001/BOD/I/2023	10 January 2023	1. Financial Performance Update YTD December 2022 2. Preparation meeting for RBB meeting with OJK 3. Governance Update
2	MOM.0002/BOD/I/2023	19 January 2023	1. Q4-2022 Business Banking Update 2. Q4-2022 Retail Lending Business Update 3. Q4-2022 Wealth Management Business Update
3	MOM.0003/BOD/I/2023	24 January 2023	1. Q4-2022 Corporate Banking Japanese Update 2. Q4-2022 Wholesale Banking Group Update 3. Q4-2022 Compliance & AML Update 4. Treasury Update
4	MOM.0004/BOD/I/2023	31January 2023	1. Q4-2022 Digital Banking Business Update 2. FY2022 Operations Update 3. SOX FY2022 PLC - Operating Effectiveness Results 4. Updates from Project Utara
5	MOM.0005/BOD/II/2023	14 February 2023	Updates from Human Resource - Pay Review
6	MOM.0006/BOD/II/2023	14 February 2023	1. Updates from Human Resource 2. Updated on FY2022 Audited Financial Results & Financial Performance Update YTD January 2023 3. Internal Audit Update 4. Governance Update 5. Update on GL Control & Governance 6. Mandate Letter for Facility from IFC
7	MOM.0007/BOD/II/2023	21 February 2023	1. Treasury Update 2. Governance Update 3. Update from SOX 4. Update on Jenius as a platform
8	MOM.0008/BOD/III/2023	14 March 2023	BOD Update
9	MOM.0009/BOD/III/2023	14 March 2023	1. BTPN Syariah FY2022 Financial Performance 2. Update from Finance: Financial Performance YTD February 2023 & Tax Update 3. Governance Update 4. Bancassurance Exclusive Partnership Project
10	MOM.0010/BOD/III/2023	21 March 2023	1. Treasury Update 2. Governance Update - Updates from DAYA 3. Updates from SOX 4. Retail End-to-End Operation Initiatives
11	MOM.0011/BOD/III/2023	28 March 2023	Updates on Project Utopia
12	MOM.0012/BOD/IV/2023	4 April 2023	1. Internal Audit Update 2. Governance Update 3. Updates from Finance 4. Socialization from Privy (Digital Signature)
13	MOM.0013/BOD/IV/2023	11 April 2023	1. Updates from Project Utopia 2. Financial Performance YTD March 2023 3. Treasury Update 4. Governance Update
14	MOM.0014/BOD/IV/2022	18 April 2023	1. Q1-2023 Digital Banking Business Update 2. Q1-2023 Retail Lending Business Update 3. Q1-2023 Wealth Management Business and Network & Distribution Update 4. Q1-2023 Business Banking Update 5. Q1-2023 Corporate Banking Japanese Business Update 6. Q1-2023 Wholesale and Commercial Banking Business Update 7. Q1-2023 Operations Update 8. Q1-2023 Compliance & AML Update
15	MOM.0015/BOD/V/2023	2 May 2023	1. 2023 Proposed BOD and BOM Individual KPI 2. Digital Transformation Strategy Implementation
16	MOM.0016/BOD/V/2023	9 May 2023	1. Q1-2023 BTPN Syariah Performance Results 2. Financial Performance YTD April 2023 3. Operations Key Project 4. Updates on SMBC KPI 5. Governance Update

TRANSPARENCY OF INFORMATION ON THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

No.	Minutes of Meeting No.	Date	Agenda
17	MOM.0017/BOD/V/2023	23 May 2023	1. Bank Business Plan Update 2. Human Resource Update 3. Treasury Update 4. SOX & GL Update 5. Updates from IT 6. Presentation from SBCS Indonesia
18	MOM.0018/BOD/VI/2023	13 June 2023	1. Updates from Finance: • Financial Performance YTD May 2023 • Forecast • Proposed Monthly Letter Guideline 2. Internal Audit Update 3. Governance Update
19	MOM.0019/BOD/VI/2023	20 June 2023	1. Updates on RBB of BTPN Syariah 2. RBB Revision for BOD Approval
20	MOM.0020/BOD/VI/2023	20 June 2023	1. Treasury Update 2. Updates on Customer Protection (Perlinkos) 3. Updates on Pocari Sweat Run Event
21	MOM.0021/BOD/VII/2023	11 July 2023	1. Financial Performance Update YTD June 2023 2. Governance Update 3. Reorganized Project IT 4. Socialization of Brand Transformation Project 5. Updates from IT Investment Committee 6. Updates on D&O Insurance
22	MOM.0022/BOD/VII/2023	18 July 2023	1. Q2-2023 Business Banking Update 2. Q2-2023 Retail Lending Business Update 3. Q2-2023 Wealth Management Business Update 4. Governance Update
23	MOM.0023/BOD/VII/2023	25 July 2023	1. Q2-2023 AML & Compliance Update 2. Treasury Update 3. Q2-2023 Corporate Banking Japanese Business Update 4. Q2-2023 Wholesale Banking Group Update 5. Q2-2023 Operations Update 6. Selling Offering for Unused Properties
24	MOM.0024/BOD/VIII/2023	1 August 2023	1. Q2-2023 BTPN Syariah Performance Update 2. Q2-2023 Digital Banking Business Update
25	MOM.0025/BOD/VIII/2023	8 August 2023	1. Tax Update 2. Peers Bank Comparison Update 3. RBB Update
26	MOM.0026/BOD/VIII/2023	15 August 2023	Updates from Leads Property
27	MOM.0027/BOD/VIII/2023	15 August 2023	1. Updates on Project NEO 2. Financial Performance YTD July 2023 3. Internal Audit Update 4. Governance Update 5. Updates on SOX & GL Governance 6. Project NEO HRIS Update
28	MOM.0028/BOD/VIII/2023	22 August 2023	1. Treasury Update 2. Human Resource Update 3. Governance Update 4. Updates on New Procurement Process
29	MOM.0029/BOD/IX/2023	5 September 2023	1. Forecast 2023 and Bank Business Plan 2024 2. BOD Approval on Project Utopia 3. BOD Approval on Treasury Stock
30	MOM.0030/BOD/IX/2023	12 September 2023	1. Updates on Brand Transformation Project 2. Financial Performance YTD August 2023 3. Governance Update 4. Updates on Bancassurance Partnership
31	MOM.0031/BOD/IX/2023	13 September 2023	BOD Approval on Treasury Stock
32	MOM.0032/BOD/IX/2023	19 September 2023	1. Treasury Update 2. Governance Update 3. Update from SOX IT CLC and ITGC 4. Task Force Kickoff - Project Utopia Post CSPA Activity

No.	Minutes of Meeting No.	Date	Agenda
33	MOM.0033/BOD/X/2023	10 October 2023	Property Selling
34	MOM.0034/BOD/X/2023	10 October 2023	1. Financial Performance YTD September 2023 2. Q3-2023 Business Banking Update 3. Internal Audit Update 4. Governance Update 5. Brand Transformation - Vendor
35	MOM.0035/BOD/X/2023	17 October 2023	1. Q3-2023 Corporate Banking Japanese Business Update 2. Q3-2023 Wholesale Banking Group Business Update 3. Q3-2023 Retail Lending Business Update 4. Q3-2023 Wealth Management Business and Network & Distribution Update 5. Governance Update
36	MOM.0036/BOD/X/2023	24 October 2023	Property Selling
37	MOM.0037/BOD/X/2023	24 October 2023	1. Q3-2023 Digital Banking Business Update 2. Q3-2023 BTPN Syariah Performance Update 3. Q3-2023 Operations Update 4. Treasury Update 5. Q3-2023 Compliance & AML Update
38	MOM.0038/BOD/X/2022	24 October 2023	Updates on Project NEO
39	MOM.0039/BOD/XI/2023	31 October 2023	Updates on Project NEO
40	MOM.0040/BOD/XI/2023	7 November 2023	BOD Approval on Bank Business Plan FY2024-2026
41	MOM.0041/BOD/XI/2023	14 November 2023	1. Financial Performance YTD October 2023 2. Employee Attrition Review 3. Human Resource Update 4. Governance Update 5. Employee Engagement Survey (VIBES 3.0) Results
42	MOM.0042/BOD/XI/2023	21 November 2023	1. Treasury Update 2. Customer Protection Committee Update 3. Updates from Finance • SOX PLC • GL Governance Update
43	MOM.0043/BOD/XI/2023	28 November 2023	Consultant for BTPN Network & Distribution
44	MOM.0044/BOD/XII/2023	5 December 2023	BOD Approval on Property Selling and Property Release
45	MOM.0045/BOD/XII/2023	05 December 2023	1. BOD Approval on Consultant for BTPN Network & Distribution 2. Investment Plan 2024
46	MOM.0046/BOD/XII/2023	12 December 2023	1. Financial Performance YTD November 2023 2. Internal Audit Update 3. Treasury Update 4. Governance Update
47	MOM.0047/BOD/XII/2023	13 December 2023	Updates on Property Selling

Implementation of Coordination Meetings of the Board of Commissioners and the Board of Directors

Coordination Meetings of the Board of Commissioners and the Board of Directors are set regularly in conjunction with the schedule of the Board of Commissioners and the Board of Directors for the full year. Meeting materials and minutes of a meeting are distributed to the meeting participants and are to be appropriately documented.

The Board of Commissioners holds periodic meetings with the Board of Directors as part of an effective supervisory function on strategic, financial, operational, internal control systems, compliance, risk management, and governance aspects.

The meetings were attended, both physically as well as through teleconference technology, by members of the Board of Commissioners. During 2023, the Coordination Meetings of the Board of Commissioners and the Board of Directors were held 6 (six) times.

Decision-making in the meetings is based on deliberation and consensus. Throughout 2023, no dissenting opinion occurred on the meetings' decisions.

TRANSPARENCY OF INFORMATION ON THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Meeting Agenda of Coordination Meeting of the Board of Commissioners and the Board of Directors

No.	Minutes of Meeting No.	Date	Agenda
1	MOM.0001/BOC-BOD/I/2023	26 January 2023	1. Explanation on OJK Warning Letter 2. Report on GCG Self-Assessment 2022 3. Report on Financial Performance FY2022 (unaudited) 4. Report on Compliance and AML for positon Q4 2022 5. Monitoring of BOC Committee Recomendation
2	MOM.0002/BOC-BOD/V/2023	4 May 2023	1. Report on Financial Performance for the position as of Q1 2023 2. Report on Compliance and AML for positon Q1 2023
3	MOM.0003/BOC-BOD/VI/2023	22 June 2023	1. BOC Approval for Bank Business Plan Revision for year 2023-2025. 2. Updates on Sustainability
4	MOM.0004/BOC-BOD/VII/2023	26 July 2023	1. Report on Good Corporate Governance Self-Assessment as of June 2023 2. Report on Financial Performance For the Position as of Q2 2023 3. Report on Compliance and AML for positon Q2 2023 4. Monitoring of BOC Recommendation for the Position as of June 2023
5	MOM.0005/BOC-BOD/X/2023	25 October 2023	1. Updates on Project NEO 2. Report on Financial Performance for the Position as of Q3-2023 3. Report on Compliance and AML for positon Q3 2023
6	MOM.0006/BOC-BOD/XI/2023	8 November 2023	BOC Approval on Bank Business Plan for year 2024-2026

AFFILIATION OF THE BOARD OF COMMISSIONERS, THE BOARD OF DIRECTORS, CONTROLLING SHAREHOLDERS

The Board of Commissioners

Name	Financial Relations with						Family Relations with					
	The Board of Commissioners		The Board of Directors		Controlling Shareholders		The Board of Commissioners		The Board of Directors		Controlling Shareholders	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Chow Ying Hoong	-	√	-	√	√	-	-	√	-	√	-	√
Takeshi Kimoto	-	√	-	√	√	-	-	√	-	√	-	√
Ninik Herlani Masli Ridhwan	-	√	-	√	-	√	-	√	-	√	-	√
Onny Widjanarko	-	√	-	√	-	√	-	√	-	√	-	√
Edmund Tondobala	-	√	-	√	-	√	-	√	-	√	-	√
Ongki Wanadjati Dana	-	√	-	√	-	√	-	√	-	√	-	√

The Board of Directors

Name	Financial Relations with						Family Relations with					
	The Board of Commissioners		The Board of Directors		Controlling Shareholders		The Board of Commissioners		The Board of Directors		Controlling Shareholders	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Henoch Munandar	-	√	-	√	-	√	-	√	-	√	-	√
Kaoru Furuya	-	√	-	√	-	√	-	√	-	√	-	√
Darmadi Sutanto	-	√	-	√	-	√	-	√	-	√	-	√
Dini Herdini	-	√	-	√	-	√	-	√	-	√	-	√
Keishi Kobata	-	√	-	√	-	√	-	√	-	√	-	√
Atsushi Hino	-	√	-	√	-	√	-	√	-	√	-	√
Merisa Darwis	-	√	-	√	-	√	-	√	-	√	-	√
Hanna Tantani	-	√	-	√	-	√	-	√	-	√	-	√

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

Reference

The Bank has a policy that the obligation of the Board of Commissioners and the Board of Directors to disclose to the Bank regarding shares ownership and changes in the ownership of the shares must be disclosed within three working days following the transactions.

This procedure refers to OJK Regulation No.11/POJK.04/2017 on Report of Shares Ownership or Every Change of Shares Ownership of Public Companies.

Disclosure of Shares Ownership by the Board of Commissioners

Referring to the Financial Services Authority Regulations and the Corporate Governance Policy related to the reporting of Shares Ownership and Changes in the Shares Ownership during the year 2022, shares of BTPN owned by the Board of Commissioners were noted and disclosure report of these shares ownership was in accordance with prevailing regulations.

Shares ownership of the Board of Commissioners as of December 2022 is listed in table below:

Name	Position	In 2022		In 2023	
		Total Shares	Percentage of Ownership	Total Shares	Percentage of Ownership
Chow Ying Hoong	President Commissioner	0	0.000%	0	0.000%
Takeshi Kimoto	Commissioner	0	0.000%	0	0.000%
Ninik Herlani Masli Ridhwan	Independent Commissioner	0	0.000%	0	0.000%
Onny Widjanarko	Independent Commissioner			0	0.000%
Edmund Tondobala	Independent Commissioner	0	0.000%	0	0.000%
Ongki Wanadjati Dana	Commissioner	860,804	0.011%	860,804	0.011%

TRANSPARENCY OF INFORMATION ON THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

In order to maintain independence to provide objective considerations for the interests of the company and regardless of potential conflicts of interest, no Independent Commissioner owns shares of the Bank or its subsidiary companies, or receives incentives or bonuses in the form of shares from the Bank.

One non-independent Commissioner of the Bank owns BTPN shares originating from the MRT program which he obtained while serving as a member of the Board of Directors.

Disclosure of Shares Ownership by the Board of Directors

In accordance with the Financial Services Authority Regulations and the Corporate Governance Policy related to the reporting of Shares Ownership and Changes in the Shares Ownership during the year 2022, shares of BTPN owned by the Board of Directors were noted, and disclosure report of these shares ownership was in accordance with prevailing regulations.

Shares ownership of the Board of Directors as of December 2022 is listed in the table below:

Name	Position	In 2022		In 2023	
		Total Shares	Percentage of Ownership	Total Shares	Percentage of Ownership
Henoch Munandar	President Director	172.256	0,002%	173.756	0,002
Kaoru Furuya	Deputy President Director	1.500	0,000%	3.000	0,000
Darmadi Sutanto	Deputy President Director	311.120	0,004%	89.120	0,001
Dini Herdini	Compliance Director	117.072	0,001%	118.572	0,001
Atsushi Hino	Director			0	0,000
Keishi Kobata	Director			0	0,000
Merisa Darwis	Director	220.858	0,003%	222.358	0,003
Hanna Tantani	Director	146.654	0,002%	148.154	0,002

NOMINATION OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

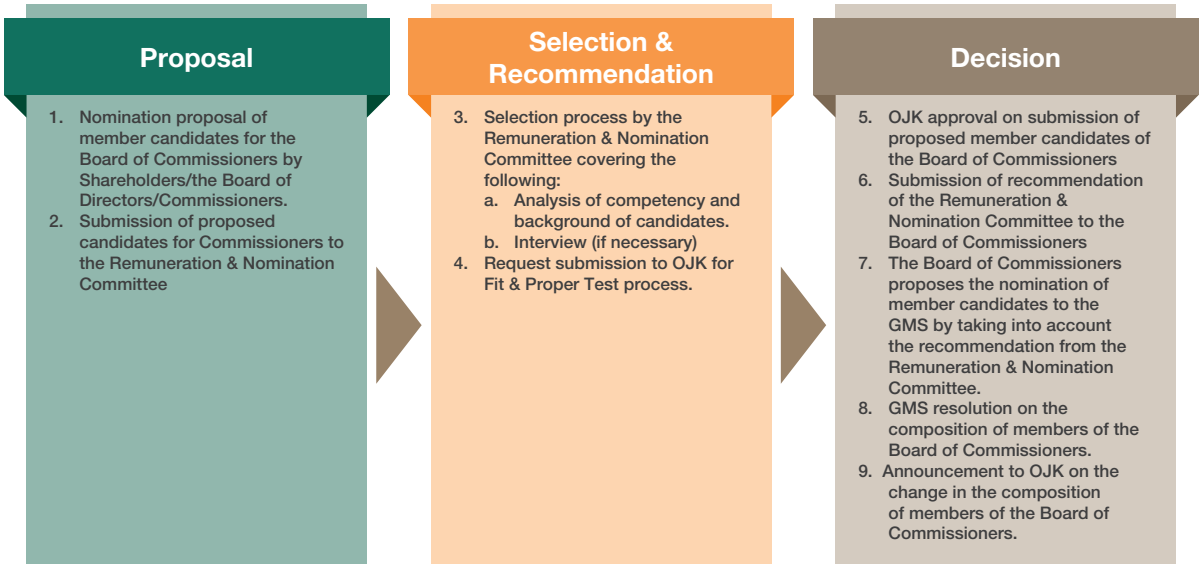
The Board of Commissioners

Policies and Procedures

The nomination policy of members of the Board of Commissioners is implemented in the context of selecting and/or replacing members of the Board of Commissioners, which will be conveyed in the General Meeting of Shareholders. The process of selecting candidates is performed by the Remuneration and Nomination Committee. The committee considers competency and professional experience, as well as the diversity of the composition, disregarding race, ethnicity, gender, and religion.

The Remuneration and Nomination Committee recommends the selected candidates to the Board of Commissioners for approval and ratification in the General Meeting of Shareholders. However, before performing their duties, the Board of Commissioners must pass the fit and proper test. The Bank's management must comply with the requirements on financial integrity, competency, and reputation. As of December 2023, all members of the Board of Commissioners have complied with the requirement of passing the fit and proper test.

The Board of Commissioners Nomination Process



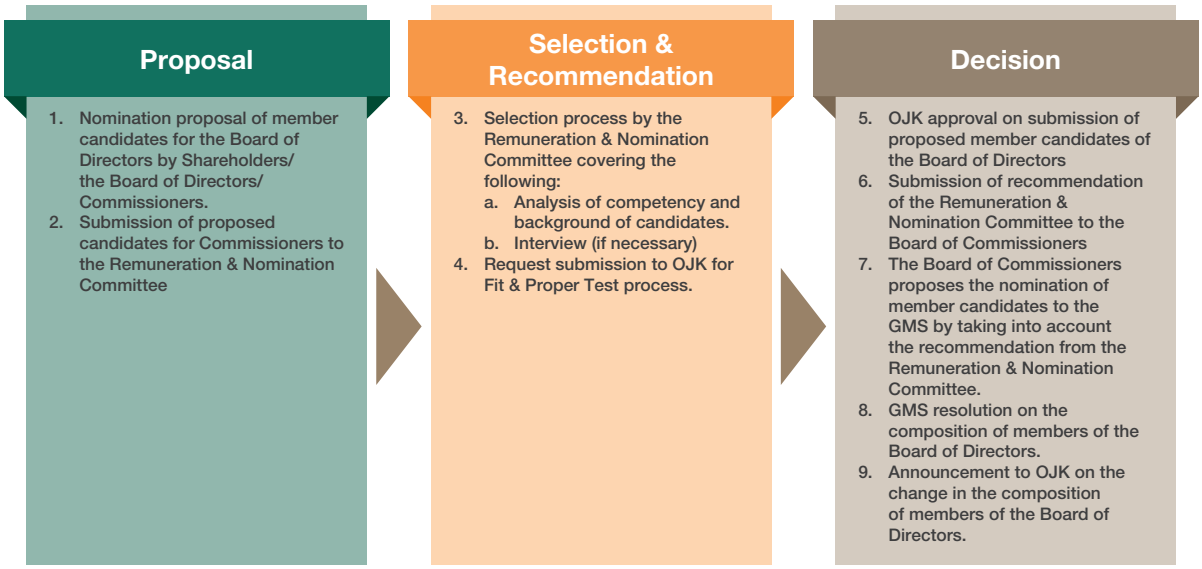
The Board of Directors

Policies and Procedures

The nomination policy of members of the Board of Directors is implemented in the context of selecting and/or replacing members of the Board of Directors, which will then be conveyed in the General Meeting of Shareholders. The process of selecting candidates is performed by the Remuneration and Nomination Committee. The committee takes considerations of competency and professional experience, as well as the diversity of the composition, disregarding race, ethnicity, gender, and religion.

The Remuneration and Nomination Committee recommends selected candidates to the Board of Commissioners for approval and ratification in the General Meeting of Shareholders. However, the Board of Directors must pass the fit and proper test before performing their duties. The Bank's management must comply with the requirements on financial integrity, competency, and reputation. As of December 2023, all members of the Board of Directors have complied with the requirement of passing the fit and proper test.

The Board of Directors Nomination Process



TRANSPARENCY OF INFORMATION ON THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Assessment Procedures

Performance assessment of the Board of Commissioners and the Board of Directors is carried out through the self-assessment method. The assessment is conducted collegially every year.

Assessment Criteria

The criteria used in the assessment on the Board of Commissioners cover the following:

1. Responsibility of the Board of Commissioners
2. Governance, risk management, compliance, and internal control
3. Structure, size and composition of the Board of Commissioners
4. Meetings of the Board of Commissioners
5. Committees under the Board of Commissioners

The criteria used in the assessment on the Board of Directors cover the following:

1. Duties and responsibilities of the Board of Directors
2. Corporate governance, risk management, and internal control
3. Structure, size, and the composition of the Board of Directors
4. Effectiveness of meetings of the Board of Directors
5. Work units and committees supporting the Board of Directors

Assessor

Performance assessment on the Board of Commissioners is carried out collegially. The Board of Commissioners simultaneously takes the self-assessment. The assessment results are then evaluated in the Meeting of the Board of Commissioners.

Performance assessment of the Board of Directors is also done collegially. The Board of Directors simultaneously takes the self-assessment, and the assessment results are then evaluated in the Meeting of the Board of Commissioners.

Assessment Results

In the year 2023, the collegial average rate of performance of the Board of Commissioners was noted at “Very Good”. Meanwhile the collegial average rate of the Board of Directors’ performance was noted at “Good”.

REMUNERATION OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Policy

Determining the remuneration and other facilities for the Board of Commissioners and the Board of Directors refers to the decision of the Shareholders established through the GMS. Establishing the remuneration takes into account the recommendation from the Remuneration and Nomination Committee.

In determining the remuneration of each of the Board of Commissioners and the Board of Directors, the Bank considers the general performance, individual performance appraisal, fairness with the peer group in the Bank and in the banking industry, as well as on the capability of the Bank. The Bank’s performance as one of the factors determining remuneration for members of the Board of Commissioners and the Board of Directors, among others, is illustrated by the Company’s share price in the stock market.

Procedures of Determining Remuneration

The process of determining the remuneration of the Board of commissioners and the Board of Directors within the Bank, is explained in the flow chart below:



Remuneration Structure of the Board of Commissioners

Type of Remuneration and Other Facilities	Total Amount of Rupiah Received (Gross) in 1 (one) Year	
	The Board of Commissioners	
	Total Recipients as of 31 December 2023	Rp Million
Honorarium and/or Allowances[1)]	6	15,697
Other facilities in the form of non-cash: housing, insurance, health, and others that:		
• Can be owned	6	911
• Cannot be owned	6	35
Total	**6**	**16,642**

[1)] Including remuneration of members of the Board of Commissioners who worked until 13 April 2023.

Total Remuneration and Benefits in 1 Year	Number of Commissioners
Above Rp2 Billion	4
Above Rp1 Billion – Rp2 Billion	1
Above Rp500 Million – Rp1 Billion	0
Below Rp500 Million	0

The number of members of the Board of Directors, the Board of Commissioners, and Employees as Recipients of Fixed and Variable Remuneration in 1 year and the Total Nominal amount.

Fixed Category

(Rp Million)

Detail	2023	2022
The Board of Directors	57,429	67,139
The Board of Commissioners	15,725	11,283
Employees	1,428,752	1,355,027

TRANSPARENCY OF INFORMATION ON THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Variable Category

(Rp Million)

Detail	2023		2022	
	Headcount	Total Amount	Headcount	Total Amount
The Board of Directors	9	28,136	16	41,504
The Board of Commissioners	-	-	-	-
Employee Bonus	-	219,805	-	207,383
Employee Incentive	-	20,480	-	17,968

Shares Option of the Board of Directors, the Board of Commissioners, and Executive Officers

BTPN has no shares option program.

Ratio of Highest and Lowest Salary

Detail	2023
Highest of Employee – Lowest of Employee	121.36
Highest of Director – Lowest of Director	5.21
Highest of Commissioner – Lowest of Commissioner	2.73
Highest of Director – Highest of Employee	1.83

Total Variable Remuneration Deferred

(Rp Million)

Detail	2023		2022	
	Headcount	Total Amount	Headcount	Total Amount
Bonus Deferred (Gross)	17	10,674	9	7.334

Performance Review Related to Remuneration

The link between performance and remuneration is explained as follows:

1. The Bank refers to the principle of meritocracy in providing remuneration to the Board of Directors and employees, both for fixed and variable remuneration. Review of individual remuneration is conducted every year and remuneration adjustment is based on individual performance.
2. In respect to the Bank's Performance Management, each member of the Board of Directors and employees have individual targets as the basis for individual performance appraisal. Individual targets of the Board of Directors are also the targets of the work unit/directorate the individual is in, derived from the bank's targets, and then the targets gradually become the targets of the smallest work unit and the targets of individual employee at the lowest level.
3. Performance assessment of the unit as well as the individuals is based on the realization of the targets of the work unit and the individuals. The performance of the unit is set with the category – Exceeding Target, Achieving Target or Not Achieving Target. The unit's performance also effects the performance of the head of the concerned unit.

Individual performance is assessed based on the realization of individual targets and evaluated with categories: Outstanding; Very Good; Good; Need Improvement; Poor.

The amount of remuneration adjustments are based on the individual performance assessment. The management provides guidelines on the amount of remuneration adjustment in line with individual performance.

The Bank also regulates the guidelines on providing variable remuneration, which is associated with performance and risk (Material Risk Taker) with the conditions as follows:

a. 80% of Variable Income is provided in the form of cash.
b. 20% of Variable Income is Deferred Variable Income with distribution as follows:
   1. The Board of Directors
      - 1/3 provided in the form of cash and 500 units of shares
      - 1/3 provided in the form of cash and 500 units of shares
      - 1/3 provided in the form of cash and 500 units of shares
   2. Board of Management
      - 1/3 provided in the form of cash and 400 units of shares
      - 1/3 provided in the form of cash and 400 units of shares
      - 1/3 provided in the form of cash and 400 units of shares

Positions and Number of Parties that Become Material Risk Takers

Position included in the category of material risk takers are of the Board of Directors consisting of 8 (eight) persons. They are the ones regarded as Material Risk Takers (MRT) during the year 2023.

Type of Remuneration and Other Faciities	Total Amount of Rupiah Received (Gross) in 1 Year	
	The Board of Directors	
	Total Recipients? as of 31 December 2023	Rp Million
Salary, bonus, routine allowance, tantiem and other facilities in the form of cash.[1)]	8	81,892
Other facilities in the form of non-cash: housing, insurance, health, and others that:	8	
• Can be owned	8	5,924
• Cannot be owned	8	67
Total	8	87,882

[1)] Including remuneration of members of the Board of Directors until 25 March 2023, 13 April 2023 and 22 June 2023.

Total Amount of Remuneration and Benefits in 1 Year

Total Amount of Remuneration and Benefits in 1 Year	Number of Members of the Board of Directors
Above Rp2 Billion	8
Above Rp1 Billion – Rp2 Billion	2
Above Rp500 Million – Rp1 Billion	1
Below Rp500 Million	0

Variable Remuneration

Variable remuneration within the Bank consists of Performance incentives and bonuses. The incentive is based on the employee's performance in sales, service, and collection. The incentive is provided monthly, quarterly, and yearly.

Performance bonus is provided based on the Company's performance, the performance of the related work unit, and individual performance.
Disbursement is realized in the following year.
Performance bonus is extended in line with the performance and financial condition of the Bank. It is provided yearly to employees who do not receive an incentive and to the Board of Directors.

Loan Program

The Bank does not have a special lending program for members of the Board of Directors or members of the Board of Commissioners.

Members of the Board of Directors and/or members of the Board of Commissioners may apply for loans from existing commercial bank products with the fair interest rate as well as generally accepted terms and conditions.

Furthermore, this transaction will be reported by the Bank as part of Related Party Transactions.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

Until the end of fiscal year 2023, the Board of Commissioners has had 4 (four) committees, namely the Audit Committee, Remuneration & Nomination Committee, Risk Monitoring Committee and Good Corporate Governance Committee. Each committees is responsible for reviewing and supervising based on the duties and responsibilities set forth in the Charter of each respective committee.

AUDIT COMMITTEE

The Audit Committee reports to the Board of Commissioners and established to support the implementation of duties of the Board of Commissioners related to financial information, internal control system, effectiveness of internal and external audits as well as the Bank's compliance implementation to prevailing laws and regulations.

Legal Basis

The establishment of the Bank's Audit Committee is based on a number of laws and regulations, namely as follows:

1. Financial Services Authority Regulation Number 17 of 2023 dated September 14, 2023 concerning Governance Implementation for Commercial Banks and FSA Circular Letter No. 13/SEOJK.03/2017 dated March 7, 2017 concerning Governance Implementation for Commercial Banks.
2. Financial Services Authority Regulation No. 9 of 2023 dated July 11, 2023 concerning the Use of Public Accountants and Public Accounting Firms in Financial Services Activities.
3. Financial Services Authority Regulation No.1/POJK.03/2019 dated 28 January 2019 on the Implementation of Internal Audit Function in Commercial Banks.
4. Financial Services Authority Regulation No.55/POJK.04/2015 dated 23 December 2015 on the Establishment and Work Guidelines and Procedures of the Audit Committee.
5. Good Corporate Governance Manual Bank BTPN.

Work Guidelines and Procedures (Charter)

In carrying out its duties and responsibilities, the Audit Committee has the Charter that regulate, among others: organization, membership, independency, duties and responsibilities, work ethics authority, reporting responsibility and term of duty.

This Charter are reviewed periodically to ensure the coverage is in accordance with applicable provision and business development of the Bank. The last review was approved by members of the Audit Committee on 24 November 2023.

Responsibilities of the Audit Committee in Providing Recommendations on the Appointment and Dismissal of the External Auditor

The Audit Committee provides recommendations to the Board of Commissioners regarding the appointment of the Public Accountant (AP) and/or the Public Accounting Firm (KAP) to be conveyed to the General Meeting of Shareholders ("GMS"). Preparing the recommendations is based on independency, scope of assignment and service fee.

In the event the AP and/or KAP as decided by the GMS are not able to complete the provision of the audit services on the annual historical financial information during the Professional Assignment Period, the Committee is obligated to provide recommendations for the appointment of a replacement AP and/or KAP to be submitted to the Board of Commissioners. Providing recommendations by the Committee should be based on at least the following considerations:

a. Independency of the AP, KAP and members in KAP;
b. Scope of the audit;
c. Fee for the audit services;
d. Expertise and experience of the AP, KAP, and Audit Team used by KAP;
e. Methodology, technique, and audit faxixlities used by KAP;
f. The advantage of a new point of view to be obtained through replacing the AP, KAP and Audit Team from KAP;
g. Potential risks from consecutive use of the audit services by the same KAP for the quite extensive time period; and/or,

h. Results of the assessment on the implementation of the audit services provided on annual historical financial information by AP and KAP on the previous period, if any.

Independency

The Audit Committee of Bank BTPN works and takes decisions independently, as reflected , among others, from the membership of the committee, namely as follows:

a. Independent Commissioner is a member of the Board of Commissioners with the following traits:
   1) not a person who works or has the authority and responsibility to plan, lead, control, or supervise the Bank's activities for the last 6 (six) months, unless for a reappointment as the Bank's Independent Commissioner for the next term;
   2) does not have direct or indirect shares in the Bank;
   3) does not have Affiliation with the Bank, members of the Board of Commissioners, members of the Board of Directors, or major shareholders of the Bank; and
   4) does not have direct or indirect business relationship in connection with the Bank's business activities.

b. Independent parties are parties outside the Bank who do not have financial, management, share ownership and/or family relationships with the Board of Commissioners, the Board of Directors and/or controlling shareholders or other relationships that could affect their ability to act independently.

Composition and Term of Office

No.	Name	Position	Basis of Appointment	Term of Office
1	Ninik Herlani Masli Ridhwan	Chairman (Independent Commissioner)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.003/DIR/CCS/ IV/2022	• 1 February 2019- 21 April 2022 • 21 April 2022- Annual GMS 2025
2	Edmund Tondobala	Member (Independent Commissioner)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.003/DIR/CCS/ IV/2022	• 18 November 2020- 21 April 2022 • 21 April 2022-Annual GMS 2025
3	Aria Kanaka	Member (Independent Party)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.003/DIR/CCS/ IV/2022	21 April 2022 -Annual GMS 2025
4	Ivan Purnama Sanoesi	Member (Independent Party)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.003/DIR/CCS/ IV/2022	• 1 February 2019- 21 April 2022 • 21 April 2022 – Annual GMS 2025

Profile of Members of the Audit Committee

Ninik Herlani Masli Ridhwan

Chairman Audit Committee (Independent Commissioner)

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

Edmund Tondobala

Member Audit Committee (Independent Commissioner)

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS



Aria Kanaka

Member Audit Committee (Independent Party)

Nationality	Indonesian
Domicile	Jakarta
Age	49 years old as of the end of Fiscal Year 2023
Educational Background	• Masters degree in Accounting from Universitas Indonesia (2010) • Bachelor's degree in Accounting from Universitas Indonesia (1997)
History & Legal Basis of Appointment & Term of Office	Initially appointed as Member of the Audit Committee (Independent Party) since 21 April 2022 based on Circular Decision of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. 003/DIR/CCS/IV/2022.
Concurrent Positions	• Partner at KAP Aria Kanaka & Rekan (a member firm of Mazars SCRL). • Lecturer at the Faculty of Economics and Business, University of Indonesia • Member of the Board of Directors of the Indonesian Institute of Public Accountants • Member of the Audit Committee and Independent Commissioner in several non-bank public companies
Work Experience	• Partner in KAP (Public Accounting Firm) Kanaka & Partner (member firm of Mazars SCRL), 2013-present • Lecturer at the Faculty of Economics and Business at Universitas Indonesia, 2000-present • Partner in several Public Accounting Firms, 2003-2013 • Auditor at KAP Prasetio, Sarwoko & Sandjaja (member firm of Ernst & Young), 2002 • Auditor of KAP Prasetio Utomo & Co (member firm of Andersen Worldwide), 1997-2002
Affiliation	No affiliation with the Board of Directors, the Board of Commissioners and Controlling Shareholders.



Ivan Purnama Sanoesi
Member Audit Committee
(Independent Party)

Nationaility	Indonesian
Domicile	Jakarta
Age	62 years old as of the end of Fiscal Year 2023
Educational Background	• Masters degree in Financial Management, PPM Institute (2002) • Bachelors degree in Economic (Accounting), Universitas Tarumanegara (1988)
History & Legal Basis of Appointment & Term of Office	Initially appointed as Member of the Audit Committee (Independent Party) since 1 February 2019 based on Circular Decision of the Board of Commissioners No. PS/BOC/006/II/2019 and Decision Letter of the Board of Directors No. 003/DIR/CCS/II/2019, reappointed on 21 April 2022 based on Circular Decision No. PS/BOC/021/III/2022 and Decisioon Letter of the Board of Directors No. 003/DIR/CCS/IV/2022.
Concurrent Positions	• Member of the Audit Committee of PT Bank Mega Tbk. • Member of the Risk Monitoring Committee of PT Bank Ina Perdana Tbk. • Member of the Risk Monitoring Committee of PT Bank Hibank Indonesia • Member of the Risk Monitoring Committee of PT BCA Digital • Member of the Risk Monitoring Committee of PT BANK BTPN Tbk.
Work Experience	• Member of the Audit Committee of PT Bank Sumitomo Mitsui Indonesia (July 2018-February 2019). • Advisor at PT Central Santosa Finance (September 2016-August 2018). • Deputy Head of the Audit Division of PT Bank Central Asia, Tbk (1999-May 2016). • Head of the Audit Bureau at PT Bank Central Asia, Tbk (1992-1999). • Department Head/ Audit Affairs at PT Bank Central Asia, Tbk (1989-1992). • Staff at Audit Division of PT Bank Central Asia, Tbk (1986–1989).
Affiliation	No affiliation with the Bboard of Directors, the Board of Commissioners and Controlling Shareholders.

Certification of Profession

No.	Sertifikasi Profesi	Jumlah Pemilik
1	Qualified Internal Auditor (QIA)	1
2	Assessor of Internal Audit Competency from the National Agency	1
3	Risk Management Certification Level IV	1
4	Certification of Profession (BNSP)	1
5	Risk Management of Financing Company	1
6	Securities Trading Broker Representative	1
7	State Register of Accountants from the Department of Financial of the Republic of Indonesia No. D-20.826	1
8	Public Accountant Certification (USAP) from the Indonesian Institute of Accountants	1

Meetings of the Audit Committee

Terms and Reference

The provisions that regulate meetings as stipulated in the Audit Committee's guidelines and procedures are as follows:

1. The Committee hold periodic meetings at least 1 (one) time every 3 (three) months.
2. Committee meetings may be attended ini person or through the video conference facility. These meetings may only be held if attendants are present in person or virtually by at least 51% (fifty-one percent) of the total members of the Committee.
3. Meeting decisions are taken based on deliberation and concensus, decision-making is conducted based on unanimous votes.
4. Committee meetings are led by the Chairman of the Committee.
5. In the event the Committee Chairman is unable to attend, then one of the Committee members present in the meeting is appointed to lead the meeting.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

6. Dissenting opinions that occur in the Committee meetings, is required to be clearly recorded in the minutes of meeting with the reasons behind the dissenting opinions.
7. The Committee may also make valid decisions without holding the committee Meeting, providing that all members of the committee are informed in writing and all members of the Committee extend their written approval on the recommendation being proposed by signing the circular approval sheet. Decisions taken in this manner have the same power as those taken legally at a Committee Meeting.
8. The meeting between the Committee and Internal Audit without the attendance of members of the Board of Directors is held at least 1 (one) time in a year.
9. The meeting between the Committee and the External Auditor without the attendance of members of the Board of Directors is held at least 1 (one) time in a year upon completion of the financial statements.
10. The meeting between the Committee and Compliance work unit without the attendance of member of the Board of Directors is held at least 1 (one) time in a year.

Meeting Frequency and Attendance of the Audit Committee

During the year 2023, the Audit Committee held 20 (twenty) meetings and details of the attendance are provided in the table below:

Name	Number of Meeting	Attendance	Percentage
Ninik Herlani Masli Ridhwan	25	25	100%
Edmund Tondobala	25	23	92%
Aria Kanaka	25	25	100%
Ivan Purnama Sanoesi	25	25	100%

Statement of the Audit Committee on the Effectiveness of the Internal Control System

The Audit Committee has conducted an evaluation and ensured that the implementation of the internal control system carried out by the Bank was regarded as effective and has adequately covered financial control, operation, and complied with the laws and regulations

Implementation of Activities in 2023

Throughout the year 2023, activities realized by the Audit Committee are as follows:

a. Financial Statements
   1. Analyze the Bank's 2023 financial statements
   2. Analyze the periodic financial performance, projections and other reports related to the Bank's financial information.

b. External Audit
   1. Provide recommendations on the appointment of the External Auditor
   2. Discuss external audit plans
   3. Review results of the external audit and follow-ups by the Management
   4. Monitor and evaluate the suitability of audit implementation by External Auditor against audit standards.
   5. Analyze the adequacy of inspection conducted by External Auditor to ensure all important risks are considered.
   6. Discussion on the implementation of IESBA (International Ethics Standard Board of Acountants) Code of Ethics and on non-insurance services analysis based on applicable independency regulations and free from conflict of interest

c. Internal Audit
   1. Monitor and review the effectiveness of inspection by internal audit during the years 2022 and 2023.
   2. Review the audit report and follow-up on internal audit findings including findings related to Information Technology.
   3. Monitor and review the performance of the Internal Audit (IA).
   4. Analyze and provide approval on the Audit Plan.
   5. Ensure the Bank has internal audit guidelines that also cover audit Information Technology implementation.

d. Compliance, Legal & Litigation
   1. Review the implementation of Bank Compliance with applicable laws and regulations
   2. Monitor follow-ups on results of supervision by the Financial Services Authority
   3. Monitor demands that arise and analyze legal issues that can significantly impact the Bank or potentially cause significant financial loss/material impact on the financial statements

e. Anti-Fraud Management & Whistleblowing
   1. Monitor and assess the implementation and effectiveness of the Anti-Fraud Management Strategy
   2. Monitor complaints submitted through the Whistleblowing channel

f. Set up work and activity plans for the Audit Committee I 2024
g. Review the Work Code of Conduct of the Audit Committee

Competency Development of the Audit Committee

Competency development presented below is only for the independent members, as for members of the Audit Committee who are members ofthe Board of Commissioners are presented in the section "Board of Commissioners" of this Annual Report.

Name of Participant	Type of Training	Time and Venue	Organizer
Ivan Purnama Sanoesi	1. Internal Audit Roles and Competency in Consumer Data Protection & Stay Relevant by Implementing The Internal Audit Competency Framework	April 2023	Institute of Internal Auditors (IIA) Indonesia
	2. Disruption Technology, Are We Ready? & ChatGPT, How Useful for Internal Audit?	April 2023	IIA Indonesia
	3. How to Manage Team and Boss & Effective Communication Make Your Value More Impactful	April 2023	IIA Indonesia
	4. Internal Audit and it's Roles in Governance	June 2023	IIA Indonesia
	5. Be Aware of New Styles of Scam	August 2023	OJK Institute
	6. Opportunities and Challenges in P2P FinTech Lending in the P2SK Era	September 2023	OJK Institute
	7. Enhancing ESG Through Best Practices in Accounting	December 2023	OJK Institute
Aria Kanaka	1. Role of Audit IT in Support of Auditor's Work in Financial Statement Audits	8 March 2023	(Institute of Indonesia Public Accountants)
	2. Short Online Leraning PSAK Series – Issues in Preparing and Presenting Consolidate Financial Statements	8 May 2023	IAPI
	3. OJK Capital Markets Accounting and Audit Considerations as well as Capital Market Regulations in New Shares Issue Process (IPO)	8 June 2023	IAPI
	4. 2023 OJK-IAPI Special PPL for Registered Public Accountants in OJK Banking Sector – Batch 3	14 June 2023	IAPI
	5. Sharing of Findings from Results of Inspection by KAP and PPPK and Their Risk Mitigation – Batch 3	11 July 2023	IAPI
	6. 2023 Mandatory PPL for PPPK Public Accountants – Batch 2	14 July 2023	IAPI
	7. PSAK Update In-House Training	22-23 August 2023	IAPI
	8. IKPI PPL : Imposition of Income Tax on Income Received or Obtained by Individual Tax Subjects	5 October 2023	CENTRAL IKPI (Association of Indonesia Tax Consultants)
	9. 2023 National Conference on "Leading the Sustainability and Growth of Companies Throuogh Supervision and Risk Control"	19 October 2023	IKAI
	10. IKNB OJK PPL on Accounting and Audit Aspects related to Fintech Financial Statements and Regulations	30 October 2023	IAPI
	11. Tax Seminar and Members Meeting: The Future of Tax Court Post Transfer of Authority of the Ministry Finance to the Supreme Court; Natura/Amenities in accordance with PMK 66 of Year 2023; Depreciation/Amortization in accordance with PMK 72 of Year 2023.	07 November 2023	IKPI South Jakarta Branch

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

Name of Participant	Type of Training	Time and Venue	Organizer
	12. Tax Seminar and Members Meeting: The Future of Tax Court Post Transfer of Authority of the Ministry Finance to the Supreme Court; Natura/Amenities in accordance with PMK 66 of Year 2023; Depreciation/Amortization in accordance with PMK 72 of Year 2023.	07 November 2023	IKPI South Jakarta Branch
	13. IKPI PPL: " Tax Aspect & Strategy in Selecting Business Activities in Determining Tax Planning Policy"	16 November 2023	IKPI CENTRAL
	14. NTS IKPI PPL: Series on Development of Tax Consultant Firm: Gnothi Seauton: What Separates Great Leaders from ALMOST Great Leaders	17 November 2023	IKPI CENTRAL
	15. IKPI PPL: "Tax Planning: Strategy and Technique in Managing Tax Post Core Tax System Implementation"	28 December 2023	IKPI CENTRAL

REMUNERATION AND NOMINATION COMMITTEE

Remuneration and Nomination Committee is the committee formed by and reports to the Board of Commissioners to assist with the implementation of the Board of Commissioners' function and duties related to remuneration and nomination of members of the Board of Directors and members of the Board of Commissioners. Remuneration is a reward determined and given to members of the Board of Directors and members of the Board of Commissioners as the position and role assigned to them are in accordance with the duties, responsibilities and authority of members of the Board of Directors and members of the Board of Commissioners.

Legal Basis

The legal basis used in the establishment of the Remuneration and Nomination Committee, namely:

1. Financial Services Authority Regulation No. 55/POJK.03/2016 dated December 7, 2016 and OJK Circular Letter No. 13/SEOJK.03/2017 dated March 7, 2017 regarding the Implementation of Governance for Commercial Banks; and
2. Corporate Governance Manual Bank BTPN.

Duties and Responsibilities

Details of duties and responsibilities of the Committee are as follows:

Related to remuneration policy:

1. Conduct evaluation on remuneration policies; and
2. Provide recommendations to the Board of Commissioners on the following:
   - Policies on remuneration, remuneration structure and the amount of remuneration for the Board of Commissioners and the Board of Directors for presentation at the General Meeting of Shareholders.
   - Remuneration policy for Executive Officers and employees in general to be presented to the Board of Directors.
3. The Committee is obligated to ensure that remuneration policies at minimum are in line with:
   - Financial performance and conforms with reserves as stipulated in prevailing regulations
   - Individual work performance
   - Equality with the peer groups inside and outside of the Bank
   - Considerations of long-term goals and strategies of the Bank.

Related to nomination policies:

1. Provide recommendations to the Board of Commissioners on the composition of members of the Board of Directors and/or the Board of Commissioners;
2. Prepare and provide recommendations to the Board of Commissioners on the criteria as well as procedures on the selection and/or replacement of members of the Board of Commissioners and the Board of Directors to be presented at the General Meeting of Shareholders;
3. Provide recommendations to the Board of Commissioners on prospective members of the Board of Commissioners and/or the Board of Directors to be presented at the General Meeting of Shareholders. Specifically, on prospective members of the Board of Directors, the Human Resources department assists in facilitating through the talent management & succession planning

process where assessment is administered on the availability of candidate members, and on future development potentials. Succession is carried out through the identification of executive officers with such potentials. Each member of the Board of Directors presents his/her replacement candidate for evaluation by the Committee.

4. Assist the Board of Commissioners in performance assessment of members of the Board of Directors and/or the Board of Commissioners.
5. Prepare the competency development program for members of the Board of Directors and/or the Board of Commissioners.
6. Provide recommendations to the Board of Commissioners on Independent Parties as prospective members of the Audit Committee, Risk Monitoring Committee and Integrated Governance Committee.
7. Assist the Board of Commissioners on performance assessment of the independent parties through the following means:
   - Committee determines individual performance appraisal factors;
   - Committee receives assessment results on committee members under the Board of Commissioners from the Committee Chairman;
   - Committee prepares recommendations on the basis of the assessment, to be provided to the Board of Commissioners, as basis of reappointment or dismissal purposes of Committee members.

Independency

Composition, qualification and independency of members of the Remuneration and Nomination Committee are in compliance with OJK regulations. The Remuneration and Nomination Committee is chaired by an Independent Commissioner with the additional of one Independent Commissioner, two Commissioners and one Executive Officer who possess the knowledge on remuneration and nomination as well as on succession plan. The composition of members of the committee to date has supported the principle of independency in the committee's function.

Composition and Term of Office

No.	Name	Position	Basis of Appointment	Term of Office
1	Ninik Herlani Masli Ridhwan	Chairman (Independent Commissioner)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.006/DIR/CCS/ IV/2022	• 1 March 2020 - 21 April 2022 • 21 April 2022 Annual GMS 2025
2	Chow Ying Hoong	Member (President Commissioner)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.006/DIR/CCS/ IV/2022	• 1 February 2019- 21 April 2022 • 21 April 2022 - Annual GMS 2025
3	Mira Fitria	Member (HR Executive Officera)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.006/DIR/CCS/ IV/2022	• 1 July 2020- 21 April 2022 • 21 April 2022 - Annual GMS 2025

Profil Anggota Komite Remunerasi dan Nominasi

Ninik Herlani Masli Ridhwan

Chairman Remuneration and Nomination Committee

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

Chow Ying Hoong

Member Remuneration and Nomination Committee

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS



Mira Fitria Soetjipto

Member Remuneration and Nomination Committee (HR Executive Officera)

Nationaility	Indonesian
Domicile	Jakarta
Age	46 years as of the end of Fiscal Year 2023
Educational Background	• Post Graduate Research from the London School of Economics and Political Science 9LSE) (2006) • Master of Arts (MA) from Lancaster University (2001) • Bachelor of Arts (BA) from Universitas Indonesia (2000)
History & Legal Basis of Appointment & Term of Office	Initially appointed as Member of the Remuneration and Nomination Committee since 1 July 2020 based on Circular Decision of the Board of Commissioners No. PS/BOC/031/VII/2020 and Decision Letter of the Board of Directors No. 002/DIR/CCS/VII/2020, reappointed on 21 April 2022 ased on Circular Decision of the Board of Commissionenrs No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. 006/DIR/CCS/IV/2022.
Concurrent Positions	Head of Human Resources BTPN
Work Experience	• VP of Human Resources Danone Waters Indonesia (2019-2020). • CHRO - Corporate Affairs & Sustainability, Human Resources, Technology, and Strategy Management The Body Shop Indonesia (2017-2019). • Human Resources Director Microsoft Indonesia (2014-2016). • Senior HR Business Partner Microsoft Indonesia (2013-2014). • HR Generalist for Retail Bank, Consumer Finance, Risk Management and Financial Control CITI Indonesia (2008-2013). • Leadership, Talent and Performance Management Head CITI Indonesia (2006-2008). • Regional Management Associate: Consumer Bank Training & Development Manager Citibank Asia Pacific Consumer Bank, Singapore (2003-2004). • Investment, Treasury and Insurance Compliance Manager Citibank Indonesia (2002-2003). • Management Associate Citibank Indonesia (2001-2002).
Affiliation	No affiliation with the Board of Directors, the Bboard of Commissioners and the Controlling Shareholders.

Sertifikasi Profesi

No.	Sertifikasi Profesi	Jumlah Pemilik
1	Sertifikasi Manajemen Resiko Level 1	2
2	Sertifikasi Manajemen Resiko Level 5	1
3	Sertifikasi General Manager Msdm	1

Meetings of the Remuneration and Nomination Committee

Terms and Reference

The provisions related to the meetings of the Remuneration and Nomination Committee established within the Bank are as follows:

1. The Remuneration and Nomination Committee holds periodic meetings at least 1 (one) time in 4 (four) months.
2. Decisions taken in the Committee meetings are based on deliberation and concensus. In the event such deliberation and concensus is not reached, decision-making shall be conducted based on unanimous votes.
3. Dissenting opinions that occur in the Committee meetings must be clearly recorded in the minutes of meeting with the reasons behind the dissenting opinions.

Meeting Frequency and Attendance of the Remuneration and Nomination Committee

During the year 2022, the Remuneration and Nomination Committee held 4 meetings and details of the members' attendance are provided in the table below:

Name	Number of Meeting	Attendance	Percentage
Ninik Herlani Masli Ridhwan	4	4	100%
Chow Ying Hoong	4	4	100%
Mira Fitria	4	4	100%

Implementation of Activities in 2023

Date	Agenda
25 January 2023	1. Interview Candidates for Independent Commissioner of PT Bank BTPN Tbk 2. Establish the Recommendation for the Appointment of Independent Commissioners
2 March 2023	1. Performance Assessment of Members of the Board of Directors and Colegial Assessment of the Board of Commissioners, the Board of Directors & Committee Members 2. Proposal on the Remuneration of the Board of Commissioners, the Board of Directors & Committee Members 3. Proposal on Health Facilities for the age of the children's coverage 4. New MRT Scheme to include BOM members
10 March 2023	Proposal on the Remuneration for the Board of Directors
23 October 2023	1. Update from Operations regarding the recent fraud case in Operations. 2. Update from HR regading Acceleration of Fraud Resolution

Competency Development of the Remuneration and Nomination Committee

Competency development presented here is only for independent members, as for members of the Remuneration and Nominatin Committee from the Board of Commissioners is presented in the section "Board of Commissioners" of this Annual Report.

Name of Participant	Type of Training	Time and Venue	Organizer
Mira Fitria	1. HR Townhall	24 February 20 23 & E-Learning	BTPN
	2. Leadership Series: Creating Strategies to Connect Generation Gap	14 March 2023 & BTPN	BTPN
	3. Anti Trust, Fair Competition, and Firewall Regulations 2023	27 March 2023 & E-Learning	BTPN
	4. Ethics Integrity & Conduct Risk 2023	27 March 2023 & E-Learning	BTPN
	5. Leaders' Onboarding Program	26 May 2023 & E-Learning	BTPN
	6. Leadership Series: Managing Global Business Risk	14 June 2023 & BTPN	BTPN
	7. Refreshment 2023: APU PPT	6 July 2023 & E-Learning	BTPN
	8. REFRESHER SMR LEVEL 1	26 July 2023 & BTPN	RDS
	9. Anti Fraud Awareness 2023	11 Septemner 2023 & E-Learning	BTPN
	10. Statement on Anti-Fraud & Integrity Pact and Code of Conduct of PT Bank BTPN Tbk 2023	16 October 2023 & E-Learning	BTPN
	11. Information Security Awareness 2023	20 October 2023 & E-Learning	BTPN
	12. 2023 Operational Risk Management	25 October 2023 & E-Learning	BTPN
	13. Refreshment 2023: Entertainment & Gift	25 October 2023 & E-Learning	BTPN
	14. Complaint Handling & Consumer Protection 2023	21 November 2023 & E-Learning	BTPN
	15. Refreshment 2023: Compliance	21 November 2023 & E-Learning	BTPN
	16. Leadership series: Influence for Impact	5 December 2023 & BTPN	BTPN
	17. Intro to Facilitation for HR-Desember-2023	18 December 2023 & E-Learning	BTPN

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

RISK MONITORING COMMITTEE

The Risk Monitoring Committee assists the Board of Commissioners in carrying out the duties and responsibilities to actively supervise the risk management of the Bank.

Legal Basis

The legal basis used in establishing the Risk Monitoring Committee consists of the following:

1. Financial Authority Regulation No.55/POJK.03/2016 dated 7 December 2016 and Circular Letter of the Financial Services Authority No.13/ SEOJK.03/2017 on Governance Implementation in Commercial Banks
2. Financial Services Authority Regulation No.18/ POJK.03/2016 on Risk Management Implementation in Commercial Banks
3. The Corporate Governance Manual.

Work Guidelines and Procedures (Charter)

In implementinig its duties and responsibilities, the Risk Monitoring Committee issued the Charter that regulate among others: the organization, membership, independency, duties and responsibilities, authorities, work ethics, meetings, reporting responsibility and duty term.

The Charter is reviewed periodically to ensure the coverage of the Committee's work are in accordance with applicable provisions and the Bank's business development. The last review was approved by the Risk Monitoring Committee on 2 November 2022.

Duties and Responsibilities

In support of the effectiveness of the implementation of duties and responsibilities of the Board of Commissioners, the Committee was assigned to provide independent recommendations or professional advice to the Board of Commissioners on reports or matters submitted by the Board of Directors to the Board of Commissioners and to identify matters that require the attention of the Board of Commissioners, among others including the following:

1. Prepare the annual work plan of the Committee and propose to the Board of Commissioners for approval.
2. Provide independent professional opinion to the Board of Commissioners on reports or matters related to reports or matters related to risk management submitted by the Board of Directors to the the Board of Commissioners and identify matters that require the attention of the Board of Commissioners.
3. Evaluate the conformity between the Company's risk management policies and their implementation in order to provide recommendations to the Board of Commissioners.
4. Monitor and evaluate the implementation of duties of the Risk Management Committee and Risk Management work unit in order to provide recommendations to the Board of Commissioners.
5. In carrying out its duties and function, the Committee may conduct investigation on matters related to the duties and responsibilities of the Committee, as well as with consultant, public accountant or other external parties appointed by the Company in context of obtaining information as the basis of the recommendations for the Board of Commissioners.
6. If requested by the Board of Commissioners, the Committee may carry out other duties not mentioned in the Committee's Charter, in line with the function and role as well as duties of the Committee in accordance with the needs of the Board of Commissioners from time to time.
7. Maintain confidentiality of all Company's data and information documents.

Independency

Composition, qualification and independency of members of the Risk Monitoring Committee are in compliance with applicable provisions. The Risk Monitoring Committee is chaired by an Independent Commissioner with members consisting of 1 Commissioner, and 2 (two) Independent Parties with the expertise on risk and financial management.

Explanation on the abovementioned Independent Commissioners and Independent Parties is as follows:

1. Independent Commissioner is a member of the Board of Commissioners having no financial, management, shares ownership and/or family relations with other members of the Board of Commissioners, the Board of Directors and/or controlling shreholders or other relations that may influence his/her capacity to act independently.

2. Independent Party is a party outside of the Company with no financial, management, share ownership and/or family relations with the Board of Commissioners, the Board of Directors and/or controlling shareholders or other relations that may influence its capacity to act independently.

Composition and Term of Office

No.	Name	Position	Basis of Appointment	Term of Office
1	Onny Widjanarko	Chairman (Independent Commissioner)	Circular Decree of the Board of Commissioners Number PS/BOC/026/V/2023 and Decree of the Board of Directors Number SK.008/DIR/ CCS/ V/2023	8 May 2023 - Annual GMS 2025
2	Takeshi Kimoto	Member (Commissioner)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.004/DIR/CCS/ IV/2022	• 1 February 2019 - 21 April 2022 • 21 April 2022 - Annual GMS 2025
3	Edmund Tondobala	Member (Independent Commissioner)	Circulare Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.004/DIR/CCS/ IV/2022	21 April 2022 - Annual GMS 2025
4	Ongki Wanadjati Dana	Member (Commissioner)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.004/DIR/CCS/ IV/2022	21 April 2022 - Annual GMS 2025
5	Sofyan Rambey	Member (Independent Party)	Circular Resolution of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. SK.004/DIR/CCS/ IV/2022	• 1 February 2019 - 21 April 2022 • 21 April 2022 - Annual GMS 2025
6	Ivan Purnama Sanoesi	Member (Independent Party)	Circular Decree of the Board of Commissioners Number PS/BOC/048/IX/2023 and Decree of the Board of Directors Number SK.009/DIR/ CCS/ X/2023	13 September 2023 - Annual GMS

Profile of Members of the Risk Monitoring Committee

Onny Widjanarko

Chairman Risk Monitoring Committee (Independent Commissioner)

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

Takeshi Kimoto

Member Risk Monitoring Committee (Commissioner)

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

Edmund Tondobala

Member Risk Monitoring Committee (Independent Commissioner)

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

Ongki Wanadjati Dana

Member Risk Monitoring Committee (Commissioner)

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS



Sofyan Rambey

Member Risk Monitoring Committee (Independent Party)

Nationality	Indonesian
Domicile	Jakarta
Age	65 years as of end of Fiscal Year 2023
Educational Background	• MBA in Finance from John. M. Olin School of Business, Washington University, St. Louis, USA (1993) • Professinal title as Financial Risk Manager (FRM®) from Global Association of Risk Professional ("GARP")
History & Legal Basis of Appointment & Term of Office	Initially appointed as Member of the Risk Monitoring Committee (Independent Party) since 1 February 2019 based on Circular Decision of the Board of Commissioners No. PS/BOC/006/II/2019 and Decision Letter of the Board of Directors No. 003/DIR/CCS/II/2019, reappointed on 21 April 2022 based on Circular Letter of the Board of Commissioners No. PS/BOC/021/III/2022 and Decision Letter of the Board of Directors No. 004/DIR/CCS/IV/2022.
Concurrent Positions	• Director of GReenZONES Society • CEO & President Director of The Risk Forum
Work Experience	• Regional Director of GARP (2005) • EVP at PT Mandiri Sekuritas (2003-2005) • Group Head at PT Bank Mandiri (2001-2003) • Commissioner at PT Exim Securities (1998-2001) • Bureau Head at PT Bank Exim (1998-2000) • Section Head at PT Bank Exim (1994-1998) • Section Head at PT Bank Exim (1988-1991) • Account Officer at PT Bank Exim (1984-1987)
Affiliation	No affiliation with the Board of Directors, the Board of Comissioners and the Controlling Shareholders.

Ivan Purnama Sanoesi

Member Risk Monitoring Committee (Independent Party)

Profile is provided in section "**Profile Audit Committee**" of this Annual Report.

Certification of Profession

No.	Certification of Profession	Total Holder
1	Risk Management Level I to III Certification	2
2	Risk Management Level IV Certification	1
3	Financial Risk Manager (FRM)	1
4	Trainer for Risk Management Level I-V Training Certification	1
5	Investment Manager Representative (WMI)	1
6	Underwriter Representative (WPEE)	1
7	Securities Trading Broker Representative (WPPE)	2
8	Futures Broker Representative (WPB)	1

No.	Certification of Profession	Total Holder
9	Several certifications in the health field (Wellness and Longevity) such as FINEM (Fellowship in Nutritional and Environmental Medicine) from India, 2018, and Master in Advanced Nutritional Medicine from Malaysia, 2021.	1
10	Qualified Internal Auditor (QIA)	1
11	Competency Assessor on Internal Audit from the National Agency for Profession Certification (BNSP)	1
12	Risk Management for Financiang Companies	1
13	Securities Trading Broker Representative (WPPE)	1

Meetings of the Risk Monitoring Committee

Terms and Reference

The provisions related to the meetings of the Risk Monitoring Committee established within the Bank are as follows:

1. The Committee holds periodic meetings at least 1 (one) time in 3 (three) months.
2. Committee meetings may be attended in person or through the video conference facility. Such meetings may be held if attended by at least 51% (fifty-one percent) of the total members including 1 Independent Commissioner-member and one Independen Party-member.
3. Decisions taken in the Committee Meetings are based on deliberation and concensus. In the event deliberation and concensus is not reached, decision-making is conducted based on unanimous votes.
4. Committee Meetings are chaired by the Chairman of the Committee.
5. In the event the Committee Chairman is not able to attend, then one of the Committee members attending the meeting is appointe to chair the meeting.
6. Dissenting opinions that occur in Committee meetings must be clearly recorded in the minutes of meeting and together with the reasons behind the dissenting opinions.
7. The Risk Monitoring Committee may make valid decisions without having to hold Committee Meeting, with the condition that all members of the committee are informed in writing and all committee members approve in writing of the proposed recommendation by signing the circular approval sheet. Decisions are taken by such means have the same power as those legally made in Committee Meetings.

Meeting Frequency and Attendance of the Risk Monitoring Committee

During the year 2023, the Risk Monitoring Committee held 17 (seventeen) meetings and details of the attendance are provided in the table below:

Name	Number of Meeting	Attendance	Percentage
Onny Widjanarko[1)]	14	12	85,7%
Takeshi Kimoto	17	14	82%
Edmund Tondobala	17	15	88%
Ongki Wanadjati Dana	17	17	100%
Sofyan Rambey	17	17	100%
Ivan Purnama Sanoesi	7	7	100%
Irwan Mahjudin Habsjah[2)]	2	2	100%

Note:
1) Onny Widjanarko was appointed as Chairman of the Risk Monitoring Committee since 8 May 2023
2) Irwan Mahjudin Habsjah was no longer as Chairman of the Risk Monitoring Committee since the closing of the AGMS on 13 April 2023.

Implementation of Activities in 2023

Implementation of activities was carried out throughout the year 2023 as follows:

1. Monitoring and assessment of the Bank's risk management implementation, implementation of duties of the Risk Management Committee and Risk Management Work Unit and compliance between risk management policies and implementation through the following discussions:
   a. Risk aspects including:
      - Credit risks and credit portfolio conditions
      - Market Risks and Liquidity
      - Result of monitoring on Action Plan indicators
      - Lending yields per (Line of Business)
      - Operational Risks
      - Compliance Risks, Legal Risks, Reputation Risks, Strategic Risks
      - Implementtion of Anti-Fraud Strategies including complaints submitted through the Whistleblowing channel
      - Cyber Security Risk
   b. Report to Regulators including the Bank Risk Profile Report, ICAAP & RBBR
   c. Implementation of Duties and Responsibilities of the Risk Management Committee.
   d. Risk Management Policies
   e. Sustainability (ESG-Green Taxonomy (THI))

   In carrying out monitoring and assessment, the Risk Monitoring Committee also discusses the following:
   a. Governance of the CISO (Chief Information Security Officer) function.
   b. Personal Data Protection (PDP) Law.
   c. Follow-up on results of monitoring by the Financial Services Authority related to risk management.
2. Prepare the work and activity lans of the Risk Monitoring Committee for 2024.
3. Review the Work Guidelines and Procedures of the Risk Monitoring Committee.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

Competency Development of the Risk Management Committee

Competency development presented here is only on the independent members, as for the competency development for members of the Risk Monitoring Committee from the Board of Commissioners, is presented in the section on the "Company Profile" contained in this Annual Report.

Name of Participant	Type of Training	Time and Venue	Organizer
Sofyan Rambey	1. The Revolution of Regenerative Medicine).	16-17 February 2023 at Centara Grand, Centara World, Bangkok, Thailand	The American Academy of Anti Aging Medicine (A-4M)
	2. The Essentials Of Functional Medicine Physician	14-16 July 2023 at Avante Hotel, Kuala Lumpur	Society for the Advancement of Hormone and Healthy Aging Medicine, Malaysia (SAHAMM)
	3. BEYOND ORDINARY 2023" - Pioneering Medical Advancement	19-20 July 2023 at Putrajaya, Malaysia	Malaysia Medical Association (MMA)
	4. Futuristic Aging-Aesthetic and Functional Medicine Summit 2023,	11-13 August 2023 at Sheraton Imperial, Kuala Lumpur	Society for Anti-Aging Aesthetic, Regenerative Medicine Malaysia (SAAaRMM)
	5. Proactive Anti-aging: Anticipate Health Risks To Prolong Healthspan	17-20 August 2023 at the Athenee Hotel, Bangkok	HEAT International
	6. The Better Way - MAAFIM 3rd International Conference	14-17 September 2023 at Palace of The Golden Horses, Seri Kembangan, Malaysia	Malaysian Association for Advancement of Functional & Interdisciplinary Medicine (MAAFIM)
	7. THE Longevity Summit 2023: THE FUTURE OF MEDICINE - ELIMINATING DISEASE OF AGING	5-6 December 2023 at Novato, CA, U.S.	Buck Institute
	8. "Leveling Up Healthcare" - Longevity Festival	14-16, 2023, Las Vegas, NV, U.S.	American Academy of Anti Aging Medicine (A-4M).

GOOD CORPORATE GOVERNANCE COMMITTEE

The Committee is established to support the effective implementation of roles and responsibility of the Board of Commissioners, among others to supervise and evaluate the functions of audit, risk management, finance, compliance and governance in Financial Group of the Company.

Legal Basis

The legal basis in establishing the Corporate Governance Committee is as follows:

1. Financial Services Authroity Regulation No.55/ POJK.03/2016 dated 7 December 2016 and Circular Letter of the Financial Services Authority No.13/ SEOJK.03/2017 on Governance Implementation in Commercial Banks.
2. Financial Services Authority Regulation No.33/ POJK.04/2014 dated 8 December 2014 on the Board of Directors and the Board dof Commissioners of Issuers and Public Companies.
3. Corporate Governance Manual Bank BTPN.

The work guidelines was first drawn up on 25 July 2022 as approved by members of the Corporate Governance Committee and has been periodically reviewed, the last on 18 December 2023.

Duties and Responsibilities

In the context of supporting the effectiveness of the implementation of duties and responsibilities of the Board of Commissioners, the Committee has the main duties and responsibilities related to the monitoring and evaluation of the implementation of the audit function, risk management, finance, compliance and governance in one Finance Group of the Company, of which among others are described in detail below:

a. In supporting the effectiveness of the implementation of duties and responsibilities of the Board of Commissioners, the Committee prepares the annual activity plan as approved by the Board of Commissioners.

b. The Committee periodically receives reports on the implementation of the audit, risk management, financial, compliance and governance functions of the Company and its Financial Group.
c. The Committee provides recommendations to the Board of Commissioners (if necessary) on the received reports as mentioned in point b above.
d. The committee provides reports to the Board of Commissioners on activities periodically conducted.
e. Maintain confidentiality of all Company data and information documents on hand.

Independency

Referring to the Charter of GCG Committee, members of the Committee consist of at lealst 1 Independent Commissioner, 1 non-Independent Commissioner and 1 Independent Party:

a. Independent Commissioner is a member of the Board of Commissioners who: 1) is not working or has the authority and responsibilities to plan, lead, control, or supervise the Bank's activities in the least 6 (six) months, except for the reappointment as the Bank's Independent Commissioner for the following period; 2) is not owner of shares both direct nd indirectly in the Bank; 3) is not affiliated with the Bank, members of the Board of Commissioners, members of the Board of Directors or shareholders.
b. Independent Party is the party from outside of the Bank that does not have financial, management, share ownership and/or family relations with the Board of Commissioners, the Board of Directors and/or controlling shareholders or other relations that may influence its capability to act independently.

In the context of Independent Commissioners or Independent Parties receiving the Company shares due to legal events, then in 6 months upon receiving the shares, it is required for the shares to be transferred to another party.

Composition and Term of Office

No.	Name	Position	Basis of Appointment	Term of Office
1	Onny Widjanarko	Chairman (Independent Commissioner)	Circular Decree of the Board of Commissioners Number PS/BOC/026/V/2023 and Decree of the Board of Directors Number SK.007/DIR/ CCS/ V/2023	8 May 2023-Annual GMS 2025
2	Ongki Wanadjati Dana	Member (Commissioner)	Circular Resolution of the Board of Commissioners No. PS/BOC/022/III/2022 and Decision Letter of the Board of Directors No. SK.005/DIR/CCS/ IV/2022	21 April 2022 - Annual GMS 2025
3	Sofyan Rambey	Member (Independent Party)	Circular Resolution of the Board of Commissioners No. PS/BOC/022/III/2022 and Decision Letter of the Board of Directors No. SK.005/DIR/CCS/ IV/2022	• 1 Februari 2019- 21 April 2022 • 21 April 2022 - Annual GMS 2025

Profile of Members of the Good Corporate Governance Committee

Onny Widjanarko

Chairman Good Corporate Governance Committee (Independent Commissioner)

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

Ongki Wanadjati Dana

Member Good Corporate Governance Committee (Commissioner)

Profile is provided in section "**Profile of the Board of Commissioners**" of this Annual Report.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

Sofyan Rambey

Member Good Corporate Governance Committee (Independent Party)

Profile is provided in section "**Profile of the Risk Monitoring Committee**" of this Annual Report.

History and Legal Basis of Appointment & Term of Office

Initially appointed as Member of the Corporate Governance Committee (Independent Party) since 21 April 2022 based on Circular Decision of the Board of Commissioners No. PS/BOC/022/III/2022 and Decision Letter of the Board of Directors No. 005/DIR/CCS/IV/2022.

Professional Certification

No.	Certification of Profession	Total Holder
1	Risk Management Level I-III Certification	1
2	Financial Risk Managemer (FRM)	1
3	Trainer for Risk Management Level I-V Training Certification	1
4	Investment Manager Representative (WMI)	1
5	Underwriter Representative (WPEE)	
6	Securities Trading Broker Representative (WPPE)	1
7	Futures Broker Representative (WPB)	1
8	Several certifications in the health field (Wellness and Longevity) such as FINEM (Fellowship in Nutritional and Environmental Medicine) from India, 2018, and Master in Advanced Nutritional Medicine from Malaysia, 2021, and WPPE.	1

Meetings of the Good Corporate Governance Committee

Terms and Reference

The provisions related the Good Corporate Governance Committee are stipulated in the Charter of the Good Corporate Governance Committee:

1. The Committee holds periodic meetings at least 1 (one) time in 6 (six) months.
2. The Committee on regular basis invites Independent Commissioners and/or the Sharia Supervisory Board from subsidiaries to attend and provide information required by the Committee Meeting.
3. The Committee may invite other parties other than the Committee members to attend and provide information in the Meeting if concerning the Meeting agenda.
4. Members of the Board of Commissioners who are not members of the Committee may attend the Committee Meetings as observers who do not have the right to vote in the Meeting decision-making.
5. The Committee Meetings may be attended in person or through the video conference facility. These meetings may only be held if attended in person or virtually by at least 51% (fifty-one percent) of the total Committee members.
6. Decisions of the Committee meetings are taken on the basis of deliberation and concensus, and based on unanimous votes.
7. The Committee Meetings are chaired by the Chairman of the Committee.
8. In the event the Chairman of the Committee is unable to attend, then one of the Committee members attending the meeting is appointed to chair the meeting.
9. Dissenting opinions that occur in the Committee meetings are required to be recorded in the minutes of meeting with the reasons behind the dissenting opinions.
10. The Committee may also make valid decisions without having to hold Committee Meetings, with the condition that all members of the committee must be informed in writing and all members of the Committee provide their written approval on the proposed recommendation by signing on the circular approval sheet. Decision made in this manner have the same legal power with those taken in the Committee Meeting.

Meeting Frequency and Attendance of the Good Corporate Governance Committee

During the year 2023, the Good Corporate Governance Committee held 1 meeting and details on the attendance are provided below:

Name	Number of Meeting	Attendance	Percentage
Irwan Mahjudin Habsjah[1)]	1	1	100%
Onny Widjanarko[2)]	1	1	100%
Ongki Wanadjati Dana	2	2	100%
Sofyan Rambey	2	2	100%

Note:
[1)] Irwan Mahjudin Habsjah was no longer the Chairman of Corporate Governance Committee since the closing of the Annual GMS dated 13 April 2023.
[2)] Onny Widjanarko was appointed as the Chairman of Good Corporate Governance Committee effective since 8 May 2023.

Implementation of Activities in 2023

Implementation of activities carried out throughout the year 2023 includes the following:

1. Monitoring and assessment of the audit, risk management, finance, compliance and governance functions in one Financial Group of the Company through discussions on the following:
   a. BTPN Anti-Fraud Management Update
   b. BTPNS Anti-Fraud Management Update
   c. Report on Banking Synergy Monitoring
   d. Report on the Implementation of Governance in Financial Group
2. Establish work and activity plans of the Corporate Governance Committee for 2024
3. Review the Work Guidelines and Rules of the Corporate Governance Committee

Competency Development of the Good Corporate Governance Committee

Competency development presented here is only for independent members, as for competency development for Committee members from the Board of Commissioners are presented in the section on the “Company Profile” contained in this Annual Report.

COMMITTEES UNDER THE BOARD OF DIRECTORS

Bank BTPN formed committees that report to the Board of Directors in order to support the implementation of duties and responsibilities of the Board of Directors. In accordance with the provisions, the Bank is obligated to have at least 3 (three) committees that assist with the duties of the Board of Directors, namely the Risk Management Committee, Assets and Liabilities Committee as well as Informatin Technology Steering Committee.

Nevertheless, in view of BTPN's business complexity, good management and improvement in the quality of Corporate Governance implementation are required. For this purpose, the Bank established 9 committees namely as follows:

1. Asset and Liability Committee
2. Risk Management Committee
3. Information Technology Steering Committee
4. Credit Policy Committee
5. Credit Committee
6. Information Governance Steering Committee
7. Human Resources Committee
8. Fraud Committee
9. Sustainability Committee

ASSET AND LIABILITY COMMITTEE (ALCO)

Structure and Membership

Composition of members of the Asset and Liability Committee ("ALCO") as of 31 December 2023 is as follows:

Chairman: Director of Treasury

Members:

1. President Director
2. Deputy President Director 1
3. Deputy President Director 2
4. Head of Risk Management
5. Director of Finance & Planning

Secretary: Head of Treasury

Work Guidelines and Procedures (Charter)

Work Guideline of the ALCO is established as guidelines or reference for members of ALCO, among others for the following:

1. Monitor and manage assets and liabilities.
2. Monitor market development and factors that may influence the financing and liquidity of the bank.
3. Monitor the bank's risk exposure such as interest and exchange value risk.
4. Decide and provide directions in interest rate management, both interest funding and lending.
5. And other related matters.

Duties and Responsibilities

The Asset and Liability Committee (ALCO) has the duties and responsibilities, among others including the following:

1. Review, monitor and approve te overall balance sheet strategy on liquidity, price and capital management.
2. Provide an overview of the domestic and world economic conditions, as well as the implication analysis from the monetary and fiscal policies which have been and/or will be taken by the government.

Implementation of Activities in 2023

Implementation of activities and/or decisions taken and realized during the year 2023 are as follows:

1. Approved the application of maximum limit between FTP and Jibor on Tactical FTP. (March 2023)
2. Approved the use of FTP Loan Tenor 2 Weeks for BNPL (Buy Now Pay Later) product of Jenius. (March 2023)
3. Approved to not change the off-market limit on FX, cash, CCS, IRS transactions, and approved the FX stress test scenario. (June 2023)
4. Approved the special FTP for back-to-back and cash collateral loan products by Business Banking. (June 2023)
5. Approved the use of Market-Based FTP starting in the year 2024. (September 2023)
6. Approved the proposal for RBB and IRRBB 2024-2026. (September 2023)
7. Approved the core casa balance calculation for the year 2024. (September 2023)
8. Approved the implementation of income of capital allocation to LOB (line of business) based on RWA total and approved SLR load be borne 100% by LOB starting from the year 2024. (September 2023)
9. Approved additional quota for SLR until the end of the year 2023. (October 2023)
10. Approved plans for bond issuance in 2024-2025 through December circular ALCO. (December 2023)

Meeting Frequency and Attendance

During the year 2023, the ALCO Committee held 12 meetings, and details of the members' attendance are provided in the table below:

Name	Position	Number of Meeting	Attendance	Percentage
Hiromichi Kubo/Keishi Kobata	Chairman	12	11	92%
Henoch Munandar	Member	12	10	83%
Kaoru Furuya	Member	12	12	100%
Darmadi Sutanto	Member	12	8	67%
Sendiaty Sondy	Member	12	10	83%
Hanna Tantani	Member	12	11	92%
Wiwig Santoso	Secretary	12	9	75%

Note:
* Keishi Kobata replaced Hiromichi Kubo as Director of Treasury since ALCO since June 2023.

RISK MANAGEMENT COMMITTEE

Structure and Membership

The composition of the Risk Management Committee on December 31, 2023 is as follows:

The membership of the committee is ex officio (based on position) consisting of:

Chairman: Head of Risk Management

Members

- Permanent Voting Members:
  1. President Director
  2. Deputy President Director 1
  3. Deputy President Director 2
  4. Compliance & Legal Director
  5. Director of Corporate Banking (Japanese)
  6. Treasury Director
  7. Operations Director
  8. Director of Finance & Planning
  9. Head of Business Banking
  10. Head of Information Technology
  11. Head of Retail Lending Business
  12. Head of Wealth Management Business and Network & Distribution Head
  13. Head of Digital Banking
  14. Head of Human Resources
  15. Head of Wholesale, Commercial & Transaction Banking
  16. Head of Treasury

- Permanent Non-voting Member:
  1. Head of Internal Audit
  2. Risk Management Executive Officer (Secretary)

Meeting Procedures

Implementation guidelines for Risk Management Committee meetings are as follows:

1. Meetings of the Committee are held at least 8 (eight) times annually in line with the set meeting agenda. If required, a meeting may be held at any time upon the request of one of the Permanent Voting Members.
2. The meeting is lead by the Chairman of the Committee. In the event the Chairman of the Committee is unable to attend, the meeting will be lead by one of the committee members who serves as a Director and appointed at the meetin.
3. If deemed necessary, the committee may invite other parties outside of the Committee Members to attend a meeting, including but not limited to Subsidiary Companies.
4. Only Permanent Members have Voting Rights.
5. Permanent Non-Voting Members are not counted in the attendance quorum.
6. Meetings may only be held if attended and/or represented by more than 50% of the total Committee members with voting rights.
7. Decisions taken at committee meetings must be based on deliberation to reach consensus. In the event a decision cannot be reached, the decision must be taken through a vote of more than 50% of the committee members with voting rights and are present at the meeting.
8. In the event of a conflict of interest, decision making should be aligned with procedure of conflict of interest that has been arranged in the corporate policy.

COMMITTEES UNDER THE BOARD OF DIRECTORS

9. Dissenting opinions that occurred during a Committee meeting must be clearly recorded in the Minutes of Meeting along with the reasons for the dissention in opinion. Head of Risk Management has the authority to convey the escalation that occurred with regard to the dissenting opinions in the Committee to the Risk Monitoring Committee for recommendations.
10. Reports/materials of the Risk Management Committee are prepared by the Risk Management Unit. The unit must submit the materials/data every month to the appointed (PIC) of the Risk Management Unit no later than 8 working days following the month-end.
11. The Risk Management Unit may request for additional information/data from other units at the Bank to be included in the Risk Management Committee report/materials.
12. Results of the committee meeting must be stated in Minutes of Meeting and documented accordingly.
13. Meeting results in the form of minutes of meeting is reviewed by the Operational & Fraud Risk Management Head, Market & Liquidity Risk Management Head, Risk Management Planning Head and signed by the Chairman and Secretary of the Meeting.
14. The Committee can take valid decisions without meeting arrangement through circulation media of committee which approved by all permanent voting members. This process may be carried out as long as the submitted proposal has been conveyed in the circular to all Permanent Voting Members.

Duties and Responsibilities

The Risk Management Committee has the duties and responsibilities, among others, as follows:

1. Formulate risk management policies and frameworks, risk limits as well as updates, amendments and/or improvements.
2. Evaluate alignment between risk management policies and its implementation.
3. Evaluate and provide recommendations on any transactions or activities which deviate from normal procedures.

Implementation of Duties in 2023

During the year 2023, the Risk Management Committee has been conducted 11 meetings with discussion agenda as follows:

1. Monitoring and managing on credit risks including Baki debet, Special Mention (SM), NPL, Cost of Credit (CoC) and monitoring of Credit Risk Appetite Framework (CRAF) implementation.
2. Supervision and management of the restructuring of COVID-19, PMK 71, PMK 85 and PMK 98/132.
3. Monitoring of the Risk Acceptance & Risk Tolerance implementation per Product Program.
4. Disclosure of information on the new rule related to RWA implemented in January 2023.
5. Disclosure of information related to the stress test results:
   a. POJK 48 Stress Test to distinguish the Bank's resilience against potential COVID-19 restructuring portfolio.
   b. 2023 Bottom Up Stress Test to assess the adequacy of the level of capital resilience and adequacy of the bank's liquidity in facing changes and shocks on on the macro economic conditions with the scenario and guidelines from the Authorities (OJK and BI).
   c. Risk Profile Stress Test & ICAAP to fulfill the need for regulations
6. Disclosure of information related to results of PSAK 71/IFRS 9 model review.
7. Disclosure of information related to Collect Equalization and Back-Testing CKPN.
8. Disclosure of information related to Sustainability.
9. Disclosure of information related to Top & Emerging risk (Financial Risk).
10. Disclosure of information related Write-Off and Recovery.
11. Disclosure of information related to Enterprise Risk Datamart.
12. Results of monitoring of Risk Appetite Measure for market risk and liquidity and monitoring of liquid asset ratio.
13. Disclosure of the RWA Market Risk simulation for implementation in January 2024.
14. Monitoring and monthly report of Action Plan Indicator.
15. Disclosure of information related to New Framework for Commitment Line.
16. Reporting and determining follow-up steps in handling and recovery solution if an abnormal situation occurs.
17. Management of other risks, namely Compliance Risk, Strategic Risks, and Legal Risks.

18. In fiscal year 2023, the Cyber Security Risk Management provided a report on the implementation of Phishing Simulation and a quarterly review of SLIK.
19. CSRM also provided the results of the Ransomware Readiness Assessment, Maturity Level Assessment and FFIEC CAT Assessment along with remediation plans s well as information regarding the completion of the ISO27001 project, Cyber Security Training and the establishment of the CISO Function.
20. In decision-making, the Risk Management Committee provides approval on the definition of Information Leakage
21. CSRM also provides several Cyber Incident Information internally and externally including lessons learned and precautions taken.
22. Bank operational risk appetite.
23. Total and summary of operational risk incidents.
24. Nominal loss from operational risks, recovery, main benefits and summary.
25. Main operational risk indicators.
26. Summary of customers' complaints.
27. Main initiative of OFRM (Operational & Fraud Risk Management) Division.
28. Business continuity management.
29. Results of assessment by OFRM on key control self-assessment.
30. BTPN Top & Emerging Risk (Non-Financial Risk).
31. Risk Acceptance.
32. Summary of ORM policies and procedures (including updates) on ICR and BCM Functions.
33. Status of product program and services.
34. Risk & Control meeting materials from each line of business/support including results from QA/ICR inspection.
35. Results from ICR assessment on Maturity Self-Assessment (MSA).
36. Monitoring on the implementation of Mandatory OFRM E-Learning.
37. Fraud incidents and staff misconduct: total incident, total loss and recovery.
38. Status of investigation on fraud and staff misconduct cases.
39. Campaign, training & socialization on Anti-Fraud.
40. Reporting of fraud-indicating incidents through the wishelblowing, work units and others.
41. Highlight of main initiatives on Anti-Fraud management.
42. Summary of policies and procedures on Anti-Fraud Management (including updates).
43. Management of other fraud risks: The process of continuously know employees (KYE), receiving tips, and affirmation from frau committee through Decisions of the Board of Directors.
44. Adjustment in the 2023 Code of Conduct and Integrity Pact.
45. Approval on the classification of fraud events and staff misconduct.
46. Acknowledgement of the whistle blower.
47. Significant Fraud Incidents that are reported to the OJK.
48. Monitoring of Temporary GL Recovery
49. Update on Cases that reported to the Police
50. Monitoring of Recommendations
51. Delegation of Investigation Authority: Fraud Retail Banking, Operational Fraud Investigator and Business Banking

In the context of risk monitoring of the subsidiaries, consolidation of the Bank and its subsidiaries is submitted in every quarter as well as consolidated reporting of Risk Profiles, RBBR and ICAAP in accordance with BI/OJK regulations.

Meeting Frequency and Attendance

Throughout the year 2023, the Risk Management Committee conducted 11 meetings, and details of the members' attendance are as follows:

Name	Position	Number of Meeting	Attendance	Percentage
Chairman				
Sendiaty Sondy	Head of Risk Management	11	10	91%
Permanent Voting Members				
Henoch Munandar	President Director	11	10	91%
Kaoru Furuya	Deputy President Director 1	11	10	91%
Darmadi Sutanto	Deputy President Director 2	11	8	73%
Dini Herdini	Compliance Director	11	9	82%
Hiromichi Kubo[1)]	Director of Treasury	5	4	80%
Keishi Kobata[2)]	Director of Treasury	6	6	100%
Merisa Darwis	Director of Operations	11	10	91%
Hanna Tantani	Director of Finance & Planning	11	10	91%
Kan Funakoshi[3)]	Director of Corporate Banking (Japanese)	3	2	67%

COMMITTEES UNDER THE BOARD OF DIRECTORS

Name	Position	Number of Meeting	Attendance	Percentage
Atsushi Hino[4)]	Director of Corporate Banking (Japanese)	7	6	86%
Jeffrey Cheanandro Tjoeng	Head of Business Banking	11	11	100%
Jeny Mustopha	Head of Information Technology	11	11	100%
Purnomo B. Soetadi	Head of Retail Lending Business	11	8	73%
Helena	Head of Wealth Management Business and Network & Distribution Head	11	7	64%
Irwan Sutjipto Tisnabudi	Head of Digital Banking	11	8	73%
Mira Fitria	Head of Human Resources	11	8	73%
Ir Nathan Christianto	Head of Wholesale, Commercial & Transaction Banking	11	9	82%
Wiwig Wahyu Santoso	Head of Treasury	11	7	64%
Permanent Non-Voting Members				
Nurhajati Soerjo Hadi	Head of Internal Audit	11	10	91%
Wahyu Nugroho	Head of Portfolio Management & Policy	11	11	100%

Note:
1) Hiromichi Kubo was no longer in office as Director since the closing of EGMS on 22 June 2023
2) Keishi Kobata was appointed as Director as of the closing of EGMS on 22 June 2023 and effective on duty since 25 July 2023
3) Kan Funakoshi was no longer in office as Director since the closing of AGMS on 13 April 2023
4) Atsushi Hino was appointed as Director as of the closing of AGMS on 13 April 2023 and effective on duty since 15 May 2023

INFORMATION TECHNOLOGY STEERING COMMITTEE

Structure and Membership

Chairman: Deputy President Director 2

Members

- Permanent Voting Members:
  1. President Director
  2. Deputy President Director 1 and 2
  3. Head of Risk Management
  4. Operations Director
  5. Director of Corporate Banking (Japanese)
  6. Director of Treasury
  7. Director of Finance & Planning
  8. Head of Wholesale, Commercial & Transaction Banking
  9. Head of Business Banking
  10. Head of Retail Lending Business
  11. Head of Wealth Management Business
  12. Head of Digital Banking

- Permanent Non-Voting Members:
  1. Head of Internal Audit
  2. Executive Officer of Information Technology (Secretary)

Work Guidelines and Procedures (Charter)

The Work Guidelines established by the Bank is as follows:

1. Meetings of the IT Steering Committee are held at least 3 (three) times a month in line with the established meeting agenda. If required, the IT Steering Committee meetings may be held at any time uon request by one Permanent Voting Member;
2. The meetings are led by the Committee Chairman. In the event the Chairman is not able to attend, the meeting is then chaired by one of the Committee members serving as Director and appointed by the meeting;
3. Voting rights are held only by the Permanent Voting Members or their representatives present at the meeting.
4. The meetings can only be held if attended and/or represented by more than 50% of the total Committee members with voting rights with the condition that one of these members is the Committee Chairman and/or President Director.

5. Meeting decision must be taken based on deliberation and concensus. If decisions based on deliberation and concensus cannot be reached, then decisions are to be taken by means of voting based on affirmative votes of more than 50% from the total valid votes extended at the concerned meeting including the Chairman of the Committee and/or President Director.
6. In the event of conflict of interest, then decision-making is carried out in accordance with the provision on conflict of interest as regulated in the Corporate Policy
7. Dissentinf opinions that occur in the Committee meetings are required to be clearly recorded in the minutes of meeting as well as the reasons behind the dissenting opinions.
8. Meeting results are required to be denoted in the Minutes of Meeting and documented.
9. More than 50% of the Committee meetings is attended by more than 70% of the committee members
10. If deemed necessary, the Committee may invite other parties other than the members including Subsidiaries to attend the meeting
11. Meeting decisions are in the form of Minutes of Meeting signed by Chairman and the Secretary of the Meeting. The Minutes of Meeting is then circulated to members of the Committee.
12. The Committee may make valid decision without having to hold the meetings by means of the Committee's circular media as approved by all Permanent Voting Members. This process may be conducted as long as the proposal submitted is extended in circular to all Permanent Members.

Duties and Responsibilities

The chairman is responsible for the following:

1. Set up meeting schedule and determine the agenda as the responsibility of the Committee, in the form of a main agenda based on the monthly reports prepared by the Committee's Secretary in accordance with the framework and special agenda based on important and very urgent issues, at the request of one or more Permanent Voting Members of the Committee;
2. Determine the invitation of the Committee meeting;
3. Ensure the adequacy and availability of information needed for decision-making.

The Secretary of the meeting is responsible for the following:

1. Prepare and distribute the meeting invitation;
2. Prepare and collect meeting materials;
3. Take notes, formulate and present the meeting results;
4. Distribute the meeting results to all Committee members, the Board of Directors and Corporate Secretary.

Implementation of Duties in 2023

During the year 2023, the Technology Steering Committee held 4 (four) meetings, with implementation on the following dates:

1. 21 March 2023
2. 27 June 2023
3. 19 September 2023
4. 12 December 2023

Meeting Frequency and Attendance

Throughout the year 2023, the Information Technology Steering Committee held 4 (four) meetings, and details of the members' attendance are shown in the table below:

Name	Position	Number of Meeting	Attendance	Percentage
Henoch Munandar	Prsident Director	4	1	25%
Kaoru Furuya	Deputy President Director	4	3	75%
Darmadi Sutanto	Deputy President Director	4	4	100%
Atsushi Hino[1)]	Director	3	3	100%
Hiromichi Kubo[2)]	Director	1	1	100%
Merisa Darwis	Director	4	3	75%
Hanna Tantani	Director	4	4	100%
Kan Funakoshi[3)]	Director	1	1	100%
Keishi Kobata[4)]	Director	3	3	100%
Irwan S. Tisnabudi	Head of Digital Banking	4	4	100%
Wiwig Santoso	Head of Treasury	4	1	25%
Helena	Head of Wealth Management Business and Network & Distribution	4	2	50%
Ir. Nathan Christianto	Head of Wholesale, Commercial & Transaction Banking	4	3	75%
Jeffrey C. Tjoeng	Head of Business Banking	4	3	75%

COMMITTEES UNDER THE BOARD OF DIRECTORS

Name	Position	Number of Meeting	Attendance	Percentage
Nurhajati Soerjo Hadi	Head of Internal Audit	4	4	100%
Jeny Mustopha	Head of Information Technology	4	4	100%

Note:
1) Atsushi Hino was appointed as Director since the closing of the AGMS on 13 April 2023 and effective on duty as of 15 May 2023
2) Hiromichi Kubo was no longer as Director since the closing of the EGMS on 22 June 2023
3) Kan Funakoshi was no longer as Director since the closing of the AGMS on 13 April 2023
4) Keishi Kobata was appointed as Director since the closing of the EGMS on 22 June 2023 and effective on duty as of 25 July 2023.

CREDIT POLICY COMMITTEE

Structure and Membership

Composition of members of the Credit Policy Committee as of 31 December 2023 as follows:

Chairman: President Director

Members:

- Permanent Members with Voting Rights:
  1. Deputy President Directors
  2. Director of Corporate Banking (Japanese)
  3. Director of Treasury
  4. Head of Wholesale, Commercial and Transaction Banking
  5. Head of Retail Lending Banking
  6. Head of Digital Banking
  7. Head of Business Banking
  8. Head of Treasury
  9. Head of Risk Management
  10. Director of Compliance

- Permanent Members without Voting Rights:
  1. Portfolio Management & Policy Head
  2. Credit Risk Corporate Head
  3. Retail Banking Risk Head
  4. Business Banking Credit Risk
  5. Head of Internal Audit Division*
  6. Head of Compliance Division
  7. Head of Legal and Litigation Division (General Counsel)

*) observer

Work Guidelines

The Credit Policy Committee retains the work guidelines (charter) validated by the Board of Directors, among others containing the following:

1. Meeting:

- Meetings of the Credit Policy Committee are held at least 2 (two) times in one year.
- The meetings are chaired by the Chairman of the Committee. In the event the Chairman is not able to to attend, then the meeting is led by a Permanent Voting Member and appointed by the meeting.

2. Quorum

- Meetings of the Credit Policy Committee can only be held if attended by more than 50% of the permanent voting members including the committee chairman
- In the event a committee member cannot attend the meeting, then the attendance of the concerned member may be replaced with the representative.

3. Decision-Making

Decision-making in the Credit Policy Committee is carried out based on deliberation and concensus. In the event deliberation and concensus is not reached, decision-making is based on unanimous votes, namely affirmative votes of more than 50% of the total Permanent Voting Members present at the Meeting, including the affirmative vote of the Committee Chairman.

4. Decision-Making Without Holding Formal Meeting

The Credit Policy Committee make make valid decisions without having to hold formal committee meetings (Committee Circular Decisions), with the condition that all Permanent Voting Members approve the decisions in writing.

Duties and Responsibilities

The duties and responsibilities of the Credit Policy Committee are as follows:

1. To hold meetings to determine the Bank's credit direction and monitor the implementation of the credit policy
2. To provide feedback to the Bank's Board of Directors in establishing the Bank's Credit Policy as well as to conduct periodic reviews on the Bank's Credit Policy
3. To supervise the application and implementation of the Bank's Credit Policy
4. To evaluate and analyze the credit portfolio quality related to credit policy
5. To provide routine reports to the Board of Directors with copies to the Board of Commissioners, which at least cover the following:
   a. Summary of the supervision on the Bank Credit Policy application and implementation.
   b. Results of monitoring/review and evaluation of the quality and condition of the credit portfolio.
   c. Suggestions on policy improvement (if required).
6. Review/study on credit policy so to remain in line with internal policies and prevailing laws and regulations.

Implementation of Duties in 2023

The Credit Policy Committee held a meeting in semester I (one) on 13 June 2023 and a circular meeting in semester II (two) on 18 December 2023. Details on the implementation of duties carried out, among others, are as follows:

- Discussion on the hierarchy of policies and procedures related to credit, both policies and procedures bankwide and in segment levels. The Credit Policy was updated and approved by the Board of Directors and the Board of Commissioners.
- Assessment on changes to Credit Policy by adapting to changes in policy at the global level as well as sustainable finance policies both applicable at the Bank and globally, including but not limited to avoided industry regulations.
- Assessment and analysis of the quality of credit portfolios related to credit policies were also carried out at other meetings such as at Risk Management Committee meetings, also reported to the Risk Monitoring Committee.

Meeting Frequency and Attendance

Credit Policy Committee meetings were conducted 2 (two) times in 2023, namely on 13 June 2023 and 18 December 2023 through circular mechanism with the following frequency of attendance:

Name	Position	Number of Meeting	Attendance	Percentage
Henoch Munandar	Prsident Director	2	2	100%
Kaoru Furuya	Deputy President Director	2	2	100%
Darmadi Sutanto	Deputy President Director	2	1	50%
Hiromichi Kubo[1)]	Director of Treasury	1	1	100%
Dini Herdini	Director of Compliance	2	2	100%
Atsushi Hino[2)]	Director	2	2	100%
Keishi Kobata[3)]	Director	1	1	100%
Ir Nathan Christianto	Head of Wholesale, Commercial & Transaction Banking	2	2	100%
Irwan Sutjipto Trisnabudi	Head of Digital Banking	2	1	50%
Jeffrey C. Tjoeng	Head of Business Banking	2	2	100%
Sendiaty Sondy	Head of Risk Management	2	2	100%
Nurhajati Soerjo Hadi	Head of Internal Audit	2	2	100%
Tasuku Tanaka	Credit Risk Head	2	2	100%
Sidik Waskito	Business Banking Credit Risk Head	2	2	100%
Adil Pamungkas	Retail Banking Risk Head	2	2	100%
Argo Wibowo	General Counsel	2	2	100%
Butet Sondang Sitepu	Compliance Head	2	2	100%
Wahyu Nugroho	Portfolio Management & Policy Head	2	2	100%

Note:
1) Hiromichi Kubo was no longer as Director since the closing of the EGMS on 22 June 2023
2) Atsushi Hino was appointed as Director since the closing of the AGMS on 13 April 2023 and effective on duty as of 15 May 2023
3) Keishi Kobata was appointed as Director since the closing of the EGMS on 22 June 2023 and effective on duty as of 25 July 2023.

COMMITTEES UNDER THE BOARD OF DIRECTORS

INFORMATION GOVERNANCE STEERING COMMITTEE

Structure and Membership

Membership of the committee is ex-officio (based on position), consisting of the following:

Chairman: Head of Information Technology

Members:

- Permanent Voting Members:
  1. Director of Compliance
  2. Director of Operations
  3. Director of Finance & Planning
  4. Head of Information Technology

- Permanent Non-Voting Members:
  1. Head of Internal Audit
  2. Executive Officer of Information Technology Data Management (Secretary)

Standing Invitees

1. Director of Corporate Banking (Japanese)
2. Director of Treasury
3. Head of Treasury
4. Head of Business Banking
5. Head of Wholesale Banking
6. Head of Retail Lending Business
7. Head of Wealth Management Business and Network & Distribution
8. Head of Digital Banking
9. Executive Officer of Retail Banking Analytics, Business Planning & Credit Policy

Duties and Responsibilities

Provide recommendations to the Board of Directors at minimum to cover the following:

1. Formulation of data governance policies and procedures and main information such as on data quality policy and risk management related to Bank's data and information, consisting of standards to achieve (target-state).
2. Planning and establishing the scale of priorities on required projects to apply set policies and procedures, as well as reaching the set standards.
3. Conformity of approved projects with information governance planning, policies and procedure of data and information governance, as well as the standards to achieve.
4. Conformity of data and information governance projects and data analytics with agree project plans (project charter).
5. Conformity of the information governance with the Information Technology Strategic Plan in order to support the Bank's business activity management.
6. Monitoring of the Bank's data and information governance conditions and efforts for improvement, such as with detection of problems in data quality and measuring the effectiveness and efficiency in the use of data and information assets.
7. Efforts by the forum of data and information governance to solve various problems related to data and information that remained incomplete and have escalated.
8. Develop organizational culture that works on the basis of data and information (data-driven organization).

Meeting Procedures

In connection with meetings, procedures set forth are as follows:

1. Meetings of the Information Governance Steering Committee are held at least 4 (four) times in a year with the set meeting agenda. If required, the Committee meetings may be held at any time upon request of one of the Permanent Voting Members;
2. Meetings are chaired by the Committee Chairman. In the event the Chairman is not able to attend, then the meetings are led by one of the Committee members serving as Director and appointed by the meetings;
3. Voting rights are held only by the Permanent Voting Members or their representatives attending the meetings;
4. Meetings may only be held if attended and/or represented by more than ½ (one-half) of the total members of the Committee with voting rights, with the condition that includes the Committee Chairman and/or Director of Compliance.
5. Meeting decisions must be taken based on deliberation and concensur. If deliberation and concensus cannot be reached then decisions must be taken on the basis of voting with affirmative votes of more than ½ (one-half) of the total vaid votes extended in the concerned meeting, including the Committee Chairman and/or Director of Compliance;

6. In the event of conflict of interest, then decision-making is to be carried out in accordance with the provisions on conflict of interest as regulated in the Corporate Policy.
7. Dissenting opinions that occur in the Committee meetings must be stated clearly in the minutes of meeting with the reasons behind the dissenting opinions.
8. Committee meeting results must be recorded in the Minutes of Meeting and documented properly.
9. If deemed necessary, the Committee may invite other parties aside from members, including Subsidiaries to attend the meetings.
10. Meeting decisions in the form of Minutes of Meeting are signed by the Meeting Chairmand and Secretary. The Minutes of Meeting are then circulated to members of the Committee.
11. The Committee may make valid decisions without having to hold formal meetings through the Committee's circular media as approved by all Permanent Voting Members. This process may be carried out as long as the submitted proposals are delivered in the circular to all Permanent Voting Members.

The Chairman is responsible for the following:
1. Set up meeting schedule and determine the agenda as the responsibility of the Committee, in the form of a main agenda based on the monthly reports prepared by the Committee's Secretary in accordance with the framework and special agenda based on important and very urgent issues, at the request of one or more Permanent Voting Members of the Committee;
2. Determine the invitation of the Committee meeting;
3. Ensure the adequacy and availability of information needed for decision-making.

The Secretary of the meeting is responsible for the following:
1. Prepare and distribute the meeting invitation;
2. Prepare and collect meeting materials;
3. Take notes, formulate and present the meeting results;
4. Distribute the meeting results to all Committee members, the Board of Directors and Corporate Secretary.

Implementation of Duties in 2023

In the year 2023, the Information Governance Steering Committee held 4 (four) meetings, with details on the implementation as follows:

Meeting	Date	Time of Implementation
1	21 March 2023	13:00 – 14:00
2	27 June 2023	11:30 – 12:20
3	19 September 2023	13:00 – 13:50
4	5 December 2023	10:45 – 11:30

Meeting Frequency and Attendance

In 2023, the Information Governance Steering Committee held 4 meetings, with details on the implementation as follows:

Name	Position	Number of Meeting	Attendance	Percentage
Sendiaty Sondy	Head of Risk Management	4	4	100 %
Jeny Mustopha	Head of Information Technology	4	4	100 %
Dini Herdini	Director of Compliance	4	2	100 %
Hanna Tantani	Director of Finance & Planning	4	4	100 %
Merisa Darwis	Director of Operations	4	4	100%
Nurhajati Soerjo Hadi	Head of Internal Audit	4	4	100%
Jufri Fan	Secretary	4	4	100%
Erliana	Standing Invitee	4	3	75%
Helena	Head of Wealth Management Business and Network & Distribution	4	2	50%
Hiromichi Kubo[1)]	Director of Treasury	1	1	100%
Atsushi Hino[2)]	Director of Corporate Banking (Japanese)	3	3	100%
Irwan Sutjipto Tisnabudi	Head of Digital Banking	4	3	75%
Jeffrey Tjoeng	Head of Business Banking	4	4	100%
Kan Funakoshi[3)]	Director of Corporate Banking (Japanese)	1	1	100%
Keishi Kobata[4)]	Director of Tresuri	2	2	100%

COMMITTEES UNDER THE BOARD OF DIRECTORS

Name	Position	Number of Meeting	Attendance	Percentage
Nathan Christianto	Head of Wholesale, Commercial and Transaction Banking	4	4	50%
Purnomo B. Soetadi	Head of Retail Lending Business	4	1	25%
Wiwig Santoso	Head of Treasury	4	3	75%

Note:
1) Hiromichi Kubo was appointed as Director since the closing of the EGMS on 22 June 2023.
2) Atsushi Hino was appointed as Director since the closing of the AGMS on 13 April 2023 and effective since 15 May 2023.
3) Kan Funakoshi was no longer as Director since the closing of the AGMS on 13 April 2023.
4) Keishi Kobata was appointed as Director since the closing of EGMS on 22 June 2023 and effective since 25 July 2023.

CREDIT COMMITTEE

Structure and Membership

The composition of the Credit Committee as of 31 December 2023 is as follows:

Chairman: President Director

Members:
- Deputy President Director
- Director of Business/ Head of Business
- Credit Risk Head
- Loan Head
- Business Credit Risk Head
- Group or Department Head of Business
- Head of Risk Management (Observer)

Work Guidelines and Procedures (Charter)

The Credit Committee has the work guidelines (charter) validated by the Board of Directors, among others containing the following:

1. Meeting:
- The Credit Committee shall hold a meeting at any time in accordance with the needs of the Committe.
- Meetings of the Credit Committee is held to issue recommendations or opinions to the President Director or Deputy President Director who will provide the final decision for approving the Credit, including the conditions and instruction related to Credit Approval.
- On recommendations or opinions of the Credit Committee, the related Director of Business/Head of Business will sign the recommendation/opinion page together with any other Committe's members.

2. Quorum
- Credit Committee meetings may only be held if attended at least by 51% of mandatory meeting participants and with at lease 1 (one) representatives from Credit Risk Corporate participants obligated to attend with a minimum of 1 (one) representative from Credit Risk Corporate, specifically for the Corporate segment. The presence of Observer will not be counted in the meeting quorum.
- Committee members which are not the mandatory meeting participants, may participate however his/her presence will not be counted as part of the meeting quorum and his/her vote will not be calculated as part of the decision making

3. Decision-Making
- Decision making in the Credit Committee Meetings shall be made by way of majority voting based on the affirmative vote of minimum 51% (fifty one percent) of the total number of members present at the meeting including the vote from President Director.
- The vote of the Head of Risk Management as Observer will not be calculated as part of the decision of Committee's meeting however each decision of the Committee Meeting must be acknowledged the Head of Risk Management.
- in the event of decision-making by a Committee Meeting concludes the calculations od the number of agree votes are the same as the disagree votes, the the Committee Chairman may determine the final decision to be taken by the Committee.

Duties and Responsibilities

In support of the duties and responsibilities of the Board of Directors to conduct maintenance and planning of credit, the Credit Committee is responsible for the following:

1. To conduct independent analysis and approve credit extension in accordance with the defined authority limits (decisions taken must be objective, based on careful analysis and avoid personal interests).

2. Ensuring that business in proceed in accordance with the Bank's risk management policies standards and practices.

Implementation of Duties in 2023

Throughout the year 2023, decisions on Business Banking credit were taken by circular means, while the Wholesale Banking, Corporate Banking Japanese, and Commercial Banking Credit Committee held as many as 24 meetings, with details on attendance as follows:

Agenda	Mandatory Participants
1. Credit related to Wholesale Banking, Corporate Banking Japanese and Commercial Banking segments	1. President Director/Deputy President Director 1 2. Relevant Director of Wholesale, Corporate and Commercial Banking 3. Credit Risk Head 4. Loan Head 5. Relevant Group and Department Head of Wholesale, Corporate and Banking, Corporate and Commercial Banking 6. Head of Risk Management (Observer) Note: Meeting will be led by the Committee Chairman (President Director), in the absence of the Committee Chairman, Deputy President Director 1 will act as Committee Chairman.
2. Credit related to Business Banking segment	1. President Director or Deputy President Director 1 2. Head of Business Banking 3. Business Banking Credit Risk Head 4. Credit Risk Head 5. Head of Risk Management (Observer) Note: Meeting will be led by the Committee Chairman (President Director), in the absence of the Committee Chairman, Deputy President Director 1 will act as Committee Chairman.

Meeting Frequency and Attendance

In the year 2023, the Credit Committee held 24 meetings, with details of the implementation as follows:

1. Credit related to Wholesale, Japanese Corporate Banking and Commercial Banking segments:

Name	Position	Number of Meeting	Attendance	Percentage
Henoch Munandar	President Director	24	10	42%
Kaoru Furuya	Deputy President Director	24	21	88%
Nathan Christianto	Head of Wholesale, Commercial & Transaction Banking	24	10	42%
Kan Funakoshi	Director of Corporate Banking (Japanese)	24	3	13%
Atsushi Hino[1)]	Director of Corporate Banking (Japanese)	24	7	29%
Takane Shiomi	Credit Risk Head	24	5	21%
Tasuku Tanaka[2)]	Credit Risk Head	24	18	75%
Moses Supardi	Wholesale Banking Head	24	13	54%
Warni Chai	Commercial Banking Head	24	1	4%
Naoki Watanabe	Head of Japanese Corporate Banking 2	24	6	25%
Karinda Rachmana	Head of Japanese Corporate Banking 3	24	0	0%
Hiroaki Seguchi	Head of Japanese Corporate Banking 4	24	0	0%
Hideaki Asatsu	Head of Japanese Corporate Banking 5	24	5	21%
Wibowo Kurniawan[3)]	Head of Japanese Corporate Banking 6	24	0	0%
Husan Mahjudin	Loan Department Head	24	23	96%
Sendiaty Sondy	Head of Risk Management	24	9	38%

Note:
1) Replacing Director of Corporate Banking (Japanese) effective as of 15 May 2023
2) Replacing Credit Risk Head effective as of 2 May 2023
3) Effective as of 1 January 2023 as Head of Japanese Corporate Banking 6.

COMMITTEES UNDER THE BOARD OF DIRECTORS

2. Credit related to Business Banking segment

Name	Position	Number of Meeting	Attendance	Percentage
Henoch Munandar)/Kaoru Furuya	President Director/Deputy President Director	Throughgout the year 2023, Credit Decisions were carried out through circular mechanism		
Nathan Christianto/Jeffrey C. Tjoeng	Director/Head of Business Banking			
Takane Shiomi/Tasuku Tanaka[1)]	Credit Risk Head			
Sidik Waskito	Business Banking Credit Risk Head			
Sendiaty Sondy	Director/Head of Risk Management			

Note:
[1)] Replacing Credit Risk Head effective as of 2 May 2023.

HUMAN RESOURCES COMMITTEE

Structure and Membership

Chairman: President Director

Members:
1. Deputy President Directors
2. Director of Finance & Planning
3. Director of Operations

Secretary: Head of Human Resources

Work Guidelines and Procedures (Charter)

In implementing its duties, the Committee refers to the following provisions:
1. Committee meeting decisions are taken based on deliberation and concensus. If deliberation and concensus not reached, then decisions are taken by means of voting based on affirmative votes at least 51% of the total valid votes present in the Meeting, including the President Director.
2. In the event of conflict of interest, then decision-making is carried out in accordance with the provision regulated in the Company policies and procedures.
3. Dissenting opinions that occur in the Committee Meetings are required to be clearly denoted in the Minutes of Meeting and the reasons behind the dissenting opinions.

Duties and Responsibilities

Details of duties and authorities are as follows:
1. Evaluate policies, strategies and targets concerning Human Resources and recommend the Board of Directors to establish as concerned policies especially strategic policies.
2. Evaluate the Human Resource remuneration program implelmentation and then recommend to the Board of Directors for approval.
3. Approve dieviations from applicable Company Procedures and Regulations that beyond the authority of the Division Head and/or Director responsible for and/or with Human Resource duties, by taking into account of the Company's policy hierarchy.
4. Submit recommendations to the Board of Directors on the appointment and placement (nomination) of members of the Board of Directors or the Board of Commissioners or Company Employees in Subsidiaries (including members of the Sharia Supervisory Board in Subsidiaries that conduct Sharia business).

Implementation of Duties

Date	Agenda
27 January 2023	Proposal on MRT
10 February 2023	• Nomination for 2023 Executive Promotion • Review of 2022/2023 Compensation
13 February 2023	Distribution of Bonus Budget 2022
8 March 2023	• Distribution Results of Compensation Review 2022/2023 • Results of Executive Promotion 2023
25 July 2023	Nomination of Mid-Year 2023 Eecutive Promotion
15 August 2023	• Mid-Cycle 2023 • Mid-Cycle 2023 Executive Promotion
22 September 2023	Natura or Gratification in the Form of Goods
15 November 2023	BAP Revamp: LEAD 2024 BTPN Acceleration Program

Meeting Frequency and Attendance

In 2023, the Human Resource Committee held 8 (eight) meetings, with details on the implementation as follows:

Name	Position	Number of Meeting	Attendance	Percentage
Henoch Munandar	President Director	8	8	100%
Kaoru Furuya	Deputy President Director	8	6	75%
Darmadi Sutanto	Deputy President Director	8	7	88%
Hanna Tantani	Director of Finance & Planning	8	7	88%
Merisa Darwis	Director of Operations	8	7	88%
Mira Fitria	Head of Human Resources	8	8	100%

FRAUD COMMITTEE

Structure and Membership

Chairman: the Board of Directors or the related Board of Management or its Delegation.

Members:

1. Head of Operational & Fraud Risk Management
2. Human Resources Employee & Industrial Relations Head/Strategic Human Resources Management Head.

Secretary: Operational & Fraud Risk Management (OFRM) or other work units with authorities

If the Fraud Perpetrator and/or related parties are Directors, or Commissioners and/or Executive Officers, then the implementation of the Fraud Committee must be led by 2 (two) members of the Board of Directors/ Board of Management (Deputy President Director or Head of Risk Management or Compliance Director), or other parties who do not have a conflict of interest, such as members of the Audit Committee.

Work Guidelines and Procedures (Charter)

Guidelines for the Fraud Committee meeting implementation are as follows:

1. The implementation procedures may be carried out face-to-face or through memo circulation.
2. Must be attended by the Chairman of the Committee and all Members of the Fraud Committee. In the event that the Chairman of the Committee, and/or Members of the Fraud Committee are unable to attend (whose absence does not require any proof), then the Head of the Fraud Committee who has rights and authorized to represent the Chairman is the party appointed by the Committee Chairman as his delegate, and at minimum is the head of the related division, and for Members of the Fraud Committee, the delegation is at least one level below the staff.
3. In certain cases, Fraud Committee meetings can be held at any time if deemed necessary by the Head of the Fraud Committee or more than one Fraud Committee Member or at the request of a Director/ Board of Management.
4. The Fraud Committee may invite the concerned Head of the Work Unit (PUK) and/or other parties who are not members of the committee to attend the meeting, however, the PUK and/or other parties in the committee meeting do not have voting rights as they only function to provide suggestions, considerations and input.
5. The Fraud Committee meeting is legal and has the right to make decisions if the meeting is attended and/or represented by more than ½ (one half) of the total number of Committee Members (including the Committee Chairman) who have voting rights. Fraud Committee meetings can be conducted through teleconference, video conference, or other electronic media facility that allow all participants to see and/hear each other and participate directly in the meeting according to the agreement of the Fraud Committee members.
6. Decisions of committee meetings must be taken based on deliberation to reach a consensus. If there is no agreement on sanctions, they will be escalated to the Head of Risk Management and the Compliance Director. If after escalation there is still no agreement regarding sanctions/no decision has been made, then it will be escalated to the Risk Management Committee (RMC). At the last level, if there is still no agreement regarding sanctions/no decision has been made, then it will be escalated to the Board of Directors, and if necessary, request for feedback from the commissioners may be done with considerations of the input from the Risk Monitoring Committee (RMONC).

COMMITTEES UNDER THE BOARD OF DIRECTORS

7. All decisions that are collectively collegial. Dissenting opinions that may occur must be recorded in the Committee Meeting's Minutes of Meeting.
8. Meetings of the Fraud Committee on Fraud cases where the perpetrator moved to another Line of Business (LoB)/Support Function (SF), then the Fraud Committee is held jointly between the Line of Business (Lob)/Support Function (SF) at the time of the Fraud. In this case, the Head of the Fraud Committee is the Board of Directors/Board of Management responsible for the Directorate of the perpetrator.

Duties and Responsibilities

Duties of the Fraud Committee:

Following up on investigative reports related to Fraud incidents in each unit concerned, determining sanctions for employees (including vendor employees) who are directly or indirectly involved in Fraud incidents, and deciding on fraud incidents to determine appropriate legal steps to take at a later time.

Authority of the Fraud Committee:

1. Appeal, inquire for clarification, request reports from various parties (employees and/or other work units) whom, according to the Fraud Committee's considerations, are believed to be directly or indirectly related to the fraud case.
2. Determine the imposition of the types of sanction on employee(s) (including vendor employees) who are directly or indirectly involved in the fraud incidents.
3. Coordinate and collaborate with other work units, as well as in the context of improvement and preventive efforts, the Fraud Committee has the right to provide constructive recommendations for the concerned work units.

Implementation of Duties

During the year 2023, the Bank carried out 51 sessions of the Fraud Committee (both through virtual meetings or by circular e-mail) in accordance with its duties and responsibilities.

Meeting Frequency and Attendance

Following are details of the Fraud Committee's participants attendance in 51 sessions (20 sessions through virtual meetings and the remaining by circular e-mail) during the year 2023

Name	Position	Number of Meeting	Attendance	Percentage
Darmadi Sutanto	Deputy President Director	7	7	100%
Merisa Darwis	Operations Director	18	18	100%
Dini Herdini	Compliance Director	1	1	100%
Kan Funakoshi/Atsushi Hino	Director of Corporate Banking (Japanese)	2	2	100%
Purnomo B. Soetadi	Head of Retail Lending Business	3	3	100%
Enrico Novian	Pension Business Head RLB	10	10	100%
Toho Pasaribu	Micro Business Head	3	3	100%
Adil Pamungkas	Retail Banking Risk Head	19	19	100%
Irwan Sutjipto Tisnabudi	Head of Digital Banking	2	2	100%
Jeffrey C. Tjoeng	Head of Business Banking	3	3	100%
Helena	Head of WM Business and Network & Distribution	1	1	100%
Jeny Mustopha	Head of Information Technology	1	1	100%
Heru Rustanto	Operational & Fraud Risk Management Head	51	51	100%
Denty Avianty	Strategic HR Management	2	2	100%
Landy Kurniawan	Employee & Industrial Relations Head	48	48	100%
Patritius Joko	Operations Control Assurance Head	8	8	100%
Charlos Santana Putra	ORM, Fraud & QA Head Retail Banking	7	7	100%

SUSTAINABILITY COMMITTEE

Structure and Membership

Chairman: Director of Compliance & Legal

Members:
1. Director of Finance & Planning
2. Operations Director
3. Director of Corporate Banking (Japanese)
4. Director of Treasusry
5. Head of Risk Management
6. Head of Business Banking
7. Head of Wholesale, Commercial & Transaction Banking
8. Head of Retail Lending Business
9. Head of Wealth Management Business
10. Head of Digital Banking
11. Head of Treasury
12. Head of Human Resources
13. Micro Business Head

Secretary: Head of Communications & Daya

Work Guidelines and Procedures (Charter)

In carrying out its duties and authority, the Sustainability Committee is obligated to always comply with the provisions, applicable laws and regulations and/or internal regulations/regulations of Bank BTPN. Meanwhile, th Mechanisms and Working Procedures of the Sustainability Committee are as described in the Sustainability Committee Work Guidelines.

Duties and Responsibilities

Details of duties and responsibilities of the Sustainability Committee are as follows:
1. Develop the strategies, policies, targets related to sustainable finance in Bank BTPN
2. Monitor, evaluate and recommend sustainable finance implementation in Bank BTPN

Implementation of Duties in 2023

Throughout the implementation of its duties in 2022, the Sustainability Committee has provided recommendations and directions related to sustainable financial targets and initiatives in Bank BTPN.

Meeting Frequency and Attendance

In 2023, the Sustainability Committee held 2 (two) meeting, with details of the members' attendance as follows:

Name	Position	Number of Meeting	Attendance	Percentage
Dini Herdini	Compliance Director	2	2	100%
Hanna Tantani	Director of Finance & Planning	2	2	100%
Merisa Darwis	Director of Operations	2	2	100%
Atsushi Hino	Director of Corporate Banking (Japanese)	2	2	100%
Keishi Kobata	Director of Treasury	2	2	100%
Sendiaty Sondy	Head of Risk Management	2	2	100%
Jeffrey C. Tjoeng	Head of Business Banking	2	2	100%
Nathan Christianto	Head of Wholesale, Commercial & Transaction Banking	2	2	100%
Purnomo B. Soetadi	Head of Retail Lending Business	2	2	100%
Helena	Head of Wealth Management Business and Network & Distribution	2	1	50%
Irwan Sutjipto Tisnabudi	Head of Digital Banking	2	1	50%
Wiwig Santoso	Head of Treasury	2	1	50%
Mira Fitria	Head of Human Resources	2	1	50%
Toho Pasaribu	Micro Business Head	2	1	50%
Andrie Darusman	Communications & Daya Head	2	2	100%

CORPORATE SECRETARY

PROFILE OF THE CORPORATE SECRETARY

Eneng Yulie Andriani

Sekretaris Perusahaan

Nationality	Indonesian
Domicile	Jakarta
Age	49 years as of the end of fiscal year 2023
Educational Background	• Master's degree in Law, Universitas Indonesia (2012) • Bachelor's degree in Law with Special Law Program on Economic Activity from Universitas Indonesia (1997)
Basis of Appointment	Circular Decision of the Board of Directors No. PS/BOD/001/I/2020 datd 10 January 2020
Concurrent Positions	Head of Corporate Secretary Division
Work Experience	• Head of Corporate Legal Department PT Bank Sumitomo Mitsui Indonesia (2014-2019) • Head of Corporate Action & Stakeholder Management of Corporate Secretariate Division PT Bank Danamon Indonesia Tbk (1997-2014)
Affiliation	No affiliation with the Board of Directors, the Board of Commissioners and the Controlling Shareholders

TERM OF OFFICE

Term of office of the Corporate Secretary was effective as of 10 January 2020.

LEGAL BASIS

In compliance with Financial Services Authority Regulation No.35/POJK.04/2014 on the Establishment of Corporate Secretary juncto Securities Administration Regulation of PT Bursa Efek Indonesia (Indonesia Stock Exchange) No.1-A attachment II of the Decision of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00001/BEI/01- 2014 dated 30 January 2014. The Bank retains the Corporate Secretary, Eneng Yulie Andriani, effective 10 January 2020, appointed based on Circular Decision No. PS/BOD/001/I/2020 dated 10 January 2020.

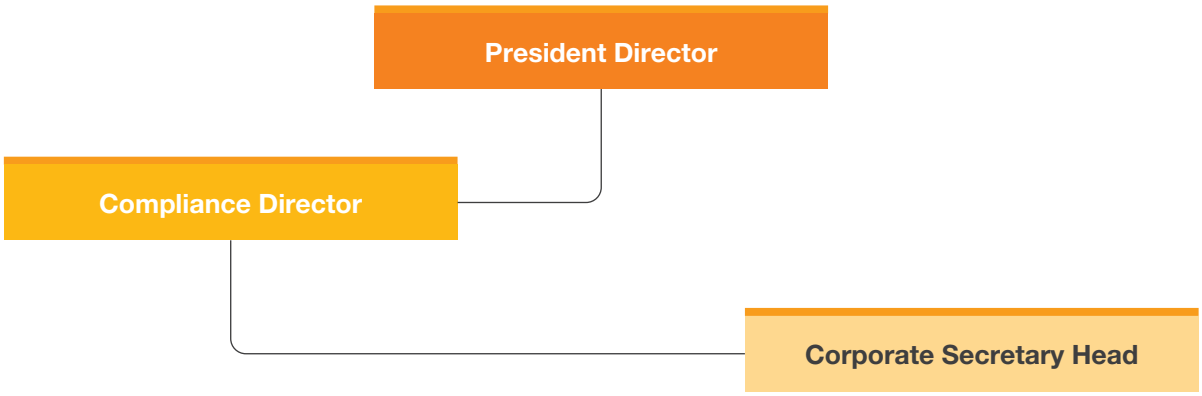
DUTIES AND RESPONSIBILITIES

Details of duties and responsibilities of the Corporate Secretary within the Bank are as follows:

1. Maintain good relations with the Financial Services Authority, the Indonesia Stock Exchange, and other stakeholders.
2. Responsible for providing important information regarding the Bank's condition to all stakeholders that the public must know.
3. Keep track of the capital market development, including applicable regulations in the capital market.
4. Fulfill the Company's obligations as a listed company based on Corporate Governance principles.
5. Provide feedback to the Board of Directors and the Board of Commissioners to comply with provisions of Law No. 8 of 1995 concerning the Capital Market and its implementing regulations.
6. Responsible for the implementation of the GMS.
7. Coordinate the implementation of meetings of the Board of Directors and the Board of Commissioners.
8. Prepare and file the Minutes of Meeting of the Board of Director meetings.
9. Assist the Board of Directors and the Board of Commissioners in their duties and responsibilities.

CONCURRENT POSITIONS AND ORGANIZATIONAL STRUCTURE

The function of the Corporate Secretary is served by an executive officer who leads the Corporate Secretary Division. This position is under the supervision/coordination of the Compliance Director and is not to be served concurrently with other positions.



In carrying out their duties and responsibilities, the Corporate Secretary oversees and manages the functions of Corporate Governance, Corporate Action & Stakeholder Management, as well as the Management of the Board of Commissioners and the Board of Directors.

IMPLEMENTATION OF DUTIES AND RESPONSIBILITIES

During 2022, the activities of the Corporate Secretary were carried out while adhering to health protocols. With all these limitations, the Corporate Secretary has successfully completed and carried out the following tasks or activities:

1. Organizing and attending meetings and taking minutes of meetings of the Board of Directors, Board of Commissioners, joint meetings of the Board of Directors and Board of Commissioners and all committees under the Board of Commissioners except the Nomination and Remuneration Committee.
2. Organizing monthly meetings for executive officers (monthly managers meeting).
3. Organizing the Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders of the Bank.
4. Facilitate the organization of training or seminars for members of the Board of Directors and Board of Commissioners.
5. Arranging and fulfilling the requirements for fit and proper test for prospective members of the Board of Directors and Board of Commissioners.
6. Prepare and submit reports required by capital market and banking regulations.
7. Prepare and submit information disclosure.
8. Develop new policies and procedures and conduct periodic reviews of policies and procedures related to corporate governance including individual and integrated Corporate Governance Guidelines, charter guidelines, and amendments to the Bank's Articles of Association.
9. Conduct a review in terms of the law on limited liability companies, capital market regulations and articles of association of a Bank plan as well as prepare approval from the Shareholders, Board of Commissioners, and Board of Directors, if required.
10. Strengthening insights and providing debriefing by attending training and workshops, both organized by regulators and professional associations.

CORPORATE SECRETARY

DISCLOSURE OF INFORMATION

As part of the Bank's responsibilities and compliance as a public company, below is list of disclosure of information conveyed throughout the year 2023

Date	Document Number	Subject
6 February 2023	S.010/CCS/II/2023	Disclosure of information – Press Release on "The 10th-Year, Pocari Sweat Run Indonesia 2023 Targets 30,000 Runners from Throughout the Archipelago"
20 February 2023	S.013/CCS/II/2023	Disclosure of Information on Fire Incident at BANK BTPN Branch Office in Jogyakarta
28 February 2023	S.017/CCS/II/2023	Submission of the Consolidated Financial Statements of 31 ecember 2022 position (Audited) of PT BANK BTPN Tbk ("Company")
28 February 2023	S.019/CCS/II/2023	Submission of the Annual Public Expose Material of PT BANK BTPN Tbk
28 February 2023	S.020/CCS/II/2023	Disclosure of Information – Press Release on "Support National Economic Resilience, Bank BTPN's Net Profit Grow by 16%"
28 February 2023	S.021/CCS/II/2023	Disclosure of Information on Bond Interest Payment
17 March 2023	S.135/DIR/CCS/III/2023	Disclosure of Information the Public Needs to Know – Affirmation of the Extension of the Transfer Period for Shares Repurchased
21 March 2023	S.031/CCS/III/2023	Disclosure of Information – Resignation of Company Director
21 March 2023	S.032/CCS/III/2023	Disclosure of Information 0 Resignation of Company Commissioner
17 April 2023	S.045/CCS/IV/2023	Disclsoure of Information on Annual Rating Results
17 April 2023	S.047/CCS/IV/2023	Disclosure of Information – Press Release on "Presenting Jenius Study, Jenius Observes the Behaviors of the Digital Savvy Prior to 2023 Eid Al-Ftr"
17 April 2023	S.050/CCS/IV/2023	Disclosure of Information on The Changes in the Composition of Members of the Board of Dirctors and Members of the Board of Commissioners of PT Bank BTPN Tbk.
04 May 2023	S.053/CCS/V/2023	Disclosure of Information – Press Release titled "Bank BTPN Booked Net Profit of 7% in Quarter I 2023"
12 May 2023	S.059/CCS/V/2023	Disclosure of Information on Effective Date of the Appointment of Independent Commissioner of PT Bank BTPN Tbk
16 May 2023	S.062/CCS/V/2023	Disclosure of Information – Resignation of Company Director
19 May 2023	S.065/CCS/V/2023	Disclosure of Information on Effective Date of the Appointment of Independent Commissioners of PT Bank BTPN Tbk
25 May 2023	S.066/CCS/V/2023	Disclosure of Information – Press Release titled "Bank BTPN Provides Syndicate Loan of Rp1.111 Trillion to PT Seino Indomobil Logistics"
25 May 2023	S.067/CCS/V/2023	Disclosure of Information – Press Release titled "Jeius Invites the Digital Savvy to be Healthy Physically and Financially Through the Collaboration with Pocari Sweat Run Indonesia"
26 May 2023	S.068/CCS/V/2023	Disclosure of Information on 14th PUB IV Phase 1 2019 Series B Bond Interest Payment
13 June 2023	S.076/CCS/VI/2023	Disclosure of Information – PEFINDO Annual Rating
22 June 2023	S.077/CCS/VI/2023	Disclosure of Information – Signing of Cooperation with IFC on Green and Social Bond Order Agreement
3 July 2023	S.080/CCS/VII/2023	Disclosure of Information on The Changes in the Composition of Members of the Board of Directors of PT Bnk BTPN Tbk
4 July 2023	S.083/CCS/VII/2023	Disclosure of Information on Changes in the Articles of Association
31 Juli 2023	S.091/CCS/VII/2023	Disclosure of Information – Press Release titled "Support Pocari Sweat Run Indonesia 2023 Through A series of Events" #runtogetherwithjenius

Date	Document Number	Subject
1 August 2023	S.092/CCS/VIII/2023	Disclosure of Information – Press Release titled “Bank BTPN Records Positive Growth in Semester I-2023”
21 August 2023	S.097/CCS/VIII/2023	Disclosure of Information – Press Release titled “Bank BTPN Applies Digital Transformation with HR Technology with the Orientation on the Employees, Partnering with Darwinbox”
24 August 2023	S.098/CCS/VIII/2023	Dissclosure of Information – Press Release titled “Jenius Celebrates 7th Anniversary with #bebetterthanjenius”
28 August 2023	S.099/CCS/VIII/2023	Disclosure of Information on Bond Interest Payment
5 September 2023	S.100/CCS/IX/2023	Disclosure of Information – Press Release titled ”Welcoming the National Customer Day, Members of the Board of Directors of Bank BTPN Are Serving Customers”
12 September 2023	S.103/CCS/IX/2023	Disclosure of Information – Press Release titled “ Great Eastern General Insurance Indonesia Expands its Retail Market in Cooperation with Bank BTPN”
25 September 2023	S.106/CCS/IX/2023	Disclosure of Information – Press Release titled “Garmin Run Asia Series 2023 Indonesia is Held at the Uptown Park of Summarecon Mall Serpong, Celebrating the Passion in Running with Running Science”
9 October 2023	S.109/CCS/X/2023	Disclosure of Information – Press Release titled “ Jenius Presents Jenius Online Travel Fair, Make 7 Days 7 Nights More Exciting”
13 October 2023	S.116/CCS/X/2023	Disclosure of Information – Press Release titled “Bank BTPN Invites Customers to See Decarbonized Business Opportunities Through Sustainability Seminar 22023”
31 October 2023	S.120/CCS/X/2023	Disclosure of Information the Public Needs to Know – Disclosure of Information to all Shareholders of the Company in the Context of Plans to Increase Capital by Providing Pre-Emptive Rights II.
3 November 2023	S.121/CCS/XI/2023	Disclosure of Information – Press Release titled “Bank BTPN Forms Cooperation with Manulife Asset Management Indonesia”
22 November 2023	S.127/CCS/XI/2023	Disclosure of Information – Press Release titled “Facing Challenges, Looking at Opportunities, Bank BTPN Held the 2024 Economic Outlook”
27 November 2023	S.129/CCS/XI/2023	Disclosure of Information on Bond Interest Payment
4 December 2023	S.130/CCS/XII/2023	Disclosure of Information – Press Release titled “Bank BTPN’s Commitment in Realizing Sustainability Initiatives in Indonesia”
5 December 2023	S.131/CCS/XII/2023	Disclosure of Information the Publilc Needs to Know – Revision of the Disclosure of Information to the Company’s Shareholders in the Contest of Plans to Increase Capital by Providing Pre-Emptive Rights II
8 December 2023	S.137/CCS/XII/2023	Disclosure of Information the Public Needs to Know - The Withdrawal of Treasury Shares as a Result of the Buyback, Thereby Changes Article 4 Paragraph 2 of the Articles of Association.
8 December 2023	S.138/CCS/XII/2023	Disclosure of Information the Public Needs to Know – Termination of the Transfer of Repurchased Shares in Significantly Fluctuating Market Conditions Through the Sale of Shares on the Indonesia Stock Exchange.
11 December 2023	S.139/CCS/XII/2023	Disclosure of Information the Public Needs to Know – Plans Capital Increase with Pre-emptive Rights II (“PMHMETD II”).
11 December 2023	S.140/CCS/XII/2023	Disclosure of Information – Press Release titled “Bank BTPN Records Positive Growth Throughout January-September 2023
13 December 2023	S.141/CCS/XII/2023	Disclosure of Information – Press Release titled “Daya Fest 2023, A Form of Bank BTPN’s Commitment in Empowerment for Sustainable Development”
22 December 2023	S.145/CCS/XII/2023	Disclosure of Information on Rating in Connection with the Corporate Action of PT BANK BTPN Tbk

CORPORATE SECRETARY

TRAINING AND COMPETENCY DEVELOPMENT

Details of competency development particicpated by the Corporate Secretary during the year 2023 are as follows:

Date	Type of Training/Seminar/Workshop	Organizer
31 January 2023	Socialization of SEJK No. 33/SEOJK.04/2022 on Guidelines for Implementing Securities Offerings that are Not public Offerings	BTPN Compliance
2 February 2023	Implemention of Artificial Intelligence in Financial Services Industry	OJK Institute
3 February 2023	Socialization of Law No. 4 of Year 2023 Regarding the Development and Strengthening of the Financial Sector	BTPN Legal & Litigation
16 February 2023	Business Risk Forum / Training and Development on Effective Collaboration to Achieve Common Goal by Hingdranata Nikolay	BTPN Risk
22 February 2023	Socialization on the General Guidelines of Indonesia Corporate Governance and Implementation of the 2023 Annual Report Awards	National Governance Polilcy Committee
28 February 2023	Effective Communication Training by Wahyu Wiwoho (Talk Inc)	BTPN Corporate Secretary and BTPN Learning
2 March 2023	CLCS Workshop (BTPN Culture Initiative) Communication Seminar & Gathering	BTPN CLCS Directorate
6 March 2023	Senior Leaders' Briefing Q1 2023	BTPN Corporate Communications
14 March 2023	Leadership Series 1 Creating Strategy to Connect The Generation Gap feat. Yoris Sebastian (co founder Inspigo)	BTPN Human Resources
20 March 2023	Webinar on Law on the Development and Strengthening of the Financial Services Sector in Indonesia: Implications for the Capital Markets Sector	Capital Market Legal Consultants Association
11 April 2023	Seminar “P2SK Law as the Strengthening Factor in the Financial Sector for Consumers and the Financial Industry”	ICSA & Hukumonline
18 May 2023	LDA - Cultural Intelligence Workshop	SMBC Learning Development Asia
22 May 2023	Senior Leaders' Briefing Q2 2023	BTPN Corporate Communications
25 May 2023	Understanding the Key Elements of Green, Social, and Sustainability Bonds	IDX-UNDP
6 June 2023	Economic Outlook Update by Creco (Bapak Raden Pardede)	BTPN Corporate Secretary
8 June 2023	In-depth review of POJK No. 14/POJK.04/2019 on Additional Capital in Public Companies by Granting Pre-Emptive Rights	ICSA
8 June 2023	Digital Knowledge Sharing (LCAPD-AGMD-BTPN) of Year 2023	LCAPD-AGMD-BTPN
13 June 2023	AEI Gathering – Discussion on Strategy and Implementation of Law P2SK for Public Companies	AEI
14 June 2023	Leadership Series on Learning Festival (Offline): "Managing Global Business Risks : A Proactive ft Tantowi Yahya	BTPN Learning
21 June 2023	Socialization of PLPS No. 1 of Year 2023 regarding Svings Deposit Insurance Program	BTPN Compliance
26 June 2023	Socialization of Regulation No. I-L regarding the Suspension of Securities, Regulan No. I-X concerning Placing Equity Security Listings on Special Monitoring Boards, and Regulation No. II-X regarding Trading in Equity Securitities on Monitoring Boards	IDX
27 June 2023	Non-Regulatory Webinar on "Strengthening the Board's Succession: A Framework for Board Performance & Evaluation"	ICSA

Date	Type of Training/Seminar/Workshop	Organizer
6 July 2023	Media Training	BTPN Learning
12 July 2023	Socialization of OJK provisions on APU and PPT	BTPN Compliance and BTPN AML CFT
1 August 2023	Socialization of POJK No. 9 of Year 2023 concerning th Use of Services of Public Accountant and Public Accounting Firm in Financial Services Activities	BTPN Compliance
2 August 2023	Resilience Strategy for Data Protection in Companies	ICSA
11 August 2023	Refreshment Socialization on BMPK OJK Provision	BTPN Compliance
16 August 2023	Senior Leaders' Briefing Q3 2023	BTPN Corporate Communications
22 August 2023	Compliance Refreshment Emiten dan Perusahaan Publik	IDX
24 August 2023	In-dept review of SEOJK No. 33/SEOJK.04/2022 concerning Guidelines on the Implementation of Securities Offerings that are Not Public Offerings	ICSA
7 September 2023	Socialization on the Implementation of Bank's Sensitive Information Registration	BTPN Cyber Security Risk
14 September 2023	AEI Deliberation and Seminar Optimizing the Implementation of the Financial Sector Development & Strengthening Law (P2SK) towards the Development of the Indonesian Capital Market-IDX Global Economic Dynamics & Implications for the National Economy by Coordinating Minister The Dynamics of Political Economy and Its Implications for the Business World	AEI
20-22 September 2023	CLCS Workshop and Gathering	BTPN CLCS Directorate
6 October 2023	Seminar on Free Float and Use of E009 Form in SPE Reporting System	BEI dan AEI
7 November 2023	Sustainability Town Hall	BTPN Corporate Communications and SMBC
9 November 2023	ASEAN Corporate Governance Scorecard Revised October 2023	ICSA
10 November 2023	Corporate Secretary Workshop dan Gathering	BTPN Corporate Secretary
27 November 2023	Invitation to Socialization of Financial Services Authority Regulation (POJK) No. 9 of 2023 concerning the Use of Public Accounting Services and Public Acounting Firms in Financial Services Activities	ICSA
30 November 2023	Risk and Governance Summit 2023	OJK

COMPLIANCE FUNCTION

Implementation of the Compliance Function at BTPN refers to the Financial Services Authority (OJK) Regulation No. 46/POJK.03/2017 on the Implementation of the Compliance Function in Commercial Banks. The regulation explains that the Compliance Function is a preventive measure (ex-ante) for the Bank so that policies, provisions, systems, procedures, and business activities are carried out in accordance with OJK regulations as well as relevant laws and regulations.

The Compliance Function also ensures the emergence of compliance with the Bank's commitments to OJK and other authorities. Compliance with provisions set by OJK, Bank Indonesia, or applicable laws and regulations has been BTPN's commitment, as stated in the Bank's Corporate Governance Manual and Compliance Policy.

The importance of implementing compliance is also a response to the awareness that banking is an industry that requires the implementation of highly-regulated compliance compared to other industries. The strict level of compliance is especially related to public missions and responsibilities toward public funds.

Moreover, in line with the rapid development of information technology and digitalization, it can pose a potential compliance risk for the Bank. For this reason, efforts to mitigate potential compliance risks are highly important.

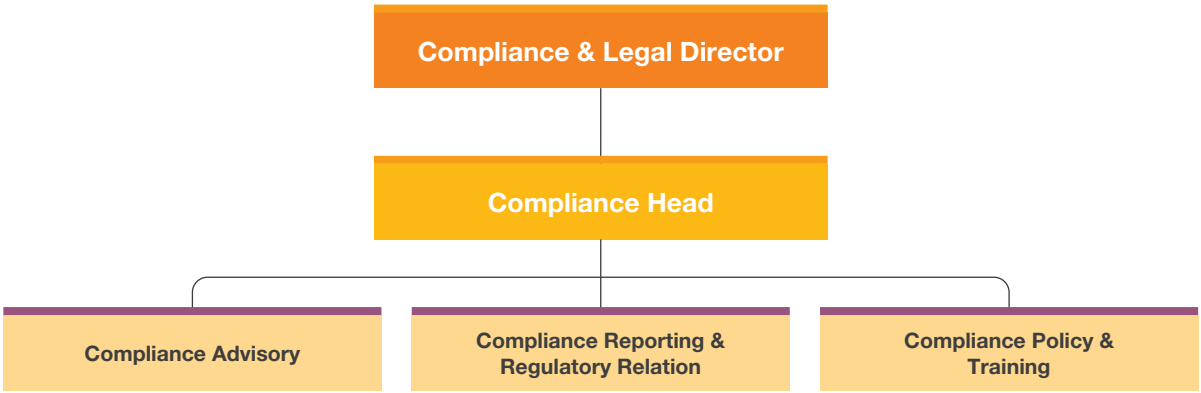
This can be manifested through improving the role and responsibility of compliance at every organizational level, as well as the effectiveness of the Compliance Unit roles in the Bank. Thus, all potential risks to the Bank's business activities can be anticipated early.

The Bank's compliance is carried out in a comprehensive and structured manner. The objective, mainly as preventive effort, to ensure that business processes within the Bank are in line with applicable regulatory provisions.

ORGANIZATIONAL STRUCTURE

Implementation of the compliance function in BTPN's organization is implemented by the Compliance Work Unit, referred to as the independent Compliance Division, as the OJK regulations stipulate. In line with regulatory provisions, the Bank also has the Director of Compliance responsible for the Compliance Function.

Below is the organizational of the Compliance Division:



LEGAL BASIS

The Bank's main guideline in its compliance function is OJK Regulation No. 46/POJK.03/2017 on the Implementation of Compliance Function in commercial Banks. In addition, the Bank takes into consideration the following:

1. The development of information technology, globalization, and financial market integration will add to the complexity of the Bank's business activities that will broadly impact the risk exposures faced by banks;
2. Efforts to mitigate risks in the Bank's business activities, both as preventive measures (ex-ante) or curative measures (ex-post);
3. Efforts of preventive measures (ex-ante) can be conducted by complying with various applicable banking rules to reduce or minimize risks in the Bank's business activities.

FUNCTION, DUTIES AND RESPONSIBILITIES

Functions, duties, and responsibilities of the Compliance Department in BTPN are focused on supporting the implementation of the Compliance Function in accordance with POJK No.46/POJK.03/2017 on the Implementation of compliance Function in Commercial Banks, which covers the following:

1. Manifest the implementation of Compliance Culture at all levels of the Bank's organization and business activities;
2. Manage Compliance Risks faced by the Bank;
3. Ensure that policies, provisions, systems, and procedures, as well as the Bank's business activities, are in accordance with provisions set by the Financial Services Authority, as well as laws and regulations, including the Sharia Principle for sharia commercial banks and sharia business units; and
4. Ensure the Bank complies with its commitments to the Financial Services Authority and/or other authorized supervisory authorities.

For the Compliance Function to be implemented effectively, the Bank has appointed a Director in charge of the Compliance Function. In carrying out the duties, the Director is assisted by an independent Compliance Unit, as stipulated by OJK on implementing the Compliance Function in Commercial Banks.

With reference to POJK No. 46/POJK.03/2017 concerning the Implementation of the Compliance Function in Commercial Banks, the duties and responsibilities of the organization that carries out the Compliance Function are as follows:

The Director Responsible for Compliance Function:

1. Formulate the strategy to encourage the emergence of the Bank's Compliance Culture;
2. Propose compliance policies or principles that will be established by the Board of Directors;
3. Establish the compliance system and procedures to be used to formulate the Bank's internal provisions and guidelines;
4. Ensure that all policies, provisions, systems, procedures, as well as the Bank's business activities are in accordance with provisions set by the Financial Services Authority and the provisions of the laws and regulations;
5. Minimize the Bank's Compliance Risk;
6. Take preventive measures so that policies and/or decisions by the Bank's Board of Directors will not deviate from provisions set by the Financial Services Authority and provisions of the laws and regulations; and
7. Conduct other tasks related to Compliance Function.

Duties and Responsibilities of the Compliance Work Unit:

1. Establish steps to support the emergence of Compliance Culture in all of the Bank's business activities at every level of the organization;
2. Conduct identification, measurement, monitoring, and control of Compliance Risk by referring to the provisions of the Financial Services Authority that regulate the implementation of risk management in commercial banks;
3. Assess and evaluate the effectiveness, adequacy, and conformity of the Bank's policies, provisions, systems, and procedures with provisions of the laws and regulations;
4. Review and/or recommend updates and improvement of the Bank's policies, provisions, systems, and procedures in order to comply with provisions of the Financial Services Authority, as well as the provision of the laws and regulations;
5. Take efforts to ensure that the Bank's policies, provisions, systems, and procedures, as well as the Bank's business activities, are in accordance with the provisions of the Financial Services Authority and provisions of the laws and regulations; and
6. Conduct other tasks related to the Compliance Function.

COMPLIANCE FUNCTION

Superision of the Board of Directors and the Board of Commissioners

With reference to the obligation to comply with POJK No. 46/POJK.03/2017 on the Implementation of the Compliance Function in Commercial Banks, the Board of Directors is required to foster and actualize the implementation of Compliance Culture at all levels of the organization and the Bank's business activities, as well as the obligation to ensure that the Bank's Compliance Function is implemented.

In this respect, in order to ensure the implementation of the Compliance Function, the Board of Directors and the Board of Commissioners continuously carry out supuervision of the Bank's Compliance Function implementation, which among other through the following mechanism:

1. Report on the implementation of duties and responsibilities of the Compliance Unit to the Compliance Director (monthly).
2. Report on the implementation of duties and responsibilities of the Compliance Director to the President Director with a copy to the Board of Commissioners (quarterly).
3. Compliance Director's task execution and responsibility report submitted to the Financial Services Authority (OJK) with copies to the President Director and the Board of Commissioners (semi-annual).
4. Monitoring report on compliance risk to the Board of Directors at the Board of Directors' Meeting and to the Board of Commissioners at the meeting of the Board of Directors with the Board of Commissioners and at the Audit Committee periodically.

The Board of Directors and the Board of Commissioners have also approved the compliance policy that serves as the fundamental infrastructure in the governance implementation of the Bank's Compliance Function.

In compliance with POJK No.46/POJK.03/2017 on the Implementation of the Compliance Function in Commercial Banks, the Board of Commissioners takes an active supervisory role of the Compliance Function through assessment of the Bank's Compliance Function implementation conducted 2 (two) times a year, including providing suggestions/recommendations to improve the implementation of the Bank's Compliance Function.

FOCUS OF THE COMPLIANCE FUNCTION IN 2022

Throughout the year 2022, the focus of the Bank's Compliance Function implementation in carrying business activities includes the following:

1. Review of the Bank's key policies such as the Corporate Governance Manual with development for implementation within the Financial Group.
2. Review of all Bank operational policies, including a review of compliance policies which are the basic infrastructure used as guidelines in the implementation of the Bank's Compliance Function.
3. Compliance testing of draft policies, program products, corporate actions, or transactions requiring approval from the Credit Committee and Compliance Review of initiatives other than policies, program products, corporate actions, transactional decisions (credit) with the authority of the Credit Committee to ensure compliance with applicable regulations. Additionally, Compliance Risk Review is conducted on product initiatives and/or activities requiring approval from the Regulator (OJK/BI) which is the result of compliance analysis of the respective products and/or activities.
4. Dissemination of new OJK, BI, and LPS regulations to the Board of Directors, Board of Commissioners, and related units via email or virtually, including the dissemination of new regulations to related units to determine follow-up on these new regulations. Monitoring is conducted on new regulations requiring follow-up to ensure compliance with the new regulations by the Bank. Additionally, re-socialization of old regulations affecting Bank products and activities to related units is conducted.
5. Consultative function (advisory) related to the application of current regulations in every product and/or activity issuance as well as policies; new, development, or annual review through coordination meetings, electronic media, and others.
6. Implementation of Compliance Risk Self-Assessment as part of preparing the Bank's Risk Profile conducted quarterly to manage the Bank's Compliance Risk.
7. Implementation of Compliance Self-Assessment (CSA) to ensure compliance with OJK and BI regulations as well as other applicable regulations and SMBC regulations (as majority shareholder and Controlling Shareholder of the Bank which is also a Global Systemically Important Bank (G-SIB)).

8. Implementation of self-review examinations (Compliance Self Review) as one of the steps in improving the Compliance Culture of all employees regarding the implementation of OJK and BI provisions and legal regulations as well as SMBC provisions, including conducting surveys of all employees to ensure their understanding of Compliance Risk. CSR implementation is one form of Bank BTPN's obligation as a subsidiary of the SMBC Group.
9. Implementation of Compliance On-site Review (Branch Review) by AML Compliance Champion (ACC) as part of the Compliance Division's and Anti-Money Laundering & CFT Division's activities in monitoring compliance implementation at branches and also to maintain consistency of branch compliance with applicable regulations and to avoid compliance gaps between headquarters and branch offices.
10. Evaluation of assessments conducted by related units on the causes and follow-up of fines from the Regulator (OJK and/or BI) to mitigate recurring fine sanctions and improve the Bank's internal control, including monitoring the completion of follow-up actions or improvement steps in accordance with the assessment results.
11. Monitoring the implementation of Compliance and governance functions at subsidiary companies, namely BTPN Sharia in accordance with OJK provisions related to Banking Synergy.
12. Refinement of the compliance process including strengthening the supporting infrastructure for the implementation of the Compliance Function at the Compliance Unit in the form of monitoring systems for compliance with follow-up OJK and/or BI regulations, compliance with Regulator examination findings, and others.
13. Conducting training to strengthen Compliance Culture at all levels of the Bank's organization and business activities for all employees, including Refreshment Compliance Awareness training including Compliance Declaration, Refreshment APU & PPT, and Entertainment & Gift conducted through e-learning. Additionally, topics related to Anti-Bribery & Corruption (ABC) are re-socialized to all employees through internal Bank media.
14. Improving the quality and competence of human resources in the Compliance & Legal Directorate to comply with applicable regulations and laws and other competencies following developments in the banking industry.

COMPLIANCE IMPLEMENTATION STRATEGY

The Bank retains the strategy to establish continuous compliance in the Bank's organizational environment. Details of the strategy are explained below:

1. Increase mentoring and monitoring of compliance implementation in all business/support lines. This is especially important in business units that will implement new products/initiatives, units related to regulatory reporting, and units related to compliance with prudential ratios such as KPMM, GWM, PDN, NPL, BMPK, NSFR, LCR, Leverage Ratio, and RPIM.

2. Enhance Compliance Culture at all levels of the organization and business activities of the Bank through, among others:
   a. Improving compliance culture at all levels of the organization and business activities of the Bank through socialization of OJK, BI, and LPS regulations.
   b. Providing training to all staff and increasing awareness of compliance culture, both at the headquarters and in branches.
   c. Conducting mandatory e-learning to enhance Compliance Culture that must be attended by all employees.
3. Increase supervision and awareness of compliance risks by conducting Compliance Self-Assessment, Compliance Self Review, Thematic Review, Compliance on-site Review (Branch Review), and internal discussions to provide input to the relevant units.

Ensure that all policies, regulations, systems, and procedures, as well as business activities conducted by the Bank, comply with regulations (OJK, BI, and LPS) and legal regulations. This is done by evaluating internal guidelines, corporate actions, and transactional decisions (credit) requiring approval from the Credit Committee and advisory function.

COMPLIANCE SOCIALIZATION

Throughout the year 2023, socialization sessions on new regulations from OJK, BI, and LPS were conducted via email and virtual platforms for the Directors, Board of Commissioners, and relevant units. This included disseminating new regulations to the relevant units to determine follow-up actions. Additionally, socialization sessions on existing regulations that impact the Bank's products and activities were also conducted for the relevant units.

COMPLIANCE FUNCTION

To enhance the understanding of branch employees, socialization sessions on OJK, BI, LPS regulations, and SMBC regulations were conducted both online and offline by the AML Compliance Champion (ACC) as part of the Compliance Division's activities to increase awareness and monitor compliance implementation at the branches.

COMPLIANCE INITIATIVES IN 2023

Throughout the year 2023, the Bank implemented several compliance-related initiatives, including:

1. Conducting evaluations of studies conducted by relevant units on the causes and follow-up actions of fines imposed by regulators (OJK and/or BI) to mitigate recurring fine sanctions and enhance the Bank's internal control, including monitoring the completion of follow-up actions or improvement steps in accordance with the study results.
2. Enhancing compliance processes, including strengthening the supporting infrastructure for Compliance Function implementation in the Compliance Unit through monitoring systems for OJK and/or BI regulation compliance, compliance with regulatory examination findings, and others.
3. Implementing the Regulatory Reporting Governance & Process Review (Project RRG&PR) aimed at increasing time efficiency of existing resources, enhancing critical process maturity in compliance reporting management, and reducing compliance risk exposure, including potential fine penalties.

INTERNAL FRAUD

BASIS OF FRAUD PREVENTION

Bank BTPN applies zero tolerance to every incident of fraud. For this reason, the Bank incessantly follows up on every fraud incident, including by providing sanctions to employees who conduct and are involved in fraud incidents, in line with applicable provisions, including reporting to the authorities (if necessary).

Apart from the above, the Bank is committed to taking action of prevention against all forms of fraud and to immediately follow-up to reduce the loss impact on the customers and/or the Bank, including managing the Bank's reputation from negative publications that impact the loss of the public's trust in the Bank.

The Bank requires all employees to act honestly, with integrity and high professionalism to take an active role in protecting and maintaining assets, customers' funds, and stakeholders' interests by complying with all internal provisions and prevailing laws and regulations.

IMPLEMENTATION OF ANTI-FRAUD STRATEGY

In managing fraud risks, the Bank implements an anti-fraud strategy coordinated by the Operational & Fraud Risk Management (OFRM) Division. The OFRM Division is directly responsible to the Head of Risk Management, who is responsible to the President Director.

Fraud risk control in BTPN is carried out systematically through the implementation of an Anti-Fraud strategy manifested in 4 (four) pillars, as explained below:

1. **Prevention**
   The anti-fraud prevention programs, in the context of reducing potential fraud incidents, which at least include the signing of the Anti-Fraud Integrity Pact, training (through virtual as well as e-learning facilities) to all employees, the Board of Directors and the Board of Commissioners, periodically update policies and procedures of anti-fraud strategy management, carry out reviews of fraud risks on each product, process, system, and

initiative (new or in development stage) as well as administer training periodically on anti-fraud awareness to vendors and partners in cooperation with the Bank to take part in assisting the Bank to maintain corporate governance, especially in the aspect of proper implementation of fraud risk management.

2. **Detection**
   Programs and tools to detect fraud, which at least includes the whistleblowing mechanism, surprise audit, and surveillance system.

3. **Investigation**
   The process of investigation, reporting, and sanctions on fraud incidents, which at least includes investigation standards, reporting mechanisms, and mechanisms for the imposition of sanctions.

4. **Monitoring, Evaluation, and Follow-Up**
   Observe, evaluate, and monitor the settlement of follow-up actions on fraud incidents carried out by the OFRM Division in coordination with all other related work units.

The OFRM Division reports the implementation of the Bank's anti-fraud strategy to the President Director through the Risk Management Committee monthly meetings and to the Board of Commissioners through the Audit Committee and Risk Monitoring Committee meetings every 3 (three) months. The OFRM Division also submitted the anti-fraud strategy implementation reports to the Regulators (BI/OJK/LPS) in accordance with the prevailing provisions.

IMPLEMENTATION AT THE BANK

The following are the number of Internal Fraud incidents with significant impact that have been reported to OJK based on the criteria set out in Bank BTPN's regulations.

Internal Fraud in 1 year	Number of case conducted by					
	Management		Permanent Employee		Non-Permanent Employee	
	2023	2022	2023	2022	2023	2022
Resolved	-	-	4	1	-	1
In process of settlement internally in the Bank	-	-	-	-	-	-
Not yet processed for settlement	-	-	-	-	-	-
Followed-up further through legal process	-	-	4	1	-	1
Total Fraud	**-**	**-**	**4**	**1***	**-**	**1***

*) 1 Incident conducted collectively.

ANTI-MONEY LAUNDERING, ANTI-MONEY LAUNDERING, COUNTER-TERRORIST FINANCING, AND COUNTER-PROLIFERATION FINANCING OF WEAPONS OF MASS DESTRUCTION (AML CFT AND CPF)

Bank BTPN developed the AML/CFT program as an effort to prevent the risk of becoming a means of Money Laundering (ML), Terrorist Financing (TF), and Proliferation Financing (PF). The implementation of the AML/CFT program refers to Law No. 8 of 2010 on the Prevention and Eradication of the Crime of Money Laundering, Law No. 9 of 2013 on the Prevention and Eradication of the Crime of Financing of Terrorism, POJK No. 8 of 2023 on the Implementation of Anti-Money Laundering (AML), Counter-Terrorist Financing (CFT), and Counter-Proliferation Financing of Weapons of Mass Destruction (CPF) Program in the Financial Services Sector, as well as best practices applicable to the global SMBC group.

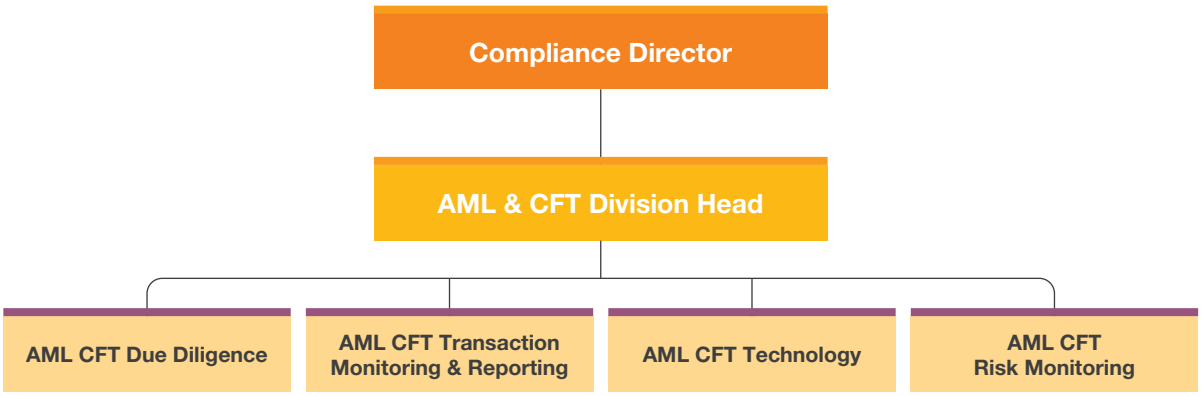
Special Work Units of AML, CFT, and CPF

The Anti-Money Laundering/Combating Financing of Terrorism (AML CFT) Division is appointed as a Special Work Unit responsible for the implementation of AML, CFT, and CPF programs. The AML Division is independent and structurally responsible directly to the director in charge of the compliance function (Compliance Director).

INTERNAL FRAUD

The AML Division conducts continuous monitoring and carries out tests on the Bank's compliance with all AML, CFT, and CPF programs, as well as reporting to inform management regarding the quality of implementation of the AML, CFT, and CPF programs. The AML CFT Division is also supported by AML staff representatives (AML Compliance Champion/ACC) stationed in 6 regions for easier supervision access in implementing AML, CFT, and CPF programs carried out in branch offices throughout Indonesia.

Organizational Structure of APU PPT Division



Socialization of AML, CFT, and CPF Programs

The implementation of AML, CFT and CPF programs requires a shared commitment from all stakeholders, from the employee level to the managerial ranks. Therefore, Bank BTPN continues to socialize AML, CFT and CPF programs regularly to all employees, as well as dynamically to certain work units in the form of relevant specific materials. These efforts will continue to be carried out on an ongoing basis within the Bank, to improve the culture of compliance at all levels of the Bank's organization as well as awareness of the impact of the risk of Money Laundering (ML), Terrorist Financing (TF), and the Proliferation Financing (PF) on the Bank's business activities.

Implementation of the AML, CFT, and CPF Programs in 2023

The Bank's financial products and services are increasingly developing, among others, marked by the development and use of information technology in financial products and services. In line with this, the Bank is faced with potential high risks of Bank's financial products and services being used as a means of ML, TF, and PF.

The Bank compensates for this increasing risks by continuously improving the quality of implementation of the AML, CFT, and CPF program. Such efforts are based on a risk-based approach in identifying, assessing and understanding ML, TF, and PF risks in all financial products and services owned by the Bank.

The Bank actively contributes to regulatory programs in Indonesia to support the strengthening of the financial services sector, including through the Financial Integrity Rating on Money Laundering/Terrorism Financing (FIR on ML/TF) carries out by PPATK every year.

As part of the implementation of a comprehensive risk management and in support of the integrity of the implementation of corporate governance principles, the Bank applies the following AML, CFT, and CPF programs

1. **Active Supervision of the Board of Directors and the Board of Commissioners**
   The Board of Directors and the Board of Commissioners provide approval on policies and procedures of AML, CFT, and CPF. Implementation of AML, CFT, and CPF is informed regularly to the Board of Directors and the Board of Commissioners in periodic meetings of the Board of Directors and the Board of Commissioners, as well as through periodic/ad hoc reports.

2. Policies and Procedures

The Bank has reviewed existing policies and procedures to align with the issuance of OJK Regulation No. 8 of 2023 on 14 June 2023, which regulates the implementation of AML, CFT, and CPF programs in financial services sector in Indonesia, as well as amendments to the SMBC AML Global Procedure and SMBC AML Regional Policy in 2023. The AML Division, together with Compliance Division, carried out socialization of OJK Regulation No. 8 of Year 2023 on 12 July 2023. The Bank also held an annual review on Work Unit SOP in AML Division to align with the improvement of the Bank's policies and procedures of AML, CFT, and CPF.

3. Internal Control

To ensure an effective internal control system, the Bank determines the limits of authority and responsibility of work units related to the implementation of the AML, CFT, and CPF programs and carries out independent audits to ensure the effectiveness of the implementation of the programs. Business Units and branch offices act as the front line/first line of defense in implementing the Bank's business activities by continuing to comply with the Bank's AML, CFT, and CPF policies and procedures.

Indpendent inspection is conducted by the Quality Assurance Team (Directorate of Operations) and the AML Division as the second line of defense. The Quality Assurance Team ensures the process quality in all branch offices incuding AML, CFT, and CPF processes. The AML Division regularly assesses the implementation of AML, CFT, and CPF policies as well as the risk development of ML, TF, PF. The AML Division also consults and reviews AML, CFT, and CPF risks on the development of products, services, distribution mechanism and technology available in the Bank. The audit, as the third line of defense, carries out inspection on the implementation quality of the the Bank's AML, CFT, and CPF programs as conducted by first and second lines.

4. Management Information System

The Bank has adequate management information system to support AML, CFT, and CPF programs, which covers the system used to process identification and screening of customers, customer risk profile assessment, monitoring of customers' data updates, as well as reporting system to all stakeholders. The customer transaction monitoring system is also guaranteed to be able to support the Bank in analyzing customer transaction monitoring alerts and identifying transaction that must be followed up (blocking, delaying, terminating or rejecting transactions) and reporting to the authorities in accordance with applicable regulations. Review of transaction monitoring alert scenarios is carried out annually to ensure the effectiveness and take into account the modus operandi of ML, TF, and PF that are always evolving.

The Bank regularly improves and develops the support system of AML, CFT, and CPF to ensure that the Bank's system, information technology and distribution network cannot be misused as a means of money laundering, terrorist financing and proliferation activities. Periodic testing is also scheduled to assess the reliability and effectiveness of the Bank's AML, CFT, and CPF program support systems.

As a form of compliance with regulators, the Bank implements its reporting through the GoAML to PPATK, using the APOLO system for reporting module for APU PPT reporting to OJK, as well as the Information System for Suspected Terrorism Funding (SIPENDAR) to PPATK.

5. Human Resources and Training

AML Division periodically monitors, analyzes and recommends the need for training as well as development of training materials for AML, CFT, and CPF Programs, for the Bank's employees. AML, CFT, and CPF program training is mandatory for completion every year by existing employees, as well as for employees in orientation stage.

Working together with the Human Resource Division, AML Division monitors the fulfillment of continuous related training that are mandatory for new and existing employees. The Bank also conduct pre-employment screening procedures and monitors each employee's profile (know your employee), in order to mitigate ML, TF, and PF risks that involve the Bank's internal parties.

PROVISION OF FUNDS FOR SOCIAL AND POLITICAL ACTIVITIES

Bank BTPN is not involved in political activities and does not extend donations for political purposes. On the contrary, Bank BTPN can continually maintain its business performance by carrying out its social calling.

In this respect, the Bank places its social responsibility program as an important and integral part of the Bank's business activities. A more detailed explanation of this is presented in the Sustainability Report.

TRANSPARENCY OF THE BANK'S FINANCIAL AND NON-FINANCIAL CONDITIONS

With reference to the Financial Services Authority Regulation No. 55/POJK.03/2016 on the Implementation of Corporate Governance in Commercial Banks, Bank BTPN has complied with the obligation concerning the transparency of the financial and non-financial conditions. The disclosure mechanism is carried out through various communication channels, from uploading on the Bank's sites to direct disclosure to the regulators and related parties.

In addition, transparency is also noted through publications in the national media. Following is the list, among others, of details of transparency in financial and non-financial areas:

Subject of Transparency	Publication
Monthly Financial Report to regulator	Website
Quarterly Financial Report to regulators	Print media, websites and other information channels
Annual Report to regulators, rating institutions, shareholders, and other related parties	Websites and other information channels
Information Governance	Website
Information on the Bank's Products and Services including office network	Website
Announcement of GMS implementation	Website and other information channels
Other information related to information disclosure	Website and other information channels

Share Buyback or Subordinated Bond

The shares and bond buybacks are efforts to reduce the number of issued shares or bonds. The payment procedure is carried out in accordance with applicable regulations.

In 2023, Bank BTPN did not buy back shares or bonds.

PROVISION OF FUNDS TO RELATED PRTIES AND LARGE EXPOSURE

The provision of funds to Related Parties is performed in accordance with applicable regulations and must obtain the approval of the Board of Commissioners. The following table shows details of the provision of Funds to Related Parties and Big Exposures as of December 31, 2023.

Realization of Provision of Funds to Third Parties and Large Exposure.

Provision of Funds	Total	
	Number of Debtor	Nominal (Rp Million)
1. To Related Parties	13	5,865,287
2. To Main Debtor	25	77,106,340
Individual	2	2,000,000
Group	23	75,106,340

EXTERNAL AUDIT

POLICY

In preparing the audited financial statements, BTPN appointed a Public Accountant (AP) and a Public Accounting Firm (KAP) registered with Bank Indonesia and the Financial Services Authority. For the fiscal year 2023, KAP Siddharta Widjaja & Partners was appointed. The Annual GMS approved the appointment on 13 April 2023 based on the recommendation of the Audit Committee through the Board of Commissioners.

The total fee incurred for the audit of Consolidated Financial Statements during 2023 was Rp15,900 million before out-of-pocket expenses and VAT of 11%.

The above Public Accountant and KAP have completed their tasks independently in line with the standard guidelines for the public accounting profession and in accordance with the predetermined work requirements and audit scope.

Public Accounting Firms as Audit Executor of Bank BTPN's Financial Statements

Audited Fiscal Year	Public Accounting Firm	Accountant in Charge	Services Provided	Fee (Rp Million)
2023	KAP Siddharta Widjaja & Rekan	Novie, S.E., CPA	Audit of Annual and Interim Financial Statements	15,900
2022	KAP Siddharta Widjaja & Rekan	Novie S.E., CPA	Audit of Financial Statements	8,553
2021	KAP Siddharta Widjaja & Rekan	Liana Lim S.E., CPA	Audit of Financial Statements	8,351
2020	KAP Siddharta Widjaja & Rekan	Liana Lim S.E., CPA	Audit of Financial Statements	8,500
2019	KAP Siddharta Widjaja & Rekan	Liana Lim S.E., CPA	Audit of Financial Statements	7,300

INTERIM FINANCIAL AUDIT

The Interim Financial Statements Audit as of 30 September 2023 position was carried out by KAP Siddharta Widjaja & Partner in the context of the Registration Statement to be carried out by Bank BTPN, under the applicable OJK registration regulations, in connection with the issuance of shares with pre-emptive rights in 2023.

The audit covers BTPN and Subsidiaries with a total fee for the assignment of services amounting to Rp10,800 million before out of pocket expenses (OPE) and VAT 11%.

OTHER FINANCIAL NON-AUDIT SERVICES

Other Financial Non-Audit Services provided by KAP Siddharta Widjaja & Partner for services related to the issuance of comfort letter from the Public Accountant to the Financial Service Authority (OJK) in the context of the Registration Statement to be carried out by Bank BTPN, under OJK applicable registration regulation, in connection with the issuance of shares with pre-emptive rights in 2023.

The total fee for this service assignment amounted to Rp1,350 million before OPE and VAT 11%.

INTERNAL AUDIT

The Internal Audit retains the vision to become the management's strategic partner in supporting the Bank's growth to attain the organization's set goals. In carrying out its duties, the Internal Audit has 2 (two) functions.

The first is the assurance function, where the Internal Audit evaluates the governance process, risk management, and effectiveness of the internal control on all aspects of the Bank's activities through the risk-based approach.

Second, the consultative function, where the Internal Audit provides feedback on internal control to other directorates, such as by extending recommendations or suggestions for improvements in various audits conducted, feedback on policy or procedure drafts, feedback on the Bank's main initiatives, and others.

PROFILE

Nurhajati Soerjo Hadi

Kepala Internal Audit

Nationality	Indonesian
Domicile	Jakarta
Age	55 years as of the end of fiscal year 2023
Place, Date of Birth	Jakarta, 11 August 1968
Basis of Appointment	Appointed as President Director upon approval of the Board of Commissioners since 1 January 2017, through the Decision Letter No. PS/BOC/009/XII/2016 on the Approval of the Board of Commissioners related to the Replacement of the Head of Internal Audit of PT Bank BTPN Tbk.
Educational Background	Bachelor of Arts in Business Administration from Oregon State University, Corvallis – Oregon, USA (1991)
Work Experience	• Fraud Management Unit Head, PT Bank BTPN Tbk (2015-2016) • Quality Assurance and Corporate Client Execution Head, PT ANZ Bank Indonesia (2015) • Business Development Director (Business Manager) to International Banking, The Royal Bank of Scotland N.V., Jakarta Branch (2009–2013) • Business Development Director (Business Manager) to Executive Country, ABN AMRO Bank N.V. / The Royal Bank of Scotland N.V., Jakarta Branch (2008–2013) • Director, PT RBS Finance Indonesia (2008–2012) • Credit Portfolio Management Head, ABN AMRO Bank N.V., Jakarta Branch (2005–2008) • Deputy Head Financial Restructuring & Recovery (FRR), ABN AMRO Bank N.V., Jakarta Branch (2003–2005) • Financial Restructuring & Recovery Officer, ABN AMRO Bank N.V., Jakarta Branch (1999–2005) • Relationship Manager for Corporate Banking, ABN AMRO Bank N.V., Jakarta Branch (1996- 1998) • Corporate Credit Account Officer di PT IBJ Indonesia Bank, Jakarta (1991–1995)
Certification	• Manajemen Risiko (SMR) Level 5 • Qualified Internal Auditor (QIA) • Indonesia Internal Auditor Practitioner (IIAP)
Affiliate Relationship	No affiliation with the Board of Directors, Board of Commissioners and Controlling Shareholders.

APPOINTMENT AND DISMISSAL

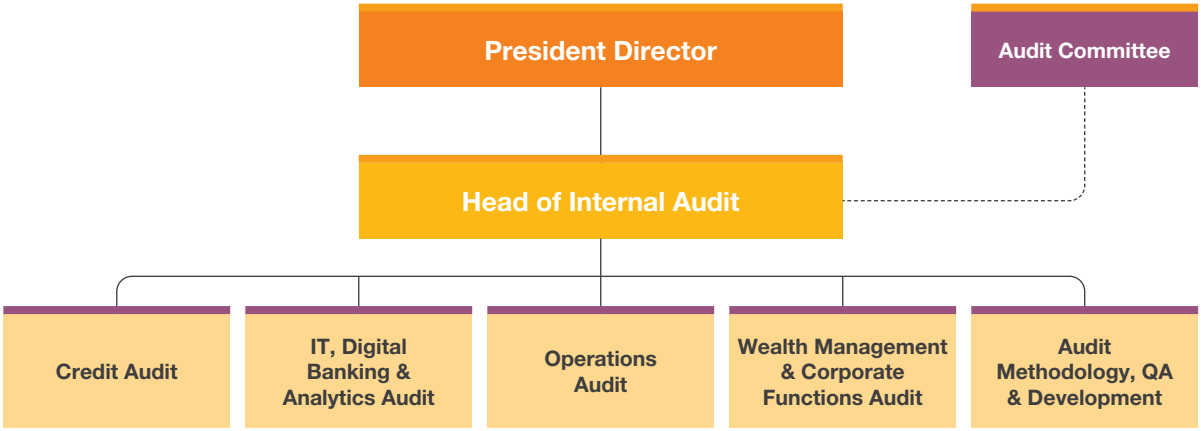
The Head of Internal Audit is appointed and dismissed by the President Director with the approval of the Board of Commissioners. The appointment and dismissal of the Head of Internal Audit are reported to the Financial Services Authority (OJK).

INTERNAL AUDIT WORK UNIT

ORGANIZATION AND POSITION OF THE INTERNAL AUDIT IN THE COMPANY'S STRUCTURE

The Internal Audit is an independent directorate directly responsible to the President Director and, functionally, to the Board of Commissioners through the Audit Committee. As of 15 October 2022, the directorate made a change in the number of audit divisions, from 6 (six) to 5 (five) divisions, in connection with the alignment to the management's directives regarding the vision, mission, and strategy of the Bank as well as the implementation to expand its control.

Following is the organizational structure effective as of 15 October 2022:



- **Credit Audit Division**
  Responsible for the audit of all credit activities for the Wholesale and Commercial business segments, including Cash Management and Trade Finance services, as well as Retail Lending, Micro Business, and Business Banking business segments.

- **IT, Digital Banking and Analytics Audit Division**
  Responsible for the audit of the Directorate of Information Technology and Digital Banking (Jenius), as well as supporting other audit divisions in examining other directorates that utilize technology support. Data Analytics is responsible for the continuous audit/off-site monitoring and supporting other audit assignments through data provision.

- **Operations Audit Division**
  Responsible for the audit of the Operations directorate, both at the Head Office and the branch offices

- **Wealth Management and Corporate Functions Audit Division**
  Responsible for the audit of Wealth Management business and the corporate functions at the Head Office (outside of Information Technology and Operations directorates), including the Treasury directorate.

- **Audit Methodology, Quality Assurance, and Development Division**
  Responsible for preparing the Annual Audit Plan, developing audit methodology, reviewing the suitability of Internal Audit activities with applicable standards, as well as improving the competence of Internal Audit staff through mapping of effective training.

DUTIES AND RESPONSIBILITIES

The Internal Audit reports all results of the audit implementation, including recommendations for improvement to the President Director, the Audit Committee, and the Board of Commissioners, with a copy to the Director of Compliance. Periodically, the

Internal Audit presents the audit results to the Board of Directors and the Audit Committee, as well as provides a summary of the audit results to the President Director, the Board of Directors, and the Audit Committee.

Each year, the Internal Audit also prepares the risk-based Annual Audit Plan related to the Bank's main activities. The Audit Plan is also discussed together with the related Director and Internal Audit Department of Sumitomo Mitsui Banking Corporation (SMBC) in connection with the audit collaboration plan to align with the directives of the overall business development and to obtain the approval from the President Director, the Audit Committee and the Board of Commissioners.

Details of the general duties and responsibilities of the Internal Audit are as follows:

1. Prepare a risk-based annual audit plan and obtain a review and approval from the President Director, the Audit Committee, and the Board of Commissioners.
2. Communicate the plan to the President Director and the Audit Committee if there are limited resources that might affect the annual audit plan.
3. Review and adjust the annual audit plan if there are significant changes in the business, risk, operation, program, system and control. Such changes must acquire the approval of the President Director, the Audit Committee, and the Board of Commissioners.
4. Implement the approved annual audit plan by analyzing and evaluating the effectiveness of Governance, Risk Management, and Internal Control (GRC) to maximally support the Bank's objectives and goals.
5. Perform consultative audits/review of the Bank's new initiatives/products if required by both the management as well as regulators.
6. Identify possibilities for improvement and increase the efficiency in the use of resources.
7. Periodically submit audit reports to the President Director and the Board of Commissioners through the Audit Committee, containing an overview of the audit acitivities results, with a copy to the Director of Compliance.
8. Monitor and report the progress of the implementation of the audit results follow-up to the President Director, the Board of Commissioners, the Audit Committee and the Board of Directors.
9. Ensure that Internal Audit function at the Bank and monitoring of the Internal Audit Function in subsidiaries are effectively running.
10. Work together with other internal control functions, including the external audit, to achieve comprehensive audit results.
11. Prepare and review the Internal Audit charter, policies, and procedures periodically.

INTERNAL AUDIT CHARTER

Duties and responsibilities, including the authorities of the Internal Audit in conducting audits, as well as each of the employee's code of ethics, are contained in the Internal Audit Charter, as approved by the Audit Committee and the Board of Commissioners. Periodically, the Internal Audit reviews and aligns the charter, policies, and procedures with applicable provisions and standards.

Implementation of activities and the Internal Audit Charter refer to the Financial Services Authority Regulation No.1/POJK.03/2019 regarding the Implementation of the Internal Audit Function of Commercial Banks, International Practices of Professional Framework (IPPF), Internal Audit, as well as the Annual Audit Plan.

BASIS OF IMPLEMENTATION OF INTERNAL AUDIT

Bank BTPN has the standards and methodologies for conducting internal audits, as contained in the 2022 Internal Audit Policy. In general, this Internal Audit policy includes general policies, audit policies, documentation and administration policies, as well as resource policies. These policies refer to applicable laws and regulations and best practices in the industrial sector, among others, including the following:

1. Financial Services Authority Regulation No. 1/ POJK.03/2019 on the Implementation of the Internal Audit Function for Commercial Banks.
2. Financial Services Authority Regulation No. 17 of Year 2023 concerning Governance Implementation For Commercial Banks.
3. Financial Authority Regulation No. 18/ POJK.03/2014 on the Implementation of the Integrated Governance for Financial Conglomerates.
4. Financial Services Authority Regulation No. 45/ POJK.03/2020 on Financial Conglomeration.
5. Financial Services Authority Regulation No.11/ POJK.03/2022 on the Implementation of Information Technology (IT) by Commercial Banks and the Financial Services Authority Circular Letter No.21/SEOJK.03/2017 on the Implementation of Risk Management in the Use of Information Technology by Commerciala Banks.
6. International Standards for the Professional Practice of Internal Auditing (IPPF)

INTERNAL AUDIT WORK UNIT

HUMAN RESOURCES

Up until the end of the fiscal year 2023, the number of manpower in the Internal Audit division totaled 59 employees.

Details of the Manpower Distribution

Dirctorate/Division	Total Manpower
Head of Internal Audit	1
Credit Audit	11
IT, Digital Banking and Data Analytics Audit	15
Operations Audit	13
Wealth Management and Corporate Functions Audit	13
Audit Methodology, QA and Development	6
Total	**59**

QUALIFICATION AND CERTIFICATION

Standard Qualification Internal Audit Manpower

Position	Minimum Qualification
Head of Internal Audit	Risk Management Certificationv (SMR) Level 5, Professional Certification related to Internal Audit
Audit Division Head	Risk Management Certificationv (SMR) Level 3, Professional Certification related to Internal Audit
Audit Lead	Risk Management Certificationv (SMR) Level 2
Senior Auditor/ Auditor	Risk Management Certificationv (SMR) Level 1

Ownership of Professional Certification

Professional Certification	Total Employee with Certificate
CIA (Certified Internal Auditor)	1
CISA (Certified Information Systems Auditor)	2
CISM (Certified Information Security Manager)	1
CSX (Cyber Security Nexus)	1
CAMS (Certified Anti-Money Laundering Specialist)	1
CGRCP (Certified GRC Professional & Audit)	1
IIAP (Indonesia Internal Auditor Practitioner)	1
ISC (International Cyber Security)	2
ISO 27001: 2013	1
QIA (Qualified Internal Auditor)	5
CBIA (Certified Bank Internal Audit)	18
SMR (Sertifikasi Manajemen Risiko)	57

Participation in Professional Association

Professional Association	Number of Employee Involved
IIA (Institute of Internal Auditors)	6
ISACA (Information Systems Audit and Control Association)	5
IAIB (Ikatan Auditor Intern Bank)	All personnel of Internal Audit

IMPLEMENTATION OF ACTIVITIES IN 2023

Until December 2023, the Internal Audit has carried out inspections which covered mandatory examinations in accordance with regulations such as on Fund Transfer, Regulatory Reporting (SCV and SLIK) and Internal Capital Adequacy Assessment Process (ICAAP), business segment and branch network as in Corporate & Wholesale Banking, Commercial Banking, Retal Banking (Wealth Management Business), Business Banking (Small Medium Enterprise (SME) and Consumer Finance Business), Digital Banking (incuding the closing of BTPN business Wow!), branch offices, as well as support function which include Information Technology (IT), Operations, Risk Management, Financial Control, Corporate Communications, Customer Experience Management and Environment, Social & Governance (ESG). To support the fulfillment of international standards related to information security management (ISO 27001) at Bank BTPN, Internal Audit has also carried out inspection on the adequacy of the information security management system, which is supported by direction and assistance from external consultants who are experienced in the implementing ISO 27001.

In addition, until the end of the year 2023, Internal Audit has also conducted a joint audit with Sumitomo Mitsui Banking Corporation Department of Internal Audit Asia Pacific (SMBC IADAP) for Corporate and Wholesale

Banking activities (including Corporate/Wholesale and Commercial activitis), Risk Management and Financial Control. Inspection on Corporate and Wholesale Banking and Risk Management were completed in 2023, while inspection on Financial Control began in Quartr 4 of 2023 and estimated for completion in Quarter 1 of 2024 or following the SMBC IADAP fiscal year, in accordance with the 2023 Annual Audit Plan which was approved by th President Director, Audit Committee and the Board of Commissioners in November 2022.

Furthermore, as a form of supervision by the parent company towards subsidiary companies, Internal Audit also completed the examination on the operational activities of a subsidiary (PT Bank BTPN Syariah Tbk), carried out jointly (joint audit) with the Internal Audit of PT Bank BTPN Syariah Tbk. In accordance with the 2023 Annual Audit Plan as approved by the President Director, the Audit Committee and the Board of Commissioners in November 2022.

The types of audit examination completed were the mandatory audit (3 assignments), general audit (3 ssignments, thematic audit (12 assignments), and branch audit (4 assignments, with rate of completion of 100% from the approved audit plan. As previously conveyed, 1 examination currently ongoing, namely Financial Control, is a joint audit with SMBC IADAP to be completed in accordance with the fiscal year term of SMBC IADAP, namely by Quarter 1 of 2024.

Based on existing weakness/findings, the relevant business units/work units have carried out/have followed-up plans for improvements which are monitored continuouosly by Internal Audit.

Aside from completing the 2023 Annual Audit Plan, Internal Audit also performed consultative audit (11 assignments) on pre- and post- implementation reviews of the development of electronic and digital banking services (Jenius, Business Access, TouchBiz, review of pension payment mutations, and security reviews, salary saver data. In addition, Internal Audit also carried out continuous monitoring/auditing (13 assignments) which generally includes analysis of the quality of customere data (accuracy and completeness), the fairness of customer and branch office transactions, as well as continuous audits related to the Financial Information Services System (SLIK).

Internal Audit regularly provided updates on the audit plan implementation, and follow-ups by business units/ work units on findings/recommendations of Internal Audit to the Board of Directors, including the President Director (every 2 months) and the Audit Committee (every quarter). For an overall picture on the audit results for a particular period (semester/annual), every semester Internal Audit submits an overview to the President Director, the Board of Directors and the Audit Committee on existing potential opportunities for improvement, to further strengthen internal control over a business and other supporting functions.

In addition, Internal Audit has also met with OJK at least once in 1 year, on 7 December 2023, in line with the requirement setforth under POJK No. 1/POJK.03/2019. In implementing integratd governance for the Bank Business Group (KUB), Internal Audit has periodically communicated between the Head of Internal Audit of BTPN and the Head of Internal Audit of PT Bank BTPN Syariah Tbk (monthly), carrying out supervision at PT Bank BTPN Syaria Tbk, and holding an annual meeting between the Head of Internal Audit of BTPN, Head of Internal Audit of PT Bank BTPN Syariah Tbk, and the Board of Commissioners of PT Bank BTPN Syariah Tbk, on 12 December 2023, in accordance with the provisions of the Financial Services Authority (OJK).

In the effort to maintain and ensure the implementation quality of Internal Audit function, as well as referring to OJK Regulation No. 1/POJK.03/2019 on Implementation of Internal Audit Function in Commercial Banks, thus, at least once in 3 (three) years, based on recommendations of the Audit Committee, Internal Audit appoints an independent assessor to review Internal Audit activities. In 2022, Internal Audit appointed PT RSM Indonesia Consultant as the independent party responsible for reviewing against the final results which stated that Internal Audit activities in general have “Generally Conform” with standards apliable both against local regulations (POJK) as well as international (IPPF). Results of the review were submitted to the Financial Service Authority on 30 August 2022 and the next review will carried out in 2025 by continuing to appoint independent, competent and experienced public accountants.

INTERNAL AUDIT MEETING

	Meeting with		
	Board of Directors	Board of Commissioners	Audit Committee
Number of Meeting	6	2	4

INTERNAL AUDIT WORK UNIT

TRAINING AND COMPETENCY DEVELOPMENT

Details of competency development participated by Internal Audit during the year 2023 are as follows

Number of Participant	Training Period	Type of Training	Organizer
55	January-December 2023	Mandatory E-Learning	Internal
55	January-December 2023	Online & Offline Class (training, workshop, sharing session)	Internal & External

2024 STRATEGIC PLAN

To encourage the strengthening of the Internal Audit team in carrying out its audit plans and employee competency development, in line with the Bank's growth and several main initiatives, several matters have been planned or implemented as follows:

1. **Audit knowledge and soft skills**
   - Continue to provide sessions to improve comprehension on the Bank's process/activities, which are carried out through training, internal and external certification programs, sharing on strategy development or business priorities, the Bank's business and product development, as well as updates on audit methodology.
   - Continue training related to soft skills that support the implementation of field audits, such as communication skills, negotiation skills, and others.
   - Conduct internal discussions, both within the Internal Audit scope as well as those involving other relevant work units, on changes in provisions and new regulations with significant impact on the Bank.

2. **Increase the effectiveness of audit process**
   Internal Audit uses the Audit Management System (AMS) to assist the Internal Audit team to be more effective in preparing, conducting and completing audit assignments, as well as monitoring the follow –up on audit findings. Currently, Internal Audit is in the process of replacing the existing AMS due to unilateral termination of service by the previous AMS provider. The new AMS is planned to be implemented in the first quarter of 2024. The replacement of AMS is hoped to cover the development of a monitoring system related to the fulfillment of follow-up on external audit results as well as a reporting system that can assist reporting needs to the management, regulator and related external parties.

3. **Continuous audit**
   The Internal Audit will continue to develop continuous audits that can assist the Bank in implementing continuous monitoring that is not only focused on certain business lines but for the Bank in general.

4. **Improvement in data analytics quality**
   The Internal Audit team uses the Audit Command Language (ACL) software as a data analysis tool and will develop an 'Internal Audit Dashboard' to generate several information, such as performance of each business line, data anomalies, MRA, early warning, and other information of near real-time and that can be updated periodically. This will assist the Internal Audit team in analyzing data in order to improve the risk-based audit approach more effectively and provide value-added input for the Bank.

5. **Continuous improvement of sustainable Internal Audit quality**
   The Internal Audit will continuously collaborate with leading institutions in banking and internal auditing that can provide insights, advice, and tools to boost enhancement in Internal Audit quality.

As the SMBC Group mandates, the Internal Audit has also developed a methodology focusing on risk assessment to audit all branch offices. This methodology is formulated based on the Macro Risk Assessment (MRA), which has been used and modified in accordance with the latest developments and regulations and implemented in the 2022 audits.

The Annual Audit Plan for 2023 is formulated and approved by the President Director, the Audit Committee, and the Board of Commissioners in November 2023.

INTERNAL CONTROL SYSTEM (SPI)

BTPN implements the internal control system as a form of continuous supervision by the Bank's management. The system is intended to ensure that all of the Bank's business activities are carried out in accordance with the provisions of the laws and regulations issued by the government, the Financial Services Authority, or the Bank's internal policies and procedures.

The internal control system also plays a role in providing complete, accurate, effective, and timely financial and management information. This is carried out in the context of the following:

1. To support accurate and accountable decision-making;
2. To increase the effectiveness and efficiency of the use of assets and other resources in other to protect the Bank from risk of loss;
3. To increase the effectiveness of the risk culture and discipline throughout the Bank's organization in general to identify weaknesses and assess deviations as early as possible; and
4. To reassess the fairness of policies and procedures that exist in the Bank on continuous basis.

The implementation of a reliable and effective internal control system is the responsibility of all parties involved within the Bank's organization, including the following:

1. The Board of Commissioners
2. The Audit Committee
3. The Board of Directors
4. Compliance Work Unit
5. Risk Management Work Unit
6. Financial Work Unit
7. Internal Audit Work Unit
8. The Bank's Officers and Employees
9. External Parties

IMPLEMENTATION OF INTERNAL CONTROL

Finance

Providing the Bank's reliable financial reports is guided by an effective internal control system. The adequacy of accounting policies, procedures, and standards that can reflect current actual conditions, including distribution of duties, recording, and administration of transactions, are control factors that can support the realization of reliable and trustworthy financial reports.

Operations

The Board of Directors and the Board of Commissioners are obligated to improve the effectiveness of risk culture and discipline within the Bank's organization and ensure that such matter is embedded in all levels. Thus, this encourages the creation of sound and safe implementation of operational activities.

COMPLIANCE WITH THE LAW

The internal control system implemented by the Bank refers to the Financial Services Authority (SEOJK) Circular Letter No. 35/SEOJK.03/2017 on the Standard Guidelines for Internal Control System in Commercial Banks. Aside from serving as guidelines in financial and operational control, implementing the Bank's internal control also aims to maintain compliance with laws and regulations.

INTERNAL CONTROL SYSTEM (SPI)

COMPLIANCE WITH COSO

The Bank's internal control consists of 5 (five) main components which they are inter-related, namely as follows:

1. **Management Oversight and Control Culture**
   Supervision by the management is the main foundation of the internal control system. The Board of Directors and the Board of Commissioners are actively responsible for ensuring that the established strategies, policies, and procedures, as well as the organizational structure, are adequate in identifying, measuring, monitoring, and controlling the risks faced by the Bank. In addition, the Board of Directors and the Board of Commissioners also periodically monitor and review the adequacy and effectiveness of the internal control system implementation.

   The Board of Directors and the Board of Commissioners are responsible for improving work ethics and integrity, as well as creating an organizational culture emphasizing the importance of the internal control applied at the Bank.

2. **Risk Recognition and Assessment**
   Risk identification and assessment is a series of actions carried out by the Board of Directors to identify, analyze, and assess the risks faced by the Bank in achieving its set targets. Risks that affect the achievement of the targets must be identified, assessed, monitored and managed continuously and sustainably. Internal control needs to be reviewed immediately if there are risks that have not been controlled.

   The review is conducted, among others, through continuous evaluation of the effects of any changes in the environment and conditions as well as the impact of achieving targets or the effectiveness of internal control in the Bank's activities and organization.

3. **Control Activities and Segregation of Duties**
   Control activities must involve the Bank's employees, including the Board of Directors and the Board of Commissioners. Control activities will be effective if planned and implemented accurately to control identified risks. Control activities include establishing control policies and procedures and an early verification process to ensure consistent compliance with policies and procedures. They are inseparable from every function or activity of the Bank. Control activities are applied at all functional levels in accordance with the Bank's organizational structure.

   The separation of functions is intended so that everyone at all levels of the organization does not have the chance to commit and/or hide faults or irregularities in implementing their duties and responsibilities. The Bank must comply with the principle of separation of function, known as the "Four-Eyes Principle." An effective internal control system requires the separation of functions. It avoids the provision of authorities and responsibilities that can lead to various conflicts of interest. All aspects that are the potential to cause a conflict of interest must be identified, managed, and monitored by an independent party, such as a public accountant.

4. **Accounting, Information, and Communication System**
   Adequate accounting, information and communication systems aim at identifying problems that may arise and are used as means of exchanging information in carrying out duties, in accordance with their respective responsibilities.

5. **Monitoring Activities and Correcting Defficiencies**

   The Bank must carry out continuous monitoring on the overall effectiveness of internal control implementation. Monitoring of the main risks must be prioritized and become a part of the Bank's activities, including periodic evaluation. The Bank must monitor and continuously evaluate the adequacy of the internal control system in relation to changes in internal and external conditions, as well as increase the capacity of the internal control system so that it is always implemented effectively.

   Weakness or flaws in internal control must be immediately reported and brought to the attention of the authorized officer in charge and/or the Board of Directors. Material weaknesses in internal control must be reported to the Board of Commissioners.

The five main components above are in line with the control components set out in the Internal Control Integrated Framework developed by The Committee of Sponsoring Organizations of The Treadway Commission (COSO), namely the Control Environment (CE); Risk Assessment (RA); Control Activities (CA); Information and Communication (IC); and Monitoring Activities (MA).

REVIEW ON THE IMPLEMENTATION OF THE INTERNAL CONTROL SYSTEM

The Bank has a periodic review mechanism for the implementation of the internal control system. This is done by the Internal Audit, which prepares the analysis and assessment of finance, accounting, operations, and other activities through a direct and indirect audits. Internal Audit proactively works with the External Auditor to generate a comprehensive analysis and assessment in finance and accounting. In general, the implementation of the Bank's internal control system refers to the Financial Services Authority Circular Letter No.35/SEOJK.03/2017 on the Implementation Guidelines of Internal Control for Commercial Banks.

Adhering to these guidelines, the Bank enhances the assessment of the audit results, which cover the evaluation of the adequacy and effectiveness of the design and implementation of internal control based on the internal control framework approach.

STATEMENT OF THE BOARD OF DIRECTORS AND/OR THE BOARD OF COMMISSIONERS ON THE ADEQUACY THE INTERNAL CONTROL SYSTEM

The internal control system is conducted by the Board of Directors, executive officers and committees, internal audit, and all employees. The Board of Commissioners and the Board of Directors are committed to ensuring the implementation of Good Corporate Governance as the basis for achieving the objective of protecting and increasing the value of the Bank.

The Board of Directors is responsible for implementing effective internal control so that the Bank can achieve its objectives. The Board of Commissioners, assisted by the Audit Committee is responsible for supervising and ensuring that internal control is carried out extensively, including policies related to internal control established by the Board of Directors.

The internal control system is designed to effectively manage and control risks, not to eliminate risks. The following are the main elements that can support the statement on the adequacy of the internal control system:

1. Reliable and accurate financial reports;
2. Operational activities carried out effectively and efficiently;
3. Compliance with prevailing laws and regulations.

IMPORTANT CASES FACED BY SUBSIDIARIES, MEMBERS OF THE BOARD OF COMMISSIONERS, AND MEMBERS OF THE BOARD OF DIRECTORS

Throughout the year 2023, there were no important cases that may effect the financial position or liquidity of Bank BTPN.

ADMINSTRATIVE SANCTIONS

Details of sanctions are described in the table below:

No.	Sanction Recipient	Authority	Sanctions/Fines
1	Company	1. Financial Service Authority (OJK)	78,550,000
		2. Bank Indonesia (BI)	4,900,000
		3. Ministry of Finance	40,775,691
2	Board of Directors	-	-
3	Board of Commissioners	-	-

ACCESS TO CORPORATE INFORMATION AND DATA

BTPN provides access and convenience to access information regarding the Bank to the stakeholders through various communication media. Among others are as follows:

Information Channel	Address
Website (in Bahasa Indonesia and English)	www.btpn.com
Call Center	1500300 (BTPN Care), +62 21 2450 5500 (International Call)
E-mail of Corporate Secretary	corporate.secretary@btpn.com
E-mail of Corporate Communication	corporate.communications@btpn.com
E-mail of Cutomer Complaint	btpncare@btpn.com
Disclosure of Information through the Bank's and Indonesia Stock Exchange's website	www.btpn.com dan www.idx.co.id
Prss Release	www.btpn.com dan distribusi melalui media
Social Media	Facebook : Bank BTPN Official Twitter : @sahabatBTPN Youtube : BTPN LinkedIn : PT Bank BTPN Tbk Instagram : @lifeatbtpn

CODE OF ETHICS

The code of ethics functions as guidelines for members of the Board of Commissioners, the Board of Directors, Independent Parties, and all employees in expressing their attitudes and behavior. The Bank always reviews the code of ethics gradually so that it adjusts to development in the laws and regulations, best practices in the industry, and relevant external conditions.

The moral principles underlined in the code of ethics are the main elements of the culture in Bank BTPN, which among others, contain the following:

SPEAK YOUR MIND

It is a reporting channel that is safe and guaranteed confidentiality so that employees can disclose issues/ problems related to improper behavior (misconduct) and/or fraud incident.

COMMUNICATION LInK & HELP

In communicating, all Bank BTPN employees are expected to use the LInK and HELP principles. LInK stands for Report, Inform and Consult, while HELP stands for Respect, Evaluate, Do and Guide. Both have the purpose and benefit of promoting transparency, timely updates, absence of surprise events that cannot be handled together, upholding mutual trust and enhancing reliability, benefiting from past wisdom and experience.

PRINCIPLES OF THE CODE OF ETHICS

1. Compliance & Risk Management
2. Conflict of Interest
3. Creating Condusive Working Environment
   - 3.1. Fair Treatment of All Employees
   - 3.2. Anti-Discrimination and Harrassment
   - 3.3. Safety at Workplace
   - 3.4. Use of Company Facilities
   - 3.5. Activities Outside of the Company
   - 3.6. Use of social media
   - 3.7. LInK and HELP Communication
   - 3.8. KYE Implementation
4. Information Management & Security
5. Relationship with Customers and Stakeholders
   - 5.1. Relationship with Customers and Public Users of Financial Services
   - 5.2. Relationship with Associates and Business Partners
   - 5.3. Relationship with Regulators
   - 5.4. Relationship with Shareholders and Subsidiaries
   - 5.5. Relationship with Social and Environmental Communities
   - 5.6. Anti- Money Laundering
   - 5.7. Bribery and corruption
   - 5.8. Giving and Receiving Gratuity for Entertainment and Gifts
   - 5.9. Insider Information and Personal Investment Transactions and Ownership
   - 5.10. Consumer Protection

ENFORCEMENT OF THE CODE OF ETHICS

In line with efforts to implement good corporate governance and, at the same time, to generate behavior that conforms to the Bank's ethical standards, Bank BTPN has implemented an Induction Program for executives and new employees on the code of ethics. Moreover, periodically, socialization of the code of ethics is carried out to provide understanding for employees as well as provide strict sanction for any violation of the Code of Ethics.

Statement of the Code of Ethics is Applicable to All Levels of the Organization

Members of the Board of Directors, members of the Board of Commissioners, Independent Parties under the Board of Commissioners, and all employees, without exception, are obliged to read, study, and understand the content of the code of conduct. All internal organizations within the Bank must be willing to adhere to and implement the code of conduct as best possible.

Suppose one is proven to have violated the code of conduct. In that case, the concerned must be willing to be subjected to sanctions in accordance with the regulations applicable to the Bank.

Socialization and Dissemination of the Code of Ethics

Socialization of the code of ethics is conducted through e-mail blasts and means of refreshment through the e-learning system. This activity applies to all levels of the Bank's organization, both newly joined and current employees.

TYPES OF SANCTION FOR VIOLATIONS OF THE CODE OF ETHICS

The different types of violation regulated in the Collective Working Agreement are: Negligence of Disciplinary Violations, Failure in Competency Violations, Repeated Failed Competency Violations, Minor Violations, Repeated Violations, Major Violations in the Fraud Category.

Numbere of Violations of the Code of Ethics

Type of Violation	Number of Violation	Sanction Category
Negligence	26	Warning Letter 1
	6	First & Last Warning Letter (SPPT)
	20	Reprimand Letter
Major Violation in Fraud Category	2	Warning Letter 1
	6	First & Last Warning Letter (SPPT)
Major Violation in General Category	1	Warning Letter 1
	1	Warning Letter 2
	7	First & Last Warning Letter (SPPT)
	1	Reprimand Letter
Repeated Violation	5	Warning Letter 1
	2	Warning Letter 2
	1	Warning Letter 3
	14	Reprimand Letter
Failed Competency Violation	64	Warning Letter 1
	35	Warning Letter 2
	16	Warning Letter 3
	120	Reprimand Letter
Indisciplinary Violation	2	Reprimand Letter
Minonr Violation	18	Warning Letter 1
	2	Warning Letter 2
	1	First & Last Warning Letter (SPPT)
	9	Reprimand Letter
Repeated Failed Competency Violation	6	Warning Letter 1
	7	Warning Letter 2
	5	Warning Letter 3

PRICE SENSITIVE INFORMATION PERSONAL ACCOUNT DEALING

The Bank has policies and procedures related to the management of information that has a material impact on the price or value of a security that is not generally available (confidential/non-public), which applies to the Board of Commissioners, Directors and employees.

This treatment covers not only the Bank's own marketable securities, but also securities of the parent company or controlling shareholder, as well as other companies whether they are customers, business partners or other companies in a corporate action.

Actions to be taken by the Board of Commissioners, the Board of Directors and employees with an object-based approach to securities are as follows:

Types of Securities	Approach taken
Object of Securities containing non-public information (PSI)	Actions taken with respect to Private Investment/Property (PAD)
• SMFG • SMBC	Prohibited from buying and selling SMFG and SMBC securities, except under the Company order.
• BTPN • BTPN Syariah	Take into account the categories of Covered Parties who have access to non-public information (Covered Person) and within a certain period (Black Out Period).
Others Company	Carrying out the PSI procedure includes reporting the name of the company as well as employees who have access, hence being bound by the PSI for a certain period until the PSI is revoked. Companies involved in a project should have the parties involved sign an NDA.

GOVERNANCE IN PROCUREMENT OF GOODS AND SERVICES

Procurement of goods and/or services in the Bank is an activity to obtain goods and/or services. The process starts from planning the needs to completing all activities to obtain the goods and/or services.

PROCUREMENT PRINCIPLE

The applied principles in the procurement of goods and services are characteristic effective, efficient, open, transparent, competitive, fair, and accountable.

PROCUREMENT MECHANISM

Procurement of corporate goods and/or services is centralized at the Head Office. Meanwhile, the procurement of general goods and/or services with a certain limit may be conducted by the Branch Office or Regional Office.

REPORTING OF VIOLATIONS SYSTEM

Bank BTPN is committed to always maintaining the integrity and trust provided by customers. For this purpose, the Bank retains the means and system for submitting reports if violations occur, namely the Whistleblowing System.

BTPN's Whistleblowing System is a reporting media to convey allegations or incidents related to fraudulent acts (fraud), violations of the law, company regulations, and code of ethics, as well as conflicts of interest committed by the Bank's internal parties. Reports are made in good faith and are not of personal grievances or slander in order to create a clean and transparent business environment.

REPORTING MECHANISM

The Bank has 5 (five) whistleblowing channels that may be accessed by the intern and external parties to convey their reports, namely through WhatsApp, e-mail, hotline telephone line, mail, and face-to-face.

The mechanism of whistleblowing reporting is generally as follows:

1. Reporting by the Whistleblower (submission of reports/information must be within 1x24 hours since the discovery of the alleged/act of fraud);
2. Follow-Up on the Report (Identification, analysis, investigation);
3. Documentation (Reports on fraud indication, Report on Investigation Results); and
4. Maintain confidentiality (all parties are responsible for maintaining the confidentiality of the identity of the whistleblowers).

PROTECTION OF THE WHISTLEBLOWER

Under certain conditions, the Bank may provide legal protection to the whistleblower as a form of security and safety against all forms of pressure, threats, or intimidation (such as dismissal, unfair treatment, and others) in relation to the report submitted through the whistleblowing channel. Legal protection can be provided to the nuclear family of the whistleblower (husband/wife and children) with certain considerations by the Bank.

COMPLAINT MANAGER

The Operational Risk & Anti-Fraud Management Division is the responsible unit in charge of managing complaints from whistleblowers including in following up with related work units as well as conducting monitoring of the follow-ups.

TYPES OF SANCTIONS FOR VIOLATORS

Violation of confidentiality and protection will be subject to sanctions that are in accordance with applicable regulations.

Handling of Complaints and Follow-Up in 2023

Number of Complaint	Status			
	Followed-Up	In Follow-Up Process	Not Yet Processed with Follow-Up	Not Required to Follow-Up
42	41	1	-	-

POLICY ON ANTI-CORRUPTION AND BRIBERY

In implementation of the Anti-Bribery and Corruption commitment, the Bank has issued the inaugural edition of the Anti-Bribery and Corruption Policy with issuance number K.003/DIR/CCMP/00/2023 which has been socialized to all units and published on the internal Bank web portal.

The objectives of issuing the Anti-Bribery and Corruption Policy are essentially as follows:
1. As a form of principle statement and Bank commitment in supporting anti-bribery and anti-corruption practices;
2. To establish policies, provide guidance, and raise awareness of anti-bribery and anti-corruption practices, thus preventing and avoiding the intended bribery and corruption practices that can cause financial and non-financial losses that may disrupt the Bank's business continuity;
3. To provide information and guidance to parties working for and on behalf of the Bank to recognize and report bribery and corruption issues related to the Bank.

Bank BTPN has zero tolerance for acts of corruption and all forms of bribery (including to or from customers, business partners, government officials, and employees). Violations of such matters may be processed as a civil or criminal act in accordance with prevailing provisions.

PROGRAMS AND PROCEDURES TO MANAGE/SOLVE PRACTICES OF CORRUPTION AND BRIBERY

The Bank has an Anti-Bribery and Corruption Policy that includes the Bank's commitment to anti-corruption and anti-bribery actions. Furthermore, each work unit can establish specific provisions in its procedures to prevent corruption and bribery actions according to its respective fields of work, including:
1. Fraud prevention in process of identifying vulnerability/Fraud Risk Assessment
2. Management of extending and receiving Entertainment or Gifts
3. Set clauses on agreement with third parties/service providers
4. Procurement process of goods and services by vendors
5. Employee Recruitment Process /Know Your Employee
6. Implementation of due diligence on Business Partners
7. And others

The Bank has requested a statement and commitment from all employees not to commit corruption and bribery and not to violate the company's internal regulations. Likewise, applicable laws and regulations related to anti-corruption and anti-bribery are listed in the Anti-Fraud Declaration & Integrity Pact and Code of Ethics as well as the yearly Declaration of Compliance.

In relation to anti-bribery/gratification prevention, the Bank already has on-hand the Entertainment Gift (E&G) application system that can be used as a monitoring and supervising tool in giving and receiving entertainment or gifts based on data input or declarations from employees. Related units, in coordination with the Compliance Division, will check the activity in the E&G application system according to the set schedule.

The Bank has also provided a Whistleblowing channel managed by the Operational Fraud & Risk Management Division to receive reports of Fraud indications including Corruption and Bribery and evaluate them as follow-up steps.

TRAINING/SOCILAIZATION ON ANTI-CORRUPTION AND ANTI-BRIBERY FOR ALL EMPLOYEES

The Bank has conducted e-learning, directly or indirectly, which contains materials on how to implement an anti-corruption and anti-bribery culture to all employees, including:
1. e-Learning Compliance Awareness
2. e-Learning Entertainment & Gifts
3. e-Learning Fraud Awareness
4. e-Learning Operational Risk Management

The Bank has also conducted anti-corruption and anti-bribery publications/campaigns related to fraud, extending, and/or receiving entertainment/gifts. This is done through electronic media (email) to all employees.

The Bank has also conducted communication to increase understanding of anti-bribery and corruption to external parties of the Bank by sending reminders of Anti-Bribery and Corruption signed by members of the Board of Directors to Suppliers and Business Partners registered in the relevant Division at the Bank which also contains information about the Bank's Whistleblowing channel.

TRANSPARENCY IN BAD GOVERNANCE PRACTICES

Disclosure	Explanation
Timeliness in publication of financial statements and Annual Report	
Date of publication of Annual Financial Statements	24 February 2023 The Company published the Annual Financial Statements on time as stipulated by regulation.
Date of publication of Annual Report	21 March 2023 The Company published the Annual Reports consistently on time as stipulated by regulation.
Opinion of independent auditor on the company financial statements	Fair without modification
Has there been insider trading involving directors/commissioners, management and employees in the lat three year?	**No** Company, including the Board of Commissioners/the Board of Commissioners, Management and employees have never been involved in insider trading case within the last 3 (three) years.
Have there been any significant or matrial cases of non-compliance with the laws, rules and regulations relating to related party transaction in the last three years?	**No** The Company has always comply with provisions of the laws and regulations in transactions with related parties.
Has there been violation of any law relating to labor/employment/ consumer/insolvency/commercial/ competition or environmental matters	**No** The Company has never committed any violation of the law relating to labor/employment/consumer/ insolvency/commercial/ competition or environmental matters
Is the Company facing sanctions from regulator for not making an announcement within the specified time period for a material event?	**No** The Company always discloses material information to regulators.
Has the company obtained a conviction from the highest tax court regarding any tax matters during the last three years?	**No** Company has never experience any tax dispute or problem in the last 3 (three) years.
Is there any evidence that the company did not comply with any listing rules and regulations during the past year other than disclosure rules?	**No** The Company has complied with all regulations including those outside the Annual Report disclosure rules.



SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

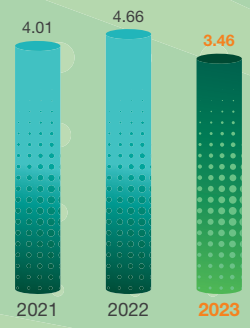
PT BANK BTPN Tbk presents information on social and environmental responsibility in the form of a Sustainability Report in a separate book. The report, in accordance with the Circular Letter of the Financial Services Authority (OJK) No. 16/SEOJK.04/2021 concerning the Form and Content of the Annual Report of Issuers or Public Companies, which refers to OJK Regulation Number 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies.

Please refer to the BTPN 2022 Sustainability Report for more detailed information. What is presented on this page is only “Sustainability Overview”.

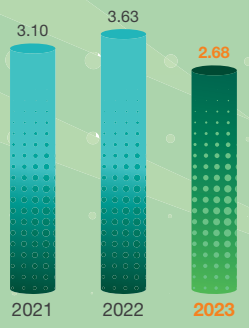
HIGHLIGHTS OF SUSTAINABILITY

ECONOMY

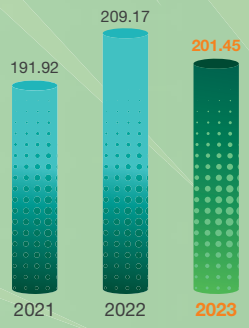
Net Operating Income*
(in Trillion Rupiah)



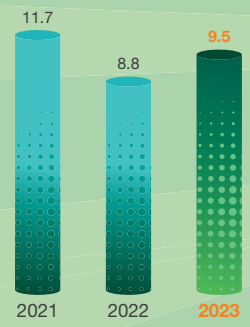
Net Profit*
(in Trillion Rupiah)



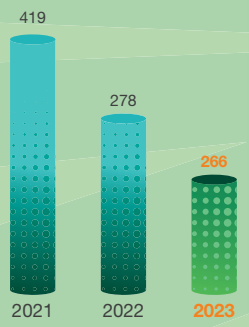
Assets*
(in Trillion Rupiah)



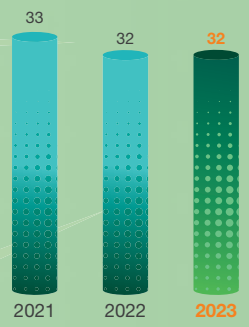
Customers*
(in Million)



Branch Network
(Branches)

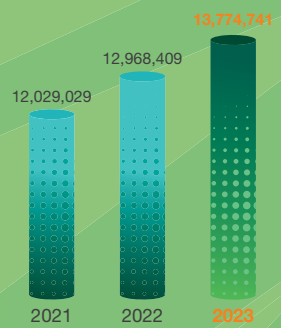


Access
(Provinces)

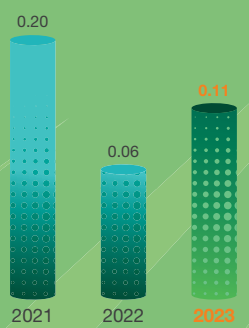


Economic Performance Related to Sustainability

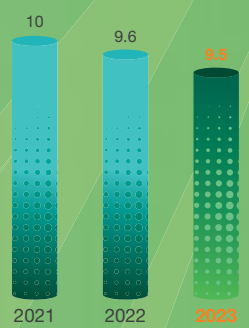
Nominal Portfolio of KKUB**
(in Million Rupiah)



Funding***
(%)



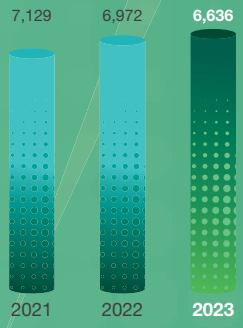
Financing****
(%)



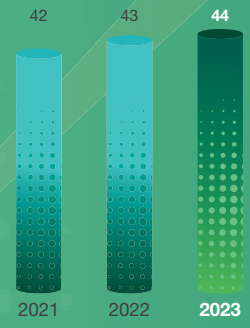
Notes:
* Consolidated financial data of Bank BTPN, which includes two other subsidiaries, PT Bank BTPN Syariah Tbk (with 70% shareholding) and PT Bank Syariah Ventura (with 69.3% indirect ownership through PT Bank BTPN Syariah).
** KKUB: Kategori Kegiatan Usaha Berkelanjutan/ Sustainable Business Activities Category.
*** Percentage of total funding for sustainable business activities with total bank wide funding.
**** Percentage of total financing for sustainable business activities with total bank wide financing portfolio.

SOCIAL

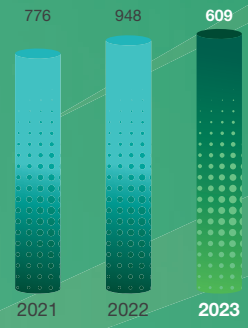
Number of Employees
(Employees)



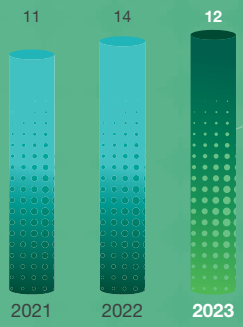
Percentage of Female Employees
(%)



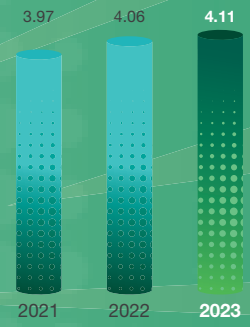
Employee Recruitment
(Employees)



Turnover Rate
(%)

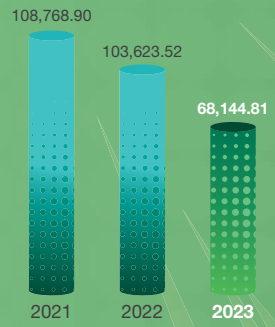


Employee Engagement Survey Score

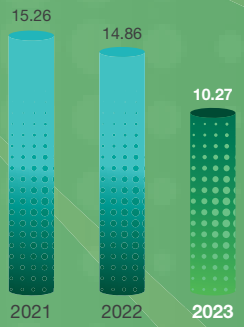


ENVIRONMENT

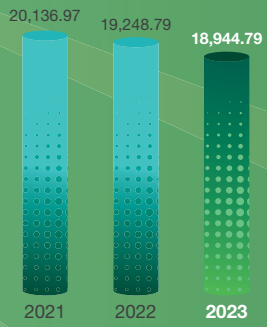
Energy Usage
(GJ)



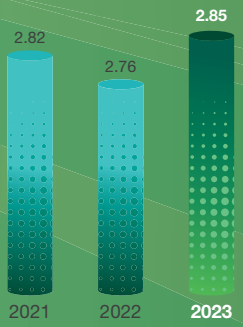
Energy Intensity
(GJ/Person)



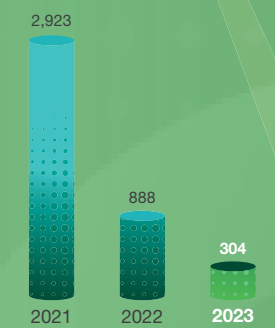
Emissions (Scope 1 & 2)
(Ton CO_2eq)



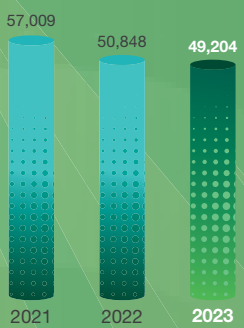
Emissions Intensity
(Ton CO_2eq/Employee)



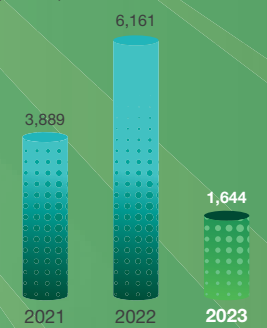
Emissions Reduction
(Ton CO_2eq)



Paper Usage
(Reams)



Reduction in Paper Usage
(Reams)



RISK MANAGEMENT IMPLEMENTATION REPORT FOR OPERATIONAL RISK

Name of Bank : BTPN (Individual)
Reporting Year : 2023 /(Audited)

1 Explanation of regulations, policies and/or guidelines related to risk management for Operational Risk.

BTPN (hereinafter referred to as "Bank") has policies and procedures for operational risk management. These policies and procedures are reviewed periodically with consider any changes in Bank's internal and external factors, especially related to regulatory requirement. All work units in Bank must be guided by these policies and procedures in carrying out their daily operational activities.

Policies and procedures related for Operational Risk Management are:

- Operational Risk Management Policy
- Business Continuity Management Policy
- Insurance Management Policy
- Information Security Management Policy
- Key Control Self-Assessment (KCSA) procedure
- Key Risk Indicator (KRI) procedure
- Event Registration and Booking of Operational Risk (RLED) procedure
- Significant Incident Notification Protocol (SINP) procedure
- Operational & Fraud Risk Assessment (KROF) procedure
- Internal Control and Risk (ICR) implementation procedure
- Risk Grading Matrix (RGM) and Process Risk Control (PRC) procedure
- Operational Risk Appetite (ORA) procedure
- Risk Acceptance (RA) Procedure
- Information Management and Security (POS) procedure
- Risk Control Meeting (RCM) procedure
- Business Impact Analysis (BIA) and Business Continuity Plan (BCP) procedure
- Incident Management Plan (IMP) procedure
- Initiative Management procedure
- 2nd LoD Roles and responsibilities procedure
- Anti Fraud Strategy procedure
- Investigation procedure
- Whistleblowing procedure
- Fraud Reporting and Monitoring Procedure

2 Explanation of the structure and organization of management and control function related to Operational Risk.

Bank using 3 lines of defense model to divide the role and responsibilities of each party within the Bank's organization for the implementation of Operational Risk Management.

In the first line of defense, all business and support functions work unit as risk owners who are directly responsible for the implementation of operational risk management. In its implementation, the work unit is supported by Business Risk. Besides supported by Business Risk, at the operational level Bank has ICR (Internal Control & Risk) function that responsible to support related work unit in managing their daily operational risk.

The role and responsibilities of business and support functions work unit are:

- Identify and register all operational inherent risks in each product, service, process, and initiative.
- Record risk events and book operational risk losses and recovery.
- Follow-up action for operational and fraud risk events and its completion.
- Carry out all operational risk management program that has determined by OFRM Division.

The role and responsibilities of the ICR (Internal Control & Risk) function are:

- Act as coordinator in the implementation and completion of operational risk management implementation programs in their respective areas.
- Assist work units in providing operational risk review.
- Assist work units in issue resolution or operational risk events.
- Conduct inspections and report each finding to the relevant parties.
- Monitor follow-up action and resolution of each identified finding.

In the second line of defense, is Operational & Fraud Risk Management (OFRM) Division which has direct reporting line to the Head of Risk Management, responsible for operational and fraud risk management.

The roles and responsibilities of the OFRM Division are:

- Create and develop operational and fraud risk management policies, procedures and tools.
- Create operational and fraud risk management implementation programs.
- Provide socialization and training on operational and fraud risk management to work units.
- Support work units in providing operational and fraud risk review.
- Create operational and fraud risk report to management and regulator.
- Monitoring the implementation of operational and fraud risk management in Bank.
- Create and develop ICRS (Internal Risk & Control system) as application used to manage operational risk in Bank.

In the third line of defense, is Internal Audit to conduct inspection and evaluation of governance and implementation of operational risk management. Examination is carried out on the first line of defense and the second line of defense.

The Board of Commissioners and Directors supervise the implementation of Operational Risk Management through the Risk Monitoring Committee and Risk Management Committee which are conducted regularly.

The roles and responsibilities of the Board of Commissioners are:

- Evaluate and approve policies and strategic plans for the implementation of operational and fraud risk management.
- Monitor Operational Risk Appetite.
- Provide direction on the implementation of operational and fraud risk management.

The roles and responsibilities of Directors are:

- Ensure the adequacy of the organizational structure and human resource for the implementation of operational risk management in their respective areas.
- Ensure the implementation of operational risk management program has been carried out.
- Monitor and ensure follow-up resolution of any operational issues or risk event and fraud event.
- Develop awareness culture of operational and fraud risk.

3 Explanation of the measurement system for Operational Risk (covering system and data used to calculate Operational Risk to estimate the capital charge for Operational Risk).

Bank calculates capital charges for operational risk using standardized approach starting year 2023 in accordance with regulatory requirement. Bank has RWA (Risk Weighted Asset) system to support in calculating capital charges for operational risk. Based on existing data sources, the RWA system will automatically calculate the capital charges for operational risk based on formula determined by the regulator based on business indicator components and historical operational risk loss data. The calculation result from the system can also be adjusted manually if necessary.

4 Explanation of the scope and main coverage of the reporting framework for Operational Risk for executive officers and directors of the Bank.

Bank already has reports intended for Bank's executive officers (Board of Management) and Directors in monitoring operational risk both at Bank level and in the respective Directorates.

At Bank level, operational risk reports will be submitted to the Directors and Executive Officers through the Risk Management Committee and to Board of Commissioners through the Risk Monitoring Committee. At the directorate level, operational risk reports will be submitted to the Directors and relevant executive officers through the quarterly RCM (Risk Control Meeting).

Operational risk report submitted to Directors and Executive Officers but not limited to are:

- Operational Risk Appetite (ORA)
- operational risk and fraud event
- Key Risk Indicators (KRI)
- Results of Key Control Self-Assessment (KCSA) implementation

RISK MANAGEMENT IMPLEMENTATION REPORT FOR OPERATIONAL RISK

5 Explanation of risk mitigation and risk transfer used in management for Operational Risk. This includes mitigation by issuing policies (such as policies for risk culture, risk acceptance, and outsourcing), by divesting high-risk businesses, and by establishing control functions. The remaining exposure can be absorbed by the Bank or for risk transfer. For example, the impact of operational losses can be mitigated by insurance.

In term of risk mitigation and risk transfer for Operational Risk Management, Bank has several risk control method that are carried out at ongoing basis to ensure that every potential operational risk arising from business and operational activities is managed appropriately and does not exceed the acceptable limits.

In term of risk mitigation and risk transfer for Operational Risk Management, Bank has several risk control methods that are carried out at ongoing basis to ensure that every potential operational risk arising from business and operational activities is managed appropriately and does not exceed the acceptable limits.

Several of risk mitigation and risk transfer method used are:

- Identify and measure operational inherent risks in all work units.
- Conduct operational risk reiew on new and developed products, services, systems and activities before being implemented to ensure adequate controls.
- Ensure adequate policies and procedures to carry out every process and activity carried out in all business work units and supporting functions.
- Conduct ongoing evaluations to assess the effectiveness of control adequacy and record and correct any deviations that occurs.
- Conduct analysis in terms of risk transfer to transfer potential operational risks that may occur to other parties, such as through insurance protection.
- Ensure the readiness of Business Continuity Management (BCM) for all critical work units.

Name of Bank : BTPN (Consolidation)
Reporting Year : 2023 /(Audited)

1 Explanation of regulations, policies and/or guidelines related to risk management for Operational Risk.

BTPN (hereinafter referred to as "Bank") and BTPN Syariah (hereinafter referred to as "BTPNS") as subsidiaries have policies and procedures for operational risk management. These policies and procedures are reviewed periodically with consider any changes in Bank and BTPNS's internal and external factors, especially related to to regulatory requirement. All work units in Bank and BTPNS must be guided by these policies and procedures in carrying out their daily operational activities.

Policies and procedures related for Operational Risk Management are:

- Operational Risk Management Policy
- Business Continuity Management Policy
- Insurance Management Policy
- Information Security Management Policy
- Key Control Self-Assessment (KCSA) procedure
- Key Risk Indicator (KRI) procedure
- Event Registration and Booking of Operational Risk (RLED) procedure
- Significant Incident Notification Protocol (SINP) procedure
- Operational & Fraud Risk Assessment (KROF) procedure
- Internal Control and Risk (ICR) implementation procedure
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- Operational Risk Appetite (ORA) procedure
- Risk Acceptance (RA) Procedure
- Information Management and Security (POS) procedure
- Risk Control Meeting (RCM) procedure
- Business Impact Analysis (BIA) and Business Continuity Plan (BCP) procedure
- Incident Management Plan (IMP) procedure
- Initiative Management procedure
- 2nd LoD Roles and responsibilities procedure
- Anti Fraud Strategy procedure
- Investigation procedure
- Whistleblowing procedure
- Fraud Reporting and Monitoring Procedure

Policies and procedures related to Operational Risk Management in BTPNS are:

- Operational Risk Management Policy
- Business Continuity Management Policy
- Anti Fraud Strategy Policy
- Business Continuity Management Procedures
- Business Impact Analysis Procedure
- Business Continuity Plan procedure
- Key Control Self-Assessment (KCSA) Procedure
- Key Risk Indicator (KRI) procedure
- Operational Risk Event Management Procedure
- Quality Assurance (QA) Framework Procedure
- Anti Fraud Strategy Procedure
- Investigation Procedure
- Whistleblowing Procedure

2 Explanation of the structure and organization of management and control function related to Operational Risk.

Bank using 3 lines of defense model to divide the role and responsibilities of each party within the Bank's organization for the implementation of Operational Risk Management.

In the first line of defense, all business and support functions work unit as risk owners who are directly responsible for the implementation of operational risk management. In its implementation, the work unit is supported by Business Risk. Besides supported by Business Risk, at the operational level Bank has ICR (Internal Control & Risk) function that responsible to support related work unit in managing their daily operational risk.

The role and responsibilities of business and support functions work unit are:

- Identify and register all operational inherent risks in each product, service, process, and initiative.
- Record risk events and book operational risk losses and recovery.
- Follow-up action for operational and fraud risk events and its completion.
- Carry out all operational risk management program that has determined by OFRM Division.

The role and responsibilities of the ICR (Internal Control & Risk) function are:

- Act as coordinator in the implementation and completion of operational risk management implementation programs in their respective areas.
- Assist work units in providing operational risk review.
- Assist work units in issue resolution or operational risk events.
- Conduct inspections and report each finding to the relevant parties.
- Monitor follow-up action and resolution of each identified finding.

In the second line of defense, is Operational & Fraud Risk Management (OFRM) Division which has direct reporting line to the Head of Risk Management, responsible for operational and fraud risk management.

The roles and responsibilities of the OFRM Division are:
- Create and develop operational and fraud risk management policies, procedures and tools.
- Create operational and fraud risk management implementation programs.
- Provide socialization and training on operational and fraud risk management to work units.
- Support work units in providing operational and fraud risk review.
- Create operational and fraud risk report to management and regulator.
- Monitoring the implementation of operational and fraud risk management in Bank.
- Create and develop ICRS (Internal Risk & Control system) as application used to manage operational risk in Bank.

In the third line of defense, is Internal Audit to conduct inspection and evaluation of governance and implementation of operational risk management. Examination is carried out on the first line of defense and the second line of defense.

The Board of Commissioners and Directors supervise the implementation of Operational Risk Management through the Risk Monitoring Committee and Risk Management Committee which are conducted regularly.

The roles and responsibilities of the Board of Commissioners are:
- Evaluate and approve policies and strategic plans for the implementation of operational and fraud risk management.
- Monitor Operational Risk Appetite.
- Provide direction on the implementation of operational and fraud risk management.

The roles and responsibilities of Directors are:
- Ensure the adequacy of the organizational structure and human resource for the implementation of operational risk management in their respective areas.
- Ensure the implementation of operational risk management program has been carried out.
- Monitor and ensure follow-up resolution of any operational issues or risk event and fraud event.
- Develop awareness culture of operational and fraud risk.

Similar with Bank, the adequacy of the structure and organization of management and control functions related to Operational Risk at BTPNS is carried out by separating the roles and responsibilities of work units by implementing the 3 line of defense model, namely: (First line of defense) units business work and support functions together with the Quality Assurance (QA) function ensure that activities are carried out in accordance with Bank policies and procedures. (Second line of defense), the Risk Management Work Unit (SKMR) carries out maintenance of the operational risk management methodology and ensures that BTPNS activities comply with regulatory provisions including compliance with sharia principles. (Third line of defense), Internal Audit ensures that all remaining risks (residual risks) are managed properly according to risk appetite & risk tolerance.

3 Explanation of the measurement system for Operational Risk (covering system and data used to calculate Operational Risk to estimate the capital charge for Operational Risk).

Bank calculates capital charges for operational risk using standardized approach starting year 2023 in accordance with regulatory requirement. Bank has RWA (Risk Weighted Asset) system to support in calculating capital charges for operational risk. Based on existing data sources, the RWA system will automatically calculate the capital charges for operational risk based on formula determined by the regulator based on business indicator components and historical operational risk loss data. The calculation result from the system can also be adjusted manually if necessary.

BTPNS as Sharia Bank, in accordance with OJK regulations is still calculating capital charges for operational risks using the Basic Indicator Approach. In the case of the need to calculate capital costs on a consolidated basis, the Bank will request business indicator data and historical operational risk loss data from BTPNS.

4 Explanation of the scope and main coverage of the reporting framework for Operational Risk for executive officers and directors of the Bank.

Bank has reports intended for Bank's executive officers (Board of Management) and Directors in monitoring operational risk both at Bank level and in the respective Directorates.

At Bank level, operational risk reports will be submitted to the Directors and Executive Officers through the Risk Management Committee and to Board of Commissioners through the Risk Monitoring Committee. At the directorate level, operational risk reports will be submitted to the Directors and relevant executive officers through the quarterly RCM (Risk Control Meeting).

Operational risk report submitted to Directors and Executive Officers but not limited to are:

- Operational Risk Appetite (ORA)
- operational risk and fraud event
- Key Risk Indicators (KRI)
- Results of Key Control Self-Assessment (KCSA) implementation

BTPNS also has reports intended for Bank's executive officers and Directors in monitoring operational risk. The data source used for preparing reports has been supported by the ORMS (Operational Risk Management System) application as database for recording operational risk events.

5 Explanation of risk mitigation and risk transfer used in management for Operational Risk. This includes mitigation by issuing policies (such as policies for risk culture, risk acceptance, and outsourcing), by divesting high-risk businesses, and by establishing control functions. The remaining exposure can be absorbed by the Bank or for risk transfer. For example, the impact of operational losses can be mitigated by insurance.

In term of risk mitigation and risk transfer for Operational Risk Management, Bank has several risk control methods that are carried out at ongoing basis to ensure that every potential operational risk arising from business and operational activities is managed appropriately and does not exceed the acceptable limits.

Several of risk mitigation and risk transfer method used are:

- Identify and measure operational inherent risks in all work units.
- Conduct operational risk reiew on new and developed products, services, systems and activities before being implemented to ensure adequate controls.
- Ensure adequate policies and procedures to carry out every process and activity carried out in all business work units and supporting functions.
- Conduct ongoing evaluations to assess the effectiveness of control adequacy and record and correct any deviations that occurs.
- Conduct analysis in terms of risk transfer to transfer potential operational risks that may occur to other parties, such as through insurance protection.
- Ensure the readiness of Business Continuity Management (BCM) for all critical work units.

2023 FINANCIAL STATEMENTS

PT BANK BTPN Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

LAPORAN KEUANGAN KONSOLIDASIAN/
CONSOLIDATED FINANCIAL STATEMENTS

TAHUN BERAKHIR 31 DESEMBER 2023/
YEAR ENDED 31 DECEMBER 2023

PT BANK BTPN Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

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bank btpn

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PT BANK BTPN Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	31 Desember/*December* 2023	2022	
ASET				***ASSETS***
Kas	2h, 4	1,428,683	1,747,461	*Cash*
Giro pada Bank Indonesia	2h, 2j, 5	9,276,598	10,215,350	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain:				*Current accounts with other banks*
- Pihak ketiga		500,326	1,549,854	*Third parties -*
- Pihak berelasi	2g, 36	462,061	639,707	*Related parties -*
Dikurangi: Cadangan kerugian penurunan nilai	2i	(158)	(415)	*Less: Allowance for impairment losses*
	2h, 2j, 6	962,229	2,189,146	
Penempatan pada Bank Indonesia dan bank-bank lain		8,961,654	21,885,214	*Placements with Bank Indonesia and other banks*
Pendapatan bunga/marjin yang masih akan diterima		2,624	2,851	*Accrued interest/margin income*
Dikurangi: Cadangan kerugian penurunan nilai	2i	-	(171)	*Less: Allowance for impairment losses*
	2h, 2k, 7	8,964,278	21,887,894	
Efek-efek				*Securities*
- Pihak ketiga		17,038,501	18,650,367	*Third parties -*
- Pihak berelasi	2g, 36	-	185,510	*Related parties -*
Pendapatan bunga/marjin yang masih akan diterima		225,855	214,812	*Accrued interest/margin income*
Dikurangi: Cadangan kerugian penurunan nilai	2i	(799)	(999)	*Less: Allowance for impairment losses*
	2h, 2l, 8	17,263,557	19,049,690	
Tagihan derivatif				*Derivative receivables*
- Pihak ketiga		636,924	1,131,664	*Third parties -*
- Pihak berelasi	2g,36	496,225	615,160	*Related parties -*
	2h, 2m, 9	1,133,149	1,746,824	
Tagihan akseptasi		3,289,757	3,069,854	*Acceptance receivables*
Dikurangi: Cadangan kerugian penurunan nilai	2i	(8,637)	(4,495)	*Less: Allowance for impairment losses*
	2h, 2n, 10	3,281,120	3,065,359	
Pinjaman yang diberikan:				*Loans:*
- Pihak ketiga		141,400,072	132,208,660	*Third parties -*
- Pihak berelasi	2g, 36	3,773,364	2,387,393	*Related parties -*
Pembiayaan/piutang syariah:				*Sharia financing/receivables:*
- Pihak ketiga		11,387,861	11,527,463	*Third parties -*
Pendapatan bunga/marjin yang masih akan diterima		1,097,796	878,534	*Accrued interest/margin income*
Dikurangi: Cadangan kerugian penurunan nilai	2i	(4,618,047)	(3,579,119)	*Less: Allowance for impairment losses*
	2h, 2o, 11	153,041,046	143,422,931	
Penyertaan saham				*Investment in shares*
- Pihak ketiga		80,086	80,973	*Third parties -*
- Pihak berelasi	2g	22,500	22,500	*Related parties -*
	2h, 2p	102,586	103,473	
Beban dibayar dimuka	2q, 2ah, 12	1,184,067	1,465,142	*Prepayments*
Klaim pengembalian pajak	2ac, 13a	67,337	50,357	*Claims for tax refund*
Aset pajak tangguhan	2ac, 13f	715,152	545,029	*Deferred tax assets*
Aset tetap		5,040,250	5,109,182	*Fixed assets*
Dikurangi: Akumulasi penyusutan		(2,992,438)	(2,990,677)	*Less: Accumulated depreciation*
	2r, 2ah, 14	2,047,812	2,118,505	
Dipindahkan		199,467,614	207,607,161	*Carry forward*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	31 Desember/*December* 2023	2022	
ASET (lanjutan)				***ASSETS** (continued)*
Pindahan		199,467,614	207,607,161	*Carried forward*
Aset takberwujud dan *goodwill*		3,541,155	3,237,937	*Intangible assets and goodwill*
Dikurangi: Akumulasi amortisasi		(2,451,771)	(2,161,199)	*Less: Accumulated amortization*
	2s, 15	1,089,384	1,076,738	
Aset lain-lain		996,966	538,312	*Other assets*
Dikurangi: Cadangan kerugian penurunan nilai	2i	(105,572)	(52,507)	*Less: Allowance for impairment losses*
	2h, 2t, 16	891,394	485,805	
JUMLAH ASET		**201,448,392**	**209,169,704**	***TOTAL ASSETS***
LIABILITAS, DANA SYIRKAH TEMPORER DAN EKUITAS				***LIABILITIES, TEMPORARY SYIRKAH FUNDS AND EQUITY***
LIABILITAS				***LIABILITIES***
Liabilitas segera	2h, 17	71,606	59,045	*Obligations due immediately*
Bagi hasil yang belum dibagikan	2z	21,951	18,996	*Undistributed revenue sharing*
Simpanan nasabah				*Deposits from customers*
- Pihak ketiga		97,793,480	103,942,403	*Third parties -*
- Pihak berelasi	2g, 36	484,276	1,080,884	*Related parties -*
Beban bunga yang masih harus dibayar		179,647	145,624	*Accrued interest expenses*
	2h, 2u, 18	98,457,403	105,168,911	
Simpanan dari bank-bank lain				*Deposits from other banks*
- Pihak ketiga		1,253,579	18,779	*Third parties -*
- Pihak berelasi	2g, 36	9,561,059	147,352	*Related parties -*
Beban bunga yang masih harus dibayar		7,483	-	*Accrued interest expenses*
	2h, 2u, 19	10,822,121	166,131	
Liabilitas derivatif				*Derivative payables*
- Pihak ketiga		1,014,819	1,323,645	*Third parties -*
- Pihak berelasi	2g, 36	57,285	124,091	*Related parties -*
	2h, 2m, 9	1,072,104	1,447,736	
Liabilitas akseptasi				*Acceptance payables*
- Pihak ketiga		2,160,250	2,157,596	*Third parties -*
- Pihak berelasi	2g, 36	163,383	199,232	*Related parties -*
	2h, 2n, 10	2,323,633	2,356,828	
Utang pajak:				*Taxes payables:*
- Pajak penghasilan badan		107,880	44,342	*Corporate income tax -*
- Pajak lain-lain		130,038	128,934	*Other taxes -*
	2ac, 13b	237,918	173,276	
Efek-efek yang diterbitkan:				*Securities issued:*
- Utang obligasi	20	200,569	200,134	*Bonds payable -*
Beban bunga yang masih harus dibayar		1,514	1,514	*Accrued interest expenses*
	1d, 2h, 2v	202,083	201,648	
Dipindahkan		113,208,819	109,592,571	*Carry forward*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	31 Desember/*December* 2023	2022	
LIABILITAS, DANA SYIRKAH TEMPORER DAN EKUITAS (lanjutan)				***LIABILITIES, TEMPORARY SYIRKAH FUNDS AND EQUITY*** *(continued)*
LIABILITAS (lanjutan)				***LIABILITIES*** *(continued)*
Pindahan		113,208,819	109,592,571	*Carried forward*
Pinjaman yang diterima:				*Borrowings:*
- Pihak ketiga		12,682,950	7,663,850	*Third parties -*
- Pihak berelasi	2g, 36	18,569,798	37,257,744	*Related parties -*
Biaya transaksi yang belum diamortisasi		(48,251)	(9,988)	*Unamortized transaction costs*
Beban bunga yang masih harus dibayar		151,020	155,802	*Accrued interest expenses*
	2h, 2w, 21	31,355,517	45,067,408	
Akrual	2h, 22	478,981	453,992	*Accruals*
Pinjaman subordinasi		3,079,400	3,113,500	*Subordinated loans*
Beban bunga yang masih harus dibayar		10,960	12,078	*Accrued interest expenses*
	2g, 2h, 2y, 24, 36	3,090,360	3,125,578	
Liabilitas imbalan kerja karyawan:				*Employee benefits liabilities:*
- Imbalan kerja jangka pendek		511,188	443,476	*Short-term employee benefits -*
- Imbalan pascakerja dan imbalan kerja jangka panjang lainnya		170,105	64,228	*Post-employment benefits and other long-term employee benefits -*
	2x, 23	681,293	507,704	
Liabilitas sewa	2ah	353,990	425,887	*Lease liabilities*
Liabilitas lain-lain	2h, 2i, 25	1,075,508	740,279	*Other liabilities*
JUMLAH LIABILITAS		**150,244,468**	**159,913,419**	***TOTAL LIABILITIES***
DANA SYIRKAH TEMPORER				***TEMPORARY SYIRKAH FUNDS***
Bukan bank				***Non-bank***
Tabungan mudharabah				*Mudharabah saving deposits*
- Pihak ketiga		887,890	763,070	*Third parties -*
- Pihak berelasi	2g, 36	2,064	596	*Related parties -*
		889,954	763,666	
Deposito mudharabah				*Mudharabah time deposits*
- Pihak ketiga		8,997,932	9,043,060	*Third parties -*
- Pihak berelasi	2g, 36	32,934	36,535	*Related parties -*
		9,030,866	9,079,595	
JUMLAH DANA SYIRKAH TEMPORER	2z, 26	**9,920,820**	**9,843,261**	***TOTAL TEMPORARY SYIRKAH FUNDS***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	31 Desember/*December* 2023	2022	
LIABILITAS, DANA SYIRKAH TEMPORER DAN EKUITAS (lanjutan)				***LIABILITIES, TEMPORARY SYIRKAH FUNDS AND EQUITY** (continued)*
EKUITAS				***SHAREHOLDERS' EQUITY***
Ekuitas yang diatribusikan kepada pemilik entitas induk				***Equity attributable to owners of the parent***
Modal saham:				*Share capital:*
Modal dasar Rp 300.000 terdiri dari: 15.000.000.000 saham dengan nilai nominal Rp 20 (nilai penuh) per saham				*Authorized capital of Rp 300,000 consists of: 15,000,000,000 shares with par value of Rp 20 (full amount) per share*
Modal ditempatkan dan disetor penuh sebesar 8.149.106.869 saham (31 Desember 2022: 8.149.106.869 saham)	2aa, 27	162,982	162,982	*Issued and fully paid-up capital of 8,149,106,869 shares (31 December 2022: 8,149,106,869 shares)*
Tambahan modal disetor	1b	11,162,238	11,160,647	*Additional paid-in capital*
Cadangan revaluasi aset tetap	2r	954,224	874,452	*Reserve on revaluation of fixed assets*
Cadangan nilai wajar - bersih	2l	2,906	(7,704)	*Fair value reserve - net*
Transaksi dengan kepentingan non-pengendali	1f	(24,267)	(24,267)	*Transaction with non-controlling interest*
Saldo laba				*Retained earnings*
- Dicadangkan		32,596	32,596	*Appropriated -*
- Belum dicadangkan		26,369,641	24,702,316	*Unappropriated -*
		26,402,237	24,734,912	
Komponen ekuitas lainnya	2ab	260,801	260,801	*Other equity components*
Saham tresuri	1c, 2aa	(254,695)	(255,147)	*Treasury shares*
		38,666,426	36,906,676	
Kepentingan non-pengendali	2f	2,616,678	2,506,348	*Non-controlling interest*
JUMLAH EKUITAS		**41,283,104**	**39,413,024**	***TOTAL EQUITY***
JUMLAH LIABILITAS, DANA SYIRKAH TEMPORER, DAN EKUITAS		**201,448,392**	**209,169,704**	***TOTAL LIABILITIES, TEMPORARY SYIRKAH FUNDS, AND EQUITY***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Tahun berakhir 31 Desember/ *Years ended 31 December* 2023	2022	
PENDAPATAN DAN BEBAN OPERASIONAL				***OPERATING INCOME AND EXPENSES***
Pendapatan bunga		13,069,491	10,525,856	*Interest income*
Pendapatan syariah		5,746,182	5,373,790	*Sharia income*
	2g, 2ad, 29, 36	18,815,673	15,899,646	
Beban bunga		(6,285,177)	(3,876,891)	*Interest expenses*
Beban syariah		(486,433)	(344,440)	*Sharia expenses*
	2g, 2ad, 30, 36	(6,771,610)	(4,221,331)	
PENDAPATAN BUNGA DAN SYARIAH BERSIH		12,044,063	11,678,315	***NET INTEREST AND SHARIA INCOME***
Pendapatan operasional lainnya:				***Other operating income:***
Pendapatan operasional lainnya	2ae, 31	1,423,949	1,228,130	*Other operating income*
Keuntungan dari selisih kurs dan transaksi derivatif bersih	2e, 2m	649,494	784,485	*Net gains on foreign exchange and derivative transactions*
		2,073,443	2,012,615	
Beban operasional lainnya:				***Other operating expenses:***
Beban kepegawaian	2g, 2x, 32, 36	(3,756,478)	(3,403,319)	*Personnel expenses*
Beban umum dan administrasi	33	(3,273,766)	(3,272,015)	*General and administrative expenses*
Cadangan kerugian penurunan nilai	2i, 34	(3,049,919)	(1,840,167)	*Provision for impairment losses*
Beban operasional lainnya	35	(576,308)	(517,753)	*Other operating expenses*
		(10,656,471)	(9,033,254)	
PENDAPATAN OPERASIONAL BERSIH		3,461,035	4,657,676	***NET OPERATING INCOME***
PENDAPATAN (BEBAN) NON-OPERASIONAL				***NON-OPERATING INCOME (EXPENSES)***
Pendapatan non-operasional		10,053	10,020	*Non-operating income*
Beban non-operasional		(13,406)	(10,377)	*Non-operating expenses*
		(3,353)	(357)	
LABA SEBELUM PAJAK PENGHASILAN		3,457,682	4,657,319	***INCOME BEFORE INCOME TAX***
BEBAN PAJAK PENGHASILAN	2ac, 13c	(775,198)	(1,027,755)	***INCOME TAX EXPENSE***
LABA BERSIH		**2,682,484**	**3,629,564**	***NET INCOME***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Tahun berakhir 31 Desember/ *Years ended 31 December* 2023	2022	
PENGHASILAN KOMPREHENSIF LAIN:				***OTHER COMPREHENSIVE INCOME:***
Pos-pos yang tidak akan direklasifikasi ke laba rugi				***Items that will not be reclassified to profit or loss***
Keuntungan revaluasi aset tetap	2r, 14	79,772	-	*Gain on revaluation of fixed assets*
Pengukuran kembali liabilitas imbalan kerja karyawan	2x, 23	(92,262)	(37,209)	*Remeasurements of employee benefits liabilities*
Pajak penghasilan terkait pos-pos yang tidak akan direklasifikasi ke laba rugi	13f	20,204	8,186	*Income tax relating to items that will not be reclassified to profit or loss*
		7,714	(29,023)	
Pos-pos yang akan direklasifikasi ke laba rugi				***Items that will be reclassified to profit or loss***
Keuntungan (kerugian) yang belum direalisasi atas perubahan nilai wajar efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain	2l	13,633	(160,999)	*Unrealized gains (losses) on fair value changes of securities measured at fair value through other comprehensive income*
Pajak penghasilan terkait pos-pos yang akan direklasifikasi ke laba rugi	2ac,13f	(2,999)	35,420	*Income tax relating to items that will be reclassified to profit or loss*
		10,634	(125,579)	
PENGHASILAN KOMPREHENSIF LAIN TAHUN BERJALAN, SETELAH PAJAK PENGHASILAN		18,348	(154,602)	***OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX***
JUMLAH LABA KOMPREHENSIF TAHUN BERJALAN, SETELAH PAJAK		2,700,832	3,474,962	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX***
LABA BERSIH YANG DIATRIBUSIKAN KEPADA:				***NET PROFIT ATTRIBUTABLE TO:***
Pemilik entitas induk		2,358,334	3,095,701	*Owners of the parent*
Kepentingan non-pengendali		324,150	533,863	*Non-controlling interest*
		2,682,484	3,629,564	
JUMLAH LABA KOMPREHENSIF YANG DIATRIBUSIKAN KEPADA:				***TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:***
Pemilik entitas induk		2,376,847	2,939,728	*Owners of the parent*
Kepentingan non-pengendali		323,985	535,234	*Non-controlling interest*
		2,700,832	3,474,962	
LABA BERSIH PER SAHAM (NILAI PENUH)	2af, 39			***EARNINGS PER SHARE (FULL AMOUNT)***
Dasar		293	384	*Basic*
Dilusian		293	384	*Diluted*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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PT BANK BTPN Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARIES*

LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Diatribusikan kepada pemilik entitas induk/*Attributable to owners of the parent*												
		Modal ditempatkan dan disetor penuh/ *Issued and fully paid-up share capital*	Tambahan modal disetor/ *Additional paid-in capital*	Cadangan revaluasi aset tetap/ *Reserve on revaluation of fixed assets*	Cadangan nilai wajar - bersih/ *Fair value reserve - net*	Transaksi dengan kepentingan non-pengendali/ *Transaction with non-controlling interest*	Saldo laba yang sudah ditentukan penggunaannya/ *Appropriated retained earnings*	Saldo laba yang belum ditentukan penggunaannya/ *Unappropriated retained earnings*	Komponen ekuitas lainnya/ *Other equity components*	Saham tresuri/ *Treasury shares*	Jumlah/ *Total*	Kepentingan non-pengendali/ *Non-controlling interest*	Jumlah ekuitas/ *Total equity*	
Saldo tanggal 1 Januari 2023		**162,982**	**11,160,647**	**874,452**	**(7,704)**	**(24,267)**	**32,596**	**24,702,316**	**260,801**	**(255,147)**	**36,906,676**	**2,506,348**	**39,413,024**	***Balance as of 1 January* 2023**
Laba bersih tahun berjalan		-	-	-	-	-	-	2,358,334	-	-	2,358,334	324,150	2,682,484	*Net profit for the year*
Penghasilan komprehensif lainnya:														*Other comprehensive income:*
Perubahan nilai wajar atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain	2l	-	-	-	13,602	-	-	-	-	-	13,602	31	13,633	*Changes in fair value of financial assets measured at fair value through other comprehensive income*
Keuntungan revaluasi aset tetap		-	-	79,772	-	-	-	-	-	-	79,772		79,772	*Gain on revaluation of fixed assets*
Pengukuran kembali liabilitas imbalan kerja karyawan	2l	-	-	-	-	-	-	(92,055)	-	-	(92,055)	(207)	(92,262)	*Remeasurement of employee benefits liabilties*
Efek pajak terkait	2ac,13f	-	-	-	(2,992)	-	-	20,186	-	-	17,194	11	17,205	*Related tax effect*
Jumlah laba komprehensif selama tahun berjalan		-	-	79,772	10,610	-	-	2,286,465	-	-	2,376,847	323,985	2,700,832	*Total comprehensive income during the year*
Pembayaran dividen	1f	-	-	-	-	-	-	(619,140)	-	-	(619,140)	(213,720)	(832,860)	*Dividend payment*
Penjualan saham tresuri ke publik		-	21	-	-	-	-	-	-	452	473	-	473	*Sales of treasury shares to public*
Pembayaran kompensasi dari saham tresuri	1c,2aa													*Payments of compensation from treasury shares*
Entitas Anak		-	1,570	-	-	-	-	-	-	-	1,570	65	1,635	*Subsidiary*
Saldo tanggal 31 Desember 2023		**162,982**	**11,162,238**	**954,224**	**2,906**	**(24,267)**	**32,596**	**26,369,641**	**260,801**	**(254,695)**	**38,666,426**	**2,616,678**	**41,283,104**	***Balance as of 31 December 2023***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
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(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Diatribusikan kepada pemilik entitas induk/*Attributable to owners of the parent*												
		Modal ditempatkan dan disetor penuh/ *Issued and fully paid-up share capital*	Tambahan modal disetor/ *Additional paid-in capital*	Cadangan revaluasi aset tetap/ *Reserve on revaluation of fixed assets*	Cadangan nilai wajar - bersih/ *Fair value reserve - net*	Transaksi dengan kepentingan non-pengendali/ *Transaction with non-controlling interest*	Saldo laba yang sudah ditentukan penggunaannya/ *Appropriated retained earnings*	Saldo laba yang belum ditentukan penggunaannya/ *Unappropriated retained earnings*	Komponen ekuitas lainnya/ *Other equity components*	Saham tresuri/ *Treasury shares*	Jumlah/ *Total*	Kepentingan non-pengendali/ *Non-controlling interest*	Jumlah ekuitas/ *Total equity*	
Saldo tanggal 1 Januari 2022		**162,982**	**11,158,962**	**874,452**	**117,867**	**(24,267)**	**81,596**	**21,588,017**	**260,801**	**(255,147)**	**33,965,263**	**2,113,664**	**36,078,927**	***Balance as of 1 January 2022***
Laba bersih tahun berjalan		-	-	-	-	-	-	3,095,701	-	-	3,095,701	533,863	3,629,564	*Net profit for the year*
Penghasilan komprehensif lainnya:														*Other comprehensive income:*
Perubahan nilai wajar atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain	2l	-	-	-	(160,989)	-	-	-	-	-	(160,989)	(10)	(160,999)	*Changes in fair value of financial assets measured at fair value through other comprehensive income*
Pengukuran kembali liabilitas imbalan kerja karyawan	2l	-	-	-	-	-	-	(38,977)	-	-	(38,977)	1,768	(37,209)	*Remeasurement of employee benefits liabilties*
Efek pajak terkait	2ac,13f	-	-	-	35,418	-	-	8,575	-	-	43,993	(387)	43,606	*Related tax effect*
Jumlah laba komprehensif selama tahun berjalan		-	-	-	(125,571)	-	-	3,065,299	-	-	2,939,728	535,234	3,474,962	*Total comprehensive income during the year*
Reklasifikasi cadangan umum		-	-	-	-	-	(49,000)	49,000	-	-	-	-	-	*Reclassification of general appropriation*
Pembayaran dividen Entitas Anak	1f	-	-	-	-	-	-	-	-	-	-	(142,633)	(142,633)	*Payments of Subsidiary's dividend*
Pembayaran kompensasi dari saham tresuri	1c,2aa													*Payments of compensation from treasury shares*
Entitas Anak		-	1,685	-	-	-	-	-	-	-	1,685	83	1,768	*Subsidiary*
Saldo tanggal 31 Desember 2022		**162,982**	**11,160,647**	**874,452**	**(7,704)**	**(24,267)**	**32,596**	**24,702,316**	**260,801**	**(255,147)**	**36,906,676**	**2,506,348**	**39,413,024**	***Balance as of 31 December 2022***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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LAPORAN ARUS KAS KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Tahun berakhir 31 Desember/ *Years ended 31 December* 2023	2022	
ARUS KAS DARI AKTIVITAS OPERASI				***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan bunga		12,876,098	10,253,185	*Receipt from interest*
Penerimaan dari pendapatan syariah		5,709,497	5,343,253	*Receipt from sharia income*
Pembayaran beban bunga		(7,016,441)	(3,782,757)	*Payments of interest expense*
Pembayaran hak pihak ketiga atas bagi hasil dana syirkah temporer		(483,478)	(339,201)	*Payments of third parties' shares on return of temporary syirkah funds*
Penerimaan pendapatan operasional lainnya		1,713,128	2,024,702	*Receipt from other operating income*
Penerimaan kembali kredit yang telah dihapusbukukan		429,855	363,903	*Recovery from written-off loans*
Pembayaran beban kepegawaian		(3,675,151)	(3,440,912)	*Payments of personnel expenses*
Pembayaran beban operasional lainnya		(2,541,605)	(2,695,092)	*Payments of other operating expenses*
Penerimaan lain-lain		6,649	10,185	*Other receipts*
Pembayaran pajak penghasilan badan		(889,965)	(1,163,421)	*Payments of corporate income tax*
Arus kas sebelum perubahan dalam aset operasi, liabilitas operasi dan dana syirkah temporer		**6,128,587**	**6,573,845**	***Cash flows before changes in operating assets, operating liabilities and temporary syirkah funds***
Perubahan dalam aset operasi, liabilitas operasi, dan dana syirkah temporer:				*Changes in operating assets, operating liabilities, and temporary syirkah funds:*
(Kenaikan) penurunan aset operasi:				*(Increase) decrease in operating assets:*
Penempatan pada Bank Indonesia dan bank-bank lain - jatuh tempo lebih dari 3 bulan		-	150,000	*Placements with Bank Indonesia and other banks - with maturity more than 3 months*
Tagihan derivatif		613,675	(1,178,125)	*Derivative receivables*
Tagihan akseptasi		(219,903)	(1,307,292)	*Acceptance receivables*
Pinjaman yang diberikan		(11,142,017)	(10,762,631)	*Loans*
Pembiayaan/piutang syariah		(1,361,808)	(2,034,218)	*Sharia financing/receivables*
Kenaikan (penurunan) liabilitas operasi:				*Increase (decrease) in operating liabilities:*
Liabilitas segera		12,561	25,790	*Obligations due immediately*
Simpanan nasabah		(6,745,531)	4,549,060	*Deposits from customers*
Simpanan dari bank-bank lain		10,648,507	(3,711,720)	*Deposits from other banks*
Liabilitas derivatif		(375,632)	945,245	*Derivative payables*
Liabilitas akseptasi		(33,195)	1,396,620	*Acceptance payables*
Kenaikan dana syirkah temporer		77,559	937,358	*Increase in temporary syirkah funds*
Arus kas bersih digunakan untuk aktivitas operasi		**(2,397,197)**	**(4,416,068)**	***Net cash flows used in operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI				***CASH FLOWS FROM INVESTING ACTIVITIES***
Pembelian efek-efek		(10,501,020)	(9,444,754)	*Purchase of securities*
Penjualan efek-efek		11,544,675	13,232,763	*Proceeds from sale of securities*
Pembelian aset tetap		(215,390)	(194,386)	*Purchases of fixed assets*
Perolehan aset hak guna		(3,542)	(13,360)	*Acquisition of right-of-use assets*
Perolehan aset takberwujud	15	(436,590)	(433,840)	*Acquisition of intangible assets*
Hasil dari penjualan aset tetap	14	5,877	5,569	*Proceeds from sale of fixed assets*
Arus kas bersih diperoleh dari aktivitas investasi		**394,010**	**3,151,992**	***Net cash flows provided from investing activities***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements

LAPORAN ARUS KAS KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Tahun berakhir 31 Desember/ *Years ended 31 December* 2023	2022	
ARUS KAS DARI AKTIVITAS PENDANAAN				***CASH FLOWS FROM FINANCING ACTIVITIES***
Pembayaran efek-efek yang diterbitkan		-	(799,000)	*Payments of securities issued*
Penerimaan dari pinjaman yang diterima		27,232,047	16,145,873	*Proceeds from borrowings*
Pembayaran angsuran dan pelunasan pinjaman yang diterima		(40,171,851)	(6,002,777)	*Installment payments and settlement of borrowings*
Penjualan saham tresuri ke publik		2,108	1,768	*Sales of treasury shares to public*
Pembayaran dividen		(832,860)	(142,633)	*Payments of dividend*
Pembayaran pokok liabilitas sewa		(116,558)	(146,455)	*Payments of lease liabilities principals*
Arus kas bersih (digunakan untuk) diperoleh dari aktivitas pendanaan		**(13,887,114)**	**9,056,776**	***Net cash flows (used in) provided from financing activities***
(PENURUNAN) KENAIKAN BERSIH KAS DAN SETARA KAS		(15,890,301)	7,792,700	***NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS***
DAMPAK PERUBAHAN SELISIH KURS TERHADAP KAS DAN SETARA KAS		(14,462)	3,376	***EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS***
SALDO KAS DAN SETARA KAS AWAL TAHUN		39,377,753	31,581,677	***CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR***
SALDO KAS DAN SETARA KAS AKHIR TAHUN		23,472,990	39,377,753	***CASH AND CASH EQUIVALENTS AT THE END OF YEAR***
Kas dan setara kas terdiri dari:				*Cash and cash equivalents consist of:*
Kas	4	1,428,683	1,747,461	*Cash*
Giro pada Bank Indonesia	5	9,276,598	10,215,350	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	6	962,387	2,189,561	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	7a	8,961,654	21,885,214	*Placements with Bank Indonesia and other banks*
Efek-efek	8i	2,843,668	3,340,167	*Securities*
		23,472,990	39,377,753	
INFORMASI TAMBAHAN ARUS KAS				***SUPPLEMENTAL CASH FLOWS INFORMATION***
AKTIVITAS YANG TIDAK MEMPENGARUHI ARUS KAS				***ACTIVITIES NOT AFFECTING CASH FLOWS***
Pembelian aset tetap yang masih terutang		(1,248)	(790)	*Purchases of fixed assets which are still payable*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements

1. INFORMASI UMUM

a. Pendirian dan informasi umum

PT BANK BTPN Tbk (secara individu disebut ”BTPN” atau “Bank”) yang berdomisili di Jakarta Selatan sebelumnya bernama PT Bank Tabungan Pensiunan Nasional berdasarkan akta notaris No. 31 tanggal 16 Februari 1985 dari Notaris Komar Andasasmita, S.H. Akta ini telah diubah dengan akta notaris No. 12 tanggal 13 Juli 1985 dari Notaris Dedeh Ramdah Sukarna, S.H. Anggaran Dasar telah disahkan oleh Menteri Kehakiman Republik Indonesia dengan surat No. C2-4583HT01.01TH.85 tanggal 25 Juli 1985, dan diumumkan dalam Tambahan No. 1148 Berita Negara Republik Indonesia No. 76 tanggal 20 September 1985.

Bank diberikan izin untuk melanjutkan usaha bank sebagai kelanjutan usaha dari Perkumpulan Bank Pegawai Pensiunan Militer (”BAPEMIL”) yang telah beroperasi secara komersial pada tanggal 16 Februari 1959. Bank memperoleh izin usaha sebagai bank umum berdasarkan Keputusan Menteri Keuangan Republik Indonesia No. Kep-955/KM.17/1993 tanggal 22 Maret 1993 dan surat Bank Indonesia No. 26/5/UPBD/PBD2/Bd tanggal 22 April 1993. Bank juga memperoleh izin untuk menjalankan Unit Usaha Syariah melalui surat Bank Indonesia No. 10/2/DPIP/Prz/Bd tanggal 17 Januari 2008 yang telah dipindahkan ke PT Bank Tabungan Pensiunan Nasional Syariah Tbk (anak perusahaan Bank) setelah pemisahan pada tanggal 14 Juli 2014.

Bank memperoleh izin melakukan kegiatan usaha dalam valuta asing berdasarkan surat Keputusan Otoritas Jasa Keuangan (“OJK”) No. 382/PB.12/2015 tanggal 22 Desember 2015 tentang pemberian izin melakukan kegiatan usaha dalam valuta asing. Bank mulai melakukan kegiatan usaha sebagai bank devisa pada tanggal 16 Februari 2016.

Anggaran Dasar Bank telah mengalami beberapa kali perubahan. Perubahan Anggaran Dasar secara lengkap dituangkan dalam Akta Nomor 22 tanggal 21 Januari 2019 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Surat Keputusan Nomor AHU-0006169.AH.01.10.Tahun 2019 tanggal 22 Januari 2019, di mana Bank resmi mengubah namanya menjadi PT BANK BTPN Tbk.

1. GENERAL INFORMATION

a. Establishment and general information

PT BANK BTPN Tbk (individually referred to as ”BTPN” or the “Bank”) domiciled in South Jakarta formerly under the name of PT Bank Tabungan Pensiunan Nasional based on notarial deed No. 31 dated 16 February 1985 of Notary Komar Andasasmita, S.H. The deed was amended by notarial deed No. 12 dated 13 July 1985 of Notary Dedeh Ramdah Sukarna, S.H. The Articles of Association was approved by the Minister of Justice of the Republic of Indonesia in its decision letter No. C2-4583HT01.01TH.85 dated 25 July 1985 and published in Supplement No. 1148 to State Gazette No. 76 dated 20 September 1985.

The Bank was given permission to carry on the bank business as a continuity from Association of Bank Pegawai Pensiunan Militer ("BAPEMIL") which commenced its commercial operations on 16 February 1959. The Bank obtained its license to operate as a commercial bank based on the Decree of Ministry of Finance of the Republic Indonesia No. Kep-955/KM.17/1993 dated 22 March 1993 and the letter of Bank Indonesia No. 26/5/UPBD/PBD2/Bd dated 22 April 1993. The Bank also obtained a license to operate its Sharia Business Unit by the letter of Bank Indonesia No. 10/2/DPIP/Prz/Bd dated 17 January 2008 which has been transferred to PT Bank Tabungan Pensiunan Nasional Syariah Tbk (the Bank’s subsidiary) after a spin-off on 14 July 2014.

The Bank obtained its license to conduct foreign exchange activities based on the Decree of Otoritas Jasa Keuangan (“OJK”) No. 382/PB.12/2015 dated 22 December 2015 regarding approval in conducting foreign exchange activities. The Bank started to operate as a foreign exchange bank on 16 February 2016.

The Bank’s Articles of Association have been amended several times. The complete amendment as specified into the Deed Number 22 dated 21 January 2019 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through Decree Letter Number AHU-0006169.AH.01.10.Tahun 2019 dated 22 January 2019, where the Bank formally changed its name to PT BANK BTPN Tbk.

1. INFORMASI UMUM (lanjutan)

a. Pendirian dan informasi umum (lanjutan)

Perubahan Anggaran Dasar Bank dilakukan dalam rangka penyesuaian dengan Peraturan OJK Nomor 14/POJK.04/2019 tentang Perubahan Atas Peraturan OJK Nomor 32/POJK.04/2015 tentang Penambahan Modal Perusahaan Terbuka dengan Memberikan Hak Memesan Efek Terlebih Dahulu, Peraturan OJK Nomor 15/POJK.04/2020 tentang Rencana dan Penyelenggaraan Rapat Umum Pemegang Saham Perusahaan Terbuka, dan Peraturan OJK Nomor 16/POJK.04/2020 tentang Pelaksanaan Rapat Umum Pemegang Saham Perusahaan Terbuka Secara Elektronik, sebagaimana dituangkan dalam Akta Nomor 31 tanggal 18 November 2020 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor AHU-AH.01.03-0410879 tanggal 23 November 2020 perihal Penerimaan Pemberitahuan Perubahan Anggaran Dasar PT BANK BTPN Tbk.

Perubahan Anggaran Dasar Bank dalam rangka Peningkatan Modal Disetor/ Ditempatkan Bank sehubungan dengan Pelaksanaan Program Pemberian Opsi Saham Kepada Karyawan Bank ("Program ESOP") sebagaimana dituangkan dalam Akta Nomor 21 tanggal 26 Februari 2021 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor AHU-AH.01.03-0133128 tanggal 1 Maret 2021 perihal Penerimaan Pemberitahuan Perubahan Anggaran Dasar PT BANK BTPN Tbk.

Perubahan Anggaran Dasar Bank dilakukan dalam rangka penyesuaian kegiatan usaha Perseroan sesuai Peraturan Pemerintah Nomor 5 tahun 2021 tentang Penyelenggaraan Perizinan Berusaha Berbasis Risiko sebagaimana dituangkan dalam Akta Nomor 45 tanggal 21 April 2022 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Surat Keputusan Nomor AHU-0031033.AH.01.02. TAHUN 2022 tanggal 27 April 2022 tentang Persetujuan Perubahan Anggaran Dasar Perseroan Terbatas PT BANK BTPN Tbk.

1. GENERAL INFORMATION (continued)

a. Establishment and general information (continued)

Amendment of Articles of Association of the Bank was made in order to adjust with the OJK Regulation Number 14/POJK.04/2019 regarding the Amendments to the OJK Regulation Number 32/POJK.04/2015 regarding the Capital Increase of Public Listed Companies by Granting Pre-emptive Rights, OJK Regulation Number 15/POJK.04/2020 regarding Plan and Conducting a General Meeting of Shareholders of Public Listed Companies, and OJK Regulation Number 16/POJK.04/2020 regarding Conducting General Meeting of Shareholders of Public Listed Companies electronically, as specified in the Deed Number 31 dated 18 November 2020 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Law and Human Rights of the Republic of Indonesia No. AHU-AH.01.03-0410879 dated 23 November 2020 regarding Acceptance of Notification of Amendment of Articles of Association of PT BANK BTPN Tbk.

Articles of Association of the Bank in relation with the Increase of the Issued/Paid Up Capital regarding exercise of Employee Stock Option Program to the Employees of the Bank ("ESOP Program") as specified in the Deed Number 21 dated 26 February 2021 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Law and Human right of the Republic of Indonesia No. AHU-AH.01.03-0133128 dated 1 March 2021 regarding Acceptance of Notification of Amendment of Articles of Association of PT BANK BTPN Tbk.

The amendment of Articles of Association of the Bank was made in order to adjust the Company's Business Activities in accordance with Government Regulation Number 5 Year 2021 regarding the Implementation of Risk Based Business Licensing as specified in the Deed Number 45 dated 21 April 2022 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through Decree Number AHU-0031033.AH.01.02.TAHUN 2022 dated 27 April 2022 regarding Approval on Amendment of Articles of Association of the Limited Liability Company of PT BANK BTPN Tbk.

1. INFORMASI UMUM (lanjutan)

a. Pendirian dan informasi umum (lanjutan)

Perubahan Anggaran Dasar Bank terakhir dituangkan dalam Akta Nomor 28 tanggal 22 Juni 2023 yang dibuat oleh Yumna Shabrina, SH, MKn, selaku Notaris Pengganti dari Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.03-0086163 tanggal 3 Juli 2023 perihal Penerimaan Pemberitahuan Perubahan Anggaran Dasar PT BANK BTPN Tbk.

Susunan Dewan Komisaris terakhir Bank sebagaimana dituangkan ke dalam Akta Nomor 25 tanggal 10 Mei 2023 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor AHU-AH.01.09-0116937 tanggal 11 Mei 2023 perihal Penerimaan Pemberitahuan Perubahan Data Perseroan PT BANK BTPN Tbk.

Susunan Direksi terakhir Bank sebagaimana dituangkan ke dalam Akta Nomor 58 tanggal 27 Juli 2023 yang dibuat oleh Yumna Shabrina, SH, MKn, selaku Notaris Pengganti dari Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor AHU-AH.01.09-0145163 tanggal 27 Juli 2023 perihal Penerimaan Pemberitahuan Perubahan Data Perseroan PT BANK BTPN Tbk.

Sesuai dengan pasal 3 Anggaran Dasar Bank, maksud dan tujuan serta kegiatan Bank adalah melakukan kegiatan dalam jasa bank umum termasuk melakukan penyertaan modal pada bank yang melaksanakan kegiatan usaha berdasarkan prinsip syariah, sesuai dengan undang-undang dan peraturan yang berlaku di Indonesia.

Pemegang Saham Utama Bank adalah Sumitomo Mitsui Banking Corporation ("SMBC"). SMBC didirikan pada bulan April 2001. Sumitomo Mitsui Financial Group, Inc. ("SMFG") didirikan pada bulan Desember 2002 dan SMBC menjadi anak perusahaan yang sepenuhnya dimiliki oleh SMFG. SMFG merupakan pemegang saham pengendali dan pemegang saham terakhir (*ultimate shareholder*) dari BTPN.

SMBC berkantor pusat di Tokyo, Jepang dan saat ini merupakan salah satu bank terbesar di Jepang dengan jaringan usaha yang telah menyebar ke beberapa wilayah di dunia.

1. GENERAL INFORMATION (continued)

a. Establishment and general information (continued)

The latest amendment of Articles of Association of the Bank as specified into the Deed Number 28 dated 22 June 2023 made by Yumna Shabrina, SH, MKn, as Subsitute Notary of Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Law and Human right of the Republic of Indonesia No. AHU-AH.01.03-0086163 dated 3 July 2023 regarding Acceptance of Notification of Amendment of Articles of Association of PT BANK BTPN Tbk.

The latest composition of the Board of Commissioners of the Bank as specified into the Deed Number 25 dated 10 May 2023 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Laws and Human Rights of the Republic of Indonesia Number AHU-AH.01.09-0116937 dated 11 May 2023 regarding Acceptance of Notification of the Company's Data Changes of PT BANK BTPN Tbk.

The latest composition of the Board of Directors of the Bank as specified into the Deed Number 58 dated 27 July 2023 made by Yumna Shabrina, SH, MKn, as Subsitute Notary of Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Laws and Human Rights of the Republic of Indonesia Number AHU-AH.01.09-0145163 dated 27 July 2023 regarding Acceptance of Notification of the Company's Data Changes of PT BANK BTPN Tbk.

In accordance with Article 3 of the Bank's Articles of Association, the Bank's scope of activities is to engage in general banking services including capital investment in bank conducting business based on sharia principles, in accordance with the prevailing laws and regulations in Indonesia.

Majority Shareholder's of the Bank is Sumitomo Mitsui Banking Corporation ("SMBC"). SMBC was established in April 2001. Sumitomo Mitsui Financial Group, Inc. ("SMFG") was established in December 2002 and SMBC became a subsidiary fully owned by SMFG. SMFG is the controlling shareholder and ultimate shareholder of BTPN.

SMBC's Head Office is in Tokyo, Japan and currently one of the biggest banks in Japan with a business network vastly spread throughout the world.

1. INFORMASI UMUM (lanjutan)

a. Pendirian dan informasi umum (lanjutan)

Berkantor Pusat di Tokyo, Jepang, SMFG bergerak dalam bidang manajemen anak perusahaan perbankan dan perusahaan lain yang dapat diperlakukan sebagai anak perusahaan berdasarkan ketentuan Undang-Undang Perbankan Jepang. Selain itu, melakukan fungsi-fungsi terkait (ancillary functions), serta fungsi-fungsi yang dapat dilakukan oleh perusahaan holding perbankan di bawah ketentuan Undang-Undang Perbankan Jepang.

Perusahaan-perusahaan yang tergabung dalam kelompok usaha SMFG terutama bergerak di bidang perbankan komersial melalui layanan keuangan berikut: *leasing*, sekuritas, pembiayaan konsumen, keuangan, pemrosesan data pengembangan sistem, dan manajemen aset.

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

Jaringan distribusi Bank pada tanggal 31 Desember 2023 dan 2022 (tidak diaudit) adalah sebagai berikut:

	31 Desember/*December*		
	2023	**2022**	
Kantor Cabang	73	73	*Branches*
Kantor Cabang Pembantu	215	234	*Sub-Branches*
ATM dan TCR	228	221	*ATM and TCR*
Kantor Fungsional	45	51	*Functional Branches*
	561	579	

Jumlah karyawan PT BANK BTPN Tbk dan entitas anaknya (secara bersama-sama disebut "Grup") pada tanggal 31 Desember 2023 dan 2022, masing-masing adalah 20.933 dan 19.740 karyawan (tidak diaudit).

b. Penggabungan usaha dengan PT Bank Sumitomo Mitsui Indonesia

Berdasarkan keputusan Rapat Umum Pemegang Saham Luar Biasa tanggal 5 Oktober 2018 sebagaimana dinyatakan dalam Akta Risalah Rapat Umum Pemegang Saham Luar Biasa No. 09 tertanggal 5 Oktober 2018 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan, telah disetujui Rencana Penggabungan Usaha PT Bank Sumitomo Mitsui Indonesia ("SMBCI") dengan Bank, dimana SMBCI bertindak sebagai bank yang menggabungkan diri dan Bank bertindak sebagai bank penerima penggabungan, yang berlaku sejak seluruh persetujuan yang disyaratkan diperoleh ("Tanggal Efektif Penggabungan").

1. GENERAL INFORMATION (continued)

a. Establishment and general information (continued)

With the Head Office in Tokyo, SMFG operates in the management of banking subsidiaries and other companies that can be treated as subsidiaries based on the provisions of Japanese Banking Laws. In addition, SMFG carries out ancillary functions, as well as functions that can be executed by banking holding companies under the regulations of the Japanese Banking Laws.

Companies within the SMFG business group are mainly operating in commercial banking through such financial services as follows: leasing, securities, consumer financing, finance, system development data processing and asset management.

The Bank's head office is located at Menara BTPN, CBD Mega Kuningan, Jl. Dr. Ide Anak Agung Gde Agung Kav 5.5 - 5.6, Jakarta Selatan 12950.

The Bank's distribution network as of 31 December 2023 and 2022 (unaudited) was as follows:

As of 31 December 2023 and 2022 PT BANK BTPN Tbk and its subsidiaries (together referred to as "the Group") had 20,933 and 19,740 employees, respectively (unaudited).

b. Merger with PT Bank Sumitomo Mitsui Indonesia

Based on the resolution of Extraordinary General Meeting of Shareholders dated 5 October 2018 as stipulated in the Deed of Minutes of Extraordinary General Meeting of Shareholders No. 09 dated 5 October 2018 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta, it has approved the Proposed Merger of PT Bank Sumitomo Mitsui Indonesia ("SMBCI") and the Bank whereby SMBCI acted as the Merging Bank and the Bank acted as the Merger-Recipient Bank or surviving bank, effective as of all the required approval being obtained ("Effective Merger Date").

1. INFORMASI UMUM (lanjutan)

b. Penggabungan usaha dengan PT Bank Sumitomo Mitsui Indonesia (lanjutan)

Penggabungan menjadi efektif pada tanggal 1 Februari 2019, setelah diperolehnya persetujuan dari (i) OJK melalui surat Keputusan Dewan Komisioner OJK Nomor 35/KDK.03/2018 tanggal 20 Desember 2018 tentang Pemberian Izin Penggabungan Usaha (Merger) SMBCI ke dalam Bank; (ii) Japan Financial Services Agency (JFSA) melalui surat Pengawas Perbankan No. 1788 dan No. 1789 tertanggal 18 Januari 2019 perihal Persetujuan *Subsidiarization*; dan (iii) Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Direktorat Jenderal Administrasi Hukum Umum melalui surat tertanggal 22 Januari 2019 Nomor AHU-0006169.AH.01.10. Tahun 2019 mengenai Persetujuan Perubahan Anggaran Dasar Perseroan Terbatas PT BANK BTPN Tbk dan surat tertanggal 22 Januari 2019 Nomor AHU-AH.01.03-0044411 mengenai Penerimaan Pemberitahuan Perubahan Data Perseroan PT BANK BTPN Tbk serta surat tertanggal 22 Januari 2019 Nomor AHU-AH.01.10-0006176 mengenai Penerimaan Pemberitahuan Penggabungan Perseroan PT BANK BTPN Tbk.

Sehubungan dengan penggabungan usaha antara PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN") dan PT Bank Sumitomo Mitsui Indonesia ("SMBCI"), penggabungan usaha dilakukan melalui penerbitan instrumen ekuitas BTPN kepada Sumitomo Mitsui Banking Corporation (pemegang saham BTPN dan SMBCI) sebesar 2.296.846.112 lembar saham biasa disetor penuh dengan nilai nominal sebesar Rp 20 (nilai penuh) per saham.

Nilai wajar saham BTPN pada tanggal 1 Februari 2019 adalah Rp 4.282 (nilai penuh) per lembar saham. Rasio konversi atas konversi saham SMBCI menjadi saham BTPN adalah sebesar 799,1971.

Penggabungan usaha antara BTPN dan SMBCI merupakan transaksi penggabungan usaha entitas sepengendali. Pada tanggal efektif merger, baik BTPN dan SMBCI merupakan entitas sepengendalian dan hubungan sepengendalian tersebut tidak bersifat sementara. Transaksi kombinasi bisnis antara entitas sepengendali dilakukan dalam rangka reorganisasi entitas-entitas yang berada dalam suatu kelompok yang sama dan bukan merupakan perubahan kepemilikan dalam arti substansi ekonomi. Oleh karena itu, transaksi ini diakui pada jumlah tercatat berdasarkan metode penyatuan kepemilikan (*pooling of interest*).

Selisih nilai transfer entitas sepengendali di atas dicatat sebagai tambahan modal disetor. Atas transaksi ini, Bank mencatat tambahan modal disetor dan agio saham masing-masing sebesar Rp 45.937 dan Rp 9.708.197.

***1. GENERAL INFORMATION** (continued)*

***b. Merger with PT Bank Sumitomo Mitsui Indonesia** (continued)*

The Merger became effective on 1 February 2019, after obtaining the approval from (i) OJK through Decree of Board of Commissioners of OJK Number 35/KDK.03/2018 dated 20 December 2018 regarding the Merger Approval of SMBCI into the Bank; (ii) Japan Financial Services Agency (JFSA) through the Banking Supervisory letter No. 1788 and No. 1789 dated 18 January 2019 regarding the approval of Subsidiarization; and (iii) Minister of Law and Human Rights of the Republic of Indonesia Directorate of Administration of General Law by letter dated 22 January 2019 Number AHU-0006169.AH.01.10.Year 2019 regarding the Approval of Amendment of Articles of Association of Limited Liability Company PT BANK BTPN Tbk and letter dated 22 January 2019 Number AHU-AH.01.03-0044411 regarding the Acceptance of Notification of Company Data Submission of PT BANK BTPN Tbk as well as letter dated 22 January 2019 Number AHU-AH.01.10-0006176 regarding Acceptance on Notification of Merger of PT BANK BTPN Tbk.

In relation with merger between PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN") and PT Bank Sumitomo Mitsui Indonesia ("SMBCI"), the merger was conducted through the issuance of equity instrument of BTPN to Sumitomo Mitsui Banking Corporation (the shareholder of both BTPN and SMBCI) of 2,296,846,112 fully paid ordinary shares of BTPN with nominal value amounting to Rp 20 (full amount) per share.

The fair value of BTPN's shares as of 1 February 2019 was Rp 4,282 (full amount) per share. Conversion ratio of the conversion of SMBCI's share into BTPN's share was 799.1971.

The merger between BTPN and SMBCI is a business combination under common control transaction. As at the effective date of merger, both BTPN and SMBCI are entites under common control and the common control relationship is not transitory. Business combination transaction between entites under common control is done in the event of reorganisation of entities under the same group which does not constitute change in ownership by economic substance. Therefore, the transaction is recognized at carrying amount under pooling of interest method.

Net transfer under common control entities above was recorded as additional paid-in capital. As a result of this transaction, the Bank recorded additional share capital and paid-in capital amounting to Rp 45,937 and Rp 9,708,197, respectively.

1. INFORMASI UMUM (lanjutan)

c. Perubahan Modal Karena Aksi Korporasi

Penawaran Umum Perdana Saham

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) tanggal 8 Juni 2007, para pemegang saham menyetujui rencana Penawaran Umum Saham Perdana Biasa kepada masyarakat melalui pasar modal serta melakukan pencatatan saham Bank di Bursa Efek Indonesia.

Bank melakukan penawaran umum perdana atas 267.960.220 saham dengan nilai nominal sebesar Rp 100 (nilai penuh) setiap saham dengan harga penawaran setiap saham sebesar Rp 2.850 (nilai penuh) kepada masyarakat di Indonesia. Saham tersebut dicatat di Bursa Efek Indonesia pada tanggal 12 Maret 2008.

Persetujuan atas Penawaran Umum Perdana Saham berdasarkan Surat dari Bapepam No. S-1253/BL/2008 tanggal 29 Februari 2008 perihal Pemberitahuan Efektifnya Penyataan Pendaftaran.

Penambahan modal melalui Hak Memesan Efek Terlebih Dahulu ("HMETD")

Berdasarkan RUPSLB tanggal 25 November 2010, para pemegang saham menyetujui rencana Bank untuk menambah modal sahamnya melalui penerbitan Hak Memesan Efek Terlebih Dahulu I ("HMETD I"), dengan cara mengeluarkan saham dari portepel Bank.

Pada tanggal 10 Desember 2010 telah dicatatkan pada Bursa Efek Indonesia sebanyak 188.787.238 saham baru atas nama dengan nominal Rp 100 (nilai penuh) per saham sehingga jumlah saham yang ditempatkan dan disetor penuh yang semula sebesar 943.936.190 saham menjadi sejumlah 1.132.723.428 saham.

Persetujuan atas Penerbitan HMETD I berdasarkan Surat dari Bapepam No.S-10615/BL/2010 tanggal 24 November 2010 perihal Pemberitahuan Efektifnya Penyataan Pendaftaran.

Bank mendapatkan tambahan modal disetor sebesar Rp 18.878 dan agio saham sebesar Rp 1.293.458.

***1. GENERAL INFORMATION** (continued)*

c. Changes in Capital Due to Corporate Actions

Initial Public Offering

Based on Extraordinary General Meeting of Shareholders (EGMS) dated 8 June 2007, the shareholders approved the Initial Public Offering of Ordinary Shares plan to public through capital market and listing of the Bank's shares at Indonesia Stock Exchange.

The Bank undertook an initial public offering of 267,960,220 shares with a nominal value of Rp 100 (full amount) per share with offering price of Rp 2,850 (full amount) per share to the public in Indonesia. The shares were listed at Indonesia Stock Exchange on 12 March 2008.

Approval of the Initial Public Offering based on Letter from Bapepam No.S-1253/BL/2008 dated 29 February 2008 regarding Notification of the Effectiveness of the Registration Statement.

Increase of capital through Pre-Emptive Right ("HMETD")

Based on the EGMS dated 25 November 2010, the shareholders approved the Bank's plan to increase the Bank's share capital through the issuance of Pre-Emptive Right I ("HMETD I"), by issuing shares from the Bank's portfolio shares.

On 10 December 2010, the Bank's shares were listed at the Indonesia Stock Exchange with 188,787,238 new registered shares with value of Rp 100 (full amount) per share; accordingly, the number of shares issued and fully paid changed from 943,936,190 shares to 1,132,723,428 shares.

Approval of the Issuance of HMETD I based on Letter from Bapepam No.S-10615/BL/2010 dated 24 November 2010 regarding Notification of the Effectiveness of the Registration Statement.

The Bank obtained Rp 18,878 additional share capital and Rp 1,293,458 additional paid-in capital.

1. INFORMASI UMUM (lanjutan)

c. Perubahan Modal Karena Aksi Korporasi (lanjutan)

Penawaran Umum Perdana Saham (lanjutan)

Pemecahan saham

Berdasarkan RUPSLB tanggal 25 Februari 2011, para pemegang saham menyetujui rencana Bank untuk melakukan pemecahan nilai nominal saham dari Rp 100 (nilai penuh) per saham menjadi Rp 20 (nilai penuh) per saham, sehingga jumlah saham yang ditempatkan dan disetor penuh yang semula sebesar 1.132.723.428 saham dengan nilai nominal Rp 100 (nilai penuh) per saham akan menjadi sejumlah 5.663.617.140 saham dengan nilai nominal Rp 20 (nilai penuh) per saham.

Pada tanggal 28 Maret 2011, saham Bank dicatatkan pada Bursa Efek Indonesia sebanyak 5.606.980.970 saham dengan nilai nominal Rp 20 (nilai penuh) per saham.

Peningkatan modal melalui *Convertible Loan*

Pada tanggal 14 Maret 2012, Bank telah mendapatkan persetujuan untuk meningkatkan modal ditempatkan dan modal disetor dengan mengeluarkan 176.670.117 saham baru dari portepel kepada International Finance Corporation ("IFC") sesuai dengan syarat dan ketentuan *Convertible Loan Agreement*. Setelah itu, saham tersebut telah tercatat pada Bursa Efek Indonesia. Total modal disetor dan ditempatkan Bank setelah Penambahan Modal Tanpa Hak Memesan Efek Terlebih Dahulu menjadi 5.840.287.257 saham.

Bank mendapatkan tambahan modal disetor sebesar Rp 3.533 dan agio saham sebesar Rp 135.927.

***1. GENERAL INFORMATION** (continued)*

***c. Changes in Capital Due to Corporate Actions** (continued)*

***Initial Public Offering** (continued)*

Stock split

Based on EGSM dated 25 February 2011, the shareholders approved the Bank's plan to split share from nominal value of Rp 100 (full amount) per share to Rp 20 (full amount) per share; accordingly, it changed the number of shares issued and fully paid from 1,132,723,428 shares with nominal value of Rp 100 (full amount) per share to 5,663,617,140 shares with nominal value of Rp 20 (full amount) per share.

On 28 March 2011, the Bank's shares were listed at the Indonesia Stock Exchange for 5,606,980,970 shares with nominal value of Rp 20 (full amount) per share.

Capital increase through Convertible Loan

On 14 March 2012, the Bank obtained an approval to increase issued and paid-up capital by issuing 176,670,117 shares from the Bank's unissued shares to International Finance Corporation ("IFC") in accordance with terms and condition in the Convertible Loan Agreement. Afterwards, those Bank's shares were listed at Indonesia Stock Exchange. Total issued and paid-up capital of the Bank after the Capital Increases without Pre-Emptive Rights was 5,840,287,257 shares.

The Bank obtained Rp 3,533 additional share capital and Rp 135,927 additional paid-in capital.

1. INFORMASI UMUM (lanjutan)

c. Perubahan Modal Karena Aksi Korporasi (lanjutan)

Pembelian kembali saham

Melalui surat OJK No. S-20/PB.31/2016 tanggal 18 Februari 2016, Bank telah memperoleh persetujuan OJK untuk melakukan pembelian kembali (*buyback*) saham. Dalam pelaksanaan pembelian kembali saham yang dikeluarkan oleh Bank, jumlah alokasi dana tidak melebihi Rp 535.500 untuk membeli sebanyak-banyaknya 150.000.000 saham atau 2,57% dari modal ditempatkan dan disetor penuh Bank, yang akan dilakukan dalam periode dari tanggal 23 Februari 2016 sampai dengan 23 Mei 2016. Sampai dengan tanggal 23 Mei 2016, Bank telah membeli kembali saham Bank sebanyak 95.198.900 lembar saham dengan total dana pembelian sebesar Rp 262.874.

Tujuan dari pembelian kembali saham adalah untuk memberikan fleksibilitas untuk mencapai struktur permodalan yang efisien dan memungkinkan untuk menurunkan keseluruhan biaya modal, meningkatkan laba per saham (*EPS*), serta *Return on Equity (ROE)* secara berkelanjutan.

Pengalihan Saham Tresuri

Di dalam rangka memenuhi Peraturan OJK No.02/POJK.04/2013 tanggal 26 Agustus 2013 mengenai Pembelian Kembali Saham yang Dikeluarkan oleh Emiten atau Perusahaan Publik dalam Kondisi Pasar yang Berfluktuasi secara signifikan dan keputusan Rapat Umum Pemegang Saham Tahunan tanggal 22 April 2021 atas agenda keenam mengenai pengalihan saham hasil pembelian kembali yang disimpan sebagai saham tresuri untuk pemberian remunerasi yang bersifat *variable*, maka pada tanggal 31 Agustus 2021, Bank telah mengalihkan sebanyak 2.633.202 saham yang dicatat sebagai saham tresuri kepada para *Material Risk Takers*. Sementara itu, sebanyak 92.565.698 sisa saham yang dicatat sebagai saham tresuri akan dijual kembali ke pasar melalui Bursa Efek mulai tanggal 14 Oktober 2021.

Rapat Umum Pemegang Saham Luar Biasa tanggal 7 Desember 2023 telah menyetujui penarikan 92.292.198 saham tresuri dan karenanya akan mengurangi modal Diterbitkan serta Modal Disetor Bank dan menambah Modal Dalam Portepel, apabila Kreditur tidak keberatan dengan rencana ini dalam batas jangka waktu tertentu sesuai dengan Undang-undang Republik Indonesia tentang Perseroan Terbatas No.40 tahun 2007.

***1. GENERAL INFORMATION** (continued)*

***c. Changes in Capital Due to Corporate Actions** (continued)*

Shares buyback

The Bank was approved by OJK to conduct shares buyback by letter No. S-20/PB.31/2016 dated 18 February 2016. In the implementation of shares buyback by the Bank, the allocated fund up to Rp 535,500 to buy up to 150,000,000 shares or 2.57% of the Bank's issued and fully paid-up capital shall be done between 23 February 2016 and 23 May 2016. Up to 23 May 2016, the Bank had repurchased 95,198,900 shares using total purchasing fund amounting to Rp 262,874.

The objective of conducting shares buyback is to provide flexibility to achieve an efficient capital structure and enable the Bank to lower the overall cost of capital, increasing the Earnings per Share (EPS) and Return on Equity (ROE) on an on-going basis.

Transfer of Treasury Shares

In compliance with OJK Regulation No.02/POJK.04/2013 dated 26 August 2013 regarding the Buyback of Issued Shares by Issuers or Public Companies in Significantly Fluctuating Market Conditions and the resolution of the Annual General Meeting of Shareholders dated 22 April 2021 on the sixth agenda regarding the transfer of shares resulted from the buy back which are retained as treasury shares to be utilized for variable remuneration, hence on 31 August 2021, the Bank has transferred 2,633,202 shares registered under treasury shares to Material Risk Takers. While the remaining 92,565,698 shares registered under treasury shares will be sold back to the market through Stock Exchange starting 14 October 2021.

Extraordinary General Meeting of Shareholders dated 7 December 2023 approved the withdrawal of 92,292,198 treasury shares and therefore will reduce the Issued as well as Paid-up Capital and increase the Portfolio Capital, subject to the Creditor's objection within particular time limit according to the Law of Republic of Indonesia on Limited Liability Company No.40 year 2007.

1. INFORMASI UMUM (lanjutan)

d. Efek-efek yang diterbitkan

Utang obligasi

Nama/*Name*	Pernyataan efektif/ *Effective registration*	Persetujuan/ *Approval*	Jumlah pokok/ *Nominal value*	Jangka waktu/ *Tenor*	Tanggal jatuh tempo/ *Maturity date*	Tingkat bunga setahun/ *Interest rate per annum*
Obligasi Berkelanjutan IV Bank BTPN Tahap I Tahun 2019 Dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan IV Tahap I")/ *Bank BTPN Continuing Bonds IV Phase I Year 2019 with a fixed interest rate ("Continuing Bonds IV Phase I")*	27 November/ *November* 2019	Dinyatakan efektif oleh OJK, melalui suratnya No. S-168/D.04/2019 tanggal 15 November 2019/ *Became effective by OJK through its letter No. S-168/D.04/2019 dated 15 November 2019*	Seri/*Series* A: 799.000	Seri/*Series* A: 3 tahun/*years*	26 November/ *November* 2022	7.55%
			Seri/*Series* B: 201.000	Seri/*Series* B: 5 tahun/*years*	26 November/ *November* 2024	7.75%

Seluruh utang obligasi yang diterbitkan Bank dicatatkan di Bursa Efek Indonesia dan dananya dipergunakan untuk pertumbuhan usaha dalam bentuk ekspansi kredit.

PT Bank Mega Tbk bertindak sebagai Wali Amanat atas Obligasi Berkelanjutan IV Tahap I.

e. Dewan Komisaris, Direksi, Komite Audit, Sekretaris Perusahaan dan Satuan Kerja Audit Internal

Pada tanggal 31 Desember 2023 dan 2022 susunan Dewan Komisaris dan Direksi Bank adalah sebagai berikut:

31 Desember/*December*			
2023		**2022**	
Dewan Komisaris			***Board of Commissioners***
Komisaris Utama	Chow Ying Hoong	Chow Ying Hoong	*President Commissioner*
Komisaris	Takeshi Kimoto	Takeshi Kimoto	*Commissioner*
Komisaris Independen	Ninik Herlani Masli Ridhwan	Ninik Herlani Masli Ridhwan	*Independent Commissioner*
Komisaris Independen	Onny Widjanarko*)	Irwan Mahjudin Habsjah	*Independent Commissioner*
Komisaris Independen	Edmund Tondobala	Edmund Tondobala	*Independent Commissioner*
Komisaris	Ongki Wanadjati Dana	Ongki Wanadjati Dana	*Commissioner*
Direksi			***Board of Directors***
Direktur Utama	Henoch Munandar	Henoch Munandar	*President Director*
Wakil Direktur Utama	Kaoru Furuya	Kaoru Furuya	*Deputy President Director*
Wakil Direktur Utama	Darmadi Sutanto	Darmadi Sutanto	*Deputy President Director*
Direktur Kepatuhan	Dini Herdini	Dini Herdini	*Compliance Director*
Direktur	Atsushi Hino**)	Kan Funakoshi	*Director*
Direktur	Keishi Kobata***)	Hiromichi Kubo	*Director*
Direktur	Merisa Darwis	Merisa Darwis	*Director*
Direktur	Hanna Tantani	Hanna Tantani	*Director*

*) Onny Widjanarko diangkat sebagai Komisaris Independen pada RUPS Tahunan tanggal 13 April 2023 dan efektif menjabat sejak tanggal 8 Mei 2023.

**) Atsushi Hino diangkat sebagai Direktur pada RUPS Tahunan tanggal 13 April 2023 dan efektif menjabat sejak tanggal 15 Mei 2023.

***) Keishi Kobata diangkat sebagai Direktur pada RUPS Luar Biasa tanggal 22 Juni 2023 dan efektif menjabat sejak tanggal 25 Juli 2023.

**) Onny Widjanarko was appointed as Independent Commissioner at Annual GMS on 13 April 2023 and has been effective assume the office on 8 May 2023.*

***) Atsushi Hino was appointed as Director at Annual GMS on 13 April 2023 and has been effective assume the office on 15 May 2023.*

****) Keishi Kobata was appointed as Director at Extraordinary GMS on 22 June 2023 an has been effective assume the office on 25 July 2023.*

Susunan Komite Audit Bank pada tanggal 31 Desember 2023 dan 2022 terdiri dari:

The composition of the Audit Committee as of 31 December 2023 and 2022 was as follows:

31 Desember/*December*			
2023		**2022**	
Ketua	Ninik Herlani Masli Ridhwan	Ninik Herlani Masli Ridhwan	*Chairman*
Anggota	Edmund Tondobala	Edmund Tondobala	*Member*
Anggota	Aria Kanaka	Aria Kanaka	*Member*
Anggota	Ivan Purnama Sanoesi	Ivan Purnama Sanoesi	*Member*

1. INFORMASI UMUM (lanjutan)

e. Dewan Komisaris, Direksi, Komite Audit, Sekretaris Perusahaan dan Satuan Kerja Audit Internal (lanjutan)

Sekretaris Perusahaan

Sekretaris Perusahaan pada tanggal 31 Desember 2023 dan 2022 adalah Eneng Yulie Andriani.

Satuan Kerja Audit Internal

Kepala Satuan Kerja Audit Internal pada tanggal 31 Desember 2023 dan 2022 adalah Nurhajati Soerjo Hadi.

f. Entitas Anak

Bank mempunyai kepemilikan pada entitas anak sebagai berikut:

***1. GENERAL INFORMATION** (continued)*

***e. Board of Commissioners, Board of Directors, Audit Committee, Corporate Secretary and Internal Audit Unit** (continued)*

Corporate Secretary

The Corporate Secretary as of 31 December 2023 and 2022 was Eneng Yulie Andriani.

Internal Audit Unit

Head of Internal Audit as of 31 December 2023 and 2022 was Nurhajati Soerjo Hadi.

f. Subsidiaries

The Bank has ownership in the following subsidiaries:

Entitas Anak/ *Subsidiaries*	Domisili/ *Domicile*	Bidang usaha/ *Business activities*	Persentase kepemilikan/ *Percentage of ownership*		Tahun mulai operasi komersial/ *year of starting commercial operations*	Jumlah aset/ *Total assets*	
			30 Desember/ *December* 2023	31 Desember/ *December* 2022		31 Desember/ *December* 2023	31 Desember/ *December* 2022
PT BANK BTPN SYARIAH Tbk	Jakarta	Perbankan/ *Banking*	70.0%	70.0%	2014	21,435,366	21,161,976
PT BTPN SYARIAH VENTURA*	Jakarta	Modal Ventura/ *Venture Capital*	70.3%	70.3%	2022	320,596	313,497

* Kepemilikan tidak langsung melalui PT BANK BTPN SYARIAH Tbk sebesar 69,3% dan kepemilikan langsung sebesar 1,0%.

* *Indirect ownership through PT BANK BTPN SYARIAH Tbk of 69.3% and direct ownership of 1.0%.*

PT BANK BTPN SYARIAH Tbk

PT BANK BTPN SYARIAH Tbk berkantor pusat di Menara BTPN, lantai 12, CBD Mega Kuningan, Jl. Dr. Ide Anak Agung Gde Agung Kav 5.5 - 5.6, Jakarta Selatan 12950.

Pada tanggal 19 Juli 2013, Bank Indonesia menyetujui rencana Bank untuk melakukan akuisisi sebesar 70% saham PT Bank Sahabat Purba Danarta ("BSPD") melalui suratnya No. 15/10/DPBI/PBI-5/Rahasia dengan syarat dilakukan perubahan atas kegiatan usaha dari BSPD yang semula merupakan bank konvensional menjadi bank umum berdasarkan prinsip syariah.

Berdasarkan Akta Notaris No. 26 dan No. 27 tanggal 30 Januari 2014 yang dibuat di hadapan Hadijah S.H., M.Kn, notaris di Jakarta, Bank telah melakukan akuisisi atas Entitas Anak dan menjadi pemegang saham mayoritas. Hal ini telah diketahui oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia melalui surat No. AHU-AH.01.10-04338 tertanggal 12 Februari 2014.

PT BANK BTPN SYARIAH Tbk

PT BANK BTPN SYARIAH Tbk's head office is located at Menara BTPN 12th floor, CBD Mega Kuningan, Jl. Dr. Ide Anak Agung Gde Agung Kav 5.5 - 5.6, Jakarta Selatan 12950.

On 19 July 2013, Bank Indonesia approved the Bank's plan to acquire 70% shares of PT Bank Sahabat Purba Danarta ("BSPD") through its letter No. 15/10/DPBI/PBI-5/rahasia which is subject to the change of BSPD's business activites from a conventional bank into a commercial bank under sharia principles.

Based on Notarial Deed No. 26 and No. 27 dated 30 January 2014 before Hadijah S.H., M.Kn., notary in Jakarta, the Bank has acquired the Subsidiary and has become the majority shareholder. It was acknowledged by the Ministry of Law and Human Rights of Republic Indonesia through its letter No. AHU-AH.01.10-04338 dated 12 February 2014.

1. INFORMASI UMUM (lanjutan)

f. Entitas Anak (lanjutan)

PT BANK BTPN SYARIAH Tbk (lanjutan)

Pemisahan Unit Usaha Syariah

Pada tanggal 20 Januari 2014, Rapat Umum Pemegang Saham Luar Biasa Bank yang diaktakan dengan Akta Notaris No. 8 tanggal 4 Juli 2014 di hadapan Hadijah, S.H., M.Kn., notaris di Jakarta dan telah menyetujui pemisahan Unit Usaha Syariah PT Bank Tabungan Pensiunan Nasional Tbk ("UUS BTPN") dari PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN"). Pemisahan dilakukan dengan mengacu kepada Peraturan Bank Indonesia No. 11/10/PBI/2009 yang telah diubah dengan PBI No. 15/14/PBI/2013 tentang Unit Usaha Syariah. Pendirian tersebut telah disetujui oleh Bank Indonesia melalui dua tahap, yaitu persetujuan izin konversi dan izin pemisahan.

Proses Konversi Izin Usaha

Pada tanggal 22 Mei 2014, Bank mendapatkan izin dari Bank Indonesia untuk melaksanakan konversi BSPD berdasarkan Surat Keputusan Dewan Komisioner Otoritas Jasa Keuangan ("OJK") No.Kep-49/D-03/2014. Izin tersebut mengubah kegiatan usaha Entitas Anak dari bank umum konvensional menjadi bank umum yang melaksanakan kegiatan usaha berdasarkan prinsip syariah.

Pada tanggal 23 Juni 2014, Entitas Anak memperoleh izin pemisahan dari OJK berdasarkan Surat No: S-17/PB.1/2014. Pemisahan UUS BTPN dilakukan dengan Akta Pemisahan No. 8 tanggal 4 Juli 2014 yang dibuat di hadapan Hadijah, S.H., M.Kn., notaris di Jakarta. Selanjutnya, pemisahan terjadi secara efektif pada tanggal 14 Juli 2014 dan Entitas Anak memulai kegiatan usaha berdasarkan prinsip syariah, sebagaimana yang dilaporkan kepada Bank Indonesia dengan surat No. S.031/DIR/LG/VII/2014 tanggal 17 Juli 2014 perihal Laporan Pelaksanaan Pembukaan Bank Umum Syariah Hasil Pemisahan.

Perubahan Nama Entitas Anak

Berdasarkan Akta Notaris No. 25 tanggal 27 Agustus 2013 juncto Akta Notaris No. 30 tanggal 25 September 2013 keduanya dibuat di hadapan Notaris Hadijah, S.H., M.Kn., BSPD mengubah namanya menjadi PT Bank Tabungan Pensiunan Nasional Syariah. Perubahan di atas telah mendapat persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Surat Keputusan No. AHU-50529.AH.01.02 Tahun 2013 tanggal 1 Oktober 2013 dan telah diumumkan dalam Berita Negara Republik Indonesia Nomor 94 tahun 2013, tambahan Berita Negara Republik Indonesia No. 124084 tanggal 22 November 2013.

***1. GENERAL INFORMATION** (continued)*

***f. Subsidiaries** (continued)*

***PT BANK BTPN SYARIAH Tbk** (continued)*

Spin off of Sharia Business Unit

On 20 January 2014, the Bank's Extraordinary General Meeting of Shareholders which was notarised by Notarial Deed No. 8 dated 4 July 2014 before Hadijah, S.H., M.Kn., notary in Jakarta approved the spin-off of the sharia business unit of PT Bank Tabungan Pensiunan Nasional Tbk ("UUS BTPN") from PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN"). The spin-off was made with reference to Bank Indonesia Regulation No.11/10/PBI/2009 which has been amended by PBI No. 15/14/PBI/2013 regarding Sharia Business Unit. The establishment has been approved by Bank Indonesia in two stages, i.e. the approval of the conversion permit and spin-off permit.

Conversion of business license

On 22 May 2014, the Subsidiary received its permit from Bank Indonesia regarding conversion of BSPD based on the Decision Letter of Board of Commissioner of Otoritas Jasa Keuangan ("OJK") No.Kep-49/D-03/2014. The permit changed the Subsidiary's business activities from conventional commercial bank to commercial bank which conducts business activities based on sharia principles.

On 23 June 2014, the Subsidiary received its spin-off permit from OJK based on the Letter No: S - 17/PB.1/2014. The spin-off of UUS BTN was made under Spin-off Deed No. 8 dated 4 July 2014 and was notarised by Hadijah, S.H., M.Kn., notary in Jakarta. Furthermore, the spin-off became effective on 14 July 2014 and the Subsidiary started its operational activity based on sharia principles, as reported to Bank Indonesia through its letter No. S.031/DIR/LG/VII/2014 dated 17 July 2014 regarding the Report on the Implementation of the Opening of Sharia Commercial Bank Resulting from the Spin-Off.

Subsidiary's Change of Name

Pursuant to the Notarial Deed No. 25 dated 27 August 2013 juncto Notarial Deed No. 30 dated 25 September 2013 before Hadijah, S.H., M.Kn., BSPD changed its name to PT Bank Tabungan Pensiunan Nasional Syariah. The above change was approved by the Minister of Law and Human Rghts of the Republic of Indonesia through its letter No. AHU-50529.AH.01.02 Year 2013 dated 1 October 2013 and has been published in State Gazette No.94 year 2013, in supplement of the State Gazette No. 124084 dated 22 November 2013.

1. INFORMASI UMUM (lanjutan)

f. Entitas Anak (lanjutan)

PT BANK BTPN SYARIAH Tbk (lanjutan)

Perubahan Nama Entitas Anak (lanjutan)

Entitas Anak mengubah kembali namanya menjadi PT BANK BTPN SYARIAH Tbk sebagaimana didasarkan pada Akta No. 26 tanggal 16 April 2020, yang dibuat di hadapan Ashoya Ratam, S.H., M.Kn., Notaris di Jakarta Selatan, yang telah mendapat persetujuan dari Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Surat No. AHU-0034666.AH. 01.02.TAHUN 2020 tanggal 8 Mei 2020, dan Surat Penerimaan Pemberitahuan Perubahan Anggaran Dasar No. AHU-AH.01.03-0214020 tanggal 8 Mei 2020, dan telah mendapatkan persetujuan Perubahan Nama ini berdasarkan Surat dari Otoritas Jasa Keuangan (OJK) nomor S-66/PB.101/2020 tanggal 4 Juni 2020 perihal Permohonan Penetapan Penggunaan Izin Usaha karena Perubahan Nama PT Bank Tabungan Pensiunan Nasional Syariah Tbk menjadi PT BANK BTPN SYARIAH Tbk dan Salinan Keputusan Deputi Komisioner Pengawas Perbankan I OJK Nomor KEP-99/PB.1/2020 tanggal 4 Juni 2020.

Anggaran Dasar

Setelah menjadi Bank Umum Syariah, Entitas Anak telah melakukan beberapa kali perubahan Anggaran Dasar. Perubahan terakhir Anggaran Dasar Entitas Anak sebagaimana tercantum dalam Akta No. 35 tanggal 21 April 2021, yang dibuat di hadapan Ashoya Ratam, S.H., M.Kn., notaris di Jakarta, penyesuaian dengan POJK No. 14/POJK.04/2019, POJK No. 15/POJK.04/2020 dan POJK No. 16/POJK.04/2020. Akta tersebut telah memperoleh persetujuan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Surat Penerimaan Pemberitahuan Perubahan Anggaran Dasar No. AHU-AH.01.03-0309443 tanggal 17 Mei 2021.

Susunan Direksi, Dewan Komisaris dan Dewan Pengawas Syariah

Susunan terkini Direksi, Dewan Komisaris dan Dewan Pengawas Syariah Entitas anak sebagaimana dituangkan ke dalam Akta Pernyataan Keputusan Rapat Umum Pemegang Saham Tahunan PT BANK BTPN SYARIAH Tbk Nomor 46 tanggal 27 April 2023 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor No. AHU-AH.01.09-0112846 tanggal 27 April 2023 perihal Penerimaan Pemberitahuan Perubahan Data Perseroan PT BANK BTPN SYARIAH Tbk.

***1. GENERAL INFORMATION** (continued)*

***f. Subsidiaries** (continued)*

***PT BANK BTPN SYARIAH Tbk** (continued)*

***Subsidiary's Change of Name** (continued)*

The Subsidiary further changed its name to PT BANK BTPN SYARIAH Tbk pursuant to the Notarial Deed No. 26 dated 16 April 2020, before Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia through its letter No. AHU- 0034666.AH.01.02.TAHUN 2020 dated 8 May 2020 and the Letter of Acceptance of the amendment to the Articles of Association No. No. AHU-AH.01.03-0214020 dated 8 May 2020, The change of name of the BTPNS has been approved based on the letter from the Financial Services Authority ("OJK") number S-66/PB.101/2020 dated 4 June 2020 concerning the determination of the use of Business License on behalf PT Bank Tabungan Pensiunan Nasional Syariah Tbk into PT BANK BTPN SYARIAH Tbk and the Copy of Approval of Deputi Komisioner Pengawas Perbankan I OJK Number KEP-99/PB.1/2020 dated 4 June 2020.

Articles of Association

The Subsidiary's Articles of Association have been amended several times, after becoming Sharia Commercial Bank. The latest amendment to the Articles of Association of the Subsidiary was stated in deed No. 35 dated 21 April 2021, which was notarised by Ashoya Ratam, S.H., M.Kn., notary in Jakarta adjustment to OJK Regulation No. 14/POJK.04/2019, No. 15/POJK.04/2020 and No. 16/POJK.04/2020. The deed was approved by Minister of Law and Human Rights of the Republic of Indonesia through its Letter of Acceptance of the amendment to the Articles of Association No. AHU-AH.01.03-0309443 dated 17 May 2021.

Board of Directors, Board of Commissioners and Sharia Supervisory Board

The latest composition of the Board of Directors, the Board of Commissioners and the Sharia Supervisory Board of the Subsidiary as specified in the Deed of Statement of Resolutions of the Annual General Meeting of Shareholders of PT BANK BTPN SYARIAH Tbk Number 46 dated 27 April 2023 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Law and Human Rights of the Republic of Indonesia No. AHU-AH.01.09-0112846 dated 27 April 2023 regarding Receipt of Notification on the Change of Data of Company of PT BANK BTPN SYARIAH Tbk.

1. INFORMASI UMUM (lanjutan)

f. Entitas Anak (lanjutan)

PT BANK BTPN SYARIAH Tbk (lanjutan)

Maksud dan Tujuan serta Kegiatan Usaha

Sesuai dengan pasal 3 Anggaran Dasar Entitas Anak, maksud dan tujuan serta kegiatan Entitas Anak adalah melakukan kegiatan usaha di bidang perbankan berdasarkan prinsip syariah.

Penawaran Umum Perdana Saham

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) Entitas Anak yang dilakukan melalui surat edaran resolusi pemegang saham pada tanggal 16 November 2017, para pemegang saham menyetujui rencana Penawaran Umum Saham Perdana Biasa kepada masyarakat melalui pasar modal serta melakukan pencatatan saham Bank di Bursa Efek Indonesia. Pada tanggal 25 April 2018, Entitas Anak memperoleh pernyataan efektif dari OJK dengan surat No. S-36/D-04/2018 untuk penawaran umum saham perdana tersebut.

Entitas Anak melakukan penawaran umum perdana atas 770.370.000 saham dengan nilai nominal sebesar Rp 100 (nilai penuh) setiap saham dengan harga penawaran setiap saham sebesar Rp 975 (nilai penuh) kepada masyarakat di Indonesia. Saham tersebut dicatat di Bursa Efek Indonesia pada tanggal 8 Mei 2018. Dana yang diterima oleh Entitas Anak atas penawaran umum perdana adalah sebesar Rp 735.020 (setelah biaya emisi dan pajak).

Atas tambahan saham yang diterbitkan sehubungan dengan penawaran umum perdana Entitas Anak kepada publik, jumlah kepemilikan Bank atas Entitas Anak menurun dari 70% menjadi 63%.

Akuisisi dari kepentingan non-pengendali pada Entitas Anak

Pada tanggal 11 Mei 2018, Bank mengakuisisi 7% saham atas Entitas Anak dengan imbalan pembelian sebesar Rp 550.045. Kepentingan non-pengendali Entitas Anak pada tanggal akuisisi adalah Rp 525.778. Dengan demikian, kepemilikan Bank atas Entitas Anak kembali menjadi 70%. Dampak perubahan atas kepemilikan saham Entitas Anak adalah sebagai berikut:

***1. GENERAL INFORMATION** (continued)*

***f. Subsidiaries** (continued)*

***PT BANK BTPN SYARIAH Tbk** (continued)*

The Objectives and Scope of Activities

In accordance with article 3 of the Subsidiary's Articles of Association, the Subsidiary's objective and scope of activities is to engage in banking industry based on sharia principles.

Initial Public Offering

Pursuant to the Subsidiary's Circular Resolution of the Shareholders in lieu of the Extraordinary General Meeting of Shareholders (EGMS) dated 16 November 2017, the shareholders approved the plan to conduct Initial Public Offering of Ordinary Shares to public through capital market and listing of the Subsidiary's shares at the Indonesia Stock Exchange. On 25 April 2018, the Subsidiary obtained the effective notification from OJK through letter No. S-36/D-04/2018 for this initial public offering.

The Subsidiary undertook an initial public offering of 770,370,000 shares with a nominal value of Rp 100 (full amount) per share with offering price of Rp 975 (full amount) per share to the public in Indonesia. The shares were listed at the Indonesia Stock Exchange on 8 May 2018. The funds received by the Subsidiary from the initial public offering amounting to Rp 735,020 (net of issuance costs and tax).

In relation to the additional shares issued in connection with the initial public offering of the Subsidiary to the public, the Bank's ownership in the Subsidiary decreased from 70% to 63%.

Acquisition of non-controlling interest of Subsidiary

On 11 May 2018, the Bank acquired 7% shares of Subsidiary for a purchase consideration of Rp 550,045. The non-controlling interest in Subsidiary on the date of acquisition was Rp 525,778. Therefore, the Bank's ownership in the Subsidiary became 70%. The effect of changes in the ownership interest of Subsidiary was as follows:

1. INFORMASI UMUM (lanjutan)

f. Entitas Anak (lanjutan)

PT BANK BTPN SYARIAH Tbk (lanjutan)

Akuisisi dari kepentingan non-pengendali pada Entitas Anak (lanjutan)

1. GENERAL INFORMATION *(continued)*

f. Subsidiaries *(continued)*

PT BANK BTPN SYARIAH Tbk *(continued)*

Acquisition of non-controlling interest of Subsidiary *(continued)*

	2018	
Kepentingan non-pengendali yang diakuisisi	525,778	*Non-controlling interest acquired*
Imbalan yang dibayarkan kepada kepentingan non-pengendali	(550,045)	*Consideration paid to non-controlling interest*
Selisih lebih imbalan uang dibayarkan yang diakui pada ekuitas Bank	(24,267)	*Excess of consideration paid as recorded in the Bank's equity*

Dampak transaksi dengan kepentingan non-pengendali pada ekuitas adalah sebagai berikut:

Effects of transactions with non-controlling interests on the equity was as follows:

	2018	
Perubahan pada ekuitas:		*Changes in equity:*
- Dampak atas penawaran umum Perdana	209,242	*Effect on initial public offering*
- Akuisisi saham tambahan pada Entitas Anak	(24,267)	*- Acquisition of additional interest in - Subsidiary*
Dampak bersih pada ekuitas	184,975	*Net effect in equity*

Pembagian dividen tunai oleh Entitas Anak

Entitas Anak membagikan dividen tunai untuk tahun buku 2022 kepada para pemegang saham berdasarkan persetujuan Rapat Umum Pemegang Saham Tahunan yang dilaksanakan pada tanggal 12 April 2023. Adapun jumlah dividen tunai yang dibagikan sebesar Rp 712.535 atau Rp 92,50 (nilai penuh) per saham.

Pada tanggal 12 Mei 2023, PT Kustodian Sentral Efek Indonesia telah melakukan distribusi dividen tunai kepada pemegang saham (pemilik warkat *scriptless*) sesuai daftar pemegang saham pada tanggal 2 Mei 2023.

Entitas Anak telah pula melaksanakan pembagian dividen tunai (warkat *non-scriptless*) kepada PT BANK BTPN Tbk selaku pemegang saham pengendali, atas kepemilikan sebesar 1% yang tidak dicatatkan di Bursa Efek Indonesia pada tanggal 12 Mei 2023.

Adapun *pay-out ratio* atas pembagian dividen tunai keempat adalah maksimal sebesar 40%.

Cash dividend distribution by Subsidiary

The Subsidiary distributed the third cash dividend to its shareholders based on the approval of its Annual General Meeting of Shareholders held on 12 April 2023. The amount of cash dividends distributed was Rp 712,535 or Rp 92.50 (full amount) per share.

On 12 May 2023, PT Kustodian Sentral Efek Indonesia distributed the Subsidiary's cash dividend to shareholders (scriptless Shareholders) according to list of shareholders as of 2 May 2023.

The Subsidiary had also carried out the distribution of cash dividend for non-scriptless shareholders to PT BANK BTPN Tbk as controlling shareholders, for 1% shares ownership that was not registered in the Indonesian Stock Exchange on 12 May 2023.

The pay-out ratio of the fourth distribution of cash dividend is the maximum of 40%.

1. INFORMASI UMUM (lanjutan)

f. Entitas Anak (lanjutan)

PT BANK BTPN SYARIAH Tbk (lanjutan)

Pembagian dividen tunai oleh Entitas Anak (lanjutan)

Entitas Anak membagikan dividen tunai untuk tahun buku 2021 kepada para pemegang saham berdasarkan persetujuan Rapat Umum Pemegang Saham Tahunan yang dilaksanakan pada tanggal 21 April 2022. Adapun jumlah dividen tunai yang dibagikan sebesar Rp 475.625 juta atau Rp 61,75 (nilai penuh) per saham.

Pada tanggal 20 Mei 2022, PT Kustodian Sentral Efek Indonesia telah melakukan distribusi dividen tunai kepada pemegang saham (pemilik warkat *scriptless*) sesuai daftar pemegang saham pada tanggal 11 Mei 2022.

Entitas Anak telah pula melaksanakan pembagian dividen tunai (warkat *non-scriptless*) kepada PT BANK BTPN Tbk selaku pemegang saham pengendali, atas kepemilikan sebesar 1% yang tidak dicatatkan di Bursa Efek Indonesia pada tanggal 20 Mei 2022.

Adapun *pay-out ratio* atas pembagian dividen tunai ketiga adalah maksimal sebesar 32,5%.

PT BTPN SYARIAH VENTURA

PT BTPN SYARIAH VENTURA (BTPNS Ventura) berkantor di Jl. Radio Dalam No.100, Kebayoran Baru, Jakarta Selatan 12140.

Berdasarkan Akta Pendirian Nomor 36 tanggal 21 Oktober 2021 yang dibuat dihadapan Notaris Ashoya Ratam, S.H., Mkn, Notaris di Jakarta dan telah mendapat persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No. AHU-0066702.AH.01.01.Tahun 2021 tanggal 22 Oktober 2021, telah dibentuk entitas anak dari PT BANK BTPN SYARIAH Tbk.

Susunan Pemegang Saham terakhir BTPNS Ventura adalah sebagaimana dituangkan ke dalam Akta No. 10 tanggal 10 Maret 2022 yang dibuat oleh Ashoya Ratam, S.H., M.Kn., notaris di Jakarta dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.03-0158924 tanggal 10 Maret 2022.

***1. GENERAL INFORMATION** (continued)*

***f. Subsidiaries** (continued)*

***PT BANK BTPN SYARIAH Tbk** (continued)*

***Cash dividend distribution by Subsidiary** (continued)*

The Subsidiary distributed the third cash dividend to its shareholders based on the approval of its Annual General Meeting of Shareholders held on 21 April 2022. The amount of cash dividends distributed was Rp 475,625 or Rp 61.75 (full amount) per share.

On 20 May 2022, PT Kustodian Sentral Efek Indonesia distributed the Subsidiary's cash dividend to shareholders (scriptless Shareholders) according to list of shareholders as of 11 May 2022.

The Subsidiary had also carried out the distribution of cash dividend for non-scriptless shareholders to PT BANK BTPN Tbk as controlling shareholders, for 1% shares ownership that was not registered in the Indonesian Stock Exchange on 20 May 2022.

The pay-out ratio of the third distribution of cash dividend is the maximum of 32.5%.

PT BTPN SYARIAH VENTURA

PT BTPN SYARIAH VENTURA (BTPNS Ventura)'s office is located at Jl. Radio Dalam No.100, Kebayoran Baru, Jakarta Selatan 12140.

Based on the Deed of Establishment Number 36 dated 21 October 2021, drawn up before Notary Ashoya Ratam, S.H., Mkn, Notary in Jakarta and has received approval from the Minister of Law and Human Rights of the Republic of Indonesia in Decree No. AHU-0066702.AH.01.01.Year 2021 dated 22 October 2021, a subsidiary of PT BANK BTPN SYARIAH Tbk.

The latest composition of the Shareholders of BTPNS Ventura is as specified in the Deed No. 10 dated 10 March 2022 made by Ashoya Ratam, S.H., M.Kn., notary in Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Ministry of Law and Human Rights of the Republic of Indonesia Number No. AHU-AH.01.03-0158924 dated 10 March 2022.

1. INFORMASI UMUM (lanjutan)

f. Entitas Anak (lanjutan)

PT BTPN SYARIAH VENTURA (lanjutan)

Sedangkan Susunan Dewan Komisaris, Direksi dan Dewan Pengawas Syariah BTPNS Ventura terakhir adalah sebagaimana dituangkan kedalam akta Pernyataan Keputusan diluar Rapat Umum Pemegang Saham nomor 40 tanggal 30 Oktober 2023 yang dibuat oleh Ashoya Ratam, S.H., M.Kn., notaris di Jakarta dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.09-0181484 tanggal 3 November 2023.

BTPNS Ventura telah mendapatkan perijinan operasional dari Otoritas Jasa Keuangan melalui Surat Keputusan Anggota Dewan Komisaris Nomor KEP-23/D.05/2022 tanggal 20 Mei 2022 tentang Pemberian Izin Usaha Perusahaan Modal Ventura Syariah kepada PT BTPN SYARIAH VENTURA dan efektif menjalankan kegiatan operasionalnya pada tanggal 30 Mei 2022.

Tujuan pendirian BTPNS Ventura adalah untuk menunjang kegiatan usaha dan aspirasi Entitas Anak dalam mewujudkan digital ekosistem bagi segmen yang dilayaninya.

BTPNS Ventura merupakan perusahaan yang melakukan kegiatan usaha modal ventura syariah, pengelolaan dana ventura, dan kegiatan usaha lain dengan persetujuan Otoritas terkait yang seluruhnya dilaksanakan berdasarkan prinsip syariah.

***1. GENERAL INFORMATION** (continued)*

***f. Subsidiaries** (continued)*

***PT BTPN SYARIAH VENTURA** (continued)*

Whereas the latest composition of the Board of Commissioners, the Board of Directors and the Sharia Supervisory Board of BTPNS Ventura is as specified in the in the Deed of Circular Resolution of the General Meeting of Shareholders number 40 dated 30 October 2023, made by Ashoya Ratam, S.H., M.Kn., notary in Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Ministry of Law and Human Rights of the Republic of Indonesia Number No. AHU-AH.01.09-0181484 dated 3 November 2023.

BTPNS Ventura has obtained operational permits from the Financial Services Authority by means of letter Number KEP-23/D.05/2022 dated 20 May 2022, regarding the Granting of Business Permit of Sharia Venture Capital Company to PT BTPN SYARIAH VENTURA and effectively carried out its operational activities on 30 May 2022.

The purpose of establishing BTPNS Ventura is to support the business activities and aspiration of the Subsidiary in realizing a digital ecosystem for the segment it served.

BTPNS Ventura is a company that carries out the sharia venture capital business activities, venture fund management, and other business activities upon approval from relevant authorities, all of which are carried out based on sharia principles.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL

Kebijakan-kebijakan akuntansi yang material, yang diterapkan dalam penyusunan laporan keuangan konsolidasian Bank dan Entitas Anaknya (secara bersama-sama disebut "Grup") pada dan untuk tahun-tahun yang berakhir tanggal 31 Desember 2023 dan 2022, adalah sebagai berikut:

a. Pernyataan Kepatuhan

Laporan keuangan konsolidasian Grup disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan ("SAK") di Indonesia.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies, applied in the preparation of the consolidated financial statements of the Bank and its subsidiaries (together referred to as the "Group") as of and for the years ended 31 December 2023 and 2022, are as follows:

a. Statement of Compliance

The consolidated financial statements of the Group has been prepared and presented in accordance with Indonesian Financial Accounting Standards ("SAK").

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

a. Pernyataan Kepatuhan (lanjutan)

Laporan keuangan konsolidasian juga disusun dan disajikan sesuai dengan peraturan Badan Pengawas Pasar Modal dan Lembaga Keuangan ("BAPEPAM-LK" yang fungsinya dialihkan kepada OJK sejak tanggal 1 Januari 2013) No. VIII.G.7 yang merupakan lampiran keputusan ketua BAPEPAM-LK No. KEP 347/BL/2012 tanggal 25 Juni 2012 tentang "Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik".

Laporan keuangan konsolidasian ini yang merupakan konsolidasian dari laporan keuangan Grup telah disetujui untuk diterbitkan oleh direksi pada tanggal 22 Februari 2024.

Laporan keuangan konsolidasi ini disajikan dalam bahasa Indonesia dan Inggris. Dalam hal terdapat perbedaan penafsiran akibat penerjemahan bahasa, maka yang digunakan sebagai acuan adalah dalam Bahasa Indonesia.

b. Dasar Penyusunan Laporan Keuangan Konsolidasian

Laporan keuangan konsolidasian ini disajikan dalam Rupiah, yang merupakan mata uang fungsional Grup. Kecuali dinyatakan secara khusus, informasi keuangan yang disajikan telah dibulatkan menjadi jutaan Rupiah terdekat.

Laporan keuangan konsolidasian disusun atas basis akrual dengan menggunakan konsep nilai historis, kecuali jika standar akuntansi mensyaratkan pengukuran nilai wajar.

Laporan arus kas konsolidasian menyajikan perubahan dalam kas dan setara kas dari aktivitas operasi, investasi dan pendanaan. Laporan arus kas disusun dengan metode langsung. Untuk tujuan laporan arus kas, kas dan setara kas meliputi kas, giro pada Bank Indonesia, giro pada bank-bank lain, penempatan pada Bank Indonesia dan bank-bank lain, dan efek-efek yang jatuh tempo dalam waktu tiga bulan sejak tanggal perolehan, sepanjang tidak digunakan sebagai jaminan atas pinjaman yang diterima serta tidak dibatasi penggunaannya.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***a. Statement of Compliance** (continued)*

These consolidated financial statements have also been prepared and presented in accordance with Capital Market and Financial Institutions Supervisory Agency ("BAPEPAM-LK", whose function has been transferred to OJK starting 1 January 2013) rule No. VIII.G.7, Appendix of the Decree of the Chairman of the BAPEPAM-LK No. KEP-347/BL/2012 dated 25 June 2012 regarding "Financial Statements Presentation and Disclosure of the Issuer or Public Company".

These consolidated financial statements which represent the consolidation of the financial statements of the Group, were authorized for issuance by the Board of Directors on 22 February 2024.

These consolidated financial statements are presented in Indonesian and English languages. Should there be any difference in interpretation due to translation, the Indonesian version shall prevail.

b. Basis for Preparation of Consolidated Financial Statements

Figures in these consolidated financial statements are presented in Rupiah, which is the Group's functional currency. Unless otherwise stated, financial information presented in Rupiah has been rounded to the nearest million.

The consolidated financial statements have been prepared on the accrual basis using the historical cost concept, except where the accounting standards require fair value measurement.

The consolidated statements of cash flows present the changes in cash and cash equivalents from operating, investing and financing activities. The statements of cash flows are prepared using the direct method. For the purpose of the statements of cash flows, cash and cash equivalents consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, and securities that mature within three months from the date of acquisition, as long as they are not being pledged as collateral for borrowings nor restricted.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

c. Penggunaan pertimbangan dan estimasi

Penyusunan laporan keuangan konsolidasian sesuai dengan SAK di Indonesia mengharuskan manajemen untuk membuat pertimbangan dan estimasi yang mempengaruhi penerapan kebijakan akuntansi dan jumlah aset, liabilitas, pendapatan dan beban yang dilaporkan. Walaupun estimasi ini dibuat berdasarkan pengetahuan terbaik manajemen atas kejadian dan kegiatan saat ini, hasil aktual dapat berbeda dari estimasi tersebut.

Estimasi dan asumsi yang digunakan ditelaah secara berkesinambungan. Revisi atas estimasi akuntansi diakui pada periode dimana estimasi tersebut direvisi dan periode-periode yang akan datang yang dipengaruhi oleh revisi estimasi tersebut.

Informasi mengenai hal-hal penting yang terkait dengan ketidakpastian estimasi dan pertimbangan-pertimbangan penting dalam penerapan kebijakan akuntansi yang memiliki dampak yang signifikan terhadap jumlah yang diakui dalam laporan keuangan konsolidasian dijelaskan di Catatan 3.

d. Perubahan kebijakan akuntansi

Berikut ini adalah standar dan interpretasi standar yang berlaku efektif tanggal 1 Januari 2023, memiliki pengaruh atas laporan keuangan konsolidasian Grup, dan mungkin akan membutuhkan penerapan secara retrospektif sebagaimana diatur dalam PSAK 25, "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan":

- Amandemen PSAK 1 "Penyajian Laporan Keuangan: Pengungkapan Kebijakan Akuntansi"
- Amandemen PSAK 25 "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan terkait: Definisi Estimasi Akuntansi"
- Amandemen PSAK 46 "Pajak Penghasilan tentang: Pajak Tangguhan: Aset dan Liabilitas yang Timbul dari Transaksi Tunggal"
- Amandemen PSAK 46 "Pajak Penghasilan tentang: Reformasi Pajak Internasional - Model Pilar Dua"

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

c. Use of judgments and estimates

The preparation of consolidated financial statements in conformity with SAK requires management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and activities, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the periods in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have significant effect on the amount recognized in the consolidated financial statements are described in Note 3.

d. Changes in accounting policies

The following standards and interpretation of standards became effective on 1 January 2023, have an effect on the Group's consolidated financial statements, and may require retrospective application under PSAK 25, "Accounting Policies, Changes in Accounting Estimates, and Errors":

- *Amendments to PSAK 1 "Presentation of Financial Statements: Disclosure of Accounting Policies"*
- *Amendments to PSAK 25 "Accounting Policies, Changes in Accounting Estimates, and Errors: Definition of Accounting Estimates"*
- *Amendments to PSAK 46 "Income Tax: Deferred Tax: Assets and Liabilities from Single Transaction"*
- *Amendments to PSAK 46 "Income Tax: International Tax Reform - Pillar Two Model Rules"*

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

d. Perubahan kebijakan akuntansi (lanjutan)

Penerapan standar akuntansi yang disebutkan di atas tidak memiliki dampak yang signifikan terhadap laporan keuangan konsolidasian.

Terkait Amandemen PSAK 46 "Pajak Tangguhan terkait aset dan liabilitas yang timbul dari transaksi tunggal", Bank mengakui aset pajak tangguhan tersendiri sehubungan dengan liabilitas sewa dan kewajiban pajak tangguhan sehubungan dengan aset hak guna nya. Namun, tidak ada dampak pada laporan posisi keuangan konsolidasian karena saldo memenuhi syarat untuk saling hapus sesuai PSAK 46. Lihat catatan 13f untuk mengetahui dampak penerapan amandemen tersebut.

e. Penjabaran Transaksi dan Saldo dalam Valuta Asing

Transaksi-transaksi dalam valuta asing dijabarkan ke dalam Rupiah, yang merupakan mata uang fungsional Grup, dengan menggunakan kurs pada tanggal transaksi.

Saldo akhir tahun aset moneter dan liabilitas moneter dalam valuta asing dijabarkan ke dalam Rupiah dengan menggunakan kurs pada tanggal laporan (penutupan) yang ditetapkan oleh Bank Indonesia, yaitu kurs tengah yang merupakan rata-rata kurs beli dan kurs jual berdasarkan Reuters pada pukul 16.00 WIB.

Kurs valuta asing utama yang digunakan pada tanggal pelaporan adalah sebagai berikut (nilai penuh):

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***d. Changes in accounting policies** (continued)*

The implementation of the above-mentioned accounting standards did not have significant impacts to the consolidated financial statements.

With regards to Amendments to PSAK 46 "Deferred Tax related to Assets and Liabilities arising from a single transaction", the Bank has recognised a separate deferred tax asset in relation to its lease liabilities and deferred tax liability in relation to its right-of-use assets. However, there was no impact on the consolidated statement of financial position because the balances qualify for offset under PSAK 46. See note 13f for the impact of adopting the amendments.

e. Foreign Currency Transactions and Balances Translation

Transactions in foreign currencies are translated into Rupiah, the Group's functional currency, at the exchange rates prevailing at the transaction date.

Year-end balances monetary assets and liabilities denominated in foreign currencies are translated into Rupiah using exchange rate as of the reporting date (closing) as determined by Bank Indonesia, i.e. middle rates which are the average of buying rates and selling rates per Reuters at 16.00 WIB.

The major exchange rates used as of the reporting date were as follows (full amount):

	31 Desember/*December*		
	2023	**2022**	
1 Dolar Amerika Serikat (USD)	15,397.00	15,567.50	*1 United States Dollar (USD)*
1 Dolar Australia (AUD)	10,520.77	10,557.88	*1 Australian Dollar (AUD)*
1 Dolar Singapura (SGD)	11,676.34	11,592.88	*1 Singapore Dollar (SGD)*
1 Dolar Hong Kong (HKD)	1,970.73	1,996.55	*1 Hong Kong Dollar (HKD)*
1 Poundsterling Inggris (GBP)	19,626.56	18,786.09	*1 British Poundsterling (GBP)*
1 Yen Jepang (JPY)	108.88	117.81	*1 Japanese Yen (JPY)*
1 Euro (EUR)	17,038.32	16,581.72	*1 Euro (EUR)*

Keuntungan dan kerugian selisih kurs yang timbul dari transaksi dalam valuta asing dan dari penjabaran aset moneter dan liabilitas moneter dalam valuta asing diakui pada laba rugi.

The exchange gains and losses arising from transactions in foreign currencies and from the translation of monetary assets and monetary liabilities denominated in foreign currencies are recognized in profit or loss.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

e. Penjabaran Transaksi dan Saldo dalam Valuta Asing (lanjutan)

Laba atau rugi kurs valuta asing atas aset dan liabilitas moneter merupakan selisih antara biaya perolehan diamortisasi dalam Rupiah pada awal tahun, disesuaikan dengan tingkat suku bunga efektif dan pembayaran selama tahun berjalan, dan biaya perolehan diamortisasi dalam valuta asing yang dijabarkan ke dalam Rupiah dengan menggunakan kurs pada akhir tahun.

f. Prinsip Konsolidasi

Laporan keuangan konsolidasian mencakup laporan keuangan Bank dan entitas anak.

Suatu pengendalian atas entitas anak dianggap ada bilamana Bank terekspos atau memiliki hak atas imbal hasil variabel dari keterlibatannya dengan entitas anak dan memiliki kemampuan untuk mempengaruhi imbal hasil tersebut melalui kekuasaannya atas entitas anak. Bank akan menilai kembali apakah memiliki kendali jika ada perubahan atas satu atau lebih unsur pengendalian. Ini termasuk situasi dimana hak protektif yang dimiliki (seperti yang dihasilkan dari hubungan pinjaman) menjadi substantif dan mengakibatkan Bank memiliki kekuasaan atas entitas anak.

Laporan keuangan dari entitas anak dimasukkan ke dalam laporan keuangan konsolidasian sejak tanggal pengendalian dimulai sampai dengan tanggal pengendalian berakhir.

Ketika Bank kehilangan kendali atas entitas anak, Bank menghentikan pengakuan aset dan liabilitas entitas anak, dan kepentingan non-pengendali terkait dan komponen ekuitas lainnya. Laba atau rugi yang timbul diakui dalam laba rugi. Kepentingan yang dipertahankan di entitas anak sebelumnya diukur sebesar nilai wajar ketika pengendalian hilang.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

e. Foreign Currency Transactions and Balances Translation *(continued)*

The foreign currency gains or losses on monetary assets and liabilities are the difference between amortized cost in Rupiah at the beginning of the year, adjusted for effective interest rate and payments during the year, and the amortized cost in foreign currency translated into Rupiah using the exchange rate at the end of the year.

f. Basis of Consolidation

The consolidated financial statements include the accounts of the Bank and its subsidiaries.

Control over a subsidiary is presumed to exist if the Bank is exposed to, or has rights to, variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries. The Bank reassesses whether it has control if there are changes to one or more of the elements of the control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Bank having power over a subsidiary.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

When the Bank loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when the control is lost.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

f. Prinsip Konsolidasi (lanjutan)

Seluruh transaksi dan saldo antar perusahaan dieliminasi dalam laporan keuangan konsolidasian, sehingga laporan keuangan konsolidasian hanya mencakup transaksi dan saldo dengan pihak lain.

Akuisisi entitas anak oleh Bank dicatat dengan menggunakan metode akuisisi. Biaya perolehan akuisisi diukur pada nilai wajar aset yang diberikan, instrumen ekuitas yang diterbitkan, liabilitas yang terjadi atau diambil dan penyesuaian harga beli kontinjensi, jika ada, pada tanggal transaksi. *Goodwill* yang timbul dari akuisisi entitas anak diuji penurunan nilainya minimal secara tahunan. Keuntungan yang dihasilkan atas pembelian dengan diskon diakui langsung pada laba rugi. Biaya-biaya transaksi yang timbul dari akuisisi entitas anak dibebankan langsung pada laba rugi tahun berjalan.

Kepentingan non-pengendali diakui pada tanggal kombinasi bisnis dan selanjutnya disesuaikan dengan proporsi atas perubahan aset bersih teridentifikasi entitas anak.

Perubahan dalam bagian kepemilikan Bank pada entitas anak yang tidak mengakibatkan hilangnya pengendalian diperlakukan sebagai transaksi antara pemegang ekuitas dan dicatat sebagai transaksi ekuitas.

Kepentingan non-pengendali disajikan di ekuitas dalam laporan posisi keuangan konsolidasian dan dinyatakan sebesar proporsi pemegang saham non-pengendali atas laba tahun berjalan dan ekuitas entitas anak tersebut berdasarkan persentase kepemilikan pemegang saham non-pengendali pada entitas anak tersebut.

g. Transaksi dengan Pihak-pihak Berelasi

Dalam laporan keuangan konsolidasian ini, istilah pihak-pihak berelasi digunakan sesuai dengan PSAK No. 7 mengenai "Pengungkapan Pihak-pihak Berelasi".

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***f. Basis of Consolidation** (continued)*

All inter-company transactions and balances are eliminated in the consolidated financial statements; accordingly, the consolidated financial statements include only transactions and balances with other parties.

The acquisition method is used to account for the acquisition of subsidiary by the Bank. The cost of acquisition is measured at the fair value of the assets given, equity instruments issued, liabilities incurred or assumed and contingent consideration, if any, at the transaction date. Goodwill arising from the acquisition of subsidiary is tested at least annually for impairment. Any gain on bargain purchase is recognized in profit or loss immediately. Transaction costs incurred in the acquisition of Subsidiary are directly expensed in the current year profit or loss.

Non-controlling interest is recognized at the date of initial business combination and subsequently adjusted by proportion of change in identifiable net assets of subsidiaries.

Changes in ownership interest in subsidiary that do not result in a loss of control are treated as transaction between equity holders and are accounted for as equity transactions.

Non-controlling interest is presented as part of equity in the consolidated statements of financial position and represents the non-controlling shareholders' proportionate share in the net income for the year and equity of the subsidiary based on the percentage of ownership of the non-controlling shareholders in the subsidiary.

g. Transactions with Related Parties

In these consolidated financial statements, the term related parties is used as defined in PSAK No. 7 regarding "Related Party Disclosures".

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

h. Aset Keuangan dan Liabilitas Keuangan

Aset keuangan Grup terdiri dari kas, giro pada Bank Indonesia, giro pada bank-bank lain, penempatan pada Bank Indonesia dan bank-bank lain, efek-efek, tagihan derivatif, tagihan akseptasi, pinjaman yang diberikan, pembiayaan/piutang syariah, penyertaan saham dan tagihan lainnya (yang disajikan sebagai bagian dari aset lain-lain).

Liabilitas keuangan Grup terdiri dari liabilitas segera, simpanan dari nasabah, simpanan dari bank-bank lain, liabilitas derivatif, liabilitas akseptasi, efek-efek yang diterbitkan, pinjaman yang diterima, akrual, liabilitas sewa, pinjaman subordinasi, dan liabilitas lain-lain.

h.1. Klasifikasi

Aset keuangan

Bank mengklasifikasikan aset keuangannya ke dalam kategori sebagai berikut pada saat pengakuan awal:

i. Biaya perolehan diamortisasi;

ii. Nilai wajar melalui penghasilan komprehensif lain (“FVOCI”);

iii. Nilai wajar melalui laba rugi (“FVTPL”)

Aset keuangan diklasifikasikan ke dalam salah satu dari kategori ini pada saat pengakuan awal berdasarkan model bisnis dimana aset keuangan tersebut dimiliki serta karakteristik arus kas kontraktualnya. Model bisnis merefleksikan bagaimana kelompok aset keuangan dikelola untuk mencapai tujuan bisnis tertentu.

Aset keuangan diukur dengan biaya perolehan diamortisasi hanya jika memenuhi kedua kondisi berikut dan tidak ditetapkan sebagai FVTPL:

- Aset keuangan dikelola dalam model bisnis yang bertujuan untuk memiliki aset keuangan untuk tujuan mendapatkan arus kas kontraktual (*hold to collect*); dan

- Persyaratan kontraktual dari aset keuangan yang pada tanggal tertentu menghasilkan arus kas yang merupakan pembayaran pokok dan bunga semata dari jumlah pokok terutang.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

h. Financial Assets and Financial Liabilities

The Group’s financial assets consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, securities, derivative receivables, acceptance receivables, loans, sharia financing/receivables, investment in shares and other receivables (presented as part of other assets).

The Group’s financial liabilities consist of obligations due immediately, deposits from customers, deposits from other banks, derivative payables, acceptance payables, securities issued, borrowings, accruals, lease liabilities, subordinated loans, and other liabilities.

h.1. Classification

Financial assets

The Bank classified its financial assets into the following categories on initial recognition:

i. At amortized cost;

ii. Fair value through other comprehensive income (“FVOCI”);

iii. Fair value through profit or loss (“FVTPL”)

Financial asset is classified into one of these categories on initial recognition based on the business model within which it is held, and its contractual cash flow characteristics. The business model reflects how groups of financial assets are managed to achieve a particular business objective.

A financial asset is measured at amortized cost only if it meets both of the following conditions and is not designated as at FVTPL:

- *The financial asset is held within a business model whose objective is to hold the asset to collect contractual cash flows (hold to collect); and*

- *Its contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

h. Aset Keuangan dan Liabilitas Keuangan (lanjutan)

h.1. Klasifikasi (lanjutan)

Aset keuangan (lanjutan)

Aset keuangan diukur pada FVOCI hanya jika memenuhi kedua kondisi berikut dan tidak ditetapkan sebagai FVTPL:

- Aset keuangan dikelola dalam model bisnis yang bertujuan untuk mendapatkan arus kas kontraktual dan menjual aset keuangan (*hold to collect and sell*); dan
- Persyaratan kontraktual dari aset keuangan yang pada tanggal tertentu menghasilkan arus kas yang merupakan pembayaran pokok dan bunga semata dari jumlah pokok terutang.

Seluruh aset keuangan yang tidak diklasifikasikan sebagai diukur dengan biaya perolehan diamortisasi atau FVOCI sebagaimana ketentuan di atas diukur dengan FVTPL.

Aset keuangan tidak direklasifikasi setelah pengakuan awal, kecuali dalam periode setelah Bank mengubah model bisnis yang mengelola aset keuangan.

Penilaian model bisnis

Model bisnis Bank ditentukan pada level yang mencerminkan bagaimana kelompok aset keuangan dikelola bersama-sama untuk mencapai tujuan bisnis tertentu. Model bisnis Bank tidak bergantung pada intensi manajemen untuk instrumen individu. Sejalan dengan hal tersebut, kondisi ini bukan merupakan pendekatan instrumen-per-instrumen untuk klasifikasi dan ditentukan pada level agregasi yang lebih tinggi yaitu pada level portfolio.

Model bisnis Bank mengacu pada pengelolaan aset keuangan untuk menghasilkan arus kas. Arus kas akan dihasilkan dari memperoleh arus kas kontraktual, menjual aset keuangan atau keduanya. Penilaian ini tidak dilakukan atas dasar skenario bahwa Bank tidak mengharapkan terjadinya skenario "kondisi terburuk" atau skenario "kondisi stres". Dalam kondisi Bank menjual portofolio aset keuangan tertentu dalam skenario kondisi terburuk, skenario itu tidak akan mempengaruhi penilaian terhadap model bisnis untuk aset tersebut jika Bank secara wajar mengharapkan bahwa skenario seperti itu tidak akan terjadi.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***h. Financial Assets and Financial Liabilities** (continued)*

***h.1. Classification** (continued)*

***Financial assets** (continued)*

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- *The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset (hold to collect and sell); and*
- *Its contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

Business model assessment

The Bank's business model is defined at a level that reflects how group of financial assets are managed together to achieve certain business objectives. The Bank's model does not depend on management's intention for individual instruments. Accordingly, this condition is not an instrument-by-instrument approach to classification and is determined at a higher level of aggregation, which is at portfolio level.

The Bank's business model refers to managing financial assets to generate cash flows. Cash flows will result from obtaining contractual cash flows, selling financial assets or both. This assessment is not made based on a scenario where the Bank does not expect a "worst condition" scenario or a "stress condition" scenario to occur. In a situation where the Bank sells certain portfolios of financial assets in a worst-case scenario, that scenario will not affect the assessment of the business model for that asset if the Bank reasonably expects that such a scenario will not occur.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

h. Aset Keuangan dan Liabilitas Keuangan (lanjutan)

h.1. Klasifikasi (lanjutan)

Aset keuangan (lanjutan)

Penilaian model bisnis (lanjutan)

Akan tetapi, ketika Bank menilai model bisnis untuk aset keuangan yang baru diterbitkan atau baru dibeli, Bank harus mempertimbangkan informasi tentang bagaimana arus kas direalisasikan di masa lalu, bersama dengan semua informasi yang relevan lainnya.

Model bisnis untuk mengelola aset keuangan adalah kenyataan dan bukan hanya sebuah asersi. Hal ini biasanya diobservasi melalui aktivitas yang dilakukan Bank untuk mencapai tujuan dari model bisnis. Bank mempertimbangkan semua bukti yang relevan yang tersedia pada tanggal penilaian. Bukti yang relevan tersebut termasuk, tetapi tidak terbatas pada:

- kebijakan dan tujuan yang dinyatakan untuk portofolio dan pengoperasian kebijakan tersebut dalam praktiknya. Secara khusus, apakah strategi manajemen berfokus pada menghasilkan pendapatan bunga kontraktual, mempertahankan profil suku bunga tertentu, mencocokkan durasi aset keuangan dengan durasi liabilitas yang mendanai aset tersebut atau mewujudkan arus kas melalui penjualan aset;

- bagaimana kinerja portofolio dievaluasi dan dilaporkan kepada personil manajemen kunci Bank;

- risiko yang memengaruhi kinerja dari model bisnis (dan aset keuangan yang dimiliki dalam model bisnis tersebut) dan strategi mengenai bagaimana risiko tersebut dikelola; dan

- bagaimana manajer bisnis dikompensasi (sebagai contoh, apakah kompensasi berdasarkan nilai wajar dari aset yang dikelola atau arus kas kontraktual yang diperoleh).

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***h. Financial Assets and Financial Liabilities** (continued)*

***h.1. Classification** (continued)*

***Financial assets** (continued)*

Business model assessment (continued)

However, when the Bank assesses the business model for newly issued or recently purchased financial assets, it must consider information about how cash flows were realized in the past, along with all other relevant information.

The business model for managing financial assets is a reality and not just an assertion. This is usually observed through the activities the entity carries out to achieve the objectives of the business model. The Bank considers all relevant evidence available at the valuation date. The relevant evidence includes, but is not limited to:

- *the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focusses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through sale of the assets;*

- *how the performance of the portfolio is evaluated and reported to key management personnel of the Bank;*

- *the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed; and*

- *how the business manager is compensated (for example, whether the compensation is based on the fair value of assets under management or the contractual cash flows obtained).*

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

h. Aset Keuangan dan Liabilitas Keuangan (lanjutan)

h.1. Klasifikasi (lanjutan)

Aset keuangan (lanjutan)

Penilaian apakah arus kas kontraktual hanya merupakan pembayaran pokok dan bunga semata (SPPI)

Untuk tujuan penilaian ini, 'pokok' didefinisikan sebagai nilai wajar dari aset keuangan pada pengakuan awal. 'Bunga' didefinisikan sebagai imbalan untuk nilai waktu atas uang dan untuk risiko kredit yang terkait dengan jumlah pokok yang terutang selama periode waktu tertentu dan untuk risiko dan biaya pinjaman dasar lainnya (misalnya risiko likuiditas dan biaya administrasi), serta marjin keuntungan.

Dalam menilai apakah arus kas kontraktual adalah SPPI, Bank mempertimbangkan ketentuan kontraktual instrumen tersebut. Hal ini termasuk menilai apakah aset keuangan mengandung ketentuan kontraktual yang dapat mengubah waktu atau jumlah arus kas kontraktual sehingga tidak memenuhi kondisi ini. Dalam melakukan penilaian, Bank mempertimbangkan:

- Peristiwa kontinjensi yang akan mengubah jumlah dan waktu arus kas;
- Fitur *leverage*;
- Ketentuan percepatan pelunasan dan perpanjangan;
- Ketentuan yang membatasi klaim Bank atas arus kas dari aset tertentu (seperti pinjaman *non-recourse*); dan
- Fitur yang memodifikasi imbalan dari nilai waktu atas uang (seperti penetapan ulang suku bunga berkala).

Liabilitas keuangan

Liabilitas keuangan diklasifikasikan ke dalam kategori pengukuran sebagai berikut pada saat pengakuan awal berdasarkan sifat dan tujuannya:

i. Diukur pada nilai wajar melalui laba rugi, yang memiliki 2 (dua) sub-klasifikasi, yaitu liabilitas keuangan yang ditetapkan demikian pada saat pengakuan awal dan liabilitas keuangan yang diklasifikasikan dalam kelompok diperdagangkan;

ii. Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***h. Financial Assets and Financial Liabilities** (continued)*

***h.1. Classification** (continued)*

***Financial assets** (continued)*

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- *Contingent events that would change the amount and timing of cash flows;*
- *Leverage features;*
- *Prepayment and extension terms;*
- *Terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse loans); and*
- *Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).*

Financial liabilities

Financial liabilities are classified into the following measurement categories at initial recognition based on their nature and purpose:

i. Fair value through profit or loss, which has 2 (two) sub-classifications, i.e. financial liabilities designated as such upon initial recognition and financial liabilities classified as held for trading;

ii. Financial liabilities measured at amortized cost.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

h. Aset Keuangan dan Liabilitas Keuangan (lanjutan)

h.1. Klasifikasi (lanjutan)

Liabilitas keuangan (lanjutan)

Liabilitas keuangan diklasifikasikan sebagai diperdagangkan jika diperoleh atau dimiliki terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat atau jika merupakan bagian dari portofolio instrumen keuangan tertentu yang dikelola bersama dan terdapat bukti mengenai pola ambil untung dalam jangka pendek (*short-term profit-taking*) yang terkini. Derivatif diklasifikasikan sebagai instrumen diperdagangkan kecuali ditetapkan dan efektif sebagai instrumen lindung nilai.

Keuntungan dan kerugian yang timbul dari perubahan nilai wajar liabilitas keuangan diakui dalam laba rugi tahun berjalan.

Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi terdiri dari liabilitas keuangan non-derivatif yang tidak dimiliki Bank untuk diperdagangkan dan tidak ditetapkan pada nilai wajar melalui laba rugi.

h.2. Pengakuan

Pada saat pengakuan awal, aset keuangan atau liabilitas keuangan diukur pada nilai wajar ditambah/dikurangi (untuk instrumen keuangan yang tidak diukur pada nilai wajar melalui laba rugi setelah pengakuan awal) biaya transaksi yang dapat diatribusikan secara langsung atas perolehan aset keuangan atau penerbitan liabilitas keuangan. Pengukuran aset keuangan dan liabilitas keuangan setelah pengakuan awal tergantung pada klasifikasi aset keuangan dan liabilitas keuangan tersebut.

Biaya transaksi hanya meliputi biaya-biaya yang dapat diatribusikan secara langsung untuk perolehan suatu aset keuangan atau penerbitan suatu liabilitas keuangan dan merupakan biaya tambahan yang tidak akan terjadi apabila instrumen keuangan tersebut tidak diperoleh atau diterbitkan. Untuk aset keuangan, biaya transaksi ditambahkan pada jumlah yang diakui pada awal pengakuan aset, sedangkan untuk liabilitas keuangan, biaya transaksi dikurangkan dari jumlah utang yang diakui pada awal pengakuan liabilitas. Biaya transaksi tersebut diamortisasi selama umur instrumen berdasarkan metode suku bunga efektif dan dicatat sebagai bagian dari pendapatan bunga untuk biaya transaksi sehubungan dengan aset keuangan atau sebagai bagian dari beban bunga untuk biaya transaksi sehubungan dengan liabilitas keuangan.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***h. Financial Assets and Financial Liabilities** (continued)*

***h.1. Classification** (continued)*

***Financial liabilities** (continued)*

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorised as held for trading instrument unless they are designated and effective as hedging instruments.

Gains and losses arising from changes in fair value of financial liabilities are recognized in current year profit or loss.

Financial liabilities measured at amortized cost consist of non-derivative financial liabilities that are not held for trading purpose and not designated at fair value through profit or loss.

h.2. Recognition

A financial asset or financial liability is initially measured at fair value plus/less (for financial instruments not subsequently measured at fair value through profit or loss) transaction costs that are directly attributable to the acquisition of a financial asset or issuance of a financial liability. The subsequent measurement of financial assets and financial liabilities depends on their classification.

Transaction costs include only those costs that are directly attributable to the acquisition of a financial asset or issuance of a financial liability and are incremental costs that would not have been incurred if the instrument had not been acquired or issued. In the case of financial assets, transaction costs are added to the amount recognized initially, while for financial liabilities, transaction costs are deducted from the amount of debt recognized initially. Such transaction costs are amortized over the terms of the instruments based on the effective interest method and are recorded as part of interest income for transaction costs related to financial assets or interest expense for transaction costs related to financial liabilities.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

h. Aset Keuangan dan Liabilitas Keuangan (lanjutan)

h.2. Pengakuan (lanjutan)

Grup pada awalnya mengakui pinjaman/pembiayaan yang diberikan dan simpanan pada tanggal perolehan.

Pembelian dan penjualan aset keuangan yang lazim (reguler) diakui pada tanggal perdagangan dimana Grup memiliki komitmen untuk membeli atau menjual aset tersebut.

Semua aset dan liabilitas keuangan lainnya pada awalnya diakui pada tanggal perdagangan dimana Grup menjadi suatu pihak dalam ketentuan kontraktual instrumen tersebut.

h.3. Biaya perolehan diamortisasi dan nilai tercatat bruto

'Biaya perolehan diamortisasi' aset keuangan atau liabilitas keuangan merupakan suatu nilai dimana aset keuangan atau liabilitas keuangan diukur pada saat pengakuan awal dikurangi pembayaran pokok, ditambah atau dikurangi amortisasi kumulatif menggunakan metode suku bunga efektif atas selisih antara nilai awal dan nilai jatuh temponya dan, untuk aset keuangan, disesuaikan dengan cadangan kerugian penurunan nilai. 'Nilai tercatat bruto aset keuangan' merupakan biaya perolehan diamortisasi aset keuangan sebelum dikurangi cadangan kerugian penurunan nilai.

h.4. Penghentian pengakuan

Grup menghentikan pengakuan aset keuangan pada saat hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut kadaluwarsa, atau Grup mentransfer seluruh hak untuk menerima arus kas kontraktual dari aset keuangan dalam transaksi dimana Grup secara substansial telah mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan yang ditransfer. Setiap hak atau liabilitas atas aset keuangan yang ditransfer yang timbul atau yang masih dimiliki oleh Grup diakui sebagai aset atau liabilitas secara terpisah.

Grup menghentikan pengakuan liabilitas keuangan pada saat liabilitas yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kadaluwarsa.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***h. Financial Assets and Financial Liabilities** (continued)*

***h.2. Recognition** (continued)*

The Group initially recognizes loans/financing and deposits on the date of origination.

Regular way purchases and sales of financial assets are recognized on the trade date at which the Group commits to purchase or sell those assets.

All other financial assets and liabilities are initially recognized on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

h.3. Amortized cost and gross carrying amount

The 'amortized cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest methof of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any allowance for impairment losses. The 'gross carrying amount of financial asset' is the amortized cost of a financial asset before adjusting for any allowance for impairment losses.

h.4. Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Group transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

h. Aset Keuangan dan Liabilitas Keuangan (lanjutan)

h.4. Penghentian pengakuan (lanjutan)

Dalam transaksi dimana Grup secara substansial tidak memiliki atau tidak mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan, Grup menghentikan pengakuan aset tersebut jika Grup tidak lagi memiliki pengendalian atas aset tersebut. Hak dan kewajiban yang masih dimiliki dalam transfer tersebut diakui secara terpisah sebagai aset atau liabilitas. Dalam transfer dimana pengendalian atas aset masih dimiliki, Grup tetap mengakui aset yang ditransfer tersebut sebesar keterlibatan berkelanjutan, dimana tingkat keberlanjutan Grup dalam aset yang ditransfer adalah sebesar perubahan nilai aset yang ditransfer.

Grup menghapusbukukan aset keuangan dan cadangan kerugian penurunan nilai terkait, pada saat Grup menentukan bahwa aset keuangan tersebut tidak dapat ditagih. Keputusan ini diambil setelah mempertimbangkan informasi seperti telah terjadinya perubahan signifikan pada posisi keuangan debitur/penerbit aset keuangan sehingga debitur/penerbit aset keuangan tidak lagi dapat melunasi kewajibannya, atau hasil penjualan agunan tidak akan cukup untuk melunasi seluruh eksposur kredit yang diberikan.

h.5. Saling hapus

Aset keuangan dan liabilitas keuangan disalinghapuskan dan jumlah netonya dilaporkan pada laporan posisi keuangan konsolidasian ketika terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan adanya niat untuk menyelesaikan liabilitas secara bersamaan. Hak saling hapus tidak kontinjen atas peristiwa di masa depan dan dapat dipaksakan secara hukum dalam situasi bisnis yang normal dan dalam peristiwa gagal bayar, atau peristiwa kepailitan atau kebangkrutan Grup atau pihak lawan.

Pendapatan dan beban disajikan dalam jumlah bersih hanya jika diperkenankan oleh standar akuntansi.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***h. Financial Assets and Financial Liabilities** (continued)*

***h.4. Derecognition** (continued)*

In transactions in which the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, the Group derecognizes the asset if it does not retain control over the asset. The rights and obligations retained in the transfer are recognized separately as assets and liabilities as appropriate. In transfers in which control over the asset is retained, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Group writes off a financial asset and any related allowance for impairment losses, when the Group determines that the financial asset is uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the financial position of borrower/financial asset's issuer such that the borrower/financial asset's issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the credit exposure.

h.5. Offsetting

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default insolvency or bankruptcy of the Group or the counterparty.

Income and expenses are presented on a net basis only when permitted by accounting standards.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

i. Cadangan kerugian penurunan nilai aset keuangan

i.1. Aset keuangan yang dicatat pada biaya perolehan diamortisasi

Dalam mengestimasi cadangan kerugian penurunan nilai atas aset keuangan, Bank telah menerapkan PSAK 71 sejak tanggal 1 Januari 2020. PSAK 71 mengharuskan cadangan kerugian diakui sebesar kerugian kredit ekspektasian ("KKE") 12 bulan atau kerugian kredit ekspektasian sepanjang umur aset keuangan (KKE *lifetime*). KKE *lifetime* adalah kerugian ekspektasian yang berasal dari semua kemungkinan kejadian gagal bayar sepanjang umur ekspektasian suatu instrumen keuangan, sedangkan KKE 12 bulan adalah porsi dari kerugian kredit ekspektasian yang berasal dari kemungkinan kejadian gagal bayar dalam 12 bulan setelah tanggal pelaporan.

Kerugian kredit ekspektasian merupakan estimasi probabilitas tertimbang dari kerugian kredit (yaitu nilai kini dari seluruh kekurangan kas) selama perkiraan umur instrumen keuangan. Kekurangan kas adalah selisih antara arus kas yang diperkirakan akan diterima entitas. Karena kerugian kredit ekspektasian mempertimbangkan jumlah dan waktu pembayaran, kerugian kredit tetap timbul meskipun entitas mengharapkan untuk dibayar penuh namun setelah jatuh tempo kontraktual.

KKE diakui untuk seluruh instrumen utang keuangan, komitmen pinjaman dan jaminan keuangan yang diklasifikasikan sebagai *hold to collect* atau *hold to collect and sell* dan memiliki arus kas SPPI. KKE tidak diakui untuk instrumen keuangan yang detetapkan sebagai FVTPL dan instrumen ekuitas yang ditetapkan sebagai FVOCI.

Sesuai dengan ISAK 102, khusus untuk transaksi berbasis syariah, pengukuran penurunan nilai dari aset keuangan tidak mengadopsi PSAK 71.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

i. Allowance for impairment losses of financial assets

i.1. Financial assets carried at amortized cost

To estimate impairment loss allowance on financial assets, the Bank has implemented PSAK 71 since 1 January 2020. PSAK 71 requires a loss allowance to be recognized at an amount equal to either 12-month Expected Credit Losses ("ECL") or lifetime ECL. Lifetime ECL is the ECL that results from all possible default events over the expected life of a financial instrument, whereas 12-month ECL is the portion of ECL that results from default events that are possible within the 12-month after reporting date.

Expected credit losses are a probability-weighted estimate of credit losses (i.e the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. Because expected credit losses consider the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when contractually due.

ECL are recognized for all financial debt instruments, loan commitments and financial guarantees that are classified as hold to collect or hold to collect and sell and have SPPI cash flows. ECL is not recognized for financial instruments designated as FVTPL and equity instruments designated as FVOCI.

In accordance to ISAK 102, particularly for sharia-based transactions, the allowance for impairment losses of financial assets does not adopt PSAK 71.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

i. Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

i.1. Aset keuangan yang dicatat pada biaya perolehan diamortisasi (lanjutan)

Pada setiap tanggal pelaporan, Bank akan mengukur cadangan kerugian instrumen keuangan sebesar kerugian kredit sepanjang umur (*lifetime*) instrumen keuangan, kecuali dalam kondisi berikut, dimana cadangan kerugian yang akan diakui sebesar KKE 12 bulan:

- instrumen keuangan dengan risiko kredit rendah; dan
- instrumen keuangan dengan risiko kredit yang belum meningkat secara signifikan sejak pengakuan awal.

Estimasi eksposur kredit untuk tujuan manajemen risiko adalah kompleks dan membutuhkan penggunaan model, dikarenakan eksposur yang bervariasi terkait dengan perubahan kondisi pasar, arus kas yang diharapkan dan berjalannya waktu. Penilaian risiko kredit dari portofolio aset memerlukan estimasi lebih lanjut mengenai kemungkinan terjadinya gagal bayar, dari rasio kerugian yang terkait dan korelasi gagal bayar antar pihak. Bank mengukur risiko kredit menggunakan *Probability of Default* (PD), *Exposure at Default* (EAD), *Loss Given Default* (LGD) dan variabel makroekonomi untuk estimasi yang bersifat perkiraan masa depan (*forward-looking*).

Untuk menentukan kerugian kredit ekspektasian (KKE), komponen-komponen tersebut akan diperhitungkan bersama-sama dan didiskontokan ke tanggal pelaporan menggunakan suku bunga efektif. Dasar input, asumsi dan teknik estimasi diungkapkan di Catatan 3.

Untuk portofolio korporasi, risiko kredit diukur berdasarkan pada pengelompokkan tingkat peringkat internal.

Untuk portofolio tresuri, risiko kredit diukur berdasarkan pada pengelompokkan tingkat peringkat internal. Apabila tidak terdapat informasi peringkat internal untuk pihak lawan, pengelompokkan didasarkan pada peringkat kredit dari pihak lawan. Untuk perhitungan PD, Bank menggunakan struktur jangka waktu (*term structure*) PD yang dikeluarkan oleh peringkat eksternal.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***i. Allowance for impairment losses of financial assets** (continued)*

***i.1. Financial assets carried at amortized cost** (continued)*

At each reporting date, the Bank shall measure the loss allowance for a financial instrument at an amount equal to the lifetime credit losses, except in the following condition, for which the amount recognized will be 12-month ECL:

- *financial instruments with low credit risk; and*
- *financial instruments for which credit risk has not increased significantly since initial recognition.*

The estimation of credit exposure for risk management purpose is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Bank measures credit risk using Probability of Default (PD), Exposure at Default (EAD), Loss Given Default (LGD) and macroeconomic variables for forward looking perspective.

To determine the expected credit loss (ECL), these components are multiplied together and discounted to the reporting date using the effective interest rate. The basis of inputs, assumptions and the estimation technique are disclosed in Note 3.

For corporate portfolio, credit risk is measured based on grouping grade of internal grading.

For the treasury portfolio, credit risk is measured based on grouping grade of internal grading. If there is no information of internal grading for counterparty, the categorizing is based on credit rating from counterparty issuer. For PD calculation, the Bank uses PD term structure issued by external rating.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

i. Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

i.1. Aset keuangan yang dicatat pada biaya perolehan diamortisasi (lanjutan)

Untuk kategori portofolio ritel, risiko kredit diukur berdasarkan pada kelompok hari tunggakan untuk membentuk *term structure* PD yang akan digunakan untuk menghitung perhitungan KKE dengan pendekatan model statistik.

Bank menganggap efek-efek investasi yang diterbitkan oleh pemerintah (seperti obligasi pemerintah) dalam mata uang Rupiah dan dana yang ditempatkan pada Bank Indonesia memiliki risiko kredit yang rendah, karena pokok dan bunga efek-efek pemerintah tersebut dijamin oleh pemerintah dan tidak ada kerugian yang pernah terjadi. Bank tidak menerapkan pengecualian risiko kredit yang rendah atas instrumen keuangan lainnya.

Pengukuran kerugian kredit ekspektasian

Sesuai PSAK 71, Bank menerapkan model "Tiga-Tahap" untuk penurunan nilai berdasarkan perubahan kualitas kredit sejak pengakuan awal seperti dirangkum di bawah ini:

- Instrumen keuangan yang tidak mengalami penurunan nilai kredit sejak pengakuan awal diklasifikasikan dalam "Tahap 1".

- Jika peningkatan signifikan dalam risiko kredit ("SICR") sejak pengakuan awal diidentifikasi, instrumen keuangan dipindahkan ke "Tahap 2" tetapi belum dianggap mengalami penurunan nilai kredit.

- Jika instrumen keuangan mengalami penurunan nilai kredit/memburuk, instrumen keuangan kemudian dipindahkan ke "Tahap 3"

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***i. Allowance for impairment losses of financial assets** (continued)*

***i.1. Financial assets carried at amortized cost** (continued)*

For retail portfolio category, the credit risk is measured based on days past due buckets to create PD term structure used to compute ECL calculation by statistical model approach.

The Bank considers a Rupiah denominated government investment securities (such as government bonds) and funds placed with Bank Indonesia are having low credit risk, since the principal and interest of government investment securities are guaranteed by the government and there is no historical loss experience. The Bank does not apply the low credit risk exemption to any other financial instruments.

Expected credit loss measurement

In accordance with PSAK 71, the Bank applied "Three-Stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

- *A financial instrument that is not credit-impaired since initial recognition is classified in "Stage 1".*

- *If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit-impaired.*

- *If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3".*

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

i. Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

i.1. Aset keuangan yang dicatat pada biaya perolehan diamortisasi (lanjutan)

Pengukuran kerugian kredit ekspektasian (lanjutan)

Instrumen keuangan - Tahap 1

Kerugian kredit ekspektasian instrumen keuangan Tahap 1 diakui sebesar kekurangan kas yang timbul dari kemungkinan gagal bayar di masa depan dalam kurun waktu 12 bulan sejak tanggal pelaporan. Kerugian kredit ekspektasian terus ditentukan oleh dasar ini sampai terjadi peningkatan risiko kredit yang signifikan pada instrumen tersebut atau instrumen tersebut telah mengalami penurunan nilai kredit dimana kerugian kredit ekspektasian akan dihitung berdasarkan basis *lifetime*. Jika suatu instrumen tidak lagi dianggap menunjukkan peningkatan risiko kredit yang signifikan, maka kerugian kredit ekspektasian dihitung kembali berdasarkan basis 12 bulan.

Peningkatan risiko kredit secara signifikan (SICR) - Tahap 2

Bank menganggap instrumen keuangan telah mengalami peningkatan risiko kredit yang signifikan ketika kriteria di bawah ini telah dipenuhi:

- Untuk segmen korporasi menggunakan parameter daftar pantauan (*watchlist*) dan perubahan nilai PD 12 bulan sebesar 100% sebagai akibat perpindahan peringkat internal sejak pengakuan awal.
- Untuk instrumen keuangan di tresuri menggunakan pergerakan 3 titik (*notch*) dari peringkat pada saat pengakuan awal.
- Untuk segmen ritel menggunakan informasi jumlah hari tunggakan dalam sebulan dalam kelompok tunggakan. SICR terjadi ketika jumlah hari tunggakan mencapai lebih dari 30 hari.

Eksposur yang mengalami penurunan nilai kredit/memburuk (gagal bayar) - Tahap 3

Aset keuangan yang mengalami penurunan nilai (atau gagal bayar) merupakan aset yang setidaknya telah memiliki tunggakan lebih dari 90 hari atas pokok dan/atau bunga. Aset keuangan juga dianggap mengalami penurunan nilai kredit dimana debitur kemungkinan besar tidak akan membayar dengan terjadinya satu atau lebih kejadian yang teramati yang memiliki dampak menurunkan jumlah estimasi arus kas masa depan dari aset keuangan tersebut.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

i. Allowance for impairment losses of financial assets *(continued)*

i.1. Financial assets carried at amortized cost *(continued)*

Expected credit loss measurement *(continued)*

Financial instruments - Stage 1

Stage 1 expected credit losses are recognized at the amount of cash shortfalls arising from possible default events up to 12 months into the future from the reporting date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of an instrument or the instrument becomes credit-impaired where the expected credit losses will be determined based on lifetime. If an instrument is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.

Significant increase in credit risk (SICR) - Stage 2

The Bank considers a financial instrument to have experienced a significant increase in credit risk when the below criteria have been met:

- *For corporate segments use watchlist parameters and 12-month PD change by 100% resulted from internal grading movement from its initial recognition.*
- *For treasury financial instruments use 3 notch movements from origination rating at its initial recognition.*
- *For retail segment use days past due information in month in arrears grouping. SICR incurred if the days past due reached more than 30 days.*

Credit-impaired (or defaulted) exposures - Stage 3

Financial assets that are credit impaired (or in default) represent those that are at least 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit impaired where the debtors are unlikely to pay on the occurrence of one or more observable events that have a detrimental impact on the estimated future cash flows of the financial asset.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

i. Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

i.1. Aset keuangan yang dicatat pada biaya perolehan diamortisasi (lanjutan)

Pengukuran kerugian kredit ekspektasian (lanjutan)

Eksposur yang mengalami penurunan nilai kredit/memburuk (gagal bayar) - Tahap 3 (lanjutan)

Pinjaman korporasi

Pinjaman korporasi yang dikategorikan mengalami penurunan nilai adalah pinjaman dari debitur dengan peringkat internal 7R atau lebih rendah.

Pinjaman non-korporasi

Pinjaman non-korporasi yang dikategorikan mengalami penurunan nilai adalah pinjaman yang memenuhi setidaknya satu dari kriteria berikut:
a. Hari tunggakan lebih dari 90 hari
b. Kolektibilitas OJK 3, 4 dan 5

Cadangan kerugian penurunan nilai terhadap aset keuangan yang mengalami penurunan nilai ditentukan berdasarkan penilaian terhadap arus kas yang dapat dipulihkan berdasarkan sejumlah skenario dengan probabilitas tertimbang, termasuk realisasi jaminan yang dimiliki jika memungkinkan. Cadangan kerugian penurunan nilai merupakan selisih antara nilai sekarang dari arus kas yang diperkirakan akan dipulihkan, didiskontokan pada suku bunga efektif awal, dan nilai tercatat bruto instrumen sebelum penurunan nilai kredit.

Pengukuran KKE di seluruh tahapan aset diperlukan untuk mencerminkan jumlah yang tidak bias dan probabilitas tertimbang yang ditentukan dengan mengevaluasi serangkaian kemungkinan yang dapat terjadi menggunakan informasi yang wajar dan terdukung dengan peristiwa masa lampau, kondisi saat ini, dan proyeksi terkait dengan kondisi ekonomi di masa depan.

Periode yang diperhitungkan ketika mengukur KKE adalah periode yang lebih pendek antara umur ekspektasian dan periode kontrak aset keuangan, Umur ekspektasian dapat dipengaruhi oleh pembayaran dimuka dan periode kontrak maksimum melalui opsi perpanjangan kontrak. Untuk portfolio *revolving* tertentu, umur ekspektasian dinilai sepanjang periode dimana Bank terekspos dengan risiko kredit, bukan sepanjang periode kontrak.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***i. Allowance for impairment losses of financial assets** (continued)*

***i.1. Financial assets carried at amortized cost** (continued)*

***Expected credit loss measurement** (continued)*

Credit-impaired (or defaulted) exposures - Stage 3 (continued)

Corporate loans

Corporate loans that are categorised as impaired are loans from debtors with internal grading at 7R or lower.

Non-corporate loans

Non-corporate loans that are categorised as impaired are loans that satisfy at least one of the following criteria:

a. Days past due over 90 days
b. OJK Grading 3, 4 and 5

Loss provisions against credit-impaired financial assets are determined based on an assessment of the recoverable cash flows under a range of scenarios with weighted probabilities, including the realisation of any collateral held where appropriate. The loss provisions held represent the difference between the present value of the cash flows expected to be recovered, discounted at the instrument's original effective interest rate, and the gross carrying value of the instrument prior to any credit impairment.

The measurement of ECL across all stages is required to reflect an unbiased and probability-weighted amount that is determined by evaluating a range of reasonably possible outcomes using reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.

The period considered when measuring ECL is the shorter of the expected life and the contractual term of the financial asset. The expected life may be impacted by prepayments and the maximum contractual term by extension options. For certain revolving portfolios, the expected life is assessed over the period that the Bank is exposed to credit risk, not the contractual term of contract.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

i. Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

i.1. Aset keuangan yang dicatat pada biaya perolehan diamortisasi (lanjutan)

Pengukuran kerugian kredit ekspektasian (lanjutan)

Eksposur yang mengalami penurunan nilai kredit/memburuk (gagal bayar) - Tahap 3 (lanjutan)

KKE atas komitmen pinjaman dan jaminan keuangan diakui pada liabilitas lain-lain. Jika intrumen keuangan mencakup komponen yang telah ditarik dan yang belum ditarik, dan Bank tidak dapat mengidentifikasi KKE pada komponen pinjaman secara terpisah dari komponen yang telah ditarik, Bank menyajikan cadangan kerugian gabungan untuk kedua komponen. Jumlah gabungan cadangan kerugian disajikan sebagai pengurang dari nilai tercatat bruto komponen yang telah ditarik. Kelebihan dari cadangan kerugian atas nilai tercatat komponen yang telah ditarik disajikan sebagai liabilitas lain-lain.

Penyajian kerugian kredit ekspektasian

Untuk aset keuangan yang diukur pada biaya perolehan diamortisasi, saldo di laporan posisi keuangan konsolidasian mencerminkan nilai tercatat bruto dikurangi KKE. Perubahan atas kerugian kredit ekspektasian diakui pada laba rugi tahun berjalan.

i.2. Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain

Pengukuran KKE untuk aset keuangan instrumen utang yang diukur pada nilai wajar melalui penghasilan komprehensif lain (FVOCI) menggunakan pendekatan dan model perhitungan yang sama dengan pengukuran KKE untuk aset keuangan yang diukur pada biaya perolehan diamortisasi. Untuk aset keuangan instrumen utang dalam kategori FVOCI, saldo di laporan posisi keuangan konsolidasian mencerminkan nilai wajar instrumen, dengan KKE dibukukan terpisah sebagai cadangan pada penghasilan komprehensif lain. Perubahan atas kerugian kredit ekspektasian diakui pada laba rugi tahun berjalan.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***i. Allowance for impairment losses of financial assets** (continued)*

***i.1. Financial assets carried at amortized cost** (continued)*

***Expected credit loss measurement** (continued)*

Credit-impaired (or defaulted) exposures - Stage 3 (continued)

ECL on loan commitments and financial guarantees is recognized as other liabilities. Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component, the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross carrying amount of the drawn component is presented as other liabilities.

Presentation of expected credit losses

For financial assets measured at amortized cost, the balance at consolidated statement of financial position reflects the gross carrying amount less ECL. Changes in expected credit losses are recognized in the current year profit or loss.

i.2. Financial assets measured at fair value through other comprehensive income

The ECL measurement for debt instrument financial assets measured at fair value through other comprehensive income uses the same approach and calculation model in measuring ECL for financial assets carried at amortized cost. For debt instrument financial assets in FVOCI category, the balance in consolidated statement of financial position reflects the instrument's fair value, with the ECL held as a separate reserve within other comprehensive income. Changes in expected credit losses are recognized in the current year profit or loss.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

i. Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

i.3. Piutang murabahah

Entitas Anak melakukan evaluasi penurunan nilai secara kolektif karena seluruh piutang murabahah memiliki nilai tidak signifikan secara individu.

Untuk penurunan nilai secara kolektif ini, Bank mengelompokkan portofolio piutang berdasarkan kesamaan karakteristik risiko kredit yaitu antara nasabah yang diberikan restrukturisasi dan nasabah yang tidak direstrukturisasi, dimana metode yang digunakan mengikuti *incurred loss* atau *regulatory reporting*.

Entitas Anak menggunakan model analissa statistik dalam perhitungan cadangan kerugian penurunan nilai secara kolektif, yaitu metode *migration analysis* dan metode *vintage analysis*.

Metode *migration analysis* digunakan untuk menentukan kerugian penurunan nilai dari nasabah yang tidak direstrukturisasi dan nasabah yang direstrukturisasi karena usaha menurun (non-Covid). Pada metode *migration analysis*, Entitas Anak menentukan tingkat kerugian dari portofolio selama periode antara terjadinya peristiwa gagal bayar dengan saat kerugian teridentifikasi untuk setiap portofolio yang teridentifikasi dalam jangka waktu 12 bulan. Kerugian penurunan nilai atas piutang murabahah diukur sebesar selisih antara nilai tercatat piutang murabahah dengan nilai kini estimasi arus kas masa datang.

Metode *vintage analysis* digunakan untuk menentukan kerugian penurunan nilai dari nasabah yang telah direstrukturisasi COVID-19. Pada metode *vintage analysis*, Entitas Anak menentukan tingkat kerugian berdasarkan pengalaman Entitas Anak atas kondisi nasabah yang diretrukturisasi sebelumnya dari tanggal restrukturisasi sampai dengan piutang pembiayaan tersebut lunas atau dihapusbukukan dan mempertimbangkan tren pembayaran nasabah di periode restrukturisasi juga.

Ketika pembiayaan yang diberikan tidak tertagih, pembiayaan tersebut dihapusbukukan dengan menjurnal balik cadangan kerugian penurunan nilai. Pembiayaan tersebut dapat dihapusbuku setelah semua prosedur yang diperlukan telah terpenuhi dan jumlah kerugian telah ditentukan.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***i. Allowance for impairment losses of financial assets** (continued)*

i.3. Murabahah receivables

The Subsidiary performs impairment evaluation collectively as all murabahah receivables have individually insignificant value.

For this collective impairment, the Bank classifies the receivables portfolio based on the similarity of credit risk characteristics, that is between customers who were given restructuring and customers who were not restructured, where the method used follows the incurred losses or reporting regulations.

The Subsidiary uses statistical analysis models in determining the collective impairment loss allowance, that is the migration analysis method and the vintage analysis method.

The migration analysis method is used for determining the impairment loss for non-restructuring customers and customers who were restructured due to declining business (non-Covid). In the migration analysis method, the Subsidiary determines the loss rate of the portfolio from the period between the occurrence of an default event and the identification of a loss for each identified portfolio witthin 12 months. Impairment losses on murabahah receivables are measured at the difference between the carrying amount of the murabahah receivables and present value of estimated future cash flows.

The vintage analysis method is used to determine the impairment loss of COVID-19 restructured customers. In the vintage analysis method, the Subsidiary uses the loss rate based on the Subsidiary's experience of the condition of previous restructured customers from the restructuring date until the financing receivables were paid-off or written-off. And consider customer payment trends in the restructuring period as well.

When a financing is uncollectible, it is written-off against the related allowance for impairment losses. Such financing is written-off after all necessary procedures have been completed and the amount of the loss has been determined.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

i. Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

i.3. Piutang murabahah (lanjutan)

Penerimaan kembali atas pembiayaan yang telah dihapusbukukan pada tahun berjalan dikreditkan pada akun pembentukan cadangan kerugian penurunan nilai. Penerimaan kembali atas pembiayaan yang telah dihapusbukukan pada tahun sebelumnya dicatat sebagai pendapatan operasional lainnya.

j. Giro pada Bank Indonesia dan bank-bank lain

Setelah pengakuan awal, giro pada Bank Indonesia dan bank-bank lain diukur pada biaya perolehan diamortisasi dengan menggunakan metode bunga efektif.

Giro pada Bank Indonesia termasuk giro wadiah Entitas Anak yang disajikan sebesar biaya perolehan. Giro pada bank-bank lain termasuk giro pada bank-bank lain Entitas Anak yang dinyatakan sebesar saldo giro dikurangi dengan cadangan kerugian penurunan nilai.

k. Penempatan pada Bank Indonesia dan bank-bank lain

Setelah pengakuan awal, penempatan pada Bank Indonesia dan bank-bank lain disajikan sebesar biaya perolehan diamortisasi dengan menggunakan metode bunga efektif.

Penempatan pada Bank Indonesia termasuk penanaman dana pada Bank Indonesia berupa Fasilitas Simpanan Bank Indonesia ("FASBI"), Fasilitas Simpanan Bank Indonesia Syariah ("FASBIS"), Deposito Berjangka Bank Indonesia, Sertifikat Bank Indonesia Syariah ("SBIS") dan *call money*. FASBIS dan SBIS merupakan sertifikat yang diterbitkan Bank Indonesia sebagai bukti penitipan dana berjangka pendek dengan akad masing-masing adalah wadiah dan jualah. Penempatan pada Bank Indonesia dan bank-bank lain dari Entitas Anak disajikan sebesar biaya perolehan.

l. Efek-efek

Efek-efek terdiri dari Sertifikat Investasi Mudharabah Antar bank ("SIMA"), Sukuk Bank Indonesia, sukuk korporasi, Surat Berharga Syariah Negara, reksa dana syariah, obligasi pemerintah yang diperdagangkan di pasar uang dan pasar modal, dan wesel ekspor.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***i. Allowance for impairment losses of financial assets** (continued)*

***i.3. Murabahah receivables** (continued)*

Subsequent recoveries of financing written off in the current year are credited to the provision for allowance for impairment losses account. Subsequent recoveries of financing written off in previous year are recognized as other operating income.

j. Current accounts with Bank Indonesia and other banks

Subsequent to initial recognition, current accounts with Bank Indonesia and other banks are measured at amortized cost using the effective interest method.

Current accounts with Bank Indonesia include the Subsidiary's wadiah current accounts which are stated at acquisition cost. Current accounts with other banks include the Subsidiary's current accounts with other banks which are stated at their outstanding balances, net of allowance for impairment losses.

k. Placements with Bank Indonesia and other banks

Subsequent to initial recognition, placements with Bank Indonesia and other banks are stated at amortized cost using the effective interest method.

Placements with Bank Indonesia include placements of funds with Bank Indonesia in the form of Bank Indonesia Deposit Facilities ("FASBI"), Bank Indonesia Sharia Deposit Facilities ("FASBIS"), Bank Indonesia Term Deposit, Bank Indonesia Sharia Certificates ("SBIS") and call money. FASBIS and SBIS are certificates issued by Bank Indonesia as a proof of short-term fund deposits under wadiah and jualah agreements, respectively. Placements with Bank Indonesia and other banks of the Subsidiary are stated at acquisition cost.

l. Securities

Securities consist of Certificate of Interbank Mudharabah Investment ("SIMA"), Bank Indonesia Sukuk, corporate sukuk, Sovereign Sharia Securities, sharia mutual funds, government bonds traded in the money market and capital market, and export bills.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

I. Efek-efek (lanjutan)

Efek-efek (selain sukuk, SIMA, reksa dana syariah, dan surat berharga lainnya berdasarkan prinsip syariah) pada awalnya dinilai berdasarkan nilai wajar ditambah dengan (untuk efek-efek yang tidak diukur pada nilai wajar melalui laba rugi) biaya transaksi yang dapat diatribusikan secara langsung dan pengukuran selanjutnya tergantung pada klasifikasinya. Lihat Catatan 2h.3 untuk kebijakan akuntansi aset keuangan diukur pada biaya perolehan diamortisasi.

Untuk efek-efek yang diukur dengan FVOCI, keuntungan dan kerugian diakui dalam penghasilan komprehensif lain, kecuali untuk beberapa hal di bawah ini yang diakui dalam laba rugi sama seperti aset keuangan yang diukur dengan biaya perolehan amortisasi:

- pendapatan bunga menggunakan metode suku bunga efektif;
- kerugian kredit ekspektasian dan pemulihan; dan
- keuntungan dan kerugian selisih kurs.

Ketika efek-efek yang diukur pada FVOCI dihentikan pengakuannya, keuntungan dan kerugian yang terakumulasi yang sebelumnya diakui dalam penghasilan komprehensif lain di reklasifikasi dari ekuitas ke laba rugi.

Efek-efek yang diukur dengan FVTPL saat pengakuan awal dan setelah pengakuan awal diakui dan diukur pada nilai wajar di laporan posisi keuangan, dengan biaya transaksi yang terjadi diakui langsung pada laba rugi.

Seluruh perubahan nilai wajar diakui sebagai bagian dari pendapatan operasional lainnya dalam laporan laba rugi dan penghasilan komprehensif lain. Keuntungan atau kerugian yang direalisasi pada saat penjualan atau penyelesaian efek-efek yang diukur dengan FVTPL diakui pada laba rugi.

Premi dan/atau diskonto diamortisasi dan dilaporkan sebagai pendapatan bunga dengan menggunakan metode suku bunga efektif.

Surat berharga syariah adalah surat bukti investasi berdasarkan prinsip syariah yang lazim diperdagangkan di pasar uang syariah dan/atau pasar modal syariah antara lain obligasi syariah (sukuk), SIMA, reksa dana syariah dan surat berharga lainnya berdasarkan prinsip syariah.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***I. Securities** (continued)*

Securities (other than sukuk, SIMA, sharia mutual funds and other securities based on sharia principles) are initially measured at fair value plus (for securities not subsequently measured at fair value through profit or loss) directly attributable transaction costs and subsequent measurement will depend on their classification. Refer to Note 2h.3 for the accounting policy of financial assets measured at amortized cost.

For securities measured at FVOCI, gains and losses are recognized in other comprehensive income, except for the following, which are recognized in profit or loss in the same manner as for financial asset measured at amortized costs:

- *interest amount using effective interest rate method;*
- *expected credit losses and reversal; and*
- *foreign exchange gain and losses.*

When securities measured at FVOCI are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Securities measured at FVTPL are initially recognized and subsequently measured at fair value in the statement of financial position, with transaction costs recognized directly in profit or loss.

All changes in fair value are recognized as part of other operational income in the statement of profit or loss and other comprehensive income. Gains or losses which are realized when the securities measured at FVTPL are sold or settled are recognized in profit or loss.

Premium and/or discount is amortized and reported as interest income using the effective interest method.

Sharia securities are proof of investments based on sharia principles that are commonly traded in the sharia money market and/or sharia capital markets, including sharia bonds (sukuk), SIMA, sharia mutual funds and other securities based on sharia principles.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

I. Efek-efek (lanjutan)

Grup menentukan klasifikasi investasi pada sukuk dan efek lain berprinsip syariah yang mempunyai karakteristik yang serupa dengan sukuk, sesuai dengan PSAK No. 110 (Revisi 2015) dan penyesuaian tahun 2020 tentang "Akuntansi Sukuk" sebagai berikut:

1) Diukur pada biaya perolehan. Investasi tersebut dimiliki dalam suatu model usaha yang bertujuan utama untuk memperoleh arus kas kontraktual dan terdapat persyaratan kontraktual dalam menentukan tanggal tertentu atas pembayaran pokok dan atau hasilnya. Pada saat pengakuan awal, investasi pada sukuk diukur pada nilai wajar termasuk biaya transaksi yang dapat diatribusikan secara langsung untuk memperoleh investasi tersebut. Setelah pengakuan awal, investasi pada sukuk dinyatakan sebesar biaya perolehan, ditambah biaya transaksi yang belum diamortisasi dengan menggunakan metode garis lurus, dikurangi cadangan kerugian penurunan nilai, jika ada.

2) Diukur pada nilai wajar melalui penghasilan komprehensif lain. Investasi tersebut dimiliki dalam suatu model usaha yang bertujuan utama untuk memperoleh arus kas kontraktual dan melakukan penjualan sukuk, dan terdapat persyaratan kontraktual dalam menentukan tanggal tertentu atas pembayaran pokok dan/atau hasilnya.

   Pada saat pengakuan awal, investasi pada sukuk diukur pada nilai wajar termasuk biaya transaksi yang dapat diatribusikan secara langsung untuk memper investasi tersebut. Setelah pengakuan awal, investasi pada sukuk dicatat sebesar nilai wajar. Seluruh perubahan nilai wajar diakui pada penghasilan komprehensif lain. Ketika investasi sukuk dihentikan pengakuannya, akumulasi keuntungan atau kerugian yang sebelumnya diakui dalam penghasilan komprehensif lain dipindahkan ke laba rugi.

3) Diukur pada nilai wajar melalui laba rugi. Pada saat pengakuan awal, investasi pada sukuk diukur pada nilai wajar tidak termasuk biaya transaksi. Biaya transaksi langsung diakui pada laba rugi. Setelah pengakuan awal, investasi pada sukuk dicatat sebesar nilai wajar. Seluruh perubahan nilai wajar diakui pada laba rugi tahun berjalan.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

I. Securities *(continued)*

The Group determines the classification of investments in sukuk and other securities under sharia principles which have similar characteristic with sukuk, in accordance with PSAK No. 110 (2015 Revision) and its amendments in 2020 regarding "Accounting for Sukuk" as follows:

1) Measured at acquisition cost. The investment is held in a business model whereby the primary goal is to collect contractual cash flows and has contractual terms in determining the specific date of principal payments and or the margin. At the initial recognition, investments in sukuk are measured at fair value plus directly attributable transaction costs. Subsequent to initial recognition, investments in sukuk are stated at acquisition cost, plus unamortized portion of transaction costs that are amortized using straight-line method, minus allowance for impairment losses, if any.

2) Measured at fair value through other comprehensive income. The investment is held in a business model whereby the primary goal is to obtain contractual cash flows and to sell the sukuk, and has contractual terms in determining the specific date of principal payments and/or the results.

At the initial recognition, investments in sukuk are measured at fair value plus directly attributable transaction costs. Subsequent to initial recognition, investments in sukuk are stated at fair value. All changes in fair value are recognized in other comprehensive income. When sukuk is derecognized, accumulated gain or loss which has previously recognized in other comprehensive income is reclassified to profit or loss.

3) Measured at fair value through profit or loss. At the initial recognition, investments in sukuk are measured at fair value excluding transaction costs. Transaction costs are directly recognized in profit or loss. Subsequent to initial recognition, investments in sukuk are stated at fair value. All changes in fair value are recognized in the current year profit or loss.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

l. Efek-efek (lanjutan)

Investasi dalam unit reksa dana syariah dinyatakan sebesar nilai wajar yang ditentukan berdasarkan nilai aset bersih dari reksa dana pada tanggal pelaporan. Seluruh perubahan nilai aset bersih diakui pada penghasilan komprehensif lain. Investasi dalam unit reksa dana syariah terproteksi dinyatakan sebesar biaya perolehan.

m. Tagihan dan liabilitas derivatif

Dalam melakukan usaha bisnisnya, Bank melakukan transaksi instrumen keuangan derivatif seperti *swap* mata uang asing, *cross currency swap,* dan *swap* suku bunga.

Instrumen keuangan derivatif diakui pada nilai wajar, dengan biaya transaksi yang terjadi diakui langsung pada laba rugi. Derivatif dicatat sebagai aset apabila memiliki nilai wajar positif dan sebagai liabilitas apabila memiliki nilai wajar negatif.

Keuntungan atau kerugian yang terjadi dari perubahan nilai wajar diakui sebagai laba rugi tahun berjalan.

n. Tagihan dan liabilitas akseptasi

Tagihan akseptasi disajikan sebesar biaya perolehan diamortisasi dengan menggunakan metode bunga efektif dikurangi cadangan kerugian penurunan nilai, jika diperlukan.

Liabilitas akseptasi pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode bunga efektif.

Tagihan akseptasi diklasifikasikan sebagai biaya perolehan diamortisasi. Lihat Catatan 2h untuk kebijakan akuntansi mengenai biaya perolehan diamortisasi.

o. Pinjaman yang diberikan dan pembiayaan/ piutang syariah

Pinjaman yang diberikan adalah penyediaan uang atau tagihan yang dapat disetarakan dengan kas, berdasarkan persetujuan atau kesepakatan pinjam-meminjam dengan debitur yang mewajibkan debitur untuk melunasi utang berikut bunganya setelah jangka waktu tertentu.

Pembiayaan bersama dicatat sesuai dengan porsi kredit yang risikonya ditanggung oleh Bank, dan dinyatakan sebesar biaya perolehan diamortisasi.

Pinjaman yang diberikan diklasifikasikan sebagai biaya perolehan diamortisasi. Lihat Catatan 2h untuk kebijakan akuntansi mengenai biaya perolehan diamortisasi.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***l. Securities** (continued)*

Investment in sharia mutual funds are presented at fair value which is measured based on net asset value of mutual funds at reporting date. All changes in net asset value are recognized in other comprehensive income. Investment in protected sharia mutual funds are presented at acquisition cost.

m. Derivative receivables and payables

In the normal course of business, the Bank enters into transactions involving derivative financial instruments such as foreign currency swap, cross currency swap, and interest rate swap.

Derivative financial instruments are recognized at their fair value, with transaction costs recognized directly in profit or loss. Derivative are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Gains or losses as a result of fair value changes are recognized as current year profit or loss.

n. Acceptance receivables and payables

Acceptance receivables are stated at amortized cost using the effective interest method less allowance for impairment losses, where appropriate.

Acceptance payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Acceptance receivables are classified as amortized cost. Refer to Note 2h for the accounting policy of amortized cost.

o. Loans and sharia financing/receivables

Loans represent disbursement of cash or cash equivalent based on agreements with borrowers, where borrowers are required to repay their debts with interest after a specified period.

Joint financing is recorded according to the proportion of risks borne by the Bank and stated at amortized cost.

Loans are classified as amortized cost. Refer to Note 2h for the accounting policy of amortized cost.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

o. Pinjaman yang diberikan dan pembiayaan/ piutang syariah (lanjutan)

Termasuk dalam pinjaman yang diberikan adalah pembiayaan/piutang syariah yang terdiri dari piutang murabahah, pembiayaan musyarakah dan pinjaman qardh.

Murabahah adalah akad jual beli antara nasabah dengan Entitas Anak, dimana Entitas Anak membiayai kebutuhan barang untuk konsumsi, investasi dan modal kerja nasabah, yang dijual dengan harga pokok ditambah dengan marjin yang diketahui dan disepakati bersama. Pembayaran atas pembiayaan ini dilakukan dengan cara mengangsur dalam jangka waktu yang ditentukan.

Piutang murabahah pada awalnya diukur pada nilai bersih yang dapat direalisasi ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung dan biaya tambahan untuk memperoleh piutang murabahah tersebut. Setelah pengakuan awal, piutang murabahah diukur pada biaya perolehan diamortisasi menggunakan metode imbal hasil efektif dikurangi pendapatan margin yang ditangguhkan dan cadangan kerugian penurunan nilai.

Pembiayaan musyarakah adalah akad kerjasama antara dua pihak atau lebih untuk suatu usaha tertentu, dimana masing-masing pihak memberikan kontribusi dana dengan ketentuan bahwa keuntungan dibagi berdasarkan kesepakatan, sedangkan kerugian berdasarkan porsi kontribusi dana. Dana tersebut meliputi kas atau aset non-kas yang diperkenankan oleh syariah.

Pembiayaan musyarakah dinyatakan sebesar saldo pembiayaan dikurangi dengan saldo cadangan kerugian penurunan nilai. Entitas Anak menetapkan cadangan kerugian penurunan nilai sesuai dengan kualitas pembiayaan berdasarkan penelaahan atas masing-masing saldo pembiayaan.

Pinjaman qardh adalah penyaluran dana dengan akad qardh.

Pinjaman qardh adalah penyediaan dana atau tagihan yang dapat dipersamakan dengan itu berdasarkan persetujuan atau kesepakatan antara peminjam dan Entitas Anak yang mewajibkan peminjam melunasi utangnya setelah jangka waktu tertentu.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***o. Loans and sharia financing/receivables** (continued)*

Included in the loans are sharia financing/ receivables which consist of murabahah receivables, musyarakah financing and funds of qardh.

Murabahah is a sale and purchase contract between the customer and the Subsidiary, whereby the Subsidiary finances the goods for consumption, investment and working capital needs of the customer, sold with a principle price plus a certain margin that is mutually informed and agreed. Repayment on this financing is made in installments within a specified period.

Murabahah receivables are initially measured at net realisable value plus directly attributable transaction costs and additional costs to obtain the respective murabahah receivables. Subsequent to the initial recognition, they are measured at amortized cost using the effective rate of return method less deferred margin income and allowance for impairment losses.

Musyarakah financing is an agreement between two or more parties for a particular business, in which each party contributes funds with the terms that profits are shared according to the agreement, while losses are borne by each party proportionate to the amount of fund contributions. The fund consists of cash or non-cash assets allowed by sharia.

Musyarakah financing is stated at outstanding balance, net of allowance for impairment losses. The Subsidiary provides allowance for impairment losses based on the financing quality as determined by a review of each account.

Funds of qardh represent a distribution of funds with qardh agreement.

Funds of qardh represent funds provided or similar claims based on an agreement or contract between the borrower and the Subsidiary, wherein the borrower should repay the loan after a specified period of time.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

o. Pinjaman yang diberikan dan pembiayaan/ piutang syariah (lanjutan)

Pinjaman qardh diakui sebesar total dana yang dipinjamkan pada saat terjadinya. Entitas Anak dapat menerima imbalan namun tidak diperkenankan untuk dipersyaratkan di dalam perjanjian. Imbalan tersebut diakui pada saat diterima.

Pinjaman qardh disajikan sebesar saldonya dikurangi cadangan kerugian penurunan nilai.

Modifikasi pinjaman yang diberikan

Skema modifikasi pinjaman yang diberikan dapat berupa penyesuaian pada suku bunga, pokok bunga dan tunggakan bunga, perpanjangan jangka waktu jatuh tempo, penjadwalan kembali pembayaran angsuran serta modifikasi persyaratan kredit lainnya.

Jika persyaratan perjanjian suatu pinjaman dimodifikasi, maka Bank mengevaluasi apakah arus kas kontraktual dari pinjaman yang termodifikasi berbeda secara signifikan.

Jika arus kas berbeda secara signifikan, maka hak kontraktual atas arus kas dari aset keuangan yang original sebenarnya telah kadaluarsa. Dalam hal ini, aset keuangan yang original dihentikan pengakuannya dan aset keuangan yang baru diakui pada nilai wajar ditambah biaya transaksi yang memenuhi syarat. Imbalan yang diterima sebagai bagian dari modifikasi diperhitungkan sebagai berikut:

- imbalan yang dipertimbangkan sewaktu menentukan nilai wajar dari aset baru dan imbalan yang merupakan pembayaran kembali (*reimbursement*) dari biaya transaksi yang memenuhi syarat akan dimasukkan sebagai pengakuan awal aset; dan
- imbalan lainnya dimasukkan ke dalam laba rugi sebagai bagian dari keuntungan atau kerugian dari penghentian pengakuan.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***o. Loans and sharia financing/receivables** (continued)*

A funds of qardh is recognized in the amount lent at the transaction date. The Subsidiary may receive a fee, however, this should not be stated in the agreement. The fee is recognized upon receipt.

Funds of qardh is stated at its outstanding balance less allowance for impairment losses.

Modification of loans

Modification schemes for loans can be in the form of adjustment on interest rate, loan principal and past due interest, extension of repayment period, rescheduling of installments and other modification of the terms of the loans.

If the terms of a loan are modified, then the Bank evaluates whether the contractual cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case the original financial asset is derecognized and a new financial asset is recognized at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- *fees that are considered in determining that fair value of the new asset and fees represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and*
- *other fees are included in profit or loss as part of the gain or loss derecognition.*

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

o. Pinjaman yang diberikan dan pembiayaan/ piutang syariah (lanjutan)

Modifikasi pinjaman yang diberikan (lanjutan)

Jika modifikasi aset keuangan yang diukur pada biaya perolehan diamortisasi tidak mengakibatkan penghentian pengakuan aset keuangan, maka Bank terlebih dahulu menghitung kembali nilai tercatat bruto aset keuangan menggunakan suku bunga efektif awal aset tersebut dan mengakui selisih penyesuaian sebagai keuntungan atau kerugian modifikasi di dalam laba rugi. Biaya atau imbalan yang terjadi dan imbalan modifikasi yang diterima disesuaikan ke nilai tercatat bruto dan diamortisasi selama sisa jangka waktu aset keuangan yang dimodifikasi.

Jika modifikasi dilakukan karena alasan risiko kredit, maka keuntungan atau kerugian disajikan sebagai kerugian penurunan nilai. Selain karena alasan ini, keuntungan atau kerugian disajikan sebagai pendapatan bunga yang dihitung dengan menggunakan metode bunga efektif.

Dalam keadaan yang tidak biasa, setelah perubahan atau modifikasi yang mengakibatkan penghentian pengakuan aset keuangan awal, mungkin terdapat bukti bahwa aset modifikasian memburuk pada pengakuan awal. Dengan demikian, aset keuangan tersebut diakui sebagai aset keuangan yang memburuk pada pengakuan awal.

Perubahan atau modifikasi yang dilakukan karena resiko kredit, dapat dipertimbangkan sebagai indikasi aset keuangan yang berasal dari aset keuangan yang memburuk pada pengakuan awal. Sedangkan perubahan atau modifikasi yang dilakukan dengan dasar pertimbangan bisnis, mungkin tidak diakui sebagai aset keuangan yang memburuk pada pengakuan awal. Namun, penilaian ini perlu dilakukan secara menyeluruh untuk menentukan apakah pengakuan awal aset keuangan telah memburuk pada saat pengakuan awal.

p. Penyertaan saham

Penyertaan saham dengan persentase kepemilikan di bawah 20% dan tidak memiliki pengaruh signifikan pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada nilai wajar melalui laba rugi.

Dividen kas yang diterima dari penyertaan saham diakui sebagai pendapatan.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***o. Loans and sharia financing/receivables** (continued)*

***Modification of loans** (continued)*

If the modification of a financial asset measured at amortized cost does not result in derecognition of the financial asset, then the Bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognizes the resulting adjustment as modification gain or loss in profit or loss. Any costs or fees incurred and modification fees received are adjusted to the gross carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

If a modification is carried out because of credit-risk reason, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest method.

In some unusual circumstances, after changes or modifications that result in de-recognition of the original financial asset, there may be evidence that the modified asset is credit-impaired at initial recognition. Accordingly, the financial asset should be recognized as an originated credit-impaired financial asset.

Changes or modifications that were made on the basis of credit risk reason can be considered as an indication of originated credit-impaired financial assets. Meanwhile changes or modifications that were made on the basis of business' considerations, may not be recognized as originated credit-impaired financial assets. However, comprehensive valuation should be performed to determine whether initial recognition of financial assets has deteriorated at initial recognition.

p. Investment in shares

Investment in shares with an ownership interest below 20% and have no significant influence is initially recognized at fair value and subsequently measured at fair value through profit or loss.

Cash dividend received from investment in shares is recognized as income.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

q. Beban dibayar dimuka

Beban dibayar dimuka adalah beban yang telah dibayarkan tetapi belum diakui sebagai beban pada periode terjadinya. Beban dibayar dimuka akan diakui sebagai beban pada laba rugi pada saat diamortisasi sesuai dengan masa manfaatnya.

r. Aset tetap

Tanah disajikan sebesar nilai wajar, berdasarkan penilaian yang dilakukan oleh penilai independen eksternal yang telah terdaftar di OJK. Penilaian atas aset tersebut dilakukan secara berkala dan apabila terdapat perubahan nilai wajar yang signifikan untuk memastikan bahwa nilai wajar aset yang direvaluasi tidak berbeda secara material dengan jumlah tercatatnya.

Kenaikan nilai tercatat yang timbul dari revaluasi tanah dikreditkan pada "cadangan revaluasi aset tetap" sebagai bagian dari penghasilan komprehensif lainnya. Penurunan yang menghapus nilai kenaikan yang sebelumnya atas aset tetap yang sama dibebankan terhadap "cadangan revaluasi aset tetap" sebagai bagian dari penghasilan komprehensif lainnya; penurunan lainnya dibebankan pada laba rugi tahun berjalan.

Tanah tidak disusutkan. Jika aset yang direvaluasi dijual, jumlah yang dicatat di dalam ekuitas dipindahkan ke saldo laba.

Aset tetap selain tanah diakui sebesar harga perolehan setelah dikurangi akumulasi penyusutan.

Harga perolehan termasuk pengeluaran yang dapat diatribusikan secara langsung atas perolehan aset tersebut.

Aset tetap, selain tanah, disusutkan selama taksiran masa manfaat ekonomis aset tetap dengan metode garis lurus dan diakui sebesar harga perolehan setelah dikurangi dengan akumulasi penyusutan.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

q. Prepayments

Prepayments are expenses which have been paid but not yet recognized as an expense in the related period. Prepayments are recognized as expenses in the profit or loss when it is amortized in accordance with the expected period of benefit.

r. Fixed assets

Land is presented at fair value based on valuations performed by certified external independent valuers which are registered with OJK. Valuations are performed on a regular basis and if there is significant change in fair value to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

The increases in the carrying amount arising from revaluation of land is credited to the "reserve on revaluation of fixed assets" as part of other comprehensive income. The decreases that offset the previous increases are debited against "reserve on revaluation of fixed assets" as part of other comprehensive income; all other decreases are charged to the current year profit or loss.

Land is not depreciated. When revalued assets are sold, the amounts included in equity are transferred to retained earnings.

Fixed assets other than land are recognized at cost less accumulated depreciation.

Acquisition cost includes expenditure that is directly attributable to the acquisition of the assets.

Fixed assets, except land, are depreciated over their expected useful lives using straight-line method and are stated at cost less accumulated depreciation.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

r. Aset tetap (lanjutan)

Taksiran masa manfaat ekonomis aset tetap adalah sebagai berikut:

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

r. Fixed assets *(continued)*

The expected useful lives of fixed assets are as follows:

	Tahun/*Years*	
Gedung	20	*Buildings*
Golongan I:		*Class I:*
Kendaraan bermotor	4	*Vehicles*
Perlengkapan kantor	4 & 8	*Office equipment*
Golongan II:		*Class II:*
Kendaraan bermotor	3	*Vehicles*
Perlengkapan kantor	5 & 8	*Office equipment*
Leasehold improvement	sesuai masa sewa/*according to lease period*	*Leasehold improvement*

Kendaraan bermotor yang termasuk dalam golongan I adalah sepeda motor sedangkan kendaraan operasional dan kendaraan dinas untuk direktur atau komisaris termasuk dalam golongan II.

Motor vehicles classified in class I are motorcycles whilst operational vehicles and office vehicles for directors or commissioners are classified in class II.

Perlengkapan kantor yang termasuk dalam golongan I adalah mebel dan peralatan dari kayu dan rotan, mesin kantor seperti mesin tik, mesin fotokopi, komputer, laptop, alat komunikasi, alat dapur dan perlengkapan lain seperti CCTV. Sedangkan yang termasuk dalam golongan II adalah mebel dan peralatan dari logam seperti brankas, pendingin ruangan, dan generator listrik.

Office equipment classified as class I are furniture and office equipment made from wood, office machine such as typing machine, photocopy machine, computer, laptop, communication tools, kitchen set and other equipment such as CCTV. Whilst office equipment classified as class II are furniture and office equipment made from metal such as safes, air conditioning and electrical generator.

Biaya-biaya setelah pengakuan awal diakui sebagai bagian dari nilai tercatat aset atau sebagai aset yang terpisah sebagaimana mestinya, hanya jika kemungkinan besar Grup akan mendapatkan manfaat ekonomis masa depan berkenaan dengan aset tersebut dan biaya perolehan aset dapat diukur dengan handal. Nilai tercatat komponen yang diganti dihapuskan. Biaya perbaikan dan pemeliharaan dibebankan ke dalam laba rugi tahun berjalan.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. Repairs and maintenance costs are charged to the current year profit or loss.

Apabila aset tetap tidak digunakan lagi atau dijual, maka nilai perolehan dan akumulasi penyusutannya dihapuskan dari laporan keuangan konsolidasian. Keuntungan atau kerugian bersih atas pelepasan aset tetap ditentukan dengan membandingkan hasil yang diterima dengan nilai tercatat dan diakui pada laba rugi tahun berjalan.

When fixed assets are no longer in use or disposed of, their costs and the related accumulated depreciation are written off in the consolidated financial statements. Net gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the current year profit or loss.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

r. Aset tetap (lanjutan)

Akumulasi biaya konstruksi bangunan serta pemasangan peralatan kantor, dikapitalisasi sebagai aset dalam penyelesaian. Biaya tersebut direklasifikasi ke akun aset tetap pada saat proses konstruksi atau pemasangan selesai. Penyusutan dimulai pada saat aset tersebut siap untuk digunakan dengan tujuan yang diinginkan manajemen.

Nilai tercatat aset segera diturunkan menjadi sebesar jumlah yang dapat dipulihkan ketika nilai tercatat aset lebih besar dari estimasi jumlah yang dapat dipulihkan.

Nilai sisa aset, masa manfaat dan metode penyusutan ditelaah dan jika perlu disesuaikan, pada setiap akhir periode pelaporan.

s. Aset takberwujud dan *goodwill*

Goodwill

Goodwill dinyatakan sebesar nilai perolehan dikurangi akumulasi kerugian penurunan nilai. Peninjauan atas penurunan nilai pada *goodwill* dilakukan setahun sekali atau lebih sering apabila terdapat peristiwa atau perubahan keadaan yang mengindikasikan adanya potensi penurunan nilai.

Piranti lunak

Piranti lunak memiliki masa manfaat yang terbatas dan diakui sebesar harga perolehan, selanjutnya dicatat sebesar harga perolehan dikurangi akumulasi amortisasi dan kerugian penurunan nilai.

Biaya yang dikeluarkan untuk memperoleh lisensi piranti lunak dan mempersiapkan piranti lunak tersebut siap untuk digunakan dikapitalisasi.

Biaya yang terkait dengan pemeliharaan program piranti lunak diakui sebagai beban pada saat terjadinya. Biaya pengembangan yang dapat secara langsung diatribusikan dalam pembuatan dan pengujian produk piranti lunak yang dapat diidentifikasi dan unik yang dikendalikan oleh Grup diakui sebagai aset takberwujud.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***r. Fixed assets** (continued)*

The accumulated costs of the construction of buildings and the installation of office equipment are capitalized as construction in progress. These costs are reclassified to fixed assets accounts when the construction or installation is completed. Depreciation is charged from the date the assets are ready for use in the manner intended by management.

The asset's carrying amount is written down immediately to its recoverable amount when the asset's carrying amount is greater than its estimated recoverable amount.

The assets' residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

s. Intangible assets and goodwill

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

Software

Software have a finite useful life and recognized at acquisition cost, subsequently carried at cost less accumulated amortization and accumulated impairment losses.

The costs incurred to acquire software license and bring that software to use are capitalized.

Costs associated with maintaining software programs are recognized as expense when incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group is recognized as intangible assets.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

s. Aset takberwujud dan *goodwill* (lanjutan)

Piranti lunak (lanjutan)

Biaya yang dapat diatribusikan secara langsung dan dikapitalisasi sebagai bagian produk piranti lunak mencakup beban pekerja pengembang piranti lunak dan bagian *overhead* yang relevan.

Pengeluaran pengembangan lain yang tidak memenuhi kriteria ini diakui sebagai beban pada saat terjadinya. Biaya pengembangan yang sebelumnya diakui sebagai beban tidak dapat diakui sebagai aset pada periode berikutnya.

Amortisasi diakui dalam laba rugi dengan menggunakan metode garis lurus sepanjang masa manfaat piranti lunak tersebut, sejak tanggal piranti tersebut siap untuk dipakai. Estimasi masa manfaat dari piranti lunak adalah 4-8 tahun.

Aset takberwujud dihentikan pengakuannya atau dilepas ketika tidak lagi terdapat manfaat masa depan yang diharapkan dari penggunaan atau pelepasannya.

t. Aset lain-lain

Aset lain-lain sebagian besar terdiri dari jaminan kontrak, uang muka, transaksi ATM dan transfer, tagihan kredit lainnya, agunan yang diambil alih, persediaan keperluan kantor, properti terbengkalai dan tagihan kepada asuransi.

Grup mengakui kerugian penurunan nilai untuk aset lain-lain apabila taksiran jumlah yang dapat diperoleh kembali dari suatu aset lebih rendah dari nilai tercatatnya. Pada setiap tanggal pelaporan, Grup melakukan penelaahan untuk menentukan apakah terdapat indikasi penurunan nilai. Pemulihan penurunan nilai diakui sebagai keuntungan dalam laba rugi pada saat terjadinya.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

s. Intangible assets and goodwill *(continued)*

Software *(continued)*

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognized as expense when incurred. Development costs previously recognized as expense are not recognized as asset in a subsequent period.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date it is ready for use. The estimated useful life of software is 4-8 years.

Intangible assets shall be derecognized or disposed when no future economic benefits are expected from its use or disposal.

t. Other assets

Other assets mainly consists of security deposits, advance payment, ATM transaction and transfer, other credit receivables, foreclosed collateral, office supplies, abandoned property and receivables from insurance company.

The Group recognizes impairment losses of other assets if the recoverable amount of the assets is lower than the carrying value. At each reporting date, the Group evaluates the recoverable amount of the assets to determine whether there is an indication of impairment. Reversal of impairment losses is recognized as gain in the profit or loss when incurred.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

u. Simpanan nasabah dan simpanan dari bank-bank lain

Simpanan nasabah adalah dana yang dipercayakan oleh masyarakat kepada Grup berdasarkan perjanjian penyimpanan dana. Termasuk didalamnya adalah giro, tabungan, deposito berjangka, deposito *on call* dan simpanan nasabah berdasarkan prinsip syariah.

Simpanan nasabah berdasarkan prinsip syariah terdiri dari giro dan tabungan wadiah. Giro wadiah merupakan giro wadiah yadh-dhamanah yakni titipan dana pihak lain dimana pemilik dana mendapatkan bonus berdasarkan kebijakan Entitas Anak. Giro wadiah dicatat sebesar saldo titipan pemegang giro wadiah. Tabungan wadiah merupakan simpanan pihak lain yang bisa diambil kapan saja (*on call*) atau berdasarkan kesepakatan dimana tidak ada imbalan yang disyaratkan kecuali dalam bentuk pemberian ('Athaya') sukarela dari Entitas Anak.

Simpanan dari bank-bank lain terdiri dari liabilitas terhadap bank lain, dalam bentuk *call money*, giro, *bank acceptance finance*, dan tabungan.

Simpanan nasabah dan simpanan dari bank-bank lain diklasifikasikan sebagai liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi. Biaya tambahan yang dapat diatribusikan secara langsung dengan perolehan simpanan nasabah dan simpanan dari bank-bank lain dikurangkan dari jumlah simpanan nasabah dan simpanan dari bank-bank lain.

Simpanan dari bank-bank lain disajikan sebesar jumlah liabilitas terhadap bank-bank lain.

v. Efek-efek yang diterbitkan

Efek-efek yang diterbitkan terdiri dari utang obligasi.

Utang obligasi dicatat sebesar nilai nominal dikurangi dengan biaya emisi yang belum diamortisasi. Biaya emisi adalah biaya yang terjadi sehubungan dengan utang obligasi, diakui sebagai beban yang ditangguhkan dan dikurangkan langsung dari hasil emisi dan diamortisasi selama jangka waktu utang obligasi tersebut dengan menggunakan metode bunga efektif.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

u. Deposits from customers and deposits from other banks

Deposits from customers are the funds placed by customers to the Group based on fund deposits agreements. Included in these accounts are current accounts, saving deposits, time deposits, deposits on call and sharia deposits from customers.

Sharia deposits consist of wadiah demand deposits and saving deposits. Wadiah demand deposits are wadiah yadh-dhamanah demand deposits in which the funds owner will get a bonus based on the Subsidiary's policy. Wadiah demand deposits are stated at the amount entrusted by depositors. Wadiah saving deposits represent third party funds which can be taken at any time (on call) or by an agreement which required no reward except in the form of voluntary bonus ('Athaya') on the part of the Subsidiary.

Deposits from other banks represent liabilities to other domestic banks, in the form of call money, current accounts, bank acceptance finance, and saving deposits.

Deposits from customers and deposits from other banks are classified as financial liabilities measured at amortized cost. Incremental costs directly attributable to the acquisition of deposits from customers and deposits from other banks are deducted from the amount of deposits from customers and deposits from other banks.

Deposits from other banks are stated at the amounts due to other banks.

v. Securities issued

Securities issued consist of bonds payable.

Bonds payable are stated at nominal value net of unamortized bond issuance cost. Costs incurred in connection with the bonds payable, are recognized as a deferred expense and offset directly from the proceeds derived from such offerings and amortized over the period of the bonds payable using the effective interest method.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

w. Pinjaman yang diterima

Pada saat pengakuan awal, pinjaman diakui sebesar nilai wajar, dikurangi dengan biaya-biaya transaksi yang terjadi. Selanjutnya, pinjaman yang diterima diukur sebesar biaya perolehan diamortisasi; selisih antara penerimaan (dikurangi biaya transaksi) dan nilai pelunasan dicatat pada laba rugi selama periode pinjaman dengan menggunakan metode bunga efektif.

Biaya yang dibayar untuk memperoleh fasilitas pinjaman diakui sebagai biaya transaksi pinjaman sepanjang besar kemungkinan sebagian atau seluruh fasilitas akan ditarik. Dalam hal ini, biaya memperoleh pinjaman ditangguhkan sampai penarikan pinjaman terjadi. Sepanjang tidak terdapat bukti bahwa besar kemungkinan sebagian atau seluruh fasilitas akan ditarik, biaya memperoleh pinjaman dikapitalisasi sebagai pembayaran dimuka untuk jasa likuiditas dan diamortisasi selama periode fasilitas yang terkait.

x. Imbalan kerja karyawan

Imbalan kerja jangka pendek

Imbalan kerja jangka pendek diakui pada saat terutang kepada karyawan.

Imbalan pascakerja

Liabilitas imbalan pascakerja dihitung sebesar nilai kini dari taksiran jumlah imbalan pascakerja di masa depan yang timbul dari jasa yang telah diberikan oleh karyawan tersebut pada masa kini dan masa lalu. Perhitungan dilakukan oleh aktuaris independen dengan metode *projected-unit-credit.*

Keuntungan atau kerugian yang timbul dari pengukuran kembali aktuarial atas liabilitas imbalan pasti neto diakui segera dalam penghasilan komprehensif lain. Ketika manfaat suatu program diubah atau terjadi kurtailmen, perubahan manfaat yang terkait dengan jasa lalu atau keuntungan atau kerugian dari kurtailmen diakui segera dalam laba rugi.

Pada 31 Desember 2023 dan 2022, liabilitas imbalan pasca-kerja untuk karyawan Perjanjian Kerja Waktu Tertentu (PKWT) Entitas Anak dihitung secara internal dengan metode *historical stay rate.*

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

w. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawdown. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawdown, the fee is capitalised as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

x. Employee benefits

Short-term employee benefits

Short-term employee benefits are recognized when they are payable to the employees.

Post-employment benefits

The post-employment benefits liabilities are calculated at present value of estimated future benefits that the employees have earned in return for their services in the current and prior periods. The calculation is performed by an independent actuary using the projected-unit-credit method.

Gains or losses arising from actuarial remeasurements of the net defined benefit liability are recognized immediately in other comprehensive income. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss.

As of 31 December 2023 and 2022, Specific Time Employment Agreements (PKWT) employee post-employment benefit obligations of the Subsidiary are calculated internally using the historical stay rate method.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

x. Imbalan kerja karyawan (lanjutan)

Imbalan jangka panjang lainnya

Imbalan jangka panjang lainnya berupa cuti berimbalan jangka panjang dihitung dengan menggunakan metode *projected unit credit* dan didiskontokan ke nilai kini. Keuntungan dan kerugian aktuarial yang timbul dari penyesuaian dan perubahan dalam asumsi-asumsi aktuarial diakui dalam laba rugi tahun berjalan.

y. Pinjaman subordinasi

Pinjaman subordinasi pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode bunga efektif.

z. Dana syirkah temporer

Dana syirkah temporer adalah dana yang diterima oleh Entitas Anak.

Dana syirkah temporer merupakan investasi dengan akad mudharabah mutlaqah, yaitu pemilik dana (shahibul maal) memberikan kebebasan kepada pengelola dana (mudharib/ Entitas Anak) dalam pengelolaan investasinya sesuai prinsip syariah dengan keuntungan dibagikan sesuai kesepakatan. Dana syirkah temporer terdiri dari tabungan mudharabah dan deposito mudharabah.

Tabungan mudharabah merupakan investasi yang bisa ditarik kapan saja (*on call*) atau sesuai dengan persyaratan tertentu yang disepakati. Tabungan mudharabah dinyatakan sebesar saldo tabungan nasabah di Entitas Anak.

Deposito mudharabah merupakan investasi yang hanya bisa ditarik pada waktu tertentu sesuai dengan perjanjian antara pemegang deposito mudharabah dengan Entitas Anak. Deposito mudharabah dinyatakan sebesar nilai nominal sesuai dengan perjanjian antara pemegang deposito dengan Entitas Anak.

Dana syirkah temporer tidak dapat digolongkan sebagai liabilitas. Hal ini karena Entitas Anak tidak berkewajiban untuk menjamin pengembalian jumlah dana awal dari pemilik dana bila Entitas Anak merugi kecuali kerugian akibat kelalaian atau wanprestasi. Di sisi lain, dana syirkah temporer tidak dapat digolongkan sebagai ekuitas karena mempunyai waktu jatuh tempo dan pemilik dana tidak mempunyai hak kepemilikan yang sama dengan pemegang saham seperti hak voting dan hak atas realisasi keuntungan yang berasal dari aset lancar dan aset non-investasi.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***x. Employee benefits** (continued)*

Other long-term benefits

Other long-term benefits such as long service leave are calculated using the projected unit credit method and discounted to present value. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumption are recognized to the current year profit or loss.

y. Subordinated loans

Subordinated loans are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

z. Temporary syirkah funds

Temporary syirkah funds represent investment received by Subsidiary.

Temporary syirkah funds represent investments from other parties conducted on the basis mudharabah mutlaqah contract in which the owners of the funds (shahibul maal) grant freedom to the fund manager (mudharib/Subsidiary) in the management of their investments according to sharia principle with profit distributed based on the agreement. Temporary syirkah funds consist of mudharabah saving accounts and mudharabah time deposits.

Mudharabah saving accounts represent investment which could be withdrawn anytime (on call) or can be withdrawn based on certain agreed terms. Mudharabah saving deposits are stated based on the customer's savings deposit balance at the Subsidiary.

Mudharabah time deposits represent investment which can only be withdrawn at a certain time based on the agreement between the customer and the Subsidiary. Mudharabah time deposits are stated at nominal amount as agreed between the deposit holder and the Subsidiary.

Temporary syirkah funds cannot be classified as liability, because the Subsidiary does not have any obligation to return the initial funds to the owners if the Subsidiary experiences losses, except for losses caused by the Subsidiary's management negligence or default. On the other hand, temporary syirkah fund cannot be classified as equity, because of the maturity period and the depositors do not have the same rights as the shareholders such as voting rights and the rights of realised gain from current assets and other non-investment accounts.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

z. Dana syirkah temporer (lanjutan)

Pemilik dana syirkah temporer mendapatkan imbalan bagi hasil sesuai dengan nisbah yang ditetapkan.

aa. Modal saham

Saham biasa diklasifikasikan sebagai ekuitas.

Tambahan biaya yang secara langsung terkait dengan penerbitan saham biasa atau opsi baru disajikan pada bagian ekuitas sebagai pengurang, sebesar jumlah yang diterima bersih setelah dikurangi pajak.

Saham tresuri

Ketika Bank membeli modal saham ekuitas (saham tresuri), imbalan yang dibayar, termasuk biaya tambahan yang secara langsung dapat diatribusikan (dikurangi pajak penghasilan) dikurangkan dari ekuitas yang diatribusikan kepada pemilik ekuitas Bank sampai saham tersebut dibatalkan atau diterbitkan kembali. Ketika saham biasa tersebut selanjutnya diterbitkan kembali, imbalan yang diterima, dikurangi biaya tambahan transaksi yang terkait dan dampak pajak penghasilan yang terkait dimasukkan kepada ekuitas yang dapat diatribusikan kepada pemilik ekuitas Bank.

ab. Perpajakan

Beban pajak penghasilan terdiri dari pajak kini dan pajak tangguhan. Beban pajak penghasilan diakui pada laba rugi, kecuali untuk komponen yang diakui secara langsung di ekuitas atau di penghasilan komprehensif lain.

Beban pajak kini merupakan jumlah pajak yang dibayar, atau terutang atas laba atau rugi kena pajak untuk tahun yang bersangkutan dengan menggunakan tarif pajak yang secara substantif telah berlaku pada tanggal pelaporan. Pajak kini juga termasuk penyesuaian yang dibuat untuk penyisihan pajak tahun sebelumnya, baik untuk merekonsiliasi pajak penghasilan dengan pajak yang dilaporkan di surat pemberitahuan tahunan, atau untuk memperhitungkan perbedaan yang muncul dari pemeriksaan pajak.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***z. Temporary syirkah funds** (continued)*

The owner of temporary syirkah funds receives a return from the profit sharing based on a predetermined ratio.

aa. Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares

When the Bank purchases the equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Bank's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Bank's equity holders.

ab. Taxation

Income tax expense consists of current and deferred tax. Income tax expenses are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

Current tax expense is the amount of tax paid, or payable on taxable income or loss for the year using tax rates substantively enacted as of the reporting date. Current tax also includes true-up adjustments made to the previous years' tax provisions either to reconcile them with the income tax reported in annual tax returns, or to account for differences arising from tax assesments.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ab. Perpajakan (lanjutan)

Beban pajak kini diukur menggunakan estimasi terbaik atas jumlah yang diperkirakan akan dibayar atau diterima, dengan mempertimbangkan ketidakpastian terkait dengan kompleksitas peraturan pajak.

Pajak tangguhan diakui atas perbedaan temporer antara nilai tercatat aset dan liabilitas untuk tujuan pelaporan keuangan dan nilai yang digunakan untuk tujuan perpajakan. Pajak tangguhan diukur dengan menggunakan tarif pajak yang diharapkan untuk ditetapkan atas perbedaan temporer pada saat pembalikan, berdasarkan peraturan yang telah berlaku atau secara substantif berlaku pada tanggal pelaporan. Kebijakan akuntansi ini juga mengharuskan pengakuan manfaat pajak, seperti rugi fiskal yang belum dikompensasi, yang timbul dari periode berjalan yang diharapkan akan direalisasi pada masa mendatang, apabila besar kemungkinan manfaat pajak tersebut dapat direalisasi.

Aset pajak tangguhan merupakan saldo bersih atas manfaat pajak tangguhan yang timbul dan dipergunakan sampai dengan tanggal pelaporan. Aset pajak tangguhan ditelaah ulang pada setiap tangal pelaporan dan dikurangkan dengan manfaat pajak sejumlah nilai yang besar kemungkinan yang tidak dapat terealisasi; pengurangan tersebut akan dibalik ketika kemungkinan realisasi melalui laba kena pajak di masa depan meningkat.

Aset pajak tangguhan yang belum diakui dinilai kembali pada setiap tanggal pelaporan dan diakui sepanjang kemungkinan besar laba kena pajak masa depan akan tersedia untuk digunakan.

Grup telah menentukan bahwa bunga dan penalti sehubungan dengan pajak penghasilan, termasuk yang mungkin diterima dalam kaitannya dengan posisi pajak yang mengandung ketidakpastian, tidak memenuhi definisi pajak penghasilan, dan dengan demikian diperlakukan sesuai dengan PSAK 57, Provisi, Liabilitas Kontinjensi dan Aset Kontinjensi.

Koreksi atas kewajiban pajak diakui pada saat surat ketetapan pajak diterima, atau apabila diajukan keberatan dan atau banding, maka koreksi diakui pada saat keputusan atas keberatan atau banding itu diterima.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ab. Taxation** (continued)*

Current tax expense is measured using the best estimate of the amount expected to be paid or received, taking into consideration the uncertainty associated with the complexity of tax regulations.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted as of the reporting date. This accounting policy also requires the recognition of tax benefits, such as tax loss carryforwards, which are originated in the current period that are expected to be realized in the future periods, to the extent that realisation of such benefits is probable.

Deferred tax assets represent the net remaining balance of deferred tax benefits that have been originated and utilized through the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of their realisation through future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable income will be available against which they can be used.

The Group has determined that interest and penalties related to income taxes, including those that may materialize in connection with uncertain tax positions, do not meet the definition of income taxes, and therefore are accounted for in accordance with PSAK 57, Provisions, Contingent Liabilities and Contingent Assets.

Amendments to tax obligations are recognized when an assessment is received, or if objection and or appeal is applied, when the results of the objection or the appeal are received.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ac. Pendapatan dan beban bunga dan pendapatan syariah dan hak pihak ketiga atas bagi hasil dana syirkah temporer

(i). Pendapatan dan beban bunga

Pendapatan bunga atas aset keuangan baik yang diukur dengan nilai wajar melalui penghasilan komprehensif lain atau biaya perolehan diamortisasi, dan beban bunga atas liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi, diakui pada laba rugi menggunakan metode suku bunga efektif.

Metode suku bunga efektif adalah metode yang digunakan untuk menghitung biaya perolehan diamortisasi dari aset atau liabilitas keuangan dan metode untuk mengalokasikan pendapatan atau beban bunga selama periode yang relevan. Suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas masa depan sepanjang umur yang diperkirakan atas instrumen keuangan, pada nilai tercatat bruto dari aset keuangan atau pada biaya perolehan diamortisasi untuk liabilitas keuangan. Saat menghitung suku bunga efektif intrumen keuangan selain aset yang dibeli atau yang berasal dari aset keuangan memburuk, Bank melakukan estimasi arus kas masa depan dengan mempertimbangkan seluruh perjanjian kontraktual atas instrumen keuangan tapi tidak mempertimbangkan kerugian kredit ekspektasian. Untuk aset keuangan yang dibeli atau yang berasal dari aset keuangan memburuk, suku bunga efektif yang disesuaikan dengan risiko kredit dihitung dengan menggunakan estimasi arus kas masa depan termasuk kerugian kredit ekspektasian. Perhitungan suku bunga efektif termasuk biaya transaksi dan imbalan yang merupakan bagian yang tak terpisahkan dari suku bunga efektif.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

ac. Interest income and expense and sharia income and third parties' shares on return of temporary syirkah funds

(i). Interest income and expense

Interest income on financial assets held at either fair value through other comprehensive income or amortized cost, and interest expense on financial liabilities held at amortized cost are recognized in profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument, to the gross carrying amount of the financial asset or to the amortized cost of the financial liability. When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument but not expected credit losses. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the effective interest rate.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ac. Pendapatan dan beban bunga dan pendapatan syariah dan hak pihak ketiga atas bagi hasil dana syirkah temporer (lanjutan)

(i). Pendapatan dan beban bunga (lanjutan)

Suku bunga efektif aset atau liabilitas keuangan dihitung pada saat pengakuan awal aset atau liabilitas keuangan tersebut. Dalam menghitung pendapatan dan beban bunga, suku bunga efektif diterapkan atas nilai tercatat bruto aset keuangan (ketika aset tidak mengalami penurunan nilai) atau atas biaya perolehan diamortisasi dari liabilitas keuangan. Suku bunga efektif direvisi sebagai hasil dari perhitungan ulang estimasi arus kas dari instrumen dengan suku bunga mengambang secara berkala untuk merefleksikan perubahan suku bunga pasar. Untuk aset keuangan yang telah mengalami penurunan nilai setelah pengakuan awal, pendapatan bunga dihitung dengan menerapkan suku bunga efektif atas biaya perolehan diamortisasi aset keuangan tersebut. Jika aset tersebut tidak lagi mengalami penurunan nilai, maka perhitungan pendapatan bunga kembali menggunakan nilai tercatat bruto.

(ii). Pendapatan syariah

Pendapatan pengelolaan dana oleh Entitas Anak sebagai mudharib terdiri atas pendapatan dari jual beli-margin murabahah, pendapatan bagi hasil-pembiayaan musyarakah, dan pendapatan usaha utama lainnya.

Pengakuan pendapatan atas piutang murabahah yang tidak memiliki risiko yang signifikan terkait dengan kepemilikan persediaan diakui pada laba rugi dengan menggunakan metode tingkat imbal hasil efektif.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ac. Interest income and expense and sharia income and third parties' shares on return of temporary syirkah funds** (continued)*

(i). Interest income and expense (continued)

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the financial liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross carrying amount.

(ii). Sharia income

Income from fund management by Subsidiary as mudharib consist of income from sales and purchases-murabahah margin, income from profit sharing-musyarakah financing and other main operating income.

The revenue recognition of murabahah receivables, which do not have significant risk in relation with the ownership of inventory, are recognized in profit or loss using the effective rate of return method.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ac. Pendapatan dan beban bunga dan pendapatan syariah dan hak pihak ketiga atas bagi hasil dana syirkah temporer (lanjutan)

(ii). Pendapatan syariah (lanjutan)

Tingkat imbal hasil efektif merupakan metode alokasi pengakuan pendapatan dan merupakan tingkat imbal hasil yang secara tepat mendiskontokan estimasi penerimaan kas di masa depan selama perkiraan umur dari piutang murabahah untuk memperoleh nilai tercatat piutang murabahah. Pada saat menghitung tingkat imbal hasil efektif, Entitas Anak mengestimasi arus kas di masa datang dengan mempertimbangkan seluruh persyaratan kontraktual dalam piutang murabahah tersebut, tetapi tidak mempertimbangkan kerugian piutang di masa mendatang. Perhitungan ini mencakup seluruh komisi, provisi dan bentuk lain yang diterima oleh para pihak dalam akad yang merupakan bagian tidak terpisahkan dari tingkat imbal hasil efektif, biaya transaksi, dan seluruh premi atau diskon lainnya.

Untuk pengakuan pendapatan atas piutang murabahah yang telah direstrukturisasi dengan *payment holiday* atau skema penundaan pembayaran cicilan, Bank hanya mengakui pendapatan marjin apabila Bank cukup yakin bahwa pembayaran angsuran akan diterima sesuai dengan kesepakatan dengan nasabah.

Pendapatan bagi hasil - pembiayaan musyarakah diakui dalam periode terjadinya hak bagi hasil sesuai nisbah yang disepakati.

(iii). Hak pihak ketiga atas bagi hasil dana syirkah temporer

Hak pihak ketiga atas bagi hasil dana syirkah temporer merupakan bagian bagi hasil milik nasabah yang didasarkan pada prinsip mudharabah atas hasil pengelolaan dana mereka oleh Entitas Anak. Pendapatan yang dibagikan adalah yang telah diterima (*cash basis*).

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ac. Interest income and expense and sharia income and third parties' shares on return of temporary syirkah funds** (continued)*

(ii). Sharia income (continued)

Effective rate of return is an allocation method of revenue recognition and the rate which exactly discounts the estimated future cash receipts through the expected life of the murabahah receivables to obtain the carrying amount of murabahah receivables. When calculating the effective rate of return, the Subsidiary estimates future cash flows by considering all contractual terms of the murabahah receivables, but does not consider the loss of receivables in the future. This calculation includes all commissions, provisions and other forms received by the parties in a contract which are an integral part of the effective rate of return, transaction costs and all other premiums or discounts.

For the recognition of income on restructured murabahah receivables with payment holidays or scheme to postpone installment payments, the Bank will only recognise margin income if the Bank has a reasonable certainty that an installment payment will be received in accordance with the agreement with the customers.

Income from profit sharing - musyarakah financing is recognized during the period of profit sharing in accordance with the pre-determined ratio.

(iii). Third parties' shares on return of temporary syirkah funds

Third parties' share on returns of temporary syirkah funds represents customer's share on the Subsidiary's income derived from the management of their funds by the Subsidiary under mudharabah principles. Distributable income will be distributed from the cash received (cash basis).

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ac. Pendapatan dan beban bunga dan pendapatan syariah dan hak pihak ketiga atas bagi hasil dana syirkah temporer (lanjutan)

(iii). Hak pihak ketiga atas bagi hasil dana syirkah temporer (lanjutan)

Pendapatan marjin atas pembiayaan yang diberikan dan atas aset produktif lainnya (penempatan pada Bank Indonesia, penempatan pada bank lain dan investasi pada surat berharga) akan dibagikan kepada nasabah pemilik dana dan Entitas Anak sesuai dengan proporsi dana yang dipakai dalam pembiayaan yang diberikan dan aset produktif lainnya. Selanjutnya, pendapatan marjin yang tersedia tersebut kemudian didistribusikan ke nasabah pemilik dana sebagai shahibul maal dan Entitas Anak sebagai mudharib sesuai porsi nisbah bagi hasil yang telah disepakati bersama sebelumnya.

Pendapatan marjin dari pembiayaan dan aset produktif lainnya yang memakai dana Entitas Anak, seluruhnya menjadi milik Entitas Anak, termasuk pendapatan dari transaksi Entitas Anak berbasis imbalan.

ad. Pendapatan provisi dan komisi

Pendapatan provisi dan komisi yang dapat diatribusikan secara langsung kepada aktivitas peminjaman diakui sebagai pengurang biaya pinjaman dan nilai tercatat atas pinjaman tersebut akan diamortisasi sebagai pendapatan bunga dengan menggunakan metode bunga efektif.

Pada umumnya pendapatan provisi dan komisi diakui menggunakan basis akrual pada saat jasa telah diberikan. Pendapatan provisi atas komitmen memberikan pinjaman yang kemungkinan besar akan dicairkan (bersama-sama dengan biaya transaksi lain yang terkait langsung) diakui sebagai penyesuaian atas suku bunga efektif atas pinjaman yang diberikan.

Pendapatan provisi dan komisi yang tidak berkaitan dengan kegiatan pemberian kredit diakui sebagai pendapatan pada saat terjadinya transaksi dan diklasifikasikan sebagai pendapatan operasional lainnya.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ac. Interest income and expense and sharia income and third parties' shares on return of temporary syirkah funds** (continued)*

(iii). Third parties' shares on return of temporary syirkah funds (continued)

Margin income on financing facilities and other earning assets (placements with Bank Indonesia, placements with other banks and investments in securities) are distributed to fund owners and the Subsidiary based on proportion of funds used in the financing and other earning assets. Likewise, the available margin income is then distributed to fund owners as shahibul maal and the Subsidiary as mudharib based on a pre-determined ratio (nisbah).

Margin income from financing facilities and other earning assets using the Subsidiary's funds, are entirely shared for the Subsidiary, including income from the Subsidiary's fee-based transactions.

ad. Fee and commission income

Fees and commissions income directly attributable to lending activity are recognized as a deduction of lending cost and will be recognized as interest income by amortizing the carrying value of loan using effective interest method.

Fees and commissions income are generally recognized on an accrual basis when the service has been provided. Loan commitment fees for loans that are likely to be drawn down are (together with related direct costs) recognized as an adjustment to the effective interest rate on the loan.

Fees and commissions income which are not related to lending activities are recognized as revenue on the transaction date and classified under other operating income.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ae. Laba per saham

Laba bersih per saham dasar dihitung dengan membagi laba bersih dengan rata-rata tertimbang jumlah saham biasa yang beredar pada tahun berjalan.

Laba bersih per saham dilusian dihitung dengan membagi jumlah rata-rata tertimbang saham biasa yang beredar dengan dampak dari semua efek berpotensi saham biasa yang dilutif yang dimiliki Bank, yaitu opsi saham.

Ketika opsi dieksekusi, Bank menerbitkan sejumlah saham baru atau menerbitkan kembali saham treasurinya (jika ada). Nilai kas yang diterima, dikurangi dengan biaya transaksi yang dapat diatribusikan, dikreditkan ke modal saham (nilai nominal) dan agio saham.

af. Segmen operasi

Segmen operasi adalah komponen dari Grup yang terlibat dalam aktivitas bisnis yang menghasilkan pendapatan dan menimbulkan beban, termasuk pendapatan dan beban yang terkait dengan transaksi dengan komponen lain Grup, dimana hasil operasinya dikaji ulang secara berkala oleh pengambil keputusan operasional untuk membuat keputusan mengenai sumber daya yang akan dialokasikan pada segmen tersebut dan menilai kinerjanya, serta tersedia informasi keuangan yang dapat dipisahkan. Hasil segmen yang dilaporkan kepada pengambil keputusan operasional meliputi komponen-komponen yang dapat diatribusikan secara langsung kepada suatu segmen, dan komponen-komponen yang dapat dialokasikan dengan dasar yang wajar.

ag. Transaksi sewa

Grup sebagai penyewa

Pada tanggal insepsi suatu kontrak, Grup menilai apakah suatu kontrak merupakan, atau mengandung, sewa dengan mempertimbangkan apakah kontrak tersebut memberikan hak untuk mengendalikan penggunaan suatu aset identifikasian selama suatu jangka waktu untuk dipertukarkan dengan imbalan.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

ae. Earnings per share

Basic earnings per share are computed by dividing net profit with the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the weighted average number of ordinary shares outstanding plus the assumed conversion of all dilutive potential ordinary shares owned by Bank, which is stock option.

When the options are exercised, the Bank issues new shares or reissues its treasury shares (if any). The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium.

af. Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the operating decision makers to make decisions about resources allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the operating decision makers include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

ag. Lease transaction

The Group as a lessee

At inception of a contract, the Group determines if a contract is, or contains, a lease by considering whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ag. Transaksi sewa (lanjutan)

Grup sebagai penyewa (lanjutan)

Suatu kontrak memberikan hak untuk mengendalikan penggunaan suatu aset identifikasian jika semua kondisi di bawah dipenuhi:

- kontrak tersebut melibatkan penggunaan secara substansial seluruh kapasitas dari aset identifikasian yang secara fisik berbeda (sebagaimana ditentukan secara eksplisit atau implisit dalam kontrak). Jika pemasok memiliki hak substitusi yang substantif, maka aset tersebut tidak dapat dianggap dapat diidentifikasi;

- Grup memiliki hak untuk memperoleh secara substansial semua manfaat ekonomi dari penggunaan aset selama periode penggunaan; dan

- Grup memiliki hak untuk mengarahkan penggunaan aset: yaitu memiliki hak pengambilan keputusan yang paling relevan untuk mengubah bagaimana dan untuk tujuan apa aset tersebut digunakan.

Pada saat insepsi atau penilaian kembali sebuah kontrak yang berisi komponen sewa, Grup mengalokasikan imbalan dalam kontrak tersebut kepada setiap komponen sewa atas dasar harga relatif yang berdiri sendiri.

Grup mengakui aset hak guna dan liabilitas sewa pada tanggal dimulainya sewa. Aset hak guna awalnya diukur pada biaya perolehan, yang terdiri dari jumlah pengukuran awal dari liabilitas sewa disesuaikan dengan pembayaran sewa yang dilakukan pada atau sebelum tanggal permulaan, ditambah dengan biaya langsung awal yang dikeluarkan dan estimasi biaya untuk membongkar dan memindahkan aset pendasar atau untuk merestorasi aset pendasar atau tempat di mana aset berada, dikurangi insentif sewa yang diterima.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ag. Lease transaction** (continued)*

***The Group as a lessee** (continued)*

A contract conveys the right to control the use of an identified asset if all of the following conditions are met:

- *the contract involves the use of substantially all of the capacity of an identified asset that is physically distinct (as specified explicitly or implicitly in the contract). If the supplier has a substantive substitution right, then the asset cannot be considered as identifiable;*

- *the Group have the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and*

- *the Group have the right to direct the use of the asset: i.e. they have decision-making rights that are most relevant to changing how and for what purpose the asset is used.*

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ag. Transaksi sewa (lanjutan)

Grup sebagai penyewa (lanjutan)

Setelah tanggal permulaan, aset hak guna diukur dengan model biaya. Aset hak guna selanjutnya disusutkan dengan menggunakan metode garis-lurus dari tanggal permulaan hingga tanggal yang lebih awal antara akhir masa manfaat aset hak guna atau akhir masa sewa. Selain itu, aset hak guna secara berkala dikurangi dengan kerugian penurunan nilai, jika ada, dan disesuaikan dengan pengukuran kembali liabilitas sewa.

Liabilitas sewa awalnya diukur pada nilai kini pembayaran sewa yang belum dibayar pada tanggal permulaan, didiskontokan dengan menggunakan suku bunga implisit dalam sewa atau jika suku bunga tersebut tidak dapat ditentukan, digunakan suku bunga pinjaman inkremental Grup. Pada umumnya, Grup menggunakan suku bunga pinjaman inkremental sebagai tingkat bunga diskonto.

Pembayaran sewa yang termasuk dalam pengukuran liabilitas sewa terdiri dari:

- pembayaran tetap, termasuk pembayaran tetap secara-substansi, dikurangi insentif sewa yang belum diterima;
- pembayaran sewa secara variabel yang bergantung pada indeks atau suku bunga, yang pada awalnya diukur menggunakan indeks atau suku bunga pada tanggal permulaan;
- jumlah yang diperkirakan akan dibayarkan berdasarkan jaminan nilai residual; dan
- harga eksekusi opsi beli jika Grup cukup pasti untuk mengeksekusi opsi, pembayaran sewa dalam opsi periode perpanjangan jika Grup cukup pasti untuk melaksanakan opsi perpanjangan, dan denda untuk penghentian sewa lebih awal kecuali Grup yakin tidak menghentikan lebih awal.

Liabilitas sewa diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Liabilitas sewa diukur kembali ketika ada perubahan pembayaran sewa masa depan yang timbul dari perubahan indeks atau suku bunga, jika ada perubahan estimasi Grup atas jumlah yang diperkirakan akan dibayar dalam jaminan nilai residual, atau jika Bank mengubah penilaiannya apakah akan mengeksekusi opsi beli, perpanjangan atau penghentian.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ag. Lease transaction** (continued)*

***The Group as a lessee** (continued)*

After commencement date, right-of-use asset is measured using cost model. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the Group's incremental borrowing rate. Generally, the Group uses their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability consist of:

- *fixed payments, including in-substance fixed payments, less lease incentives receivable;*
- *variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;*
- *amounts expected to be payable under a residual value guarantee; and*
- *the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an option renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.*

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Bank changes its assessment of whether it will exercise a purchase, extension, or termination option.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ag. Transaksi sewa (lanjutan)

Grup sebagai penyewa (lanjutan)

Ketika liabilitas sewa diukur kembali dengan cara ini, penyesuaian terkait dilakukan terhadap jumlah tercatat aset hak guna, atau dicatat dalam laba rugi jika jumlah tercatat aset hak guna telah berkurang menjadi nol.

Grup menyajikan aset hak guna dalam aset tetap.

Grup memilih untuk tidak mengakui aset hak guna dan liabilitas sewa untuk sewa jangka pendek yang memiliki masa sewa 12 bulan atau kurang dan sewa atas aset bernilai rendah. Grup mengakui pembayaran sewa atas sewa tersebut sebagai beban dengan dasar garis lurus selama masa sewa. Nilai tercatat aset hak guna segera diturunkan menjadi sebesar jumlah yang dapat dipulihkan ketika nilai tercatat aset lebih besar dari estimasi jumlah yang dapat dipulihkan.

Modifikasi sewa

Grup mencatat modifikasi sewa sebagai sewa terpisah jika:
- modifikasi meningkatkan ruang lingkup sewa dengan menambahkan hak untuk menggunakan satu aset pendasar atau lebih; dan
- imbalan sewa meningkat sebesar jumlah yang setara dengan harga tersendiri untuk peningkatan dalam ruang lingkup dan penyesuaian yang tepat pada harga tersendiri tersebut untuk merefleksikan kondisi kontrak tertentu.

Untuk modifikasi sewa yang tidak dicatat sebagai sewa terpisah, pada tanggal efektif modifikasi sewa, Grup:

- mengukur kembali dan mengalokasikan imbalan kontrak modifikasian;

- menentukan masa sewa dari sewa modifikasian;

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ag. Lease transaction** (continued)*

***The Group as a lessee** (continued)*

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in fixed assets.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the leases payments associated with these leases as an expense on a straight-line basis over the lease term. The right-of-use asset's carrying amount is written down immediately to its recoverable amount when the asset's carrying amount is greater than its estimated recoverable amount.

Lease modification

The Group accounts for a lease modification as a separate lease if both:
- *the modification increases the scope of the lease by adding the right to use one or more underlying assets; and*

- *the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.*

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification, the Group:

- *remeasures and allocates the consideration in the modified contract;*

- *determines the lease term of the modified lease;*

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ag. Transaksi sewa (lanjutan)

Grup sebagai penyewa (lanjutan)

Modifikasi sewa (lanjutan)

- mengukur kembali liabilitas sewa dengan mendiskontokan pembayaran sewa revisian pada tingkat diskonto revisian berdasarkan sisa umur sewa dan sisa pembayaran sewa dengan melakukan penyesuaian terhadap aset hak guna. Tingkat diskonto revisian ditentukan sebagai suku bunga pinjaman inkremental Grup pada tanggal efektif modifikasi;

- menurunkan jumlah tercatat aset hak guna untuk merefleksikan penghentian sebagian atau seluruh sewa untuk modifikasi sewa yang menurunkan ruang lingkup sewa. Grup mengakui setiap laba rugi yang terkait dengan penghentian sebagian atau seluruh sewa tersebut dalam laba rugi; dan

- membuat penyesuaian terkait dengan aset hak guna untuk seluruh modifikasi sewa lainnya.

ah. Pengukuran nilai wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran di pasar utama atau, jika tidak terdapat pasar utama, di pasar yang paling menguntungkan dimana Grup memiliki akses pada tanggal tersebut. Nilai wajar liabilitas mencerminkan risiko wanprestasinya.

Jika tersedia, Grup mengukur nilai wajar di pasar aktif untuk instrumen tersebut. Suatu pasar dianggap aktif jika transaksi atas aset dan liabilitas terjadi dengan frekuensi dan volume yang memadai untuk menyediakan informasi penentuan harga secara berkelanjutan.

Jika harga kuotasian tidak tersedia di pasar aktif, Grup menggunakan teknik penilaian dengan memaksimalkan penggunaan input yang dapat diobservasi yang relevan dan meminimalkan penggunaan input yang tidak dapat diobservasi. Teknik penilaian yang dipilih menggabungkan semua faktor yang diperhitungkan oleh pelaku pasar dalam penentuan harga transaksi.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ag. Lease transaction** (continued)*

***The Group as a lessee** (continued)*

Lease modification (continued)

- *remeasures the lease liability by discounting the revised lease payments using a revised discount rate on the basis of the remaining lease term and the remaining lease payment with a corresponding adjustment to the right-of-use assets. The revised discount rate is determined as the Group's incremental borrowing rate at the effective date of the modification;*

- *decreases the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The Group recognizes any gain or loss relating to the partial or full termination of the lease in profit or loss; and*

- *makes a corresponding adjustment to the right-of-use asset for all other lease modifications.*

ah. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ah. Pengukuran nilai wajar (lanjutan)

Bukti terbaik atas nilai wajar pada saat pengakuan awal adalah harga transaksi, yaitu nilai wajar dari pembayaran yang diberikan atau diterima. Jika Grup menetapkan bahwa nilai wajar pada pengakuan awal berbeda dengan harga transaksi dan nilai wajar tidak dapat dibuktikan dengan harga kuotasian di pasar aktif untuk aset atau liabilitas yang identik atau berdasarkan teknik penilaian yang hanya menggunakan data dari pasar yang dapat diobservasi, maka nilai wajar instrumen keuangan pada saat pengakuan awal disesuaikan untuk menangguhkan perbedaan antara nilai wajar pada saat pengakuan awal dan harga transaksi. Setelah pengakuan awal, perbedaan tersebut diakui dalam laba rugi berdasarkan umur dari instrumen tersebut namun tidak lebih lambat dari saat penilaian tersebut didukung sepenuhnya oleh data pasar yang dapat diobservasi atau saat transaksi ditutup.

Jika aset atau liabilitas yang diukur pada nilai wajar memiliki harga penawaran dan harga permintaan, maka Grup mengukur aset dan liabilitas berdasarkan harga tengahnya.

Kelompok aset keuangan dan liabilitas keuangan yang diukur pada nilai wajar, yang terekspos risiko pasar dan risiko kredit yang dikelola oleh Grup berdasarkan eksposur netonya, baik terhadap risiko pasar ataupun risiko kredit, diukur berdasarkan harga yang akan diterima untuk menjual posisi *net long* (atau dibayar untuk mengalihkan posisi *net short*) untuk eksposur risiko tertentu. Penyesuaian pada level kelompok tersebut dialokasikan pada aset dan liabilitas individual berdasarkan penyesuaian risiko relatif dari masing-masing instrumen individual di dalam kelompok.

***2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)*

***ah. Fair value measurement** (continued)*

The best evidence of the fair value at initial recognition is normally the transaction price, i.e., the fair value of the consideration given or received. If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and liabilities at its mid price.

Portfolios of financial assets and financial liabilities measured at fair value, that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk, are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities based on the relative risk adjustment of each of the individual instruments in the portfolio.

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING

Sumber utama ketidakpastian estimasi

Informasi mengenai asumsi dan ketidakpastian estimasi dijelaskan di bawah ini dan pada catatan-catatan di bawah ini:

- Catatan 23 – pengukuran liabilitas imbalan pascakerja dan imbalan jangka panjang lainnya: asumsi-asumsi aktuarial.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Key sources of estimation uncertainty

Information about the assumptions and estimation uncertainties is set out below and in the following notes:

- *Note 23 – measurement of post-employment benefits liabilities and other long-term benefits: actuarial assumptions.*

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan

Bank

Grup melakukan peninjauan kembali atas aset keuangan pada setiap tanggal pelaporan untuk melakukan penilaian atas cadangan kerugian penurunan nilai yang telah dicatat. Pertimbangan manajemen diperlukan dalam menentukan tingkat cadangan yang dibutuhkan.

Sesuai dengan PSAK 71, Bank mengestimasi kerugian kredit ekspektasian ("KKE") atas pinjaman yang diberikan. Estimasi KKE melibatkan penggunaan model dan asumsi yang merupakan sumber utama ketidakpastian dalam estimasi.

Penilaian risiko kredit dari portofolio aset memerlukan estimasi mengenai kemungkinan terjadinya gagal bayar, dari rasio kerugian yang terkait dan korelasi gagal bayar antarpihak. Bank menggunakan model yang kompleks yaitu menggunakan matriks *Probability of Default* (PD), *Loss Given Default* (LGD) dan *Exposure at Default* (EAD), dan variabel makroekonomi untuk estimasi yang bersifat perkiraan masa depan, yang didiskontokan menggunakan suku bunga efektif, yang dapat dijelaskan sebagai berikut:

- PD merupakan kemungkinan pada suatu waktu *(point in time)* dimana debitur mengalami gagal bayar, dikalibrasikan sampai dengan periode 12 bulan dari tanggal pelaporan (Tahap 1) atau sepanjang umur aset (Tahap 2) dan memperhitungkan dampak asumsi ekonomi masa depan yang memiliki dampak terhadap risiko kredit. PD diestimasikan pada suatu waktu yang berarti PD akan berfluktuasi sejalan dengan siklus ekonomi.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(continued)*

Key sources of estimation uncertainty *(continued)*

- *Allowance for impairment losses of financial assets*

Bank

The Group reviews their financial assets at reporting date to evaluate the allowance for impairment losses. Management's judgement is applied in determining the level of allowance required.

In accordance with PSAK 71, the Bank estimated the expected credit losses ("ECL") on loans. The ECL estimation involves use of models and assumptions which are the key sources of estimation uncertainty.

The assessment of credit risk of an asset portfolio entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Bank primarily uses sophisticated models that utilize the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), and macroeconomic variables for forward looking perspective, which are discounted using the effective interest rate, as described as follows:

- *PD represents the probability at a point in time that debtor will default, calibrated over up to 12 months from the reporting date (Stage 1) or over the lifetime of the asset (Stage 2) and incorporating the impact of forward looking economic assumptions that have an effect on credit risk. PD is estimated at point in time that means it will fluctuate in line with the economic cycle.*

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Bank (lanjutan)

- LGD merupakan kerugian yang diperkirakan akan timbul dari debitur yang gagal bayar dengan memperhitungkan dampak dari asumsi ekonomi masa depan yang relevan, yaitu perbedaan antara arus kas kontraktual yang seharusnya diterima dengan arus kas yang diharapkan Bank untuk diterima. Bank mengestimasikan LGD berdasarkan data historis tingkat pemulihan dan memperhitungkan pemulihan yang berasal dari jaminan yang merupakan bagian yang tidak terpisah dari pinjaman yang diberikan dengan mempertimbangkan asumsi ekonomi di masa depan yang relevan.

- EAD merupakan perkiraan nilai eksposur pada saat gagal bayar dengan mempertimbangkan perubahan eksposur yang diharapkan selama masa eksposur. EAD memperhitungkan dampak penarikan fasilitas kredit (*committed*) yang dilakukan, pembayaran pokok dan bunga, amortisasi dan pembayaran dimuka, serta dampak dari asumsi ekonomi di masa depan yang relevan, yang dipilih berdasarkan pengumpulan data makroekonomi yang diperoleh dari berbagai sumber seperti, namun tidak terbatas pada, regulator, pemerintah serta organisasi penelitian independen.

Variabel makroekonomi yang digunakan terdiri dari tingkat pertumbuhan pendapatan domestik bruto (PDB), tingkat inflasi, nilai valuta asing, tingkat bunga antarbank, dan tingkat pengangguran. Untuk perhitungan KKE pada tanggal 31 Desember 2023 dan 2022, Bank menggunakan variabel makroekonomi sebagai berikut:

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(continued)*

Key sources of estimation uncertainty *(continued)*

- *Allowance for impairment losses of financial assets (continued)*

Bank *(continued)*

- *LGD represents the loss that is expected to arise on default, incorporating the impact of forward looking economic assumptions where relevant, which represents the difference between the contractual cash flows due and those that the Bank expects to receive. The Bank estimates LGD based on the history of recovery rates and considers the recovery of any collateral that is integral to the loans, taking into account forward looking economic assumptions where relevant.*

- *EAD represents the expected exposure at the time of default, taking into account the expected change in exposure over the lifetime of the exposure. This incorporates the impact of drawdowns of committed facilities, repayments of principals and interest, amortization and prepayments, together with the impact of forward looking economic assumptions where relevant, which are chosen based on the collation of macroeconomics data obtained from various sources such as, but not limited to, regulators, government as well as independent research organisation.*

The macroeconomic variables used, among others, consisted of gross domestic product (GDP) growth rate, inflation rate, foreign exchange rates, interbank rate, and unemployment rate. In the calculation of ECL as of 31 December 2023 and 2022, the Bank used macroeconomic variables as follows:

31 Desember/*December* 2023

Skenario/ ***Scenario***	**Tingkat pertumbuhan PDB per tahun/** ***GDP growth rate per annum***	**Tingkat inflasi per tahun/** ***Inflation rate per annum***	**Tingkat bunga antarbank per tahun/** ***Interbank rate per annum***	**Nilai tukar Rupiah per 1 USD/** ***Exchange rate of Rupiah per 1 USD***	**Tingkat pengangguran/** ***Unemployment rate***
Terbaik/*Best*	5.5%	3.1%	4.5%	15,344	4.9%
Dasar/*Base*	5.2%	3.3%	4.8%	16,152	5.2%
Terburuk/*Worst*	4.9%	3.5%	5.0%	16,960	5.5%

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Bank (lanjutan)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(continued)*

Key sources of estimation uncertainty *(continued)*

- *Allowance for impairment losses of financial assets (continued)*

Bank *(continued)*

	31 Desember/*December* 2022				
Skenario/ *Scenario*	**Tingkat pertumbuhan PDB per tahun/ *GDP growth rate per annum***	**Tingkat inflasi per tahun/ *Inflation rate per annum***	**Tingkat bunga antarbank per tahun/ *Interbank rate per annum***	**Nilai tukar Rupiah per 1 USD/ *Exchange rate of Rupiah per 1 USD***	**Tingkat pengangguran/ *Unemployment rate***
Terbaik/*Best*	6.3%	2.9%	4.0%	14,986	5.3%
Dasar/*Base*	6.0%	3.0%	4.3%	15,775	5.6%
Terburuk/*Worst*	5.7%	3.2%	4.5%	16,564	5.9%

Dalam menentukan probabilitas tertimbang dari skenario yang akan terjadi di masa depan, Bank telah melakukan analisis berdasarkan informasi historis PDB yang meliputi insiden besar yang terjadi pada rentang waktu 42 tahun terakhir.

In determining the probability weighted of each scenario that will occur in the future, the Bank has conducted an analysis based on historical GDP information which includes the major incident that happened in the last 42 years.

Bank menerapkan tiga skenario makroekonomi berikut untuk mencerminkan jumlah yang tidak bias dan probabilitas tertimbang yang ditentukan dengan mengevaluasi serangkaian hasil yang kemungkinan dapat terjadi dalam mengestimasi KKE:

The Bank applied the following three macroeconomic scenarios to reflect an unbiased probability-weighted range of possible future outcomes in estimating ECL:

- Skenario Dasar: Skenario ini mencerminkan bahwa kondisi makroekonomi saat ini terus berlanjut; dan
- Skenario Terbaik dan Terburuk: Skenario ini ditetapkan relatif terhadap skenario dasar; mencerminkan kondisi makroekonomi terbaik dan terburuk berdasarkan kombinasi pendekatan statistik dan penilaian dari *subject matter expert* berdasarkan kondisi ekonomi saat ini.

- *Base scenario: This scenario reflects that current macroeconomic condition continues to prevail; and*
- *Best and Worst scenarios: These scenarios are set relative to the base scenario; reflecting best and worst case macroeconomic conditions based on combination of statistical approach and subject matter expert's assessment from current economic conditions.*

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Bank (lanjutan)

Pemodelan dilakukan dengan mengelompokkan portofolio kredit ke dalam 8 kategori untuk pinjaman ritel dan 1 kategori untuk pinjaman korporasi.

Asumsi yang mendasari pemodelan akan dipantau dan ditinjau setiap tahun. Tidak ada perubahan signifikan dalam teknik estimasi yang dibuat selama periode pelaporan.

Khusus untuk pinjaman korporasi dan mitra bisnis tertentu yang material, ketika pinjaman yang diberikan mengalami penurunan nilai, cadangan kerugian kredit dihitung secara individu. Dalam penilaian individu, kondisi spesifik debitur dievaluasi secara individu berdasarkan estimasi terbaik manajemen atas nilai kini arus kas yang diharapkan akan diterima. Evaluasi penilaian individu atas arus kas yang diharapkan akan diterima ditentukan berdasarkan probabilitas tertimbang beberapa skenario.

Dalam mengestimasi arus kas tersebut, manajemen membuat pertimbangan mengenai situasi keuangan debitur dan nilai realisasi bersih dari setiap agunan yang ada. Setiap aset yang mengalami penurunan nilai dinilai sesuai dengan keadaan dan strategi penyelesaian masing-masing. Estimasi arus kas ekspektasian dari skenario-skenario estimasi disetujui secara independen oleh *Business Risk* masing-masing segmen bisnis.

***3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS** (continued)*

***Key sources of estimation uncertainty** (continued)*

- *Allowance for impairment losses of financial assets (continued)*

***Bank** (continued)*

Modelling is done by segmenting the credit portfolio into 8 categories for retail loans and 1 category for corporate loans.

The assumptions underlying modelling is monitored and reviewed on an annual basis. There have been no significant changes on estimation techniques made during the reporting period.

Specifically for corporate and certain material business banking loans, when the loans have been impaired, the allowance for credit losses is calculated individually. In individual assessment, the specific debtors' conditions are evaluated individually based on management's best estimate of the present value of the cash flows that are expected to be received. Evaluation over the individual assessment is determined based on probability weighted of multiple scenarios.

Probability-weighted estimation is performed by taking into account weighting for each scenario and uses minimum of 2 (two) scenarios to reflect at least normal scenario and worst scenario. In estimating these cash flows, management makes judgments about the debtors' financial situation and the net realizable value of any underlying collateral. Each impaired asset is assessed on its merits and the workout strategy. The estimated expected cash flows from estimation scenarios are independently approved by the Business Risk from each business segment.

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Entitas Anak

Perhitungan cadangan penurunan nilai kolektif meliputi kerugian kredit yang melekat dalam portofolio piutang murabahah Entitas Anak. Dalam menilai kebutuhan untuk cadangan penurunan nilai kolektif, manajemen mempertimbangkan faktor-faktor seperti kualitas pembiayaan, karakteristik produk dan apakah pembiayaan tersebut telah direstrukturisasi.

Dalam mengestimasi cadangan yang diperlukan, asumsi-asumsi dibuat untuk menentukan model kerugian bawaan dan untuk menentukan parameter input yang diperlukan, berdasarkan pengalaman historis dan kondisi ekonomi saat ini. Ketepatan dari cadangan yang dihitung ini tergantung pada seberapa tepat estimasi dan asumsi pada model dan parameter yang digunakan dalam menentukan cadangan kolektif.

Basis evaluasi atas cadangan kerugian penurunan nilai aset keuangan dan piutang murabahah dijelaskan pada Catatan 2i.

- Penentuan nilai wajar

Dalam menentukan nilai wajar atas aset keuangan dan liabilitas keuangan dimana tidak terdapat harga pasar yang dapat diobservasi, Grup harus menggunakan teknik penilaian seperti dijelaskan pada Catatan 2ai. Untuk instrumen keuangan yang jarang diperdagangkan dan tidak memiliki harga yang transparan, nilai wajarnya menjadi kurang obyektif dan karenanya, membutuhkan tingkat pertimbangan yang beragam, tergantung pada likuiditas, konsentrasi, ketidakpastian faktor pasar, asumsi penentuan harga, dan risiko lainnya yang mempengaruhi instrumen tersebut.

Kebijakan akuntansi pengukuran nilai wajar Grup dibahas pada Catatan 2ai.

Pertimbangan akuntansi yang penting dalam menerapkan kebijakan akuntansi Grup

- Nilai wajar atas instrumen keuangan

Kebijakan akuntansi Grup untuk pengukuran nilai wajar dibahas di Catatan 2ai.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(continued)*

Key sources of estimation uncertainty *(continued)*

- *Allowance for impairment losses of financial assets (continued)*

Subsidiary

Collectively assessed impairment allowances cover credit losses inherent in portfolios of the Subsidiary's murabahah receivables. In assessing the need for collective impairment allowances, management considers factors such as financing quality, characteristic of products and whether the financing has been restructured.

In order to estimate the required allowance, assumptions are made to define the way inherent losses are modeled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the calculated allowances depends on how well the estimates and assumptions on the model and parameters used in determining collective allowances.

Basis of evaluation of impairment for financial assets and murabahah receivables is described in Note 2i.

- *Determining fair values*

The determination of fair value for financial assets and financial liabilities for which there is no observable market price, the Group has to use valuation techniques as described in Note 2ai. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and therefore, it requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Group's accounting policy on fair value measurement is discussed in Note 2ai.

Critical accounting judgments in applying the Group's accounting policies

- *Fair value of financial instruments*

The Group's accounting policy on fair value measurements is discussed in Note 2ai.

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Pertimbangan akuntansi yang penting dalam menerapkan kebijakan akuntansi Grup (lanjutan)

- Nilai wajar atas instrumen keuangan (lanjutan)

  Informasi mengenai penentuan nilai wajar dari instrumen keuangan diungkapkan pada Catatan 41.

- Klasifikasi aset dan liabilitas keuangan serta efek-efek syariah

  Kebijakan akuntansi Grup memberikan pilihan untuk mengklasifikasikan aset dan liabilitas keuangan ke dalam berbagai kategori pada saat pengakuan awal berdasarkan kondisi tertentu yang membutuhkan pertimbangan manajemen.

  Dalam menentukan klasifikasi aset dan liabilitas keuangan, Bank telah menetapkan bahwa aset dan liabilitas keuangan telah memenuhi persyaratan klasifikasi sebagaimana dijabarkan dalam Catatan 2h.

  Dalam mengklasifikasikan investasi pada efek-efek syariah sebagai ”diukur pada biaya perolehan” dan ”diukur pada nilai wajar melalui penghasilan komprehensif lain”, Entitas Anak telah menetapkan bahwa investasi tersebut telah memenuhi persyaratan klasifikasi sebagaimana dijabarkan dalam Catatan 2l.

- Sewa

  Penentuan apakah suatu perjanjian mengandung unsur sewa membutuhkan pertimbangan yang cermat untuk menilai apakah perjanjian tersebut memberikan hak untuk mendapatkan secara substansial seluruh manfaat ekonomi dari penggunaan aset identifikasian dan hak untuk mengarahkan penggunaan aset identifikasian, bahkan jika hak tersebut tidak dijabarkan secara eksplisit di perjanjian.

  Karena Grup tidak dapat dengan mudah menentukan suku bunga implisit, manajemen menggunakan suku bunga pinjaman inkremental Grup sebagai tingkat diskonto.

***3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS** (continued)*

***Critical accounting judgments in applying the Group's accounting policies** (continued)*

- *Fair value of financial instruments (continued)*

  Information about the determination of fair value of financial instruments is disclosed in Note 41.

- *Financial assets and liabilities as well as sharia securities classification*

  The Group's accounting policies provides choices to classify financial assets and liabilities into different categories at initial recognition based on certain circumstances requiring management's judgement.

  In determining the classification of financial assets and liabilities, the Bank has determined that financial assets and liabilities have already met the requirements of such classification as set out in Note 2h.

  In classifying investment in sharia securities as "measured at acquisition cost" and "measured at fair value through other comprehensive income", the Subsidiary has determined that the investment in sharia securities have already met the requirements of such classification as set out in Note 2l.

- *Leases*

  Determining whether an arrangement is or contains a lease requires careful judgement to assess whether the arrangement conveys a right to obtain substantially all the economic benefits from use of the asset throughout the period of use and right to direct the use of the asset, even if the right is not explicitly specified in the arrangement.

  Since the Group could not readily determine the implicit rate, management uses the Group's incremental borrowing rate as a discount rate.

3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (lanjutan)

Pertimbangan akuntansi yang penting dalam menerapkan kebijakan akuntansi Grup (lanjutan)

- Sewa (lanjutan)

  Ada beberapa faktor yang perlu dipertimbangkan dalam menentukan suku bunga pinjaman inkremental, yang banyak di antaranya memerlukan pertimbangan untuk dapat secara andal mengukur penyesuaian yang diperlukan untuk sampai pada tingkat diskonto akhir.

  Dalam menentukan suku bunga pinjaman inkremental, Grup mempertimbangkan faktor-faktor utama sebagai berikut; risiko kredit Grup, jangka waktu sewa, jangka waktu pembayaran sewa, lingkungan ekonomi, waktu di mana sewa dimasukkan, dan mata uang di mana pembayaran sewa ditentukan.

  Dalam menentukan jangka waktu sewa, Grup mempertimbangkan semua fakta dan keadaan yang menimbulkan insentif ekonomi untuk menggunakan opsi perpanjangan, atau tidak menggunakan opsi penghentian. Opsi perpanjangan (atau periode setelah opsi penghentian kontrak kerja) hanya dimasukkan dalam jangka waktu sewa jika sewa cukup pasti akan diperpanjang (atau tidak dihentikan).

***3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS** (continued)*

***Critical accounting judgments in applying the Group's accounting policies** (continued)*

- *Leases (continued)*

  There are several factors to consider in determining an incremental borrowing rate, many of which need judgement in order to be able to reliably quantify any necessary adjustments to arrive at the final discount rates.

  In determining incremental borrowing rate, the Group considers the following main factors; the Group's credit risk, the lease term, the lease payment term, the economic environment, the time at which the lease is entered, and the currency in which the lease payments are denominated.

  In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4. KAS / ***4. CASH***

	31 Desember/*December*		
	2023	**2022**	
Rupiah	1,369,417	1,707,213	*Rupiah*
Dolar Amerika Serikat	54,843	37,029	*United States Dollar*
Yen Jepang	3,821	3,219	*Japanese Yen*
Dolar Singapura	602	-	*Singapore Dollar*
	1,428,683	1,747,461	

Saldo dalam mata uang Rupiah termasuk uang pada mesin ATM (Anjungan Tunai Mandiri) pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp 62.968 dan Rp 74.196.

The Rupiah balance includes cash in ATMs (Automatic Teller Machines) as of 31 December 2023 and 2022 amounting to Rp 62,968 and Rp 74,196, respectively.

Pada tanggal 31 Desember 2023 dan 2022, kas telah diasuransikan kepada perusahaan asuransi pihak ketiga (disajikan sebesar nilai pertanggungan):

As of 31 December 2023 and 2022, cash has been insured by the third-party insurance companies (presented at sum insured):

	31 Desember/*December*		
	2023	**2022**	
PT Asuransi MSIG Indonesia	386,750	743,555	*PT Asuransi MSIG Indonesia*
PT Zurich General Takaful Indonesia	76,250	76,250	*PT Zurich General Takaful Indonesia*
Jumlah	463,000	819,805	*Total*

4. KAS (lanjutan)

Grup berpendapat bahwa nilai pertanggungan asuransi cukup untuk menutup kemungkinan kerugian dari aset tersebut.

***4. CASH** (continued)*

The Group believes that the insurance coverage is adequate to cover possible losses arising from the assets.

5. GIRO PADA BANK INDONESIA / *5. CURRENT ACCOUNTS WITH BANK INDONESIA*

	31 Desember/December	
	2023	**2022**
Rupiah	6,963,876	7,710,064
Dolar Amerika Serikat	2,312,722	2,505,286
	9,276,598	10,215,350

Rupiah
United States Dollar

Termasuk dalam saldo giro pada Bank Indonesia adalah giro berdasarkan prinsip syariah dengan akad wadiah masing-masing sebesar Rp 663.443 dan Rp 694.427 pada tanggal 31 Desember 2023 dan 2022.

Included in the balance of current accounts with Bank Indonesia are current accounts based on sharia principles under wadiah contract amounting to Rp 663,443 and Rp 694,427 as of 31 December 2023 and 2022, respectively.

Giro Wajib Minimum (GWM) pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

As of 31 December 2023 and 2022, the statutory reserves were as follows:

	31 Desember/*December*	
	2023	**2022**
Bank		
Rupiah		
- GWM (Bank Konvensional)	8.30%	8.20%
- GWM Penyangga Likuiditas Makroprudensial ("PLM")	9.49%	10.91%
- GWM Rasio Intermediasi Makroprudensial ("RIM")*	-	-
Mata uang asing		
- GWM mata uang asing	4.02%	4.02%
Entitas Anak		
Rupiah		
- GWM Total (Bank Syariah)	5.54%	5.77%

Bank
Rupiah
Statutory Reserves (Conventional Bank) -
Statutory Reserve Macroprudential - Liquidity Buffer ("PLM")
*Statutory Reserve Macroprudential - Intermediation Ratio ("RIM")**
Foreign currencies
Foreign currencies reserve -
Subsidiary
Rupiah
Total Statutory Reserves (Sharia Bank) -

*) Pada tanggal 31 Desember 2023 dan 2022, rasio RIM Bank berada di atas batas yang ditentukan. Walaupun demikian, Bank tidak dikenakan GWM RIM dikarenakan rasio KPMM Bank berada di atas 14%.

*) *As of 31 December 2023 and 2022, the Bank's RIM ratio is above the specified limit. Nevertheless the Bank is not subject to the Statutory Reserves RIM as the Bank's CAR is above 14%.*

Grup memenuhi ketentuan BI yang berlaku tentang Giro Wajib Minimum pada tanggal 31 Desember 2023 dan 2022.

The Group fulfilled BI's regulations regarding Statutory Reserve Requirements as of 31 December 2023 and 2022.

6. GIRO PADA BANK-BANK LAIN / *6. CURRENT ACCOUNTS WITH OTHER BANKS*

a. Berdasarkan mata uang / *a. By currency*

	31 Desember/*December*		
	2023	2022	
Rupiah	117,727	92,222	***Rupiah***
Mata uang asing			***Foreign currencies***
Dolar Amerika Serikat	446,607	1,453,587	*United States Dollar*
Yen Jepang	153,105	390,933	*Japanese Yen*
Euro Eropa	62,471	89,866	*European Euro*
Dolar Australia	54,675	38,734	*Australian Dollar*
Dolar Singapura	52,601	2,234	*Singapore Dollar*
Poundsterling Inggris	42,308	35,593	*British Poundsterling*
Baht Thailand	18,448	84,304	*Thailand Baht*
Mata uang asing lainnya	14,445	2,088	*Other foreign currencies*
	844,660	2,097,339	
Cadangan kerugian penurunan nilai	(158)	(415)	*Allowance for impairment losses*
	962,229	2,189,146	

b. Berdasarkan hubungan dengan pihak lawan / *b. By relationship with counterparties*

	31 Desember/*December*		
	2023	2022	
Pihak ketiga			***Third parties***
Rupiah	117,727	92,222	*Rupiah*
Mata uang asing	382,599	1,457,632	*Foreign currencies*
	500,326	1,549,854	
Pihak berelasi			***Related party***
Mata uang asing	462,061	639,707	*Foreign currencies*
Cadangan kerugian penurunan nilai	(158)	(415)	*Allowance for impairment losses*
	962,229	2,189,146	

c. Berdasarkan pihak lawan / *c. By counterparties*

	31 Desember/*December*		
	2023	2022	
Pihak ketiga			***Third parties***
Wells Fargo Bank N.A., New York	277,571	1,333,299	*Wells Fargo Bank N.A., New York*
PT Bank Central Asia Tbk	119,367	96,905	*PT Bank Central Asia Tbk*
National Australia Bank, Singapura	54,675	38,734	*National Australia Bank, Singapore*
PT Bank Mandiri (Persero) Tbk	24,109	34,899	*PT Bank Mandiri (Persero) Tbk*
PT Bank Negara Indonesia (Persero) Tbk	13,395	5,645	*PT Bank Negara Indonesia (Persero) Tbk*
Citibank N.A., New York	8,091	37,953	*Citibank N.A., New York*
Lain-lain	3,118	2,419	*Others*
	500,326	1,549,854	
Pihak berelasi			***Related party***
Sumitomo Mitsui Banking Corporation	462,061	639,707	*Sumitomo Mitsui Banking Corporation*
Cadangan kerugian penurunan nilai	(158)	(415)	*Allowance for impairment losses*
	962,229	2,189,146	

6. GIRO PADA BANK-BANK LAIN (lanjutan)

c. Berdasarkan pihak lawan (lanjutan)

Giro pada bank-bank lain pada tanggal 31 Desember 2023 dan 2022 diklasifikasikan lancar berdasarkan kolektibilitas OJK. Tidak terdapat saldo giro pada bank-bank lain yang diblokir atau digunakan sebagai agunan pada tanggal-tanggal tersebut.

Tingkat suku bunga rata-rata per tahun atas giro pada bank-bank lain untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

6. CURRENT ACCOUNTS WITH OTHER BANKS (continued)

c. By counterparties (continued)

As of 31 December 2023 and 2022, current accounts with other banks were classified as current based on OJK collectibility. There were no current accounts with other banks which were blocked or used as collateral as of those dates.

The average interest rates per annum of current accounts with other banks for year ended 31 December 2023 and 2022 were as follows:

	31 Desember/*December*		
	2023	**2022**	
Rupiah	0.63%	1.78%	*Rupiah*
Mata uang asing	0.53%	0.12%	*Foreign currencies*

Perubahan dalam cadangan kerugian penurunan nilai adalah sebagai berikut:

The movement of the allowance for impairment losses was as follows:

	31 Desember/*December*		
	2023	**2022**	
Saldo awal	(415)	(460)	*Beginning balance*
Pemulihan selama tahun berjalan (Catatan 34)	256	44	*Reversal during the year (Note 34)*
Lainnya	1	1	*Others*
Saldo akhir	(158)	(415)	*Ending balance*

Manajemen berpendapat bahwa cadangan kerugian penurunan nilai yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai atas giro pada bank-bank lain pada tanggal 31 Desember 2023 dan 2022.

Management believes that the allowance for impairment losses was adequate to cover impairment losses for current accounts with other banks as of 31 December 2023 and 2022.

7. PENEMPATAN PADA BANK INDONESIA DAN BANK-BANK LAIN

Pada tanggal 31 Desember 2023 dan 2022, seluruh penempatan pada Bank Indonesia dan bank-bank lain ditempatkan pada pihak ketiga.

a. Berdasarkan mata uang

7. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS

As of 31 December 2023 and 2022, all placements with Bank Indonesia and other banks were placed at third parties.

a. By currency

	31 Desember/*December*		
	2023	**2022**	
Rupiah	3,064,603	11,307,098	***Rupiah***
Mata uang asing			***Foreign currencies***
Dolar Amerika Serikat	5,897,051	10,578,116	*United States Dollar*
Pendapatan bunga yang masih akan diterima	2,624	2,851	*Accrued interest income*
Cadangan kerugian penurunan nilai	-	(171)	*Allowance for impairment losses*
	8,964,278	21,887,894	

Pada tanggal 31 Desember 2023 dan 2022, jumlah penempatan pada Bank Indonesia dan bank-bank lain yang digolongkan sebagai setara kas adalah masing-masing sebesar Rp 8.961.654 dan Rp 21.885.214.

As of 31 December 2023 and 2022, total placements with Bank Indonesia and other banks that were classified as cash equivalents amounted to Rp 8,961,654 and Rp 21,885,214, respectively.

7. PENEMPATAN PADA BANK INDONESIA DAN BANK-BANK LAIN (lanjutan)

***7. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS** (continued)*

b. Berdasarkan jenis

b. By type

	31 Desember/*December* 2023	2022	
Deposito berjangka	6,135,051	21,111,655	*Time deposits*
Fasilitas Simpanan Bank Indonesia ("FASBI"), bersih setelah dikurangi dengan diskonto yang belum diamortisasi	2,826,603	298,965	*Bank Indonesia's Deposit Facilities ("FASBI"), net of unamortized discount*
Call money	-	474,594	*Call money*
	8,961,654	21,885,214	
Pendapatan bunga yang masih akan diterima	2,624	2,851	*Accrued interest income*
Cadangan kerugian penurunan nilai	-	(171)	*Allowance for impairment losses*
	8,964,278	21,887,894	

c. Berdasarkan pihak lawan

c. By counterparties

	31 Desember/*December* 2023	2022	
Deposito berjangka:			***Time deposits:***
Bank Indonesia	5,897,051	20,881,155	*Bank Indonesia*
PT Bank Muamalat Indonesia Tbk	180,500	186,000	*PT Bank Muamalat Indonesia Tbk*
PT Bank Aceh Syariah	50,000	-	*PT Bank Aceh Syariah*
PT Bank Mega Syariah	7,500	44,500	*PT Bank Mega Syariah*
	6,135,051	21,111,655	
Penempatan lain:			***Other placements:***
Bank Indonesia - bersih setelah dikurangi dengan diskonto yang belum diamortisasi	2,826,603	298,965	*Bank Indonesia - net of unamortized discount*
PT Bank OCBC NISP Tbk	-	250,000	*PT Bank OCBC NISP Tbk*
PT Bank Mega Tbk	-	155,675	*PT Bank Mega Tbk*
PT Bank Pembangunan Daerah Jawa Tengah Tbk	-	38,919	*PT Bank Pembangunan Daerah Jawa Tengah Tbk*
PT Bank Pembangunan Daerah Jawa Timur Tbk	-	30,000	*PT Bank Pembangunan Daerah Jawa Timur Tbk*
	8,961,654	21,885,214	
Pendapatan bunga yang masih akan diterima	2,624	2,851	*Accrued interest income*
Cadangan kerugian penurunan nilai	-	(171)	*Allowance for impairment losses*
	8,964,278	21,887,894	

7. PENEMPATAN PADA BANK INDONESIA DAN BANK-BANK LAIN (lanjutan)

7. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS *(continued)*

d. Berdasarkan jangka waktu

d. By time period

	31 Desember/*December* 2023	2022	
Hingga 1 bulan	8,723,654	21,795,214	*Up to 1 month*
Lebih dari 1 - 3 bulan	238,000	90,000	*More than 1 - 3 months*
	8,961,654	21,885,214	
Pendapatan bunga yang masih akan diterima	2,624	2,851	*Accrued interest income*
Cadangan kerugian penurunan nilai	-	(171)	*Allowance for impairment losses*
	8,964,278	21,887,894	

e. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 41.

e. By remaining period to maturity date

Information regarding remaining period to maturity date was disclosed in Note 41.

f. Tingkat suku bunga

Tingkat suku bunga rata-rata per tahun atas penempatan pada Bank Indonesia dan bank-bank lain untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

f. Interest rate

The average interest rates per annum of placements with Bank Indonesia and other banks for the years ended 31 December 2023 and 2022 were as follows:

	31 Desember/*December* 2023	2022	
Rupiah	5.35%	3.20%	*Rupiah*
Mata uang asing	4.87%	2.53%	*Foreign currencies*

g. Cadangan kerugian penurunan nilai

Perubahan dalam cadangan kerugian penurunan nilai adalah sebagai berikut:

g. Allowance for impairment losses

The movement of the allowance for impairment losses was as follows:

	31 Desember/*December* 2023	2022	
Saldo awal	(171)	(206)	*Beginning balance*
Pemulihan selama tahun berjalan (Catatan 34)	167	42	*Reversal during the year (Note 34)*
Lainnya	4	(7)	*Others*
Saldo akhir	-	(171)	*Ending balance*

Manajemen berpendapat bahwa tidak diperlukan cadangan kerugian penurunan nilai pada tanggal 31 Desember 2023 dan cadangan kerugian penurunan nilai cukup untuk menutup kemungkinan kerugian akibat penurunan nilai atas penempatan pada Bank Indonesia dan bank-bank lain pada tanggal 31 Desember 2022.

Management believes that no allowance for impairment losses was needed as of 31 December 2023 and allowance for impairment losses was adequate to cover impairment losses for placement with Bank Indonesia and other banks as of 31 December 2022.

8. EFEK-EFEK / *8. SECURITIES*

a. Berdasarkan jenis mata uang dan penerbit / *a. By currency and issuer*

	31 Desember/ *December* 2023			
	Nilai nominal/ *Nominal value*	**Keuntungan (kerugian) yang belum direalisasi/ *Unrealized gains (losses)***	**Premium (diskonto) yang belum diamortisasi/ *Unamortized premium (discount)***	**Nilai tercatat/ *Carrying amount***
Rupiah				
Diukur pada nilai wajar melalui laba rugi/ *Measured at fair value through profit or loss*				
Obligasi pemerintah/*Government bonds*	121,755	1,181	-	122,936
	121,755	1,181	-	122,936
Diukur pada nilai wajar melalui penghasilan komprehensif lain/ *Measured at fair value through other comprehensive income*				
Obligasi pemerintah/*Government bonds*	7,292,834	3,595	33,663	7,330,092
Reksa dana syariah/*Sharia mutual funds*	205,000	183	-	205,183
	7,497,834	3,778	33,663	7,535,275
Diukur pada biaya perolehan diamortisasi/ *Measured at amortized cost*				
Wesel ekspor/*Export bills*	137,352	-	(1,991)	135,361
	137,352	-	(1,991)	135,361
Diukur pada biaya perolehan/ *Measured at acquisition cost*				
Sukuk Bank Indonesia/*Bank Indonesia sukuk*	3,550,643	-	-	3,550,643
Surat Berharga Syariah Negara/*Sovereign Sharia Securities*	3,905,633	-	1,551	3,907,184
Reksa dana syariah/*Sharia mutual funds*	250,000	-	-	250,000
Sukuk korporasi/*Corporate sukuk*	28,000	-	170	28,170
Sertifikat Investasi Mudharabah Antarbank (SIMA)/*Certificate of Interbank Mudharabah Investment (SIMA)*	550,000	-	-	550,000
	8,284,276	-	1,721	8,285,997
	16,041,217	4,959	33,393	16,079,569
Mata uang asing/*Foreign currency*				
Diukur pada nilai wajar melalui laba rugi/ *Measured at fair value through profit or loss*				
Obligasi pemerintah/*Government bonds*	8,345	104	-	8,449
Diukur pada biaya perolehan diamortisasi/ *Measured at amortized cost*				
Wesel ekspor/*Export bills*	957,722	-	(7,239)	950,483
	966,067	104	(7,239)	958,932
Jumlah/*Total*				17,038,501
Pendapatan bunga/marjin yang masih akan diterima/*Accrued interest/margin income*				225,855
Cadangan kerugian penurunan nilai/*Allowance for impairment losses*				(799)
Jumlah/*Total*				17,263,557

8. EFEK-EFEK (lanjutan)

a. Berdasarkan jenis mata uang dan penerbit (lanjutan)

***8. SECURITIES** (continued)*

***a. By currency and issuer** (continued)*

	31 Desember/*December* 2022			
	Nilai nominal/ *Nominal value*	**Keuntungan (kerugian) yang belum direalisasi/ *Unrealized gains (losses)***	**Premium (diskonto) yang belum diamortisasi/ *Unamortized premium (discount)***	**Nilai tercatat/ *Carrying amount***
Rupiah				
Diukur pada nilai wajar melalui laba rugi/ *Measured at fair value through profit or loss*				
Obligasi pemerintah/*Government bonds*	40,367	228	(483)	40,112
	40,367	228	(483)	40,112
Diukur pada nilai wajar melalui penghasilan komprehensif lain/ *Measured at fair value through other comprehensive income*				
Obligasi pemerintah/*Government bonds*	9,070,522	(9,936)	126,792	9,187,378
Reksa dana syariah/*Sharia mutual funds*	205,000	81	-	205,081
	9,275,522	(9,855)	126,792	9,392,459
Diukur pada biaya perolehan diamortisasi/ *Measured at amortized cost*				
Wesel ekspor/*Export bills*	849,454	-	(232)	849,222
	849,454	-	(232)	849,222
Diukur pada biaya perolehan/ *Measured at acquisition cost*				
Surat Berharga Syariah Negara/*Sovereign Sharia Securities*	3,413,975	-	27,353	3,441,328
Sukuk Bank Indonesia/*Bank Indonesia sukuk*	3,306,884	-	-	3,306,884
Sertifikat Investasi Mudharabah Antarbank (SIMA)/*Certificate of Interbank Mudharabah Investment (SIMA)*	323,000	-	-	323,000
Reksa dana syariah/*Sharia mutual funds*	150,000	-	-	150,000
Sukuk korporasi/*Corporate sukuk*	107,000	-	1,545	108,545
	7,300,859	-	28,898	7,329,757
	17,466,202	(9,627)	154,975	17,611,550
Mata uang asing/*Foreign currency*				
Diukur pada biaya perolehan diamortisasi/ *Measured at amortized cost*				
Wesel ekspor/*Export bills*	1,232,035	-	(7,708)	1,224,327
	1,232,035	-	(7,708)	1,224,327
Jumlah/*Total*				18,835,877
Pendapatan bunga/marjin yang masih akan diterima/*Accrued interest/margin income*				214,812
Cadangan kerugian penurunan nilai/*Allowance for impairment losses*				(999)
Jumlah/*Total*				19,049,690

8. EFEK-EFEK (lanjutan) / *8. SECURITIES (continued)*

a. Berdasarkan jenis mata uang dan penerbit (lanjutan) / *a. By currency and issuer (continued)*

Perubahan atas keuntungan yang belum direalisasi dari perubahan nilai wajar atas efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain selama tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The movement of unrealized gains from changes in fair value of securities measured at fair value through other comprehensive income during the years ended 31 December 2023 and 2022 were as follows:

	31 Desember/*December*		
	2023	**2022**	
Saldo awal, sebelum pajak penghasilan	(9,855)	151,144	*Beginning balance, before income tax*
(Kerugian) keuntungan yang belum direalisasi selama tahun berjalan - bersih	13,633	(160,999)	*Unrealized (losses) gains during the year - net*
Jumlah sebelum pajak penghasilan	3,778	(9,855)	*Total before income tax*
Efek pajak penghasilan (Catatan 13f)	(830)	2,169	*Income tax effect (Note 13f)*
	2,948	(7,686)	
Kepentingan non-pengendali	(42)	(18)	*Non-controlling interest*
Saldo akhir, bersih	**2,906**	**(7,704)**	***Ending balance, net***

b. Berdasarkan akad / *b. By contract*

Termasuk di dalam efek-efek adalah efek-efek dengan akad syariah:

Included in securities are securities under sharia contracts:

	31 Desember/*December*		
	2023	**2022**	
Ijarah	3,907,184	3,441,328	*Ijarah*
Musyarakah muntahiyah bittamlik	3,550,643	3,306,884	*Musyarakah muntahiyah bittamlik*
Mudharabah	578,169	431,545	*Mudharabah*
Wakalah	455,184	355,081	*Wakalah*
	8,491,180	7,534,838	
Pendapatan yang masih akan diterima	75,512	64,941	*Accrued income*
	8,566,692	**7,599,779**	

c. Berdasarkan hubungan lawan / *c. By relationship*

	31 Desember/*December*		
	2023	***2022***	
Pihak ketiga	17,038,501	18,650,367	*Third parties*
Pihak berelasi	-	185,510	*Related parties*
	17,038,501	18,835,877	
Pendapatan bunga/marjin yang masih akan diterima	225,855	214,812	*Accrued interest/margin income*
Cadangan kerugian penurunan nilai	(799)	(999)	*Allowance for impairment losses*
	17,263,557	**19,049,690**	

8. EFEK-EFEK (lanjutan)

8. *SECURITIES* *(continued)*

d. Berdasarkan jangka waktu

d. By time period

	31 Desember/*December*		
	2023	***2022***	
Sampai dengan 1 bulan	2,550,000	3,056,827	*Up to 1 month*
Lebih dari 1 - 3 bulan	293,770	283,340	*More than 1 - 3 months*
Lebih dari 3 - 6 bulan	1,400,295	2,568,347	*More than 3 - 6 months*
Lebih dari 6 - 9 bulan	532,591	-	*More than 6 - 9 months*
Lebih dari 9 - 12 bulan	474,881	-	*More than 9 - 12 months*
Lebih dari 12 bulan	11,786,964	12,927,363	*More than 12 months*
	17,038,501	18,835,877	
Pendapatan bunga/marjin yang masih akan diterima	225,855	214,812	*Accrued interest/margin income*
Cadangan kerugian penurunan nilai	(799)	(999)	*Allowance for impairment losses*
	17,263,557	**19,049,690**	

e. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 41.

e. By remaining period of maturity date

Information regarding remaining period to maturity date was disclosed in Note 41.

f. Tingkat suku bunga/marjin rata-rata per tahun

f. Average interest rate/margin per annum

	31 Desember/*December*		
	2023	***2022***	
Obligasi pemerintah	5.34%	4.51%	*Government bonds*
Surat Berharga Syariah Negara	5.53%	5.14%	*Sovereign Sharia Securities*
Sertifikat Investasi Mudharabah Antarbank (SIMA)	6.07%	4.03%	*Certificate of Interbank Mudharabah Investment (SIMA)*
Reksa dana syariah	5.44%	5.22%	*Sharia mutual funds*
Sukuk korporasi	7.22%	6.83%	*Corporate sukuk*
Sukuk Bank Indonesia	6.05%	3.77%	*Bank Indonesia sukuk*

g. Berdasarkan peringkat

g. By rating

Peringkat penerbit sukuk korporasi adalah sebagai berikut:

Rating of issuers of corporate sukuk was as follows:

	31 Desember/*December* 2023		
	Pemeringkat/ *Agencies*	**Peringkat/ *Rating***	**Nilai tercatat/ *Carrying amount***
PT Bank CIMB Niaga Tbk Unit Usaha Syariah	Pefindo	id AAA	18,169
PT BPD Kalimantan Selatan Unit Usaha Syariah	Fitch	A idn	10,000

	31 Desember/*December* 2022		
	Pemeringkat/ *Agencies*	**Peringkat/ *Rating***	**Nilai tercatat/ *Carrying amount***
PT Bank Syariah Indonesia Tbk	Pefindo	id AA	80,428
PT Bank CIMB Niaga Tbk Unit Usaha Syariah	Pefindo	id AAA	18,117
PT BPD Kalimantan Selatan Unit Usaha Syariah	Fitch	A idn	10,000

Pada 31 Desember 2023 dan 2022, peringkat atas seluruh efek yang diterbitkan oleh pemerintah Republik Indonesia adalah BBB berdasarkan pemeringkat *Fitch Ratings* Indonesia.

As of 31 December 2023 and 2022, the rating of all securities issued by Republic of Indonesia was BBB based on Fitch Ratings Indonesia agency.

8. EFEK-EFEK (lanjutan)

h. Cadangan kerugian penurunan nilai

Manajemen berpendapat bahwa cadangan kerugian yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai atas efek-efek pada tanggal 31 Desember 2023 dan 2022.

Perubahan dalam cadangan kerugian penurunan nilai efek-efek adalah sebagai berikut:

8. SECURITIES (continued)

h. Allowance for impairment losses

Management believes that the allowance for losses was adequate to cover impairment losses for securities as of 31 December 2023 and 2022.

The movement of the allowance for impairment losses for securities was as follows:

	31 Desember/*December*		
	2023	**2022**	
Saldo awal	(999)	(483)	*Beginning balance*
Pemulihan/(Penyisihan) selama tahun berjalan (Catatan 34)	365	(481)	*Recovery/(Provision) during the year (Note 34)*
Lainnya	(165)	(35)	*Others*
Saldo akhir	(799)	(999)	*Ending balance*

i. Informasi penting lainnya sehubungan dengan efek-efek

Selama tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022, Bank tidak melakukan penjualan atas efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain, sehingga tidak ada pemindahan keuntungan atau kerugian dari ekuitas ke laba rugi.

Pada tanggal 31 Desember 2023 dan 2022, jumlah efek-efek yang digolongkan sebagai setara kas adalah masing-masing sebesar Rp 2.843.668 dan Rp 3.340.167.

i. Other significant information relating to securities

During the year ended 31 December 2023 and 2022, the Bank did not sell securities measured at fair value through other comprehensive income, so there were no gains or losses transferred from equity to profit or loss.

As of 31 December 2023 and 2022, total securities that were classified as cash equivalents amounted to Rp 2,843,668 and Rp 3,340,167, respectively.

9. TAGIHAN DAN LIABILITAS DERIVATIF

a. Berdasarkan jenis dan hubungan

9. DERIVATIVE RECEIVABLES AND PAYABLES

a. By type and relationship

	31 Desember/*December* 2023				
		Nilai wajar/*Fair value*			
		Tagihan derivatif/ *Derivative receivables*		Liabilitas derivatif/ *Derivative payables*	
Instrumen/*Instruments*	**Nilai kontrak/nosional/ *Contract/notional amount***	**Pihak berelasi/ *Related parties***	**Pihak ketiga/ *Third parties***	**Pihak berelasi/ *Related parties***	**Pihak ketiga/ *Third parties***
Kontrak tunai mata uang asing/*Foreign currency spot*	2,249,277	94	1,574	78	3,157
Kontrak berjangka mata uang asing/*Foreign currency forward*	2,941,835	17,783	24,926	169	5,892
Swap mata uang asing/ *Foreign currency swap*	23,756,959	6,691	100,966	28,361	137,311
Cross currency swap	29,796,948	54,603	509,458	28,677	464,447
Swap suku bunga/*Interest rate swap*	9,741,599	417,054	-	-	404,012
	68,486,618	496,225	636,924	57,285	1,014,819

9. TAGIHAN DAN LIABILITAS DERIVATIF (lanjutan)

9. *DERIVATIVE RECEIVABLES AND PAYABLES (continued)*

a. Berdasarkan jenis dan hubungan (lanjutan)

a. *By type and relationship (continued)*

Instrumen/*Instruments*	Nilai kontrak/nosional/ *Contract/notional amount*	31 Desember/*December* 2022			
		Nilai wajar/*Fair value*			
		Tagihan derivatif/ *Derivative receivables*		Liabilitas derivatif/ *Derivative payables*	
		Pihak berelasi/ *Related parties*	Pihak ketiga/ *Third parties*	Pihak berelasi/ *Related parties*	Pihak ketiga/ *Third parties*
Kontrak tunai mata uang asing/*Foreign currency spot*	1,728,020	522	1,171	-	4,500
Kontrak berjangka mata uang asing/*Foreign currency forward*	1,982,247	778	19,821	22,594	11,169
Swap mata uang asing/ *Foreign currency swap*	7,947,185	26,897	84,077	1,103	15,791
Cross currency swap	25,881,208	25,776	984,782	100,394	746,883
Swap suku bunga/*Interest rate swap*	13,837,808	561,187	41,813	-	545,302
	51,376,468	615,160	1,131,664	124,091	1,323,645

Bank menyediakan produk derivatif untuk nasabahnya seperti kontrak pembelian atau penjualan berjangka mata uang asing, perjanjian swap mata uang asing dan perjanjian *swap/cap* tingkat suku bunga yang memungkinkan nasabahnya untuk memindahkan, memodifikasi atau mengurangi risiko atas kurs nilai tukar dan/atau risiko tingkat suku bunga. Sebagai bagian dari kebijakan manajemen risiko, Bank melindungi sebagian besar transaksi derivatif dengan nasabahnya dengan membuat transaksi derivatif timbal balik dengan jumlah dan waktu jatuh tempo yang sama dengan perusahaan afiliasi di luar negeri dan bank lain. Bank juga menggunakan instrumen derivatif sebagai sarana sehubungan dengan kegiatan manajemen risiko. Derivatif digunakan oleh Bank terutama untuk mengatasi risiko kurs nilai tukar atas aset dan liabilitas dalam mata uang asing, dan untuk mengatasi risiko tingkat suku bunga yang berhubungan dengan aset dan liabilitas tertentu di dalam laporan posisi keuangan konsolidasian.

The Bank provides derivative products to its customers such as forward exchange contracts, cross-currency swap agreements and interest rate swap/cap agreements to enable its customers to transfer, modify or reduce their foreign exchange and/or interest rate risks. As part of its risk management policy, the Bank covers most of these derivative contracts with customers with back-to-back derivative contracts with the same notional amount and maturity with its foreign affiliates and other banks. Also, the Bank uses derivative instruments as an end-user in connection with its risk management activities. Derivatives are used by the Bank mainly to manage foreign exchange risk on its foreign currency denominated assets and liabilities and to manage interest rate risk relating to specific groups of assets and liabilities in the consolidated statement of financial position.

b. Berdasarkan kolektibilitas

b. *By collectibility*

	31 Desember/*December*		
	2023	2022	
Lancar	1,130,701	1,740,508	*Current*
Dalam Perhatian Khusus	2,448	6,316	*Special Mention*
	1,133,149	1,746,824	

9. TAGIHAN DAN LIABILITAS DERIVATIF (lanjutan)

9. DERIVATIVE RECEIVABLES AND PAYABLES (continued)

c. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo

c. By remaining period to maturity date

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 41.

Information regarding remaining period to maturity date was disclosed in Note 41.

10. TAGIHAN DAN LIABILITAS AKSEPTASI

10. ACCEPTANCE RECEIVABLES AND PAYABLES

Tagihan akseptasi

Acceptance receivables

Semua tagihan akseptasi adalah transaksi dengan pihak ketiga.

All acceptance receivables transactions were with third parties.

a. Berdasarkan mata uang

a. By currency

	31 Desember/*December*		
	2023	**2022**	
Rupiah	1,783,724	1,898,383	*Rupiah*
Mata uang asing	1,506,033	1,171,471	*Foreign currencies*
	3,289,757	3,069,854	
Dikurangi: Cadangan kerugian penurunan nilai	(8,637)	(4,495)	*Less: Allowance for impairment losses*
	3,281,120	3,065,359	

b. Berdasarkan jangka waktu

b. By time period

	31 Desember/*December*		
	2023	**2022**	
Rupiah			***Rupiah***
Hingga 1 bulan	1,707	6,619	*Up to 1 month*
Lebih dari 1 - 3 bulan	27,150	24,509	*More than 1 - 3 months*
Lebih dari 3 - 6 bulan	1,754,867	1,843,668	*More than 3 - 6 months*
Lebih dari 6 bulan	-	23,587	*More than 6 months*
	1,783,724	1,898,383	
Mata uang asing			***Foreign currencies***
Hingga 1 bulan	-	3,411	*Up to 1 month*
Lebih dari 1 - 3 bulan	82,388	131,357	*More than 1 - 3 months*
Lebih dari 3 - 6 bulan	685,208	907,601	*More than 3 - 6 months*
Lebih dari 6 bulan	738,437	129,102	*More than 6 months*
	1,506,033	1,171,471	
Dikurangi: Cadangan kerugian penurunan nilai	(8,637)	(4,495)	*Less: Allowance for impairment losses*
	3,281,120	3,065,359	

10. TAGIHAN DAN LIABILITAS AKSEPTASI (lanjutan)

10. ACCEPTANCE RECEIVABLES AND PAYABLES (continued)

c. Berdasarkan kolektabilitas

c. By collectability

	31 Desember/*December* 2023	2022	
Lancar	3,289,757	3,069,854	*Current*
Dikurangi: Cadangan kerugian penurunan nilai	(8,637)	(4,495)	*Less: Allowance for impairment losses*
	3,281,120	3,065,359	

d. Cadangan kerugian penurunan nilai

Perubahan dalam cadangan kerugian penurunan nilai tagihan akseptasi adalah sebagai berikut:

d. Allowance for impairment losses

The movement of the allowance for impairment losses for acceptance receivables was as follows:

	31 Desember/*December* 2023	2022	
Saldo awal	(4,495)	(5,633)	*Beginning balance*
(Penyisihan)/Pemulihan selama tahun berjalan (Catatan 34)	(4,217)	1,576	*(Provision)/Recovery during the year (Note 34)*
Lainnya	75	(438)	*Others*
Saldo akhir	(8,637)	(4,495)	*Ending balance*

Manajemen berpendapat bahwa cadangan yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai tagihan akseptasi pada tanggal 31 Desember 2023 dan 2022.

Management believes that the allowance for losses was adequate to cover impairment losses on acceptance receivables as of 31 December 2023 and 2022.

Liabilitas akseptasi

Acceptance payables

a. Berdasarkan hubungan dengan pihak lawan dan mata uang

a. By relationship with counterparties and currency

	31 Desember/*December* 2023	2022	
Rupiah			***Rupiah***
- Pihak ketiga	1,783,724	1,873,299	*Third parties -*
Mata uang asing			***Foreign currencies***
- Pihak ketiga	376,526	284,297	*Third parties -*
- Pihak berelasi	163,383	199,232	*Related parties -*
	539,909	483,529	
	2,323,633	2,356,828	

10. TAGIHAN DAN LIABILITAS AKSEPTASI (lanjutan)

10. ACCEPTANCE RECEIVABLES AND PAYABLES (continued)

Liabilitas akseptasi (lanjutan)

***Acceptance payables** (continued)*

b. Berdasarkan jangka waktu

b. By time period

	31 Desember/*December*		
	2023	2022	
Rupiah			***Rupiah***
Hingga 1 bulan	1,707	6,619	*Up to 1 month*
Lebih dari 1 - 3 bulan	27,150	24,509	*More than 1 - 3 months*
Lebih dari 3 - 6 bulan	1,754,867	1,842,171	*More than 3 - 6 months*
	1,783,724	1,873,299	
Mata uang asing			***Foreign currencies***
Hingga 1 bulan	-	3,411	*Up to 1 month*
Lebih dari 1 - 3 bulan	82,388	131,357	*More than 1 - 3 months*
Lebih dari 3 - 6 bulan	271,587	293,413	*More than 3 - 6 months*
Lebih dari 6 bulan	185,934	55,348	*More than 6 months*
	539,909	483,529	
	2,323,633	2,356,828	

c. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 41.

c. By remaining period to maturity date

Information regarding remaining period to maturity date was disclosed in Note 41.

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/ PIUTANG SYARIAH

11. LOANS AND SHARIA FINANCING/ RECEIVABLES

	31 Desember/*December*		
	2023	2022	
Pinjaman yang diberikan:			*Loans:*
Pihak ketiga			*Third parties*
- Rupiah	98,345,547	88,421,976	*Rupiah -*
- Dolar Amerika Serikat	42,369,192	42,837,338	*United States Dollar -*
- Yen Jepang	606,229	782,342	*Japanese Yen -*
- Euro Eropa	79,104	167,004	*European Euro -*
Pihak berelasi			*Related parties*
- Rupiah	79,043	856,218	*Rupiah -*
- Dolar Amerika Serikat	3,694,321	1,531,175	*United States Dollar -*
Pembiayaan/piutang syariah:			*Sharia financing/receivables:*
Pihak ketiga			*Third parties*
- Rupiah	11,387,861	11,527,463	*Rupiah -*
Pendapatan bunga/marjin yang masih akan diterima			*Accrued interest/margin income*
- Rupiah	775,589	658,255	*Rupiah -*
- Dolar Amerika Serikat	320,372	218,351	*United States Dollar -*
- Yen Jepang	680	266	*Japanese Yen -*
- Euro Eropa	1,155	1,662	*European Euro -*
Dikurangi: Cadangan kerugian penurunan nilai	(4,618,047)	(3,579,119)	*Less: Allowance for impairment losses*
	153,041,046	143,422,931	

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

11. LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)

a. Berdasarkan jenis, mata uang dan kolektibilitas OJK

a. Based on type, currency and OJK grading

	31 Desember/*December* 2023						
	Lancar/ *Current*	Dalam Perhatian Khusus/ *Special Mention*	Kurang Lancar/ *Substandard*	Diragukan/ *Doubtful*	Macet/ *Loss*	Jumlah/ *Total*	
Rupiah							***Rupiah***
Korporasi	50,815,025	4,782,889	-	-	507,652	56,105,566	*Corporates*
Pensiunan	21,691,457	363,678	30,979	36,467	94,541	22,217,122	*Pensioners*
Usaha Kecil Menengah	13,651,641	170,977	35,734	25,775	827,908	14,712,035	*Small Medium Enterprises*
Usaha Mikro Kecil	1,098,101	25,702	4,324	4,570	12,126	1,144,823	*Micro business*
Pembiayaan/piutang syariah	10,593,668	459,676	272,637	17,559	44,321	11,387,861	*Sharia financing/ Receivables*
Pegawai instansi lain	168,964	8,678	1,862	2,049	4,337	185,890	*Other institutions' Employees*
Keperluan rumah tangga	705,280	34,456	4,762	2,048	368	746,914	*Household goods*
Karyawan	116,249	74	48	138	204	116,713	*Employee loans*
Umum	2,687,078	82,107	18,353	27,954	9,010	2,824,502	*General purpose*
Kredit kepemilikan mobil	328,134	39,827	1,200	1,609	255	371,025	*Car loans*
	101,855,597	5,968,064	369,899	118,169	1,500,722	109,812,451	
Mata uang asing							***Foreign Currencies***
Korporasi	45,758,641	882,426	107,779	-	-	46,748,846	*Corporates*
	147,614,238	6,850,490	477,678	118,169	1,500,722	156,561,297	
Pendapatan bunga/ marjin yang masih akan diterima	838,560	259,236	-	-	-	1,097,796	*Accrued interest/ margin income*
Dikurangi: Cadangan kerugian penurunan nilai	(1,373,376)	(1,764,839)	(295,641)	(70,563)	(1,113,628)	(4,618,047)	*Less: Allowance for impairment losses*
	147,079,422	5,344,887	182,037	47,606	387,094	153,041,046	

	31 Desember/*December* 2022						
	Lancar/ *Current*	Dalam Perhatian Khusus/ *Special Mention*	Kurang Lancar/ *Substandard*	Diragukan/ *Doubtful*	Macet/ *Loss*	Jumlah/ *Total*	
Rupiah							***Rupiah***
Korporasi	48,133,482	1,342,381	-	-	515,461	49,991,324	*Corporates*
Pensiunan	23,137,597	483,528	37,161	42,812	71,202	23,772,300	*Pensioners*
Usaha Kecil Menengah	11,312,771	120,626	215,051	30,083	531,973	12,210,504	*Small Medium Enterprises*
Usaha Mikro Kecil	604,486	18,449	1,195	1,538	1,929	627,597	*Micro business*
Pembiayaan/piutang syariah	10,949,316	272,820	187,571	24,707	93,049	11,527,463	*Sharia financing/ receivables*
Pegawai instansi lain	201,016	9,995	2,126	2,135	2,101	217,373	*Other institutions' employees*
Keperluan rumah tangga	77,333	3,505	632	1,185	525	83,180	*Household goods*
Karyawan	123,040	135	-	54	-	123,229	*Employee loans*
Umum	1,950,614	43,003	7,395	13,688	174,822	2,189,522	*General purpose*
Kredit kepemilikan mobil	61,136	1,771	66	168	24	63,165	*Car loans*
	96,550,791	2,296,213	451,197	116,370	1,391,086	100,805,657	
Mata uang asing							***Foreign currencies***
Korporasi	42,063,947	3,137,156	116,756	-	-	45,317,859	*Corporates*
	138,614,738	5,433,369	567,953	116,370	1,391,086	146,123,516	
Pendapatan bunga/ marjin yang masih akan diterima	817,968	60,566	-	-	-	878,534	*Accrued interest/ margin income*
Dikurangi: Cadangan kerugian penurunan nilai	(1,733,503)	(411,626)	(340,947)	(79,938)	(1,013,105)	(3,579,119)	*Less: Allowance for impairment losses*
	137,699,203	5,082,309	227,006	36,432	377,981	143,422,931	

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

a. Berdasarkan jenis, mata uang dan kolektibilitas OJK (lanjutan)

Pembiayaan/piutang syariah terdiri atas piutang murabahah, pembiayaan musyarakah, dan pinjaman qardh masing-masing sebesar Rp 11.367.662, Rp 19.669, dan Rp 530 pada tanggal 31 Desember 2023 dan masing-masing sebesar Rp 11.463.672, Rp 60.275, dan Rp 3.516 pada tanggal 31 Desember 2022.

Rasio pinjaman yang diberikan kepada Usaha Mikro, Kecil dan Menengah ("UMKM") terhadap jumlah pinjaman yang diberikan pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar 11,21% dan 11,94%. Rasio tersebut dihitung sesuai dengan peraturan Bank Indonesia yang berlaku.

11. LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)

a. Based on type, currency and OJK grading (continued)

Sharia financing/receivables consists of murabahah receivables, musyarakah financing, and funds of qardh amounted to Rp 11,367,662, Rp 19,669, and Rp 530, respectively, as of 31 December 2023 and Rp 11,463,672, Rp 60,275, and Rp 3,516, respectively, as of 31 December 2022.

Ratios of loans extended to Micro, Small and Medium Enterprises ("UMKM") to total loans as of 31 December 2023 and 2022 were 11.21% and 11.94%, respectively. These ratios were calculated based on the prevailing Bank Indonesia regulations.

b. Berdasarkan sektor ekonomi / *b. By economic sector*

	31 Desember/*December* 2023						
	Lancar/ *Current*	Dalam Perhatian Khusus/ *Special Mention*	Kurang lancar/ *Substandard*	Diragukan/ *Doubtful*	Macet/ *Loss*	Jumlah/ *Total*	
Rupiah							***Rupiah***
Rumah tangga	25,035,594	518,206	56,882	70,159	108,663	25,789,504	*Household*
Perdagangan	22,547,759	448,241	225,416	31,769	834,646	24,087,831	*Trading*
Perindustrian	22,463,627	593,988	38,863	4,648	185,261	23,286,387	*Manufacturing*
Jasa lainnya	16,188,859	556,813	395	2,448	258,121	17,006,636	*Other services*
Pertanian	4,565,125	59,412	31,936	1,299	12,691	4,670,463	*Agriculture*
Jasa akomodasi	158,156	72	142	-	26,016	184,386	*Accomodation services*
Konstruksi	1,695,078	3,760,473	-	4,058	64,484	5,524,093	*Construction*
Transportasi & komunikasi	7,446,509	8,890	83	2,776	6,928	7,465,186	*Transportation & communication*
Pertambangan	926,328	-	3,563	-	1,097	930,988	*Mining*
Lainnya	828,562	21,969	12,619	1,012	2,815	866,977	*Others*
	101,855,597	5,968,064	369,899	118,169	1,500,722	109,812,451	
Dolar Amerika Serikat							***United States Dollar***
Perdagangan	2,456,267	-	-	-	-	2,456,267	*Trading*
Perindustrian	9,182,867	871,469	107,779	-	-	10,162,115	*Manufacturing*
Jasa lainnya	16,489,869	5,646	-	-	-	16,495,515	*Other services*
Pertanian	1,404,117	-	-	-	-	1,404,117	*Agriculture*
Konstruksi	320,628	-	-	-	-	320,628	*Construction*
Transportasi & komunikasi	5,460,203	-	-	-	-	5,460,203	*Transportation & communication*
Pertambangan	5,097,663	-	-	-	-	5,097,663	*Mining*
Lainnya	4,667,005	-	-	-	-	4,667,005	*Others*
	45,078,619	877,115	107,779	-	-	46,063,513	
Yen Jepang							***Japanese Yen***
Perdagangan	5,444	-	-	-	-	5,444	*Trading*
Perindustrian	360,643	2,722	-	-	-	363,365	*Manufacturing*
Jasa lainnya	-	2,589	-	-	-	2,589	*Other services*
Lainnya	234,831	-	-	-	-	234,831	*Others*
	600,918	5,311	-	-	-	606,229	
Euro Eropa							***European Euro***
Perdagangan	79,104	-	-	-	-	79,104	*Trading*
	147,614,238	6,850,490	477,678	118,169	1,500,722	156,561,297	
Pendapatan bunga/marjin yang masih akan diterima	838,560	259,236	-	-	-	1,097,796	*Accrued interest/ margin income*
Dikurangi: Cadangan kerugian penurunan nilai	(1,373,376)	(1,764,839)	(295,641)	(70,563)	(1,113,628)	(4,618,047)	*Less: Allowance for impairment losses*
	147,079,422	5,344,887	182,037	47,606	387,094	153,041,046	

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan) / *11. LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)*

b. Berdasarkan sektor ekonomi (lanjutan) / *b. By economic sector (continued)*

	31 Desember/*December* 2022						
	Lancar/ *Current*	Dalam Perhatian Khusus/ *Special Mention*	Kurang lancar/ *Substandard*	Diragukan/ *Doubtful*	Macet/ *Loss*	Jumlah/ *Total*	
Rupiah							***Rupiah***
Rumah tangga	24,518,478	541,542	47,330	59,980	77,499	25,244,829	*Household*
Perdagangan	23,158,792	447,912	382,947	40,933	602,863	24,633,447	*Trading*
Perindustrian	20,220,675	671,592	5,522	8,735	167,556	21,074,080	*Manufacturing*
Jasa lainnya	14,060,442	593,476	1,186	218	451,273	15,106,595	*Other services*
Pertanian	3,625,257	10,326	3,074	1,056	20,389	3,660,102	*Agriculture*
Jasa akomodasi	97,763	1,457	73	-	28,318	127,611	*Accomodation services*
Konstruksi	5,493,870	15,623	-	4,355	37,231	5,551,079	*Construction*
Transportasi & komunikasi	4,377,026	341	1,942	-	739	4,380,048	*Transportation & communication*
Pertambangan	200,892	1	1	-	6	200,900	*Mining*
Lainnya	797,596	13,943	9,122	1,093	5,212	826,966	*Others*
	96,550,791	2,296,213	451,197	116,370	1,391,086	100,805,657	
Dolar Amerika Serikat							***United States Dollar***
Perdagangan	2,864,387	-	-	-	-	2,864,387	*Trading*
Perindustrian	10,777,022	2,843,714	116,756	-	-	13,737,492	*Manufacturing*
Jasa lainnya	12,379,459	11,935	-	-	-	12,391,394	*Other services*
Pertanian	2,652,480	-	-	-	-	2,652,480	*Agriculture*
Konstruksi	382,345	-	-	-	-	382,345	*Construction*
Transportasi & komunikasi	3,092,831	-	-	-	-	3,092,831	*Transportation & communication*
Pertambangan	5,259,690	-	-	-	-	5,259,690	*Mining*
Lainnya	3,987,894	-	-	-	-	3,987,894	*Others*
	41,396,108	2,855,649	116,756	-	-	44,368,513	
Yen Jepang							***Japanese Yen***
Perindustrian	165,346	275,650	-	-	-	440,996	*Manufacturing*
Perdagangan	14,726	-	-	-	-	14,726	*Trading*
Jasa lainnya	2,676	5,857	-	-	-	8,533	*Other services*
Lainnya	318,087	-	-	-	-	318,087	*Others*
	500,835	281,507	-	-	-	782,342	
Euro Eropa							***European Euro***
Perdagangan	167,004	-	-	-	-	167,004	*Trading*
	138,614,738	5,433,369	567,953	116,370	1,391,086	146,123,516	
Pendapatan bunga/marjin yang masih akan diterima	817,968	60,566	-	-	-	878,534	*Accrued interest/ margin income*
Dikurangi: Cadangan kerugian penurunan nilai	(1,733,503)	(411,626)	(340,947)	(79,938)	(1,013,105)	(3,579,119)	*Less: Allowance for impairment losses*
	137,699,203	5,082,309	227,006	36,432	377,981	143,422,931	

c. Berdasarkan jangka waktu / *c. By time period*

	31 Desember/*December*		
	2023	2022	
Hingga 1 tahun	67,842,273	61,644,137	*Up to 1 year*
Lebih dari 1 - 2 tahun	15,290,577	14,844,877	*More than 1 - 2 years*
Lebih dari 2 - 3 tahun	12,145,179	11,394,722	*More than 2 - 3 years*
Lebih dari 3 - 4 tahun	8,986,657	7,596,787	*More than 3 - 4 years*
Lebih dari 4 - 5 tahun	17,732,394	17,631,424	*More than 4 - 5 years*
Lebih dari 5 tahun	34,564,217	33,011,569	*More than 5 years*
	156,561,297	146,123,516	
Pendapatan bunga/marjin yang masih akan diterima	1,097,796	878,534	*Accrued interest/margin income*
Dikurangi: Cadangan kerugian penurunan nilai	(4,618,047)	(3,579,119)	*Less: Allowance for impairment losses*
	153,041,046	143,422,931	

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan) / *LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)*

d. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo / *By remaining period to maturity date*

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 41.

Information regarding remaining period to maturity date was disclosed in Note 41.

e. Berdasarkan hubungan dengan pihak lawan/debitur / *By relationship with counterparties/debtors*

	31 Desember/*December*		
	2023	2022	
Pihak ketiga	152,787,933	143,736,123	*Third parties*
Pihak berelasi	3,773,364	2,387,393	*Related parties*
	156,561,297	146,123,516	
Pendapatan bunga/marjin yang masih akan diterima	1,097,796	878,534	*Accrued interest/margin income*
Cadangan kerugian penurunan nilai	(4,618,047)	(3,579,119)	*Allowance for impairment losses*
	153,041,046	143,422,931	

f. Tingkat suku bunga/marjin rata-rata per tahun / *Average interest/margin rate per annum*

	31 Desember/*December*		
	2023	2022	
Tingkat suku bunga rata-rata per tahun:			*Average interest rate per annum:*
Rupiah	9.43%	9.04%	*Rupiah*
Mata uang asing	6.13%	2.81%	*Foreign currencies*

	31 Desember/*December*		
	2023	2022	
Tingkat marjin rata-rata per tahun:			*Average margin rate per annum:*
Piutang murabahah	25%-30%	25%-30%	*Murabahah receivables*
Tingkat imbal hasil per tahun:			*Rate of return per annum:*
Pembiayaan musyarakah	8.75%-11.00%	8.75%-10.50%	*Musyarakah financing*

g. Cadangan kerugian penurunan nilai / *Allowance for impairment losses*

Perubahan cadangan kerugian penurunan nilai pinjaman yang diberikan dan pembiayaan/ piutang syariah adalah sebagai berikut:

The movement of the allowance for impairment losses for loans and sharia financing/receivables was as follows:

	31 Desember/*December*		
	2023	2022	
Saldo awal	(3,579,119)	(3,953,699)	*Beginning balance*
Penyisihan selama tahun berjalan (Catatan 34)	(3,029,571)	(1,754,676)	*Provision during the year (Note 34)*
Penerimaan kembali pinjaman yang telah dihapusbukukan	(88,291)	(120,194)	*Recoveries from loans written-off*
Penghapusbukuan	2,066,044	1,871,710	*Write-off*
Kerugian modifikasi	-	308,911	*Modification loss*
Penjualan pinjaman yang diberikan	-	91,486	*Sale of loan*
Lain-lain	12,890	(22,657)	*Others*
Saldo akhir	(4,618,047)	(3,579,119)	*Ending balance*

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

11. LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)

g. Cadangan kerugian penurunan nilai (lanjutan)

g. Allowance for impairment losses (continued)

Perubahan cadangan kerugian penurunan nilai pinjaman yang diberikan Bank berdasarkan Tahap (*Stage*) adalah sebagai berikut:

The movement of the Bank's allowance for impairment losses for loans based on Stages was as follows:

	Tahun berakhir 31 Desember 2023/ *Year ended 31 December 2023*				
	Tahap 1/ *Stage 1*	**Tahap 2/ *Stage 2***	**Tahap 3/ *Stage 3***	**Jumlah/ *Total***	
Saldo awal	**(698,596)**	**(272,613)**	**(1,838,985)**	**(2,810,194)**	***Beginning balance***
Transfer (ke)/dari Tahap 1	(113,376)	91,804	21,572	-	*Transfer (to)/from Stage 1*
Transfer (ke)/dari Tahap 2	227,654	(281,368)	53,714	-	*Transfer (to)/from Stage 2*
Transfer (ke)/dari Tahap 3	1,336	559,675	(561,011)	-	*Transfer (to)/from Stage 3*
Perubahan bersih pada eksposur dan pengukuran kembali	379,086	(334,157)	(800,109)	(755,180)	*Net change in exposures and remeasurements*
Pinjaman yang baru diperoleh	(889,467)	(201,976)	(329,629)	(1,421,072)	*New originated loans*
Penerimaan kembali pinjaman yang telah dihapusbukukan	-	-	(40,007)	(40,007)	*Recoveries from loans written-off*
Penghapusbukuan selama periode berjalan	-	-	564,634	564,634	*Write-off during the period*
Pinjaman yang telah dilunasi	251,294	256,083	291,299	798,676	*Loans which have been repaid*
Perubahan parameter model	210,587	13,605	21,930	246,122	*Changes in model parameter*
Lain-lain	-	-	12,890	12,890	*Others*
Saldo akhir - kerugian kredit ekspektasian Bank	**(631,482)**	**(168,947)**	**(2,603,702)**	**(3,404,131)**	***Ending balance – expected credit losses Bank***
Cadangan kerugian penurunan nilai – pembiayaan/piutang syariah				(1,213,916)	*Allowance for impairment losses – sharia financing/receivables*
Saldo akhir				**(4,618,047)**	***Ending balance***

	Tahun berakhir 31 Desember 2022/ *Year ended 31 December 2022*				
	Tahap 1/ *Stage 1*	**Tahap 2/ *Stage 2***	**Tahap 3/ *Stage 3***	**Jumlah/ *Total***	
Saldo awal	**(533,068)**	**(350,053)**	**(2,371,313)**	**(3,254,434)**	***Beginning balance***
Transfer (ke)/dari Tahap 1	(274,449)	86,368	188,081	-	*Transfer (to)/from Stage 1*
Transfer (ke)/dari Tahap 2	185,002	(218,461)	33,459	-	*Transfer (to)/from Stage 2*
Transfer (ke)/dari Tahap 3	166,582	445,053	(611,635)	-	*Transfer (to)/from Stage 3*
Perubahan bersih pada eksposur dan pengukuran kembali	55,989	(267,101)	(553,730)	(764,842)	*Net change in exposures and remeasurements*
Pinjaman yang baru diperoleh	(413,024)	(155,684)	(228,370)	(797,078)	*New originated loans*
Penerimaan kembali pinjaman yang telah dihapusbukukan	-	-	(45,362)	(45,362)	*Recoveries from loans written-off*
Penghapusbukuan selama tahun berjalan	-	-	921,486	921,486	*Write-off during the year*
Penjualan pinjaman	-	-	91,486	91,486	*Sale of loan*
Pinjaman yang telah dilunasi	218,775	207,342	464,058	890,175	*Loans which have been repaid*
Perubahan parameter model	(104,403)	(20,077)	(13,399)	(137,879)	*Changes in model parameter*
Kerugian modifikasi	-	-	308,911	308,911	*Modification loss*
Lain-lain	-	-	(22,657)	(22,657)	*Others*
Saldo akhir - kerugian kredit ekspektasian Bank	**(698,596)**	**(272,613)**	**(1,838,985)**	**(2,810,194)**	***Ending balance – expected credit losses Bank***
Cadangan kerugian penurunan nilai – pembiayaan/piutang syariah				(768,925)	*Allowance for impairment losses – sharia financing/receivables*
Saldo akhir				**(3,579,119)**	***Ending balance***

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

g. Cadangan kerugian penurunan nilai (lanjutan)

Pergerakan cadangan kerugian penurunan nilai (CKPN) Bank dari Rp 2.810.194 posisi 31 Desember 2022 menjadi Rp 3.404.131 posisi 31 Desember 2023 adalah sebagai dampak dari beberapa kejadian berikut ini:

- Penambahan CKPN yang dibentuk pada segmen korporasi sebesar Rp 728.964.
- Nilai CKPN yang dibentuk sebagai bagian prinsip kehati-hatian bank terhadap debitur-debitur restruktur Covid-19 yang dinilai dapat bertahan dan tidak dapat bertahan dengan portfolio yang cenderung menurun baik untuk debitur KDK 34 ataupun debitur Non KDK 34 dengan realisasi sebesar Rp 117.729, yang tetap mempertimbangkan cakupan CKPN yang tetap stabil.
- Terdapat *reversal* sebesar Rp 246.122 dari proses review tahunan atas model CKPN.
- Realisasi atas nilai CKPN yang dibentuk sehingga menyebabkan penurunan nilai CKPN bersih di segmen retail sebesar Rp 17.309.

Pergerakan cadangan kerugian penurunan nilai Entitas Anak dari Rp 768.259 posisi 31 Desember 2022 menjadi Rp 1.213.542 posisi 31 Desember 2023 adalah sebagai bagian prinsip kehati-hatian Entitas Anak terhadap tantangan yang dihadapi oleh segmen nasabah yang dilayaninya dalam periode pasca pandemi Covid-19, termasuk didalamnya nasabah-nasabah restruktur Covid-19.

Manajemen berpendapat bahwa cadangan yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai pinjaman yang diberikan dan pembiayaan/piutang syariah pada tanggal 31 Desember 2023 dan 2022.

h. Pembiayaan bersama

Bank mengadakan perjanjian pembiayaan bersama, antara lain dengan PT KB Finansia Multi Finance (FMF), PT Home Credit Indonesia (HCI) dan PT Mandiri Utama Finance (MUF) (Catatan 40).

i. Batas Maksimum Pemberian Kredit ("BMPK")

Berdasarkan laporan Batas Maksimum Pemberian Kredit (BMPK) Grup yang disampaikan kepada OJK, pada tanggal 31 Desember 2023 dan 2022 tidak terdapat pelanggaran ataupun pelampauan BMPK kepada pihak ketiga dan pihak berelasi sesuai dengan peraturan yang telah ditetapkan OJK.

***11. LOANS AND SHARIA FINANCING/ RECEIVABLES** (continued)*

***g. Allowance for impairment losses** (continued)*

Movement in the Bank's allowance for impairment losses (CKPN) from Rp 2,810,194 as of 31 December 2022 to Rp 3,404,131 as of 31 December 2023 was due to the impact of following events:

- *Additional of CKPN booked for corporate segment amounted to Rp 728,964.*
- *CKPN booked as part of the implementation of prudential principle towards Covid-19 restructured debtors which are considered to be able to survive and not be able to survive with a declining trend portfolio for both for KDK 34 debtors and non-KDK 34 debtors with realization amounting Rp 117,729 which have taken into account CKPN coverage to remain stable.*
- *There was reversal amounting to Rp 246,122 due to the annual review process of CKPN model.*
- *Realization of CKPN booked which caused decrement in net value of CKPN at retail segment amounted to Rp 17,309.*

The movement of the Subsidiary's allowance for impairment losses from Rp 768,259 as of 31 December 2022 to Rp 1,213,542 as of 31 December 2023 is part of the Subsidiary's prudential principle as challenges faced by the customer segment served in the post Covid-19 pandemic period, including Covid-19 restructuring customers.

Management believes that the allowance for losses was adequate to cover impairment losses on loans and sharia financing/ receivables as of 31 December 2023 and 2022.

h. Joint financing

The bank has entered into joint financing agreements, among others with PT KB Finansia Multi Finance (FMF), PT Home Credit Indonesia (HCI), and PT Mandiri Utama Finance (MUF) (Note 40).

i. Legal Lending Limit ("LLL")

Based on the Group's Legal Lending Limit (LLL) report to OJK, as of 31 December 2023 and 2022 there was no violation or excess of LLL to both third parties and related parties in compliance with OJK's regulation.

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

j. Pinjaman yang diberikan dan pembiayaan/ piutang syariah bermasalah

Berdasarkan peraturan OJK yang berlaku, rasio bruto pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah setinggi-tingginya adalah 5% dari jumlah pinjaman yang diberikan dan pembiayaan/ piutang syariah. Rasio kredit bermasalah bruto dan bersih Grup adalah sebagai berikut:

11. LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)

j. Non-performing loans and sharia financing/receivables

Based on prevailing OJK regulations, the maximum gross non-performing loans and sharia financing/receivables ratio for a bank is 5% from total loans and sharia financing/receivables given. The gross and net non-performing loan ratios of the Group was as follows:

	31 Desember/*December*		
	2023	**2022**	
Kurang lancar	477,678	567,953	*Substandard*
Diragukan	118,169	116,370	*Doubtful*
Macet	1,500,722	1,391,086	*Loss*
Jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah - kotor	2,096,569	2,075,409	*Total non-performing loans and sharia financing/receivables - gross*
Cadangan kerugian penurunan nilai	(1,479,832)	(1,433,990)	*Allowance for impairment losses*
Jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah - bersih	616,737	641,419	*Total non-performing loans and sharia financing/receivables - net*
Jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah yang diberikan	156,561,297	146,123,516	*Total loans and sharia financing/ receivables*
Jumlah pinjaman kepada Bank lain	(2,183,624)	(638,152)	*Total loans to other banks*
	154,377,673	145,485,364	
Rasio pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah - kotor	1.36%	1.43%	*Non-performing loans and sharia financing/receivables ratio - gross*
Rasio pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah - bersih	0.40%	0.44%	*Non-performing loans and sharia financing/receivables ratio - net*

Rasio pemenuhan cadangan kerugian penurunan nilai aset keuangan Grup (persentase cadangan kerugian penurunan nilai aset keuangan yang telah dibentuk terhadap jumlah minimum cadangan kerugian penurunan nilai aset keuangan sesuai ketentuan Bank Indonesia) pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah sebesar 134,49% dan 114,08%.

The Group's ratio of allowance for impairment losses on financial assets (percentage of allowance for impairment losses on financial assets recorded to the minimum allowance for impairment losses on financial assets as required by Bank Indonesia) as of 31 December 2023 and 2022 were 134.49% and 114.08%, respectively.

Pinjaman yang diberikan pada umumnya dijamin dengan agunan yang diikat dengan hipotik, hak tanggungan atau surat kuasa untuk menjual dan jaminan lainnya.

Loans are generally collateralised by registered mortgages, mortgages or powers of attorney to sell and other guarantees.

Pada tanggal 31 Desember 2023, pinjaman yang diberikan yang dijamin dengan jaminan uang tunai adalah Rp 28.587.601 (31 Desember 2022: Rp 28.186.840).

As of 31 December 2023, loans secured by cash collateral were Rp 28,587,601 (31 December 2022: Rp 28,186,840).

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

11. LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)

k. Kredit penerusan

Bank juga menyalurkan fasilitas kredit yang dananya bersumber dari Pemerintah Indonesia atau Bank Indonesia melalui kredit penerusan (*channeling loan*) dalam bentuk Kredit Usaha Tani (KUT) dan Kredit Pengusaha Kecil Menengah (KPKM).

Saldo dari kredit penerusan tidak diakui pada laporan keuangan konsolidasian. Rincian saldo kredit penerusan adalah sebagai berikut:

k. Channeling loans

The Bank also provides loan facilities funded by the Government of Indonesia or Bank Indonesia through channeling loans in the form of Kredit Usaha Tani (KUT) and Kredit Pengusaha Kecil Menengah (KPKM).

These chanelling loans are not recognized in the consolidated financial statements. The balances were as follows:

	31 Desember/*December*		
	2023	**2022**	
Kredit Penerusan KUT	24,687	24,687	*KUT Channeling Loans*
Kredit Penerusan KPKM	16,061	9,830	*KPKM Channeling Loans*
	40,748	34,517	

l. Kredit sindikasi

Kredit sindikasi merupakan kredit yang diberikan kepada nasabah berdasarkan perjanjian pembiayaan bersama (sindikasi) dengan bank-bank lain dan umumnya digunakan untuk memenuhi kebutuhan modal kerja dan investasi. Dalam kredit sindikasi, Bank dapat bertindak sebagai anggota dan/atau *arranger* dan/atau Agen Fasilitas dan/atau Agen Jaminan. Sindikasi dilakukan dengan bank-bank di Indonesia dan/atau luar negeri.

Keikutsertaan Bank sebagai anggota dan/atau *arranger* dalam kredit sindikasi berkisar antara 1,77% sampai dengan 80% dari fasilitas kredit sindikasi pada tanggal 31 Desember 2023 dan 1,77% sampai dengan 80% dari fasilitas kredit sindikasi pada pada tanggal 31 Desember 2022.

l. Syndicated loans

Syndicated loans represent loans provided to customers under syndication agreements with other banks and are generally used to support the working capital needs and investment. In syndicated loans, the Bank may act as a member and/or arranger and/or Facility Agent and/or Security Agent. Syndication is done with several banks in Indonesia and/or offshore.

Total participation of the Bank in syndicated loans, in which the Bank acted as a member and/or arranger, ranged from 1.77% up to 80% of syndicated loan facility as of 31 December 2023 and ranged from 1.77% up to 80% of syndicated loan facility as of 31 December 2022.

m. Perjanjian dengan perusahaan asuransi

PT Asuransi Allianz Life Indonesia

Pada tanggal 26 November 2008, Bank melakukan perjanjian ("PKS") dengan PT Asuransi Allianz Life Indonesia ("Allianz"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan dan mikro dengan asuransi jiwa. Perjanjian Kerjasama ini mencakup 3 bagian (asuransi untuk debitur Kredit Pensiun sebelum tanggal 1 Desember 2008, asuransi untuk debitur Kredit Pensiun sejak tanggal 1 Desember 2008, dan asuransi untuk debitur kredit mikro) dan berlaku hingga 5 (lima) tahun sejak tanggal perjanjian, dan kemudian dengan sendirinya diperbaharui untuk jangka waktu berikutnya masing-masing 5 (lima) tahun atau sebagaimana disepakati bersama oleh para pihak.

m. Agreements with insurance companies

PT Asuransi Allianz Life Indonesia

On 26 November 2008, the Bank entered into an agreement ("PKS") with PT Asuransi Allianz Life Indonesia ("Allianz"), a third party, to cover the Bank from the risk of uncollectible pension and micro loans with life insurance. The insurance agreement consists of 3 sections (insurance for pension loan debtors before 1 December 2008, insurance for pension loan debtors since 1 December 2008 onwards, and insurance for micro loan debtors) and is effective for 5 (five) years since the date of the agreement, and shall then be automatically renewed for further successive periods of each of 5 (five) years or as mutually agreed by both parties.

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

m. Perjanjian dengan perusahaan asuransi (lanjutan)

PT Asuransi Allianz Life Indonesia (lanjutan)

Pada tanggal 1 April 2013 dilakukan perubahan atas PKS yang dibuat dalam bentuk PKS Induk (Perjanjian *Bancassurance* untuk Kegiatan Referensi) dan PKS turunan yang dibuat untuk masing-masing produk Kredit Pensiun dan Kredit Pegawai.

Sesuai Perjanjian Kerja Sama No.020/RLBPM/V/2022 pada tanggal 20 Juni 2022 Bank dan Allianz mulai memberlakukan skema produk asuransi yang baru untuk Kredit Pensiun.

Dengan mulai berlakunya produk asuransi Kredit Pensiun ini pemberian referensi produk asuransi Kredit Pensiun yang lama sudah tidak dilakukan lagi sejak tanggal 1 Juli 2022, namun masih digunakan untuk perlindungan debitur yang sudah ada sebelum 1 Juli 2022.

PT Avrist Assurance

Pada tanggal 23 Juni 2011 Bank melakukan perjanjian dengan PT Avrist Assurance ("Avrist"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan. Perjanjian Kerjasama ini berlaku selama satu tahun dan kemudian dengan sendirinya diperbaharui untuk jangka waktu berikutnya masing-masing satu tahun atau sebagaimana disepakati bersama oleh kedua belah pihak.

Pada tanggal 17 September 2015, Bank dan Avrist sepakat untuk memperluas kerja sama untuk Kredit Pegawai Aktif dan kerja sama tersebut ditegaskan terakhir pada 17 September 2019.

Sesuai Perjanjian Kerja Sama No.017/RLBPM/III/2023 dan No.018/RLBPM/III/2023 pada tanggal 1 Februari 2023 Bank dan Avrist mulai memberlakukan skema produk Asuransi yang baru untuk Kredit Pensiun.

Dengan mulai berlakunya produk asuransi Kredit Pensiun ini pemberian referensi produk asuransi Kredit Pensiun yang lama sudah tidak dilakukan lagi sejak tanggal 1 Februari 2023, namun masih digunakan untuk perlindungan debitur yang sudah ada sebelum 1 Februari 2023.

11. LOANS AND SHARIA FINANCING/ RECEIVABLES *(continued)*

m. Agreements with insurance companies *(continued)*

PT Asuransi Allianz Life Indonesia *(continued)*

On 1 April 2013, the PKS has been amended in the form of Master Agreement (Bancassurance Agreement for Referral Activities) and Sub PKS which were provided for each product of Pension Loan and Employee Loan.

As per Agreement No.020/RLBPM/V/2022 dated 20 June 2022 Bank and Allianz started new scheme insurance product for Pension Loan.

With the implementation of this Pension Loan insurance product, referencing existing Pension Loan insurance product will be discontinued starting from 1 July 2022. Existing Pension Loan insurance still cover the debtors existed before 1 July 2022.

PT Avrist Assurance

On 23 June 2011, the Bank entered an agreement with PT Avrist Assurance ("Avrist"), a third party, to cover the Bank from the risk of uncollectible pensioners loan. The agreement is effective for one year and shall then be automatically renewed for further successive periods of each of one year or as mutually agreed by both parties.

On 17 September 2015, Bank and Avrist agreed to expand the agreement for Active Employee Loan and this agreement was last emphasized on 17 September 2019.

As per Agreement No.017/RLBPM/III/2023 and No.018/RLBPM/III/2023 dated 1 February 2023 Bank and Avrist started new scheme insurance product for Pension Loan..

With the implementation of this Pension Loan insurance product, referencing existing Pension Loan insurance product will be discontinued starting from 1 February 2023. Existing Pension Loan insurance still cover the debtors existed before 1 February 2023.

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

m. Perjanjian dengan perusahaan asuransi (lanjutan)

PT Heksa Solution Insurance

Pada tanggal 22 Juni 2023, Bank melakukan perjanjian dengan PT Heksa Solution Insurance ("Heksa") sesuai Perjanjian Kerja Sama No.037/RLBSA/VI/2023, pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan dan kredit pegawai. Perjanjian Kerjasama ini berlaku sampai salah satu pihak menghendaki sebaliknya atau dikehendaki sesuai ketentuan yang belaku.

PT Asuransi Jiwa Generali

Pada tanggal 22 Juni 2011, Bank melakukan perjanjian dengan PT Asuransi Jiwa Generali ("Generali"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan. Perjanjian Kerjasama ini berlaku selama satu tahun dan kemudian dengan sendirinya diperbaharui untuk jangka waktu berikutnya masing-masing satu tahun atau sebagaimana disepakati bersama oleh kedua belah pihak.

Pada tanggal 9 Oktober 2015, Bank juga melakukan perjanjian dengan PT Asuransi Jiwa Generali ("Generali"), pihak ketiga, untuk melindungi Bank dari risiko kredit dari pinjaman pegawai aktif.

Perjanjian kerjasama ini berlaku selama lima tahun dan kemudian secara otomatis akan diperpanjang untuk 5 tahun berikutnya atau dapat dihentikan lebih awal sebagaimana disepakati bersama oleh kedua belah pihak. Perjanjian kerjasama ini diperpanjang secara otomatis pada tanggal 9 Oktober 2021 untuk 5 tahun berikutnya sampai dengan tanggal 9 Oktober 2025.

PT Proteksi Antar Nusa

Pada tanggal 1 Maret 2017, Bank melakukan perjanjian dengan PT Proteksi Antar Nusa ("PAN"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan. Perjanjian Kerjasama ini telah diperpanjang pada tanggal 17 Mei 2021 selama tiga tahun dan dapat diperpanjang sebagaimana disepakati bersama oleh kedua belah pihak.

11. LOANS AND SHARIA FINANCING/ RECEIVABLES *(continued)*

m. Agreements with insurance companies *(continued)*

PT Heksa Solution Insurance

On 22 June 2023, the Bank entered an agreement with PT Heksa Solution Insurance ("Heksa") as per agreement No.037/RLBSA/VI/2023, a non-related party, to cover the Bank from the risk of uncollectible pension loan and employee loan. The agreement is effective untill either party wishes otherwise or required by the regulation.

PT Asuransi Jiwa Generali

On 22 June 2011, the Bank entered into an agreement with PT Asuransi Jiwa Generali ("Generali"), a third party, to cover the Bank from the risk of uncollectible pension loans. The agreement is effective for one year and shall then be automatically renewed for further successive periods of each of one year or as mutually agreed by both parties.

On 9 October 2015, the Bank also entered into an agreement with PT Asuransi Jiwa Generali ("Generali"), a third party, to cover the Bank from the credit risk of active employee loans.

The agreement is effective for five years and will be automatically extended for the next five years or may be terminated earlier as agreed by both parties. The agreement was automatically extended on 9 October 2021 for the next 5 years until 9 October 2025.

PT Proteksi Antar Nusa

On 1 March 2017, the Bank entered an agreement with PT Proteksi Antar Nusa ("PAN"), a third party, to cover the Bank from the risk of uncollectible pensioners loan. The agreement has been extended on 17 May 2021 for another three years and can be extended as mutually agreed by both parties.

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

m. Perjanjian dengan perusahaan asuransi (lanjutan)

PT Asuransi Jiwa Sinarmas MSIG Tbk

Pada tanggal 12 Januari 2022, Bank melakukan perjanjian dengan PT Asuransi Jiwa Sinarmas MSIG Tbk ("Sinarmas MSIG"), pihak ketiga, untuk melindungi Bank dari risiko kredit dari Kredit Pemilikan Rumah. Perjanjian kerjasama ini berlaku selama tiga tahun dan sewaktu-waktu dapat ditinjau kembali oleh masing-masing pihak. Perjanjian kerja sama ini mulai diimplementasikan pada tanggal 24 Maret 2022.

n. Pinjaman yang diberikan dan pembiayaan/piutang syariah yang direstrukturisasi

Pada tanggal 31 Desember 2023 dan 2022, jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah yang telah direstrukturisasi berdasarkan kolektibilitas OJK adalah sebagai berikut:

***11. LOANS AND SHARIA FINANCING/ RECEIVABLES** (continued)*

***m. Agreements with insurance companies** (continued)*

PT Asuransi Jiwa Sinarmas MSIG Tbk

On 12 January 2022, the Bank entered an agreement with PT Asuransi Jiwa Sinarmas MSIG Tbk ("Sinarmas MSIG"), a non-related party, to cover the Bank from the risk of uncollectible mortgage loan. The agreement is effective for three years and can be reviewed whenever necessary by both parties. The agreement was launched at 24 March 2022.

n. Restructured loans and sharia financing/receivables

As of 31 December 2023 and 2022, total restructured loans and sharia financing/ receivables based on OJK grading was as follows:

	31 Desember/*December* 2023						
	Lancar/ *Current*	**Dalam perhatian khusus/ *Special mention***	**Kurang lancar/ *Substandard***	**Diragukan /*Doubtful***	**Macet/ *Loss***	**Jumlah/ *Total***	
Korporasi	167,867	2,526,064	-	-	507,652	3,201,583	*Corporates*
Pensiunan	236	-	-	-	-	236	*Pensioners*
Kredit keperluan rumah tangga	-	2	2	3	7	14	*Household goods*
Kredit kepemilikan mobil	14	126	-	-	-	140	*Car loans*
Umum	265	54	41	-	1	361	*General purpose*
Usaha kecil menengah	924,482	62,403	16,081	12,210	611,426	1,626,602	*Small medium enterprises*
Usaha mikro kecil	28,747	2,962	737	1,311	855	34,612	*Micro business*
Pembiayaan/ piutang syariah	610,501	39,794	15,809	5,674	18,005	689,783	*Sharia financing/ receivables*
	1,732,112	2,631,405	32,670	19,198	1,137,946	5,553,331	

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

n. Pinjaman yang diberikan dan pembiayaan/piutang syariah yang direstrukturisasi (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah yang telah direstrukturisasi berdasarkan kolektibilitas OJK adalah sebagai berikut: (lanjutan)

11. LOANS AND SHARIA FINANCING/ RECEIVABLES *(continued)*

n. Restructured loans and sharia financing/receivables *(continued)*

As of 31 December 2023 and 2022, total restructured loans and sharia financing/ receivables based on OJK grading was as follows: (continued)

	31 Desember/*December* 2022						
	Lancar/ *Current*	**Dalam perhatian khusus/ *Special mention***	**Kurang lancar/ *Substandard***	**Diragukan/ *Doubtful***	**Macet/ *Loss***	**Jumlah/ *Total***	
Korporasi	3,853,177	648,050	-	-	515,461	5,016,688	*Corporates*
Pensiunan	257	-	-	-	-	257	*Pensioners*
Kredit keperluan rumah tangga	290	44	42	40	9	425	*Household goods*
Kredit kepemilikan mobil	723	138	15	78	-	954	*Car loans*
Umum	23,103	36	8	18	171,188	194,353	*General purpose*
Usaha kecil menengah	1,372,194	36,798	205,380	28,184	469,658	2,112,214	*Small medium enterprises*
Usaha mikro kecil	77,307	10,076	625	771	670	89,449	*Micro business*
Pembiayaan/ piutang syariah	1,049,108	190,762	116,849	11,960	76,427	1,445,106	*Sharia financing/ receivables*
	6,376,159	885,904	322,919	41,051	1,233,413	8,859,446	

Sebagai dampak dari pandemi COVID-19 yang melanda Indonesia sejak bulan Maret 2020, sejumlah pinjaman yang diberikan dan pembiayaan/piutang syariah telah direstrukturisasi berdasarkan Peraturan OJK No. 11/POJK.03/ 2020 tanggal 16 Maret 2020 tentang Stimulus Perekonomian Nasional Sebagai Kebijakan *Countercyclical* Dampak Penyebaran *Coronavirus Disease* 2019 dan Peraturan OJK No. 48/POJK.03/2020 tanggal 1 Desember 2020 tentang Perubahan Atas Peraturan OJK No.11/POJK.03/2020 dan Peraturan OJK No. 17/POJK.03/2021 tentang Perubahan Kedua atas Peraturan OJK No.11/POJK.03/2020, yang dilanjutkan di periode pasca-pandemi sesuai dengan POJK No. 19/2022 tentang Perlakuan Khusus untuk Lembaga Jasa Keuangan pada Daerah dan Sektor Tertentu di Indonesia yang Terkena Dampak Bencana yang berlaku serta KDK No. 34/KDK 03/2022 mengenai Penetapan Daerah dan/atau Sektor Ekonomi yang Terdampak Bencana yang Memerlukan Perlakuan Khusus terhadap Kredit Bank (sektor ekonomi dan daerah tersebut adalah sektor penyediaan akomodasi dan penyediaan makan minum, sektor tekstil dan produk tekstil serta alas kaki, segmen usaha mikro, kecil, dan menengah, dan/atau daerah Provinsi Bali).

As the impacts of the COVID-19 pandemic which has been spread to Indonesia since March 2020, certain amount of loans and sharia financing/receivables have been restructured based on OJK Regulation No. 11/POJK.03/ 2020 dated 16 March 2020 concerning National Economic Stimulus as a Countercyclical Policy on the Impacts of the Spread of Coronavirus Disease 2019 and OJK Regulation No. 48/POJK.03/2020 dated 1 December 2020 concerning Amendments to OJK Regulation No.11/POJK.03/2020 and OJK Regulation No. 17/POJK.03/2021 concerning the Second Amendment to OJK Regulation No.11/POJK.03/2020, continued to the post-pandemic period in accordance to OJK Regulation No. 19/2022 concerning Special Treatment for Financial Services Institutions in Specific Regions and Sectors in Indonesia Impacted by a Disaster and OJK Board of Commissioners Decree No. 34/KDK 03/2022 concerning Stipulation of Region and/or Sector Which Require Special Treatment regarding Bank Financing (the sectors and/or regions include accommodation and food and drink provision sector, the textile and textile products and footwear sectors, the micro, small and medium enterprises Segment, and/or Bali Province).

12. BEBAN DIBAYAR DIMUKA / *12. PREPAYMENTS*

	31 Desember/ *December* 2023	2022	
Asuransi kredit	959,005	1,247,475	*Loans insurance*
Pemeliharaan dan pembaharuan TI	107,022	119,918	*IT maintenance and renewal*
Promosi	43,279	37,341	*Promotion*
Beban lisensi dibayar dimuka	30,923	35,880	*Prepaid license fee*
Sewa bangunan	11,531	12,003	*Building rental*
Tunjangan perumahan	7,333	5,856	*Housing allowance*
Lainnya	24,974	6,669	*Others*
	1,184,067	1,465,142	

Beban dibayar dimuka lainnya termasuk beban dibayar dimuka untuk asuransi jiwa, asuransi uang tunai dan asuransi gedung.

Other prepayments primarily includes prepayments for life insurance, cash insurance and building insurance.

13. PERPAJAKAN / *13. TAXATION*

a. Klaim pengembalian pajak / *a. Claims for tax refund*

	31 Desember/ *December* 2023	2022	
Kelebihan pembayaran pajak penghasilan badan - 2022	31,804	31,804	*Corporate income tax overpayment - 2022*
Pengembalian pajak - 2002	16,972	-	*Refundable tax - 2002*
Klaim pengembalian pajak - 2016	10,358	10,358	*Claim for tax refund - 2016*
Klaim pengembalian pajak - 2017	8,008	8,008	*Claim for tax refund - 2017*
Pajak lainnya	195	187	*Other taxes*
	67,337	50,357	

b. Utang pajak / *b. Taxes payable*

	31 Desember/ *December* 2023	2022	
Pajak penghasilan badan:			*Corporate income taxes:*
Bank			*Bank*
- Pasal 25	13,861	-	*Article 25 -*
- Pasal 29	59,168	-	*Article 29 -*
Entitas anak			*Subsidiary*
- Pasal 25	29,385	34,044	*Article 25 -*
- Pasal 29	5,466	10,298	*Article 29 -*
	107,880	44,342	
Pajak lainnya:			*Other taxes:*
Bank			*Bank*
- Pasal 23, 26 dan 4(2)	83,080	72,976	*Article 23, 26 and 4(2) -*
- Pasal 21	27,421	35,679	*Article 21 -*
- Pajak pertambahan nilai	3,487	5,328	*Value added tax -*
Entitas anak			*Subsidiary*
- Pasal 23, 26 dan 4(2)	9,183	7,061	*Article 23, 26 and 4(2) -*
- Pasal 21	6,832	7,761	*Article 21 -*
- Pajak pertambahan nilai	35	129	*Value added tax -*
	130,038	128,934	
	237,918	173,276	

13. PERPAJAKAN (lanjutan) / *13. TAXATION (continued)*

c. Beban pajak penghasilan / *c. Income tax expense*

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Pajak penghasilan:			*Income taxes:*
- Kini			*Current -*
Bank	515,697	503,801	*Bank*
Entitas anak	411,468	510,165	*Subsidiary*
- Penyesuaian terhadap beban pajak tahun-tahun sebelumnya			*Adjustment to prior years' tax - expense*
Bank	18,304	634	*Bank*
- Tangguhan – Pembentukan perbedaan temporer			*Deferred – Origination of temporary - differences*
Bank	(58,109)	20,506	*Bank*
Entitas anak	(112,162)	(7,351)	*Subsidiary*
Jumlah beban pajak penghasilan	775,198	1,027,755	*Total income tax expenses*

Rekonsiliasi antara laba akuntansi konsolidasian sebelum pajak penghasilan dikali tarif pajak yang berlaku dengan beban pajak penghasilan konsolidasian adalah sebagai berikut:

The reconciliation between consolidated accounting profit before income tax multiplied by the prevailing tax rate and consolidated income tax expense was:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Laba akuntansi konsolidasian sebelum pajak penghasilan	3,457,682	4,657,319	*Consolidated accounting profit before income tax*
Ditambah:			*Add:*
Pendapatan dividen dari Entitas Anak	498,815	332,992	*Dividend income from Subsidiary*
	3,956,497	4,990,311	
Tarif pajak	22%	22%	*Tax rate*
Pajak dihitung dengan tarif pajak	870,430	1,097,868	*Tax calculated at tax rate*
Perbedaan permanen dengan tarif pajak			*Permanent differences at tax rate:*
- Bank	(109,265)	(71,434)	*Bank -*
- Entitas anak	(4,271)	687	*Subsidiary -*
Penyesuaian terhadap beban pajak tahun-tahun sebelumnya	18,304	634	*Adjustments to prior year's tax expense*
Beban pajak penghasilan konsolidasian	775,198	1,027,755	*Consolidated income tax expense*

Rekonsiliasi antara laba akuntansi konsolidasian sebelum pajak penghasilan dan penghasilan kena pajak Bank adalah sebagai berikut:

The reconciliation between consolidated accounting profit before income tax and taxable income of the Bank was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Laba akuntansi konsolidasian sebelum pajak penghasilan	3,457,682	4,657,319	*Consolidated accounting profit before income tax*
Ditambah (dikurangi):			*Add (less):*
Pendapatan dividen dari Entitas Anak	498,815	332,992	*Dividend income from Subsidiary*
Laba Entitas Anak sebelum pajak penghasilan	(1,379,894)	(2,282,394)	*Subsidiary's profit before income tax*
Laba akuntansi sebelum pajak penghasilan (Bank saja)	2,576,603	2,707,917	*Accounting profit before income tax (Bank only)*
Perbedaan temporer:			***Temporary differences:***
Penyisihan kerugian aset produktif - pinjaman yang diberikan	382,098	(419,667)	*Allowance for impairment losses on earning assets - loans*
Modifikasi arus kas kontraktual pinjaman yang diberikan	(14,003)	308,911	*Modification of loans contractual cash flows*
Beban penyusutan	(110,481)	47,640	*Depreciation expenses*
Bonus direksi	6,426	(9,307)	*Bonus for directors*
Beban atas imbalan pascakerja	(10,404)	(40,592)	*Post-employment benefit expenses*
Akrual, bonus, tantiem dan imbalan jangka panjang lainnya	10,496	19,804	*Accruals, bonus, tantiem and other long-term - employee benefits*
Jumlah perbedaan temporer	264,132	(93,211)	*Total temporary differences*
Perbedaan permanen:			***Permanent differences:***
Beban/(penghasilan) yang tidak dapat dikurangkan/dikenakan - pajak - bersih	(496,659)	(324,700)	*Non-deductible/(non-taxable) expenses/incomes - net*
Penghasilan kena pajak Bank	2,344,076	2,290,006	*Taxable income of the Bank*

13. PERPAJAKAN (lanjutan)

d. Perhitungan beban pajak kini dan kekurangan pembayaran pajak penghasilan badan adalah sebagai berikut:

***13. TAXATION** (continued)*

d. The computation of current tax expense and corporate income tax underpayment was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Penghasilan kena pajak:			*Taxable income:*
Bank	2,344,076	2,290,006	*Bank*
Entitas Anak	1,870,310	2,318,931	*Subsidiary*
	4,214,386	4,608,937	
Beban pajak kini:			*Current tax expense:*
Bank	515,697	503,801	*Bank*
Entitas Anak	411,468	510,165	*Subsidiary*
	927,165	1,013,966	
Dikurangi:			*Less:*
Pajak dibayar dimuka pasal 25:			*Prepaid taxes article 25:*
Bank	(456,529)	(535,605)	*Bank*
Entitas Anak	(406,002)	(499,867)	*Subsidiary*
	(862,531)	(1,035,472)	
(Kelebihan) kekurangan pembayaran pajak penghasilan badan pasal (28) 29:			*Corporate income tax (over) under payment article (28) 29:*
Bank	59,168	(31,804)	*Bank*
Entitas anak	5,466	10,298	*Subsidiary*
	64,634	(21,506)	

e. Sesuai dengan peraturan perpajakan di Indonesia, Grup menghitung dan melaporkan/menyetorkan pajak untuk setiap perusahaan sebagai suatu badan hukum yang terpisah (pelaporan pajak penghasilan konsolidasian tidak diperbolehkan) berdasarkan sistem *self-assessment.* Fiskus dapat menetapkan/mengubah pajak-pajak tersebut dalam jangka waktu tertentu sesuai peraturan yang berlaku.

Manajemen mempertahankan posisi perpajakan Grup yang diyakini berdasarkan pada teknik dasar yang kuat, sesuai dengan peraturan perpajakan dan upaya manajemen dalam mengantisipasi kemungkinan risiko timbulnya pajak di masa depan.

Perhitungan pajak penghasilan badan untuk periode yang berakhir pada tanggal 31 Desember 2023 di atas adalah suatu perhitungan sementara yang dibuat untuk tujuan akuntansi.

Laba kena pajak yang diperoleh dari laba sebelum pajak secara komersial setelah dilakukan koreksi fiskal sesuai dengan ketentuan perpajakan yang berlaku akan menjadi dasar dalam perhitungan dan pengisian Surat Pemberitahuan (SPT) Tahunan PPh Badan Bank dan Entitas Anak.

Bank masih menunggu peraturan implementasi pajak mengenai penghitungan pajak terkait biaya cadangan kerugian penurunan nilai atas pinjaman yang diberikan yang sampai dengan tanggal laporan keuangan konsolidasian ini dibuat belum dikeluarkan oleh Pemerintah Indonesia. Perubahan signifikan atas penghitungan pajak penghasilan badan mungkin akan terjadi jika peraturan implementasi baru mengatur lain dibandingkan dengan peraturan yang saat ini berlaku.

***e.** Under the taxation laws of Indonesia, the Group calculates and submits individual company tax returns (submission of consolidated income tax computation is not allowed) on a self-assessment basis. The tax authorities may assess/amend taxes within the statute of limitations under prevailing regulations.*

Management vigorously defends the Group's tax positions which are believed to be grounded on sound technical basis, in compliance with the tax regulations and management's efforts to anticipate possible future tax exposure.

The above calculation of income tax for the period ended 31 December 2023 was a preliminary estimate made for accounting purposes.

Taxable income which was obtained from commercial profit before tax after fiscal correction in accordance with applicable tax regulation will be the basis for calculating and preparing the Bank's and Subsidiaries' Annual Corporate Income Tax Returns (SPT).

The Bank is still awaiting for the tax implementing regulation regarding allowance for impairment losses of loans that has not yet been issued by the Indonesian Government until the date of the issuance of this consolidated financial statements. Significant changes may affect the corporate income tax calculation if the new implementing regulation regulates differently as compared with the prevailing tax regulation.

13. PERPAJAKAN (lanjutan)

e. Perhitungan perpajakan untuk tahun yang berakhir 31 Desember 2022 sesuai dengan SPT tahunan Bank.

Pada bulan Oktober 2021, Undang-Undang No. 7 Tahun 2021 mengubah pasal dari Undang-Undang No. 2 Tahun 2020, sehingga tarif pajak 22% berlaku untuk tahun pajak 2022 dan seterusnya.

f. Aset (liabilitas) pajak tangguhan

Rincian dari aset (liabilitas) pajak tangguhan Grup adalah sebagai berikut:

Bank

***13. TAXATION** (continued)*

***e.** Tax calculation for the year ended 31 December 2022 is in accordance with Bank's annual tax return (SPT).*

In October 2021, Law No. 7 of 2021 amended the provision of Law No. 2 of 2020, in that the statutory tax rate of 22% applies for fiscal year 2022 and onwards.

f. Deferred tax assets (liabilities)

Details of deferred tax assets (liabilities) of the Group was as follows:

Bank

	Tahun berakhir 31 Desember 2023/ *Year ended 31 December 2023*				
	Saldo awal/ *Beginning balance*	**Dikreditkan (Dibebankan) ke laba rugi/ *Credited (Charged) to profit or loss***	**Dikreditkan (Dibebankan) ke ekuitas/ *Credited (Charged) to equity***	**Saldo akhir/ *Ending balance***	
Cadangan kerugian penurunan nilai atas pinjaman yang diberikan	183,836	84,062	-	267,898	*Allowance for impairment losses on loans*
Modifikasi arus kas kontraktual pinjaman yang diberikan	67,960	(3,080)	-	64,880	*Modification of loans contractual cash flows*
Imbalan kerja jangka pendek	62,480	8,567	-	71,047	*Short-term employee benefits*
Imbalan pascakerja dan imbalan kerja jangka panjang	9,522	(1,490)	20,146	28,178	*Post-employment benefits and other long-term employee benefits*
(Keuntungan) kerugian yang belum direalisasi dari efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain	2,187	-	(2,977)	(790)	*Unrealized (gains) losses on securities measured at fair value through other comprehensive income*
Aset tetap (termasuk aset hak guna) [(a)]	(30,265)	(29,683)	-	(59,948)	*Fixed assets (including right-of-use assets) [(a)]*
Liabilitas sewa [(a)]	78,791	(12,748)	-	66,043	*Lease liabilities [(a)]*
Lain-lain	9,896	(5,644)	-	4,252	*Others*
Aset (liabilitas) pajak tangguhan – bersih	384,407	39,984	17,169	441,560	*Deferred tax assets (liabilities)- net*

(a): Bank menetapkan pajak tangguhan terkait aset dan liabilitas yang timbul dari transaksi tunggal (Amandemen PSAK 46) mulai dari tanggal 1 Januari 2023 dan menyajikan kembali komparasi 31 Desember 2022. Setelah amandemen tersebut, Bank mengakui aset pajak tangguhan tersendiri sehubungan dengan liabilitas sewa dan kewajiban pajak tangguhan sehubungan dengan aset hak guna nya.

(a): The Bank applied deferred tax related to assets and liabilities arising from a single transaction (Amendments to PSAK 46) starting from 1 January 2023 and restate the comparative as of 31 December 2022. Following the amendment, the Bank has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets.

13. PERPAJAKAN (lanjutan) / *13. TAXATION (continued)*

f. Aset (liabilitas) pajak tangguhan (lanjutan) / *f. Deferred tax assets (liabilities) (continued)*

Bank (lanjutan) / ***Bank** (continued)*

	Tahun berakhir 31 Desember 2022/ *Year ended 31 December 2022*				
	Saldo awal/ *Beginning balance*	**Dikreditkan (Dibebankan) ke laba rugi/ *Credited (Charged) to profit or loss***	**Dikreditkan (Dibebankan) ke ekuitas/ *Credited (Charged) to equity***	**Saldo akhir/ *Ending balance***	
Cadangan kerugian penurunan nilai atas pinjaman yang diberikan	276,162	(92,326)	-	183,836	*Allowance for impairment losses on loans*
Modifikasi arus kas kontraktual pinjaman yang diberikan	-	67,960	-	67,960	*Modification of loans contractual cash flows*
Imbalan kerja jangka pendek	63,208	(728)	-	62,480	*Short-term employee benefits*
Imbalan pascakerja dan imbalan kerja jangka panjang	9,033	(8,993)	9,482	9,522	*Post-employment benefits and other long-term employee benefits*
(Keuntungan) kerugian yang belum direalisasi dari efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain	(33,226)	-	35,413	2,187	*Unrealized (gains) losses on securities measured at fair value through other comprehensive income*
Aset tetap (termasuk aset hak guna) [(a)]	(59,414)	29,149	-	(30,265)	*Fixed assets (including right-of-use assets) [(a)]*
Liabilitas sewa [(a)]	92,464	(13,673)	-	78,791	*Lease liabilities [(a)]*
Lain-lain	11,791	(1,895)	-	9,896	*Others*
Aset (liabilitas) pajak tangguhan – bersih	360,018	(20,506)	44,895	384,407	*Deferred tax assets (liabilities)- net*

(a): Bank menetapkan pajak tangguhan terkait aset dan liabilitas yang timbul dari satu transaksi (Amandemen PSAK 46) mulai dari tanggal 1 Januari 2023 dan menyajikan kembali komparasi 31 Desember 2022. Setelah amandemen tersebut, Bank mengakui aset pajak tangguhan tersendiri sehubungan dengan liabilitas sewa dan kewajiban pajak tangguhan sehubungan dengan aset hak guna nya.

(a): The Bank applied deferred tax related to assets and liabilities arising from a single transaction (Amendments to PSAK 46) starting from 1 January 2023 and restate the comparative as of 31 December 2022. Following the amendment, the Bank has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets.

Entitas Anak / ***Subsidiary***

	Tahun berakhir 31 Desember 2023/ *Year ended 31 December 2023*				
	Saldo awal/ *Beginning balance*	**Dikreditkan (Dibebankan) ke laba rugi/ *Credited/ (Charged) to profit or loss***	**Dikreditkan (Dibebankan) ke ekuitas/ *Credited (Charged) to equity***	**Saldo akhir/ *Ending balance***	
Imbalan kerja jangka pendek	35,579	4,955	-	40,534	*Short-term employee benefits*
Imbalan pascakerja dan imbalan kerja jangka panjang lainnya	2,057	7,007	58	9,122	*Post-employment benefits and other long-term employee benefits*
Aset tetap	(586)	(2,430)	-	(3,016)	*Fixed assets*
Cadangan kerugian penurunan nilai atas piutang murabahah	112,696	105,324	-	218,020	*Allowance for impairment losses on murabahah receivables*
Keuntungan yang belum direalisasi dari efek-efek	(18)	-	(22)	(40)	*Unrealized gains from securities*
Keuntungan yang belum direalisasi dari investasi pada efek ekuitas	(842)	196	-	(646)	*Unrealized gain from investment in equity securities*
Lainnya	11,736	(2,118)	-	9,618	*Others*
Aset pajak tangguhan - bersih	160,622	112,934	36	273,592	*Deferred tax assets - net*

13. PERPAJAKAN (lanjutan)

f. Aset (liabilitas) pajak tangguhan (lanjutan)

Entitas Anak (lanjutan)

***13. TAXATION** (continued)*

***f. Deferred tax assets (liabilities)** (continued)*

***Subsidiary** (continued)*

	Tahun berakhir 31 Desember 2022/ *Year ended 31 December 2022*				
	Saldo awal/ *Beginning balance*	**Dikreditkan (Dibebankan) ke laba rugi/ *Credited/ (Charged) to profit or loss***	**Dikreditkan (Dibebankan) ke ekuitas/ *Credited (Charged) to equity***	**Saldo akhir/ *Ending balance***	
Imbalan kerja jangka pendek	30,098	5,481	-	35,579	*Short-term employee benefits*
Imbalan pascakerja dan imbalan kerja jangka panjang lainnya	7,738	(4,385)	(1,296)	2,057	*Post-employment benefits and other long-term employee benefits*
Aset tetap	2,590	(3,176)	-	(586)	*Fixed assets*
Cadangan kerugian penurunan nilai atas piutang murabahah	98,386	14,310	-	112,696	*Allowance for impairment losses on murabahah receivables*
Keuntungan yang belum direalisasi dari efek-efek	(25)	-	7	(18)	*Unrealized gains from securities*
Keuntungan yang belum direalisasi dari investasi pada efek ekuitas	-	(842)	-	(842)	*Unrealized gain from investment in equity securities*
Lainnya	15,773	(4,037)		11,736	*Others*
Aset pajak tangguhan - bersih	154,560	7,351	(1,289)	160,622	*Deferred tax assets - net*

g. Surat ketetapan pajak

g. Tax assessment letters

Sebelum penggabungan usaha (Catatan 1.b), SMBCI memiliki surat ketetapan pajak sebagai berikut:

Before the merger (Note 1.b), SMBCI had the following tax assessments:

Tahun pajak 2002

Pada bulan Februari 2011, SMBCI mengajukan gugatan baru ke Pengadilan Pajak untuk memperoleh kompensasi bunga terkait pemeriksaan pajak tahun 2002 yang dimenangkan oleh SMBCI. Pada tanggal 22 September 2011, SMBCI memenangkan gugatan ke Pengadilan Pajak tersebut.

Pada bulan Januari 2012, DJP mengajukan permohonan kasasi kepada Mahkamah Agung untuk membatalkan keputusan dari Pengadilan Pajak atas imbalan bunga tersebut.

Sehubungan dengan proses tersebut, pada tanggal 31 Mei 2023 Majelis Mahkamah Agung mengumumkan keputusan menolak Peninjauan Kembali dari DJP. Pada tanggal 12 Juli 2023, Bank telah menerima putusan formal Mahkamah Agung tersebut. Atas putusan ini, pada tanggal 13 November 2023, Bank mengajukan surat permohonan pengembalian imbalan bunga ke kantor pajak.

Fiscal year 2002

In February 2011, SMBCI filed an appeal to the Tax Court to get interest compensation related with 2002 tax assessment which was won by SMBCI. On 22 September 2011, SMBCI won its appeal to the Tax Court.

In January 2012, DGT filed a judicial review to the Supreme Court to revoke the decision of the Tax Court for interest compensation.

In relation to this process, on 31 May 2023, the Assembly of the Supreme Court has announced the decision to reject the DGT Judicial Review. On 12 July 2023, the Bank has received the written formal Supreme Court decision letter. Upon the issuance of the decision, on 13 November 2023, the Bank submitted request letter for interest compensation to tax office.

13. PERPAJAKAN (lanjutan)

g. Surat ketetapan pajak (lanjutan)

Sebelum penggabungan usaha (Catatan 1.b), SMBCI memiliki surat ketetapan pajak sebagai berikut: (lanjutan)

Tahun pajak 2002 (lanjutan)

Pada tanggal 11 Desember 2023, Bank menerima surat dari kantor pajak tentang pemberian imbalan bunga sebesar Rp 16.972 yang telah diakui dalam klaim pengembalian pajak. Sampai dengan tanggal 31 Desember 2023, Bank belum menerima imbalan bunga tersebut dari kantor pajak.

Tahun pajak 2017

Pada tanggal 4 Februari 2021, Bank menerima surat pemberitahuan pemeriksaan pajak untuk tahun pajak 2017. Pada tanggal 9 Agustus 2022, Direktorat Jenderal Pajak mengeluarkan Surat Ketetapan Pajak Kurang Bayar (SKPKB) untuk seluruh jenis pajak dengan jumlah sebesar Rp 8.074, dan Surat Tagihan Pajak (STP) sebesar Rp 1,5. Atas SKPKB tersebut Bank telah melakukan pembayaran seluruhnya pada tanggal 7 September 2022. Bank telah mengajukan permohonan surat keberatan pajak pada tanggal 7 November 2022 dengan jumlah Rp 8.008.

Pada tanggal 31 Agustus 2023, DJP telah mengeluarkan surat keputusan penolakan keberatan. Pada tanggal 29 November 2023 Bank mengajukan surat banding atas keputusan keberatan tersebut ke pengadilan pajak. Sampai saat ini proses banding tersebut masih berlangsung.

Tahun pajak 2018

Pada tanggal 5 Oktober 2022, Bank menerima surat pemberitahuan pemeriksaan pajak untuk tahun pajak 2018.

Pada tanggal 28 Juli 2023, Bank menerima Surat Ketetapan Pajak Kurang Bayar (SKPKB) untuk seluruh jenis pajak meliputi PPh Badan, Pajak pemotongan dan PPN sebesar Rp 365. Bank tidak mengajukan keberatan atas SKPKB tersebut.

Dengan di SKPKB tersebut, maka proses pemeriksaan pajak telah selesai.

***13. TAXATION** (continued)*

***g. Tax assessment letters** (continued)*

***Before the merger (Note 1.b), SMBCI had the following tax assessments:** (continued)*

Fiscal year 2002 (continued)

On 11 December 2023, the Bank received letter from tax office concerning the interest compensation provision amounting to Rp 16,972 which has been recognised in claims for tax refund. As of 31 December 2023, the Bank has not received the interest compensation from tax office.

Fiscal year 2017

On 4 February 2021, the Bank received tax audit notice for fiscal year 2017. On 9 August 2022, the Directorate General of Taxes issued Underpayment Tax Assessment Letter (SKPKB) amounting to Rp 8,074 along with Tax Collection Letter (STP) amounting to Rp 1.5. The Bank has paid the amount on 7 September 2022. The Bank has submitted tax objection letter on 7 November 2022 amounting to Rp 8,008.

On 31 August 2023, DJP has issued objection decision letter which rejected Bank's objection. On 29 November 2023, the Bank has submitted appeal letter against such decsion letter to the tax court. Until now the appeal process is still on going.

Fiscal year 2018

On 5 October 2022, the Bank received tax audit notice for fiscal year 2018.

On 28 July 2023, the Bank received Underpayment Tax Assessment Letter (SKPKB) for all taxes which include corporate income tax, withholding tax and value added tax amounting to Rp 365. Bank will not go for the objections againts the SKPKB.

With the issuance of the SKPKB, the tax audit has been completed.

13. PERPAJAKAN (lanjutan)

g. Surat ketetapan pajak (lanjutan)

Sebelum penggabungan usaha (Catatan 1.b), BTPN memiliki surat ketetapan pajak sebagai berikut:

Tahun pajak 2016

Pada tanggal 28 Januari 2021, DJP menerbitkan Surat Ketetapan Pajak Kurang Bayar (SKPKB) sebesar Rp 13.155. Pada tanggal 26 April 2021, Bank mengajukan keberatan atas SKPKB tersebut kepada DJP.

Pada tanggal 10 Maret 2022, Direktorat Jenderal Pajak telah menerbitkan 2 (dua) putusan sehubungan dengan keberatan atas SKPKB yang diajukan sebelumnya, adapun hasil keputusan mengabulkan sebagian keberatan sehingga pajak yang terhutang yang sebelumnya Rp 13.155 menjadi Rp 10.358, atas keputusan ini, Bank mengajukan proses banding pada pengadilan pajak yang telah disampaikan pada tanggal 8 Juni 2022. Sampai saat ini, Bank belum menerima putusan dari pengadilan pajak.

Tahun pajak 2017

Pada tanggal 29 April 2019, Bank menerima Surat Ketetapan Pajak Lebih Bayar ("SKPLB") sebesar Rp 48.017 dari total lebih bayar menurut SPT Tahunan PPh Badan sebesar Rp 53.308. Atas selisih sebesar Rp 5.237, Bank mengajukan keberatan dengan surat pengajuan tertanggal 23 Juli 2019.

Pada bulan Juni 2020, Bank menerima surat keputusan keberatan dari DJP yang menerima sebagian permintaan keberatan Bank. Pada tanggal 11 September 2020, Bank telah mengajukan permohonan banding ke Pengadilan Pajak untuk PPh Badan dan pajak lainnya masing-masing sebesar Rp 5.017 dan Rp 5.822.

Pada tanggal 25 Agustus 2022, Bank menerima putusan dari Pengadilan Pajak dengan total putusan yang dikabulkan sebesar Rp 4.554 untuk PPh Badan dan Rp 419 untuk PPN. Atas putusan tersebut, Bank sudah menerima pengembalian atas sebagian besar pajak yang disetujui pada tanggal 25 September 2022. Atas jumlah yang telah ditolak sebesar Rp 5.874, Bank telah membebankan dalam biaya tahun 2022. Baik Bank atau DJP tidak mengajukan peninjauan kembali ke Mahkamah Agung. Dengan demikian, kasus pajak untuk Tahun Pajak 2017 telah selesai.

***13. TAXATION** (continued)*

***g. Tax assessments letters** (continued)*

Before the merger (Note 1.b), BTPN had the following tax assessments:

Fiscal year 2016

On 28 January 2021, DGT issued an underpayment tax assessment (SKPKB) amounting to Rp 13,155. On 26 April 2021, the Bank submited an objection letter on the SKPKB to the DGT.

On 10 March 2022, the Directorate General of Taxes has issued 2 (two) decision regarding tax objection of tax assessment letter (SKPKB) which the Bank has applied, the result of the decision grants part of the objection therefore the amount of tax payable is reduced from Rp 13,155 to Rp 10,358, with regards to the objection decision, the Bank has applied for appeal process in tax court on 8 June 2022. Until now, the Bank has not yet received the decision from tax court.

Fiscal year 2017

On 29 April 2019, the Bank received Tax Overpayment Letter ("SKPLB") amounting to Rp 48,017 from the total overpayment in annual tax return amounting to Rp 53,308. The Bank filed an objection letter on 23 July 2019 for the difference of Rp 5,237.

In June 2020, the Bank received an objection decision letter from DGT which partially accepted the Bank's objection request. On 11 September 2020, the Bank submitted a request to the tax court for appeal of income tax and other taxes amounting to Rp 5,017 and Rp 5,822, respectively.

On 25 August 2022, the Bank has received Tax Court Decision with total amoutn granted of Rp 4,554 for corporate income tax and Rp 419 for VAT. The Bank has received most of the agreed refund amount on 25 September 2022. For the rejected amount of Rp 5,874, Bank has booked as expense in 2022. Both of Bank and DGT did not submit further appeal to Supreme Court. Therefore, the tax litigation for Fiscal Year 2017 are considered completed.

13. PERPAJAKAN (lanjutan)

g. Surat ketetapan pajak (lanjutan)

Setelah penggabungan usaha (Catatan 1.b), BTPN memiliki surat ketetapan pajak sebagai berikut:

Tahun pajak 2019

Pada tanggal 14 April 2021, Bank menerima Surat Ketetapan Pajak Lebih Bayar ("SKPLB") sebesar Rp 178.984 dari total lebih bayar menurut SPT Tahunan PPh Badan tahun 2019 sebesar Rp 197.290. Pada tanggal 2 Juni 2021, Bank telah menerima pengembalian pajak sebesar Rp 178.019 setelah dikurangi Surat Ketetapan Pajak Kurang Bayar (SKPKB) yang diperhitungkan sebesar Rp 965.

Pada tanggal 12 Juli 2021, Bank menyampaikan surat keberatan kepada DJP atas sebagian jumlah dalam Surat Ketetapan Pajak sebesar Rp 9.345. Jumlah pajak yang tidak diajukan keberatan sebesar Rp 9.926, dibebankan ke dalam laba-rugi Bank. Pada tanggal 30 Juni 2022, DJP menerbitkan Keputusan Keberatan, adapun hasilnya adalah DJP menerima Keberatan Bank senilai Rp 9.345, atas nilai tersebut Bank sudah mengajukan pengembalian kelebihan bayar kepada DJP. Bank telah menerima pengembalian kelebihan bayar dari DJP, maka per 31 Desember 2022 kasus pajak untuk tahun pajak 2019 telah selesai.

Tahun Pajak 2022

Pada tanggal 18 Juli 2023, Bank menerima surat pemberitahuan pemeriksaan pajak untuk tahun pajak 2022. Sampai saat ini, pemeriksaan masih sedang berlangsung.

***13. TAXATION** (continued)*

***g. Tax assessments letters** (continued)*

After the merger (Note 1.b), BTPN had the following tax assessments:

Fiscal year 2019

On 14 April 2021, the Bank received Tax Overpayment Letter ("SKPLB") amounting to Rp 178,984 from the total overpayment in annual tax return amounting to Rp 197,290. On 2 June 2021, the Bank received the tax overpayment amounting to Rp 178,019 after being deducted with the underpayment tax assessment (SKPKB) amounting to Rp 965.

On 12 July 2021, the Bank submitted an Objection Letter partial to the amount of the Tax Assessment Letter to DGT amounting to Rp 9,345. The remaining tax which was not objected amounting to Rp 9,926 was charged to the Bank's profit or loss. On 30 June 2022, DGT has issued Objection Decision in favour of the Bank with an amount of Rp 9,345, the Bank has requested a refund for the amount mentioned to DGT. The Bank has received the overpayment refund from the DGT, then as of 31 December 2022 the tax case for fiscal year 2019 has been completed.

Fiscal Year 2022

On 18 July 2023, the Bank received tax audit notification letter for fiscal year 2022. Until now, the tax audit process is still on going.

14. ASET TETAP / *14. FIXED ASSETS*

Aset tetap terdiri dari: / *Fixed assets consist of the following:*

	Tahun berakhir 31 Desember 2023/ *Year ended 31 December 2023*						
	Saldo awal/ *Beginning balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Reklasifikasi/ *Reclassification***	**Revaluasi/ *Revaluation***	**Saldo akhir/ *Ending balance***	
Model revaluasi							***Revaluation model***
Kepemilikan langsung							***Direct ownership***
Tanah	981,703	-	(20,278)	-	79,772	1,041,197	*Land*
Model biaya							***Cost model***
Kepemilikan langsung							***Direct ownership***
Gedung	425,296	526	(10,599)	3,678	-	418,901	*Buildings*
Kendaraan bermotor	216,400	58,421	(20,515)	-	-	254,306	*Motor vehicles*
Perlengkapan kantor	1,489,714	45,350	(143,278)	84,562	-	1,476,348	*Office equipments*
Leasehold improvement	646,603	20,582	(86,560)	9,289	-	589,914	*Leasehold improvement*
Aset dalam pembangunan	56,150	90,969	(8,536)	(94,708)	-	43,875	*Construction in progress*
	2,834,163	215,848	(269,488)	2,821	-	2,783,344	
Aset hak guna	1,293,316	157,827	(235,434)	-	-	1,215,709	*Right-of-use assets*
	5,109,182	373,675	(525,200)	2,821	79,772	5,040,250	
Akumulasi penyusutan							***Accumulated depreciation***
Gedung	(276,916)	(19,095)	8,696	-	-	(287,315)	*Buildings*
Kendaraan bermotor	(148,497)	(38,180)	19,368	-	-	(167,309)	*Motor vehicles*
Perlengkapan kantor	(1,220,918)	(140,535)	142,376	2,591	-	(1,216,486)	*Office equipments*
Leasehold improvement	(579,699)	(40,441)	77,071	-	-	(543,069)	*Leasehold improvement*
	(2,226,030)	(238,251)	247,511	2,591	-	(2,214,179)	
Aset hak guna	(764,647)	(211,586)	197,974	-	-	(778,259)	*Right-of-use assets*
	(2,990,677)	(449,837)	445,485	2,591	-	(2,992,438)	
Nilai buku bersih	2,118,505					2,047,812	*Net book value*

	Tahun berakhir 31 Desember 2022/ *Year ended 31 December 2022*					
	Saldo awal/ *Beginning balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Reklasifikasi/ *Reclassification***	**Saldo akhir/ *Ending balance***	
Model revaluasi						***Revaluation model***
Kepemilikan langsung						***Direct ownership***
Tanah	981,703	-	-	-	981,703	*Land*
Model biaya						***Cost model***
Kepemilikan langsung						***Direct ownership***
Gedung	423,329	732	-	1,235	425,296	*Buildings*
Kendaraan bermotor	209,980	32,867	(26,551)	104	216,400	*Motor vehicles*
Perlengkapan kantor	1,432,828	30,850	(73,123)	99,159	1,489,714	*Office equipments*
Leasehold improvement	814,732	9,916	(187,329)	9,284	646,603	*Leasehold improvement*
Aset dalam pembangunan	42,527	119,329	(4,294)	(101,412)	56,150	*Construction in progress*
	2,923,396	193,694	(291,297)	8,370	2,834,163	
Aset hak guna	1,247,902	164,257	(118,843)	-	1,293,316	*Right-of-use assets*
	5,153,001	357,951	(410,140)	8,370	5,109,182	
Akumulasi penyusutan						***Accumulated depreciation***
Gedung	(250,502)	(26,414)	-	-	(276,916)	*Buildings*
Kendaraan bermotor	(133,825)	(39,564)	24,892	-	(148,497)	*Motor vehicles*
Perlengkapan kantor	(1,145,047)	(147,033)	71,162	-	(1,220,918)	*Office equipments*
Leasehold improvement	(722,065)	(44,946)	187,312	-	(579,699)	*Leasehold improvement*
	(2,251,439)	(257,957)	283,366	-	(2,226,030)	
Aset hak guna	(657,772)	(225,718)	118,843	-	(764,647)	*Right-of-use assets*
	(2,909,211)	(483,675)	402,209	-	(2,990,677)	
Nilai buku bersih	2,243,790				2,118,505	*Net book value*

14. ASET TETAP (lanjutan) / *14. FIXED ASSETS (continued)*

Rincian keuntungan penjualan aset tetap adalah sebagai berikut:

Detail of the gain on sale of fixed assets was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	2022	
Hasil atas penjualan aset tetap	5,877	5,569	*Proceeds from sale of fixed assets*
Nilai buku bersih	(1,233)	(1,959)	*Net book value*
Keuntungan penjualan aset tetap	4,644	3,610	*Gains on sale of fixed assets*

Aset hak-guna meliputi transaksi sewa yang dilakukan Bank dimana Bank menyewa bangunan untuk ruang kantor. Sewa ruang kantor secara umum berlaku untuk periode 3 - 10 tahun. Beberapa sewa termasuk opsi untuk memperbaharui periode sewa dengan tambahan durasi yang sama setelah kontrak berakhir. Bank juga menyewa kendaraan dan peralatan dengan periode kontrak 2 - 5 tahun, apartemen dan rumah dinas dengan periode kontrak 2 tahun, dan peralatan IT dan mesin dengan periode kontrak 3 - 5 tahun.

The right-of-use assets include the Bank's lease transactions whereby the Bank leases buildings for its office. The leases of office space typically run for a period of 3 - 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term. The Bank also leases vehicles and equipment with contract terms of 2 - 5 years, apartments, and employee residences with contract terms of 2 years and IT equipment and machinery with contract terms of 3 - 5 years.

Aset hak-guna juga meliputi transaksi sewa yang dilakukan Entitas Anak dimana Entitas Anak menyewa bangunan untuk ruang kantor. Sewa ruang kantor secara umum berlaku untuk periode 3 - 10 tahun. Beberapa sewa termasuk opsi untuk memperbaharui periode sewa dengan tambahan durasi yang sama setelah kontrak berakhir. Entitas Anak juga menyewa kendaraan dan peralatan dengan periode kontrak 3 - 5 tahun dan peralatan IT dan mesin dengan periode kontrak 3 - 5 tahun.

The right-of-use assets also include the Subsidiary's lease transactions whereby the Subsidiary leases buildings for its office. The leases of office space typically run for a period of 3 - 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term. The Subsidiary also leases vehicles and equipment with contract terms of 3 - 5 years and IT equipment and machinery with contract terms of 3 - 5 years.

Aset dalam pembangunan pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp 43.875 dan Rp 56.150 merupakan gedung yang disewa dari pihak ketiga dan masih dalam tahap renovasi dan perlengkapan kantor yang masih dalam tahap konstruksi. Konstruksi tersebut diperkirakan akan selesai pada tahun 2023 dengan persentase penyelesaian adalah antara 45% - 55% pada tanggal 31 Desember 2023 (31 Desember 2022: 4% - 96%).

Assets under construction as of 31 December 2023 and 2022 amounted to Rp 43,875 and Rp 56,150, respectively, related to buildings that were rented from third parties but was still in the renovation progress and office equipments that were still under construction. Those constructions are estimated to be completed in 2023 with current percentages of completion between 45% - 55% as of 31 December 2023 (31 December 2022: 4% - 96%).

Pada tanggal 31 Desember 2023 dan 2022, aset tetap, kecuali tanah, telah diasuransikan kepada perusahaan asuransi pihak ketiga (disajikan sebesar nilai pertanggungan):

As of 31 December 2023 and 2022, fixed assets, except for land, have been insured by the third party insurance companies (presented at sum insured):

	31 Desember/*December*		
	2023	2022	
PT Asuransi MSIG Indonesia	1,091,423	1,067,112	*PT Asuransi MSIG Indonesia*
PT Zurich General Takaful Indonesia (sebelumnya PT Asuransi Adira Dinamika Syariah)	178,786	153,391	*PT Zurich General Takaful Indonesia (before PT Asuransi Adira Dinamika Syariah)*
Jumlah	1,270,209	1,220,503	*Total*

Nilai buku untuk aset yang diasuransikan pada tanggal 31 Desember 2023 dan 2022 adalah sebesar Rp 767.559 dan Rp 933.949.

The book value of the assets insured as of 31 December 2023 and 2022 is Rp 767,559 and Rp 933,949.

Grup berpendapat bahwa nilai pertanggungan asuransi cukup untuk menutup kemungkinan kerugian dari aset tetap tersebut.

The Group believes that the insurance coverage is adequate to cover possible losses arising from the fixed assets.

14. ASET TETAP (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, Grup melakukan peninjauan kembali atas masa manfaat, metode penyusutan dan nilai residu aset tetap dan menyimpulkan bahwa tidak diperlukan perubahan atas metode dan asumsi tersebut.

Penyusutan aset tetap untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp 238.251 dan Rp 257.957 dibebankan pada beban umum dan administrasi (Catatan 33).

Penyusutan aset hak guna untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp 211.586 dan Rp 225.718 dibebankan pada beban umum dan administrasi (Catatan 33).

Pada tanggal 31 Desember 2023, aset tetap yang sudah disusutkan penuh namun masih digunakan untuk menunjang aktivitas operasi Grup adalah sebesar Rp 1.414.538 (31 Desember 2022: Rp 1.248.960).

Manajemen Grup berpendapat bahwa tidak terdapat indikasi adanya penurunan nilai atas aset tetap pada tanggal 31 Desember 2023 dan 2022.

Pada tanggal 31 Desember 2023 dan 2022, tidak terdapat aset tetap yang digunakan sebagai jaminan dan semua aset tetap tidak dibatasi kepemilikannya.

Revaluasi tanah

Penilaian atas tanah terakhir dilakukan untuk periode berakhir 30 September 2023 oleh KJPP Susan Widjojo dan Rekan, penilai properti independen eksternal yang telah terdaftar di OJK, yang memenuhi kualifikasi profesional dan berpengalaman di lokasi dan kategori aset yang dinilai, dengan nomor laporan 00341/2.0068-00/PI/07/0525/1/XII/2023 tanggal 7 Desember 2023.

Penilaian dilakukan berdasarkan POJKRI No. 28/POJK.04/2021 tentang Penilaian dan Penyajian Laporan Penilaian Properti di Pasar Modal, serta Kode Etik Penilai Indonesia dan Standar Penilaian Indonesia Edisi VII tahun 2018 (KEPI & SPI Edisi VII-2018). Metode penilaian yang dipakai adalah metode data pasar. Elemen-elemen yang digunakan dalam perbandingan data untuk menentukan nilai wajar aset antara lain:

a) Jenis dan hak yang melekat pada properti
b) Karakteristik tanah
c) Kondisi pasar
d) Kondisi ekonomi
e) Letak dan waktu

***14. FIXED ASSETS** (continued)*

As of 31 December 2023 and 2022, the Group performed a review on useful life, depreciation method and residual value of fixed assets and concluded that no change in these method and assumptions was necessary.

The depreciation of fixed assets for the years ended 31 December 2023 and 20221 amounting to Rp 238,251 and Rp 257,957, was charged to general and administrative expenses (Note 33).

The depreciation of right-of-use asset for the years ended 31 December 2023 and 2022 amounting to Rp 211,586 and Rp 225,718, respectively, was charged to general and administrative expenses (Note 33).

As of 31 December 2023, fixed assets that have been fully depreciated but were still in use to support the Group's operational activities amounted to Rp 1,414,538 (31 December 2022: Rp 1,248,960).

The Group's management believes that there was no indication of impairment in the value of fixed assets as of 31 December 2023 and 2022.

As of 31 December 2023 and 2022, there was no fixed asset pledged as collateral and no limitation on the ownership of fixed assets.

Revaluation of land

The valuations of land were last perfomed for period ended 30 September 2023 by KJPP Susan Widjojo dan Rekan, an external independent property appraiser which are registered with OJK, who fulfills the professional qualifications and experience in the location and category of the assets being valued, with report number 00341/2.0068-00/PI/07/0525/1/XII/2023 dated 7 December 2023.

Valuations were performed based on POJKRI No. 28/POJK.04/2021 about Valuation and Presentation of Property Valuation Reports in the Capital Market, as well as the Indonesian Appraisal Code of Ethics and Indonesian Valuation Standards VII Edition 2018 (KEPI & SPI VII Edition-2018). The valuation method used was market value approach. Elements used in data comparison to determine fair value of assets, among others were as follows:

a) Types and rights attached to the property
b) Land characteristics
c) Market condition
d) Economy condition
e) Location and time

14. ASET TETAP (lanjutan) / *14. FIXED ASSETS (continued)*

Revaluasi tanah (lanjutan) / ***Revaluation of land** (continued)*

Nilai wajar ditentukan dengan menggunakan hierarki dan input-input yang digunakan dalam teknis penilaian untuk aset non-keuangan:
- *Level* 1: Input yang berasal dari harga kuotasian (tanpa penyesuaian) dalam pasar aktif untuk aset yang identik.
- *Level* 2: Input selain harga kuotasian pasar dalam level 1 yang dapat diobservasi baik secara langsung maupun tidak langsung.
- *Level* 3: Input yang tidak dapat diobservasi.

Fair values are determined using the following hierarchy of input used in the valuation techniques for non-financial assets:
- Level 1: Inputs that are derived from quoted prices (unadjusted) in active markets for identical assets.

- Level 2: Inputs other than quoted market price included in level 1 that are observable either directly or indirectly.
- Level 3: Inputs that are unobservable

Pengukuran nilai wajar diatas dikategorikan sebagai nilai wajar *Level* 2 berdasarkan input-input dalam teknik penilaian yang digunakan.

The above fair value measurement has been categorized as Level 2 fair value based on the inputs to the valuation technique used.

Selisih penilaian kembali tanah pada tanggal 31 Desember 2023 dicatat sebagai keuntungan revaluasi aset tetap dan disajikan pada penghasilan komprehensif lain sebesar Rp 79.772 (31 Desember 2022: nihil).

The differences arising on land of revaluation as of 31 December 2023 were recorded as gain on revaluation of fixed assets and presented in other comprehensive income amounting to Rp 79,772 (31 December 2022: nil).

Jumlah harga perolehan tanah Grup pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp 80.254 dan Rp 81.352.

The acquisition cost of the Group's land as of 31 December 2023 and 2022 amounting to Rp 80,254 and Rp 81,352, respectively.

15. ASET TAKBERWUJUD DAN *GOODWILL* / *15. INTANGIBLE ASSETS AND GOODWILL*

	Tahun berakhir 31 Desember 2023/ *Year ended 31 December 2023*					
	Saldo awal/ *Beginning balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Reklasifikasi/ *Reclassification***	**Saldo akhir/ *Ending balance***	
Harga perolehan						***Cost***
Piranti lunak	2,799,890	63,154	(31,036)	400,006	3,232,014	*Software*
Pengembangan piranti lunak	376,931	273,921	-	(402,827)	248,025	*Software development*
Goodwill	61,116	-	-	-	61,116	*Goodwill*
	3,237,937	337,075	(31,036)	(2,821)	3,541,155	
Akumulasi amortisasi						***Accumulated amortization***
Piranti lunak	(2,161,199)	(316,310)	28,329	(2,591)	(2,451,771)	*Software*
Nilai buku bersih	1,076,738				1,089,384	*Net book value*

	Tahun berakhir 31 Desember 2022/ *Year ended 31 December 2022*					
	Saldo awal/ *Beginning balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Reklasifikasi/ *Reclassification***	**Saldo akhir/ *Ending balance***	
Harga perolehan						***Cost***
Piranti lunak	2,439,241	33,680	-	326,969	2,799,890	*Software*
Pengembangan piranti lunak	346,409	400,160	(34,299)	(335,339)	376,931	*Software development*
Goodwill	61,116	-	-	-	61,116	*Goodwill*
	2,846,766	433,840	(34,299)	(8,370)	3,237,937	
Akumulasi amortisasi						***Accumulated amortization***
Piranti lunak	(1,810,085)	(351,114)	-	-	(2,161,199)	*Software*
Nilai buku bersih	1,036,681				1,076,738	*Net book value*

15. ASET TAKBERWUJUD DAN *GOODWILL* (lanjutan)

Sisa periode amortisasi untuk piranti lunak adalah 1 sampai dengan 8 tahun.

Goodwill merupakan selisih antara nilai perolehan dengan nilai wajar dari aset Entitas Anak yang diakuisisi pada tahun 2014 dimana Bank mengakuisisi 70% saham PT Bank Sahabat Purba Danarta (sekarang PT BANK BTPN SYARIAH Tbk).

Manajemen Grup berpendapat bahwa tidak terdapat indikasi adanya penurunan nilai aset takberwujud dan *goodwill* pada tanggal 31 Desember 2023 dan 2022.

Amortisasi aset takberwujud untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp 316.310 dan Rp 351.114 dan dibebankan sebagai beban umum dan administrasi (Catatan 33).

15. INTANGIBLE ASSETS AND GOODWILL (continued)

The remaining amortization period of software is 1 to 8 years.

Goodwill represents the difference between the cost of acquisition and the fair value of Subsidiary's assets acquired in 2014 where the Bank acquired 70% of PT Bank Sahabat Purba Danarta's shares (now PT BANK BTPN SYARIAH Tbk).

The Group's management believes that there was no impairment in the value of intangible assets and goodwill as of 31 December 2023 and 2022.

The amortization of intangible assets for the years ended 31 December 2023 and 2022 amounted to Rp 316,310 and Rp 351,114, respectively, and was charged to general and administrative expenses (Note 33).

16. ASET LAIN-LAIN – BERSIH / *16. OTHER ASSETS – NET*

	31 Desember/*December*		
	2023	**2022**	
Term Deposit DHE	250,201	-	*DHE Term Deposit*
Jaminan kontrak	244,939	198,481	*Security deposits*
Transaksi ATM dan transfer	105,978	102,013	*ATM transaction and transfer*
Tagihan kredit lainnya	97,385	68,099	*Other credit receivables*
Agunan yang diambil alih	91,459	11,031	*Foreclosed collaterals*
Wesel ekspor lainnya	35,578	-	*Other export bills*
Tagihan penyelesaian surat berharga	33,286	6,471	*Receivables from sales of securities*
Properti terbengkalai	21,099	-	*Abandoned property*
Uang muka	14,834	114,943	*Advance payment*
Persediaan keperluan kantor	7,176	10,882	*Office supplies*
Tagihan kepada asuransi	7,145	10,134	*Receivables from insurance company*
Lain-lain	87,886	16,258	*Others*
	996,966	538,312	
Dikurangi: Cadangan kerugian penurunan nilai	(105,572)	(52,507)	*Less: Allowance for impairment losses*
	891,394	485,805	

Term Deposit DHE adalah instrumen untuk memfasilitasi penempatan Dana Hasil Ekspor (DHE) oleh eksportir di Bank Indonesia, dengan mekanisme *pass on* transaksi bank dengan nasabah (eksportir) kepada Bank Indonesia. Bank mencatat *Term Deposit* DHE tersebut pada akun aset lain-lain dan kewajiban kepada nasabah (eksportir) pada akun liabilitas lain-lain dengan nilai yang sama.

DHE Term Deposit is an instrument to facilitate the placement of Dana Hasil Ekspor *(DHE) by exporters at Bank Indonesia, with a pass-on mechanism for bank transactions with customers (exporters) to Bank Indonesia. The Bank records DHE Term Deposit in the other assets account and liabilities to customers (exporters) in the other liabilities account with same amount.*

Jaminan kontrak merupakan pembayaran atas uang jaminan sewa gedung, sewa IT dan setoran jaminan lembaga *switching* untuk transaksi *real time transfer*.

Security deposits represent security deposits payment on building rent, IT rent and switching agent pre-fund deposits for real time transfer transactions.

Transaksi ATM dan transfer terdiri dari piutang atas transaksi ATM dan transfer antar bank yang akan diselesaikan pada hari kerja berikutnya.

ATM transaction and transfer consists of receivables from ATM transaction and transfer from other banks that will be settled on the following working day.

Tagihan kredit lainnya terdiri dari tagihan bunga yang masih tertunggak dari debitur sebelum restrukturisasi dan penalti keterlambatan bayar untuk pinjaman yang diberikan.

Other credit receivables consist of overdue interest receivables from debtors prior to restructuring and penalty for late payments of loans.

16. ASET LAIN-LAIN – BERSIH (lanjutan)

Wesel ekspor lainnya adalah tagihan yang timbul dari negosiasi dokumen wesel ekspor dalam transaksi *usance L/C* yang belum diakseptasi.

Tagihan penyelesaian surat berharga merupakan tagihan yang akan diterima dari pihak ketiga atas penjualan surat berharga yang belum diselesaikan pada akhir hari.

Uang muka merupakan uang muka pembelian inventaris, beban perjalanan dinas dan uang muka operasional lainnya.

Persediaan keperluan kantor merupakan persediaan atas formulir aplikasi, materai, kartu ATM dan cek.

Tagihan kepada asuransi adalah klaim kepada pihak asuransi atas uang pesangon karyawan dan klaim pengembalian premi nasabah kredit pensiun.

Lain-lain terdiri dari berbagai macam tagihan dari transaksi kepada pihak ketiga.

Cadangan kerugian penurunan nilai aset lain-lain pada tanggal 31 Desember 2023 dan 2022 dibentuk sebagian besar untuk tagihan kredit lainnya. Perubahan dalam cadangan kerugian penurunan nilai aset lain-lain adalah sebagai berikut:

***16. OTHER ASSETS – NET** (continued)*

Other export bills are receivables from negotiation of export bills in usance L/C transactions which have not been accepted.

Receivables from sales of securities represent receivables from third parties for sales of securities which have not been settled at the end of the day.

Advance payment consists of advances for purchace on office supplies, business trip allowances and other operational advances.

Office supplies represent supply of application forms, stamps, ATM cards and cheques.

Receivables from insurance companies are the claim to the insurance companies on employees' severance pay and premium refund claim for pension loan's debtors.

Others mainly consist of various receivables from transactions with third parties.

Allowance for impairment losses for other assets as of 31 December 2023 and 2022 was made mainly made for other credit receivables. The movement of the allowance for impairment losses for other assets was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Saldo awal	(52,507)	(722)	*Beginning balance*
Penyisihan selama tahun berjalan (Catatan 34)	(53,065)	(52,313)	*Provision during the year (Note 34)*
Lain-lain	-	528	*Others*
Saldo akhir	(105,572)	(52,507)	*Ending balance*

Manajemen berpendapat bahwa cadangan yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai aset lain-lain pada tanggal 31 Desember 2023 dan 2022.

Management believes that the allowance for losses was adequate to cover impairment losses on other assets as of 31 December 2023 and 2022.

17. LIABILITAS SEGERA / *17. OBLIGATIONS DUE IMMEDIATELY*

Seluruh liabilitas segera dengan pihak ketiga. / *All obligations due immediately were to third parties.*

	31 Desember/*December*		
	2023	**2022**	
Rupiah:			***Rupiah:***
Titipan transaksi surat berharga	19,844	2,672	*Unsettled securities transaction*
Hutang kepada pihak ketiga	16,336	31,153	*Payables to third parties*
Kewajiban penutupan tabungan	14,253	-	*Saving deposit closing obligation*
Titipan bagi hasil deposito	3,943	2,887	*Unsettled profit-sharing of time deposits*
Titipan uang notaris	1,296	1,898	*Unsettled notary transactions*
Kiriman uang yang belum diselesaikan	580	8,908	*Unsettled remittance transactions*
Titipan uang pensiun	905	797	*Unsettled pension funds*
Lain-lain	9,878	4,696	*Others*
	67,035	53,011	
Mata uang asing:			***Other currencies:***
Titipan transaksi surat berharga	4,565	-	*Unsettled securities transaction*
Kewajiban penutupan tabungan	6	-	*Saving deposit closing obligation*
Kiriman uang yang belum diselesaikan	-	6,034	*Unsettled remittance transactions*
	71,606	59,045	

Titipan transaksi surat berharga merupakan tampungan atas uang penjualan surat berharga yang belum diselesaikan.

Unsettled securities transaction represent the payment of securities that have not been settled.

Titipan uang pensiun merupakan tampungan uang pembayaran pensiun nasabah yang akan dibayarkan ke rekening nasabah.

Unsettled pension funds represent the customer's retirement payments that will be paid to the customer's bank account.

18. SIMPANAN NASABAH / *18. DEPOSITS FROM CUSTOMERS*

	31 Desember/*December*		
	2023	**2022**	
Pihak ketiga:			*Third parties:*
- Giro	26,578,680	23,708,094	*Current accounts -*
- Tabungan	16,580,693	15,572,990	*Savings deposits -*
- Deposito berjangka	40,975,031	64,560,849	*Time deposit -*
- Deposito *on call*	13,659,076	100,470	*Deposits on call -*
	97,793,480	103,942,403	
Pihak berelasi:			*Related parties:*
- Giro	50,003	57,708	*Current accounts -*
- Tabungan	88,170	59,543	*Savings deposits -*
- Deposito berjangka	106,953	963,633	*Time deposits -*
- Deposito *on call*	239,150	-	*Deposits on call -*
	484,276	1,080,884	
	98,277,756	105,023,287	
Beban bunga yang masih harus dibayar	179,647	145,624	*Accrued interest expenses*
	98,457,403	105,168,911	

Berdasarkan mata uang: / *By currency:*

	31 Desember/*December*		
	2023	**2022**	
Simpanan nasabah:			*Deposits from customers:*
Rupiah	75,476,253	82,507,890	*Rupiah*
Dolar Amerika Serikat	19,815,371	20,798,083	*United States Dollar*
Yen Jepang	2,564,810	1,353,262	*Japanese Yen*
Mata uang asing lainnya	421,322	364,052	*Other foreign currencies*
	98,277,756	105,023,287	
Beban bunga yang masih harus dibayar	179,647	145,624	*Accrued interest expenses*
	98,457,403	105,168,911	

18. SIMPANAN NASABAH (lanjutan) / *18. DEPOSITS FROM CUSTOMERS (continued)*

a. Giro / *a. Current accounts*

Berdasarkan mata uang: / *By currency:*

	31 Desember/*December* 2023	2022	
Rupiah	15,846,676	12,273,465	*Rupiah*
Dolar Amerika Serikat	8,735,833	10,174,982	*United States Dollar*
Yen Jepang	1,928,682	1,144,277	*Japanese Yen*
Mata uang asing lainnya	117,492	173,078	*Other foreign currencies*
	26,628,683	23,765,802	
Beban bunga yang masih harus dibayar	5,960	1,489	*Accrued interest expenses*
	26,634,643	23,767,291	

Giro Wadiah yang dikelola oleh Entitas Anak masing-masing sebesar Rp 24.009 dan Rp 27.645 pada tanggal 31 Desember 2023 dan 2022.

Wadiah current account managed by Subsidiary amounted to Rp 24,009 and Rp 27,645 as of 31 December 2023 and 2022, respectively.

Tingkat suku bunga rata-rata giro per tahun: / *The average interest rate per annum for current accounts:*

	Tahun berakhir 31 Desember/ *Year ended 31 December* 2023	2022	
Rupiah	1.64%	1.64%	*Rupiah*
Mata uang asing	1.85%	0.40%	*Foreign currencies*

Saldo giro yang diblokir masing-masing sebesar Rp 329.041 dan Rp 129.432 pada tanggal 31 Desember 2023 dan 2022. Pemblokiran giro sebagian besar dikarenakan giro tersebut diperuntukkan sebagai akun tampungan untuk cicilan pinjaman yang diberikan dan sebagai agunan pinjaman yang diberikan.

Total current accounts which were blocked amounted to Rp 329,041 and Rp 129,432 as of 31 December 2023 and 2022, respectively. The blocking of current accounts is mainly because the current accounts are designated as escrow accounts for loan installments and as collaterals for loans.

b. Tabungan / *b. Saving deposits*

Berdasarkan jenis: / *By type:*

	31 Desember/*December* 2023	2022	
Tabungan "Jenius"	11,414,116	9,750,254	*"Jenius" Savings*
Tabungan "Citra Pensiun"	2,155,288	2,174,755	*"Citra Pensiun" Savings*
Tabungan "Tepat Tabungan Kelompok Syariah"	2,140,799	2,109,497	*"Tepat Tabungan Kelompok Syariah" Savings*
Tabungan "Se To"	738,244	1,274,056	*"Se To" Savings*
Tabungan "Pasti"	154,263	197,149	*"Pasti" Savings*
Tabungan "Tepat Tabungan"	57,010	50,451	*"Tepat Tabungan" Savings*
Tabungan "Wadiah WOW iB"	-	17,540	*"Wadiah WOW iB" Savings*
Lain-lain	9,143	58,831	*Others*
	16,668,863	15,632,533	
Beban bunga yang masih harus dibayar	1,499	1,659	*Accrued interest expenses*
	16,670,362	15,634,192	

18. SIMPANAN NASABAH (lanjutan) / *18. DEPOSITS FROM CUSTOMERS (continued)*

b. Tabungan (lanjutan) / *b. Saving deposits (continued)*

Berdasarkan mata uang: / *By currency:*

	31 Desember/*December*		
	2023	**2022**	
Simpanan nasabah			*Deposits from customers*
Rupiah	15,660,285	14,946,057	*Rupiah*
Dolar Amerikat Serikat	543,438	344,625	*United States Dollar*
Yen Jepang	215,605	150,877	*Japanese Yen*
Mata uang asing lainnya	249,535	190,974	*Other foreign currencies*
	16,668,863	15,632,533	
Beban bunga yang masih harus dibayar	1,499	1,659	*Accrued interest expenses*
	16,670,362	15,634,192	

Tingkat suku bunga rata-rata tabungan per tahun: / *Average interest rate per annum for saving deposits:*

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Rupiah	1.86%	1.60%	*Rupiah*
Mata uang asing	1.34%	0.17%	*Foreign currencies*

Saldo tabungan yang diblokir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp 4.384.408 dan Rp 3.989.159. Pemblokiran tabungan sebagian besar dikarenakan tabungan tersebut diperuntukkan sebagai dana nasabah yang tidak dapat ditarik hingga tanggal jatuh tempo yang telah ditentukan.

Total saving deposits which were blocked as of 31 December 2023 and 2022 amounted to Rp 4,384,408 and Rp 3,989,159, respectively. The blocking of saving accounts is mainly because the saving accounts are designated as customer funds that cannot be withdrawn until the specified maturity date.

c. Deposito berjangka / *c. Time deposits*

Berdasarkan mata uang: / *By currency:*

	31 Desember/*December*		
	2023	**2022**	
Deposito berjangka			*Time Deposits*
Rupiah	35,300,062	55,187,898	*Rupiah*
Dolar Amerika Serikat	5,673,926	10,278,476	*United States Dollar*
Dolar Singapura	54,295	-	*Singapore dollar*
Yen Jepang	53,701	58,108	*Japanese Yen*
	41,081,984	65,524,482	
Beban bunga yang masih harus dibayar	143,663	142,423	*Accrued interest expenses*
	41,225,647	65,666,905	

18. SIMPANAN NASABAH (lanjutan) / *18. DEPOSITS FROM CUSTOMERS (continued)*

c. Deposito berjangka (lanjutan) / *c. Time deposits (continued)*

Berdasarkan jangka waktu: / *By time period:*

	31 Desember/*December*		
	2023	**2022**	
Hingga 1 bulan	24,720,307	50,280,859	*Up to 1 month*
Lebih dari 1 - 3 bulan	11,175,601	11,510,339	*More than 1 - 3 months*
Lebih dari 3 - 6 bulan	2,601,838	2,153,881	*More than 3 - 6 months*
Lebih dari 6 - 12 bulan	2,570,983	1,557,581	*More than 6 - 12 months*
Lebih dari 1 tahun	13,255	21,822	*More than 1 year*
	41,081,984	65,524,482	
Beban bunga yang masih harus dibayar	143,663	142,423	*Accrued interest expenses*
	41,225,647	65,666,905	

Berdasarkan tingkat suku bunga: / *By interest rate:*

	31 Desember/*December*		
	2023	**2022**	
Hingga 3%	679,070	5,874,336	*Up to 3%*
Lebih dari 3 - 5%	25,049,460	53,118,373	*More than 3 - 5%*
Lebih dari 5 - 7%	15,353,454	6,531,773	*More than 5 - 7%*
	41,081,984	65,524,482	
Beban bunga yang masih harus dibayar	143,663	142,423	*Accrued interest expenses*
	41,225,647	65,666,905	

Tingkat suku bunga rata-rata per tahun untuk deposito: / *Average interest rate per annum for time deposits:*

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Rupiah	4.78%	3.31%	*Rupiah*
Mata uang asing	4.03%	1.73%	*Foreign currencies*

Saldo deposito berjangka yang diblokir atau dijadikan jaminan kredit pada tanggal 31 Desember 2023 dan 2022, masing-masing sebesar Rp 265.002 dan Rp 377.514. Pemblokiran deposito berjangka sebagian besar dikarenakan deposito berjangka tersebut diperuntukkan sebagai agunan pinjaman yang diberikan dan sebagai akun tampungan untuk cicilan pinjaman yang diberikan.

Total time deposits blocked or pledged for collaterals of loans as of 31 December 2023 and 2022 amounted to Rp 265,002 and Rp 377,514, respectively. The blocking of time deposits is mainly because the time deposits are designated as collateral for loans and escrow accounts for loan installments.

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 41.

Information regarding remaining period to maturity date was disclosed in Note 41.

18. SIMPANAN NASABAH (lanjutan) / *18. DEPOSITS FROM CUSTOMERS (continued)*

d. Deposito *on call* / *d. Deposits on call*

Berdasarkan mata uang: / *By currency:*

	31 Desember/*December* 2023	2022	
Deposito *on call*			*Deposits on call*
Rupiah	8,669,230	100,470	*Rupiah*
Dolar Amerika Serikat	4,862,174	-	*United States Dollar*
Yen Jepang	366,822	-	*Japanese Yen*
	13,898,226	100,470	
Beban bunga yang masih harus dibayar	28,525	53	*Accrued interest expenses*
	13,926,751	100,523	

Tingkat suku bunga rata-rata per tahun untuk deposito *on call*: / *Average interest rate per annum for deposits on call:*

	Tahun berakhir 31 Desember/ *Year ended 31 December* 2023	2022	
Rupiah	4.59%	2.06%	*Rupiah*
Mata uang asing	4.33%	-	*Foreign currencies*

19. SIMPANAN DARI BANK-BANK LAIN / *19. DEPOSITS FROM OTHER BANKS*

	31 Desember/*December* 2023	2022	
Pihak ketiga	1,253,579	18,779	*Third parties*
Pihak berelasi	9,561,059	147,352	*Related parties*
	10,814,638	166,131	
Beban bunga yang masih harus dibayar	7,483	-	*Accrued interest expenses*
	10,822,121	166,131	

a. Berdasarkan jenis: / *a. By type:*

	31 Desember/*December* 2023	2022	
Call money	10,463,200	-	*Call money*
Giro	349,438	164,131	*Current accounts*
Deposito berjangka	2,000	2,000	*Time deposits*
	10,814,638	166,131	
Beban bunga yang masih harus dibayar	7,483	-	*Accrued interest expenses*
	10,822,121	166,131	

Tidak ada saldo simpanan dari bank-bank lain yang diblokir atau dijadikan jaminan pada tanggal 31 Desember 2023 dan 2022.

There were no deposits from other banks which were blocked or pledged as of 31 December 2023 and 2022.

19. SIMPANAN DARI BANK-BANK LAIN (lanjutan) / *19. DEPOSITS FROM OTHER BANKS (continued)*

b. Berdasarkan mata uang: / *b. By currency:*

	31 Desember/*December* 2023	2022	
Rupiah	1,576,438	166,131	*Rupiah*
Dolar Amerika Serikat	9,238,200	-	*United States Dollar*
	10,814,638	166,131	
Beban bunga yang masih harus dibayar	7,483	-	*Accrued interest expenses*
	10,822,121	166,131	

c. Tingkat suku bunga rata-rata per tahun: / *c. Average interest rate per annum:*

	Tahun berakhir 31 Desember/ *Year ended 31 December* 2023	2022	
Rupiah			***Rupiah***
Call money	6.17%	4.35%	*Call money*
Deposito berjangka	2.44%	1.90%	*Time deposits*
Giro	0.00%	0.06%	*Current accounts*
Dolar Amerika Serikat			***United States Dollar***
Call money	6.03%	1.20%	*Call money*

d. Jangka waktu: / *d. Time period:*

	31 Desember/*December* 2023	2022	
Sesuai permintaan	349,438	164,131	*On demand*
Hingga 1 bulan	8,592,545	-	*Up to 1 month*
Lebih dari 1 - 3 bulan	1,872,655	2,000	*More than 1 - 3 months*
	10,814,638	166,131	
Beban bunga yang masih harus dibayar	7,483	-	*Accrued interest expenses*
	10,822,121	166,131	

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 41.

Information regarding remaining period to maturity date was disclosed in Note 41.

20. EFEK-EFEK YANG DITERBITKAN / *20. SECURITIES ISSUED*

Utang obligasi / *Bonds payable*

	Peringkat/ *Rating*)*	31 Desember/*December* 2023	2022	
Nilai nominal:				*Nominal value:*
- Obligasi Berkelanjutan IV Tahap I	AAA(idn)	201,000	201,000	*Continuing Bonds IV - Phase I*
Dikurangi:				*Less:*
Biaya emisi yang belum diamortisasi		(431)	(866)	*Unamortized bonds issuance costs*
		200,569	200,134	
Ditambah:				*Add:*
Beban bunga yang masih harus dibayar		1,514	1,514	*Accrued interest expenses*
		202,083	201,648	
Utang obligasi sesuai dengan jangka waktunya:				*Bonds payable based on time period:*
Lebih dari 3 tahun		201,000	201,000	*More than 3 years*
		201,000	201,000	

*) Berdasarkan peringkat dari PT Fitch Ratings Indonesia

**) Based on rating by PT Fitch Ratings Indonesia*

Informasi lain mengenai utang obligasi pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

Other information relating to bonds payable as of 31 December 2023 and 2022 was as follows:

Seri/ *Series*	Nilai nominal/ *Nominal value*	Tingkat bunga tetap/ *Fixed interest rate*	Tanggal penerbitan/ *Date of issuance*	Jatuh tempo/ *Due date*	Cicilan pokok obligasi/ *Bonds principal installment*
Obligasi Berkelanjutan IV Tahap I/*Continuing Bonds IV Phase I:*					
Seri/ *Series* A	799,000	7.55%	27 November/ *November* 2019	26 November/ *November* 2022	Pembayaran penuh pada saat jatuh tempo/*Bullet payment on due date*
Seri/ *Series* B	201,000	7.75%	27 November/ *November* 2019	26 November/ *November* 2024	Pembayaran penuh pada saat jatuh tempo/*Bullet payment on due date*

Pembayaran bunga obligasi dilakukan setiap 3 bulan dan pembayaran pokok dilakukan pada saat jatuh tempo. Bank telah melakukan pembayaran pokok dan bunga obligasi sesuai dengan jadwal.

Bonds interests are paid every 3 months and bonds principals are paid on the maturity date. The Bank has paid the bonds principal and interest based on the schedule.

Perjanjian perwaliamanatan mengatur beberapa pembatasan yang harus dipenuhi oleh Bank, antara lain tidak menerbitkan obligasi lain atau instrumen utang lain yang sejenis yang mempunyai hak tagih yang lebih tinggi dari Obligasi Berkelanjutan IV Tahap I serta yang dijamin dengan aset, kecuali pinjaman dan fasilitas dari pinjaman bilateral interbank dan fasilitas bilateral dengan Bank Indonesia yang dijamin dengan aset dalam jumlah 20% dari aset yang dihitung dari laporan keuangan yang terakhir yang telah diaudit.

The trustee agreements provide several negative covenants to the Bank, among others, not issuing another bonds or other similar debt instrument with higher collecting right as compared to Continuing Bonds IV Phase I and collateralized with asset, except loans and facilities from bilateral interbank loan and bilateral facilities from Bank Indonesia which are secured with assets in the amount of 20% from assets which are calculated from the last audited financial statements.

Bank berkewajiban menjaga jumlah aset yang tidak diagunkan secara khusus minimal sebesar 125% dari total obligasi yang diterbitkan termasuk pokok obligasi. Bank telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian tersebut.

The Bank should keep the total assets that have not been specifically pledged at the minimum 125% from total issued bonds including bonds principal. The Bank has complied with the covenants on the trustee agreement.

Beban bunga atas utang obligasi untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp 16.013 dan Rp 73.082 (Catatan 30).

The interest expenses of bonds payable for for the years ended 31 December 2023 and 2022 amounted to Rp 16,013 and Rp 73,082, respectively (Note 30).

21. PINJAMAN YANG DITERIMA / *21. BORROWINGS*

Pinjaman yang diterima terdiri dari pinjaman bank dan pinjaman bukan bank yang dilakukan dengan pihak berelasi dan pihak ketiga.

Borrowings consists of bank borrowings and non-bank borrowings with related parties and third parties.

	31 Desember/ *December*		
	2023	2022	
Pihak ketiga			***Third parties:***
Pinjaman bank:			*Bank borrowings:*
PT Bank Central Asia Tbk	6,000,000	4,500,000	*PT Bank Central Asia Tbk*
PT Bank UOB Indonesia	-	1,000,000	*PT Bank UOB Indonesia*
PT Bank Maybank Indonesia Tbk	-	100,000	*PT Bank Maybank Indonesia Tbk*
	6,000,000	5,600,000	
Pinjaman bukan bank:			*Non-bank borrowings:*
International Finance Corporation	6,682,950	2,063,850	*International Finance Corporation*
	12,682,950	7,663,850	
Pihak berelasi			***Related party:***
Pinjaman bank:			*Bank borrowings:*
Sumitomo Mitsui Banking Corporation	18,569,798	37,257,744	*Sumitomo Mitsui Banking Corporation*
	31,252,748	44,921,594	
Dikurangi:			*Less:*
Biaya transaksi yang belum diamortisasi	(48,251)	(9,988)	*Unamortized transaction costs*
Ditambah:			*Add:*
Beban bunga yang masih harus dibayar	151,020	155,802	*Accrued interest expenses*
	31,355,517	45,067,408	

a. Pinjaman bank / *a. Bank borrowings*

Jumlah pokok pinjaman berdasarkan jangka waktu:

Borrowing principals amount based on time period:

	31 Desember/ *December*		
	2023	2022	
Hingga 1 tahun	-	1,000,000	*Up to 1 year*
Lebih dari 1 - 2 tahun	16,392,975	4,600,000	*More than 1 - 2 years*
Lebih dari 2 – 3 tahun	170,383	8,017,262	*More than 2 - 3 years*
Lebih dari 3 tahun	8,006,440	29,240,482	*More than 3 years*
	24,569,798	42,857,744	
Ditambah:			*Add:*
Beban bunga yang masih harus dibayar	52,745	107,801	*Accrued interest expenses*
	24,622,543	42,965,545	

Pinjaman Bilateral PT Bank Central Asia Tbk

Bank memiliki 5 fasilitas Pinjaman Bilateral dari PT Bank Central Asia Tbk yang ditandatangani pada rentang waktu tahun 2009 hingga 2022, dengan total fasilitas sebesar Rp 6.000.000, dengan detil sebagai berikut:

a) Perjanjian pinjaman *revolving Term Loan* I sebesar Rp 500.000 yang ditandatangani pada tanggal 15 Mei 2009 dan telah diperpanjang beberapa kali dengan perpanjangan terakhir kali ditandatangani pada tanggal 12 Mei 2022.

Bilateral Borrowing with PT Bank Central Asia Tbk

The Bank had 5 Bilateral Borrowing facilities from PT Bank Central Asia Tbk which were signed during 2009 to 2022, with total facilities amounted to Rp 6,000,000, with details as follows:

a) The facility agreement of revolving Term Loan I amounting to Rp 500,000 was signed on 15 May 2009 and had been extended several times with the latest extension was signed on 12 May 2022.

21. PINJAMAN YANG DITERIMA (lanjutan)

a. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank Central Asia Tbk (lanjutan)

a) Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 18 (delapan belas) bulan dari tanggal perjanjian kredit.

Fasilitas harus ditarik dalam 18 (delapan belas) bulan sejak tanggal perjanjian kredit. Periode bunga adalah setiap 3 (tiga) bulan berdasarkan suku bunga JIBOR, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah JIBOR + 0,40% berlaku terhitung sejak tanggal 13 Mei 2022 hingga tanggal jatuh tempo terakhir.

Pada tanggal 28 Desember 2023, Bank melakukan penarikan sebesar Rp 500.000, dengan jatuh tempo pada 13 Mei 2025.

b) Perjanjian pinjaman Revolving Term Loan III sebesar Rp 1.000.000 yang ditandatangani pada tanggal 1 April 2015 dan telah diperpanjang beberapa kali dengan perpanjangan terakhir kali ditandatangani pada tanggal 27 September 2023.

Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 6 (enam) bulan dari tanggal perjanjian kredit.

Jangka waktu pinjaman adalah 18 (delapan belas) bulan sejak tanggal Perjanjian Kredit. Periode bunga adalah setiap 3 (tiga) bulan berdasarkan suku bunga JIBOR, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah JIBOR + 0,40% terhitung sejak tanggal 1 Oktober 2023 hingga tanggal jatuh tempo terakhir.

Pada tanggal 25 April 2022, Bank melakukan penarikan sebesar Rp 1.000.000. Pinjaman ini telah dilunasi pada tanggal 29 September 2023.

Pada tanggal 22 Desember 2023, Bank melakukan penarikan kembali atas fasilitas ini sebesar Rp 1.000.000, dengan jatuh tempo pada 1 April 2025.

21. *BORROWINGS* (continued)

a. *Bank borrowings (continued)*

***Bilateral Borrowing with PT Bank Central Asia Tbk** (continued)*

a) Based on the facility agreement, the availability period will be ended within 18 (eighteen) months from the date of agreement.

The facility should be fully drawndown within 18 (eighteen) months from the date of agreement. The interest period is 3 (three) months based on JIBOR interest rate and the interest will be paid every due date. The interest rate for this facility is JIBOR + 0.40% shall be calculated from 13 May 2022 until the final maturity date.

On 28 December 2023, the Bank made a withdrawal of Rp 500,000, with a maturity date on 13 May 2025.

b) The facility agreement of Revolving Term Loan III amounting to Rp 1,000,000 was signed on 1 April 2015 and had been extended several times with the latest extension was signed on 27 September 2023.

Based on the facility agreement, the availability period will be ended within 6 (six) month of the date of agreement.

The facility should be fully drawndown within 18 (eighteen) months from the date of agreement. The interest period is 3 (three) months based on JIBOR interest rate and the interest will be paid of every due date. The interest rate for this facility is JIBOR + 0.40% and calculated from 1 October 2023 until the Final Maturity Date.

On 25 April 2022, The Bank made a withdrawal of Rp 1,000,000. The loan has been repaid on 29 September 2023.

On 22 December 2023, the Bank made an another withdrawal amounted Rp 1,000,000, with a maturity date on 1 April 2025.

21. PINJAMAN YANG DITERIMA (lanjutan)

a. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank Central Asia Tbk (lanjutan)

c) Perjanjian pinjaman *Non-revolving Term Loan IV* sebesar Rp 1.000.000 ditandatangani pada tanggal 10 Juni 2015 dan telah diperpanjang beberapa kali dengan perpanjangan terakhir kali ditandatangani pada tanggal 24 Mei 2023.

Berdasarkan perjanjian fasilitas terakhir, batas waktu penggunaan fasilitas kredit adalah sampai dengan 1 (satu) bulan dari tanggal perjanjian kredit. Suku bunga terhadap pinjaman ini adalah JIBOR + 0,4%.

Pada tanggal 28 Desember 2023, Bank melakukan penarikan kembali atas fasilitas ini sebesar Rp 1.000.000, dengan jatuh tempo pada 24 November 2024.

d) Perjanjian pinjaman *Non-revolving Term Loan* II sebesar Rp 2.500.000 ditandatangani pada tanggal 29 April 2020 dan telah diperpanjang dengan perpanjangan terakhir kali ditandatangani pada tanggal 4 Mei 2023.

Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 6 (enam) bulan dari tanggal perjanjian kredit.

Periode bunga adalah setiap 3 (tiga) bulan, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah JIBOR + 0,4%.

Pada tanggal 4 Mei 2022, Bank melakukan penarikan sebesar Rp 2.500.000, dengan jatuh tempo pada 4 November 2024.

e) Perjanjian pinjaman *Revolving Term* Loan VI sebesar Rp 1.000.000 ditandatangani pada tanggal 29 November 2022.

Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 6 (enam) bulan dari tanggal perjanjian kredit.

Jangka waktu pinjaman adalah 18 (delapan belas) bulan sejak tanggal Perjanjian Kredit.

***21. BORROWINGS** (continued)*

***a. Bank borrowings** (continued)*

***Bilateral Borrowing with PT Bank Central Asia Tbk** (continued)*

c) The facility agreement of Non-revolving Term Loan IV amounting Rp 1,000,000 was signed on 10 June 2015 and had been extended several times with the latest extension was signed on 24 May 2023.

Based on the latest facility agreement, the availability period will be ended within 1 (one) month from the date of agreement. The interest rate for this facility is JIBOR + 0.4%.

On 28 December 2023, the Bank made an another withdrawal on this facility amounted Rp 1,000,000, with a maturity date on 24 November 2024.

d) The facility agreement of Non-revolving Term Loan II amounting Rp 2,500,000 was signed on 29 April 2020 and had been amended with the latest amendment signed on 4 May 2023.

Based on the facility agreement, the availability period will be ended within 6 (six) months from the date of agreement.

The interest period is 3 (three) months and the interest will be paid every due date. The interest rate for this facility is JIBOR + 0.4%.

On 4 May 2022, the Bank made a withdrawal of Rp 2,500,000, with a maturity date on 4 November 2024.

e) The facility agreement of Revolving Term Loan VI amounting Rp 1,000,000 was signed on 29 November 2022.

Based on the facility agreement, the availability period will be ended within 6 (six) months from the date of agreement.

The facility should be fully drawndown within 18 (eighteen) months from the date of agreement.

21. PINJAMAN YANG DITERIMA (lanjutan)

b. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank Central Asia Tbk (lanjutan)

e) Periode bunga adalah setiap 3 (tiga) bulan, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah JIBOR + 0,4%.

Pada tanggal 29 Mei 2023, Bank melakukan penarikan sebesar Rp 1.000.000, dengan jatuh tempo pada 29 Mei 2024.

Pada tanggal 31 Desember 2023, Bank telah menggunakan seluruh fasilitas yang ada. Pada tanggal 31 Desember 2022, total fasilitas PT Bank Central Asia Tbk yang belum digunakan adalah sebesar Rp 1.500.000.

Pada tanggal 31 Desember 2023 dan 2022, tidak terdapat pembatasan-pembatasan tertentu yang dipersyaratkan.

Pinjaman Bilateral PT Bank UOB Indonesia

Pada tanggal 18 Agustus 2021, Bank telah menandatangani perjanjian fasilitas kredit - *committed term loan* sebesar Rp 1.000.000 dengan PT Bank UOB Indonesia sebagai kreditur. Tujuan pinjaman adalah untuk modal kerja Bank.

Berdasarkan perjanjian fasilitas, batas waktu penarikan fasilitas kredit adalah sampai dengan 6 (enam) bulan dari tanggal perjanjian kredit.

Fasilitas kredit harus ditarik sepenuhnya dalam batas waktu penarikan dengan ketentuan jumlah minimum penarikan adalah Rp 500.000 atau sebesar jumlah fasilitas kredit yang belum ditarik.

Pinjaman harus dibayar kembali dalam jangka waktu 12 (dua belas) bulan sejak tanggal perjanjian pinjaman. Periode bunga adalah setiap 3 (tiga) bulan berdasarkan suku bunga acuan 3 bulan + 0,25%, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo.

***21. BORROWINGS** (continued)*

***b. Bank borrowings** (continued)*

***Bilateral Borrowing with PT Bank Central Asia Tbk** (continued)*

e) The interest period is 3 (three) months and the interest will be paid every due date. The interest rate for this facility is JIBOR + 0.4%.

On 29 May 2023, the Bank made a withdrawal of Rp 1,000,000, with a maturity date on 29 May 2024.

As of 31 December 2023, the Bank has utilized all borrowing facility. As of 31 December 2022, total unused facility from PT Bank Central Asia Tbk amounted to Rp 1,500,000.

As of 31 December 2023 and 2022, based on the agreement there was no certain covenant which was required to be maintained.

Bilateral Borrowing with PT Bank UOB Indonesia

On 18 August 2021, the Bank signed Committed term loan facility agreement amounting to Rp 1,000,000 with PT Bank UOB Indonesia as the creditor. The purpose of the borrowing is for the Bank's working capital.

Based on the facility agreement, the availability period will be ended on the 6 (sixth) month from the date of agreement.

The facility should be fully drawndown within the availability period with minimum drawdown amount is Rp 500,000 or any remaining undrawn amount.

The borrowing should be repaid within 12 (twelve) months after the date of borrowings agreement. Interest period is 3 (three) months based on the benchmark interest rate of 3 months + 0.25%, with interest payments are made at each maturity date.

21. PINJAMAN YANG DITERIMA (lanjutan)

a. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank UOB Indonesia (lanjutan)

Pada tanggal 25 Februari 2022, Bank melakukan penarikan sebesar Rp 1.000.000. Perjanjian ini telah berakhir dan dilunasi pada tanggal 25 Agustus 2022.

Pada tanggal 23 September 2022, Bank telah menandatangani perjanjian fasilitas kredit – committed term loan sebesar Rp 1.000.000 dengan PT Bank UOB Indonesia

Berdasarkan perjanjian fasilitas, jangka waktu fasilitas 12 (dua belas) bulan terhitung sejak tanggal fasilitas. Tanggal fasilitas adalah tanggal dimana dilakukan penarikan untuk pertama kali atau 5 (lima) Hari Kerja setelah tanggal perjanjian Kredit, yang mana yang lebih dahulu terjadi.

Batas waktu penarikan fasilitas kredit adalah sampai dengan 6 (enam) bulan dari tanggal fasilitas. Periode bunga adalah setiap 3 (tiga) bulan berdasarkan suku bunga acuan 3 bulan + 0,3%, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo.

Pada tanggal 12 Oktober 2022, Bank melakukan penarikan sebesar Rp 1.000.000. Perjanjian ini telah berakhir dan dilunasi pada tanggal 29 September 2023.

Pada tanggal 31 Desember 2023, Bank telah melunasi seluruh fasilitas pinjaman yang ada.

Pinjaman PT Bank Maybank Indonesia Tbk

Pada tanggal 13 Desember 2021, Entitas Anak mendapatkan fasilitas pinjaman dengan akad mudharabah yang diberikan oleh PT Bank Maybank Indonesia Tbk sebesar Rp 100.000. Fasilitas berlaku sampai dengan tanggal 13 Desember 2022. Tujuan pinjaman adalah untuk menunjang bisnis Entitas Anak.

Penarikan pinjaman dilakukan pada tanggal 9 Maret 2022 sebesar Rp 100.000 dengan indikasi bagi hasil setara 5%. Entitas Anak telah melunasi pinjaman pada tanggal 9 Maret 2023.

***21. BORROWINGS** (continued)*

***a. Bank borrowings** (continued)*

***Bilateral Borrowing with PT Bank UOB Indonesia** (continued)*

On 25 February 2022, the Bank drawndown this loan at amount of Rp 1,000,000. The facility has been expired and repaid on 25 August 2022.

On 23 September 2022, the Bank signed Committed term loan facility agreement amounting to Rp 1,000,000 with PT Bank UOB Indonesia.

Based on the facility agreement, The facility should be fully drawndown within 12 (twelve) months from the date of facility. The facility date is the date on which a withdrawal is made for the first time or 5 (five) Business Days after the date of the Agreement, whichever occurs first.

The availability period will be ended on the 6 (sixth) month from the date of facility. Interest period is 3 (three) months based on the JIBOR interest rate of 3 months + 0.3%, with interest payments are made at each maturity date.

On 12 October 2022, the Bank made a withdrawal of Rp 1,000,000. The facility has been expired and repaid on 29 September 2023.

As of 31 December 2023, the Bank has paid off all borrowing facility.

Borrowing PT Bank Maybank Indonesia Tbk

On 13 December 2021, the Subsidiary obtained a borrowing facility on the basis of mudharabah provided by PT Bank Maybank Indonesia Tbk in the amount of Rp 100,000. The facility is valid until 13 December 2022. The purpose of the borrowing is to support the Subsidiary's business.

Withdrawal of borrowing was carried out on 9 March 2022 in the amount of Rp 100,000 with an indication of profit sharing equivalent to 5%. The Subsidiary has fully paid the borrowing on 9 March 2023.

21. PINJAMAN YANG DITERIMA (lanjutan)

a. Pinjaman bank (lanjutan)

Pinjaman Bilateral Sumitomo Mitsui Banking Corporation - Cabang Singapura

Bank mendapatkan *revolving long-term borrowings* dengan Sumitomo Mitsui Banking Corporation - Cabang Singapura, dengan total fasilitas setara dengan USD 3.625.000.000 (nilai penuh). Fasilitas ini dapat ditarik dalam mata uang Dolar AS atau jumlah yang setara dari jumlah tersebut dalam mata uang selain dari Dolar AS dan Dolar Singapura.

Total pinjaman yang ditarik dari fasilitas ini pada tanggal 31 Desember 2023 adalah sebesar USD 1.195.000.000 (nilai penuh) dan EUR 10.000.000 (nilai penuh) (31 Desember 2022: USD 2.372.000.000 (nilai penuh) dan EUR 20.000.000 (nilai penuh)).

Pinjaman ini akan jatuh tempo berkisar antara tanggal 30 Januari 2025 sampai 30 Juni 2025.

Tingkat suku bunga kontraktual setahun atas pinjaman jangka panjang ini adalah *cost of fund* ditambah margin tertentu. Untuk posisi pada tanggal 31 Desember 2023, marjin yang diterapkan adalah 0,50% (untuk total pinjaman USD 1.195.000.000 (nilai penuh) dan EUR 10.000.000 (nilai penuh)). Untuk posisi 31 Desember 2022, marjin yang diterapkan adalah 0,66% (untuk total pinjaman USD 355.000.000 (nilai penuh)) dan 0,50% (untuk total pinjaman USD 2.017.000.000 (nilai penuh) dan EUR 20.000.000 (nilai penuh).

Pada tanggal 31 Desember 2023 dan 2022, tidak terdapat pembatasan-pembatasan tertentu yang disyaratkan dalam pinjaman jangka panjang ini.

21. *BORROWINGS (continued)*

a. *Bank borrowings (continued)*

Bilateral Borrowing with Sumitomo Mitsui Banking Corporation - Singapore Branch

The Bank entered into revolving long-term borrowings with Sumitomo Mitsui Banking Corporation - Singapore Branch, with total facility amounting to equivalent of USD 3,625,000,000 (full amount). The facility can be drawn in US Dollars or the amount equivalent thereof in any other currencies other than US Dollars and Singapore Dollars.

Total outstanding amount drawn from this facility as of 31 December 2023 amounted to USD 1,195,000,000 (full amount) and EUR 10,000,000 (full amount) (31 December 2022: USD 2,372,000,000 (full amount) and EUR 20,000,000 (full amount)).

This borrowing will mature ranging from 30 January 2025 until 30 June 2025.

Contractual interest rate per annum on long-term borrowings is cost of fund plus certain margin. For position as of 31 December 2023, the applied margin was 0.50% (for total outstanding amount of USD 1,195,000,000 (full amount) and EUR 10,000,000 (full amount)). For position as of 31 December 2022, the applied margin was 0.66% (for total outstanding amount of USD 355,000,000 (full amount)) and 0,50% (for total outstanding amount of USD 2,017,000,000 (full amount) and EUR 20,000,000 (full amount).

As of 31 December 2023 and 2022, there was no certain covenant which was required to be maintainted in this long-term borrowing.

b. Pinjaman bukan bank / *b. Non-bank borrowings*

Jumlah pokok pinjaman berdasarkan jangka waktu: / *Borrowing principals amount based on time period:*

	31 Desember/ *December*		
	2023	**2022**	
Lebih dari 3 tahun	6,682,950	2,063,850	*More than 3 years*
Dikurangi:			*Less:*
Biaya transaksi yang belum diamortisasi	(48,251)	(9,988)	*Unamortized transaction costs*
Ditambah:			*Add:*
Beban bunga yang masih harus dibayar	98,275	48,001	*Accrued interest expenses*
	6,732,974	2,101,863	

21. PINJAMAN YANG DITERIMA (lanjutan)

b. Pinjaman bukan bank (lanjutan)

Pembayaran bunga pinjaman telah dibayarkan oleh Bank sesuai dengan jadwal.

Pinjaman bukan bank adalah fasilitas pinjaman dengan International Finance Corporation (IFC), bukan pihak berelasi yang terdiri dari beberapa perjanjian sebagai berikut:

(i) Perjanjian Pinjaman 2019

Tujuan pinjaman tersebut adalah untuk mendanai pembiayaan kredit mikro, usaha kecil menengah yang dimiliki perempuan, *green loans*, pinjaman *Supply Chain Finance* (SCF). Bank akan melakukan upaya terbaiknya untuk memastikan bahwa jumlah agregat dari pencairan yang diberikan untuk setiap pinjaman setidaknya sama dengan 25% dari jumlah maksimum pinjaman.

Pada tanggal 30 Desember 2019, Bank melakukan penarikan sebesar Rp 699.250, ekuivalen USD 50.000.000 (nilai penuh) dengan suku bunga 7,75% per tahun dan jatuh tempo pada tanggal 3 Desember 2024. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yang dimulai pada tanggal 30 Juni 2021 dan akan berakhir pada tanggal 30 Desember 2024.

Pada tanggal 28 Januari 2020, Bank melakukan penarikan sebesar Rp 1.364.600, ekuivalen USD 100.000.000 (nilai penuh) dengan suku bunga 7,30% per tahun dan jatuh tempo pada tanggal 28 Januari 2025. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yang dimulai pada tanggal 28 Juli 2021 dan akan berakhir pada tanggal 28 Januari 2025.

Pada tanggal 31 Desember 2023 dan 31 Desember 2022, Bank telah menggunakan seluruh fasilitas pinjaman yang ada.

***21. BORROWINGS** (continued)*

***b. Non-bank borrowings** (continued)*

Payments of interest on borrowings had been paid by the Bank in accordance with the schedule.

Non-bank borrowings are borrowing facilities from International Finance Corporation (IFC), non-related party, consist of some agreements as follows:

(i) Borrowing Agreement 2019

The purpose of borrowing was to finance the Women-Owned Micro, Small Medium Enterprise (MSME) loans, Green loans and Supply Chain Finance (SCF) loans. The Bank will use its best efforts to ensure that the aggregated amount of the disbursements made to each loans was at least equal to 25% of the maximum loan amount.

On 30 December 2019, the Bank drawndown this loan at amount of Rp 699,250, equivalent to USD 50,000,000 (full amount) with interest rate 7.75% per annum and maturity date on 3 December 2024. Interest payment will be paid every 6 (six) months, which is started on 30 June 2021 and will be ended on 30 December 2024.

On 28 January 2020, the Bank drawndown this at amount of Rp 1,364,600, equivalent to USD 100,000,000 (full amount) with interest rate 7.30% per annum and maturity date on 28 January 2025. Interest payment will be paid every 6 (six) months, which is started on 28 July 2021 and will be ended on 28 January 2025.

As of 31 December 2023 and 31 December 2022, the Bank has utilized all borrowing facility.

21. PINJAMAN YANG DITERIMA (lanjutan)

b. Pinjaman bukan bank (lanjutan)

(i) Perjanjian Pinjaman 2019 (lanjutan)

Dalam perjanjian pinjaman tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Bank antara lain:

- tidak diperkenankan melakukan perubahan bisnis secara substansial tanpa persetujuan tertulis dari pemberi pinjaman;
- tidak melakukan penggabungan usaha, demerger, restrukturisasi korporasi, yang dapat memberikan dampak merugikan yang material;
- tidak menerbitkan saham tambahan dan tidak akan melakukan transfer saham, penjualan, perjanjian yang akan mengubah SMBC menjadi pemegang saham non-pengendali sesuai dengan ketentuan Peraturan Perbankan atau Keuangan di Indonesia;

Pada tanggal 31 Desember 2023 dan 31 Desember 2022, Bank telah memenuhi seluruh pembatasan yang dipersyaratkan.

(ii) Perjanjian Pinjaman 2023

Pada tanggal 20 Juni 2023, Bank telah menandatangani perjanjian Fasilitas pinjaman sebesar USD 500.000.000 (nilai penuh). Bentuk pinjaman ini adalah *Privately Placed Senior Sustainability Bond*. Tujuan pinjaman tersebut adalah untuk pembiayaan usaha kecil menengah yang dimiliki perempuan, pembangunan bangunan ramah lingkungan, dan *Social Bond.*

Pada tanggal 25 Agustus 2023, Bank melakukan penarikan sebesar USD 300.000.000 (nilai penuh) dengan suku bunga berdasarkan suku bunga acuan 3 bulan + 0,846%. Pembayaran bunga dilakukan setiap 3 (tiga) bulan, yang dimulai pada tanggal 27 November 2023 dan akan berakhir pada tanggal 25 Agustus 2028.

Pada tanggal 31 Desember 2023, fasilitas yang belum digunakan adalah sebesar USD 200.000.000 (nilai penuh).

Dalam perjanjian pinjaman tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Bank antara lain:

- Menyatakan atau membayarkan dividen apa pun atau melakukan pembagian apa pun atas modal sahamnya (selain dividen atau pembagian yang harus dibayar dalam saham Emiten), kecuali pembayaran atau pembagian yang diusulkan diambil dari penghasilan bersih dari Tahun Buku yang relevan.

***21. BORROWINGS** (continued)*

***b. Non-bank borrowings** (continued)*

***(i) Borrowing Agreement 2019** (continued)*

The borrowing agreements provide several covenants required from the Bank, such as:

- *no substantial change is made to the general nature of its business without prior written consent of the lender;*
- *not undertake or permit any merger, demerger, corporate restructuring, which has or could reasonably be expected to have material adverse effect;*
- *not issue any additional shares and shall not have its existing shares transferred, sold, pledged or otherwise encumbered such that action would make the SMBC to become a non-controlling shareholder under the Indonesia's Banking or Financial Regulations;*

As of 31 December 2023 and 31 December 2022, the Bank had fulfilled all the required covenants.

(ii) Borrowing Agreement 2023

On 20 June 2023, the Bank has signed a loan facility agreement of USD 500,000,000 (full amount). The form of this loan is a Privately Placed Senior Sustainability Bond. The purpose of these loans is to finance small and medium enterprises owned by women, construction of environmentally friendly buildings, and Social Bonds.

On 25 August 2023, the Bank made a withdrawal of USD 300,000,000 (full amount) with interest rates based on the 3-month benchmark interest rate + 0.846%. Interest payments are made every 3 (three) months, starting on 27 November 2023 and ending on 25 August 2028.

As of 31 December 2023, total unused facility amounted to USD 200,000,000 (full amount).

The borrowing agreements provide several covenants required from the Bank, such as:

- *Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable in shares of the Issuer), unless the proposed payment or distribution is out of net income of the relevant Financial Year.*

21. PINJAMAN YANG DITERIMA (lanjutan)

b. Pinjaman bukan bank (lanjutan)

(ii) Perjanjian Pinjaman 2023 (lanjutan)

Dalam perjanjian pinjaman tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Bank antara lain: (lanjutan)

- Membuat atau memungkinkan utang apa pun yang dijamin atau berperingkat di atas atau senior terhadap Obligasi, kecuali untuk transaksi sewa guna usaha (*leasing*) atau transaksi lain yang didukung aset dalam operasional bisnis perbankan pada umumnya.
- Membentuk atau memiliki Anak Perusahaan Utama apa pun (selain PT BANK BTPN SYARIAH Tbk dan PT BTPN SYARIAH VENTURA).
- Tidak melakukan perubahan mendasar atas Anggaran Dasar dengan cara apa pun yang dapat tidak sesuai dengan ketentuan pada perjanjian.
- Tidak melakukan atau mengizinkan penggabungan, pemekaran, peleburan atau reorganisasi apa pun; atau menjual, memindahkan, menyewakan atau dengan cara lain melepaskan seluruh atau suatu bagian substansial dari aset-asetnya selain aset-aset yang diambil alih dalam mengeksekusi jaminan yang dibuat untuk kepentingan Emiten dalam usaha perbankannya.

Pada tanggal 31 Desember 2023, Bank telah memenuhi persyaratan terkait penarikan pertama fasilitas IFC.

***21. BORROWINGS** (continued)*

***b. Non-bank borrowings** (continued)*

***(ii) Borrowing Agreement 2023** (continued)*

The borrowing agreements provide several covenants required from the Bank, such as: (continued)

- *Create or allow any indebtedness that is secured or ranks prior or senior to the Bonds, except for the leasing transactions or other asset-backed transactions in the ordinary course of banking business.*
- *Form or have any Material Subsidiary (other than PT BANK BTPN SYARIAH Tbk and PT BTPN SYARIAH VENTURA).*
- *No substantial change of its Charter in any manner which would be inconsistent with the provisions of this Agreement.*
- *Not undertake Merger, Consolidation or Reorganization. Undertake or permit any merger, spin-off, consolidation or reorganization; or sell, transfer, lease or otherwise dispose of all or a substantial part of its assets, other than assets acquired in the enforcement of security created in Favor of the Issuer in the ordinary course of its banking business, whether in a single transaction or in a series of transactions, related or otherwise.*

As of 31 December 2023, the Bank managed to fulfill the requirement related with first disbursement of IFC facility.

22. AKRUAL / ***22. ACCRUALS***

	31 Desember/ *December*		
	2023	**2022**	
Akrual beban operasional	328,468	304,544	*Accrued operational expenses*
Akrual beban promosi	101,610	75,206	*Accrued promotion expenses*
Akrual jasa profesional	48,903	54,949	*Accrued professional fees*
Akrual beban kepegawaian	-	19,293	*Accrued personnel expenses*
	478,981	453,992	

Akrual jasa profesional merupakan akrual untuk biaya konsultan yang bekerjasama dengan Bank untuk menyelesaikan proyek tertentu, termasuk akrual untuk biaya konsultan hukum, konsultan bisnis, akuntan publik dan lainnya.

Accrued professional fees are accrual for the costs of consultants who collaborate with the Bank to complete certain projects, including accrual for the costs of legal consultant, business consultant, public accountant and others.

23. LIABILITAS IMBALAN KERJA KARYAWAN / *23. EMPLOYEE BENEFITS LIABILITIES*

Liabilitas imbalan kerja karyawan terdiri dari: / *Employee benefits liabilities consist of:*

	31 Desember/ *December*	
	2023	**2022**
Imbalan kerja jangka pendek / *Short-term employee benefits*		
Akrual bonus karyawan, THR, tantiem, dan liabilitas jangka pendek lainnya / *Accrual of employee bonus, THR, tantiem, and other short-term liabilities*		
- Bank / *Bank*	323,918	278,730
- Entitas Anak / *Subsidiary*	187,270	164,746
	511,188	443,476
Imbalan pascakerja dan imbalan kerja jangka panjang lainnya / *Post-employment benefits and other long-term employee benefits*		
- Bank / *Bank*	128,085	43,281
- Entitas Anak / *Subsidiary*	42,020	20,947
	170,105	64,228
	681,293	507,704

Grup menerapkan kebijakan program manfaat imbalan pascakerja sesuai dengan Undang-Undang Cipta Kerja ("UUCK") No. 11 Tahun 2020, Peraturan Pemerintah No. 35 Tahun 2021 dan Perjanjian Kerjasama yang berlaku di Grup. Dasar perhitungan manfaat ini menggunakan gaji pokok terkini. Program pensiun manfaat pasti ini dikelola oleh PT Asuransi Allianz Life Indonesia.

The Group implements post-employment benefits policy based on Job Creation Law ("UUCK") No. 11 Year 2020, Government Regulation No. 35 Year 2021 and Collective Labor Agreement applied by the Group. The calculation basis of benefits is based on current basic salary. The Bank's defined benefits pension plan is managed by PT Asuransi Allianz Life Indonesia.

Program tersebut memberikan manfaat pensiun yang akan dibayarkan kepada karyawan yang berhak pada saat karyawan pensiun atau pada saat karyawan tersebut berhenti sesuai dengan peraturan yang berlaku. Pendanaan program pensiun ini dilakukan oleh Grup dengan membayar iuran tahunan yang setidaknya memenuhi jumlah minimum seperti yang diharuskan oleh peraturan perundang-undangan yang berlaku.

The program calls for benefits to be paid to eligible employees at retirement or when the employees resign according to the prevailing regulations. The funding of the pension plan is conducted by the Group through payments of annual contributions which are sufficient to meet the minimum requirements set forth in applicable laws.

Perhitungan imbalan kerja jangka panjang Bank dan Entitas Anak menggunakan hasil perhitungan Aktuari periode 31 Desember 2023 dengan informasi komparatif 31 Desember 2022.

The calculation of the long-term employee benefits of the Bank and Subsidiary use the results of the calculation of the Actuarial period 31 December 2023 with comparative information 31 December 2022.

Pada tanggal 31 Desember 2023, jumlah karyawan Bank yang memiliki hak atas manfaat ini adalah 6.237 karyawan (31 Desember 2022: 6.271 karyawan) (tidak diaudit).

As of 31 December 2023, the total number of the Bank's employees eligible for this benefit was 6,237 employees (31 December 2022: 6,271 employees) (unaudited).

Pada tanggal 31 December 2023, jumlah karyawan Entitas Anak yang memiliki hak atas imbalan ini adalah sebanyak 3.628 karyawan (31 Desember 2022: 3.924 karyawan) (tidak diaudit).

As of 31 December 2023, the total number of the Subisidiary's employees eligible for this benefit was 3,628 employees (31 December 2022: 3,924 employees) (unaudited).

Selain memberikan manfaat yang disebutkan di atas, Bank juga memberikan manfaat cuti panjang kepada karyawannya.

In addition to the benefits mentioned above, the Bank also provides its employees with long leave benefits.

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

23. *EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan pascakerja

Bank

Perhitungan aktuaria atas liabilitas imbalan kerja karyawan Bank pada tanggal 31 Desember 2023 dan 2022 dilakukan oleh Kantor Konsultan Aktuaria Yusi dan Rekan, aktuaris independen, dengan menggunakan metode "*Projected Unit Credit*" berdasarkan laporannya tertanggal 31 Januari 2024 (31 Desember 2022: tanggal 8 Februari 2023).

Perhitungan aktuaria tersebut menggunakan asumsi-asumsi sebagai berikut:

Post-employment benefits

Bank

The actuarial calculation for the Bank's employee benefits liabilities as of 31 December 2023 and 2022 was performed by Kantor Konsultan Aktuaria Yusi dan Rekan, an independent actuary, using the "Projected Unit Credit" method based on its reports dated 31 January 2024 (31 December 2022: dated 8 February 2023).

The actuarial valuations were carried out using the following assumptions:

	31 Desember/*December*		
	2023	**2022**	
Asumsi ekonomi:			***Economic assumptions:***
Tingkat diskonto per tahun	6.37% - 7.10%	5.52% - 7.43%	*Interest discount rate per annum*
Tingkat kenaikan gaji per tahun	7%	7%	*Salary increment rate per annum*
Asumsi lainnya:			***Other assumptions:***
Usia pensiun normal	55	55	*Normal pension age*
Tingkat kematian	Tabel mortalitas/ *Mortality table* Indonesia 2019 (TMI 2019)	Tabel mortalitas/ *Mortality table* Indonesia 2019 (TMI 2019)	*Mortality rate*
Tingkat cacat	10% TMI 2019	10% TMI 2019	*Disability rate*

Status pendanaan atas program pensiun pada tanggal 31 Desember 2023 dan 2022 berdasarkan laporan aktuaria adalah sebagai berikut:

The funding status of the pension plan as of 31 December 2023 and 2022 based on the actuarial reports was as follows:

	31 Desember/*December*		
	2023	**2022**	
Nilai kini liabilitas imbalan manfaat pasti	732,177	674,325	*Present value of defined benefits liabilities*
Nilai wajar aset program	(634,515)	(657,834)	*Fair value of plan assets*
Kekurangan pendanaan	97,662	16,491	*Funding deficit*

Perubahan liabilitas imbalan manfaat pasti selama tahun berjalan adalah sebagai berikut:

The movement in the defined benefits liabilities during the year was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Perubahan nilai kini liabilitas imbalan manfaat pasti:			***Movement in present value of defined benefits liabilities:***
Nilai kini kewajiban imbalan manfaat pasti, awal tahun	674,325	671,934	*Present value of defined benefits liabilities, beginning of the year*
Termasuk dalam laba rugi			***Included in profit or loss***
Beban jasa kini	86,161	85,663	*Current service cost*
Beban bunga	45,241	40,220	*Interest expense*
Penyesuaian atas perubahan metode atribusi	-	(48,052)	*Adjustment due to change in benefit attribution method*
Termasuk dalam penghasilan komprehensif lain			***Included in other comprehensive income***
Kerugian/keuntungan aktuaria yang timbul dari:			*Actuarial losses/gains arising from:*
- Asumsi keuangan	21,597	(12,386)	*Financial assumption -*
- Penyesuaian pengalaman	37,862	21,242	*Experiences adjustment -*
Lain-lain			***Others***
Imbalan yang dibayarkan oleh aset program selama tahun berjalan	(133,009)	(84,296)	*Benefits paid by the plan assets during the year*
Nilai kini liabilitas imbalan manfaat pasti, akhir tahun	**732,177**	**674,325**	***Present value of net defined benefits liabilities, end of year***

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

23. *EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Bank (lanjutan)

***Bank** (continued)*

Perubahan nilai wajar aset program selama tahun berjalan adalah sebagai berikut:

The movement of fair value of plan assets during the year was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Perubahan nilai wajar aset program:			***Movement in the fair value of plan assets:***
Nilai wajar aset program, awal tahun	657,834	657,951	*Fair value of plan assets, beginning of year*
Termasuk dalam laba rugi			***Included in profit or loss***
Pendapatan bunga atas aset program	46,304	43,720	*Interest income on plan assets*
Termasuk dalam penghasilan komprehensif lain			***Included in other comprehensive income***
Imbal hasil atas aset program di luar pendapatan bunga	(32,115)	(34,244)	*Return on plan assets excluding interest income*
Lain-lain			***Others***
Kontribusi yang dibayarkan kepada program	95,501	74,703	*Contributions paid into the plan*
Imbalan yang dibayarkan oleh program	(133,009)	(84,296)	*Benefits paid by the plan*
Nilai wajar aset program, akhir tahun	**634,515**	**657,834**	***Fair value of plan assets, end of year***

Seluruh aset program pensiun ditempatkan pada kas di Bank Kustodian dan deposito berjangka di Bank.

All of the pension plan assets are placed on cash with the Custodian Bank and time deposits with the Bank.

Bank terekspos dengan beberapa risiko melalui program imbalan pasti. Risiko yang paling signifikan adalah sebagai berikut:

The Bank is exposed to a number of risks through its defined benefit pension plans. The most significant risks are as follows:

Volatilitas aset

Asset volatility

Liabilitas program dihitung menggunakan tingkat diskonto yang merujuk kepada tingkat imbal hasil obligasi pemerintah. Jika imbal hasil aset program lebih rendah, maka akan menghasilkan defisit program.

The plan liabilities are calculated using a discount rate set with reference to government bond yields. If plan assets underperform this yield, then this will create a deficit.

Perubahan imbal hasil obligasi

Changes in bond yields

Kenaikan pada liabilitas program disebabkan oleh penurunan imbal hasil obligasi pemerintah, walaupun hal ini akan saling hapus dengan pilihan jenis investasi Bank.

An increase in plan liabilities is caused by the decrease in government bond yields, although this will be partially offset by the Bank's investment choices.

Hasil yang diharapkan dari aset program ditentukan dengan mempertimbangkan imbal hasil yang diharapkan atas aset dengan mengacu pada kebijakan investasi. Hasil investasi bunga tetap didasarkan pada hasil pengembalian bruto pada tanggal pelaporan.

The expected return on plan assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as of the reporting date.

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

23. *EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Bank (lanjutan)

***Bank** (continued)*

Nilai kini liabilitas imbalan pascakerja, nilai wajar aset program, defisit/surplus pada program dan penyesuaian pada liabilitas program dan aset program untuk 5 tahun terakhir adalah sebagai berikut:

Present value of post-employment benefits liabilities, fair value of plan assets, deficit/surplus of program and adjustment on plan liabilities and plan assets for the last 5 years were as follows:

	31 Desember/*December*					
	2023	**2022**	**2021**	**2020**	**2019**	
Nilai kini liabilitas imbalan manfaat pasti	732,177	674,325	671,934	640,803	540,349	*Present value of defined benefits liabilities*
Nilai wajar aset program	(634,515)	(657,834)	(657,951)	(545,350)	(595,828)	*Fair value of plan assets*
Dampak batas atas aset	-	-	-	-	-	*The effect of the asset ceiling*
Defisit (surplus)	97,662	16,491	13,983	95,453	(55,479)	*Deficit (surplus)*
Penyesuaian pada liabilitas program	59,459	8,856	(2,829)	56,208	25,883	*Adjustments on plan liabilities*
Penyesuaian pada aset program	32,115	34,244	22,272	19,473	17,085	*Adjustments on plan assets*

Manajemen berkeyakinan bahwa estimasi liabilitas atas imbalan pascakerja pada tanggal 31 Desember 2023 dan 2022 telah memenuhi persyaratan minimum UUCK.

Management believes that the estimated post-employment benefit liabilities as of 31 December 2023 and 2022 have fulfilled the minimum requirements of UUCK.

Durasi rata-rata tertimbang dari liabilitas program pensiun imbalan pasti pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah 11,61 tahun dan 10,78 tahun.

The weighted average duration of the defined benefit pension obligation as of 31 December 2023 and 2022 was 11.61 years and 10.78 years, respectively.

Analisis jatuh tempo yang diharapkan dari manfaat pensiun yang tidak didiskontokan adalah sebagai berikut:

Expected maturity analysis of undiscounted pension benefits are as follows:

	31 Desember/ *December*		
	2023	**2022**	
Hingga 1 tahun	84,573	65,092	*Up to 1 year*
Lebih dari 1 - 2 tahun	71,839	83,406	*More than 1 - 2 years*
Lebih dari 2 - 5 tahun	284,254	259,653	*More than 2 - 5 years*
Lebih dari 5 tahun	3,528,404	2,891,964	*More than 5 years*

Sensitivitas liabilitas imbalan pascakerja untuk perubahan asumsi aktuarial utama adalah sebagai berikut:

The sensitivity of the post-employment benefits liabilities to changes in the key actuarial assumptions was as follows:

	2023			
	Perubahan asumsi/ ***Change in assumption***	**Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/** ***Increase (decrease) in present value of benefit obligation***	**Kenaikan (penurunan) beban jasa kini/** ***Increase (decrease) in current service cost***	
Tingkat diskonto	Kenaikan/*Increase* 1%	(48,514)	(6,750)	*Discount rate*
	Penurunan/*Decrease* 1%	54,581	7,712	
Tingkat kenaikan gaji	Kenaikan/*Increase* 1%	52,384	7,489	*Salary increase rate*
	Penurunan/*Decrease* 1%	(47,377)	(6,669)	

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

23. *EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Bank (lanjutan)

***Bank** (continued)*

		2022		
	Perubahan asumsi/ *Change in assumption*	**Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ *Increase (decrease) in present value of benefit obligation***	**Kenaikan (penurunan) beban jasa kini/ *Increase (decrease) in current service cost***	
Tingkat diskonto	Kenaikan/*Increase* 1%	(40,837)	(6,528)	
	Penurunan/*Decrease* 1%	45,789	7,128	*Discount rate*
Tingkat kenaikan gaji	Kenaikan/*Increase* 1%	47,478	7,355	
	Penurunan/*Decrease* 1%	(42,947)	(6,548)	*Salary increase rate*

Analisis sensitivitas didasarkan pada perubahan atas satu asumsi aktuarial dimana asumsi lainnya dianggap konstan. Dalam prakteknya, hal ini jarang terjadi dan perubahan beberapa asumsi mungkin saling berkorelasi. Dalam perhitungan sensitivitas kewajiban imbalan pascakerja atas asumsi aktuarial utama, metode yang sama (perhitungan nilai kini kewajiban imbalan pasti dengan menggunakan metode *projected unit credit* di akhir periode pelaporan) telah diterapkan seperti dalam penghitungan liabilitas imbalan pascakerja.

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the post-employment benefits liabilities to significant actuarial assumptions, the same method (present value of the defined benefits liabilities calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the post-employment benefits liabilities.

Entitas Anak

Subsidiary

Perhitungan aktuaria pada tanggal 31 Desember 2023 dan 2022 dilakukan oleh Kantor Konsultan Aktuaria Yusi dan Rekan, aktuaris independen, dengan menggunakan metode "*Projected Unit Credit*" sebagaimana yang tercantum dalam laporan pada tanggal 9 Januari 2024 (31 Desember 2022: tanggal 6 Januari 2023) dengan asumsi-asumsi sebagai berikut:

The actuarial calculation as of 31 December 2023 and 2022 was performed by Kantor Konsultan Aktuaria Yusi dan Rekan, independent actuary, using the "Projected Unit Credit" method as stated in its reports dated 9 January 2024 (31 December 2022: 6 January 2023) with the following assumptions:

	31 Desember/*December*		
	2023	**2022**	
Tingkat diskonto per tahun	6.45% - 7.14%	5.77% - 7.30%	*Annual discount rate*
Tingkat kenaikan gaji per tahun	9%	9%	*Annual salary increase rate*
Tabel mortalita	Tabel mortalitas/ *Mortality table* Indonesia 2019	Tabel mortalitas/ *Mortality table* Indonesia 2019	*Mortality table*
Usia pensiun normal	55 tahun/*years*	55 tahun/*years*	*Normal pension age*

Status pendanaan atas program pensiun pada tanggal 31 Desember 2023 dan 2022 berdasarkan laporan aktuaria adalah sebagai berikut:

The funding status of the pension plan as of 31 December 2023 and 2022 based on the actuarial reports was as follows:

	31 Desember/*December*		
	2023	**2022**	
Nilai kini liabilitas imbalan pasti	229,374	195,106	*Present value of defined benefits liabilities*
Nilai wajar aset program	(204,563)	(202,188)	*Fair value of plan assets*
(Kelebihan) kekurangan pendanaan	24,811	(7,082)	*Funding (gain) deficit*
Dampak batas atas aset	-	7,082	*The effect of the asset ceiling*
Liabilitas/(aset) imbalan bersih neto	24,811	-	*Net defined liability/(asset)*

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

23. *EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Entitas Anak (lanjutan)

***Subsidiary** (continued)*

Perubahan liabilitas imbalan manfaat pasti selama tahun berjalan adalah sebagai berikut:

The movement of defined benefits liabilities during the year was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Perubahan nilai kini liabilitas imbalan manfaat pasti:			***Movement in present value of defined benefits liabilities:***
Nilai kini liabilitas imbalan manfaat pasti, awal tahun	195,106	240,583	*Present value of defined benefits liabilities, beginning of year*
Termasuk dalam laba rugi			***Included in profit or loss***
Beban jasa kini	34,487	32,371	*Current service cost*
Beban bunga	13,647	15,243	*Interest expense*
Penyesuaian atas perubahan metode atribusi	-	(53,029)	*Adjustment due to change in benefit attribution method*
Termasuk dalam penghasilan komprehensif lain			***Included in other comprehensive income***
Kerugian/keuntungan aktuaria yang timbul dari:			*Actuarial losses/gains arising from:*
- Asumsi keuangan	6,593	(4,554)	*Financial assumption -*
- Penyesuaian pengalaman	(11,247)	(19,388)	*Experience adjustment -*
Lain-lain			***Others***
Imbalan yang dibayar	(9,212)	(16,120)	*Benefits paid*
Nilai kini liabilitas imbalan manfaat pasti, akhir tahun	**229,374**	**195,106**	***Present value of defined benefits liabilities, end of year***

Perubahan nilai wajar aset program selama tahun berjalan adalah sebagai berikut:

The movement of fair value of plan assets during the year was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Perubahan nilai wajar aset program:			***Movement in the fair value of plan assets:***
Saldo, awal tahun	202,188	219,728	*Balance, beginning of year*
Termasuk dalam laba rugi			***Included in profit or loss***
Hasil yang diharapkan dari aset program	14,521	15,024	*Expected return on plan assets*
Termasuk dalam penghasilan komprehensif lain			***Included in other comprehensive income***
Imbal hasil atas aset program di luar pendapatan bunga	(12,934)	(10,969)	*Return on plan assets excluding interest income*
Lain-lain			***Others***
Kontribusi pemberi kerja	10,000	-	*Employer's contribution*
Mutasi aset	-	(5,475)	*Asset mutation*
Imbalan yang dibayar	(9,212)	(16,120)	*Benefits paid*
Saldo, akhir tahun	**204,563**	**202,188**	***Balance, end of year***

Seluruh aset program pensiun pada tanggal 31 Desember 2023 dan 2022 ditempatkan pada Program Dana Pensiun Lembaga Keuangan Allianz dengan deposito berjangka sebagai aset yang mendasari.

All of the pension plan assets as of 31 December 2023 and 2022 were placed on Program Dana Pensiun Lembaga Keuangan Allianz with time deposits as underlying assets.

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

23. *EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Entitas Anak (lanjutan)

***Subsidiary** (continued)*

Entitas Anak terekspos dengan risiko volatilitas aset melalui program imbalan pasti. Liabilitas program dihitung menggunakan tingkat diskonto yang merujuk kepada tingkat imbal hasil obligasi pemerintah. Jika imbal hasil aset program lebih rendah, maka akan menghasilkan defisit program.

Subsidiary is exposed to asset volatility risks through its defined benefit pension plans. The plan liabilities are calculated using a discount rate set with reference to government bond yields. If plan assets underperform this yield, then this will create a deficit.

Hasil yang diharapkan dari aset program ditentukan dengan mempertimbangkan imbal hasil yang diharapkan atas aset dengan mengacu pada kebijakan investasi. Hasil investasi bunga tetao didasarkan pada hasil pengembalian bruto pada tanggal pelaporan.

The expected return on plan assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as of the reporting date.

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Dampak batas atas aset pada awal program:	7,082	-	***Effect of asset ceiling at beginning of period:***
Termasuk dalam laba rugi			***Included in profit or loss***
Bunga atas dampak batas aset	510	-	*Interest on the effect of asset ceiling*
Termasuk dalam penghasilan komprehensif lain			***Included in other comprehensive income***
Setiap perubahan yang berdampak pada batas atas aset, tidak termasuk jumlah yang dimasukkan dalam bunga neto atas liabilitas (aset) imbalan pasti neto	(7,592)	7,082	*Any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)*
Dampak batas atas aset pada akhir periode	**-**	7,082	***Effect of asset ceiling at the end of period***

Nilai kini liabilitas imbalan pascakerja, nilai wajar aset program, defisit/surplus pada program dan penyesuaian pada liabilitas program dan aset program untuk 5 tahun terakhir adalah sebagai berikut:

Present value of post-employment benefits liabilities, fair value of plan assets, deficit/surplus of program and adjustment on plan liabilities and plan assets for the last 5 years were as follows:

	31 Desember/*December*					
	2023	**2022**	**2021**	**2020**	**2019**	
Nilai kini liabilitas imbalan manfaat pasti	229,374	195,106	240,583	217,467	175,160	*Present value of defined benefits liabilities*
Nilai wajar aset program	(204,563)	(202,188)	(219,728)	(193,363)	(188,883)	*Fair value of plan assets*
Defisit (surplus)	24,811	(7,082)	20,855	24,104	(13,723)	*Deficit (surplus)*
Dampak batas atas aset	-	7,082	-	-	-	*The effect of the asset ceiling*
Liabilitas (aset) imbalan bersih neto	24,811	-	20,855	24,104	(13,723)	*Net defined benefit liability (asset)*
Penyesuaian pada liabilitas program	4,654	23,942	13,603	7,606	(16,253)	*Adjustments on plan liabilities*
Penyesuaian pengalaman yang timbul pada aset program	12,934	10,969	8,153	5,969	4,052	*Experience adjustment on plan assets*

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

23. *EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Entitas Anak (lanjutan)

***Subsidiary** (continued)*

Analisis jatuh tempo yang diharapkan dari imbalan pensiun yang tidak didiskontokan adalah sebagai berikut:

Expected maturity analysis of undiscounted pension benefits was as follow:

	31 Desember/ *December*		
	2023	**2022**	
Hingga 1 tahun	11,709	8,428	*Up to 1 years*
Lebih dari 1 - 2 tahun	14,013	7,675	*More than 1 - 2 years*
Lebih dari 2 - 5 tahun	100,282	79,774	*More than 2 - 5 years*
Lebih dari 5 tahun	2,158,255	1,516,997	*More than 5 years*

Sensitivitas kewajiban imbalan pascakerja untuk perubahan asumsi aktuarial utama adalah sebagai berikut:

The sensitivity of the post-employment benefit obligation to change in the key actuarial assumption was as follow:

	2023			
	Perubahan asumsi/ *Change in assumption*	**Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ *Increase (decrease) in present value of benefit obligation***	**Kenaikan (penurunan) beban jasa kini/ *Increase (decrease) in current service cost***	
Tingkat diskonto	Kenaikan/*Increase* 1%	(18,539)	(3,195)	*Discount rate*
	Penurunan/*Decrease* 1%	21,207	3,733	
Tingkat kenaikan gaji	Kenaikan/*Increase* 1%	20,208	3,605	*Salary increase rate*
	Penurunan/*Decrease* 1%	(18,048)	(3,152)	

	2022			
	Perubahan asumsi/ *Change in assumption*	**Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ *Increase (decrease) in present value of benefit obligation***	**Kenaikan (penurunan) beban jasa kini/ *Increase (decrease) in current service cost***	
Tingkat diskonto	Kenaikan/*Increase* 1%	(15,143)	(2,918)	*Discount rate*
	Penurunan/*Decrease* 1%	17,252	3,393	
Tingkat kenaikan gaji	Kenaikan/*Increase* 1%	17,420	3,425	*Salary increase rate*
	Penurunan/*Decrease* 1%	(15,566)	(2,999)	

Analisis sensitivitas didasarkan pada perubahan atas satu asumsi aktuaria dimana asumsi lainnya dianggap konstan. Dalam praktiknya, hal ini jarang terjadi dan perubahan beberapa asumsi mungkin saling berkorelasi. Dalam perhitungan sensitivitas liabilitas imbalan pascakerja atas asumsi aktuaria utama, metode yang sama (perhitungan nilai kini liabilitas imbalan pasti dengan menggunakan metode *projected unit credit* di akhir periode pelaporan) telah diterapkan seperti dalam penghitungan liabilitas imbalan pascakerja.

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the post-employment benefits liabilities to key actuarial assumptions, the same method (present value of the defined benefits liabilities calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the post-employment benefits liabilities.

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

23. *EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Entitas Anak (lanjutan)

***Subsidiary** (continued)*

Pada 31 Desember 2023 dan 2022, imbalan pascakerja untuk karyawan dengan Perjanjian Kerja Waktu Tertentu (PKWT) Entitas Anak dihitung secara internal dengan metode *historical stay rate* masing-masing sebesar Rp 3,494 dan Rp 7.955.

As of 31 December 2023 and 2022, post-employment benefits for the Subsidiary's employees with Fixed Time Employment Agreements (PKWT) are calculated internally using the historical stay rate method amounted to Rp 3,494 and Rp 7,955, respectively.

Imbalan kerja jangka panjang lainnya

Other long term employee benefits

Bank

Bank

Bank juga memberikan manfaat cuti panjang kepada karyawannya.

The Bank also provides its employees with long leave benefit.

Perubahan liabilitas yang timbul dari imbalan kerja jangka panjang lainnya adalah sebagai berikut:

The movement in the Bank's liabilities arising from other long-term employee benefits was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Perubahan nilai kini liabilitas imbalan manfaat pasti:			***Movement in present value of defined benefits liabilities:***
Nilai kini liabilitas imbalan manfaat pasti, awal tahun	26,790	27,075	*Present value of defined liabilities, beginning of the year*
Termasuk dalam laba rugi			***Included in profit or loss***
Beban jasa kini	5,307	4,871	*Current service cost*
Beban bunga	1,746	1,426	*Interest expense*
Pengukuran kembali:			*Remeasurement:*
- Penyesuaian asumsi demografi		-	*Changes in demography assumptions -*
- Penyesuaian asumsi keuangan	396	(714)	*Changes in financial assumptions -*
- Penyesuaian pengalaman	(386)	(100)	*Experience adjustment -*
Lain-lain			***Others***
Imbalan yang dibayarkan dari pemberi kerja selama tahun berjalan	(3,430)	(5,768)	*Benefits paid by the employer during year*
Nilai kini liabilitas imbalan manfaat pasti, akhir tahun	**30,423**	**26,790**	***Present value of net defined benefits liabilities, end of year***

Analisis jatuh tempo yang diharapkan dari imbalan jangka panjang lainnya tidak didiskontokan adalah sebagai berikut:

Expected maturity analysis of undiscounted other long-term employee benefits was as follows:

	31 Desember/ *December*		
	2023	**2022**	
Hingga 1 tahun	3,877	2,807	*Up to 1 year*
Lebih dari 1 - 2 tahun	7,951	3,330	*More than 1 - 2 years*
Lebih dari 2 - 5 tahun	20,644	21,494	*More than 2 - 5 years*
Lebih dari 5 tahun	63,783	60,402	*More than 5 years*

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan) / *23. EMPLOYEE BENEFITS LIABILITIES (continued)*

Imbalan kerja jangka panjang lainnya (lanjutan) / *Other long term employee benefits (continued)*

Bank (lanjutan) / ***Bank** (continued)*

Sensitivitas dari kewajiban imbalan jangka panjang lainnya terhadap perubahan asumsi aktuaria utama adalah sebagai berikut:

The sensitivity of the other long term employee benefit obligation to changes in the principal actuarial assumptions was as follows:

	2023			
	Perubahan asumsi/ *Change in assumption*	**Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ *increase (decrease) in present value of benefit obligation***	**Kenaikan (penurunan) beban jasa kini/ *Increase (decrease) in current service cost***	
Tingkat diskonto	Kenaikan/Increase 1%	(1,335)	(240)	
	Penurunan/*Decrease 1*%	1,462	264	*Discount rate*
Tingkat kenaikan gaji	Kenaikan/Increase 1%	1,284	233	
	Penurunan/*Decrease 1*%	(1,196)	(217)	*Salary increase rate*

	2022			
	Perubahan asumsi/ *Change in assumption*	**Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ *increase (decrease) in present value of benefit obligation***	**Kenaikan (penurunan) beban jasa kini/ *Increase (decrease) in current service cost***	
Tingkat diskonto	Kenaikan/Increase 1%	(1,117)	(211)	
	Penurunan/*Decrease 1*%	1,221	230	*Discount rate*
Tingkat kenaikan gaji	Kenaikan/Increase 1%	1,209	227	
	Penurunan/*Decrease 1*%	(1,127)	(211)	*Salary increase rate*

Entitas Anak / ***Subsidiary***

Perubahan liabilitas yang timbul dari imbalan kerja jangka panjang lainnya selama tahun berjalan adalah sebagai berikut:

The movement in the liabilities arising from other long-term employee benefits during the year was as follows:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2023	**2022**	
Perubahan nilai kini liabilitas imbalan manfaat pasti:			***Movement in present value of defined benefits liabilities:***
Nilai kini liabilitas imbalan pasti, awal tahun	12,992	12,483	*Present value of the defined benefits liabilities, beginning of year*
Termasuk dalam laba rugi			***Included in profit or loss***
Beban jasa kini	1,794	1,881	*Current service cost*
Beban bunga	878	692	*Interest expense*
Pengukuran kembali:			*Remeasurement:*
- Penyesuaian asumsi demografi			*Changes in demographic -*
- Penyesuaian asumsi keuangan	246	(362)	*Changes in financial assumptions -*
- Penyesuaian pengalaman	(818)	(544)	*Experience adjustment -*
Lain-lain			***Others***
Imbalan yang dibayar	(1,376)	(1,158)	*Benefits paid*
Nilai kini liabilitas imbalan pasti, akhir tahun	**13,716**	**12,992**	***Present value of defined benefits liabilities, end of year***

Analisis jatuh tempo yang diharapkan dari imbalan jangka panjang lainnya tidak didiskontokan adalah sebagai berikut:

Expected maturity analysis of undiscounted other long-term employee benefits was as follow:

	31 Desember/ *December*		
	2023	**2022**	
Hingga 1 tahun	1,999	1,396	*Up to 1 year*
Lebih dari 1-2 tahun	2,076	2,078	*More than 1-2 years*
Lebih dari 2-5 tahun	6,411	6,658	*More than 2-5 years*
Lebih dari 5 tahun	39,701	40,089	*More than 5 years*

23. LIABILITAS IMBALAN KERJA KARYAWAN (lanjutan)

Imbalan kerja jangka panjang lainnya (lanjutan)

Entitas Anak (lanjutan)

Sensitivitas dari kewajiban imbalan jangka panjang lainnya terhadap perubahan asumsi aktuaria utama adalah sebagai berikut:

23. EMPLOYEE BENEFITS LIABILITIES (continued)

Other long term employee benefits (continued)

***Subsidiary** (continued)*

The sensitivity of the other long term employee benefit obligation to changes in the principal actuarial assumptions was as follows:

	2023			
	Perubahan asumsi/ *Change in assumption*	**Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ *increase (decrease) in present value of benefit obligation***	**Kenaikan (penurunan) beban jasa kini/ *Increase (decrease) in current service cost***	
Tingkat diskonto	Kenaikan/Increase 1%	(790)	(103)	
	Penurunan/*Decrease 1*%	886	115	*Discount rate*
Tingkat kenaikan gaji	Kenaikan/*Increase* 1%	789	103	
	Penurunan/*Decrease 1*%	(719)	(94)	*Salary increase rate*

	2022			
	Perubahan asumsi/ *Change in assumption*	**Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ *increase (decrease) in present value of benefit obligation***	**Kenaikan (penurunan) beban jasa kini/ *Increase (decrease) in current service cost***	
Tingkat diskonto	Kenaikan/Increase 1%	(699)	(102)	
	Penurunan/*Decrease 1*%	784	112	*Discount rate*
Tingkat kenaikan gaji	Kenaikan/*Increase* 1%	763	109	
	Penurunan/*Decrease 1*%	(694)	(100)	*Salary increase rate*

Dampak pengukuran kembali liabilitas imbalan kerja pada penghasilan komprehensif konsolidasian adalah masing-masing sebesar Rp 92.262, dan Rp 37.209 untuk tahun-tahun berakhir pada tanggal 31 Desember 2023 dan 2022.

Effect of remeasurements of employee benefits liabilities on consolidated other comprehensive income was Rp 92,262 and Rp 37,209 for the years ended 31 December 2023 and 2022, respectively.

24. PINJAMAN SUBORDINASI

Pinjaman subordinasi merupakan pinjaman dari SMBC Cabang Singapura sejumlah USD 200.000.000 (nilai penuh), ekuivalen dengan Rp 3.079.400 pada tanggal 31 Desember 2023 dan sejumlah USD 200.000.000 (nilai penuh), ekuivalen dengan Rp 3.113.500 pada tanggal 31 Desember 2022.

Pinjaman subordinasi sebesar USD 100.000.000 (nilai penuh) dan USD 100.000.000 (nilai penuh) masing-masing diperoleh pada tanggal 26 September 2018 dan 23 November 2018 dan akan jatuh tempo pada tanggal 26 September 2028 dan 21 November 2028.

24. SUBORDINATED LOANS

The outstanding subordinated loans represent loans obtained from SMBC Singapore Branch amounted to USD 200,000,000 (full amount), equivalent to Rp 3,079,400 as of 31 December 2023 and amounted to USD 200,000,000 (full amount), equivalent to Rp 3,113,500 as of 31 December 2022.

Subordinated loans of USD 100,000,000 (full amount) and USD 100,000,000 (full amount) were obtained on 26 September 2018 and 23 November 2018 respectively and will mature on 26 September 2028 and 21 November 2028, respectively.

24. PINJAMAN SUBORDINASI (lanjutan)

Untuk fasilitas USD 100.000.000 (nilai penuh) yang diperoleh pada tanggal 26 September 2018, telah terdapat Perjanjian Tambahan yang ditandatangani pada tanggal 27 September 2021, sehingga tanggal jatuh tempo berubah dari tanggal 26 September 2025 menjadi tanggal 26 September 2028.

Pinjaman subordinasi memiliki opsi pembayaran lebih awal dengan pemberitahuan 20 hari sebelumnya dan dengan persetujuan dari kreditur.

Kisaran tingkat suku bunga pinjaman subordinasi adalah 6,90% - 6,93% per tahun.

Pinjaman subordinasi digunakan untuk memperkuat struktur modal Bank sebagai Modal Pelengkap (*Tier* 2).

Sesuai Peraturan OJK Nomor 11/POJK.03/2016 tentang Kewajiban Penyediaan Modal Minimum Bank Umum dan Surat Edaran OJK Nomor 20/SEOJK.03/2016 tentang Fitur Konversi Menjadi Saham Biasa atau *Write Down* terhadap instrumen Modal Inti Tambahan dan Modal Pelengkap, Kreditur dan Debitur memahami bahwa terdapat kondisi yang menyebabkan (trigger *events*) pinjaman yang diberikan sesuai dengan Perjanjian ini harus dikonversi menjadi saham biasa atau dilakukan *write down,* yaitu dalam hal kelangsungan usaha debitur berpotensi terganggu (*point of non viability*) sehingga mempengaruhi kewajiban debitur kepada kreditur, yaitu dapat berupa:

(i) rasio Modal Inti Utama (*Common Equity Tier 1*/CET 1) lebih rendah atau sama dengan 5,125% dari Aset Tertimbang Menurut Risiko (ATMR) baik secara individu maupun konsolidasi dengan Entitas Anak; dan/atau

(ii) terdapat rencana dari otoritas yang berwenang untuk melakukan penyertaan modal kepada Debitur yang dinilai berpotensi terganggu kelangsungan usahanya; dan

(iii) terdapat perintah dari OJK untuk melakukan konversi menjadi saham biasa dan/atau *write-down.*

Pada tanggal 31 Desember 2023 dan 2022, Bank memenuhi seluruh persyaratan yang disebutkan dalam perjanjian pinjaman subordinasi.

***24. SUBORDINATED LOANS** (continued)*

For the USD 100,000,000 (full amount) facility obtained on 26 September 2018, a Supplemental Agreement has been signed on 27 September 2021, so that the maturity date has changed from previously 26 September 2025 to 26 September 2028.

These subordinated loans have early repayment option by 20 days notification in advance with lender's approval.

Range of interest rate for subordinated loans per year was 6.90% - 6.93%.

Subordinated loans are used to strengthen the Bank's capital structure as Supplementary Capital (Tier 2).

In accordance with the Regulation of OJK Number 11/POJK.03/2016 and Circular Letter of OJK Number 20/SEOJK.03/2016 regarding Feature of Conversion to Common Stock or Write Down The Instruments of Additional Tier 1 and Tier 2, Lender and Borrower acknowledge the trigger events that will cause the loan provided under this Agreement to be converted to common stock or written down, particulary in the event when the business continuity of the debtor is potentially disrupted (point of non viability) and therefore affecting the liabilities of borrower to the lender, in the term of:

(i) Common Equity Tier 1 (CET 1) is lower than or equal to 5.125% of Risk-Weighted Assets (RWA), both individually and consolidated with its Subsidiaries; and/or

(ii) there is a plan of the competent authority to make capital injection to the Borrower which continuity of its business is evaluated to have the potential to be disrupted; and

(iii) There is an order from OJK to convert into common stock and/or write-down.

As of 31 December 2023 and 2022, the Bank complied with all the requirements mentioned in the subordinated loan agreements.

25. LIABILITAS LAIN-LAIN / *25. OTHER LIABILITIES*

	31 Desember/*December*		
	2023	**2022**	
Transaksi ATM, transfer dan tagihan *merchant*	253,284	104,390	*ATM transaction, transfer and merchant bills*
Term Deposit DHE	250,201	-	*DHE Term Deposit*
Pendapatan ditangguhkan	102,106	70,866	*Unearned income*
Beban *Standby Letter of Credit* yang masih harus dibayarkan	81,244	99,880	*Accrued Standby Letter of Credit fee*
Utang premi asuransi kredit	53,828	30,995	*Loan insurance premium payable*
Cadangan kerugian penurunan nilai - komitmen	52,990	89,448	*Allowance for impairment losses - commitment*
Utang kepada pihak ketiga	37,685	140,044	*Payable to third parties*
Komisi asuransi diterima dimuka	11,667	31,667	*Up-front insurance commission*
Utang premi asuransi lainnya	11,184	17,035	*Other insurance premium payable*
Klaim asuransi	4,009	10,880	*Insurance claim*
Lainnya	217,310	145,074	*Others*
	1,075,508	740,279	

Transaksi ATM, transfer dan tagihan *merchant* merupakan hutang atas transaksi ATM dan transfer antar bank yang akan diselesaikan pada hari kerja berikutnya, serta transaksi dengan *merchant* melalui gerbang pembayaran.

ATM transaction, transfer and merchant bills consist of payables from Bank ATM transaction and transfer to other banks that will be settled on the next working day and transactions with merchants via payment gateway.

Term Deposit DHE adalah instrumen untuk memfasilitasi penempatan DHE oleh eksportir di Bank Indonesia, dengan mekanisme *pass on* transaksi bank dengan nasabah (eksportir) kepada Bank Indonesia. Bank mencatat *Term Deposit* DHE tersebut pada akun aset lain-lain dan kewajiban kepada nasabah (eksportir) pada akun liabilitas lain-lain dengan nilai yang sama.

DHE Term Deposit is an instrument to facilitate the placement of DHE by exporters at Bank Indonesia, with a pass-on mechanism for bank transactions with customers (exporters) to Bank Indonesia. The Bank records DHE Term Deposit in the other assets account and liabilities to customers (exporters) in the other liabilities account with same amount.

Pendapatan ditangguhkan terdiri atas pendapatan dari pembelian wesel ekspor yang ditangguhkan.

Unearned income consists of deferred income from export bills purchase.

Beban *standby letter of credit* yang masih harus dibayarkan merupakan beban yang masih harus dibayar atas *standby letter of credit* terkait dengan pinjaman yang diberikan.

Accrued standby letter of credit fees are expense for standby letter of credit related to loans that has not been paid.

Utang premi asuransi kredit terdiri dari pembayaran premi asuransi yang telah diterima dari debitur namun belum dibayarkan kepada perusahaan asuransi.

Loan insurance premium payable consists of insurance premium payment from debtors but not yet paid to the insurance companies.

25. LIABILITAS LAIN-LAIN (lanjutan)

Utang kepada pihak ketiga sebagian besar merupakan utang kepada mitra bisnis Entitas Anak, utang terkait informasi dan teknologi dan informasi (TI) dan utang kepada ASABRI.

Komisi asuransi diterima dimuka merupakan komisi yang diterima dari Allianz atas penjualan produk-produk asuransi kepada nasabah Bank melalui seluruh saluran distribusi Bank.

Utang premi asuransi lainnya merupakan premi terutang atas asuransi karyawan Grup.

Klaim asuransi terdiri dari dana yang diterima dari hasil klaim asuransi atas nasabah kredit pensiun yang meninggal dunia dan pencatatan sementara penerimaan kembali premi asuransi Bank. Dana yang diterima akan berada dalam akun ini sampai Bank dapat mengidentifikasi kontrak terkait.

Lainnya terutama terdiri dari akun tampungan sementara atas penerimaan pembayaran dimuka dari debitur, yang akan didebitkan pada waktu penyelesaian kewajiban kontrak dengan debitur di masa mendatang.

25. OTHER LIABILITIES (continued)

Payables to third parties mainly represent payable to Subsidiary's business partner, payable related to information and technology (IT) and payable to ASABRI.

Up-front insurance commission represents commission received from Allianz for the sales of insurance products to the Bank's customers through all Bank's distribution channels.

Other insurance premium payables are employees insurance premium payables of the Group.

Insurance claim represents funds received from insurance claim on pensioner debtors who passed away and a temporary record of refund of Bank's insurance premium. The received fund would be in this account until the Bank can identify the specific contract.

Others mainly consist of temporary account for upfront funds received from debtors, which will be debited upon future contract settlement period.

26. DANA SYIRKAH TEMPORER

Grup menyajikan dana syirkah temporer sehubungan dengan kepemilikan Bank atas Entitas Anak yang bergerak di bidang perbankan syariah.

26. TEMPORARY SYIRKAH FUNDS

The Group presented temporary syirkah funds in relation to the Bank's ownership in the Subsidiary which engages in sharia banking industry.

	31 Desember/*December*		
	2023	**2022**	
Simpanan nasabah:			*Deposits from customer:*
Tabungan mudharabah	889,954	763,666	*Mudharabah saving deposits*
Deposito mudharabah	9,030,866	9,079,595	*Mudharabah time deposits*
	9,920,820	9,843,261	

a. Tabungan mudharabah

a. Mudharabah savings deposits

Berdasarkan hubungan dengan pihak lawan:

By relationship with counterparties:

	31 Desember/*December*		
	2023	**2022**	
Pihak ketiga	887,890	763,070	*Third parties*
Pihak berelasi	2,064	596	*Related parties*
	889,954	763,666	

26. DANA SYIRKAH TEMPORER (lanjutan) / *26. TEMPORARY SYIRKAH FUNDS (continued)*

a. Tabungan mudharabah (lanjutan) / *a. Mudharabah savings deposits (continued)*

Berdasarkan jenis produk: / *By product type:*

	31 Desember/*December* 2023	31 Desember/*December* 2022	
Tepat Tabungan Platinum Bisnis	482,900	508,799	*Tepat Tabungan Platinum Bisnis*
Tepat Tabungan Platinum	404,721	254,867	*Tepat Tabungan Platinum*
Tepat Tabungan *Payroll*	1,798	-	*Tepat Tabungan Payroll*
Tepat Tabungan Rencana	535	-	*Tepat Tabungan Rencana*
	889,954	763,666	

Nisbah dan tingkat bagi hasil rata-rata untuk tabungan mudharabah untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The average of pre-determined ratio and profit sharing rate for mudharabah savings deposits for the years ended 31 December 2023 and 2022 were as follows:

	31 Desember/*December* 2023		
	Nisbah (%)/ *Pre-determined ratio (%)*	Tingkat bagi hasil (%)/ *Profit sharing rate (%)*	
Tabungan mudharabah	2.52%	2.99%	*Mudharabah savings deposits*

	31 Desember/*December* 2022		
	Nisbah (%)/ *Pre-determined ratio (%)*	Tingkat bagi hasil (%)/ *Profit sharing rate (%)*	
Tabungan mudharabah	2.68%	3.10%	*Mudharabah savings deposits*

Pada tanggal 31 Desember 2023 dan 2022, tidak ada saldo tabungan mudharabah yang diblokir atau dijadikan jaminan pembiayaan.

As of 31 December 2023 and 2022, there were no mudharabah saving deposits which were blocked or pledged for financing.

b. Deposito mudharabah / *b. Mudharabah time deposits*

	31 Desember/*December* 2023	31 Desember/*December* 2022	
Pihak ketiga	8,997,932	9,043,060	*Third parties*
Pihak berelasi	32,934	36,535	*Related parties*
	9,030,866	9,079,595	

Berdasarkan jangka waktu / ***By time period***

	31 Desember/*December* 2023	31 Desember/*December* 2022	
Bukan Bank			*Non-Bank*
Lebih dari 1 - 3 bulan	8,721,511	8,786,784	*More than 1 - 3 months*
Lebih dari 3 - 6 bulan	299,222	280,994	*More than 3 - 6 months*
Lebih dari 6 - 9 bulan	-	2,000	*More than 6 - 9 months*
Lebih dari 9 - 12 bulan	10,111	9,795	*More than 9 - 12 months*
Lebih dari 12 bulan	22	22	*More than 12 months*
	9,030,866	9,079,595	

26. DANA SYIRKAH TEMPORER (lanjutan)

b. Deposito mudharabah (lanjutan)

Berdasarkan sisa umur sampai jatuh tempo

26. TEMPORARY SYIRKAH FUNDS *(continued)*

b. Mudharabah time deposits *(continued)*

By remaining period to maturity date

	31 Desember/December		
	2023	**2022**	
Bukan Bank			*Non-Bank*
Hingga 1 bulan	7,329,602	7,513,812	*Up to 1 month*
Lebih dari 1 - 3 bulan	1,467,881	1,378,351	*More than 1 - 3 months*
Lebih dari 3 - 6 bulan	227,896	180,550	*More than 3 - 6 months*
Lebih dari 6 - 9 bulan	1,193	3,385	*More than 6 - 9 months*
Lebih dari 9 - 12 bulan	4,294	3,475	*More than 9 - 12 months*
Lebih dari 12 bulan	-	22	*More than 12 months*
	9,030,866	9,079,595	

Pada tanggal 31 Desember 2023, saldo deposito mudharabah yang diblokir atau dijadikan sebagai jaminan atas pembiayaan sebesar Rp 8.000 (31 Desember 2022: tidak ada deposito yang diblokir).

As of 31 December 2023, mudharabah time deposits which were blocked or pledged for financing amounted to Rp 8,000 (31 December 2022: no deposits were blocked).

Nisbah dan tingkat bagi hasil rata-rata untuk deposito mudharabah selama tahun-tahun berakhir 31 Desember 2023 dan 2022 adalah sebagai berikut:

The average of pre-determined ratio (nisbah) and profit sharing rate for mudharabah time deposits during the years ended 31 December 2023 and 2022 were as follows:

	31 Desember/*December* 2023		
	Nisbah (%)/ *Pre-determined Ratio (%)*	**Tingkat bagi hasil (%)/ *Profit sharing rate (%)***	
1 bulan	9.00%	4.88%	*1 month*
3 bulan	8.93%	4.97%	*3 months*
6 bulan	8.76%	4.80%	*6 months*
12 bulan	8.13%	4.79%	*12 months*

	31 Desember/*December 2022*		
	Nisbah (%)/ *Pre-determined Ratio (%)*	**Tingkat bagi hasil (%)/ *Profit sharing rate (%)***	
1 bulan	7.71%	3.82%	*1 month*
3 bulan	7.77%	3.81%	*3 months*
6 bulan	7.89%	3.82%	*6 months*
12 bulan	8.24%	4.23%	*12 months*

27. MODAL SAHAM / *27. SHARE CAPITAL*

Susunan pemegang saham Bank pada tanggal 31 Desember 2023 dan 2022 berdasarkan catatan yang dibuat oleh Biro Administrasi Efek adalah sebagai berikut:

Based on the share registrant record from Biro Administrasi Efek, the composition of the Bank's shareholders composition as of 31 December 2023 and 2022 was as follows:

Pemegang saham	31 Desember/*December* 2023 Lembar saham/ *Number of shares*	Persentase/ *Percentage*	Jumlah/*Total*	*Shareholder*
Sumitomo Mitsui Banking Corporation	7,332,311,297	89.977%	146,646	*Sumitomo Mitsui Banking Corporation*
PT Bank Central Asia Tbk	83,052,408	1.019%	1,661	*PT Bank Central Asia Tbk*
PT Bank Negara Indonesia (Persero) Tbk	12,007,137	0.147%	240	*PT Bank Negara Indonesia (Persero) Tbk*
Direksi				*The Board of Directors*
Merisa Darwis	222,358	0.003%	4	*Merisa Darwis*
Henoch Munandar	173.756	0.002%	3	*Henoch Munandar*
Hanna Tantani	148,154	0.002%	3	*Hanna Tantani*
Dini Herdini	118,572	0.001%	2	*Dini Herdini*
Darmadi Sutanto	89,120	0.001%	2	*Darmadi Sutanto*
Kaoru Furuya	3,000	0.000%	0	*Kaoru Furuya*
Dewan Komisaris				*The Board of Commissioners*
Ongki Wanadjati Dana	860,804	0.011%	17	*Ongki Wanadjati Dana*
Publik	627,828,065	7.704%	12,558	*Public*
	8,056,814,671	98.867%	161,136	
Saham tresuri	92,292,198	1.133%	1,846	*Treasury shares*
	8,149,106,869	100.000%	162,982	

Pemegang saham	31 Desember/*December* 2022 Lembar saham/ *Number of shares*	Persentase/ *Percentage*	Jumlah/*Total*	*Shareholder*
Sumitomo Mitsui Banking Corporation	7,532,311,297	92.431%	150,647	*Sumitomo Mitsui Banking Corporation*
PT Bank Central Asia Tbk	83,052,408	1.019%	1,661	*PT Bank Central Asia Tbk*
PT Bank Negara Indonesia (Persero) Tbk	12,007,137	0.147%	240	*PT Bank Negara Indonesia (Persero) Tbk*
Direksi				*The Board of Directors*
Darmadi Sutanto	311,120	0.004%	6	*Darmadi Sutanto*
Merisa Darwis	220,858	0.003%	4	*Merisa Darwis*
Henoch Munandar	172,256	0.002%	3	*Henoch Munandar*
Hanna Tantani	146,654	0.002%	3	*Hanna Tantani*
Dini Herdini	117,072	0.001%	2	*Dini Herdini*
Hiromichi Kubo	64,164	0.001%	1	*Hiromichi Kubo*
Kaoru Furuya	1,500	0.000%	0	*Kaoru Furuya*
Kan Funakoshi	1,500	0.000%	0	*Kan Funakoshi*
Dewan Komisaris				*The Board of Commissioners*
Ongki Wanadjati Dana	860,804	0.011%	17	*Ongki Wanadjati Dana*
Publik	427,377,301	5.244%	8,549	*Public*
	8,056,644,071	98.865%	161,133	
Saham tresuri	92,462,798	1.135%	1,849	*Treasury shares*
	8,149,106,869	100.000%	162,982	

Pemegang saham publik terdiri dari pemegang saham yang memiliki kurang dari 5% jumlah saham beredar. Seluruh saham yang beredar adalah saham biasa.

Public shareholders consist of shareholders whose ownership are less than 5% of outstanding shares. All the outstanding shares are ordinary shares.

27. MODAL SAHAM (lanjutan)

Perubahan komposisi kepemilikan saham

Sesuai dengan Peraturan Bursa Efek Indonesia, jumlah saham yang dimiliki oleh pemegang saham bukan pengendali dan bukan pemegang saham utama adalah minimum sebesar 7,5% dari jumlah saham yang diterbitkan oleh Bank (Saham *Free Float*). Oleh karenanya, SMBC telah menjual 200 juta lembar sahamnya pada tanggal 12 Desember 2023 dengan harga jual Rp 2.600 (nilai penuh) per saham. Pemenuhan ketentuan Saham *Free Float* ini telah menyebabkan kepemilikan SMBC berubah dari 92,43% ke 89,98%.

27. SHARE CAPITAL (continued)

Changes in share ownership composition

In accordance with the Indonesia Stock Exchange Regulation, the number of shares owned by non controlling shareholders and non majority shareholders is at the minimum of 7.5% of total issued shares of the Bank (Free Float Shares). Therefore, SMBC sold 200 million of its shares on 12 December 2023 with the selling price of Rp 2,600 (full amount) per share. The compliance with Free Float Shares requirement has changed the SMBC's ownership from 92.43% to 89.98%.

28. PENGGUNAAN LABA BERSIH

Para pemegang saham menyetujui penggunaan laba bersih untuk tahun yang berakhir pada tanggal 31 Desember 2022 berdasarkan akta notaris No. 31 tanggal 13 April 2023 dari Notaris Ashoya Ratam, S.H., Mkn sebagai berikut: (1) Bank akan membagikan dividen kepada para pemegang saham sejumlah 20% dari Laba Bersih atau kurang lebih sebesar Rp 619.140 atau kurang lebih sebesar Rp 76,8 per lembar saham (nilai penuh); (2) Bank tidak menyisikan cadangan wajib Bank, mengingat persyaratan minimum cadangan wajib sebagaimana diatur dalam UUPT, yaitu minimum 20% dari Modal Ditempatkan dan Disetor Penuh Perseroan telah terpenuhi; dan (3) Sisa dari total laba bersih yang diperoleh Bank untuk tahun buku yang berakhir pada tanggal 31 Desember 2022 setelah dikurangi penyisihan Dividen dinyatakan sebagai saldo laba yang belum ditentukan penggunaannya.

Pada tanggal 12 Mei 2023, PT Kustodian Sentral Efek Indonesia telah melakukan distribusi dividen tunai Bank kepada pemegang saham sesuai Daftar Pemegang Saham pada tanggal 3 Mei 2023 (tanggal pencatatan).

Para pemegang saham menyetujui penggunaan laba bersih untuk tahun yang berakhir pada tanggal 31 Desember 2021 berdasarkan akta notaris No. 44 tanggal 21 April 2022 dari Notaris Ashoya Ratam, S.H., Mkn sebagai berikut: (1) Bank membukukan saldo laba yang sudah ditentukan penggunaannya sebesar Rp 700.000 (nilai penuh) dan (2) sisa dari total laba bersih yang diperoleh Bank untuk tahun buku yang berakhir pada tanggal 31 Desember 2021 dinyatakan sebagai saldo laba yang belum ditentukan penggunaannya.

28. APPROPRIATION OF NET INCOME

The shareholders approved the appropriation of net income for the year ended 31 December 2022 based on notarial deed No. 31 dated 13 April 2023 of Notary Ashoya Ratam, S.H., Mkn as follows: (1) the Bank shall distribute dividend to the shareholders for 20% (twenty percent) of Net Profit or more or less Rp 619,140 or estimated at Rp 76,8 per share (full amount); (2) the Bank not allocate any reserve of the Bank, in regards to the minimum statutory reserve as stipulated in the Article 70 of the Limited Liability Company Law, i.e. minimum 20% of the Issued and Fully Paid-Up Capital of the Company has been complied; and (3) the remaining balance of the net income earned by the Bank in financial year ended on 31 December 2022 after being deducted with the allocation for Dividend shall be declared as unappropriated retained earnings.

On 12 May 2023, PT Kustodian Sentral Efek Indonesia has distributed Bank's cash dividends to Shareholders based on Shareholders List on 3 May 2023 (recording date).

The shareholders approved the appropriation of net income for the year ended 31 December 2021 based on notarial deed No. 44 dated 21 April 2022 of Notary Ashoya Ratam, S.H., Mkn as follows: (1) the Bank booked appropriated retained earnings amounting to Rp 700,000 (full amount) and (2) the remaining balance of the net income earned by the Bank in financial year ended on 31 December 2021 shall be declared as unappropriated retained earnings.

29. PENDAPATAN BUNGA DAN PENDAPATAN SYARIAH / *29. INTEREST INCOME AND SHARIA INCOME*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Pendapatan bunga			***Interest income***
Pihak ketiga:			***Third parties:***
Pinjaman yang diberikan	11,575,894	9,454,373	*Loans*
Giro dan penempatan pada Bank Indonesia	668,093	450,674	*Current accounts and placements with Bank Indonesia*
Efek-efek	587,357	576,758	*Securities*
Giro dan penempatan pada bank-bank lain	27,519	9,764	*Current accounts and placements with other banks*
Efek-efek yang dibeli dengan janji dijual kembali	436	-	*Reverse repo*
	12,859,299	10,491,569	
Pihak berelasi:			***Related parties:***
Pinjaman yang diberikan	210,192	30,516	*Loans*
Efek-efek	-	3,767	*Securities*
Penempatan pada bank-bank lain	-	4	*Placements with other banks*
	210,192	34,287	
	13,069,491	10,525,856	
Pendapatan syariah			***Sharia income***
Pihak ketiga:			***Third parties:***
Pendapatan dari jual beli - marjin murabahah	5,299,422	5,048,219	*Income from sales and purchases - murabahah margin*
Pendapatan dari piutang lainnya - Qardh	182	120	*Income from other receivables - Qardh*
Pendapatan dari bagi hasil - pembiayaan musyarakah	4,727	3,289	*Revenue from profit sharing - musyarakah financing*
Pendapatan usaha utama lainnya	441,851	322,162	*Other main operating income*
	5,746,182	5,373,790	
	18,815,673	15,899,646	

Pendapatan usaha utama lainnya dari pendapatan syariah merupakan pendapatan dari investasi pada surat berharga, SBIS, FASBIS, SIMA dan penempatan pada deposito.

Other main operating income from sharia income are income from investment in marketable securities, SBIS, FASBIS, SIMA and placement in deposits .

30. BEBAN BUNGA DAN HAK PIHAK KETIGA ATAS BAGI HASIL DANA SYIRKAH TEMPORER / *30. INTEREST EXPENSE AND THIRD PARTIES' SHARES ON RETURN OF TEMPORARY SYIRKAH FUNDS*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Beban bunga			***Interest expenses***
Pihak ketiga:			***Third parties:***
Simpanan nasabah			*Customer deposits*
Deposito berjangka	2,287,754	1,818,984	*Time deposits*
Deposito *on call*	656,555	1,534	*Deposits on call*
Giro	447,275	327,628	*Current accounts*
Tabungan	200,387	142,012	*Saving deposits*
	3,591,971	2,290,158	
Pinjaman yang diterima	814,930	390,695	*Borrowings*
Simpanan dari bank-bank lain	72,452	60,648	*Deposits from other banks*
Utang obligasi (Catatan 20)	16,013	73,082	*Bonds payables (Note 20)*
Liabilitas sewa	18,162	26,480	*Lease liabilities*
Dipindahkan	4,513,528	2,841,063	*Carry forward*

30. BEBAN BUNGA DAN HAK PIHAK KETIGA ATAS BAGI HASIL DANA SYIRKAH TEMPORER (lanjutan)

30. INTEREST EXPENSE AND THIRD PARTIES' SHARES ON RETURN OF TEMPORARY SYIRKAH FUNDS (continued)

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Pindahan	4,513,528	2,841,063	*Carried forward*
Beban bunga			***Interest expenses***
Pihak berelasi:			***Related parties:***
Simpanan nasabah			*Customer deposits*
Deposito *on call*	13,535	-	*Deposits on call*
Deposito berjangka	6,205	46,654	*Time deposits*
Tabungan	365	2,816	*Saving deposits*
Giro	11	99	*Current accounts*
	20,116	49,569	
Pinjaman yang diterima	1,526,140	880,225	*Borrowings*
Pinjaman subordinasi	203,739	105,471	*Subordinated loans*
Simpanan dari bank-bank lain	21,654	563	*Deposits from other banks*
	1,771,649	1,035,828	
Beban syariah			***Sharia expenses***
Hak pihak ketiga atas bagi hasil dana syirkah temporer			*Third parties' shares on return of temporary syirkah funds*
Pihak ketiga	483,643	338,403	*Third parties*
Pihak berelasi	1,970	1,787	*Related parties*
Pinjaman yang diterima	820	4,250	*Borrowings*
	486,433	344,440	
	6,771,610	4,221,331	

31. PENDAPATAN OPERASIONAL LAINNYA

31. OTHER OPERATING INCOME

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Pendapatan dari penerimaan kembali kredit yang dihapusbukukan	341,564	243,709	*Income from recovery of written-off loans*
Pendapatan administrasi dana pihak ketiga	317,635	315,821	*Third party fund administration income*
Pendapatan komisi atas pinjaman yang diberikan	278,551	193,369	*Loan commission income*
Pendapatan dari penjualan produk investasi	96,677	119,833	*Income from sale of investment products*
Denda pelunasan dipercepat dan keterlambatan	92,658	84,026	*Early termination penalty and late penalty income*
Pendapatan transaksi perdagangan efek-efek - bersih	66,704	38,619	*Securities trading income - net*
Pendapatan dari komisi asuransi	54,570	25,183	*Insurance commission income*
Jasa penerbitan garansi	31,946	30,069	*Guarantee fees*
Pendapatan komisi lainnya	21,766	77,379	*Others commission income*
Penerimaan kembali dari kerugian operasional	10,560	3,459	*Operational loss recovery*
Jasa kliring dan transfer	1,893	17,802	*Clearing and transfer fees*
Lain-lain	109,425	78,861	*Others*
	1,423,949	1,228,130	

Pendapatan komisi atas pinjaman yang diberikan adalah pendapatan administrasi yang diperoleh dari pinjaman yang diberikan oleh bank.

Loan commission income are administration income received from bank's loans.

Pendapatan dari penjualan produk investasi adalah pendapatan komisi dari pihak ketiga atas produk investasi yang dijual melalui Bank.

Income from sale of investment products are commission income received from third party related with invesment product that are sold through the Bank.

31. PENDAPATAN OPERASIONAL LAINNYA (lanjutan)

Pendapatan dari komisi asuransi adalah pendapatan atas komisi yang diterima oleh Bank berdasarkan perjanjian yang telah disepakati dengan perusahaan asuransi: Allianz, Avrist, (Catatan 11n) dan asuransi jaminan.

Lain-lain termasuk jasa *cash handling*, jasa *payment point* dan pendapatan dividen.

31. OTHER OPERATING INCOME (continued)

Insurance commission income are income from commission received by the Bank based on agreements with insurance companies: Allianz, Avrist, (Note 11n) and insurance of collateral.

Others consist of cash handling services, payment point service and dividend income.

32. BEBAN KEPEGAWAIAN / *32. PERSONNEL EXPENSES*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Gaji, upah, bonus dan tantiem	2,173,303	1,992,365	*Salaries, wages, bonus and tantiem*
Imbalan pascakerja	128,404	51,675	*Post-employment benefits*
Imbalan kerja jangka panjang lainnya	9,163	7,150	*Other long term employee benefits*
Tunjangan hari raya	445,952	468,729	*Holiday allowances*
Tunjangan pajak	227,232	208,955	*Tax allowances*
Tunjangan kesehatan	198,821	164,366	*Medical benefits*
Tunjangan representasi	156,136	115,813	*Representation allowance*
Jamsostek	100,042	91,772	*Jamsostek*
Pendidikan dan latihan	93,275	75,110	*Training and education*
Tunjangan program kepemilikan kendaraan	60,398	57,957	*Car ownership program allowance*
Tunjangan telepon	41,140	38,530	*Telephone allowance*
Tunjangan perumahan	21,543	21,265	*Housing allowance*
Lain-lain	101,069	109,632	*Others*
	3,756,478	3,403,319	

Termasuk dalam beban kepegawaian adalah gaji dan kompensasi lainnya yang dibayarkan kepada Direksi, Dewan Komisaris dan Komite Audit.

Lain-lain terdiri dari tunjangan *marketing,* akomodasi karyawan dan lainnya.

Included under personnel expenses are salaries and other compensations paid to the Board of Directors, Board of Commissioners and Audit Committee.

Others consist of marketing allowances, employees accomodation and others.

33. BEBAN UMUM DAN ADMINISTRASI / *33. GENERAL AND ADMINISTRATIVE EXPENSES*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Jasa dari pihak ketiga dan perlengkapan kantor	838,500	862,218	*Services from third parties and office supplies*
Sewa	603,837	533,802	*Rent*
Beban asuransi	478,693	470,738	*Insurance expense*
Amortisasi piranti lunak (Catatan 15)	316,310	351,114	*Amortization of software (Note 15)*
Promosi dan iklan	282,754	260,947	*Promotion and advertising*
Penyusutan aset tetap (Catatan 14)	238,251	257,957	*Depreciation of fixed assets (Note 14)*
Penyusutan aset hak guna (Catatan 14)	211,586	225,718	*Depreciation of right-of-use assets (Note 14)*
Jasa profesional	177,600	164,660	*Professional fees*
Pemeliharaan dan perbaikan	103,330	84,290	*Repairs and maintenance*
Lain-lain	22,905	60,571	*Others*
	3,273,766	3,272,015	

Jasa dari pihak ketiga dan perlengkapan kantor terdiri dari beban honorarium, perjalanan dinas, tagihan kantor pos, beban listrik, air dan telepon, komunikasi data, peralatan kantor dan jasa pengiriman.

Lain-lain termasuk pajak reklame, pajak kendaraan, pajak daftar perusahaan, dan beban lain-lain Entitas Anak.

Services from third parties and office supplies consist of expenses from honorarium, business travelling, post office billing, uitilities, data communication, office supplies, and delivery services.

Others consist of advertisement tax, vehicle tax, company registration tax and Subsidiary's miscellaneous expenses.

34. CADANGAN KERUGIAN PENURUNAN NILAI / *34. PROVISION FOR IMPAIRMENT LOSSES*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	2022	
Pinjaman yang diberikan dan pembiayaan/piutang syariah (Catatan 11g)	3,029,571	1,754,676	*Loans and sharia financing/ receivables (Note 11g)*
Komitmen pinjaman yang diberikan	(36,146)	34,359	*Loan commitments issued*
Efek-efek (Catatan 8h)	(365)	481	*Securities (Note 8h)*
Penempatan pada Bank Indonesia dan bank-bank lain (Catatan 7g)	(167)	(42)	*Placements with Bank Indonesia and other banks (Note 7g)*
Giro pada bank-bank lain (Catatan 6)	(256)	(44)	*Current accounts with other banks (Note 6)*
Tagihan akseptasi (Catatan 10d)	4,217	(1,576)	*Acceptance receivables (Note 10d)*
Aset lain-lain (Catatan 16)	53,065	52,313	*Other assets (Note 16)*
Penyisihan selama tahun berjalan	3,049,919	1,840,167	*Provision during the year*

35. BEBAN OPERASIONAL LAINNYA / *35. OTHER OPERATING EXPENSES*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	2022	
Beban komisi dan administrasi	384,297	311,269	*Commissions and administrative fees*
Iuran tahunan OJK	96,333	94,861	*OJK annual fee*
Kerugian terkait risiko operasional	19,193	7,620	*Loss from operational risk*
Beban rumah tangga	13,330	13,485	*Household expenses*
Beban pengembangan komunitas	7,263	40,544	*Community development expenses*
Rekrutmen	4,176	3,837	*Recruitment*
Beban pengurusan klaim asuransi	2,985	3,466	*Insurance claim expenses*
Beban retribusi	2,834	2,717	*Retribution expenses*
Lain-lain	45,897	39,954	*Others*
	576,308	517,753	

Lain-lain termasuk beban jamuan, beban keanggotaan dan beban penyelesaian kredit.

Others consist of entertainment expenses, membership fees and credit settlement charges.

36. INFORMASI MENGENAI PIHAK BERELASI / *36. RELATED PARTY INFORMATION*

Dalam kegiatan usahanya, Grup melakukan transaksi dengan pihak-pihak berelasi, terutama meliputi transaksi-transaksi keuangan.

In the normal course of business, the Group engages in transactions with related parties, primarily consisting of financial transactions.

Di bawah ini adalah ikhtisar pihak-pihak berelasi yang bertransaksi dengan Grup, termasuk sifat hubungan dan sifat transaksinya:

The following is a summary of related parties who have transactions with the Group, including the nature of the relationships and transactions:

Pihak berelasi/ *Related parties*	Sifat hubungan/ *Nature of relationships*	Sifat transaksi/ *Nature of transactions*
Sumitomo Mitsui Banking Corporation, Tokyo	Pemegang saham pengendali/ *Controlling shareholders*	Giro pada bank lain; simpanan dari bank lain; transaksi derivatif; liabilitas akseptasi/ *Current accounts with other banks; deposits from other banks; derivative transactions; acceptance payables*
Sumitomo Mitsui Banking Corporation, Singapura/*Singapore*	Perusahaan afiliasi/*affiliated company*	Giro pada bank lain; simpanan dari bank lain; liabilitas akseptasi; pinjaman yang diterima; pinjaman subordinasi; transaksi derivatif/ *Current accounts with other banks; deposits from other banks; acceptance payables; borrowings; subordinated loans; derivative transactions*
Sumitomo Mitsui Banking Corporation, Cabang Hong Kong/*Hong Kong Branch*	Perusahaan afiliasi/*affiliated company*	Giro pada bank lain; simpanan dari bank lain; transaksi derivatif/ *Current accounts with other banks; deposits from other banks; derivative transactions*

36. INFORMASI MENGENAI PIHAK BERELASI (lanjutan)

36. RELATED PARTY INFORMATION (continued)

Pihak berelasi/ *Related parties*	Sifat hubungan/ *Nature of relationships*	Sifat transaksi/ *Nature of transactions*
Sumitomo Mitsui Banking Corporation Bank International plc, London	Perusahaan afiliasi/*affiliated company*	Giro pada bank lain/ *Current accounts with other banks*
Sumitomo Mitsui Banking Corporation, Cabang Dusseldorf/*Dusseldorf Branch*	Perusahaan afiliasi/*affiliated company*	Giro pada bank lain/ *Current accounts with other banks*
Sumitomo Mitsui Banking Corporation, Malaysia Berhad	Perusahaan afiliasi/*affiliated company*	Simpanan dari bank lain/ *Deposits from other banks*
Sumitomo Mitsui Banking Corporation, Bangkok	Perusahaan afiliasi/*affiliated company*	Giro pada bank lain; simpanan dari bank lain; transaksi derivatif/ *Current accounts with other banks; deposits from other banks; derivative transactions*
Sumitomo Mitsui Banking Corporation, Seoul	Perusahaan afiliasi/*affiliated company*	Efek-efek/ *Securities*
Sumitomo Mitsui Banking Corporation, New York	Perusahaan afiliasi/*affiliated company*	Giro pada bank lain/ *Current accounts with other banks*
Sumitomo Mitsui Banking Corporation, New Delhi	Perusahaan afiliasi/*affiliated company*	Giro pada bank lain/ *Current accounts with other banks*
PT SMFL Leasing Indonesia	Perusahaan afiliasi/*affiliated company*	Simpanan nasabah; pinjaman yang diberikan; transaksi derivatif/ *Deposits from customers; loans; derivative transactions*
PT Oto Multiartha	Perusahaan afiliasi/*affiliated company*	Simpanan nasabah; pinjaman yang diberikan; transaksi derivatif/ *Deposits from customers; loans; derivative transactions*
PT Summit Oto Finance	Perusahaan afiliasi/*affiliated company*	Simpanan nasabah; pinjaman yang diberikan; transaksi derivatif/ *Deposits from customers; loans; derivative transactions*
PT INA Sekuritas Indonesia (dahulu bernama PT Nikko Sekuritas Indonesia)	Perusahaan afiliasi/*affiliated company*	Simpanan nasabah/ *Deposits from customers*
PT SBCS Indonesia	Perusahaan afiliasi/affiliated company	Simpanan nasabah/ *Deposits from customers*
Personil manajemen kunci/ *Key Management Personnel*	Direktur, Komisaris dan pejabat eksekutif/*Directors, Commissioners and executive employees*	Pinjaman yang diberikan, simpanan nasabah, pembayaran kompensasi dan remunerasi, imbalan pascakerja/ *Loans, deposits from customers, payments of compensation and remuneration, post-employment benefits*

Transaksi dengan pihak berelasi

Saldo dan rincian transaksi dengan pihak berelasi adalah sebagai berikut:

Transactions with related parties

The outstanding balances and detail transactions with related parties were as follows:

(a) Giro pada bank-bank lain

(a) Current accounts with other banks

	31 Desember/*December*		
	2023	2022	
Giro pada bank-bank lain			*Current accounts with other banks*
Pihak berelasi	462,061	639,707	*Related party*
Persentase terhadap jumlah aset	0.23%	0.31%	*Percentage to total assets*

36. INFORMASI MENGENAI PIHAK BERELASI (lanjutan) / *36. RELATED PARTY INFORMATION (continued)*

Transaksi dengan pihak berelasi (lanjutan) / ***Transactions with related parties** (continued)*

(a) Giro pada bank-bank lain / *(a) Current accounts with other banks*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Pendapatan bunga	-	-	*Interest income*
Persentase terhadap jumlah pendapatan bunga	-	-	*Percentage to total interest income*

(b) Efek-efek / *(b) Securities*

	31 Desember/*December*		
	2023	**2022**	
Efek-efek			*Securities*
Pihak berelasi	-	185,510	*Related party*
	-	185,510	
Pendapatan bunga yang masih akan diterima	-	2,075	*Accrued interest income*
	-	187,585	
Persentase terhadap jumlah aset	-	0.09%	*Percentage to total assets*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Pendapatan bunga	-	3,767	*Interest income*
Persentase terhadap jumlah pendapatan bunga	-	0.04%	*Percentage to total interest income*

(c) Tagihan derivatif / *(c) Derivative receivables*

	31 Desember/*December*		
	2023	**2022**	
Tagihan derivatif			*Derivative receivables*
Pihak berelasi	496,225	615,160	*Related party*
Persentase terhadap jumlah aset	0.25%	0.29%	*Percentage to total assets*

(d) Pinjaman yang diberikan / *(d) Loans*

	31 Desember/*December*		
	2023	**2022**	
Pinjaman yang diberikan			*Loans*
Personil manajemen kunci	17,944	16,504	*Key management personnel*
Pihak berelasi	3,755,420	2,370,889	*Related parties*
	3,773,364	2,387,393	
Pendapatan bunga yang masih akan diterima	45,016	19,863	*Accrued interest income*
	3,818,380	2,407,256	
Persentase terhadap jumlah aset	1.89%	1.15%	*Percentage to total assets*

36. INFORMASI MENGENAI PIHAK BERELASI (lanjutan)

36. RELATED PARTY INFORMATION *(continued)*

Transaksi dengan pihak berelasi (lanjutan)

Transactions with related parties *(continued)*

(d) Pinjaman yang diberikan (lanjutan)

(d) Loans (continued)

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Pendapatan bunga:			*Interest income:*
Personil manajemen kunci	584	454	*Key management personnel*
Pihak berelasi	209,608	30,062	*Related parties*
	210,192	30,516	
Persentase terhadap jumlah pendapatan bunga	1.61%	0.29%	*Percentage to total interest income*

Suku bunga atas pinjaman yang diberikan kepada personil manajemen kunci adalah sebesar 5% - 8% per tahun dengan jangka waktu pinjaman antara 1 - 20 tahun. Pinjaman tersebut diberikan tanpa adanya jaminan tertentu.

Interest rate charged on loan to key management personnel amounting 5% - 8% per annum with term between 1 - 20 years. Such loan is given without any specific collateral.

Pada tanggal 31 Desember 2023 dan 2022 tidak terdapat penurunan nilai atas pinjaman yang diberikan kepada personil manajemen kunci.

There was no impairment on the loan to key management personnel as of 31 December 2023 and 2022.

(e) Simpanan nasabah

(e) Deposits from customers

	31 Desember/*December*		
	2023	**2022**	
Dana pihak ketiga			*Third party funds*
Personil manajemen kunci:			*Key management personnel:*
Giro	-	-	*Current accounts*
Tabungan	88,170	59,543	*Savings deposits*
Deposito berjangka dan deposito *on call*	106,928	141,457	*Time deposits and deposits on call*
	195,098	201,000	
Pihak berelasi:			*Related parties:*
Giro	50,003	57,708	*Current accounts*
Deposito *on call*	239,150	-	*Deposits on call*
Deposito berjangka	25	822,176	*Time deposits*
	289,178	879,884	
	484,276	1,080,884	
Beban bunga yang masih harus dibayarkan	728	1,522	*Accrued interest expense*
	485,004	1,082,406	
Persentase terhadap jumlah liabilitas	0.32%	0.68%	*Percentage to total liabilities*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Beban bunga	20,116	49,570	*Interest expense*
Persentase terhadap jumlah beban bunga	0.32%	1.28%	*Percentage to total interest expenses*

36. INFORMASI MENGENAI PIHAK BERELASI (lanjutan)

36. *RELATED PARTY INFORMATION (continued)*

Transaksi dengan pihak berelasi (lanjutan)

***Transactions with related parties** (continued)*

(e) Simpanan nasabah (lanjutan)

Dana pihak ketiga ditempatkan dalam giro, tabungan maupun deposito berjangka. Tingkat suku bunga yang diberikan oleh Bank adalah sebesar 0,01% - 6,00%. Untuk deposito berjangka tergantung tenor dan jumlah pokok deposito.

(e) Deposits from customers (continued)

Third party funds are placed on current account, saving accounts and time deposits. Interest rate given by the Bank for the placement amounting to 0.01% - 6.00%. For time deposit depends on tenor and principal amount.

(f) Simpanan dari bank-bank lain

(f) Deposits from other banks

	31 Desember/*December*		
	2023	**2022**	
Simpanan dari bank-bank lain	9,561,059	147,352	*Deposits from other banks*
Beban bunga yang masih harus dibayarkan	6,697	-	*Accrued interest expenses*
	9,567,756	147,352	
Persentase terhadap jumlah liabilitas	6.37%	0.09%	*Percentage to total liabilities*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Beban bunga	21,654	563	*Interest expense*
Persentase terhadap jumlah beban bunga	0.34%	0.01%	*Percentage to total interest expenses*

(g) Liabilitas derivatif

(g) Derivative liabilities

	31 Desember/*December*		
	2023	**2022**	
Liabilitas derivatif			*Derivative liabilities*
Pihak berelasi	57,285	124,091	*Related party*
Persentase terhadap jumlah liabilitas	0.04%	0.08%	*Percentage to total liabilities*

(h) Liabilitas akseptasi

(h) Acceptance payables

	31 Desember/*December*		
	2023	**2022**	
Liabilitas akseptasi			*Acceptance payables*
Pihak berelasi	163,383	199,232	*Related party*
Persentase terhadap jumlah liabilitas	0.11%	0.12%	*Percentage to total liabilities*

(i) Pinjaman yang diterima

(i) Borrowings

	31 Desember/*December*		
	2023	**2022**	
Pinjaman yang diterima	18,569,798	37,257,744	*Borrowings*
Beban bunga yang masih harus dibayarkan	13,110	52,808	*Accrued interest expenses*
	18,582,908	37,310,552	
Persentase terhadap jumlah liabilitas	12.37%	23.33%	*Percentage to total liabilities*

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
Beban bunga			*Interest expense*
Pihak berelasi	1,526,140	880,225	*Related party*
Persentase terhadap jumlah beban bunga	24.28%	22.70%	*Percentage to total interest expenses*

36. INFORMASI MENGENAI PIHAK BERELASI (lanjutan) / *36. RELATED PARTY INFORMATION (continued)*

Transaksi dengan pihak berelasi (lanjutan) / ***Transactions with related parties** (continued)*

(j) Pinjaman subordinasi / *(j) Subordinated loans*

	31 Desember/*December* 2023	31 Desember/*December* 2022	
Pinjaman subordinasi	3,079,400	3,113,500	*Subordinated loans*
Beban bunga yang masih harus dibayarkan	10,960	12,078	*Accrued interest expenses*
	3,090,360	3,125,578	
Persentase terhadap jumlah liabilitas	2.06%	1.95%	*Percentage to total liabilities*

	Tahun berakhir 31 Desember/ *Years ended 31 December* 2023	Tahun berakhir 31 Desember/ *Years ended 31 December* 2022	
Beban bunga:			*Interest expense:*
Pihak berelasi	203,739	105,471	*Related party*
Persentase terhadap jumlah beban bunga	3.24%	2.72%	*Percentage to total interest expenses*

(k) Dana syirkah temporer / *(k) Temporary syirkah funds*

	31 Desember/*December* 2023	31 Desember/*December* 2022	
Simpanan nasabah			*Deposits from customers*
Personil manajemen kunci:			*Key management personnel:*
Tabungan mudharabah	2,064	596	*Mudharabah saving deposits*
Deposito mudharabah	32,934	36,535	*Mudharabah time deposits*
	34,998	37,131	
Persentase terhadap jumlah hak pihak ketiga atas bagi hasil syirkah temporer	0.35%	0.38%	*Percentage to total third parties' shares on return of temporary syirkah funds*

	Tahun berakhir 31 Desember/ *Years ended 31 December* 2023	Tahun berakhir 31 Desember/ *Years ended 31 December* 2022	
Hak atas bagi hasil dana syirkah temporer	1,970	1,787	*Shares on return of temporary syirkah funds*
Persentase terhadap beban bagi hasil	0.40%	0.52%	*Percentage to total profit-sharing*

(l) Kompensasi dan remunerasi personil manajemen kunci / *(l) Compensation and remuneration of key management personnel*

Kompensasi yang dibayar atau terutang pada manajemen kunci atas jasa kepegawaian adalah sebagai berikut: / *The compensation paid or payable to key management for employee services is shown below:*

	31 Desember/*December* 2023						
	Direksi/*Board of Directors*		Dewan Komisaris/*Board of Commissioners*		Personil manajemen kunci lainnya/*Other key management personnel*		
	%*	Rp	%*	Rp	%*	Rp	
Gaji dan imbalan karyawan jangka pendek lainnya	4.67%	175,252	1.43%	53,564	9.81%	368,423	*Salaries and other short-term employee benefits*
Imbalan pascakerja	-	-	-	-	0.42%	15,815	*Post-employment benefits*
Imbalan jangka panjang lainnya	-	-	-	-	0.02%	619	*Other long-term benefits*
Jumlah	4.67%	175,252	1.43%	53,564	10.25%	384,857	*Total*

36. INFORMASI MENGENAI PIHAK BERELASI (lanjutan) / *36. RELATED PARTY INFORMATION (continued)*

Transaksi dengan pihak berelasi (lanjutan) / ***Transactions with related parties** (continued)*

(l) Kompensasi dan remunerasi personil Manajemen kunci (lanjutan) / *(l) Compensation and remuneration of key management personnel (continued)*

	31 Desember/*December* 2022						
	Direksi/*Board of Directors*		Dewan Komisaris/*Board of Commissioners*		Personil manajemen kunci lainnya/*Other key management personnel*		
	%*	Rp	%*	Rp	%*	Rp	
Gaji dan imbalan karyawan jangka pendek lainnya	5.52%	187,940	0.68%	23,076	10.75%	365,811	*Salaries and other short-term employee benefits*
Imbalan pascakerja	-	-	-	-	0.20%	6,970	*Post-employment benefits*
Imbalan jangka panjang lainnya	-	-	-	-	0.01%	455	*Other long-term benefits*
Jumlah	5.52%	187,940	0.68%	23,076	10.96%	373,236	*Total*

*) terhadap jumlah beban kepegawaian / **) % to total personnel expenses*

(m) Komitmen dan kontinjensi / *(m) Commitments and contingencies*

	31 Desember/*December*		
	2023	2022	
Aset komitmen			***Committed assets***
Fasilitas pinjaman yang belum ditarik	37,247,514	19,161,055	*Unused borrowing facilities*
Liabilitas komitmen			***Committed liabilities***
Fasilitas kredit kepada nasabah yang belum digunakan	4,301,821	3,385,393	*Unused credit facilities to customers*
Liabilitas kontinjensi			***Contingent liabilities***
Garansi yang diberikan	30,000	-	*Guarantees provided*

37. KOMITMEN DAN KONTINJENSI / *37. COMMITMENTS AND CONTINGENCIES*

a. Berdasarkan jenis / *a. By type*

	31 Desember/*December*		
	2023	2022	
Aset komitmen			***Committed assets***
Fasilitas pinjaman yang belum ditarik			*Unused borrowing facilities*
- Pihak ketiga	3,079,400	1,500,000	*Third parties -*
- Pihak berelasi	37,247,514	19,161,055	*Related parties -*
	40,326,914	20,661,055	
Aset kontinjensi - Pihak ketiga			***Contingent assets - Third parties***
Pendapatan bunga pinjaman yang diberikan yang bermasalah	275,731	173,116	*Interest receivable on non-performing loans*
Garansi yang diterima	30,270,312	31,249,359	*Guarantees received*
	30,546,043	31,422,475	
Liabilitas komitmen			***Committed liabilities***
Fasilitas kredit kepada nasabah yang belum digunakan - *committed*			*Unused credit facilities to customers - committed*
- Pihak ketiga	10,870,217	13,315,311	*Third parties -*
Fasilitas kredit kepada nasabah yang belum digunakan - *uncommitted*			*Unused credit facilities to customers - uncommitted*
- Pihak ketiga	100,533,280	94,784,040	*Third parties -*
- Pihak berelasi	4,301,821	3,385,393	*Related parties -*
Dipindahkan	115,705,318	111,484,744	*Carry forward*

37. KOMITMEN DAN KONTINJENSI (lanjutan) / *37. COMMITMENTS AND CONTINGENCIES (continued)*

a. Berdasarkan jenis (lanjutan) / *a. By type (continued)*

	31 Desember/*December* 2023	2022	
Liabilitas komitmen (lanjutan)			***Committed liabilities** (continued)*
Pindahan	115,705,318	111,484,744	*Carried forward*
Fasilitas kredit kepada bank yang belum digunakan - *uncommitted* - Pihak ketiga	74,196	26,748	*Unused credit facilities to banks - uncommitted - Third parties*
Letters of credit yang tidak dapat dibatalkan - Pihak ketiga	721,016	961,523	*Irrevocable letters of credit - Third parties*
	116,500,530	112,473,015	
Liabilitas kontinjensi - Pihak ketiga			***Contingent liabilities - Third parties***
Garansi yang diberikan			*Guarantees provided*
- Pihak ketiga	5,425,734	5,608,120	*Third parties -*
- Pihak berelasi	30,000	-	*Related parties -*
	5,455,734	5,608,120	

b. Berdasarkan kolektibilitas / *b. By collectability*

	31 Desember/*December* 2023	2022	
Lancar	120,577,548	116,218,404	*Current*
Dalam Perhatian Khusus	1,378,716	1,812,731	*Special Mention*
Kurang Lancar	-	50,000	*Substandard*
Diragukan	-	-	*Doubtful*
Macet	-	-	*Loss*
	121,956,264	118,081,135	

c. Kasus hukum / *c. Litigation cases*

Bank menghadapi beberapa tuntutan hukum, pengurusan administrasi dan klaim yang belum terselesaikan, yang berhubungan dengan kegiatan usaha Bank. Adalah tidak mungkin untuk memastikan apakah Bank akan memenangkan atau tidak menang atas masalah atau tuntutan hukum tersebut. Namun demikian, manajemen Bank yakin bahwa hasil keputusan masalah atau tuntutan hukum tersebut tidak akan membawa dampak yang signifikan pada hasil usaha, posisi keuangan atau likuiditas Bank.

The Bank is a party to various unresolved legal actions, administrative proceedings, and claims in the ordinary course of its business. It is not possible to predict with certainty whether or not the Bank will ultimately be successful or not successful in any of these legal matters. However, the Bank's management does not expect that the results in any of these proceedings will have a material adverse effect on the Bank's results of operations, financial position or liquidity.

38. SEGMEN OPERASI / *38. OPERATING SEGMENT*

Segmen operasi dilaporkan sesuai dengan laporan internal yang disiapkan untuk Direksi, yang bertindak sebagai pengambil keputusan operasi, yang bertanggung jawab untuk mengalokasikan sumber daya ke segmen dan melakukan penilaian atas performanya. Seluruh segmen operasi yang digunakan oleh Grup telah memenuhi kriteria pelaporan berdasarkan PSAK 5, "Segmen Operasi".

Operating segments are reported in accordance with the internal reporting provided to the Directors, as the chief operating decision maker, who are responsible for allocating resources to the reportable segments and assesses its performance. All operating segments used by the Group meet the definition of a reportable segment under PSAK 5, "Operating Segment".

Grup memiliki 5 (lima) pelaporan segmen, berdasarkan produk usaha, sebagaimana disajikan dalam tabel di bawah ini.

The Group has 5 (five) reportable segments, in accordance with the business product, as set out in the table below.

38. SEGMEN OPERASI (lanjutan)

Ritel

Terdiri dari pinjaman yang diberikan kepada nasabah pensiunan dan nasabah individual lainnya.

Kredit Usaha Mikro, Kecil & Menengah (UMKM)

Terdiri dari pinjaman yang diberikan kepada nasabah usaha mikro, kecil dan menengah yang digunakan untuk kegiatan usaha.

Penghimpunan dana dan tresuri

Terdiri dari aktivitas penghimpunan dana dari pihak ketiga dan bank lain, serta aktivitas tresuri termasuk pinjaman yang diterima dan surat berharga yang diterbitkan.

Korporasi

Terdiri dari pinjaman dan layanan yang diberikan dari nasabah korporasi yang digunakan untuk kegiatan usaha.

Syariah

Merupakan lini segmen operasi atas Entitas Anak yang dimulai dari tanggal efektif beroperasi sebagai bank umum syariah.

Terdiri dari pembiayaan syariah dan dana pihak ketiga dari nasabah syariah yang digunakan untuk kegiatan usaha.

Dalam mengalokasikan beban operasional, manajemen mengatribusikan beberapa pos beban operasional sesuai dengan kebijakan pelaporan internal Grup.

Informasi pelaporan segmen adalah sebagai berikut:

***38. OPERATING SEGMENT** (continued)*

Retail

Consists of loans to pensioners and other individual customers.

Micro, Small & Medium Enterprises (MSME)

Consists of loans to micro, small & medium enterprise customers for commercial purpose.

Funding and treasury

Consists of funding business activity in raising funds from third party and other banks, and centralised treasury operations including borrowings and securities issued.

Corporate

Consists of loans and services from corporate customers which related to commercial purpose.

Sharia

Represents a line of operating segments of Subsidiary which started from the effective date to operate as a sharia commercial bank.

Consists of sharia financing and third party funds from sharia customers which related to commercial purpose.

In allocating operating expenses, management attributed some of its expenses based on Group's internal reporting policy.

The reportable segment information was as follows:

	Tahun berakhir 31 Desember 2023/ *Year ended 31 December 2023*							
	Ritel/ *Retail*	UMKM/ *MSME*	Penghimpunan dana dan tresuri/ *Funding and Treasury*	Korporasi/ *Corporate*	Syariah/ *Sharia*	Penyesuaian dan eliminasi/ *Adjustment and elimination*	Konsolidasian/ *Consolidated*	
Pendapatan dan beban operasional								***Operating income and expenses***
Pendapatan bunga dan syariah dari pihak eksternal	3,842,949	1,208,448	1,153,880	6,864,214	5,746,182	-	18,815,673	*External interest and sharia income*
Pendapatan bunga antar segmen	(1,966,935)	(694,991)	7,979,661	(5,317,735)	-	-	-	*Inter-segment interest income*
Beban bunga antar segmen	99,394	36,584	(3,550,414)	3,414,436	-	-	-	*Inter-segment interest expense*
Beban bunga dan bagi hasil syariah	(9,473)	(11,227)	(4,077,996)	(2,186,482)	(486,432)	-	(6,771,610)	*Interest expense and sharia profit sharing*
Pendapatan bunga dan syariah segmen dilaporkan-bersih	1,965,935	538,814	1,505,131	2,774,433	5,259,750	-	12,044,063	***Net reportable segment interest and sharia income***

38. SEGMEN OPERASI (lanjutan) / *38. OPERATING SEGMENT (continued)*

Informasi pelaporan segmen adalah sebagai berikut: / *The reportable segment information was as follows:*

	Tahun berakhir 31 Desember 2023/ *Year ended 31 December 2023*							
	Ritel/ *Retail*	**UMKM/ *MSME***	**Penghimpunan dana dan tresuri/ *Funding and Treasury***	**Korporasi/ *Corporate***	**Syariah/ *Sharia***	**Penyesuaian dan eliminasi/ *Adjustment and elimination***	**Konsolidasian/ *Consolidated***	
Pendapatan operasional lainnya:								***Other operating income:***
Pendapatan operasional lainnya	194,157	334,504	1,075,173	257,981	60,949	(498,815)	1,423,949	*Other operating income*
Keuntungan dari selisih kurs dan transaksi derivatif - bersih	-	287	93,261	556,838	(892)	-	649,494	*Net gain on foreign exchange and derivative transactions*
Pendapatan operasional lainnya	194,157	334,791	1,168,434	814,819	60,057	(498,815)	2,073,443	***Other operating income***
Beban operasional lainnya								***Other operating expenses***
Beban operasional lainnya	(1,650,923)	(717,917)	(2,023,436)	(1,171,656)	(2,042,620)	-	(7,606,552)	*Other operating expenses*
Cadangan kerugian penurunan nilai	(296,016)	(120,903)	(278)	(734,605)	(1,898,117)	-	(3,049,919)	*Allowance for impairment losses*
Beban operasional lainnya	(1,946,939)	(838,820)	(2,023,714)	(1,906,261)	(3,940,737)	-	(10,656,471)	***Other operating expenses***
Pendapatan operasional lainnya - bersih	(1,752,782)	(504,029)	(855,280)	(1,091,442)	(3,880,680)	(498,815)	(8,583,028)	***Net reportable operational segment income***
Pendapatan (beban) non-operasional	845	1,742	(6,745)	(20)	825	-	(3,353)	*Non-operating income (expenses)*
Laba (rugi) segmen sebelum pajak penghasilan	213,998	36,527	643,106	1,682,971	1,379,895	(498,815)	3,457,682	*Segment income (loss) before income tax*
Beban pajak penghasilan	(39,525)	(6,747)	(118,780)	(310,840)	(299,306)	-	(775,198)	*Income tax expense*
Laba (rugi) bersih	**174,473**	**29,780**	**524,326**	**1,372,131**	**1,080,589**	**(498,815)**	**2,682,484**	***Net income (loss)***

	31 Desember/*December* 2023							
	Ritel/ *Retail*	**UMKM/ *MSME***	**Penghimpunan dana dan tresuri/ *Funding and Treasury***	**Korporasi/ *Corporate***	**Syariah/ *Sharia***	**Penyesuaian dan eliminasi/ *Adjustment and elimination***	**Konsolidasian/ *Consolidated***	
Aset								***Assets***
Pinjaman/pembiayaan yang diberikan-bersih	25,318,456	13,669,400	-	102,781,449	10,173,945	-	151,943,250	*Net loans/financing*
Pendapatan bunga/marjin yang masih akan diterima dari pinjaman/ pembiayaan yang diberikan	223,575	43,394	-	665,937	164,890	-	1,097,796	*Accrued interest/ margin income from loans/ financing*
Aset lain-lain	-	-	27,673,435	-	10,076,959	(83,528)	37,666,866	*Other assets*
Pendapatan bunga yang masih akan diterima	-	-	152,967	-	75,512	-	228,479	*Accrued interest income*
Jumlah aset yang dialokasikan	25,542,031	13,712,794	27,826,402	103,447,386	20,491,306	(83,528)	190,936,391	*Total allocated assets*
Aset yang tidak dialokasikan*							10,512,001	*Unallocated assets**
Jumlah aset							**201,448,392**	***Total assets***

*) Komponen yang tidak dapat dialokasikan terutama terdiri dari aset dan liabilitas pajak penghasilan, termasuk pajak kini dan pajak tangguhan, aset dan liabilitas derivatif, aset tetap, aset takberwujud, liabilitas lainnya dan akrual.

**) Unallocated items mainly comprise of income tax assets and liabilities, including current and deferred taxes, derivative assets and liabilities, fixed assets, intangible assets, other liabilities and accruals.*

38. SEGMEN OPERASI (lanjutan) / *38. OPERATING SEGMENT (continued)*

	31 Desember/*December* 2023							
	Ritel/ *Retail*	UMKM/ *MSME*	Penghimpunan dana dan tresuri/ *Funding and Treasury*	Korporasi/ *Corporate*	Syariah/ *Sharia*	Penyesuaian dan eliminasi/ *Adjustment and elimination*	Konsolidasian/ *Consolidated*	
Liabilitas								***Liabilities***
Simpanan nasabah	2,155,288	844,577	35,639,500	57,416,394	2,221,997	-	98,277,756	*Customer deposits*
Beban bunga/bagi hasil yang masih harus dibayar	-	-	179,647	-	21,951	-	201,598	*Undistributed revenue sharing*
Liabilitas lain-lain	-	-	45,302,910	-	-	(3,806)	45,299,104	*Other liabilities*
Beban bunga yang masih harus dibayar	-	-	170,977	-	-	-	170,977	*Accrued interest expenses*
Jumlah liabilitas yang dialokasikan	2,155,288	844,577	81,293,034	57,416,394	2,243,948	(3,806)	143,949,435	*Total allocated liabilities*
Liabilitas yang tidak dialokasikan*							6,295,033	*Unallocated liabilities**
Jumlah liabilitas							**150,244,468**	***Total liabilities***
Dana syirkah temporer	**-**	**-**	**-**	**-**	**9,920,820**	**-**	**9,920,820**	***Temporary syirkah fund***

*) Komponen yang tidak dapat dialokasikan terutama terdiri dari aset dan liabilitas pajak penghasilan, termasuk pajak kini dan pajak tangguhan, aset dan liabilitas derivatif, aset tetap, aset takberwujud, liabilitas lainnya dan akrual.

**) Unallocated items mainly comprise of income tax assets and liabilities, including current and deferred taxes, derivative assets and liabilities, fixed assets, intangible assets, other liabilities and accruals.*

	Tahun berakhir 31 Desember 2022/ *Year ended 31 December 2022*							
	Ritel/ *Retail*	UMKM/ *MSME*	Penghimpunan dana dan tresuri/ *Funding and Treasury*	Korporasi/ *Corporate*	Syariah/ *Sharia*	Penyesuaian dan eliminasi/ *Adjustment and elimination*	Konsolidasian/ *Consolidated*	
Pendapatan dan beban operasional								***Operating income and expenses***
Pendapatan bunga dan syariah dari pihak eksternal	4,265,547	981,674	960,274	4,318,361	5,373,790	-	15,899,646	*External interest and sharia income*
Pendapatan bunga antar segmen	(2,259,272)	(351,222)	5,192,551	(2,582,057)	-	-	-	*Inter-segment interest income*
Beban bunga antar segmen	91,090	20,948	(2,320,670)	2,208,632	-	-	-	*Inter-segment interest expense*
Beban bunga dan bagi hasil syariah	(21,769)	(4,349)	(2,577,615)	(1,273,158)	(344,440)	-	(4,221,331)	*Interest expense and sharia profit sharing*
Pendapatan bunga dan syariah segmen dilaporkan-bersih	2,075,596	647,051	1,254,540	2,671,778	5,029,350	-	11,678,315	***Net reportable segment interest and sharia income***
Pendapatan operasional lainnya:								***Other operating income:***
Pendapatan operasional lainnya	160,206	218,666	840,897	279,535	61,818	(332,992)	1,228,130	*Other operating income*
Keuntungan dari selisih kurs dan transaksi derivatif - bersih	-	286	189,913	590,458	3,828	-	784,485	*Net gain on foreign exchange and derivative transactions*
Pendapatan operasional lainnya	160,206	218,952	1,030,810	869,993	65,646	(332,992)	2,012,615	***Other operating income***
Beban operasional lainnya								***Other operating expenses***
Beban operasional lainnya	(1,587,330)	(881,123)	(1,904,827)	(950,315)	(1,869,492)	-	(7,193,087)	*Other operating expenses*
Cadangan kerugian penurunan nilai	(234,311)	(269,769)	482	(391,517)	(945,052)	-	(1,840,167)	*Allowance for impairment losses*
Beban operasional lainnya	(1,821,641)	(1,150,892)	(1,904,345)	(1,341,832)	(2,814,544)	-	(9,033,254)	***Other operating expenses***
Pendapatan operasional lainnya - bersih	(1,661,435)	(931,940)	(873,535)	(471,839)	(2,748,898)	(332,992)	(7,020,639)	***Net reportable operational segment income***
Pendapatan (beban) non-operasional	1,516	698	(4,502)	(11)	1,942	-	(357)	*Non-operating income (expenses)*
Laba (rugi) segmen sebelum pajak penghasilan	415,677	(284,191)	376,503	2,199,928	2,282,394	(332,992)	4,657,319	*Segment income (loss) before income tax*
Beban pajak penghasilan	(80,581)	55,092	(72,987)	(426,465)	(502,814)	-	(1,027,755)	*Income tax expense*
Laba (rugi) bersih	335,096	(229,099)	303,516	1,773,463	1,779,580	(332,992)	3,629,564	***Net income (loss)***

38. SEGMEN OPERASI (lanjutan) / *38. OPERATING SEGMENT (continued)*

	31 Desember 2022/*31 December 2022*							
	Ritel/ *Retail*	UMKM/ *MSME*	Penghimpunan dana dan tresuri/ *Funding and Treasury*	Korporasi/ *Corporate*	Syariah/ *Sharia*	Penyesuaian dan eliminasi/ *Adjustment and elimination*	Konsolidasian/ *Consolidated*	
Aset								***Assets***
Pinjaman/pembiayaan yang diberikan-bersih	25,854,020	10,722,188	-	95,209,651	10,758,538	-	142,544,397	*Net loans/financing*
Pendapatan bunga/marjin yang masih akan diterima dari pinjaman/ pembiayaan yang diberikan	221,321	32,274	-	486,163	138,776	-	878,534	*Accrued interest/ margin income from loans/ financing*
Aset lain-lain	-	-	45,642,915	-	9,237,945	(8,982)	54,871,878	*Other assets*
Pendapatan bunga yang masih akan diterima	-	-	152,722	-	64,941	-	217,663	*Accrued interest income*
Jumlah aset yang dialokasikan	26,075,341	10,754,462	45,795,637	95,695,814	20,200,200	(8,982)	198,512,472	*Total allocated assets*
Aset yang tidak dialokasikan*							10,657,232	*Unallocated assets**
Jumlah aset							**209,169,704**	***Total assets***
Liabilitas								***Liabilities***
Simpanan nasabah	2,174,755	602,187	34,994,775	65,046,302	2,205,268	-	105,023,287	*Customer deposits*
Beban bunga/bagi hasil yang masih harus dibayar	-	-	145,624	-	18,996	-	164,620	*Undistributed revenue sharing*
Liabilitas lain-lain	-	-	48,301,467	-	100,000	(10,096)	48,391,371	*Other liabilities*
Beban bunga yang masih harus dibayar	-	-	169,394	-	-	-	169,394	*Accrued interest expenses*
Jumlah liabilitas yang dialokasikan	2,174,755	602,187	83,611,260	65,046,302	2,324,264	(10,096)	153,748,672	*Total allocated liabilities*
Liabilitas yang tidak dialokasikan*							6,164,747	*Unallocated liabilities**
Jumlah liabilitas							**159,913,419**	***Total liabilities***
Dana syirkah temporer	**-**	**-**	**-**	**-**	**9,843,261**	**-**	**9,843,261**	***Temporary syirkah fund***

*) Komponen yang tidak dapat dialokasikan terutama terdiri dari aset dan liabilitas pajak penghasilan, termasuk pajak kini dan pajak tangguhan, aset dan liabilitas derivatif, aset tetap, aset takberwujud, liabilitas lainnya dan akrual.

**) Unallocated items mainly comprise of income tax assets and liabilities, including current and deferred taxes, derivative assets and liabilities, fixed assets, intangible assets, other liabilities and accruals.*

Berdasarkan informasi geografis

Pada tanggal 31 Desember 2023, segmen berdasarkan geografis terdiri dari 73 cabang (tidak diaudit) yang terbagi menjadi 4 area yaitu Jawa, Sumatera, Bali dan Nusa Tenggara, serta, Kalimantan dan Sulawesi (31 Desember 2022: 73 cabang) (tidak diaudit).

Segmen informasi berdasarkan geografis adalah sebagai berikut:

Geographical information

As of 31 December 2023, geographical segment consists of 73 branches (unaudited) that are located into 4 areas, which are Java, Sumatera, Bali and Nusa Tenggara, also Kalimantan and Sulawesi (31 December 2022: 73 branches) (unaudited).

Information concerning geographical segments is as follows:

	Jawa/ *Java*	Sumatera	Bali dan/*and* Nusa Tenggara	Kalimantan dan/*and* Sulawesi	Penyesuaian dan eliminasi/ *Adjustment and elimination*	Konsolidasian/ *Consolidated*	
31 Desember 2023							***31 December 2023***
Pendapatan bunga	14,762,054	2,321,058	487,220	1,245,341	-	18,815,673	*Interest income*
Jumlah aset	181,546,539	10,678,290	2,410,816	8,041,057	(1,228,310)	201,448,392	*Total assets*
31 Desember 2022							***31 December 2022***
Pendapatan bunga	11,863,972	2,261,709	491,252	1,282,713	-	15,899,646	*Interest income*
Jumlah aset	190,311,295	9,822,302	2,460,961	7,808,973	(1,233,827)	209,169,704	*Total assets*

39. LABA BERSIH PER SAHAM / *39. EARNINGS PER SHARE*

a. Laba per saham dasar / *a. Basic earnings per share*

	31 Desember/*December*		
	2023	2022	
Jumlah laba per saham dasar yang tersedia bagi pemegang saham biasa Bank	293	384	*Total basic earnings per share attributable to the ordinary equity holders of the Bank*

b. Laba per saham dilusian / *b. Diluted earnings per share*

	31 Desember/*December*		
	2023	2022	
Jumlah laba per saham dilusian yang tersedia bagi pemegang saham biasa Bank	293	384	*Total diluted earnings per share attributable to the ordinary equity holders of the Bank*

c. Laba yang digunakan dalam perhitungan laba per saham / *c. Earnings used in calculating earnings per share*

	31 Desember/*December*		
	2023	2022	
Laba per saham dasar			*Basic earnings per share*
Laba yang tersedia bagi pemegang saham biasa Bank yang digunakan dalam perhitungan laba per saham dasar	2,358,334	3,095,701	*Profit attributable to the ordinary equity holders of the Bank used in calculating basic earnings per share*
Laba per saham dilusian			*Diluted earnings per share*
Laba yang tersedia bagi pemegang saham biasa Bank yang digunakan dalam perhitungan laba per saham dilusian	2,358,334	3,095,701	*Profit attributable to the ordinary equity holders of the Bank used in calculating diluted earnings per share*

d. Jumlah rata-rata tertimbang saham yang digunakan sebagai penyebut / *d. Weighted average number of shares used as the denominator*

	31 Desember/December		
	2023	2022	
Jumlah rata-rata tertimbang jumlah saham yang digunakan sebagai penyebut dalam perhitungan laba per saham dasar	8,056,720,684	8,056,644,071	*Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share*
Jumlah rata-rata tertimbang saham yang digunakan sebagai penyebut dalam perhitungan laba per saham dilusian	8,056,720,684	8,056,644,071	*Weighted average number of shares used as the denominator in calculation diluted earnings per share*

40. PERJANJIAN KERJASAMA, KONTRAK DAN KOMITMEN YANG SIGNIFIKAN

a. PT Taspen (Persero)

Sejak tahun 2007, Bank telah bekerja sama dengan PT Taspen (Persero) dimana Bank menjadi salah satu mitra untuk penanganan pembayaran uang pensiun kepada para pensiunan pegawai Pemerintah.

b. PT Pos Indonesia (Persero)

Sejak bulan Maret 2012 Bank telah bekerja sama dengan PT Pos Indonesia (Persero) dimana PT Pos Indonesia (Persero) membantu Bank dalam melakukan pemotongan uang pensiun para pegawai Pemerintah untuk angsuran kredit pensiun dan memasarkan produk kredit pensiunan Bank.

Perjanjian kerjasama Bank dengan PT Pos Indonesia (Persero) diperbaharui secara berkala dan berdasarkan perjanjian terakhir kerjasama ini akan terus berlangsung sampai dengan tanggal 25 Juli 2024. Untuk tahun berakhir tanggal 31 Desember 2023 terkait dengan kerjasama ini, Bank membayarkan komisi kepada PT Pos Indonesia (Persero) sebesar Rp 73.185 (31 Desember 2022: Rp 74.764).

c. Perjanjian pembiayaan bersama

PT KB Finansia Multi Finance

Pada bulan Oktober 2022, Bank melakukan kerjasama pembiayaan bersama (tanpa tanggung renteng) dengan PT KB Finansia Multi Finance ("FMF"). Dalam kerjasama ini, porsi fasilitas pembiayaan yang akan diberikan adalah maksimum 90% dari Bank dan minimum 10% dari pihak FMF. Fasilitas maksimum pembiayaan bersama adalah sebesar Rp 300.000. Jangka waktu perjanjian adalah untuk 3 (tiga) tahun, terhitung mulai tanggal 28 Oktober 2022 hingga 28 Oktober 2025. Berdasarkan perubahan pada Agustus 2023, fasilitas maksimum diubah menjadi Rp 600.000.

40. SIGNIFICANT AGREEMENTS, CONTRACTS AND COMMITMENTS

a. PT Taspen (Persero)

Since 2007, the Bank has been cooperating with PT Taspen (Persero) in which the Bank become one of the partners for handling the payments of pension to retired government employees.

b. PT Pos Indonesia (Persero)

Since March 2012 the Bank has been cooperating with PT Pos Indonesia (Persero) in which PT Pos Indonesia (Persero) assists the Bank in deducting the pension benefits of retired government employees for pension loan installments and marketing the Bank's pension loan products.

The Bank's cooperation agreement with PT Pos Indonesia (Persero) is renewed regularly and based on the latest agreement, the cooperation will be continuing until 25 July 2024. For the year ended 31 December 2023 in relation to this cooperation, the Bank paid commissions to PT Pos Indonesia (Persero) amounting to Rp 73,185 (31 December 2022: Rp 74,764).

c. Joint financing agreement

PT KB Finansia Multi Finance

In October 2022, the Bank entered into a joint financing arrangement (without recourse) with PT KB Finansia Multi Finance ("FMF"). Based on the agreement, the amount of funds to be financed by each party will be a maximum of 90% from the Bank and minimum of 10% from FMF. The maximum joint financing facility is amounted to Rp 300,000. The term of the agreement is for 3 (three) years, from 28 October 2022 to 28 October 2025. Based on addendum on August 2023, maximum joint financing facility has been changed to Rp 600,000.

40. PERJANJIAN KERJASAMA, KONTRAK DAN KOMITMEN YANG SIGNIFIKAN (lanjutan)

c. Perjanjian pembiayaan bersama (lanjutan)

PT Home Credit Indonesia

Pada tanggal 23 Juni 2014 melalui Perjanjian Kerjasama No PKS.087/DIR/TFI/VI/2014, Bank melakukan Perjanjian Kerjasama pembiayaan bersama without recourse dengan PT Home Credit Indonesia ("HCI"). Dalam Perjanjian Kerjasama ini, porsi fasilitas pembiayaan yang akan diberikan untuk debitur adalah maksimum 90% dari Bank dan minimum 10% dari pihak HCI.

Pada tanggal 8 Maret 2023 melalui Perjanjian Kerjasama No PKS.015/RLBJF/III/2023 fasilitas pembiayaan bersama ditingkatkan menjadi Rp 4.200.000 dan jangka waktu perjanjian telah diperpanjang hingga 8 Maret 2026.

PT Mandiri Utama Finance

Pada bulan Agustus 2023, Bank melakukan kerjasama pembiayaan bersama (tanpa tanggung renteng) dengan PT Mandiri Utama Finance ("MUF"). Dalam kerjasama ini, porsi fasilitas pembiayaan yang akan diberikan adalah maksimum 99% dari Bank dan minimum 1% dari pihak MUF. Fasilitas maksimum pembiayaan bersama adalah sebesar Rp 500.000. Jangka waktu perjanjian adalah 3 (tiga) tahun, terhitung mulai tanggal 21 Agustus 2023 hingga 21 Agustus 2026.

d. Perjanjian Kerjasama Jasa Pemasaran dan Administrasi Produk BTPN

PT Mitrausaha Indonesia Group (Modalku)

Pada bulan Juni 2023, Bank melakukan kerjasama penyaluran pendanaan dengan PT Mitrausaha Indonesia Grup ("MIG"). Fasilitas maksimum penyaluran pendanaan adalah sebesar Rp 100.000. Jangka waktu perjanjian adalah untuk 1 (satu) tahun, terhitung mulai tanggal 14 Juni 2023 hingga 14 Juni 2024 dan setelahnya dapat diperpanjang secara otomatis setiap tahunnya untuk jangka waktu 2 (dua) tahun.

***40. SIGNIFICANT AGREEMENTS, CONTRACTS AND COMMITMENTS** (continued)*

***c. Joint financing agreement** (continued)*

PT Home Credit Indonesia

On 23 June 2014, through Cooperation Agreement No. PKS.087/DIR/TFI/VI/2014, the Bank entered a joint financing without recourse arrangement with PT Home Credit Indonesia ("HCI"). Based on the agreement, the amount of funds to be financed by each party will be a maximum of 90% from the Bank and a minimum of 10% from HCI.

On 8 March 2023, through Cooperation Agreement No. PKS.015/RLBJF/III/2023 joint financing facilities has been increased to Rp 4,200,000 and the agreement has been extended to 8 March 2026.

PT Mandiri Utama Finance

In August 2023, the Bank entered into a joint financing arrangement (without recourse) with PT Mandiri Utama Finance ("MUF"). Based on the agreement, the amount of funds to be financed by each party will be a maximum of 99% from the Bank and minimum of 1% from MUF. The maximum joint financing facility is amounted to Rp 500,000. The term of the agreement is for 3 (three) years, from 21 August 2023 to 21 August 2026.

d. Marketing and Administration Services for BTPN Product agreement

PT Mitrausaha Indonesia Group (Modalku)

In June 2023, the Bank entered into channeling cooperation with PT Mitrausaha Indonesia Grup ("MIG"). The maximum channeling facility is amounted to Rp 100,000. The term of the agreement is for 1 (one) year, from 14 June 2023 to 14 June 2024 and extended automatically every year for a period of 2 (two) years.

40. PERJANJIAN KERJASAMA, KONTRAK DAN KOMITMEN YANG SIGNIFIKAN (lanjutan)

e. Perjanjian Kerjasama *Bancassurance*

Pada bulan Agustus 2014, Bank melakukan kerjasama *bancassurance* dengan PT Asuransi Allianz Life Indonesia ("Allianz"). Bank akan mendistribusikan produk-produk asuransi jiwa dari Allianz kepada nasabah Bank melalui seluruh jalur distribusi Bank. Perjanjian ini berlaku selama 10 tahun.

f. Komitmen signifikan lainnya

Bank menyewa kantor dengan perjanjian sewa yang tidak dapat dibatalkan. Masa sewa antara 5 – 11 tahun dengan mayoritas perjanjian jasa dapat diperbarui pada akhir periode dengan harga pasar. Bank diharuskan memberitahukan enam bulan lebih awal apabila berniat mengakhiri perjanjian sewa. Beban terkait transaksi sewa yang dibebankan pada laba rugi selama tahun berjalan diungkapkan dalam Catatan 30 dan 33.

Berikut ini adalah pihak-pihak yang mengadakan perjanjian sewa dengan Bank:

Pihak dalam perjanjian/ *Counterparties*	Item yang disewa/ *Leased items*	Periode perjanjian/ *Period of agreement*
PT Bumi Serpong Damai	Ruang Kantor/*Office Space*	1 Februari/*February* 2023 – 1 September/*September* 2026
PT Bahana Semesta Citra Nusantara	Ruang Kantor/*Office Space*	5 Oktober/*October* 2015 – 14 Maret/*March* 2027

Jumlah pembayaran sewa minimum di masa depan dalam perjanjian sewa yang tidak dapat dibatalkan adalah sebagai berikut:

	31 Desember/*December*		
	2023	2022	
Hingga 1 tahun	-	4,484	*Up to 1 year*
Lebih dari 1 - 5 tahun	97,355	410,185	*More than 1 - 5 years*
	97,355	414,669	

40. SIGNIFICANT AGREEMENTS, CONTRACTS AND COMMITMENTS (continued)

e. Bancassurance Agreement

In August 2014, the Bank entered into a bancassurance agreement with PT Asuransi Allianz Life Indonesia ("Allianz"). The Bank will distribute life insurance products of Allianz to its customers through the Bank's distribution channels. The agreement is effective for 10 years.

f. Other significant commitment

The Bank leases offices under non-cancellable lease agreements. The lease terms are between 5 – 11 years, and the majority of lease agreements are renewable at the end of the lease period at the market rate. The Bank is required to give a six-month notice for the termination of these agreements. The expenses related with lease transactions charged to the profit or loss during the year was disclosed in Note 30 and 33.

The following are counterparties of the Bank's lease commitments:

The future aggregate minimum lease payments under non-cancellable leases were as follows:

41. MANAJEMEN RISIKO

Kerangka manajemen risiko

Grup mengutamakan penerapan manajemen risiko baik pada Bank dan Entitas Anak. Bank memiliki segmen yang lengkap mulai dari segmen pinjaman dengan plafon kecil di BTPN Syariah (Entitas Anak), Digital, Pensiun, MUR (mikro), SME, Komersial sampai dengan Korporasi. Dalam hal konsentrasi portofolio, segmen Korporasi menjadi portofolio terbesar yaitu di kisaran 66% pada posisi 31 Desember 2023 (31 Desember 2022: 65%), diikuti oleh segmen Pensiunan di kisaran 14% pada posisi 31 Desember 2023 (31 Desember 2022: 16%).

Pengembangan manajemen risiko keuangan di Grup berpedoman pada peraturan OJK yang mengatur penerapan manajemen risiko bagi bank umum.

Kerangka manajemen risiko Grup diimplementasikan melalui kebijakan-kebijakan, prosedur, limit-limit transaksi dan kewenangan, toleransi risiko serta perangkat manajemen risiko. Grup melakukan pengembangan manajemen risiko secara berkesinambungan sesuai dengan meningkatnya kompleksitas bisnis dan perkembangan organisasi, strategi dan manajemen sistem informasi.

Penerapan manajemen risiko mencakup:
- Pengawasan aktif Dewan Komisaris dan Direksi
- Kecukupan kebijakan, prosedur dan penetapan limit
- Kecukupan proses identifikasi, pengukuran, pemantauan dan pengendalian risiko serta sistem informasi manajemen risiko
- Pengendalian internal yang menyeluruh

Organisasi manajemen risiko Grup melibatkan pengawasan dari Dewan Komisaris dan Direksi. Grup telah membentuk Komite Pemantau Risiko sebagai pengawas tertinggi di tingkat komisaris dan Komite Manajemen Risiko di tingkat direksi yang merupakan bagian yang sangat penting dalam pengendalian risiko, sebagai unit kontrol yang memantau seluruh risiko yang terdapat pada kegiatan operasional Grup.

Komite Audit Bank memiliki tanggung jawab untuk memantau kepatuhan terhadap kebijakan dan prosedur manajemen risiko dan untuk menelaah kecukupan kerangka manajemen risiko yang terkait dengan risiko-risiko yang dihadapi oleh Bank. Dalam menjalankan fungsinya ini, Komite Audit dibantu oleh satuan kerja internal audit.

Risiko yang timbul dari instrumen keuangan Grup adalah risiko keuangan, termasuk diantaranya adalah risiko kredit dan pembiayaan, risiko likuiditas, risiko pasar dan risiko operasional.

41. RISK MANAGEMENT

Risk management framework

The Group focuses on the risk management implementation for the Bank and Subsidiary. The Bank has complete segments starting from loans with small limit at BTPN Syariah (Subsidiary), Digital, Pension, MUR (micro), SME, Commercial up to Corporate segment. In term of portfolio concentration, Corporate segment is the largest portfolio at around 66% as of 31 December 2023 (31 December 2022: 65%), followed by Pensioners segment at around 14% as of 31 December 2023 (31 December 2022: 16%).

Financial risk management development in the Group is guided by OJK regulations which govern risk management implementation by commercial banks operating in Indonesia.

The Group's risk management framework is implemented through policies, procedures, transactions and authorisation limits, risk tolerance as well as risk management tools. The Group carries out continuous risk management development in line with the increasing business complexity and the development organisation, strategies and management information systems.

The implementation of risk management covers:
- *Active supervision from Board of Commissioners and Board of Directors*
- *Sufficient policies, procedures and limit sets*
- *Sufficient process of identification, measurement, risk oversight and control and risk management information*
- *Overall internal control system*

The risk management organization of the Group involves the oversight from the Board of Commissioners and Board of Directors. The Group has established Risk Monitoring Committee as the highest risk authority in the commissioner level and Risk Management Committee at the director level, which constitutes a crucial element in risk control, as a control unit to monitor all of the risks in the Group's operating activities.

The Bank's Audit Committee is responsible for monitoring compliance with risk management policies and procedures and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Bank. In performing the role, the Audit Committee is assisted by internal audit working unit.

The risks arising from the Group's financial instruments are financial risks, which include credit and financing risk, liquidity risk, market risk and operational risk.

41. MANAJEMEN RISIKO (lanjutan)

Kerangka manajemen risiko (lanjutan)

Entitas Anak telah menerapkan manajemen risiko, antara lain dengan membentuk unit risiko pada Entitas Anak. Manajemen risiko pada Entitas Anak secara operasional dilakukan terpisah dari unit bisnis dan menjalankan fungsinya secara independen. Untuk mendukung penerapan manajemen risiko, pada struktur organisasi Entitas Anak juga dibentuk Komite Audit yang memiliki tanggung jawab untuk memantau kepatuhan terhadap kebijakan dan prosedur manajemen risiko secara berkala, dan untuk menelaah kecukupan kerangka manajemen risiko yang terkait dengan risiko-risiko yang dihadapi oleh Entitas Anak.

Disamping itu, Dewan Komisaris dan Direksi pada Entitas Anak secara aktif juga melakukan pemantauan, dan evaluasi terhadap pengendalian internal melalui laporan-laporan untuk digunakan sebagai dasar untuk merumuskan dan mengembangkan kebijakan yang tepat pada Entitas Anak.

Bank selaku Entitas Induk telah menerapkan manajemen risiko konsolidasian sesuai ketentuan OJK. Penerapan manajemen risiko konsolidasian antara lain mencakup laporan perhitungan Kecukupan Penyediaan Modal Minimum (KPMM) konsolidasian, Batas Maksimum Pemberian Kredit (BMPK) konsolidasian, laporan Profil Risiko konsolidasian, Tingkat Kesehatan Bank (*Risk-Based Bank Rating*) konsolidasian dan *Internal Capital Adequacy Assessment Process* (ICAAP) konsolidasian.

Risiko kredit

Risiko kredit adalah risiko kerugian keuangan yang timbul jika nasabah, klien atau rekanan gagal memenuhi kewajiban kontraktualnya kepada Grup. Risiko kredit terutama berasal dari pinjaman yang diberikan dan pembiayaan/piutang syariah.

Grup juga terekspos risiko kredit yang muncul dari investasi pada efek-efek utang.

41. RISK MANAGEMENT (continued)

Risk management framework *(continued)*

Subsidiary has implemented risk management, among others by establishing a risk unit in Subsidiary. Risk management in Subsidiary is operating separately from the business unit and conducting its function independently. To support the implementation of risk management, the Subsidiary has established Audit Committee in its organizational structure, which has responsibility to monitor the compliance of risk management policies and procedures on a regular basis, and to analyse the adequacy of risk management framework which related to the risks faced by the Subsidiary.

In addition, the Subsidiary's Board of Commissioners and Board of Directors actively monitor and evaluate the internal controls, through the reports, as a basis in formulating and developing appropriate policies for the Subsidiary.

As the Parent Entity, the Bank has implemented consolidated risk management in accordance with OJK regulation. The Implementation of consolidated risk management among others include report of consolidated minimum Capital Adequacy Ratio (CAR), Legal Lending Limit (LLL), risk profile, Risk-Based Bank Rating and Internal Capital Adequacy Assessment Process (ICAAP).

Credit risk

Credit risk is the risk of financial loss, should any of the customers, clients or counterparties fail to fulfill their contractual obligations to the Group. Credit risk arises mainly from loans and sharia financing/receivables.

The Group is also exposed to credit risks arising from investment in debt securities.

41. MANAJEMEN RISIKO (lanjutan)

Risiko kredit (lanjutan)

Grup melakukan kaji ulang atas kebijakan kredit secara periodik terutama jika terdapat perubahan kondisi perekonomian, perubahan peraturan dan/atau pendekatan bisnis.

Batas pemberian kredit ditetapkan dan ditelaah mengikuti perubahan pada kondisi pasar dan ekonomi. Penelaahan kredit secara periodik dan penilaian atas kemungkinan wanprestasi juga dilakukan. Proses persetujuan kredit dilakukan melalui komite kredit dan kewenangan kredit sebagaimana ditetapkan.

(i) Manajemen risiko kredit

Grup mengelola dan mengawasi secara aktif kualitas portofolio pinjaman yang diberikan dengan cara meningkatkan kebijakan manajemen risiko kredit dan pembiayaan secara efektif, penyempurnaan prosedur dan pengembangan sistem.

Sistem Informasi Manajemen telah tersedia dan akan terus dikembangkan serta telah mencakup tingkat yang cukup rinci untuk mendeteksi setiap perkembangan yang kurang baik sedini mungkin sehingga memungkinkan dilakukannya tindakan yang tepat waktu untuk mengatasi kemungkinan penurunan kualitas kredit atau untuk meminimalisasi kerugian kredit.

Manajemen risiko kredit atas pandemi COVID-19

Pandemi COVID-19 berdampak pada kemampuan membayar kembali oleh debitur, yang masih berlanjut hingga periode pasca-pandemi. Dampak keuangan langsung dari wabah tersebut bagi industri perbankan adalah peningkatan Kerugian Kredit Ekspektasian (KKE), yang disebabkan oleh peningkatan risiko kredit dan penurunan kualitas pinjaman.

***41. RISK MANAGEMENT** (continued)*

***Credit risk** (continued)*

The Group reviews the credit policies periodically, especially if there are any changes in market conditions, changes in regulations and/or business approach.

Lending limits are set and reviewed in the light of changing market and economic conditions. Periodic credit reviews and assessments of probability of default are also conducted. Credit approval is processed by credit committee and credit authority as determined.

(i) Credit risk management

The Group actively manages and monitors the loan portfolio quality by improving credit and financing risk management policies effectively, improving procedures and systems development.

Management Information Systems (MIS) are in place and continously developed and have covered sufficient level of detail to detect any adverse development at an early stage, allowing timely measurement to be taken to counteract any possible deterioration in credit quality or to minimise credit losses.

Credit risk management in COVID-19 pandemic

Covid-19 pandemic impacted debtors' repayment capabilities, which continued until this post-pandemic period. Direct financial impact of the pandemic to the banking industry showed an increase in Expected Credit Loss caused by increased credit risk and the decline of credit quality.

41. MANAJEMEN RISIKO (lanjutan)

Risiko kredit (lanjutan)

(i) Manajemen risiko kredit (lanjutan)

Manajemen risiko kredit atas pandemi COVID-19 (lanjutan)

Bank telah melakukan upaya penanganan dalam menjaga stabilitas dan mitigasi dampak dari pandemi tersebut antara lain:

1. Berdasarkan POJK No 11/POJK.03/2020, POJK No.48/POJK.03/2020, dan POJK 17/POJK.03/2021 tentang Perubahan kedua atas Stimulus Perekonomian Nasional Sebagai Kebijakan *Countercyclical* Dampak Penyebaran *Coronavirus Disease* 2019, Bank melakukan proses *monitoring* dan pengawasan atas kualitas dan kecukupan CKPN debitur-debitur yang direstrukturisasi hingga Maret 2023. Proses ini dilanjutkan di periode pasca-pandemi dengan mengacu pada POJK No. 19/2022 tentang Perlakuan Khusus untuk Lembaga Jasa Keuangan pada Daerah dan Sektor Tertentu di Indonesia yang Terkena Dampak Bencana serta KDK No. 34/KDK 03/ 2022 mengenai Penetapan Daerah dan/atau Sektor Ekonomi yang Terdampak Bencana yang Memerlukan Perlakuan Khusus terhadap Kredit Bank (sektor ekonomi dan daerah tersebut adalah sektor penyediaan akomodasi dan penyediaan makan minum; sektor tekstil dan produk tekstil serta alas kaki; segmen usaha mikro, kecil, dan menengah; dan/atau daerah Provinsi Bali, yang berlaku sampai dengan Maret 2024). Panduan atas penerapan POJK dan KDK tersebut telah dibuat oleh Bank. (catatan 11.o)

2. Bank melakukan penilaian apakah debitur yang direstruktur kreditnya memiliki kemampuan untuk bertahan dalam menghadapi dampak COVID-19 sesuai panduan penerapan KDK No. 34/KDK 03/2022.

41. RISK MANAGEMENT (continued)

***Credit risk** (continued)*

(i) Credit risk management (continued)

Credit risk management in COVID-19 pandemic (continued)

The Bank has made an effort to handle this issue in order to maintain stability and to mitigate the impact of pandemic as follows:

1. Referring to OJK Regulation No. 11/POJK.03/2020, OJK Regulation No. 48/POJK.03/2020, and OJK Regulation No. 17/POJK.03/2021 concerning Second Amendment of National Economic Stimulus as a Countercyclical Policy on the Impact of Coronavirus Disease 2019, the Bank has conducted monitoring and supervision process of the quality and adequacy of allowance of impairment losses for restructured debtors up to March 2023. This process has been continued to the post-pandemic period in accordance to OJK Regulation No. 19/2022 concerning Special Treatment for Financial Services Institutions in Specific Regions and Sectors in Indonesia Impacted by a Disaster and OJK Board of Commissioners Decree No. 34/KDK 03/2022 concerning Stipulation of Region and/or Sector Which Require Special Treatment regarding Bank Financing (the sectors and/or regions include accommodation and food and drink provision sector, the textile and textile products and footwear sectors, the micro, small and medium enterprises segment, and/or Bali Province, up to March 2024). The guideline for the implementation of the aforementioned OJK Regulation and OJK Board of Commissioners Decree has been set by the bank. (Notes 11.o)

2. The Bank conducts assessment on whether restructured debtors have the capability to withstand the impact of COVID-19 in accordance to the OJK Board of Commissioners Decree No. 34/KDK 03/2022 implementation guidelines.

41. MANAJEMEN RISIKO (lanjutan)

Risiko kredit (lanjutan)

(i) Manajemen risiko kredit (lanjutan)

Manajemen risiko kredit atas pandemi COVID-19 (lanjutan)

Bank telah melakukan upaya penanganan dalam menjaga stabilitas dan mitigasi dampak dari pandemi tersebut antara lain: (lanjutan)

3. Bank telah melakukan pengkinian kebijakan dalam mendukung program Pemulihan Ekonomi Nasional (PEN) yang dirilis oleh Pemerintah melalui program penjaminan kredit dan subsidi bunga kepada debitur usaha mikro, usaha kecil dan usaha menengah (UMKM) sesuai kriteria yang ditetapkan pemerintah. Bank telah menandatangani Perjanjian Kerjasama dengan PT Jaminan Kredit Indonesia (Jamkrindo). Jumlah saldo pinjaman yang telah disalurkan Bank pada posisi tanggal 31 Desember 2023 dalam rangka program PEN adalah sebesar Rp 3.068 (31 Desember 2022: Rp 16.123).

Demikian halnya dengan Entitas Anak, dalam masa pandemi, Entitas Anak membantu nasabah yang usahanya terdampak pandemi COVID-19, melalui program relaksasi sesuai POJK No. 11/POJK.03/2020 dan perubahan-perubahannya (POJK No. 48/POJK.03/2020 dan POJK No. 17/POJK.03/2021). Entitas Anak turut melanjutkan dukungannya pada periode pasca-pandemi ini dengan penerapan perlakuan khusus berdasarkan KDK No. 34/KDK 03/2022.

Entitas Anak juga berpartisipasi dalam program PEN sesuai dengan kebijakan pemerintah untuk membantu segmen usaha mikro yang terdampak. Dalam rangka implementasi program PEN sesuai peraturan yang berlaku, Entitas Anak telah berpartisipasi dengan menjadi peserta penjaminan. Pada tanggal 31 Desember 2023 dan 2022, piutang murabahah sebesar Rp 248.791 dan Rp 2.777.938 telah dijamin oleh Badan Usaha Penjaminan yang ditunjuk yaitu PT Penjaminan Jamkrindo Syariah dan PT Jaminan Pembiayaan Askrindo Syariah.

41. RISK MANAGEMENT (continued)

***Credit risk** (continued)*

(i) Credit risk management (continued)

Credit risk management in COVID-19 pandemic (continued)

The Bank has made an effort to handle this issue in order to maintain stability and to mitigate the impact of pandemic as follows: (continued)

3. The Bank has updated policies to support the National Economic Recovery program released by the Government through a credit guarantee program and interest subsidies for micro, small and medium enterprise (MSME) borrowers according to the criteria set by the government.The Bank has signed a Collective Agreement with PT Jaminan Kredit Indonesia (Jamkrindo). The total disbursed credit by Bank as of 31 December 2023 in relation with PEN program amounted to Rp 3,068 (31 December 2022: Rp 16,123).

As well as with the Subsidiary, during the pandemic period, the Subsidiary supports customers whose business impacted by the COVID-19 pandemic with relaxation program, in accordance to POJK No. 11/POJK.03/2020 and its amendments (POJK No. 48/POJK.03/2020 and POJK No. 17/POJK.03/2021). The Subsidiary continued the support until this post-pandemic period with the implementation of special treatment under OJK Board of Commissioners Decree No. 34/KDK 03/2022.

The Subsidiary also participates in PEN program as imposed by the government to support micro business segment impacted by the pandemic. In conjunction with the implementation of PEN Program in accordance with the prevailing regulation, the Subsidiary has participated as guarantee participant. As of 31 December 2023 and 2022, murabahah receivables amounting to Rp 248,791 and Rp 2,777,938 were guaranteed by the designated Guarantee Company which are PT Penjaminan Jamkrindo Syariah and PT Jaminan Pembiayaan Askrindo Syariah.

41. MANAJEMEN RISIKO (lanjutan)

Risiko kredit (lanjutan)

(i) Manajemen risiko kredit (lanjutan)

Agunan

Bank menerapkan berbagai kebijakan dan praktik untuk memitigasi risiko kredit, Bank menerapkan berbagai panduan atas jenis-jenis agunan yang dapat diterima dalam rangka memitigasi risiko kredit. Jenis-jenis agunan atas pinjaman yang diberikan antara lain adalah:

- Kas/deposito
- Tanah dan/atau Bangunan
- SBLC
- Kendaraan
- Peralatan (termasuk mesin dan alat berat)
- Persediaan
- Piutang

Untuk kredit korporasi, Bank mendapatkan jaminan dalam bentuk *standby letters of credit* dari bank afiliasi untuk membatasi risiko kredit bank. Bank juga menyediakan bank garansi kepada nasabahnya yang mengharuskan Bank melakukan pembayaran untuk kepentingan mereka. Hal ini menyebabkan Bank menghadapi risiko yang sama dengan kredit yang diberikan dan risiko tersebut juga dimitigasi dengan prosedur dan kebijakan yang sama.

Selain agunan yang disebutkan di atas, agunan yang diterima untuk kredit korporasi terutama terdiri dari jaminan yang diterima dari perusahaan induk debitur, penjaminan kredit korporasi dan entitas publik lainnya, lembaga keuangan dan perusahaan lain serta jaminan berupa efek-efek.

Porsi kredit yang diberikan yang mendapatkan manfaat dari agunan, baik sebagian maupun penuh, sebagai mitigasi dari risiko kredit pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar 33,79% dan 34,06% dari jumlah kredit yang diberikan.

(ii) Eksposur maksimum risiko kredit (tanpa memperhitungkan agunan dan perlindungan kredit lainnya)

Untuk aset keuangan yang diakui di laporan posisi keuangan konsolidasian, eksposur maksimum terhadap risiko kredit sama dengan nilai tercatatnya. Untuk bank garansi dan *irrevocable L/C* yang diterbitkan, eksposur maksimum terhadap risiko kredit adalah nilai yang harus dibayarkan oleh Bank jika kewajiban atas bank garansi dan *irrevocable L/C* yang diterbitkan terjadi. Untuk komitmen kredit, eksposur maksimum atas risiko kredit adalah sebesar jumlah komitmen fasilitas kredit (*committed*) yang belum digunakan oleh nasabah.

41. RISK MANAGEMENT (continued)

***Credit risk** (continued)*

(i) Credit risk management (continued)

Collaterals

The Bank employs a range of policies and practices to mitigate credit risk. The Bank implements guidelines on the acceptability of specific classes of collateral to mitigate credit risk. The collateral types for loans are as follows:

- *Cash/Time deposits*
- *Lands and/or Buildings*
- *SBLC*
- *Vehicles*
- *Equipment (including machines and heavy equipment)*
- *Inventories*
- *Accounts receivable*

For corporate loans, the Bank received collateral in the form of standby letters of credit from controlling banks to restrict the Bank's credit risk. The Bank also provides bank guarantee to its customers which require the Bank to make payments for their interests. This causes the Bank to face the same risks as the loans granted and these risks are also mitigated by the same procedures and policies.

In addition to the collateral mentioned above, collaterals for corporate loans mainly consists of guarantees received from the parent company of the debtor, corporate credit guarantees and other public entities, financial institutions and other companies as well as collateral in the form of securities.

The portion of loans that benefits from such partial or full collateralization as credit risk mitigation as of 31 December 2023 and 2022 were 33.79% and 34.06% of total outstanding loans, respectively.

(ii) Maximum exposure to credit risk (without taking into account collateral held or other credit enhancements)

For financial assets recognized in the consolidated statement of financial position, the maximum exposure to credit risk is equal to its carrying value. For bank guarantees and irrevocable L/C issued, maximum exposure to credit risk is the value that must be paid by the Bank if the liabilities on the bank guarantee and irrevocable L/C issued has been occurred. For credit commitments, the maximum exposure to credit risk is equal to the amount of committed credit facilities that have not been used by customers.

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

***Credit risk** (continued)*

(ii) Eksposur maksimum risiko kredit (tanpa memperhitungkan agunan dan perlindungan kredit lainnya) (lanjutan)

(ii) Maximum exposure to credit risk (without taking into account collateral held or other credit enhancements) (continued)

Tabel berikut menyajikan eksposur maksimum Grup terhadap risiko kredit untuk instrumen keuangan pada laporan posisi keuangan konsolidasian dan rekening administratif, tanpa memperhitungkan agunan yang dimiliki atau perlindungan kredit lainnya:

The following table presents the Group's maximum exposure to credit risk of financial instruments in the consolidated statement of financial position and off-balance sheet accounts, without taking into account any collateral held or other credit enhancements:

	31 Desember/*December*		
	2023	**2022**	
Giro pada Bank Indonesia	9,276,598	10,215,350	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	962,229	2,189,146	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	8,964,278	21,887,894	*Placements with Bank Indonesia and other banks*
Efek-efek	17,263,557	19,049,690	*Securities*
Tagihan derivatif	1,133,149	1,746,824	*Derivative receivables*
Tagihan akseptasi	3,281,120	3,065,359	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/piutang syariah - bersih			*Loans and sharia financing/ receivables - net*
- Korporasi	102,781,448	95,209,651	*Corporates -*
- Pensiunan	22,190,683	23,733,930	*Pensioners -*
- Usaha Mikro Kecil dan Menengah ("UMKM")	13,669,400	10,722,188	*Micro Small and Medium - Enterprises ("MSME")*
- Pembiayaan/piutang syariah	10,173,945	10,758,538	*Sharia financing/receivables -*
- Lainnya	3,127,774	2,120,090	*Others -*
- Pendapatan bunga/marjin yang masih akan diterima	1,097,796	878,534	*Accrued interest/margin income -*
Penyertaan saham	102,586	103,473	*Investment in shares*
Aset lain-lain	423,113	228,822	*Other assets*
	194,447,676	201,909,489	
Komitmen dan kontinjensi dengan risiko kredit:			*Commitments and contingencies with credit risk:*
Garansi yang diberikan	5,455,734	5,608,120	*Guarantees provided*
Fasilitas kredit kepada nasabah yang belum digunakan - *committed*	10,870,217	13,315,311	*Unused credit facilities to customers - committed*
Letters of credit yang tidak dapat dibatalkan	721,016	961,523	*Irrevocable letters of credit*

(iii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit

(iii) Concentration of risks of financial assets with credit risk exposure

Grup mengelola dan mengendalikan konsentrasi risiko kredit dimanapun risiko tersebut teridentifikasi - secara khusus, terhadap debitur individu dan kelompok, dan industri serta sektor geografis.

The Group manages and controls concentrations of credit risk wherever they are identified - in particular, to individual and group counterparties, and to industries and geographical sectors.

Grup menentukan tingkat risiko kredit dan pembiayaan yang dimiliki dengan menetapkan batas jumlah risiko yang bisa diterima yang terkait dengan satu debitur atau kelompok debitur.

The Group structures the levels of credit and financing risk it undertakes by placing limits on the amount of risk accepted in relation to one or group borrowers.

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk *(continued)*

(iii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit (lanjutan)

(iii) Concentration of risks of financial assets with credit risk exposure (continued)

Konsentrasi risiko kredit berdasarkan sektor geografis adalah sebagai berikut:

Credit risk concentration by geographical sectors was as follows:

	31 Desember/*December* 2023					
	Jawa/*Java**	Sumatera	Bali dan/*and* Nusa Tenggara	Kalimantan dan/*and* Sulawesi	Jumlah/ *Total*	
Giro pada Bank Indonesia	9,276,598	-	-	-	9,276,598	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	961,885	121	95	128	962,229	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	8,964,278	-	-	-	8,964,278	*Placements with Bank Indonesia and other banks*
Efek-efek	17,263,557	-	-	-	17,263,557	*Securities*
Tagihan derivatif	1,133,149	-	-	-	1,133,149	*Derivative receivables*
Tagihan akseptasi	3,281,120	-	-	-	3,281,120	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/piutang syariah – bersih	132,873,008	10,130,220	2,321,948	7,715,870	153,041,046	*Loans and sharia financing/ receivables - net*
Penyertaan saham	102,564	8	-	14	102,586	*Investment in shares*
Aset lain-lain	421,775	591	194	553	423,113	*Other assets*
	174,277,934	10,130,940	2,322,237	7,716,565	194,447,676	
Komitmen dan kontinjensi dengan risiko kredit:						*Commitments and contingencies with credit risk:*
Garansi yang diterbitkan	5,455,734	-	-	-	5,455,734	*Guarantees issued*
Fasilitas kredit kepada nasabah yang belum digunakan - *committed*	10,490,341	-	-	379,876	10,870,217	*Unused credit facilities to customers - committed*
Letters of credit yang tidak dapat dibatalkan	721,016	-	-	-	721,016	*Irrevocable letters of credit*

*) Termasuk Kantor Pusat

**) Including Head Office*

	31 Desember/*December* 2022					
	Jawa/*Java**	Sumatera	Bali dan/*and* Nusa Tenggara	Kalimantan dan/*and* Sulawesi	Jumlah/ *Total*	
Giro pada Bank Indonesia	10,215,350	-	-	-	10,215,350	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	2,188,627	210	151	158	2,189,146	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	21,887,894	-	-	-	21,887,894	*Placements with Bank Indonesia and other banks*
Efek-efek	19,049,690	-	-	-	19,049,690	*Securities*
Tagihan derivatif	1,746,824	-	-	-	1,746,824	*Derivative receivables*
Tagihan akseptasi	3,065,359	-	-	-	3,065,359	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/piutang syariah – bersih	124,387,704	9,194,397	2,355,909	7,484,921	143,422,931	*Loans and sharia financing/ receivables - net*
Penyertaan saham	103,451	8	-	14	103,473	*Investment in shares*
Aset lain-lain	227,243	695	13	871	228,822	*Other assets*
	182,872,142	9,195,310	2,356,073	7,485,964	201,909,489	
Komitmen dan kontinjensi dengan risiko kredit:						*Commitments and contingencies with credit risk:*
Garansi yang diterbitkan	5,608,120	-	-	-	5,608,120	*Guarantees issued*
Fasilitas kredit kepada nasabah yang belum digunakan – *committed*	13,315,311	-	-	-	13,315,311	*Unused credit facilities to customers - committed*
Letters of credit yang tidak dapat dibatalkan	961,523	-	-	-	961,523	*Irrevocable letters of credit*

*) Termasuk Kantor Pusat

**) Including Head Office*

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

***Credit risk** (continued)*

(iii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit (lanjutan)

(iii) Concentration of risks of financial assets with credit risk exposure (continued)

Konsentrasi risiko kredit berdasarkan sektor industri adalah sebagai berikut:

Credit risk concentration by industry sectors was as follows:

	31 Desember / *December* 2023							
	Pemerintah/ *Government*	**Lembaga keuangan/ *Financial institution***	**Perdagangan/ *Trading***	**Jasa/ *Business services***	**Perindustrian/ *Manufacturing***	**Lain-lain/ *Others***	**Jumlah/ *Total***	
Giro pada Bank Indonesia	9,276,598	-	-	-	-	-	9,276,598	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	-	962,229	-	-	-	-	962,229	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	8,728,278	236,000	-	-	-	-	8,964,278	*Placements with Bank Indonesia and other banks*
Efek-efek	15,144,339	1,859,875	-	-	259,343	-	17,263,557	*Securities*
Tagihan derivatif	-	1,098,893	8,526	102	25,628	-	1,133,149	*Derivative receivables*
Tagihan akseptasi	-	-	3,281,120	-	-	-	3,281,120	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/ piutang syariah - bersih	-	26,101,603	24,945,918	25,207,114	33,388,526	43,397,885	153,041,046	*Loans and sharia financing/receivables - net*
Penyertaan saham	-	102,586	-	-	-	-	102,586	*Investment in shares*
Aset lain-lain	593	269,950	-	-	-	152,570	423,113	*Other assets*
	33,149,808	30,631,136	28,235,564	25,207,216	33,673,497	43,550,455	194,447,676	
Komitmen dan kontinjensi dengan risiko kredit:								*Commitments and contingencies with credit risk:*
Garansi yang diterbitkan	-	-	5,455,734	-	-	-	5,455,734	*Guarantees issued*
Fasilitas kredit kepada nasabah yang belum digunakan - *committed*	-	1,022,645	798,933	2,769,881	2,458,078	3,820,680	10,870,217	*Unused credit facilities to customers – committed*
Letters of credit yang tidak dapat dibatalkan	-	-	721,016	-	-	-	721,016	*Irrevocable letters of credit*

	31 Desember/*December* 2022							
	Pemerintah/ *Government*	**Lembaga keuangan/ *Financial institution***	**Perdagangan/ *Trading***	**Jasa/ *Business services***	**Perindustrian/ *Manufacturing***	**Lain-lain/ *Others***	**Jumlah/ *Total***	
Giro pada Bank Indonesia	10,215,350	-	-	-	-	-	10,215,350	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	-	2,189,146	-	-	-	-	2,189,146	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	21,482,219	405,675	-	-	-	-	21,887,894	*Placements with Bank Indonesia and other banks*
Efek-efek	16,186,675	2,636,584	-	-	226,431	-	19,049,690	*Securities*
Tagihan derivatif	-	1,722,869	2,137	432	21,386	-	1,746,824	*Derivative receivables*
Tagihan akseptasi	-	-	3,065,359	-	-	-	3,065,359	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/ piutang syariah - bersih	-	21,801,214	26,261,478	18,460,579	34,927,012	41,972,648	143,422,931	*Loans and sharia financing/receivables - net*
Penyertaan saham	-	103,473	-	-	-	-	103,473	*Investment in shares*
Aset lain-lain	556	25,262	-	-	-	203,004	228,822	*Other assets*
	47,884,800	28,884,223	29,328,974	18,461,011	35,174,829	42,175,652	201,909,489	
Komitmen dan kontinjensi dengan risiko kredit:								*Commitments and contingencies with credit risk:*
Garansi yang diterbitkan	-	-	5,608,120	-	-	-	5,608,120	*Guarantees issued*
Fasilitas kredit kepada nasabah yang belum digunakan - *committed*	-	1,565,602	740,926	4,857,149	1,869,785	4,281,849	13,315,311	*Unused credit facilities to customers - committed*
Letters of credit yang tidak dapat dibatalkan	-	-	961,523	-	-	-	961,523	*Irrevocable letters of credit*

Konsentrasi risiko kredit berdasarkan jenis kredit atau pembiayaan, mata uang, sektor ekonomi dan hubungan dengan debitur diungkapkan pada Catatan 11.

The credit risk concentration by type of credit or financing, currency, economic sector and relationship with debtors is disclosed in Note 11.

41. MANAJEMEN RISIKO (lanjutan)

Risiko kredit (lanjutan)

(iv) Kualitas kredit aset keuangan

Proses penentuan kualitas kredit Bank mengacu pada kolektibilitas sesuai peraturan OJK.

Segmen korporasi

Untuk segmen korporasi, kualitas kredit dikelola oleh Bank dengan menggunakan peringkat kredit internal. Bank menentukan peringkat suatu debitur dengan terlebih dahulu menetapkan peringkat keuangan (*financial grade*) dengan menggunakan model peringkat dari aspek keuangan dan data yang diperoleh dari laporan keuangan debitur, termasuk kekayaan bersih dan arus kas. Peringkat keuangan ini kemudian disesuaikan dengan mempertimbangkan kondisi dari posisi keuangan debitur dan faktor kualitatif untuk menentukan peringkat debitur.

Faktor kualitatif terutama mencakup arus kas masa depan yang diharapkan dengan mempertimbangkan faktor-faktor seperti informasi kerugian historis, kesesuaian rencana bisnis debitur atau rencana perbaikan operasional, status perkembangan rencana bisnis dan dukungan menyeluruh dari lembaga keuangan.

Selain prosedur peringkat di atas, dalam hal debitur dianggap sebagai anak perusahaan yang dikonsolidasi oleh induk perusahaan di luar negeri, peringkat debitur bisa ditentukan dengan mengadopsi peringkat obligor berdasarkan kualitas kredit induk perusahaan atau peringkat kredit yang diberikan induk perusahaan Bank terhadap induk perusahaan tersebut. Peringkat debitur dan peringkat fasilitas ditelaah paling sedikit setahun sekali, atau bila diperlukan, ketika ada perubahan kredit.

Peringkat internal untuk segmen korporasi digolongkan sebagai berikut:

- Debitur *Grading* 1-3 memiliki kemampuan membayar kewajiban yang tinggi.
- Debitur *Grading* 4-6 tidak mengalami kesulitan pembayaran kewajiban, namun terdapat faktor bisnis atau ekonomi yang dapat menyebabkan masalah dalam pembayaran kewajiban.
- Debitur *Grading* 7A dan 7B memerlukan pemantauan khusus karena bisnis yang lesu/tidak stabil, atau masalah keuangan.
- Debitur *Grading* 7R atau lebih rendah merupakan debitur yang telah mengalami penurunan nilai (*default)*.

***41. RISK MANAGEMENT** (continued)*

***Credit risk** (continued)*

(iv) Credit quality of financial assets

Process of determining the Bank's credit quality refers to collectibility in accordance with the OJK regulations.

Corporate segment

For corporate segment, the quality of credit is managed by the Bank using internal credit ratings. The Bank determines the rating of a debtor by first determining the financial grade using a rating model from financial aspects and data obtained from the debtor's financial statements, including net worth and cash flows. This financial grade is then adjusted by considering the conditions of the debtor's financial position and qualitative factors to determine the grade of the debtor.

Qualitative factors mainly cover expected future cash flows with considering some factors such as historical loss information, conformity of the debtor's business plan or operational improvement plan, status of developments in the business plan and overall support from financial institutions.

In addition of grading procedure above, in the event that the debtor is considered as a subsidiary that is consolidated by a parent company abroad, the debtor's grading can be determined by adopting an obligor grading based on the quality of the parent loan or credit grading provided by the Bank's parent company. Debtor grading and facility grading are reviewed at least once a year, or if needed, when there are changes in credit.

Internal grading for corporate segment is categorized as follows:

- *Grading 1-3 debtors have very strong ability to pay their obligations.*
- *Grading 4-6 debtors do not experience difficulties to pay their obligations; however, there are business or economy factors that may cause difficulties to pay the obligations.*
- *Grading 7A and 7B debtors need special observation as they experience sluggish/unstable business, or financial issues.*
- *Grading 7R or lower debtors represent debtors which are credit-impaired (default).*

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

***Credit risk** (continued)*

(iv) Kualitas kredit aset keuangan (lanjutan)

(iv) Credit quality of financial assets (continued)

Pada tanggal 31 Desember 2023 dan 2022, nilai tercatat aset keuangan berdasarkan kualitas kredit adalah sebagai berikut:

As of 31 December 2023 and 2022, the carrying amount of financial assets based on credit quality was as follows:

	31 Desember / *December* 2023					
	Tahap 1/ *Stage 1*	**Tahap 2/ *Stage 2***	**Tahap 3/ *Stage 3***	**Syariah/ *Sharia***	**Jumlah/ *Total***	
Giro pada Bank Indonesia						*Current accounts with Bank Indonesia*
Grade 1-3	8,613,155	-	-	663,443	9,276,598	*Grade 1-3*
Giro pada bank-bank lain						*Current accounts with other banks*
Grade 1-3	496,671	-	-	-	496,671	*Grade 1-3*
Tanpa peringkat	462,061	-	-	3,655	465,716	*Non-graded*
	958,732	-	-	3,655	962,387	
Penempatan pada Bank Indonesia dan bank-bank lain						*Placement with Bank Indonesia and other banks*
Grade 1-3	8,626,278	-	-	-	8,626,278	*Grade 1-3*
Tanpa peringkat	-	-	-	338,000	338,000	*Non-graded*
	8,626,278	-	-	338,000	8,964,278	
Efek-efek						*Securities*
Grade 1-3	8,694,708	-	-	-	8,694,708	*Grade 1-3*
Grade 4-6	-	2,956	-	-	2,956	*Grade 4-6*
Tanpa peringkat	-	-	-	8,566,692	8,566,692	*Non-graded*
	8,694,708	2,956	-	8,566,692	17,264,356	
Tagihan derivatif						*Derivative receivables*
Belum jatuh tempo	1,133,149	-	-	-	1,133,149	*Not yet overdue*
Pinjaman yang diberikan dan pembiayaan/piutang syariah:						*Loans and sharia financing/ receivables:*
Korporasi						***Corporates***
Grade 1-3	85,561,286	240,109	-	-	85,801,395	*Grade 1-3*
Grade 4-6	5,567,387	6,197,539	-	-	11,764,926	*Grade 4-6*
Grade 7A-7B	-	224,543	-	-	224,543	*Grade 7A-7B*
Default	-	-	5,063,549	-	5,063,549	*Default*
	91,128,673	6,662,191	5,063,549	-	102,854,413	
Non-korporasi						***Non-corporates***
Belum jatuh tempo	39,955,284	331,736	116,635	-	40,403,655	*Not yet overdue*
Telah jatuh tempo sampai dengan 90 hari	394,080	331,415	48,876	-	774,371	*Past due up to 90 days*
Telah jatuh tempo 91-120 hari	-	-	91,773	-	91,773	*Past due for 91-120 days*
Telah jatuh tempo 121-180 hari	-	-	100,524	-	100,524	*Past due for 121-180 days*
Telah jatuh tempo lebih dari 180 hari	-	-	948,700	-	948,700	*Past due more than 180 days*
	40,349,364	663,151	1,306,508	-	42,319,023	
Dipindahkan	131,478,037	7,325,342	6,370,057	-	145,173,436	*Carry forward*

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

***Credit risk** (continued)*

(iv) Kualitas kredit aset keuangan (lanjutan)

(iv) Credit quality of financial assets (continued)

Pada tanggal 31 Desember 2023 dan 2022, nilai tercatat aset keuangan berdasarkan kualitas kredit adalah sebagai berikut (lanjutan):

As of 31 December 2023 and 2022, the carrying amount of financial assets based on credit quality was as follows (continued):

	31 Desember/*December* 2023					
	Tahap 1/ *Stage 1*	**Tahap 2/ *Stage 2***	**Tahap 3/ *Stage 3***	**Syariah/ *Sharia***	**Jumlah/ *Total***	
Pinjaman yang diberikan dan pembiayaan/piutang syariah (lanjutan):						*Loans and sharia financing/receivables (continued):*
Pindahan	131,478,037	7,325,342	6,370,057	-	145,173,436	*Carried forward*
Syariah						***Sharia***
Belum jatuh tempo	-	-	-	10,593,668	10,593,668	*Not yet overdue*
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 1-30 hari	-	-	-	143,281	143,281	*Past due but not impaired for 1-30 days*
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 31-60 hari	-	-	-	143,129	143,129	*Past due but not impaired for 31-60 days*
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 61-90 hari	-	-	-	173,266	173,266	*Past due but not impaired for 61-90 days*
Mengalami penurunan nilai	-	-	-	334,517	334,517	*Impaired*
	-	-	-	11,387,861	11,387,861	
Pendapatan bunga/marjin yang masih akan diterima	640,617	80,697	211,592	164,890	1,097,796	*Accrued interest/ margin income*
	132,118,654	7,406,039	6,581,649	11,552,751	157,659,093	
Tagihan akseptasi						*Acceptance receivables*
Grade 1-3	3,073,305	-	-	-	3,073,305	*Grade 1-3*
Grade 4-6	30,792	184,499	-	-	215,291	*Grade 4-6*
Tanpa peringkat	1,161	-	-	-	1,161	*Non-graded*
	3,105,258	184,499	-	-	3,289,757	
Penyertaan saham						*Investment in shares*
Tanpa peringkat	22,522	-	-	80,064	102,586	*Non-graded*
Aset lain-lain						*Other assets*
Tanpa peringkat	405,850	-	-	17,263	423,113	*Non-graded*
	163,678,306	7,593,494	6,581,649	21,221,868	199,075,317	
Cadangan kerugian penurunan nilai	(634,415)	(175,608)	(2,603,702)	(1,213,916)	(4,627,641)	*Allowance for impairment losses*
	163,043,891	7,417,886	3,977,947	20,007,952	194,447,676	

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

***Credit risk** (continued)*

(iv) Kualitas kredit aset keuangan (lanjutan)

(iv) Credit quality of financial assets (continued)

Pada tanggal 31 Desember 2023 dan 2022, nilai tercatat aset keuangan berdasarkan kualitas kredit adalah sebagai berikut (lanjutan):

As of 31 December 2023 and 2022, the carrying amount of financial assets based on credit quality was as follows (continued):

	31 Desember/*December* 2022					
	Tahap 1/ *Stage 1**	**Tahap 2/ *Stage 2***	**Tahap 3/ *Stage 3***	**Syariah/ *Sharia***	**Jumlah/ *Total***	
Giro pada Bank Indonesia						*Current accounts with Bank Indonesia*
Tanpa peringkat	10,215,350	-	-	-	10,215,350	*Non-graded*
Giro pada bank-bank lain						*Current accounts with other banks*
Grade 1-3	558,824				558,824	*Grade 1-3*
Tanpa peringkat	1,630,737	-	-	-	1,630,737	*Non-graded*
	2,189,561	-	-	-	2,189,561	
Penempatan pada Bank Indonesia dan bank-bank lain						*Placement with Bank Indonesia and other banks*
Grade 1-3	1,457,631	-	-	-	1,457,631	*Grade 1-3*
Tanpa peringkat	20,430,434	-	-	-	20,430,434	*Non-graded*
	21,888,065	-	-	-	21,888,065	
Efek-efek						*Securities*
Grade 1-3	1,739,297	-	-	-	1,739,297	*Grade 1-3*
Grade 4-6	-	1,478	-	-	1,478	*Grade 4-6*
Tanpa peringkat	17,309,914	-	-	-	17,309,914	*Non-graded*
	19,049,211	1,478	-	-	19,050,689	
Tagihan derivatif						*Derivative receivables*
Belum jatuh tempo	1,746,824	-	-	-	1,746,824	*Not yet overdue*
Pinjaman yang diberikan dan pembiayaan/piutang syariah:						*Loans and sharia financing/ receivables:*
Korporasi						***Corporates***
Grade 1-3	77,651,301	315,611	-	-	77,966,912	*Grade 1-3*
Grade 4-6	6,421,326	7,689,124	-	-	14,110,450	*Grade 4-6*
Grade 7A-7B	-	101,189	-	-	101,189	*Grade 7A-7B*
Default	-	-	3,130,632	-	3,130,632	*Default*
	84,072,627	8,105,924	3,130,632	-	95,309,183	
Non-korporasi						***Non-corporates***
Belum jatuh tempo	36,929,086	299,053	117,374	-	37,345,513	*Not yet overdue*
Telah jatuh tempo sampai dengan 90 hari	383,823	323,590	264,942	-	972,355	*Past due up to 90 days*
Telah jatuh tempo 91-120 hari	-	-	67,708	-	67,708	*Past due for 91-120 days*
Telah jatuh tempo 121-180 hari	-	-	91,663	-	91,663	*Past due for 121-180 days*
Telah jatuh tempo lebih dari 180 hari	-	-	809,631	-	809,631	*Past due more than 180 days*
	37,312,909	622,643	1,351,318	-	39,286,870	
Dipindahkan	121,385,536	8,728,567	4,481,950	-	134,596,053	*Carry forward*

*) Termasuk aset keuangan syariah dengan kualitas kredit lancar

*Include sharia financial assets with current credit quality **)*

41. MANAJEMEN RISIKO (lanjutan)

Risiko kredit (lanjutan)

(iv) Kualitas kredit aset keuangan (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, nilai tercatat aset keuangan berdasarkan kualitas kredit adalah sebagai berikut (lanjutan):

***41. RISK MANAGEMENT** (continued)*

***Credit risk** (continued)*

(iv) Credit quality of financial assets (continued)

As of 31 December 2023 and 2022, the carrying amount of financial assets based on credit quality was as follows (continued):

	31 Desember/*December* 2022					
	Tahap 1/ *Stage 1**	**Tahap 2/ *Stage 2***	**Tahap 3/ *Stage 3***	**Syariah/ *Sharia***	**Jumlah/ *Total***	
Pinjaman yang diberikan dan pembiayaan/piutang syariah (lanjutan):						*Loans and sharia financing/receivables (continued):*
Pindahan	121,385,536	8,728,567	4,481,950	-	134,596,053	*Carried forward*
Syariah						***Sharia***
Belum jatuh tempo	-	-	-	10,949,316	10,949,316	*Not yet overdue*
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 1-30 hari	-	-	-	99,466	99,466	*Past due but not impaired for 1-30 days*
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 31-60 hari	-	-	-	86,523	86,523	*Past due but not impaired for 31-60 days*
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 61-90 hari	-	-	-	86,831	86,831	*Past due but not impaired for 61-90 days*
Mengalami penurunan nilai	-	-	-	305,327	305,327	*Impaired*
	-	-	-	11,527,463	11,527,463	
Pendapatan bunga/marjin yang masih akan diterima	664,507	65,410	9,841	138,776	878,534	*Accrued interest/ margin income*
	122,050,043	8,793,977	4,491,791	11,666,239	147,002,050	
Tagihan akseptasi						*Acceptance receivables*
Grade 1-3	2,668,983	-	-	-	2,668,983	*Grade 1-3*
Grade 4 -6	367,776	33,095	-	-	400,871	*Grade 4-6*
	3,036,759	33,095	-	-	3,069,854	
Penyertaan saham						*Investment in shares*
Tanpa peringkat	103,473	-	-	-	103,473	*Non-graded*
Aset lain-lain						*Other assets*
Tanpa peringkat	218,552	-	-	10,270	228,822	*Non-graded*
	180,497,838	8,828,550	4,491,791	11,676,509	205,494,688	
Cadangan kerugian penurunan nilai	(703,354)	(273,934)	(1,838,986)	(768,925)	(3,585,199)	*Allowance for impairment losses*
	179,794,484	8,554,616	2,652,805	10,907,584	201,909,489	

*) Termasuk aset keuangan syariah dengan kualitas kredit lancar

*Include sharia financial assets with current credit quality *)*

Penjelasan mengenai Tahap 1, Tahap 2 dan Tahap 3 dapat dilihat pada Catatan 2i.

The explanation of Stage 1, Stage 2 and Stage 3 can be referred to Note 2i.

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

***Credit risk** (continued)*

(iv) Kualitas kredit aset keuangan (lanjutan)

(iv) Credit quality of financial assets (continued)

Perubahan pada penyisihan kerugian penurunan nilai berdasarkan jenis portofolio kredit/pembiayaan adalah sebagai berikut:

Movement of the allowance for impairment losses by credit/financing portfolio types was as follows:

	Tahun berakhir 31 Desember 2023/ *Year ended 31 December 2023*						
	Pensiunan/ *Pension**	UMKM/ *MSME*	Korporasi/ *Corporate*	Syariah/ *Sharia*	Lainnya/ *Others*	Jumlah/ *Total*	
Saldo awal	255,742	974,353	1,356,573	768,925	223,526	3,579,119	*Beginning balance*
Penambahan	87,986	179,215	779,226	1,898,117	85,027	3,029,571	*Addition*
Penerimaan kembali	16,022	15,216	-	48,284	8,769	88,291	*Recovery*
Penghapusbukuan	(147,421)	(276,955)	-	(1,501,410)	(140,258)	(2,066,044)	*Write-off*
Lainnya	-	-	(12,890)	-	-	(12,890)	*Others*
Saldo akhir	212,329	891,829	2,122,909	1,213,916	177,064	4,618,047	*Ending balance*

	Tahun berakhir 31 Desember 2022/ *Year ended 31 December 2022*						
	Pensiunan/ *Pension**	UMKM/ *MSME*	Korporasi/ *Corporate*	Syariah/ *Sharia*	Lainnya/ *Others*	Jumlah/ *Total*	
Saldo awal	276,449	1,080,904	1,707,880	699,265	189,201	3,953,699	*Beginning balance*
Penambahan	138,319	260,577	314,575	945,052	96,153	1,754,676	*Addition*
Penerimaan kembali	15,907	23,167	-	74,832	6,288	120,194	*Recovery*
Penghapusbukuan	(174,933)	(390,295)	(288,142)	(950,224)	(68,116)	(1,871,710)	*Write-off*
Kerugian modifikasi	-	-	(308,911)	-	-	(308,911)	*Modification loss*
Penjualan pinjaman	-	-	(91,486)	-	-	(91,486)	*Sale of loan*
Lainnya	-	-	22,657	-	-	22,657	*Others*
Saldo akhir	255,742	974,353	1,356,573	768,925	223,526	3,579,119	*Ending balance*

*) Termasuk Kredit Pegawai Aktif

Include Active Employee Loan)*

Risiko likuiditas

Liquidity risk

Risiko likuiditas adalah risiko yang terjadi jika Grup tidak dapat memenuhi pembayaran kewajiban pada saat jatuh tempo, termasuk pencairan simpanan nasabah. Salah satu parameter yang digunakan adalah dengan menganalisa profil jatuh tempo dari sumber pendanaan yang pada umumnya berjangka pendek dan sebagian besar aset yang disalurkan dalam bentuk kredit dengan jangka waktu yang pada umumnya berjangka panjang. Terjadinya kesenjangan yang cukup besar akan dapat meningkatkan risiko likuiditas.

Liquidity risk is the risk that the Group is unable to meet their payment obligations as they fall due, including withdrawal of customer deposits. One of the parameters used is by analysing the maturity profile from the funding sources, which are usually short term, while most of the assets which were distributed in the form of loans, are usually long-term. A relatively wide gap can increase liquidity risk.

Dalam mengantisipasi potensi tekanan likuiditas yang mungkin terjadi, Grup telah mempersiapkan strategi pendanaan dan cadangan likuiditas yang memadai yang disesuaikan dengan kebutuhan operasional dan profil likuiditas agar selalu memenuhi regulasi terkait.

In anticipating potential liquidity pressures that may occur, the Group has prepared the funding strategy and adequate liquidity reserves which are adjusted to the operational needs and the liquidity profile in order to always comply with the relevant regulations.

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko likuiditas (lanjutan)

***Liquidity risk** (continued)*

Profil jatuh tempo diproyeksikan atas jangka waktu yang tersisa berdasarkan tanggal kontraktual aset dan liabilitas tertentu. Secara historis, sebagian besar dari simpanan diperpanjang pada saat jatuh tempo yang dipengaruhi oleh perilaku nasabah dan tingkat kepercayaan terhadap Grup. Untuk mengelola risiko likuiditas atas kondisi tersebut, maka Grup menetapkan strategi yang sesuai dan jumlah kas dan aset likuid yang perlu dimiliki, yang dapat dicairkan atau dijadikan jaminan jika ada kebutuhan likuiditas yang mendesak.

This maturity profile is projected based on the remaining period to the contractual maturity date of assets and liabilities. Historically, a significant portion of deposits are rolled-over on the maturity date which is affected by customer behaviour and confidence level to the Group. To manage the liquidity risk of this condition, the Group establishes appropriate strategies and sufficient amount of cash and liquid assets that can be liquidated or used as collateral should there be an urgent need for liquidity.

Tabel berikut ini menyajikan rincian sisa periode sampai dengan tanggal jatuh tempo aset keuangan (sebelum cadangan kerugian penurunan nilai) dan liabilitas keuangan.

The following tables provide detail of remaining period to maturity date of financial assets (before allowance for impairment losses) and financial liabilities.

	31 Desember/*December* 2023							
	Jumlah/ *Total*	**Sesuai permintaan/ *On demand***	**≤ 1 bulan/ *≤ 1 month***	**> 1-3 bulan/ *> 1-3 months***	**> 3-6 bulan/ > *3-6 months***	**> 6-12 bulan/ *> 6-12 months***	**> 12 bulan/ *> 12 months***	
Aset								***Assets***
Kas	1,428,683	1,428,683	-	-	-	-	-	*Cash*
Giro pada Bank Indonesia	9,276,598	9,276,598	-	-	-	-	-	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	962,387	962,387	-	-	-	-	-	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	8,964,278	-	8,855,778	108,500	-	-	-	*Placements with Bank Indonesia and other banks*
Efek-efek	17,264,356	-	3,838,099	5,192,894	1,098,198	1,477,625	5,657,540	*Securities*
Tagihan derivatif	1,133,149	-	68,940	91,953	76,993	142,831	752,432	*Derivative receivables*
Tagihan akseptasi	3,289,757	-	193,484	1,624,722	1,471,551	-	-	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/piutang syariah	157,659,093	-	28,897,593	19,849,556	10,182,760	19,332,839	79,396,345	*Loans and sharia financing/ receivables*
Penyertaan saham	102,586	102,586	-	-	-	-	-	*Investment in shares*
Aset lain-lain	423,113	7,458	407,093	-	25	187	8,350	*Other assets*
Jumlah aset	200,504,000	11,777,712	42,260,987	26,867,625	12,829,527	20,953,482	85,814,667	*Total assets*
Liabilitas								***Liabilities***
Liabilitas segera	(71,606)	-	(49,140)	(22,466)	-	-	-	*Obligations due immediately*
Bagi hasil yang belum dibagikan	(21,951)	-	(21,951)	-	-	-	-	*Undistributed revenue sharing*
Giro	(26,634,643)	(26,628,683)	(5,960)	-	-	-	-	*Current accounts*
Tabungan	(16,670,362)	(16,668,863)	(1,499)	-	-	-	-	*Saving deposits*
Deposito berjangka dan deposito *on call*	(55,152,398)	-	(41,962,192)	(9,139,063)	(2,185,498)	(1,760,395)	(105,250)	*Time deposits and deposits on call*
Simpanan dari bank-bank lain	(10,822,121)	(351,438)	(8,600,028)	(1,870,655)	-	-	-	*Deposits from other banks*
Liabilitas derivatif	(1,072,104)	-	(84,869)	(102,060)	(76,309)	(131,318)	(677,548)	*Derivative payables*
Liabilitas akseptasi	(2,323,633)	-	(72,891)	(1,248,426)	(1,002,316)	-	-	*Acceptance payables*
Surat berharga yang diterbitkan	(202,083)	-	(1,514)	-	-	(200,569)	-	*Securities issued*
Pinjaman yang diterima	(31,355,517)	-	(151,020)	-	(1,000,000)	(4,197,515)	(26,006,982)	*Borrowings*
Pinjaman subordinasi	(3,090,360)	-	(10,960)	-	-	-	(3,079,400)	*Subordinated loans*
Liabilitas sewa	(353,990)	-	(1,866)	(82)	(831)	(5,279)	(345,932)	*Lease liabilities*
Liabilitas lain-lain	(505,982)	(29,781)	(471,241)	(4,288)	(629)	(43)	-	*Other liabilities*
Jumlah liabilitas	(148,276,750)	(43,678,765)	(51,435,131)	(12,387,040)	(4,265,583)	(6,295,119)	(30,215,112)	*Total liabilities*
Aset (liabilitas) bersih	52,227,250	(31,901,053)	(9,174,144)	14,480,585	8,563,944	14,658,363	55,599,555	*Net assets (liabilities)*

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko likuiditas (lanjutan)

***Liquidity risk** (continued)*

Tabel berikut ini menyajikan rincian sisa periode sampai dengan tanggal jatuh tempo aset keuangan (sebelum cadangan kerugian penurunan nilai) dan liabilitas keuangan (lanjutan).

The following tables provide detail of remaining period to maturity date of financial assets (before allowance for impairment losses) and financial liabilities (continued).

	31 Desember/*December* 2022							
	Jumlah/ *Total*	Sesuai permintaan/ *On demand*	≤ 1 bulan/ *≤ 1 month*	> 1-3 bulan/ *> 1-3 months*	> 3-6 bulan/ > *3-6 months*	> 6-12 bulan/ *> 6-12 months*	> 12 bulan/ *> 12 months*	
Aset								***Assets***
Kas	1,747,461	1,747,461	-	-	-	-	-	*Cash*
Giro pada Bank Indonesia	10,215,350	10,215,350	-	-	-	-	-	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	2,189,561	2,189,561	-	-	-	-	-	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	21,888,065	-	21,798,065	90,000	-	-	-	*Placements with Bank Indonesia and other banks*
Efek-efek	19,050,689	-	3,963,945	2,191,661	4,815,590	1,454,969	6,624,524	*Securities*
Tagihan derivatif	1,746,824	-	97,184	81,870	42,664	239,221	1,285,885	*Derivative receivables*
Tagihan akseptasi	3,069,854	-	273,136	1,479,902	1,316,816	-	-	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/piutang syariah	147,002,050	-	25,645,867	18,367,645	10,186,775	21,900,681	70,901,082	*Loans and sharia financing/receivabls*
Penyertaan saham	103,473	103,473	-	-	-	-	-	*Investment in shares*
Aset lain-lain	242,826	15,062	219,039	40	20	579	8,086	*Other assets*
Jumlah aset	207,256,153	14,270,907	51,997,236	22,211,118	16,361,865	23,595,450	78,819,577	*Total assets*
Liabilitas								***Liabilities***
Liabilitas segera	(59,045)	-	(23,592)	(35,453)	-	-	-	*Obligations due immediately*
Bagi hasil yang belum dibagikan	(18,996)	-	(18,996)	-	-	-	-	*Undistributed revenue sharing*
Giro	(23,767,291)	(23,765,802)	(1,489)	-	-	-	-	*Current accounts*
Tabungan	(15,634,192)	(15,632,533)	(1,659)	-	-	-	-	*Saving deposits*
Deposito berjangka dan deposito *on call*	(65,767,428)	-	(54,446,288)	(8,940,417)	(1,438,514)	(929,691)	(12,518)	*Time deposits and deposits on call*
Simpanan dari bank-bank lain	(166,131)	(166,131)	-	-	-	-	-	*Deposits from other banks*
Liabilitas derivatif	(1,447,736)	-	(82,402)	(52,316)	(26,381)	(211,283)	(1,075,354)	*Derivative payables*
Liabilitas akseptasi	(2,356,828)	-	(155,693)	(1,207,933)	(993,202)	-	-	*Acceptance payables*
Surat berharga yang diterbitkan	(201,648)	-	(1,514)	-	-	-	(200,134)	*Securities issued*
Pinjaman yang diterima	(45,067,408)	-	(155,802)	-	(3,500,000)	(2,100,000)	(39,311,606)	*Borrowings*
Pinjaman subordinasi	(3,125,578)	-	(12,078)	-	-	-	(3,113,500)	*Subordinated loans*
Liabilitas sewa	(425,887)	-	(14,590)	-	(2,203)	(5,639)	(403,455)	*Lease liabilities*
Liabilitas lain-lain	(330,316)	(29,756)	(296,638)	(3,396)	(513)	(13)	-	*Other liabilities*
Jumlah liabilitas	(158,368,484)	(39,594,222)	(55,210,741)	(10,239,515)	(5,960,813)	(3,246,626)	(44,116,567)	*Total liabilities*
Aset (liabilitas) bersih	48,887,669	(25,323,315)	(3,213,505)	11,971,603	10,401,052	20,348,824	34,703,010	*Net assets (liabilities)*

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Risiko likuiditas (lanjutan)

***Liquidity risk** (continued)*

Tabel berikut ini menunjukkan arus kas kontraktual yang tidak didiskonto dari liabilitas keuangan dan rekening administratif Grup berdasarkan periode tersisa sampai dengan jatuh tempo kontraktual:

The following table shows the contractual undiscounted cash flows of the Group's financial liabilities and administrative accounts based on the remaining period to contractual maturity:

	31 Desember/*December* 2023							
	Nilai tercatat/ *Carrying amount*	Nilai nominal bruto arus kas masuk (keluar)/*Gross nominal inflow (outflow)*	Hingga 1 bulan/ *Up to 1 month*	>1 - 3 bulan/ *months*	>3 - 12 bulan/ *months*	>1 - 2 tahun/ *years*	>2 tahun/ *years*	
Liabilitas non-derivatif								*Non-derivative liabilities*
Liabilitas segera	(71,606)	(71,606)	(71,606)	-	-	-	-	*Obligations due immediately*
Bagi hasil yang belum dibagikan	(21,951)	(21,951)	(21,951)	-	-	-	-	*Undistributed revenue sharing*
Giro	(26,634,643)	(26,683,135)	(26,683,135)	-	-	-	-	*Current accounts*
Tabungan	(16,670,362)	(16,678,067)	(16,666,200)	(3,718)	(6,685)	(1,464)	-	*Saving deposits*
Deposito berjangka dan deposito *on call*	(55,152,398)	(55,260,504)	(42,005,549)	(9,236,499)	(4,014,576)	(3,880)	-	*Time deposits and deposits on call*
Simpanan dari bank-bank lain	(10,822,121)	(10,825,968)	(8,954,247)	(1,871,721)	-	-	-	*Deposits from other banks*
Liabilitas akseptasi	(2,323,633)	(2,323,633)	(72,891)	(1,248,426)	(1,002,316)	-	-	*Acceptance payables*
Surat berharga yang diterbitkan	(202,083)	(266,275)	(50,000)	(3,926)	(212,349)	-	-	*Securities issued*
Pinjaman yang diterima	(31,355,517)	(35,035,603)	(151,260)	(403,641)	(6,693,882)	(22,411,003)	(5,375,817)	*Borrowing*
Pinjaman subordinasi	(3,090,360)	(4,129,079)	-	(53,827)	(161,480)	(215,307)	(3,698,465)	*Subordinated loans*
Liabilitas sewa	(353,990)	(365,048)	(28,813)	(4,930)	(101,466)	(123,378)	(106,461)	*Lease liability*
Liabilitas lain-lain	(505,982)	(505,982)	(505,982)	-	-	-	-	*Other liabilities*
	(147,204,646)	(152,166,851)	(95,211,634)	(12,826,688)	(12,192,754)	(22,755,032)	(9,180,743)	
Liabilitas derivatif	(1,072,104)							*Derivative payables*
Arus kas masuk	-	30,558,152	10,534,268	4,792,544	6,654,894	4,302,673	4,273,773	*Cash inflow*
Arus kas keluar	-	(31,791,298)	(10,638,886)	(4,949,849)	(7,047,313)	(4,584,282)	(4,570,968)	*Cash outflow*
	(1,072,104)	(1,233,146)	(104,618)	(157,305)	(392,419)	(281,609)	(297,195)	
L/C yang tidak dapat dibatalkan	-	(721,017)	(273,495)	(247,757)	(199,765)	-	-	*Irrevocable L/C*
Fasilitas kredit yang belum digunakan - *committed*	-	(10,870,217)	-	-	(2,574,317)	(865,241)	(7,430,659)	*Unused credit facilities - committed*
Garansi yang diterbitkan	-	(5,455,734)	(430,838)	(753,099)	(2,348,957)	(812,067)	(1,110,773)	*Guarantees issued*
	-	(17,046,968)	(704,333)	(1,000,856)	(5,123,039)	(1,677,308)	(8,541,432)	
Jumlah	(148,276,750)	(170,446,965)	(96,020,585)	(13,984,849)	(17,708,212)	(24,713,949)	(18,019,370)	*Total*

	31 Desember/*December* 2022							
	Nilai tercatat/ *Carrying amount*	Nilai nominal bruto arus kas masuk (keluar)/*Gross nominal inflow (outflow)*	Hingga 1 bulan/ *Up to 1 month*	>1 - 3 bulan/ *months*	>3 - 12 bulan/ *months*	>1 - 2 tahun/ *years*	>2 tahun/ *years*	
Liabilitas non-derivatif								*Non-derivative liabilities*
Liabilitas segera	(59,045)	(59,045)	(59,045)	-	-	-	-	*Obligations due immediately*
Bagi hasil yang belum dibagikan	(18,996)	(18,996)	(18,996)	-	-	-	-	*Undistributed revenue sharing*
Giro	(23,767,291)	(23,793,972)	(23,793,972)	-	-	-	-	*Current accounts*
Tabungan	(15,634,192)	(15,641,692)	(15,632,030)	(2,077)	(6,637)	(948)	-	*Saving deposits*
Deposito berjangka dan deposito *on call*	(65,767,428)	(66,041,088)	(54,613,246)	(9,009,990)	(2,404,884)	(12,968)	-	*Time deposits and deposits on call*
Simpanan dari bank-bank lain	(166,131)	(176,247)	(176,247)	-	-	-	-	*Deposits from other banks*
Liabilitas akseptasi	(2,356,828)	(2,356,828)	(156,346)	(1,207,280)	(993,202)	-	-	*Acceptance payables*
Surat berharga yang diterbitkan	(201,648)	(231,545)	-	(3,926)	(11,779)	(215,840)	-	*Securities issued*
Pinjaman yang diterima	(45,067,408)	(48,556,032)	(199,919)	(384,208)	(7,273,145)	(39,290,872)	(1,407,888)	*Borrowing*
Pinjaman subordinasi	(3,125,578)	(4,255,954)	-	(48,599)	(145,797)	(194,397)	(3,867,161)	*Subordinated loans*
Liabilitas sewa	(425,887)	(514,752)	(41,400)	(6,554)	(103,587)	(134,340)	(228,871)	*Lease liability*
Liabilitas lain-lain	(330,316)	(330,316)	(330,316)	-	-	-	-	*Other liabilities*
	(156,920,748)	(161,976,467)	(95,021,517)	(10,662,634)	(10,939,031)	(39,849,365)	(5,503,920)	
Liabilitas derivatif	(1,447,736)							*Derivative payables*
Arus kas masuk	-	17,408,697	3,970,439	1,694,152	3,878,369	3,855,642	4,010,095	*Cash inflow*
Arus kas keluar	-	(19,064,558)	(4,057,995)	(1,801,098)	(4,336,680)	(4,264,952)	(4,603,833)	*Cash outflow*
	(1,447,736)	(1,655,861)	(87,556)	(106,946)	(458,311)	(409,310)	(593,738)	
L/C yang tidak dapat dibatalkan	-	(961,523)	(428,005)	(335,780)	(197,738)	-	-	*Irrevocable L/C*
Fasilitas kredit yang belum digunakan - *committed*	-	(13,315,311)	-	(1,464,656)	(3,500,806)	(435,416)	(7,914,433)	*Unused credit facilities - committed*
Garansi yang diterbitkan	-	(5,608,120)	(697,906)	(680,026)	(2,600,755)	(1,629,433)	-	*Guarantees issued*
	-	(19,884,954)	(1,125,911)	(2,480,462)	(6,299,299)	(2,064,849)	(7,914,433)	
Jumlah	(158,368,484)	(183,517,282)	(96,234,984)	(13,250,042)	(17,696,641)	(42,323,524)	(14,012,091)	*Total*

41. MANAJEMEN RISIKO (lanjutan)

Risiko likuiditas (lanjutan)

Tabel sebelumnya menyajikan arus kas yang tidak didiskontokan dari liabilitas keuangan Grup berdasarkan periode jatuh tempo kontraktual yang paling dekat. Arus kas yang diharapkan atas instrumen keuangan Grup mungkin berbeda dengan analisis ini. Sebagai contoh, simpanan diharapkan memiliki saldo yang stabil atau meningkat atau fasilitas kredit kepada nasabah yang belum digunakan (*committed*) tidak seluruhnya diharapkan untuk segera digunakan.

Nilai nominal arus kas masuk/(keluar) yang diungkapkan pada tabel di atas menyajikan arus kas kontraktual yang tidak didiskontokan terkait dengan nilai pokok dan bunga dari liabilitas keuangan. Pengungkapan instrumen derivatif menunjukkan nilai bersih derivatif yang dapat diselesaikan secara neto, juga nilai bruto arus kas masuk dan keluar untuk derivatif yang diselesaikan secara bruto. Arus kas liabilitas derivatif seperti yang ditunjukkan di tabel di atas merupakan arus kas berdasarkan jatuh tempo kontraktual yang menurut Grup adalah penting untuk memahami jadwal dari arus kas.

Kebijakan yang dijalankan Grup dalam mengendalikan risiko likuiditas adalah:

- Menetapkan kebijakan pengendalian risiko likuiditas yang telah disesuaikan dengan misi, strategi bisnis, kecukupan permodalan, sumber daya manusia dan *risk appetite* Grup.
- Menetapkan kebijakan dan prosedur penetapan limit risiko likuiditas secara tertulis, lengkap, memadai dan cukup mudah ditelusuri.
- Menjaga cadangan likuiditas agar sesuai dengan rekomendasi ALCO.
- Mengelola portofolio pendanaan untuk menghindari risiko konsentrasi dan ketergantungan pada sumber pendanaan tertentu. Hal ini dimonitor secara bulanan oleh ALCO dan *Risk Management Committee* (RMC).
- Fungsi pengawasan yang independen dari satuan kerja manajemen risiko.

Untuk menjaga ketahanan likuiditas, Bank melakukan pemantauan terhadap rasio kecukupan likuiditas (*Liquidity Coverage Ratio*/LCR) dan rasio pendanaan stabil bersih (*Net Stable Funding Ratio*/NSFR). Selain sebagai bagian dari ketentuan yang wajib dipatuhi, secara internal Bank juga menetapkan rasio-rasio tersebut ditetapkan sebagai bagian dari indikator peringatan dini (*early warning indicators*) dan indikator rencana pemulihan (*recovery plan*) yang dimonitor secara harian.

***41. RISK MANAGEMENT** (continued)*

***Liquidity risk** (continued)*

The previous table shows the undiscounted cash flows on the Group's financial liabilities on the basis of their earliest possible contractual maturity. The Group expected cash flows on these instruments may vary from this analysis. For example, deposits are expected to maintain a stable or increasing balance or unused credit facilities to customer-committed are not all expected to be drawn down immediately.

The nominal inflow/(outflow) disclosed in the above tables represents the contractual undiscounted cash flows relating to the principal and interest on the financial liabilities. The disclosure for derivatives shows the net amount of derivatives that are net settled, and a gross inflow and outflow amount for derivatives that have simultaneous gross settlement. The cash flows of derivatives liabilities in the table represent the cash flows based on contractual maturities which the Group believes is essential for an understanding of the timing of the cash flows.

Policies adopted by the Group in managing its liquidity risk include:

- *Application of a liquidity risk control policy that is suited to the mission, business strategy, capital adequacy, human resources and appetite for risk of the Group.*
- *Application of a liquidity risk limit policies and procedures that are written, complete, adequate and easy to follow.*
- *Maintain liquidity reserves to match the ALCO's recommendation.*
- *Managing it's funding portfolio to avoid concentration risk and dependence on single source of funding. It is monitored by ALCO and Risk Management Committee (RMC).*
- *The independent monitoring function of the risk management working unit.*

To maintain its liquidity resilience, the Bank monitor the Liquidity Coverage Ratio (LCR) and a Net Stable Funding Ratio (NSFR). Apart of being the requirements that must be complied with, internally Bank also set those ratios as part of the early warning indicator and the recovery plan indicators which are monitored on a daily basis.

41. MANAJEMEN RISIKO (lanjutan)

Risiko likuiditas (lanjutan)

LCR dikelola dengan memelihara asset likuid yang berkualitas tinggi (*High Quality Liquid Assets*/HQLA) untuk dapat memenuhi potensi dana keluar bersih dalam 30 hari kedepan sesuai dengan skenario yang ditetapkan berdasarkan regulasi dari Otoritas Jasa Keuangan (OJK). Sedangkan NSFR bertujuan untuk memelihara profil pendanaan stabil yang disesuaikan dengan komposisi aset dan transaksi rekening administratif Bank sesuai dengan peraturan dari OJK.

Laporan LCR dan NSFR disampaikan secara berkala kepada Otoritas Jasa Keuangan (OJK) dan dipublikasikan sesuai dengan ketentuan yang berlaku.

Risiko pasar

Risiko pasar adalah potensi timbulnya kerugian dalam nilai buku atau fluktuasi arus kas di masa mendatang yang diakibatkan oleh perubahan suku bunga atau nilai tukar.

Bank secara internal berupaya memastikan eksposur, transaksi dan ekspansi dalam valuta asing dan berdasarkan suku bunga yang dilakukan bisnis telah sesuai dengan limit dan *risk appetite* Bank.

Secara keseluruhan, risiko pasar dibagi menjadi dua risiko sebagai berikut:

(i) Risiko mata uang asing

Risiko mata uang asing timbul dari adanya posisi neraca dan komitmen dan kontinjensi *(off-balance sheet)* baik di sisi aset maupun liabilitas yang timbul melalui transaksi mata uang asing.

Bank mengukur risiko nilai tukar untuk melihat dampak perubahan nilai tukar pada pendapatan dan modal Bank. Untuk mengelola dan memitigasi risiko nilai tukar, pembatasan posisi secara internal ditetapkan jauh di bawah limit posisi devisa neto yang ditetapkan regulator. Bank juga memonitor *stop loss limit* untuk menjaga tingkat kerugian yang disebabkan oleh pergerakan pada nilai pasar tidak melebihi kisaran yang telah ditetapkan.

Entitas Anak tidak memiliki aset maupun liabilitas keuangan dalam mata uang asing, maupun posisi untuk diperdagangkan, sehingga Entitas Anak tidak memiliki risiko mata uang asing.

***41. RISK MANAGEMENT** (continued)*

***Liquidity risk** (continued)*

LCR is managed by maintaining high quality liquid assets (HQLA) which enables Bank to cover the potential net outflows within the next 30 days in accordance with the scenario determined based on regulations from Otoritas Jasa Keuangan (OJK). Meanwhile, the NSFR aims to maintain a stable funding profile that is adjusted to the composition of assets and administrative account transactions of the Bank in accordance with regulations from OJK.

LCR and NSFR reports are submitted periodically to Otoritas Jasa Keuangan (OJK) and published in accordance with applicable regulations.

Market risk

Market risk is the potential loss in book value or future cash flows fluctuation due to changes in interest rates or exchange rates.

Bank internally seeks to ensure exposures, as well as foreign exchange and interest rates based transactions and expansion undertaken by the business is in accordance with the Bank's limits and risk appetite.

In overall, market risk is divided into two following risks:

(i) Foreign currency risk

Foreign exchange risk arises from on and off-balance sheet positions both on the asset and liability sides through transactions in foreign currencies.

The Bank measures the foreign exchange risk to understand the impact of the exchange rate movement on the Bank's revenue and capital. In order to manage and mitigate the foreign exchange risk, predefined internal limits are set below net open position limit that is defined by regulator. The Bank also monitors stop loss limit to maintain the loss rate caused by movement in market value do not not exceed the specified range.

The Subsidiary does not have any assets or liabilities which are denominated in foreign currencies, or held for trading, thus the Subsidiary does not have foreign currency risk.

41. MANAJEMEN RISIKO (lanjutan)

Risiko pasar (lanjutan)

(i) Risiko mata uang asing (lanjutan)

Posisi Devisa Neto

Berdasarkan Peraturan Bank Indonesia mengenai Posisi Devisa Neto yang berlaku, maksimum Posisi Devisa Neto adalah 20% dari modal.

Posisi Devisa Neto adalah jumlah dari nilai absolut selisih bersih aset dan liabilitas dalam laporan posisi keuangan untuk setiap mata uang asing dan selisih bersih tagihan dan kewajiban komitmen dan kontinjensi dalam rekening administratif untuk setiap mata uang asing, yang semuanya dinyatakan dalam Rupiah.

Berikut adalah Posisi Devisa Neto Bank pada tanggal 31 Desember 2023 dan 2022 dalam mata uang (ekuivalen Rupiah). Nilai ini adalah yang dilaporkan kepada Bank Indonesia pada tanggal laporan posisi keuangan sebagai bagian dari laporan harian.

41. RISK MANAGEMENT (continued)

***Market risk** (continued)*

(i) Foreign currency risk (continued)

Net Open Position

Based on the prevailing Bank Indonesia Regulation relating with Net Open Position, the maximum Net Open Position is at 20% of capital.

Net Open Position is the sum of the absolute values of the net difference between assets and liabilities in the statement of financial position for each foreign currency and the net difference of receivables and commitments and contingent liabilities in the administrative accounts for each foreign currency, which are all stated in Rupiah.

Below is the Net Open Position of Bank as of 31 December 2023 and 2022 in currency (Rupiah equivalent). These amounts are reported to Bank Indonesia on the statement of financial position's date as part of daily reporting.

Mata Uang	31 Desember/*December* 2023 Aset/ *Assets*	Liabilitas/ *Liabilities*	Posisi Devisa Neto/ *Net Open Position*	*Currencies*
Laporan posisi keuangan dan rekening administratif				***Statement of financial position and off-balance sheet***
Dolar Amerika Serikat	95,526,416	95,662,487	136,071	*United States Dollar*
Yen Jepang	3,329,464	3,325,257	4,207	*Japanese Yen*
Dolar Singapura	207,782	196,172	11,610	*Singapore Dollar*
Euro Eropa	377,550	363,445	14,105	*European Euro*
Baht Thailand	18,493	18,487	6	*Thailand Baht*
Poundsterling Inggris	42,748	35,283	7,465	*British Poundsterling*
Dolar Australia	54,763	48,348	6,415	*Australian Dollar*
Yuan China	11,227	12,538	1,311	*China Yuan*
Dolar Hong Kong	3,912	8,080	4,168	*Hong Kong Dollar*
Franc Swiss	491	-	491	*Swiss Franc*
Rupee India	74	-	74	*Indian Rupee*
Ringgit Malaysia	1	-	1	*Malaysia Ringgit*
Jumlah			185,924	***Total***
Jumlah Modal Tier I dan II			35,452,414	***Total Tier I and II Capital***
Rasio PDN			0.52%	*NOP Ratio*

Mata Uang	31 Desember/*December* 2022 Aset/ *Assets*	Liabilitas/ *Liabilities*	Posisi Devisa Neto/ *Net Open Position*	*Currencies*
Laporan posisi keuangan dan rekening administratif				***Statement of financial position and off-balance sheet***
Dolar Amerika Serikat	91,937,455	92,027,248	89,793	*United States Dollar*
Yen Jepang	2,782,946	2,784,000	1,054	*Japanese Yen*
Dolar Singapura	153,753	151,179	2,574	*Singapore Dollar*
Euro Eropa	549,811	548,073	1,738	*European Euro*
Baht Thailand	84,304	89,911	5,607	*Thailand Baht*
Poundsterling Inggris	35,593	36,100	507	*British Poundsterling*
Dolar Australia	38,727	31,458	7,269	*Australian Dollar*
Yuan China	5,390	4,802	588	*China Yuan*
Dolar Hong Kong	452	1,151	699	*Hong Kong Dollar*
Franc Swiss	226	-	226	*Swiss Franc*
Rupee India	30	-	30	*Indian Rupee*
Jumlah			110,085	***Total***
Jumlah Modal Tier I dan II			33,705,339	***Total Tier I and II Capital***
Rasio PDN			0.33%	*NOP Ratio*

41. MANAJEMEN RISIKO (lanjutan)

Risiko pasar (lanjutan)

(i) Risiko mata uang asing (lanjutan)

Sensitivitas Bank terhadap mata uang asing diperhitungkan dengan menggunakan informasi selisih bersih aset dan liabilitas dalam laporan posisi keuangan untuk setiap mata uang asing dan selisih bersih tagihan dan kewajiban komitmen dan kontinjensi dalam rekening administratif untuk setiap mata uang asing.

Tabel di bawah ini mengikhtisarkan sensitivitas laba bersih Bank (linier) pada tanggal 31 Desember 2023 dan 2022 atas perubahan nilai tukar mata uang asing yaitu:

41. RISK MANAGEMENT (continued)

Market risk *(continued)*

(i) Foreign currency risk (continued)

The Bank's sensitivity to foreign currency is calculated using net difference between assets and liabilities in the statement of financial position for each foreign currency and the net difference of receivables and commitments and contingent liabilities in the off-balance sheet accounts for each foreign currency information.

The table below shows the sensitivity of the Bank's net income (linear) to movement of foreign exchange rates as of 31 December 2023 and 2022:

	Menambah (mengurangi) laba bersih/ *Increase (decrease) net income*		
	2023	**2022**	
IDR melemah 1%	(972)	(852)	*IDR weakening by 1%*
IDR menguat 1%	972	852	*IDR strengthening by 1%*

Proyeksi di atas mengasumsikan bahwa perubahan nilai tukar mata uang asing bergerak pada jumlah yang sama sehingga tidak mencerminkan perubahan potensial kepada laba atas perubahan beberapa nilai tukar mata uang asing sementara lainnya tidak berubah. Proyeksi juga mengasumsikan bahwa seluruh variabel lainnya adalah konstan dan berdasarkan tanggal pelaporan yang konstan serta seluruh posisi berjalan hingga jatuh tempo.

The above projection assumes that foreign exchange rates move by the same amount and, therefore, do not reflect the potential impact on profit of some rates changing while others remain unchanged. The projections also assume that all other variables are held constant and are based on a constant reporting date position and that all positions run to maturity.

(ii) Risiko suku bunga

Pendapatan Bank yang berasal dari kegiatan konvensional merupakan selisih antara bunga yang dihasilkan dari sisi aset dengan bunga yang dibayarkan kepada dana pihak ketiga. Perubahan tingkat bunga jika tidak diantisipasi dapat menyebabkan penurunan pendapatan Bank.

Risiko suku bunga berdampak pada fluktuasi arus kas di masa mendatang baik pada aset maupun liabilitas. Hal ini dapat mempengaruhi pendapatan bunga Bank maupun nilai wajar dari instrumen keuangan yang dimiliki Bank.

Bisnis utama Entitas Anak adalah memberikan pembiayaan dengan akad murabahah. Pendapatan marjin murabahah dipengaruhi oleh harga pembiayaan atau suku bunga di pasar konvensional.

(ii) Interest rate risk

The Bank's income from conventional activities are derived from the difference between the interest generated on the asset side and the interest paid to third party funds. If not anticipated, changes in interest rates can result in a decrease in the Bank's income.

Interest rate risk has an effect to future cash flows fluctuation of both assets and liabilities. It can affect the Bank's interest income and fair value of the financial instruments.

The Subsidiary's main business is to provide financing with murabahah contracts. The murabahah margin income is affected by the financing price or interest rate in the conventional market.

41. MANAJEMEN RISIKO (lanjutan)

Risiko pasar (lanjutan)

(ii) Risiko suku bunga (lanjutan)

Manajemen risiko suku bunga

Kebijakan yang dijalankan Grup dalam pengendalian terhadap risiko suku bunga mencakup:

- Memantau limit risiko suku bunga.
- Mengelola risiko suku bunga sesuai regulasi terkait dan kebijakan internal Bank.
- Melakukan simulasi perhitungan pendapatan marjin bersih terhadap semua kemungkinan perubahan tingkat suku bunga di pasar.

Tabel di bawah ini mengikhtisarkan eksposur instrumen keuangan Grup terhadap risiko tingkat suku bunga.

41. RISK MANAGEMENT (continued)

***Market risk** (continued)*

(ii) Interest rate risk (continued)

Interest rate risk management

Policies adopted by the Group in managing its interest rate risk include:

- *Monitoring of interest rate risk limit.*
- *Managing interest rate risk in accordance with relevant regulations and Bank's internal policies.*
- *Conduct simulation of net margin income calculation toward all possible market interest rate changes.*

The tables below summarise the exposures of financial instruments of the Group to interest rate risks.

	31 Desember/*December* 2023										
	Suku bunga mengambang/*Floating rate*			Bunga tetap/*Fixed rate*							
	≤ 1 bulan/ month	1 - 3 bulan/ *months*	> 3 - 6 bulan/ *months*	≤ 1 bulan/ *month*	1 - 3 bulan/ *months*	> 3 - 6 bulan/ *months*	> 6 - 12 bulan/ *months*	> 12 bulan/ *months*	Tidak dikenakan bunga/ *Non-interest bearing*	Jumlah/ *Total*	
Aset											***Assets***
Kas	-	-	-	-	-	-	-	-	1,428,683	1,428,683	*Cash*
Giro pada Bank Indonesia	-	-	-	9,276,598	-	-	-	-	-	9,276,598	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	-	-	-	962,387	-	-	-	-	-	962,387	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	-	-	-	8,853,154	108,500	-	-	-	2,624	8,964,278	*Placements with Bank Indonesia and other banks*
Efek-efek	-	-	-	3,687,758	5,192,893	1,098,198	1,557,689	5,577,475	150,343	17,264,356	*Securities*
Tagihan derivatif	-	-	-	-	-	-	-	-	1,133,149	1,133,149	*Derivative receivables*
Tagihan akseptasi	-	-	-	-	-	-	-	-	3,289,757	3,289,757	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/ piutang syariah	48,638,687	27,012,683	5,437,501	18,518,832	4,973,021	6,602,727	13,944,202	28,833,876	3,697,564	157,659,093	*Loans and sharia financing/ receivables*
Penyertaan saham	-	-	-	-	-	-	-	-	102,586	102,586	*Investment in shares*
Aset lain-lain	-	-	-	-	-	-	-	-	423,113	423,113	*Other assets*
Jumlah aset keuangan, sebelum cadangan kerugian penurunan nilai	48,638,687	27,012,683	5,437,501	41,298,729	10,274,414	7,700,925	15,501,891	34,411,351	10,227,819	200,504,000	*Total financial assets before allowance for impairment losses*
Liabilitas											***Liabilities***
Liabilitas segera	-	-	-	-	-	-	-	-	(71,606)	(71,606)	*Obligations due immediately*
Simpanan dari nasabah	-	-	-	(85,087,550)	(9,139,063)	(2,185,498)	(1,760,395)	(105,250)	(179,647)	(98,457,403)	*Deposits from customers*
Simpanan dari bank-bank lain	-	-	-	(8,943,983)	(1,870,655)	-	-	-	(7,483)	(10,822,121)	*Deposits from other banks*
Liabilitas derivatif	-	-	-	-	-	-	-	-	(1,072,104)	(1,072,104)	*Derivative payables*
Liabilitas akseptasi	-	-	-	-	-	-	-	-	(2,323,633)	(2,323,633)	*Acceptance payables*
Surat berharga yang diterbitkan	-	-	-	-	-	-	(200,569)	-	(1,514)	(202,083)	*Securities issued*
Pinjaman yang diterima	(13,642,758)	(15,503,211)	-	-	-	-	(697,515)	(1,361,013)	(151,020)	(31,355,517)	*Borrowings*
Pinjaman subordinasi	-	(3,079,400)	-	-	-	-	-	-	(10,960)	(3,090,360)	*Subordinated loans*
Liabilitas sewa	-	-	-	-			-	-	(353,990)	(353,990)	*Lease liabilities*
Liabilitas lain-lain	-	-	-	-	-	-	-	-	(505,982)	(505,982)	*Other liabilities*
Jumlah liabilitas keuangan	(13,642,758)	(18,582,611)	-	(94,031,533)	(11,009,718)	(2,185,498)	(2,658,479)	(1,466,263)	(4,677,939)	(148,254,799)	*Total financial liabilities*
Jumlah *gap repricing* suku bunga	34,995,929	8,430,072	5,437,501	(52,732,804)	(735,304)	5,515,427	12,843,412	32,945,088	5,549,880	52,249,201	*Total interest repricing gap*

41. MANAJEMEN RISIKO (lanjutan) / *41. RISK MANAGEMENT (continued)*

Risiko pasar (lanjutan) / ***Market risk** (continued)*

(ii) Risiko tingkat bunga (lanjutan) / *(ii) Interest rate risk (continued)*

Manajemen risiko tingkat bunga (lanjutan) / *Interest rate risk management (continued)*

Tabel di bawah ini mengikhtisarkan eksposur instrumen keuangan Grup terhadap risiko tingkat suku bunga (lanjutan). / *The tables below summarise the exposures of financial instruments of the Group to interest rate risks (continued).*

	31 Desember/*December* 2022										
	Suku bunga mengambang/*Floating rate*			Bunga tetap/*Fixed rate*							
	≤ 1 bulan/ month	1 - 3 bulan/ *months*	> 3 - 6 bulan/ *months*	≤ 1 bulan/ *month*	1 - 3 bulan/ *months*	> 3 - 6 bulan/ *months*	> 6 - 12 bulan/ *months*	> 12 bulan/ *months*	Tidak dikenakan bunga/ *Non-interest bearing*	Jumlah/ *Total*	
Aset											***Assets***
Kas	-	-	-	-	-	-	-	-	1,747,461	1,747,461	*Cash*
Giro pada Bank Indonesia	-	-	-	10,215,350	-	-	-	-	-	10,215,350	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	-	-	-	2,189,561	-	-	-	-	-	2,189,561	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	-	-	-	21,795,214	90,000	-	-	-	2,851	21,888,065	*Placements with Bank Indonesia and other banks*
Efek-efek	-	-	-	3,814,073	2,191,661	4,815,591	1,535,920	6,543,573	149,871	19,050,689	*Securities*
Tagihan derivatif	-	-	-	-	-	-	-	-	1,746,824	1,746,824	*Derivative receivables*
Tagihan akseptasi	-	-	-	-	-	-	-	-	3,069,854	3,069,854	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/ piutang syariah	30,903,104	22,519,915	2,264,603	25,713,180	9,544,255	7,904,430	16,018,677	30,240,862	1,893,024	147,002,050	*Loans and sharia financing/ receivables*
Penyertaan saham	-	-	-	-	-	-	-	-	103,473	103,473	*Investment in shares*
Aset lain-lain	-	-	-	-	-	-	-	-	228,822	228,822	*Other assets*
Jumlah aset keuangan, sebelum cadangan kerugian penurunan nilai	30,903,104	22,519,915	2,264,603	63,727,378	11,825,916	12,720,021	17,554,597	36,784,435	8,942,180	207,242,149	*Total financial assets before allowance for impairment losses*
Liabilitas											***Liabilities***
Liabilitas segera	-	-	-	-	-	-	-	-	(59,045)	(59,045)	*Obligations due immediately*
Simpanan dari nasabah	-	-	-	(93,702,148)	(8,940,417)	(1,438,514)	(929,691)	(12,518)	(145,623)	(105,168,911)	*Deposits from customers*
Simpanan dari bank-bank lain	-	-	-	(166,131)	-	-	-	-	-	(166,131)	*Deposits from other banks*
Liabilitas derivatif	-	-	-	-	-	-	-	-	(1,447,736)	(1,447,736)	*Derivative payables*
Liabilitas akseptasi	-	-	-	-	-	-	-	-	(2,356,828)	(2,356,828)	*Acceptance payables*
Surat berharga yang diterbitkan	-	-	-	-	-	-	-	(200,134)	(1,514)	(201,648)	*Securities issued*
Pinjaman yang diterima	(26,725,906)	(12,918,338)	(3,113,500)	-	-	-	(100,000)	(2,053,862)	(155,802)	(45,067,408)	*Borrowings*
Pinjaman subordinasi	-	(3,113,500)	-	-	-	-	-	-	(12,078)	(3,125,578)	*Subordinated loans*
Liabilitas sewa	-	-	-	-	-	-	-	-	(425,887)	(425,887)	*Lease liabilities*
Liabilitas lain-lain	-	-	-	-	-	-	-	-	(330,316)	(330,316)	*Other liabilities*
Jumlah liabilitas keuangan	(26,725,906)	(16,031,838)	(3,113,500)	(93,868,279)	(8,940,417)	(1,438,514)	(1,029,691)	(2,266,514)	(4,934,829)	(158,349,488)	*Total financial liabilities*
Jumlah *gap repricing* suku bunga	4,177,198	6,488,077	(848,897)	(30,140,901)	2,885,499	11,281,507	16,524,906	34,517,921	4,007,351	48,892,661	*Total interest repricing gap*

41. MANAJEMEN RISIKO (lanjutan)

Risiko pasar (lanjutan)

(ii) Risiko tingkat bunga (lanjutan)

Manajemen risiko tingkat bunga (lanjutan)

Tabel di bawah ini mengikhtisarkan sensitivitas laba bersih Grup selama tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 atas kenaikan atau penurunan tingkat suku bunga pasar, dengan asumsi bahwa tidak ada pergerakan asimetris di kurva imbal hasil:

***41. RISK MANAGEMENT** (continued)*

***Market risk** (continued)*

(ii) Interest rate risk (continued)

Interest rate risk management (continued)

The table below shows the sensitivity of the Group's net profit during the year ended 31 December 2023 and 2022 due to an increase or decrease in market interest rates, assuming no assymetrical movement in yield curves:

	(Penurunan) peningkatan laba bersih/ *(Decrease) increase net profit*		
	2023	**2022**	
Peningkatan 100 bps	22,945	3,903	*Increased by 100 bps*
Penurunan 100 bps	(32,651)	(14,083)	*Decreased by 100 bps*

Manajemen Risiko Permodalan

Modal regulasi

Tujuan manajemen permodalan Grup adalah untuk mempertahankan posisi modal yang kuat untuk mendukung pertumbuhan bisnis dan mempertahankan investor, deposan, pelanggan dan kepercayaan pasar. Dalam pengelolaan permodalan, Grup mempertimbangkan faktor-faktor seperti: pengembalian modal yang optimal pada pemegang saham, menjaga keseimbangan antara keuntungan yang lebih tinggi dengan *gearing ratio* serta keamanan yang diberikan oleh posisi modal yang sehat.

Sesuai dengan Peraturan OJK (POJK) No. 11/POJK.03/2016 tentang kewajiban penyediaan modal minimum bank umum dan SEOJK No. 26/SEOJK.03/2016 tentang KPMM sesuai Profil Risiko dan Pemenuhan *Capital Equivalency Maintained Assets (CEMA),* Bank wajib melakukan perhitungan KPMM minimum berdasarkan profil risiko dan melakukan *Internal Capital Adequacy Assessment Process (ICAAP).* Peraturan ini juga mengatur tentang pemenuhan rasio modal inti (*Tier 1*) paling rendah sebesar 6% dan rasio modal inti utama (*Common Equity Tier 1*) paling rendah sebesar 4,5%, efektif sejak tanggal 1 Januari 2014.

Grup telah memenuhi semua persyaratan modal yang diwajibkan sepanjang tahun.

Capital Risk Management

Regulatory capital

The Group capital management objectives is to maintain a strong capital position to support business growth and to sustain investors, depositors, customers and market confidence. In managing its capital, the Group considers factors such as: providing optimal capital rate of return to shareholders and maintaining a balance between high return gearing ratio and safety provided by a sound capital position.

According to OJK Regulation No. 11/POJK.03/2016 dated 12 December 2013 regarding Capital Adequacy Ratio (CAR) for Commercial Bank and SEOJK No. 26/SEOJK.03/2016 regarding Capital Adequacy Ratio based on Risk Profile and Fullfillment of Capital Equivalency Maintained Assets (CEMA), the Bank is required to calculate minimum CAR in accordance to its risk profile and to perform Internal Capital Adequacy Assessment Process (ICAAP). This regulation also stipulates minimum Tier 1 ratio at the minimum of 6% and common equity Tier 1 ratio at the minimum of 4.5%, effective on 1 January 2014.

The Group has complied with all externally imposed capital requirements throughout the year.

41. MANAJEMEN RISIKO (lanjutan) / *41. RISK MANAGEMENT (continued)*

Manajemen Risiko Permodalan (lanjutan) / ***Capital Risk Management** (continued)*

Modal regulasi (lanjutan) / ***Regulatory capital** (continued)*

Posisi permodalan Grup berdasarkan peraturan OJK yang berlaku pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The Group's regulatory capital position under the prevailing OJK regulation as of 31 December 2023 and 2022 were as follows:

	31 Desember/*December*		
	2023	**2022**	
KONSOLIDASI			***CONSOLIDATED***
Aset tertimbang menurut risiko			***Risk weighted assets***
- Dengan memperhitungkan risiko kredit	125,294,554	121,057,375	*With credit risk charge -*
- Dengan memperhitungkan risiko kredit dan operasional	135,795,396	144,374,143	*With credit, operational risk - charge*
- Dengan memperhitungkan risiko kredit, operasional dan pasar	137,651,897	145,091,415	*With credit, operational and market - risk charge*
Modal			***Capital***
- Modal inti	36,613,893	34,966,039	*Core capital -*
- Modal pelengkap	4,543,487	4,626,967	*Supplementary capital -*
	41,157,380	39,593,006	
Rasio kewajiban penyediaan modal minimum			***Capital adequacy ratio***
- Dengan memperhitungkan risiko kredit	32.85%	32.71%	*With credit risk charge -*
- Dengan memperhitungkan risiko kredit dan operasional	30.31%	27.42%	*With credit, operational risk - charge*
- Dengan memperhitungkan risiko kredit, operasional dan pasar	29.90%	27.29%	*With credit, operational and market - risk charge*
Rasio kewajiban penyediaan modal minimum yang diwajibkan	9% sampai dengan kurang dari 10%/*9% to less than 10%*	9% sampai dengan kurang dari 10%/*9% to less than 10%*	*Minimum capital adequacy ratio required*
- Rasio Kewajiban Penyediaan Modal Minimum	29.90%	27.29%	*Capital Adequacy Ratio -*
- Rasio CET 1	26.60%	24.10%	*CET 1 ratio -*
- Rasio tier 1	26.60%	24.10%	*Tier 1 ratio -*
- Rasio tier 2	3.30%	3.19%	*Tier 2 ratio -*
BANK			***BANK***
Aset tertimbang menurut risiko			***Risk weighted assets***
- Dengan memperhitungkan risiko kredit	116,728,894	113,060,445	*With credit risk charge -*
- Dengan memperhitungkan risiko kredit dan operasional	126,954,327	129,231,779	*With credit, operational risk - charge*
- Dengan memperhitungkan risiko kredit, operasional dan pasar	128,810,828	129,949,051	*With credit, operational and market - risk charge*
Modal			***Capital***
- Modal inti	31,015,970	29,178,186	*Core capital -*
- Modal pelengkap	4,436,444	4,527,153	*Supplementary capital -*
	35,452,414	33,705,339	
Rasio kewajiban penyediaan modal minimum			***Capital adequacy ratio***
- Dengan memperhitungkan risiko kredit	30.37%	29.81%	*With credit risk charge -*
- Dengan memperhitungkan risiko kredit dan operasional	27.93%	26.08%	*With credit, operational risk - charge*
- Dengan memperhitungkan risiko kredit, operasional dan pasar	27.52%	25.94%	*With credit, operational and market - risk charge*
Rasio kewajiban penyediaan modal minimum yang diwajibkan	9% sampai dengan kurang dari 10%/*9% to less than 10%*	9% sampai dengan kurang dari 10%/*9% to less than 10%*	*Minimum capital adequacy ratio required*
- Rasio Kewajiban Penyediaan Modal Minimum	27.52%	25.94%	*Capital Adequacy Ratio -*
- Rasio CET 1	24.08%	22.45%	*CET 1 ratio -*
- Rasio tier 1	24.08%	22.45%	*Tier 1 ratio -*
- Rasio tier 2	3.44%	3.48%	*Tier 2 ratio -*

41. MANAJEMEN RISIKO (lanjutan) / *41. RISK MANAGEMENT (continued)*

Manajemen Risiko Permodalan (lanjutan) / ***Capital Risk Management** (continued)*

Modal regulasi (lanjutan) / ***Regulatory capital** (continued)*

	31 Desember/*December*		
	2023	**2022**	
ENTITAS ANAK			***SUBSIDIARY***
Modal inti	8,235,764	8,019,187	***Core capital***
Modal pelengkap (maksimum 100% dari modal inti)	107,043	99,814	***Supplementary capital (maximum at 100% from core capital)***
Jumlah modal	8,342,807	8,119,001	***Total capital***
Aset Tertimbang Menurut Risiko (ATMR)			*Risk Weighted Assets (RWA)*
Risiko Kredit	8,072,300	7,750,299	*Credit Risk*
Risiko Operasional	8,095,128	7,380,362	*Operational Risk*
Rasio total	51.60%	53.66%	***Total ratio***
Rasio KPMM yang diwajibkan	9% - 10%	9% - 10%	***Minimum CAR***

Manajemen menggunakan peraturan rasio permodalan untuk memantau kecukupan modal, sesuai dengan standar industri. Pendekatan Bank Indonesia untuk pengukuran modal tersebut terutama didasarkan pada pemantauan kebutuhan modal yang diwajibkan terhadap modal yang tersedia.

Management uses regulatory capital ratios in order to monitor its capital base and these capital ratios remain the industry standards for measuring capital adequacy. Bank Indonesia's approach to such measurement is primarily based on monitoring the relationship of the capital resources requirement to available capital resources.

Reformasi acuan suku bunga / ***Interest rate benchmark reform***

Reformasi mendasar dari acuan suku bunga utama sedang dilakukan secara global, termasuk penggantian beberapa suku bunga yang ditawarkan antar bank ("IBOR") dengan suku bunga alternatif yang hampir bebas risiko ("Reformasi IBOR").

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates ("IBORs") with alternative nearly risk-free rates ("IBOR Reform")

Bank memiliki eksposur terhadap IBOR atas instrumen keuangan yang akan direformasi sebagai bagian dari inisiatif pasar global.

The Bank has exposures to IBORs on its financial instruments that will be reformed as part of this market-wide initiative.

Pada tanggal 27 Juli 2017, *Financial Conduct Authority* (FCA) mengumumkan bahwa setelah tanggal 31 Desember 2021, bank yang menjadi kontributor LIBOR tidak lagi diwajibkan untuk memberikan kuotasi LIBOR. Menindaklanjuti pengumuman dari FCA tersebut, lima otoritas dari masing-masing negara mata uang LIBOR mencari dan memilih suku bunga referensi alternatif (*Alternative Reference Rate - ARR)* untuk menggantikan LIBOR.

On 27 July 2017, Financial Conduct Authority (FCA) announced that after 31 December 2021, banks contributing to LIBOR will be no longer required to provide LIBOR quotation. In response to the announcement from FCA, five authorities from each LIBOR currency country moved to find and select an alternative reference rate (ARR) to replace LIBOR.

Seluruh otoritas pada negara mata uang LIBOR memilih ARR berupa bunga rata-rata tertimbang dari transaksi *repurchase agreement* (*secured*) atau transaksi pasar uang antar bank (*unsecured*) dengan jangka waktu *overnight*. Pemilihan transaksi dengan tenor *overnight* dilakukan karena transaksi pada tenor tersebut paling likuid dan merefleksikan suku bunga pasar antarbank.

All authorities in the LIBOR currency country choose ARR in the form of a weighted average of repurchase agreement transactions (secured) or interbank money market transactions (unsecured) with overnight tenor. The selection of transactions with overnight tenor is made because transactions in this tenor is the most liquid and reflecting interbank market interest rates.

41. MANAJEMEN RISIKO (lanjutan)

Reformasi acuan suku bunga (lanjutan)

Risiko utama yang dihadapi Bank sebagai akibat dari reformasi IBOR adalah risiko operasional. Sebagai contoh, renegosiasi kontrak perjanjian pinjaman secara bilateral dengan nasabah, pembaruan persyaratan kontrak, pembaruan sistem yang masih menggunakan IBOR dan perubahan kontrol operasional terkait reformasi IBOR. Risiko keuangan sebagian besar terbatas pada risiko suku bunga.

Bank membentuk Komite IBOR lintas fungsi untuk mengelola transisi ke ARR. Tujuan Komite IBOR termasuk mengevaluasi sejauh mana pinjaman yang diberikan, komitmen kredit, dan transaksi *trade finance* perlu diubah sebagai dampak dari reformasi IBOR dan bagaimana mengelola komunikasi tentang reformasi IBOR dengan pihak lawan.

Bank mengelola transisi IBOR ke ARR sebagai berikut:

1. Menggunakan ARR pada kontrak keuangan baru sesuai anjuran otoritas masing-masing negara mata uang LIBOR dengan mempertimbangkan beberapa opsi ARR yang sesuai.
2. Membentuk tim transisi IBOR untuk memastikan kelancaran proses transisi, baik dari sisi tata kelola, manajemen risiko, prosedur, sistem informasi, legal dan akuntansi, dengan memperhatikan ketentuan yang berlaku.
3. Melakukan negosiasi kontrak-kontrak yang ada dengan debitur atau pihak lawan untuk menyepakati klausul *fallback*, antara lain mengenai *trigger event*, suku bunga referensi pengganti dan *notice of payment*.
4. Menggunakan bahasa untuk klausul *fallback* dari standard pasar yang berlaku secara global, misalnya ISDA *Fallback Protocol* atau *Asia Pacific Loan Market Association* (APLMA).
5. Mengikuti terus perkembangan proses transisi IBOR.

Terkait reformasi IBOR, Bank menetapkan tenggat waktu penghentian internal untuk transaksi berbasis LIBOR mulai tanggal 30 Juni 2021, dengan *exceptional handling* untuk produk USD LIBOR untuk menunjang kebutuhan pelanggan.

Suku bunga alternatif yang digunakan Bank dalam transisi dari LIBOR adalah sebagai berikut:

***41. RISK MANAGEMENT** (continued)*

***Interest rate benchmark reform** (continued)*

The main risks to which the Bank is exposed as a result of IBOR reform are operational risks. For example, billateral renegotiation of loan contracts with customers, amendments of contractual terms, updating systems that use IBOR curves and changes of operational controls related to the IBOR reform. Financial risk is predominantly limited to interest rate risk.

The Bank established a cross-functional IBOR Committee to manage its transition to ARR. The objectives of the IBOR Committee include evaluating the extent of amendments required for loans, loan commitments and trade finance transactions as the impacts of IBOR reform and how to manage the communication about IBOR reform with counterparties.

The Bank manages the transition of LIBOR to ARR as follows:

1. *Using the ARR on new financial contracts as recommended by the authorities of each LIBOR currency by considering several appropriate ARR options.*
2. *Establishing a IBOR transition team to ensure a smooth transition process, both in terms of governance, risk management, procedures, information system, legal and accounting, with due observance of applicable regulations.*
3. *Negotiating outstanding contracts with debtors or counterparties to agree on fallback clauses, including on trigger events, alternative reference interest rates and notice of payments.*
4. *Using fallback clause language from market standards that apply globally, for example ISDA Fallback Protocol or Asia Pacific Loan Market Association (APLMA).*
5. *Continuing follow-ups on the development of the IBOR transition process.*

In response to the IBOR reform, the Bank has set an internal cessation deadlines for new LIBOR-based transactions since 30 June 2021, with certain exceptional handling for USD LIBOR products to support customer's needs.

Alternative interest rates that are used by the Bank in the transition from LIBOR are as follows:

Mata Uang/ *Currency*	Mata Uang IBOR/ *Currency IBOR*	Suku bunga referensi alternatif/ *Alternative Reference Rate* (ARR)
USD	USD LIBOR	*Cost of Fund, Fixed Rate, Compounded Secured Overnight Financing Rate (SOFR), Term Risk Free Rate (RFR)*
JPY	JPY LIBOR	*Cost of Fund, Tokyo Interbank Offered Rate (TIBOR), Compounded Tokyo Overnight Average Rate (TONAR), Tokyo Term Risk Free Rate (TORF)*

41. MANAJEMEN RISIKO (lanjutan)

Reformasi acuan suku bunga (lanjutan)

Tabel di bawah ini menunjukkan acuan sebelum reformasi dari produk Bank yang terdampak (pinjaman yang diberikan dan derivatif), acuan baru dan status transisi.

41. RISK MANAGEMENT (continued)

Interest rate benchmark reform *(continued)*

The table below sets out the benchmark before reform from the impacted products (loans and derivatives), new benchmark and status of the transition.

Mata Uang/ *Currency*	Acuan sebelum reformasi/ *Benchmark before reform*	Acuan setelah reformasi/ *Benchmark after reform*	Status transisi pada tanggal 31 Desember 2023/ *Status of transition as of 31 December 2023*
USD	USD LIBOR	USD SOFR	Dalam proses/*In progress**
JPY	JPY LIBOR	JPY TONA	Selesai/*Completed*
JPY	JPY LIBOR	JPY TORF	Selesai/*Completed*

Tabel berikut adalah jumlah eksposur pada tanggal 31 Desember 2023 dan 2022 untuk instrumen keuangan non-derivatif (pinjaman yang diberikan) dan derivatif serta komitmen pinjaman yang terdampak terhadap reformasi IBOR. Eksposur pinjaman yang diberikan disajikan pada jumlah plafon fasilitasnya, sementara eksposur derivatif disajikan pada jumlah nosionalnya pada ekuivalen jutaan Rupiah, dijabarkan dengan nilai tukar mata uang tanggal 31 Desember 2023 dan 2022.

The following table shows the total exposure as of 31 December 2023 and 2022 for non-derivative (loans) and derivative financial instruments as well as loan commitments which are affected by the IBOR reform. The exposure of loans are presented at their facility limit amount, while derivatives are presented at their notional amount in equivalent millions of Rupiah, translated using foreign exchange rate as of, 31 December 2023 and 2022.

31 Desember/*December* 2023

	Acuan JPY LIBOR/ *JPY LIBOR Benchmark*		**Acuan USD LIBOR/ *USD LIBOR Benchmark***		
	Eksposur yang belum direformasi/ *Unreformed exposures*	**Eksposur dengan klausul *fallback* yang sesuai/ *Amount with appropriate fallback clause***	**Eksposur yang belum direformasi/ *Unreformed exposures***	**Eksposur dengan klausul *fallback* yang sesuai/ *Amount with appropriate fallback clause***	
Pinjaman yang diberikan*					***Loans****
Committed	-	-	-	-	*Committed*
Uncommitted	-	-	-	-	*Uncommitted*
	-	-	-	-	
Derivatif					***Derivatives***
Antarbank	-	-	-	-	*Interbank*
Nasabah	-	-	-	-	*Customer*
	-	-	-	-	

*) Pada tanggal 31 Desember 2023, Bank sudah tidak memiliki eksposur LIBOR pada setiap posisi mata uang asing. Beberapa perjanjian sindikasi yang semulanya memiliki eksposur USD LIBOR masih dalam proses penyelesaian dan persetujuan dari semua pihak-pihak sindikasi, namun telah mendapat persetujuan sementara untuk menggunakan USD SOFR sehingga Bank tidak lagi memiliki eksposur terhadap LIBOR pada tanggal 31 Desember 2023.

**) As of 31 December 2023, the Bank no longer has outstanding LIBOR exposures with respect to each currency position. A couple of syndicated facilities agreements which initially had exposures to USD LIBOR were still in progress of finalization and agreement from all related syndication parties, however have obtained temporary approval to use USD SOFR such that the Bank no longer has exposure to LIBOR as of 31 December 2023.*

31 Desember/*December* 2022

	Acuan JPY LIBOR/ *JPY LIBOR Benchmark*		**Acuan USD LIBOR/ *USD LIBOR Benchmark***		
	Eksposur yang belum direformasi/ *Unreformed exposures*	**Eksposur dengan klausul *fallback* yang sesuai/ *Amount with appropriate fallback clause***	**Eksposur yang belum direformasi/ *Unreformed exposures***	**Eksposur dengan klausul *fallback* yang sesuai/ *Amount with appropriate fallback clause***	
Pinjaman yang diberikan					***Loans***
Committed	-	-	10,606,829	5,373,159	*Committed*
Uncommitted	-	-	8,444,025	2,335,125	*Uncommitted*
	-	**-**	**19,050,854**	**7,708,284**	
Derivatif					***Derivatives***
Antarbank	-	-	-	18,271,151	*Interbank*
Nasabah	-	-	7,137,849	6,784,374	*Customer*
	-	**-**	**7,137,849**	**25,055,525**	

41. MANAJEMEN RISIKO (lanjutan)

Estimasi nilai wajar instrumen keuangan

Untuk aset dan liabilitas keuangan yang diukur menggunakan nilai wajar, berikut ini adalah hirarki nilai wajar:

a. Level 1

Harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik;

b. Level 2

Input selain harga kuotasian yang termasuk dalam level 1 yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung (misalnya harga) maupun tidak langsung (misalnya turunan harga); dan

c. Level 3

Input untuk aset atau liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi).

Tabel berikut menyajikan aset dan liabilitas keuangan Grup yang diukur sebesar nilai wajar pada tanggal 31 Desember 2023 dan 2022:

41. RISK MANAGEMENT (continued)

Fair value estimation of financial instruments

For financial assets and liabilities measured at fair value, the following is the hierarchy of the fair values:

a. Level 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities;

b. Level 2

Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is as prices) or indirectly (that is derived from prices); and

c. Level 3

Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The tables below show the Group's financial assets and liabilities that were measured at fair value as of 31 December 2023 and 2022:

	31 Desember/*December* 2023					
	Nilai tercatat/ *Carrying value*	Level 1	Level 2	Level 3	Nilai wajar/ *Fair value*	
Aset						***Assets***
Efek-efek	7,817,003	205,183	7,611,820	-	7,817,003	*Securities*
Tagihan derivatif	1,133,149	-	1,133,149	-	1,133,149	*Derivative receivables*
Penyertaan saham	102,586	-	80,064	22,522	102,586	*Investment in shares*
	9,052,738	205,183	8,825,033	22,522	9,052,738	
Liabilitas						***Liabilities***
Liabilitas derivatif	1,072,104	-	1,072,104	-	1,072,104	*Derivative payables*

	31 Desember/*December* 2022					
	Nilai tercatat/ *Carrying Value*	Level 1	Level 2	Level 3	Nilai wajar/ *Fair value*	
Aset						***Assets***
Efek-efek	9,578,603	-	9,578,603	-	9,578,603	*Securities*
Tagihan derivatif	1,746,824	-	1,746,824	-	1,746,824	*Derivative receivables*
Penyertaan saham	103,473	-	80,951	22,522	103,473	*Investment in shares*
	11,428,900	-	11,406,378	22,522	11,428,900	
Liabilitas						***Liabilities***
Liabilitas derivatif	1,447,736	-	1,447,736	-	1,447,736	*Derivative payables*

Tabel di bawah ini menggambarkan nilai tercatat dan nilai wajar dari instrumen keuangan yang tidak disajikan pada nilai wajarnya:

The table below summarizes the carrying amounts and fair values of those financial instruments not stated at their fair values:

	31 Desember/*December* 2023		31 Desember/*December* 2022		
	Nilai tercatat/ *Carrying value*	Nilai wajar/ *Fair value*	Nilai tercatat/ *Carrying value*	Nilai wajar/ *Fair value*	
Aset					***Assets***
Giro pada Bank Indonesia	9,276,598	9,276,598	10,215,350	10,215,350	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	962,229	962,229	2,189,146	2,189,146	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	8,964,278	8,964,278	21,887,894	21,887,894	*Placements with Bank Indonesia and other banks*
Efek-efek	9,446,554	9,461,043	9,471,087	9,757,119	*Securities*
Tagihan akseptasi	3,281,120	3,281,120	3,065,359	3,065,359	*Acceptance receivables*
Pinjaman yang diberikan dan pembiayaan/piutang syariah	153,041,046	157,244,639	143,422,931	146,384,580	*Loans and sharia financing/ receivables*
Aset lain-lain	423,113	423,113	228,822	228,822	*Other assets*

41. MANAJEMEN RISIKO (lanjutan)

41. RISK MANAGEMENT (continued)

Estimasi nilai wajar instrumen keuangan (lanjutan)

Fair value estimation of financial instruments *(continued)*

Tabel di bawah ini menggambarkan nilai tercatat dan nilai wajar dari instrumen keuangan yang tidak disajikan pada nilai wajarnya: (lanjutan)

The table below summarizes the carrying amounts and fair values of those financial instruments not stated at their fair values: (continued)

	31 Desember/*December* 2023		31 Desember/*December* 2022		
	Nilai tercatat/ *Carrying value*	Nilai wajar/ *Fair value*	Nilai tercatat/ *Carrying value*	Nilai wajar/ *Fair value*	
Liabilitas					***Liabilities***
Liabilitas segera	71,606	71,606	59,045	59,045	*Obligation due immediately*
Bagi hasil yang belum dibagikan	21,951	21,951	18,996	18,996	*Undistributed revenue sharing*
Simpanan nasabah	98,457,403	98,457,403	105,168,911	105,168,911	*Deposits from customers*
Simpanan dari bank-bank lain	10,822,121	10,822,121	166,131	166,131	*Deposits from other banks*
Liabilitas akseptasi	2,323,633	2,323,633	2,356,828	2,356,828	*Acceptance payables*
Efek-efek yang diterbitkan	202,083	204,635	201,648	204,077	*Securities issued*
Pinjaman yang diterima	31,355,517	31,388,521	45,067,408	45,106,240	*Borrowings*
Liabilitas lain-lain	505,982	505,982	330,316	330,316	*Other liabilities*

Nilai wajar dari efek-efek yang memiliki jatuh tempo lebih dari 1 tahun diestimasi menggunakan nilai kuotasi pasar terakhir (level 2 - hirarki nilai wajar).

The fair value for securities, which maturity date is more than 1 year, are estimated using the last quoted market price (level 2 - fair value hierarchy).

Estimasi nilai wajar dari pinjaman yang diberikan mencerminkan jumlah diskonto dari estimasi kini dari arus kas masa depan yang diharapkan akan diterima. Arus kas masa depan yang diharapkan didiskontokan pada tingkat suku bunga pasar terkini untuk menentukan nilai wajar (level 3 - hirarki nilai wajar).

The estimated fair value of loans represents the discounted amount of estimated future cash flows expected to be received. Estimated cash flows are discounted at current market rates to determine fair value (level 3 - fair value hierarchy).

Nilai tercatat dari pembiayaan syariah merupakan perkiraan yang layak atas nilai wajar dikarenakan pinjaman tersebut memiliki tenor jangka pendek.

Carrying value of sharia financing approximates the estimates fair value since sharia financing have short-term tenure.

Nilai wajar surat utang jangka menengah dihitung menggunakan teknik penilaian berdasarkan model internal Bank yaitu model penilaian diskonto arus kas. Input dalam teknik penilaian termasuk arus kas yang akan diterima di masa datang dan suku bunga pasar (level 2 - hirarki nilai wajar).

The fair value of medium term notes was calculated using valuation technique based on the Bank's internal model which is discounted cash flow valuation model. Inputs into the valuation technique include expected future cash flows and interest rates (level 2 - fair value hierarchy).

Nilai wajar utang obligasi diestimasi menggunakan nilai kuotasi pasar terakhir (level 2 - hirarki nilai wajar).

The fair value of bonds payable is estimated by using the last quoted market price (level 2 - fair value hierarchy).

Nilai wajar dari pinjaman yang diterima dinilai dengan menggunakan diskonto arus kas berdasarkan tingkat suku bunga efektif yang dikenakan pada pinjaman terakhir yang digunakan (level 2 - hirarki nilai wajar).

The fair value of borrowings is estimated by using discounted cash flows applying the effective interest rate charged by the lender for the last utilization of borrowings (level 2 - fair value hierarchy).

41. MANAJEMEN RISIKO (lanjutan)

Estimasi nilai wajar instrumen keuangan
(lanjutan)

Nilai tercatat aset keuangan dan liabilitas keuangan lainnya mendekati nilai wajarnya karena instrumen keuangan bersifat jangka pendek atau yang ditinjau ulang menggunakan harga pasar secara berkala.

Perhitungan nilai wajar dilakukan hanya untuk kepentingan pengungkapan dan tidak berdampak pada pelaporan posisi atau kinerja keuangan Grup. Nilai wajar yang dihitung oleh Grup mungkin berbeda dengan jumlah aktual yang akan diterima/dibayar pada saat penyelesaian atau jatuh tempo instrumen keuangan. Mengingat kategori tertentu instrumen keuangan yang tidak diperdagangkan, maka terdapat pertimbangan manajemen dalam perhitungan nilai wajar.

Risiko operasional

Risiko operasional didefinisikan sebagai risiko akibat ketidakcukupan atau tidak berfungsinya proses internal, kesalahan manusia, kegagalan sistem, atau adanya kejadian-kejadian eksternal yang mempengaruhi aktivitas operasional Bank.

Tata Kelola Pengelolaan Risiko Operasional

Dewan Komisaris dan Direksi melakukan pengawasan secara aktif terhadap Manajemen Risiko Operasional melalui berbagai komite seperti Komite Pemantau Risiko dan Komite Manajemen Risiko yang dilakukan secara berkala sesuai *terms of reference* masing-masing untuk membahas risiko operasional.

Satuan Kerja *Operational & Fraud Risk Management* (OFRM) memiliki tanggung jawab secara langsung kepada Kepala Manajemen Risiko, atas manajemen risiko operasional dan *fraud*. Bank telah merumuskan dan menetapkan profil dan tingkat risiko operasional secara memadai agar sejalan dengan sasaran dan strategi bisnis Bank secara keseluruhan. Pemantauan profil dan tingkat risiko operasional dilakukan melalui perangkat manajemen risiko operasional yaitu *operational risk appetite* dan *key risk indicator* yang menjadi bagian dalam kerangka kerja manajemen risiko operasional.

41. RISK MANAGEMENT (continued)

Fair value estimation of financial instruments
(continued)

The carrying amount of remaining financial assets and financial liabilities are reasonable approximation of fair value because they are short term in nature or re-price to current market rates frequently.

The fair values calculated are for disclosure purposes only and do not have any impact on the Group's reported financial performance or position. The fair values calculated by the Group may be different from the actual amount that will be received/paid on the settlement or maturity of the financial instruments. As certain categories of financial instruments are not traded, there is management's judgment involved in calculating the fair values.

Operational risk

Operational risk is defined as the risks of loss resulting from inadequate or failed internal processes, people, systems failure or external events that impacted to the Bank's operational activities.

Operational Risk Management Governance

The Board of Commissioners and the Board of Directors actively supervise operational risk management through various committees, such as the Risk Monitoring Committee and the Risk Management Committee that conducted periodically in accordance with terms of reference to discuss operational risks.

The Operational & Fraud Risk Management (OFRM) Unit has direct responsibility to the Head of Risk Management, for operational and fraud risk management. Bank had formulated and determined the profile and level of operational risk sufficiently to be in line with overall business goals and strategies of the Bank. Monitoring the operational risk profile and level is carried out through operational risk management tools, such as operational risk appetite and key risk indicators which are part of the operational risk management framework.

41. MANAJEMEN RISIKO (lanjutan)

Risiko operasional (lanjutan)

Kecukupan Kebijakan, Prosedur, dan Penetapan Limit

Satuan kerja OFRM bertanggung jawab dalam pembuatan dan pengembangan kebijakan dan prosedur manajemen risiko operasional, BCM (*Business Continuity Management*), Fungsi ICR (*Internal Control & Risk*) dan *fraud* yang kemudian akan dikaji ulang secara berkala, dengan mempertimbangkan setiap perubahan signifikan, baik secara internal maupun eksternal.

Setiap unit kerja wajib berpedoman kepada kebijakan dan prosedur manajemen risiko operasional dalam menjalankan aktivitas operasionalnya sehari-hari. Bank juga telah memiliki sistem dan penetapan limit atau ambang batas untuk mendukung pengendalian umum dan khusus, seperti pemisahan tugas, cuti wajib tahunan, rekonsiliasi dan lainnya.

Kecukupan Proses Manajemen Risiko Operasional

Proses manajemen risiko operasional yang mencakup identifikasi, pengukuran, pemantauan dan pengendalian risiko berjalan secara terstruktur dan konsisten. Proses Manajemen Risiko Operasional di Bank diterapkan berdasarkan praktik terbaik yang efektif.

Tahapan proses manajemen risiko operasional yang mencakup identifikasi, pengukuran, pemantauan dan pengendalian atas risiko operasional adalah sebagai berikut:

1. Risiko operasional dilakukan atas seluruh proses, produk, layanan, sistem, inisiatif dan struktur organisasi baru ataupun perubahannya. Identifikasi risiko operasional juga dilakukan melalui perangkat manajemen risiko operasional di antaranya *Risk Grading Matrix (*RGM*), Process Risk Control (*PRC*), Key Risk Indicator (*KRI*) dan Risk Acceptance (*RA*).*

2. Proses pengukuran risiko operasional meliputi kegiatan penilaian mandiri (*self-assessment*) secara berkala melalui *Key Control Self Assessment (*KCSA*)*, analisa kejadian dan kerugian risiko operasional, pelaksanaan aktivitas pemeriksaan oleh Fungsi *Internal Control & Risk (*ICR*)*, pengukuran KRI dan *Operational Risk Appetite (*ORA*)* yang dilaporkan secara berkala dalam rapat Komite Manajemen Risiko (KMR).

41. RISK MANAGEMENT (continued)

***Operational risk** (continued)*

Adequacy of Policies, Procedures, and Determination of Limits

The OFRM is responsible for the formulation and development of operational risk management policies and procedures, BCM (Business Continuity Management), ICR (Internal Control & Risk) and fraud functions which will then be reviewed periodically, taking into account any significant changes, both internally and externally.

Each work unit must adhere to operational risk management policies and procedures in carrying out daily operational activities. Bank also has system and determination of limits to support common and specific controls, such as segregation of duties, annual mandatory block leave reconciliation and others.

Adequacy of Operational Risk Management Process

The process of operational risk management including identification, measurement, monitoring and risk control runs in a structured and consistent manner. The Operational Risk Management process in Bank implemented based on effective best practices.

The operational risk management process which include identification, measurement, monitoring and control of operational risk are describe as follows:

1. *Operational risk identification is carried out on process, product, services, system, initiative and organization for new and changes. The operational risk identification is also perform through operational risk management tools such as Risk Grading Matrix (RGM), Process Risk Control (PRC), Key Risk Indicator (KRI) and Risk Acceptance (RA).*

2. *Risk measurement process includes periodic self-assessment activities through Key Control Self Assessment (KCSA), analysis of operational risk events and losses, inspection activities by Internal Control & Risk (ICR) Function, KRI measurement and Operational Risk Appetite (ORA) which is reported regulary in meetings of Risk Management Committee (RMC).*

41. MANAJEMEN RISIKO (lanjutan)

Risiko operasional (lanjutan)

Kecukupan Proses Manajemen Risiko Operasional (lanjutan)

Tahapan proses Manajemen Risiko Operasional yang mencakup identifikasi, pengukuran, pemantauan dan pengendalian atas risiko operasional adalah sebagai berikut: (lanjutan)

3. Pemantauan risiko operasional dilakukan melalui pelaporan kepada manajemen senior dan regulator, baik secara rutin ataupun *ad-hoc*, termasuk pelaporan kejadian dengan kategori signifikan melalui SINP (*Significant Incident Notification Protocol*). Hal ini diterapkan agar setiap permasalahan yang terjadi dapat segera ditindaklanjuti.

4. Pengendalian risiko operasional juga dilakukan dengan menerapkan mekanisme kontrol pencegahan, deteksi dan koreksi yang efektif dan/atau menyediakan asuransi yang mencukupi untuk meminimalkan dampak kerugian operasional bagi Bank. Sebagai salah satu tindakan pengendalian, Bank telah memiliki pedoman bagi Manajemen Kelangsungan Bisnis (BCM) yang komprehensif.

Penyediaan aplikasi *Internal Control & Risk System (*ICRS) adalah sebagai *database* di dalam penerapan manajemen risiko operasional dan *fraud* dan sekaligus diharapkan agar dapat menyajikan kebutuhan informasi secara akurat, tepat waktu dan terkini untuk memudahkan analisis dan pengambilan keputusan.

Perhitungan Kewajiban Penyediaan Modal Minimum (KPMM) untuk risiko operasional yang dilakukan oleh Bank menggunakan pendekatan standar (*standardized approach*) dan sesuai dengan ketentuan regulator.

Bank dan Entitas Anak telah memiliki pedoman pengelolaan kelangsungan usaha yang komprehensif dan mengacu kepada standar industri ISO 22301, dengan tujuan untuk mengantisipasi potensi risiko operasional yang dapat terjadi dari situasi ekstrem/kritikal baik yang disebabkan oleh faktor bencana alam seperti banjir, gempa bumi, dan gunung meletus maupun faktor lainnya seperti demonstrasi, kebakaran, gangguan sistem pasokan listrik, pandemi serta situasi bisnis yang kurang menguntungkan. Hal ini untuk memastikan keberlangsungan layanan kepada nasabah.

41. RISK MANAGEMENT (continued)

Operational risk *(continued)*

Adequacy of Operational Risk Management Process *(continued)*

The operational risk management process which include identification, measurement, monitoring and control of operational risk are describe as follows: (continued)

3. Operational risk monitoring is carried out through reporting to senior management and regulators, either on a regular basis or on an ad-hoc basis, including reporting events with significant incident through SINP (Significant Incident Notification Protocol). This is implemented so that any problems that occur can be immediately followed up.

4. Operational risk control is also carried out by implementing effective prevention, detection and correction control mechanisms and/or providing adequate insurance to minimize the impacts of operational losses on Bank. As one of the control measures, Bank has guidelines for comprehensive Business Continuity Management (BCM).

The existence of the Internal Control & Risk System (ICRS) application serves as database in the implementation of operational and fraud risk management and at the same time is expected to be able to present information needs in an accurate, timely and up-to-date manner to facilitate analysis and decision making.

The calculation of the Capital Adequacy Assessment Process (ICAAP) for operational risk carried out by the Bank has used standardized approach and comply with regulatory requirements.

The Bank and its Subsidiaries already have comprehensive business continuity management guidelines which refer to the ISO 22301 industry standard, with the aim of anticipating operational risks that may occur from extreme/critical situations either caused by natural disasters such as floods, earthquakes and volcaic eruptions or other factors such as demonstration, fires, disruptions to the power supply system, pandemic and unfavorable business situations. This is to ensure continuity of service to customers.

41. MANAJEMEN RISIKO (lanjutan)

Risiko operasional (lanjutan)

Sistem Pengendalian Internal atas Risiko Operasional

Sistem pengendalian internal atas risiko operasional dilakukan melalui penerapan model 3 (tiga) lini pertahanan (*three lines of defense*). Pada lini pertahanan pertama, *Risk Taking Unit* (RTU) dibantu oleh *Business Risk/ICR* dalam pengelolaan risiko operasional sehari hari. Pada lini pertahanan kedua, satuan kerja OFRM bertugas untuk mengawasi pelaksanaan proses manajemen risiko sesuai dengan kebijakan yang ditetapkan.

Pada lini pertahanan ketiga, Internal Audit secara independen melakukan pemeriksaan dan evaluasi terhadap tata kelola dan efektivitas manajemen risiko operasional.

Penyelarasan kerja antara pihak-pihak bertanggung jawab atas praktik pengendalian internal Bank dilakukan secara berkelanjutan melalui ICR MSA (*Maturity Self-Assessment*) yang terstandardisasi dan forum-forum yang diselenggarakan oleh satuan kerja OFRM untuk memfasilitasi Fungsi *Internal Control & Risk.*

Manajemen Risiko *Fraud*

Bank menerapkan *zero tolerance* terhadap setiap kejadian *fraud*. Bank senantiasa menindaklanjuti setiap kejadian *fraud* termasuk memberikan sanksi kepada karyawan yang melakukan maupun yang terlibat dalam kejadian *fraud* sesuai dengan ketentuan yang berlaku termasuk melakukan pelaporan kepada pihak yang berwajib (bila diperlukan).

Bank telah memiliki kebijakan dan prosedur strategi *anti fraud* yang memadai dan senantiasa disempurnakan secara berkesinambungan. Pengelolaan risiko *fraud* dilakukan secara sistematis melalui sejumlah proses dan strategi.

Terkait dengan proses pencegahan risiko *fraud,* Bank telah menjalankan program *anti fraud awareness* untuk seluruh karyawan dan penandatanganan pakta integritas yang dilakukan oleh Direksi, Dewan Komisaris, dan setiap pegawai bank. Penyesuaian terhadap kebijakan dan prosedur pengelolaan strategi *anti fraud* dilakukan secara berkala sehingga tetap sesuai dengan kondisi terkini. Selain itu dilakukan kajian risiko *fraud* atas setiap produk, proses, sistem dan inisiatif baik baru maupun pengembangannya.

41. RISK MANAGEMENT (continued)

Operational risk *(continued)*

Internal Control System for Operational Risk

Internal control system for operational risk is carried out through the implementation of three lines of defense models. In the first line of defense, the Risk Taking Unit (RTU) assisted by Business Risk/ICR in carried out day-to-day operational risk management. In the second line of defense, the OFRM work unit is overseeing the implementation of risk management process in accordance with stipulated policy.

In the third line of defence, Internal Audit independently examines and evaluates the governance and effectiveness of operational risk management.

Alignment process between the parties responsible for Bank's internal control practices is carried out on an ongoing basis through a standardized ICR MSA (Maturity Self-Assessment) matrix and forums organized by the OFRM work unit to facilitate the Internal Control & Risk Function.

Fraud Risk Management

The Bank has no tolerance to any fraud incident. Bank always follows up on every fraud incident including providing sanctions to employees who commit or are involved in fraud incidents as per prevailing regulations including reporting to the authorities (if necessary).

Bank has adequate policies and procedures of anti fraud strategies which are continuously improvised. Fraud risk management is systematically handled through a series of process and strategy.

In relation to fraud risk prevention process, the Bank has implemented anti fraud awareness program for all employees and the signing of integrity pact by the Board of Directors, Board of Commissioners, and every Bank employee. Adjustments to policies and procedures for managing anti fraud strategies are carried out regularly to be in line with current conditions. In addition, both new and development products, processes, systems and initiatives are assessed for potential fraud risk.

41. MANAJEMEN RISIKO (lanjutan)

Risiko operasional (lanjutan)

Manajemen Risiko *Fraud* *(lanjutan)*

Sosialisasi *anti fraud awareness* dilakukan melalui beberapa media, yaitu melalui *e-newsletter broadcast, email broadcast, wallpaper desktop* PC/laptop, *standing acrylics*, BTPN Info, penayangan video animasi *anti fraud, mandatory anti-fraud e-learning*, pelaksanaan *anti-fraud awareness* yang disampaikan secara *in-class training* maupun pelatihan secara *virtual* kepada karyawan. Selain itu, ada layanan *whistleblowing* di Bank yang dapat digunakan untuk melaporkan kejadian berindikasi *fraud*.

Bank juga memberikan berbagai berbagai sosialisasi untuk meningkatkan kesadaran *fraud* kepada pihak ketiga baik nasabah maupun vendor termasuk melakukan pelatihan secara *virtual* perihal *anti fraud* maupun *Entertainment & Gift* kepada vendor secara berkala untuk turut serta membantu Bank dalam menjaga tata kelola perusahaan yang baik.

Sejalan dengan strategi *anti fraud* yang berlaku, Bank juga secara berkelanjutan terus melakukan sosialisasi pelaporan *fraud* melalui *whistleblowing channel* sebagai salah satu media pendeteksian kejadian *fraud*, yang secara berkala dikomunikasikan kepada seluruh karyawan melalui berbagai media internal Bank. Karyawan dapat mengungkap dan melaporkan setiap Tindakan pelanggaran (*misconduct*) melalui saluran *e-mail* (Ayo Lapor), Whatsapps, telepon, surat maupun pertemuan tatap muka.

Bank telah memiliki kebijakan yang memadai terkait proses investigasi dan pelaporan kejadian *fraud*. Untuk setiap kasus *fraud* yang terbukti, proses pemberian sanksi diputuskan oleh Komite *Fraud* dan melibatkan unit kerja terkait, *Business Risk/ICR* terkait, satuan kerja Sumber Daya Manusia dan OFRM. Implementasi keputusan Komite *Fraud* dipantau dan dievaluasi secara berkala untuk menentukan upaya perbaikan di masa yang akan datang.

41. RISK MANAGEMENT *(continued)*

Operational risk *(continued)*

Fraud Risk Management *(continued)*

Anti fraud socialization and awareness was carried out through several media, namely e-newsletters, email broadcasts, desktop PC/laptop wallpapers, standing acrylics, BTPN Info, anti fraud animation videos, anti fraud mandatory e-learning, in-class or virtual anti fraud awareness training to employees. In addition, there is whistleblowing channel provided by Bank for reporting indication of fraud.

Bank also provides various socialization programs to raise awareness of fraud to third parties, both customers and vendors, including conducting virtual training on anti fraud and Entertainment & Gifts for vendors on regular basis in supporting the Bank to maintaining good corporate governance.

In line with the applicable anti fraud strategy, Bank also continuously socialized the fraud reporting through whistleblowing channel for detecting fraud incident, which is regularly communicated to all employees through various internal Bank media. Employees can disclose and report any violations (misconduct) through e-mail channels (Ayo Lapor), Whatsapps, telephone, letters or face-to-face meetings.

The Bank has adequate policies regarding investigation process and reporting of fraud. For each proven fraud case, the process of imposing sanctions is decided by Fraud Committee involving the relevant work units, related Business Risk/ICR, Human Resources and OFRM unit. The implementation of Fraud Committee's decisions is monitored and evaluated periodically to determine future improvement efforts.

42. ASET DAN LIABILITAS DALAM MATA UANG ASING

Saldo aset dan liabilitas moneter dalam mata uang asing adalah sebagai berikut:

42. ASSETS AND LIABILITIES IN FOREIGN CURRENCIES

The balances of monetary assets and liabilities in foreign currencies are as follows:

	31 Desember/*December*		
	2023	**2022**	
ASET			***ASSETS***
Kas			*Cash*
Dolar Amerika Serikat	54,843	37,029	*United States Dollar*
Yen Jepang	3,821	3,219	*Japanese Yen*
Dolar Singapura	602	-	*Singapore Dollar*
	59,266	40,248	
Giro pada Bank Indonesia			*Current accounts with Bank Indonesia*
Dolar Amerika Serikat	2,312,722	2,505,286	*United States Dollar*
Giro pada bank-bank lain			*Current accounts with other banks*
Dolar Amerika Serikat	446,607	1,453,587	*United States Dollar*
Yen Jepang	153,105	390,933	*Japanese Yen*
Euro Eropa	62,471	89,866	*European Euro*
Dolar Australia	54,675	38,734	*Australian Dollar*
Dolar Singapura	52,601	2,234	*Singapore Dollar*
Poundsterling Inggris	42,308	35,593	*British Poundsterling*
Baht Thailand	18,448	84,304	*Thailand Baht*
Lain-lain	14,445	2,088	*Others*
	844,660	2,097,339	
Penempatan pada Bank Indonesia dan bank-bank lain			*Placements with Bank Indonesia and other banks*
Dolar Amerika Serikat	5,897,051	10,578,116	*United States Dollar*
Efek-efek			*Securities*
Dolar Amerika Serikat	958,932	1,224,327	*United States Dollar*
Tagihan akseptasi			*Acceptance receivables*
Dolar Amerika Serikat	1,504,872	1,171,471	*United States Dollar*
Yuan China	1,161	-	*China Yuan*
	1,506,033	1,171,471	
Pinjaman yang diberikan			*Loans*
Dolar Amerika Serikat	46,063,513	44,368,513	*United States Dollar*
Yen Jepang	606,229	782,342	*Japanese Yen*
Euro Eropa	79,104	167,004	*European Euro*
	46,748,846	45,317,859	
Penyertaan saham			*Investment in shares*
Dolar Amerika Serikat	80,064	80,951	*United States Dollar*
Aset lain-lain			*Other assets*
Dolar Amerika Serikat	298,151	852	*United States Dollar*
Euro Eropa	230	213	*European Euro*
Yen Jepang	161	-	*Japanese Yen*
	298,542	1,065	
Jumlah aset	**58,706,116**	**63,016,662**	***Total assets***

42. ASET DAN LIABILITAS DALAM MATA UANG ASING (lanjutan)

Saldo aset dan liabilitas moneter dalam mata uang asing adalah sebagai berikut: (lanjutan)

42. ASSETS AND LIABILITIES IN FOREIGN CURRENCIES (continued)

The balances of monetary assets and liabilities in foreign currencies are as follows: (continued)

	31 Desember/*December*		
	2023	2022	
LIABILITAS			***LIABILITIES***
Liabilitas segera			*Liabilities due immediately*
Dolar Amerika Serikat	4,571	-	*United States Dollar*
Giro			*Current accounts*
Dolar Amerika Serikat	8,735,833	10,174,982	*United States Dollar*
Yen Jepang	1,928,682	1,144,277	*Japanese Yen*
Baht Thailand	10,797	87,556	*Thailand Baht*
Euro Eropa	98,942	75,158	*European Euro*
Lain-lain	7,753	10,364	*Others*
	10,782,007	11,492,337	
Tabungan			*Savings deposits*
Dolar Amerika Serikat	543,438	344,625	*United States Dollar*
Yen Jepang	215,605	150,877	*Japanese Yen*
Euro Eropa	74,536	74,828	*European Euro*
Dolar Singapura	72,622	47,876	*Singapore Dollar*
Lain-lain	102,377	68,270	*Others*
	1,008,578	686,476	
Deposito berjangka dan deposito *on call*			*Time deposits and deposits on call*
Dolar Amerika Serikat	10,536,100	10,278,476	*United States Dollar*
Yen Jepang	420,523	58,108	*Japanese Yen*
Dolar Singapura	54,295	-	*Singapore Dollar*
	11,010,918	10,336,584	
Simpanan dari bank-bank lain			*Deposits from other banks*
Dolar Amerika Serikat	9,238,200	-	*United States Dollar*
Liabilitas akseptasi			*Acceptance payables*
Dolar Amerika Serikat	538,748	483,529	*United States Dollar*
Yuan China	1,161	-	*China Yuan*
	539,909	483,529	
Pinjaman yang diterima			*Borrowings*
Dolar Amerika Serikat	23,018,515	36,926,110	*United States Dollar*
Euro Eropa	170,383	331,634	*European Euro*
	23,188,898	37,257,744	
Pinjaman subordinasi			*Subordinated loans*
Dolar Amerika Serikat	3,079,400	3,113,500	*United States Dollar*
Liabilitas lain-lain			*Other liabilities*
Dolar Amerika Serikat	422,215	157,999	*United States Dollar*
Yuan China	823	-	*China Yuan*
Yen Jepang	723	333	*Japanese yen*
Lain-lain	430	10	*Others*
	424,191	158,342	
Jumlah liabilitas	**59,276,672**	**63,528,512**	***Total liabilities***
(Liabilitas) aset bersih	**(570,556)**	**(511,850)**	***Net (liabilities) assets***

43. JAMINAN PEMERINTAH TERHADAP LIABILITAS PEMBAYARAN BANK UMUM

Berdasarkan Undang-Undang No. 24 tanggal 22 September 2004 yang berlaku efektif sejak tanggal 22 September 2005, sebagaimana diubah dengan Peraturan Pemerintah Pengganti Undang-Undang Republik Indonesia No. 7 Tahun 2009 tanggal 13 Januari 2009 tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang No. 3 Tahun 2008, dibentuk untuk menjamin liabilitas tertentu bank-bank umum berdasarkan program penjaminan yang berlaku, yang besaran nilai jaminannya dapat berubah jika memenuhi kriteria tertentu yang berlaku.

Berdasarkan Peraturan Pemerintah Republik Indonesia No. 66 Tahun 2008 tanggal 13 Oktober 2008 mengenai Besarnya Nilai Simpanan yang Dijamin Lembaga Penjaminan Simpanan (LPS), maka pada tanggal 31 Desember 2023 dan 2022 jumlah simpanan yang dijamin LPS adalah simpanan sampai dengan Rp 2.000 untuk per nasabah per bank.

Berdasarkan Siaran Pers yang terakhir diterbitkan di tahun 2023 yaitu Siaran Pers No. PRESS-43/SEKL/2023 tanggal 25 September 2023, tingkat bunga penjaminan LPS menjadi sebesar 4,25% untuk simpanan dalam Rupiah dan 2,25% untuk simpanan dalam mata uang asing.

Grup adalah peserta dari program penjaminan tersebut. Premi yang telah dibayarkan selama tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah Rp 233.280 dan Rp 213.414.

43. GOVERNMENT GUARANTEE ON OBLIGATIONS OF COMMERCIAL BANKS

Based on Law No. 24 dated 22 September 2004, effective on 22 September 2005, which was amended by the Government Regulation as Substitution of Law No. 7 Year 2009 dated 13 January 2009 regarding with the Determination of Government Regulation as Substitution of Law No. 3 Year 2008, Deposit Insurance Agency ("LPS") was formed to guarantee certain liabilities of commercial banks under the applicable guarantee program, which the amount of guarantee can be amended if the situation complies with the valid particular criterias.

Based on Government Regulation No. 66 Year 2008 dated 13 October 2008 regarding The Amount of Deposit Guaranteed by Indonesia Deposit Insurance Agency (LPS), the amount of deposits covered by LPS is customer deposits up to Rp 2,000 per depositor per bank as of 31 December 2023 and 2022.

Based on the latest issued Press Release in 2023 which is Press Release No. PRESS-43/SEKL/2023 dated 25 September 2023, the guaranteed interest rate by LPS is 4.25% for deposits denominated in Rupiah and 2.25% for deposits denominated in foreign currency.

The Group both are participants of the guarantee program. Premium paid for the year ended 31 December 2023 and 2022 were Rp 233,280 and Rp 213,414, respectively.

44. KEJADIAN SETELAH TANGGAL PELAPORAN

Dengan lewatnya jangka waktu penyampaian keberatan dari Kreditur atas perubahan modal sebagaimana dimaksud dalam Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas, maka perubahan anggaran dasar sebagaimana dituangkan dalam Akta No. 07 tanggal 7 Desember 2023 yang dibuat oleh Notaris Ashoya Ratam, SH, MKn, telah mendapat persetujuan dari Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia melalui surat No. AHU-0082757.AH.01.02 Tahun 2023 tanggal 7 Februari 2024.

Sehubungan dengan rencana Penambahan Modal dengan Memberikan Hak Memesan Efek Terlebih Dahulu (PMHMETD) atau *Rights Issue* yang diputuskan dengan Rapat Umum Pemegang Saham Luar Biasa ("RUPSLB") pada tanggal 7 Desember 2023, Bank telah memperoleh pernyataan efektif dari Otoritas Jasa Keuangan melalui surat Nomor S-29/D.04/2024 tanggal 19 Februari 2024.

44. SUBSEQUENT EVENTS AFTER REPORTING DATE

By the lapsing of the time period on Creditor's objection filing in regards to the capital changes as meant by the Law No. 40 Year 2007 on Limited Liability Company, the changes in the articles of association have been stipulated in the Deed No. 7 dated 7 December 2023 which was made by Notary Ashoya Ratam SH, MKn, and has been approved by the Minister of Law and Human Rights No. AHU-0082757.AH.01.02. Year 2023 dated 7 February 2024.

In regards to the plan of Capital Increase by Granting Pre-emptive Rights (PMHMETD) or Rights Issue which has been decided in the Extraordinary General Meeting of Shareholders (EGMS) dated 7 December 2023, Bank has obtained the effective statement from Financial Service Authority with letter Number S-29/D.04/2024 dated 19 February 2024.

44. KEJADIAN SETELAH TANGGAL PELAPORAN (lanjutan)

Bank telah mengungkapkan rencana penggunaan dana *Rights Issue* tersebut adalah untuk melakukan ekspansi dan investasi usaha melalui pengambilalihan perusahaan-perusahaan yang bergerak di kegiatan usaha pembiayaan yaitu PT Oto Multiartha dan PT Summit Oto Finance, dari SMBC dan PT Summit Auto Group (yang saat ini merupakan anak perusahaan dari Sumitomo Corporation).

***44. SUBSEQUENT EVENTS AFTER REPORTING DATE** (continued)*

The Bank has disclosed its plan to use the proceed from the Rights Issue fund to expand and invest through the acquisition of financing business companies namely PT Oto Multiartha and PT Summit Oto Finance, from SMBC and PT Summit Auto Group (which is currently a subsidiary of Sumitomo Corporation).

45. STANDAR AKUNTANSI YANG DITERBITKAN NAMUN BELUM BERLAKU EFEKTIF

Pernyataan Standar Akuntansi Keuangan (PSAK) relevan yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK) namun belum berlaku efektif untuk laporan keuangan konsolidasian untuk tahun yang berakhir pada tanggal 31 Desember 2023 adalah sebagai berikut:

PSAK yang akan berlaku sejak tanggal 1 Januari 2024:
- Amandemen PSAK 1 "Penyajian Laporan Keuangan: Pengungkapan Liabilitas Jangka Panjang dengan Kovenan"
- Amandemen PSAK 2 "Laporan Arus Kas"
- Amandemen PSAK 60 "Instrumen Keuangan: Pengungkapan"
- Amandemen PSAK 73 "Sewa: Liabilitas Sewa pada Transaksi Jual dan Sewa-balik"

PSAK yang akan berlaku sejak tanggal 1 Januari 2025:
- Amandemen PSAK 10 "Pengaruh Perubahan Kurs Valuta Asing"

Pada saat penerbitan laporan keuangan konsolidasian, Grup masih mengevaluasi dampak yang mungkin timbul dari penerapan standar baru tersebut serta pengaruhnya terhadap laporan keuangan konsolidasian.

45. ISSUED BUT NOT YET EFFECTIVE ACCOUNTING STANDARDS

The relevant Statements of Financial Accounting Standards (PSAK) issued by the Board of Financial Accounting Standards (DSAK) but not yet effective for the consolidated financial statements for the year ended 31 December 2023 are as follows:

PSAK that will become effective on 1 January 2024:
- *Amendments to PSAK 1 "Presentation of Financial Statements: Disclosure of Long Term Liabilities under the Covenant"*
- *Amendments to PSAK 2 "Cash Flow Statement"*
- *Amandements PSAK 60 "Financial Intruments: Disclosure"*
- *Amendments to PSAK 73 "Lease: Lease Liabilities on Sale and Leaseback Transactions"*

PSAK that will become effective on 1 January 2025:
- *Amendments to PSAK 10 "The Effect of Changes in Foreign Exchange Rates"*

As at the authorization date of these consolidated financial statements, the Group is still evaluating the potential impact of the new standard to the consolidated financial statements.

46. REKONSILIASI UTANG BERSIH / *46. NET DEBT RECONCILIATION*

	Pinjaman yang diterima/ *Borrowings*	Utang obligasi/ *Bonds payable*	Pinjaman subordinasi/ *Subordinated loans*	Liabilitas sewa/*Lease liabilities*	Jumlah/ *Total*	
Utang bersih tanggal 1 Januari 2022	34,843,870	1,003,468	2,852,954	500,902	39,201,194	*Net debt as of 1 January 2022*
Arus kas	10,143,096	(799,000)	-	(146,455)	9,197,641	*Cash flows*
Perubahan lain*)	80,442	(2,820)	272,624	71,440	421,686	*Other changes *)*
Utang bersih tanggal 31 Desember 2022	45,067,408	201,648	3,125,578	425,887	48,820,521	*Net debt as of 31 December 2022*
Arus kas	(15,277,847)	(15,578)	(205,135)	(116,558)	(15,615,129)	*Cash flows*
Perubahan lain*)	1,565,956	16,013	169,917	44,661	1,796,547	*Other changes *)*
Utang bersih tanggal 31 Desember 2023	31,355,517	202,083	3,090,360	353,990	35,001,950	*Net debt as of 31 December 2023*

*) Perubahan lain termasuk pergerakan non-kas yang merupakan dampak perubahan selisih kurs, amortisasi biaya transaksi, dan akrual beban bunga

**) Other changes include non-cash movements which are effect of exchange rate, amortization of transaction cost, and accrued interest expenses*

47. INFORMASI KEUANGAN TAMBAHAN / *47. SUPPLEMENTARY FINANCIAL INFORMATION*

Bank menerbitkan laporan keuangan konsolidasian yang merupakan laporan keuangan utama. Informasi keuangan tambahan PT BANK BTPN Tbk (Entitas Induk) ini, dimana investasi pada Entitas Anak dicatat dengan metode harga perolehan, disajikan untuk dapat menganalisis hasil usaha entitas induk saja. Informasi keuangan tambahan PT BANK BTPN Tbk (Entitas Induk) (halaman 214-222) berikut ini harus dibaca bersamaan dengan laporan keuangan konsolidasian PT BANK BTPN Tbk dan Entitas Anak.

The Bank issued the consolidated financial statements as its primary financial statements. The supplementary financial information of PT BANK BTPN Tbk (Parent Entity) which account for investments in Subsidiaries using the cost method, have been prepared in order that the parent entity's results of operations can be analysed. The following supplementary financial information of PT BANK BTPN Tbk (Parent Entity) (pages 214-222) should be read in conjunction with the consolidated financial statements of PT BANK BTPN Tbk and Subsidiaries.

LAMPIRAN 1.1 | ***APPENDIX 1.1***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN POSISI KEUANGAN
31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/*December* 2023	2022	
ASET			***ASSETS***
Kas	931,530	1,017,618	*Cash*
Giro pada Bank Indonesia	8,613,155	9,520,923	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain:			*Current accounts with other banks*
- Pihak ketiga	496,671	1,547,499	*Third parties -*
- Pihak berelasi	462,061	639,707	*Related parties -*
Dikurangi: Cadangan kerugian penurunan nilai	(158)	(415)	*Less: Allowance for impairment losses*
	958,574	2,186,791	
Penempatan pada Bank Indonesia dan bank-bank lain	8,623,654	21,617,714	*Placements with Bank Indonesia and other banks*
Pendapatan bunga yang masih akan diterima	2,624	2,851	*Accrued interest income*
Dikurangi: Cadangan kerugian penurunan nilai	-	(171)	*Less: Allowance for impairment losses*
	8,626,278	21,620,394	
Efek-efek			*Securities*
- Pihak ketiga	8,547,321	11,115,529	*Third parties -*
- Pihak berelasi	-	185,510	*Related parties -*
Pendapatan bunga yang masih akan diterima	150,343	149,871	*Accrued interest income*
Dikurangi: Cadangan kerugian penurunan nilai	(799)	(999)	*Less: Allowance for impairment losses*
	8,696,865	11,449,911	
Tagihan derivatif			*Derivative receivables*
- Pihak ketiga	636,924	1,131,664	*Third parties -*
- Pihak berelasi	496,225	615,160	*Related parties -*
	1,133,149	1,746,824	
Tagihan akseptasi	3,289,757	3,069,854	*Acceptance receivables*
Dikurangi: Cadangan kerugian penurunan nilai	(8,637)	(4,495)	*Less: Allowance for impairment losses*
	3,281,120	3,065,359	
Pinjaman yang diberikan:			*Loans:*
- Pihak ketiga	141,400,072	132,208,660	*Third parties -*
- Pihak berelasi	3,773,364	2,387,393	*Related parties -*
Pendapatan bunga yang masih akan diterima	932,906	739,758	*Accrued interest income*
Dikurangi: Cadangan kerugian penurunan nilai	(3,404,131)	(2,810,194)	*Less: Allowance for impairment losses*
	142,702,211	132,525,617	
Penyertaan saham			*Investment in shares*
- Pihak ketiga	22	22	*Third parties -*
- Pihak berelasi	1,308,462	1,308,462	*Related parties -*
	1,308,484	1,308,484	
Beban dibayar dimuka	1,136,055	1,412,001	*Prepayments*
Klaim pengembalian pajak	67,337	50,357	*Claims for tax refund*
Aset pajak tangguhan	441,560	384,407	*Deferred tax assets*
Aset tetap	3,958,107	4,017,129	*Fixed assets*
Dikurangi: Akumulasi penyusutan	(2,286,537)	(2,277,391)	*Less: Accumulated depreciation*
	1,671,570	1,739,738	
Aset takberwujud	3,096,432	2,880,272	*Intangible assets*
Dikurangi: Akumulasi amortisasi	(2,278,908)	(2,035,262)	*Less: Accumulated amortization*
	817,524	845,010	
Aset lain-lain	961,327	420,460	*Other assets*
Dikurangi: Cadangan kerugian penurunan nilai	(105,403)	(52,338)	*Less: Allowance for impairment losses*
	855,924	368,122	
JUMLAH ASET	**181,241,336**	**189,241,556**	***TOTAL ASSETS***

LAMPIRAN 1.2 | ***APPENDIX 1.2***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN POSISI KEUANGAN
31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/*December* 2023	31 Desember/*December* 2022	
LIABILITAS DAN EKUITAS			***LIABILITIES AND EQUITY***
Liabilitas segera	42,261	20,617	*Liabilities due immediately*
Simpanan nasabah			*Deposits from customers*
- Pihak ketiga	95,571,983	101,737,505	*Third parties -*
- Pihak berelasi	483,776	1,080,514	*Related parties -*
Beban bunga yang masih harus dibayar	179,647	145,624	*Accrued interest expenses*
	96,235,406	102,963,643	
Simpanan dari bank-bank lain			*Deposits from other banks*
- Pihak ketiga	1,257,385	28,875	*Third parties -*
- Pihak berelasi	9,561,059	147,352	*Related parties -*
Beban bunga yang masih harus dibayar	7,483	-	*Accrued interest expenses*
	10,825,927	176,227	
Liabilitas derivatif			*Derivative payables*
- Pihak ketiga	1,014,819	1,323,645	*Third parties -*
- Pihak berelasi	57,285	124,091	*Related parties -*
	1,072,104	1,447,736	
Liabilitas akseptasi			*Acceptance payables*
- Pihak ketiga	2,160,250	2,157,596	*Third parties -*
- Pihak berelasi	163,383	199,232	*Related parties -*
	2,323,633	2,356,828	
Utang pajak:			*Taxes payable:*
- Pajak penghasilan	73,029	-	*Income taxes -*
- Pajak lain-lain	113,988	113,983	*Other taxes -*
	187,017	113,983	
Efek-efek yang diterbitkan:			*Securities issued:*
- Utang obligasi	200,569	200,134	*Bonds payable -*
Beban bunga yang masih harus dibayar	1,514	1,514	*Accrued interest expenses*
	202,083	201,648	
Pinjaman yang diterima			*Borrowings*
- Pihak ketiga	12,682,950	7,563,850	*Third parties -*
- Pihak berelasi	18,569,798	37,257,744	*Related parties -*
Beban transaksi yang belum diamortisasi	(48,251)	(9,988)	*Unamortized transaction costs*
Beban bunga yang masih harus dibayar	151,020	155,802	*Accrued interest expenses*
	31,355,517	44,967,408	
Akrual	411,413	363,201	*Accruals*
Pinjaman subordinasi	3,079,400	3,113,500	*Subordinated loans*
Beban bunga yang masih harus dibayar	10,960	12,078	*Accrued interest expenses*
	3,090,360	3,125,578	
Liabilitas imbalan kerja karyawan:			*Employee benefits liabilities:*
- Imbalan kerja jangka pendek	323,918	278,730	*Short-term employee benefits -*
- Imbalan pascakerja dan imbalan jangka panjang lainnya	128,085	43,281	*Post-employment and other long-term - employees benefits*
	452,003	322,011	
Liabilitas sewa	300,198	358,141	*Lease liabilities*
Liabilitas lain-lain	1,012,594	594,657	*Other liabilities*
JUMLAH LIABILITAS	**147,510,516**	**157,011,678**	***TOTAL LIABILITIES***

LAMPIRAN 1.3 | ***APPENDIX 1.3***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN POSISI KEUANGAN
31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/*December*		
	2023	**2022**	
EKUITAS			***SHAREHOLDERS' EQUITY***
Modal saham			*Share capital*
Modal dasar Rp 300.000 terdiri dari: 15.000.000.000 saham dengan nilai nominal Rp 20 (nilai penuh) per saham			*Authorised capital of Rp 300,000 consists of: 15,000,000,000 shares with par value of Rp 20 (full amount) per share*
Modal ditempatkan dan disetor penuh sebesar 8.149.106.869 saham (31 Desember 2022: 8.149.106.869 saham)	162,982	162,982	*Issued and fully paid-up capital is 8,149,106,869 shares (31 December 2022: 8,149,106,869 shares)*
Tambahan modal disetor	11,167,715	11,167,694	*Additional paid-in capital*
Cadangan revaluasi aset tetap	950,557	870,785	*Reserve on revaluation of fixed assets*
Cadangan nilai wajar - bersih	2,804	(7,750)	*Fair value reserve – net*
Saldo laba			*Retained earnings*
- Dicadangkan	32,596	32,596	*Appropriated -*
- Belum dicadangkan	21,408,060	19,997,917	*Unappropriated -*
	21,440,656	20,030,513	
Komponen ekuitas lainnya	260,801	260,801	*Other equity components*
Saham tresuri	(254,695)	(255,147)	*Treasury shares*
JUMLAH EKUITAS	**33,730,820**	**32,229,878**	***TOTAL EQUITY***
JUMLAH LIABILITAS DAN EKUITAS	**181,241,336**	**189,241,556**	***TOTAL LIABILITIES AND EQUITY***

LAMPIRAN 2.1 ***APPENDIX 2.1***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
PENDAPATAN (BEBAN) BUNGA			***INTEREST INCOME (EXPENSES)***
Pendapatan bunga	13,069,491	10,525,856	*Interest income*
Beban bunga	(6,285,177)	(3,876,891)	*Interest expense*
PENDAPATAN BUNGA BERSIH	6,784,314	6,648,965	***NET INTEREST INCOME***
Pendapatan operasional lainnya:			***Other operating income:***
Pendapatan operational lainnya	1,861,815	1,499,304	*Other operating income*
Keuntungan dari selisih kurs dan transaksi derivatif bersih	650,386	780,657	*Net gains on foreign exchange and derivative transactions*
	2,512,201	2,279,961	
Beban operasional lainnya:			***Other operating expenses:***
Beban kepegawaian	(2,394,073)	(2,210,178)	*Personnel expenses*
Beban umum dan administrasi	(2,635,162)	(2,661,322)	*General and administrative expenses*
Cadangan kerugian penurunan nilai	(1,151,802)	(895,115)	*Provision for impairment losses*
Beban operasional lain-lain	(534,697)	(452,095)	*Other operating expenses*
	(6,715,734)	(6,218,710)	
PENDAPATAN OPERASIONAL BERSIH	2,580,781	2,710,216	***NET OPERATING INCOME***
PENDAPATAN (BEBAN) NON-OPERASIONAL			***NON-OPERATING INCOME (EXPENSES)***
Pendapatan non-operasional	7,154	5,863	*Non-operating income*
Beban non-operasional	(11,332)	(8,162)	*Non-operating expenses*
	(4,178)	(2,299)	
LABA SEBELUM PAJAK PENGHASILAN	2,576,603	2,707,917	***INCOME BEFORE INCOME TAX***
BEBAN PAJAK PENGHASILAN	(475,892)	(524,941)	***INCOME TAX EXPENSE***
LABA BERSIH	**2,100,711**	**2,182,976**	***NET INCOME***

LAMPIRAN 2.2 | ***APPENDIX 2.2***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
PENGHASILAN KOMPREHENSIF LAIN:			***OTHER COMPREHENSIVE INCOME:***
Pos-pos yang tidak akan direklasifikasi ke laba rugi			***Items that will not be reclassified to profit or loss***
Keuntungan revaluasi aset tetap	79,772	-	*Gain on revaluation of fixed assets*
Pengukuran kembali liabilitas imbalan kerja karyawan	(91,574)	(43,100)	*Remeasurement from employee benefits liabilities*
Pajak penghasilan terkait pos-pos yang tidak akan direklasifikasikan ke laba rugi	20,146	9,482	*Income tax relating to items that will not be reclassified to profit or loss*
	8,344	(33,618)	
Pos-pos yang akan direklasifikasi ke laba rugi			***Items that will be reclassified to profit or loss***
Keuntungan yang belum direalisasi atas perubahan nilai wajar efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain	13,531	(160,967)	*Unrealized gains on fair value changes of securities measured at fair value through other comprehensive income*
Pajak penghasilan terkait pos-pos yang akan direklasifikasikan ke laba rugi	(2,977)	35,413	*Income tax relating to items that will be reclassified to profit or loss*
	10,554	(125,554)	
PENGHASILAN KOMPREHENSIF LAIN TAHUN BERJALAN, SETELAH PAJAK PENGHASILAN	18,898	(159,172)	***OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX***
JUMLAH LABA KOMPREHENSIF TAHUN BERJALAN, SETELAH PAJAK PENGHASILAN	2,119,609	2,023,804	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX***
LABA BERSIH PER SAHAM (NILAI PENUH)			***EARNINGS PER SHARE (FULL AMOUNT)***
Dasar	261	271	*Basic*
Dilusian	261	271	*Diluted*

LAMPIRAN 3.1 | ***APPENDIX 3.1***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN PERUBAHAN EKUITAS
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Modal ditempatkan dan disetor penuh/ *Issued and fully paid-up share capital*	Tambahan modal disetor/ *Additional paid in capital*	Cadangan revaluasi asset tetap/ *Reserve on revaluation of fixed assets*	Cadangan nilai wajar - bersih/ *Fair value reserve – net*	Saldo laba yang sudah ditentukan penggunaannya/ *Appropriated retained earnings*	Saldo laba yang belum ditentukan penggunaanya/ *Unappropriated retained earnings*	Komponen ekuitas lainnya/ *Other equity components*	Saham tresuri/ *Treasury shares*	Jumlah ekuitas/ *Total equity*	
Saldo tanggal 1 Januari 2023	**162,982**	**11,167,694**	**870,785**	**(7,750)**	**32,596**	**19,997,917**	**260,801**	**(255,147)**	**32,229,878**	***Balance as of 1 January 2023***
Laba bersih tahun berjalan	-	-	-	-	-	2,100,711	-	-	2,100,711	*Net income for the year*
Penghasilan komprehensif lainnya:										*Other comprehensive income:*
Cadangan revaluasi aset tetap	-	-	79,772	-	-	-	-	-	79,772	*Gain on revaluation of fixed assets*
Pengukuran kembali liabilitas imbalan kerja karyawan	-	-	-	-	-	(91,574)	-	-	(91,574)	*Remeasurement of employee benefit liabilities*
Perubahan nilai wajar atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain	-	-	-	13,531	-	-	-	-	13,531	*Changes in fair value of financial assets measured at fair value through other comprehensive income*
Efek pajak terkait	-	-	-	(2,977)	-	20,146	-	-	17,169	*Related tax effect*
Jumlah laba komprehensif selama tahun berjalan	-	-	79,772	10,554	-	2,029,283	-	-	2,119,609	*Total comprehensive income during the year*
Pembayaran dividen	-	-	-	-	-	(619,140)	-	-	(619,140)	*Dividend payment*
Penjualan saham treasuri ke publik	-	21	-	-	-	-	-	452	473	*Sales of treasury shares to public*
Saldo tanggal 31 Desember 2023	**162,982**	**11,167,715**	**950,557**	**2,804**	**32,596**	**21,408,060**	**260,801**	**(254,695)**	**33,730,820**	***Balance as of 31 December 2023***

LAMPIRAN 3.2 | ***APPENDIX 3.2***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN PERUBAHAN EKUITAS
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Modal ditempatkan dan disetor penuh/ *Issued and fully paid-up share capital*	Tambahan modal disetor/ *Additional paid in capital*	Cadangan revaluasi 220sset tetap/ *Reserve on revaluation of fixed assets*	Cadangan nilai wajar - bersih/ *Fair value reserve - net*	Saldo laba yang sudah ditentukan penggunaannya/ *Appropriated retained earnings*	Saldo laba yang belum ditentukan penggunaanya/ *Unappropriated retained earnings*	Komponen ekuitas lainnya/ *Other equity components*	Saham tresuri/ *Treasury shares*	Jumlah ekuitas/ *Total equity*	
Saldo tanggal 1 Januari 2022	**162,982**	**11,167,694**	**870,785**	**117,804**	**32,596**	**17,848,559**	**260,801**	**(255,147)**	**30,206,074**	***Balance as of 1 January 2022***
Laba bersih tahun berjalan	-	-	-	-	-	2,182,976	-	-	2,182,976	*Net income for the year*
Penghasilan komprehensif lainnya:										*Other comprehensive income:*
Pengukuran kembali liabilitas imbalan kerja karyawan	-	-	-	-	-	(43,100)	-	-	(43,100)	*Remeasurement of employee benefits liabilties*
Perubahan nilai wajar atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain	-	-	-	(160,967)	-	-	-	-	(160,967)	*Changes in fair value of financial assets measured at fair value through other comprehensive income*
Efek pajak terkait	-	-	-	35,413	-	9,482	-	-	44,895	*Related tax effect*
Jumlah laba komprehensif selama tahun berjalan	-	-	-	(125,554)	-	2,149,358	-	-	2,023,804	*Total comprehensive income during the year*
Saldo tanggal 31 Desember 2022	**162,982**	**11,167,694**	**870,785**	**(7,750)**	**32,596**	**19,997,917**	**260,801**	**(255,147)**	**32,229,878**	***Balance as of 31 December 2022***

LAMPIRAN 4.1 | ***APPENDIX 4.1***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN ARUS KAS
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
ARUS KAS DARI AKTIVITAS OPERASI			***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan pendapatan bunga	12,876,098	10,260,840	*Receipts from interest*
Pembayaran beban bunga	(7,016,441)	(3,782,757)	*Payments of interest expense*
Penerimaan pendapatan operasional lainnya	1,708,143	2,347,234	*Receipts from other operating income*
Penerimaan kembali kredit yang telah dihapusbukukan	325,612	237,713	*Recovery from written-off loans*
Pembayaran beban kepegawaian	(2,355,655)	(2,266,186)	*Payments of personnel expenses*
Pembayaran beban operasional lainnya	(2,022,598)	(2,069,813)	*Payments of other operating expenses*
Penerimaan lain-lain	7,417	11,564	*Other receipts*
Pembayaran pajak penghasilan badan	(474,472)	(653,120)	*Payments of corporate income tax*
Arus kas sebelum perubahan dalam aset dan liabilitas operasi	3,048,104	4,085,475	***Cash flows before changes in operating assets and liabilities***
(Kenaikan) penurunan aset operasi:			*(Increase) decrease in operating assets:*
Pinjaman yang diberikan	(11,142,017)	(10,762,631)	*Loans*
Tagihan akseptasi	(219,903)	(1,307,292)	*Acceptance receivables*
Tagihan derivatif	613,675	(1,178,125)	*Derivative receivables*
Kenaikan (penurunan) liabilitas operasi:			*Increase (decrease) in operating liabilities:*
Liabilitas segera	21,644	10,585	*Obligation due immediately*
Simpanan nasabah	(6,762,260)	4,411,350	*Deposits from customers*
Simpanan dari bank-bank lain	10,642,217	(3,707,614)	*Deposits from other banks*
Liabilitas derivatif	(375,632)	945,245	*Derivative payables*
Liabilitas akseptasi	(33,195)	1,396,620	*Acceptance payables*
Arus kas digunakan untuk aktivitas operasi	**(4,207,367)**	**(6,106,387)**	***Net cash flows used in operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI			***CASH FLOWS FROM INVESTING ACTIVITIES***
Pembelian efek-efek	(3,407,262)	(2,304,354)	*Purchase of securities*
Penjualan efek-efek	5,120,218	6,644,183	*Proceeds from sale of securities*
Perolehan aset tetap	(105,322)	(98,751)	*Acquisition of fixed assets*
Perolehan aset hak guna	(3,542)	(13,360)	*Acquisition of right-of-use assets*
Perolehan aset takberwujud	(336,537)	(351,395)	*Acquisition of intangible assets*
Hasil dari penjualan aset tetap	3,483	2,223	*Proceeds from sale of fixed assets*
Arus kas bersih diperoleh dari aktivitas investasi	**1,271,038**	**3,878,546**	***Net cash flows provided from investing activities***
ARUS KAS DARI AKTIVITAS PENDANAAN			***CASH FLOWS FROM FINANCING ACTIVITIES***
Pembayaran utang obligasi	-	(799,000)	*Payments of securities issued*
Penerimaan dari pinjaman yang diterima	27,232,047	16,045,873	*Proceeds from borrowings*
Pembayaran angsuran dan pelunasan pinjaman yang diterima	(40,071,851)	(6,002,777)	*Installment payments and settlement of borrowings*
Pembayaran pokok liabilitas sewa	(116,558)	(146,455)	*Payments of lease liabilities principals*
Penerimaan dividen	498,815	-	*Dividend received*
Pembayaran dividen	(619,140)	-	*Dividend paid*
Penjualan saham tresuri ke publik	473	-	*Sales of treasury shares to public*
Arus kas bersih (digunakan untuk) diperoleh dari aktivitas pendanaan	**(13,076,214)**	**9,097,641**	***Net cash flows (used in) provided from financing activities***

LAMPIRAN 4.2 ***APPENDIX 4.2***

PT BANK BTPN Tbk
ENTITAS INDUK/*PARENT ENTITY*

LAPORAN ARUS KAS
TAHUN BERAKHIR 31 DESEMBER 2023 DAN 2022
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2023 AND 2022
(Expressed in millions of Rupiah, unless otherwise stated)

	Tahun berakhir 31 Desember/ *Years ended 31 December*		
	2023	**2022**	
(PENURUNAN) KENAIKAN BERSIH KAS DAN SETARA KAS	(16,012,543)	6,869,800	***NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS***
DAMPAK PERUBAHAN SELISIH KURS TERHADAP KAS DAN SETARA KAS	(14,462)	3,376	***EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS***
SALDO KAS DAN SETARA KAS AWAL TAHUN	35,242,663	28,369,487	***CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR***
SALDO KAS DAN SETARA KAS AKHIR TAHUN	19,215,658	35,242,663	***CASH AND CASH EQUIVALENTS AT THE END OF YEAR***
Kas dan setara kas akhir tahun terdiri dari:			*Cash and cash equivalents at end of the year consists of:*
Kas	931,530	1,017,618	*Cash*
Giro pada Bank Indonesia	8,613,155	9,520,923	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	958,732	2,187,206	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	8,623,654	21,617,714	*Placements with Bank Indonesia and other banks*
Efek-efek	88,587	899,202	*Securities*
	19,215,658	35,242,663	
INFORMASI TAMBAHAN ARUS KAS:			***SUPPLEMENTAL CASH FLOWS INFORMATION:***
AKTIVITAS YANG TIDAK MEMPENGARUHI ARUS KAS			***ACTIVITIES NOT AFFECTING CASH FLOWS***
Pembelian aset tetap yang masih terhutang	(1,248)	(790)	*Acquisition of fixed assets still unpaid*

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Laporan Auditor Independen

No. 00003/2.1035/AU.1/07/1232/1/III/2024

Para Pemegang Saham,
Dewan Komisaris dan Direksi
PT BANK BTPN Tbk

Independent Auditors' Report

No. 00003/2.1035/AU.1/07/1232/1/III/2024

The Shareholders
Boards of Commissioners and Directors
PT BANK BTPN Tbk

Opini

Kami telah mengaudit laporan keuangan konsolidasian PT BANK BTPN Tbk beserta entitas anak (selanjutnya, secara bersama-sama disebut "Grup"), yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2023, laporan laba rugi dan penghasilan komprehensif lain konsolidasian, laporan perubahan ekuitas konsolidasian dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal 31 Desember 2023, serta catatan, yang terdiri dari informasi kebijakan akuntansi material dan informasi penjelasan lainnya.

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian Grup pada tanggal 31 Desember 2023, serta kinerja keuangan konsolidasian dan arus kas konsolidasiannya untuk tahun yang berakhir 31 Desember 2023 sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Opinion

We have audited the accompanying consolidated financial statements of PT BANK BTPN Tbk and its subsidiaries (collectively referred to as "the Bank"), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2023, and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year ended 31 December 2023 in accordance with Indonesian Financial Accounting Standards.

Basis Opini

Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Tanggung jawab kami menurut standar tersebut dijelaskan lebih lanjut di bagian paragraf Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan Konsolidasian pada laporan kami. Kami independen terhadap Grup berdasarkan ketentuan etika yang relevan dengan audit kami atas laporan keuangan konsolidasian di Indonesia, dan kami telah memenuhi tanggung jawab etika lainnya sesuai dengan ketentuan tersebut. Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menjadi dasar untuk opini audit kami.

Basis for Opinion

We conducted our audits in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Hal Audit Utama

Hal audit utama adalah hal-hal yang, menurut pertimbangan profesional kami, sangat signifikan bagi audit kami atas laporan keuangan konsolidasian terlampir dalam periode kini. Hal-hal tersebut dibahas dalam konteks audit kami atas laporan keuangan secara keseluruhan dan dalam pembentukan opini audit kami atasnya, dan kami tidak menyediakan opini audit terpisah atas hal-hal tersebut.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. *Cadangan kerugian penurunan nilai pinjaman yang diberikan (Kerugian Kredit Ekspektasian - "KKE") Bank*

1. *The Bank's allowance for impairment losses of loans (Expected Credit Losses "ECL")*

Lihat Catatan 2c.1 Ikhtisar kebijakan akuntansi yang material – Cadangan kerugian penurunan nilai aset keuangan – Aset keuangan yang dinilai pada biaya perolehan diamortisasi atau, Catatan 3 Estimasi dan pertimbangan akuntansi yang penting – Nasabah dengan kredit bermasalah dan restrukturisasi – Cadangan kerugian penurunan nilai aset keuangan – Bank, Catatan 11 Pinjaman yang diberikan dan pembiayaan piutang syariah – Pinjaman yang diberikan, Catatan 11c Cadangan kerugian penurunan nilai, dan Catatan 41 Manajemen risiko – Risiko kredit.

Refer to Note 2c.1 Summary of material accounting policies – Allowance for impairment losses on financial assets – Financial assets carried at amortised cost, Note 3 Critical accounting estimates and judgments – Loss allowance measurement, Note 11 Loans and advances – Loans, Note 11c Allowance for impairment losses of financial assets – Bank, Note 41 Risk management – Credit risk.

Pada tanggal 31 Desember 2023, Grup mengakui cadangan kerugian penurunan nilai pinjaman yang diberikan dan pembiayaan piutang syariah sebesar Rp 4.018.647 juta. Termasuk pada saldo tersebut sebagian besar berasal dari portofolio pinjaman yang diberikan Bank sebesar entitas Bank untuk secara individual, yaitu sebesar Rp 3.494.131 juta, mewakili 74% dari total cadangan kerugian penurunan nilai pinjaman yang diberikan dan pembiayaan piutang syariah.

As at 31 December 2023, the Group recognised allowance for impairment losses of loans and advances and sharia receivables of Rp 4,018,647 million. Included in such balance were mainly loans and advances portfolio of the Bank amounting to Rp 3,494,131 million, individually, representing 74% of total allowance for impairment losses of loans and advances and sharia receivables.

Kami mengevaluasi cadangan kerugian penurunan nilai pinjaman yang diberikan Bank sebagai hal audit utama karena pentingnya saldo pinjaman yang diberikan Bank secara keseluruhan, proses KKE yang kompleks dan memiliki tingkat ketidakpastian estimasi yang signifikan dan memerlukan pertimbangan manajemen yang signifikan. Dalam menentukan KKE, Bank mengadopsi model yang kompleks, mengandalkan asumsi dan data material dan eksternal.

We considered the Bank's allowance for impairment losses of loans and sharia receivables as a key audit matter because of the significance of the balance of loans and sharia receivables in the context of the Bank as a whole, the complexity of the ECL process and the significant estimation uncertainty and management judgement involved. In determining the ECL, the Bank adopts complex models, relying on material and external data inputs.

Pengukuran KKE melibatkan pertimbangan manajemen yang signifikan, termasuk antara lain:

The measurement of the ECL involves significant management judgement, including among others:

- Penerapan model, data dan asumsi yang digunakan dalam perhitungan KKE.
- *Application of models, data and assumptions used in the ECL calculation.*
- Penentuan apakah telah terjadi peningkatan risiko kredit yang signifikan sejak pengakuan awal dan pemilihan yang tepat untuk parameter yang digunakan dalam model KKE.
- *Determination of whether a significant increase in credit risk has occurred since initial recognition and appropriate selection of parameters used in the ECL models.*
- Pengelompokan aset keuangan jika KKE dinilai secara kolektif dan penentuan karakteristik risiko kredit yang tepat dengan mempertimbangkan perilaku kredit.
- *Grouping of financial assets when ECL is assessed on a collective basis and determination of appropriate credit risk characteristics taking into consideration credit behaviour.*
- Penentuan skenario makroekonomi serta probabilitas masing-masing pertimbangan skenario dan penerapan pengaruh non-linier antar variabel ekonomi.
- *Determination of macroeconomic scenarios and probability of each scenario considered and application of non-linear effects between economic variables.*

- Proses audit skematik atau sampling dengan eksplorasi sebagai alat untuk menilai dan menguji bukti audit untuk pernyataan yang membuat yang relevan terhadap saldo dan transaksi signifikan.

Bagaimana audit kami merespons Hal Audit Utama

Kami melakukan prosedur berikut terkait dengan hal audit utama yang diidentifikasi di atas, yang merupakan bagian yang tidak terpisahkan dari pendekatan audit secara keseluruhan yang kami lakukan terhadap laporan keuangan konsolidasi.

Kami memperoleh pemahaman mengenai pengendalian internal dan prosedur manajemen atas piutang usaha dan menguji efektivitas pengendalian tersebut, serta melakukan prosedur substantif atas saldo piutang usaha dan pendapatan usaha, termasuk pengujian atas transaksi signifikan yang terjadi mendekati akhir tahun buku. Selain itu, kami juga melakukan prosedur analitis terhadap pendapatan usaha dan piutang usaha, serta menguji pencatatan jurnal manual yang tidak biasa.

Kami mengevaluasi dan menguji desain dan implementasi pengendalian internal yang berkaitan dengan pengakuan KKI, antara lain pengendalian berikut, antara lain:

- Pemahaman dan pengujian terhadap kontrol manual ekonomi yang digunakan untuk menghitung KKI;
- Pemahaman dan pengujian pembuatan klasifikasi atas kredit debitur;
- pengendalian terkait dengan sistem TI yang berkaitan dengan akses pengguna dalam data penting dan sistem software tertentu dalam sistem pemantauan KKI, dan pengujian TI umum yang relevan untuk merespons risiko TI yang teridentifikasi dan dipertahankan untuk mendukung aspek integritas dari penggunaan informasi tersebut.
- Rekonsiliasi dan evaluasi atas keterlambatan pembayaran KKI terhadap seluruh pinjaman yang diberikan.
- Pemahaman dan pengujian atas kontrol KKI;
- Pemahaman dan pengujian atas KKI dengan metode DCF untuk menentukan yang memberikan yang secara material dianggap signifikan.

Kami juga melakukan pengujian substantif yang terfokus pada, dan

- Menguji validitas model, asumsi dan atas variabel masukan yang digunakan untuk menghitung KKI, apakah telah mencakup dan mencerminkan pengaruh dari KKF yang sesuai yang ada.

- *Performing substantive analytical procedures and sampling as audit evidence obtained from the ECL model's calculation of the provision for credit impairment losses and testing the completeness and accuracy of data used in the ECL model;*

How our audit addressed the Key Audit Matter

Our audit procedures in relation to the above key audit matter, which is an integral part of our overall audit of the consolidated financial statements, included:

We obtained an understanding of management's internal controls and procedures for the ECL calculation of loans and advances and tested the effectiveness of such controls, as well as substantive audit procedures on the loans and advances balance, including selected transactions that occurred near the year-end. We also performed analytical procedures on the loans and advances balance and revenue, and tested unusual manual journal entries.

We evaluated and tested the design and implementation of the internal controls relating to ECL, including the following, among others:

- *Testing and evaluating the manual controls over the ECL model;*
- *Segregation of duties and access rights over certain software and data;*
- *general IT controls ("GITC") relevant to the ECL model, including controls over the completeness and accuracy of data feeds, system interfaces, system configurations, and role assignments in the ECL model, as well as controls over the identification, authorization, and implementation of model changes;*
- *Reviewing, testing and analyzing the impact of ECL write-offs, collections, recoveries and sales;*
- *Assessment and testing of ECL models;*
- *Assessment and testing of ECL models using ECL for credit-impaired and non-credit-impaired individually significant;*

We also performed substantive testing, including procedures to assess:

- *Completeness, accuracy and relevance of underlying source information used in the ECL calculations, including whether they appropriately and sufficiently reflect the ECL model's requirements;*

- Menilai kesesuaian penerapan kebijakan akuntansi Grup yang digunakan dan kewajaran estimasi akuntansi signifikan manajemen, dan mengidentifikasi adanya indikasi yang mengarah

- Menguji desain dan implementasi pengendalian internal atas proses pelaporan keuangan, termasuk pengendalian atas penyusunan jurnal dan penyesuaian konsolidasi

- Menguji secara sampel transaksi penjualan dan pembelian yang terjadi dengan pihak berelasi sampai dengan tanggal laporan posisi keuangan konsolidasi

- Menguji secara sampel saldo piutang usaha dan utang usaha pihak berelasi pada tanggal laporan posisi keuangan konsolidasi dengan konfirmasi

- Menguji secara sampel transaksi penjualan dan pembelian yang terjadi dengan pihak berelasi sebelum dan sesudah tanggal laporan posisi keuangan konsolidasi untuk menilai apakah transaksi tersebut dicatat pada periode yang tepat

Kami mengidentifikasi dan menilai risiko kesalahan penyajian material dalam laporan keuangan konsolidasi, baik yang disebabkan oleh kecurangan atau kesalahan, dengan merancang dan melaksanakan prosedur audit yang responsif terhadap risiko tersebut, serta memperoleh bukti audit yang cukup dan tepat sebagai dasar untuk opini kami. Risiko tidak terdeteksinya kesalahan penyajian material yang timbul dari kecurangan lebih tinggi dibandingkan risiko yang timbul dari kesalahan, karena kecurangan dapat melibatkan tindakan kolusi, pemalsuan, penghilangan secara sengaja, representasi yang tidak benar, atau pengabaian pengendalian internal.

We identified and assessed the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, by designing and performing audit procedures responsive to those risks, and obtained sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Pemahaman kami atas proses penyusunan laporan keuangan konsolidasi, termasuk atas risiko kecurangan yang dapat timbul, termasuk antara lain:

Our understanding of the consolidated financial statement preparation process, including the risk of fraud, included among others:

- Pemahaman model bisnis dan lingkungan entitas;
- *Understanding the business model and environment;*
- Penilaian atas risiko dalam hal pengendalian internal;
- *Assessment of risks in relation to internal control;*
- Penentuan parameter input yang signifikan berdasarkan pengalaman historis dan kondisi ekonomi saat ini, termasuk dampak COVID-19;
- *Determination of significant input parameters, based on historical experience and current economic conditions, including the impact of COVID-19;*

Bagaimana audit kami merespons Hal Audit Utama

How our audit addressed the Key Audit Matter

Kami berkomunikasi dengan Komite Audit atau pihak yang setara, yang meliputi antara lain ruang lingkup dan waktu audit utama kami, dan temuan audit yang signifikan, termasuk defisiensi pengendalian internal yang kami identifikasi selama audit.

We communicate with the Audit Committee or its equivalent, among others, regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kami menyediakan pernyataan kepada pengendali utama dan telah dikelola oleh manajemen Entitas Anak dan sesuai dengan kebijakan risiko, proses dan sistem pengendalian internal Entitas Anak, termasuk tindakan yang diambil untuk menghilangkan ancaman atau menerapkan pengamanan.

We provide a statement to the controlling parties and has been managed by the Subsidiaries' management in accordance with the risk policies, processes and internal control systems of the Subsidiaries, including actions taken to eliminate threats or apply safeguards.

Kami menentukan hal-hal yang dikomunikasikan dengan pengendali utama dan telah dikelola oleh manajemen Entitas Anak. Hal ini merupakan hal yang paling signifikan dalam audit atas laporan keuangan konsolidasi pada periode berjalan. Hal ini dijelaskan dalam laporan auditor kami, kecuali jika peraturan perundang-undangan melarang pengungkapan publik mengenai hal tersebut atau, dalam keadaan yang sangat jarang, kami menentukan bahwa suatu hal tidak dikomunikasikan dalam laporan kami karena diperkirakan secara wajar bahwa konsekuensi merugikan dari pengungkapan tersebut akan melebihi manfaat kepentingan publik dari pengungkapan tersebut.

We determine the matters communicated to the controlling parties and has been managed by the Subsidiaries' management. This is the most significant in the audit of the consolidated financial statements for the current period. This is described in our auditor's report, unless laws or regulations prohibit public disclosure of the matter or, in very rare circumstances, we determine that a matter is not communicated in our report because the reasonably expected adverse consequences of such disclosure would outweigh the public interest benefits of such communication.

Kami menggeluti dan menguji desain dan implementasi pengendalian internal yang berkaitan dengan pengukuran estimasi kerugian penurunan nilai yang signifikan, termasuk antara lain:

We engaged and tested the design and implementation of internal controls related to the measurement of significant impairment loss estimates, including among others:

- Pengujian dan penilaian model dan data yang digunakan dalam perhitungan tersebut;
- *Testing and evaluation of models and data used in the calculations;*
- Pengujian atas kelengkapan dan akurasi parameter input;
- *Testing the completeness and accuracy of input parameters;*
- Pengujian atas pengenalan kriteria risiko kredit dan default;
- *Testing the recognition of credit risk criteria and default;*
- Pemahaman dan pengujian atas perhitungan cadangan penurunan nilai.
- *Understanding and testing the calculation of impairment allowances.*

Kami melakukan penyesuaian terhadap penilaian risiko kami, antara lain:

- Memperoleh pemahaman model bisnis Bank dan entitas anak serta bagaimana model bisnis tersebut dipengaruhi oleh penggunaan TI.
- Memperoleh pemahaman tentang kebijakan dan prosedur pengendalian umum TI yang diterapkan oleh Bank dan Entitas Anak, termasuk pengendalian atas akses pengguna, pengembangan perubahan sistem, operasi TI, dan pengendalian atas pencadangan dan pemulihan data.
- Menguji desain dan efektivitas pengendalian umum TI yang kami anggap relevan terhadap proses pelaporan keuangan, termasuk pengendalian yang mengatur akses pengguna dan pengembangan perubahan sistem.
- Menguji pengendalian otomatis dan pengendalian manual yang bergantung pada laporan atau data yang dihasilkan oleh sistem TI.
- Mengevaluasi dampak kelemahan pengendalian TI terhadap pengendalian internal atas pelaporan keuangan dan merancang prosedur audit tambahan sesuai kebutuhan.

Key procedures we performed relating to IT systems and controls

- *Evaluation of the Bank's and the Subsidiary's model and assessment of how it is affected by the use of IT.*
- *Evaluation of the Bank's and the Subsidiary's IT general controls, including controls over user access, system change, IT operations, and data backup and recovery.*
- *Evaluation of the design and operating effectiveness of IT general controls relevant to financial reporting, including controls over user access and system changes.*
- *Evaluation of automated controls and manual controls that rely on reports or data produced by IT systems, and designing additional audit procedures where necessary.*

Kami mengidentifikasi pengendalian TI sebagai hal audit utama karena pengendalian TI yang efektif sangat penting untuk memastikan bahwa data keuangan diproses dan dilaporkan secara akurat. Kelemahan pengendalian TI dapat berdampak signifikan terhadap laporan keuangan dan penyesuaian audit yang diperlukan.

We identified IT systems and controls as a key audit matter because effective IT controls are important to ensure that financial data is processed and reported accurately. Weaknesses in IT controls can have significant impact on the financial statements and the audit adjustments required.

3 *Pengendalian dan sistem Teknologi Informasi ("TI")*

Sebagai entitas perbankan, Bank dan entitas anak sangat bergantung pada sistem TI. BANK HTTPS SYARIAH Tbk ("Entitas Anak") menggunakan beberapa sistem TI yang saling terintegrasi untuk mendukung kegiatan operasional, antara lain pelaksanaan transaksi, pencatatan data nasabah, pengelolaan risiko, serta penyusunan laporan keuangan dan regulasi. Pengendalian atas akses dan perubahan pada sistem TI sangat penting, karena gangguan atau kesalahan pada sistem dapat berpengaruh secara signifikan terhadap proses pelaporan dan pengambilan keputusan.

Pengendalian dan sistem TI kami sampaikan dengan pendekatan dan pelaporan transaksi keuangan, merupakan hal audit utama karena pendekatan audit ini dapat berbeda secara signifikan tergantung pada efektivitas operasi dan pengendalian TI Bank dan Entitas Anak.

3 *Information Technology ("IT") systems and controls*

As a banking entity, the Bank and the Subsidiary rely on IT systems. PT BANK HTTPS SYARIAH Tbk ("the Subsidiary") uses multiple integrated IT systems to support its operations, including transaction processing, customer data management, risk management, and financial reporting and regulatory compliance. Controls over access to and changes to IT systems are critical because failures in IT systems can have significant impact on financial reporting and audit adjustments.

How our audit addressed the Key Audit Matter

Kami melakukan pengujian terhadap pengendalian TI, yang antara lain mencakup pengujian atas pengendalian akses pengguna, pengembangan perubahan sistem, operasi TI, dan pengendalian atas pencadangan dan pemulihan data. Kami juga menguji pengendalian otomatis dan pengendalian manual yang bergantung pada laporan atau data yang dihasilkan oleh sistem TI. Kami merancang prosedur audit tambahan sesuai kebutuhan.

For IT systems and controls, our audit procedures included testing of relevant IT controls, including controls over user access, system changes, IT operations, and data backup and recovery. We also tested automated controls and manual controls that rely on reports or data produced by IT systems. We designed additional audit procedures as necessary.

- Menguji desain dan efektivitas operasi pengendalian pada akses program dan data, termasuk manajemen user identity, autentikasi dan otorisasi, dan pengelolaan perubahan program aplikasi IT yang terkait pada sampel periode laporan keuangan.

- Menguji desain dan efektivitas operasi pengendalian pada proses pengelolaan perubahan program, pengembangan aplikasi IT baru, pemeliharaan aplikasi IT yang terkait pada sampel periode laporan keuangan.

- Menguji desain dan efektivitas operasi pengendalian pada proses pengelolaan data, termasuk pembuatan dan pemantauan proses pemindahan data antar sistem pada sampel periode laporan keuangan.

- Menguji desain dan efektivitas operasi pengendalian pada pengendalian IT yang bersifat otomatis untuk aplikasi IT tertentu yang terkait dalam cakupan audit kami.

- *Testing the design and operating effectiveness of controls over access to programs and data, including user identity management, authentication and authorization, and the management of changes to applications and other IT aspects that are relevant to the respective audit;*

- *Testing the design and operating effectiveness of controls over changes management, including change request approval and testing, segregation of duties between the change migration and the development, and the management of changes to applications and other IT aspects that are relevant to the respective audit;*

- *Testing the design and operating effectiveness of controls over data migration, including data conversion and balancing between the old and new systems, and the management of changes to applications and other IT aspects that are relevant to the respective audit;*

- *Testing the design and operating effectiveness of certain automated IT application controls that are considered relevant to the respective audit.*

Hal Lain

Audit kami dilakukan dengan tujuan untuk merumuskan pendapat atas laporan keuangan konsolidasi secara keseluruhan. Informasi tambahan yang terdiri dari Ikhtisar Laporan Tonggak Yang Dicapai, Informasi Pemegang Saham Perusahaan, Informasi Pemegang Saham Bank, Informasi Tambahan Lainnya, Informasi Tambahan Lainnya Sesuai Dengan Peraturan Otoritas Jasa Keuangan Republik Indonesia dan Informasi Tambahan Lainnya Sesuai Dengan Standar Akuntansi Keuangan di Indonesia, yang disajikan untuk tujuan analisis perusahaan dan bukan merupakan bagian yang diperlukan dari laporan keuangan konsolidasi. Informasi tambahan tersebut bukan merupakan bagian dari laporan keuangan konsolidasi. Informasi tambahan tersebut menjadi tanggung jawab manajemen Perusahaan. Informasi tambahan tersebut telah melalui prosedur audit yang dilakukan bersama audit atas laporan keuangan konsolidasi dan menurut pendapat kami, informasi tambahan tersebut telah disajikan secara wajar, dalam semua hal yang material, sehubungan dengan laporan keuangan konsolidasi secara keseluruhan.

Other Matters

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in Milestones Achieved, Shareholder Information, Bank Shareholder Information, Other Information, Other Information Pursuant to Financial Services Authority Regulations of the Republic of Indonesia and Other Information Pursuant to Financial Accounting Standards in Indonesia, which are presented for the purpose of additional analysis and is not a required part of the consolidated financial statements, is the responsibility of the Company's management. The supplementary information has been subjected to audit procedures performed in connection with the audit of the consolidated financial statements and, in our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Informasi Lain

Manajemen bertanggung jawab atas informasi lain. Informasi lain terdiri dari informasi yang tercantum di dalam laporan tahunan 2023, tetapi tidak termasuk laporan keuangan konsolidasi dan laporan auditor atas hal tersebut. Laporan tahunan 2023 diharapkan akan tersedia bagi kami setelah tanggal laporan auditor ini.

Opini atas laporan keuangan konsolidasi tidak mencakup informasi lain dan kami tidak akan menyatakan suatu bentuk keyakinan apapun atas informasi lain tersebut.

Other Information

Management is responsible for the other information. The other information comprises the information included in 2023 annual report, but does not include the consolidated financial statements and our auditor's report thereon. The 2023 annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Selain bertanggung jawab atas laporan keuangan konsolidasian, tanggung jawab Manajemen juga mencakup informasi lain yang terdiri dari laporan tahunan, tetapi tidak termasuk laporan keuangan konsolidasian dan laporan auditor kami atas laporan keuangan konsolidasian tersebut.

Ketika kami membaca laporan tahunan 2023 jika kami menyimpulkan bahwa terdapat salah kesalahan penyajian material di dalamnya, kami diharuskan untuk mengkomunikasikan hal tersebut kepada pihak yang bertanggung jawab atas tata kelola dan melakukan tindakan yang tepat berdasarkan peraturan perundang-undangan yang berlaku.

Tanggung Jawab Manajemen dan Pihak yang Bertanggung Jawab atas Tata Kelola terhadap Laporan Keuangan Konsolidasian

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian sesuai dengan Standar Akuntansi Keuangan di Indonesia dan bertanggung jawab atas pengendalian internal yang dia anggap perlu untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Dalam penyusunan laporan keuangan konsolidasian, tanggung jawab Manajemen adalah untuk menilai kemampuan Grup dalam mempertahankan kelangsungan usahanya, mengungkapkan, sesuai dengan standar yang berlaku, hal yang berkaitan dengan kelangsungan usaha, dan menggunakan dasar akuntansi kelangsungan usaha, kecuali Manajemen bermaksud untuk melikuidasi Grup atau menghentikan operasi, atau tidak ada alternatif yang realistis selain melakukannya.

Pihak yang bertanggung jawab atas tata kelola bertanggung jawab untuk mengawasi proses pelaporan keuangan Grup.

Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan Konsolidasian

Tujuan kami adalah untuk memperoleh keyakinan memadai tentang apakah laporan keuangan konsolidasian secara keseluruhan bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan, dan untuk menerbitkan laporan auditor yang mencakup opini kami. Keyakinan memadai merupakan tingkat keyakinan tinggi, namun bukan merupakan suatu jaminan bahwa audit yang dilaksanakan berdasarkan Standar Audit akan selalu mendeteksi kesalahan penyajian material jika hal tersebut ada. Kesalahan penyajian dapat timbul dari kecurangan atau kesalahan dan dianggap material jika, baik secara individual maupun secara agregat, dapat diperkirakan secara wajar akan memengaruhi keputusan ekonomi yang diambil oleh penggunan berdasarkan laporan keuangan konsolidasian tersebut.

In addition to our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and take appropriate action in accordance with the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Indonesian Financial Accounting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Sebagai bagian dari audit berdasarkan Standar Audit, kami menerapkan pertimbangan profesional dan mempertahankan skeptisisme profesional selama audit. Kami juga

- Mengidentifikasi dan menilai risiko salah saji material dalam laporan keuangan konsolidasi, baik yang disebabkan oleh kecurangan maupun kesalahan, merancang dan melaksanakan prosedur audit yang responsif terhadap risiko tersebut, serta memperoleh bukti audit yang cukup dan tepat untuk menyediakan basis bagi opini kami. Risiko tidak mendeteksi salah saji material yang disebabkan oleh kecurangan lebih tinggi dari yang disebabkan oleh kesalahan, karena kecurangan dapat melibatkan kolusi, pemalsuan, pengabaian sengaja, pernyataan yang salah, atau penghindaran pengendalian internal

- Memperoleh suatu pemahaman tentang pengendalian internal yang relevan dengan audit untuk merancang prosedur audit yang tepat sesuai dengan kondisi, tetapi tidak untuk tujuan menyatakan opini atas keefektifan pengendalian internal Grup

- Menguji ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi dan pengungkapan terkait yang dibuat oleh manajemen

- Menyimpulkan kelayakan penggunaan basis akuntansi kelangsungan usaha oleh manajemen dan, berdasarkan bukti audit yang diperoleh, apakah terdapat ketidakpastian material yang terkait dengan peristiwa atau kondisi yang dapat menyebabkan keraguan signifikan atas kemampuan Grup untuk melanjutkan kelangsungan usahanya Kesimpulan kami didasarkan pada bukti audit yang diperoleh hingga tanggal laporan auditor kami. Namun, peristiwa atau kondisi masa depan dapat menyebabkan Grup tidak dapat lagi mempertahankan kelangsungan usaha

- Mengevaluasi penyajian, struktur dan isi laporan keuangan konsolidasi secara keseluruhan, termasuk pengungkapannya, dan apakah laporan tersebut menyajikan transaksi dan peristiwa yang mendasarinya dengan cara yang mencapai penyajian wajar

- Memperoleh bukti audit yang cukup dan tepat terkait informasi keuangan entitas atau aktivitas bisnis dalam Grup untuk menyatakan opini atas laporan keuangan konsolidasi. Kami bertanggung jawab atas arahan, supervisi, dan pelaksanaan audit grup. Kami tetap bertanggung jawab sepenuhnya atas opini audit kami

As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- *Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control*

- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control*

- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management*

- *Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern*

- *Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation*

- *Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion*

Kami mengomunikasikan kepada komite audit atau pihak yang bertanggung jawab atas tata kelola mengenai antara lain ruang lingkup dan saat pelaksanaan audit yang direncanakan serta temuan audit signifikan, termasuk setiap defisiensi signifikan dalam pengendalian internal yang teridentifikasi selama audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kami juga memberikan suatu pernyataan kepada pihak yang bertanggung jawab atas tata kelola bahwa kami telah memenuhi ketentuan etika yang relevan mengenai independensi, dan mengomunikasikan seluruh hubungan serta hal-hal lain yang dianggap berdampak terhadap independensi kami, dan pengamanan terkait.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Dari hal-hal yang dikomunikasikan kepada pihak yang bertanggung jawab atas tata kelola, kami menentukan hal-hal tersebut yang paling signifikan dalam audit atas laporan keuangan konsolidasian periode sekarang dan oleh karenanya merupakan hal audit utama. Kami menguraikan hal tersebut dalam laporan auditor kami, kecuali peraturan perundang-undangan melarang pengungkapan publik tentang hal tersebut atau ketika, dalam situasi yang sangat jarang terjadi, kami menentukan bahwa suatu hal tidak boleh dikomunikasikan dalam laporan kami karena konsekuensi merugikan dari mengomunikasikan hal tersebut akan dapat secara wajar diperkirakan lebih besar daripada manfaat kepentingan publik atas komunikasi tersebut.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Kantor Akuntan Publik *Registered Public Accountants*
Siddharta Wiguna & Rekan

Novi, S.E., CPA
Izin Akuntan Publik *Public Accountant License* No. AP-1212

22 Februari 2024

22 February 2024

2023 ANNUAL REPORT

IMPACTING MILLIONS OF LIVES

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