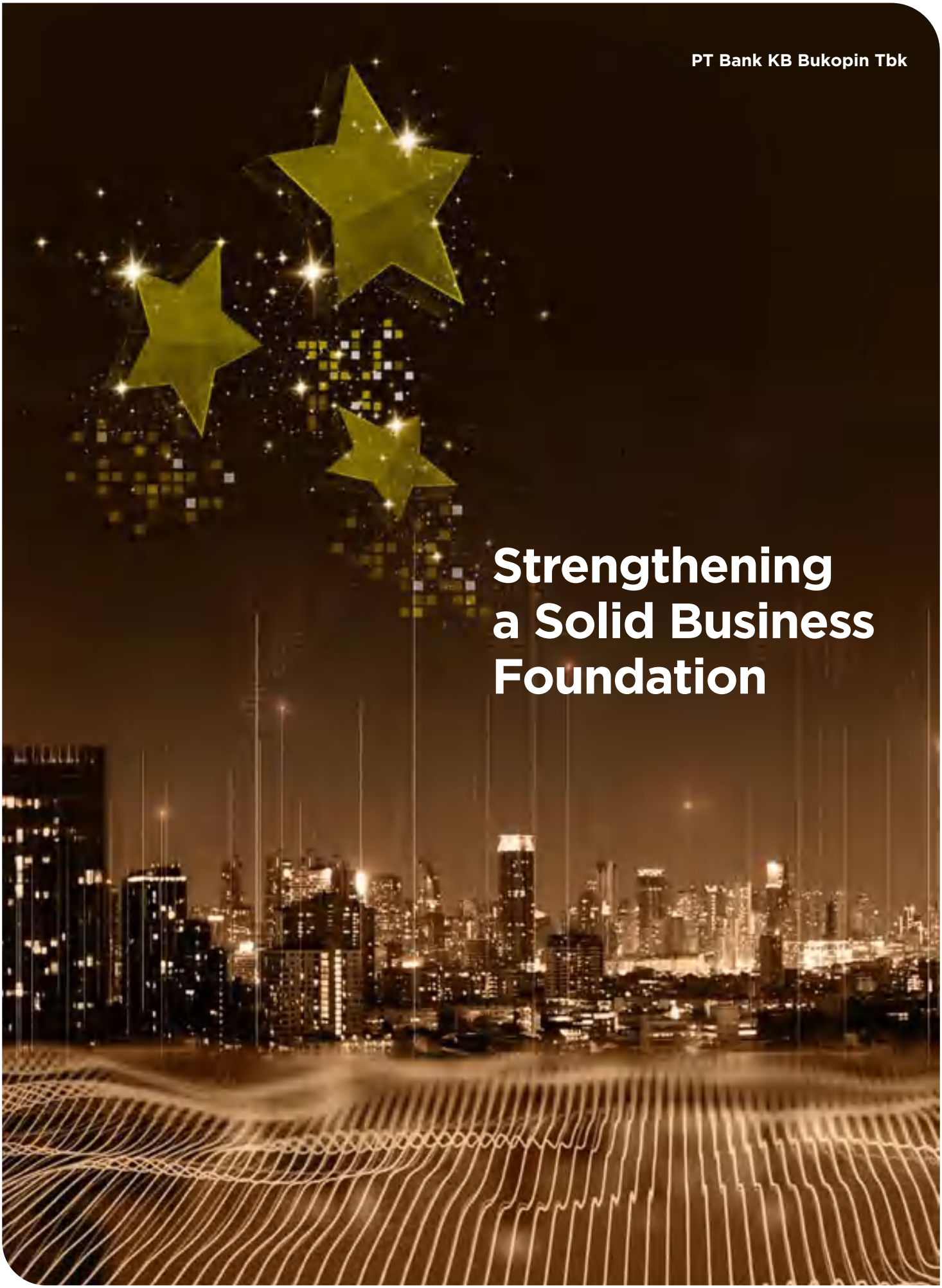
PT Bank KB Bukopin Tbk



Strengthening a Solid Business Foundation

KB Bank

Annual Report 2023

ABOUT 2023 KB BANK ANNUAL REPORT

Welcome to KB Bank's 2023 Annual Report with the theme **"Strengthening a Solid Business Foundation"**. This theme was chosen based on the consideration that in 2023 one of KB Bank's focuses will be to increase business growth and to ensure that KB Bank continues to grow in the future.

The main objective of preparing this Annual Report is to increase the Company's information disclosure to all stakeholders. KB Bank's Annual Report for the financial year ending in December 31, 2023 is published in accordance with the Company's conditions throughout 2020 with reference to the provisions contained in the Financial Services Authority Regulation ("POJK") No. 29/POJK.04/2016 concerning Annual Reports of Issuers or Public Companies.

This 2023 Annual Report is a source of comprehensive documentation containing information on the Company's performance for the year. This information contains complete documentation that describes the Company's profile; operational, marketing and financial performance; information about the tasks, roles and structural functions of the Company's organization that applies the concept of best practices and corporate governance principles.

Moreover, this Annual Report also aims to build understanding and trust about the Bank's KB by providing accurate, balanced and relevant information. Shareholders and all other stakeholders can obtain adequate information regarding the policies that have been and will be implemented as well as the success of achieving the Bank's KB in 2023.

In accordance with applicable regulations, the 2023 Annual Report is presented in two languages, namely Indonesian and English, using type and size of letters that are easy to read and printed with good quality. KB Bank's Annual Report can be viewed and downloaded on the Company's official website www.kbbank.co.id.



DISCLAIMER AND LIMITATION OF LIABILITY

This annual report contains statements of financial conditions, operating results, projections, plans, strategies, policies and objectives of KB Bank, which are classified as forward-looking statements in the implementation of applicable laws, except for matters of a historical nature. These statements involve prospective risks, uncertainties, and may cause actual developments to be materially different from those reported.

The prospective statements in this annual report are made based on various assumptions regarding the current and future conditions of KB Bank as well as the business environment in which the Company carries out business activities. The Company does not guarantee that the documents whose validity has been confirmed will produce the expected results.

This annual report contains the words “KB Bank”, “Bank” and “Company” which are defined as PT Bank KB Bukopin Tbk which carries out business activities in the banking sector. The reference to the currency unit “Rupiah”, “Rp” or IDR refers to the official currency of the Republic of Indonesia, while “US Dollar” or USD refers to the official currency of the United States. All financial information is presented in Rupiah currency in accordance with Indonesian Financial Accounting Standards.

NOTICE REGARDING TABLES AND GRAPHICS

The tables and graphs in this Annual Report present numerical data using standard writing following Indonesian language rules. Numerical presentation in text uses standard Indonesian and English rules according to context.



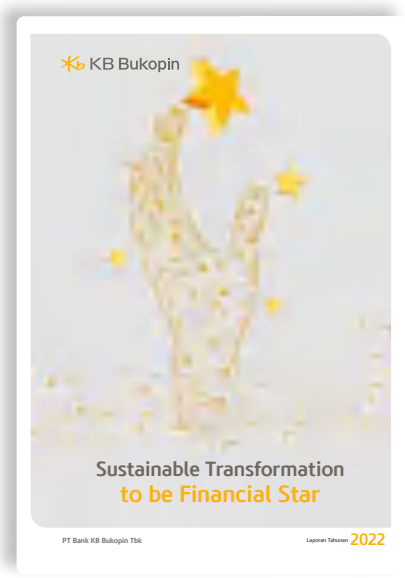
FOREWORD

"STRENGTHENING A SOLID BUSINESS FOUNDATION"

To achieve the 2023 target, the Company has determined strategic steps which are divided into 13 (thirteen) strategic agendas with the aim of "Becoming the First Choice Financial Institution in Indonesia". The strategy headline for the 2023 agenda is "BISA", a reflection of the motivation of the Company's people to continue making changes and continuous improvements with the aim of achieving mutual victory through 4 pillars, namely Boost Sales Performance, Innovation for Turnaround, Strengthening the quality of Assets, Advanced IT & Digital.

The transformation phase of KB Bank which is scheduled to continue following the dynamics of existing business development, where KB Bank is divided into 3 (three) stages according to time projections. The first phase is rebuilding the business base through quality asset growth, the second phase is that KB Bank is expected to be at a more stable stage to focus on the main business segments, namely (retail and MSMEs), and the third phase is that KB Bank is expected to be fully ready to "Become the Leading and Loved Bank in Indonesia".

THEME CONTINUITY





2022

"Sustainable Transformation To Be Financial Star"

In facing business climate conditions that are still full of uncertainty throughout 2022, Bank KB Bukopin is more careful in realizing its strategic role in the Indonesian banking industry. The Board of Directors together with the Company's personnel have determined strategic steps which are divided into 20 (twenty) strategic agendas with the aim of "Becoming the First Choice Financial Institution in Indonesia". This is in line with the transformation carried out by the Bank since previous years.

Bank KB Bukopin began its transformation journey which began in August 2020, which was marked by the entry of KB Kookmin Bank as controlling shareholder. The transformation carried out is divided into several stages, where in stages 1 and 2 the focus of the transformation is on solving fundamental problems. Until now, the transformation process is still ongoing, entering stages 3 and 4 with a focus on building strong fundamentals in preparation for good bank growth in the future. The Bank will continue to carry out transformations that are centered on change and innovation by actively involving employees in the process.

2021

"Empowering Transformation, Strengthening Synergy"

In line with Bank KB Bukopin's ambition to become a major financial institution in Indonesia by 2025, Bank KB Bukopin needs to improve its performance in all lines. One of them is by improving the quality of business growth. Bank KB Bukopin believes that improving the quality of business growth is an important pillar to ensure the sustainability of Bank KB Bukopin in the future.

Various efforts that have been made throughout 2021 are outlined in the form of 12 (twelve) Strategic Policies which we implemented with high commitment and consistency. The twelve Strategic Policies focus on retail business, strengthening liquidity, improving credit quality, planning to increase capital, expanding in leading segments, developing fee-based income, making efficiency efforts, strengthening point of sales, developing information technology, strengthening human resources, implementing risk management and quality internal control as well as strengthening the role of the internal control system.





2020

"Leading New Chapter with Optimism"

The COVID-19 virus outbreak is quickly disrupting business sectors and consumer activities globally along with its health impacts. With the global and national challenges and crises ahead, we have prepared several strategies, both immediate and long term. Our strategic collaboration with KB Kookmin Bank this year has given us optimism in starting a new chapter in order to provide better performance and more added value for stakeholders.

Despite the impact of COVID-19, in 2020, we focused on three main things as part of our transformation process including building strong fundamentals by strengthening our core capabilities and expanding markets, expanding our core business, and capturing new markets using digital banking. With the ongoing transformation process, we are confident and optimistic that this new chapter will lead us to even better directions and improvements.

2019

"Strengthening Synergies, Strengthening Business Foundations"

Increasingly tight competition in the financial industry and the financial technology industry which has entered a new phase, have encouraged Bank Bukopin to establish a strategy by strengthening synergies to spur growth in the Retail sector.

Throughout 2019, all Bank business lines with full commitment and consistency worked together to strengthen synergies as part of the Bank's long-term program. Strengthening synergies and strengthening business foundations aims to ensure that the Bank has resilience in facing every development and challenge of the times.

KEY ACHIEVEMENTS 2023

CREDIT SEGMENT PERFORMANCE

IDR16.63 trillion
MSMEs

IDR12.46 trillion
CONSUMER

IDR21.33 trillion
COMMERCIAL

Rp49.42 Triliun
TOTAL CREDIT

FUND SEGMENT PERFORMANCE

IDR30.01 trillion
RETAIL

IDR14.78 trillion
COMMERCIAL

IDR44.79 Trillion
TOTAL COLLECTED FUND

TOTAL COLLECTED FUND

Rp5.95 trillion
CASH AND CASH EQUIVALENTS

IDR84.31 Trillion
ASSETS

25.80%
EQUITY

In 2023, total equity is recorded at IDR 14.11 trillion, growing 25.80% or IDR 2.89 trillion compared to total equity in 2022 of IDR 11.22 trillion

17.75%
INTEREST AND SHARIA INCOME

At the end of the 2023 financial year, the Bank's total interest and sharia income is recorded at IDR 4.86 trillion, an increase of IDR 733 billion compared to the previous year's achievement of IDR 4.13 trillion

GOOD CORPORATE GOVERNANCE

"Good"
Rank No. 2

In 2023, based on the findings and results of the analysis as described above, the implementation of good corporate governance at KB Bank is generally "Good"

KB BANK
REBRANDING

In 2024, PT Bank KB Bukopin Tbk has officially changed the Bank's brand name and logo to KB Bank. This change also completes the Company's transformation journey since 2021, continuing to develop and strengthen its position as a leading and trusted banking entity in Indonesia. However, this change does not affect the legal name of the company which remains PT Bank KB Bukopin Tbk.

The change of brand name and logo to KB Bank is part of the Bank's strategy which aims to strengthen branding and combine "Korea Best" with Indonesian excellence, adhering to transparency, trust and integrity, so that it becomes a reliable partner for solutions to banking service needs in Indonesia.

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Financial Report 8



1 Financial and Operational Data Highlights


KB

FINANCIAL HIGHLIGHTS

CONSOLIDATED STATEMENT OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME

(Presented in millions of Rupiah, unless stated otherwise)

Description	2023	2022	2021
Income and Expense from Operations			
Interest and Sharia Income			
Interest Income	4.374.694	3.721.413	3.919.306
Sharia Income	486.942	407.257	298.309
Total Interest and Sharia Income	4.861.636	4.128.670	4.217.615
Interest and Sharia Expenses			
Interest Expenses	(3.746.710)	(2.828.375)	(3.169.293)
Sharia Expenses	(306.044)	(250.792)	(218.805)
Total Interest and Sharia Expenses	(4.052.754)	(3.079.167)	(3.388.098)
Interest Income and Sharia – Net	808.882	1.049.503	829.517
Other Operating Income			
Other provisions and commissions	333.732	323.340	419.959
Profit from the sales of marketable securities – net	(8.899)	13.082	19.498
Gain on Foreign Exchange – net	29.265	31.815	(423.525)
Others	102.429	131.272	135.233
Total Other Operating Income	456.527	499.509	151.165
Provision of Allowance for Impairment Losses on Financial Assets – Net	(5.537.792)	(3.948.482)	(1.051.148)
Provision of Allowance for Impairment Losses on Non-Financial Assets – Net	(269.055)	(81.325)	(95.606)
Gain (Loss) from Foreign Exchange Transactions – Net	5.235	(1.919)	107.115
Recovery from losses on commitments and contingencies – net	1.999	(2.272)	24.968
Gain (Loss) from changes in fair value of financial assets	155.384	(147.542)	(12.683)
Other Operating expenses			
General and Administration	(1.371.594)	(1.571.018)	(1.858.758)
Salary and Allowance	(809.976)	(734.432)	(1.105.054)
Premium of Government Guarantee Program	(98.812)	(118.790)	(79.537)
Total Other Operating Expenses	(2.280.382)	(2.424.240)	(3.043.349)
Operating income (loss)	(6.659.202)	(5.056.768)	(3.090.021)
Non-Operating Income (Expense) – Net	(128.185)	(88.888)	(54.004)
Income Before Tax Expense	(6.787.387)	(5.145.656)	(3.144.025)
Income Tax Benefit (Expense) – net			
- Present	-	-	(525)
- Last Year Tax Adjustment	-	-	-
- Deffered	731.684	113.152	842.271
Total Income Tax Benefit (Expense) – net	731.684	113.152	841.746
Income (Loss) for the Year	(6.055.703)	(5.032.504)	(2.302.279)
Other Comprehensive Income:			

(Presented in millions of Rupiah, unless stated otherwise)

Description	2023	2022	2021
Items that would never be reclassified to profit or loss:			
Remeasurement of loss on a defined benefit program	8.640	25.736	12.747
Changes in fixed assets revaluation surplus	(1.756)	77.837	17.211
Income tax related to items that would never reclassified to profit or loss	(1.900)	(5.663)	12.117
Items that would be reclassified to profit or loss:			
Changes in the fair value of available for sale marketable securities and fair value through other comprehensive income	6.330	(70.134)	(18.398)
Income tax related to items that would never be reclassified to profit or loss	(1.392)	15.429	(20.542)
Other Comprehensive Income – Net	9.922	43.205	3.135
Total Comprehensive Income (Loss) for the Year	(6.045.781)	(4.989.299)	(2.299.144)
Income (Loss) for the Year Attributable to:			
- Equity Holders of the Parent Entity	(6.024.463)	(4.984.356)	(2.279.110)
- Non-controlling interests	(21.318)	(4.943)	(20.034)
	(6.045.781)	(4.989.299)	(2.299.144)
Comprehensive Income (Loss) for the Year Attributable to:			
- Equity Holders of the Parent Entity	(6.024.463)	(4.984.356)	(2.279.110)
- Non-controlling interests	(21.318)	(4.943)	(20.034)
	(6.045.781)	(4.989.299)	(2.299.144)
Profit per Share			
- Basic/diluted (full amount)	(61)	(74)	(34)
Income for the year attributable to equity holders the parent entity	(6.034.077)	(5.027.460)	(2.282.245)
Weighted Average Number of Basic Share	98.277.584.070	67.887.540.178	67.887.540.178

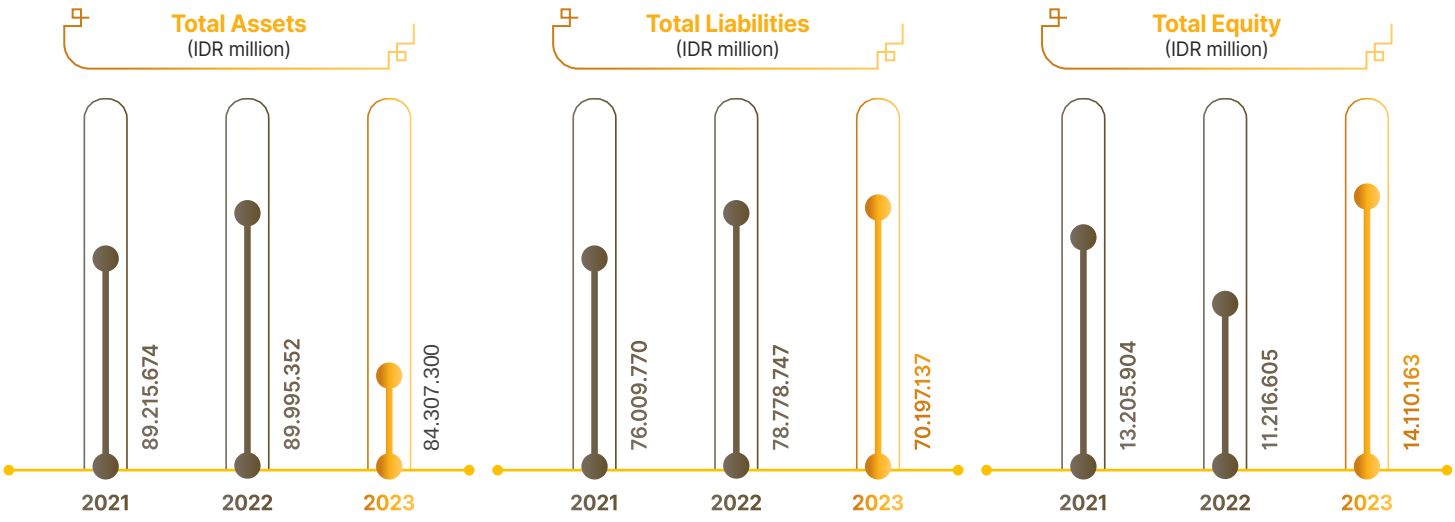
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Presented in millions of Rupiah, unless stated otherwise)

Description	31 December 2023	31 December 2022	31 December 2021
Assets			
Cash	289.184	524.320	472.213
Current Account with Bank Indonesia	3.205.619	4.140.431	2.148.831
Current Account in Other Banks	342.881	744.059	1.397.457
Deducted: Allowance for Impairment Losses	(300)	(89)	(370)
Current Account with Other Banks – Net	342.581	743.970	1.397.087
Placement in Bank Indonesia and other Banks	2.133.567	12.180.830	12.441.918
Deducted: Allowance for Impairment Losses	-	-	-
Placement in Bank Indonesia and Other Banks - Net	2.133.567	12.180.830	12.441.918
Securities – Net			
Trading/Measured at fair value through profit or loss	5.322.930	3.362.099	1.512.903
Available for sale/Measured at fair value through other comprehensive income	3.067.387	588.835	1.521.457
Held to maturity/Measured at amortized cost	9.145.932	8.059.020	5.248.704
	17.536.249	12.009.954	8.283.064
Deducted: Allowance for Impairment Losses	(109)	(76)	(125)
Marketable Securities – net	17.536.140	12.009.878	8.282.939
Marketable securities receivables with agreement for resale	2.572.152	-	110.400
Deducted: Allowance for Impairment Losses	-	-	-
Marketable securities receivables with agreement for resale - net	2.572.152	-	110.400
Marketable securities receivables with agreement for resale (repo)		-	-
Deducted: Allowance for Impairment Losses	-	-	-
Marketable securities receivables with agreement for resale (repo) - net	-	-	-
Derivative Receivables	3.040	9.254	9.898
Loans and sharia financing/receivables	49.418.616	50.583.434	58.512.087
Deducted: Allowance for Impairment Losses	(3.582.834)	(1.626.676)	(4.661.814)
Loans and sharia financing/receivables – net	45.835.782	48.956.758	53.850.273
Acceptance Receivables	130.964	17.135	5.352
Investment in share	15	15	15
Fix asset and use right assets	4.646.734	4.686.955	4.808.776
Deducted: depreciation accumulation	(1.413.059)	(1.290.753)	(1.311.446)
Fixed assets and right of use – Net	3.233.675	3.396.202	3.497.330
Deferred Tax Assets – Net	2.670.543	1.942.151	1.819.232
Intangible Assets	635.815	485.049	484.944
Deducted: amortization and depreciation accumulation	(350.230)	(283.055)	(282.748)
Intangible Assets – Net	285.585	201.994	202.196
Other Assets – Net	6.068.453	5.872.414	4.977.990
Total Assets	**84.307.300**	**89.995.352**	**89.215.674**
LIABILITY AND EQUITY			
Liabilities			
Liabilities immediately payable	431.402	388.522	289.291

(Presented in millions of Rupiah, unless stated otherwise)

Description	31 December 2023	31 December 2022	31 December 2021
Deposits from Customers	44.789.143	51.962.370	55.822.776
Current Account	3.177.648	3.577.927	3.314.752
Savings	6.873.184	6.955.784	8.796.917
Deposits	34.738.311	41.428.659	43.711.107
Deposits from other Banks	7.886.721	10.381.375	9.652.068
Current account and Savings	37.021	112.385	131.805
Timed Deposits and Interbank call money	7.849.700	10.268.990	9.520.263
Marketable securities sold with agreements to repurchase – net	219.631	-	2.399.726
Derivative Payables	808	12.259	11.056
Acceptance Payables	132.577	17.346	5.418
Borrowings	11.704.492	11.200.131	2.426.241
Marketable securities issued	3.397.588	3.392.718	3.787.708
Taxes Payables	64.635	56.496	42.163
Other Liabilities	1.570.140	1.367.530	1.573.323
Total Liabilities	**70.197.137**	**78.778.747**	**76.009.770**
Equity			
Equity attributed to the Equity Holders of the Parent Entity			
Issued and fully paid capital	19.000.000	7.000.000	7.000.000
Additional Paid-in Capital	8.225.767	8.286.428	8.286.428
Capital paid in advance	-	3.000.000	-
Asset revaluation surplus	1.603.893	1.605.649	1.527.812
Unrealized gain (loss) on available-for-sale securities and fair value through other comprehensive income - after deferred tax	7.563	2.625	57.330
Retained earning			
The use has been determined	-	-	-
The use has not been determined	(14.700.914)	(8.673.269)	(3.665.882)
Sub Total	**14.136.309**	**11.221.433**	**13.205.688**
Non-Controlling Interests	(26.146)	(4.828)	216
Total Equity	**14.110.163**	**11.216.605**	**13.205.904**
Total Equity and Liabilities	**84.307.300**	**89.995.352**	**89.215.674**



FINANCIAL RATION AND OTHER IMPORTANT RATIO

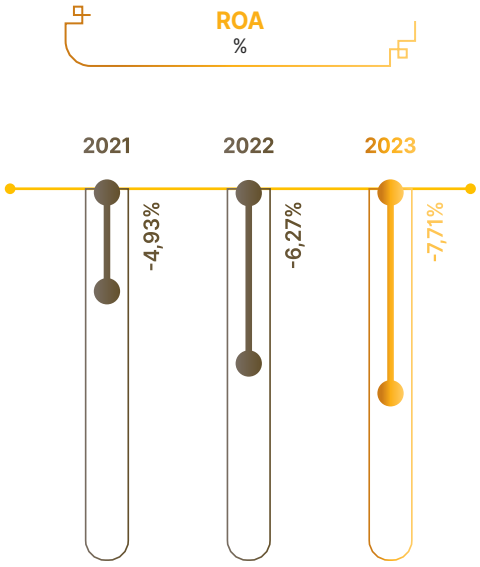
In %

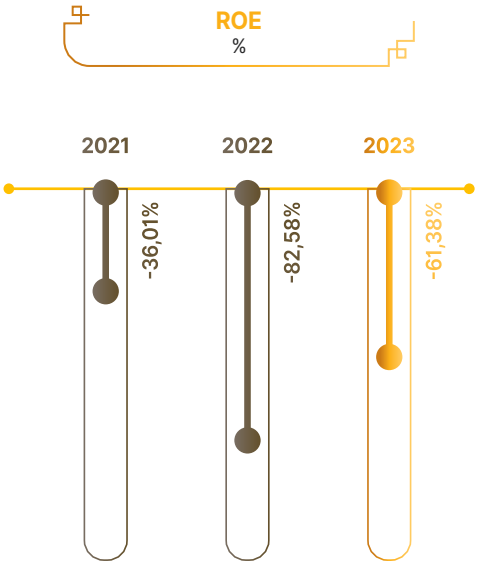
Description	31 December 2023	31 December 2022	31 December 2021
Capital			
CAR by calculating credit risk	28,50%	20,13%	22,11%
CAR by calculating credit risk and market risk	28,37%	20,01%	21,79%
CAR by calculating credit risk and operating risk	27,17%	19,19%	20,53%
CAR by calculating credit risk, market risk and operating risk	27,05%	19,08%	20,26%
Fixed Assets – Net to Main Capital	38,51%	55,45%	34,64%
Productive Assets			
Non Performing Earning Assets and Non Earning Assets to Total Earning Assets and Non Earning Assets	6,37%	6,92%	10,79%
Non-performing Assets to Total Earning Assets Ratio	6,27%	4,09%	8,75%
Allowance for Impairment Losses (CKPN) of Financial Assets to Productive Assets	4,80%	1,93%	6,35%
Non-perfoming credit to loans ratio - gross	9,56%	6,56%	10,66%
Non-perfoming credit to loans ratio - gross	4,87%	4,84%	4,91%
Profitability			
Return on assets (ROA)	-7,71%	-6,27%	-4,93%
Return on equity (ROE)	-61,38%	-82,58%	-36,01%
Net interest income margin (NIM)	0,78%	1,17%	1,00%
Ratio of operating expenses to operating income (BOPO)	223,24%	226,22%	171,20%
Profit (Loss) to income ratio	-124,56%	-121,89%	-54,59%
Profit (Loss) to total assets ratio	-7,18%	-5,59%	-2,58%
Profit (Loss) to total equity ratio	-42,92%	-44,87%	-17,43%
Liabilities to total assets ratio	83,26%	87,54%	85,20%
Liabilities to total equity ratio	497,49%	702,34%	575,57%
Liquidity			
The ratio of the credit amount to the number of customer deposits (LDR)	113,18%	98,48%	106,46%
Compliance			
Percentage of LLL violation			
Related parties	-	-	-
Unrelated parties	-	-	-
Percentage of exceeding LLL			
Related parties	-	-	-
Unrelated parties*	-	-	-
Minimum Statutory Reserve in Rupiah			
Main Rupiah Minimum Statutory Reserves			
Daily Minimum Statutory Reserves	7,05%	8,53%	3,50%
Average Minimum Statutory Reserves	7,37%	8,53%	3,52%
Macroprudential Liquidity Buffer d/h Secondary MRR	35,08%	13,87%	15,80%
Foreign Currency Conventional MSR	4,02%	4,02%	4,01%
Net Open Position (NOP)	1,62%	1,59%	0,82%

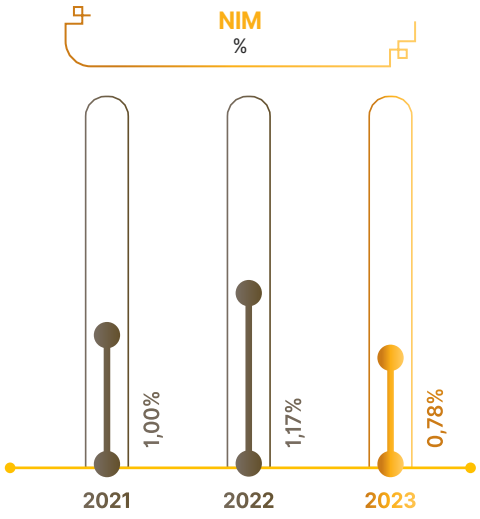
In %

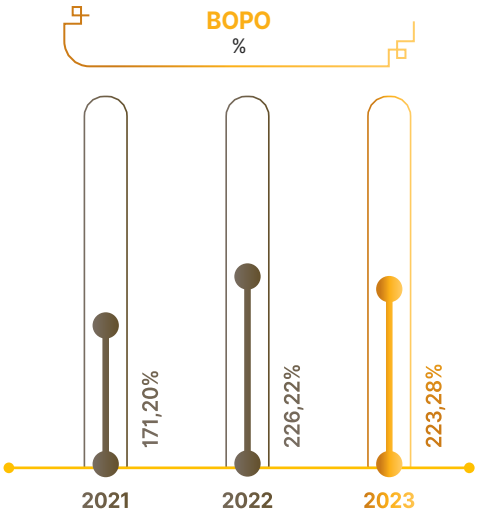
Description	31 December 2023	31 December 2022	31 December 2021
Growth			
Asset growth ratio	-6,32%	0,87%	11,61%
Liability growth ratio	-10,89%	3,64%	6,35%
Equity growth ratio	25,80%	-15,06%	55,98%
Interest and sharia income growth ratio – net	-22,93%	26,52%	39,76%
Other operating income growth ratio	-8,60%	230,44%	-85,33%
Other operating expense ratio	-5,93%	-20,34%	8,70%
Operating profit growth ratio	31,69%	63,65%	-21,79%
Net profit growth ratio	20,33%	118,59%	-29,34%

*)as of December 31, 2020 there was an excess of the Legal Lending Limit (LLL) related to credit guarantee due to the implementation of Risk Management techniques Credit. The excess of the LLL is the impact of Core Capital decline experienced by the Bank. Exceeding the LLL has been resolved in accordance with the Bank Letter No. 04380/DIR/III/2021 dated March 8, 2020.









OPERATIONAL REVIEW

CREDIT SEGMENT

(Presented in billions of Rupiah, unless stated otherwise)

Description	December 31 2023	December 31 2022	December 31 2021
MSMEs	15.633	18.397	26.400
Consumer	12.458	13.474	13.467
Commercial	21.328	18.712	18.645
TOTAL	49.419	50.583	58.512

FUND SEGMENT

(Presented in billions of Rupiah, unless stated otherwise)

Description	December 31 2023	December 31 2022	December 31 2021
Retail	30.008	37.889	39.439
Commecial	14.781	14.074	16.383
TOTAL	44.789	51.962	55.823

FEE BASED SEGMENT

(Presented in billions of Rupiah, unless stated otherwise)

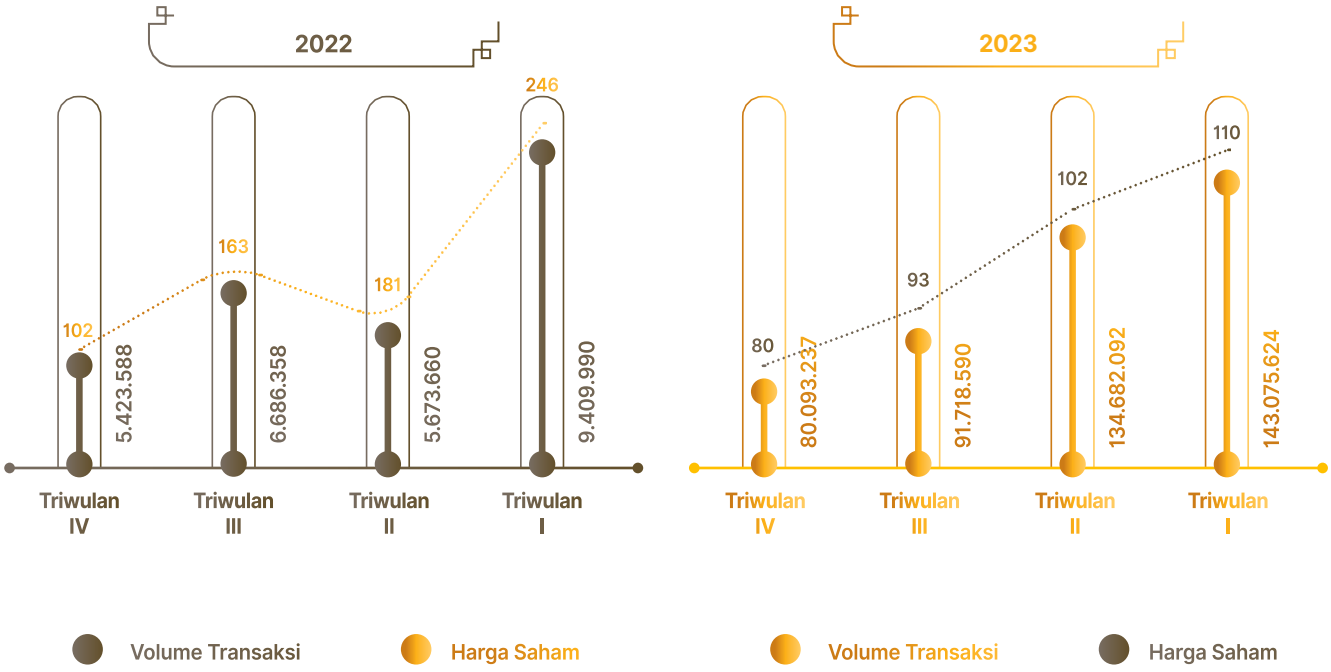
Description	December 31 2023	December 31 2022	December 31 2021
Public Service	83	137	147
E-Channel	20	20	24
Credit Card & Merchant	38	50	63
Trade Finance	8	7	6
Bank Guarantee	8	16	21
Others	280	224	255
TOTAL	436	453	516

SHARE
HIGHLIGHTS

KB BANK SHARE TRANSACTIONS 2022-2023

2023	Price per Share (IDR)			In Circulation (in Stock Sheet)	Transactions (in Thousands of Units)	Capitalization Market Closing (IDR Million)
	Highest	Lowest	Closing			
Quarter IV	94	72	80	187.887.539.870	80.093.237	15.415.763
Quarter III	115	92	93	187.887.539.870	91.718.590	18.910.018
Quarter II	118	92	102	187.887.539.870	134.682.092	19.001.981
Quarter I	140	100	110	67.887.540.178	143.075.624	7.899.044

2022	Price per Share (IDR)			In Circulation (in Stock Sheet)	Transactions (in Thousands of Units)	Capitalization Market Closing (IDR Million)
	Highest	Lowest	Closing			
Quarter IV	167	98	102	67.887.540.178	5.423.588	8.282.280
Quarter III	216	160	163	67.887.540.178	6.686.358	12.174.499
Quarter II	248	179	181	67.887.540.178	5.673.660	13.600.137
Quarter I	302	228	246	67.887.540.178	9.409.990	17.831.794



CORPORATE ACTIONS LEADING TO CHANGES IN STOCK

In 2023, the Bank has submitted a Registration Statement in connection with Limited Public Offering VII (PUT VII) in the context of disclosing Pre-emptive Rights (HMETD) to the Financial Services Authority (OJK) in Jakarta with letter No. 02441/DIR/II/2023 dated February 10, 2023. The Bank has obtained approval regarding the PUT VII plan as stated in the Deed of Meeting Decision Statement No. 109 dated November 30, 2022, made before Aulia Taufani, S.H., Notary in the Administrative City of South Jakarta (Deed No. 109/ 2022), which essentially approved the Bank's plan to carry out PUT VII by granting Pre-emptive Rights, by issuing class B shares up to a maximum of 120,000,000,000 shares with a nominal value of IDR 100,- per share.

The Bank conducted PUT VII in order to issue HMETD to the Bank's shareholders for a maximum of 119,999,999,692 class B shares with a nominal value of IDR 100 per share offered through Capital Increase with Pre-emptive Rights (PMHMETD). HMETD was announced to registered Bank shareholders on May 17, 2023 where each owner of 100,000,000 old shares of the Bank received 176,762,922 HMETD. Every 1 (one) HMETD can be used to purchase 1 (one) class B share by paying an exercise price of IDR 100 per share. Thus, the Bank obtained funds amounting to IDR 11,999,999,969,200.-.

After PUT VII, the number of shares listed by the Bank on the IDX is a maximum of 186,008,664,458 shares or representing 99.00% of the total issued and fully paid-up capital of the Bank after PUT VII and a maximum of 1,878,875,412 shares or representing 1.00 % of Bank shares that are not listed. The Bank has fulfilled its obligation not to list shares on the IDX of at least 1.00% of all shares issued to the Bank as required in PP No. 29/1999 and Article 39 paragraph (2) POJK no. 41/POJK.03/2019 concerning Merger, Consolidation, Takeover, Integration and Conversion of Commercial Banks (POJK No. 41/2019).

SUSPENSION OF STOCK TRADING AND/OR DELISTING INFORMATION REGARDING BONDS

Until December 31, 2023, the Bank has never been subject to sanctions that could affect share trading activities on the Stock Exchange where the Bank lists shares and trades shares, whether temporary suspension of share trading (suspension) and/or cancellation of share listing (delisting). Thus, there is no information regarding the impact of the temporary suspension of share trading (suspension) and/or cancellation of share listing (delisting), which can be presented in this Annual Report.

INFORMATION REGARDING BONDS, SUKUK OR CONVERTIBLE BOND REMAINING IN CIRCULATION

DETAILS OF BONDS ISSUED BY THE BANK AND STILL IN CIRCULATION

Issuer Name	Exchange Name	Issuance Date	Tenor	Currency	
Bank Bukopin Sustainable Subordinated Bonds II Phase II 2017	Indonesia Stock Exchane	February 28, 2017	84	Rp	
Bank KB Bukopin Sustainable Senior Bonds I Phase I 2021	Indonesia Stock Exchane	September 9, 2021	36	Rp	
KB Bukopin Bank III Sustainable Subordinated Bonds Phase I 2021 Series A	Indonesia Stock Exchane	September 9, 2021	60	Rp	
Bank KB Bukopin Sustainable Subordinated Bonds III Phase I 2021 Series B	Indonesia Stock Exchane	September 9, 2021	84	Rp	

INFORMATION ON OTHER FUNDING SOURCES

In 2023, the Bank will not issue Medium Term Notes (MTN) or other forms of debt funding. Thus, there is no information regarding other funding sources in this Annual Report.

	Value (million)	Maturity Rate	Maturity Rate	Rating		Trustee	Status until December 31, 2023
				2023	2022		
	1.405.000	February 28, 2024	11%	idAA (PEFINDO)	idA- (Pefindo)	PT Bank Mandiri (Persero) Tbk	Outstanding
	1.000.000	September 9, 2024	6,25%	AAA(idn) Fitch Rating	idAAA (Fitch Rating)	PT Bank Mandiri (Persero) Tbk	Outstanding
	315.000	September 9, 2026	8%	AA(idn) Fitch Rating	idAA (Pefindo)	PT Bank Mandiri (Persero) Tbk	Outstanding
	685.000	September 9, 2028	8,9%	AA(idn) Fitch Rating.	idAA (Pefindo)	PT Bank Mandiri (Persero) Tbk	Outstanding

IMPORTANT EVENTS

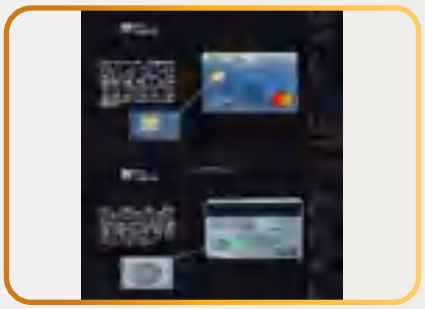
JANUARY 2023



KB Bank is Ready to Implement New Generation Bank System Like Kookmin Bank Korea

KB Bank stated its seriousness in transforming to build information technology. This is in line with parent KB Financial Group Inc (KBFG), which is known as a retail bank with its strong robotic systems and digital operations. So, without having to become a digital bank, the largest bank in South Korea also wants KB Bank to be ready to implement the New Generation Bank System like Kookmin Bank Korea.

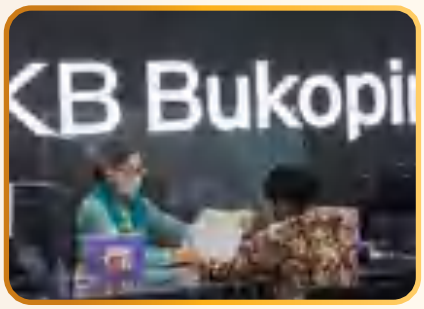
JANUARY 2023



Equipped with a chip, Fuel Card 3.0 Bukopion specifically for buying guaranteed safer diesel fuel

KB Bank has implemented the purchase of diesel fuel at Batam gas stations using Fuel Card 3.0 from KB Bank, which has been implemented. In its first trial at the Madani Roundabout gas station, Batam Center, transactions using a Fuel Card were more practical and faster.

FEBRUARI 2023



Ready for Rights Issue, KB Bank Will Soon Be Upgraded

PT Bank KB Bukopin Tbk. (BBKP) stated that it was ready to hold a limited public offering (PUT) VII through a rights issue scheme by issuing up to 120 billion new shares. PUT is one of the strategies implemented by the Bank to achieve better performance from year to year, through additional capital. This is certainly one of the important and strategic things in developing future business so that the Bank is able to integrate future business steps.

FEBRUARY 2023



Sinarmas Asset Management Collaborates with KB Bank, Expands Access to Mutual Fund Investments

PT Bank KB Bukopin Tbk announced a strategic collaboration with PT Sinarmas Asset Management (Sinarmas AM). Sinarmas AM is one of the largest investment managers in Indonesia which provides quality and trusted financial services, in order to provide investment solutions to the public.

MARCH 2023



Collaboration between KB Bank and UOB AM to Present Mutual Funds

PT Bank KB Bukopin Tbk (BBKP) and PT UOB Asset Management Indonesia (UOBAM Indonesia) collaborate in providing mutual fund investment instruments. Through this collaboration, KB Bank customers can purchase UOBAM Indonesia mutual fund products through KB Bank branch offices.

MARCH 2023



Pioneering The Digital Kur Systems, Bank KB Bank Joins With PT Inti Persero

PT Bank KB Bukopin Tbk ("KB Bank") was again realized through collaboration with PT Industri Telekomunikasi Indonesia - Persero ("PT INTI"). The collaboration is carried out in the form of distributing People's Business Credit ("KUR") to MSME players, especially farmers, using digital media (Marketplace) through the Blockchain service platform which is an original domestic product.

MARCH 2023



KB Bank Establishes Collaboration with PT Inka Multi Solusi

Jakarta, March 2, 2023 – PT Bank KB Bukopin Tbk ("KB Bank") continues to strengthen strategic partnerships with State-Owned Enterprises (BUMN) and their subsidiaries in order to face increasingly complex future challenges. KB Bank has officially collaborated with PT INKA Multi Solusi ("PT IMS") for the train, pertashop and EV bus ordering project.

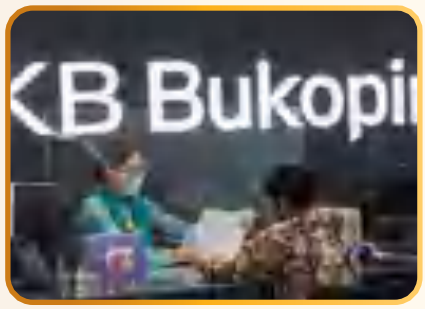
April 2023



KB Bank Collaborates with Sinarmas Land's 'Smart Move'

KB Bank has officially become one of the banks that has collaborated with Sinarmas Land in facilitating and simplifying home ownership financing for the community through the 'Smart Move' program.

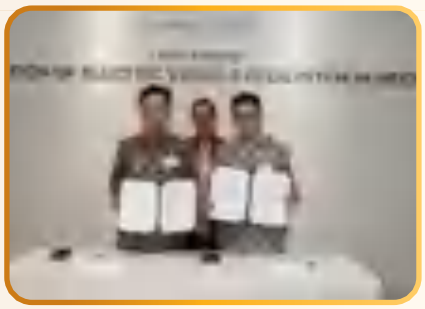
APRIL 2023



KB Bank Earns Net Interest Income of IDR 1.04 Trillion in 2022

PT Bank KB Bukopin Tbk. (BBKP) KB Bank succeeded in posting net interest income (NII) of IDR 1.04 trillion in 2022, growing 26.51 percent annually (year-on-year/yoy). Based on the financial report, quoted Monday (10/4/2023), the growth in the company's net interest income was driven by a decrease in interest expenses of 9.11 percent yoy to IDR 3.07 trillion. In this way, BBKP recorded an increase in net interest margin (NIM) of 17 basis points (bps) to 1.17 percent as of December 31, 2022.

MAY 2023



Partnership between KB Bank and Indika Energy, for the development of electric vehicles in Indonesia

Jakarta, May 11, 2023 PT Bank KB Bukopin Tbk and PT Indika Energy are collaborating in developing the electric vehicle (EV) ecosystem in Indonesia. The collaboration contained in this Memorandum of Understanding (MoU) aims to support Indonesia in encouraging sustainable transportation and to further increase the country's efforts to reduce its carbon footprint through ESG Financing.

JUNE 2023



Increasingly Strengthening Investment in Indonesia, KB Bank Bank Maintains Ownership as Controlling Shareholder in KB Bank (BBKP) Through a Rights Issue

Foreign Investors Buy Majority of New Shares in BBKP Rights Issue. Jakarta, June 2, 2023 Bank KB Kookmin strengthens investment in Indonesia by maintaining share ownership in PT Bank KB Bukopin, Tbk (BBKP) at around 67% through a rights issue which was completed on May 31, 2023. In raising funds worth IDR 11, 99 trillion raised by KB Bank through this rights issue, KB Kookmin injected IDR 8.02 trillion to buy around 80.2 billion of newly issued shares. This rights issue is held in accordance with the provisions of the Indonesian capital market, so that all shareholders are given a fair and equal opportunity to purchase the newly issued shares so that the value of their share ownership in KB Bank remains the same, or not diluted.

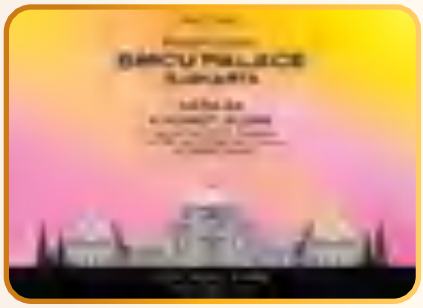
JUNE 2023



Holding AGMS, KB Bank Shows Solid Performance Growth Throughout 2022

Jakarta, June 30, 2023 PT Bank KB Bukopin Tbk KB Bank successfully held the Annual General Meeting of Shareholders (AGMS) for the 2022 Financial Year. The meeting was attended by shareholders and/or their proxies. KB Bank succeeded in achieving solid performance growth throughout 2022 through a consistent business strategy for potential segments and a digital optimization process.

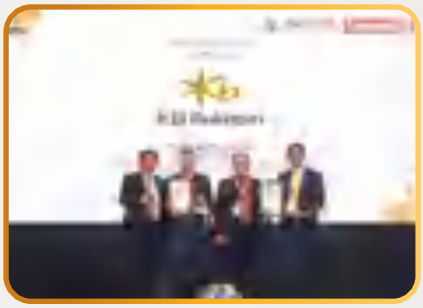
JULY 2023



KB Bank Wins 3 GRC Awards & Performance Excellence Awards 2023

Jakarta, August 31, 2023 - PT Bank KB Bukopin Tbk (BBKP) successfully won 3 (three) prestigious awards at the 2023 GRC and Performance Excellence Award, as an appreciation for the implementation of Governance, Risk and Compliance (GRC) that the company has implemented. This appreciation is an acknowledgment of the company's commitment to improving supervision of business and operational processes, in order to maintain good corporate governance

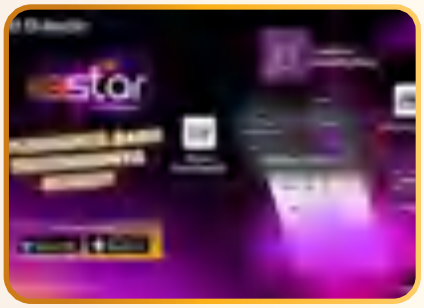
AUGUST 2023



KB Bank Receives 3 Awards at GRC & Performance Excellence Awards 2023

KB Bank won 3 (three) prestigious awards at the GRC and Performance Excellence Award 2023, as an appreciation for the implementation of Governance, Risk and Compliance (GRC) that has been implemented by the company. The appreciation is a recognition of the company's commitment in improving the supervision of business and operational processes, in order to maintain good corporate governance.

SEPTEMBER 2023



KBstar', All-in-One Mobile Banking Presented by KB Bank, These Are the Advantages!

Jakarta, 22 September 2023 - PT Bank KB Bukopin Tbk is increasingly focused on driving digital transformation with a series of service innovations. This is a form of KB Bank's consistency in continuing to provide the best service for customers. For this reason, as part of the service innovation, KB Bank launched Mobile Banking 'KBstar' to meet customers' digital banking service needs.

SEPTEMBER 2023



Celebrating National Customer Day, KB Bank Gives SMTOWN LIVE 2023 Concert Tickets to Customers

Jakarta, 4 September 2023 - In commemoration of National Customer Day (HPN), KB Bank expressed its appreciation by providing tickets to the 2023 SMTOWN SMTOWN LIVE Concert without being drawn to all customers who have participated in the Lucky Draw program. HPN's momentum is the right time for the company to share happiness with loyal KB Bank customers to watch the 'SMTOWN LIVE 2023 SMCU 2023 SMCU PALACE @JAKARTA with KB Bank concert together.

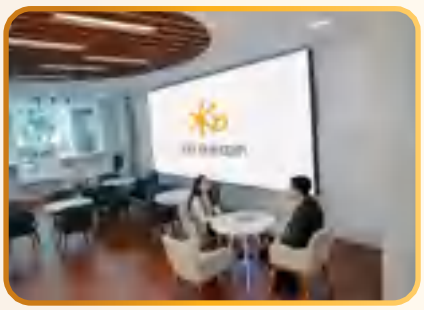
OCTOBER 2023



Commitment to Implementing ESG, KB Bank Distributes IDR 309 Billion Green Credit to Indika Energy Subsidiaries

Jakarta, October 2, 2023 – KB Bank continues to realize its commitment to implementing sustainability principles in line with the Environment, Social and Governance (ESG) pillars. This is done by the company by accelerating the pace of its green portfolio which operates in the renewable energy sector, eco-efficient products, and environmentally friendly transportation or Electric Vehicles (EV). This commitment was realized by distributing Green Credit of IDR 309 billion to the subsidiaries of Indika Energy

OCTOBER 2023



Impressive Success! KB Bank Distributes Hyundai Car Pre-Order Financing in Excess of IDR 2.9 Trillion

Jakarta – October 11, 2023, PT Bank KB Bukopin Tbk. (BBKP) is proud to announce that it has succeeded in exceeding the target by distributing pre-order (PO) financing for Hyundai vehicles totaling more than IDR 2.9 trillion during the period January - September 2023. The number of cars that have been funded has reached 5,400 units, indicating a significant increase compared to the same period in 2022 with realized financing of IDR 377 billion and the number of cars of 1,124 units.

NOVEMBER 2023



KB Bank Distributes Syndicated Loans of IDR 2.5 Trillion for the Construction of 612 PT INKA Trains

Jakarta, November 6, 2023 – PT Bank KB Bukopin Tbk is committed to continuing to support the transportation sector, the railway facilities production sub-sector, through financing with a syndicated scheme. As a concrete manifestation of this commitment, KB Bank together with 4 other banks provided a credit facility of IDR 2.5 trillion to PT Industri Kereta Api (Persero) or PT INKA (Persero) for working capital to procure 612 New Generation Train Units for the 2023-2023 Replacement Program.

NOVEMBER 2023



KB Bank Transfers All Digital Banking Services to the KBstar Application on November 30, 2023

Jakarta, November 14, 2023 - PT Bank KB Bukopin Tbk. (BBKP) will transfer all digital banking and SMS banking services to the KBstar digital banking application on November 30, 2023. Thus, at the end of November 2023, KB Bank Mobile Banking, Wokee and SMS Banking will be deactivated. Customers can still interact via KB Bank anytime and anywhere via the KBstar application which can be downloaded on the Google Play Store or App Store.

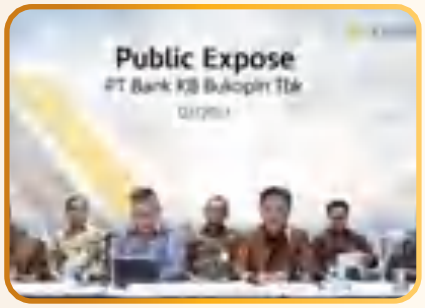
DESEMBER 2023



Demonstrating their dedication towards education in Indonesia, KB Bank fully supports the construction of a multicultural library in Bekasi

Jakarta, December 7, 2023 – KB Bank is committed to providing its best contribution to supporting the empowerment of Indonesian society. This commitment is not only demonstrated through business activities and banking services, but also through Social and Environmental Responsibility (TJSL) or Corporate Social Responsibility (CSR). The CSR carried out by the company focuses on priority areas, namely education, social and environmental issues which refer to the Sustainable Development Goals.

DECEMBER 2023



Holding a Public Expose, KB Bank is Optimistic to Achieve Positive PPOP in 2024

Jakarta, December 27, 2023 – KB Bank held the 2023 Public Expose on Friday, December 22, 2023 using the Virtual Webinar mechanism. The material presented was the Company's strategic steps in 2024, digital transformation, and performance in 2023 including progress towards turnaround.



2

Management Report


KB Bank
KB Bank
Korea Best
#KitaBisaKarenaBersama
Hubungi Kami



President Commissioner
PT Bank KB Bukopin Tbk.

Jerry Marmen

REPORT OF THE BOARD OF COMMISSIONERS

Dear Shareholders and Stakeholders,

On this occasion, allow us to express our praise and gratitude to God Almighty for the grace He has given us all so that PT Bank KB Bukopin Tbk (KB Bank) can navigate 2023 with optimal achievements despite being faced with various challenges. This Annual Report for the 2023 fiscal year is an effort to provide a comprehensive overview of the Bank's efforts to prove its ability to realize its vision "To Become the First Choice Financial Institution in Indonesia".

MACROECONOMIC PERSPECTIVE

As quoted from the Financial Services Authority (OJK), it was released that the Monthly Board of Commissioners Meeting of the Financial Services Authority (OJK) on January 3 2024 assessed that the stability of the national financial services sector was maintained, supported by strong capital, adequate liquidity, and a maintained risk profile so that able to face the potential slowdown in global economic growth.

Economic indicators show moderation in economic growth in several countries, especially in the European Union and China. Slowing economic growth pushed inflation down closer to the inflation target, thereby providing room for the central bank to be more accommodative. In the US, the Fed indicated that it would reduce the policy interest rate by 75 bps in 2024 with the market assessing that the US economy is still quite resilient and is not expected to experience a recession.

However, the market is still paying close attention to future geopolitical developments, such as the escalation of tensions in the Red Sea as a result of the Palestine-Israel conflict, as well as the holding of general elections covering 50 percent of the world's population, especially in several main countries such as the US, European Union, India and Taiwan.

On the other hand, as quoted from the Fourth Quarter 2023 Monetary Policy Report released by Bank Indonesia, it is stated that Indonesia's economic recovery continues to be supported by domestic demand. Economic growth in 2023 is predicted to be in the range of 4.5-5.3%, driven by consumption and investment in line with the acceleration of Government spending at the end of the year and the accelerated completion of several National Strategic Projects (PSN).

Bank Indonesia also stated that inflation was decreasing and maintained within the target range. Consumer Price Index (CPI) inflation in December 2023 was recorded at 2.61% (yoy), down from the previous year of 5.51% (yoy) so that it was in the range of 3.0±1%. The decline in inflation was influenced by the maintenance of various components of inflation as a concrete result of the consistency of Bank Indonesia's pro-stability monetary policy as well as close synergy between Bank Indonesia's policies and the Central and Regional Governments.

Meanwhile, Bank Indonesia also stated that banking credit in 2023 remains sensible, thus supporting economic growth. Credit growth in 2023 reaches 10.38% (yoy), within the upper range of Bank Indonesia's forecast of 9-11%. From the demand side, the increase in credit is in line with the positive performance of corporations and households. From the supply side, the increase in credit was driven by banking risk appetite and well-maintained banking liquidity capacity, including the positive impact of Bank Indonesia's liquidity policies such as the Macroprudential Liquidity Incentive Policy (KLM) and the Macroprudential Liquidity Buffer (PLM).

SUPERVISORY FUNCTION AND WORKING RELATIONS WITH THE BOARD OF DIRECTORS

In accordance with applicable laws and regulations, the existence of the Board of Commissioners is to strengthen the supervisory function for Bank management carried out by the Board of Directors. The Board of Commissioners always carries out its duties and responsibilities professionally and independently based on good corporate governance. For this reason, the working relationship between the Board of Commissioners and the Board of Directors is built through shared views to achieve the Bank's vision.

The supervisory function of the Board of Commissioners towards the Board of Directors is carried out in a mutually respectful working relationship. Throughout 2023, 10 (ten) meetings have been held with the Board of Directors to discuss various matters relating to the Bank's operational business. In these meetings there are times when bank officials involved in the meeting material are involved. The Board of Commissioners also carries out direct supervision on a regular basis to ensure the adequacy of supervision and to review the conformity of work processes and results with the specified qualifications. Not only in meeting forums, the supervisory function is also carried out through open communication with the Board of Directors from time to time considering the Bank's very dynamic business.

VIEWS OF THE BOARD OF COMMISSIONERS ON THE PERFORMANCE OF THE DIRECTORS

The Board of Commissioners has the duties of supervising and providing advice to the Board of Directors regarding the management of the Bank. The dynamic business climate throughout 2023 is a challenge for KB Bank, however, the

Board of Commissioners is quite appreciative of the various strategic initiatives taken by the Board of Directors. The Board of Commissioners assesses that the Board of Directors can deliver good performance in accordance with the Bank's articles of association and continues to make efforts to achieve the targets that have been set.

Considering the global economic uncertainty and the Bank's fundamentals which are not yet normal, the Bank needs to act actively by ensuring that all strategies and programs can be implemented well and achieve targets to anticipate future crises. Currently, KB Bank lacks the basic infrastructure and manpower to implement the new strategy. Following up on this, the Bank needs 'Deep Change' to restore and renew the fundamentals that banks should have. Deep Change will pave the way for PT Bank KB Bukopin Tbk's vision to become a Top 10 bank in Indonesia.

To achieve the 2023 target, strategic steps have been determined which are divided into 13 (thirteen) strategic agendas with the aim of "Becoming the Main Financial Institution of Choice in Indonesia". The strategic headline for the 2023 agenda is "BISA", a reflection of the motivation of PT Bank KB Bukopin Tbk people to continue to make sustainable changes and improvements with the aim of achieving mutual victory through 4 pillars, namely Boost Sales Performance, Innovation for Turnaround, Strengthening the quality of Assets, and Advanced IT & Digital.

In the Bank's Business Plan for 2023, the Bank focuses on building a brand image to restore public trust which had declined due to negative issues in 2020 and to provide confidence that PT Bank KB Bukopin Tbk can return to being a business partner of the Indonesian people. Not only domestic, the Bank also aims to optimize the international network owned by KB Kookmin through the Korean Desk to attract Korean companies that will invest in Indonesia.

The Board of Commissioners assesses that the Board of Directors has made efforts to maintain the stability of the Bank and maintain the trust of stakeholders amidst challenging conditions in 2023. The performance assessment parameters for the Board of Directors are also carried out by reviewing and considering the achievements achieved at the end of the year. Efficiency and budget optimization have gone well. On the other hand, the Board of Commissioners always encourages us to continue to innovate and rise to face challenges. The Board of Commissioners always evaluates whether the strategic policies taken by the directors can support the achievement of the bank's financial performance amidst existing external challenges.

The Board of Commissioners expresses its appreciation for the performance, commitment and dedication shown by the Board of Directors throughout 2023, and appreciates the efforts of the Board of Directors and all staff in anticipating future business challenges and developments. The collective performance of the Board of Directors regarding business achievements is in accordance with the Bank's business plan targets and/or other criteria determined by the Board of Commissioners after discussion with the Board of Directors. In general, the Board of Commissioners is of the opinion that in 2023 the Board of Directors has carried out their duties in managing the Company well.

VIEWS ON BUSINESS PROSPECTS PREPARED BY THE BOARD OF DIRECTORS

As quoted from a report released by Bank Indonesia, inflation in 2024 is predicted to be within the target range of 2.5+1%. This forecast is mainly driven by domestic demand which is predicted to continue to improve gradually, the limited impact of global prices on domestic prices, as well as inflation expectations and a maintained exchange rate.

The Board of Commissioners views that 2024 remains a year full of challenges, especially the uncertain economic climate. Thus, the Board of Commissioners provides strategic direction through the Bank's business plan which contains a general design of things that KB Bank will achieve in stages, including business income targets, efficient operational processes, and superior human resource quality. The Board of Commissioners carries out regular supervision so that it can assess management's achievements in anticipating future business prospects.

The Board of Commissioners has reviewed the Bank's 2024 Business Plan which has been prepared by the Board of Directors and is of the opinion that the assumptions stated there are realistic, with targets that encourage the Bank's business growth with appropriate strategic plans to achieve these targets. The Board of Commissioners reminds us again that one of the keys to achieving the business plan is the synergy and determination of all Bank personnel to achieve the best goals and are committed to continuing to implement good and sustainable Bank governance.

The Board of Commissioners hopes that all Bank Personnel work together all the time to achieve the best goals and are committed to continuing to build business values as well as healthy business processes and sustainable business transformation. In general, the Board of Commissioners is of the view that the business prospects that have been prepared by the Board of Directors as stated in the Bank's business plan are quite good and in line with the direction and objectives of the Bank's KB in both the short and long term.

VIEWS ON THE IMPLEMENTATION OF GCG

The Board of Commissioners believes that the main key to maintaining the Bank's sustainable growth is not only the ability to provide excellent service to customers, but also the implementation of effective performance management and implementing the basic principles of GCG, namely transparency, accountability responsibility, independence, and fairness.

In facing increasing business complexity, KB Bank recognizes the importance of optimizing the role of management and employees in disclosing violations. As part of the Anti-Fraud strategy and implementation of Good Corporate Governance (GCG), KB Bank developed a Whistleblowing System (WBS) to increase the effectiveness of corporate governance.

During 2023, the Board of Commissioners is involved in monitoring the implementation of ongoing fraud reporting, including procedures for prevention, detection and identification, investigation, and reporting, as well as evaluation and follow-up. The Board of Commissioners evaluates the implementation of the WBS through internal and joint meetings between the Board of Commissioners, Directors, and committees under the supervision of the Board of Commissioners which are held periodically and documented in accordance with applicable laws and regulations.

The Anti-Fraud & Special Investigation Department and each Related Work Unit always carry out outreach about the Anti-Fraud and Whistleblowing System at every opportunity according to their capacity. As a preventive measure, the Anti-Fraud & Special Investigation Department routinely holds outreach and education for all KB Bank employees. It aims to raise awareness of potential financial crimes. Through this approach, KB Bank strives to ensure that all employees have sufficient understanding of how to identify and prevent potential fraud in the work environment.

PERFORMANCE ASSESSMENT OF COMMITTEES UNDER THE BOARD OF COMMISSIONERS

In carrying out supervision, the Board of Commissioners of KB Bukopin is assisted by committees at the Board of Commissioners level, consisting of the Audit Committee, Remuneration and Nomination Committee, Risk Monitoring Committee, and Integrated Governance Committee. All committees at the Board of Commissioners level are chaired by an Independent Commissioner. The implementation of the duties and responsibilities of committees at the level of the Board of Commissioners of KB Bank refers to the Committee's Work Guidelines and Code of Conduct which are prepared based on applicable regulations in Indonesia and best practices which are reviewed periodically.

The Audit Committee has been established with the aim of supporting the implementation of the Board of Commissioners' functions in supervising the effectiveness of the implementation of the Internal Control System and increasing its active role in ensuring that there are corrective actions for Bank problems that can reduce the effectiveness of the Internal Control System. Meanwhile, the Remuneration and Nomination Committee was formed and is responsible to the Board of Commissioners in carrying out its functions and duties in areas related to remuneration and nomination of members of the Board of Directors and Board of Commissioners. Meanwhile, the Risk Monitoring Committee was formed to support the implementation of the Board of Commissioners' functions in supervising the effectiveness of the risk management process including the process of identifying, measuring, monitoring, and controlling risks at the Bank. Until now, the Risk Monitoring Committee coordinates with the Risk Management Committee and the Risk Management Work Unit.

On the other hand, the Integrated Governance Committee, Financial Conglomeration was formed with the main aim of supporting the Board of Commissioners in evaluating the implementation of the Integrated Governance Committee, Financial Conglomeration. One of the main focuses is assessing the adequacy of internal control and the implementation of compliance functions in an integrated manner at all levels of the company.

This committee is assigned with carrying out a comprehensive evaluation of the Company's compliance with applicable standards and regulations, as well as ensuring that the internal control process has been carried out effectively. In addition, this Committee is also responsible for ensuring that the compliance function is integrated efficiently in all company activities.

With this approach, the Integrated Governance Committee, Financial Conglomerate plays an important role in maintaining company compliance with applicable rules and standards, as well as ensuring that the internal control system operates in accordance with the principles of Integrated Governance. This helps minimize compliance-related risks and improves efficiency in running overall company operations.

The Board of Commissioners periodically assesses the effectiveness of the performance of committees under the Board of Commissioners. The Board of Commissioners assesses that during 2022 the committees have carried out their duties and responsibilities quite effectively as seen from the assessment of the performance achievements of each committee. Information on assessing the performance achievements of Committees under the Board of Commissioners is presented in each section of the Board of Commissioners Committees.

CHANGES IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS

Throughout 2023, there has been no changes to the composition and composition of the Board of Commissioners. The composition and structure of the Board of Commissioners in office as of December 31, 2023, is as attached below.

Name	Position	Basis of Appointment	Period
Jerry Marmen	President Commissioner	Extraordinary GMS on 19 November 2021	2021-Annual GMS for Fiscal Year 2023
Nam Hoon Cho	Vice President Commissioner	Extraordinary GMS on November 19 2021	2021-Annual GMS for Fiscal Year 2023
Stephen Liestyo	Independent Commissioner	Annual GMS on June 17 2021	2021-Annual GMS for Fiscal Year 2023
Nanang Supriyatno	Commissioner	Extraordinary GMS on August 25 2020	2020-Annual GMS for Fiscal Year 2024
Sukriansyah Latief	Independent Commissioner	Extraordinary GMS on November 19 2021	2021-Annual GMS for Fiscal Year 2023
Hae Wang Lee	Independent Commissioner	Extraordinary GMS on August 25 2020	2020-Annual GMS for Fiscal Year 2024
Tippy Joesoef	Independent Commissioner	Extraordinary GMS 22 December 2020	2020-Annual GMS for Fiscal Year 2024
Eugene K. Galbraith	Independent Commissioner	Extraordinary GMS 19 November 2021	2021-Annual GMS for Fiscal Year 2023

All members of the Board of Commissioners have adequate integrity, competence and reputation in their respective fields and are able to provide sufficient time to carry out their duties, and do not have conflicts of interest and do not have family relationships up to the second degree with fellow members of the Board of Commissioners and/ or Directors.

CLOSING

Seeing developments in macroeconomic conditions and the growth of the business climate in Indonesia, the Board of Commissioners is optimistic that KB Bank will be able to achieve better growth in the coming year. For all of KB Bank's achievements during 2023, the Board of Commissioners would like to thank Shareholders, customers, business partners, employees, and other stakeholders for their trust in supporting KB Bank's business continuity.

Jakarta, May 31, 2024



Jerry Marmen
President Commissioner
PT Bank KB Bukopin Tbk.



President Director
PT Bank KB Bukopin Tbk.

Woo Yeul Lee

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders and Stakeholders,

On behalf of the Board of Directors of PT Bank KB Bukopin Tbk (KB Bank), allow us to submit the KB Bank Annual Report for the 2023 fiscal year as a form of our responsibility towards Shareholders. It is necessary for us to convey that the Bank continues to optimize its performance in achieving better results amidst global economic conditions which are full of challenges and uncertainty. The Bank's achievements in 2023, as stated in this annual report, demonstrates the strategic initiatives that have been carried out by management, which are expected to have a positive impact on the Bank's performance in a sustainable manner. Furthermore, please allow us as KB Bank Management to convey the management of the Bank in the 2023 fiscal year.

MACROECONOMIC ANALYSIS

The year 2023 has been a year full of challenges and opportunities in the dynamics of the global and national economy. On a global scale, several countries, especially the European Union and China, are experiencing moderation in economic growth. This prompted the adoption of more accommodative monetary policy to address these changes. This global risk and uncertainty are triggered by the dynamics of developed countries which have a global impact. The United States (US) is still faced with inflation that is above target, high interest rates, increasing fiscal pressure, and eroding excess savings which overshadow economic weakness. Meanwhile, other developed countries, namely the People's Republic of China (PRC), are still grappling with economic weakness after Covid-19, and Europe's economic condition is still weak with an increasing fiscal deficit accompanied by core inflation which is still high.

On the other hand, global growth prospects are predicted to remain weak as stated by international institutions. World economic growth in 2023 was revised down by the IMF to only 3% and by the World Bank to only 2.1%. Inflation is also predicted to reach 5.8%, higher than the pre-pandemic period.

In the midst of global environmental disruption throughout 2023, both in terms of supply chains, natural disasters, financial sector volatility, and geo-economic fragmentation, the Indonesian economy is relatively resilient. Data from the Statistics Indonesia (BPS) records that the Indonesian economy grows by 5.05% in 2023. Growth occurs in all business fields. The business fields that experienced the highest growth were Transportation and Warehousing at 13.96%; followed by Other Services at 10.52%; and Provision of Accommodation and Food and Drink amounting to 10.01%. Meanwhile, the Processing Industry which has a dominant role grew 4.64%. Meanwhile, Agriculture, Forestry and Fisheries as well as Wholesale and Retail Trade; Car and Motorcycle Repairs grew by 1.30% and 4.85% respectively.

Despite global challenges, such as geopolitical uncertainty and changes in monetary policy in several countries, the Indonesian financial market shows positive resilience. Decreased volatility in stock markets, debt securities and exchange rates reflect increasingly strong stability. With solid economic growth projections for 2023, Indonesia is ready to face various global challenges, maintain economic stability, and make a positive contribution to the world economy.

INDUSTRY MACRO OVERVIEW

As quoted from the Fourth Quarter Monetary Policy Report released by Bank Indonesia, it states that banking credit in 2023 remains sensible, thereby supporting economic growth. Credit growth in 2023 reaches 10.38% (yoy), within the upper range of Bank Indonesia's forecast of 9-11%. From the demand side, the increase in credit is in line with the positive performance of corporations and households. From the supply side, the increase in credit was driven by banking risk appetite and well-maintained banking liquidity capacity, including the positive impact of Bank Indonesia's liquidity policies such as KLM and the Macroprudential Liquidity Buffer (PLM). Based on usage group, credit growth was mainly supported by investment credit and working capital credit, amounting to 12.26% and 10.05% respectively.

Bank Indonesia also stated that banking resilience remains strong. The capital adequacy ratio (CAR) was recorded at a high level of 27.86% in November 2023. Banking liquidity remained adequate, as reflected in the ratio of Liquid Assets to Third Party Funds (AL/DPK) in December 2023 which was maintained high in 28.73%. Maintaining banking liquidity is in line with the continued high level of banking placements in securities that are classified as liquid and the implementation of KLM. Banking liquidity capacity (lending capacity) is also supported by strengthening pro-market monetary operations strategies through, among other things, SRBI trading on the secondary market, which provides banks flexibility in managing liquidity. Meanwhile, the banking non-performing loan (NPL) ratio was recorded as low, at 2.19% (gross) and 0.75% (net).

On the other hand, the performance of digital economic and financial transactions remains strong, supported by a safe, smooth and reliable payment system. In 2023, the digital banking transaction value was recorded at IDR 58,478.24 trillion or grew by 13.48% (yoy) and is projected to increase 9.11% (yoy) to reach IDR 63,803.77 trillion in 2024. Meanwhile, the transaction value Electronic Money (EU) increased 43.45% (yoy) to reach IDR 835.84 trillion and is projected to increase 25.77% (yoy) to reach IDR 1,051.24 trillion in 2024. QRIS transaction nominal was recorded to grow 130.01% (yoy) and reached IDR 229.96 trillion, with 45.78 million users and 30.41 million merchants, most of whom were MSMEs. Meanwhile, the value of payment transactions using ATM cards, debit cards and credit cards reached IDR 8,178.69 trillion or decreased by 0.81% (yoy). In terms of Rupiah currency management, the amount of Currency in Circulation (UYD) in December 2023 increased by 7.33% (yoy) to IDR 1,101.75 trillion.

THE ROLE OF THE BOARD OF DIRECTORS IN IMPLEMENTING BANK STRATEGIC POLICIES

In conducting their role as Bank administrators, the Board of Directors and staff always carry out business mitigation and implement strategic policies for optimal results. In facing uncertain business climate conditions throughout 2023, the Bank has established policies and strategic plans to achieve optimal and sustainable growth. Strategic planning is a key function that helps set priorities, allocate resources, and ensure the same goals that have been set as a guide in creating policies and rules as well as the Bank's future direction and goals for the benefit of the Company and employees.

The Bank has a vision namely " To Become the First Choice Financial Institution in Indonesia", to achieve this vision KB Bank as the controlling shareholder supports the Bank's transformation to achieve this aspiration. Support not only in the financial aspect but also from the business, IT and other aspects. The Bank understands that to achieve this vision it is necessary to build a strong foundation with a commitment to change from all people at KB Bank.

The Board of Directors together with all Bank personnel have created guidelines to achieve the targets of the strategic plan that have been set, therefore the Bank has determined strategic steps which are divided into thirteen (13) strategic agendas as the main foundation in achieving the Bank's aspirations with the aim of "Becoming a Financial Institution Top Choice in Indonesia". The strategic heading for the 2023 agenda is "BISA" which means the Bank wants to achieve progress together through fundamental changes with 4 main pillars, namely Boost Sales Performance, Innovation for Turnaround, Strengthening the Quality of Assets, Advanced IT and Digital.

The Bank's transformation phase which is scheduled to continue follows the dynamics of existing business development, where the Bank is divided into 3 (three) stages according to time projections. The first phase (2022-2023) is rebuilding the business base through quality asset growth, the second phase (2024-2025) is expected to have the Bank at a more stable stage to focus on the main business segments, namely retail and MSMEs, and the third phase (2026- etc.) The bank is expected to be at a stage where it is fully ready to become the financial institution of choice in Indonesia. The bank focuses on building its brand image and providing confidence that KB Bank can once again become a business partner for the Indonesian people. Not only focusing on the domestic network, the Bank will also optimize the international network owned by KB Kookmin through the Korean Desk to attract Korean companies that will invest in Indonesia to make KB Bank a partner in providing their financial service needs.

CHALLENGES AND SOLUTIONS IN FACING CHALLENGES

In 2023, the Bank continues to face the global economic slowdown, geopolitical tensions and inflation which have an impact on the economy, business growth and market penetration. In addition, the trend of increasing interest rates continues, which will have an impact on increasing funding costs, pressing margins and increasing credit risk. The end of the Covid-19 relaxation in 2024 has raised concerns about the increase in bad loans. Banks have started to take preventive and preparatory actions to deal with this by managing restructuring debtors and debtors whose collateral auction processes need to be accelerated while still considering a good return ratio while still paying attention to the negative impact on capital.

The Bank focuses on growing new quality credit by building collaboration with the Company's strategic partners such as personal loans, mortgages, auto loans, and other large companies, including PT Inka Persero through a syndicated financing scheme, with the Indonesian Real Estate Brokers Association (AREBI) for marketing and distributing mortgages, and several other companies.

Partnerships with the Bank's strategic partners are also carried out to strengthen One KBFG's synergy in the financial industry, including through collaboration in the field of capital market securities with KB Valbury, motor vehicle financing with Sunindo Kookmin Best Finance, multi-finance services and Co-Location with KB Finansia Multi Finance, where this collaboration carried out to improve complete financial services for customers. Through various collaborations with affiliated companies, KBFG is expected to encourage KB Bank to provide integrated services in the future with one stop financial service.

In addition, the Bank continues to strengthen its capital for corporate actions in Limited Public Offering (PUT) VII in the second quarter of 2023 with proceeds of IDR 11.99 trillion. By improving and strengthening the capital position, it will certainly make it easier for the Bank to support business activities and expand the bank's business into various new sectors to create new profitable and healthy business opportunities that can support sustainable Bank growth as indicated by an increase in the Bank's net interest income.

PERFORMANCE IN 2023 AND COMPARISON TO TARGET

Throughout 2023, the Bank made adjustments to the Bank's targets 2 (two) times, namely in the period March and June 2023. This took into account internal conditions, macro conditions and future market projections so that the Bank made adjustments to business growth including credit quality aspects. become the dominant factor that impacts all financial aspects in 2023 while still paying attention to applicable regulations. In 2023, the Bank plans to obtain several substantial components as benchmarks for assessing the Company's performance. The comparison between plans and realization is as follows:

1. Credit
   In 2023, net New Loans grows from IDR 6,313 billion in 2022 to IDR 6,691 billion in 2023. In addition, the Bank continues to improve its credit quality as shown by the decrease in LAR from 49.9% in 2022 to 39.77% in 2023 .
2. Other Operating Income
   During 2023, total other operating income increased from IDR 279 billion in 2022 to IDR 583 billion in 2023. The increase in other operating income was driven by the growth of bank fee-based income.
3. PPOP
   During 2023, the performance of PPOP (Pre Provision Operating Profit) or Operational Profit before Allowance for Impairment Losses has improved, where in 2023 it is in minus IDR 791 billion, but better than in 2022 which was minus IDR 1,047 billion. The improvement in PPOP was supported by an increase in net interest income in line with new credit distribution - net which reached IDR 6.7 trillion. Efforts to improve PPOP are also supported by a reduction in overhead costs originating from the implementation of cost hunting initiatives and branch restructuring.
4. Cost Efficiency
   In 2023, the Bank continues its cost reduction initiatives through efficiency in overhead costs. The increase in overhead costs is in line with growth and cost savings strategies. The bank's success in efficiency is reflected in controlled costs which have remained maintained at around 2% CAGR since 2022. Channel-related costs will decrease after 2023 in line with the channel optimization strategy and asset growth.

OVERVIEW OF BUSINESS PROSPECTS

Global economic growth in 2023 is predicted at 2.0% and will increase to 3.5% in 2024. Inflation in developed countries remains high due to continuing monetary pressure. These developments have encouraged continued high monetary policy interest rates in developed countries, especially the US Federal Funds Rate (FFR), which has resulted in increased global financial market uncertainty. As a result, pressure on capital outflows and weakening of exchange rates in developing countries is increasing, necessitating strengthening of policy responses to mitigate the negative impact of this global spillover, including in Indonesia. The trend of increasing interest rate policies in various countries is still not over, however, the Fed rate is projected to decrease in the next year and in line with this, the projected reference interest rate (BI7DRR) is also projected to decrease. The government continues to strive to elaborate provisions and policies to continue to support national economic growth.

The year 2024 is the year of the General Election, as in the previous period it is projected that the Election will have a positive impact on economic growth in various sectors, especially MSMEs and Consumption. It is hoped that these quite positive national economic projections will be able to provide encouragement for the growth of the national banking industry.

To achieve financial targets in 2024, the Bank is committed to continuing to make changes, one of which is by focusing on loan portfolio improvement and deposit portfolio advancement as the Bank's efforts to improve performance in all lines, so that it is hoped that it will be able to improve PPOP which is projected to turn around in 2024. 2024 and can record a profit in 2025. Loan portfolio improvement and deposit portfolio advancement efforts will be carried out through:

1. The bank takes steps to resolve bad loans by reducing the LAR and strengthening the DPD management function by targeting a reduction in the LAR in 2024 below 25%. The Bank will maximize the recovery value from bad loans and minimize credit costs through optimizing collections and DPD management as well as through bulk sales in 2024. To reduce gross NPL in 2024 below 10%, the Bank will manage restructuring debtors and debtors whose collateral auction process needs to be accelerated by still consider a good return ratio. Apart from that, the Bank will maintain CAR at 18%-19%.
2. In terms of business growth, the Bank targets new credit growth in 2024 to reach IDR 8.5 trillion. The wholesale segment is still the size driver with a new credit allocation composition of 44%, followed by the retail segment at 33% and the MSME segment at 23%. The Bank will deepen its wholesale and anchor-linked SME & Retail business and will

explore new business segments. The Bank will encourage new credit growth through new products that have been adapted to customer needs, stimulus programs for sales, development of information technology to support business processes, building a digital ecosystem to attract more customers and competitive asset liability management. In the aspect of third-party funds, in 2024 third party funds will grow with the LDR target maintained at 100% to minimize excess funds. The growth of third-party funds will be focused on increasing CASA growth with a target ratio above 25% by building a strong customer base, to reduce the cost of funds.

3. The Bank will continue cost reduction initiatives through efficiency in overhead costs. The increase in overhead costs is in line with growth and cost savings strategies.

Financial ratios, especially in terms of credit quality, will show improvement in line with the Bank's plan to settle bad loans through bulk sales, improve the structure of third-party funds through increasing CASA to strengthen liquidity, and cost reduction efforts through efficiency in overhead costs. In addition, it is hoped that improvements in credit quality will increase which will be balanced with healthy credit growth so that it can significantly improve the level of profitability as reflected by the NIM ratio so that the Bank can grow sustainably in the future.

DEVELOPMENTS IN THE IMPLEMENTATION OF CORPORATE GOVERNANCE

The Bank believes that the main key to maintaining sustainable bank growth is not only the ability to provide excellent service to customers, but also the implementation of effective performance management and implementing the basic principles of GCG. The implementation of the basic principles of GCG is outlined in the Bank's cultural values called ICCAN, namely Integrity, Competent, Care, Accountable, Never Give Up, which serve as a guide for management and employees in working and behaving. The company culture is implemented through a process of internalization into systems and procedures as well as the formation of behavior that is in accordance with norms. With this approach, apart from being stated in policies and procedures, it also becomes a discipline (soft skills) which is implemented by the Board of Commissioners, Directors, and employees in carrying out their duties and responsibilities.

The Bank implements the five basic principles of GCG in a comprehensive and structured manner on the three aspects of Governance, namely:

1. Governance Structure, aims to strengthen and complete the Bank's governance structure and infrastructure.
2. The Governance Process aims to ensure that the GCG implementation process produces output that considers the principle of significance or materiality.
3. Governance Outcome, namely in the form of good and quality performance results.

These steps underline Bank KB Bank's determination to ensure that every step taken and every decision made is based on the principles of ethics, integrity and legal compliance, thereby creating a transparent, accountable and sustainable work environment for all stakeholders.

In 2023, based on the findings and results of the self-assessment analysis, the implementation of good corporate governance at KB Bank is generally "GOOD", as reflected in adequate fulfillment of the principles of good corporate governance. Weaknesses found in the implementation of good corporate governance in general are less significant and can be resolved with normal actions by Bank Management. Thus, KB Bank's GCG rating is Rank 2 (two).

ASSESSMENT OF COMMITTEES UNDER THE BOARD OF DIRECTORS

In carrying out its management functions, the Bank's Board of Directors is assisted by 5 (five) committees, namely the Risk Management Committee, ALCO Committee, Technology Steering Committee, Credit Restructuring Committee, and Problem Loan Settlement Committee. In 2023, the Board of Directors assesses that the committees formed have carried out their duties and responsibilities effectively. This evaluation includes an assessment of the performance of the committees in achieving their goals, as well as the effectiveness of work processes and their contribution to the overall performance of the company. Thus, the existence of these committees is expected to improve overall corporate governance and support the achievement of strategic business goals.

CHANGES IN BOARD OF DIRECTORS COMPOSITION

Throughout 2023, there has been changes to the Structure and composition of the Board of Directors based on the Resolution of the Extraordinary General Meeting of Shareholders held on 31 January 2023, which honorably dismissed Jim Bum Kim as Bank Director, and appointed Jung Ho Han as the new Bank Director. The structure and composition of the Board of Directors in office as of 31 December 2023, is as attached below.

Name	Position	Basis of Appointment	Period
Woo Yeul Lee	President Director	Extraordinary GMS on May 25. 2021	2022-RUPS for Financial Year 2024
Robby Mondong	Vice President Director	Extraordinary GMS on July 8, 2021	2022-RUPS for Financial Year 2023
Helmi Fahrudin	Director	Extraordinary GMS on August 25, 2020	2020-RUPS for Financial Year 2024
Dodi Widjajanto	Director	Extraordinary GMS on August 25, 2020	2020-RUPS for Financial Year 2024
Seng Hyup Shin	Director	Extraordinary GMS on August 25, 2020	2021-RUPS for Financial Year 2024
Yohanes Suhardi	Director	Extraordinary GMS on 8 July 2021	2021-RUPS for Financial Year 2023
Young Eun Moon	Director	Extraordinary GMS on August 24, 2021	2022-RUPS for Financial Year 2024
Henry Sawali	Director	Extraordinary GMS on December 8, 2021	2021-RUPS for Financial Year 2023
Jung Ho Han	Director	Extraordinary GMS on 31 January 2023	2023-RUPS for Financial Year 2025

BANK ORGANIZATIONAL STRUCTURE IN 2023

In 2023, the Bank adjusts its organizational structure to sharpen its functions in an effort to support its business strategy, namely increasing funds, quality credit and increasing fee-based income as well as digitizing the Bank's business processes. In this alignment, the Bank is also committed to conducting a review of the productivity of Bank employees. In this way, it is hoped that it can help accelerate business growth which is balanced by increasing employee productivity and performance as well as strengthening internal control functions, so that future businesses are expected to grow with good quality and performance.

MAIN BANK ACTIVITIES IN 2023

In 2023, the Bank prioritizes restoring and restoring the Bank's functions and fundamentals so that the Bank can match other banks and implement new strategies. Apart from that, commitment from all levels of employees to growth and continuous improvement of systems, procedures and corporate governance is very necessary in this phase. Significant improvements in asset quality influenced the Bank's business performance in previous periods. Settlement of problem loans will have an impact on reducing total Bank assets. The Bank will optimize collections by strengthening the special asset management and day past due (DPD) functions.

In 2023 the Bank also focuses bank business growth on segments that have a big impact on the bank. In addition, the Bank is making preparations to expand into new segments, form a sustainable business ecosystem, and synergize with KBFG affiliates and subsidiary companies to create mutually beneficial collaborations.

In terms of business acceleration, the Bank is improving IT and digital infrastructure through the SHINE project which will be completed at the end of 2024. To increase the customer base and strengthen the Third Party Fund structure by providing optimal service to customers through various products, media/ platforms, services and innovative digital banking, at the end of 2023 the Bank has launched a mobile banking application, namely KBStar, which is targeted to increase DPK, especially in the retail and individual segments and is expected to become the Bank's main engine in obtaining CASA. In the future, the Bank will start to increase customer growth and meet customer product and service needs through digital channels and form a digital ecosystem so that it can strengthen the Bank's positioning in the banking industry.

INFORMATION TECHNOLOGY SUPPORT

Technology in the banking world is currently the main thing that is expected to help in bank business processes. This is reflected in the growing development of the Online/Digital Banking sector by carrying out Full Scales Digital Transformation which at least includes channels, products, services and customers. With business trends in this sector and supported by existing technologies, in 2023 KB Bank is carrying out a transformation initiative to rebuild core banking, digital, information systems, support systems and IT infrastructure with the hope of being able to compete with competitors and can collaborate with the existing ecosystem.

Apart from that, this transformation initiative can provide experience and convenience for customers, increase market size, expand customer segment coverage and be able to increase profitability and achieve cost efficiency by reducing operational costs. In 2023 the Bank has launched a mobile banking application, namely KBStar, which is targeted to increase DPK, especially in the retail and individual segments and is expected to become the Bank's main engine in obtaining CASA.

In the next three years, the direction and focus of KB Bank's information technology will be as follows:

1. 2024 - Completion of SHINE Project
   The Bank will focus on completing the SHINE Project including the operation of the SHINE Project System and Stabilization of the SHINE system as well as minimizing development outside the SHINE project, except for

regulatory needs, audits and meeting strategic needs
2. 2025 - Strengthening the ability to operate the system independently
   In 2025 the Bank will strengthen system operating capabilities by prioritizing regular training and education programs for employees, improving system operation processes to maximize efficiency and performance and automating system operation tasks to increase productivity
3. 2026 - Maximizing In-house Development
   In 2026, the Bank will accelerate business innovation with accumulated technological capabilities, increase collaboration with third party partners through open systems and build an ecosystem to facilitate collaboration with various stakeholders

TYPES OF PRODUCTS AND SERVICES OFFERED

In accordance with the Company's Articles of Association, article 3 paragraph 1, the Bank operates in the banking services industry. The focus of banking services offered by the Company is divided into three (3) segments, namely the Retail segment, the MSME segment and the Commercial segment. The Company's Retail and MSME segments are supported by the Commercial segment as a balance. The entire segment is supported by International Banking, Treasury and fee-based services.

Each of these businesses consists of lending activities, raising funds, increasing fee-based income and other service activities, all of which are carried out in accordance with existing values. The Company's business is supported by competent Human Resources (HR), the latest information technology and reliable risk management and compliance.

WORK NETWORK AND BUSINESS PARTNERS

In 2023, KB Bank's network will consist of 1 operational head office, 29 branch offices, 143 sub-branch offices, 1 functional office and 11 Bukopin ATMs. The Bukopin ATM card is connected to the entire ATM Prima and ATM Bersama network throughout the country. All KB Bank offices are connected in one real time online network.

Throughout 2023, KB Bank will also continue to strengthen its position as a financial partner that contributes to economic progress in Indonesia, including through:
1. Syndicated financing with 4 other banks worth IDR 2.5 trillion to PT Industri Kereta Api (Persero) or PT INKA (Persero) for working capital to procure 612 New Generation Train Units for the 2023-2026 Replacement Program.
2. Financing amounting to USD 20 million, or more than IDR 309 billion to PT Energi Makmur Buana (INVI), which is a subsidiary of PT Indika Energy. This credit facility is provided to support the accelerated growth of the national commercial electric vehicle ecosystem.
3. Innovative collaboration with the Batam City Government, especially through the implementation of Fuel Card 3.0 to simplify transactions at fuel filling stations.

The creation of collaboration between KB Bank and various partners indicates that the Bank continues to be committed to contributing to economic development and providing a positive impact on Indonesian society.

In addition, the Bank continues to strengthen the One KBFG synergy in the financial industry, including through collaboration in the field of capital market securities with KB Valbury, motor vehicle financing with Sunindo Kookmin Best Finance, multi-finance services and Co-Location with KB Finansia Multi Finance, where this collaboration is carried out to improve complete financial services for customers. Through various collaborations with affiliated companies, KBFG is expected to encourage KB Bank to provide integrated services in the future with one stop financial service.

OWNERSHIP OF DIRECTORS, BOARD OF COMMISSIONERS AND SHAREHOLDERS IN THE BANK BUSINESS GROUP

As a form of implementation of the principle of transparency in Bank governance, all members of the Board of Commissioners of KB Bank revealed that not a single member owns shares, either in the Company or even in banks and other companies in accordance with OJK regulations stated in POJK No. 17 of 2023 concerning Implementation of Governance for Commercial Banks.

Meanwhile, in accordance with Financial Services Authority Regulation no. 11/POJK.04/2017 concerning Ownership Reports or Any Changes in Ownership of Public Company Shares, each member of the Board of Commissioners and Directors is required to submit information to the Bank regarding ownership and any changes in ownership of Bank shares. Meanwhile, in 2023, the Bank has reported 16 (sixteen) purchase and/or sale transactions of Bank shares owned by the Board of Directors to the regulator. Related descriptions can be seen in the Company Profile chapter under the subtitle "Purchase/Sales of Shares of the Board of Commissioners and Directors".

IMPORTANT CHANGES THAT OCCURRED IN BANKS AND BANK BUSINESS GROUPS IN THE CURRENT YEAR

In 2023, in order to strengthen capital, KB Bank carried out corporate action through a Limited Public Offering (PUT) VII in the second quarter of 2023 with proceeds of IDR 11.99 trillion. This is important to do to accelerate the completion of remaining non-performing assets in a timely manner so that the capital structure becomes strong and improves the Bank's soundness considering that the Covid-19 relaxation stimulus will end in 2024. Apart from that, the use of capital will also be focused on supporting the capital of subsidiary companies which in In 2023, KB Bank has made a capital injection of IDR 1.3 trillion into Bank KB Bukopin Syariah and KB Bukopin Finance, where the capital provided will be managed carefully and used productively for business expansion and accelerating capital accumulation through organic growth.

IMPORTANT THINGS THAT ARE EXPECTED TO HAPPEN IN THE FUTURE

The development of the Bank's business is related to economic dynamics which in the future depends on the dynamics that occur in the current year. Materially, the Bank has not been able to convey important matters that are expected to occur in the future.

THE BANK'S HUMAN RESOURCES DEVELOPMENT

To build superior human resources that can compete in the current era of change, the Bank continues to provide training to employees to increase the knowledge and competence of each employee. Apart from that, the Bank also runs a Performance Assessment system which is based on each individual's KPI and normal distribution. With this system, every employee must give their best contribution. For employees whose performance is still below specified expectations, the Bank will provide specific development for these employees to ensure employees are able to meet the Bank's expectations and needs in order to survive and compete in the industry.

APPRECIATION

Through this opportunity, allow us to represent the entire Board of Directors to express my gratitude that the Bank can experience 2023 with optimal results. The Bank would not have been able to achieve these various achievements without the support, efforts and dedication of employees as well as direction from the Board of Commissioners. The same appreciation was also conveyed to customers and business partners, for the support, trust and cooperation that has been well established so far.

To all Bank Personnel, the Board of Directors expresses its highest appreciation for the hard work that has been demonstrated. We encourage all Bank personnel to strengthen their enthusiasm for achievement, so that the Bank can continue to take part, contribute, build capacity, capability and innovate to become one of the leaders in Indonesia

Jakarta, May 31, 2024



Woo Yeul Lee
President Director
PT Bank KB Bukopin Tbk.

ANNUAL REPORT ACCOUNTABILITY

Statement Letter of Members of the Board of Commissioners and Board of Directors Regarding Responsibility for the Correctness of the Contents of the Annual Report of PT Bank KB Bukopin Tbk for Fiscal Year 2023

We, the undersigned, declare that all information in the Annual Report of PT Bank KB Bukopin Tbk (the "Company") for the year 2023 has been published in full and we are fully responsible for the correctness of the contents of the Company's Annual Report. This statement is true to the best of our knowledge.

Jakarta, May 31, 2024

BOARD OF COMMISSIONERS

Jerry Marmen
President Commissioners

Nanang Supriyatno
Commissioner

Hae Wang Lee
Independent Commissioner

Tippy Joesoef
Independent Commissioner

Stephen Liestyo
Independent Commissioner

Sukriansyah S. Latief
Independent Commissioner

Eugene K Galbraith
Independent Commissioner

ANNUAL REPORT ACCOUNTABILITY

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Jakarta, May 31, 2024

BOARD OF DIRECTORS



Woo Yeul Lee
President Director



Robby Mondong
Vice President Director



Helmi Fahrudin
Director



Dodi Widjajanto
Director



Yohanes Suhardi
Director



Henry Sawali
Director



Young Eun Moon
Director



Jung Ho Han
Director



3

COMPANY PROFILE


KB Bank

BANK IDENTITY

Company Name	PT Bank KB Bukopin Tbk
Call Name	KB Bank
Type/Company Legal Entity	Public Listed Company
Line of Business	Banking Service
Date of Incorporation	10 July 1970
Legal Basis of Incorporation	Indonesian Cooperative Commercial Bank (BUKOPIN) was legalized as a legal entity based on Decision Letter of the Directorate General for Cooperatives No. 13/Dirjen/ Kop/70 dated 10 July 1970 and registered in the General List of the Directorate General for Cooperatives No. 8251 on the same date.
Name Changes	PT Bank KB Bukopin Tbk - Ratified at the Extraordinary General Meeting of Shareholders 22 December 2020, and based =on the Deed of Statement of Meeting Resolutions dated 22 December 2020 No. 12 No. AHU-0085571.AH.01.02.
Ownership	• KB Kookmin Bank 66.88% • STIC Eugene Star Holdings 16.98% • Public / Society 16.14%
Base Capital	IDR21,000,000.000,000.-
Issued and Fully Paid-up Capital	IDR18,999,999,969,200.-
Date of Initial Offering	10 July 2006
Ticker Code	BBKP
Exchange Name	Indonesia Stock Exchange
SWIFT Code	BBUKIDJA
Number of Employees as of 31 December 2023	2,618 employees
Corporate Secretary	Yocky Eko Wicaksono as of 31 December 2023
Subsidiaries	PT Bank KB Bukopin Syariah PT KB Bukopin Finance
Head Office Address	Gedung KB Bank Jl. M.T. Haryono Kav. 50-51 Jakarta Selatan 12770 Telepon: +6221-7988266, 7989837 Fax: +6221-7980625, 7980238, 7980244
Contact Address	Corporate Secretary Jl. M.T. Haryono Kav. 50-51 South Jakarta 12770 Phone: +6221 7988266, 7989837 Fax: +6221-7986355 Email: corsec@kbbank.co.id
Social Media	Youtube: KB Bank Facebook: KB Bank Instagram: kbbukopin Twitter : kbbank_id

BRIEF HISTORY OF THE BANK



PT Bank KB Bukopin Tbk ("Bank") was founded in the Republic of Indonesia on 10 July 1970 with the name Indonesian Cooperative Commercial Bank (abbreviated as Bukopin) which was legalized as a legal entity based on Decree of the Directorate General of Cooperatives No. 13/Dirjen/Kop/70 and registered in the General List of the Directorate General of Cooperatives No. 8251 on the same date. The Bank began conducting commercial business as a cooperative commercial bank in Indonesia on 16 March 1971 with permission from the Minister of Finance in Decree No. Kep-078/DDK/II/3/1971 dated 16 March 1971.

Since its inception, the Bank has focused on the MSME (Micro, Small and Medium Enterprises) segment, and has now grown and developed into a bank that is included in the group of medium banks in Indonesia in terms of assets. In line with the opening of opportunities and increasing ability to serve the needs of a wider community, the Bank has expanded its business into the Retail and Consumer segments since the issuance of the Minister of Finance's permit on 16 March 1971. The Bank's Retail Business has developed along with the Commercial business as a balance, with various products and services offered as per the latest Articles of Association. The Bank's Articles of Association have undergone several changes over time and the latest changes are stated in the Deed of Meeting Resolutions dated 30 November 2022 No. 108 as received and recorded in the Legal Entity Administration System database of the Ministry of Law and Human Rights of the Republic of Indonesia dated 14 December 2022 No. AHU-0090647.AH.01.02 concerning Approval of Amendments to the Articles of Association of the Limited Liability Company PT Bank KB Bukopin Tbk. and in accordance with the latest composition of members of the Board of Directors in the Deed of Meeting Resolutions dated 31 January 2023 No. 77, as received and recorded in the Legal Entity Administration System database of the Ministry of Law and Human Rights of the Republic of Indonesia dated 10 February 2023 No. AHU-AH.01.09-0088669 Re: Receipt of Notification of Changes to Company Data PT Bank Bukopin Tbk.

The Bank also changed its legal entity status several times until it finally became a Public Company in 2006. With a stronger capital structure as a result of the Initial Public Offering (IPO) on 10 July 2006, the Bank continues to develop its operational program by implementing a priority scale according to short-term strategies. which has been carefully prepared. The implementation of this strategy is aimed at ensuring that comprehensive banking services are provided to customers through a network that is connected nationally and internationally, a variety of products and high standard service quality.

KB Bank is also a shareholder in PT Indo Trans Buana Multi Finance which operates in the fields of investment financing, working capital financing and multi-purpose financing and then changed the name of the company to PT Bukopin Finance in 2008 as the controlling and Major Shareholder. In the same year, KB Bank made efforts to develop the company's business by acquiring PT Bank United Indonesia, which had been under the assistance of KB Bank for 3 years. In seeing business opportunities in sharia banking, PT Bank Persyarikatan Indonesia changed its business direction from a conventional bank to a sharia bank and changed its name to PT Bank Syariah Bukopin.

Along with the development of the banking business industry, KB Bank continues to innovate by developing digital-based products and services that its competitors such as Flexy Bill, Flexy Gas and Flexy Health do not have, which further strengthens KB Bank position in the banking business competition in Indonesia.

In 2018, KB Bank started a synergy with KB Kookmin Bank through corporate action in the form of a Limited Public Offering (PUT) IV which resulted in KB Kookmin Bank owning 22% of the Company's shares. Until this report was published, KB Kookmin Bank had officially become the Major Shareholder with a portion of 67%.

KB Kookmin Bank.co,Ltd. or Kookmin Bank is a bank in South Korea that has grown as a leading financial institution that provides various financial products and services to the public and businesses. KB Kookmin Bank is part of the largest financial conglomerate group in South Korea, KB Financial Group (KBFG). The group was founded in 2008 to better serve clients, enable growth and provide value in a rapidly changing financial environment.

KB Financial Group has 12 subsidiaries, namely: KB Kookmin Bank, KB Securities, KB Insurance, KB Kookmin Card, KB Life Insurance, KB Asset Management, KB Capital, KB Real Estate Trust, KB Savings Bank, KB Investment, KB Data Systems and KB Credit Information. With comprehensive products and services, the KBFG network has spread to various countries including: China, Japan, Hong Kong, Cambodia, Thailand, Vietnam, Myanmar, Singapore, Laos, India, Indonesia, New York, London and New Zealand.

With the presence of KB Kookmin Bank as the Controlling Shareholder of KB Bank in 2021 KB Bank officially changed the company name to PT Bank KB Bukopin Tbk or commonly called KB Bank.

Until the end of 2023, KB Bank operates in 24 provinces, has 1 operational head office, 29 branch offices, 143 sub-branch offices and 1 functional office.

CERTIFICATE OF CHANGE OF NAME AND STATUS OF LEGAL ENTITY

Indonesian Cooperative Commercial Bank	Decree of the Directorate General of Cooperatives No. 13/Dirjen/Kop/70 dated 10 July 1970.
Cooperative Legal Entity (Bukopin)	Legalized as a legal entity based on the Decree of the Directorate General of Cooperatives No. 13/Dirjen/Kop/70 dated 10 July 1970.
KB Bank	Ratified in the Decree of the Director General of Cooperative Institutions No. 06/KPTS/BLK/III/1990 dated March 8, 1990.
Limited Liability Company (PT Bank Bukopin Tbk)	Notary Deed No. 126 dated 25 February 1993 from Notary Muhani Salim, S.H., along with the amendments thereto, with Notary deed No. 126. 118 dated 28 May 1993.
Public Company PT Bank Bukopin, Tbk	Decree of the Senior Deputy Governor of Bank Indonesia No. 6 November KEP.DGS/2004 dated 19 April 2004.
PT Bank KB Bukopin, Tbk	Ratified at the Extraordinary General Meeting of Shareholders 22 December 2020, and based on the Deed of Statement of Meeting Resolutions dated 22 December 2020 No. 12 No. AHU-0085571.AH.01.02.

MILESTONES

1970

Bank Umum Koperasi Indonesia (Bukopin) was established with a cooperative legal entity.

1989

- Change of the name of Bukopin into Bank Bukopin.
- Issued Bonds for the first time.

1993

Change of the legal entity status into a Limited Liability Company under the name of PT Bank Bukopin Tbk.

2003

Issuance of A Series Bonds, B Series Subordinated Bonds and Mudharabah Bonds

2006

- Became a public company through IPO (Initial Public Offering).
- Acquisition of PT Bank Syariah Bukopin (previously PT Bank Persyarikatan Indonesia) amounted to 24.73%
- Share acquisition of PT Bukopin Finance (formerly PT Indo Trans Buana Multifinance).

2008

- Share acquisition of PT Bank Syariah Bukopin's to 65.44%.
- Repayment of A Series Bonds, B Series Subordinated Bonds and Mudharabah Bonds.

2009

- First Limited Public Offering (PUT I).
- Spin off on Sharia business unit to Bank Syariah Bukopin, so Bank Bukopin has 65.4%.

2010

- For the first time, PRIDE culture (Professionalism, Respect Other, Integrity, Dedicated to Customer, and Excellence) launched and informed internally in the Company.

2011

- Implementation of Limited Public Offering (PUT) II.
- Increased ownership in PT Bank Syariah Bukopin to 77.57%.

2012

- Issuance of Continuous Subordinated Bonds I Phase I of Bank Bukopin 2012.

2013

- Limited Public Offering (PUT) III

2014

- Increased ownership in PT Bank Syariah Bukopin by 86.82%

2015

- PT Bosowa Corporindo became the controlling shareholder.
- Issuance of Continuous Subordinated Bonds II of Bank Bukopin Phase I of 2015.
- Increased ownership in PT Bank Syariah Bukopin by 89.07%.

2016

- Increased ownership in PT Bank Syariah Bukopin to 90.67%, and Bukopin Finance to 96.06%.
- Issuance of Bank Bukopin's 2016 Series B Medium Term Notes I.
- Issuance of Bank Bukopin's Medium Term Notes in 2016.

2017

- Initiated the establishment of BNV Labs as a startup incubator in the fintech field.
- Launched Wokee digital savings account to strengthen the Company's business in the digital banking segment.
- Issuance of Bank Bukopin Continuous Subordinated Bonds II Phase II 2017.

2018

- Implementation of Limited Public Offering (PUT) IV in order to strengthen the Company's capital structure.
- KB Kookmin Bank is a shareholder of the Company with 22% ownership.
- Bank Bukopin launched the Flexy Bill service in collaboration with PLN to facilitate electricity payments for business actors.

2019

- Launch of a new Vision, Mission and Corporate Culture, namely I CAN (Integrity, Competent, Care, Accountable, Never Give Up).
- Launch of Virtual Interactive Online Assistant or VIOLA service
- Completing the Flexy Bill bridging product line with Flexy Gas, Flexy Health and Invoice Financing.

2020

- The Company carried out corporate actions in order to strengthen its capital, namely Limited Public Offering V and Private Placement.
- KB Kookmin Bank became the Controlling Shareholder of the Company with 67.00% ownership.
- Changes in the name and logo of the Company as part of the transformation process into KB Bukopin.

2021

- The Company has officially obtained the rights and permits from the Regulator regarding the change of brand identity.
- The Company uses the latest brand identity under the name PT Bank KB Bukopin Tbk as well as the use of the KB Star logo.
- Implementation of Corporate Action in order to strengthen the Company's capital through a Limited Public Offering VI (PUT VI) and the issuance of bonds.

2022

- Commencement of the Next Generation Banking System (NGBS) project in collaboration with Ernest and Young (EY) Indonesia as PMO and DXC as master contractor

2023

- PT Bank KB Bukopin, Tbk (BBKP) has completed its rights issue on 31 May 2023, with proceeds of IDR 11.9 trillion. The largest buyer of the rights issue was Bank KB Kookmin worth IDR 8.02 trillion or 80.2 billion shares.
- Bank KB Bank launched Mobile Banking 'KBstar' to meet customers' digital banking service needs.

MEMBERSHIP IN ASSOCIATION

Organization Name	Membership Status
Indonesia Corporate Secretary Association (ICSA)	Member
PERBANAS	Member
Deposit Insurance Agency	Member
Prima Network	Member
Association of Indonesian Issuers (AEI)	Member
Indonesian Payment Systems Association (ASPI)	Member
Alternative Dispute Resolution Institute (LASP)	Member
Banking Compliance Director Communication Forum (FKDKP)	Member



INFORMATION BEHIND
THE BANK'S LOGO





Logo as a means of identity that reflects the character, products and services of a company so that it can convey information about the company to the public, which a logo has many elements in the form of shape, color, line and type, all of which support each other to influence the thoughts, views or public opinion of the company.

SIMBOL

- The KB symbol reflects the company's ambition to become a leading financial brand in the Indonesian Financial Industry by strengthening the "Korea Best" branding.
- Star-b symbol has star meaning, which shows future oriented perspective of KB Financial Group and its high desire to advance to the world class.

VISUALISASI

- Yellow color on the Company's logo represents the new freshness that KB Kookmin Bank brings.
- The latest technology and global network support become the strengths of Bank KB Bank in providing the best financial services for Indonesia.

LINE OF BUSINESS

In accordance with the Company's Articles of Association, 3 paragraph 1 the Bank is engaged in the banking services industry.

Business Activities Based on the Latest Articles of Association and Business 2023 Activities Carried Out in

Business Activities Based on the Latest Articles of Association	Business Activities Carried Out in 2023	
	In Operation	Not Yet in Operation
Collecting funds from the public in the form of deposits such as demand deposits, time deposits, certificate of deposits, savings, and/or other forms	√	-
Providing Loans	√	-
Issuing Debt Certificates	√	-
• Buying, selling, or guaranteeing on own risk or for the interest and upon its customer's instruction; • Money orders, including accredited money orders by the Bank in which the validity period is not longer than the custom of the trade of such papers; • Debt certificates and other trade papers in which the validity period is not longer than the custom of the trade of such papers; • State treasury bills and government guarantee letter; • Bank Indonesia Certificate (SBI); • Bonds; • Commercial papers with maturities of up to 1 (one) year; • Other marketable securities with validity period of up to 1 (one) year.	√	-
Transferring money, both for own interest and for customers' interest.	√	-
Placing funds in, borrowing funds from, or lending funds to other Banks, either by mail, telecommunication means, or sight draft, check, or other means.	√	-
Receiving payments from receivables on securities and performing calculations with or between third parties.	√	-
Providing place to store valuables and securities.	√	-
Conducting custodial activities for the benefits of others under a contract.	√	-
Performing placement of funds from a customer to another customer in the form of securities not listed on the stock exchange.	√	-
Purchasing through a collateral, either in whole or in part, in the event that the debtor cannot meet its obligations to the Bank, provided that the purchased collateral must be disbursed immediately.	√	-
Performing factoring activities, credit card business, and trustee activities.	√	-
Conducting other activities commonly carried out by the Bank provided that they do not conflict with the applicable laws and regulations.	√	-
Performing activities in foreign currencies by meeting the provisions stipulated by Bank Indonesia.	√	-
Conducting equity participation in a bank or other company in the field of finance, such as capital lease companies, venture capital firms, securities companies, insurance companies, as well as clearing institutions of depository and settlement, by complying with the provisions stipulated by Bank Indonesia.	√	-
Conducting temporary investment to overcome loan defaults, provided that the temporary investment shall be withdrawn later, by complying with the provisions	√	-

The focus of banking services offered by the Company is divided into three segments, which are the Retail segment, the MSME segment and the Commercial segment. The Company's Retail and MSME segments are supported by the Commercial segment as a balance. The entire segment is supported by International Banking, Treasury and fee-based services.

Each of these businesses consists of lending activities, raising funds, increasing fee-based income and other service activities, all of which are carried out in accordance with existing values. The Company's business is supported by competent Human Capital (HC), the latest information technology and reliable risk management and compliance.

BANK PRODUCTS AND SERVICES

The Bank's business activities include Retail, MSME and Commercial segment products, which consist of various products and services, namely savings products, loan products, as well as various services which are explained as follows:

Deposits

Deposit products are divided into Current Accounts, Savings and Deposit products, including:

1. Current account products provided by the Company to customers are as follows:
   - Bukopin Rupiah Demand Deposits; And
   - Bukopin Forex Demand Deposits.

2. The savings products provided by the Company to customers are as follows:
   - Bukopin KB Standby Savings;
   - Bukopin Cooperation KB Standby Savings;
   - Bukopin Plan KB Standby Savings;
   - Bukopin Business KB Standby Savings (Individuals and Business Entities);
   - Bukopin Premium KB Alert Savings;
   - Bukopin KB Savings on Currency Alert;
   - Bukopin Pension KB Standby Savings;
   - SIMPLE Savings;
   - Wokee Digital Savings; And
   - My Savings.

3. Deposit products provided by the Company to customers are as follows:
   - Bukopin Rupiah Deposits;
   - Bukopin Foreign Currency Deposits;
   - Merdeka Deposits; And
   - Deposits on Call.

Loan

Loan products are divided based on segments, including:

RETAIL

Retail loan products provided by the Company to Prospective Debtors are as follows:

1. Pensioner Loan
2. Pre-Retirement Period (MPP) Loan;
3. Car Ownership Loan;
4. Home/Apartment Ownership Loan;
5. Multipurpose Loan(KSG);
6. Back to Back Loans;
7. Credit Card; And
8. Active Civil Servant Credit Products with BPR Channeling.

MSMEs

The MSME loan products provided by the Company to Prospective Debtors are as follows:

A. Generic Product:
   1. Investment Credit (IP)
   2. Working Capital Loan (KMK)

B. Program Products:
   1. Equipment Financing
   2. SME Mortgage
   3. Supply Chain Financing which consists of Dealer Financing, Vendor Financing, Distributor Financing
   4. Current Account Loan (PRK)
   5. Rural Bank Financing (BPR) 5.
   6. SKBF Fleet Channeling Financing
   7. People's Business Credit (KUR)
   8. Swamitra Fixed Capital Loan
   9. Non cash loan products: Bank Guarantee, L/C and SKBDN

COMMERCIAL

The commercial loan products provided by the Company to Prospective Debtors are as follows:

1. Working Capital Credit;
2. Investment Credit; And
3. Syndicated Credit.

OTHER SERVICES

Fee Based Income

Fee Based Income activities originate from buying and selling activities (trading) of Treasury products, Public Services, Trade Finance, Bank Guarantees, and agency services with increased E-Banking facility services, Cash Management, Credit Card Fees, Custodian Services, Management and IT Services Swamitra and Public Utilities. In line with the development of banking services, the Company also began selling investment and wealth management based products. Details regarding Fee Based Income services are described as follows.

Trade Finance Services
The services provided by the Company are to help customers overcome transaction obstacles with foreign or domestic/domestic parties due to differences in payment terms, fund transfers and trade regulations between countries. Various trade finance service products include:

1. Import Services, in the form of issuing a Letter of Credit (LC) or Letter of Credit with Domestic Documents (SKBDN) Sight, LC/SKBDN Usance, LC/SKBDN Usanse Payable at Sight and LC/SKBDN Usanse Payable at Usance;
2. Documentary Collection, in the form of Inward Collection Delivery Documents Against Payment and Outward Collection Delivery Documents Against Acceptance;
3. Export Services, in the form of Assignment of Proceeds, Discount on LC/SKBDN Notes and Negotiation of LC/Discount Notes;
4. Correspondent Banking and Financial Institutions, in the form of Asset Sales Trade Finance and Banker's Acceptance;
5. Guarantee, in the form of Demand Guarantee, Shipping Guarantee and Standby Letter of Credit (SBLC).

Bank guarantee
Guarantee facility issued by the Company which results in an obligation to pay the party receiving the guarantee if the guaranteed party defaults. There are several types of bank guarantee facilities, including bid guarantee (Bid Bond), advance payment guarantee (Advance Payment Bond), performance guarantee (Performance Bond), maintenance guarantee (Maintenance Bond), SP2D guarantee.

Cons of Bank Guarantees
Guarantee facility by a third party (credit guarantee institution) for bank guarantees issued by the Company.

Special Bank Guarantee
The facility provided by the Company is by issuing a bank guarantee upon written request from government partner contractors aimed at guaranteeing payments from the State Treasury Services Office (KPPN).

Remittances
The Company's services are provided to receive and/or send money from and to various corners of the world supported by Correspondent Banks spread across various countries.

Treasury Trading (Buying and Selling Foreign Exchange and Securities)
The Company provides foreign exchange buying and selling services in the form of Telegraphic Transfer (TT) and bank notes as well as swap and forward contracts. Apart from that, the Company also provides services for buying and selling securities, both government debt securities and corporate bonds in Rupiah and foreign currency. Transactions are carried out as part of the service, and are carried out with other banks as an important part of optimizing buying and selling income for banks in the context of proprietary trading (buying and selling foreign exchange and securities with other banks and securities).

Public Service Related Payee Services
Services for accepting payments from the public include payment of electricity bills, water bills, telephone bills, other bills based on the Company's collaboration with other companies.

Electronic Banking (ATM, Internet Banking and SMS Banking)
Bill payment services that can be done through various distribution networks including ATM, SMS Banking, Internet Banking and Phone Banking, so that customers can carry out banking transactions whenever and wherever they are.

Custodial Services
The services provided are in the form of securities custody activities for the benefit of another party based on a contract. This service is provided based on the approval of the Capital Markets and Financial Institutions Supervisory Agency (Bapepam-LK) dated 3 July 2006. The services provided through this product are securities storage services, transaction settlement, corporate action, proxy and mutual fund custodian services.

Trustee
Services provided by the Company to act on behalf of investors who hold debt securities. The Company's trustee services include trustee services, collateral agent services, paying agent services and escrow account agent services.

Syndicated Credit Arranger and Agency Services
Syndicated credit arranger and agency services are provided to customers who require large amounts of financing so that joint financing (syndication) is required by several banks. Meanwhile, agency services provide services for the syndicated credit disbursement process and fulfillment of all customer obligations to the bank as well as the credit administration process including storage and binding of collateral documents until the syndicated credit is declared complete.

State Deposit Receipt Module (MPN)
The Company has been appointed by the Ministry of Finance to provide services for receiving state deposits (tax and non-tax) online. The Company does not charge fees for these services, but benefits from access to funds collected from tax payment receipts within a certain period.

Services Via Host to Host System

The Company has been appointed by the Ministry of Finance to provide services for receiving state deposits (tax and non-tax) online. The Company does not charge fees for these services, but benefits from access to funds collected from tax payment receipts within a certain period.

Mutual Fund Sales

The Company can act as a Selling Agent for mutual fund products and obtain a commission on the net asset value of mutual funds sold through the Company's distribution network.

Bancassurance Sales

The Company collaborates with PT AIA Financial in selling Bancassurance with a Reference sales model to all of the Company's customers with 2 (two) sales patterns, namely the Inbranch pattern carried out by the appointed Company Branch and the telemarketing pattern carried out by Telesales Marketing of PT AIA Financial.

Sales of Government Bonds

The Company is a Selling Agent for Retail State Bonds (ORI) starting from series 001 in 2006 to series 012 in 2016 and Selling Agent for Saving Bond Retail (SBR) series 01

Bukopin Priority

Bukopin Prioritas is aimed at customers with savings balances above IDR 500 million. Each Bukopin Prioritas customer is served by a Relationship Officer who assists the customer in managing their assets. The services offered by Bukopin Prioritas include customer management which is packaged in targeted financial planning and can increase profits and a sense of security for customers.

Swamitra Collaboration Services

The Company as the manager of Swamitra, which is a Cooperative Savings and Loans Business Unit, provides operational support in the form of a logo, management system, technology system (Swasys and SIKM), operational systems and so on. For providing this support, the Company received management services, partnership services and management services.

International Banking

International Banking Services is one of the Company's mainstay businesses. Improving the quality of services and developing the International Banking business continues to be improved in order to gain customer trust and satisfaction in export, import and foreign exchange transfer transactions, which are increasing every year. With its increasing reputation, the Company is increasingly able to collaborate with various correspondent banks at home and abroad with a total of almost 600 correspondent banks spread across various big cities and trade centers in various parts of the world in Asia, America, Europe and Africa.

International Banking business segmentation for individual customers and business entities using the following criteria:

1. Exporters and importers;
2. SOEs and their affiliates;
3. Non-SOEs business entities (LOEs, PMA, National Private Groups);
4. Individuals of foreign exchange transfer customers.

This segment has a business scale that is oriented towards import-export trade transactions and domestic trade.

Treasury

Treasury's main task is to manage the Company's liquidity. Liquidity management is carried out in the context of implementing banking regulations in accordance with the rules of the Financial Services Authority (OJK) and Bank Indonesia (BI) and simultaneously optimizing the Company's liquidity profile. In carrying out its duties, the Treasury Division always coordinates with all business units and supporting units. Coordination carried out includes monitoring customer fund movements and the Bank's internal financial data, as consideration in implementing daily liquidity management strategies.

The role as liquidity manager is carried out simultaneously with the role as a profit center, namely optimizing interest income from money market and capital market transactions, as well as non-interest income (fee based income) from buying and selling foreign exchange and securities. Transactions are carried out mainly with counterparties consisting of BI, other commercial banks, securities and money brokers. Transactions with customers are carried out as part of the Bank's services to the public, especially related to buying and selling foreign currency, securities, as well as custodian and trustee services.

Treasury products and services offered to customers include:
1. Forex buying and selling transactions (Value Today, Tom, Spot, Forward, Swap);
2. Deposit on Call (DOC);
3. Bond trading (government and corporate);
4. Custodial Services (administration of customer securities);
5. Trustee Services.

BUSINESS INNOVATION

1. One KBFG
   KB Bank strengthens partnerships with strategic partners of affiliated companies of the KB Financial Group in the financial sector, including through collaboration in the field of capital market securities with KB Valbury, motor vehicle financing with Sunindo Kookmin Best Finance, multi-finance services and Co-Location with KB Finansia Multi Finance where the collaboration This is done to improve complete financial services for customers. Through various collaborations with affiliated companies, KBFG is expected to encourage KB Bank to provide integrated services in the future with one stop financial service.

2. Social Bond
   KB Bank is a pioneer in social bonds as a private bank in Indonesia, where KB Bank has gained trust as the first bank in Indonesia to obtain a social bond worth US$300 million or the equivalent of IDR 4.41 trillion from a member of the World Bank Group, the International Finance Corporation (IFC). These social bonds are dedicated to funding social initiatives that focus on dealing with the socio-economic impacts resulting from Covid-19 and financing in social segments, such as MSMEs, affordable housing, health care, education and infrastructure. As the Bank's commitment to supporting Social and Environmental Affairs, KB Bank also established an Environmental, Social and Government (ESG) unit to increase cooperation and support ESG implementation at KB Bank.

3. Supply Chain
   The Bank encourages the development of the Supply Chain Financing business to support the Bank's business growth by building and maintaining relationships with large companies as Anchors and Spokes (Dealers/Suppliers). The Bank launched the Dealer Financing product in February 2022 and is in the development stage for the Vendor Financing product.

BUSINESS NETWORK AND BANK OPERATING AREAS

The Bank's business network and operational areas in the last 5 (five) years are as follows:

Office Type	2023	2022	2021	2020	2019
Operational Head Office	1	1	1	1	1
Branch Office	29	41	42	42	42
Sub-Branch Office	143	231	310	173	176
Functional Office	1	3	4	9	9
Cash Office*)	-	-	-	169	156
Payment Point *)	-	-	-	25	25
ATM	11	359	673	850	834

*) Adjustment to POJK 12 that as of October 2021 there are no Cash Office and Payment Point status



BANK'S VISION, MISSION AND CULTURAL VALUES

The Bank has established a vision and mission which is used as a reference for the direction of business development. The Company's Vision and Mission are established through Board of Commissioners Decree No. SKEP/001/D.KOM/VII/2013 concerning Completion of the Vision and Mission of PT Bank Bukopin Tbk, dated 9 July 2013 and Directors' Decree No. SKEP/634/DIR/VII/2013 dated 10 July 2013 which has been amended in accordance with Directors' Decree No. 1092 dated 24 June 2019 as follows:

Vision

Becoming the First Choice Financial Institution in Indonesia.

Mission

Understanding and Providing Solutions to Customers.

REVIEW OF THE COMPANY'S VISION AND MISSION

The Board of Commissioners and Directors always review the Vision and Mission that have been established by the Company. This review is carried out to ensure that the Company's Vision and Mission are still relevant to business developments, stakeholder needs and the direction of competition between financial services business actors. Management has reviewed the Bank's vision and mission by paying attention to organizational developments and management considers it necessary to update the current vision and mission.

BANK CULTURAL VALUES

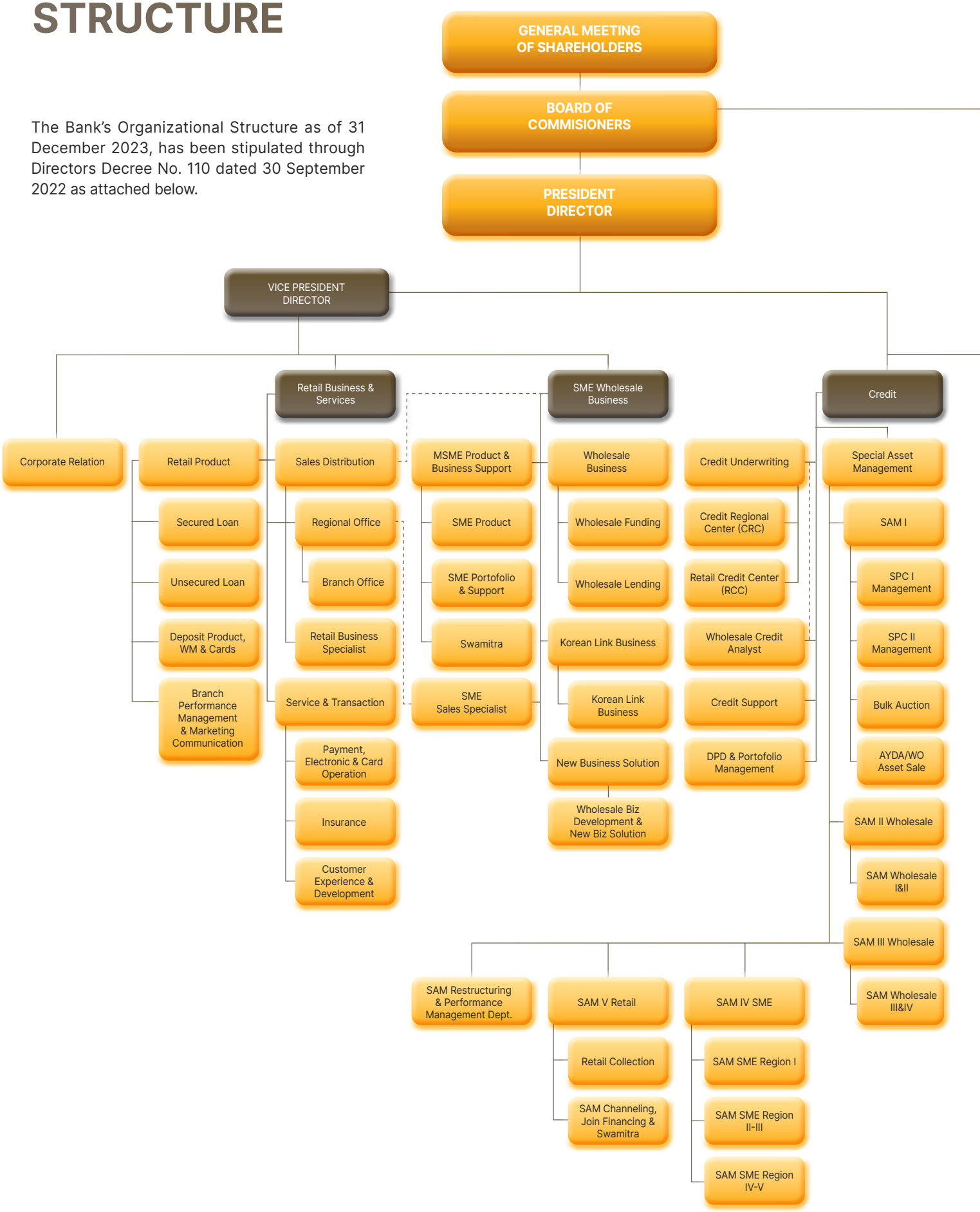
KB Bank's culture is the values and philosophy that are believed to be the foundation and reference for achieving goals. The values of Company I CAN which have been ratified in accordance with Directors' Decree No. 1092 of 2019, among others, are as follows:

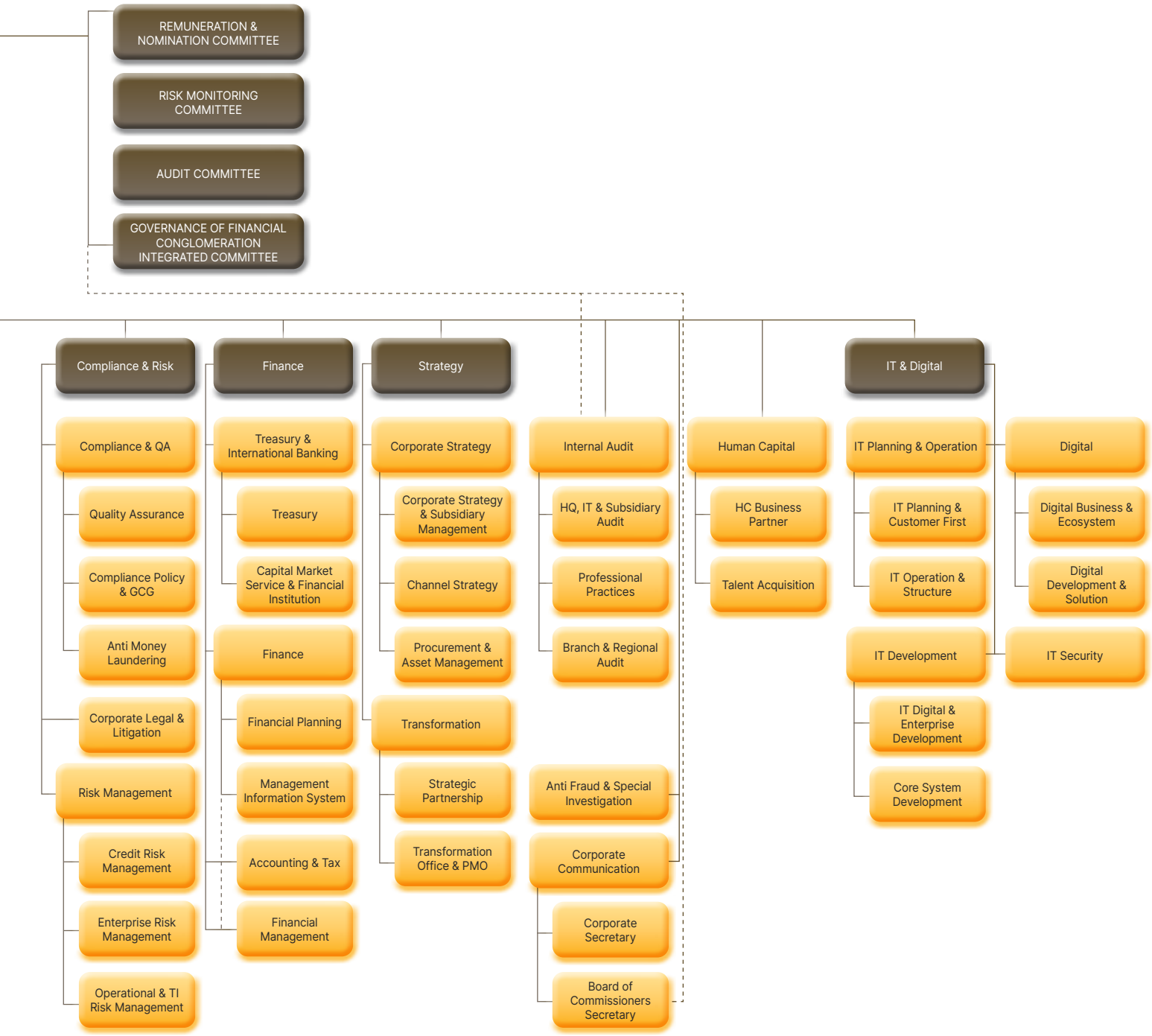
Integrity	It is interpreted as prioritizing honesty, discipline and committed to build customer trust. The main behavior that goes along with this value: • Honest • Discipline and Committed
Competent	Defined as being proficient in carrying out tasks and making continuous improvements to always be the best. The main behavior that goes along with this value: • Quick learner • Continuous improvement and refinement
Care	Defined as caring and synergy for mutual progress. The main behaviors that are in line with this value: • Sincere/empathy & caring • Synergy/cooperation
Accountable	Defined as taking full responsibility and mastering the work to achieve the best results. The main behavior that goes along with this value: • Responsible • Mastering the task
Never Give Up	Defined as being able to think "out of the box" and never give up in the face of challenges and obstacles to achieve the best results. The main behavior that goes along with this value: • Never give up • Thinking "out of the box"

I CAN's Corporate Values are expected to be implemented in daily behavior by all levels of management and employees in the Company to realize the Company's vision and mission.

ORGANIZATION STRUCTURE

The Bank's Organizational Structure as of 31 December 2023, has been stipulated through Directors Decree No. 110 dated 30 September 2022 as attached below.




REMUNERATION & NOMINATION COMMITTEE
RISK MONITORING COMMITTEE
AUDIT COMMITTEE
GOVERNANCE OF FINANCIAL CONGLOMERATION INTEGRATED COMMITTEE
Compliance & Risk
Compliance & QA
Quality Assurance
Compliance Policy & GCG
Anti Money Laundering
Corporate Legal & Litigation
Risk Management
Credit Risk Management
Enterprise Risk Management
Operational & TI Risk Management
Finance
Treasury & International Banking
Treasury
Capital Market Service & Financial Institution
Finance
Financial Planning
Management Information System
Accounting & Tax
Financial Management
Strategy
Corporate Strategy
Corporate Strategy & Subsidiary Management
Channel Strategy
Procurement & Asset Management
Transformation
Strategic Partnership
Transformation Office & PMO
Internal Audit
HQ, IT & Subsidiary Audit
Professional Practices
Branch & Regional Audit
Anti Fraud & Special Investigation
Corporate Communication
Corporate Secretary
Board of Commissioners Secretary
Human Capital
HC Business Partner
Talent Acquisition
IT & Digital
IT Planning & Operation
IT Planning & Customer First
IT Operation & Structure
IT Development
IT Digital & Enterprise Development
Core System Development
Digital
Digital Business & Ecosystem
Digital Development & Solution
IT Security

PROFILE OF BOARD OF COMMISSIONERS

Throughout 2022, until this Annual Report was signed, there has been several changes to the composition of the Board of Commissioners. The profiles of the Board of Commissioners serving as of 31 December 2022, until this Annual Report is signed, are as attached below.



Jerry Marmen **President Commissioner**	
Age	59 years old
Nationality	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS Resolution No. 27 dated 08 December 2021
Legal Basis of the Recent Appointment	(Period 2021-Annual GMS 2024)
Education Background	Doctor of Philosophy at the Australian National University in 2012
Work Experience	• Assistant to the Special Staff of the President of the Republic of Indonesia (Economic Affairs) • Head of the Governance, Risk, and Compliance Professional Certification Agency (Governance, Risk, and Compliance): LSP TRK/LSP GRC • Head of Supervisory Board of Risk Management Certification (BSMR) • Strategic Advisor & Senior Partner, Korn Ferry (Hay Group) Indonesia • Strategic Advisor and Senior Partner at PT Sucofindo Prima Internasional Consultant • Chairman of the Indonesian Association for Competency Development in Financial Service Industry • Secretary General IPA-GRC (Indonesian Professional Association for Governance, Risk, and Compliance) • President Commissioner of PT Proteksi Antar Nusa • Commissioner of PT Proteksi Antar Nusa (Insurance Brokerage) • Vice Chancellor of Perbanas School of Economics (PERBANAS Institute)
Certifications	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in the Company	None
Affiliate Relations	None





Seng Hyup Shin*) Vice President Commissioner	
Age	53 years old
Nationality	Korea Selatan
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of Extraordinary GMS Decision No. 67 dated August 25, 2020 (Period 2024-Extraordinary GMS 2024)
Legal Basis of the Recent Appointment	Deed of Extraordinary GMS Decision No. 57 dated January 24, 2024 (Period 2024-GMS 2027)
Education Background	• Bachelor of Administration in Administration, KyungPook National University (1995) • Master of Administration in Administration, KyungPook National University (1997)
Work Experience	• Finance Director of KB Bank (2020-2024) • Team Manager, KB Financial Group (2014-2016) • Senior Deputy General Manager, KB Financial Group (2017) • General Manager, KB Financial Group (2018- 2020)
Certifications	• Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in the Company	2,300,000 (0.0012241%)
Affiliate Relations	None

*) Appointed as Deputy President Commissioner as of 24 January 2024, and has been effective since being appointed by the Bank after fulfilling all the requirements stipulated in POJK No. 27/POJK.03/2016; POJK No. 37/POJK.03/2017 and/or other applicable laws and regulations.

Nam Hoon Cho*) Vice President Commissioner (Independent)	
Age	56 years old
Nationality	Republic of Korea
Domicile	Seoul, Republic of Korea
Legal Basis of the First Appointment	Deed of GMS Resolution No. 29 dated 8 July 2021 (Period 2021-Extraordinary GMS 2024)
Legal Basis of the Recent Appointment	Deed of GMS ResolutionNo. 27 dated 8 December 2021 (Period 2021- Extraordinary GMS 2024)
Education Background	Bachelor of Economics at Sungkyunkwan University in 1994
Work Experience	• Global Business Group - Head of Global Business Group KB Kookmin Bank (2021-now) • Global Strategy Department - Chief Global Startegy Officer KB Financial Group (2018-2020) • Global Business Department - Managing Director KB Securities (2016-2018) • Management Support Dept. - Managing Director KB Investment & Securities (2015-2016) • Global Sales Department - Managing Director Daewoo Securities (2013-2015)
Certifications	Risk Management Certification Lv. 1 Commissioner
Concurrent Position	Global Business Group - Head of Global Business Group KB Kookmin Bank (2021-now)
Share Ownership in the Company	None
Affiliate Relations	None

*) No longer serves as Deputy President Commissioner as of January 24, 2024.



Nanang Supriyatno Commissioner	
Age	54 years old
Nationality	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS ResolutionNo. 67 dated 25 August 2020 (Period 2020-GMS Fiscal Year 2024)
Legal Basis of the Recent Appointment	-
Education Background	Bachelor's degree in Accounting from Jenderal Soedirman University in 1993
Work Experience	• President Director of PT Satu Gen Indonesia (2020-Present) • Deputy Chief Executive Officer PT Bosowa Property Group (2017-2022) • Director of Internal Audit Bosowa Group (2013-2022) • President Director of PT Bosowa Beton Indonesia (2015-2018) • Director of Risk Management PT Semen Bosowa Maros (2015-2017) • Problem Loans Recovery and Restructuring PT Bank Mandiri (Persero) Tbk (1994-2013)
Certifications	Risk Management Certification Lv. 1 Commissioner
Concurrent Position	President Director of PT Satu Gen Indonesia (2020-Now)
Share Ownership in the Company	None
Affiliate Relations	None



Tippy Joesoef Independent Commissioner	
Age	59 years old
Nationality	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of Extraordinary GMS Decision No. 13 dated 22 December 2020 (Period 2020-GMS Fiscal Year 2024)
Legal Basis of the Recent Appointment	-
Education Background	Bachelor's degree in Economics from the Bandung College of Economics (STIEB) in 1990
Work Experience	• Independent Audit Committee, American International Assurance (AIA) Financial (2019-Present) • Chief GRC, Fazz Financial Group (2019-2022) • Executive Director- Country Risk Management Head, UOB Indonesia (2013-2016) • SVP Global Consumer Group, Citibank NA (2013) • SVP Risk Management, Bank Danamon (2011-2012) • Head of Country Operational Risk Management, Basel 2 and Enterprise Risk Management – Maybank (2005-2011) • Head of Compliance for Consumer & Commercial Banking, ABN AMRO Bank (1999-2005) • Credit Operations Manager, Standard Chartered Bank (1991-1999)
Certifications	Level 4 Risk Management Certification.
Concurrent Position	None
Share Ownership in the Company	None
Affiliate Relations	None





Hae Wang Lee Independent Commissioner	
Age	55 years old
Nationality	South Korea
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of Extraordinary GMS Decision No. 67 dated 25 August 2020 (Period 2020-GMS Fiscal Year 2024)
Legal Basis of the Recent Appointment	-
Education Background	• Bachelor's degree in Law from Yonsei University in 1991 • Masters in Law from Yonsei University in 1998
Work Experience	• Member of Board of Directors Korean Association of Indonesia (2020-present) • President Director LEENOH Consulting Indonesia (2019-present) • Foreign Lawyer MR&Partners Law Firm at Jakarta (2015-2019) • Lawyer at APEX LLC Head of Jakarta Apex Office (2011-2014) • Lawyer at Law Firm C&K, LEX, APEX (2006-2011)
Certifications	Risk Management Certification Lv. 2 Commissioners
Concurrent Position	• Member of Board of Directors Korean Association of Indonesia (2020-present) • President Director LEENOH Consulting Indonesia (2019-present)
Share Ownership in the Company	None
Affiliate Relations	None

Stephen Liestyo Independent Commissioner	
Age	60 years old
Nationality	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS ResolutionNo. 29 dated 8 July 2021 (Period 2021-GMS 2024)
Legal Basis of the Recent Appointment	-
Education Background	Masters in International Marketing, IPMI International Business School, Jakarta in 2002
Work Experience	• President Commissioner of PT Sol Mitra Fintec, January 2016 - July 2021 • President Commissioner of PT Prismalink International, January 2014 - August 2021 • Independent Commissioner of PT. Indonesian Commercial KiosOn, February 2018 - April 2019 • President Commissioner of PT Wahana Ottomitra Multiartha (WOM Finance), April 2010 - April 2015 • Director of Consumer Banking PT. Bank Maybank Indonesia Tbk, April 2009 - January 2013 • Commissioner of BCA Finance (2000-2009)
Certifications	Level 2 Risk Management Certification
Concurrent Position	None
Share Ownership in the Company	None
Affiliate Relations	None





Sukriansyah S. Latief Komisaris Independen	
Age	54 years old
Nationality	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS ResolutionNo. 27 dated 08 December 2021 (Period 2021-GMS 2024)
Legal Basis of the Recent Appointment	-
Education Background	Doctor of Law, Hasanudin University in 2009
Work Experience	• Special Staff of Vice President, Vice Presidential Palace (2019-present) • Commissioner of PT Pelindo Jasa Maritim (2021–2022) • Commissioner of PT Media Fajar Holding Company (2015- 2022) • Lecturer at Fajar Educational Foundation of Ujungpandang (1998-present) • Commissioner of PT Pelindo IV Makassar (2021)
Certifications	Level 2 Risk Management Certification.
Concurrent Position	• Special Staff of Vice President Vice President's Palace (2019-present) • Lecturer at the Fajar Educational Foundation of Ujungpandang (1998-present)
Share Ownership in the Company	None
Hubungan Afiliasi	None

Eugene K Galbraith Independet Commissioner	
Age	71 years old
Nationality	United States
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS ResolutionNo. 27 dated 08 December 2021 (Period 2021-GMS 2024)
Legal Basis of the Recent Appointment	-
Education Background	PhD Anthropology Economics from John Hopkins University in 1983
Work Experience	• Director PT Sarana Menara Nusantara (2020-present) • Senior Advisor Bank Pictet & Cie (Asia) Ltd, Singapore (2019-2021) • Senior Advisor, McKinsey and Company (2019-2021) • Deputy President Director Bank Central Asia [IDX: BBCA] (2011-2019) • President Commissioner Bank Central Asia [IDX: BBCA] (2002-2011) • Deputy President Commissioner Bank OCBC NISP (1998-2006)
Certifications	Risk Management Certification Lv. 1 Commissioner
Concurrent Position	Director of PT Sarana Menara Nusantara (2020-present)
Share Ownership in the Company	None
Hubungan Afiliasi	None

STATEMENT OF INDEPENDENCE OF INDEPENDENT COMMISSIONERS

During their tenure, all Independent Commissioners have fulfilled the independent criteria as regulated in the applicable regulations and have been included in a statement letter signed by each Independent Commissioner.

An Independent Commissioner who has served for two terms of office can be reappointed in the next period as long as the Independent Commissioner declares that he or she remains independent to the GMS. However, since the enactment of OJK Regulation no. 55/POJK.03/2016 concerning the Implementation of Governance for Commercial Banks, there are no Independent Commissioners who have served more than two consecutive terms of office.

DIRECTORS PROFILE

Throughout 2023, there will be one change in the composition and composition of the Board of Directors based on the Resolution of the Extraordinary General Meeting of Shareholders (EGMS) held on January 31, 2023, and until this Annual Report is signed, there will be changes to the composition and composition of the Board of Directors based on the Resolution of the Extraordinary General Meeting of Shareholders (EGMS) held on 24 January 2024. The profile of the Directors who served as of December 31 2023 and who served until the Report This annual signature is as attached below.



Woo Yeul Lee **President Director**	
Age	59 years old
Nationaliity	Republic of Korea
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of EGMS Resolution No.37 dated 25 May 2022 (Period 2022-GMS 2025)
Legal Basis of the Recent Appointment	-
Education Background	• Bachelor's degree in Agricultural Economics from Korea University in 1998 • Master of International Economics from Korea University in 1990
Work Experience	• Senior Executive Vice President & Chief Information Technology Officer KB Financial Group (2020) • Senior Executive Vice President & Chief Human Resource Officer KB Financial Group (2021) • Senior Executive Vice President & Chief Strategy Officer KB Financial Group (2022)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	8,500,000 (0.0045 240%)
Affiliate Relations	None





Robby Mondong Vice President Director	
Age	55 Tahun
Nationaliity	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS Resolution No. 29 dated July 8, 2021 (Period 2021-Year 2024)
Legal Basis of the Recent Appointment	-
Education Background	• Degree in Finance and Banking, National University San Diego CA USA (1992) • MBA Degree in Marketing, Woodbury University Burbank CA USA (1993)
Work Experience	• SEVP Head of Sales and Distribution PT Bank CIMB Niaga Tbk Agustus 2019 – Juni 2021 • EVP Head of Sales and Distribution PT Bank CIMB Niaga Tbk Oktober 2015 - Agustus 2019 • SVP Head of Sales and Distribution PT Bank CIMB Niaga Tbk Juni 2013 - September 2015
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	1,107,000 (0.0005892%)
Affiliate Relations	None

Helmi Fahrudin Director of Operation	
Age	48 years old
Nationaliity	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of resolution of GMS No. 67 dated August 25, 2020 (Period 2021-Year 2025)
Legal Basis of the Recent Appointment	-
Education Background	• Diploma (D-3) in Accounting Economics, STIE Yogyakarta, (1997) • Bachelor's degree in Accounting Economics, Indonesian Christian University, (2003)
Work Experience	• Head of Corporate Strategic Planning Division (Executive Officer) PT Bank Bukopin Tbk, (2018-2019) • Head of SKAI (Executive Officer) PT Bank Bukopin Tbk (2019-2020) • Member of the Supervisory Board, Bank Bukopin Pension Fund (2016-2020)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	482.951 (0,0002570%)
Affiliate Relations	None





Dodi Widjajanto Director	
Age	57 years old
Nationaliity	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS Resolution No. 67 dated 25 August 2020 (Period 2020-GMS 2024)
Legal Basis of the Recent Appointment	-
Education Background	• Bachelor's degree in Economics and Development Studies, Sebelas Maret University, (1990) • Master of Management in Agribusiness, Bogor Agricultural Institute, (2002)
Work Experience	• General Manager Hong Kong Branch Office PT Bank Negara Indonesia (Persero) Tbk Hong Kong Branch Office (2016-2018) • Regional Office Leader, PT Bank Negara Indonesia (Persero) Tbk Palembang Regional Office (2018-2020) • Regional Office Leader, PT Bank Negara Indonesia (Persero) Tbk Bandung Regional Office (2020)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	1.000.088 (0,0005323%)
Affiliate Relations	None

Yohanes Suhardi Director	
Age	58 years old
Nationaliity	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS Resolution No. 29 date 8 July 2021 (Period of 2021-GMS 2024)
Legal Basis of the Recent Appointment	-
Education Background	• Bachelor of Economics, Management, Tarumanegara University (1998) • MBA Degree in Finance Oklahoma University, USA, (1990)
Work Experience	• Commissioner, PT Sahabat Financial Keluarga (2014-2021) • EVP National Head SME Banking, PT Bank Permata Tbk (2013-2021) • SVP National Head SME Credit, PT Bank Permata Tbk (2007-2013) • VP Commercial & Corporate Team Leader, PT Bank OCBC Indonesia (2004-2007)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	574.800 (0,0003059%)
Affiliate Relations	None





Henry Sawali Director	
Age	55 years old
Nationaliity	Indonesia
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS Resolution No. 27 dated 08 December 2021 (Period 2021-GMS 2024)
Legal Basis of the Recent Appointment	-
Education Background	• Bachelor Degree in Finance, California State University – Fresno (1986) • Masters Degree in Business Administration, National University of San Diego USA (1992)
Work Experience	• Head of Commercial and MSME Banking Credit PT Bank CIMB Niaga Tbk (2017-2022) • Senior Manager – SCO for Indonesia PT Bank ANZ Indonesia (2016-2017) • Senior Vice President – Head of Corporate Credit Risk, PT Bank OCBC NISP Tbk (2010-2016)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	200,000 (0.0001064%)
Affiliate Relations	None

Young Eun Moon*) Director of IT	
Age	58 years old
Nationaliity	Republic of Korea
Domicile	Seoul, Korea Selatan
Legal Basis of the First Appointment	Deed of GMS Resolution No. 27 dated 08 December 2021 (Period 2022-GMS 2025)
Legal Basis of the Recent Appointment	-
Education Background	• Bachelor in Public Administration, Yonsei University (1992) • Master of Public Administration Yonsei Unversity, Korea (1993)
Work Experience	• General Manager (Digital Strategy Department KB Kookmin Bank (2018-2019) • General Manager (Future IT Implementatin Department KB Kookmin Bank (2019) • CISO / Managing Director (Information Security Division) KB Kookmin Bank (2020)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	None
Affiliate Relations	None

*) Effective in office as determined by the Bank after fulfilling all requirements stipulated in POJK No. 27/POJK.03/2016; POJK No. 37/POJK.03/2017 and/or other applicable laws and regulations.





Jang Hyuk Im *) Direktur	
Age	48 years old
Nationaliity	Republic of Korea
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of Extraordinary GMS Decision No. 57 dated January 24, 2024 (Period 2024-GMS 2027)
Legal Basis of the Recent Appointment	-
Education Background	Master of Business Administration, Korea Advanced Institute of Science and Technology (2002)
Work Experience	• Director, Real Estate Finance Department.2, KB Securities Co., Ltd 2021-2023) • Team Head, Financial Planning Department, KB Financial Group (2016-2021) • Senior Vice President, Strategic Planning Department, Hyundai Securities (2014-2016)
Work Experience	-
Concurrent Position	None
Share Ownership in KB Bank	None
Affiliate Relations	None

*) Appointed as Director of the Bank as of 24 January 2024, and will be effective as determined by the Bank after fulfilling all the requirements stipulated in POJK No. 27/POJK.03/2016; POJK No. 37/POJK.03/2017 and/or other applicable laws and regulations.

Jung Ho Han*) Direktur	
Age	52 years old
Nationaliity	Republic of Korea
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of Extraordinary GMS Decision No.77 dated January 31, 2023 (2023 Period- GMS of 2026)
Legal Basis of the Recent Appointment	-
Education Background	Master of Science Management Engineering, Korea Advanced Institute of Science and Technology (2002)
Work Experience	• Chief Financial Officer / General Manager, KB Securities Co., Ltd. 2017-2022) • Team Leader / Associate, KB Financial Group Inc. (2008-2017) • Associate of Strategic Planning Department / Branch, KB Kookmin Bank (1999-2006)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	None
Affiliate Relations	None

*) Appointed as Director of the Bank as of January 31, 2023 and effectively served as determined by the Bank after fulfilling all the requirements stipulated in POJK No. 27/POJK.03/2016; POJK No. 37/POJK.03/2017 and/or other applicable laws and regulations.





Jim Bum Kim* Director	
Age	54 years old
Nationaliity	Republic of Korea
Domicile	Seoul, Republic of Korea
Legal Basis of the First Appointment	Deed of GMS Resolution No. 70 Dated 29 March 2022 (Period 2022-GMS 2025)
Legal Basis of the Recent Appointment	-
Education Background	• Bachelor in Economics, Hankuk University of Foreign Studies (1996) • MBA Finance & Investment George Washington University, USA (1998)
Work Experience	• Deputy General Manager of Corporate Banking KB Kookmin Bank in Jongro Branch (2018) • Team Head of Corporate Banking in Branch KB Kookmin Bank (2021) • General Manager, Global Business Department KB Kookmin Bank (2022)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	None
Affiliate Relations	None

*) No longer serves as Bank Director as of January 31, 2023

Seng Hyup Shin*) Director of Finance	
Age	53 years old
Nationaliity	South Korea
Domicile	Jakarta, Indonesia
Legal Basis of the First Appointment	Deed of GMS Resolution No. 67 dated 25 August 2020 (2020 Fiscal Year Period-2024 Extraordinary GMS)
Legal Basis of the Recent Appointment	-
Education Background	• Bachelor of Administration in Administration, KyungPook National University (1995) • Master of Administration in Administration, KyungPook National University (1997)
Work Experience	• Team Manager, KB Financial Group (2014-2016) • Senior Deputy General Manager, KB Financial Group (2017) • General Manager, KB Financial Group (2018- 2020)
Work Experience	Level 5 Risk Management Certification
Concurrent Position	None
Share Ownership in KB Bank	2,300,000 (0.0012241%)
Affiliate Relations	None

*) No longer serves as Finance Director as of 24 January 2024, due to being appointed as Bank Commissioner as of 24 January 2024

PROFILE OF SENIOR EXECUTIVE OFFICERS



LILIK PANGESTU
CHIEF DIVIWION SAM I

Age: 58 years old
Domicile: Jakarta
In office since: 1 October 2023
Last education: Postgraduate Master's Degree
University: National University



IRAWAN BARNAS
HEAD OF WHOLESALE DIVISION SAM II

Age: 50 years old
Domicile: Jakarta
In office since: 1 October 2023
Last education: Bachelor's degree
University : Padjadjaran University



BUDHI DHARMA
HEAD OF WHOLESALE DIVISION SAM III

Age: 51 years old
Domicile: Jakarta
In office since: 16 September 2020
Last education: Postgraduate Master's Degree
University: Bogor Agricultural Institute



DRS. RIDWAN W. JULIANTO
HEAD OF SME DIVISION SAM IV

Age: 56 years old
Domicile: Jakarta
In office since: 28 August 2023
Last education: Bachelor's degree
University: Padjadjaran University



HANDOJO WIDODO
HEAD OF RETAIL DIVISION SAM V

Age: 58 years old
Domicile: Jakarta
In office since: 29 September 2023
Last education: Bachelor's degree
University: University of Surabaya



HAN MING
PLT. HEAD OF CREDIT GUARANTEE DIVISION
Age: 39 years old
Domicile: Jakarta
In office since: 1 October 2023
Last education: Bachelor's degree
University: Maranatha Christian University



GAMARIDHA AKHIRUL AR
PLT. HEAD OF HUMAN CAPITAL DIVISION

Age: 42 years old
Domicile: Jakarta
In office since: 27 February 2023
Last education: Postgraduate Master's Degree
University: Parahyangan Catholic University



ROBY ENDRAMA PURBA
HEAD OF INTERNAL AUDIT DIVISION

Age: 43 years old
Domicile: South Tangerang, Banten
In office since: 01 Feb 2022
Last education: Bachelor's degree
University: Airlangga University



STEVEN EDWARD RIRIHENA
SALES DISTRIBUTION DIVISION HEAD

Age: 43 years old
Domicile: Jakarta
In office since 1 November 2023
Last education: Bachelor's degree
Univ: Sanata Dharma University



FEISEL MARTHA
WHOLESALE BUSINESS DIVISION HEAD
Age: 57 years old
Domicile: Jakarta
In office since: 1 September 2021
Last education: Postgraduate Master's Degree
Univ: Institute of Business Law and Management



TUTWURI ANGGARWANI. K
INTERNAL CONTROL DIVISION HEAD

Age: 49 years old
Domicile: Jakarta
In office since: 1 December 2020
Last education: Bachelor's degree
Univ: Pancasila University



ZICO HERNAWAN
CONSUMER PRODUCT DIVISION HEAD

Age: 39 years old
Domicile: East Jakarta
In office since: 1 Jul 2022
Last education: Postgraduate Master's Degree
Univ: Bogor Agricultural Institute



HUSNUL KHATIMAH
PLT. MSME PRODUCT & BUSINESS SUPPORT DIVISION HEAD

Age: 44 years old
Domicile: Jakarta
In office since: 23 June 2023
Last education: Bachelor's degree
Univ: Bandung Institute of Technology



AGUSTINUS IWAN CHRISTANTO
CORPORATE STRATEGY DIVISION HEAD

Age: 53 years old
Domicile: Jakarta
In office since 16 September 2020
Last education: Postgraduate Master's Degree
Univ: Airlangga University, Surabaya



HARIS BUDIMAN
IT DEVELOPMENT DIVISION HEAD

Age: 41 years old
Domicile: Jakarta
In office since 16 September 2020
Last education: Postgraduate Master's Degree
Univ: Bogor Agricultural Institute



DICKY PRIHANTANA SAR
SERVICE TRANSACTION DIVISION HEAD

Domicile: Jakarta
In office since 16 September 2020
Last education: Postgraduate Master's Degree
Univ: Lambung Mangkurat University



I GUSTI AYU N. RAI
REGIONAL HEAD I

Age: 47 years old
Domicile: Jakarta
In office since 1 October 2021
Last education: Bachelor's degree
Univ: Univ. Catholic Eidya Mandala Surabaya



DAVID SURYANA DIPUTRA
REGIONAL HEAD II

Age: 52 years old
Domicile: Semarang
In office since 1 November 2023
Last education: Bachelor's degree
Univ: Ibek Pangkal Pinang College of Economics, Gerunggang



VICTOR PANDAPOTAN MARPAUNG
REGIONAL HEAD III

Age: 49 years old
Domicile: Medan
In office since 27 February 2023
Last education: Postgraduate Master's Degree
Univ: Prasetiya Mulya University



DIDI SUDIRA
REGIONAL HEAD IV

Age: 49 years old
Domicile: Surabaya
In office since 1 November 2023
Last education: Bachelor's degree
Univ: YPKP College of Economics, Bandung



EKO BRAMANTYO
FINANCE DIVISION HEAD

Age: 50 years old
Domicile: East Jakarta
In office since 16 Nov 2022
Last education: Postgraduate Master's Degree
Univ: Gadjah Mada University Yogyakarta



KANGHYEON LEE
DIGITAL DEVELOPMENT & SOLUTION DEPARTMENT HEAD
Age: 43 Years
Domicile: Jakarta
In office since 1 October 2022
Last education is Bachelor of Business Administration
Univ: Hanyang University

EMPLOYEE DEMOGRAPHICS

As of 31 December 2023, KB Bank has 2,618 employees, a decrease of 22.41% compared to the number of employees as of 31 December 2022 which was 3,374 employees. This decrease was more caused by office closures and employee resignations at their own request.

Number of Employees by Organizational Level

Table of Number of Employees by Organizational Level for the 2022-2023 Period (in person units)

Organization Level	2023				2022			
	Male	Female	Total	%	Male	Female	Total	%
Division Head EVP SVP	15	2	17	0.65%	10	3	13	0,39%
Regional Head SVP REG BISNIS	3	1	4	0.15%	5	1	6	0,18%
Dept Head VP	53	10	63	2.41%	51	8	59	1,75%
Branch Manager	29	6	35	1.34%	51	6	57	1,69%
Manager	296	122	418	1.34%	325	131	456	13,52%
Coordinator	108	112	220	8.40%	142	145	287	8,51%
Officer	430	317	747	28.53%	590	408	998	29,58%
Clerical	570	544	1.114	42.55%	680	801	1.481	43,89%
Non Staff	0	0	0	0	17	0	17	0,50%
Total	1.504	1.114	2.618	100,00%	1.871	1.503	3.374	100,00%

Number of Employees based on Education Level

Table of Number of Employees by Education Level for the 2022-2023 Period (in person units)

Level of Education	2023				2022			
	Male	Female	Total	%	Male	Female	Total	%
SENIOR HIGH SCHOOL	8	6	14	0.53%	34	15	49	1,45%
Diploma – Bachelor	1.375	1.057	2.432	92.90%	1.727	1.448	3.175	94,10%
Postgraduate – Doctorate	121	51	172	6.57%	110	40	150	4,45%
Total	1.504	1.114	2.618	100,00%	1.871	1.503	3.374	100,00%

Number of Employees based on Employment Status

Table of Number of Employees based on Employment Status for the 2022-2023 Period (in person units)

Employment Status	2023				2022			
	Male	Female	Total	%	Male	Female	Total	%
Permanent Employees	1.247	917	2.164	82.66%	1.597	1.236	2.833	83,97%
Permanent Employees (Contract)	257	197	454	17.34%	274	267	541	16,03%
Total	1.504	1.114	2.618	100,00%	1.871	1.503	3.374	100,00%

Number of Employees by Age Range

Table of Number of Employees by Age Range for the 2022-2023 Period (in person units)

Age Range	2023				2022			
	Male	Wanita	Total	%	Male	Female	Total	%
20-24 years old	73	100	173	6.61%	54	92	146	4,33%
25-29 years old	258	322	580	22.15%	330	460	790	23,41%
30-34 years old	386	264	650	24.83%	490	390	880	26,08%
35-39 years old	341	188	529	20.21%	431	246	677	20,07%
40-44 years old	238	142	380	14.51%	299	176	475	14,08%
45-49 years old	123	79	202	7.72%	155	102	257	7,62%
50-54 years old	75	18	93	0.04%	95	22	117	3,47%
>55 years old	10	1	11	0.004%	17	15	32	0,95%
Total	1.504	1.114	2.618	100,00%	1.871	1.503	3.374	100,00%

Number of Employees based on Years of Service

Table of Number of Employees based on Years of Service for the 2022-2023 Period (in person units)

Years of Service	2023				2022			
	Male	Female	Total	%	Male	Female	Total	%
<5 years	576	508	1.084	41.41%	657	680	1.337	39,63%
5-10 years	370	241	611	23.34%	588	404	992	29,40%
> 10-15 years	299	161	460	17.57%	314	160	474	14,05%
>15-20 years	133	106	239	9.13%	162	137	299	8,86%
>20-25 years	77	66	143	5.46%	96	86	182	5,39%
>25-30 years	35	23	58	2.22%	30	15	45	1,33%
>30 years	14	9	23	0.88%	24	21	45	1,33%
Total	1.504	1.114	2.618	100,00%	1.871	1.503	3.374	100,00%

> **A complete description of the management and development of Bank's Individuals is presented in full in the Business Support Functions Chapter of this Annual Report**

INFORMATION OF SHAREHOLDERS COMPOSITION

KB Bank Share Ownership as of 1 January 2023

Share Ownership	Number of Shareholder	Number of Shares	Ownership Percentage %
NATIONAL INVESTOR			
Indonesian Individuals	75.636	14.316.482.238	21,08%
Cooperatives	30	906.878.839	1,33%
Foundation	2	2.390.800	0,00%
Pension Fund	11	11.439.691	0,01%
Insurance	4	4.358.399	0,00%
Bank	2	19.622.220	0,02%
Limited Company	133	3.141.237.366	4,62%
Govermnet Institution	1	53.156.000	0,07%
Mutual Funds	4	5.400.066	0,00%
SUBTOTAL	75.823	18.461.005.589	27,19%
FOREIGN INVESTOR			
Foreign Individuals	90	74.567.295	O,10%
Foreign Corporation	98	49.351.967.294	72,80%
SUBTOTAL	188	49.426.534.589	72,81%
TOTAL	76.011	67.877.540.178	100%

KB Bank Share Ownership as of 31 December 2023

Share Ownership	Number of Shareholder	Number of Shares	Ownership Percentage %
NATIONAL INVESTOR			
Indonesian Individuals	73.808	18.642.139.484	9,92%
Cooperatives	30	905.628.839	0,48%
Foundation	3	4.621.314	0,00%
Pension Fund	9	18.236.042	0,01%
Insurance	4	11.702.999	0,01%
Bank	2	19.662.220	0,01%
Limited Company	145	4.412.078.401	2,35%
Govermnet Institution	4	35.541.900	0,02%
SUBTOTAL	74.005	24.049.611.199	12,80%
FOREIGN INVESTOR			
Foreign Individuals	83	119.260.685	0,06%
Foreign Corporation	97	163.718.667.986	87,14%
SUBTOTAL	180	163.837.928.671	87,20
TOTAL	74.185	187.887.539.870	100%

COMPOSITION OF THE 20 LARGEST SHAREHOLDERS

Composition of the 20 Largest Shareholders of KB Bank as of 1 January 2023

Shareholders' Name	Number of Shares	Percentage of Ownership	Status
Kookmin Bank Co., Ltd.	45.484.861.813	67,00%	Foreign Corporation
PT Jasa Investindo	1.164.017.200	1,71%	Limited Company
Bank of Singapore Limited	947.805.600	1,39%	Foreign Corporation
PT Perusahaan Pengelola Aset (Persero)	678.875.412	1,00%	Limited Company
Koperasi Perkayuan APKINDO - MPI (KOPKAP INDO)	460.783.125	0,67%	Cooperative
General Resources Asia Limited	436.038.500	0,64%	Foreign Corporation
New Luck Holdings Limited	432.195.995	0,63%	Foreign Corporation
JPMCB NA RE - VANGUARD EMERGING MARKETS	379.082.900	0,55%	Foreign Corporation
PPA Investasi Efek (AFS)	360.093.219	0,53%	Perseroan Terbatas
Koperasi Simpan Pinjam Jasa	347.476.000	0,51%	Koperasi
JPMCB NA RE-VANGUARD TOTAL INTERNATIONAL	347.224.881	0,51%	Foreign Corporation
Nurwati B.	194.290.600	0,28%	Indonesian individual
PT Oentung Karya Bersama	172.279.156	0,25%	Limited Company
Alex Lissan	172.150.000	0,25%	Indonesian individual
Heru Budihartono	170.440.900	0,25%	Indonesian individual
Eddy Hutarso	153.647.900	0,22%	Indonesian individual
Diana Sumawi	149.000.000	0,21%	Indonesian individual
JPMCB NA RE-VANGUARD FIDUCIARY TRUST COMPANY	138.459.459	0,20%	Foreign Corporation
Citibank New York S/A Emerging Markets Core Equity Portfolio Of DFA INV Dimension	134.869.788	0,19%	Foreign Corporation
PT Belian Tambang Indonesia	115.518.500	0,17%	Limited Company

Composition of the 20 Largest Shareholders of KB Bank as of 31 December 2023

Shareholders' Name	Number of Shares	Percentage of Ownership	Status
Kookmin Bank Co., Ltd.	125.655.736.951	66,88%	Foreign Corporation
STIC Eugene Star Holding Inc	31.900.000.000	16,98%	Foreign Corporation
PT Jasa Investindo	1.164.017.200	0,62%	Limited Company
JPMCB NA RE - Vanguard Emerging Markets Stock Index Fund	1.049.160.910	0,56%	Foreign Corporation
Bank of Singapore Limited	947.805.600	0,50%	Foreign Corporation
JPMCB NA RE-Vanguard Total International Stock Index Fund	939.060.826	0,50%	Foreign Corporation

Composition of the 20 Largest Shareholders of KB Bank as of 31 December 2023

Shareholders' Name	Number of Shares	Percentage of Ownership	Status
PT Perusahaan Pengelola Aset (Persero)	678.875.412	0,35%	Limited Company
KB Finansia Multi Finance, PT	540.000.000	0,29%	Limited Company
Koperasi Perkayuan APKINDO-MPI (KOPKAP INDO)	460.783.125	0,25%	Cooperative
JPMCB NA RE-Vanguard Fiduciary Trust Company Institutional Total International	443.073.760	0,24%	Foreign Corporation
General Resources Asia Limited	436.038.500	0,23%	Foreign Corporation
New Luck Holdings Limited	432.195.995	0,23%	Foreign Corporation
Heru Budihartono	370.440.900	0,20%	Indonesian individual
PPA Investasi Efek (AFS)	360.093.219	0,19%	Limited Company
KB Valbury Sekuritas, PT	360.000.000	0,19%	Limited Company
Koperasi Simpan Pinjam Jasa	347.476.000	0,18%	Cooperative
JPMCB NA RE - Blackrock INST TR CO N A Investment FDS For Employee Benefit Trust	305.864.844	0,16%	Foreign Corporation
BNYM RE VANGUARD FTSE ALL-WRLD EX-US SML	279.239.673	0,15%	Foreign Corporation
Alex Lissan	217.500.000	0,12%	Indonesian individual
DRH. Allen Marbun	200.338.986	0,11%	Indonesian individual

COMPOSITION OF SHAREHOLDERS WITH SHARE OWNERSHIP OF 5% OR MORE

Composition of Shareholders with Ownership of 5% or More of Bank Shares as of 1 January 2023

Shareholders' Name	Number of Shares	Percentage of Ownership	Status
Kookmin Bank Co., Ltd.	45.484.861.813	67,00%	Foreign Corporation

Shareholders' Name	Number of Shares	Percentage of Ownership	Status
Kookmin Bank Co., Ltd.	125.655.736.951	66,88%	Foreign Corporation
STIC Eugene Star Holdings Inc.	31.900.000.000	16,98%	Foreign Corporation

COMPOSITION OF SHAREHOLDERS WITH OWNERSHIP LESS THAN 5%

Composition of Shareholders with Ownership of Less than 5% of Bank Shares as of 1 January 2023

Shareholders	Number of Shareholders	Number of Shares	Percentage of Ownership %
Indonesian Individual	75,636	14.316.482.238	21,08%
Cooperatives	30	906.878.839	1,33%
Foundation	2	2.390.800	0,00%
Pension Fund	11	11.439.691	0,01%
Insurance	4	4.358.399	0,00%
Bank	2	19.622.220	0,02%
Limited Company	133	3.141.237.336	4,62%
Government Institution	1	53.156.000	0,07%
Mutual Funds	4	5.400.066	0,00%
Sub Total	75,823	18.461.005.589	27,13%
FOREIGN			
Foreign Individuals	90	74.567.295	0,10%
Foreign Corporations	97	3,867,105,481	5,80%
Sub total	187	3,941,672,776	5,90%
Total	76,010	22,402,678,365	33%

Composition of Shareholders with Ownership of Less than 5% of Bank Shares as of 31 December 2023

Shareholders	Number of Shareholders	Number of Shares	Percentage of Ownership %
Indonesian Individual	73.808	18.642.139.484	9,92%
Cooperatives	30	905.628.839	0,48%
Foundation	3	4.621.314	0,00%
Pension Fund	9	18.236.042	0,01%
Insurance	4	11.702.999	0,01%
Bank	2	19.662.220	0,01%
Limited Company	145	4.412.078.401	2,35%
Government Institution	4	35.541.900	0,02%
Sub Total	74.005	24.049.611.199	12,80%
FOREIGN			
Foreign Individuals	83	119.260.685	0,06%
Foreign Corporation	95	6.162.931.035	3,28%
Sub total	178	6.282.191.720	3,34%
Total	74.183	30.331.802.919	16,14%

SHARE OWNERSHIP OF THE BOARD OF COMMISSIONERS AND DIRECTORS

Share Ownership by Members of the Bank's Board of Commissioners and Directors as of 1 January 2023

Shareholders Name	Position	Number of Share	Percentage of Ownership %
Helmi Fahrudin	Director	174.500	0,0002570
Yohanes Suhardi	Director	207.700	0,0003059

Kepemilikan Saham oleh Anggota Dewan Komisaris dan Direksi Bank per 31 Desember 2023

Shareholders Name	Position	Number of Share	Percentage of Ownership %
Woo Yeul Lee	President Director	8.500.000	0,00452
Robby Mondong	Vice President Director	1.107.000	0,00058
Helmi Fahrudin	Director	482.951	0,00025
Yohanes Suhardi	Director	574.800	0,00030
Seng Hyup Shin	Director	2.300.000	0,00122
Dodi Widjajanto	Director	1.000.088	0,00053
Henry Sawali	Director	200.000	0,00010

PURCHASE/SALES OF SHARES FOR THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

In accordance with Financial Services Authority Regulation no. 11/POJK.04/2017 regarding Ownership Reports or Any Changes in Ownership of Public Company Shares, each member of the Board of Commissioners and Directors is required to submit information to the Bank regarding ownership and any changes in ownership of Bank shares. Meanwhile, in 2023, the Bank has reported 16 (sixteen) purchase and/or sale transactions of Bank shares owned by the Board of Directors, with the following details:

No	Name	Position	Transaction	Number of Shares Before Transaction (shares)	Number of Purchases/ Sales (shares)	Share Price (IDR)	Number of Shares After Transaction (shares	Transaction Date	Reporting
1	Dodi Widjajanto	Director	Purchase	0	100.000	114	100.000	5 January 2023	It has been reported to OJK via Letter No. 00452/SKPR/I/2023 dated 11 January 2023.
2	Dodi Widjajanto	Director	Purchase	100.000	200.000	114	300.000	9 January 2023	It has been reported to OJK via Letter No. 00452/SKPR/I/2023 dated 11 January 2023.
3	Henry Sawali	Director	Purchase	0	100.000	122	100.000	1 February 2023	It has been reported to OJK via Letter No. 02124/SKPR/II/2023 dated 2 February 2023.
4	Henry Sawali	Director	Purchase	100.000	100.000	123	200.000	1 February 2023	It has been reported to OJK via Letter No. 02124/SKPR/II/2023 dated 2 February 2023.
5	Woo Yeul Lee	President Director	Purchase	0	2.500.000	119	2.500.000	1 March 2023	It has been reported to OJK via Letter No. 03512/SKPR/III/2023 dated 6 March 2023.

No	Name	Position	Transaction	Number of Shares Before Transaction (shares)	Number of Purchases/ Sales (shares)	Share Price (IDR)	Number of Shares After Transaction (shares	Transaction Date	Reporting
6	Robby Mondong	Vice President Director	Purchase	0	400.000	112	400.000	6 March 2023	It has been reported to OJK via Letter No. 03552/SKPR/III/2023 dated 7 March 2023.
7	Seng Hyup Shin	Director	Purchase	0	800.000	102	800.000	15 May 2023	It has been reported to OJK via Letter No. 06332/SKPR/V/2023 dated 23 May 2023.
8	Yohanes Suhardi	Director	Purchase	207.700	367.100	100	574.800	23 May 2023	It has been reported to OJK via Letter No. 06512/SKPR/V/2023 dated 26 May 2023.
9	Robby Mondong	Vice President Director	Purchase	400.000	707.000	100	1.107.000	23 May 2023	It has been reported to OJK via Letter No. 06561/SKPR/V/2023 dated 29 May 2023.
10	Woo Yeul Lee	President Director	Purchase	2.500.000	4.419.073	100	6.919.073	25 May 2023	It has been reported to OJK via Letter No. 06580/SKPR/V/2023 dated 29 May 2023.
11	Seng Hyup Shin	Director	Purchase	800.000	1.414.103	100	2.214.103	25 May 2023	It has been reported to OJK via Letter No. 06575/SKPR/V/2023 dated 29 May 2023.
12	Helmi Fahrudin	Director	Purchase	174.500	308.451	100	482.951	26 May 2023	It has been reported to OJK via Letter No. 06579/SKPR/V/2023 dated 29 May 2023.
13	Dodi Widjajanto	Director	Purchase	300.000	530.288	100	830.288	26 May 2023	It has been reported to OJK via Letter No. 06578/SKPR/V/2023 dated 29 May 2023.
14	Dodi Widjajanto	Director	Purchase	830.288	169.800	101	1.000.088	26 May 2023	It has been reported to OJK via Letter No. 06578/SKPR/V/2023 dated 29 May 2023.
15	Seng Hyup Shin	Director	Purchase	2.214.103	85.897	100	2.300.000	30 May 2023	It has been reported to OJK via Letter No. 06777/SKPR/VI/2023 dated 5 June 2023.
16	Woo Yeul Lee	President Director	Purchase	6.919.073	1.580.927	100	8.500.000	30 May 2023	It has been reported to OJK via Letter No. 06730/SKPR/VI/2023 dated 5 June 2023.

SHARE LISTING AND/OR ISSUANCE CHRONOLOGY

Share Listing and/or Issuance Chronology

No.	Date	Corporate Action	Price Nominal (IDR)	Offering Price (IDR)	Published Shares Amount	Issued and Paid-Up Capital		
						Stock Amount	Total Nominal Vale (IDR)	Total Offering Price
1	30 June 2006	iInitial Public Offering	100	350	843.765.500	5.603.765.550	84.376.550.000	295.317925.000
2	30 exchange days since 10 July 2007	MSOP	100	370	47.864.000	5.651.629.550	47.864.000.000	17.709.680.000
3	30 exchange days since 1 November 2007	MSOP	100	370	39.370.500	5.691.000.050	39.370.500.000	14.567.085.000
4	30 exchange days since 10 July 2008	MSOP	100	370	740.500	5.691.740.550	740.500.000	273.985.000
5	30 exchange days since 1 November 2008	MSOP	100	370	780.500	5.692.521.050	780.500.000	288.785.000
6	30 exchange days since 10 July 2009	MSOP	100	370	7.156.500	5.699.677550	7.156.500.000	2.647905.000
7	30 exchange days since 1 November 2009	MSOP	100	370	1.092.000	5.700.769.550	1.092.000.000	404.040.000
8	26 November 2009	Limited Public Offering (PUT) I	100	415	286.050.768	5.986.820.318	28.605.076.800	118.711.068.720
9	30 exchange days since 10 July 2010	MSOP	100	370	129.687500	6.116.507.818	129.687500.000	47.984.375.000
10	30 exchange days since 1 November 2010	MSOP	100	370	16.254.500	6.132.762.318	16.254.500.000	6.014.165.000
11	26 January 2011	Limited Public Offering (PUT) II	100	520	1.787.960.495	7.920.722.813	178.796.049.500	929.739.457.400
12	30 exchange days since 10 July 2011	MSOP	100	370	12.705.000	7.933.427.813	12.705.000.000	4.700.850.000

Share Listing and/or Issuance Chronology

No.	Date	Corporate Action	Price Nominal (IDR)	Offering Price (IDR)	Published Shares Amount	Issued and Paid-Up Capital		
						Stock Amount	Total Nominal Vale (IDR)	Total Offering Price
13	30 exchange days since 01 November 2011	MSOP	100	370	269.000	7.933.696.813	269.000.000	99.530.000
14	30 exchange days since 10 July 2012	MSOP	100	370	14.346.000	7.948.042.813	14.346.000.000	5.308.020.000
15	30 exchange days since 1 November 2012	MSOP	100	370	680.500	7.948.723.313	680.500.000	251.785.000
16	30 exchange days since 2 January 2013	MSOP	100	370	352.500	7.949.075.813	352.500.000	130.425.000
17	30 exchange days since 25 May 2013	MSOP	100	370	9.954.500	7.959.030.313	9.954.500.000	3.683.165.000
18	7 January 2014	Limited Public Offering (PUT) III	100	660	1.106.252.141	9.065.282.454	110.625.214.100	730.126.413.000
19	27 July 2018	Limited Public Offering (PUT) IV	100	570	2.565.288.316	11.651.908.748	256.528.831.600	1.462.214.340.120
20	30 July 2020	Limited Public Offering (PUT) V	100	180	4.660.763.499	16.312.672.247	466.076.349.900	838.937.429.820
21	21 September 2020	Private Placement	100	190	16.360.578.947	32.673.251.194	1.636.057.894.700	3.108.509.999.930
22	2 December 2021	Limited Public Offering (PUT) VI	100	200	35.214.288.984	67.887.540.178	7.000.000.000.000	7.042.857.796.800
23	4 May 2023	Limited Public Offering (PUT) VII	100	100	119.999.999.692	187.887.539.870	18.999.999.969.200	11.999.999.969.200

Chronology of Share Issuance

In July 2006, the Bank conducted an Initial Public Offering of 843,765,500 Series B shares with a nominal value of IDR 100 (full value) per share with a selling price of IDR 350 (full value) per share to the public through the capital market in accordance with statutory provisions. applicable. This Initial Public Offering of Series B shares to the public has received an effective statement

from BAPEPAMLK through letter No. S-825/BL/2006 dated 30 June 2006. The shares offered began trading on the Indonesia Stock Exchange on 10 July 2006 and at the same time 99% of the Bank's shares were also listed. All class A shares of 0.31% and class B shares of 0.69% owned by Kopelindo and Kopkapindo respectively were proportionally not listed in order to comply with government regulations.

On 26 October 2009, the Bank submitted a Registration Statement in connection with the Limited Public Offering I to BAPEPAM-LK via letter No. 7548/DIR/X/2009 in the context of issuing Pre-emptive Rights (HMETD) to shareholders. The shares offered are 286,050,768 new class B ordinary shares ("New Shares") with a nominal value of IDR 100 (full value) per share with an offering price of IDR 415 (full value) per share. The Bank obtained an effective statement from BAPEPAMLK to conduct Limited Public Offering I through letter No. S-10319/ BL/2009 dated 26 November 2009. On 26 November 2009, the Bank held an Extraordinary General Meeting of Shareholders to approve the implementation of Limited Public Offering I for the purpose of issuing HMETD. Limited Public Offering I was held from 4 December 2009 to 10 December 2009. The amount of funds obtained from the Limited Public Offering I amounted to IDR 118.71 billion (for 286,050,768 class B ordinary shares), of which IDR 62.95 billion (for 151,699,698 class B ordinary shares) were obtained from the public and IDR 55.76 billion (for 134,351,070 class B ordinary shares) were obtained from the All Indonesia Bulog Employees Cooperative (Kopelindo) and the Bulog Bina Sejahtera Warga Foundation (Yabinstra) who acted as buyers standby buyers with respective proportions of 89.83% and 10.17%. The funds obtained from the Limited Public Offering I were received by the Bank in December 2009.

On December 20 2010, the Bank submitted a Registration Statement in connection with the Limited Public Offering II to BAPEPAM-LK via letter No. 11754/DIR/XII/2010 in the context of issuing Pre-emptive Rights (HMETD) to shareholders. The shares offered are 2,051,366,765 new class B ordinary shares ("New Shares") with a nominal value of IDR 100 (full value) per share with an offering price of IDR 520 (full value) per share.

The Bank obtained an effective statement from BAPEPAM-LK to conduct Limited Public Offering II through letter No. S-771/ BL/2011 dated 26 January 2011. On 26 January 2011, the Bank held an Extraordinary General Meeting of Shareholders to approve the implementation of Limited Public Offering II for the purpose of issuing HMETD. Limited Public Offering II was held on 10 February 2011-17 February 2011. The amount of funds obtained from the Limited Public Offering II amounted to IDR 929.74 billion (for 1,787,960,495 class B ordinary shares), of which IDR 921.10 billion (for 1,771 ,342,921 class B ordinary shares) were obtained from the public and Rp. 8.6 billion (for 16,617,574 class B ordinary shares) were obtained from the Bank Bukopin Jakarta Employee Cooperative (KKBJ) and the Indonesian Fisheries Cooperative Parent (IKPI). The funds obtained from the Limited Public Offering II were received by the Bank in February 2011.

On 28 October 2013, the Bank submitted a Registration Statement in connection with the Limited Public Offering III to the Financial Services Authority via letter No. 13308/ DIR/X/2013 in the context of issuing Pre-emptive Rights (HMETD) to shareholders. The shares offered are a maximum of 2,659,505,614 new class B ordinary shares ("New Shares") with a nominal value of IDR 100 (full value) per share with an offering price of IDR 660 (full value) per share. The Bank obtained an effective statement from the Financial Services Authority to conduct Limited Public Offering III through letter No. S-424/D.04/2013 dated 12 December 2013. On 11-13 December 2013, the Bank held an Extraordinary General Meeting of Shareholders to approve the implementation of Limited Public Offering III for the issuance of HMETD. Limited Public Offering III was held on 30 December 2013-7 January 2014.

The amount of funds obtained from the Limited Public Offering III was IDR 730.13 billion (for 1,106,252,141 class B ordinary shares), of which IDR 9.29 billion (for 14,076,556 class B ordinary shares) was obtained from the public, amounting to IDR 343 .41 billion (for 520,319,150 class B ordinary shares) was obtained from the Indonesian Bulog Employees Cooperative (Kopelindo) and IDR 377.42 billion (for 571,856,435 class B ordinary shares) from PT Bosowa Corporindo. The funds obtained from this Limited Public Offering III have been received by the Bank up to 31 December 2013 amounting to IDR 587.49 billion and up to 9 January 2014 amounting to IDR 730.13 billion.

On 4 May 2018, the Bank submitted a Registration Statement in connection with the Limited Public Offering IV to the Financial Services Authority via letter No. 06529/ DIR/V/2018 in the context of issuing Pre-emptive Rights (HMETD) to shareholders. The shares offered are a maximum of 2,565,288,316 new class B ordinary shares ("New Shares") with a nominal value

of IDR 100 (full value) per share with an offering price of IDR 570 (full value) per share. The Bank obtained an effective statement from the Financial Services Authority to conduct Limited Public Offering IV through letter No. S-92/D.04/2018 dated 29 June 2018.

On 22 May 2018, the Bank held an Annual General Meeting of Shareholders to approve the implementation of Limited Public Offering IV for the purpose of issuing HMETD. Limited Public Offering IV was held on 13 July 2018-25 July 2018. The amount of funds obtained from the Limited Public Offering IV amounted to IDR 1,462 billion, of which IDR 1,460 billion was obtained from KB Kookmin Bank as a standby buyer, amounting to IDR 1 .3 billion was obtained from the public. The funds obtained from this Limited Public Offering IV have been received by the Bank until 25 July 2018 amounting to IDR 1,462,214,340,120.
On 24 October 2019, the Bank held an Extraordinary General Meeting of Shareholders to approve the implementation of Limited Public Offering V with Pre-emptive Rights. The shares offered are a maximum of 4,660,763,499 new class B ordinary shares ("New Shares") with a nominal value of IDR 100 (full value) per share and an offering price of IDR 180 (one hundred and eighty Rupiah) per share. The amount of the Limited Public Offering V is IDR 838,937,429,820 (eight hundred thirty-eight billion nine hundred thirty-seven million four hundred twenty-nine thousand eight hundred and twenty Rupiah) and has been listed on the IDX ("PUT V").

On 25 August 2020, the Bank held an Extraordinary General Meeting of Shareholders to approve the implementation of Capital Increases Without Pre-emptive Rights ("PMTHMETD"). Furthermore, on 2 September 2020, the Company issued PMTHMETD of 16,360,578,947 (sixteen billion three hundred sixty million five hundred seventy eight thousand nine hundred forty seven) class B shares with a nominal value of Rp. 100 (one hundred Rupiah) per share with offering price IDR 190 (one hundred and ninety Rupiah) per share. The amount of PMTHMETD is IDR 3,108,509,999,930 (three trillion one hundred eight billion five hundred nine million nine hundred ninety-nine thousand nine hundred and thirty Rupiah) and has been listed on the IDX.

On 8 November 2021, the Bank received an Effective Statement regarding Limited Public Offering (PUT) VI from the Financial Services Authority (OJK). PUT VI itself has issued 35,214,288,984 new class B ordinary shares ("New Shares") with a nominal value of IDR 100 (one hundred) per share.

On 30 November 2022, the Bank held an Extraordinary General Meeting of Shareholders to approve the implementation of Capital Increases using the Pre-emptive Rights (HMETD) scheme, by issuing a maximum of 120,000,000,000 (one hundred and twenty billion) Class B Shares with a nominal value of IDR 100 .00 (one hundred Rupiah) per share.

Then in 2023, the Bank submitted a Registration Statement in connection with Limited Public Offering VII (PUT VII) in the context of issuing Pre-emptive Rights (HMETD) to the Financial Services Authority (OJK) in Jakarta with letter No. 02441/DIR/II/2023 dated 10 February 2023. The Bank has obtained approval regarding the PUT VII plan as stated in the Deed of Meeting Decision Statement No. 109 dated 30 November 2022, made before Aulia Taufani, S.H., Notary in the Administrative City of South Jakarta (Deed No. 109/2022), which essentially approved the Bank's plan to carry out LPO VII by granting Pre-emptive Rights, by issuing class B shares up to a maximum of 120,000,000,000 shares with a nominal value of IDR 100,- per share.

The Bank conducted PUT VII in order to issue HMETD to the Bank's shareholders for a maximum of 119,999,999,692 class B shares with a nominal value of IDR 100 per share offered through Capital Increase with Pre-emptive Rights (PMHMETD). HMETD was distributed to registered Bank shareholders on 17 May 2023 where each owner of 100,000,000 old Bank shares received 176,762,922 HMETD. Every 1 (one) HMETD can be used to purchase 1 (one) class B share by paying an exercise price of IDR 100 per share. Thus, the Bank obtained funds of IDR 11,999,999,969,200.-.

CHRONOLOGY OF OTHER SECURITIES ISSUANCE AND/OR LISTING

Name of Bonds and Sukuk	Issuance Date	Maturity Date	Tenor (Year)	Coupun	Currency	Nominal (in Billion IDR)	Rating	
							2023	2022
Bond Issuance	31 Mei 1989	25 Mei 1994	6	-	IDR	30	-	-
Bank Bukopin II Series A Bonds Year 2003	30 Juni 2003	10 Juli 2008	5	-	IDR	319	*	*
Bank Bukopin II Series B Subordination Bonds Year 2003	30 Juni 2003	10 Juli 2008	10	-	IDR	236	*	*
Bank Bukopin Syariah Mudharabah Bonds Year 2003	30 Juni 2003	10 Juli 2008	6	-	IDR	45	*	*
Shelf-registered Subordination Bonds I Bank Bukopin Trance I Year 2012	6 Maret 2012	6 Maret 2019	7	9,25% p.a	IDR	1.500	*	*
Shelf-registered Subordination Bonds II Bank Bukopin Trance I Year 2015	30 Juni 2003	30 Juni 2022	7	12% p.a	IDR	400	*	*
Shelf-registered Subordination Bonds III Bank Bukopin Trance II Year 2017	28 Februari 2017	28 Februari 2024	7	11% p.a	IDR	1.405	idAA (Pefindo)	idAA (Pefindo)
Shelf-registered Subordination Bonds I Bank Bukopin Trance I Year 2021	9 September 2021	9 September 2024	3	6,25% p.a	IDR	1.000	idnAAA (Fitch Ratings)	idnAAA (Fitch Ratings)
Shelf-registered Subordination Bonds III Bank Bukopin Trance I Year 2021 Series A	9 September 2021	9 September 2026	5	8% p.a	IDR	315	idnAA (Fitch Ratings)	idnAA (Fitch Ratings)
Shelf-registered Subordination Bonds III Bank Bukopin Trance I Year 2021 Series B	9 September 2021	9 September 2028	7	8,90% p.a	IDR	685	idnAA (Fitch Ratings)	idnAA (Fitch Ratings)

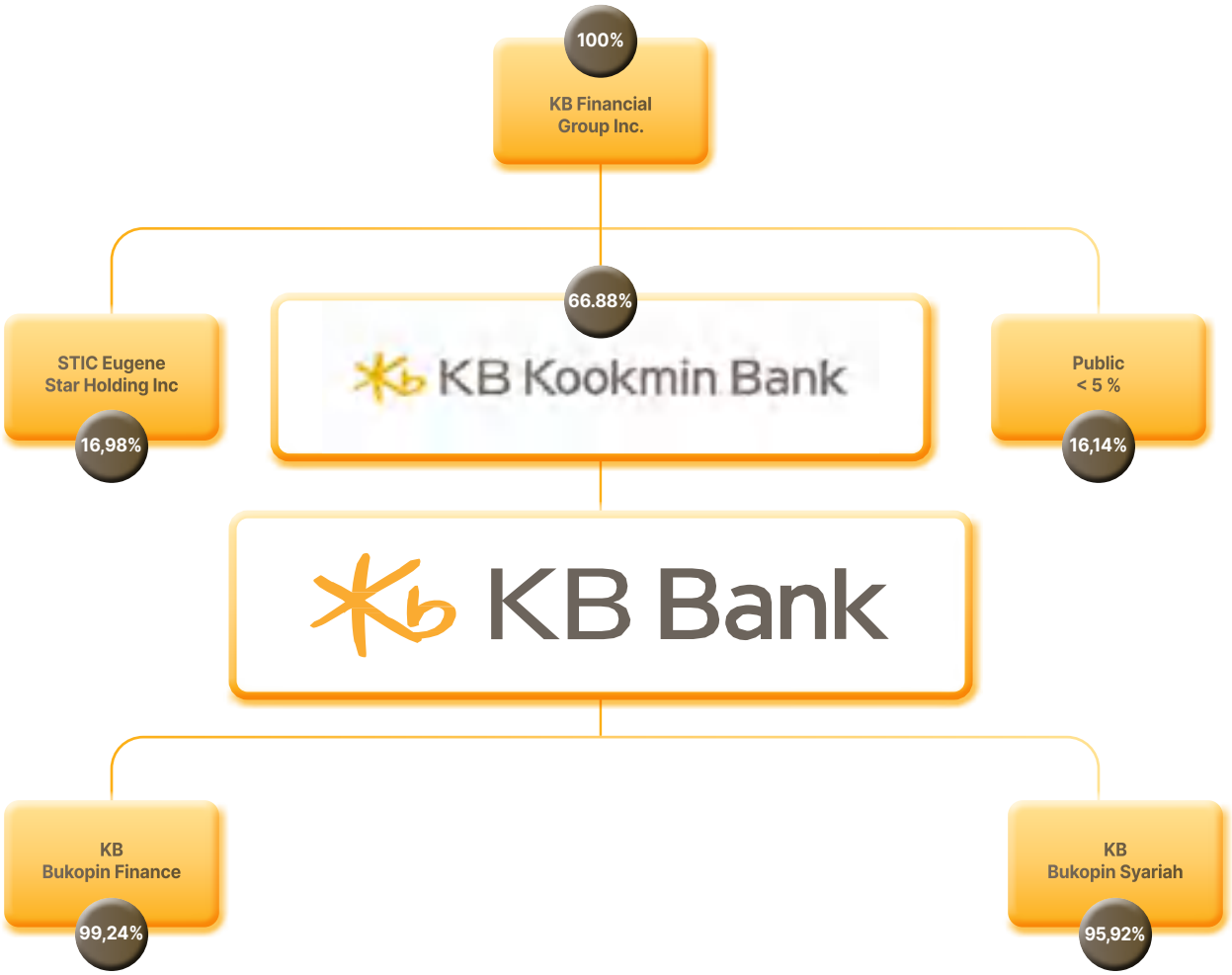
*) Sudah Lunas

BANK STOCK SUSPENSION

Throughout 2023, no Bank shares will be suspended, so information related to this cannot be presented in this annual report.

BANK GROUP STRUCTURE

The Company Group structure can be described as follows:



INFORMATION OF MAJOR AND CONTROLLING SHAREHOLDERS

The major* and controlling shareholder of KB Bank is Kookmin Bank Co., Ltd., a banking company from South Korea. KB Kookmin Bank is part of the KB Financial Group, one of the largest financial groups in South Korea. This Korean-based bank was recorded as the bank with the largest net income achievement in Korea throughout 2019. KB Financial Group shares have been listed on the Korea Exchange (KRX) since 10 October 2008 and on the New York Stock Exchange (NYSE) since 29 September 2008. KB Financial Group's total assets as of December 31 2019 reached KRW789.6 trillion (or around IDR 9,326 trillion). The company has expanded its wings into the global market with a network spread across the UK, United States, India, China, Hong Kong, Japan and New Zealand. In Southeast Asia, Kookmin expanded to Cambodia, Vietnam, Laos, Myanmar and Indonesia.

INFORMATION ABOUT SUBSIDIARIES AND ASSOCIATED ENTITIES

Description of Subsidiaries and Associated Entities

No.	Name of Subsidiaries	Establishment Year	Acquiring Year	Line of Business	The Company's Ownership (%)	Status
1	PT KB Bukopin Finance	1983	1994	Pembiayaan	99,24%	Operating
2	PT Bank KB Bukopin Syariah	1990	2008	Perbankan berbasis prinsip Islami	95,92%	Operating

SUBSIDIARY ENTITY PROFILE

PT KB Bukopin Finance

The establishment of PT KB Bukopin Finance (KB Bukopin Finance) cannot be separated from the history of the establishment of PT Leasing Indo Corporation based on Deed No. 5 dated 11 March 1983 which was made before Tan A. Sioe, S.H., Notary in Semarang. This deed of establishment has been ratified by the Minister of Justice of the Republic of Indonesia in Decree No. C2-5233.HT.01.01. TH83 dated 29 July 1983 and announced in the State Gazette of the Republic of Indonesia No.26, along with Supplement No. 432 dated 1 April 1986. KB Bukopin Finance obtained a business license as a Finance Company from the Minister of Finance of the Republic of Indonesia in accordance with Decree No. 66/KMK.017/1994 dated 5 March 1994.

The Articles of Association of KB Bukopin Finance underwent several changes, including changing the name to PT Indo Trans Buana Multi Finance in accordance with Deed No. 99 dated 3 May 1991 and the entry of PT Bank Bukopin as a Shareholder in accordance with Deed No. 181 dated 26 December 1994. Furthermore, according to the results of the Extraordinary General Meeting of Shareholders on 7 May 2008, it was approved to change the name from PT Indo Trans Buana Multi Finance to PT Bukopin Finance as stated in the Deed of Notary Amastasia Dau, SH with Deed No. 1 dated 9 June 2008.

The aim and objective of establishing KB Bukopin Finance in accordance with Article 3 of the Company's Articles of Association is to carry out business in the field of financing in the form of providing funds and/or capital goods which refers to POJK No. 29/2014 includes; Investment Financing, Working Capital Financing and Multipurpose Financing.

KB Bank's share ownership in PT Bukopin Finance is 99.24% with the management structure until the end of 2023 is as follows:

Board of Commissioners

President Commissioner/Independent Commissioner: Sunaryono
Commissioner: Agustinus Iwan Christanto

Board of Directors

President Director: Hendra Gunawan
Director of Operations: Darmanto
Business Director: Fajar Satritama

PT Bank KB Bukopin Syariah

PT Bank KB Bukopin Syariah (hereinafter referred to as KB Bukopin Syariah) as a bank that operates with sharia principles, which began with the acquisition of PT Bank Persyarikatan Indonesia (a conventional bank) by PT Bank KB Bukopin, Tbk., in stages from 2005 to 2008, where PT Bank Persyarikatan Indonesia, previously known as PT Bank Swansarindo Internasional, was founded in Samarinda, East Kalimantan based on Deed Number 102 dated 29 July 1990, and is a commercial bank which obtained Decree of the Minister of Finance number 1.659/KMK.013/1990 dated 31 December 1990 concerning the Granting of Consolidation Permits. Business of 2 (two) Market Banks and Status Upgrade to Commercial Bank with the name PT Bank Swansarindo Internasional which obtained operational activities based on Bank Indonesia (BI) letter number 24/1/UPBD/PBD2/Smr dated 1 May 1991 concerning Granting Commercial Bank Business Licenses and Relocation of Bank Offices.

In 2001 until the end of 2002, the acquisition process by the Muhammadiyah Organization and at the same time changed the name of PT Bank Swansarindo Internasional to PT Bank Persyarikatan Indonesia which obtained approval from (BI) No. 5/4/ KEP. DGS/2003 dated 24 January 2003 which was outlined in deed number 109 dated 31 January 2003. In its development then PT Bank Persyarikatan Indonesia through additional capital and assistance by PT Bank Bukopin, Tbk., then in 2008 after obtaining a commercial bank business activity permit which operates based on sharia principles through the Decree of the Governor of Bank Indonesia number 10/69/KEP. GBI/DpG/2008 dated 27 October 2008 concerning Granting Permits to Change Business Activities of Conventional Banks to Become Sharia Banks, and Change the Name of PT Bank Persyarikatan Indonesia to PT Bank Syariah Bukopin which officially started operations effectively on 9 December 2008, the Company's operational activities were officially opened by Mr. M. Jusuf Kalla, Vice President of the Republic of Indonesia for the period 2004 -2009. As of the end of December 2021, the Company has an office network, namely 1 (one) Head and Operational Office, 11 (eleven) Branch Offices, 7 (seven) Sub-Branch Offices, 4 (four) Cash Offices, 6 (six) mobile cash vans, and 96 (ninety six) Sharia Service Offices, as well as 33 (thirty three) BSB ATM machines with the Prima network and Bank Bukopin ATMs.

KB Bank's share ownership in PT Bank KB Bukopin Syariah is 95.92% with the management structure until the end of 2023 is as follows:

Board of Commissioners

President Commissioner/Independent Commissioner: Mustafa Abubakar
Commissioner: Deddy SA Kodir
Independent Commissioner: Abdul Mu'ti

Board of Directors

Main Director: Koko Tjatur Rachmadi
Director of Operations & Services: Agus Suhendro
Director of Compliance and Risk Management: Adil Syahputra

Sharia Supervisory Board

Chairman: H. Ikhwan Abidin Basri, MA
Member: Prof. DR. H. Syamsul Anwar, MA.

CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONS

Public Accounting Firm (KAP)	
Firm Name	KAP Mirawati Sensi Idris (member firm of the Moore Indonesia network)
Address	Intiland Tower Lt. 7, Jl. Jend. Sudirman Kav. 32 Jakarta, Jakarta Pusat
Public Accounting	Denny Susanto
Assignment Period	2023
Auditing Service Provided	Audit of Consolidated Financial Statements
Audit Service Fee	IDR 2.430.000.000,-
Non-Auditing Service Provided	-

*) on April 12, 2024 the Company has disclosed information on the replacement of accountants who are assigned to audit the Issuer or Public Company, namely the Public Accountant (AP) and the replacement Public Accounting Firm (KAP) is AP Denny Sunanto from KAP Mirawati Sensi Idris (member firm of the Moore Indonesia network), from previously KAP Tanudiredja, Wibisana, Rintis & Rekan with Public Accountant Tjhin Silawati.

Securities Administration Bureau	
Institution Name	Datindo Entrycom
Address	Jl. Hayam Wuruk No.28, Jakarta Pusat
Appointment Period	Throughout 2023
Services Provided	Share Administration Registration

Rating Institution	
Institution Name	Fitch Ratings Indonesia.
Address	DBS Bank Tower 24th Floor, Suite 2403, Jl. Prof. DR. Satrio No.Kav 3-5, RT.11/RW.4, Kuningan, Karet, Kuningan, Kota Jakarta Selatan, Daerah Khusus Ibukota Jakarta 12940.
Appointment Period	2023 - 2026
Services Provided	Corporate Rating

Wali Amanat	
Institution Name	PT Bank Mandiri (Persero) Tbk.
Address	International Banking & Financial Institutions Group Plaza Mandiri Lt 22 Jl Jenderal Gatot Subroto Kav 36-38 Jakarta 12190.
Letter of appointment	No.03817/DIR/III/2021
Appointment Period	March 1, 2021
Services Provided	PUB Trustee of PT Bank Bukopin Tbk Senior and Subordinated Bonds 2021
Service Fees	IDR 100,000,000

Informasi Perdagangan dan Pencatatan Saham	
Institution Name	PT Kustodian Sentra Efek Indonesia
Address	Gedung Bursa Efek Jakarta Tower I, 5th Floor, Jakarta Selatan
Periode	Throughout 2023
Services Provided	Trading and Stock Listing Services

Legal Consultant	
Institution Name	Imran Muntaz & co
Address	Office 8 Building 35th Floor Zone G, SCBD Lot 28, Jl. Jend. sudirman kav 52-53, Senayan, Jakarta Selatan
Periode	Throughout 2023
Services Provided	Support for implementing corporate actions

Notaris	
Institution Name	Notary Public Aulia Taufani, S.H.
Address	Menara Sudirman Lantai 18 Lot ABD, Jl. Jend Sudirman Kav 60 Jakarta Selatan
Periode	Throughout 2023
Services Provided	Support for implementing corporate actions

AWARDS AND CERTIFICATION

Awards Received in 2023

Date	Award Name	Category	Organizer
National			
June 27, 2023	Indonesia Top Banking CEO Award 2023	10 TOP Banking CEO 2023	The Iconomic
August 30, 2023	GRC & Performance Excellence Award 2023	The Best GRC For IT/Digital Transformation 2023 Category - Banking Industries	Business News Indonesia
August 30, 2023	GRC & Performance Excellence Award 2023	• The Best CEO For GRC Excellence 2023 • The Best GRC For Corporate Governance & compliance 2023	Business News Indonesia
September 18, 2023	The 14th IICD Corporate Governance Conference And Award	Top 50 mid Capitalization Public Listed Company	Indonesian Institute for Corporate Directorship
December 5, 2023	Infobank Top CEO 2023	Top 100 CEO 2023 (Woo Yeul Lee)	Infobank

Valid Certification in 2023

Certification Name	Certification Type	Valid Period	Certifier
ISO 27001	IT Security Management Systems	May 2024	Bureau Veritas Indonesia

INFORMATION ON THE BANK WEBSITE

The implementation of information disclosure at the Bank refers to Financial Services Authority Regulation no. 8/POJK.04/2015 concerning Public Company and Issuer Websites. Based on these provisions, companies are required to contain the required information and keep it updated periodically from year to year by paying attention to the 4 (four) main pieces of information that must be published on the company website, namely:

1. General information on the issuer or public company;
2. Information for financiers or investors;
3. Corporate governance information;
4. Corporate social responsibility information.

Company websites are usually used as a tool to promote products or services offered by the Company, with an attractive presentation design, appearing in two languages, namely English and Indonesian, there is a Company logo as an identity and a simple navigation system making it easier for visitors to search for information. The data and information displayed is always updated whenever there are changes, apart from complying with regulatory requirements, it also applies GCG principles.

With the availability of the Bank's website as a means of disclosing information about the Company, it is hoped that it will increase the trust of the wider community and of course Shareholders.
The information presented on the Bank's website includes:

Home	Category	Description
Individual	Deposits	Informing about various savings products issued by KB Bank as well as the advantages of each product
	Loans	Providing information on various credit/loans for customers
	Credit Card	Various types of credit card products, promos and shopping catalogs are displayed on this page with online applications and service centers for credit cards
	Wealth Management	Displaying complete information about various investment products from KB Bank, Mutual Funds, Bancassurance and Marketable Securities
	Services	Informing the features and advantages and debit cards, complete information on Bukopin Priority, E-Banking, Bukopin Send Money, Bukopin Safe Deposit Box and others
Business	Informing various advantages and conveniences in owning products and getting services from KB Bank both directly and online without the need to visit the office/Bank Bukopin wherever the customer is.	
Individuals	It will be directly linked to Bank Syariah Bukopin website which displays information on company profiles, management, products and services, reports and valid addresses.	• The KB Bank website also displays information about Bank Syariah Bukopin as a subsidiary that engages in banking activities based on Islamic legal principles. Showing various products and financing owned by Bank Syariah Bukopin. • Providing information about the sharia system run by Bank Syraiah Bukopin starting from raising funds, financing and services and also displaying information to the public about the difference between Conventional Banks and Islamic Banks so that people can choose and determine products and services that suit their needs. • Displaying the most commonly asked questions about sharia banking with the answers so that people do not feel doubt about the products and services in sharia banking • Displaying a kind of glossarium of various terms in sharia banking. Displaying management structure, Company Profile, sharia-based products and services, Job vacancies and the latest news by Bank Syariah Bukopin.
About KB Bank	Profile of KB Bank	Displays a brief history of the establishment of KB Bank, its Vision and Mission, the business segments involved, Corporate Culture, Information on subsidiaries, various awards received by the Bank, information on supporting professional institutions that collaborate with KB Bank, list of correspondent banks owned and their addresses, telephone numbers, emails and how customers and the public can contact the Bank 24/7.
	Company Management	Displaying photos and brief information about the Board of Commissioners, Directors, Committee officials, Corporate Secretary and the latest organization structure of KB Bank.
	Investor Relations	• Providing brief information on the Annual Report, Financial Statements, GMS, history of corporate actions that have been carried out, information on shares and bonds of the Bank. • In addition, this page also displays various additional information as part of Bank Bukopin's transparency to the public about prospectuses, public exposures, event calendars for investors and valid contact numbers if someone has an interest in becoming an investor at KB Bank.

Home	Category	Description
	Social Responsibility	This site displays the company's social responsibility policies and their implementation. Photos and brief information are displayed so that the public and stakeholders know what activities are carried out by KB Bank as evidence of regulatory compliance and responsibility to stakeholders and the social environment
	Corporate Governance	Informing about the implementation of the Bank's GCG accompanied by various guidelines and policies as a form of the Bank's commitment to continuously improve the implementation of GCG from year to year for the better
	Latest Info	This page displays the latest information from KB Bank regarding currency exchange rates, current promotions, interest rates brief news and announcements from KB Bank.
	Network	Provide information regarding office addresses and locations of KB Bank ATMs throughout Indonesia.
Career	Career Information and Job Vacancy	Information regarding job vacancies that are currently open at KB Bank so that the public can directly access it.
CS and Teller E-form	Linking directly to the site of the bank Bukpoin's e-form	There are various online transaction forms that can be used by customers without the need to go to the office/bank.

EDUCATION AND/OR TRAINING OF THE BOARD OF COMMISSIONERS, BOARD OF DIRECTORS, COMMITTEES, CORPORATE SECRETARY AND INTERNAL AUDIT WORK UNIT

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Board of Commissioner				
Tippy Joesoef	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Fun Walk Kb Bukopin (Self Development Skill)	Jakarta, March 11, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Workshop Skai (Rka) Audit Skill	Jakarta, November 10, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Hae Wang Lee	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation (Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Stephen Liestyo	Technical Competency.	Kick Off Shine Project(It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Wks Profile&Organization Skai(Audit Skill)	Jakarta, March 21, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp(Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Technical Competency	Workshop Skai (Rka) (Audit Skill)	Jakarta, November 10, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Nanang Supriyatno	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, July 8, 2023	Internal House (Diklat)

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Eugene K Galbraith	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Jerry Marmen	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Wks Profile&Organization Skai (Audit Skill)	Jakarta, March 21, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp (Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Nam Hoon Cho	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Sukriansyah	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	akarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp (Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Direksi				
Dodi Widjajanto	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp(Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Technical Competency	Workshop Fgd – Sme(Credit Skill)	Jakarta, October 20, 2023	Internal House (Diklat)

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Han Jung Ho	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Certification Competency	Smr Lv V Dir (Pembekalan)(Risk Management Skill)	Jakarta, February 21, 2023	Bsmr
	Certification Competency	Smr Lv V Dir (Ujian))(Risk Management Skill)	Jakarta, February 24, 2023	Bsmr
	Soft Competency	Kursus B. Indonesia(Self Development Skill)	Jakarta, February 1-31, 2023	Bintera Global Indonesia
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
Helmi Fahrudin	Technical Competency	Kick Off Shine Project (It Skill)	akarta, February 22, 2023	Dxc
	Technical Competency	Workshop Serikat Pekerja Dg Dpc(Self Development Skill)	Jakarta, February 10, 2023	Internal House (Diklat)
	Technical Competency	Fun Walk Kb Bukopin(Self Development Skill)	Jakarta, March 11, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Certification Competency	Refreshment Smr Level 1-5(Risk Management Skill)	Jakarta, September 4-6, 2023	Bsmr
	Technical Competency	Workshop Rbb(Business Development Skill)	Jakarta, September 9, 2023	Internal House (Diklat)
	Technical Competency	Perpanjangan Keanggotaan Iai(Operation Skill)	Jakarta, January 31, 2023	Iai
	Technical Competency	Workshop Bisnis Operation & Sinergi Reg I & Ii(Operation Skill)	Jakarta, January 6, 2023	Internal House (Diklat)
	Technical Competency	Workshop Bisnis Operation & Sinergi Reg Iv(Operation Skill)	Jakarta, January 9, 2023	Internal House (Diklat
Henry Sawali	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation (Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Workshop Fgd – Sme(Credit Skill)	Jakarta, October 20, 2023	Internal House (Diklat)
	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Robby Mondong	Technical Competency	Workshop Strategic Th 2023 (Hr Skill)	Jakarta, February 1, 2023	Internal House (Diklat)
	Technical Competency	Fun Walk Kb Bukopin(Self Development Skill)	Jakarta, March 11, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation (Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Workshop Rbb(Business Development Skill)	Jakarta, September 9, 2023	Internal House (Diklat)
	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Workshop Bisnis Operation & Sinergi Reg I & Ii(Operation Skill)	Jakarta, January 6, 2023	Internal House (Diklat)
	Technical Competency	Workshop Bisnis Operation & Sinergi Reg Iv (Operation Skill)	Jakarta, January 9, 2023	Internal House (Diklat)
Shin Seng Hyup	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Boc and Bod Sustainable Transformation Workshop (Business Development Skill) Language Course For Ceo (Self Development Skill) Kick Off Shine Project (It Skill) Worker Union Workshop with DPC (Self Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
Woo Yeoul Lee	Technical Competency	Course Bahasa For Ceo(Self Development Skill)	Jakarta, January 1-March 31, 2023	Bintera Global Indonesia
	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Workshop Serikat Pekerja Dg Dpc(Self Development Skill)	Jakarta, February 10, 2023	Internal House (Diklat)
	Technical Competency	Wks Profile&Organization Skai(Audit Skill)	Jakarta, March 21, 2023	Internal House (Diklat)
	Technical Competency	Fun Walk Kb Bukopin(Self Development Skill)	Jakarta, March 11, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
Yohanes Suhardi	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Certification Competency	Refreshment Smr Level 1-5(Risk Management Skill)	Jakarta, September 4-6, 2023	Bsmr
	Technical Competency	Workshop Rbb(Business Development Skill)	Jakarta, September 9, 2023	Internal House (Diklat)
	Technical Competency	Workshop Fgd – Sme(Credit Skill)	Jakarta, October 20, 2023	Internal House (Diklat)

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Young Eun Moon	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Certification Competency	Smr Lv V Dir (Pembekalan) (Risk Management Skill)	Jakarta, February 21, 2023	Bsmr
	Certification Competency	Smr Lv V Dir (Ujian)	Jakarta, February 24, 2023	Bsmr
	Soft Competency	Kursus B. Indonesia(Self Development Skill)	Jakarta, February 1-31, 2023	Bintera Global Indonesia
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
Audit Committee				
Stephen Liestyo	Technical Competency.	Kick Off Shine Project(It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Wks Profile&Organization Skai(Audit Skill)	Jakarta, March 21, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp(Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Technical Competency	Workshop Skai (Rka) (Audit Skill)	JJakarta, November 10, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Nanang Supriyatno	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
Eugene K Galbraith	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Ir.Dewi A.Sah Bandar,Mm	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Jacobus Sindu Adisuwono	Technical Competency	Wks Profile&Organization Skai (Audit Skill)	Jakarta, March 21, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Remuneration and Nomination Committee				

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Hae Wang Lee/ Commissioner	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation (Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Tippy Joesoef/ Commissioner	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Fun Walk Kb Bukopin (Self Development Skill)	Jakarta, March 11, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Workshop Skai (Rka) Audit Skill	Jakarta, November 10, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Jerry Marmen	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Wks Profile&Organization Skai (Audit Skill)	Jakarta, March 21, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp (Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Sukriansyah S. Latief	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp (Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Nanang Supriyatno/ Commissioner	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, July 8, 2023	Internal House (Diklat)

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Nam Hoon Cho	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023^	Internal House (Diklat)
Gamaridha Akhirul Ar	Technical Competency	Workshop Serikat Pekerja Dg Dpc(Self Development Skill)	Jakarta, February 10, 2023	Internal House (Diklat)
	Technical Competency	Workshop Strategic Th 2023 (Hr Skill)	Jakarta, February 1, 2023	Internal House (Diklat)
	Managerial Competency	Profile Assessment (Self Development Skill)	Jakarta, March 16, 2023	And
	Technical Competency	Fun Walk Kb Bukopin (Self Development Skill)	Jakarta, March 11, 2023	Internal House (Diklat)
	Technical Competency	Workshop Collective Labour (Self Development Skill)	Jakarta, July 5, 2023	Internal House (Diklat)
	Certification Competency	Management Umum Dana Pensiun (Hr Skill)	Jakarta, June 15, 2023	Asosiasi Dapen Indonesia
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Rbb(Business Development Skill)	Jakarta, September 9, 2023	Internal House (Diklat)
	Technical Competency	Workshop Human Capital (Hc Skill)	Jakarta, October 28, 2023	Internal House (Diklat)
	Technical Competency	Workshop Undang Undang Perlindungan Data Pribadi(Compliance Skill)	Jakarta, October 12, 2023	Pt.Xynexis International
Risk Monitoring Committee				
Tippy Joesoef/ Commissioner	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Fun Walk Kb Bukopin (Self Development Skill)	Jakarta, March 11, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Workshop Skai (Rka) Audit Skill	Jakarta, November 10, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Stephen Liestyo	Technical Competency.	Kick Off Shine Project(It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Wks Profile&Organization Skai(Audit Skill)	Jakarta, March 21, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp(Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Technical Competency	Workshop Skai (Rka) (Audit Skill)	Jakarta, November 10, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Jerry Marmen	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Wks Profile&Organization Skai (Audit Skill)	Jakarta, March 21, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp (Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Nam Hoon Cho	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Rahardja Alimhamzah	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Togar Natigor Siregar	Technical Competency	Webinar Fkdkp(Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Intergrated Governance Committee				
Sukriansyah S. Latief	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Webinar Fkdkp (Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Tippy Joesoef/ Commissioner	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Fun Walk Kb Bukopin (Self Development Skill)	Jakarta, March 11, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Technical Competency	Workshop Skai (Rka) Audit Skill	Jakarta, November 10, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Eugene K Galbraith/ Commissioner	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Hae Wang Lee/ Commissioner	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation (Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)

Name and Position	Type of Education and Training	Material of Education and Training	Time / Place	Organizer
Corporate Secretary				
Yocky Eko Wicaksono	Technical Competency	Kick Off Shine Project (It Skill)	Jakarta, February 22, 2023	Dxc
	Technical Competency	Workshop Annual Report (Corsec) (Ga & Administration Skill)	Jakarta, 4 April 2023	Inkmark
	Managerial Competency	Workshop Boc Dan Bod Sustainable Transformation(Business Development Skill)	Jakarta, July 18, 2023	Internal House (Diklat)
	Certification Competency	Refreshment Smr Level 1-5(Risk Management Skill)	Jakarta, September 4-9, 2023	Bsmr
	Technical Competency	Webinar Fkdkp (Compliance Skill)	Jakarta, October 10, 2023	Fkdkp
	Technical Competency	Training Budget Expense Pic Allocation (It Skill)	Jakarta, October 26, 2023	Internal House (Diklat)
	Technical Competency	Training Ngbs-Be Budget Trf & App Batch 2 (25okt) (It Skill)	Jakarta, October 26, 2023	Internal House (Diklat)
	Technical Competency	Training Icofr (Financial Skill)	Jakarta, November 21, 2023	Pwc, Deloite &Kookmin
	Managerial Competency	Workshop Board Of Commissioner(Business Development Skill)	Jakarta, November 8, 2023	Internal House (Diklat)
Internal Audit Unit Head				
Roby Endrama Purba	Technical Competency	Sharing Session Skai (Audit Skill)	Jakarta, August 11, 2023	Internal House (Diklat)
	Technical Competency	Workshop Bisnis Operation & Sinergi Reg Iv(Operation Skill)	Jakarta, January 9, 2023	Internal House (Diklat
	Technical Competency	Sharing Session Compliance & Risk Group	Jakarta, July 15, 2023	Internal House (Diklat)
	Technical Competency	Workshop Skai	Jakarta, October 9, 2023	Internal House (Diklat)
	Technical Competency	Sharing Session Skai October	Jakarta, October 6, 2023	Internal House (Diklat)
	Technical Competency	E Learning Anti Fraud Th 2023(Risk Management Skill)	Jakarta, October 23 – November 3, 2023	Internal House (Diklat)
	Technical Competency	E Learning Apu Ppt Tahun 2023(Compliance Skill)	Jakarta, October 23 – November 3, 2023	Internal House (Diklat)
	Technical Competency	Workshop Skai (Rka) Audit Skill	Jakarta, November 10, 2023	Internal House (Diklat)
	Technical Competency	Smnr Nasional Internal Audit 2023	Jakarta, December 6-7, 2023	Ypia



4

Management Analysis and Discussion of Company Performance



GENERAL OVERVIEW

GLOBAL ECONOMIC ANALYSIS

2023 has been a year full of challenges and opportunities in the dynamics of the global and national economy. On a global scale, several countries, especially the European Union and China, are experiencing moderation in economic growth. This prompted the adoption of more accommodative monetary policy to address these changes. This global risk and uncertainty is triggered by the dynamics of developed countries which have a global impact. The United States (US) is still faced with inflation that is above target, high interest rates, increasing fiscal pressure, and eroding excess savings which overshadow economic weakness. Meanwhile, other developed countries, namely the People's Republic of China (PRC), are still grappling with economic weakness after Covid-19, and Europe's economic condition is still weak with an increasing fiscal deficit accompanied by core inflation that is still high.
On the other hand, global growth prospects are predicted to remain weak as stated by international institutions. World economic growth in 2023 was revised down by the IMF to only 3% and by the World Bank to only 2.1%. Inflation is also predicted to reach 5.8%, higher than the pre-pandemic period.

Meanwhile, based on data submitted by the Ministry of Finance on December 15, 2023, it was noted that in terms of manufacturing activities, it appears that 69.6% of countries are in the contraction zone, such as the US, Europe, Germany, France, England, Italy, Japan, South Korea, Thailand, Malaysia, and Vietnam. Meanwhile, the other 30% is in the expansion zone, including Indonesia
.
Apart from that, the market is still paying close attention to future geopolitical developments, such as the escalation of tensions in the Red Sea as a result of the Palestine-Israel conflict, as well as the holding of general elections covering 50% of the world's population, especially in several main countries such as the US, European Union, India and Taiwan.

In general, sentiment on global financial markets tends to be positive in December 2023, supported by expectations of a reduction in the Fed Funds Rate (FFR) interest rate and the narrative of a soft landing in the US, thereby encouraging the return of fund inflows to Emerging Markets (EM) and strengthening global financial markets, including Indonesian financial market. Volatility in the stock market, debt securities and exchange rates was also observed to decrease. This reflects the stability that is starting to strengthen in global financial markets
.
However, the complex geopolitical situation and rapid changes in monetary policy are still risk factors that market players need to be aware of. In the years ahead, monitoring these developments will be key in managing risks and exploiting opportunities in global markets.

NATIONAL ECONOMIC ANALYSIS

In the midst of global environmental disruption throughout 2023, both in terms of supply chains, natural disasters, financial sector volatility, and geo-economic fragmentation, the Indonesian economy is relatively resilient. Data from the Central Statistics Agency (BPS) records that the Indonesian economy will grow by 5.05% in 2023. Growth occurs in all business fields. The business fields that experienced the highest growth were Transportation and Warehousing at 13.96%; followed by Other Services at 10.52%; and Provision of Accommodation and Food and Drink amounting to 10.01%. Meanwhile, the Processing Industry which has a dominant role grew 4.64%. Meanwhile, Agriculture, Forestry and Fisheries as well as Wholesale and Retail Trade; Car and Motorcycle Repairs grew by 1.30% and 4.85% respectively.



Source: Indonesian Statistics Data

The structure of Indonesia's GDP by business field based on current prices in 2023 does not show any significant changes. The Indonesian economy is still dominated by the Processing Industry Business Field at 18.67%; followed by Wholesale and Retail Trade; Car and Motorcycle Repairs by 12.94%; Agriculture, Forestry and Fisheries at 12.53%; Mining and Quarrying at 10.52%; and Construction at 9.92%. The role of these five business fields in the Indonesian economy reached 64.58%. Indonesia's economic growth which remains strong is supported by a number of factors. Household consumption grew by 5.06% (yoy), influenced by increased mobility, stable purchasing power and high consumer confidence. Meanwhile, investment growth reached 5.77% (yoy), driven by government infrastructure development. Even though exports of goods experienced a contraction of 4.26% (yoy), exports of services, especially from the tourism sector, continued to grow strongly. Spatially, solid economic growth occurred throughout Indonesia, with the highest growth recorded in Sulawesi-Maluku-Papua (Sulampua), Java, Kalimantan, Sumatra and Bali-Nusa Tenggara (Balinusra).

On the other hand, the strengthening of the Rupiah exchange rate continued in line with the consistency of Bank Indonesia's monetary policy and the global financial market uncertainty began to ease. Bank Indonesia data records that the Rupiah exchange rate on December 20, 2023 strengthened on average by 0.44% compared to developments in November 2023. With these developments, the Rupiah exchange rate strengthened 0.37% compared to the level at the end of December 2022, better than with the Philippine Peso, Indian Rupee, and Thai Baht recorded weakening by 0.05%, 0.53%, and 0.85% respectively. In addition to Bank Indonesia's stabilization policy, the continued appreciation of the Rupiah exchange rate was driven by the inflow of foreign portfolio flows, attractive returns on domestic financial assets, and the continued positive economic outlook. Going forward, Bank Indonesia will continue to be alert to a number of risks that may arise and ensure that the stability of the Rupiah exchange rate is maintained. The pro-market monetary operations strategy through SRBI, SVBI and SUVBI instruments is optimized to improve liquidity management of domestic financial institutions and attract foreign capital inflows from abroad. Bank Indonesia continues to strengthen coordination with the Government, banking and the business world to support the implementation of foreign exchange placement instruments from Natural Resources Exports (DHE SDA) in line with Government Regulation Number 36 of 2023. Despite global challenges, such as geopolitical uncertainty and changes in monetary policy in several countries, the Indonesian financial market shows positive resilience. Decreased volatility in stock markets, debt securities and exchange rates reflects increasingly strong stability. With solid economic growth projected for 2023, Indonesia is ready to face various global challenges, maintain economic stability, and make a positive contribution to the world economy.

BANKING INDUSTRY ANALYSIS

As quoted from the Fourth Quarter Monetary Policy Report released by Bank Indonesia, it states that banking credit in 2023 will remain good, thereby supporting economic growth. Credit growth in 2023 will reach 10.38% (yoy), within the upper range of Bank Indonesia's forecast of 9-11%. From the demand side, the increase in credit is in line with the positive performance of corporations and households. From the supply side, the increase in credit was driven by banking risk appetite and well-maintained banking liquidity capacity, including the positive impact of Bank Indonesia's liquidity policies such as KLM and the Macroprudential Liquidity Buffer (PLM). Based on usage group, credit growth was mainly supported by investment credit and working capital credit, amounting to 12.26% and 10.05% respectively.

Meanwhile, sectorally, credit growth was mainly supported by the performance of the Transportation, Social Services, Trade and Electricity, Gas and Water sectors. Sharia financing in December 2023 also grew by 15.80% (yoy), while MSME credit growth reached 8.03% (yoy). Looking ahead, credit growth is predicted to increase in the range of 10-12% in 2024, in line with continued strong domestic economic growth. Bank Indonesia will continue to maintain the effectiveness of KLM implementation and strengthen synergies with the Government, financial authorities, Ministries/Institutions and banks, as well as business actors to encourage the distribution of banking credit/financing in high-leverage sectors to support sustainable economic growth.

Bank Indonesia also stated that banking resilience remains strong. The capital adequacy ratio (CAR) was recorded at a high level of 27.86% in November 2023. Banking liquidity remained adequate, as reflected in the ratio of Liquid Assets to Third Party Funds (AL/DPK) in December 2023 which was maintained high in 28.73%. Maintaining banking liquidity is in line with the continued high level of banking placements in securities that are classified as liquid and the implementation of KLM. Banking liquidity capacity (lending capacity) is also supported by strengthening pro-market monetary operations strategies through, among other things, SRBI trading on the secondary market, which provides banks flexibility in managing liquidity. Meanwhile, the banking non-performing loan (NPL) ratio was recorded as low, at 2.19% (gross) and 0.75% (net).

Overall, strong banking resilience is supported by the continued good repayment capacity of corporations and households, in line with corporate performance and household income expectations which continue to improve. Bank Indonesia's stress-test results show that banking resilience remains strong in facing various risks of uncertainty in the future. Bank Indonesia will continue to strengthen policy synergies with the Financial System Stability Committee (KSSK) in mitigating various risks that have the potential to disrupt financial system stability.

The performance of digital economic and financial transactions remains strong, supported by a safe, smooth and reliable payment system. In 2023, the digital banking transaction value was recorded at IDR 58,478.24 trillion or grew by 13.48% (yoy) and is projected to increase 9.11% (yoy) to reach IDR 63,803.77 trillion in 2024. Meanwhile, the transaction value Electronic Money (EU) increased 43.45% (yoy) to reach IDR 835.84 trillion and is projected to increase 25.77% (yoy) to reach IDR 1,051.24 trillion in 2024. QRIS transaction nominal was recorded to grow 130.01% (yoy) and reached IDR 229.96 trillion, with 45.78 million users and 30.41 million merchants, most of whom were MSMEs. Meanwhile, the value of payment transactions using ATM cards, debit cards and credit cards reached IDR 8,178.69 trillion or decreased by 0.81% (yoy). In terms of Rupiah currency management, the amount of Currency in Circulation (UYD) in December 2023 increased by 7.33% (yoy) to IDR 1,101.75 trillion.

The efficiency and reliability of the Bank Indonesia Payment System (SPBI) is well maintained, which is supported by adequate liquidity conditions. BI-FAST and BI-Real Time Gross Settlement (RTGS) transactions continue to increase, with BI-FAST still being the public's choice for transferring funds. The good stability of the payment system is reflected in the absence of BI-RTGS and BI-Scripless Securities Settlement System (SSSS) transaction rejects which are related to liquidity problems. SPBI is also running well because it is supported by the smooth running of the operational side, as reflected in system availability which is maintained at 100%. Bank Indonesia continues to ensure the availability of Rupiah currency in sufficient quantities with maintained quality throughout the territory of the Republic of Indonesia through the Rupiah currency distribution program to Outermost, Frontier, Remote (3T) areas as well as Mobile Cash, Deposit Cash and Sovereign Rupiah Expedition activities.

KB BANK'S POSITION IN THE BANKING INDUSTRY

Bank KB Bank's aspiration is "To become a major financial institution in Indonesia". KB Bank aspires to become one of the most successful banks and can create added value in Indonesia, including healthy credit growth and a profitable financial structure, becoming a leading digital player bank for the retail and SME segments, and becoming the main bank of choice for credit. wholesale segment and Korean link business segment. KB Bank continues to maintain its position in the Indonesian banking industry as described below:

KB Bank Position Based on Performance in the Indonesian Banking Industry

(In Billions of Rupiah, Unless Stated Otherwise)

DESCRIPTION	KB BANK	INDUSTRY
Main Indicator (Growth)		
Asset	84.307	11.765.838
Credit	49.419	7.186.935
Third Party Fund (DPK)	44.789	8.457.929
1. Giro	3.178	2.662.550
2. Savings	6.873	2.669.183
3. Deposits	34.738	3.126.196
Equity	14.110	1.759.622
Profit before tax	(6.787)	304.445
Profit After Tax	(6.056)	243.326
Interest income	4.862	977.001
Interest expense	(4.053)	447.336
Financial Ratio (Position)		
NIM	0,78%	4,81%
ROA	-7,71%	2,74%
CASA	23,39%	63,04%
CAR	27,05%	27,65%
LDR	113,18%	83,83%
BOPO	223,28%	78,92%
NPL gross	9,70%	2,19%

KB Bank's Position towards Peers Group

Rank	Assets	Credit	Third Party Fund	Profit after Tax
	Bank	Bank	Bank	Bank
1	Bank	KB Bank	Bank	Bank
2	KB Bank	Bank	Bank	Bank
3	Bank	Bank	Bank	Bank
4	Bank	Bank	KB Bank	Bank
5	Bank	Bank	Bank	Bank
6	Bank	Bank	Bank	Bank
7	Bank	Bank	Bank	Bank
8	Bank	Bank	Bank	Bank
9	Bank	Bank	Bank	KB Bank

BANK STRATEGY 2023

The Bank has prepared a business plan for 2023-2025 which was revised in June 2023, however, taking into account global economic uncertainty and the weakening of the Bank's fundamentals, the Bank needs to act actively in response to the upcoming crisis. If the Bank cannot respond quickly and appropriately, there is a risk that the Bank will not survive and its Business Continuity will be disrupted. Following up on this, the Bank set its main focus on active steps to resolve the root of internal problems and external crises through "Fundamental Deep Change", through:

1. Capital management by maximizing recovery of non-performing loans,
2. Building a Foundation for Sustainable Future Growth
3. Focus on Core Business and Increase Profitability
4. Innovation and Organizational/Manpower/Outlet Change

To achieve the 2023 target, strategic steps have been determined which are divided into 13 (thirteen) strategic agendas with the aim of "Becoming the Main Financial Institution of Choice in Indonesia". The strategic headline for the 2023 agenda is "BISA", a reflection of the motivation of KB Bank's people to continue to make sustainable changes and improvements with the aim of achieving mutual victory through 4 pillars, namely Boost Sales Performance, Innovation for Turnaround, Strengthening the quality of Assets, Advanced IT & Digital.

The Bank has a transformation plan that is structured in three stages according to the predetermined time projections. The first phase (2022-2023) aims to rebuild the business foundations with a focus on quality asset growth. In the second phase (2024-2025), the Bank will enter a stage of stronger stability and will focus on its main business segments, namely retail and MSMEs. The third phase (2026-dst) targets the Bank to become the financial institution of choice in Indonesia as a whole.

In the 2023 business plan, the Bank will focus on building a brand image to restore public trust which had declined due to negative issues in 2020. The Bank will also emphasize to the public that KB Bank is again ready to become a trusted business partner for the Indonesian people. Apart from strengthening its position in the domestic market, the Bank will optimize its international network through the Korean Desk KB Kookmin to attract Korean companies interested in investing in Indonesia. This aims to make KB Bank the main partner in providing financial services for these companies.

Based on the changes to the business plan, the Bank is committed to continuing to make changes, one of which is by focusing on "improving the performance" in increasing performance in all fields as part of efforts to increase PPOP which is projected to remain negative in 2023, with the hope that it will improve in 2023. 2024. Efforts to improve the performance will be carried out through:

1. Credit Growth: The Bank will increase its new credit growth target in 2023 to IDR 10 Trillion, with an emphasis on wholesale credit as the main driver (62%), followed by retail credit (25%) and MSME credit (13%). The Bank will utilize synergies between business segments to build an optimal business ecosystem, with a focus on credit quality.
2. Increase in Funds: The Bank will direct growth towards increasing CASA (Current Account Savings Account) with a growth target of IDR 11.38 Trillion in 2023. This fund program aims to attract new quality customers, with total DPK targeted to reach IDR 47.9 Trillion in December 2023.
3. Cost Reduction: The Bank will focus on reducing costs related to outlet optimization, by closing a number of branches that experience negative PPOP. As many as 36% of branches will be closed, including the main branch office. In addition, the Bank will carry out a gradual workforce reduction, with approximately 900 employees affected by this initiative, representing 27% of total employees as of December 2022.

4. The Bank realizes the importance of paying attention to various operational, business, customer and reputation aspects in implementing this initiative. Although aware of the possible impact, the Bank believes this step is important to ensure the continuity of its business. All management is committed to carrying out this strategic planning process wisely.

The Bank is committed to adjusting its business plan with a focus on improving asset quality, to achieve national banking industry standards. In dealing with significant non-performing loans, the Bank will take corrective steps which include:

1. Strengthening the SAM Organization: The Bank will strengthen the Special Asset Management (SAM) organization which will focus on handling non-performing loans through intensive collection efforts.
2. Restructuring Through Restructuring: The Bank will restructure non-performing loans, manage DPD (Days Past Due), accelerate settlement through litigation/non-litigation, Asset Yield Deterioration Allowance (AYDA), and Write Off.
3. Performance Target: The Bank targets to reduce the Net NPL ratio to <4% and Gross NPL <7.99% by 2023, so that it can compete with other banks. To achieve this target, the Bank will implement Asset Backed Securities (ABS) and Sukuk, as well as optimize LAR collections, DPD management discipline, as well as sustainable AYDA offsets and sales.

Banks also pay attention to appropriate capital strategies. In 2023, the Bank will optimize capital through Limited Public Offering (PUT) VII, raising funds amounting to IDR 11.99 trillion. This is necessary because the Bank's core capital continues to decline due to the resolution of non-performing loans and the impact of the end of the Covid-19 stimulus. The use of capital is focused on supporting subsidiaries, with plans to inject capital of IDR 1.3 trillion into Bank KB Bukopin Syariah and KB Bukopin Finance. Banks consider it important to manage capital carefully for business expansion and organic growth. Improvements in credit quality will be reflected in financial ratios, especially through credit sales through ABS and Sukuk schemes, improvements to the cost structure of TPF funds, and increased cost efficiency through cost transparency. In this way, the Bank hopes to increase profitability, reflected in the NIM (Net Interest Margin) ratio.

BANK POLICY DIRECTION

The Bank has a vision of becoming the "Primary Choice Financial Institution in Indonesia", to achieve this vision KB Kookmin as the controlling shareholder supports the Bank's transformation to achieve this aspiration. Support not only in the financial aspect but also from the business, IT and other aspects. The Bank understands that to achieve this vision it is necessary to build a strong foundation with a commitment to change from all people at KB Bank and the time required is not short. The following are short and medium term targets as well as long term targets set to achieve the aspirations of the company's direction and goals:

Short/ Mid Term Target	Long Term Target
Win back market trust Quick clean up bad asset	Transformation into a high profitable Bank
Revised KB Bank Business Plan for 2023~2025	
Build digital infra through NGBS Scale up business capacity and capabilities Aggressive cost reduction	Build KB Financial Comprehensive Financial Platform Top Bank in asset quality by complating normalization of bad loan

The bank has set short and medium term goals to rebuild the business base through quality asset growth and technological infrastructure improvements. Focus on developing digital aspects to increase selling power with a series of digital products that meet customer needs.
In the credit aspect, the Bank will focus more on the main business segments, including corporate/wholesale as the main driver, as well as connected retail and MSME segments. Credit growth will be focused on the wholesale/Korean Desk segment as a foundation for building a stable business ecosystem in the future. The Bank's policy steps and directions are divided into 3 phases which will be explained further.

Phase 1 (2022 - 2023) – Rebuild Foundations:

1. Root Cause Analysis: The Bank prioritizes growth in businesses that are well understood and have a big impact through identification through root cause analysis. Priority strategic areas for improvement are immediately identified, including governance, systems, procedures and business strategy.
2. Restore Market Confidence: The Bank's strategic step is to restore market confidence to achieve accelerated growth, especially in good quality businesses, even with margins that may be lower.
3. Improving Asset Quality: The Bank believes that resolving non-performing loans will reduce the Bank's total assets, but considers that becoming a "small but strong" bank is the beginning of a revival in the future.
4. Capital Strengthening: The capital strengthening plan is carried out to support new business growth and as a buffer for strategic steps in accelerating asset quality improvements through corporate action plans in 2023.
5. IT and Digital Infrastructure Support: To support business acceleration, the Bank is strengthening digitalization through existing digital channels. The bank also plans to strengthen its IT system to create a digital environment and strengthen its position in the Indonesian banking industry.

Phase 2 (2024-2025) – Focused Bank:

1. Increased Business Focus: The Bank is directing its focus on "good Bank" business growth in the MSME and Retail segments after passing the rebuild phase. Digital transformation supports aggressive growth in the retail segment with more efficient processes. The Bank plans to develop Retail products as a growth engine in the future.
2. Business Process Implementation: Standardized and centralized business processes will be implemented through the digitalization of Project SHINE and Business Process Restructuring (BPR).
3. Building a Digital Ecosystem: The Bank has a medium-term target to build a digital platform-based ecosystem after preparing its competitive differentiation. Optimizing risk management and utilizing digital processes will be the focus to improve risk management. Integrity from all internal elements of the Bank is required to achieve the stated aspirations.

Long Term Goals:

KB Bank's aspiration is to become a major financial institution in Indonesia, with the goal of turning KB Bank into one of the most successful banks and creating added value in Indonesia. Main focus includes:

1. Healthy Credit Growth: The Bank is committed to achieving healthy credit growth and a profitable financial structure.
2. Digital Leader in Retail and SME Segment: The Bank aims to be a leading bank in digital services for the retail and SME segment.
3. Main Choice for Indonesia-Korea Wholesale and Business Segments: The Bank wants to be the main bank of choice for credit in the wholesale and business segments between Indonesia and Korea.

Through the fundamental transformation that has been carried out, the Bank has set a long-term target to become a Medium Bank with global capacity through stable growth. The bank hopes to go through the rebuild phase and build a strong business ecosystem with the support of digitalization of banking services. The bank hopes to grow sustainably through the turn around phase, with a business strategy that transforms from a low cost structure to a highly profitable bank. Growth will be prioritized across all business segments, with increasing market share balanced by building new capabilities and product offerings to capture larger market opportunities. The bank will design a value proposition in digital banking for all segments and build a comprehensive financial platform.

To achieve the Bank's aspirations, there are 4 (four) main strategies that are the key to the Bank's success, namely:

a. Good Bank
   Restore market confidence by creating sustainable Bank fundamentals and profits based on expanding market share and business, including by developing new products, processes, sales competencies, customer-oriented ethical culture
b. Bad Banks
   Maximize value by increasing collection and credit sales activities, clean up bad assets using sources from good bank profits.
c. Cost Efficiency
   This is done by eliminating inefficient costs through the ProX program initiative, increasing transparency, optimizing channel strategy and HR productivity
d. Capital Utilization
   Effective use of new capital for new credit and future investments for sustainable growth.

OPERATIONAL OVERVIEW PER BUSINESS SEGMENT

A business segment is a group of assets and operations that offers goods or services with different risks and returns from other segments. KB Bank divides business segments based on accounting policy regulations into Operating Segments and Geographical Segments. The Bank applies PSAK No. 5 (Revised 2009), which regulates disclosures to enable users of financial statements to evaluate the nature and financial impact of business activities and the economic environment in which the Bank operates.

KB Bank carries out business activities such as raising funds, distributing credit, and providing banking services through developing products and services that are oriented to customer needs.

In the banking services industry, production refers to the results of product and service marketing activities carried out by banks. In this report, the production performance of the Bank as the main entity will be explained. The performance of the Conventional Segment and Sharia Segment as Subsidiaries will be presented in the analysis and management discussion section of this annual report.

Overall, KB Bank's segments are divided into Operational Segments and Geographical Segments. The Operations segment consists of Conventional, Financing and Sharia groups. Meanwhile, KB Bank reports Geographic Segments based on Java, Sumatra, Kalimantan, etc.

OPERATING SEGMENT

CONVENTIONAL BANKING SEGMENT

Conventional Banking consists of Credit products, Fund Products and Other Services.

Credit Products

The credit products offered by KB Bank consist of Retail credit products, MSME credit and Commercial credit.

Retail Credit

1. Retail Credit
   a. Pensioner Credit
      KB Bank provides business capital loan opportunities for retirees or retired widows/widowers who receive monthly pension money to remain productive workers through pension credit. The advantage of the pension credit product is that this loan can be used as business capital, the processing process is fast with easy terms and the interest rates offered are competitive. Apart from that, this product also offers optimal protection through insurance cover. The features offered by this product include the ceiling offered starting from IDR 1 million to IDR 300 million, the term given from 1 (one) to 15 (fifteen) years or the maximum age when the credit is paid off is 75 (seventy five) years.
   b. Pre-Retirement Period Credit (MPP)
      This is a credit given to Civil Servants (PNS) who have entered the Retirement Preparation period or 2 (two) years before retirement. The advantage of this product is that it provides future preparation for retirement with optimal protection through insurance. This credit can be repaid before and after retirement at competitive interest rates. The requirements offered are quite easy and the process is fast. The ceiling offered starts from IDR 1 million to IDR 300 million with a maximum term of 15 (fifteen) years.
   c. Car Ownership Credit
      This is a loan facility for customers to meet their needs in owning four-wheeled vehicles, both new and used cars, with a fast, light and flexible process.
   d. Home/Apartment Ownership Credit
      This is a loan facility for customers to meet consumer needs in owning, renovating and/or increasing the usability of a house/apartment with a fast, light and flexible process.
   e. Multipurpose Credit (KSG)
      Loan facility to customers who are employees of a company that has payroll facilities from KB Bank to meet multipurpose needs such as education costs, wedding costs, hospital costs, tourist trips, purchasing household equipment, and other consumptive needs.
   f. Back to Back Credit
      Loan facilities provided to customers with collateral in the form of savings/deposits/current accounts.
   g. Credit card
      For shopping or cash needs, KB Bank offers VISA, MASTERCARD and private label credit cards (KB Bukopin Card) which provide many conveniences and benefits for consumers. The KB Bukopin Credit Card provides low and competitive interest rates without distinguishing between shopping transactions and cash withdrawals. Currently KB Bank offers several types of credit cards, including:
      i) Infinite Credit Card;
      ii) Platinum Credit Card;
      iii) Gold Credit Card;
      iv) Classic Credit Card;

v) Business Cards;
vi) Private label KB Bukopin card.

h. Active Civil Servant Credit Channeling BPR
Active Civil Servants (PNS) can take advantage of loan funds from KB Bank to open businesses/business opportunities or to meet other needs through active civil servant loans from KB Bank in collaboration with BPR Regional Governments/City Governments throughout Indonesia. The advantage of this product is that it can reach customers in remote areas according to the location of the BPR. This credit can be used as business capital with a fast process and easy conditions accompanied by optimal protection through insurance guarantees. The feature offered by this product is a ceiling starting from IDR 1 million to IDR 200 million with a maximum term of 15 (fifteen) years or when the credit is paid off the maximum is retirement age.

MSME Credit

MSME products provided by KB Bank consist of 2 (two) segments, namely Small and Medium Enterprises (UKM) Credit and Micro Credit

1. SME Credit
Credit products in the SME segment consist of Cash Loan and Non Cash Loan products.
Cash Loan products include products, namely generic products, namely Working Capital Credit, Investment Credit and program products or derivative products from generic products
   a. Generic Products
      i) Working Capital Credit (KMK)
      It is a short-term credit facility provided to debtors to finance the procurement of current assets and/or replace trade payables, temporarily finance the company's routine (day-to-day) operational activities, advance payments, cash reserves, or other working capital components in accordance with the character of the debtor's business. maximum return period of 1 (one) year.
      ii) Investment Credit (KI)
      It is a medium and long term credit facility provided to debtors to finance the procurement of fixed assets and/or to finance capital goods needs, including in the context of rehabilitation, modernization, expansion, new projects, take over and refinancing with a repayment period of between 3 (three) up to 10 (ten) years which has derivative products, namely

   b. Program Products
      i) Equipment Finance
      Investment credit financing scheme for purchasing equipment to support customers' operational activities in carrying out business expansion where the main collateral guaranteed is the asset collateral being financed
      ii) SME Mortgage
      Credit given to MSME companies for investment purposes or ownership of business premises, shophouses, warehouses, SOHO (Small Office Home Office), Office Space to be occupied/as a productive business facility owned by the debtor.
      iii) 3. Supply Chain Financing
      Supply Chain Financing is a working capital financing for business actors to develop their business by purchasing stock of goods from suppliers, including:
      - Dealer Financing
        Scheme for providing funds to Dealers who have collaborated with the Principal in purchasing goods produced/provided by the principal
      - Vendor Financing
        Vendor Financing is a collaboration with Anchor to provide credit facilities to Suppliers recommended by Anchor on the basis of effective invoices, with the aim of bridging the maturity of receivables from Suppliers.
      - Financing Distributor
        Collaboration program with Anchor to provide credit facilities to Distributors recommended by Anchor specifically for transactions involving purchasing goods from Anchor

      iv) Current Account Loans (PRK)
      Credit facilities provided by the Bank to meet working capital (operational) needs for a certain period and can be extended, where withdrawals can be made using scripts (cheques/bilyet giro) during the credit period
      v) BPR Financing
      Financing scheme for Rural Banks (BPR) which carry out conventional business activities which in their activities do not provide services in payment traffic and the withdrawal proceeds from the bank are passed on to the end user
      vi) SKBF Fleet Channeling Financing
      Investment credit financing scheme for purchasing passenger vehicles (four-wheeled) or pick-up cars

(four-wheeled) to support customers' operational activities in expanding their business using a channeling pattern through Sunindo Kookmin Best Finance (SKBF), where the main collateral guaranteed is the asset collateral being financed .

The growth of financial technology (fintech) services in Indonesia can be said to be very rapid, where every year new financing institutions emerge to help meet the financial needs of the community. Simply put, fintech is a service that operates in the field of technology-based financial services, so KB Bank also participates in this fintech financing through collaboration with Peer to Peer.

a. Peer to Peer
   P2P Lending is an online platform that provides facilities for fund owners to provide funds/potential debtors with higher returns, while fund borrowers can apply for loans/credit directly to fund owners with easier terms and a faster process compared to financial institutions. conventional.

Non Cash Loan products include Letter of Credit (L/C), Domestic Letter of Credit (SKBDN) and Bank Guarantee/SBLC/Demand Guarantee products.

1. Letter of Credit (L/C)
   It is a written instrument or promise issued by a Bank (issuing Bank) at the request and written instructions of the Debtor/customer (applicant).
2. Domestic Letter of Credit (SKBDN)
   commonly known as a Domestic "Letter of Credit" (SKBDN) is any written promise based on the written request of the applicant (applicant) which is binding on the opening Bank.
3. Bank Guarantee
   It is a promise with certain terms and conditions regulated and stipulated in the Bank guarantee agreement between the Bank and the Debtor/Principal which states that at the Principal's request, for a certain period of time, a certain amount and certain needs, the Bank will pay the Principal's obligations to the Obligee, if The Principal defaults (breaks his promise) to the Obligee.

2. Micro Credit
   a. People's Business Credit (KUR)
      It is a credit product for financing productive businesses in the micro, small, medium and cooperative business segments, which are feasible but not yet bankable for working capital and/or investment through direct or indirect (linkage) financing patterns guaranteed by the Credit Guarantee Agency.
   b. Swamitra Non-Fixed Capital Credit
      Swamitra is the name of a form of cooperation or partnership between the Company and the Cooperative to develop and modernize the Savings and Loans Business (USP) through the use of a technological network and management system support so that USP has wider financial transaction service capabilities while still paying attention to statutory regulations applicable. Non-Fixed Capital (MTT) is a credit facility provided by KB Bank to Cooperatives to be used as working capital for Swamitra savings and loan business activities.

Commercial Credit

Commercial Credit is credit provided with a credit limit of more than IDR 15 billion. Credit products in the commercial segment consist of 3 (three) products, namely Working Capital Credit, Investment Credit and Syndicated Credit products.

1. Working Capital Credit
   This is a short-term credit facility provided to finance the debtor's working capital needs with a maximum repayment period of 1 (one) year. This facility helps customers improve liquidity to meet funding needs in order to fulfill their obligations and/or carry out the company's daily operations in the near future.
2. Investment Credit
   It is a medium and long-term credit facility provided to debtors to finance the procurement of fixed assets/ facilities or the construction of a project that can support the smooth running of the business, process/produce goods or services, and the return of the credit comes from the operationalization and/or commercialization of the project. with a repayment period of between 3 (three) to 10 (ten) years.
3. Syndicated Credit
   This is financing to debtors carried out by several banks jointly to finance a project.

Credit Product Profitability

In 2023, KB Bank's total credit reached IDR 49.42 trillion, a decrease of 2.30% from the previous year which reached IDR 50.58 trillion in 2022. This decrease is due to the Company's strategy to reduce low quality portfolio, by reducing LAR through various schemes including intensive collection, portfolio sales and write-offs. The Company continues to clear bad loans to become a clean bank. In addition, the Company also conducted solid loan expansion throughout 2023. The realisation of new credit grew 6.0% to IDR 6.7 trillion as of December 2023 from the same period last year (year on year/YoY). KB Bank's new credit growth was evident in all segments, but the highest growth came from the corporate segment which contributed 73% or IDR 4.9 Trillion to the Company's total new credit. SME's credit contributed 7%, while the retail segment accounted for 20%. Credit distribution supported by the corporate business segment is KB Bank's strategy to maximise credit expansion while improving asset quality and keeping the cost of funds under control. The Company's new credit growth and asset quality improvement until December 2023 was accompanied by an increase in interest income of 17.8% YoY to IDR 4.1 trillion in the January-December 2023 period.

Credit Product Performance

(in billions IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
MSME Credit	15.633	31,63%	18.397	36,37%	(2.763)	-15,02%
Consumer Credit	12.458	25,21%	13.474	26,64%	(1.017)	-7,55%
Commercial Credit	21.328	43,16%	18.712	36,99%	2.615	13,98%
Total	**49.419**	**100,00%**	**50.583**	**100,00%**	**(1.165)**	**-2,30%**

Retail Credit Product Performance

(in billions IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Retiree Credit	8.330	66,87%	8.890	65,98%	(560)	-6,29%
Pre-Retirement Credit	1.215	9,75%	842	6,25%	373	44,30%
Car Loan	185	1,49%	204	1,51%	(19)	-9,24%
House/Apartment Loan	1.363	10,94%	1.709	12,68%	(346)	-20,26%
Multipurpose Credit (KSG)	1	0,01%	4	0,03%	(3)	-71,70%
Back to Back	22	0,17%	125	0,93%	(103)	-82,69%
Credit Card	457	3,67%	531	3,94%	(74)	-13,95%
Others	885	7,10%	1.169	8,68%	(285)	-24,35%
Total	**12.458**	**100,00%**	**13.474**	**100,00%**	**(1.017)**	**-7,55%**

In 2023, there is a decline in retail credit performance of 7.55%, or IDR 1.01 trillion, compared to the previous year, namely total retail credit recorded at IDR 13.47 trillion in 2022. This decline was triggered by a decrease in retiree credits and house loans.

Credit card

KB Bank has been involved in the Credit Card Business since 2003, making it an established business segment. This business is still a promising option with bright prospects in providing services that facilitate customer needs. With the KB Bukopin VISA, MASTERCARD and private label credit cards (KB Bukopin Card), customers can enjoy easy shopping and cash withdrawals. Another advantage is the low and competitive interest rates, which apply to all types of transactions, both shopping and cash withdrawals. Currently the Company offers several types of credit cards, including:

1. Infinite Credit Card;
2. World Credit Card
3. Platinum Credit Card;
4. Business Card Credit Card
5. Customized Credit Card
6. Gold Credit Card;
7. Classic Credit Card;
8. Private label KB Bukopin Card

Credit Card Business Performance

The Company is one of the banks licensed as an issuer and recipient of card payments in Indonesia. Apart from that, the Company was also given permission to issue a private label card known as the KB Bukopin Card. With the support of current permits and infrastructure, the Company's credit card business has great potential for development. In 2023, the Company will continue to make various efforts to increase the growth of the credit card business and payment recipients, by implementing the following strategies:

1. Premium Credit Card for Priority Customers.
2. Commercial Cards for Strategic Partners, Corporate and Payroll Customers.
3. Internal employees of KB Bank.

Credit Card Business Performance 2022-2023

Description	2023	2022	Growth	
			Difference	Percentage (%)
Total Cardholders	553.842	569.120	-15.278	-2,68%
Card Use (billion IDR)	623	779	-156	-20%.
Credit (billion IDR)	457	531	-74.	-13.94%
Fee-based Credit Card (billion IDR)	38	45	-7	-15.55%
Sales Volume of Merchant (billion IDR)	359	480	-121	-25,21%
Fee-based Merchant (billion IDR)	4	6	-2	-33.33%

MSMEs Credit

MSMEs Credit Product Performance

In billion IDR

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
SMEs Credit	14.609	93,45%	17.150	93,22%	(2.541)	-14,81%
Micro Credit	1.024	6,55%	1.247	6,78%	(223)	-17,86%
Total	**15.633**	**100,00%**	**18.397**	**100,00%**	**(2.763)**	**-15,02%**

In 2023, MSME credit performance shows a decline of 15.02% or around IDR 2.76 trillion compared to the previous year, namely total MSME credit was recorded at IDR 18.40 trillion in 2022. This decrease was caused by the company's strategy to reduce poor quality portfolios. namely reducing LAR.

SMEs Credit

(in billion IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Investment Loan	5.000	34,23%	7.032	41,00%	(2.032)	-28,89%
Working capital Loan	2.762	18,91%	3.805	22,19%	(1.043)	-27,40%
Equipment Financing	125	0,85%	182	1,06%	(57)	-31,38%
Dealer Financing	640	4,38%	365	2,13%	275	75,21%
Other	6.082	41,63%	5.766	33,62%	316	5,48%
Total	14.609	**100,00%**	**17.150**	**100,00%**	**(2.541)**	**-14,81%**

In 2023, total SME credit is recorded at IDR 14.61 trillion, a decrease of 14.81% or around IDR 2.54 trillion compared to the previous year. Total SME credit reached IDR 17.15 trillion in 2022. This decrease was caused by by the company's strategy to reduce the existing poor quality credit portfolio, namely reducing the LAR.

Micro Credit

(in billion IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
KUR	110	10,74%	106	9%	4	3,77%
Swamitra Non-Fixed Capital Credit	914	89,26%	1.141	91%	(227)	-19,89%
Total	**1.024**	**100%**	**1.247**	**100%**	**(223)**	**-17,85%**

Until the end of 2023, the amount of Micro Credit amounted to IDR 1.02 billion, 17.85% decrease or IDR 223 billion compared to 2022 which was recorded at IDR 1,25 billion. This decrease was caused by This decrease was due to the business focus on reducing LAR on Swamitra credit.

Fee based Income Non Cash Loan

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Trade Finance	7.070	62%	1,682	13%	435	4%
Bank Guarantee	11.398	38%	10,963	87%	5.388	320%
Total	**18.468**	**100%**	**12,645**	**100%**	**5.823**	**46%**

Until the end of 2023, the total Fee Based Income Non Cash loan amounted to IDR 18,468 billion, an increase of 46% or IDR 5.82 billion compared to 2022 which was recorded at IDR 12.64 billion. This increase was caused by more active trade finance transactions compared to 2022.

Commercial Credit

The description of the performance of each product during the financial year period is as follows.

Commercial Product Performance

(In billion IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Working Capital Loan	10.128.	47,39%	10.410	55,63%	282.	97,29%.
Investment Loan	6.6890	31,30%	6.918	36,97%	229	96,69%
Sindication Credit	4.554	21,31%	1.384	7,39%	3.170	329,06%
Total	**21.371**	**100,00%**	**18.712**	**100,00%**	**2.659**	**114,21%**

In 2023, the amount of commercial credit was recorded at IDR 21.73 trillion, an increase of 114.21% or IDR 2.66 trillion compared to 2022 which was IDR 18.71 trillion. This increase was caused by syndicated credit which began to grow.

Wholesale/ Commercial Credit

(In billion IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Koreanlink	4.242	19,89%	1.927	10,30%	2.316	120,18%
Non-Korea	17.085	80,11%	16.785	89,70%	300	1,79%
Total	21.328	100,00%	18.712	100,00%	2.615	13,98%
Total	**21.371**	**100,00%**	**18.712**	**100,00%**	**2.659**	**114,21%**

In 2023, the amount of wholesale or commercial credit was recorded at IDR 21.33 trillion, an increase of 13.98% or IDR 2.62 trillion compared to 2022 which was IDR 18.71 trillion. This increase was mainly driven by an increase in in the koreanlink segment. The realization of new koreanlink credit grew 54.7% to IDR 2.3 trillion as of December 2023 from the same period last year (year on year/YoY). KB Bank continues to transform under its new controlling shareholder from South Korea, Kookmin Bank, by continuing to open new business opportunities. One of the business opportunities that KB Bank is exploring after becoming part of the KB Financial Group (KBFG) is Korean Link. Established in November 2020, Korean Link aims to open new potential partnerships with South Korean companies that have representative offices in Indonesia, as well as national private companies owned or affiliated with South Korean companies.

As of December 2023, Korean Link's credit portfolio had reached IDR 4.2 trillion and its funding portfolio more than IDR 5 trillion. These figures show significant growth over the three years of Korean Link's existence.

Fund Products

The fund products offered by the Company consist of Retail and Commercial fund products.

1. Ritel Segmen
   The MSME and Consumer funding businesses were combined into the Retail business segment. This change has a positive impact on the Company because it provides greater opportunities for marketing funding personnel. Potential and funding offers are not only obtained from individual customers, but also from corporate customers (business entities). The main target of Retail funding business activities is to increase the number of customers in the mass affluent (middle) segment, create a fund structure with a stable low-cost fund composition, and increase the number of transactions. Retail funding business activities are also supported by marketing programs which are packaged in an integrated marketing communications plan which not only aims at product sales but also has a positive impact on building the image of KB Bank. Fund products in the Retail business are described as follows:
   a. Current Account
      Third party fund deposits where withdrawals can be made using an ATM card (individuals), checks, giro bills, or other comparable warrants. The types of current accounts provided by KB Bank to customers are:
      - General Current Account
        Savings in Rupiah currency to meet the company's daily transaction needs.
      - Currency Current Account
        Savings in foreign currency to meet the company's daily foreign currency transaction needs.

   b. Savings
      Various savings products are provided to serve customers' needs, both for daily household transactions and investments to optimize savings interest income, on the other hand, they can also be used to plan future funding needs, for business needs or for religious purposes. The types of savings provided by KB Bank to customers are:
      - KB Bukopin Tabungan Siaga Savings
        Savings whose withdrawals can only be made according to certain agreed conditions, and cannot be withdrawn by check/bilyet giro or equivalent.
      - KB Bukopin Tabungan Siaga Savings
        Savings Collaboration specifically designed for collaboration between KB Bank and companies in the context of payroll (accommodating employee salary payments) or other collaborations which have the characteristic of opening savings collectively.
      - KB Bukopin Business Tabungan Siaga Savings (Individuals and Business Entities)
        Savings intended for individuals and business entities with legal or non-legal entities. This savings makes it easy for customers to monitor their business transactions printed in the savings book. The services provided to business savings account holders are very attractive, including the availability of ATM cards, e-banking, and facilities for automatically transferring funds from savings to checking accounts or vice versa (SiAgamatic).
      - KB Bukopin Premium Tabungan Siaga Savings
        Interest-bearing savings equivalent to deposits that have a variety of services, convenience and flexibility.
      - KB Bukopin Savings Plan
        Savings intended for individuals to meet future needs with a fixed deposit amount each month and can only be withdrawn at a certain time according to the agreement.
      - KB Bukopin Dollar Tabungan Siaga Savings
        Savings in the form of foreign currency for customer transaction needs.
      - Tabunganku
        Savings which is a government program aimed at individuals without incurring administrative fees.
      - Siaga Retirement Savings
        Savings aimed at collecting funds from retirees including pension payments.
      - SIMPEL Savings (Student Savings)
        Savings accounts for students issued nationally by banks in Indonesia, with easy and simple requirements and attractive features, in the context of education and inclusion to encourage a culture of saving from an early age.
      - Wokee Digital Savings
        Electronic-based individual savings that can be used as a cardless transaction account, using a digital application base in which there are various features that can be accessed to carry out various transactions.

   c. Deposit
      The deposit product developed by KB Bank is in order to meet customer needs for savings products that have a certain period of time and provide a more attractive interest rate than current accounts and savings. In the Retail business segment, KB Bank provides the following deposit products:
      - General Deposits
        Term savings for individual customers and business entities whose withdrawals can only be made at certain times according to the agreement in rupiah currency.

- Foreign Currency Deposits
  Time savings in foreign currency for individual customers and business entities whose withdrawals can only be made at certain times according to the agreement.
- Merdeka Deposits
  Term savings which can be withdrawn at any time according to the agreement between the customer and the Company, with added value without penalty fees if withdrawn before maturity.
- Online Deposits
  Term savings for individual customers whose withdrawals can only be made at certain times according to the agreement in rupiah currency and can only be accessed online.

2. Commercial
   The Commercial funds business is a balancing segment for the growth of third party funds and the Company's liquidity needs. The Commercial fund business has a main target market of state-owned companies and national private companies by establishing a follow-the-money strategy and increasing depositor loyalty with banking operational cooperation as the underlying fund placement. The products and services sold are packaged in an integrated service such as cash management, host to host (H2H) payment services, virtual accounts and other transactional services. Commercial business funding sources come from current accounts and deposit products with competitive interest rates. Details related to Commercial business fund products are described as follows:
   a. Giro
      - General Current Account
        Savings in Rupiah to meet the company's daily transaction needs.
      - Currency Current Account
        Savings in foreign currency to meet the company's daily foreign currency transaction needs

   b. Deposit
      - KB Bukopin Rupiah deposits
        Term savings for individual customers and business entities whose withdrawals can only be made at certain times according to the agreement in rupiah currency.
      - Foreign Currency Deposits
        Time savings in foreign currency for individual customers and business entities whose withdrawals can only be made at certain times according to the agreement.
      - Deposits on Call
        Term savings where withdrawals can only be made through prior notification according to the agreement between the customer and the bank.

Fund Product Productivity

Until the end of 2023, the total number of accounts collected by the Bank was 544,626 units, a decrease of 1,306,018 units or a decrease of 70.58% compared to the previous year which reached 1,850,458 account units.

Number of Fund Product Accounts

(in account units)

Product	2023		2022		Increase (Decrease)	
	Total (Unit)	Composition (%)	Total (Unit)	Composition (%)	Difference (Unit)	Percentage (%)
Retail	542.626	99,67%	1.848.589	99,90%	(1.305.963)	-70,65%
Commercial	1.814	0,33%	1.869	0,10%	(55)	-2,94%
Total	**544.440**	**100,00%**	**1.850.458**	**100,00%**	**(1.306.018)**	**-70,58%**

On the other hand, KB Bank in 2023 managed to collect funds amounting to IDR 44.79 trillion, a decrease of 13.80% or IDR 7.17 trillion from 2022 which reached IDR 51.96 trillion.

Total Fund from the Fund Product

(in billions IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Retail	30.008	67,00%	37.579	72,32%	(7.571)	-20,15%
Commercial	14.781	33,00%	14.383	27,68%	398	2,76%
Total	**44.789**	**100,00%**	**51.962**	**100,00%**	**(7.173)**	**-13,80%**

Retail Funds

The Retail business funding segment is collected from various savings, checking and deposit products offered to both individuals and business entities. The following is an overview of the performance of the Company's Retail fund products:

Number of Retail Fund Account

(in account units)

Product	2023		2022		Increase (Decrease)	
	Total (Unit)	Composition (%)	Total (Unit)	Composition (%)	Difference (Unit)	Percentage (%)
Current Account	13.650	2,52%	15.125	0,82%	(1.475)	-9,75%
Savings	512.298	94,41%	1.809.453	97,88%	(1.297.155)	-71,69%
Time Deposits	16.678	3,07%	24.011	1,30%	(7.333)	-30,54%
Total	**542.626**	**100,00%**	**1.848.589**	**100,00%**	**(1.305.963)**	**-70,65%**

In 2023, the number of third-party fund accounts in KB Bank Retail fund segment decreased by 70.65%, or 1,305,963 units of accounts, from 1,848,589 units of accounts in 2022 to 542,626 units of accounts in 2023. The decrease was mainly in Savings because in 2023, the Bank conducted a review of existing accounts to focus on quality accounts, in which the Bank conducted deepening to customers to be able to add funds or make transactions. Accounts were then closed considering there were still accounts that remained inactive and had zero balances.

Total Third Party Funds from Retail Segment

(in billions IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Current Account	1.763	5,88%	2.537	6,75%	(774)	-30,50%
Savings	5.056	16,85%	6.647	17,69%	(1.591)	-23,93%
Time Deposits	23.189	77,28%	28.396	75,56%	(5.206)	-18,34%
Total	**30.008**	**100,00%**	**37.579**	**100,00%**	**(7.571)**	**-20,15%**

In 2023, the Retail Segment of KB Bank succeeded in raising third party funds amounting to IDR 30.01 trillion. This number decreased by 20.15% or decreased by IDR 7.57 trillion compared to the previous year which reached IDR 37.58 trillion. In nominal terms, the biggest decline occurred in deposit products which fell by IDR 5.21 trillion or a decrease of 18.34%. This decrease was caused by the large number of customers disbursing deposits as a result of the closure of several KB Bank outlets/branch offices during the 2023 period.

Current Account

Until the end of 2023, the number of checking product accounts in the Retail funds segment of KB Bank reached 13,570 units. This figure has decreased by 1,555 units or around -10.28% compared to the previous year, which recorded 15,125 units in 2022.

Number of Retail Current Accounts

(in account units)

Product	2023		2022		Increase (Decrease)	
	Total (Unit)	Composition (%)	Total (Unit)	Composition (%)	Difference (Unit)	Percentage (%)
General Current Account	13.127	96,17%	14.537	96,11%	(1.410)	-9,70%
Foreign Currency Current Account	523	3,83%	588	3,89%	(65)	-11,05%
Total	**13.650**	**100,00%**	**15.125**	**100,00%**	**(1.475)**	**-9,75%**

Total Retail Current Account Funds

(in billions IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
General Current Account	1.722	97,63%	2.419	95,33%	(697)	-28,82%
Foreign Currency Current Account	42	2,37%	119	4,67%	(77)	-64,79%
Total	**1.763**	**100,00%**	**2.537**	**100,00%**	**(774)**	**-30,50%**

In 2023, total funds from current account products in the Retail funds segment of KB Bank has reached IDR 1.76 trillion. There was a decrease of 30.50% or decrease of IDR 774 billion from the previous year which recorded IDR 2.54 trillion. This decrease was mainly due to a decrease in volume in foreign exchange demand deposit products.

Savings

Until the end of 2023, the number of savings product accounts in the Retail fund segment decreased by 71.69%, or by 1,297,155 account units from a total of 1,809,453 account units in 2022 to 512,298 account units in 2023. This decrease was due to the fact that in 2023, the Bank conducted a review of existing accounts to focus on quality accounts, in which the Bank conducted deepening to customers to be able to add funds or make transactions. Accounts were then closed considering there were still accounts that remained inactive and had zero balances.

Total Funds for Retail Savings Products

(in billions IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
SiAga KB Bukopin	65.924	12,87%	508.839	28,12%	(442.915)	-87,04%
SiAga KB Bukopin Cooperation	53.385	10,42%	672.312	37,16%	(618.927)	-92,06%
SiAga KB Bukopin Plan	5.187	1,01%	6.947	0,38%	(1.760)	-25,33%
SiAga KB Bukopin Individual Business	8.463	1,65%	19.868	1,10%	(11.405)	-57,40%
SiAga KB Bukopin Business for Business Entity	7.194	1,40%	5.933	0,33%	1.261	21,25%
SiAga KB Bukopin Premium	1.488	0,29%	2.246	0,12%	(758)	-33,75%
SiAga KB Bukopin Foreign Currency	283	0,06%	295	0,02%	(12)	-4,07%
SiAga KB Bukopin Retirement	190.276	37,14%	176.634	9,76%	13.642	7,72%
SIMPEL	32.705	6,38%	30.721	1,70%	1.984	6,46%
Tabungan Rakyat Savings	-	0,00%	-	0,00%	-	0,00%
Wokee	98.671	19,26%	72.885	4,03%	25.786	35,38%
TabunganKu	48.722	9,51%	293.175	16,20%	(244.453)	-83,38%
Other Savings	-	0,00%	19.598	1,08%	(19.598)	-100,00%
Total	**512.298**	**100,00%**	**1.809.453**	**100,00%**	**(1.297.155)**	**-71,69%**

Number of Retail Savings Accounts

(in account units)

Product	2023		2022		Increase (Decrease)	
	Total (Unit)	Composition (%)	Total (Unit)	Composition (%)	Difference (Unit)	Percentage (%)
SiAga KB Bukopin	922	18,23%	1.018	15,32%	(96)	-9,43%
SiAga KB Bukopin Cooperation	207	4,09%	271	4,07%	(64)	-23,60%
SiAga KB Bukopin Plan	85	1,68%	116	1,74%	(31)	-26,58%
SiAga KB Bukopin Individual Business	487	9,63%	636	9,56%	(148)	-23,35%
SiAga KB Bukopin Business for Business Entity	942	18,64%	848	12,76%	94	11,11%
SiAga KB Bukopin Premium	1.433	28,35%	2.370	35,66%	(937)	-39,54%
SiAga KB Bukopin Foreign Currency	54	1,06%	115	1,73%	(61)	-53,32%
SiAga KB Bukopin Retirement	344	6,80%	345	5,19%	(1)	-0,41%
SIMPEL	3	0,05%	2	0,04%	0	3,82%
Tabungan Rakyat Savings	0	0,00%	0	0,00%	0	20,03%
Wokee	15	0,29%	17	0,26%	(3)	-16,19%
TabunganKu	87	1,73%	211	3,17%	(123)	-58,56%
Other Savings	478	9,45%	698	10,50%	(220)	-31,51%
Total	**5.056**	**100,00%**	**6.647**	**100,00%**	**(1.591)**	**-23,93%**

In 2023, the amount of savings product funds in the Retail funds segment has reached IDR 5.06 trillion, a decrease of 23.93% or minus IDR 1.59 trillion compared to 2022 which reached IDR 6.65 trillion. This decrease was caused by a large decrease in funds for premium savings customers.

Deposit

Until the end of 2023, the number of deposit product accounts in the Retail funds segment decreased by -30.54% or decreased by 7,333 account units from 24,011 account units in 2022 to 16,678 account units in 2023. This decrease was caused by the disbursement of deposits that carried out by customers which is also the impact of the outlet closures that occurred in semester 1 of 2023.

Number of Retail Deposit Product Accounts

(in account units)

Product	2023		2022		Increase (Decrease)	
	Total (Unit)	Composition (%)	Total (Unit)	Composition (%)	Difference (Unit)	Percentage (%)
General Deposits	10.471	62,78%	14.004	58,32%	(3.533)	-25,23%
Currency Deposits	254	1,52%	269	1,12%	(15)	-5,58%
Merdeka Deposits	4.466	26,78%	7.533	31,37%	(3.067)	-40,71%
Business Entity Deposits	1.453	8,71%	2.195	9,14%	(742)	-33,80%
Deposits on Call (DOC)	34	0,20%	10	0,04%	24	240,00%
Total	**16.678**	**100,00%**	**24.011**	**100,00%**	**(7.333)**	**-30,54%**

Amount of Retail Deposit Product Funds

(in billions IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
General Deposits	14.447	62,30%	15.123	53,26%	(677)	-4,47%
Currency Deposits	984	4,25%	718	2,53%	267	37,20%
Merdeka Deposits	348	1,50%	617	2,17%	(269)	-43,62%
Business Entity Deposits	6.771	29,20%	11.804	41,57%	(5.033)	-42,64%
Deposits on Call (DOC)	639	2,76%	134	0,47%	505	377,72%
Total	**23.189**	**100,00%**	**28.396**	**100,00%**	**(5.206)**	**-18,34%**

In 2023, the amount of deposit product funds in the Retail funds segment is recorded at IDR 23.19 trillion, a decrease of 18.34% or minus IDR 5.21 trillion compared to 2022 which is recorded at IDR 28.40 trillion. This decrease was mainly caused by a change in the bank's focus to reduce deposit composition and further increase CASA.

Commercial Funds

In the Commercial business segment, the Company offers two types of savings fund products to Commercial customers, namely Current Accounts and Time Deposits. The Company actively exploits the potential of the network of Korean companies operating in Indonesia to promote the growth of its commercial funds. The following are details of the performance of Commercial fund products that were successfully collected by the Company's Commercial business segment:

Number of Commercial Fund Accounts

(in account units)

Product	2023		2022		Increase (Decrease)	
	Total (Unit)	Composition (%)	Total (Unit)	Composition (%)	Difference (Unit)	Percentage (%)
Current Accounts	1.135	62,57%	1.156	61,85%	(21)	-1,82%
General Current Accounts	945	52,09%	982	52,54%	(37)	-3,77%
Foreign Currency Current Account	190	10,47%	174	9,31%	16	9,20%
Deposits	132	7,28%	47	2,51%	85	180,85%
Rupiah Deposits	547	30,15%	666	35,63%	(119)	-17,87%
Foreign Currency Deposits	510	28,11%	612	32,74%	(102)	-16,67%
Deposito on Call (DOC)	29	1,60%	16	0,86%	13	81,25%
Total	**8**	**0,44%**	**38**	**2,03%**	**(30)**	**-78,95%**

In 2023, the number of product accounts in the Commercial funds segment has decreased by 2.94% or 55 account units from 1,869 units in 2022 to 1,814 units in 2023. However, the Company also succeeded in increasing the number of corporate customers by 101.17% from 1,000 customers in 2022 to 1,017 customers in 2023. Apart from that, the Company also explains its performance based on the amount of third party funds successfully collected in Commercial fund products, as seen in the table below:

Total Commercial Fund

(in billion IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Current Accounts	1.414	9,57%	1.041	7,24%	374	35,89%
General Current Accounts	1.005	6,80%	762	5,30%	243	31,84%
Foreign Currency Current Account	410	2,77%	279	1,94%	131	46,95%
Deposits	1.817	12,30%	309	2,15%	1.508	487,62%
Rupiah Deposits	11.549	78,14%	13.033	90,61%	(1.484)	-11,39%
Foreign Currency Deposits	8.787	59,45%	9.900	68,83%	(1.112)	-11,24%
Deposito on Call (DOC)	2.466	16,68%	2.437	16,94%	29	1,19%
Total	**296**	**2,00%**	**697**	**4,84%**	**(401)**	**-57,51%**

In 2023, the total funds in the Commercial funds segment reached IDR 14.78 trillion, an increase of 2.76% or IDR 398 billion from the previous year which reached IDR 14.38 trillion. This increase was due to an increase in CASA products, namely current accounts and savings.

Fee Based Income

The Company's Fee Based Income activities come from various activities, including buying and selling (trading) of Treasury products, Public Services, Trade Finance, Bank Guarantees, and agency services. Apart from that, there is an increase in e-banking facility services, cash management, credit card fees, custodian services, Swamitra management and IT services, as well as public utilities. Along with the development of banking services, the Company also began to provide investment products and wealth management services to its customers.

Details related to fee based income services are described as follows:

Capital Market and Financial Institution Services

Capital Market and Financial Institution Services are one of the Company's mainstay businesses. Improving the quality of Capital Market and Financial Institution services as well as development continues to be improved in order to gain customer trust and satisfaction in using the Trustee or Custodian Services of KB Bank. By providing Trustee Services and Custodian Sales, the Company's fee based income can be increased.

Details of the performance of the Trustee and Custodian are described as follows:

Fee Based Income Trustee of Bank Bukopin

No	Periode	Cumulative Fee Based Income
1	Jan-23	1.524.081.750
2	Feb-23	2.594.715.000
3	Mar-23	3.958.662.880
4	Apr-23	4.633.464.930
5	May-23	5.276.323.180
6	Jun-23	5.700.391.430
7	Jul-23	6.717.075.430
8	Aug-23	8.027.223.630
9	Sep-23	9.416.558.630
10	Oct-23	10.488.008.630
11	Nov-23	13.023.266.380
12	Dec-23	14.443.667.380

Fee Based Income Custodian Bank Bukopin

No	Periode	Cumulative Fee Based Income
1	Jan-23	379.976.953
2	Feb-23	839.765.119
3	Mar-23	1.149.756.856
4	Apr-23	1.404.439.020
5	May-23	1.837.470.994
6	Jun-23	2.131.733.996
7	Jul-23	2.415.265.654
8	Aug-23	2.808.602.970
9	Sep-23	3.106.924.108
10	Oct-23	3.428.567.989
11	Nov-23	4.071.605.179
12	Dec-23	4.313.178.868

With support from the Majority Shareholder, Kookmin Bank Seoul, the Company is further strengthening its reputation. This is reflected in the increasing number of collaborations with nearly 600 correspondent banks, both at home and abroad. This collaboration supports the expansion of the Company's business, including sending money between countries (remittances), export-import trade, and other transactions to increase fee-based income. The Company's Financial Institution & Correspondent Bank products include the issuance of Demand Guarantee, Vostro IDR KB Bukopin Accounts, Money Order Rediskonto transactions, and Banker's Acceptance.

KB Bukopin Trade Finance

KB Bukopin Trade Finance is a trade financing product provided by the Company to support goods buying and selling transactions between sellers and buyers, both domestically and across countries. This product includes Export, Import, Domestic Letter of Credit (SKBDN), Bank Guarantee, Standby L/C and Flexy Bill services. The following are details of the performance of KB Bukopin Trade Finance products.

Number of KB Bukopin Trade Finance Transactions

(in transaction amount)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Export Service	153	0,64%	71	0,23%	82	115,49%
Import Service	115	0,48%	79	0,25%	36	45,57%
Remittance	23.529	98,87%	30.945	99,52%	-7.416	-23,97%
Total	**23.764**	**100%**	**31.095**	**100%**	**-7.298**	**-23,47%**

Performance of KB Bukopin Trade Finance

(in million rupiah

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Export Service	2.026	24,00%	116	1,66%	1.910	1646,55%
Import Service	1.406	16,66%	1.239	17,69%	167	13,48%
Remittance	5.009	59,34%	5.648	80,65%	-639	-11,31%
Total	**8.441**	**100,00%**	**7.003**	**100%**	**1.438**	**20,53%**

Treasury

Liquidity management is carried out by the Company in accordance with Financial Services Authority (OJK) and Bank Indonesia (BI) regulations, while optimizing profits. Treasury coordinates with business and support units to monitor daily cash flow, including large customer fund movements and daily trends, to design daily liquidity management strategies.

As a liquidity manager, the Company acts as a profit center by optimizing interest income and fee based income. Transactions involve Bank Indonesia, commercial banks, securities and money brokers. The focus is on foreign exchange buying and selling transactions to improve the treasury's function as a profit center. Treasury products and services offered to customers include:

1. Forex buying and selling transactions (value today, tom, spot, forward, swap);
2. Deposit on Call (DOC);
3. Bond buying and selling transactions (government and corporate);

Volume Transaksi Treasury

(in million rupiah)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Capital Market	242.148.600	70.98%	268.072.767	71.00%	(25.924.167)	-9,67%
Foreign Currency	88.405.596	25.91%	96.029.447	25.43%	(7.623.851)	-7,94%
Marketable Securities	10.610.727	3.11%	13.446.533	3.56%	(2.835.806)	-21,09%
Total Treasury Transaction Volume	**341.164.923**	**100%**	**377.548.747**	**100%**	**(36.383.824)**	**-9,64%**

Treasury Interest Income

(in million rupiah)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Interest Income from Bank Indonesia	213.933	22.01%	127.436	20.22%	86.497	67,87%
Interest Income from Other Banks	78.925	8.12%	44.150	7.00%	34.775	78,77%
Bond Interest Income	679.262	69.87%	458.741	72.78%	220.521	48,07%
Total Treasury Interest Income	**972.120**	**100%**	**630.327**	**100.00%**	**341.793**	**54,22%**

Treasury Non-Interest Income

(in million rupiah)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (Rp)	Composition (%)	Nominal (Rp)	Percentage (%)
Forex Transactions	12.979	52.51%	14.546	26.62%	(1.567)	-10,77%
Securities and Mutual Fund Transactions	11.740	47.49%	40.100	73.38%	(28.360)	-70,72%
Total Treasury Interest Income	**24.719**	**100%**	**54.646**	**100.00%**	**(29.927)**	**-54,77%**

Services and Other Services

Other services and services offered by the Company in 2023 include Card Business, E-Banking, KB Bukopin Prioritas, KB Bukopin Cash Management, State Revenue Module, and Other Banking Services.

Business Card

Business Card Product Performance

(in billion Rupiah, except transaction amount)

Product	2023		2022		Increase (Decrease)	
	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)
Bukopin Credit Card	907.838	623	1.009.170	779	-101.332	-156

E-Banking

E-Banking Product Performance

(in billion Rupiah, except transaction amount)

Product	2023		2022		Increase (Decrease)	
	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)
ATM	1.470.465	1.043.231	4.093.842	2.844.245	(2.623.377)	(1.801.014)
SMS Banking	51.191	52.206	134.330	111.417	(83.139)	(59.211)
Internet Banking	9.225	103	138.665	5.970	(129.440)	(5.867)

Bukopin Priority

Bukopin Priority Performance

(in billion Rupiah, except for the number of customers)

Product	2023		2022		Increase (Decrease)	
	DPK (IDR)	Customers	DPK (IDR)	Customers	Nominal (IDR)	Customers
Bukopin Priority	7.250	3.073	7.669	4.129	409	1.056

Bukopin Cash Management

Bukopin Cash Management Performance

(in billion Rupiah, except transaction amount)

Product	2023		2022		Increase (Decrease)	
	Jumlah Transaksi	Nominal (Rp)	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)
Bukopin Cash Manajement (BCM)	3.791	800	3.744	542	47	259

State Revenue Module (MPN)

State Revenue Module (MPN) Performance

(in billion Rupiah, except transaction amount)

Product	2023		2022		Increase (Decrease)	
	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)
State Revenue Module (MPN)	11.297	1.565	30.325	1.704	(19.028)	(139)

Other Banking Services

Performance of Other Banking Services

(in billion Rupiah, except transaction amount)

Product	2023		2022		Increase (Decrease)	
	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)	Number of Transactions	Nominal (IDR)
Prepaid Electricity	33.057.890	3.289	41.201.013	4.754	(8.143.123)	(1.465)
Bukopin Current Account Virtual Account	4.556	14	119.687	863	(115.131)	(849)
EDC	25.117	20	134.121	481	(109.004)	(461)

FINANCING SEGMENT

In the Financing segment, products and services come from KB Bukopin Finance, including Investment Financing, Working Capital Financing and Multipurpose Financing.

Financing Segment Productivity

On balance sheet financing products experienced an increase of IDR 19.14 billion, from IDR 200.96 billion in 2022 to IDR 220.10 billion in 2023. Meanwhile, joint financing products actually experienced a decrease of IDR 80.62 billion, from IDR 650.47 billion. billion in 2022 to IDR 569.85 billion in 2023.

Details related to the performance of on balance sheet and joint financing products are described as follows:

Financing Product Performance (On Balance Sheet)

(in million IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Investment Financing	146.330	66,49%	99.697	49,61%	46.633	46,78%
Working Capital Financing	29.707	13,50%	4.440	2,21%	25.267	569,08%
Multipurpose Financing	40.288	18,30%	86.604	43,10%	(46.315)	-53,48%
Buying and Selling Financing (Sharia)	3.769	1,71%	10.219	5,09%	(6.450)	-63,11%
Total	**220.095**	**100,00%**	**200.960**	**100,00%**	**19.136**	**9,52%**

Financing Product Performance (Joint Financing)

(in million IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Total (IDR)	Percentage (%)
Investment Financing	354.581	62,22%	425.342	65,39%	(70.761)	-16,64%
Working Capital Financing	294	0,05%	787	0,12%	(493)	-62,69%
Multipurpose Financing	189.123	33,19%	216.792	33,33%	(27.669)	-12,76%
Buying and Selling Financing (Sharia)	25.852	4,54%	7.551	1,16%	18.301	242,36%
Total	**569.849**	**100,00%**	**650.472**	**100,00%**	**(80.623)**	**-12,39%**

SHARIA SEGMENT

The products and services provided in the financing segment come from the Bank KB Bukopin Syariah division, a subsidiary of the Company. The products available include various types of financing in accordance with sharia principles, funding products that comply with sharia rules, as well as various other services adapted to meet financial needs in accordance with sharia principles.

Sharia Segment Productivity

The productivity of the Sharia segment includes financing products, financing products and fee based income, which is presented as follows:

Financing Products

In 2023, the Bank's sharia financing segment recorded total financing of IDR 5.66 trillion, an increase of IDR 493 billion or around 9.55% compared to the previous year which reached IDR 5.17 trillion. The following are details of the performance of Bukopin's sharia financing products:

Financing Product Performance

(in million IDR, unless stated otherwise)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Total (IDR)	Percentage (%)
Agriculture	157.705	2,79%	24.517	0,47%	133.188	543,25%
Mining	97.617	1,72%	100.669	1,95%	(3.052)	-3,03%
Manufacture	409.679	7,24%	88.650	1,72%	321.029	362,13%
Electricity	289.156	5,11%	283.411	5,48%	5.745	2,03%
Construction	255.092	4,51%	317.120	6,14%	(62.028)	-19,56%
Trading	1.256.280	22,19%	1.368.728	26,48%	(112.448)	-8,22%
Transportation	510.052	9,01%	480.415	9,30%	29.637	6,17%
Business Services	487.534	8,61%	706.870	13,68%	(219.336)	-31,03%
Social Services	1.854.148	32,75%	1.179.313	22,82%	674.835	57,22%
Miscellanous	344.522	6,09%	618.453	11,97%	(273.931)	-44,29%
Total	**5.661.785**	**100,00%**	**5.168.146**	**100,00%**	**493.639**	**9,55%**

Funding Products

In 2023, the number of sharia funding accounts in the Bank will reach 22,496 units, an increase of 12,758 account units or around 5.89% compared to the previous year which recorded 216,738 account units.

Third Party Fund Product Performance

(in account units)

Product	2023		2022		Increase (Decrease)	
	Total	Composition (%)	Total	Composition (%)	Difference	Percentage (%)
Current Account	6.249	2,72%	5.846	2,70%	403	6,89%
Savings	219.818	95,78%	207.436	95,71%	12.382	5,97%
Deposits	3.429	1,49%	3.456	1,59%	(27)	-0,78%
Total	**22.496**	**100,00%**	**216.738**	**100,00%**	**12.758**	**5,89%**

During 2023, total funds recorded in the Funding segment reached IDR 6.01 trillion, an increase of IDR 416.73 billion compared to the previous year which was recorded at IDR 5.59 trillion.

Third Party Fund Product Performance

(in million IDR)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Total (IDR)	Percentage (%)
Current Account	459.743	7,65%	647.138	11,58%	-187.395	-28,96%
Savings	477.692	7,95%	471.637	8,44%	6.055	1,28%
Deposits	5.068.360	84,39%	4.470.295	79,98%	598.065	13,38%
Total	**6.005.795**	**100,00%**	**5.589.070**	**100,00%**	**416.725**	**7,46%**

Fee Based Income

During 2023, the Company's fee based income reached IDR 32.73 billion, a decrease of IDR 17.31 billion from the previous year which amounted to IDR 50.04 billion.

Fee Based Income

(dalam jutaan Rupiah)

Description	December 31, 2023	Comp.	December 31, 2023	Comp.	Growth	Percentage
	(IDR)	(%)	(IDR)	(%)	IDR	%
Bank guarantee	4.221	12,90%	22.712	45,38%	-18.491	-81,41%
Admin-Financing	18.466	23,42%	17.230	34,43%	1.236	7,18%
Customer Services	1.512	4,62%	1.614	3,23%	-102	-6,31%
Admin-DPK	2.573	7,86%	2.540	5,08%	33	1,32%
PLN	2.363	7,22%	2.955	5,90%	-592)	-20,04%
Bancassurance	514	1,57%	568	1,14%	-54	-9,59%
FBI-ATM	308	0,94%	353	0,71%	-45	-12,88%
Sales Asset Management	327	1,00%	286	0,57%	41	14,49%
Gold Pawn	11	0,03%	15	0,03%	-4	-28,35%
Syndication	1	0,00%	5	0,01%	-4	-79,00%
Telecommunication	12	0,04%	25	0,05%	-13	-51,46%
FBI-Other	2.423	7,40%	1.740	3,48%	683	39,27%
Total	**32.731**	**100,00%**	**50.043**	**100,00%**	**-17.312**	**-34,59%**

GEOGRAPHIC SEGMENT

KB Bank's geographical segments are differentiated based on economic regions, such as Java, Sumatra, Kalimantan and other regions. Each region has different risks and rewards in producing banking services.

Geographic Segment Productivity

Geographic segment productivity includes loans granted and customer deposits which are presented as follows:

Loans

Geographical Segment Operational Performance

(in billion Rupiah)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Jawa	40.813	82,59%	40.874	80,81%	(62)	-0,15%
Sumatera	3.130	6,33%	3.587	7,09%	(457)	-12,75%
Kalimantan	983	1,99%	1.307	2,58%	(324)	-24,78%
Lain -Lain	4.494	9,09%	4.815	9,52%	(322)	-6,68%
Total	**49.419**	**100,00%**	**50.583**	**100,00%**	**(1.165)**	**-2,30%**

Customer Savings

Geographical Segment Operational Performance

(in billion Rupiah)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Jawa	37.960	84,75%	44.517	85,67%	(6.557)	-14,73%
Sumatera	2.488	5,56%	3.129	6,02%	(641)	-20,48%
Kalimantan	2.333	5,21%	2.480	4,77%	(147)	-5,94%
Lain -Lain	2.008	4,48%	1.836	3,53%	172	9,36%
Total	**44.789**	**100,00%**	**51.962**	**100,00%**	**(7.173)**	**-13,80%**

REVENUE, PROFITABILITY AND FINANCIAL POSITION OF OPERATING SEGMENTS

KB Bank divides business segments based on accounting policy regulations into Operating Segments and Geographical Segments. The following is information relating to income, profitability and financial position of the Bank and Subsidiaries based on business segments.

CONSOLIDATED INTEREST INCOME

Consolidated Interest Income

(in millions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Conventional Banking	4.355.568	89,70%	3.677.797	89,37%	677.771	18,43%
Financing	12.935	0,27%	30.275	0,74%	(17.340)	-57,27%
Sharia	486.942	10,03%	407.257	9,90%	79.685	19,57%
Total before Elimination	4.855.445	100,00%	4.115.329	100,00%	740.116	17,98%
Elimination	6.191		13.341		(7.150)	-53,59%
Consolidated Interest Income	4.861.636		4.128.670		732.966	17,75%

CONSOLIDATED OPERATING PROFIT (LOSS).

Consolidated Operating Profit (Loss).

(in millions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Conventional Banking	(6.088.071)	91,41%	(4.987.160)	98,51%	(1.100.911)	22,07%
Financing	(17.443)	0,26%	(1.687)	0,03%	(15.756)	933,97%
Sharia	(554.401)	8,32%	(73.945)	1,46%	(480.456)	649,75%
Total before Elimination	(6.659.915)	100,00%	(5.062.792)	100,00%	(1.597.123)	31,55%
Elimination	713		6.024		(5.311)	-88,16%
Operational Profit (Loss).	(6.659.202)		(5.056.768)		(1.602.434)	31,69%

CONSOLIDATED NET PROFIT (LOSS)

Consolidated Net Profit (Loss)

(in millions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Conventional Banking	(5.510.780)	90,99%	(4.966.957)	98,58%	(543.823)	10,95%
Financing	(18.571)	0,31%	(2.941)	0,06%	(15.630)	531,45%
Sharia	(527.065)	8,70%	(68.630)	1,36%	(458.435)	667,98%
Total before Elimination	(6.056.416)	100,00%	(5.038.528)	100,00%	(1.017.888)	20,20%
Elimination	713		6.024		(5.311)	-88,16%
Consolidated net profit (loss).	**(6.055.703)**		**(5.032.504)**		**(1.023.199)**	**20,33%**

TOTAL CONSOLIDATED ASSETS

Total Consolidated Assets

(in millions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Conventional Banking	78.842.594	90,39%	84.703.740	91,93%	(5.861.146)	-6,92%
Financing	459.661	0,53%	424.491	0,46%	35.170	8,29%
Sharia	7.920.474	9,08%	7.013.225	7,61%	907.249	12,94%
Total before Elimination	87.222.729	100,00%	92.141.456	100,00%	(4.918.727)	-5,34%
Elimination	(2.915.429)		(2.146.104)		(769.325)	35,85%
Total consolidated assets	**84.307.300**		**89.995.352**		**(5.688.052)**	**-6,32%**

TOTAL CONSOLIDATED LIABILITIES

Total Consolidated Liabilities

(in millions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Perbankan Konvensional	64.080.008	89,95%	73.377.904	91,63%	(9.297.896)	-12,67%
Pembiayaan	10.277	0,01%	299.351	0,37%	(289.074)	-96,57%
Syariah	7.151.658	10,04%	6.399.153	7,99%	752.505	11,76%
Total sebelum Eliminasi	71.241.943	100,00%	80.076.408	100,00%	(8.834.465)	-11,03%
Eliminasi	(1.044.806)		(1.297.661)		252.855	-19,49%
Total liabilitas konsolidasian	**70.197.137**		**78.778.747**		**(8.581.610)**	**-10,89%**

REVENUE, PROFITABILITY AND FINANCIAL POSITION OF GEOGRAPHIC SEGMENTS

Bank KB Bukopin divides business segments based on accounting policy regulations into Operating Segments and Geographical Segments. The following is information relating to income, profitability and financial position of the Bank and Subsidiaries based on business segments.

CONSOLIDATED INTEREST INCOME

Consolidated Interest Income

(in billions IDR, unless stated otherwise)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Jabodetabek	3.381.976	69,65%	2.528.513	61,44%	853.463	33,75%
Java outside Jabodetabek	654.485	13,48%	756.328	18,38%	(101.843)	-13,47%
Sumatera	324.025	6,67%	322.090	7,83%	1.935	0,60%
Kalimantan	90.653	1,87%	94.924	2,31%	(4.271)	-4,50%
Others	404.306	8,33%	413.474	10,05%	(9.168)	-2,22%
Total before Elimination	4.855.445	100,00%	4.115.329	100,00%	740.116	17,98%
Elimination	6.191		13.341		(7.150)	-53,59%
Consolidated Interest Income	**4.861.636**		**4.128.670**		**732.966**	**17,75%**

CONSOLIDATED OPERATING PROFIT (LOSS)

Consolidated Operating Profit (Loss)

(in billions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Jabodetabek	(4.450.328)	66,82%	(3.794.169)	74,94%	(656.159)	17,29%
Java outside Jabodetabek	(1.513.717)	22,73%	(1.127.194)	22,26%	(386.523)	34,29%
Sumatera	(265.686)	3,99%	(55.249)	1,09%	(210.437)	380,89%
Kalimantan	(88.722)	1,33%	(185.371)	3,66%	96.649	-52,14%
Others	(341.468)	5,13%	99.191	-1,96%	(440.659)	-444,25%
Total before Elimination	(6.659.921)	100,00%	(5.062.792)	100,00%	(1.597.129)	31,55%
Elimination	713		6.024		(5.311)	-88,16%
Consolidated Operating Profit (Loss)	**(6.659.208)**		**(5.056.768)**		**(1.602.440)**	**31,69%**

CONSOLIDATED NET PROFIT (LOSS)

Consolidated Net Profit (Loss)

(in billions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Jabodetabek	(4.067.817)	67,17%	(4.113.729)	81,65%	45.912	-1,12%
Java outside Jabodetabek	(1.349.764)	22,29%	(803.558)	15,95%	(546.206)	67,97%
Sumatera	(269.318)	4,45%	(59.267)	1,18%	(210.051)	354,41%
Kalimantan	(88.786)	1,47%	(185.592)	3,68%	96.806	-52,16%
Others	(280.731)	4,64%	123.617	-2,45%	(404.348)	-327,10%
Total before Elimination	(6.056.416)	100,00%	(5.038.529)	100,00%	(1.017.887)	20,20%
Elimination	713		6.024		(5.311)	-88,16%
Consolidated Net Profit (Loss)	**(6.055.703)**		**(5.032.505)**		**(1.023.198)**	**20,33%**

TOTAL CONSOLIDATED ASSETS

Total Consolidated Assets

(in billions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Jabodetabek	61.507.271	70,52%	63.059.098	68,44%	(1.551.827)	-2,46%
Java outside Jabodetabek	11.298.679	12,95%	14.157.351	15,36%	(2.858.672)	-20,19%
Sumatera	5.807.490	6,66%	6.122.616	6,64%	(315.126)	-5,15%
Kalimantan	1.492.026	1,71%	1.716.400	1,86%	(224.374)	-13,07%
Others	7.117.263	8,16%	7.085.991	7,69%	31.272	0,44%
Total before Elimination	87.222.729	100,00%	92.141.456	100,00%	(4.918.727)	-5,34%
Elimination	(2.915.429)		(2.146.104)		(769.325)	35,85%
Total Consolidated Assets	**84.307.300**		**89.995.352**		**(5.688.052)**	**-6,32%**

TOTAL CONSOLIDATED LIABILITIES

Total Consolidated Liabilities

(in billions of Rupiah, unless otherwise stated)

Product	2023		2022		Increase (Decrease)	
	Total (IDR)	Composition (%)	Total (IDR)	Composition (%)	Nominal (IDR)	Percentage (%)
Jabodetabek	39.617.023	55,61%	44.640.738	55,75%	(5.023.715)	-11,25%
Java outside Jabodetabek	14.171.176	19,89%	18.023.304	22,51%	(3.852.128)	-21,37%
Sumatera	6.251.866	8,78%	6.724.622	8,40%	(472.756)	-7,03%
Kalimantan	3.033.770	4,26%	3.250.300	4,06%	(216.530)	-6,66%
Others	8.168.108	11,47%	7.437.444	9,29%	730.664	9,82%
Total before Elimination	71.241.943	100,00%	80.076.408	100,00%	(8.834.465)	-11,03%
Elimination	(1.044.806)		(1.297.661)		252.855	-19,49%
Total Consolidated Liabilities	**70.197.137**		**78.778.747**		**(8.581.610)**	**-10,89%**

INFORMATION PRESENTATION STANDARDS AND CONFORMITY TO FINANCIAL ACCOUNTING STANDARDS

The analysis and discussion of the Company's financial performance in this Annual Report refers to the Consolidated Financial Statements of KB Bank for the years ending 31 December 2023 and 2022, which have been audited by the Mirawati Sensi Idris (Moore Global) Accounting Firm which received the opinion "Presented As Unqualified".

The presentation and disclosure of the Company's Financial Reports is prepared in accordance with Financial Accounting Standards (SAK) in Indonesia, which include Statements of Financial Accounting Standards (PSAK) and Interpretations of Financial Accounting Standards (ISAK) issued by the Financial Accounting Standards Board-Indonesian Accountants Association (DSAK-IAI). Discussion of the Company's financial performance is presented by taking into account the explanation in the notes to the Consolidated Financial Statements from the external auditor as an inseparable part of this Annual Report.

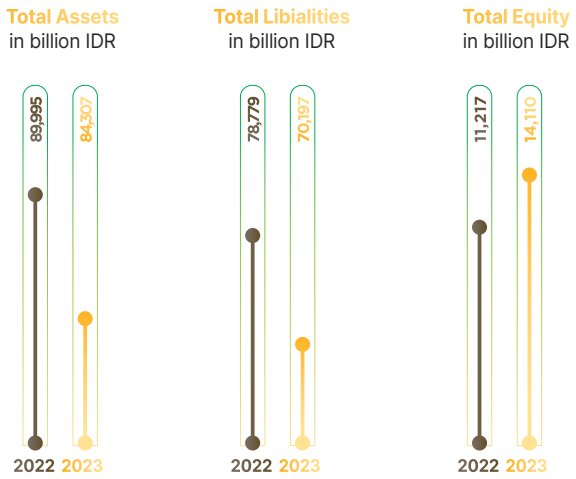
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In billions IDR, unless stated otherwise)

Description	31 December 2023	31 December 2022	Growth	
			Rp	%
Assets				
Cash	289	524	(235)	-44,85%
Current Account in Bank Indonesia	3.206	4.140	(935)	-22,58%
Current accounts with other banks – net	343	744	(401)	-53,95%
Placements with Bank Indonesia and other banks - net	2.134	12.181	(10.047)	-82,48%
Securities – net	17.536	12.010	5.526	46,01%
Receivables Securities purchased with an agreement to resell – net	2.572	-	2.572	n.a
Securities Purchased with an Agreement to Resell (Repo)	-	-	-	n.a
Derivative receivables	3	9	(6)	-67,15%
Credit provided and Sharia financing/receivables - net	45.836	48.957	(3.121)	-6,37%
Acceptance receivables	131	17	114	664,31%
Share investments	0	0	-	0,00%
Fixed assets and right-of-use assets - net	3.234	3.396	(163)	-4,79%
Deferred tax assets – net	2.671	1.942	728	37,50%
Intangible assets – net	286	202	84	41,38%
Other assets – net	6.068	5.872	196	3,34%
TOTAL ASSETS	**84.307**	**89.995**	**(5.688)**	**-6,32%**
LIABILITIES AND EQUITY LIABILITIES	-	-		
LIABILITIES				
Immediate liabilities	431	389	43	11,04%
Customer Savings	44.789	51.962	(7.173)	-13,80%
Giro Current Account	3.178	3.578	(400)	-11,19%
Tabungan Savings	6.873	6.956	(83)	-1,19%
Deposito Deposits	34.738	41.429	(6.690)	-16,15%
Savings from other banks	7.887	10.381	(2.495)	-24,03%
Securities sold with an agreement to repurchase – net	220	-	220	n.a

(In billions IDR, unless stated otherwise)

Description	31 December 2023	31 December 2022	Growth Rp	Growth %
Derivative liabilities	1	12	(11)	-93,41%
Acceptance liabilities	133	17	115	664,31%
Borrowings	11.704	11.200	504	4,50%
Securities issued	3.398	3.393	5	0,14%
Tax payables	65	56	8	14,41%
Other liabilities	1.570	1.368	203	14,82%
TOTAL LIABILITES	**70.197**	**78.779**	**(8.582)**	**-10,89%**
EQUITY **Equity attributable to equity owners of the parent entity**				
Issued and fully deposited capital	19.000	7.000	12.000	171,43%
Additional paid-in capital	8.226	8.286	(61)	-0,73%
Capital paid in advanced	-	3.000	(3.000)	-100,00%
Asset revaluation surplus	1.604	1.606	(2)	-0,11%
Unrealized gain (loss) on available-for-sale securities and fair value through other comprehensive income - after deferred tax	8	3	5	188,11%
Retain earning	(14.701)	(8.673)	(6.028)	69,50%
Total Equity attributable to owners of the parent entity	**14.136**	**11.221**	**2.915**	**25,98%**
Non-controlling interests	**(26)**	**(5)**	**(21)**	**441,55%**
TOTAL EQUITY	**14.110**	**11.217**	**2.894**	**25,80%**
Total of Liabilities and Equities	**84.307**	**89.995**	**(5.688)**	**-6,32%**



In 2023, KB Bank recorded total assets of IDR 84.31 trillion, showing a decrease of 6.32% or IDR 5.69 trillion compared to total assets in the previous year which reached IDR 89.99 trillion. The depreciation of assets was mainly affected by the decrease in placements with Bank Indonesia and other banks and credits.

FINANCIAL ASSETS

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Cash	289	524	(235)	-44,85%
Current account with Bank Indonesia	3.206	4.140	(935)	-22,58%
Current Account with other banks – net	343	744	(401)	-53,95%
Placements with Bank Indonesia and other banks – net	2.134	12.181	(10.047)	-82,48%
Securities – net	17.536	12.010	5.526	46,01%
Receivables Securities purchased with an agreement to resell – net	2.572	-	2.572	n.a
Securities Purchased with an Agreement to Resell (Repo)	-	-	-	n.a
Derivative bills	3	9	(6)	-67,15%
Loans and Sharia financing/receivables – net	45.836	48.957	(3.121)	-6,37%
Acceptance receivables	131	17	114	664,31%
Acceptance receivables	0	0	-	0,00%
Total Financial Assets	**72.049**	**78.583**	**(6.534)**	**-8,31%**

As of 31 December 2023, the Bank's total financial assets reached IDR 70.05 trillion, a decrease of IDR 6.53 trillion or 8.31% compared to the previous year which reached IDR 78.58 trillion. This decrease was mainly due to a decrease in Placements with Bank Indonesia and other banks - net of IDR 10.05 trillion and a decrease in Loans and Sharia financing/receivables - net of IDR 3.12 billion. In addition, there was an increase in Securities - net of 5.53 trillion and Receivables from securities purchased under resale agreements - net of 2.57 trillion.

NON-FINANCIAL ASSET

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Fixed assets and right of use – net	3.234	3.396	(163)	-4,79%
Deferred tax asset – net	2.671	1.942	728	37,50%
Intangible assets – net	286	202	84	41,38%
Other assets – net	6.068	5.872	196	3,34%
Total Non-Financial Assets	**12.258**	**11.413**	**845**	**7,41%**

As of 31 December 2023, total non-financial assets owned by the Bank reached IDR 12.26 trillion, an increase of IDR 845 billion or 7.41% compared to the previous year which amounted to IDR 11.41 trillion. This increase was mainly due to the increase in deferred tax assets - net by IDR 728 billion, intangible assets - net by IDR 84 billion and other assets - net by IDR 196 billion.

LIABILITIES

As of 31 December 2023, the Bank's total liabilities reached IDR 70.20 trillion, indicating a decrease of IDR 8.58 trillion or 10.89% compared to the previous year of IDR 78.80 trillion. This decrease was mainly due to a decrease in deposits from customers of IDR 7.17 trillion and a decrease in deposits from other banks of IDR 2.49 trillion.

Financial Liability

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Liabilities immediately payable	431	389	43	11,04%
Deposits from customers	44.789	51.962	(7.173)	-13,80%
Current Account	3.178	3.578	(400)	-11,19%
Savings	6.873	6.956	(83)	-1,19%
Deposits	34.738	41.429	(6.690)	-16,15%
Savings from other banks	7.887	10.381	(2.495)	-24,03%
Marketable securities sold with agreements to repurchase – net	220	-	220	n.a
Derivative liabilities	1	12	(11)	-93,41%
Acceptance Payables	133	17	115	664,31%
Borrowings	11.704	11.200	504	4,50%
Marketable securities issued	3.398	3.393	5	0,14%
Other liabilities	1.570	1.368	203	14,82%
Total Financial Liabilities	**70.133**	**78.722**	**(8.590)**	**-10,91%**

As of 31 December 2023, KB Bank's total financial liabilities reached IDR 70.13 trillion, marking a decrease of IDR 8.59 trillion or a decrease of 10.91% compared to the previous year which reached IDR 78.72 trillion. The decrease was mainly due to a decrease in deposits from customers of IDR 7.17 trillion and a decrease in deposits from other banks of IDR 2.49 trillion.

Non-financial Liabilities

(in billion IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Tax Payables				
Income tax - Article 29	-	-	-	n.a
Other income taxes:				
Article 23 and 4 (2)	38.148	37.168	980	2,64%
Article 21	7.670	5.211	2.459	47,19%
Value added tax	6.006	4.456	1.550	34,78%
Others	12.811	9.661	3.150	32,61%
Total	**64.635**	**56.496**	**8.139**	**14,41%**

As of 31 December 2023, the Bank's total non-financial liabilities is recorded at IDR 64.64 trillion, an increase of IDR 8.14 trillion or an increase of 14.41% compared to the previous year which reached IDR 56.50 trillion. The increase was mainly in value added tax (VAT) of IDR 1.55 billion, article 21 tax of IDR 2.46 trillion and other taxes of IDR 3.15 billion.

EQUITY

(in billion IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Equity attributable to the equity holders of the parent entity				
Issued and fully-paid capital	19.000	7.000	12.000	171,43%
Additional paid-in capital	8.226	8.286	(61)	-0,73%
Paid-in capital advance payment	-	3.000	(3.000)	-100,00%
Asset revaluation surplus	1.604	1.606	(2)	-0,11%
Unrealized gain/(loss) on fair value through other comprehensive income marketable securities – net of deferred tax	8	3	5	188,11%
Retained loss	(14.701)	(8.673)	(6.028)	69,50%
Total equity attributable to equity holders of the parent entity	14.136	11.221	2.915	25,98%
Non-controlling interest	(26)	(5)	(21)	441,55%
Total Equity	**14.110**	**11.217**	**2.894**	**25,80%**

At the end of 2023, the Bank's equity reached IDR 14.11 trillion, an increase of IDR 2.89 trillion or 25.80% compared to the previous year which reached IDR 11.22 trillion. The increase was due to an increase in issued and fully paid capital of IDR 12 trillion, on the other hand there was an increase in retained loss of IDR 6 trillion and a decrease in Paid-in capital advance payment of IDR 3 trillion in 2023.

CONSOLIDATED STATEMENT OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Interest and Sharia Income	4.862	4.129	733	17,75%
Interest Expense and Sharia Charges	(4.053)	(3.079)	(974)	31,62%
Interest and Sharia Income – Net	809	1.050	(241)	-22,93%
Other Operating Income	457	500	(43)	-8,60%
Reversal/(Provision) of Allowance for Impairment Losses on Financial Assets – Net	(5.538)	(3.948)	(1.589)	40,25%
Provision of Allowance for Impairment Losses on Non-financial Assets – Net	(269)	(81)	(188)	230,84%
Gain (Loss) from Foreign Exchange Transactions – Net	5	(2)	7	-372,80%
Recovery of estimated losses on commitments and contingencies – Net	2	(2)	4	-187,98%
Gain from Changes in Fair Value of Financial Assets	155	(148)	303	-205,32%
Other Operating Expenses	(2.280)	(2.424)	144	-5,93%
Loss form Operations	(6.659)	(5.057)	(1.602)	31,69%
Non Operating Income (loss) – Net	(128)	(89)	(39)	44,21%
Income (Loss) Before Income Tax	(6.787)	(5.146)	(1.642)	31,91%
Income Tax Expense- Net	732	113	619	546,64%

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Income (Loss) for the Year	(6.056)	(5.033)	(1.023)	20,33%
Attributable to Equity Holders of the Parent Entity	(6.034)	(5.027)	(1.007)	20,02%
Attributable to Non-controlling Interest	(22)	(5)	(17)	328,75%
Other Comprehensive Income	10	43	(33)	-77,04%
Total Comprehensive Income (Loss) for the Year	**(6.046)**	**(4.989)**	**(1.056)**	**21,17%**
Attributable to Equity Holders of the Parent Entity	(6.024)	(48.984)	(1.040)	20,87%
Attributable to Non-controlling Interest	(21)	(5)	(16)	331,28%
Profit (Loss) per Share Basic/Diluted (Full Amount)	(61)	(74)	13	-17,57%

INTEREST AND SHARIA INCOME

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Interest and Sharia Income	4.862	4.129	733	17,75%
Interest Income	4.375	3.721	653	17,55%
Loans	3.120	2.960	161	5,42%
Marketable Securities	929	551	378	68,56%
Placement with Bank Indonesia and Other Banks	172	142	30	21,32%
Current Accounts with Bank Indonesia	28	22	6	27,73%
Current Accounts with Other Banks	1	0	1	326,64%
Marketable Securities Purchased with Agreements to Resell	123	46	77	167,78%
Other Receivables	0	0	0	75,19%
Sharia Income	487	407	80	19,57%
Interest and Sharia Expenses	(4.053)	(3.079)	(974)	31,62%
Interest Expense	(3.747)	(2.828)	(918)	32,47%
Current Account	(37)	(38)	0	-1,22%
Saving Account	(193)	(240)	47	-19,57%
Time Deposit	(1.871)	(1.489)	(381)	25,60%
Marketable Securities Issued	(308)	(332)	24	-7,27%
Deposit from Other Banks	(442)	(255)	(187)	73,47%
Borrowings	(891)	(447)	(444)	99,19%
Marketable Securities Sold with Agreements to Repurchase	(5)	(27)	22	-83,21%
Sharia Expenses	(306)	(251)	(55)	22,03%
Interest and Sharia Income – Net	809	1.050	(241)	-22,93%

In 2023, the Bank's net interest and sharia income decreased by IDR 241 billion or 22.93% from the previous year IDR 1,050 billion in 2022 to IDR 809 billion in 2023. This decline was triggered by an increase in interest and sharia expenses by 31.62% or IDR 974 billion which could not be covered by an increase in interest and sharia income of IDR 733 billion or 17.75% growth.

OTHER OPERATING INCOME (EXPENSES)

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Other Operating Income	457	500	(43)	-8,60%
Other Fees and Commissions	334	323	10	3,21%
Administrative Service Charges	72	82	(10)	-11,73%
Service fee	174	164	11	6,43%
Merchant Commissions	6	8	(3)	-31,57%
Others	81	69	12	17,49%
Gain on Sale of Marketable Securities – net	(9)	13	(22)	-168,02%
Gain on Foreign Exchange – Net	29	32	(3)	-8,02%
Others	102	131	(29)	-21,97%
Other Operating Expenses	**(7.925)**	**(6.606)**	**(1.319)**	**19,96%**
Income (Expenses) Recovery in Allowance for Impairment Losses on Financial Assets – Net	(5.538)	(3.948)	(1.589)	40,25%
Provision of Allowance for Impairment Losses on Non-financial Assets – Net	(269)	(81)	(188)	230,84%
Gain (Loss) from Foreign Exchange Transactions – Net	5	(2)	7	-372,80%
Recovery of estimated losses on commitments and contingencies – Net	2	(2)	4	-187,98%
Gain (Loss) from Changes in Fair Value of Financial Assets	155	(148)	303	-205,32%
General and Administrative Expenses	(1.372)	(1.571)	199	-12,69%
Salary and Allowance	(810)	(734)	(76)	10,29%
Premium of Government Guarantee Program	(99)	(119)	20	-16,82%
Total other Operating Income (Expense) - net	**(7.468)**	**(6.106)**	**(1.362)**	**22,30%**

In 2023, the Bank's other operating income (expenses) - net experienced a significant increase of IDR 1.36 trillion or an increase of 22.30% from the previous year of minus IDR 6.11 trillion to minus IDR 7.47 trillion. This increase was largely due to an increase in allowance for impairment losses on financial assets-net of IDR 1.59 trillion or 40.25%.

INCOME (LOSS) FROM OPERATIONS

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Interest and Sharia Income – Net	809	1.050	(241)	-22,93%
Other Operating Income	457	500	(43)	-8,60%
Reversal/(Provision) of Allowance for Impairment Losses on Financial Assets – Net	(5.538)	(3.948)	(1.589)	40,25%
Provision of Allowance for Impairment Losses on Non-financial Assets – Net	(269)	(81)	(188)	230,84%
Gain (Loss) from Foreign Exchange Transactions – Net	5	(2)	7	-372,80%
Recovery of estimated losses on commitments and contingencies – net	2	(2)	4	-187,98%

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Gain (Loss) from Changes in Fair Value of Financial Assets	155	(148)	303	-205,32%
Other Operating Expenses	(2.280)	(2.424)	144	-5,93%
Income (Loss) from Operations	(6.659)	(5.057)	(1.602)	31,69%

In 2023, the Bank's operational losses has reached IDR 6.66 trillion, experiencing an increase in losses of IDR 1.60 trillion or an increase of around 31.69% from the previous year which recorded a loss of IDR 5.06 trillion. The increase in losses was mainly due to an increase in allowance for impairment losses on financial assets-neto amounting to IDR 1.59 trillion or 40.25% as part of strategic measures to improve low asset quality.

NON-OPERATIONAL INCOME (EXPENSE) - NET

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Gain from the sale of Foreclosed Assets	(6)	(25)	19	-77,18%
Gain (Loss) from the Sale of Fixed Assets	(6)	2	(7)	-444,62%
Others – Net	(117)	(66)	(51)	77,84%
Other Non-operating Income (Expenses) - net	**(128)**	**(89)**	**(39)**	**44,21%**

The Bank's non-operating-net income (expenses) in 2023 was recorded at minus IDR 128 billion, experiencing an increase in expenses of IDR 39 billion or an increase of 44.21% from the previous year of minus IDR 89 billion. This is influenced by the increase in losses from other items - net.

PROFIT (LOSS) BEFORE INCOME TAX

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Operating Profit (Loss)	(6.659)	(5.057)	(1.602)	31,69%
Non-operating Profit (Loss)	(128)	(89)	(39)	44,21%
Loss before Income Tax	**(6.787)**	**(5.146)**	**(1.642)**	**31,91%**

In 2023, KB Bank posted a loss before income tax of IDR 6.79 trillion, this loss increased by 31.91% or IDR 1.64 trillion compared to a loss in 2022 of IDR 5.15 trillion. This is caused by the increase in Provision of allowance for impairment losses on financial assets-neto.

INCOME TAX BENEFIT (EXPENSES)

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Current	-	-	-	-
Deferred	732	113	619	546,64
Income Tax Benefit (Expenses)	**732**	**113**	**619**	**546,64**

In 2023, the Bank's income tax benefit (expense) was recorded at IDR 732 billion, a significant increase of IDR 619 billion or 546.64% from the previous year of only IDR 113 billion. This increase was mainly due to an increase in deferred tax expense of IDR 619 billion.

NET LOSS FOR THE YEAR

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Attributable to the equity holders of the Parent Entity	(6.034.077)	(5.027.460)	(1.006.617)	20,02%
Attributable to the non-controlling Interest	(21.626)	(5.044)	(16.582)	328,75%
Loss for the Year	**(6.055.703)**	**(5.032.504)**	**(1.023.199)**	**20,33%**

Loss for the year in 2023 was recorded at minus IDR 6.06 trillion, an increase in loss of IDR 1.02 trillion or 20.33% from the previous year's loss of IDR 5.03 trillion. The increase in loss was mainly due to the increase in allowance for impairment losses on financial assets-neto.

OTHER COMPREHENSIVE LOSS

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Items that would never be reclassified to profit or loss:				
Remeasurement of loss on a defined benefit program	8.640	25.736	(17.096)	-66,43%
Changes in fixed assets revaluation surplus	(1.756)	77.837	(79.593)	-102,26%
Income tax related to items that would never reclassified to profit or loss	(1.900)	(5.663)	3.763	-66,45%
Items that would be reclassified to profit or loss:				
Changes in the fair value of available for sale marketable securities and fair value through other comprehensive income	6.330	(70.134)	-109,03%	-109,03%
Income tax related to items that would never be reclassified to profit or loss	(1.392)	15.429	-109,02%	-109,02%
Other comprehensive Income (Loss) - net	**9.922**	**43.205**	**-77,04%**	**-77,04%**

In 2023,KB Bank recorded other comprehensive income of IDR 9.92 billion, this amount decreased from the previous year which recorded a gain of IDR 43.21 billion. The decrease was mainly due to a decrease in the remeasurement of gains (losses) on defined benefit plans and a decrease in the change in asset revaluation surplus.

TOTAL COMPREHENSIVE LOSS OF THE YEAR

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Attributable to the Equity holder of the Parent entity	(6.024.463)	(4.984.356)	(1.040.107)	20,87%
Attributable to the non-controlling interest	(21.318)	(4.943)	(16.375)	331,28%
Total Comprehensive Income (Loss) of the Year	**(6.045.781)**	**(4.989.299)**	**(1.056.482)**	**21,17%**

In 2023, the Bank recorded a comprehensive loss for the year of IDR 6.05 trillion, an increase of IDR 1.06 trillion or 21.17% from the previous year which recorded a loss of IDR 4.99 trillion. The main cause of the increase in loss was the increase in loss attributable to Owners of the parent entity by 20.87%.

BASIC/DILUTED LOSS PER SHARE

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Comprehensive Loss for the Year Attributable to Equity Holders of the Parent Entity	(6.034.077)	(5.027.460)	(1.006.617)	20,02%
Weighted average number of basic shares	98.277.584.070	67.887.540.178	30.390.043.892	44,77%
Basic/diluted Loss Per Share (full value)	**(61)**	**(74)**	**13**	**-17,57%**

In 2023, KB Bank recorded a loss per share/Basic Earnings per Share (EPS) of IDR 61 per share, showing a decrease from the previous year which recorded a loss of IDR 74 per share. The decrease in loss was due to an increase in loss for the year.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in billions IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Net cash provided by (used in) operating activities	(10.165.808)	(259.228)	(9.906.580)	3.821,57%
Cash Flow from (for) Investing Activities	(11.595.208)	(6.783.280)	(4.811.928)	70,94%
Cash Flow from Funding Activities	9.663.331	9.397.053	266.278	2,83%
Net (Decrease) Increase in Cash and Cash Equivalents	(12.097.685)	2.354.545	(14.452.230)	-613,80%
Effect of Changes in Foreign Exchange Rates	492.085	(422.197)	914.282	-216,55%
Cash and Cash Equivalents at Beginning of Year	17.559.551	15.627.203	1.932.348	12,37%
Cash and Cash Equivalents at the End of Year	5.953.951	17.559.551	(11.605.600)	-66,09%

At the end of the 2023 fiscal year, the Bank's total cash and cash equivalents was recorded at IDR 5.95 trillion, a decrease of IDR 11.61 trillion compared to the total cash and cash equivalents at the beginning of the year of IDR 17.56 trillion. This decrease was mainly due to a decrease in placements with Bank Indonesia and other banks with maturities of 3 months or less from the date of acquisition amounting to IDR 10.03 trillion.

CASH FLOW FROM OPERATING ACTIVITIES

In 2023, KB Bank recorded net cash flows from operating activities of minus IDR 10.17 trillion, an increase of 3,821.57% compared to the position in 2022 which amounted to minus IDR 259 billion. This was mainly due to a decrease in cash flows from liabilities of operating activities, namely time deposits of IDR 6.69 trillion and deposits from other banks of IDR 2.49 trillion.

CASH FLOWS FROM INVESTING ACTIVITIES

In 2023, KB Bank recorded net cash flows from investing activities of minus IDR 11.60 trillion, an increase of 70.94 or IDR 4.81 trillion compared to the position in 2022 which amounted to minus IDR 6.78 trillion. This increase was mainly due to Payments for securities purchased with resale agreements of IDR 60.35 trillion and Purchases of securities available for sale/measured at fair value/through other comprehensive income and held to maturity/measured at amortised cost of IDR 20.80 trillion which were offset by Receipts from maturing securities of IDR 11.73 trillion and Receipts from securities purchased with resale agreements maturing of IDR 57.78 trillion.

CASH FLOW FROM FINANCING ACTIVITIES

Net cash flow from financing activities in 2023 was IDR 9.66 trillion, an increase of IDR 266.27 billion compared to 2022 which was recorded at IDR 9.40 trillion. This increase came from capital receipt from Limited Public Offering VII amounting to IDR 8.94 trillion, on the other hand there was a decrease from loan proceeds received of IDR 7.64 trillion compared to the previous year.

CAPACITY TO PAY DEBT AND LEVEL OF ACCOUNTS RECEIVABLE COLLECTABILITY

ABILITY TO PAY DEBT

The Company's ability to pay debts or fulfil its obligations is measured through several financial ratios including liquidity, solvency, and profitability. Regarding liquidity, in 2023, the Company's Loan to Deposit Ratio (LDR) reached 113.18%, up from 98.48%% in 2022. For solvency, the Bank's Capital Adequacy Ratio (CAR) reached 27.05%, exceeding the regulatory minimum limit of 12.5%, signalling adequate capital to anticipate credit, market and operational risks. Profitability ratios include ROA -7.71%, ROE -61.38%, NIM 0.78%, and BOPO 223.24%. ROA, NIM, and BOPO have decreased from the previous year, while ROE has actually increased when compared to 2022.

Bank profitability in 2023 and 2022 can be seen as follows:

Description	2023	2022	Growth %
Return On Asset (ROA)	-7,71%	-6,27%	-1,44%
Return on Equity (ROE)	-61,38%	-82,58%	21,20%
Net Interest Margin (NIM)	0,78%	1,17%	-0,39%
Operating expenses to operating income ratio (BOPO)	223,28%	226,22%	-2,94%

GUARANTEE OF DEPOSITS FROM CUSTOMERS

Since 1998, the Government has guaranteed various commercial bank obligations, including current accounts, savings, time deposits, and others, through Government Regulation no. 66 of 2008. Previously, the maximum deposit value limit guaranteed by Law no. 24 of 2004 is IDR 100 million, which was later increased to IDR 2 billion based on this regulation.
On January 13, 2009, Law no. 7 of 2009 established the Deposit Insurance Corporation as a Government Company, replacing the role of the previous law. This is the legal basis for establishing protection for bank customer deposits.

ABILITY TO PAY DEBT FROM SECURITIES ISSUED

A company's ability to pay its debts can be seen from the rating of the debt securities or bonds it issues. These bonds are assessed by rating agencies such as Pefindo to determine their feasibility level. The quality of a bond really depends on the company's ability to repay its debt when it matures, as well as paying interest or coupons as promised during the validity period of the bond. Bonds issued are usually listed on the Indonesian Stock Exchange.

Ability to Pay Debt From Securities Issued

Description	Rating		
	2023	2022	2021
Bonds			
Subordinated Shelf-Registration Bonds II Bank Bukopin Phase I Year 2015	-	-	idA- (Pefindo)
Subordinated Shelf-Registration Bonds II Bank Bukopin Phase II Year 2017	idAA (Pefindo)	idA-(Pefindo)	idA- (Pefindo)
Subordinated Bonds I Bank KB Bukopin Tranche I Year 2021	idnAAA (Fitch Ratings)	idnAAA (Fithc)	-
Shelf-registered Subordinated bonds III Bank KB Bukopin Tranche I Year 2021 Serie A	idnAA (Fitch Ratings)	idAA (Pefindo)	-
Shelf-registered Subordinated bonds III Bank KB BukopinTranche I Year 2021 Serie B	idnAA (Fitch Ratings)	idAA (Pefindo)	-

Rating Definition

Rating Agency	Rate	Rating Definition
PEFINDO	idA+	Obligor with idA rating has a stronger capacity to meet its long-term financial commitments compared to other Indonesian obligors. However, obligor is somewhat more susceptible to the adverse effects of changing economic conditions and situations than higher rated obligors. The Plus (+) sign indicates that the rating is relatively strong within the respective rating category.
	idA	Indicates that the obligor's ability to meet its long-term financial commitments on these debt securities, compared to other obligors in Indonesia, is strong. However, the capacity of the obligor may be affected by adverse changes in economic conditions and conditions, compared to debt securities with higher ratings.
	idAA	Obligors rated idAA differ from the highest rated obligors only by a small degree, and have a very strong capacity to meet their long-term obligations. Financial commitment period relative to other Indonesian obligors.
	idBBB	An obligor rated idBBB has adequate capacity to meet its long-term financial commitments compared to other Indonesian bonds. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments.
Fitch Rating	AAA	Long-term National Rating 'AAA' is the highest rating given by Fitch on the National rating scale. This rating is given to issuers with the lowest default expectations compared to other similar issuers.

RECEIVABLES COLLECTABILITY

The quality of the consolidated loans granted by type, currency and collectability is described in the following table:

2023 Collectability Based on Currency, Type, and Collectability

(in million IDR, unless stated otherwise)

31 December 2023 (Consolidated)						
Description	**Current**	**Special Mention**	**Substandard**	**Doubtfull**	**Non-performing**	**Total**
IDR:						
Working Capital	12.700.942	2.778.896	86.298	27.551	1.385.015	16.978.702
Investment	12.421.537	955.853	45.904	15.666	1.036.580	14.475.540
Consumption	10.407.855	444.975	76.048	117.965	1.699.974	12.746.817
Government Program	98.757	1.035	-	1.306	4.044	105.142
Syndication	3.544	122	-	221	39	3.926
Board of Directors and Employees	76.516	-	-	-	2.152	78.668
Other Banks	-	-	-	-	-	-
Sub Total Rupiah	35.709.151	4.180.881	208.250	162.709	4.127.804	44.388.795
Allowances for impairment losses	(591.000)	(752.511)	(44.807)	(56.860)	(2.069.484)	(3.514.662)
Net	35.118.151	3.428.370	163.443	105.849	2.058.320	40.874.133
Foreign Currency						
Working Capital	3.355.300	-	-	-	13.821	3.369.121
Investment	1.658.515	-	-	-	-	1.658.515
Consumption	2.185	-	-	-	-	2.185
Syndication	-	-	-	-	-	-
Subtotal of Foreign Currency	5.016.000	-	-	-	13.821	5.029.821

2023 Collectability Based on Currency, Type, and Collectability

(in million IDR, unless stated otherwise)

31 December 2023 (Consolidated)						
Description	**Current**	**Special Mention**	**Substandard**	**Doubtfull**	**Non-performing**	**Total**
Allowances for impairment losses	(64.311)	-	-	-	(3.861)	(68.172)
Net	4.951.689	-	-	-	9.960	4.961.649
Total	**40.069.840**	**3.428.370**	**163.443**	**105.849**	**2.068.280**	**45.835.782**
Composition	87,42%	7,48%	0,36%	0,23%	4,51%	100,00%

2022 Collectability Based on Currency, Type, and Collectability

(in million IDR, unless stated otherwise)

31 December 2023 (Consolidated)						
Description	**Current**	**Special Mention**	**Substandard**	**Doubtfull**	**Non-performing**	**Total**
IDR:						
Working Capital	17.577.102	537.385	221.593	116.896	398.519	18.851.495
Investment	12.967.929	282.237	132.377	137.770	266.396	13.786.709
Consumption	11.421.325	475.524	61.644	117.794	1.901.237	13.977.524
Government Program	60.032	1.085	272	41	11.193	72.623
Syndication	539.090	-	-	-	-	539.090
Board of Directors and Employees	76.210	-	-	-	-	76.210
Other Banks	-	-	-	-	-	-
Sub Total Rupiah	42.641.688	1.296.230	415.887	372.500	2.577.344	47.303.651
Allowances for impairment losses	(520.251)	(93.532)	(60.615)	(113.253)	(787.417)	(1.575.069)
Net	42.121.437	1.202.698	355.272	259.247	1.789.929	45.728.584
Foreign Currency						
Working Capital	1.573.816	-	-	-	33.384	1.607.200
Investment	476.531	-	-	-	-	476.531
Consumption	2.306	-	-	-	-	2.306
Syndication	1.193.746	-	-	-	-	1.193.746
Subtotal of Foreign Currency	3.246.399	-	-	-	33.384	3.279.783
Allowances for impairment losses	(42.284)	-	-	-	(9.325)	(51.609)
Net	3.204.115	-	-	-	24.059	3.228.174
Total	**45.325.552**	**1.202.698**	**355.272**	**259.247**	**1.813.988**	**48.956.758**
Composition	**92,58%**	**2,46%**	**0,73%**	**0,53%**	**3,71%**	**100,00%**

FINANCIAL RATIOS

The following are the financial ratios and other important ratios of the Company for the financial years 2022 to 2023.

Financial Ratios and Other Significant Ratios

(In Percentage, Unless Stated Otherwise)

Uraian	31 Desember 2023	31 Desember 2022
CAPITAL		
CAR by calculating credit risk	28,50%	20,13%
CAR by take into account credit risk and market risk	28,37%	20,01%
CAR by take into account credit risk and operational risk	27,17%	19,19%
CAR by Calculating Credit Risk, Market Risk, and Operational Risk	27,05%	19,08%
Net Fixed Assets to Core Capital	38,51%	55,45%
EARNING ASSET		
Non-performing Earning Assets and Non-performing Non-earning Assets to Total Earning Assets and Non-Earning Assets	6,27%	6,92%
Non-performing Earning Assets to Total Earning Assets	6,37%	4,09%
Allowance for Impairment Losses (CKPN) of Financial Assets to Earning Assets	4,80%	1,93%
NPL Gross	9,70%	6,56%
NPL Nett	4,95%	4,84%
PROFITABILITY		
ROA	-7,71%	-6,27%
ROE	-61,38%	-82,58%
NIM	0,78%	1,17%
BOPO	223,28%	226,22%
Profit (Loss) to interest income Ratio	-124,56%	-121,89%
Profit (Loss) to Total Assets Ratio	-7,18%	-5,59%
Profit (Loss) to Total Equity Ratio	-42,92%	-44,87%
Liabilities to Total Assets Ratio	83,26%	87,54%
Liabilities to Total Equity Ratio	497,49%	702,34%
LIQUIDITY		
LDR	113,18%	98,48%
COMPLIANCE		
Percentage of LLL Violation		
Related Parties	-	-
Non-related Parties	-	-
Percentage of LLL Excess		
Related Parties-	-	-
Non-related Parties*	-	-
Minimum Reserve Requirement (MRR):		
Main MRR in Rupiah		
Daily MRR	6,45%	8,53%

Financial Ratios and Other Significant Ratios

(In Percentage, Unless Stated Otherwise)

Uraian	31 Desember 2023	31 Desember 2022
Average MRR	8,52%	8,53%
Macroprudential Liquidity Buffer d/h Secondary MRR	35,08%	13,87%
Minimum Statutory Reserve Requirement (GWM) for Foreign Currencies	4,02%	4,02%
Net Open Position	1,68%	1,59%

*) On December 31, 2020 there was an Legal Lending Limit (LLL) overlimit related to credit guarantees in the context of implementing Credit Risk Management techniques. This LLL overlimit is the impact of the decline in Core Capital experienced by the Bank. This LLL overlimit has been resolved in accordance with Bank Letter No.04380/DIR/III/2021 dated March 8 2022
*) As of December 31, 2019, there was Legal Lending Limit (LLL) overlimit due to changes in regulations, where the previous regulations based on PBI No.7/3/PBI/2005 and No.8/13/PBI/2008 have been updated with POJK NO. 32/POJK.03/2018 concerning LLL for Commercial Banks. The LLL exceedance that occurred was related to the maximum credit guarantee limit within the framework of Credit Risk Management Techniques (MRK). As of March 2020, this LLL overlimit has been resolved.

CAPITAL STRUCTURE AND MANAGEMENT POLICY ON CAPITAL STRUCTURE

Management Policy on Capital Structure

The main objective of the Company's capital management is to ensure the maintenance of healthy capital ratios to support the business and maximize rewards for shareholders. In addition, the Company is required by the Limited Liability Company Law effective August 16, 2007 to contribute up to 20% of its issued and fully paid share capital into a non-distributable reserve fund. These external capital requirements will be considered by the Company at the next General Meeting of Shareholders (GMS).

The Company manages its capital structure and makes adjustments, based on changing economic conditions. To maintain and adjust the capital structure, the Company can adjust dividend payments to shareholders, capital rewards to shareholders or issue new shares.

There are no changes to objectives, policies or processes in the period ending 31 December 2023. The Company's policy is to maintain a healthy capital structure to secure access to funding at a reasonable cost.

Company Capital Structure

The capital structure composition implemented by the Company aims to maximize value through an optimal capital structure composition. The composition of the capital structure in 2023 and the comparison in 2022 are as follows:

Summary of Quantitative Data on Company Capital Management 2023-2022

Capital Component	December 31 2023		December 31 2022	
	INDIVIDUAL	CONSOLIDATION	INDIVIDUAL	CONSOLIDATION
A. EQUITY TIER (Tier 1)	**7.847.606**	**9.813.056**	**5.726.315**	**6.750.289**
1. Common Equity Tier (CET 1)	7.847.606	9.813.056	5.726.315	6.750.289
1.1 Paid-Up Capital (net of Treasury Stock)	19.000.000	19.000.000	7.000.000	7.000.000
1.2 Disclosed Reserved	(5.726.387)	(6.230.802)	2.087.734	1.894.449
1.2.1 Additional Factors	9.792.829	10.001.143	12.848.917	12.895.444
1.2.1.1 Other comprehensive income	1.567.062	1.775.376	1.562.489	1.609.016
1.2.1.1.1 Difference in Translation of Financial Statements				
1.2.1.1.2 Potential profit from an increase in fair value of financial assets in ready for sale category	9.696	171.483	3.367	3.367
1.2.1.1.3 Fixed assets revaluation surplus balance	1.557.366	1.603.893	1.559.122	1.605.649
1.2.1.2 Other Disclosed Reserves	8.225.767	8.225.767	11.286.428	11.286.428
1.2.1.2.1 Agio	8.225.767	8.225.767	8.286.428	8.286.428
1.2.1.2.2 General Reserves				
1.2.1.2.3 Past years profit				
1.2.1.2.4 Profit for the year				
1.2.1.2.5 Paid-up capital funds	-	-	3.000.000	3.000.000
1.2.1.2.6 Others				
1.2.2 Deduction Factors	(15.519.216)	(16.231.945)	(10.761.183)	(11.000.995)

Summary of Quantitative Data on Company Capital Management 2023-2022

Capital Component	December 31 2023		December 31 2022	
	INDIVIDUAL	CONSOLIDATION	INDIVIDUAL	CONSOLIDATION
1.2.2.1 Other comprehensive income				
1.2.2.1.1 Selisih kurang penjabaran laporan keuangan Deficit in Translation to Financial statements				
1.2.2.1.2 Potential Loss from an impairment of fair value of financial assets in available for sale category				
1.2.2.2 Other disclosed reserves	(15.519.216)	(16.231.945)	(10.761.183)	(11.000.995)
1.2.2.2.1 Disagio	-	-		
1.2.2.2.2 Past years losses	(8.662.180)	(8.830.450)	(3.692.200)	(3.802.989)
1.2.2.2.3 Losses for the year	(5.510.779)	(6.034.384)	(4.969.980)	(5.027.461)
1.2.2.2.4 Deficit between Provisions of Asset Allowance (PPA) and Allowance for Impairment Losses (CKPN) of earning assets	(367.039)	(254.447)	(1.447.325)	(1.459.545)
1.2.2.2.5 Deficit in the amount of adjustments to the fair value of financial instruments in the Trading Book				
1.2.2.2.6 PPA of non-productive assets that must be established	(979.218)	(1.112.664)	(651.678)	(711.000)
1.2.2.2.7 Lainnya Others				
1.3 Non-Controlling Interests that can be taken into account				
1.4 Common Equity Tier 1 Deduction Factors	(5.426.007)	(2.956.142)	(3.361.419)	(2.144.160)
1.4.1 Deferred tax calculation	(2.558.815)	(2.670.542)	(1.858.834)	(1.942.151)
1.4.2 Goodwill	-	(189.482)		(189.482)
1.4.3 All other intangible assets	(95.241)	(96.103)	(11.199)	(12.512)
1.4.4 Participation that is calculated as a deduction factor	(2.206.951)	(15)	(926.386)	(15)
1.4.5 Lack of capital in insurance subsidiary				
1.4.6 Securitization exposures				
1.4.7 Other deduction factors of common equity tier 1	(565.000)	-	(565.000)	
1.4.7.1 Placement of funds in AT I instrument and/or Tier 2 at other banks	(565.000)	-	(565.000)	
1.4.7.2 Cross ownership in other entities that is obtained based on transfer by law, grant, or probate grant				
1.4.7.3 Exposures that give rise to Credit Risk due to failure in settlement (settlement risk) - Non Delivery Versus Payment				
1.4.7.4 Exposures in Subsidiary Companies that carry out business activities based on sharia principles (if any)				
2. Additional Tier 1 (AT 1)				
2.1 Instruments that fulfil AT 1 requirements				
2.2 Agio/Disagio				
2.3 Deduction Factors: Investment in AT1 and Tier 2 instruments at other banks				

Summary of Quantitative Data on Company Capital Management 2023-2022

Capital Component	December 31 2023		December 31 2022	
	INDIVIDUAL	CONSOLIDATION	INDIVIDUAL	CONSOLIDATION
2.3.1 Placement of funds in AT I instrument and/or Tier 2 at other banks				
2.3.2 Cross ownership in other entities that is obtained based on transfer by law, grant, or probate grant				
B. SUPPLEMENTARY CAPITAL (Tier 2)	4.317.559	4.392.073	4.778.737	4.788.685
1. Capital instruments in the form of shares or other forms that fulfill the Requirements of Tier 2	3.798.018	3.848.018	4.234.609	4.234.609
2. Agio/disagio				
3. General reserves of PPA for earning assets that must be established (maximum 1.25% of Credit Risk RWA)	519.541	544.055	544.128	554.076
4. Deduction Factors of Tier 2 Capital 1)				
4.1 Sinking Fund				
4.2 Investment in AT1 and Tier 2 instruments at other banks 2)				
4.3 Cross ownership in other entities that is obtained based on transfer by law, grant, or probate grant				
TOTAL CAPITAL	**12.165.165**	**14.205.129**	**10.505.052**	**11.538.974**
RISK WEIGHTED ASSETS				
CREDIT RISK RWA 3)	42.683.771	48.289.880	52.182.469	55.820.223
MARKET RISK RWA	197.195	197.195	317.510	317.510
OPERATIONAL RISK RWA	2.098.314	2.344.395	2.547.386	3.068.047
TOTAL RWA	44.979.280	50.831.470	55.047.365	59.205.780
CAR RATIO ACCORDING TO RISK PROFILE	10,00%	10,00%	10,00%	0,00%
CAR RATIO				
CET 1 Ratio (%)	17,45%	19,31%	10,40%	11,40%
Tier 1 Ratio (%)	17,45%	19,31%	10,40%	11,40%
Tier 2 Ratio (%)	9,60%	8,64%	8,68%	8,09%
RWA Ratio (%)	27,05%	27,95%	19,08%	19,49%
CET 1 FOR BUFFER (%)	11,45%	13,31%	-0,09%	-0,14%
PERCENTAGE OF BUFFER THAT MUST BE FULFILLED BY THE BANK (%)	2,500%	2,500%	2,500%	2,500%
Capital Conservation Buffer (%)	2,500%	2,500%	2,500%	2,500%
Countercyclical Buffer (%)	0,000%	0,000%	0,000%	0,000%
Capital Surcharge for systemic banks (%)	0,000%	0,000%	0,000%	0,000%

As an effort to maintain the Bank's business continuity, KB Bank has an obligation to manage capital. This is not necessarily due to the nature of the Company's business which is obliged to provide returns for shareholders as well as added value and benefits for other stakeholders. The Company's capital structure is a balance between the use of its own capital, namely the Company's equity, and the use of external capital, namely the Company's liabilities. External capital can take the form of bank loans/debts, business debts or other types of loans. Meanwhile, equity is obtained from capital placement, annual comprehensive income.

In managing the capital structure, the Bank implements the following policies:
1. Utilize capital efficiently for business growth, especially new financing and future investment (New Generation Banking System, Outlet Development, etc.)
2. Provision for credit losses for efforts to resolve problem loans will come from revenue generation from Turn-around efforts (own profits)
3. Management of ATMR and capital charges (management of capital reduction factors through collateral cracking) as well as settlement of problem loans and AYDA

IKATAN YANG MATERIAL TERKAIT
INVESTASI BARANG MODAL

Based on Financial Services Authority Regulation (POJK) no. 17/POJK.04/2020 concerning Material Transactions and Changes in Business Activities, Article 3 paragraph (1) states that a transaction is categorized as a material transaction if the transaction value is equal to 20% or more of the Public Company's equity.

Throughout 2023, the Bank has no material commitments for investment in capital goods. Thus, information related to this matter cannot be conveyed.

REALIZATION OF CAPITAL GOODS INVESTMENT

In2023,KB Bank continues its investment strategy in capital goods to improve performance and provide added value in the future.The following is the realization of the Bank's capital goods investment for 2022 and 2023:

Description	31December 2023	31December 2022	Growth Rp	%
Land	8.175	12.826	(4.651)	-36,26%
Building	5.561	10.868	(5.307)	-48,83%
Furniture and Office supplies	14.084	22.677	(8.593)	-37,89%
Motor Vehicles	26.749	1.394	25.355	1818,32%
Building facilities	351	4.970	(4.619)	-92,94%
Asset sunder constructions	5.846	4.485	1.361	30,35%
Total Capital Expenditure	**60.766**	**57.220**	**3.546**	**6,20%**
Payment Cash Flow for Capital Expenditure	**60.766**	**57.220**	**3.546**	**6,20%**

As of December 31 2023, the Company's capital goods investment realization is recorded to have increased from the previous IDR 57.22 billion in 2022 to IDR 60.77 billion in 2023.

MATERIAL INFORMATION AND FACTS THAT OCCUR AFTER THE DATE OF THE ACCOUNTANT'S REPORT

The following presents information and material facts that occurred between the end of the reporting period, December 31, 2023, until the accountant's report date, May 20, 2024.

1. Asset Bulk Sales
   Asset Bulk Sales is a scheme for a series of transactions consisting of:
   a. Credit Sales
      The bank sold credit to TLDC PTE LTD with a total debit balance of IDR 2,868,932 which was purchased for IDR 1,621,790 on March 28, 2024.
   b. Acquisition of Private Bonds
      The bank has purchased private bonds from TLDC PTE LTD with a nominal amount of USD 106 million on March 28 2024 with a term of 5 years and floating interest based on US Treasury Bills 5y + 0.8% variable margin (1st year & 2nd year) /0.9% (3rd year)/1% (4th year & 5th year).

2. Loans Received
   Based on the Loan Agreement document on April 1 2024, the loan facility was received by PT Bank KB Bukopin Tbk from The Korea Development

BUSINESS PROSPECT

The Bank Indonesia Board of Governors (RDG) meeting on January 16-17 2024 decided to maintain the BI-Rate at 6.00%, the Deposit Facility interest rate at 5.25%, and the Lending Facility interest rate at 6.75%. The decision to maintain the BI-Rate at 6.00% remains consistent with the focus of pro-stability monetary policy, namely to strengthen the stabilization of the Rupiah exchange rate as well as pre-emptive and forward looking steps to ensure inflation remains under control within the target of 2.5 ± 1% in 2024. Meanwhile, macroprudential policies and the payment system remain pro-growth to support sustainable economic growth. Loose macroprudential policies continue to be pursued to encourage banking credit/financing to businesses and households. The acceleration of digitalization of payment systems, including the digitalization of financial transactions by the Central and Regional Governments, is also continuously being encouraged to increase transaction volume and expand digital economic-financial inclusion.

Referring to data from the Banking Survey conducted by Bank Indonesia, it indicates that new credit distribution in the fourth quarter of 2023 increased compared to the previous period. This is indicated by the Weighted Net Balance (WBT) value of new credit distribution for the fourth quarter of 2023 of 96.1%, higher than 95.4% in the previous quarter. Based on type of use, increased growth in new credit distribution occurred in almost all types of credit, except consumption credit. Indicated increases occurred in working capital credit (WNB 93.5%) and investment credit (WNB 85.0%).

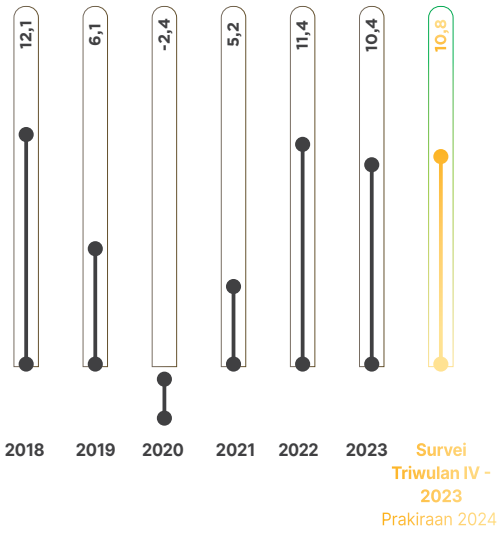
Meanwhile, consumption credit (WNB 79.3%) indicated positive growth driven by Motor Vehicle Credit (KKB) and Unsecured Credit (KTA) which indicated an increase compared to the previous quarter. On the other hand, multipurpose credit, credit cards, and Home Ownership Credit (KPR)/Apartment Ownership Credit (KPA) indicate limited growth.

By sector, the highest growth in new credit distribution occurred mainly in the Accommodation and Food and Drink Provision sector (WNB 85.9%), followed by the Real Estate, Rental Business and Corporate Services sectors (WNB 84.8%), and the Transportation, Warehousing sector , and Communication (WNB 66.8%).

On a quarterly basis (qtq), new credit distribution in the first quarter of 2024 is predicted to grow positively, although not as high as the previous quarter. This is indicated by the WNB forecast for new credit distribution for the first quarter of 2024 which is 44.6%, positive growth although lower than the WBT 96.1% in the previous quarter. This forecast is in line with the historical pattern of new credit growth realization. Respondents' main priority in disbursing new credit in the first quarter of 2024 is working capital credit, followed by investment credit and consumption credit.

In terms of consumption credit, KPR/KPA distribution is still the main priority, followed by multipurpose credit and KKB. Based on sector, new credit distribution in the first quarter of 2024 is prioritized in the Manufacturing Industry sector, the Wholesale and Retail Trade sector, and the Financial Intermediary sector. Respondents predict that outstanding credit until the end of 2024 will experience growth of 10.8% (yoy), higher than the actual credit growth in 2023 of 10.4% (yoy) although not as high as the realized growth in 2022 of 11.4% (yoy).

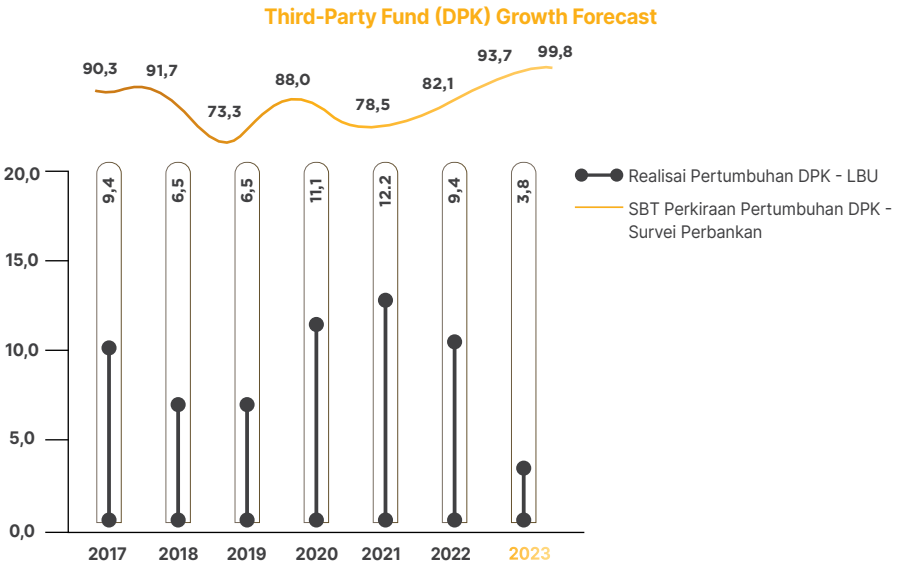
Credit Growth Forecast



Source: Bank Indonesia

On the other hand, credit distribution policy in the first quarter of 2024 is predicted to be slightly stricter than the previous quarter. This is indicated by the Lending Standard Index (ILS) for the first quarter of 2024, which has a positive value of 0.3%. Stricter credit distribution standards compared to the previous quarter are predicted to occur in almost all types of credit, except KPR/KPA. The majority of aspects of credit distribution policy are predicted to tighten compared to the previous quarter, especially credit and collateral agreements. Meanwhile, the credit ceiling policy is predicted to be looser. The policy on credit interest rates and credit approval fees is predicted to remain loose.

Meanwhile, the collection of Third Party Funds (DPK) in the first quarter of 2024 is predicted to slow down compared to the previous quarter. This slowdown in growth is indicated by WNB growth in TPF of 16.1%, lower than 93.7% in the previous quarter, according to historical patterns. The slowdown in TPF growth is predicted to occur in all types of instrument categories, namely current accounts, savings and deposits with WNB of 16.4% each; 58.4%; and 6.3%. DPK growth until the end of 2024 is predicted to be high. This is reflected in the WBT forecast for TPF collection in 2024 which was recorded as positive at 99.8%, higher than the WBT 93.7% in the previous year.



Source : Bank Indonesia

Based on the macro industry description above, as well as considering the global and internal economic climate of the Bank, the Bank is always active in mitigating in order to respond to future challenges. To achieve financial targets in 2024, the Bank is committed to continuing to make changes, one of which is by focusing on loan portfolio improvement and deposit portfolio advancement as the Bank's efforts to improve performance in all lines, so that it is hoped that it will be able to improve PPOP which is projected to turn around in 2024. 2024 and can record a profit in 2025. The loan portfolio improvement and deposit portfolio advancement efforts will be carried out through:

1. The bank will take steps to resolve bad loans by reducing the LAR and strengthening the DPD management function by targeting a reduction in the LAR in 2024 below 25%. The Bank will maximize the recovery value from bad loans and minimize credit costs through optimizing collections and DPD management as well as through bulk sales in 2024. To reduce gross NPL in 2024 below 10%, the Bank will manage restructuring debtors and debtors whose collateral auction process needs to be accelerated by still consider a good return ratio. Apart from that, the Bank will maintain CAR at 18%-19%.
2. In terms of business growth, the Bank targets new credit growth in 2024 to reach IDR 8.5 trillion. The wholesale segment is still the size driver with a new credit allocation composition of 44%, followed by the retail segment at 33% and the MSME segment at 23%. The Bank will deepen its wholesale and anchor-linked SME & Retail business and will explore new business segments. The Bank will encourage new credit growth through new products that have been adapted to customer needs, stimulus programs for sales, development of information technology to support business processes, building a digital ecosystem to attract more customers and competitive asset liability management. In the aspect of third party funds, in 2024 third party funds will grow with the LDR target maintained at 100% so as to minimize excess funds. The growth of third party funds will be focused on increasing CASA growth with a target ratio above 25% by building a strong customer base, so as to reduce the cost of funds.
3. The Bank continues the cost reduction initiatives through efficiency in overhead costs. The increase in overhead costs is in line with growth and cost savings strategies.

Financial ratios, especially in terms of credit quality, show improvement in line with the Bank's plan to settle bad loans through bulk sales, improve the structure of third party funds through increasing CASA to strengthen liquidity, and cost reduction efforts through efficiency in overhead costs. In addition, it is hoped that improvements in credit quality will increase which will be balanced with healthy credit growth so that it can significantly improve the level of profitability as reflected by the NIM ratio so that the Bank can grow sustainably in the future.

TARGET ACHIEVEMENTS WITH REALIZATION AND PROJECTIONS FOR THE NEXT YEAR

At the beginning of 2022, the Bank has prepared and set a number of targets to be achieved which have been outlined in the 2022 Bank Business Plan (RBB) while still paying attention to the conditions that occur, both in the economic sector and the banking industry in Indonesia. The Company's achievement of the 2022 targets that have been set and projections for 2023 are outlined as follows:

Achievement of Realization of the 2023 Target

(in IDR million, unless in percentage)

Description	2023 Realization	2023 Bank's Business Plan (RBB)	Achievements
FINANCIAL POSITION			
Total Assets	78.842.594	94.497.168	83,43%
Loans	44.183.228	47.924.035	92,19%
Loans	39.036.634	47.924.035	81,46%
Total Equity	14.762.721	16.371.058	90,18%
LOSS/PROFIT			
Interest income – net	609.196	994.961	61,23%
Operating income other than Interest	590.352	473.181	124,76%
Operating Expenses other than Interest	(2.040.106)	(2.265.696)	111,06%
(Expense) CKPN Recovery	(5.247.514)	(3.804.569)	72,50%
Non-Operating Income (Expense) – Net	(125.498)	(363.069)	289,30%
Net Loss	(5.510.781)	(3.872.850)	70,28%

2024 Projection on 2023 Realization

(in IDR million, unless in percentage)

Uraian	Realisasi 2023	RBB 2024
FINANCIAL POSITION		
Total Assets	78.842.594	81.154.890
Loans	44.183.228	43.227.625
Total Savings	39.036.634	43.512.323
Total Savings	14.762.721	11.479.386
PROFIT/LOSS		
Interest income – net	609.196	1.208.478
Operating income other than Interest	590.352	644.235
Operating Expenses other than Interest	(2.040.106)	(2.130.023)
(Expense) CKPN Recovery	(5.247.514)	(4.079.682)
Non-Operating Income (Expense) – Net	(125.498)	(747.171)
Net Profit	(5.510.781)	(3.981.247)
BASIC FINANCIAL RATIO		
NIM	0,78%	1,55%
CAR	27,05%	18,30%
NPL-Net	4,95%	4,78%

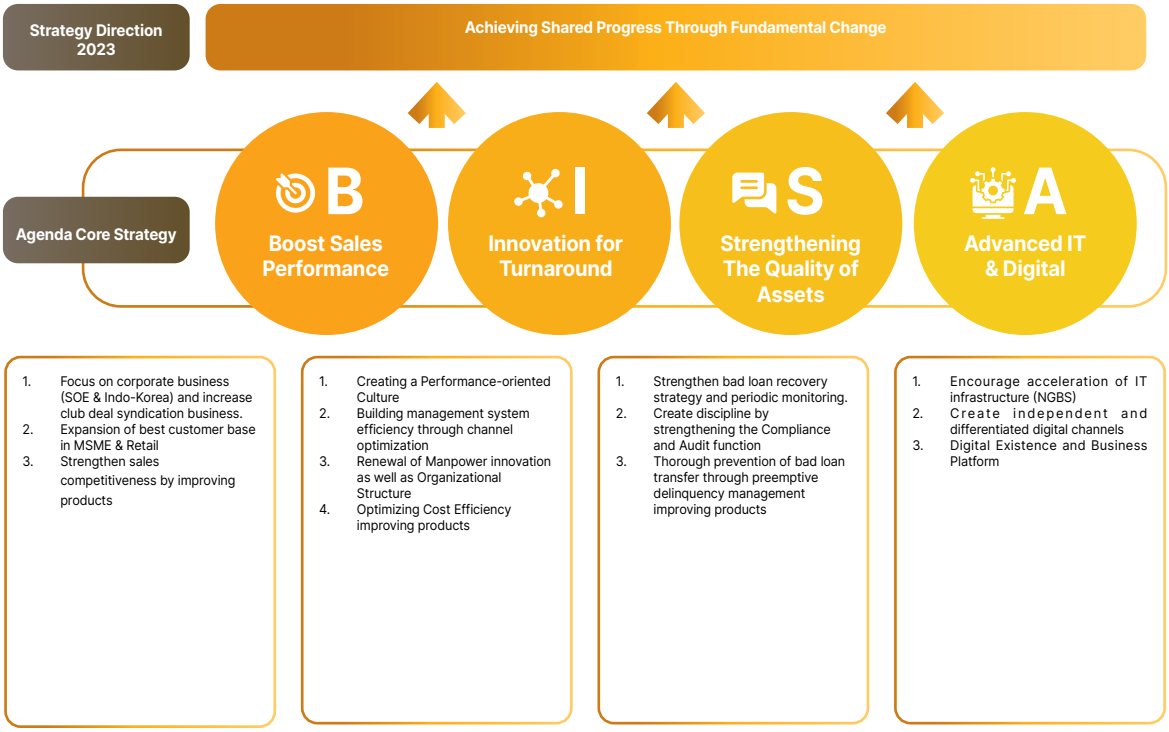
MARKETING ASPECT

The marketing aspect is a key factor for a company in running its business. The aim of the marketing aspect is to map market share to support the company's business development, as well as analyze market needs so that appropriate marketing strategies can be determined according to market demand. The following is the marketing strategy carried out by the Company throughout 2023, explained as follows.

MANAGEMENT STRATEGY

Based on current conditions both internally and externally, and in order to achieve the targets that have been set, the Bank identified 3 stages that are key to the success of the transformation process, focusing on key areas, preparing a turn around strategy and increasing the Bank's business capabilities in the future. To support the targeted growth, there are 4 (four) pillars that need to be achieved, namely:

1. Boost Sales Performance
   The aspiration to restore the glory of KB Bank can only be done through fast and quality business growth (improving the performance). Synergy between each segment is needed to create a healthy business ecosystem for the Bank where the wholesale segment as an anchor will provide opportunities for MSME and Retail businesses to enter to meet all customers' financial service needs. Different and competitive products are needed so that product development is required to be able to quickly respond to customer needs. Banks need to increase their competence in terms of distributing corporate financing, especially in Investment Banking (IB) services. A fast process supported by digital development is expected
2. Innovation
   Innovation that is in line with business strategy is encouraged not only to provide added value for customers but also as an effort for Bank efficiency by cutting unnecessary business process chains. Digital innovation is encouraged as an effort to save banks in the future by simplifying processes and reducing manual processes in line with the outlet & manpower optimization strategy.
3. Penguatan Kualitas Asset
   Preventing a decline in credit quality through DPD management, implementing ABS and SUKUK as well as continuously optimizing LAR collection and AYDA sales activities is a form of the Bank's commitment to focus on improving asset quality. A clear division of tasks and responsibilities is needed so that the sales function can focus more on expanding the business or good the Bank and the settlement function through special asset management can more optimally carry out collections and avoid settlement options that can cause burdens for the Bank. Normalization of credit restructuring to increase profitability and optimization of collections to increase Bank profitability.
4. Advance IT and Digital
   Strengthening digital position in the market through revamping and revamping Wokee. Focusing on developing existing digital channels and customizing applications for customer operational needs, including supply chain financing, cash management and other fund products.



MARKET SHARE

KB Bank continues to strive to increase its competitiveness towards peer groups in facing competition in all aspects, especially in terms of competency. Changes in the dynamics of bank business in the banking industry affect KB Bank's peer group, so the Bank re-evaluates the peer group based on banking rankings in aspects; financial performance (core capital, assets, deposits, KYD), distribution of the number of branch offices in each province, similarity of bank business criteria, and based on the proximity of the market penetration matrix. Business competition can be seen, among other things, based on the number of assets owned, the amount of third party funds (DPK) that have been collected, the amount of credit granted (KYD), the bank's net income and the bank's NPL ratio.

KB Bank Market Share in the Indonesian Banking Industry

(in trillion Rupiah, unless otherwise stated)

Uraian		2023	2022	2021
Total Asset	Banking Industry	11.766	10.874	10.112
	KB Bank	84	85	89
	Market Share	0,72%	0.78%	0,88%
Total Third Party Fund (DPK)	Banking Industry	8.458	7.974	7.479
	KB Bank	45	47	56
	Market Share	0,53%	0.59%	0,75%
Total Loans (KYD)	Banking Industry	7.187	6.417	5.821
	KB Bank	49	46	59
	Market Share	0,69%	0.72%	1,01%

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DIVIDEND POLICY AND DISTRIBUTION

Basic Dividend Distribution Policy

Based on the Bank's Articles of Association regarding the Use of Profits and Distribution of Dividends, the dividend distribution policy implemented by the Bank is adjusted to the Bank's capabilities based on decisions taken at the General Meeting of Shareholders (GMS). This is done by considering financial conditions and the level of financial soundness, as well as regulations regarding capital and applicable laws and regulations in the banking sector. The distribution of dividends depends on the performance and financial condition of the Company.

Dividend Distribution and Payment for the Last 3 Years

Description	2023	2022	2021
Fiscal year	2022	2021	2020
Announcement Date	-	-	-
Payment Date	-	-	-
Dividend Distribution Policy (%)	-	-	-
Cash Dividend Distributed (IDR)	-	-	-
Dividend per share (IDR/share)	-	-	-
Dividend Distribution Ratio (%)	-	-	-

INFORMATION ABOUT THE SHARE OWNERSHIP PROGRAM BY EMPLOYEES AND/OR MANAGEMENT (ESOP/MSOP)

In accordance with the General Meeting of Shareholders on April 20 2005 as stated in Deed No. 26 from Notary Lindasari Bachroem, S.H., shareholders approved the issuance of option shares which will be implemented in 3 (three) stages. Stock options are given to directors and employees in certain positions who meet the specified requirements. The number of shares issued in the first to third stage of stock options is a maximum of 5% (five percent) of the Bank's paid-up capital within a period of 3 (three) years without giving prior rights to existing shareholders (Pre-emptive Rights). The first phase of stock options was granted at the time of the IPO. As of July 6 2013 (the last exercise date), there were stock options that had not been exercised because the exercise period had passed, therefore a reserve for expired stock options amounting to IDR 8,599 million had been recorded as additional paid-in capital.

INFORMATION REGARDING THE REALIZATION OF USE OF PUBLIC OFFERING PROCEEDS

Public Offering Fund Realization Report

Type of Limited Offering	Effective Date	Limited Offer Amount	Limited Offer Fees	Net Proceeds	Working Capital of Bank Financing Business Activities	Total	Remaining Proceeds from Limited Offering
Bank KB Bukopin Senior Shelf Registration Bond I Phase I Year 2021	August 31, 2021	1.000.000	8.584	994.656	994.656	994.656	-
Bank KB Bukopin Subordinated Bonds III Phase I Year 2021 Series A - B		1.000.000	5.344	991.416	991.416	991.416	-

On February 28, 2017, the Bank issued and recorded Bank KB Bukopin Continuous Subordinated Bonds II Phase II 2017 amounting to IDR 1,405,000 million with a fixed interest rate of 11% per year and a term of 7 (seven) years from the date of issuance. These bonds are listed on the Indonesian Stock Exchange. Bond interest is paid every 3 (three) months. The first bond interest payment was made on May 29 2017, while the final bond interest payment and bond principal maturity will be made on February 28 2024.

On September 10, 2021, the Bank issued and listed Bank KB Bukopin Continuous Bonds I Phase I 2021 amounting to IDR 1,000,000 with a fixed interest rate of 6.25% per year and a term of 3 (three) years from the date of issuance. These bonds are listed on the Indonesian Stock Exchange. Bond interest is paid every 3 (three) months. The first bond interest payment was made on December 9 2021, while the final bond interest payment and bond principal maturity will be made on September 9 2024.

On September 10, 2021, the Bank issued and listed Bank KB Bukopin Phase I 2021 Series A Continuous Subordinated Bonds III amounting to IDR 315,000 with a fixed interest rate of 8% per year and a term of 5 (five) years from the date of issuance. These bonds are listed on the Indonesian Stock Exchange. Bond interest is paid every 3 (three) months. The first bond interest payment was made on December 9 2021, while the final bond interest payment and bond principal maturity will be made on September 9 2026.

On September 10, 2021, the Bank issued and listed Bank KB Bukopin Phase I 2021 Series B Continuous Subordinated Bonds III amounting to IDR 685,000 with a fixed interest rate of 8.9% per year and a term of 7 (seven) years from the date of issuance. These bonds are listed on the Indonesian Stock Exchange. Bond interest is paid every 3 (three) months. The first bond interest payment was made on 9 December 2021, while the final bond interest payment and bond principal maturity will be made on September 9 2028.

The Bank issues senior bonds and subordinated bonds to develop financing and strengthen the Bank's long-term funding structure. This subordinated bond is not guaranteed by any special collateral, but is guaranteed by all of the Bank's assets, which already exist or will exist in the future, both movable and immovable assets in accordance with the provisions in articles 1131 and 1132 of the Civil Law Code.

The subordinated bond agreement includes several restrictions, including prohibitions on reducing authorized capital, issued and paid-up capital, business mergers and/or consolidations, transactions with related parties, loans and bond issuance. During

the years ended December 31, 2023 and 2022, the Bank has complied with the provisions regarding limitations on obligations as agreed in the Trustee Agreement. During the years ending in December 31, 2023 and 2022, the Bank has made timely bond interest payments.

For the purposes of calculating the Minimum Capital Requirement Ratio (KPMM), the above subordinated bonds are calculated as supplementary capital after the Bank receives a letter of approval from the Financial Services Authority No. S-56/PB.31/2015 dated July 7, 2015 and from Bank Indonesia No. 14/24/DPB1/TPB1-4 dated March 14, 2012.

For the purposes of calculating the Minimum Capital Requirement (KPMM) ratio, Continuous Subordinated Bonds III are calculated as supplementary capital after the Bank receives a letter of approval from the Financial Services Authority No. S-212/PB.31/2021 dated October 4, 2021.

MATERIAL INFORMATION REGARDING INVESTMENT, EXPANSION, DIVESTMENT, BUSINESS MERGER, ACQUISITION, AND/OR DEBT/CAPITAL RESTRUCTURING

MATERIAL INFORMATION REGARDING INVESTMENT

Material information regarding Bank investments which mature in 2023 and which are still outstanding after 31 December 2023 can be seen as follows:

Description	Maturity Date	Rate	
		31-Dec-23	31-Dec-22
Domestic Letters of Credit	June 12, 2024	No Rating	No Rating
Government Bonds – US Dollars	January 15, 2024	No Rating	No Rating
KIK EBA Bahana Bukopin Year 2019	September 4, 2026	idAAA	idAAA
IDR-Linked Step-Up Fixed Rate Guaranteed Bond IDMB United Pte Ltd	June 21, 2027	A+	A+
SMMK Pte Ltd	September 28, 2037	A+	-
Corporate Sukuk	September 28, 2037	AAA(idn)	BBB-
Government Bonds – Rupiah	April 15, 2040	No Rating	No Rating
Indonesia Sukuk Ijarah Bonds	April 15, 2043	idA-	idA-
Bonds IV Bank Lampung	July 7, 2022	-	-
Subordinated Bonds I Bank Victoria Tranche I Year 2017	July 11, 2022	-	-
Subordinated Bonds I Bank Victoria Tranche II Year 2018 Serie B	June 5, 2023	-	-
Subordinated Bonds I Bank Victoria Tranche II Year 2018 Serie A	June 6, 2021	-	-
Subordinated Bonds III Adira Finance Tranche V Year 2017 Serie B	March 22, 2020	-	-
Subordinated Bonds III Bank Tabungan Negara Year 2017 Tranche I Serie A	July 13, 2020	-	-
Subordinated Bonds II Wahana Ottomitra Multiartha Year 2017 Tranche II Serie B	August 22, 2020	-	-
Bonds II Bank Maluku Year 2017 Serie B	December 8, 2020	-	-
Subordinated Bonds I Bank DKI Year 2016 Tranche I	June 30, 2021	-	-
Medium Term Notes IV Clipan Finance Year 2018	November 23, 2020	-	-
Medium Term Notes Bonds Bank Jambi Year 2017	June 6, 2020	-	-
Medium Term Notes Bonds Tranche II Bank Sumitomo Mitsui	June 14, 2020	-	-
Medium Term Notes Bonds I Bank Danamon 2019	March 6, 2020	-	-
Bank Indonesia Certificate	3 Jan 2020- August 14, 2020	-	-
Bank Indonesia Sukuk	January 9, 2020	-	-

Ratings for bonds listed on the Indonesian Stock Exchange are based on ratings reported by PT Pemeringkat Efek Indonesia (Pefindo), while ratings for other bonds not listed on the Indonesian Stock Exchange are based on bond ratings reported by Standard & Poor's.

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

CONFLICT OF INTEREST TRANSACTIONS AND/OR TRANSACTIONS WITH AFFILIATED PARTIES

Conflict of Interest is a difference between the economic interests of the Company and the personal economic interests of members of the Board of Directors, members of the Board of Commissioners, or major shareholders which could be detrimental to the Company in question.

Affiliate Transactions are Transactions carried out by a Company or Controlled Company with Affiliates of the Company or Affiliates of members of the Board of Directors, members of the Board of Commissioners, or major shareholders of the Company.

RELATED PARTY TRANSACTIONS

1. The person or immediate family member has a relationship with the reporting entity if the person:
   a. Having control or joint control over the reporting entity;
   b. Have significant influence over the reporting entity; or
   c. Represent key management personnel of the reporting entity or the parent entity of the reporting entity.
2. An entity has a relationship with a reporting entity if that entity:
   a. The entity and the reporting entity are members of the same business group (meaning the parent entity, subsidiary and subsequent subsidiaries are related to another entity);
   b. An entity is an associated entity or joint venture of another entity (or an associated entity or joint venture that is a member of a business group, of which the other entity is a member);
   c. Both entities are joint ventures of the same third party;
   d. One entity is a joint venture of a third entity and another entity is an associate entity of a third entity;
   e. The entity is a post-employment benefits program for employee benefits from one of the reporting entities or an entity related to the reporting entity. If the reporting entity is the entity that organizes the program, then the sponsoring entity is also related to the reporting entity;
   f. Entities controlled or jointly controlled by the person identified as referred to in point i); or
   g. Persons identified as referred to in point (i)(a) have significant influence over the entity or are key management personnel of the entity (or the parent entity of the entity);
   h. The entity, or a member of a group of which the entity is part, provides key management personnel services to the reporting entity or to the parent entity of the reporting entity.

NAME OF THE TRANSACTION PARTY, NATURE OF THE AFFILIATE RELATIONSHIP, NATURE OF THE TRANSACTION, AND REASON FOR THE TRANSACTION

This transaction is carried out based on terms agreed by both parties, where these terms may not be the same as transactions carried out with unrelated parties.

Based on these provisions, related parties and the nature of their relationship with the Bank are described as follows:

Nature of Relationship	Related Parties
Controlling Shareholders	KB Kookmin Bank Co., Ltd.
Controlled/under the significant influence of one of the Bank's main shareholders	PT Haka Sarana Investama
	Kopelindo Infrastruktur Indonesia
	PT Bosowa Berlian Motor
	PT Bosowa Amal Taksi
	PT Mallomo
	PT Bosowa Utama
	PT Makassar Capital
	PT Bosowa Tambang Indonesia
	PT KB Finansial Multi Finance
	PT Sunindo KB Finance
	PT Kurnia Oryza Abadi
	PT Dalle Mineral Papua
Controlled by the closest family of management	
Same key management	Dinasti Batubara Indonesia
	PT Gerin Surya Gemilang
Bank pension fund	Dana Pensiun Bank KB Bukopin
Management and key employees	Direksi, Dewan Komisaris, Dewan Pengawas Syariah, dan Pejabat Eksekutif Board of Directors, Board of Commissioners, Sharia Supervisory Board, and Executive Officers

Realization of Related Party Transactions

(in million IDR, unless stated otherwise)

DESCRIPTION	2023	2022
ASSETS		
Current Account in other Banks		
KB Kookmin Bank	6.377	75.647
Loans and Sharia financing/receivables - gross		
PT KB Finansia Multi Finance	499.791	250.000
PT Haka Sarana Investama	0	121.048
PT Sunindo KB Finance	119.988	120.000
PT Dalle Mineral Papua	0	55.309
Dinasti Batubara Indonesia	0	46.278
PT Bosowa Amal Taksi	0	28.891
PT Bosowa Utama	0	27.519
PT Mallomo	0	27.012
PT Bosowa Berlian Motor	0	26.081
Kopelindo Infrastruktur Indonesia	0	15.934
PT Makassar Capital	0	7.369
PT Kurnia Oryza Abadi	0	4.878
PT Gerin Surya Gemilang	0	3.348
PT Bosowa Tambang Indonesia	0	32
PT Merpati Wahana Taksi	0	0
PT Karya Ratu Mulia	0	0
PT Legalino Lines	0	0
PT Oto Rental Nusantara	0	0
PT Anisbi Nunggal Bhakti	0	0
PT Bantimurung Indah	0	0

(in million IDR, unless stated otherwise)

DESCRIPTION	2023	2022
Board of Directors, Board of Commissioners, Sharia Supervisory Board, and Executive Officers	20.867	27.634
Total Assets for the related parties	647.023	836.980
Percentage of Total Asset	0,77%	0,93%
LIABILITIES		
Savings from Other Banks	7.699.413	10.121.907
Borrowings	6.544.886	6.533.582
Timed Deposits	40.311	55.847
Current Account	9.094	260.318
Savings	18.491	9.870
Issued Securities	0	0
Post-employment benefits	0	0
KB Bukopin Bank Pension Fund	61.700	51.700
Board of Directors, Board of Commissioners, Sharia Supervisory Board, and Executive Officers	0	0
Total Liabilities for related parties	**14.373.895**	**17.033.224**
Percentage of total liabilities	20,48%	21,62%
Interest and Sharia income from related parties	22.592	13.157
Percentage against interest and Sharia	0,46%	0,32%
Other operating income		
Other income and commissions from related parties	0	255
Percentage of other operating income	0,00%	0,05%
Interest and Sharia expenses from related parties	899	7.253
Percentage of interest and Sharia expenses	0,02%	0,24%
Other operational expenses		
Salaries and benefits of employees, management and executive officers	67.460	59.227
Percentage of other operations	2,74%	2,44%

EXPLANATION OF TRANSACTION FAIRNESS

KB Bank carries out transactions with related parties substantially with normal requirements as with unrelated parties and is treated as transactions in accordance with the standards of PSAK No. 7 concerning Disclosures of Related Parties.

The Company carries out transactions with related parties based on market prices. Transactions between the Company and BUMN are treated as transactions with related parties in accordance with PSAK 7 concerning Disclosures of Related Parties.

DIRECTORS' STATEMENT REGARDING THE ARM'S LENGTH PRINCIPLE

The Board of Directors is committed to upholding the Arm's length principle (ALP), which is a principle that regulates that if the conditions in a transaction carried out between parties who have a Special Relationship are the same or comparable to the conditions in a transaction carried out between parties who do not have a Special Relationship which becomes a comparison, then the price or profit in transactions carried out between parties who have a special relationship must be the same as or within the range of prices or profits in transactions carried out between parties who do not have a special relationship who act as a comparison. In principle, based on the norm that the price or profit on transactions carried out with affiliated parties is determined by market forces, so that these transactions can reflect Fair Market Value (FMV).

THE ROLE OF THE BOARD OF COMMISSIONERS AND THE AUDIT COMMITTEE IN FULFILLING THE ARM'S LENGTH PRINCIPLE

The Board of Commissioners together with the Audit Committee are committed to upholding the Arm's length principle (ALP). The Company's review mechanism for transactions with Related Parties is carried out through an audit process, especially audits that have been carried out by public accountants and published, where this mechanism is contained in PSAK 7 (2014 revision) concerning "Related Party Disclosures". In principle, based on the norm that the price or profit on transactions carried out with affiliated parties is determined by market forces, so that these transactions can reflect Fair Market Value (FMV).

Throughout 2023, the Bank had no violations of laws and regulations related to transactions with related parties and there were no transactions containing conflicts of interest.

FULFILLMENT OF RELATED REGULATIONS AND PROVISIONS

Fulfillment of related regulations and provisions, namely Financial Accounting Standards (SAK) in Indonesia is carried out through efforts to disclose PSAK No. 7 concerning Disclosure of Related Parties in the Company's 2022 Financial Report which has been audited by the Public Accounting Firm Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan. All transactions carried out with related parties, whether carried out with conditions and conditions with third parties or not, are disclosed in the financial statements.

CHANGES IN LEGISLATION THAT HAVE A SIGNIFICANT INFLUENCE ON THE COMPANY

The Bank is committed to complying with statutory regulations. So that the Bank always pays attention to any changes in legislation to be implemented in the Bank's business activities. During 2023, there were no changes in laws and regulations that had a significant impact on the Company. Thus, the Company does not present information on changes in laws and regulations and their impacts (qualitative and/or quantitative).

CHANGES IN ACCOUNTING POLICIES AND THEIR IMPACT ON THE COMPANY

No	Changes in Accounting Policies	Explanation/Reason of Changes	Impact to the Bank
	Adoption of revised financial accounting standards, effective January 1, 2023 that are relevant to the Company	1. Amendment to PSAK No. 1: "Presentation of Financial Statements" on Disclosure of Accounting Policies which Changes the Term "Significant" to "Material" and Provides Explanation of Material Accounting Policies; 2. Amendment to PSAK No. 16, Fixed Assets: Regarding proceeds before intended use 3. Amendment to PSAK No. 25, Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates 4. Amendment to PSAK No. 46, Income Taxes: Deferred Taxes on Assets and Liabilities Arising from a Single Transaction; 5. Amendment to PSAK No. 107, "Accounting for Ijarah"; 6. PSAK 1 (Amendment): "Presentation of Financial Statements: Classification of Liabilities as Short-term or Long-term"; 7. PSAK 1 (Amendment): "Presentation of Financial Statements: Disclosure of Accounting Policies"; 8. PSAK 16 (Amendment): "Fixed Assets: Results Before Intended Use"; 9. PSAK 25 (Amendment): "Accounting Policies, Changes in Accounting Estimates, and Errors: Definition of Accounting Estimates"; 10. PSAK 46 (Amendment): "Income Taxes: Deferred Taxes related to Assets and Liabilities arising from a Single Transaction" adopted from the Amendent to IAS 12 Income Taxes on Deferred Tax related to Assets and Liabilities arising from a Single Transaction"; 11. PSAK 73 (Amendment): "Leases: relating to lease liabilities in sale and leaseback transactions"; 12. PSAK 107 (Amendment): "Accounting for Ijarah".	did not result in a significant change in the Company's accounting policies and did not have a material impact on the amounts reported in the current or prior year financial statements

COMMITMENTS AND CONTINGENCIES

Below are presented projections of commitments and contingencies for 2023 – 2025

Basic Financial Posts	Realization	Projection						
	Sep	Dec	Mar	Jun	Sep	Dec	Dec	Dec
	2022	2022	2023	2023	2023	2023	2024	2025
Commitment receivables								
Ongoing spot and derivative purchase positions	731.385	731.385	740.527	749.670	758.812	767.954	806.352	846.670
Commitment liabilities								
Letters of Credit	60.452	60.452	61.208	61.964	62.719	63.475	66.649	69.981
Withdrawal Allowance on Debtors	4.369.831	4.369.831	4.424.454	4.479.077	4.533.699	4.588.322	4.817.738	5.058.625
Spot and derivative sales positions	196.569	196.569	199.026	201.483	203.940	206.397	216.717	227.553
Contingent Liabilities								
Bank guarantee	1.193.014	1.193.014	1.207.927	1.222.839	1.237.752	1.252.665	1.315.298	1.381.063
Contingent Receivable								
Outstanding Interest Income	3.761.643	3.573.561	3.484.222	3.394.883	3.305.544	3.216.205	2.894.584	2.605.126

Based on the Parties

Description	31 December 2023	31 December 2022
Commitment		
Commitment Receivables		
Outstanding spot and derivative purchased	595.903	1.242.120
Commitment Liabilities		
Unused loans and Sharia financing/receivable facilities		
Related Parties	-	-
Third Party	(4.822.935)	(4.215.885)
Outstanding SKBDN	-	(52.283)
Outstanding Irrevocable L/C		
Related parties	-	-
Third Party	(88.205)	(11.744)
Outstanding spot and derivative purchased	(971.552)	(818.770)
Total Commitment Liabilities	**(5.882.692)**	**(5.098.682)**
Total Commitment – Net	**(5.286.789)**	**(3.856.562)**
Contigency		

Based on the Parties

Description	31 December 2023	31 December 2022
Contigency Receivables		
Interest Income on non-performing loans	4.038.667	4.066.581
Contigency Liabilities		
Bank Guarantee		
Related parties	-	-
Third Party	(1.337.709)	(3.161.179)
Others	-	-
Total Contingent Liabilities	**(1.337.709)**	**(3.161.179)**
Total Contingent Net	**2.700.958**	**905.402**
Commitments and Contingent Liabilities - Net	(2.585.831)	(2.951.160)

DERIVATIVES AND HEDGING FACILITIES

On 31 December 2022 and 2023, there are derivative receivables and liabilities with transaction details as follows:

Derivative Transactions on Foreign Currency Swaps

(in million IDR, unless stated otherwise)

Parties	31 December 2023				31 Desember 2022			
	Contract Value	Fair Value	Derivatice Receivables	Derivatice Receivables	Contract Value	Fair Value	Derivatice Receivables	Derivative Liabilities
Third Parties								
Foreign currency swap transactions:								
US Dollar	1.543.614	2.389	3.040	(808)	2.048.630	(3.005)	9.254	(12.259)
Japanese Yen	-	-	-	-	-	-	-	-
Total	**1.543.614**	**2.389**	**3.040**	**(808)**	**2.048.630**	**(3.005)**	**9.254**	**(12.259)**

COMPANY HEALTH LEVEL

The measurement of the company's health level carried out by KB Bank is guided by the Financial Services Authority Circular No. 14/SEOJK.03/2017 dated 17 March 2017 concerning Assessment of the Soundness Level of Commercial Banks using a risk approach (Risk-based bank rating) which includes four factors, namely:

1. Risk Profile;
2. Good Corporate Governance (GCG);
3. Profitability (Earnings);
4. Capital (Capital).

From the results of the quarterly risk profile self-assessment submitted to the Financial Services Authority, for the position of December 2023, the Bank's overall risk is at a risk level of PK-2

MATTERS THAT HAVE THE POTENTIAL TO HAVE A SIGNIFICANT IMPACT ON BUSINESS CONTINUITY

MATTERS THAT HAVE THE POTENTIAL TO HAVE A SIGNIFICANT IMPACT ON BUSINESS CONTINUITY

Throughout 2023, there were no factors that significantly affected the Company's business continuity, both in the fiscak year and in the coming years. In light of the Covid-19 pandemic and the ongoing Russia-Ukraine war, KB Bank has designed a comprehensive roadmap of future strategies and early mitigation of business risks in order to achieve sustainable performance.

MANAGEMENT ASSESSMENT OF MATTERS THAT HAVE A SIGNIFICANT INFLUENCE ON BUSINESS CONTINUITY

KB Bank's management has assessed the Bank's ability to continue as a going concern and believes that the Bank has the resources to continue as a going concern for the foreseeable future. In addition, the Bank's management is not aware of any material uncertainties that may cast significant doubt about the Bank's ability to continue as a going concern.

ASSUMPTIONS USED BY MANAGEMENT IN CARRYING OUT ASSESSMENTS

Some of the factors considered by management in assessing business continuity include financial performance, liquidity, solvency, internal issues, and legal matters. Regarding the impact of the Covid-19 pandemic and the Russia-Ukraine war, management will continue to monitor and address these risks and uncertainties related to this matter in the future. This includes various aspects as follows:

1. Financial aspect
    a. Comparing the 2023 realised balances with the audited Financial Statements.
    b. Recalculating the percentage fluctuations reported by Management between the actual balances for 2023 and the target budget/RKAP for 2023 and the actual balances for 2022.
2. Business development of the Company
    a. Comparing the financial information for 2022 and 2023 with the audited Financial Statements.
    b. Recalculating and comparing financial ratio information for 2022 and 2023.

TAX ASPECTS

TAX PAYMENT PUBLICATION

Bank compliance in paying taxes and implementing Good Corporate Governance is very important in its contribution to the country. By ensuring compliance with tax regulations and transparency in management, banks can ensure that their contributions are not limited to just a few products, but are distributed more evenly. This could result in a more stable and sustainable increase in fee-based income for banks, while helping to support the development of government-funded infrastructure and public services. In this way, banks not only fulfill corporate social responsibilities, but also support sustainable economic growth.

PAYMENT OF TAXES

Total tax payments by banks for the period January to December 2022 and 2023 are as follows:

TAX PAYMENT FULFILLMENT

(in full IDR, unless stated otherwise)

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
PPh Badan Corporate Income Tax -	-	-	-	n.a
Individual Income Tax	64.930.679.520	59.431.443.598	5.499.235.922	9,25%
VAT	18.404.235.074	26.495.496.143	(8.091.261.069)	-30,54%
Other taxes:				
Article 23 Income Tax	15.584.706.000	12.322.569.499	3.262.136.501	26,47%
Article 26 Income Tax	124.005.791.747	41.862.476.780	82.143.314.967	196,22%
Article 4 Paragraph 2 Income Tax	404.045.662.323	333.126.561.294	70.919.101.029	21,29%
Other (Revaluation)	1.031.740.000	502.650.000	529.090.000	105,26%
Total Tax Payment	**628.002.814.664**	**473.741.197.314**	**154.261.617.350**	**32,56%**

This tax payment reflects the bank's commitment to complying with all applicable tax obligations. By fulfilling these tax responsibilities, banks not only carry out their duties as responsible business entities, but also contribute directly to the development of the country and the economy as a whole. The funds paid through this tax will be used by the government to support various development programs, including infrastructure development, health services, education and other social programs, which ultimately provide benefits to society at large.

IMPACT OF CHANGES IN INTEREST RATES ON BANK PERFORMANCE

At the Bank Indonesia Board of Governors Meeting on 20-21 December 2023, it was decided to maintain the bi-rate at 6.00%, the deposit facility interest rate at 5.25%, and the lending facility interest rate at 6.75%. Starting December 21 2023, BI will use the name bi-rate as the policy interest rate, replacing the bi 7-day (reverse) repo rate to strengthen monetary policy communication. This decision is consistent with the pro-stability focus to strengthen the stabilization of the rupiah exchange rate and maintain inflation within the target of 2.5 ± 1% in 2024. Macroprudential policies and payment systems remain pro-growth with loose policies to support banking credit/financing and accelerate system digitalization payments for digital economic-financial inclusion, including central and regional government financial transactions.

Strengthening the monetary, macroprudential and payment system policy mix to maintain stability and support sustainable economic growth also includes the following steps:

1. Stabilization of the Rupiah exchange rate through intervention in the foreign exchange market in spot transactions, Domestic Non-Deliverable Forward (DNDF), and Government Securities (SBN) in the secondary market;
2. Strengthening pro-market monetary operations strategies for monetary policy effectiveness, including optimization of Bank Indonesia Rupiah Securities (SRBI), Bank Indonesia Foreign Currency Securities (SVBI), and Bank Indonesia Foreign Currency Sukuk (SUVBI);
3. Strengthening the policy of transparency in Basic Credit Interest Rates (SBDK) with a focus on credit interest rates per economic sector (Appendix);
4. Accelerate digitalization of payment systems and expand cooperation between countries to increase transaction volume and encourage inclusion in the Digital Financial Economy (EKD), through:
5. Expanding QRIS implementation by: (a) setting a target of QRIS usage of 55 million users in 2024; (b) set a QRIS transaction volume target of 2.5 billion transactions in 2024; and (c) strengthening the inter-country QRIS implementation strategy to accelerate transaction acceptance;
6. Strengthening the implementation of the Indonesian Credit Card (KKI) in the Government Segment by developing the KKI Online Payment feature, as well as expanding more intensive socialization, coordination and monitoring;
7. Expanding international cooperation with central banks and partner country authorities, particularly through inter-country QRIS and Local Currency Transactions (LCT), as well as facilitating the promotion of investment, trade and tourism in priority sectors in collaboration with relevant agencies.

PROHIBITIONS, LIMITATIONS AND/OR SIGNIFICANT OBSTACLES TO TRANSFERRING FUNDS BETWEEN BANKS AND OTHER ENTITIES IN A BUSINESS GROUP

In carrying out its business activities, the Company has established clear policies regarding restrictions on transferring funds, which are described as follows:

1. The Company has no restrictions in operational procedures related to customer fund transfers, both incoming and outgoing transfers between banks and other entities within a business group. The number and value of transactions refer to regulatory provisions regarding the Maximum Credit Grant Limit (BMPK).
2. The Company refers to LLL regulations relating to transactions for inter-bank placements from KB Bank to other banks and entities within one business group.

PERFORMANCE OF SUBSIDIARIES

In its business structure, the Company has two Subsidiaries whose performance is consolidated, namely PT Bank KB Bukopin Syariah and PT KB Bukopin Finance. An explanation of Subsidiaries is presented in the Profile section of this Annual Report.

PT BANK KB BUKOPIN SYARIAH

FINANCIAL PERFORMANCE OF PT BANK KB BUKOPIN SYARIAH

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Assets	7.920,5	7.013,2	907,2	12,94%
Liabilities	7.151,7	6.399,2	752,5	11,76%
Equity	768,8	614,1	154,7	25,20%
Net Profit	(527,1)	(68,6)	(458,4)	-667,97%

PT KB BUKOPIN FINANCE

FINANCIAL PERFORMANCE OF PT KB BUKOPIN FINANCE

Description	2023	2022	Increase (Decrease)	
			Nominal	Percentage (%)
Assets	459,7	424,5	35,2	8,29%
Liabilities	10,3	299,4	(289,1)	-96,57%
Equity	449,4	125,1	324,2	-259,10%
Net Profit	(18,6)	(2,9)	(15,6)	-531,41%

RISK EXPOSURE AND CAPITAL PUBLISHED REPORTS

GENERAL

No.	Description	T (December 31, 2023)	T-1 (September 30, 2023)	T-2 (June 30, 2023)	T-3 (March 31, 2023)	T-4 (December 31, 2022)
	Available capital (value)			Consolidation		
1	Common Equity Tier (CET1)	9.813.056	11.837.425	13.347.079,66	6.682.166,67	6.750.289,42
2	Equity Tier (Tier 1)	9.813.056	11.837.425	13.347.079,66	6.682.166,67	6.750.289,42
3	Total Capital	14.205.129	16.288.190	17.972.921,00	11.370.810,00	11.538.974,75
	Risk Weighted Assets (Value)					
4	Total Risk Weighted Assets (RWA)	50.831.470	51.915.591	49.137.624,59	52.582.308,08	58.512.127,99
	Risk Based Capital Ratio in the form of percentage of RWA					
5	CET 1 Ratio (%)	19.31%	22.80%	27.16%	12.71%	11.54%
6	TIER 1 Ratio (%)	19.31%	22.80%	27.16%	12.71%	11.54%
7	Total Capital Ratio	27.95%	31.37%	36.58%	21.62%	19.72%
	Tambahan CET1 yang berfungsi sebagai buffer dalam bentuk persentase dari ATMR					
8	Capital conservation buffer (2.5% from ATMR) (%)	2,50%	2,50%	2,50%	2,50%	2,50%
9	Countercyclical buffer (2.5% from ATMR) (%)	0,00%	0,00%	0,00%	0,00%	0,00%
10	Capital Surcharge for Systemic Bank (1% - 2.5%) (%)	0,00%	0,00%	0,00%	0,00%	0,00%
11	Total CET1 as buffer (Line 8 + Line 9 + Line 10)	2,50%	2,50%	2,50%	2,50%	2,50%
12	CET1 Component for buffer	13.31%	16.80%	21.16%	6,71%	5,54%
	Leverage ratio in accordance with Basel III					
13	Total Exposure	81.624.415.98	81.516.022,51	84.926.240,00	86.629.823,34	89.448.195,85
14	Leverage Ratio Value, including the impact of the adjustment towards temporary exemptions on current account placements in Bank Indonesia in order to meet Statutory Reserve provisions (if any)	12.02%	14.52%	15.72%	7.71%	7.46%
14b	Leverage Ratio Value, excluding the impact of the adjustment towards temporary exemptions on current account placements in Bank Indonesia in order to meet Statutory Reserve provisions (if any)	12.02%	14.52%	15.72%	7.71%	7.46%
14c	Leverage Ratio Value, including impact from the adjustment towards temporary exemptions on current account placements in Bank Indonesia in order to meet Statutory Reserve provisions (if any), which has inputed the average value of the listed value of the Securities Financing Transaction (SFT) assets on a gross basis	12.02%	14.52%	15.72%	7.71%	7.46%

No.	Description	T (December 31, 2023)	T-1 (September 30, 2023)	T-2 (June 30, 2023)	T-3 (March 31, 2023)	T-4 (December 31, 2022)
14d	Leverage Ratio Value, excluding the impact of the adjustment towards temporary exemptions in current account placements in Bank Indonesia in order to meet Statutory Reserve provisions (if any), which has inputed the average value of the listed value of the Securities Financing Transaction (SFT) assets on a gross basis	12.02%	14,52%	15,72%	7,71%	7,46%
Liquidity Coverage Ratio (LCR)						
15	Total High Quality Liquid Assets (HQLA)	15.043.596.10	16.692.850,46	19.228.497,64	18.139.233,61	16.796.868,76
16	Total Net Cash Outflow	12.236.932.29	11.890.658,81	10.468.604,90	11.166.235,08	10.170.023,09
17	LCR (%)	122.94%	140.39%	183.68%	162.45%	165.16%
Net Stable Funding Ratio (NSFR)						
18	Total Available Stable Funding (ASF)	74.367.444.17	71.108.887,52	73.605.396,92	67.581.524,28	68.596.524,90
19	Total Required Stable Funding (RSF)	71.426.243.31	69.792.891,75	67.788.655,38	65.996.897,75	65.851.086,97
20	NSFR (%)	104.12%	101.89%	108.58%	102.40%	104.17%
	Qualitative Analysis					
As of December 2023, the Bank's ratios, both consolidated and individual, including the total capital ratio, leverage ratio, LCR and NSFR have met regulatory requirements.						

Differences between Accounting and Prudential Regulation on Scopes of Consolidation

	Carrying amount as stated in the published financial statements (in millions)	The carrying amount of each risk				
		In accordance with credit risk framework	In accordance with counterparty credit risk framework	In accordance with securitization framework	According to the market risk framework	Not refer to capital requirements or based on capital reduction
	consolidated balance sheet					
Assets						
Cash	289.184	289.184				
Placement with Bank Indonesia	4.929.237	4.929.237				
Placement with Other Banks	752.531	752.531				
Spot and derivatives receivables	3.040	-	3.040,00			
Securities	17.536.248	17.416.635		119.600	13	
Securities sold under repurchase agreements (repo)						
Receivables from securities purchased under re-sell agreement (reverse repo)	2.572.152	2.572.152				
Acceptances receivables	132.577					
Loans	43.788.320	132.577				
Sharia financing	5.631.789					

	Carrying amount as stated in the published financial statements (in millions)	The carrying amount of each risk				
		In accordance with credit risk framework	In accordance with counterparty credit risk framework	In accordance with securitization framework	According to the market risk framework	Not refer to capital requirements or based on capital reduction
Equity capital	15	15				
Other financial assets	739.975	739.975				
Allowance for impairment in of financial assets		-				
a. Marketable securities -	(109)	-				
b. Loans and Sharia financing	(3.582.834)	-2.358.581				
c. Others	(1.613)	-				
Intangible assets	635.815	635.815				
Accumulated amortization of intangible assets	(350.230)	-350.230				
Fixed assets and inventories	4.645.635	4.645.635				
Accumulated depreciation of fixed assets and inventories	(1.413.059)	-1.413.059				
Non-productive assest						
a. Abandoned properties	22.395					
b. Foreclosed collaterals	2.503.459	2.503.459				
c. Suspended accounts		-				
d. Inter-branch assets		-				
Other assets	5.473.166	5.473.166				
Total assets	**84.307.300**	**82.437.108**	**3.040**	**119.600**	**13**	**-**
Liabilities						
Current account	3.177.708					3.177.708
Saving account	6.873.184					6.873.184
Time deposits	34.738.311					34.738.311
Electronic money	-					-
Liabilities to Bank Indonesia -	-					-
Interbank liabilities	7.886.721					7.886.721
Spot and derivative liabilities	808					808
Liabilities on securities sold under repurchase agreement (repo)	219.631					219.631
Acceptances liabilities	132.577					132.577
Issued securities	3.397.588					3.397.588
Borrowings	11.704.492					11.704.492

	Carrying amount as stated in the published financial statements (in millions)	The carrying amount of each risk				
		In accordance with credit risk framework	In accordance with counterparty credit risk framework	In accordance with securitization framework	According to the market risk framework	Not refer to capital requirements or based on capital reduction
Security deposits	30.830					30.830
Inter-branch liabilities	-					-
Other liabilities	2.035.347					2.035.347
Minority interest -	(26.146)					-26.146
Total liabilities	**70.170.991**	-	-	-	-	**70.170.991**
Paid-up capital						
a. Authorized capital	21.000.000					
b. Unpaid capital -/-	(2.000.000)					
c. Shares repurchased (treasury stock) -/-	-					
Additional paid-in capital						
a. Agio	8.225.767					
b. Disagio -/-	-					
c. Donated capital	-					
d. Capital deposit funds	-					
e. Other	-					
Other Comprehensive Income						
a. Profit	1.775.069					
b. Loss	-					
Reserve						
a. General reserves	-					
b. Destination Reserve	-					
Profit and loss						
a. Past years	(8.830.450)					
b. Current year	(6.034.077)					
c. Dividends paid -/-						
Total Ekuitas	**14.136.309**					

Sources of Major Differences between Exposures as of Caution with Carrying Values in accordance with Financial Accounting Standards

	December 2023				
	a	b	c	d	e
	Total	Items according to:			
		Credit Risk Framework	Securitization Framework	Counterparty	Kerangka risiko pasar
Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	84.307.300	82.437.108	119.600	3.040	13
Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	70.170.991				
Total net amount under regulatory scope of consolidation	14.136.309	82.437.108	119.600	3.040	13
Off-balance sheet amounts	6.213.849	6.213.849			
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	20.350.158	88.650.957	119.600	3.040	13

Qualitative Analysis

The difference between the recorded value based on the Financial Publication Report and the credit risk framework is that in terms of the Allowance for Impairment Losses in the credit risk framework, only CKPN Stage II and Stage III are taken into account. In addition, in the case of credit items, differences are caused by credit which is recognized as a factor reducing core capital, namely the placement of funds in Additional Core Capital and/or Supplementary Capital instruments at other banks.

Capital Composition

Component	December 2023		December 2022	
	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)
CET 1: Instrument and Additional Paid-In Capital				
Common shares (including stock surplus)	27.225.767	16,17	15.286.428	16,17
Retained loss	(14.864.834)	19,20	(8.830.450)	19,20
Accumulated other comprehensive income (and other reserves)	1.775.376	18	1.609.016	18
Directly issued capital subject to phase out from CET1	-		3.000.000	
Non-Controling Interest that can be calculated		21	-	21
CET 1 Before *Regulatory Adjustment*	**14.136.309**		**11.064.994**	
CET 1: Regulatory Adjustment				
Negative differences on adjustment of fair value on financial instrument in the trading book				
Goodwill	(189.482)	14	(189.482)	14

Component	December 2023		December 2022	
	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)
Other intangibles other than mortgage-servicing rights	(96.103)	14	(12.512)	14
Deferred tax assets arising from future profitabbility				
Cash-flow hedge reserve				
Shortfall on provisions to expected losses				
Securitization gain on sale				
Gains and losses due to changes in own credit risk on fair valued liabilities				
Defined-benefit pension fund net assets				
Investments in own shares (if not already netted off paid-in capital on reported balance sheet)				
Reciprocal cross-holdings in common equity				
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))				
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)				
Mortgage servicing rights				
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)				
Amount exceeding the 15% threshold from:				
significant investments in the common stock of financials				
Mortgage servicing rights				
Deferred tax assets arising from temporary differences				
National specific regulatory adjustments				
Difference between PPKA and CKPN	(254.447)		(1.459.545)	
Non productive PPKA	(1.112.664)		(711.000)	
Deferred tax assest	(2.670.542)	17	(1.942.151)	17
Inclusion	(15)	11	(15)	11
Shortfall in capital of affiliates engaged in insurance				
Securitization exposure				
Others				
Regulatory adjustments applied to CET 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions				
Total regulatory adjustments to Common equity Tier 1	**(4.323.253)**		**(4.314.705)**	
Total Common Equity Tier 1 capital (CET1) after deduction factor	**9.813.056**		**6.750.289**	
Additional Tier 1 capital: instruments	-		-	
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus -	-		-	
of which: classified as equity under applicable accounting standards	-		-	
of which: classified as liabilities under applicable accounting standards	-		-	
Directly issued capital instruments subject to phase out from Additional Tier 1 -			-	

Component	December 2023		December 2022	
	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)
Additional Tier 1 instruments issued by subsidiaries and recognized in consolidated CAR			-	
of which: instruments issued by subsidiaries subject to phase out			-	
Additional Tier 1 capital before regulatory adjustments	-		-	
Additional Tier 1 capital: regulatory adjustments				
Investments in own Additional Tier 1 instruments			-	
Reciprocal cross-holdings in Additional Tier 1 instruments			-	
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)			-	
Significant investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions			-	
National specific regulatory adjustments			-	
Placement of funds in AT1 instrument with other banks			-	
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions			-	
Total regulatory adjustments to Additional Tier 1 capital	**-**		**-**	
Additional Tier 1 capital (AT1)	-		-	
Tier 1 capital (T1 = CET 1 + AT 1)	9.813.056		6.750.289	
Tier 2 capital: instruments and provisions				
Directly issued qualifying Tier 2 instruments plus related stock surplus				
Directly issued capital instruments subject to phase out from Tier 2	3.848.018		4.234.609	
Tier 2 instruments issued by subsidiaries and allowed consolidated CAR			-	
of which: instruments issued by subsidiaries subject to phase out -			-	
PPKA general reserves for productive assets that must be calculated with a maximum amount of 1.25% of RWA for Credit Risk	544.055		554.076	
Tier 2 capital before regulatory adjustments	4.392.073		4.788.685	
Tier 2 capital: regulatory adjustments				
Investments in own Tier 2 instruments			-	
Reciprocal cross-holdings in Additional Tier 2 instruments of other entity -			-	
Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)				
Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)			-	

Component	December 2023		December 2022	
	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)
Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)			-	
National specific regulatory adjustments			-	
Sinking fund			-	
Placement of funds in Tier 2 instruments with other banks			-	
Total regulatory adjustments to Tier 2 capital	**-**		**-**	
Tier 2 capital (T2) after regulatory adjustment	**4.392.073**		**4.788.685**	
Total capital (Tier 1 + Tier 2 Capital)	**14.205.129**		**11.538.974**	
Total risk weighted assets	**50.831.470**		**59.032.316**	
Minimum Capital Adequacy Ratio (KPMM) and Additional Capital (Capital Buffer)				
Common Equity Tier 1 (as a percentage of risk weighted assets)	19,31%		11,40%	
Tier 1 (as a percentage of risk weighted assets)	19,31%		11,40%	
Total capital (as a percentage of risk weighted assets)	27,95%		19,49%	
Buffer (as a percentage of risk weighted assets)				
Capital Conservation Buffer			-	
Countercyclical Buffer			-	
Higher loss absorbency requirement -			-	
For conventional commercial banks: available Common Equity Tier 1 (CET 1) to fulfill Additional Capital (Buffer) - percentage of RWA. For branch offices of the Bank domiciling abroad: The portion of Business Funds placed in CEMA (expressed as a percentage of RWA) available to fulfill the Buffer.				
National minimal (if different from Basel 3)				
National Common Equity Tier 1 minimum ratio				
National Tier 1 minimum ratio				
National total capital minimum ratio				
Amounts below the thresholds for deduction (before risk weighting)				
Non-significant investments in the capital and other TLAC liabilities of other financial entities				
Significant investments in the common stock of financial entities				
Mortgage servicing rights (net of related tax liability)				
Deferred tax assets arising from temporary differences (net of related tax liability)				
Applicable caps on the inclusion of provisions in Tier 2				
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)				

Component	December 2023		December 2022	
	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)	Amount in Million IDR	No. Ref. from Consolidated Balance Sheet 1)
Cap on inclusion of provisions in Tier 2 under standardised approach				
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)				
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach				
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)				
Current cap on CET1 instruments subject to phase out arrangements				
Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)				
Current cap on AT1 instruments subject to phase out arrangements				
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)				
Current cap on T2 instruments subject to phase out arrangements				
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)				

Rekonsiliasi Permodalan

No	Accounts	Published Balance Sheets	Consolidated Balance Sheet with Consolidation Scope based on Prudential Requirements	Published Balance Sheets	Consolidated Balance Sheet with Consolidation Scope based on Prudential Requirements
		December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023
	ASSETS				
1	Cash	254.501	289.184	490.328	524.320
2	Placements with Bank Indonesia	3.394.382	4.929.237	14.589.945	15.585.586
3	Interbank placements	367.341	752.531	1.002.409	1.479.645
4	Spot and derivative receivables	3.040	3.040	9.254	9.254
5	Securities	17.608.966	17.536.249	12.113.487	12.009.954
6	Securities sold under repurchase agreements (repo)	-	-	-	-
7	Receivables on securities purchased under agreement to re-sell (reverse repo)	2.572.152	2.572.152	-	-
8	Acceptance receivables	132.577	132.577	17.346	17.346
9	Loans	44.183.228	43.786.828	45.984.992	46.030.876
10	Sharia financing 1)	-	5.631.788	-	4.552.558
11	Equity Investment	2.206.951	15	926.386	15
12	Other financial assets	715.645	743.858	770.789	797.153
13	Allowance for impairment in value of financial assets				
	a. Marketable securities	(109)	(109)	(76)	(76)
	b. Loans and Sharia financing	(3.353.299)	(3.582.834)	(1.419.124)	(1.626.676)
	c. Others	(1.613)	(1.613)	(211)	(211)
14	Intangible assets	338.304	635.815	187.538	485.049
	Accumulated amortization of intangible assets	(243.063)	(350.230)	(176.339)	(283.055)

No	Accounts	Published Balance Sheets	Consolidated Balance Sheet with Consolidation Scope based on Prudential Requirements	Published Balance Sheets	Consolidated Balance Sheet with Consolidation Scope based on Prudential Requirements
		December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023
15	Fixed assets and inventories	4.322.260	4.646.734	4.360.811	4.686.955
	Accumulated depreciation of fixed assets and inventories	(1.300.473)	(1.413.059)	(1.185.651)	(1.290.753)
16	Non-productive assest		-		
	a. Abandoned properties	22.395	22.395	-	-
	b. Foreclosed collaterals	2.370.014	2.503.459	2.715.389	2.858.081
	c. Suspended accounts	-	-	-	-
	d. Inter-branch assets	-	-	-	-
17	Other Assets	5.249.395	5.473.166	4.316.467	4.159.331
	TOTAL ASSETS	**78.842.594**	**84.307.300**	**84.703.740**	**89.995.352**
	LIABILITIES AND EQUITY				
1	Current account	2.733.688	3.177.648	3.198.511	3.577.927
2	Saving accounts	6.395.495	6.873.184	6.484.175	6.955.784
3	Time deposits	29.907.451	34.738.311	37.013.364	41.428.659
4	Electronic money	-	-	-	-
5	Liabilities to Bank Indonesia	-	-	-	-
6	Liabilities to other banks	7.761.176	7.886.721	10.374.005	10.381.375
7	Spot and derivative liabilities/forward	808	808	12.259	12.259
8	Payables on securities sold under agreement to repurchase (repo)	-	219.631	-	-
9	Acceptances Liabilities	132.577	132.577	17.346	17.346
10	Issued securities	3.397.588	3.397.588	3.392.717	3.392.718
11	Borrowings	11.654.712	11.704.492	11.132.586	11.200.131
12	Security deposits	15.531	30.830	23.105	40.170
13	Inter-branch liabilities	-	-	-	-
14	Other liabilities	2.080.847	2.035.347	1.729.708	1.772.378
15	Minority interest	-	-26.146	-	-4.828
	TOTAL LIABILITIES	**64.079.873**	**70.170.991**	**73.377.776**	**78.773.919**
16	Paid-up capital				
	a. Authorized capital	21.000.000	21.000.000	13.000.000	13.000.000
	b. Unpaid capital -/-	(2.000.000)	-2.000.000	(6.000.000)	(6.000.000)
	c. Shares repurchased (treasury stock) -/-	-	-	-	-
17	Additional paid-in capital				
	a. Agio	8.225.767	8.225.767	8.286.428	8.286.428
	b. Disagio -/-	-		-	-
	c. Donated capital	-	-	-	-
	d. Capital deposit funds	-	-	3.000.000	3.000.000
	e. Other	-	-	-	-
18	Other Comprehensive Income				

No	Accounts	Published Balance Sheets	Consolidated Balance Sheet with Consolidation Scope based on Prudential Requirements	Published Balance Sheets	Consolidated Balance Sheet with Consolidation Scope based on Prudential Requirements
		December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023
	a. Profit	1.709.915	1.775.069	1.701.716	1.765.455
	b. Loss	-	-	-	-
19	Reserve		-		
	a. General reserves	-	-	-	-
	b. Destination Reserve	-	-	-	-
20	Profit and loss		-		
	a. Past years	(8.662.180)	-8.830.450	-3.692.200	-3.802.989
	b. Current year	(5.510.781)	-6.034.077	(4.969.980)	(5.027.461)
	c. Dividends paid -/-		-	-	-
	TOTAL EQUITY ATTRIBUTABLE TO OWNERS	**14.762.721**	**14.136.309**	**11.325.964**	**11.221.433**
21	Non-controlling Interest				
	TOTAL EQUITY	**14.762.721**	**14.136.309**	**11.325.964**	**11.221.433**
	TOTAL LIABILITIES AND EQUITY	**78.842.594**	**84.307.300**	**84.703.740**	**89.995.352**

Main Feature of Bank Capital

		December 2023					
	Indonesia	Common Stock	Continuous Subordinated Bonds II Phase II 2017	Continuous Subordinated Bond III Phase I Year 2021 Series A	Continuous Subordinated Bond III Phase I Year 2021 Series B	Kookmin Bank Hong Kong Branch Subordinated Loan	
1	Issuer	PT Bank KB Bukopin Tbk	PT Bank KB Bukopin Tbk	PT Bank KB Bukopin Tbk	PT Bank KB Bukopin Tbk	PT Bank KB Bukopin Tbk	
2	Identification Number	ID1000103609	IDA000078703	IDA0001176A9	IDA0001176B7		
3	Applicable Law	Indonesian Law	Indonesian Law	Indonesian Law	Indonesian Law	UK Law	
3a	Means that enable the achievement of implementation of obligations on Section 13 of the TLAC Term Sheet (for other valid TLAC instruments governed by foreign law)						
	Instrument treatment based on CAR						
4	During the transition period	N/A	N/A	N/A	N/A	N/A	
5	After transition	CET 1	Tier 2	Tier 2	Tier 2	Tier 2	

	December 2022				
	Common Stock	**Continuous Subordinated Bonds II Phase II 2017**	**Continuous Subordinated Bond III Phase I Year 2021 Series A**	**Continuous Subordinated Bond III Phase I Year 2021 Series B**	**Kookmin Bank Hong Kong Branch Subordinated Loan**
	PT Bank KB Bukopin Tbk	PT Bank KB Bukopin Tbk	PT Bank KB Bukopin Tbk	PT Bank KB Bukopin Tbk	PT Bank KB Bukopin Tbk
	ID1000103609	IDA000078703	IDA0001176A9	IDA0001176B7	
	Indonesian Law	Indonesian Law	Indonesian Law	Indonesian Law	UK Law
	N/A	N/A	N/A	N/A	N/A
	CET 1	Tier 2	Tier 2	Tier 2	Tier 2

		December 2023					
	Indonesia	**Common Stock**	**Continuous Subordinated Bonds II Phase II 2017**	**Continuous Subordinated Bond III Phase I Year 2021 Series A**	**Continuous Subordinated Bond III Phase I Year 2021 Series B**	**Kookmin Bank Hong Kong Branch Subordinated Loan**	
6	Is the instrument eligible for Solo/ Group or Group and Solo	Individual	Individual	Individual	Individual	Individual	
7	Type of instrument	Common Stock	Subordinated Marketable Securities	Subordinated Marketable Securities	Subordinated Marketable Securities	Subordinated Loans	
8	KPMM Amount recognized in CAR	19.000.000	327.833	231.000	685.000	3.000.000	
9	Par value of instrument	19.000.000	1.405.000	315.000	685.000	3.000.000	
10	Accounting classification	Equity	Liability	Liability	Liability	Liability	
11	Issue date	10/07/2006	28/02/2017	10/09/2021	10/09/2021	June 30, 2022	
12	No due date (perpetual) or with due date	Perpetual	With due date	With due date	With due date	With due date	
13	Due date	No due date	28/02/2024	09/09/2026	09/09/2028	June 29, 2029	
14	Execution of a call option on the approval of the Financial Services Authority (OJK)	No	No	No	No	No	
15	Call option date, amount of withdrawal and other requirements of call option (if any)	N/A	N/A	N/A	N/A	N/A	
16	Subsequent call option Subsequent call option	N/A	N/A	N/A	N/A	N/A	
	Coupon/ dividend						
17	atau floating Fixed or floating coupon/ dividend	N/A	Fixed	Fixed	Fixed	Fixed	
18	The coupon rate or other reference index	N/A	11% pa	8% pa	8,9% pa	8.52% pa	
19	Whether or not dividend stopper available	No	N/A	N/A	N/A	N/A	
20	Fully discretionary; partial or mandatory	Mandatory	Mandatory	Mandatory	Mandatory	N/A	
21	Is there any step up feature or other incentive	N/A	N/A	N/A	N/A	N/A	
22	Noncumulative or cumulative	Noncumulative	Cumulative	Cumulative	Cumulative		
23	Convertible or nonconvertible	Cannot be converted	Cannot be converted	Cannot be converted	Cannot be converted	Convertible to Common Stock	

	December 2022				
	Common Stock	Continuous Subordinated Bonds II Phase II 2017	Continuous Subordinated Bond III Phase I Year 2021 Series A	Continuous Subordinated Bond III Phase I Year 2021 Series B	Kookmin Bank Hong Kong Branch Subordinated Loan
	Individual	Individual	Individual	Individual	Individual
	Common Stock	Subordinated Marketable Securities	Subordinated Marketable Securities	Subordinated Marketable Securities	Subordinated Loans
	19.000.000	327.833	231.000	685.000	3.000.000
	19.000.000	1.405.000	315.000	685.000	3.000.000
	Equity	Liability	Liability	Liability	Liability
	10/07/2006	28/02/2017	10/09/2021	10/09/2021	June 30, 2022
	Perpetual	With due date	With due date	With due date	With due date
	No due date	28/02/2024	09/09/2026	09/09/2028	June 29, 2029
	No	No	No	No	No
	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A
	N/A	Fixed	Fixed	Fixed	Fixed
	N/A	11% pa	8% pa	8,9% pa	8.52% pa
	No	N/A	N/A	N/A	N/A
	Mandatory	Mandatory	Mandatory	Mandatory	N/A
	N/A	N/A	N/A	N/A	N/A
	Noncumulative	Cumulative	Cumulative	Cumulative	
	Cannot be converted	Cannot be converted	Cannot be converted	Cannot be converted	Convertible to Common Stock

		December 2023					
	Indonesia	Common Stock	Continuous Subordinated Bonds II Phase II 2017	Continuous Subordinated Bond III Phase I Year 2021 Series A	Continuous Subordinated Bond III Phase I Year 2021 Series B	Kookmin Bank Hong Kong Branch Subordinated Loan	
24	If convertible, what is the trigger point	N/A	N/A	N/A	N/A	Possible to convert into ordinary shares in the event that Bank KB Bukopin has the potential to disrupt its business continuity (point of non viability) referring to OJK Circular Letter No. 20/SEOJK.03/2016	
25	If convertible, whether full or partial	N/A	N/A	N/A	N/A	(ii) the possibility of being converted in full or in part	
26	If convertible, what is the conversion rate	N/A	N/A	N/A	N/A	Conversion Formula: a. the average closing price on the IDX regular market of ordinary shares during the twenty-five (25) IDX trading day period immediately before the date on which the application for listing the Convertible Shares is submitted to the IDX; or, b. if the conversion is carried out to improve the financial position in accordance with POJK 32/2015, the fair market price of the ordinary shares will be determined by a third party appraiser registered with the OJK who will be appointed based on a mutual agreement between Bukopin & KBHK	
27	If convertible, mandatory or optional	N/A	N/A	N/A	N/A	Mandatory, if a trigger event occurs	
28	If convertible, what is the instrument conversion type	N/A	N/A	N/A	N/A	It Converts into Common Shares	
29	If convertible, mention the issuer of the instrument it converts into	N/A	N/A	N/A	N/A	It Converts into Common Shares	
30	Write-down feature	N/A	Yes	Yes	Yes	No	

	December 2022				
	Common Stock	Continuous Subordinated Bonds II Phase II 2017	Continuous Subordinated Bond III Phase I Year 2021 Series A	Continuous Subordinated Bond III Phase I Year 2021 Series B	Kookmin Bank Hong Kong Branch Subordinated Loan
	N/A	N/A	N/A	N/A	Possible to convert into ordinary shares in the event that Bank KB Bukopin has the potential to disrupt its business continuity (point of non viability) referring to OJK Circular Letter No. 20/ SEOJK.03/2016
	N/A	N/A	N/A	N/A	(ii) the possibility of being converted in full or in part
	N/A	N/A	N/A	N/A	Conversion Formula: a. the average closing price on the IDX regular market of ordinary shares during the twenty-five (25) IDX trading day period immediately before the date on which the application for listing the Convertible Shares is submitted to the IDX; or, b. if the conversion is carried out to improve the financial position in accordance with POJK 32/2015, the fair market price of the ordinary shares will be determined by a third party appraiser registered with the OJK who will be appointed based on a mutual agreement between Bukopin & KBHK
	N/A	N/A	N/A	N/A	Mandatory, if a trigger event occurs
	N/A	N/A	N/A	N/A	It Converts into Common Shares
	N/A	N/A	N/A	N/A	It Converts into Common Shares
	N/A	Yes	Yes	Yes	No

		December 2023					
	Indonesia	**Common Stock**	**Continuous Subordinated Bonds II Phase II 2017**	**Continuous Subordinated Bond III Phase I Year 2021 Series A**	**Continuous Subordinated Bond III Phase I Year 2021 Series B**	**Kookmin Bank Hong Kong Branch Subordinated Loan**	
31	trigger-nya If write-down; what is the trigger	N/A	Subordinated bonds can be written down without compensation if the OJK determines that the company has the potential to be disturbed by its business continuity (point of non-viability) in accordance with the provisions of Article 19 of the regulation of the financial services authority no. 34 / POJK.03 / 2016	Subordinated bonds can be written down without compensation if the OJK determines that the company has the potential to be disturbed by its business continuity (point of non-viability) in accordance with the provisions of Article 19 of the regulation of the financial services authority no. 34 / POJK.03 / 2016	Subordinated bonds can be written down without compensation if the OJK determines that the company has the potential to be disturbed by its business continuity (point of non-viability) in accordance with the provisions of Article 19 of the regulation of the financial services authority no. 34 / POJK.03 / 2016	N/A	
32	If write-down; whether full or partial	N/A	N/A	N/A	N/A	N/A	
33	If write-down, is it permanent or Temporary	N/A	N/A	N/A	N/A	N/A	
34	If temporary writedown, Explain write-up mechanism	N/A	N/A	N/A	N/A	N/A	
34a	Type of subordination	N/A	Junior Bond	Junior Bond	Junior Bond	Subordinated Loans	
35	Hierarchy of instruments at the time of liquidation	At the time of liquidation, shareholders will only get a return on their investment if the Company has paid its obligations to creditors and the Company's assets are still remaining.	The rights of the Subordinated Bondholders are paripassu without preferential rights	The rights of the Subordinated Bondholders are paripassu without preferential rights	The rights of the Subordinated Bondholders are paripassu without preferential rights	Ranks at least pari passu in payment priority and in all other respects with all unsecured and other subordinated debts of Bank KB Bukopin except those that take precedence by law	
36	Are there features that are noncompliant	N/A	N/A	N/A	N/A	N/A	
37	If yes, explain for noncompliant features	N/A	N/A	N/A	N/A	N/A	

	December 2022				
	Common Stock	Continuous Subordinated Bonds II Phase II 2017	Continuous Subordinated Bond III Phase I Year 2021 Series A	Continuous Subordinated Bond III Phase I Year 2021 Series B	Kookmin Bank Hong Kong Branch Subordinated Loan
	N/A	Subordinated bonds can be written down without compensation if the OJK determines that the company has the potential to be disturbed by its business continuity (point of non-viability) in accordance with the provisions of Article 19 of the regulation of the financial services authority no. 34 / POJK.03 / 2016	Subordinated bonds can be written down without compensation if the OJK determines that the company has the potential to be disturbed by its business continuity (point of non-viability) in accordance with the provisions of Article 19 of the regulation of the financial services authority no. 34 / POJK.03 / 2016	Subordinated bonds can be written down without compensation if the OJK determines that the company has the potential to be disturbed by its business continuity (point of non-viability) in accordance with the provisions of Article 19 of the regulation of the financial services authority no. 34 / POJK.03 / 2016	N/A
	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A
	N/A	Junior Bond	Junior Bond	Junior Bond	Subordinated Loans
	At the time of liquidation, shareholders will only get a return on their investment if the Company has paid its obligations to creditors and the Company's assets are still remaining.	The rights of the Subordinated Bondholders are paripassu without preferential rights	The rights of the Subordinated Bondholders are paripassu without preferential rights	The rights of the Subordinated Bondholders are paripassu without preferential rights	Ranks at least pari passu in payment priority and in all other respects with all unsecured and other subordinated debts of Bank KB Bukopin except those that take precedence by law
	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A

BANK CAPITAL STRUCTURE AND APPLICATION OF RISK MANAGEMENT

CAPITAL

Capital Policy

Implementation of capital plans, namely:

1. Maintain a minimum capital adequacy ratio above 16.5%, and ensure the minimum capital level is the same as the provisions of the Financial Services Authority (OJK) to support the company's business development and maintain the composition of Tier 1 and Tier 2 capital in accordance with Basel III provisions.

2. Capital management policy:
   a. Utilize capital efficiently for business growth, especially new financing and future investment (New Generation Banking System, Outlet Development, etc.)
   b. Reserves for credit losses for efforts to settle non-performing loans will come from revenue generation from Turn-around efforts (own profits)
   c. management of ATMR and capital charges (management of capital reduction factors through collateral cracking) as well as settlement of non-performing loans and AYDA

IMPLEMENTATION OF RISK MANAGEMENT

Risk Management is an important part of banking activities and decision-making processes in an effort to achieve business goals. Implementation of the risk management function includes matters related to efforts to identify, assess, measure, evaluate, monitor and control risks including the development of technology and management information systems for each type of risk, as well as improving the quality of human resources in risk management.

The implementation of risk management is carried out actively with the aim of maximizing added value for shareholders, managing capital comprehensively, and ensuring profitability and sustainable business growth. The implementation of Bank KB Bukopin's ("Bank") Risk Management is based on national and international regulations, which include Financial Services Authority Regulations (POJK), Financial Services Authority Circular Letters (SEOJK), Financial Accounting Standards Statements (PSAK), Basel Committee on Banking documents Supervision (BCBS) and International Financial Reporting Standards (IFRS) 9.

Risk management is the responsibility of every employee within the Bank. The Bank continues to strengthen risk management practices to support strategic objectives. The Bank aims to instill risk management as a culture to support sustainable, trustworthy and healthy business growth. In moving towards transformational change and improving the risk management process to be better and more effective, the Bank will focus on 4 stages of risk management improvement initiatives which include:

1. Determination of the basis/foundation;
2. Improve understanding;
3. Proper execution;
4. Adequate monitoring and control.

Active Supervision of the Board of Directors and Board of Commissioners

The implementation of Risk Management at KB Bank involves active supervision and supervision from the Board of Directors and Board of Commissioners of KB Bank as well as the Sharia Supervisory Board (Bank KB Bukopin Syariah). Realizing the strategic role of the three, Bank KB Bukopin has determined the division of supervisory duties between each party as follows:

Active Monitoring Function

Board of Commissioner	Sharia Supervisory Board	Board of Directors
The Board of Commissioners is tasked with carrying out general and/or specific supervision in accordance with the Company's Articles of Association and applicable laws and regulations as well as providing recommendation direction to the Board of Directors.	Sharia Supervisory Board at the Subsidiary Company of Bank KB Bukopin Syariah.	The Board of Directors has full authority and responsibility for managing the company in the interests of the company, in accordance with the company's aims and objectives, as well as representing the company, both inside and outside the court in accordance with the company's Articles of Association and applicable laws and regulations.
1. Approve policies, strategies and risk management frameworks that are appropriate to the level of Risk Appetite and Risk Tolerance and carry out regular evaluations. 2. Monitor risks and evaluate the responsibility of the Board of Directors for the implementation of risk management policies and strategies as well as risk exposure through regular reviews with the Board of Directors. 3. Approve business activities that require approval from the Board of Commissioners. 4. Approve policies that require approval from the Board of Commissioners as required by BI/OJK provisions or other external regulations.	1. Act as an advisor and provide recommendations to the Board of Directors and Sharia business management (officials related to the implementation of Sharia business) regarding matters related to Sharia principles. 2. Coordinate with the National Sharia Council to discuss the Bank's proposals and recommendations for product and service developments that require review and decisions from the National Sharia Council. 3. Evaluate Risk Management Policies related to compliance with Sharia Principles. 4. Evaluate the responsibility of the Board of Directors for the implementation of Risk Management Policies related to compliance with Sharia Principles.	1. Develop written and comprehensive risk management policies, strategies and frameworks, and be responsible for their implementation and risk exposure taken by the Bank as a whole. 2. Periodically review the risk assessment methodology, implementation of the risk management information system, risk management policies and procedures and determination of risk limits. 3. Follow up and submit accountability reports to the Board of Commissioners periodically regarding developments and material risk issues. 4. Approve business activities that require approval from the Board of Directors. 5. Develop a risk management culture at all levels of the organization. 6. Monitor the quality of risks compared to the applicable reasonableness level. 7. Ensure that management applies a prudent approach in developing their business. 8. Determine Risk Appetite and Risk Tolerance. 9. Ensure corrective steps for findings reported by SKAI. 10. Increase awareness and anti-fraud culture at all levels of the company organization. 11. Ensure that the risk management function operates independently. 12. Ensure the effectiveness of management and increase the competency of human resources related to the implementation of risk management, including through continuous education and training programs, especially those related to risk management systems and processes. 13. Place competent officials in work units according to their nature, number and complexity. 14. Develop and put in place a mechanism for approving transactions, including those that exceed the limits of authority for each level of position

Risk Management Policies, Procedures and Limit Determination

Adequate formulation of policies, procedures and limit determination are available and in line with the Bank's overall targets, strategies and business.

The Bank has a Risk Management Policy which is in line with Regulatory Regulations regarding the implementation of risk management for Commercial Banks. This policy is used as an umbrella document in implementing the management of all risks at the Bank and is reviewed periodically. The policy was then revealed to be:

1. Other Bank Risk Management Policies covering credit, market and liquidity, operational, strategic, legal, compliance and reputation risks.
2. Risk Appetite Statement Policy for Bankwide and Risk Taking Units.
3. Other policies and guidelines related to the implementation of risk management.

Adequacy of the Risk Management Information System

The Risk Management Information System in terms of data management related to risk management has been supported by several internal applications including: Financial Conglomeration Information System (SIKK), Risk Control Self Assessment (RCSA), Loss Event Database (LED), Microfinance Information System (SIKM), SME Credit Tools (SCT).

Apart from that, the Bank also uses regulatory platforms (Antasena, Sipena, Apolo, and OJK Box) in terms of reporting including Risk Profile, RWA, Cash Flow, and other reports.

Organizational Structure of Risk Management

The risk management organizational structure consists of several risk committees, Risk management work units at KB Bank and Subsidiaries and other related work units with various levels of responsibility.

1. Risk Monitoring Committee
   The Risk Monitoring Committee is a risk committee at the Board of Commissioners level. Its main role is to monitor, evaluate, understand and provide recommendations to the Board of Commissioners in relation to providing supervision in risk management practices, evaluating risk management policies and their implementation, providing independent professional opinions to the Board of Commissioners and recommending to the Board of Directors actions that can be considered to strengthen the framework. risk management, monitoring and evaluating the implementation of the duties of the Risk Management Committee and the risk management work unit to provide recommendations to the Board of Commissioners and review all risk management policies and internal policies that require approval from the Board of Commissioners.
2. Risk Management Committee
   It is a risk committee at the Board of Directors level which has the authority and responsibility to evaluate and provide recommendations to the President Director regarding the preparation of strategies, policies and risk management frameworks, as well as changes thereto, ensuring good corporate governance in the implementation of overall risk management, evaluating risk issues. implementation of risk management processes and improvements in line with external and internal changes that can affect capital adequacy risks and risk profiles to ensure that risk management processes, systems and tools are in accordance with organizational developments and business plans.
3. Risk Management Work Unit
   The Risk Management Division is a Bank Risk Management Work Unit that is independent of business groups, operational groups, and other supporting groups/divisions/departments (risk taking units) and work units that carry out internal control functions. This division consists of several departments, namely the Enterprise Risk Management Department, the Operational & IT Risk Management Department, and the Credit Risk Management Department.

   The authority and responsibilities of the Risk Management Work Unit include developing and periodically reviewing overall risk management strategies and frameworks including risk management policies, procedures and processes, Monitoring the implementation of risk management strategies, frameworks and policies recommended by the Risk Management Committee and approved. by the Board of Directors and Prepare and submit risk profile reports to the Director of Compliance & Risk Management, President Director and Risk Management Committee on a regular basis.

Risk Management Process and Risk Management Information System

With the aim of improving risk management capabilities in carrying out effective identification, measurement, control and monitoring, it is necessary to develop a risk management system that is integrated into the Bank's Internal System. This can especially support faster, more accurate and more reliable risk management analysis, thereby supporting a more prudent bank strategy and business direction.

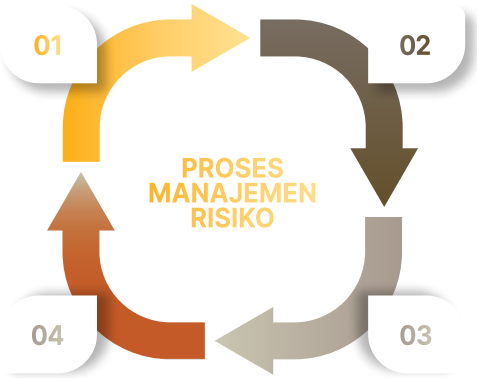
KB Bank regularly carries out the process of identifying, measuring, monitoring and controlling all risks faced both individually and consolidated with Subsidiary Companies. This process is stated in the work policies and guidelines in each work unit at KB Bank and Subsidiary Companies. An overview of the risk management process is as follows:

Identifikasi Risiko

Proses identifikasi Risiko dapat didasarkan pada pengalaman kerugian Bank yang pernah terjadi. Dalam melaksanakan proses tersebut bank wajib melakukan analisis paling sedikit terhadap karakteristik risiko yang melekat pada bank dan risiko dari produk kegiatan bank.

Pengendalian Risiko

Pengendalian risiko bertujuan untuk mengelola Risiko tertentu yang dapat membahayakan kelangsungan usaha Bank. Hal tersebut dapat dilakukan dengan cara lindung nilai, mitigasi risiko, dan penambahan modal untuk menyerap potensi kerugian.



Pengukuran Risiko

Dalam melaksanakan proses pengukuran risiko, bank wajib melakukan paling sedikit evaluasi secara berkala terhadap kesesuaian asumsi, sumber data, dan prosedur yang digunakan. Dilakukan juga penyempurnaan sistem pengukuran Risiko, dalam hal terdapat perubahan kegiatan usaha Bank, produk, transaksi, dan faktor risiko yang bersifat material.

Pemantauan Risiko

Dalam melaksanakan pemantauan risiko, bak wajib melakukan paling sedikit, evaluasi terhadap eksposur risiko, serta penyempurnaan proses pelaporan dalam hal terdapat perubahan kegiatan usaha, produk, transaksi, faktor Risiko, teknologi informasi, dan sistem informasi Manajemen Risiko Bank yang bersifat material.

Internal Control

KB Bank's Internal Control System refers to the Three Lines of Defense concept. As part of the self-assessment process of the Bank's Risk Profile, the assessment of the Quality of Risk Management Implementation, especially regarding the Risk Control System, is carried out by taking into account the implementation of the internal control system and the results of the review by SKAI in the form of SKAI audit results on all aspects and elements of the Bank's activities and risks identification on the SKAI inspection results as well as the implementation of reviews and evaluations by the Risk Management Work Unit.

Determination of Risk Profile Models and Interactions

In accordance with the implementation of risk management, the Bank's business model is determined in accordance with the Bank's risk profile which describes the risks related to the Bank's business and functional activities. Risks that should be considered include economic projections, business growth, risk appetite and targets set in accordance with those stated in the Bank Business Plan (RBB). Determining the business model and interacting risk profiles cannot be separated from the Bank's Vision and Mission.

In order to provide a comprehensive and sustainable picture of risk, the bank evaluates the implementation of risk management in each of the Bank's business activities. If the implementation of risk management is not effective, the bank will immediately improve the controls that have been determined so that the objectives can be achieved. To maintain a tolerable level of risk, the Bank determines and reviews the risk appetite in accordance with the Bank's capabilities. The Bank has two types of risk appetite that will be taken in order to achieve targets, including Risk Appetite Group and Risk Appetite Management. The Risk Appetite Group includes a number of main risk metrics which will help to determine and measure the maximum possible risk that can be taken by the Bank, where this is monitored by the commissioners and board of directors. Meanwhile, Risk Appetite Management is a risk that can be taken by the Bank but is not yet listed in the Risk Appetite Group and is monitored up to the Board of Directors level.

The Bank's Risk management strategy has been prepared for long-term objectives, to ensure that the Bank can achieve business continuity, the expected capital adequacy, and it is hoped that this overall strategy can control the risks faced by the Bank. Risk management strategies are prepared by considering economic development factors, adequacy of human resources, infrastructure, financial conditions, and others.

Risk Governance Structure

The risk management framework and governance at KB Bank is reflected in a risk management organization that is in line with business objectives and policies, size and complexity, and the Bank's capabilities. In all work units, the organizational structure is accompanied by clarity of duties and responsibilities, both in general and related to the implementation of risk management.

KB Bank implements effective risk management practices in all work units by implementing the Three Lines of Defense approach in accordance with the Organizational Structure of PT Bank KB Bukopin Tbk. The devices or units involved in Credit Risk management have been adjusted and divided according to the Three Lines of Defense principle. The Risk Taking Unit, in this case business and support, includes the credit team as the 1st Line of Defense, Risk Group and Compliance as the 2nd Line of Defense, and Internal Audit as the 3rd Line of Defense, reflected in the organizational structure and authority of each of these functions , and has been listed in the job description for each function.

Risk Management Communication Media

In its strategy to develop risk awareness and knowledge, the Company designed a series of diverse learning initiatives. This includes training programs to equalize employee competency in risk management, knowledge testing through periodic quizzes, as well as support for certifications relevant to risk management. In addition, to disseminate general information about risks, these materials are distributed through the Company's internal channels such as Bukopin Office Communication. In this way,

the Company ensures that employees continue to increase their understanding of risk and the importance of risk management in the Company's operations.

Risk Measurement System

Risk measurement at the Bank is aligned with the characteristics and complexity of ongoing business activities. Accuracy in risk measurement is considered very important in this context. Risk evaluation is carried out periodically, covering products, portfolios and all Bank activities. The risk measurement system functions as a guideline for assessing the Bank's risk exposure, providing a basis for implementing effective control. Adjustments in risk measurement are made in accordance with significant changes in the Bank's business activities, products, transactions and related risk factors. Risk measurement procedures are evaluated and updated regularly, at least once a year, or as needed to ensure that assumptions, accuracy, fairness and data integrity are maintained, and that the risk measurement methods used remain relevant and in accordance with the latest industry and regulatory developments.

Stress Test

The Bank conducts stress tests on a regular and ongoing basis to identify possible events or changes in economic conditions in the future that may cause economic losses to the Bank. Where the main purpose of the stress test is to evaluate the capital adequacy of the bank to absorb potential large losses that may arise and to identify steps that need to be taken to reduce risk and maintain capital at a safe level. In general, the scenario in the stress test takes into account changes in several macroeconomic variables such as interest rates, inflation rates, Gross Domestic Product (GDP), exchange rates, and others.

The Bank conducts stress tests for credit, market and liquidity risks. The credit risk stress test aims to assess the impact on asset quality and capital adequacy in crisis conditions. In its implementation, the credit stress test is adjusted to changes in the decline in the business sector or economy as well as events in credit risk.

The liquidity risk stress test aims to assess the Bank's ability to withstand stress conditions of various levels. In its implementation, the Bank conducts evaluations to ensure compliance with the Bank's conditions, taking into account (1) changes in the type, scale, and complexity of the Bank's business, (2) changes in market conditions, and (3) the experience of the Bank in crisis conditions.

The Bank also conducts stress tests for market risk in order to anticipate the worst situation in times of stress. The stress test is carried out using the maximum exposure limit of the exchange rate or interest rate that has an impact on market risk exposure including the Net Open Position (NOP) and securities. The main purpose of the stress test is to evaluate the capacity of the bank's capital to absorb potential large losses and to identify steps that the bank can take to reduce its risk and maintain its capital.

Risk Information Reporting Process

The risk information reporting process is submitted on a regular basis, monthly in the form of a Monthly Risk Management Report to the Board of Directors and a Monthly Risk Oversight Report to the Commissioners prepared by the Risk Group. The report includes monitoring of risk appetite on a bankwide basis and monitoring of the main risks managed by the Company. In addition, the Risk Group also submits a risk profile report covering all the main risks managed by the Company on a quarterly basis. The Risk Profile Report is submitted and evaluated by the Board of Commissioners, the Board of Directors, and the Risk Monitoring Committee for later reporting to the regulator. The results of the evaluation of the Board of Commissioners and the Board of Directors will be followed up by all relevant units and the fulfillment of the recommendations given by the Board of Commissioners and the Board of Directors will be monitored periodically. The Bank ensures that all reports submitted always maintain openness and communication with key stakeholders. In addition, the Bank periodically submits various reports regulated by the regulator, either through the reporting portal or direct submission to the nearest regional office. In addition, the Bank also submits a weekly report in the Weekly Risk Report to the President Director to provide weekly updates on the risk parameters managed by the Bank.

Risk Management Strategy

The Bank's risk management strategy is formulated for long-term objectives to ensure business continuity, achieve the expected capital adequacy and comprehensively control and manage the Company's risks. The Company's risk management strategy is prepared by taking into account the factors of economic development, adequacy of human resources & infrastructure, the Bank's financial condition, diversification of the Company's portfolio, as well as the application of sustainable finance principles. The formulation of this risk management strategy is in line with the overall business strategy by taking into account the Company's Risk Appetite.

REPORT ON TOTAL EXPOSURE IN LEVERAGE RATIO

LR1: Summary of Comparison of Accounting Assets vs Leverage Ratio Exposures

(in million IDR)

No	Description	Individual	Consolidation
1	Total asset in financial position report in the published financial statement. (gross value before deducted by allowance to impairment losses).	82.251.850	87,593,723
2	Adjustments to the value of investments in banking, financial institutions, insurance entities, and/or other entities that are consolidated based on accounting standard but outside the scope of consolidation based on the provisions of the Financial Services Authority.	-	-
3	Adjustments to the value of the underlying set of financial assets that have been transferred in asset securitization that meet the requirements of selloff as stipulated in the Financial Services Authority Regulation concerning the precautionary principle in asset securitization activities for commercial banks. In the event that the underlying financial asset has been deducted from the total assets on the statement of financial position, the number in this line is 0 (zero).	(610,919)	(610,919)
4	Adjustment to the temporary exemptions for current account placement with Bank Indonesia to meet the minimum statutory reserve requirements (if any).	-	-
5	Adjustment for fiduriary assets recognized as a component of the statement of financial position are based on financial accounting standards but excluded from the leverage ratio exposure calculation.	-	-
6	Adjustments to the purchase or sale value of financial assets on a regular basis using the trading date accounting method.	-	-
7	Adjustments to the value of cash pooling transactions that meet the requirements as regulated in these Financial Services Authority Regulations.	-	-
8	Adjustments for derivative transaction exposure.	15,677	15,677
9	Adjustment for securities financial transactions (ex. Reverse Repo Transactions).	-	-
10	Adjustment for Administrative Account Transaction Exposures (TRA) multiplied to the Credit Conversion Factors (FKK).	1,094,580	1.387.875
11	Adjustment of prudential assessment in the form of capital deduction and Allowance of impairment losses.	(8.835.264)	(6.546.926)
12	Other adjustments.	-	-
13	**Total Exposure in Leverage Ratio calculation.**	**73.915.924**	**81.624.416**

Qualitative Analysis

Individual banks have total assets in the statement of financial position in the published financial statements (before deducting CKPN) of IDR 82.25 Trillion. After adding exposure to derivative transactions, TRA and making prudential assessment adjustments, the Total Exposure in calculating the Leverage Ratio individually (bank only) is IDR 73.92 Trillion.
Meanwhile, the Bank on a consolidated basis has total assets in the statement of financial position in the published financial statements (before deducting CKPN) of IDR 87.38 Trillion. After adding exposure to derivative transactions, TRA and making prudential assessment adjustments, the Total Exposure in the consolidated Leverage Ratio calculation is IDR 81.62 Trillion.

LR2: Leverage Ratio Disclosure

1)Disclosure of Leverage Ratio - Bank Individually

(in million IDR)

Items		Period	
		T (December 31, 2023)	T-1 (September 31, 2023)
Asset Exposure in Statements of Financial Position			
1	Asset exposure in the statement of financial position includes collateralized assets, but does not include derivative transaction exposure and SFT exposure. (gross value before deducted by allowance to impairment losses).	79.065.739	80.905.294
2	The value added back for derivative collateral submitted to the counterparty which resulted in a decrease in total asset exposure in the balance sheet due to the application of financial accounting standards.	-	-
3	(Reduction of receivables related to CVM given in derivative transactions)	-	-

(in million IDR)

	Items	Period	
		T (December 31, 2023)	T-1 (September 31, 2023)
4	(Adjustments for the carrying amount of securities received in SFT exposure recognized as assets)	-	-
5	CKPN for these assets is in accordance with financial accounting standards)	(3.409.257)	(3.564.873)
6	(Assets that have been calculated as a deduction factor for Core Capital as referred to in the Financial Services Authority Regulation regarding the minimum capital adequacy requirement for commercial banks)	(5.426.007)	(4.423.372)
7	Total Asset Exposure in Statements of Financial Position (Summation from row 1 to row 6)	70.230.475	72.917.048
Derivative Transaction Exposures			
8	RC value for all derivative transactions, whether there is a variation margin that meets the requirements or a write-off agreement that meets certain requirements	4.256	3.558
9	Value added which is PFE for all derivative transactions	14.461	28.190
10	(Exceptions for exposure of derivative transactions settled through central counterparty transactions (CCP))	-	-
11	Adjusted effective notional amount of credit derivatives	-	-
12	(Adjustments to effective notional values carried out offsetting and reduction of addons for credit derivative sales transactions	-	-
13	Total Derivative Transaction Exposure (Summation from row 8 to row 12)	18.716	31.747
Eksposur Securities Financing Transaction (SFT)			
14	SFT gross value	2.572.152	372.518
15	(Net value of cash payables and cash receivables)	-	-
16	Credit Risk due to failure counterparties in relation to SFT assets which refers to the calculation of current exposure as stipulated in the Appendix to this Regulation of the Financial Services Authority	-	-
17	Exposure as SFT agent	-	-
18	Total SFT Exposure (summation from row 14 until 17)	2.572.152	372.518
Administrative Account Transaction (AAT) Exposures			
19	Value of all commitment or contingent liabilities Gross value before deduction of Allowance of impairment losses	5.662.259	6.298.556
20	(Adjustments to the commitment or contingent liabilities for the conversion of the value of credit equivalent amounts are then reduced by the allowance for impairment losses)	(4.567.679)	(5.077.562)
21	(Allowance of impairment losses of administration account transaction according to financial accounting standard)	-	-
22	Total AAT Exposure (summation from row 19 to 21)	1.094.580	1.220.993
Capital and Total Exposure			
23	Tier 1 Capital	7.847.606	10.952.437
24	Total Exposures (summation from row 7, 13, 18, and 22)	73.915.924	74.542.307
Leverage Ratio			
25	Value of Leverage Ratio, including the impact of adjustments to temporary exceptions to the placement of current accounts with Bank Indonesia in the context of meeting the minimum statutory reserves (if any)	10.62%	14,69%
25a	Value of Leverage Ratio, excluding the impact of adjustments to temporary exceptions to the placement of current accounts with Bank Indonesia in the context of meeting the minimum statutory reserve requirements (if any)	10.62%	14,69%

(in million IDR)

Items		Period	
		T (December 31, 2023)	T-1 (September 31, 2023)
26	Minimum Leverage Ratio Value	3,00%	3,00%
27	Bearing to the Leverage Ratio value	0,00	0,00
Disclosure of Average Values			
28	Average value of the carrying value of SFT assets on a gross basis, after adjustments for sale accounting transactions which are calculated on a net basis (net) with cash liabilities in SFT and cash receivables in SFT	2.572.152	372.518
29	The quarterly end value of the report on the gross carrying value of SFT assets, after adjustments for sale accounting transactions which are calculated on a net basis (net) with cash liabilities in SFT and cash receivables in SFT	2.572.152	372.518
30	Total Exposure, including the impact of adjustments to the temporary exemption on current account placements with Bank Indonesia in order to comply with the statutory reserve requirement (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	73.915.924	74.542.307
30a	Total Exposure, not including the impact of adjustments to the temporary exemption on current account placements with Bank Indonesia in order to comply with the statutory reserve requirement (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	73.915.924	74.542.307
31	Leverage Ratio, including the impact of adjustments to the temporary exemption on current account placements with Bank Indonesia in order to comply with the statutory reserve requirement (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	10.62%	14,69%
31a	Leverage Ratio, not including the impact of adjustments to the temporary exemption on current account placements with Bank Indonesia in order to comply with the statutory reserve requirement (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	10.62%	14,69%
Qualitative Analysis			
With a Total Leverage Ratio Exposure of IDR 73.92 Trillion and Total Core Capital of IDR 7.85 Trillion, then the Leverage Ratio in Quarter IV 2023 is 10.62%. Leverage Ratio PT. Bank KB Bukopin Tbk. individually (bank only) is above the minimum value of the Leverage Ratio set by the Regulator (3%).			

2) Disclosure of Leverage Ratio - Bank Consolidated with Subsidiaries

(in million Rupiah)

Item		Period	
		T December 31, 2023	T-1 September 31, 2023
Asset Exposure in Statements of Financial Position (Balance Sheet)			
1	Asset exposure in the statement of financial position includes collateralized assets, but does not include derivative transaction exposure and SFT exposure. (*gross value before deducted by allowance to impairment losses).	84.192.599	86.521.891
2	The value added back for derivative collateral submitted to the counterparty which resulted in a decrease in total asset exposure in the balance sheet due to the application of financial accounting standards.	-	-
3	Reduction of receivables related to cash variation margin given in derivative transactions)	-	-
4	(Adjustments for the carrying amount of securities received in SFT exposure recognized as assets)	-	-
5	(Allowance to impairment losses (CKPN) for these assets is in accordance with financial accounting standards	(3.590.785)	(3.795.163)

(in million Rupiah)

	Item	Period	
		T December 31, 2023	T-1 September 31, 2023
6	Assets that have been calculated as a deduction factor for Core Capital (Tier 1) as referred to in the Financial Services Authority Regulation regarding the minimum capital adequacy requirement for commercial banks)	(2.956.142)	(3.208.632)
7	Total Asset Exposure in Statements of Financial Position (Financial) (Sum of row 1 to row 6)	77.645.672	79.518.097
Derivative Transaction Exposures			
8	Replacement Cost (RC) value for all derivative transactions, whether there is a variation margin that meets the requirements or a write-off agreement that meets certain requirements	4.256	3.558
9	Value added which is Potential Futures Exposures (PFE) for all derivative transactions	14.461	28.190
10	(Exceptions for exposure of derivative transactions settled through central counterparty transactions (CCP))	-	-
11	Adjusted effective notional amount of credit derivatives	-	-
12	Adjustments to effective notional values carried out offsetting and reduction of add-ons for credit derivative sales transactions)	-	-
13	Total Derivative Transaction Exposure (Sum of row 8 to row 12)	18.716	31.747
Exposure of Securities Financing Transaction (SFT)			
14	SFT Gross Value	2.572.152	372.518
15	(Net value of cash payables and cash receivables)	-	-
16	Credit Risk due to failure counterparties in relation to SFT assets which refers to the calculation of current exposure as stipulated in the Appendix to this Regulation of the Financial Services Authority.	-	-
17	Exposure as SFT Agent	-	-
18	Total SFT Exposure (Sum of row 14 to row 17)	2.572.152	372.518
Administrative Account Transaction (AAT) Exposures			
19	Value of all commitment or contingent liabilities. *Gross value before deduction of Allowance of impairment losses	6.248.849	7.043.890
20	(Adjustments to the commitment or contingent liabilities for the conversion of the value of credit equivalent amounts are then reduced by the allowance for impairment losses)	(4.860.974)	(5.450.229)
21	(Allowance of impairment losses of administration account transaction according to financial accounting standard)	-	-
22	Total Administrative Account Transaction (AAT) Exposures	1.387.875	1.593.660
Capital and Total Exposure			
23	Tier 1 Capital	9.813.056	11.837.425
24	Total Exposure (Sum of row 7,13,18, and 22	81.624.416	81.516.023
Leverage Ratio			
25	Value of Leverage Ratio, including the impact of adjustments to temporary exceptions to the placement of current accounts with Bank Indonesia in the context of meeting the minimum statutory reserves (if any)	12,02%	14,52%
25a	Value of Leverage Ratio, excluding the impact of adjustments to temporary exceptions to the placement of current accounts with Bank Indonesia in the context of meeting the minimum statutory reserve requirements (if any)	12,02%	14,52%
26	Minimum Leverage Ratio Value	3,00%	3,00%
27	Buffer to the Leverage Ratio value	0,00	0,00
Disclosure of Average Values			
28	Average value of the carrying value of SFT assets on a gross basis, after adjustments for sale accounting transactions which are calculated on a net basis (net) with cash liabilities in SFT and cash receivables in SFT	2.572.152	372.518

(in million Rupiah)

	Item	Period	
		T December 31, 2023	T-1 September 31, 2023
29	The quarterly end value of the report on the gross carrying value of SFT assets, after adjustments for sale accounting transactions which are calculated on a net basis (net) with cash liabilities in SFT and cash receivables in SFT	2.572.152	372.518
30	Total Exposure, including the impact of adjustments to the temporary exemption on current account placements with Bank Indonesia in order to comply with the statutory reserve requirement (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	81.624.416	81.516.023
30a	Total Exposure, excluding the impact of adjustments to the temporary exemption on current account placements with Bank Indonesia in order to comply with the statutory reserve requirement (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	81.624.416	81.516.023
31	Leverage Ratio, including the impact of adjustments to the temporary exemption on current account placements with Bank Indonesia in order to comply with the statutory reserve requirement (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	12,02%	14,52%
31a	Leverage Ratio excluding the impact of adjustments to the temporary exemption on current account placements with Bank Indonesia in order to comply with the statutory reserve requirement (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	12,02%	14,52%

Qualitative Analysis

With a Total Exposure Ratio of individual levers of IDR 81.62 trillion and the Total Core Capital individually is IDR 9.8 Trillion, thus the Leverage Ratio for the fourth Quarter of 2023 is 12.02%. It means that Bank KB Bukopin Tbk.'s leverage ratio on a consolidated basis is above the minimum regulatory leverage ratio (3%).

DISCLOSURE OF QUALITATIVE INFORMATION REGARDING GENERAL CREDIT RISK (CRA)

Based on the Risk Management Policy (internal), Credit Risk is the risk resulting from the failure of debtors and/or other parties in fulfilling their obligations to the Bank and/or Subsidiaries, including credit risk due to debtor failure, credit concentration risk, counterparty credit risk, settlement risk and country risk.

In order to increase the prudent aspect in managing Credit Risk, the Bank has established an organizational structure that clearly delineates the separation between the functions of the first line of defense, second line of defense and third line of defense.

1. The Bank's Credit Risk management strategy has been prepared for long-term objectives, to ensure that the Bank can achieve business continuity, the expected capital adequacy, and it is hoped that this overall strategy can control the risks faced by the Bank. Credit Risk management strategies are prepared by considering economic development factors, adequacy of human resources, infrastructure, financial conditions, and others. The Bank will accelerate the completion of remaining non-performing assets in a timely manner so that the capital structure becomes strong and improves the Bank's soundness by encouraging and increasing productivity through increasing organizational capabilities and improving the Bank's IT infrastructure. Apart from that, the bank will increase profitability, increase its asset portfolio and have a strong capital structure so that it can create a good cycle for sustainable bank growth. The Bank's strategic direction in 2024 is:
   a. Capital Structure Advancement. Strengthening the capital structure and ensuring compliance with regulations through increasing profitability and capital reduction factor savings initiatives as well as implementing credit risk mitigation techniques.
   b. Portfolio Improvement. Resolving bad assets, building a new sales model by focusing on businesses already controlled by the bank, establishing a good asset portfolio through business expansion and recomposition of TPF and increasing CASA, strengthening credit management
   c. Productivity Enhancement. Efficiency continues to be implemented both in terms of reducing overhead costs, improving infrastructure and bank management systems and innovation to create a capable organization.

   The Bank's transformation phase which is scheduled to continue follows the dynamics of existing business development, where the Bank is divided into 3 (three) stages according to time projections. The first phase (2023-2024) is to restore basic fundamentals. In the second phase (2025-2026) the Bank will study and imitate market leaders and instill their competencies, so that they can build a competitive level. In the third phase (2027-dst) the Bank is expected to be at the stage of leading the market through innovation.

DISCLOSURE OF QUALITATIVE INFORMATION REGARDING GENERAL CREDIT RISK (CRA)

2. Criteria and Approaches for Credit Risk Management Policies and Determination of Credit Risk Limits
The preparation of strategies, policies, procedures and limit determination must be in line with the Bank's vision, mission and business strategy, and carried out by taking into account, among other things, the type and complexity of business, risk profile, level of risk to be taken and risk tolerance as well as statutory regulations and other provisions that do not conflict with applicable regulations in Indonesia..

   To support the implementation of Credit Risk management, the Bank has a Risk Management Policy, Credit Risk Management Policy and Risk Management Committee Charter. The Credit Risk Management Policy is used as an umbrella policy for managing Credit Risk, as well as the Product Program policy as a standard for business units to develop their products.

   Determination of Credit Risk limits includes overall limits, as well as limits per specific functional activity that has Credit Risk exposure. The amount of this limit has been adjusted to the Bank's business scale, and future plans for the targets to be achieved, adjusted to the potential risks that the Bank will face. Determination of Credit Risk limits is stated in the risk appetite statement which is reported monthly to the Board of Directors and Board of Commissioners. If there is an excess of the Credit Risk limit, this will be escalated to the authorities, and the Bank will determine a follow-up plan as a form of improvement. Limits are also reviewed periodically to suit internal needs.

3. Credit Risk Management Structure and Organization and Control Function
Active supervision of the Board of Directors (BOD) and Board of Commissioners (BOC) regarding Credit Risk is carried out through each committee, and is carried out consistently. The general discussion agenda is a quarterly discussion of credit risk profiles, and a monthly presentation of credit ratios, where the applicable limits have been previously determined in accordance with applicable internal regulations. Apart from the Risk Management Committee (RMC) and Risk Monitoring Committee (ROC), the Bank also has a Credit Committee which discusses the Bank's credit process, and is carried out periodically in accordance with the applicable charter, as well as additional studies if necessary according to internal needs.

   The latest Company Organizational Structure is stated in Decree No. 0020 of 2023 dated February 22, 2023 concerning the Organizational Structure of Bank KB Bukopin Tbk. The devices or units involved in Credit Risk management have been adjusted and divided according to the Three Lines of Defense principle. The Risk Taking Unit, in this case business and support, includes the credit team as the 1st Line of Defense, Risk Group and Compliance as the 2nd Line of Defense, and Internal Audit as the 3rd Line of Defense, reflected in the organizational structure and authority of each of these functions , and has been listed in the job description for each function. Apart from that, the Bank already has risk management control by adding a Risk Management Division Head to the organizational structure. The Bank will always make necessary changes related to the adequacy of organizational equipment to support the Bank's operations.

   Relationship between Credit Risk Management, Risk Control, Compliance and Internal Audit Functions
   Based on the Three Lines of Defense principle, the Compliance and Risk Management Group is included as the 2nd Line of Defense which is tasked with carrying out independent monitoring functions. The Risk Management Group is responsible for compiling and conducting regular reviews of various risk management policies, limits and tools. The Risk Management Group also plays a role in monitoring and providing direction to the First Line of Defense/Model regarding the implementation of risk management carried out by each work unit. Meanwhile, the Compliance Division is responsible for ensuring that all Bank activities at all levels of the organization comply with applicable regulations issued by Bank Indonesia (BI), the Financial Services Authority (OJK) and other competent authorities.

   Meanwhile, Internal Audit is included as the 3rd Line of Defense which is independently tasked with evaluating the implementation of risk management implemented by the First and Second Lines of Defense/Model. This evaluation needs to be carried out to ensure the effectiveness and suitability of the results of the implementation of risk management carried out by the First and Second Lines of Defense/Model with the applicable Risk Management Policies and Procedures.

   The internal control system is carried out through the implementation of routine work programs of the Internal Audit Work Unit (SKAI) through the implementation of general audits as the 3rd line of defense. Monitoring of bank credit conditions is carried out by the Enterprise Risk Management Department and Credit Risk Management Department as the 2nd line of defense, and in collaboration with the Risk Taking Unit in the 1st line of defense (segregation of duties). Other units can also assist in implementing adequate Credit Risk management.

4. Main Information Credit Risk Exposure Report
Risk Group periodically submits Risk Reports to the Board of Directors (through the Risk Management Committee) and Commissioners (through the Risk Monitoring Committee). Apart from that, improvements related to the governance of credit activities (end-to-end process) will always be carried out, including through monitoring credit ratios (bankwide), and others..

1) Disclosure of Credit Quality of Assets - Bank Individually

(in million IDR)

		December 31, 2023						
		Gross carrying amount		CKPN (d+e)	CKPN		CKPN (IRB approach)	Net Worth (a+b-c)
		Past Due Loans	Loans Not Yet Due		Stage 2 and Stage 3	Stage 1		
		a	b	c	d	e	f	g
1	Credit	7.128.114	37.055.114	3.353.299	2.922.839	430.459		40.829.929
2	Marketable Securities	-	17.608.965	109	-	109		17.608.856
3	Administrative Account Transactions	185.107	5.477.152	-	-	-		5.662.259
4	**Total**	**7.313.221**	**60.141.232**	**3.353.408**	**2.922.839**	**430.568**		**64.101.045**

2) Disclosure of Credit Quality of Assets - Bank on a consolidated basis

(in million IDR)

		December 31, 2023						
		Gross carrying amount		CKPN (d+e)	CKPN		CKPN (IRB approach)	Net Worth (a+b-c)
		Past Due Loans	Loans Not Yet Due		Stage 2 and Stage 3	Stage 1		
		a	b	c	d	e	f	g
1	Credit	7.480.980	42.552.670	3.429.247	3.066.844	524.373		46.604.403
2	Marketable Securities	-	17.946.800	109	-	109		17.946.691
3	Administrative Account Transactions	185.107	6.063.742	-	-	-		6.248.849
4	**Total**	**7.666.087**	**66.563.212**	**3.429.356**	**3.066.844**	**524.482**		**70.799.943**

DISCLOSURE OF MUTATIONS IN CREDITS AND OVERDUR SECURITIES (CR2)

1) Disclosure of Overdue Credit and Securities Mutation - Individual Banks

(in million IDR)

		December 31, 2023
		a
1	Credit and Securities that have matured in the last reporting period	7.128.114
2	Credit and Securities that have matured since the last reporting period	3.373.765
3	Credit and Securities that return to bills that have not yet matured	39.788
4	Write-Off Value	12.559.520
5	Other Changes	-
6	Credit and Securities that have matured at the end of the last reporting period (1+2-3-4+5)	-2.097.429

2) Pengungkapan Mutasi Kredit dan Surat Berharga yang Telah Jatuh Tempo - Bank secara Konsolidasi

(in million IDR)

		31 Desember 2023
		a
1	Credit and Securities that have matured in the last reporting period	7.371.826
2	Credit and Securities that have matured since the last reporting period	3.419.205
3	Credit and Securities that return to bills that have not yet matured	5.455.184
4	Write-Off Value	13.191.414
5	Other Changes	-
6	Credit and Securities that have matured at the end of the last reporting period (1+2-3-4+5)	-7.855.568

ADDITIONAL DISCLOSURES REGARDING THE QUALITY OF CREDIT ON ASSETS (CRB)

1) Disclosure of Net Receivables by Region
   a. Qualitative
      i) Past Due Receivables, refers to the portfolio category of overdue receivables as in Appendix A of Financial Services Authority Circular Letter No. SEOJK 24/SEOJK.03/2021.
      ii) Impaired receivables, receivables that are at stage 2 (poor assets) and stage 3 (bad assets)
      iii) Evaluation of impairment is carried out on credits granted in classifications and measurements other than fair value through profit or loss. The purpose of impairment is to recognize expected credit loss over the life of all financial instruments that have experienced a significant increase in credit risk since initial recognition, whether assessed individually or collectively by considering all reasonable and supporting information, including information which are forward-looking.

1) Disclosure of Net Receivables Based on Remaining Contract Period - Bank Individually (in million IDR)

No.	Portfolio Category	December 31, 2023 (Unaudited)				December 31, 2022 (Audited)			
		Net Receivables based Region				Net Receivable based Region			
		Jawa	Sumatera	Others	Total	Jawa	Sumatera	Others	Total
a	b	c	d	e	f	i	j	m	n
1	Receivables from Government	16.432.697	-	-	16.432.697	22.039.467	-	-	22.039.467
2	Receivables from Public Sector Entities	2.996.050	355	-	2.996.405	2.485.425	-	-	2.485.425
3	Receivables from Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-
4	Receivables from Banks	367.285	53	4	367.342	1.052.409	-	-	1.052.409
5	Receivables in the form of a Covered Bond	-	-	-	-				-
6	Receivables from Securities Companies and Other Financial Services Institutions	1.522.780	2.193	-	1.524.972				-
7	Receivables in the form of Securities/Subordinated Receivables, Equity and Other Capital Instruments	50.000	-	-	50.000				-
8	Residential Property Secured Loans	3.353.092	532.882	614.502	4.420.018	533.148	195.320	165.355	893.823
9	Commercial Property Secured Loans	9.658.057	596.499	1.170.748	11.099.573	291.641	45.258	146.558	483.456
10	Credit for Land Acquisition, Land Processing and Construction	-	600	-	600				-
11	Employee or Pensioner Credit	5.265.610	1.199.709	2.723.110	9.188.429	4.689.575	1.498.962	2.555.957	8.744.495
12	Receivables on Micro Businesses, Small Businesses and Retail Portfolio	1.968.052	155.655	258.257	2.381.963	3.242.172	404.951	839.092	4.486.215
13	Receivables on Corporations	12.823.215	318.674	181.581	13.323.469	24.065.103	3.338.312	3.276.523	30.679.938
14	Other Overdue Receivables	4.383.798	225.339	306.907	4.757.974	1.241.922	284.376	513.049	2.039.347
15	Other Assets	7.445.189	-	-	7.435.101	8.783.285	-	-	8.783.285
Total		**65.691.479**	**3.031.958**	**5.255.108**	**73.978.544**	**68.424.147**	**5.767.180**	**7.496.533**	**81.687.859**

2) Disclosure of Net Receivables by Economic Sector - Consolidated Bank with Subsidiaries (in million IDR)

No.	Portfolio Category	December31,2023 (Unaudited)				December31,2022 (Audited)			
		Net Receivablesbased Region				Net Receivablebased Region			
		Jawa	Sumatera	Lain-lain	Total	Jawa	Sumatera	Lain-lain	Total
a	b	c	d	e	f	i	j	m	n
1	Receivables from Government	17.656.442	-	-	17.656.442	23.434.567	-	-	23.434.567
2	Receivables from Public Sector Entities	2.996.050	355	217	2.996.622	2.485.621	-	-	2.485.621
3	Receivables from Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-
4	Receivables from Banks	401.412	57	7	401.476	1.061.278	-	-	1.061.278
5	Receivables in the form of a Covered Bond	-	-	-	-				-
6	Receivables from Securities Companies and Other Financial Services Institutions	1.522.780	2.193	-	1.524.972				-
7	Receivables in the form of Securities/Subordinated Receivables, Equity and Other Capital Instruments	50.000	-	-	50.000				-
8	Residential Property Secured Loans	3.327.290	601.335	626.448	4.555.073	662.380	195.320	165.355	1.023.055
9	Commercial Property Secured Loans	9.879.549	597.886	1.173.460	11.650.895	653.557	45.258	146.558	845.372
10	Credit for Land Acquisition, Land Processing and Construction	-	600	-	600				-
11	Employee or Pensioner Credit	5.309.659	1.221.607	2.734.552	9.265.818	4.998.265	1.498.962	2.555.957	9.053.184
12	Receivables on Micro Businesses, Small Businesses and Retail Portfolio	2.432.902	278.027	321.641	3.032.569	3.125.324	404.951	839.092	4.369.367
13	Receivables on Corporations	15.787.726	1.080.900	595.460	17.464.086	27.747.024	3.338.312	3.276.523	34.361.860
14	Other Overdue Receivables	4.349.540	252.481	376.532	4.978.553	1.434.189	284.376	513.049	2.231.614
15	Other Assets	7.845.225	13.390	113.215	7.971.830	9.276.032	-	-	9.276.032
Total		**71.558.573**	**4.048.831**	**5.941.531**	**81.548.936**	**74.878.237**	**5.767.180**	**7.496.533**	**88.141.950**

2) Disclosure of Net Receivables by Economic Sector

1) Disclosure of Net Receivables by Economic Sector – Bank by individuals

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
a	b	c	d	e	f	g	h	
December 31, 2023 (Audited)								
1	Agriculture, Forestry, and Fisheries	-	-	-	-	-	-	
2	Mining and Excavation	-	895.422	-	-	-	-	
3	Processing Industry	-	446.566	-	-	-	-	
4	Electricity, Gas, Steam/Hot and Cold Water Waste Water	-	300.000	-	-	-	-	
5	Management, Waste Management and Recycling	-	-	-	-	-	-	
6	Construction	-	-	-	-	-	-	
7	Wholesale and retail trading; Car and Motorcycle Reparation and Maintenance	-	-	-	-	-	2.193	
8	Transportation and Warehousing	-	20.000	-	-	-	-	
9	Transport and Warehouse Accomodation, food and beverage supply	-	-	-	-	-	-	
10	Information and Communication	-	-	-	-	-	-	
11	Finance and Insurance Activities	-	-	-	-	-	1.110.784	
12	Real Estate	-	-	-	-	-	-	
13	Professional, Scientific, and Technical Activities	-	-	-	-	-	-	
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agencies, and Other Business Support	-	-	-	-	-	-	

in million IDR)

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
	i	j	k	l	m	n	o	p	q
	-	40.564	234.392	-	4.674	71.125	0	146.901	-
	-	17.450	20.961	-	-	7.904	1	577.256	-
	-	253.455	1.685.717	-	11	173.455	3	63.596	-
	-	112.205	97.864	-	86	-	1	184.576	-
	-	4.742	2.832	-	-	-	0	-	-
	-	770.133	1.107.412	600	-	55.672	0	1.132.071	-
	-	755.027	2.388.242	-	558	134.183	1	608.378	-
	-	190.326	939.850	-	1.232	246.083	0	501.357	-
	-	413.615	2.670.778	-	36	9.517	0	282.765	-
	0	561.121	31.178	0	0	100	0	2.939	-
	50.000	19.176	28.556	-	-	363.668	1	206.442	-
	-	361.928	804.276	-	111	1.903	0	198.959	-
	-	20.196	176.604	-	-	5.654	0	21.495	-
	-	75.149	38.642	-	241	15.481	0	6.687	-

1) Disclosure of Net Receivables by Economic Sector – Bank by individuals

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
15	Government Administration, Defence, and Mandatory Social Security	-	-	-	-	-	-	
16	Education	-	-	-	-	-	-	
17	Human Health Activities and Social Activities	-	355	-	-	-	-	
18	Arts, Entertainment, and Recreation	-	-	-	-	-	-	
19	Other Services Activities	-	-	-	-	-	-	
20	Household as Employer Activities: Activities that produce goods and services by households that are used to meet their own needs	-	-	-	-	-	-	
21	International and Other Extra International Activities	-	-	-	-	-	-	
22	Household	-	-	-	1	-	-	
23	Non-Business Activities	-	-	-	-	-	-	
24	Others	16.432.697	1.334.061	-	367.341	-	411.996	
	Total	**16.432.697**	**2.996.405**	**-**	**367.342**	**-**	**1.524.972**	

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
a	b	c	d	e	f	g	h	
December 31, 2022 (Audited)								
1	Agriculture, Forestry, and Fisheries	-	-	-	-			
2	Mining and Excavation	-	1.167.563	-	-			

in million IDR)

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
	-	-	-	-	-	-	0	-	-
	-	23.797	511.335	-	-	14.986	0	22.657	-
	-	16.308	106.597	-	34	1.960	0	7.162	-
	-	12.850	137.566	-	301	12.365	0	3.392	-
	-	10.110	20.458	-	111	8.650	0	6.334	-
	-	809	583	-	-	-	0	-	-
	-	-	-	-	-	-	0	-	-
	-	715.106	95.729	-	9.180.807	729.689	0	782.581	-
	-	-	-	-	-	-	0	-	-
	-	-	-	-	-	524.834	6	-	7.435.101
	50.000	**4.374.066**	**11.099.573**	**600**	**9.188.202**	**2.377.230**	**13**	**4.755.548**	**7.435.101**

(in million IDR)

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
	i	j	k	l	m	n	o	p	q
	-	-	6.520		224	483.574	704.325	30.411	-
	-	-	-		-	26.603	1.269.920	0	-

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
3	Processing Industry	-	22.197	-	-			
4	Electricity, Gas, Steam/Hot and Cold Water Waste Water	-	-	-	-			
5	Management, Waste Management and Recycling	-	-	-	-			
6	Construction	-	-	-	-			
7	Wholesale and retail trading; Car and Motorcycle Reparation and Maintenance	-	-	-	-			
8	Transportation and Warehousing	-	-	-	-			
9	Transport and Warehouse Accomodation, food and beverage supply	-	-	-	-			
10	Information and Communication	-	-	-	-			
11	Finance and Insurance Activities	-	-	-	616.000			
12	Real Estate	-	-	-	-			
13	Professional, Scientific, and Technical Activities	-	-	-	-			
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agencies, and Other Business Support	-	-	-	-			
15	Government Administration, Defence, and Mandatory Social Security	-	-	-	-			
16	Education	-	-	-	-			
17	Human Health Activities and Social Activities	-	-	-	-			
18	Arts, Entertainment, and Recreation	-	-	-	-			
19	Other Services Activities	-	-	-	-			

(in million IDR)

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
	-	-	4.875		107	259.512	4.322.438	33.344	-
	-	-	-		-	5.246	596.823	1.081	-
	-	-	-		-	2.272	7.572	-	-
	-	-	119.107		4.354	303.986	3.913.735	67.824	-
	-	-	7.041		4.527	1.009.090	5.725.385	141.631	-
	-	-	-		-	279.743	1.948.353	59.146	-
	-	-	236.617		-	184.106	2.859.659	74.093	-
	-	-	-		-	11.807	183.829	1.583	-
	-	-	-		-	49.865	1.493.151	142.212	-
	-	-	98.430		130	50.279	2.178.526	2.626	-
	-	-	-		130	20.340	242.846	26.089	-
	-	-	209		-	35.933	182.500	1.921	-
	-	-	-		-	-	-	-	-
	-	-	8.392		-	29.713	661.838	3.493	-
	-	-	438		-	36.535	153.191	3.098	-
	-	-	55		230	20.844	145.427	3.991	-
	-	-	-		-	10.336	61.588	1.817	-

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
20	Household as Employer Activities: Activities that produce goods and services by households that are used to meet their own needs	-	-	-	-			
21	International and Other Extra International Activities	-	-	-	-			
22	Household	-	-	-	-			
23	Non-Business Activities	22.039.467	1.295.665	-	436.409			
24	Others							
Total		**22.039.467**	**2.485.425**	**-**	**1.052.409**	**-**	**-**	

2) Disclosure of Net Receivables by Economic Sector - Bank on a Consolidated Basis with Subsidiaries

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
a	b	c	d	e	f	g	h	
	December 31, 2022 (Audited)							
1	Agriculture, Forestry, and Fisheries	-	-	-	-	-	-	
2	Mining and Excavation	-	895.422	-	-	-	-	
3	Processing Industry	-	446.566	-	-	-	-	
4	Electricity, Gas, Steam/Hot and Cold Water Waste Water	-	300.000	-	-	-	-	
5	Management, Waste Management and Recycling	-	-	-	-	-	-	
6	Construction	-	-	-	-	-	-	
7	Wholesale and retail trading; Car and Motorcycle Reparation and Maintenance	-	-	-	-	-	2.193	
8	Transportation and Warehousing	-	20.000	-	-	-	-	

(in million IDR)

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
	-	-	-		-	2.001	-	-	-
	-	-	-		-	-	-	-	-
	-	893.823	1.771		8.677.084	1.089.284	572.209	1.444.548	-
	-	-	-		57.708	575.145	3.456.620	439	8.783.285
	-	**893.823**	**483.456**	**-**	**8.744.495**	**4.486.215**	**30.679.938**	**2.039.347**	**8.783.285**

(in million IDR)

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
	i	j	k	l	m	n	o	p	q
	40.564	234.392	-	4.674	74.344	541.543	146.987	-	-
	17.450	20.961	-	-	7.904	651.982	577.618	-	-
	253.455	1.686.185	-	11	203.046	3.202.093	64.636	-	-
	112.205	97.864	-	86	4.332	1.409.177	184.576	-	-
	4.742	2.832	-	-	-	43.096	-	-	-
	776.076	1.181.719	600	-	114.006	251.470	1.157.579	-	-
	769.720	2.424.048	-	558	330.882	1.201.763	638.836	-	-
	190.326	946.215	-	1.232	275.080	763.341	504.087	-	-

2) Disclosure of Net Receivables by Economic Sector - Bank on a Consolidated Basis with Subsidiaries

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
9	Transport and Warehouse Accomodation, food and beverage supply	-	-	-	-	-	-	
10	Information and Communication	-	-	-	-	-	-	
11	Finance and Insurance Activities	-	-	-	-	-	1.110.784	
12	Real Estate	-	-	-	-	-	-	
13	Professional, Scientific, and Technical Activities	-	-	-	-	-	-	
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agencies, and Other Business Support	-	-	-	-	-	-	
15	Government Administration, Defence, and Mandatory Social Security	-	-	-	-	-	-	
16	Education	-	-	-	-	-	-	
17	Human Health Activities and Social Activities	-	355	-	-	-	-	
18	Arts, Entertainment, and Recreation	-	-	-	-	-	-	
19	Other Services Activities	-	-	-	-	-	-	
20	Household as Employer Activities: Activities that produce goods and services by households that are used to meet their own needs	-	-	-	-	-	-	
21	International and Other Extra International Activities	-	-	-	-	-	-	
22	Household	-	196	-	1	-	-	
23	Non-Business Activities	-	21	-	-	-	-	
24	Others	17.656.442	1.334.061	-	401.476	-	411.996	
Total		**17.656.442**	**2.996.622**	**-**	**401.476**	**-**	**1.524.972**	

(in million IDR)

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
	413.615	2.736.113	-	36	109.727	139.482	285.635	-	-
	561.121	31.178	-	-	100	120.802	2.939	-	-
	19.176	28.556	-	-	408.332	644.780	207.864	-	-
	362.432	811.691	-	111	33.303	314.805	209.540	-	-
	20.196	176.604	-	-	5.654	7.980	21.495	-	-
	75.149	38.642	-	241	15.481	485.934	6.687	-	-
	-	-	-	-	-	-	-	-	-
	24.284	693.689	-	-	78.376	777.312	30.828	-	-
	16.380	285.870	-	34	11.562	423.822	36.345	-	-
	14.114	137.566	-	301	16.743	174.288	3.392	-	-
	10.110	20.458	-	111	8.650	13.848	6.334	-	-
	809	583	-	-	-	49.483	-	-	-
	-	-	-	-	-	-	-	-	-
	818.952	95.729	-	9.242.600	747.629	24.670	816.326	-	-
	8.244	-	-	15.596	842	54.059	473	-	-
	-	-	-	-	524.834	6.081.521	-	7.971.831	7.876.050
	4.509.121	**11.650.895**	**600**	**9.265.591**	**2.970.828**	**17.377.250**	**4.902.177**	**7.971.831**	**7.876.050**

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
a	b	c	d	e	f	g	h	
	31 Desember 2022 (Audited)							
1	Agriculture, Forestry, and Fisheries	-	-	-	-			
2	Mining and Excavation	-	1.167.563	-	-			
3	Processing Industry	-	22.197	-	-			
4	Electricity, Gas, Steam/Hot and Cold Water Waste Water	-	-	-	-			
5	Management, Waste Management and Recycling	-	-	-	-			
6	Construction	-	-	-	-			
7	Wholesale and retail trading; Car and Motorcycle Reparation and Maintenance	-	-	-	-			
8	Transportation and Warehousing	-	-	-	-			
9	Transport and Warehouse Accomodation, food and beverage supply	-	-	-	-			
10	Information and Communication	-	-	-	-			
11	Finance and Insurance Activities	-	-	-	594.328			
12	Real Estate	-	-	-	-			
13	Professional, Scientific, and Technical Activities	-	-	-	-			
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agencies, and Other Business Support	-	-	-	-			
15	Government Administration, Defence, and Mandatory Social Security	-	-	-	-			
16	Education	-	-	-	-			
17	Human Health Activities and Social Activities	-	-	-	-			
18	Arts, Entertainment, and Recreation	-	-	-	-			

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
	i	j	k	l	m	n	o	p	q
		-	6.520		224	487.317	725.175	30.497	-
		-	-		-	27.161	1.369.702	371	-
		-	5.721		107	265.864	4.403.111	34.352	-
		-	-		-	6.470	879.599	1.081	-
		-	-		-	2.272	7.572	-	-
		7.847	190.795		4.354	358.649	4.086.683	77.358	-
		16.882	48.103		4.527	1.165.530	6.566.658	211.309	-
		-	2.313		-	316.819	2.375.884	59.319	-
		-	307.134		-	261.030	2.941.030	79.417	-
		-	-		-	11.807	183.829	1.583	-
		-	25		-	64.232	1.749.578	143.628	-
		504	132.603		130	77.953	2.552.597	15.786	-
		-	-		130	20.340	242.846	26.089	-
		-	209		-	35.933	182.500	1.921	-
		16	-		-	-	-	-	-
		176	125.016		-	41.427	1.193.503	3.670	-
		93	23.090		-	58.661	536.022	56.566	-
		1.340	55		230	23.182	169.156	3.991	-

No.	Economic Sector	Receivables from Government	Receivables from Public Sector Entities	Receivables from Multilateral Development Banks and International Institutions	Receivables from Banks	Receivables in the form of Covered Bonds	Receivables Securities from Companies and Other Financial Services Institutions	
19	Other Services Activities	-	-	-	-			
20	Household as Employer Activities: Activities that produce goods and services by households that are used to meet their own needs	-	-	-	-			
21	International and Other Extra International Activities	-	-	-	-			
22	Household	-	196	-	-			
23	Non-Business Activities	23.434.567	1.295.665	-	466.950			
24	Others							
Total		**23.434.567**	**2.485.621**	**-**	**1.061.278**	**-**	**-**	

3) Disclosure of Net Receivables Based on Remaining Contract Period

1) Disclosure of Net Receivables Based on Remaining Contract Period – Bank by individual

No.	Portofolio Category	December 31, 2023 (Unaudited)						
		Net Receivables Based on Remaining Contract Period						
		< 1 year	>1 to 3 years	>3 to 5 years	>5 years	Non Contractual	Total	
a	b	c	d	e	f	g	h	
1	Receivables from Government	6.959.641	1.236.459	2.034.420	6.036.312	165.865	16.432.697	
2	Receivables from Public Sector Entities	210.323	355	1.151.665	1.634.061	-	2.996.405	
3	Receivables from Multilateral Development Banks and International Institutions	-	-	-	-	-	-	
4	Receivables from the Bank	1	-	-	-	367.341	367.342	
5	Receivables in the form of Covered Bonds	-	-	-	-	-	-	
6	Receivables Securities from Companies and Other Financial Services Institutions	1.031.775	491.002	-	2.195	-	1.524.972	
7	Receivables in the form of Securities/Subordinated Receivables, Equity and Other Capital Instruments	-	-	50.000	-	-	50.000	

	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	Credit Secured by Residential Properties	Credit Secured from Commercial Property	Credit for Land Acquisition, Land Processing and Construction	Creditby Employees or Retirees	Receivables from on Micro Business, Small Business and Retail Portfolio	Receivables from Corporates	Matured Receivable	Other Assets
		-	-		-	10.336	61.588	1.817	-
		-	-		-	9.052	5.209	-	-
		-	-		-	-	-	-	-
		988.666	3.268		8.951.346	547.692	613.776	1.481.954	-14.000
		7.533	519		92.135	577.638	3.515.840	905	9.290.032
		1.023.057	**845.372**	**-**	**9.053.184**	**4.369.367**	**34.361.861**	**2.231.614**	**9.276.032**

(in million IDR)

	December 31, 2022 (Audited)					
	Net Receivables Based on Remaining Contract Period					
	< 1 year	>1 to 3 years	>3 to 5 years	>5 years	Non Contractual	Total
	i	j	k	l	m	n
	12.850.156	1.493.553	243.893	3.708.076	3.743.790	22.039.467
	-	-	1.189.760	1.295.665	-	2.485.425
	-	-	-	-	-	-
	236.675	-	-	50.000	765.734	1.052.409
						-
						-
					-	-

1) Disclosure of Net Receivables Based on Remaining Contract Period – Bank by individual

No.	Portofolio Category	December 31, 2023 (Unaudited)					
		Net Receivables Based on Remaining Contract Period					
		< 1 year	>1 to 3 years	>3 to 5 years	>5 years	Non Contractual	Total
8	Credit Secured by Residential Properties	645.694	691.187	1.496.383	1.586.754	-	4.420.018
9	Credit Secured by Commercial Property	3.310.880	1.444.408	1.966.623	4.377.662	-	11.099.573
10	Credit for Land Acquisition, Land Processing and Construction	600	-	-	-	-	600
11	Credit by Employees or Retirees	94.664	373.268	624.755	8.095.742	-	9.188.429
12	Receivables from on Micro Business, Small Business and Retail Portfolio	1.081.042	443.464	248.817	268.112	340.528	2.381.963
13	Receivables from Corporates	4.857.337	669.673	3.290.327	4.490.271	15.861	13.323.469
14	Matured Receivable	941.756	768.656	1.007.048	2.040.513	-	4.757.974
15	Other Assets	-	-	-	-	7.435.101	7.435.101
Total		**19.133.714**	**6.118.473**	**11.870.037**	**28.531.623**	**8.324.697**	**73.978.544**

2) Disclosure of Net Receivables Based on the Remaining Term of Contract - Consolidated Bank with Subsidiaries

No.	Portofolio Category	December 31, 2023 (Unaudited)					
		Net Receivables Based on Remaining Contract Period					
		< 1 year	>1 to 3 years	>3 to 5 years	>5 years	Non Contractual	Total
a	b	c	d	e	f	g	h
1	Receivables from Government	7.244.528	1.236.459	2.034.420	6.036.312	1.104.723	17.656.442
2	Receivables from Public Sector Entities	210.323	376	1.151.665	1.634.061	196	2.996.622
3	Receivables from Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4	Receivables from the Bank	34.135	-	-	-	367.341	401.476
5	Receivables in the form of Covered Bonds	-	-	-	-	-	-

(in million IDR)

	December 31, 2022 (Audited)					
	Net Receivables Based on Remaining Contract Period					
	< 1 year	>1 to 3 years	>3 to 5 years	>5 years	Non Contractual	Total
	20.388	43.904	84.068	745.463	-	893.823
	45.012	80.349	92.079	266.015	-	483.456
						-
	162.627	359.520	660.723	7.561.057	567	8.744.495
	1.518.363	923.754	727.570	894.542	421.985	4.486.215
	6.977.346	4.452.570	7.567.869	11.695.972	-13.819	30.679.938
	134.716	232.915	223.668	1.217.458	230.589	2.039.347
	-	-	-	-	8.783.285	8.783.285
	21.945.284	**7.586.565**	**10.789.630**	**27.434.248**	**13.932.132**	**81.687.859**

(in million IDR)

	December 31, 2022 (Audited)					
	Net Receivables Based on Remaining Contract Period					
	< 1 year	>1 to 3 years	>3 to 5 years	>5 years	Non Contractual	Total
i	j	k	l	m	n	
	13.163.016	1.493.553	274.214	3.708.076	4.795.709	23.434.567
	-	-	1.189.760	1.295.665	196	2.485.621
	-	-	-	-	-	-
	245.544	-	-	50.000	765.734	1.061.278
						-

2) Disclosure of Net Receivables Based on the Remaining Term of Contract - Consolidated Bank with Subsidiaries

No.	Portofolio Category	December 31, 2023 (Unaudited)					
		Net Receivables Based on Remaining Contract Period					
		< 1 year	>1 to 3 years	>3 to 5 years	>5 years	Non Contractual	Total
6	Receivables Securities from Companies and Other Financial Services Institutions	1.031.775	491.002	-	2.195	-	1.524.972
7	Receivables in the form of Securities/Subordinated Receivables, Equity and Other Capital Instruments	-	-	50.000	-	-	50.000
8	Credit Secured by Residential Properties	645.739	692.047	1.499.188	1.586.754	131.345	4.555.073
9	Credit Secured by Commercial Property	3.314.608	1.450.615	1.991.320	4.377.662	516.690	11.650.895
10	Credit for Land Acquisition, Land Processing and Construction	600	-	-	-	-	600
11	Credit by Employees or Retirees	94.681	374.566	632.113	8.095.742	68.715	9.265.818
12	Receivables from on Micro Business, Small Business and Retail Portfolio	1.205.685	614.452	380.625	268.112	555.149	3.024.023
13	Receivables from Corporates	5.105.517	1.178.221	3.764.467	4.490.271	2.936.391	17.474.866
14	Matured Receivable	970.215	820.460	1.081.244	2.041.615	65.085	4.978.620
15	Other Assets	-	-	-	-	7.971.831	7.971.831
Total		**19.857.807**	**6.858.199**	**12.585.040**	**28.532.725**	**13.717.467**	**81.551.238**

4) Disclosure of Net Receivables by Region - Consolidated Bank with Subsidiarie

1) Disclosure of Net Receivables Based on Remaining Contract Period - Bank Individually

No.	Description	December 31, 2023 (Unaudited)		
		Regions		
		Jawa	Sumatera	Others
a	b	c	d	e
1	Receivables	62.469.306	3.275.166	5.591.413
2	Impaired Receivables	8.573.894	412.375	670.399
	a. Non-Past Due	2.261.363	50.415	90.738
	b. Past Due	6.312.530	361.960	579.661
3	CKPN - Stage 1	384.774	32.677	55.647
4	CKPN - Stage 2	784.033	5.168	7.042
5	CKPN – Stage 2	1.741.708	125.237	271.356
6	Written-Off receivables			

(in million IDR)

	December 31, 2022 (Audited)					
	Net Receivables Based on Remaining Contract Period					
	< 1 year	>1 to 3 years	>3 to 5 years	>5 years	Non Contractual	Total
						-
						-
	20.440	46.928	91.117	745.463	119.108	1.023.055
	111.636	106.964	104.787	266.015	255.970	845.372
						-
	162.723	363.425	673.772	7.561.057	292.207	9.053.184
	1.081.307	992.885	784.969	894.542	615.664	4.369.367
	7.469.991	4.637.315	8.048.721	11.695.972	2.509.862	34.361.861
	139.467	263.528	276.829	1.217.458	334.331	2.231.613
	-14.000	-	-	-	9.290.032	9.276.032
	22.380.123	**7.904.596**	**11.444.168**	**27.434.248**	**18.978.813**	**88.141.949**

		December 31, 2022 (Audited)			
		Regions			
	Total	Jawa	Sumatera	Others	Total
	h	i	j	k	n
	71.335.885	68.981.972	5.862.980	7.732.548	82.577.500
	9.656.668	2.694.622	539.463	968.646	4.202.731
	2.402.516	979.484	167.731	254.475	1.401.690
	7.254.152	1.715.138	371.733	714.170	2.801.041
	473.098	385.729	65.629	78.126	529.484
	796.244	61.385	9.769	11.690	82.844
	2.138.301	496.440	86.032	224.325	806.797
	12.523.033				11.399.784

2)Disclosure of Receivables and Provisions by Region - Consolidated Bank with Subsidiaries

No.	Description	December 31, 2023 (Unaudited)		
		Regions		
		Jawa	Sumatera	Others
a	b	c	d	e
1	Receivables	68.345.464	4.307.231	6.253.584
2	Impaired Receivables	8.586.416	443.536	711.242
	a. Non-Past Due	2.633.965	110.173	150.211
	b. Past Due	6.481.087	408.621	655.690
3	CKPN - Stage 1	440.700	41.905	317.388
4	CKPN - Stage 2	805.880	5.933	8.124
5	CKPN – Stage 2	1.822.385	142.407	319.660
6	Written-Off receivables	40.087	-	3.100

5) Disclosure of Receivables and Provisions by Economic Sector
- Banks Individually

1)Disclosure of Receivables and Provisions by Economic Sector - Banks Individually

(in million IDR)

No.	Economic Sector	Receivables	Impaired Receivables		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	Written-off Receivables
			Non-past Due	Past Due				
a	b	c	d	e	f	g	h	i
	31 Desember 2023 (Unaudited)							
1	Agriculture, Forestry, and Fisheries	924.532	968	186.681	10.038	29.913	9.953	
2	Mining and Excavation	2.355.983	3.407	3.407	18.980	130	282.307	
3	Processing Industry	5.557.796	108.910	108.910	68.876	38.442	70.782	
4	Electricity, Gas, Steam/Hot and Cold Water	1.837.904	-	-	20.781	9.554	8.859	
5	Waste Water Management, Waste Management and Recycling	50.799	1.828	1.828	617	137	43	
6	Construction	3.633.799	486.028	486.028	25.235	301.130	90.043	
7	Wholesale and retail trading; Car and Motorcycle Reparation and Maintenance	4.929.221	230.421	230.421	49.441	117.602	267.298	
8	Transport and Warehouse	2.341.064	20.612	20.612	21.642	23.160	154.331	
9	Accommodation, food and beverage supply	3.625.104	1.113.269	1.113.269	29.243	180.175	7.016	
10	Information and Communication	718.492	-	-	9.017	-	1.326	
11	Finance and Insurance Activities	2.926.984	30.651	30.651	31.939	3.023	80.453	

		December 31, 2022 (Unaudited)			
		Regions			
	Total	Jawa	Sumatera	Others	Total
	h	i	j	k	n
	78.906.278	77.557.925	6.444.015	7.766.936	91.768.876
	9.741.194	3.416.436	688.782	980.275	5.085.493
	2.894.348	1.529.461	250.617	264.985	2.045.062
	7.545.398	1.886.975	438.165	715.290	3.040.430
	799.993	429.880	71.803	82.085	583.768
	819.937	76.961	12.078	16.198	105.237
	2.284.452	651.079	100.770	239.836	991.685
	13.111.741				11.399.784

(in million IDR)

No.	Economic Sector	Receivables	Impaired Receivables		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	Written-off Receivables
			Non-past Due	Past Due				
12	Real Estate	1.430.061	4.893	4.893	15.114	11.962	31.188	
13	Professional, Scientific, and Technical Activities	243.984	6.969	6.969	2.601	-	10.318	
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agencies, and Other Business Support	632.048	5.736	5.736	8.087	511	14.857	
15	Government Administration, Defence, and Mandatory Social Security	-	-	-	-	-	-	
16	Education	620.510	-	-	7.900	403	5.333	
17	Human Health Activities and Social Activities	150.070	4.609	4.609	1.819	-	13.875	
18	Arts, Entertainment, and Recreation	229.681	189.380	189.380	439	59.999	774	
19	Other Services Activities	61.393	-	-	685	-	1.636	
20	Household as Employer Activities	1.478	878	878	8	86	-	
21	International and Other Extra International Activitie	-	-	-	-	-	-	
22	Household	12.569.498	191.479	191.479	107.780	19.747	1.075.953	
23	Non-Business Activities	-	-	-	-	-	-	
24	Others	22.329.722	-	-	42.639	239	11.466	
Total		**67.170.123**	**2.400.037**	**2.585.749**	**472.882**	**796.212**	**2.137.811**	**12.523.033**

(in million IDR)

No.	Economic Sector	Receivables	Impaired Receivables		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	Written-off Receivables
			Non-past Due	Past Due				
a	b	c	d	e	f	g	h	i
	December 31, 2022 (Audited)							
1	Agriculture, Forestry, and Fisheries	1.252.588	16.524	55.166	16.291	917	26.617	
2	Mining and Excavation	2.480.054	71.138	0	30.415	519	15.449	
3	Processing Industry	4.662.159	58.445	46.378	60.412	4.473	15.212	
4	Electricity, Gas, Steam/Hot and Cold Water	604.052	8.001	1.500	7.507	483	419	
5	Waste Water Management, Waste Management and Recycling	9.879	215	-	141	34	-	
6	Construction	4.459.375	290.209	94.951	54.106	23.238	27.130	
7	Wholesale and retail trading; Car and Motorcycle Reparation and Maintenance	6.986.769	389.125	213.553	87.587	12.400	86.695	
8	Transport and Warehouse	2.313.532	67.071	82.355	28.468	2.838	23.452	
9	Accommodation, food and beverage supply	3.407.269	88.303	120.793	41.531	6.094	46.700	
10	Information and Communication	197.922	950	2.196	2.578	89	614	
11	Finance and Insurance Activities	2.360.786	85.887	184.349	24.295	2.841	56.717	
12	Real Estate	2.337.322	36.329	7.597	29.149	2.360	4.970	
13	Professional, Scientific, and Technical Activities	300.190	12.314	36.200	3.281	673	10.111	
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agencies, and Other Business Support	222.539	13.532	2.665	2.992	1.232	744	
15	Government Administration, Defence, and Mandatory Social Security	-	-	-	-	-	-	
16	Education	706.009	14.989	4.835	9.226	1.231	1.342	
17	Human Health Activities and Social Activities	194.668	2.771	4.266	2.710	237	1.168	
18	Arts, Entertainment, and Recreation	171.510	115	4.950	2.106	3	959	
19	Other Services Activities	75.529	13.397	2.521	690	958	830	
20	Household as Employer Activities	2.001	-	-	29	-	-	
21	International and Other Extra International Activities	-	-	-	-	-	-	
22	Household	13.188.477	232.158	1.936.228	124.979	22.190	487.568	
23	Non-Business Activities	36.644.872	216	539	993	34	100	
24	**Others**							
Total		**82.577.500**	**1.401.690**	**2.801.041**	**529.484**	**82.844**	**806.797**	**11.399.784**

2) Disclosure of Receivables and Provisions by Economic Sector - Banks by consolidation with Entity

(in million IDR)

No.	Economic Sector	Receivable	Impared Receivables		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	Written-off Receivables
			Non-Over Due	Over Due				
a	b	c	d	e	f	g	h	i
	December 31, 2023 (Unaudited)							
1	Agriculture, Forestry, and Fisheries	1.082.237	158.586	186.768	11.562	29.966	9.953	
2	Mining and Excavation	2.456.787	100.653	6.804	19.953	465	285.094	
3	Processing Industry	5.988.110	517.090	110.300	72.388	38.892	71.079	
4	Electricity, Gas, Steam/Hot and Cold Water	2.127.060	289.156	-	23.650	9.557	8.859	
5	Waste Water Management, Waste Management and Recycling	50.799	1.828	1.828	617	137	43	
6	Construction	3.860.327	683.241	514.795	26.902	301.597	93.295	
7	Wholesale and retail trading; Car and Motorcycle Reparation and Maintenance	5.941.039	1.125.783	346.886	56.807	120.114	276.630	
8	Transport and Warehouse	2.862.916	440.216	40.639	26.218	24.095	168.982	
9	Accommodation, food and beverage supply	3.873.627	1.357.092	1.117.970	31.679	180.175	7.803	
10	Information and Communication	790.011	71.519	-	9.733	-	1.326	
11	Finance and Insurance Activities	3.089.305	191.417	32.206	33.190	3.384	80.586	
12	Real Estate	1.594.703	165.316	9.112	16.609	11.971	31.415	
13	Professional, Scientific, and Technical Activities	263.370	20.777	12.546	2.737	-	10.496	
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agencies, and Other Business Support	792.707	161.780	10.350	9.482	661	14.976	
15	Government Administration, Defence, and Mandatory Social Security	-	-	-	-	-	-	
16	Education	1.607.499	986.812	177	17.464	519	5.339	
17	Human Health Activities and Social Activities	792.818	611.390	35.182	7.301	792	14.434	
18	Arts, Entertainment, and Recreation	255.387	190.086	189.380	1.068	59.999	774	
19	Other Services Activities	241.812	178.782	1.639	2.439	26	3.193	
20	Household as Employer Activities	50.792	50.192	878	502	86	-	
21	International and Other Extra International Activities	-	-	-	-	-	-	

(in million IDR)

No.	Economic Sector	Receivable	Impared Receivables		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	Written-off Receivables
			Non-Over Due	Over Due				
22	Household	12.835.876	397.361	251.976	109.560	20.011	1.100.247	
23	Non-Business Activities	78.952	78.157	795	329	15	123	
24	Others	22.384.411	3.393	52.199	42.650	239	66.952	
Total		**73.020.545**	**7.780.625**	**2.922.428**	**522.837**	**802.702**	**2.251.600**	**12.523.033**

(in million IDR)

No.	Economic Sector	Receivable	Impared Receivables		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	Written-off Receivables
			Non-Over Due	Over Due				
a	b	c	d	e	f	g	h	i
December 31, 2022 (Audited)								
1	Agriculture, Forestry, and Fisheries	1.280.670	19.627	55.253	16.540	963	29.547	
2	Mining and Excavation	2.587.442	77.526	371	31.425	737	20.858	
3	Processing Industry	4.760.993	67.237	47.768	61.300	4.582	23.875	
4	Electricity, Gas, Steam/Hot and Cold Water	888.514	8.464	1.500	10.348	483	884	
5	Waste Water Management, Waste Management and Recycling	9.879	215	-	141	34	-	
6	Construction	4.780.878	326.600	105.703	64.674	23.674	31.340	
7	Wholesale and retail trading; Car and Motorcycle Reparation and Maintenance	8.172.752	576.066	290.816	97.198	19.310	126.970	
8	Transport and Warehouse	2.803.312	153.270	83.248	31.545	4.006	34.162	
9	Accommodation, food and beverage supply	3.643.199	90.744	127.785	43.779	6.219	48.369	
10	Information and Communication	197.922	950	2.196	3.799	89	635	
11	Finance and Insurance Activities	2.633.167	85.887	185.912	27.009	2.841	56.863	
12	Real Estate	2.787.764	62.431	21.509	31.314	2.360	5.113	
13	Professional, Scientific, and Technical Activities	300.190	12.314	36.200	3.426	774	10.486	
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agencies, and Other Business Support	222.539	13.532	2.665	4.800	1.239	980	
15	Government Administration, Defence, and Mandatory Social Security	16	-	-	-	-	-	
16	Education	1.366.470	22.395	5.012	15.580	1.335	1.342	
17	Human Health Activities and Social Activities	677.371	52.416	58.627	6.804	877	2.062	
18	Arts, Entertainment, and Recreation	198.921	521	4.950	2.147	3	959	

(in million IDR)

No.	Economic Sector	Receivable	Impared Receivables		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	Written-off Receivables
			Non-Over Due	Over Due				
19	Other Services Activities	146.004	71.869	2.521	1.243	2.082	54.558	
20	Household as Employer Activities	14.261	-	-	151	-	-	
21	International and Other Extra International Activities	-	-	-	-	-	-	
22	Household	17.095.145	289.620	1.936.729	125.549	22.260	487.605	
23	Non-Business Activities	37.201.470	113.378	71.664	4.995	11.369	55.077	
24	Others							
Total		**91.768.876**	**2.045.063**	**3.040.430**	**583.768**	**105.237**	**991.685**	**11.399.784**

6) Disclosure of Receivables Based on Days in Arrears

1) Disclosure of Receivables Based on Days in Arrears – Bank by Individuals

(in million IDR)

No.	Type of Exposure	December 31, 2023 (Unaudited)			
		Receivables Based on Days in Arrears			
		>90 to 120 days	>120 to 180 days	> 180 days	Total
a	b	c	d	e	f
1	Credits included in Past Due Bills	114.900	227.649	3.565.619	3.908.167
2	Securities included in Past Due Bills	-	-	-	-
Total		**114.900**	**227.649**	**3.565.619**	**3.908.167**

2) Disclosure of Receivables Based on Days in Arrears – Bank by consolidation with subsidiaries

No.	Type of Exposure	31 Desember 2023 (Unaudited)			
		Tagihan Berdasarkan Hari Tunggakan			
		> 90 hari s.d. 120 hari	> 120 hari s.d. 180 hari	> 180 hari	Total
a	b	c	d	e	f
1	Credits included in Past Due Bills	160.522	255.715	3.780.634	4.196.872
2	Securities included in Past Due Bills	-	-	-	-
Total		**160.522**	**255.715**	**3.780.634**	**4.196.872**

ADDITIONAL DISCLOSURES REGARDING THE TREATMENT OF NON-PERFORMING ASSETS (CRB-A)

a) Qualitative

1. Determination of asset quality refers to POJK No/40/POJK.03/2019 concerning Commercial Bank Asset Quality, where determination of credit quality is determined based on assessment factors:
   a. business prospect;
   b. debtor performance; And
   c. ability to pay

Based on this assessment, credit quality is determined to be Current, Special Mention, Substandard, Doubtful and Loss.

2. Credit Restructuring is an effort to repair/rescue/revitalize the Bank in its credit activities for debtors who are having difficulty fulfilling their obligations. Where, the implementation of this restructuring must refer to regulatory and internal provisions regarding both implementation and determination of relief.

b) Quantitative

1) Disclosure of Performing and Non-Performing Assets

1) Disclosure of Performing and Non-Performing Assets - Individual Banks (in million IDR)

		December 31, 2023							
		Performing (L and DPK Quality)		Non Performing(KL, D, M Quality)					
				Impaired Receivables		Non-impaired Receivables			
						With >90 Days arrears		With >90 Days arrears	
		Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN
		a	b	c	d	e	f	g	h
1	Marketable Securities	17.608.965	109	-	-	-	-	-	-
2	Credit	39.957.427	1.284.122	4.225.802	2.069.177	-	-	-	-
	a. Corporation	29.453.018	1.154.213	2.452.515	991.130	-	-	-	-
	b. ritel	10.504.409	129.909	1.773.287	1.078.047	-	-	-	-
3	Administrative Account Transaction	762.345	-	76.980	-	-	-	-	-

2) Disclosure of Performing and Non-Performing Restructuring Assets (in million IDR)

		December 31, 2023							
		Performing (Kualitas L dan DPK)		Non Performing (Kualitas KL, D, M)					
				Impaired Receivables		Non-impaired Receivables			
						With >90 Days arrears		With < 90 days arrrears	
		Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN
		a	b	c	d	e	f	g	h
1	Marketable Securities	17.946.800	109	-	-	-	-	-	-
2	Credit	45.040.070	1.359.963	4.992.757	2.230.892	-	-	-	-
	a. Corporation	33.365.827	1.217.265	2.521.857	1.035.741	-	-	-	-

2) Disclosure of Performing and Non-Performing Restructuring Assets (in million IDR)

		December 31, 2023							
		Performing (Kualitas L dan DPK)		Non Performing (Kualitas KL, D, M)					
				Impaired Receivables		Non-impaired Receivables			
						With >90 Days arrears		With < 90 days arrrears	
		Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN
	b. ritel	11.674.243	142.698	2.470.900	1.195.151	-	-	-	-
3	Administrative Account Transaction	1.348.934	-	76.980	-	-	-	-	-

1) Disclosure of Performing and Non-Performing Restructuring Assets – Bank individually (in million IDR)

		December 31, 2023									
		Performing (L and DPK Quality)		Non Performing (KL, D, M Quality)		Stage 1		Stage 2		Stage 3	
		Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN
		a	b	c	d	e	f	g	h	i	j
1	Marketable Securities	-	-	-	-	-	-	-	-	-	
2	Credit	12.711.073	924.086	2.624.776	1.119.887	8.002.219	108.153	4.578.497	761.203	2.755.133	1.174.618
	a. Corporation	12.394.310	915.696	1.914.170	799.324	7.822.092	106.414	4.447.027	755.796	2.039.361	852.811
	b. ritel	316.763	8.390	710.606	320.563	180.127	1.739	131.470	5.407	715.772	321.807
3	Administrative Account Transaction	-	-	-	-	-	-	-	-	-	

2) Disclosure of Performing and Non-Performing Restructuring Assets - Bank Consolidated with Subsidiaries (in million IDR)

		December 31, 2023									
		Performing (L and DPK Quality)		Non Performing (KL, D, M Quality)		Stage 1		Stage 2		Stage 3	
		Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN	Gross Carrying Value	CKPN
		a	b	c	d	e	f	g	h	i	j
1	Marketable Securities	-	-	-	-	-	-	-	-	-	-
2	Credit	13.993.436	955.670	2.746.754	1.146.875	8.029.207	135.141	4.605.485	788.191	2.782.121	1.201.606
	a. Corporation	13.408.496	943.641	1.942.816	804.478	7.827.246	111.568	4.452.181	760.950	2.044.515	857.965
	b. ritel	584.940	12.029	803.939	342.396	201.960	23.572	153.303	27.240	737.605	343.640
3	Administrative Account Transaction	-	-	-	-	-	-	-	-	-	-

QUALITATIVE DISCLOSURES RELATED TO MRK TECHNIQUES (CRC)

The assessment of collateral must be carried out from the beginning of the credit granting, where the validity period for the assessment and/or cracking of collateral is 18 (eighteen) months if carried out by a public appraiser (KJPP), 12 (twelve) months if carried out by the Bank's internal appraiser, and for collateral Certain crackings are carried out every 12 (twelve) months, either by a public appraiser (KJPP) or the Bank's internal appraiser.

1) Quantitative Disclosures related to MRK Techniques - Individual Banks

(in million IDR)

		December 31, 2023				
		Receivables Unwarranted with MRK Techniques	Receivables Warranted with MRK Techniques	Receivables Warranted with Collateral	Receivables Secured by Guarantee, Underwriting and/or Credit Insurance	Receivables Secured by Credit Derivatives
		a	b = c + d	c	d	e
1	Credit	41.287.834	2.895.395	398.890	2.496.504	
2	Marketable Securities	17.608.965	-	-	-	
3	Total	58.896.799	2.895.395	398.890	2.496.504	
4	Credit and Securities that have matured (Quality 3, 4, 5)	4.219.899	5.903	5.903	-	

2) Quantitative Disclosures related to MRK Techniques - Consolidated Bank

(in million IDR)

		December 31, 2023				
		Receivables Unwarranted with MRK Techniques	Receivables Warranted with MRK Techniques	Receivables Warranted with Collateral	Receivables Secured by Guarantee, Underwriting and/or Credit Insurance	Receivables Secured by Credit Derivatives
		a	b = c + d	c	d	e
1	Credit	47.247.769	3.899.938	1.403.434	2.496.504	
2	Marketable Securities	17.946.800	-	-	-	
3	Total	65.194.569	3.899.938	1.403.434	2.496.504	
4	Credit and Securities that have matured (Quality 3, 4, 5)	4.437.195	144.355	75.129	69.226	

DISCLOSURE OF THE USE OF EXTERNAL CREDIT RATINGS (CRD)

Currently, the Bank does not use external credit ratings.

1) Disclosure of Credit Risk Exposure and Impact of MRK Techniques - Individual Bank

(in million IDR)

	Portfolio Category	December 31, 2023					
		Net Receivables before FKK Implementation and MRK technique		Net Receivables after FKK Implementation and MRK technique		RWA and Average Risk Weight	
		Balance Sheet Report	TRA	Balance Sheet Report	TRA	RWA	Average Risk Weight
	(e/(c+d))	a	b	c	d	e	f
1	Receivables from the Government	16.432.697,43	-	13.860.545,09	-	-	0,0%
2	Receivables from Public Sector Entities	2.975.329,72	210.751,76	2.975.329,72	21.075,18	1.498.202,45	50,0%
3	Receivables from Multilateral Development Banks and International Institutions	-	-	-	-	-	0,0%
4	Receivables from Banks	367.341,43	6,00	367.341,43	0,60	136.555,48	37,2%
	Claims to Securities Companies and Other Financial Services Institutions	1.524.972,26	-	1.524.972,26	-	761.829,71	50,0%
5	Receivables in the form of Covered Bonds	-	-	-	-	-	0,0%
6	Receivables from Corporations - General Corporate Exposure	11.795.670,15	1.692.617,65	11.795.670,15	495.992,90	8.463.306,09	68,9%
	Receivables from Securities Companies and Other Financial Services Institutions						0,0%
	Special Financing Exposure	1.031.805,75	59.838,28	1.031.805,75	-	668.553,94	64,8%
7	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	50.000,00	-	50.000,00	-	75.000,00	150,0%
8	Receivables from on Micro Business, Small Business and Retail Portfolio	1.993.097,25	2.763.099,07	1.993.097,25	388.865,75	1.591.891,40	66,8%
9	Credit Secured by Residential Properties	15.355.907,79	750.819,50	15.355.907,79	163.683,54	10.989.599,52	70,8%
	Residential Property-Backaged Loans whose Payments Are Not Materially Dependent on Property Cash Flow	1.701.539,71	23.449,63	1.701.539,71	5.411,34	566.084,52	33,2%
	Residential Property-Backaged Loans whose Payments Depend Materially on the Property's Cash Flows	2.711.495,45	13.120,11	2.711.495,45	1.571,80	1.195.103,14	44,0%
	Commercial Property-Backed Credit whose Payment is Not Dependent Materially on Property Cash Flow	2.345.534,09	310.609,72	2.345.534,09	68.257,59	1.632.372,82	67,6%
	Commercial Property-Backed Loans Where Payments Depend Materially on the Property's Cash Flows	8.597.338,54	403.640,03	8.597.338,54	88.442,81	7.596.039,05	87,5%
10	Credit for Land Acquisition, Land Processing and Construction	600,00	-	600,00	-	900,00	150,0%
11	Matured Receivables	4.733.020,36	185.106,55	4.733.020,36	24.954,00	6.016.881,07	126,5%
12	Other Assets	7.435.101,24	-	7.435.101,24	-	7.886.837,12	106,1%
	Credit from Employees and Retiree	9.188.420,78	20,66	9.188.420,78	8,26	4.594.214,52	50,0%
Total		**63.695.543,38**	**5.662.238,81**	**61.123.391,04**	**1.094.571,95**	**38.089.556,78**	**61,2%**
Total with Credit from Employee and Retiree		**72.883.964,17**	**5.662.259,47**	**70.311.811,82**	**1.094.580,22**	**42.683.771,30**	**59,8%**

2) Disclosure of Credit Risk Exposure and Impact of MRK Techniques - Consolidated Bank

(in million IDR

	Portfolio Category	31 Desember 2023					
		Net Receivables before FKK Implementation and MRK technique		Net Receivables after FKK Implementation and MRK technique		RWA and Average Risk Weight	
		Balance Sheet Report	TRA	Balance Sheet Report	TRA	RWA	Average Risk Weight (e/(c+d))
		a	b	c	d	e	f
1	Receivables from the Government	17.656.442,07	-	13.860.545,09	-	-	0,0%
2	Receivables from Public Sector Entities	2.975.546,79	210.751,76	2.975.438,25	21.075,18	1.498.212,87	50,0%
3	Receivables from Multilateral Development Banks and International Institutions	-	-	-	-	-	0,0%
4	Receivables from Banks	401.475.80	6,00	374.168,30	0,60	143.382.35	38.3%
	Claims to Securities Companies and Other Financial Services Institutions	1.524.972,26	-	1.524.972,26	-	761.829,71	50,0%
5	Receivables in the form of Covered Bonds	-	-	-	-	-	0,0%
6	Receivables from Corporations - General Corporate Exposure	15.849.451,14	2.071.408,17	15.849.451,14	571.751,00	12.418.994.01	75.6%
	Receivables from Securities Companies and Other Financial Services Institutions	-	-	-	-	76,9%	0,0%
	Special Financing Exposure	1.031.805,75	59.838,28	1.031.805,75	-	668.553,94	64,8%
7	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	50.000,00	-	50.000,00	-	75.000,00	150,0%
8	Receivables from on Micro Business, Small Business and Retail Portfolio	2.586.695.05	2.763.617,91	2.438.295,60	389.254,87	2.030.345.28	71.8%
9	Credit Secured by Residential Properties	57,4%	750.819,50	15.355.907,79	163.683,54	10.989.599,52	70,8%
	Residential Property-Backaged Loans whose Payments Are Not Materially Dependent on Property Cash Flow	1.836.594,71	23.449,63	1.747.304,37	5.411,34	611.830,74	34,9%
	Residential Property-Backaged Loans whose Payments Depend Materially on the Property's Cash Flows	2.711.495,45	13.120,11	2.711.495,45	1.571,80	1.195.103,14	44,0%
	Commercial Property-Backed Credit whose Payment is Not Dependent Materially on Property Cash Flow	2.896.856,09	310.609,72	2.896.856,05	68.257,59	2.183.694,78	73,6%
	Commercial Property-Backed Loans Where Payments Depend Materially on the Property's Cash Flows	8.597.338,54	403.640,03	8.597.338,54	88.442,81	7.596.039,05	87,5%
10	Credit for Land Acquisition, Land Processing and Construction	600,00	-	600,00	-	900,00	150,0%
11	Matured Receivables	4.879.649.69	185.106,55	4.879.649,69	24.954,00	6.163.510.40	125.7%
12	Other Assets	128,5%	-	7.435.101,24	-	8.391.024,89	112,9%
	Credit from Employees and Retiree	9.265.809,26	20,66	9.227.115,02	8,26	4.632.896,05	50,2%
Total		**70.970.754**	**6.041.548**	**66.373.022**	**1.170.719**	**43.738.421**	**64.8%**
Total with Credit from Employee and Retiree		**80.236.563**	**6.041.569**	**75.600.137**	**1.170.727**	**48.371.317**	**63.0%**

QUALITATIVE DISCLOSURES RELATED TO MRK TECHNIQUES (CRC)

The assessment of collateral must be carried out from the beginning of the credit granting, where the validity period for the assessment and/or cracking of collateral is 18 (eighteen) months if carried out by a public appraiser (KJPP), 12 (twelve) months if carried out by the Bank's internal appraiser, and for collateral Certain crackings are carried out every 12 (twelve) months, either by a public appraiser (KJPP) or the Bank's internal appraiser.

1) Quantitative Disclosures related to MRK Techniques - Individual Banks

(in million IDR)

		December 31, 2023				
		Receivables Unwarranted with MRK Techniques	Receivables Warranted with MRK Techniques	Receivables Warranted with Collateral	Receivables Secured by Guarantee, Underwriting and/or Credit Insurance	Receivables Secured by Credit Derivatives
		a	b = c + d	c	d	e
1	Credit	41.287.834	2.895.395	398.890	2.496.504	
2	Marketable Securities	17.608.965	-	-	-	
3	Total	58.896.799	2.895.395	398.890	2.496.504	
4	Credit and Securities that have matured (Quality 3, 4, 5)	4.219.899	5.903	5.903	-	

2) Quantitative Disclosures related to MRK Techniques - Consolidated Bank

(dalam jutaan rupiah)

		December 31, 2023				
		Receivables Unwarranted with MRK Techniques	Receivables Warranted with MRK Techniques	Receivables Warranted with Collateral	Receivables Secured by Guarantee, Underwriting and/or Credit Insurance	Receivables Secured by Credit Derivatives
		a	b = c + d	c	d	e
1	Credit	47.159.060	3.382.804	696.275	2.686.529	
2	Marketable Securities	17.946.800	-	-	-	
3	Total	65.105.860	3.382.804	696.275	2.686.529	
4	Credit and Securities that have matured (Quality 3, 4, 5)	4.399.372	5.903	5.903	-	

1) Exposure Disclosure by Asset Class and Risk Weight - Individual Bank

Portfolio Category		December 31, 2023															
		Net Receivables After Taking into Account the Impact of Credit Risk Mitigation															
		0%	10%	15%	20%	25%	30%	35%	37,5%	40%	45%	50%	52,5%	60%	65%	67,5%	
Portfolio Category		**0%**			**20%**							**50%**					
1	Receivables from the Government	16.432.697			-							-					
Portfolio Category					**20%**							**50%**					
2	Receivables from the Public Sector Entities				-							2.996.405					
Portfolio Category		**0%**			**20%**		**30%**					**50%**					
3	Receivables from Multilateral Development Banks and International Institutions	-			-		-					-					
Portfolio Category					**20%**		**30%**			**40%**		**50%**					
4	Receivables from the Bank				169.530		-			-		197.811					
	Receivables from the Securities Companies and Other Financial Services Institutions				-		619.779			-		411.996					
Portfolio Category			**10%**	**15%**	**20%**	**25%**		**35%**				**50%**					
5	Receivables in the form of Covered Bonds		-	-	-	-		-				-					
Portfolio Category		**0%**			**20%**		**30%**					**50%**			**65%5)**		
6	Receivables from Corporations - General Corporate Exposure	33.324			120.093		1.569.045					5.322.917					
	Receivables from Securities Companies and Other Financial Services Institutions																
	Special Financing Exposure	159.786					307.681										

December 31, 2023																
Net Receivables After Taking into Account the Impact of Credit Risk Mitigation																
	70%	75%	80%	85%	90%	100%	105%	110%	112,5%	130%	150%	250%	400%	1250%	Others	
						100%					150%				Others	Net Receivables before FKK Implementation and MRK technique
						-										16.432.697
						100%					150%				Others	Net Receivables before FKK Implementation and MRK technique
						-										2.996.405
						100%					150%				Others	Net Receivables before FKK Implementation and MRK technique
																-
		75%				100%					150%				Others	Net Receivables before FKK Implementation and MRK technique
		1				-										367.342
		493.197				-										1.524.972
						100%									Others	Net Receivables before FKK Implementation and MRK technique
						-										-
		75%	80%	85%		100%				130%	150%				Others	Net Receivables before FKK Implementation and MRK technique
		-		-		483.638										7.529.016
																-
			26.964			486.301				61.116						1.041.848

	Portfolio Category																
7	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments																
	Portfolio Category	**0%**									**45%**						
8	Receivables from on Micro Business, Small Business and Retail Portfolio	75.716									659.590						
	Portfolio Category	**0%**			**20%**	**25%**	**30%**	**35%**		**40%**	**45%**	**50%**		**60%**	**65%5)**		
9	Credit Secured by Residential Properties																
	Residential Property-Backaged Loans whose Payments Are Not Materially Dependent on Property Cash Flow	4.764			566.848	231.942	430.678			133.312		126.919					
	without a credit sharing approach																
	using a credit sharing approach (guaranteed)																
	using a credit sharing approach (guaranteed)																
	Residential Property-Backaged Loans whose Payments Depend Materially on the Property's Cash Flows						1.601.073	185.893			454.344			82.618			
	Commercial Property-Backed Credit whose Payment is Not Dependent Materially on Property Cash Flow	244			-		-			-		-		1.636.144			
	without a credit sharing approach																
	using a credit sharing approach (guaranteed)																
	using a credit sharing approach (guaranteed)																

						100%					150%	250%	400%5)		Others	Net Receivables before FKK Implementation and MRK technique
						-										-

		75%		85%		100%									Others	Net Receivables before FKK Implementation and MRK technique
		1.045.830		600.827		-										2.381.963

	70%	75%		85%	90%	100%	105%	110%			150%				Others	Net Receivables before FKK Implementation and MRK technique
																-
	212.488	-		-		-										1.706.951
																-
																-
																-
		43.010					346.129									2.713.067
		101.069		676.335		-										2.413.792
																-
																-
																-

	Commercial Property-Backed Loans Where Payments Depend Materially on the Property's Cash Flows	14.471
	Credit for Land Acquisition, Land Processing and Construction	

Portfolio Category	0%	50%
11 Matured Receivables	6.242	209.972

Portfolio Category	0%	20%
12 Other Assets	254.501	

Portfolio Category	50%
Credit from Employees and Retiree	9.188.429

No	Risk Wright	December 31, 2023			
		Net Receivables Balance Sheet	TRA Net Receivables (before FKK)	Average FKK	Net Receivables Balance Sheet
1	< 40%	22.774.498	38.488	25%	9.809
2	40%-70%	25.099.822	3.347.326	16%	526.817
3	75%	1.657.686	205.515	12%	25.422
4	80%	26.928	184	19%	35
5	85%	1.274.314	25.250	11%	2.848
6	90%-100%	9.770.250	1.753.806	28%	493.926
7	105-130%	3.276.535	207.287	11%	22.589
8	150%	4.140.209	84.398	16%	13.134
9	250%				
10	400%				
11	1250%				

2) Disclosure of Exposure by Asset Class and Risk Weight - Consolidated Bank

Portfolio Category	December 31, 2023	
Portfolio Category	0%	20%	50%
1 Receivables from the Government	18.308.819	-	

						100%					150%				Others	Net Receivables before FKK Implementation and MRK technique
						1.801.491					2.740.270					4.757.974
						100%					150%			1250%5)	Others	Net Receivables before FKK Implementation and MRK technique
						5.768.127					1.412.473					7.435.101
															Others	Net Receivables before FKK Implementation and MRK technique
																9.188.429

2) Disclosure of Exposure by Asset Class and Risk Weight - Consolidated Bank

Portfolio Category		December 31, 2023															
Portfolio Category					**20%**							**50%**					
2	Receivables from the Public Sector Entities				196							2.996.426					

Portfolio Category		**0%**			**20%**		**30%**					**50%**					
3	Receivables from Multilateral Development Banks and International Institutions	-			-		-										

Portfolio Category					**20%**		**30%**			**40%**		**50%**					
4	Receivables from the Bank				198.824		-			-		197.811					
	Receivables from the Securities Companies and Other Financial Services Institutions				-		619.779			-		411.996					

Portfolio Category			**10%**	**15%**	**20%**	**25%**		**35%**				**50%**					
5	Receivables in the form of Covered Bonds		-	-	-	-		-									

Portfolio Category		**0%**			**20%**							**50%**			**65%5)**		
6	Receivables from Corporations - General Corporate Exposure	131.417			120.093							5.322.917			-		
	Receivables from Securities Companies and Other Financial Services Institutions				-							-			-		
	Special Financing Exposure				-							-					

Portfolio Category																	
7	Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital																

2) Disclosure of Exposure by Asset Class and Risk Weight - Consolidated Bank

	December 31, 2023															
						100%					150%				Others	Net Receivables afte FKK Implementation and MRK technique
						-					-				-	2.996.622

						100%					150%				Others	Net Receivables afte FKK Implementation and MRK technique
						-					-				-	-

		75%				100%					150%				Others	Net Receivables afte FKK Implementation and MRK technique
		1				-					-				-	396.636
		493.197				-					-				-	1.524.972

						100%									Others	Net Receivables afte FKK Implementation and MRK technique
						-										-

		75%				100%				130%	150%				Others	Net Receivables afte FKK Implementation and MRK technique
		-	-	-		4.456.185				-	-					10.030.612
		-		-		-					-					-
		-				486.301				61.116	-					547.417

						100%					150%	250%	400%5)		Others	Net Receivables afte FKK Implementation and MRK technique
						-					-	-	-			-

2) Disclosure of Exposure by Asset Class and Risk Weight - Consolidated Bank

Portfolio Category		December 31, 2023															
Portfolio Category		0%									45%						
8	Instruments Receivables from on Micro Business, Small Business and Retail Portfolio	84.708															

Portfolio Category		0%			20%	25%	30%	35%		40%	45%	50%		60%	65%5)		
9	Credit Secured by Residential Properties	-			-	-	-							-	-		
	Credit Secured by Residential Properties Residential Property-Backaged Loans whose Payments Are Not Materially Dependent on Property Cash Flow	4.817			579.445	354.347	430.678			133.312		126.919			-		
	without a credit sharing approach) using a credit sharing approach (guaranteed)	-													-		
	using a credit sharing approach (guaranteed)																
	using a credit sharing approach (guaranteed)	-													-		
	Residential Property-Backaged Loans whose Payments Depend Materially on the Property's Cash Flows						1.601.073	185.893			454.344			82.618			
	Commercial Property-Backed Credit whose Payment is Not Dependent Materially on Property Cash Flow	244			-		-			-		-		1.636.144	-		
	without a credit sharing approach		-											-			
	using a credit sharing approach (guaranteed)													-			
	using a credit sharing approach (guaranteed)		-			-		-			-		-			-	
	Commercial Property-Backed Loans Where Payments Depend Materially on the Property's Cash Flows																
	Credit for Land Acquisition, Land Processing and Construction																

2) Disclosure of Exposure by Asset Class and Risk Weight - Consolidated Bank

	December 31, 2023															
		75%				100%									Others	Net Receivables afte FKK Implementation and MRK technique
		1.639.457		600.827		-										2.324.993

	70%	75%	90%			100%	105%	110%			150%				Others	Net Receivables afte FKK Implementation and MRK technique
	-	-			-	-	-	-			-					-
	212.488	-		-		-					-					1.842.006
	-	-		-		-					-					-
																-
	-	-		-		-					-					-
	-	43.010					346.129				-					2.713.067
		101.069		676.335		-					-					2.413.792
																-
																-
		-		-		-										-
	3.993.696				1.724.619	551.325		2.952.995			-					9.222.635
											600					600

2) Disclosure of Exposure by Asset Class and Risk Weight - Consolidated Bank

Portfolio Category		December 31, 2023															
Portfolio Category											50%						
11	Matured Receivables										209.972						
Portfolio Category		0%			20%												
12	Other Assets	289.165			-												
Portfolio Category		0%									50%						
	Employee or Retiree Credit	25									9.266.092						

No	Risk Weight	December 31, 2023			
		Net Receivables Balance Sheet	TRA Net Receivables (before FKK)	Average FKK	Net Bills (After imposition of FKK and MRK Technique)
1	< 40%	24.956.940	38.488	25%	9.809
2	40%-70%	25.177.507	3.347.326	16%	526.817
3	75%	2.251.313	205.515	12%	25.422
4	80-85%	26.928	184	19%	35
5	90%-100%	6.373.856	25.250	11%	2.848
6	105-130%	9.770.250	1.753.806	28%	493.926
7	150%	3.276.535	207.287	11%	22.589
8	250%	4.140.209	84.398	16%	13.134
9	400%	-	-		-
10	1250%	-	-		-

QUALITATIVE DISCLOSURE ON COUNTERPARTY CREDIT RISK EXPOSURE

Indonesia

Bank has to provide

- Risk management objectives and policies related to credit risk due to counterparty credit risk, including:
- The method used to apply the operating limits defined on internal capital for counterparty credit exposures and for CCP exposures;
- Policies relating to guarantees and risk mitigation and assessments related to counterparty risk, including exposure towards CCP;
- Policies regarding wrong-way risk exposure;
- Impact on the value of collateral required to provide for a credit downgrade.

For both Repo and Reverse Repo transactions, KB Bank refers to OJK Circular Letter No.24/SEOJK.03/2021 concerning Guidelines for Calculating Risk-Weighted Assets for Credit Risk using a standard approach.

2) Disclosure of Exposure by Asset Class and Risk Weight - Consolidated Bank

	December 31, 2023														
						100%					150%				Others	Net Receivables afte FKK Implementation and MRK technique
						1.980.964					2.740.270					4.931.205
						100%					150%				Others	Net Receivables afte FKK Implementation and MRK technique
						6.164.324					1.412.473					7.865.963
															Others	Net Receivables afte FKK Implementation and MRK technique
																9.266.118

Analysis of Credit Risk Net Receivables due to counterparty failure based on the approach used

		a	b	c	d	e	f
No	English	Replacement Cost (RC)	Potential Future Exposure (PFE)	EEPE	Alpha used for calculating regulatory EAD	Net Receivables	ATMR RWA
1	SA-CCR (for derivatives)	3.040	10.329		1,4	18.716	3.743
2	Internal Model Method (for derivatives 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)					N/A	N/A
5	VaR for SFTs					N/A	N/A
6	**Total**						**3.743**

Qualitative Analysis

In accordance with SEOJK Number 48/SEOJK.03/2017, Calculation of Credit Risk RWA due to counterparty failure with The Standard Approach Method for Bank Derivative Transactions uses the Replacement Cost calculation analysis method derivative transactions without margin.

DISCLOSURE OF CCR EXPOSURE BASED ON PORTFOLIO CATEGORY AND RISK WEIGHT

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Lainnya	Total Net Receivables
Portfolio Category									-
Sovereigns	2.572.152								2.572.152
Non-central government public sector entities (PSEs)									-
Multilateral development banks (MDBs)									-
Banks									-
Securities firms									-

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Lainnya	Total Net Receivables
Corporates									-
Regulatory retail portfolios									-
Other assets									-
Total	**2.572.152**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.572.152**

Qualitative Analysis

Counterparty Credit Risk exposure in December 2023 comes from repo and reverse repo instruments, classified in the Government Receivables portfolio category with a risk weight of 0%

	a	b
	Protection bought	**Protection sold**
Indonesia		
Notional Value		
Single-name credit default swaps		
Index credit default swaps		
Total return swaps		
Credit options		
Derivatif kredit lainnya		
Other credit derivatives		
Total Notional Value		
Fair Value		
Nilai wajar positif (aset)		
Nilai wajar negatif (kewajiban)		

Qualitative Analysis

As of December 2023, KB Bank has no net credit derivative claims (counterparty credit risk).

QUALITATIVE DISCLOSURES REGARDING SECURITIZATION EXPOSURES

Qualitative Disclosure

A) Banks should describe the risk management objectives and policies for securitization activities and the key features of these activities based on the framework below. If a bank has a securitization position in the statement of financial position and administrative account transactions, the bank must explain the points below with different activities in each regulatory book.	
The bank's objectives regarding securitization and re-securitization activities, including the activity of transferring credit risk of the underlying securitization exposure from the bank to another entity, the type of risk assumed and the type of risk retained.	As an effort to diversify risk, the Company places a number of portfolios in the form of securitization or Asset-Backed Securities Collective Investment Contracts (KIK EBA). The Company has carried out the first securitization of a collection of pensioner credit claims which was then transferred to the Bahana Bukopin Asset-Backed Securities Collective Investment Contract - Transferred Pensioner Credit Bill Collection (KIK EBA BB). Furthermore, KIK-EBA BB issued Asset Backed Securities (EBA) which is a form of participation in joint ownership of the Collection of Bills.

Securitization Exposure on Banking Book

		a	b	c	e	f	g	j	k
		Bank as Originator			Bank as Sponsors			Bank as Investors	
No		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	-	-	-	-	-	-	119.600	-	119.600
2	residential mortgage									
3	credit card									
4	other retail exposures							119.600		119.600
5	re-securitisation									
6	Wholesale (total) – of which	-	-	-	-	-	-		-	-
7	loans to corporates									
8	commercial mortgage									
9	lease and receivables									
10	other wholesale									
11	re-securitisation									

Qualitative Analysis

In December 2023, all of the Bank's securitization exposures can only be found in the Banking Book where the Bank is an investor

Securitization Exposure on Trading Book

		a	b	c	e	f	g	j	k
		Bank as Originator			Bank as Sponsors			Bank as Investors	
No	Indonesia	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	-	-	-	-	-	-		-	-
2	residential mortgage									
3	credit card									
4	other retail exposures									
5	re-securitisation									
6	Wholesale (total) - of which	-	-	-	-	-	-		-	-
7	loans to corporates									
8	commercial mortgage									
9	lease and receivables									
10	other wholesale									
11	re-securitisation									

Qualitative Analysis

In December 2023, the Bank has no securitization exposure in the Trading Book

Securitization exposure on the banking book when the bank is the originator or sponsor and its capital requirements

		a	b	c	d	e	f	g	h	i	
		Exposure value (based on Risk Weight)					Exposure value (based on regulatory approach)				
No		≤20% Risk Weight	>20% to 50% Risk Weight	>50% to 100% Risk Weight	>100% to <1250% Risk Weight	1250% Risk Weight	IRB RBA (include IAA)	IRB SFA	SA/ SSFA	1250%	
1	Total exposures	-	-	-	-	-		-	-	-	
2	Traditional securitisation										
3	Of which securitisation										
4	Of which retail underlying										
5	Of which wholesale										
6	Of which re-securitisation										
7	Of which senior										
8	Of which non-senior										
9	Synthetic securitisation										
10	Of which securitisation										
11	Of which retail underlying										
12	Of which wholesale										
13	Of which re-securitisation										
14	Of which senior										
15	Of which non-senior										

Qualitative Analysis

In December 2023, the Bank does not have securitization exposure in the banking book when the bank is the originator or sponsor and its capital requirements

Securitization exposure on the banking book when the bank is the originator or sponsor and its capital requirements

		a	b	c	d	e	f	g	h	i	
		Exposure value (based on Risk Weight)					Exposure value (based on regulatory approach)				
No		≤20% Risk Weight	>20% to 50% Risk Weight	>50% to 100% Risk Weight	>100% to <1250% Risk Weight	1250% Risk Weight	IRB RBA (include IAA)	IRB SFA	SA/ SSFA	1250%	
1	Total exposures			-	-	-					
2	Traditional securitisation										
3	Of which securitisation										
4	Of which retail underlying					119.600				119.600	
5	Of which wholesale										
6	Of which re-securitisation										
7	Of which senior										
8	Of which non-senior										
9	Synthetic securitisation										

	j	k	l	m	o	p	q
	ATMR (based on regulatory approach)				Capital charge after cap		
	IRB RBA (include IAA)	IRB SFA	SA/SSFA	1250%	IRB SFA	SA/SSFA	1250%
		-		-	-	-	-

	j	k	l	m	o	p	q
	ATMR (based on regulatory approach)				Capital charge after cap		
	IRB RBA (include IAA)	IRB SFA	SA/SSFA	1250%	IRB SFA	SA/SSFA	1250%
							-
				59.800			5.980

Securitization exposure on the banking book when the bank is the originator or sponsor and its capital requirements

		a	b	c	d	e	f	g	h	i	
		Exposure value (based on Risk Weight)					Exposure value (based on regulatory approach)				
No		≤20% Risk Weight	>20% to 50% Risk Weight	>50% to 100% Risk Weight	>100% to <1250% Risk Weight	1250% Risk Weight	IRB RBA (include IAA)	IRB SFA	SA/ SSFA	1250%	
10	Of which securitisation										
11	Of which retail underlying										
12	Of which wholesale										
13	Of which re-securitisation										
14	Of which senior										
15	Of which non-senior										

Qualitative Analysis

In December 2023, all Bank securitization exposures have a weight of 1250% with RWA calculations using the standard method

MARKET RISK DISCLOSURE USING STANDARD METHODS

No.	Type of Risk	2023 December Position				2022 December Position			
		Individual		Consolidation		Individual		Consolidation	
		Capital Expense	RWA	Capital Expense	RWA	Capital Expense	RWA	Capital Expense	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Interest Rate Risk								
	a.Specific Risk								
	b. General Risk	0	1	0	1	12.192	152.395	12.192	152.395
2	Exchange Risk	15.772	197.153	15.772	197.153	13.209	165.119	13.209	165.119
3	Equity Risk *)								
4	Comodity Risk*)								
5	Option Risk								
	Total Market Risk RWA	**15.772**	**197.154**	**15.772**	**197.154**	**25.401**	**317.514**	**25.401**	**317.514**
	CVA		41		41				
	Total Market Risk RWA+CVA	**15.772**	**197.195**	**15.772**	**197.195**	**25.401**	**317.514**	**25.401**	**317.514**

*) For banks that have subsidiary companies that have exposure to the risk in question

	j	k	l	m	o	p	q
	ATMR (based on regulatory approach)				Capital charge after cap		
	IRB RBA (include IAA)	IRB SFA	SA/SSFA	1250%	IRB SFA	SA/SSFA	1250%

RISK MANAGEMENT IMPLEMENTATION REPORT FOR INTEREST RATE RISK IN BANKING BOOKS

(INTEREST RATE RISK IN THE BANKING BOOK)

Qualitative Analysis

Implementation of Risk Management for the IRRBB, apart from referring to the general Risk Management implementation guidelines as regulated in the provisions of the Financial Services Authority which regulate the implementation of risk management for commercial banks, the Bank adds aspects of risk management for the IRRBB.

The risk identification process adjusted to the IRRBB is inherent in the Bank's products and activities. The Bank ensures that the process has adequate procedures and monitoring. The IRRBB identification process includes identification of IRRBB sources such as gap risk, basis risk and option risk which can affect the Bank's interest income and the economic value of the Bank's financial position, as well as available capital to anticipate the impact of the IRRBB.

In measuring IRRBB, the Bank uses 2 (two) complementary methods, namely EVE and Net Interest Income (NII) which cover interest rate shock scenarios and stress scenarios with a wide and precise range. Measurement based on changes in EVE is a method that measures the impact of changes in interest rates on the economic value of Bank equity. Measurement based on EVE is the management of interest rate risk in the long term based on the remaining term until maturity. Meanwhile, measurement based on changes in NII is a method that measures the impact of changes in interest rates on the bank's profitability (earnings), changes in interest rates can occur gradually or at one time with a large nominal shock. Measurement based on NII is interest rate risk management with a short to medium term estimation period with the assumption that the Bank is able to continue operational business (going concern perspective).

In order to control IRRBB risk, the Bank monitors the IRRBB ratio (especially in the EVE method) in accordance with regulatory provisions (Risk assessment limits as per SEOJK Number 12/SEOJK.03/2018). This needs to be done to anticipate reaching the maximum limit, in order to prevent exceeding the limits set by the regulator.

Banks simulate shocks in calculating IRRBB. IRRBB exposure measurement is carried out based on 6 (six) interest rate shock scenarios as follows:

1. Parallel shock up in interest rates;
2. Parallel downward shock in interest rates;
3. Steepener shock with a combination of decreasing short-term interest rates and increasing short-term interest rates (short rates down and long rates up);
4. Flattener shock with a combination of increasing short-term interest rates and decreasing short-term interest rates (short rates up and long rates down);
5. Short-term interest rate shock increases (short rates shock up); And
6. Short term interest rate shock decreases (short rates shock down).

The shock simulation in the IRRBB calculation using the EVE method is based on 6 (six) shock scenarios.

Meanwhile, the shock simulation in the IRRBB calculation using the NII method is based on 2 (two) shock scenarios, namely a parallel upward interest rate shock (parallel shock up) and a parallel downward interest rate shock (parallel shock down).

The Bank uses an internal method to calculate the average NMD maturity by considering the behavior of Non-Maturity Deposits (NMD). The Bank uses a simple statistical approach to determine the run of rate, volatility and sensitivity of NMD to changes in interest rates.

Quantitative Analysis

The Bank uses an internal method to calculate the average NMD maturity by considering the behavior of the NMD. Based on behavioral analysis for NMD using the bank's internal model, the average period for interest rate adjustment (repricing maturity) of NMD is a maximum of 3 (three) years, while the longest adjustment period applied for NMD is a maximum of 4 (four) years.

IRRBB CALCULATION REPORT

Bank Name	: PT Bank KB Bukopin Tbk (Individual)
Report Position	: December 2023
Currency	: IDR

In Million IDR	Δ EVE		Δ NII	
Period	**Dec-23**	**Jun-23**	**Dec-23**	**Jun-23**
Parallel up	-74.702	-68.054	-250.026	-202.156
Parallel down	-228.660	-255.337	250.026	202.156
Steepener	630.564	669.656		
Flattener	-454.999	-482.180		
Short rate up	-418.214	-435.318		
Short rate down	399.132	421.362		
Negative Maximum Value (absolute)	454.999	482.180	250.026	202.156
Tier 1 Capital (for ΔEVE) or Projected Income (for Δ NII)	7.954.561	12.050.227	3.884.648	4.281.457
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for Δ NII)	5,72%	4,00%	6,44%	4,72%

Bank Name	: PT Bank KB Bukopin Tbk (Individual)
Report Position	: December 2023
Currency	: IDR

In Million IDR	Δ EVE		Δ NII	
Period	**Dec-23**	**Jun-23**	**Dec-23**	**Jun-23**
Parallel up	27.937	36.441	-146.997	-108.742
Parallel down	-38.370	-47.578	146.997	108.742
Steepener	31.421	16.407		
Flattener	-22.353	-7.616		
Short rate up	-10.615	7.202		
Short rate down	3.086	-14.664		
Negative Maximum Value (absolute)	38.370	47.578	146.997	108.742
Tier 1 Capital (for ΔEVE) or Projected Income (for Δ NII)	7.954.561	12.050.227	205.282	398.668
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for Δ NII)	0,48%	0,39%	71.61%	27,28%

Bank Name	: PT Bank KB Bukopin Tbk (Konsolidasi)
Report Position	: December 2023
Currency	: IDR

In Million IDR	Δ EVE		Δ NII	
Period	**Dec-23**	**Jun-23**	**Dec-23**	**Jun-23**
Parallel up	-71.548	-54.553	-340.212	-302.675
Parallel down	-274.729	-320.248	340.212	302.675
Steepener	729.979	775.160		
Flattener	-524.622	-553.772		
Short rate up	-477.730	-491.496		
Short rate down	450.685	468.029		
Negative Maximum Value (absolute)	524.622	553.772	340.212	302.675
Tier 1 Capital (for ΔEVE) or Projected Income (for Δ NII)	10.035.311	13.347.080	4.473.695	4.911.227
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for Δ NII)	5,23%	4,15%	7,60%	6,16%

Bank Name	: PT Bank KB Bukopin Tbk (Konsolidasi)
Report Position	: Desember 2023
Currency	: US Dollar

In Million IDR	Δ EVE		Δ NII	
Period	**Dec-23**	**Jun-23**	**Dec-23**	**Jun-23**
Parallel up	27.937	36.441	-146.997	-108.742
Parallel down	-38.370	-47.578	146.997	108.742
Steepener	31.421	16.407		
Flattener	-22.353	-7.616		
Short rate up	-10.615	7.202		
Short rate down	3.086	-14.664		
Negative Maximum Value (absolute)	38.370	47.578	146.997	108.742
Tier 1 Capital (for ΔEVE) or Projected Income (for Δ NII)	10.035.311	13.347.080	205.282	398.668
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for Δ NII)	0,38%	0,36%	71.61%	27,28%

CALCULATION REPORT
QUARTERLY LIQUIDITY COVERAGE RATIO

Bank Name : PT Bank KB Bukopin Tbk.

Report Position : Quarter IV - 2023

(in million IDR)

No	Component	INDIVIDUAL				CONSOLIDATION			
		Quarter IV – 2023 Position		Quarter III – 2023 Position		Quarter IV – 2023 Position		Quarter III – 2023 Position	
		Outstanding value of obligations and commitments / value of contractual receivables	HQLA value after haircut or outstanding obligations and commitments multiplied by run-off rate or contractual receivables value times inflow rate	Outstanding value of obligations and commitments / value of contractual receivables	HQLA value after haircut or outstanding obligations and commitments multiplied by run-off rate or contractual receivables value times inflow rate	Outstanding value of obligations and commitments / value of contractual receivables	HQLA value after haircut or outstanding obligations and commitments multiplied by run-off rate or contractual receivables value times inflow rate	Outstanding value of obligations and commitments / value of contractual receivables	HQLA value after haircut or outstanding obligations and commitments multiplied by run-off rate or contractual receivables value times inflow rate
1.	Number of Points data used in the calculation of LCR		63 days	0	62 days		63 days	0	62 days
HIGH QUALITY LIQUID ASSET (HQLA)									
2.	Total High Quality Liquid Asset (HQLA)		13.792.918	0	14.636.862		15.670.386	0	16.692.850
ARUS KAS KELUAR (CASH OUTFLOWS)									
3.	Individual Deposit and SME Deposit, consist of:	11.369.453	913.730	11.265.299	890.802	13.724.099	1.089.506	13.741.622	1.074.451
	a. Stable Deposits	4.464.300	223.215	4.714.560	235.728	5.658.073	282.904	5.994.225	299.711
	b. Non-Stable Deposit	6.905.153	690.515	6.550.739	655.074	8.066.027	806.603	7.747.398	774.740
4.	Wholesale Deposit, consist of	8.673.055	3.737.795	7.564.630	3.073.084	11.317.050	5.630.440	10.151.006	4.849.435
	a. operational deposits	5.071.989	1.128.580	4.684.529	938.204	5.611.743	1.208.839	5.283.437	1.045.672
	b. Non Operational Deposit and/or liabilities which are non operational	3.601.066	2.609.215	2.880.102	2.134.880	5.705.306	4.421.601	4.867.569	3.803.763
	c. Bonds issued (unsecured)	-		-	-	-	-	-	-
5.	Secured funding		-	0	-		-	0	-
6.	Additional Requirement Cash Outflow, consist of:	17.136.557	11.146.922	16.794.484	10.999.313	17.163.522	11.173.888	16.867.234	11.072.063
	a. Derivative Cash Outflow	2.219.012	2.219.012	2.142.404	2.142.404	2.219.012	2.219.012	2.142.404	2.142.404
	b. Cash Outflow due to an increased in liquidity demand	-	-	-	-	-	-	-	-

(in million IDR)

No	Component	INDIVIDUAL				CONSOLIDATION			
		Quarter IV – 2023 Position		Quarter III – 2023 Position		Quarter IV – 2023 Position		Quarter III – 2023 Position	
		Outstanding value of obligations and commitments / value of contractual receivables	HQLA value after haircut or outstanding obligations and commitments multiplied by run-off rate or contractual receivables value times inflow rate	Outstanding value of obligations and commitments / value of contractual receivables	HQLA value after haircut or outstanding obligations and commitments multiplied by run-off rate or contractual receivables value times inflow rate	Outstanding value of obligations and commitments / value of contractual receivables	HQLA value after haircut or outstanding obligations and commitments multiplied by run-off rate or contractual receivables value times inflow rate	Outstanding value of obligations and commitments / value of contractual receivables	HQLA value after haircut or outstanding obligations and commitments multiplied by run-off rate or contractual receivables value times inflow rate
	c. Cash Outflow due to loss of Funding	-	-	-	-	-	-	-	-
	d. Cash Outflow due to withdrawal from credit facility and liquidity facility	689.278	68.928	790.171	79.017	689.278	68.928	790.171	79.017
	e. Cash Outflow due to contractual obligation on channeling Funds	-	-	-	-	-	-	-	-
	f. Cash Outflow due to Contingency	5.418.333	49.049	5.139.254	55.238	5.418.333	49.049	5.139.254	55.238
	g. Contractual cash outflow	8.809.933	8.809.933	8.722.654	8.722.654	8.836.899	8.836.899	8.795.404	8.795.404
7.	CASH OUTFLOWS		15.798.447	0	14.963.200		17.893.834	0	16.995.949
CASH INFLOWS									
8.	Deposit with Secured Lending Collateral	-	-	-	-	-	-	-	-
9.	Inflows from fully Performing Exposures	4.832.733	3.978.013	5.170.416	4.203.199	4.901.892	4.012.592	5.239.878	4.237.930
10.	Contractual cash inflow	778.885	778.885	867.361	867.361	778.885	778.885	867.361	867.361
11.	**CASH INFLOWS**	5.611.618	4.756.898	6.037.777	5.070.560	5.681.879	4.792.029	6.107.239	5.105.291
			TOTAL ADJUSTED VALUE[1]		**TOTAL ADJUSTED VALUE[1]**		**TOTAL ADJUSTED VALUE[1]**		**TOTAL ADJUSTED VALUE[1]**
12.	**TOTAL HQLA**		13.792.918		14.636.862		15.670.386		16.692.850
13.	**NET CASH OUTFLOWS**		11.041.549		9.892.640		13.101.806		11.890.659
14.	LCR (%)		124,92%		147,96%		119.60%		140,39%

Note: [1] Adjusted value is calculated after applying haircuts, run-off rates and inflow rates as well as maximum limits for HQLA components, for example maximum limits for HQLA Level 2B and HQLA Level 2 as well as maximum current limits. incoming cash that can be taken into account in LCR.

The outstanding value for Quarter IV 2023 is the average LCR during working days from October to December 2023 (63 data points).

The outstanding value for Quarter III 2023 is the average LCR during working days from July to September 2023 (62 data points).

The Liquidity Coverage Ratio calculation above was made based on POJK No. 42/POJK.03/2015 concerning the Obligation to Fulfill the Liquidity Coverage Ratio for Commercial Banks and Financial Services Authority Regulation Number 37/POJK.03/2019 concerning Transparency and Publication of Bank Reports and Publication of Bank Reports and presented in accordance with the Circular Letter Financial Services Authority Number 9/SEOJK.03/2020 concerning Transparency and Publication of Conventional Commercial Bank Reports.

CALCULATION ANALYSIS

OBLIGATIONS TO FULFILL QUARTERLY LIQUIDITY COVERAGE RATIO

Bank Name: PT Bank KB Bukopin Tbk.

Report Position: Quarter IV – 2023

Individual Analysis

The calculation of Bank KB Bukopin's Liquidity Coverage Ratio (LCR) (Individual) for the period Quarter IV - 2023 uses average daily position data for October to December 2023. The LCR of Bank KB Bukopin individually for Quarter IV - 2023 is 124.92%, decreased -23.04% when compared to the LCR in Quarter III - 2023 which was 147.96%. This ratio is above the provisions that have been set as regulated in POJK No.42/POJK.03/2015 concerning the Obligation to Fulfill the Liquidity Coverage Ratio for Commercial Banks, namely 100%.

The composition of High Quality Liquid Assets (HQLA) owned by the Bank on average throughout Quarter IV - 2023 is dominated by Placements with Bank Indonesia (BI) amounting to 23.82% and Securities issued by the Central Government and Bank Indonesia amounting to 74.36% . Compared to Quarter III - 2023, total HQLA decreased by IDR. 843.94 billion (-5.77%) from Rp. 14.63 trillion in Quarter III - 2023 to Rp. 13.79 trillion in Quarter IV - 2023, mainly due to a decrease in Placements with Bank Indonesia decreased by Rp. 551.12 billion (-36.71%) and the decline in Securities issued by the Central Government and Bank Indonesia decreased by Rp. 217.46 billion (-2.08%).

The average Net Cash Outflow throughout Quarter IV - 2023 is IDR. 11.04 trillion, an increase of Rp. 1.14 trillion (11.61%) compared to Quarter III - 2023. The increase in Net Cash Outflow was mainly due to an increase in Cash Outflow and a decrease in Cash Inflow. Cash Outflow increased by Rp. 835.25 billion (5.58%), which was caused by an increase in Corporate Deposits of Rp. 664.71 billion (21.63%) (value after run-off rate), increase in Other Contractual Cash Outflows of Rp. 87.28 billion (value after run-off rate) and an increase in other Cash Outflows related to Derivative Transactions of Rp. 76.60 billion (3.58%). Meanwhile, Cash Inflow decreased by Rp. 313.66 billion (-6.19%), which was caused by a decrease in Counterparty Claims in the form of placements with other banks amounting to Rp. 112.68 billion (-3.48%) (value after run-off rate).

The Bank internally monitors the funding concentration ratio and continues to make funding diversification efforts as a mitigation measure to maintain deposit stability, especially to increase medium to long term funding and by reducing types of deposits that have high interest rates (such as term deposits and savings/ Demand deposits with premium interest rates). This diversification program has been carried out by Bank KB Bukopin since last year and will continue in 2023 in accordance with the Bank's Business Plan.

In managing liquidity, the Bank has identified, measured, monitored and controlled liquidity risks on a regular basis, by involving other related work units, such as Treasury, Corporate Business and Retail-SME. As part of implementing liquidity risk management in various conditions, Bank KB Bukopin also has an Emergency Funding Plan policy which contains steps that must be taken by Bank Bukopin to anticipate and deal with changes in liquidity conditions as well as daily monitoring.

In general, based on the calculations and comparisons above, short-term liquidity risk is relatively small (the LCR ratio is quite far above 100% according to regulatory requirements). However, we see that potential risks remain where the trend of bank deposit movements is an important component in the LCR.

Therefore, Banks need to maintain a balanced balance sheet structure, especially in the composition of short-term tenors and diversify Third Party Funds into business segments that have a smaller run-off rate (to increase LCR through reducing Cash Outflow).

CALCULATION ANALYSIS

OBLIGATIONS TO FULFILL QUARTERLY LIQUIDITY COVERAGE RATIO

Bank Name: PT Bank KB Bukopin Tbk.

Report Position: Quarter IV - 2023

Consolidated Analysis

The calculation of Bank KB Bukopin's Liquidity Coverage Ratio (LCR) (Consolidated) for the period Quarter IV - 2023 uses average daily position data for October to December 2023. The consolidated LCR of Bank KB Bukopin for Quarter IV - 2023 is 119.62%, decreased -20.77% when compared to the LCR in Quarter III - 2023 which was 140.39%. This ratio is above the provisions that have been set as regulated in POJK No.42/P OJK.03/2015 concerning the Obligation to Fulfill the Liquidity Coverage Ratio for Commercial Banks, namely 100%.

The composition of High Quality Liquid Assets (HQLA) owned by the Bank on average throughout Quarter IV - 2023 is dominated by Placements with Bank Indonesia (BI) amounting to 27.11% and Securities issued by the Central Government and Bank Indonesia amounting to 68.66% . Compared to Quarter III - 2023, total HQLA decreased by IDR. 1.02 trillion (-6.13%) from Rp. 16.69 trillion in Quarter III - 2023 to Rp. 15.67 trillion in Quarter IV - 2023, mainly due to a decrease in Placements with Bank Indonesia decreasing by Rp. 250.93 billion (-5.58%) and the decline in ownership of Securities issued by the Central Government and Bank Indonesia decreased by Rp. 469.38 billion (-4.18%).

The average Net Cash Outflow throughout Quarter IV - 2023 is IDR. 13.10 trillion, an increase of Rp. 1.21 trillion (+10.17%) compared to Quarter III - 2023. The increase in Net Cash Outflow was mainly due to an increase in Cash Outflow and a decrease in Cash Inflow. Cash Outflow increased by Rp. 895.55 billion (5.27%), which was caused by an increase in Corporate Deposits of Rp. 781.00 billion (16.11%) (value after run-off rate), increase in Other Contractual Cash Outflows of Rp. 39.15 billion (value after run-off rate) and other cash outflows related to derivative transactions amounting to Rp. 76.61 billion (3.58%). Meanwhile, Cash Inflow decreased by Rp. 313.81 trillion (-6.15%), which was caused by a decrease in Counterparty Claims in the form of placements with other banks amounting to Rp. 112.68 billion (-3.48%) (value after run-off rate).

LCR Consolidation is dominated by HQLA and Net Cash Outflow PT Bank KB Bukopin as controlling shareholders. The average HQLA and Net cash Outflow of Bank KB Bukopin is in the range of 80% to 90%. Therefore, movements in the LCR component of Bank KB Bukopin are the main determinant in the increase/decrease in the Consolidated LCR. Thus, in the future, as stated in the Individual LCR analysis, diversification of Bank KB Bukopin's DPK remains a recommended action plan in order to improve the LCR in the future.

In general, the analysis per subsidiary, for each component, is as follows:
- Bank KB Bukopin Syariah from the HQLA side is dominated by Placements with Bank Indonesia and Securities issued by the Government and Bank Indonesia (Sukuk), meanwhile from the Net Cash Outflow side it is determined more by Cash Outflow in the SME and Corporate customer savings component.
- KB Bukopin Finance from the HQLA side is dominated by Cash and Cash Equivalents, while from the Net Cash Outflow side it is determined more by Cash Outflow in other contractual cash outflow components.

In managing liquidity, the Bank has identified, measured, monitored and controlled liquidity risks on a regular basis, by involving other related work units and through coordination with subsidiaries (KB Bukopin Syariah and KB Bukopin Finance).

As part of implementing liquidity risk management in various conditions, Bank KB Bukopin also has an Emergency Funding Plan policy which contains steps that Bank Bukopin must take to anticipate and deal with changes in liquidity conditions.

OBLIGATIONS TO FULFILL THE NET STABLE FUNDING RATIO (NET STABLE FUNDING RATIO)

Bank Name : PT Bank KB Bukopin Tbk (Individual)

Report Position : December 2023

ASF Components		Previous Report Date Position (Quarter III – 2023)					Report Date Position (Quarter IV – 2023)				
		Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount	Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount
		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year	
1	Capital:	28.783.133	1.404.180	-	3.106.991	31.890.124	28.792.829	1.404.667	-	2.935.982	31.728.811
2	Capital according to POJK KPMM	28.783.133	1.404.180	-	3.106.991	31.890.124	28.792.829	1.404.667	-	2.935.982	31.728.811
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-
4	Deposits from individual customers and funding from micro and small business customers:	6.249.909	12.185.652	935.261	310.193	18.017.217	7.340.222	12.914.304	1.432.203	300.525	20.073.082
5	Stable deposits and funding	3.115.363	2.258.840	91.465	60.173	5.252.556	3.002.561	1.906.695	180.794	53.122	4.888.669
6	Deposits and funding which are less stable	3.134.547	9.926.813	843.797	250.020	12.764.661	4.337.660	11.007.609	1.251.409	247.403	15.184.413
7	Funding from corporate customers:	2.330.733	14.831.188	203.107	157.131	6.240.387	1.788.962	14.261.581	937.449	61.390	6.499.343
8	Operational deposits	1.071.250	382.949	27.227	10.000	750.713	616.378	329.052	75.451	10.000	520.441
9	Other funding from corporate customers	1.259.483	14.448.239	175.880	147.131	5.489.674	1.172.584	13.932.529	861.998	51.390	5.978.902

ASF Components		Previous Report Date Position (Quarter III – 2023)					Report Date Position (Quarter IV – 2023)				
		Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount	Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount
		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year	
10	Liabilities that have a pair of interdependent assets	-	-	-	-	-	-	-	-	-	-
11	Other liabilities and equities										
12	Other liabilities and equities					-					
13	Other equity and liabilities that are not included in the above categories	-	4.431.624	8.787.135	5.647.928	10.041.495	-	3.432.451	9.951.206	6.175.405	11.151.008
14	Total ASF					66.189.223					69.452.244

REPORT

OBLIGATIONS TO FULFILL THE NET STABLE FUNDING RATIO (NET STABLE FUNDING RATIO)

Bank Name: PT Bank KB Bukopin Tbk (Individual)

Report Position: December 2023

ASF Components		Previous Report Date Position (Quarter III – 2023)					Report Date Position (Quarter IV – 2023)				
		Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount	Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount
		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year	
15	Total HQLA in order to calculate NSFR					517.979					513.980
16	Deposits with other financial institutions for operational purposes	106.500	-	-	-	53.250	126.926	-	-	-	63.463
17	Loans with Current and Special Mention categories (performing)	249.101	5.052.106	3.873.216	36.469.152	36.230.918	240.415	4.818.974	6.031.570	35.835.846	36.364.126
18	To financial institutions guaranteed by HQLA Level 1	-	8.499	8.168	9.422	14.356	-	280.683	11.886	11.035	45.046
19	To financial institutions that are guaranteed not with HQLA Level 1 and loans to financial institutions without collateral	249.101	348.317	153.490	1.196.305	1.362.663	240.415	110.898	444.876	931.683	1.206.818

ASF Components		Previous Report Date Position (Quarter III – 2023)					Report Date Position (Quarter IV – 2023)				
		Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount	Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount
		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year	
20	To non-financial corporations, retail customers and micro and small business customers, the central government, governments of other countries, Bank Indonesia, central banks of other countries and public sector entities, which include:	-	3.870.120	3.478.733	25.152.365	25.053.936	-	3.039.781	3.533.176	24.008.502	23.684.374
21	Meet the qualifications to get a risk weight of 35% or less, according to SE OJK RWA for Credit Risk	-	-	-	-	-	-	555.946	1.826.720	208.753	1.327.022
22	Meet the qualifications to get a risk weight of 35% or less, according to SE OJK RWA for Credit Risk	-	394.010	115.307	2.017.518	1.969.549	-	80.916	51.129	1.316.984	1.185.459
23	Meet the qualifications to get a risk weight of 35% or less, according to SE OJK RWA for Credit Risk	-	118.307	117.518	1.439.362	1.053.497	-	328.371	159.074	2.477.311	1.853.975
24	Securities with the categories of Current and Substandard (performing) that are not being pledged as collateral, are not in default, and are not listed as HQLA,including shares traded on the exchange	-	312.853	-	6.654.181	6.776.917	-	422.379	4.710	6.881.578	7.061.433
25	Assets that have a pair of interdependent liabilities	-	-	-	-	-	-	-	-	-	-
26	Other assets:	-	25.565.116	81.015	1.760.106	27.406.237	-	27.702.886	36.236	1.787.500	29.526.621
27	Traded physical commodities, including gold	-				-	-				-
28	Cash, marketable securities and other assets recorded as initial margin for derivative contracts and cash or other assets submitted as default funds to the central counterparty (CCP)					-					
29	NSFR derivative assets					-					

ASF Components		Previous Report Date Position (Quarter III – 2023)					Report Date Position (Quarter IV – 2023)				
		Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount	Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount
		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year	
30	NSFR of derivative payables before deducting variation margin					-					
31	All other assets that are not included in the above categories	-	25.565.116	81.015	1.760.106	27.406.237	-	27.702.886	36.236	1.787.500	29.623.489
32	Administrative Account				6.298.556	68.717			5.662.259		60.731
33	**Total RSF**					**64.277.102**					**66.135.945**
34	**Net Stable Funding Ratio (%)**					**102,97%**					**104.99%**

Individual Analysis

The Net Stable Funding Ratio (NSFR) of PT Bank KB Bukopin, Tbk individually as of December 2023 was 104.99%, an increase of 2.01% compared to the position at the end of September 2023 with an NSFR value of 102.97%. In the December 2023 position, KB Bukopin Bank Individual NSFR is above the regulator's provisions (100%) in accordance with Financial Services Authority Regulation No. 50/POJK.03/2017 concerning the Obligation to Fulfill the Net Stable Funding Ratio for Commercial Banks.

Total Available Stable Funding (ASF) at the end of December 2023 is IDR. 69.43 trillion (weighted value) with the largest component coming from deposits originating from individual customers and micro and small businesses amounting to Rp. 20.07 trillion (28.91%) (weighted value) and capital of Rp. 31.70 trillion (45.66%) (weighted value).

Compared to the position at the end of September 2023, the total ASF has increased by IDR. 3.25 trillion (4.90%) which was mainly caused by:
- Increase in deposits originating from individual customers and micro and small businesses by IDR. 2.05 trillion (weighted value).
- Increase in deposits originating from corporate customers by Rp. 258.95 billion (weighted value) and
- Increase in Equity and other liabilities amounting to Rp. 1.12 trillion (weighted value).

Total Required Stable Funding (RSF) at the end of December 2023 is IDR. 66.13 trillion (weighted value) with the largest component coming from loans in the current and special attention category (performing) and securities that are not in default (default) amounting to Rp. 35.87 trillion (54.24%) (weighted value) and other assets of Rp. 29.62 trillion (44.79%) (weighted value).

Compared to the position at the end of September 2023, the total RSF has increased by IDR. 1.83 trillion which is mainly caused by:
- Increase in other Asset components by Rp. 2.22 trillion (weighted value).
- Increase in the Loan component in the current and special mention categories (performing) and securities that are not in default (default) by IDR. 356.64 billion (weighted value).

In this period the Bank did not have an interdependent composition of assets and liabilities and linkages between transactions.

The Bank still needs to maintain a balanced balance sheet structure, especially in the composition of medium-long term tenor funding sources, as well as diversify Third Party Funds in business segmentations that have a greater ASF Factor weight (to increase NSFR). Meanwhile, from the RSF side, credit quality management is also expected to improve the NSFR ratio through an increase in Current Quality Loans.

REPORT ON OBLIGATIONS FOR FULFILLMENT OF NET STABLE FUNDING RATIO (NET STABLE FUNDING RATIO)

Bank Name: PT Bank KB Bukopin Tbk (Consolidated)

Report Position: December 2023

(in million IDR)

ASF Components		Previous Report Date Position (Quarter III – 2023)					Report Date Position (Quarter IV – 2023)				
		Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount	Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount
		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year	
1	Capital:	30.235.928	1.404.180	-	3.201.424	33.437.352	30.309.048	1.404.667	-	3.002.910	33.311.958
2	Capital according to POJK KPMM	30.235.928	1.404.180	-	3.201.424	33.437.352	30.309.048	1.404.667	-	3.002.910	33.311.958
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-
4	Deposits from individual customers and funding from micro and small business customers:	6.815.756	14.099.753	1.035.726	310.193	20.404.909	7.938.184	14.638.082	1.693.939	300.525	22.473.739
5	Stable deposits and funding	3.433.970	3.159.717	178.401	60.173	6.493.657	3.353.570	2.860.598	386.421	53.122	6.323.681
6	Deposits and funding which are less stable	3.381.786	10.940.035	857.325	250.020	13.911.252	4.584.615	11.777.485	1.307.517	247.403	16.150.058
7	Funding from corporate customers:	2.825.093	18.177.217	389.160	181.273	7.160.429	2.177.046	16.526.446	1.756.629	61.390	7.357.937
8	Operational deposits	1.491.438	534.137	205.280	34.142	1.149.570	895.265	473.052	85.451	10.000	736.884
9	Other funding from corporate customers	1.333.655	17.643.080	183.880	147.131	6.010.859	1.281.781	16.053.394	1.671.178	51.390	6.621.053
10	Liabilities that have a pair of interdependent assets	-	-	-	-	-	-	-	-	-	-
11	Other liabilities and equities	-	4.732.508	8.816.979	5.697.708	10106197,42	-	4.561.117	9.970.769	6.238.426	11.223.810
12	NSFR derivative payables				-					-	
13	Other equity and liabilities that are not included in the above categories	-	4.732.508	8.816.979	5.697.708	10.106.197	-	4.561.117	9.970.769	6.238.426	11.223.810
14	Total ASF					71.108.888					74.367.444

REPORT

OBLIGATIONS TO FULFILL THE NET STABLE FUNDING RATIO (NET STABLE FUNDING RATIO)

Bank Name: PT Bank Bukopin Tbk (Consolidated)

Report Position: December 2023

(dalam Jutaan Rupiah)

ASF Components		Previous Report Date Position (Quarter III – 2023)					Report Date Position (Quarter IV – 2023)				
		Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount	Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount
		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year	
15	Total HQLA in order to calculate NSFR					603.235					530.872
16	Deposits with other financial institutions for operational purposes	138.671	-	-	-	69.335	156.271	-	-	-	78.136
17	Deposits with other financial institutions for operational purposes Loans with Current and Special Mention categories (performing)	249.101	5.604.404	4.187.325	41.229.955	40.692.229	240.415	5.155.159	6.542.740	40.000.411	40.287.762
18	To financial institutions guaranteed by HQLA Level 1	-	8.499	8.168	9.422	14.356	-	33.517	-	51.682	55.034
19	To financial institutions that are guaranteed not with HQLA Level 1 and loans to financial institutions without collateral	249.101	348.317	153.490	1.196.305	1.362.663	240.415	359.805	457.093	1.019.634	1.338.214

(dalam Jutaan Rupiah)

	ASF Components	Previous Report Date Position (Quarter III – 2023)					Report Date Position (Quarter IV – 2023)				
		Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount	Carrying Amount Based on Remaining Term (In IDR Million)				Total Weighted Amount
		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year		No Term[1]	< 6 months	> 6 months - <1 year	> 1 year	
20	To non-financial corporations, retail customers and micro and small business customers, the central government, governments of other countries, Bank Indonesia, central banks of other countries and public sector entities, which include:	-	4.422.034	3.791.421	29.820.293	29.453.977	-	3.312.206	4.779.918	27.781.241	27.650.786
21	Meet the qualifications to get a risk weight of 35% or less, according to SE OJK RWA for Credit Risk	-	-	-	-	-	-	627.050	1.086.168	444.818	1.145.741
22	Residential backed loans that are not being pledged as collateral, which include:	-	394.010	115.307	2.017.518	1.969.549	-	71.464	51.129	1.225.409	1.102.895
23	Meet the qualifications to get a risk weight of 35% or less, according to SE OJK RWA for Credit Risk	-	118.691	118.939	1.532.236	1.114.768	-	328.738	163.721	2.596.048	1.933.661
24	Securities with the categories of Current and Substandard (performing) that are not being pledged as collateral, are not in default, and are not listed as HQLA,including shares traded on the exchange	-	312.853	-	6.654.181	6.776.917	-	422.379	4.710	6.881.578	7.061.433
25	Assets that have a pair of interdependent liabilities	-	-	-	-	-	-	-	-	-	-
26	Other assets:	-	26.140.277	86.782	2.060.872	28.287.931	-	28.369.440	38.397	1.967.832	30.375.669
27	Traded physical commodities, including gold	-				-	-				-
28	Cash, marketable securities and other assets recorded as initial margin for derivative contracts and cash or other assets submitted as default funds to the central counterparty (CCP)				-	-				-	-
29	NSFR derivative assets				-	-				-	-
30	NSFR of derivative payables before deducting variation margin				-	-				-	-
31	All other assets that are not included in the above categories	-	26.140.277	86.782	2.060.872	28.287.931	-	28.369.440	38.397	1.967.832	30.375.669
32	Administrative Account				7.727.427	140.161				7.523.720	153.804
33	**Total RSF**					**69.792.892**					**71.426.243**
34	Net Stable Funding Ratio (%)					101,89%					104,12%

Analysis by Consolidation

The Consolidated Net Stable Funding Ratio (NSFR) of PT Bank KB Bukopin, Tbk as of the end of December 2023 was 103.74%, an increase of 1.86% compared to the position at the end of September 2023 with a Consolidated NSFR value of 101.89%. As of December 2023, the Bank's consolidated NSFR is above the regulator's provisions (100%) in accordance with Financial Services Authority Regulation No. 50/POJK.03/2017 concerning the Obligation to Fulfill the Net Stable Funding Ratio for Commercial Banks.

Total Available Stable Funding (ASF) at the end of December 2023 is IDR. 74.50 trillion (weighted value) with the largest component coming from capital amounting to Rp. 33.41 trillion (44.85%) (weighted value) and savings originating from individual customers and micro and small businesses amounting to Rp. 22.47 trillion (30.16%) (weighted value).

Compared to the position at the end of September 2023, the total ASF has increased by IDR. 3.39 trillion mainly caused by:
- Increase in the savings component originating from individual customers and micro and small businesses by IDR. 2.06 trillion (weighted value);
- Increase in the Funding component originating from corporate customers by IDR. 233.88 billion (weighted value) and
- Increase in the Funding component originating from equity and other liabilities amounting to Rp. 1.11 trillion (weighted value).

Total Required Stable Funding (RSF) at the end of December 2023 is IDR. 71.81 trillion (weighted value) with the largest component coming from loans in the current and special attention category (performing) and securities that are not in default (default) amounting to Rp. 40.77 trillion (56.77%) (weighted value) and other assets of Rp. 30.28 trillion (42.17%) (weighted value).

Compared to the position at the end of September 2023, the total RSF has increased by IDR. 2.02 trillion mainly caused by:
- Increase in the Loan component in the current and special mention categories (performing) and securities that are not in default (default) by IDR. 78.30 billion (weighted value).
- Increase in other Asset components by Rp. 1.99 trillion (weighted value).

In this period the Bank did not have an interdependent composition of assets and liabilities and linkages between transactions.

On a consolidated basis, NSFR is dominated by ASF and RSF PT. Bank KB Bukopin as controlling shareholder. The average composition of Bank KB Bukopin's ASF and RSF relative to the consolidated figure is more than 80%. Therefore, movements in the NSFR component of Bank KB Bukopin are the main determinant in the increase/decrease in the Consolidated NSFR. Thus, in the future, as stated in the Individual NSFR analysis, diversification of Bank KB Bukopin's third party funds with medium term tenors and certain segmentation, is a recommended action plan in order to maintain NSFR in the future. Nevertheless, Bank KB Bukopin Syariah as a subsidiary which has quite good Third Party Fund potential, is expected to be able to support the increase in Consolidated NSFR through increasing stable Sharia-based funding sources..

CONSOLIDATED ENCUMBRANCE

in million IDR

	a	b	c	d
	Encumbered	**assets held or contracted with the central bank but not yet used to generate liquidity**	**unencumbered**	**Total**
Assets in the statement of financial position	-	16.415.904	2.012.802	18.428.706

Qualitative Analysis

Encumbered assets are bank assets that are limited for liquidity needs, legally and contractually by the Bank when stressful conditions occur. Encumbered Assets do not include assets that are stored or agreed with Bank Indonesia but have not been used to generate liquidity. The Bank has no tied assets in Quarter IV - 2023.

Referring to the explanation of POJK No 42/POJK.03/2015 concerning the Obligation to Fulfill the Liquidity Coverage Ratio for Commercial Banks, article 9 paragraph (3) letter a, examples of assets that are stored or agreed with Bank Indonesia but have not been used for generating liquidity is the secondary reserve requirement (now the Macroprudential Liquidity Buffer). As of December 2023, the Bank (Consolidated) has a Primary Statutory Reserve of IDR 3.20 trillion and a Secondary Statutory Reserve or Macroprudential Liquidity Buffer (PLM) of IDR 13.21 trillion, which is all government securities owned by the Bank.

Unrestricted assets are assets that meet the qualifications as HQLA as intended in the Financial Services Authority Regulation concerning the obligation to fulfill the liquidity adequacy ratio (Liquidity Coverage Ratio). Currently the Bank (consolidated) has unrestricted assets in the form of Cash, Placements with Bank Indonesia other than GWM and Securities amounting to IDR 2.01 trillion.

LIQA - Liquidity Risk Management

Qualitative disclosure

1 Liquidity risk management governance, including: risk tolerance; liquidity risk management's structure and responsibility; internal liquidity reporting; and communication of liquidity risk strategies, policies and practices across business lines and with the Board of Directors.

a. Risk Tolerance

The formulation of Bank Bukopin's Risk Apetite and Risk Tolerance Liquidity Risk is adequate and adjusted to the strategic objectives and complexity of the Bank's business activities. The determination of the Risk Appetite limit includes, among others, the Liquidity Coverage Ratio (LCR) limit, the Net Stable Funding Ratio (NSFR) limit, and the Macroprudential Intermediation Ratio (RIM) limit. The determination of the risk appetite limit is proposed by the Risk Management Unit (SKMR) and approved by the Board of Directors and Commissioners through the Risk Management Committee (KMR) and the Risk Monitoring Committee (KPR). Furthermore, if the limit is exceeded, the Risk Management Unit (SKMR) will coordinate with the relevant Business Units to prepare an action plan.

LIQA - Liquidity Risk Management

Qualitative disclosure

b. Liquidity Risk Management Structure and Responsibilities

The Bank has set the organizational structure, adequacy of equipment and completeness of functions/units related to the implementation of liquidity risk management in accordance with the characteristics and complexity of the Bank's business activities. The functions or units involved in liquidity risk management, both in terms of business and supporting, are illustrated in the organizational structure, and the authority of each function is listed in the job description for each function. The delegation of authority in liquidity risk management is controlled, among others, by setting transactional limits.The person in charge of Liquidity Risk management is the Business Unit that has activities that are directly exposed to Liquidity Risk. Furthermore, the Risk Management Unit (SKMR) performs the process of identifying, measuring, monitoring, and reporting Liquidity Risk independently. The Board of Directors and Board of Commissioners are responsible for ensuring that the implementation of Liquidity Risk management is in accordance with strategic objectives, business characteristics and complexity, as well as Liquidity Risk profile

c. Internal Liquidity Reporting and Strategy Communication

The Bank has an adequate Risk Management Information System for reporting purposes related to Liquidity Risk. In general, the Bank has submitted and reported information related to risk management for Liquidity Risk which consists of: liquidity ratios, cash flow and maturity profiles, liquidity stress testing, Liquidity Risk Profiles, as well as other information related to the Bank's Liquidity position and Bank compliance with Liquidity Risk policies and procedures. All information is submitted to the relevant Business Units as well as the Board of Directors and Board of Commissioners through the Bank's internal information system and regular Risk Management Committee (KMR) and Risk Monitoring Committee (KPR) meetings. The Risk Management Unit (SKMR) will then coordinate periodically with the relevant Business Units that manage Liquidity Risk in the event of a policy or limit for Liquidity Risk being exceeded, and develop an action plan.

d. Liquidity Risk Policies and Practices Across Business Lines and with the Board of Directors

The liquidity risk management strategy policy is contained in Bank Bukopin's Risk Management Policy, Bank Bukopin's Market and Liquidity Risk Management Policy and Emergency Funding Plan Policy as well as other separate provisions at the risk-taking unit level. Business Units exposed to Liquidity Risk will convey information regarding the condition of macroeconomic indicators and business projections through the Asset and Liability Committee (ALCO) meeting, then a liquidity risk strategy will be determined through the ALCO and Risk Management Committee meeting mechanisms. The liquidity risk management policy in the form of ALCO and Risk Management Committee decisions will be submitted to other relevant Branches and Divisions. The Board of Directors performs active supervision on a daily basis and ensures that the implementation of risk management for Liquidity Risk has been operated according to its objectives with the assistance of the Risk Management Unit. Monitoring is carried out on a daily or monthly basis on liquidity conditions, including monitoring of ratios related to liquidity risk through reports submitted by the relevant divisions, as well as evaluating the adequacy of information presented for assessing liquidity conditions.

2 Funding strategy, including diversification source policy and funding tenor, and whether the funding strategy is centralized or decentralized

In general, access to funding sources that can be utilized by the Bank includes inter-bank loans, securities repo, FX SWAP, sale of securities, and loans from other parties. Since mid-December 2013, Bank Bukopin has become one of the participating banks in signing the Mini Master Repo Agreement (MRA) which will further expand alternative access to non-TPF funding sources to strengthen liquidity management. In addition, the signing of Indonesia's Global Master Repurchase Agreement (GMRA) with several banks will also expand alternative access to non-TPF funding sources.

3 Liquidity Risk Mitigation Techniques

The Bank mitigates liquidity risk by periodically monitoring the liquidity risk limits that have been determined in the policy. If the limit is exceeded, the Risk Management Work Unit will coordinate with the Business Unit regarding the action plan that will be carried out to improve the condition so that it returns to compliance with the limit provisions. In addition, the Bank reviews or updates limits, policies and procedures to adapt to updates to regulatory regulations or strategies and the complexity of the Bank's business activities.

4 Explanation of How Stress-test is Implemented

Liquidity Stress Testing is implemented to measure the resilience of capital and the Bank's ability to meet liquidity needs in crisis conditions by using stress test scenarios specifically (Bank specific scenario) and stress on the market (general market stress scenario). There are Guidelines for the Implementation of the Liquidity Risk Stress Test as well as directions from the Board of Directors on the implementation of the Liquidity Stress Test which is manifested in the approval and response to the Liquidity Stress Test Report.

5 Outline of the Bank's Urgent Funding Plan

To control liquidity in crisis conditions, the Bank continuously monitors the Bank's liquidity conditions carried out by Enterprise Risk Management. If the Bank's liquidity condition is in a crisis condition, the Bank will activate the Emergency Funding Plan. The Emergency Funding Plan contains steps that must be taken by the Bank in order to anticipate and deal with changes in liquidity conditions so that the Bank can continue to fulfill every agreed financial obligation in a timely manner and maintain the continuity of the Bank's business processes.

OPERATIONAL RISK DISCLOSURE - BANK INDIVIDUALLY

No.	Implemented Approaches	December 31, 2023			December 31, 2022		
		Business Indicator (Average in the last 3 months)	Capital Expenditure	RWA	Business Indicator (Average in the last 3 months)	Capital Expenditure	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Pendekatan Indikator Dasar	1.398.876,13	167.865,14	2.098.314,20	1.358.605,65	203.790,85	2.547.385,60
	Total	**1.398.876,13**	**167.865,14**	**2.098.314,20**	**1.358.605,65**	**203.790,85**	**2.547.385,60**

OPERATIONAL RISK DISCLOSURE - BANK CONSOLIDATED WITH SUBSIDIARIES

(in million IDR)

No.	Implemented Approaches	December 31, 2023			December 31, 2022		
		Business Indicator (Average in the last 3 months)	Capital Expenditure	RWA	Business Indicator (Average in the last 3 months)	Capital Expenditure	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Pendekatan Indikator Dasar	1.562.930,07	187.551,61	2.344.395,10	1.636.291,89	245.443,78	3.068.047,29
	Total	**1.562.930,07**	**187.551,61**	**2.344.395,10**	**1.636.291,89**	**245.443,78**	**3.068.047,29**

OPERATIONAL RISK – GENERAL QUALITATIVE DISCLOSURE

Operational Risk is the risk due to inadequate and/or malfunctioning internal processes, human error, system failure, and/or external events that affect the Company's operations. The operational risk management organization consists of the functions of the Risk Management Unit, the Compliance Unit, the Quality Assurance Work Unit and the Internal Audit Work Unit which are independent of business units and operational units.

Operational Risk Management is carried out through 4 (four) stages as follows:

1. Identification of potential risks that inherently exist in a product/activity/ process carried out by considering internal and external factors including identifying controls that will be used for mitigation.
   The Bank uses several tools in implementing operational risk management, namely:
   a. Risk and Control Self Assessment (RCSA),
      Risk issues and controls that will be used to identify potential control weaknesses as early as possible and keep residual risk levels to a minimum by taking the necessary actions to mitigate before the risk occurs. This is done with the aim of minimizing the impact of the risks inherent in the bank's activities. Identification is carried out by means of self-assessment conducted by the risk taking unit (RTU) in a predetermined period.
   b. Loss Event Database (LED),
      Database of operational risk incidents recorded on a web-based basis with the aim of inventorying data on losses/potential losses of operational, compliance, legal and other risks experienced by the Bank. The results of the input will be used as a mitigation step for risk management and reporting is carried out based on the input of risk incidents every month.

2. Operational risk measurement is carried out based on data from risk identification results, including:
   a. Loss Event with the category of Low Frequency High Impact, High Frequency Low Impact, and/or High Frequency High Impact.
   b. The possibility of exceeding the operational risk threshold on a monthly basis based on the predetermined risk limit.
   c. Risk analysis of new product and/or activity plans or evaluation of new products and/or activities that have been launched.
   d. Self-Assessment of the Bank's soundness level by making a Bank Risk Profile report.
3. Risk monitoring that has been identified and measured for potential occurrences is carried out at any time in the respective work units in accordance with applicable regulations. This includes monitoring of indicators or an early warning system or existing tools/ reports. Operational risk monitoring includes the following:
   a. a. Monitoring function of several Indicators to ensure compliance with Risk Appetite.
   b. b. Conducting operational risk analysis on: Human Capital, IT System Errors, Fraud Cases, Dormant Accounts, Operational Loss Data, Complexity of the Bank's business processes and product diversity, Corporate Action, New Bank Business Development, and External Events that affect the Bank's operational activities
4. Operational risk control and risk mitigation based on operational activities that are Low Frequency High Impact, High Frequency Low Impact, and/or High Frequency High Impact, will be carried out, among others, on the following matters:
   a. Implementation of Risk Management related to product and/or service implementation plans.
   b. Operational risk control by issuing a review/opinion after reviewing policies, procedures, cooperation agreements, operational issues, product and/or service implementation plans, and Information Technology.
   c. Observation conducted by the Quality Assurance Work Unit.
   d. Having several provisions (procedures) that serve to mitigate operational risks including Business Continuity Management (BCM).

e. Control operational risk including legal, compliance, strategic, and reputation risk based on the bank's risk profile data.
f. Control every operational activity by reviewing and updating operational risk management policies/ guidelines including but not limited to legal, compliance, strategic, and reputational risks in accordance with internal needs and external developments.
g. Raise Risk Awareness in all lines of the organisation including realising Risk Culture in the Bank's business activities.
h. Implementation of Internal Control Forum.
i. Implementing the three lines of defense principle, where the risk taking unit is the first line function that performs direct risk management, the second line function is performed by the risk management work unit, while the third line function is performed by the internal audit work unit to perform assurance on the implementation of risk management policies as a whole implemented in the Company.

LEGAL RISK – GENERAL QULITATIVE DISCLOSURE

Legal Risk is the risk resulting from lawsuits and/or weaknesses in juridical aspects. Legal risks can originate, among other things, from weaknesses in the juridical aspects caused by weak engagements carried out by the Bank, the absence and/ or changes in statutory regulations which cause a transaction carried out by the Bank to be inconsistent with existing regulations, and the litigation process is good. arising from third party lawsuits against the Bank or the Bank against third parties.

Legal risk identification is carried out in all functional activities of the Bank, including identification of possible legal risks arising from product and/or service implementation plans, Bank agreements with debtors/other third parties, strategies for handling legal cases, and other Bank operational and business activities.

In the legal risk management organization there is a legal function in the Head Office and Branches to mitigate potential or legal risks inherent in the Bank's activities as well as coordinating with the Company's Legal Department and external parties in resolving legal issues, especially regarding lawsuits and summonses, as well as monitoring and analyzing cases faced by the Company which are currently in court.

Measuring and monitoring legal risk is carried out through risk calculations based on the nominal potential loss for each case faced by the Bank, monitoring the costs of handling legal cases, losses faced by the Bank due to an Inkracht decision, monitoring updates on the handling of legal cases, and other measurements through legal risk profile parameters. Legal risk control is carried out by issuing a study and/or opinion after conducting a review of policies, procedures, cooperation agreements, operational issues and legal issues that arise due to the Bank's business and operational activities.

REPUTATIONAL RISK – GENERAL QUALITATIVE DISCLOSURE

Reputational risk refers to the risk due to the decreasing level of stakeholder trust that stems from negative perceptions of the Company due to, among other things, events that could harm the Bank's reputation, for example negative reporting in the mass media, violations of business ethics, customer complaints, as well as other things that can cause reputation risk, such as weaknesses in governance, corporate culture and the Bank's business practices.. Reputation risk is managed through monitoring, supervision, handling, and settlement mechanisms which are coordinated and supported by the relevant departments, with reference to internal provisions and applicable laws and regulations.
Reputational risk identification is carried out periodically in accordance with past loss experience caused by reputational risk. Meanwhile, the reputational risk assessment is carried out qualitatively, among others, from negative news from the public/ customers and customer complaints. To ensure reputational risk control, the Company has taken the following anticipatory steps:

1. Monitoring the frequency and materiality of negative news and comments regarding the Bank in mass media, social media and other online media.
2. Monitoring credibility and other events that affect the Bank's reputation.
3. Regular monitoring regarding the frequency and materiality of handling and resolving customer complaints.
4. 4. Use of the Complaint Tracking System (CTS) to manage the resolution of customer complaints
5. Implementation of Service Level Agreement (SLA) to ensure standard time for resolving customer complaints.
6. Continuously carry out employee training to improve service quality..

In the context of monitoring and controlling reputation risk, the Bank evaluates the implementation of risk management related to reputation risk, including studying the root causes of reputation risk, evaluating the implementation of complaint management/ handling, customer complaints and negative reporting in the mass media.

Evaluation of customer satisfaction assessment on a monthly basis is carried out by the department in charge of Customer Quality Development (DPNS) Service Quality unit and communicated to all Bank employees. The Bank's Reputation Risk control is also conducted in the form of monitoring negative news related to the company, which is one of the roles of the Corporate Relations Department.

As a financial services institution, the Company needs a represantative image and publicity on their business activities and performance. The company always maintains its reputation at the best level to provide products and services to its customers. The Company's failure to maintain its reputation can give rise to negative perceptions of the Company. This can cause a loss of

customer trust and will have a direct impact on a decrease in the number of customers which ultimately results in a decrease in the Company's revenue and activity volume.

STRATEGIC RISK – GENERAL QUALITATIVE DISCLOSURE

Strategic risk is the risk resulting from the inaccuracy in taking and/or implementing a strategic decision and failure to anticipate changes in the business environment. Strategic risk measurement can use indicators such as the level of complexity of the Company's business strategy, the Company's business position in the banking industry, the achievement of business plans, and through strategic risk profile parameters. Strategic risk control is carried out, among others, through monitoring the Bank's position both among the banking industry and among peer groups, monitoring the achievement of the realisation of the Target (business plan), followed by mitigation of factors causing failure and monitoring the development of macroeconomic conditions that may have an impact on the Bank's business.
The Bank formulates and sets business targets and strategies to be achieved in the business plan by considering internal and external factors in accordance with the Bank's vision and mission.

The Bank manages strategic risk through the process of considering and making decisions on each strategic policy collectively and comprehensively by the Board of Directors and the established Committees.

As one of the efforts to manage strategic risk, the Bank has established an organisational structure that is aligned with the Bank's strategic direction. The Bank has established a Corporate Strategy Division that is responsible for planning, managing and developing the Bank's strategy.

In addition, adequate risk identification and analysis are also completed for each corporate action carried out (such as asset sales, sub-loan issuance, equity participation in subsidiaries, etc.). This is to ensure that the impact of risks arising from corporate actions is acceptable and in accordance with the level of risk to be taken (risk appetite).

COMPLIANCE RISK – GENERAL QUALITATIVE DISCLOSURE

Compliance risk is a risk that occurs because the Bank does not fulfill and/or does not implement internal regulations, laws and other applicable provisions. The compliance risk management organization consists of the Compliance Policy & Governance Department, Quality Assurance Department, and Anti Money Laundering Department. In addition, in order to strengthen the compliance function, a Compliance Development Unit has been established. Each function has policies and procedures that regulate the limits of authority over activities. The Compliance Risk Management Organization is adequately reflected in the clarity of authority and responsibility and is supported by the function of the Risk Management Work Unit. In practice, compliance risk is inherent in the Bank's risks related to statutory regulations, prudential provisions and other applicable provisions, including but not limited to:

1. Credit risk is related to the provisions of Asset Quality, net NPL, Allowance for Impairment Losses (CKPN), and Maximum Lending Limit (BMPK).
2. Market risk is related to the Net Open Position (PDN) provisions.
3. Liquidity risk is related to the provisions of the Minimum Statutory Reserve (GWM), Liquidity Coverage Ratio (LCR), and Net Stable Funding Ratio (NSFR).
4. Operational risks related to fulfilling provisions related to the implementation of Know Your Customer (KYC) principles as well as Anti-Money Laundering and Prevention of Terrorism Financing (APU and PPT).
5. Minimum Capital Requirements (KPMM) for Banks..

Identification and measurement of compliance risks are carried out periodically, based, among other things, on past experience of losses caused by compliance risks through risk calculations based on accounting loss data and other measurements through compliance risk profile parameters.
In order to effectively monitor and control compliance risks, the Company, among other things, carries out:

1. Collection of operational loss items periodically (daily, monthly, quarterly and annually);
2. Regular analysis and review of the factors that cause operational risks and other risks as well as losses that can arise;

Monitoring and control of compliance risk exposure is carried out by the Risk Management Work Unit, Compliance Work Unit and other implementing work units on a regular and continuous basis with predetermined parameters and limitations. The work unit in charge of compliance risk management prepares Compliance Risk Profile Reports periodically for the purposes of monitoring and controlling compliance risk exposure, including identifying causal factors to be submitted to the risk management committee and directors as material for joint evaluation.

Back-up systems and procedures to anticipate disruptions in the risk monitoring process refer to the Disaster Recovery Plan (DRP) Procedure. Systems and procedures will be checked and reassessed periodically. Monitoring and controlling compliance risk using internal models includes the use of tools, early identification of changes in risk profiles caused by potential or actual reductions in compliance risk, and the resulting reports are submitted periodically to the Board of Directors.

If there is a violation of applicable laws and/or provisions, the risks that may occur are sanctions for the Company which can be in the form of financial sanctions in the form of material fines or non-financial sanctions in the form of written warnings, sanctions for impropriety and incompetence for the Company's management or suspension. Company business activities.



5

BUSINESS SUPPORT FUNCTIONS



GOVERNANCE OF HUMAN CAPITAL

In the midst of the ever-dynamic challenges of banking industry, plus the increasingly emerging demands for digital acceleration, driven by changes in public expectations for fast, efficient and safe financial services which can be done from anywhere, KB Bank is required to continuously manage and develop resources. Adaptive and effective human capital (HC) have an impact not only on employee productivity and profitability, but also on the future sustainability of the Bank. For KB Bank, HC is a valuable asset who has always been under special attention, whether it is in the form of competency development or regarding the welfare. HC management has the responsibility to establish reliable and competent employees so they are able to carry out their duties as they should.

KB Bank remains committed to ensuring strong and sustainable HC management and development as well as developing competent and high-quality talent who are able to adapt to every change in the business environment. KB Bank continues to develop and improve various aspects and functions to meet the needs of competent and qualified human capital as expected. The main key in creating human capital that contributes to increasing competitiveness and accelerating the Bank's performance is the recruitment, selection, training and talent and competency development process.

In carrying out their business activities, the banking industry actors have special characteristics, including the obligation to maintain customer trust, where the level of bank trust and reputation is measured by the quality of human capital. In this case, KB Bank makes customer trust as a fundamental principle and always encourages entire human capital to commit to maintaining attitudes and behavior in accordance with applicable principles and standards both within and outside the scope of the Bank, with the aim of maintaining customer trust in the Bank, in terms of financial management. and services based on prevailing banking standards.

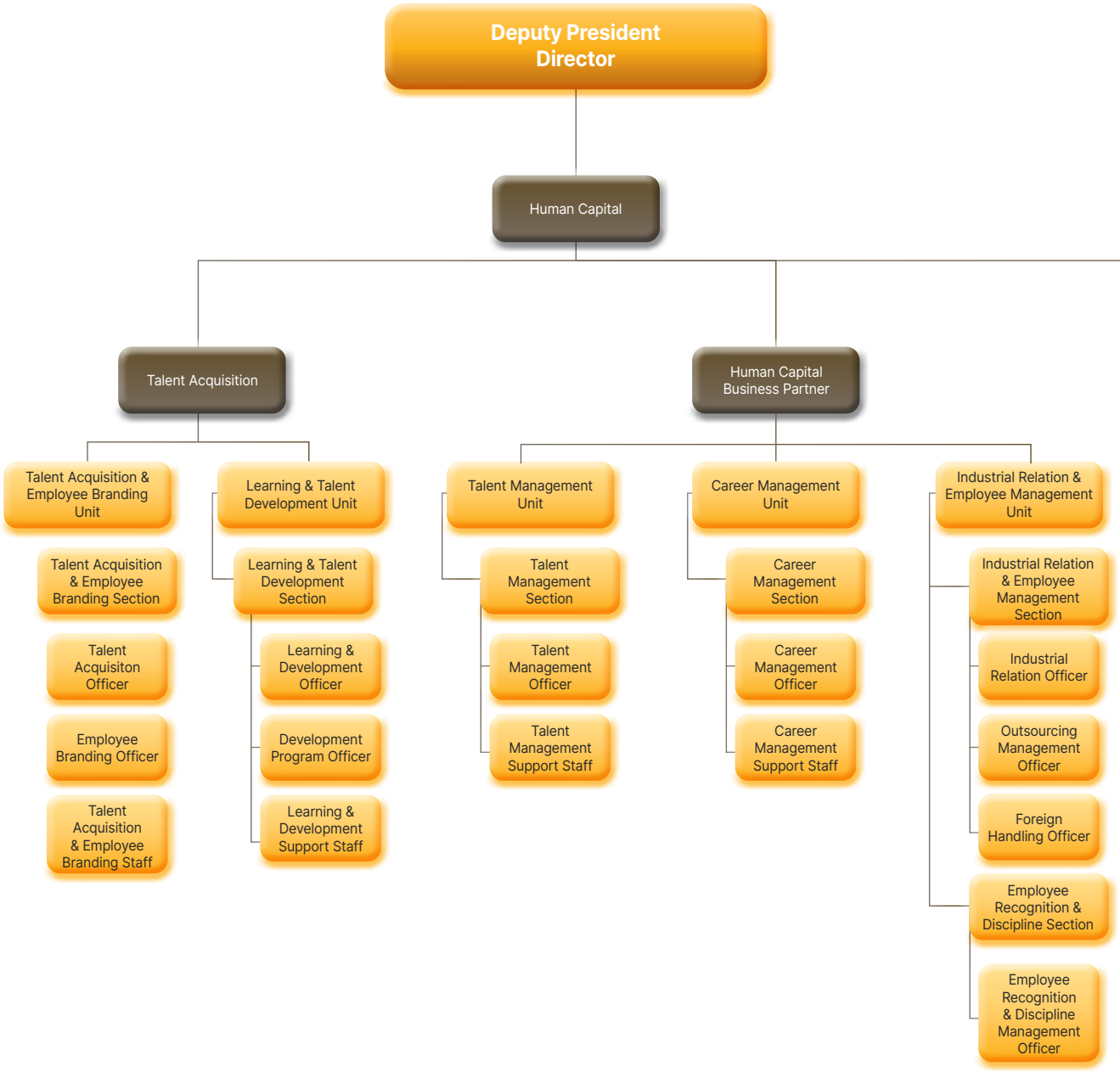
In 2023, KB Bank will continue its efforts to form human capital that are competent, possessing high integrity, and uphold noble attitudes and behavior through two approaches; increasing togetherness of all members of the organization and a team work ethic for the purpose of achieving business results and maximum profit targets and involving employees in seminars as well as education and training. This is in line with Law no. 13 of 2003 concerning Employment and Law no. 11 of 2020 concerning Job Creation.

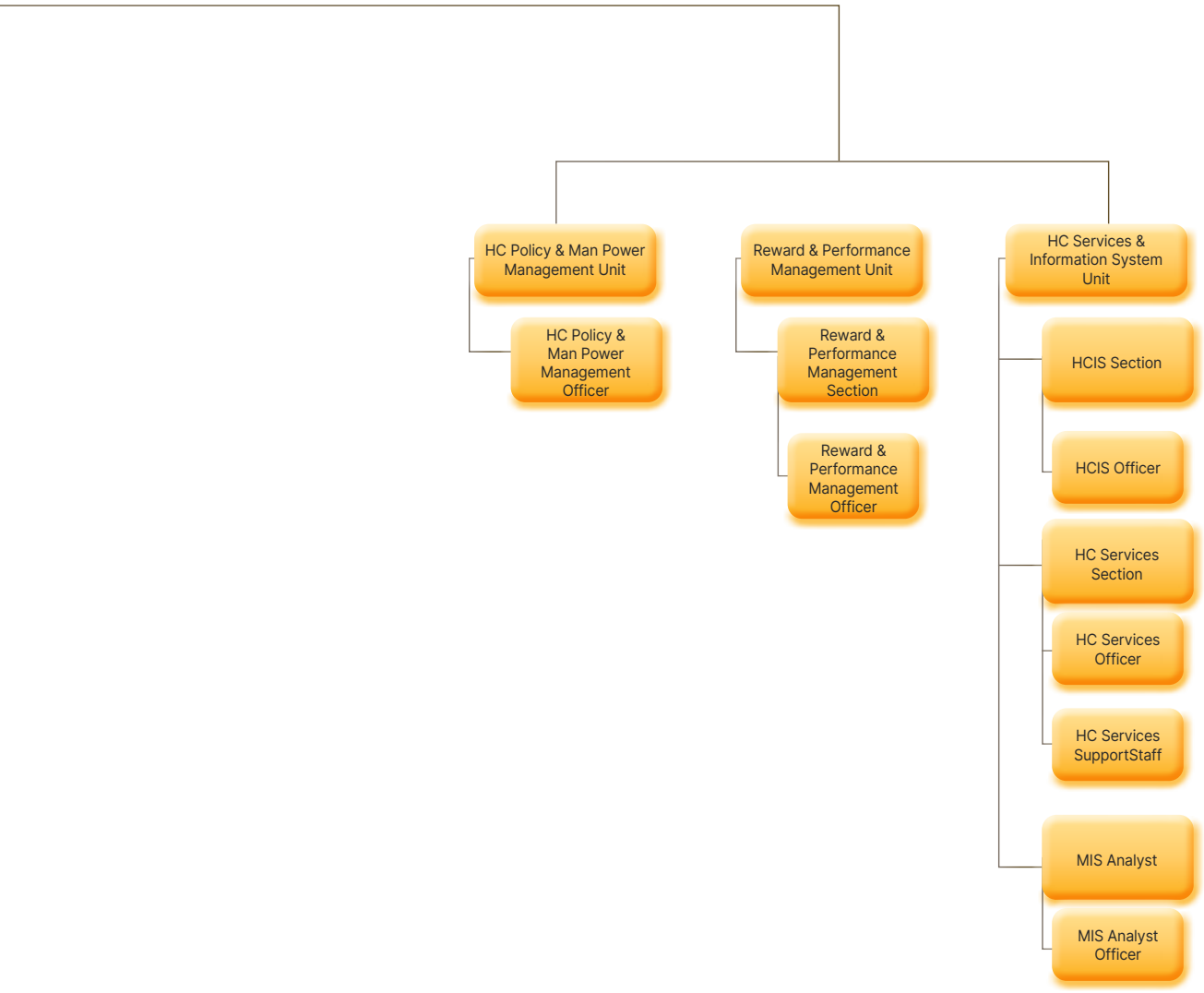



KB Bukopin

HUMAN CAPITAL MANAGEMENT
ORGANIZATIONAL STRUCTURE

HC management at the Bank is directly supervised by the Deputy President Director who oversees the Human Capital Group. The HC Group is led by a Division Head. The HC Group consists of the Talent Acquistion Department and HCBP Department as shown in the following chart:




HC Policy & Man Power Management Unit
HC Policy & Man Power Management Officer
Reward & Performance Management Unit
Reward & Performance Management Section
Reward & Performance Management Officer
HC Services & Information System Unit
HCIS Section
HCIS Officer
HC Services Section
HC Services Officer
HC Services SupportStaff
MIS Analyst
MIS Analyst Officer

The scope of duties of each Bank HR Management Department is as follows:

- HC Business Partner Department
  Responsible for formulating policies related to human capital, talent pool and career management, compensation, employee disputes and outsourcing management. Apart from that, this department is a liaison with other groups regarding issues regarding human capital and non-recruitment.

- Talent Acquisition Department
  Responsible for being a liaison between Human Capital and other Groups in the process of searching, recruiting and onboarding new employees as well as carrying out the process of reallocating and transferring existing employees.

Meanwhile, KB Bank also has a Human Capital Business Partner (HCBP) who acts as a strategic business partner who aligns the Bank's business goals with Employees and Management, as well as acting as a consultant to Management on issues related to HR to support the achievement of business targets. HCBP carries out its duties and functions in the fields of Organizational Development, Talent Management, Training and Performance Management.

The following is the composition of Human Capital in the HC Group as of 31 December 2023, as attached below.

NO	DEPARTMENT	TOTAL EMPLOYEES
1	HC DIVISION HEAD	1
2	HC BUSINESS PARTNER DEPARTMENT	29
3	OUTSOURCING HANDLING UNIT	3
4	HC SERVICE UNIT	10
5	HC POLICY & STRATEGY UNIT	3
6	HC LEARNING & TALENT DEVELOPMENT UNIT	6
TOTAL		**52**

HUMAN CAPITAL MANAGEMENT COMMITMENT AND POLICY

The Bank is committed to always developing employees to become competent employees with integrity. For this reason, in line with the dynamics of the current digital era, the Bank continues to conduct transformations both in terms of business and employee development and management. The Bank will ensure the efficiency and effectiveness of the Organization and Human capital in line with the Bank's business strategy by increasing employee productivity and competency. Increasing employee productivity and employee competency (both hard and soft competency) has become the Bank's main priority in preparing the Bukopin Leader KB.

Apart from that, the Bank will implement organizational adjustments in accordance with the strategy set by management by increasing productivity, optimizing channels and optimizing Man Power. These organizational adjustments will be implemented in accordance with the Bank's strategy in order to sharpen business segmentation, strengthen span of control, improve the quality of business processes, strengthen the first line of defense as well as to develop the Bank's business in the future in line with the Bank's vision, mission and corporate plan.

In addition, in order to optimize channels and Man Power to increase productivity, studies regarding the impact on human resource management will be conducted by the Bank. This study aims to look into channel optimization which brings impact in reducing the number of workers and outsourcing. This way, costs are expected to be reduced, in line with the Bank's efforts to carry out Cost Reduction.

With the closure of part of the office network, the Bank will establish a special team to handle this transition period so that services to customers including stakeholders can continue without any obstacles that will cause losses to customers. The Bank has also consulted with Legal Institutions and is trying to communicate as best as possible to employees and the media regarding the policy that will be adopted, so that this policy is in accordance with applicable laws and regulations and is expected to minimize Risks of Operational, Legal, Compliance and Bank Reputation.

One of the aims of the strategies implemented is to ensure that the Bank can have competent, productive and integrity human capital to support the implementation of RBB 2023-2025, considering that HC is one of the factors for the success of the Bank's business.

Organizational Development

The Bank is aligning its new organizational structure to sharpen its functions in an effort to support its business strategy, namely increasing funds, quality credit and increasing fee-based income. In this alignment, the Bank is also committed to conducting a review of the productivity of Bank employees. In this way, it is expected that it can help accelerate business growth which is balanced by increasing employee productivity and performance as well as strengthening internal control functions, so that future businesses are expected to grow with good quality and performance.

a. Organizational Structure Development
   The Bank reviews the effectiveness of the Organizational Structure from time to time based on employee productivity and ensures relevance to the ongoing business strategy, namely increasing funds, increasing quality credit and increasing fee-based income, then if it is deemed necessary the Bank will make adjustments to the Organizational Structure which supports the business strategy.

b. Job Role Evaluation
   - Ensuring that the Job Role of each position supports the achievement of business strategy
   - Identifying and rotating employees to further optimize the achievement of the bank's business strategy objectives.

c. Corporate Culture Development
   - The Bank conducts a review of the current corporate culture heading to a corporate culture that prioritizes performance both organizationally and individually.
   - Implementation of corporate culture in the Bank's internal environment to create a conducive work environment that can support increased employee performance and employee integrity.
   - Providing rewards to employees with good performance in accordance with company targets.
   - Increasing integrity, enforcing discipline and giving strict sanctions to employees who conducts violations.

d. Increasing the Role and Function of Human Capital Business Partners (HCBP)
   Increasing the role and function of HCBP in aligning business strategies with employees and management performs a very important role in improving work unit performance to achieve company goals. The main focus of HCBP's role and function is organizational development, talent management, training needs analysis and performance management. In this case, the ability to communicate and integrate various views is needed to be the main point in building a strategy to face business challenges. In addition, increasing the function and role of HCBP will encourage the existence of HCBP to be more effective in supporting business achievements.

Compensation & Benefits Policy

In order to lead in the competition of attracting and retaining the best employees and supporting the achievement of the Bank's goals, the Bank is committed to implementing a compensation and benefits system that plays a role in encouraging increased Productivity, Performance, Engagement, Compliance and Competitiveness. The concept of providing compensation & benefits implemented by the Bank in order to fulfill these objectives is 3P (Pay for Position, Pay for Person & Pay for Performance).

Development of Management Information Systems (MIS)

Development of an HR information system (Human Capital Information System based on mobile apps and integrated with all systems), including:

1. Developing a mobile-based employee self-service application which includes updating employee data/ information, leave application, overtime submission, etc.
2. Enhancement Human Capital Information System (HCIS) as a core of HC system to improve HC services and information, including managing organizational structure and employee data, employee benefit transactions, tax calculations and reporting and so on.
3. Developing the Learning Management System application, so that it can ensure that all employees receive training, especially training related to material to support work as well as in order to increase competency to support employees in career development.

With the development of an HC information system (Human Capital Information System), processes that are still carried out manually will be changed to system-based so that unnecessary processes will be eliminated through digitalization.

Utilization of Foreign Workers (TKA)

The use of foreign workers (TKA) refers to the provisions of the Financial Services Authority Regulation (POJK) Number 37/POJK.03/2017 POJK concerning the Use of Foreign Workers and Knowledge Transfer Programs in the Banking Sector. Based on POJK Number 37/PJK 03/2017, it is stated that Banks can utilize foreign workers (TKA) for the following or equivalent positions:

a. Directors and Board of Commissioners.
b. Executive Officers, namely officials who report directly to members of the Board of Directors or have significant influence on bank policies and/or operations, and/or.
c. Experts or consultants, namely individuals who have certain technical knowledge with adequate skill qualification standards.

In addition to the provisions of POJK Number 37/POJK.03/2017, in using foreign workers, the Bank is also guided by the Presidential Regulation of the Republic of Indonesia Number 20 of 2018 concerning the Use of Foreign Workers and Regulation of the Minister of Manpower of the Republic of Indonesia Number 10 of 2018 concerning How to Use Foreign Workers.

With the presence of foreign workers from KB Kookmin Bank, it is hoped that KB Bank Bank can strengthen the Credit Analysis and Scoring System in implementing Risk Management, Financial Planning and Performance Analysis and to capture opportunities from Korean business actors in Indonesia as well as their Supply Chain. The plan to use foreign workers is expected to provide the following contributions:

1. Strengthening the credit analysis system for a more accurate credit rating mechanism and implementing improvements to the credit evaluation and management system.
2. Assist in completing the NGBS (Next Generation Banking System) project targets.
3. Reducing NPLs through securitization and structured techniques to improve asset quality.
4. Increasing new income opportunities such as digital and business for Korean companies by utilizing the competence and expertise of foreign workers from KB Kookmin.
5. Contribute to Bank KB Bank turn around by transferring sophisticated banking practices, introducing new products and streamlining the business.
6. Improve the skills of local employees because there is a transfer of knowledge & professional skills of foreign workers such as CIB (Corporate Investment Banking/Korean Link), Financial Management, Corporate Strategic, Transformation, Corporate Communication, New Business Solution, Treasury, Digital, Special Asset Management (SAM).
7. With the presence of Foreign Workers, we can gain new knowledge from foreign workers which may be common practice in their home country. With this new knowledge, it adds innovation to KB Bank.
8. Accelerate the Bank's transformation process supported by qualified and expert human capital from KB Kookmin Korea. The use of workers from KB Kookmin who are experienced in their fields will accelerate target achievement.
9. In each core business area such as IT, finance and strategy, the professional knowledge of foreign workers will be transferred to KB Bank employees to improve their work competence.
10. Create and develop wholesale banking products and transactions, according to business needs, both related to lending, funding, trade finance, other banking transactions and business collaboration products (partnerships), create programs to boost sales, and performance management & MIS. As a Business driver for related companies (Anchor).
11. Encourage foreign workers to learn Indonesian by taking part in the Indonesian language learning program organized, so that they can communicate well with Indonesian staff at KB Bank and learn Indonesian culture.

Use of Outsourced Workers

Outsourcing

1. Outsourced workers are managed centrally in the Human Capital Division.
2. Branches no longer manage outsourced workers.
3. The process of adding, subtracting and replacing outsourced workers must go through the approval of the Head Office Human Capital Division which will be evaluated based on productivity standards.
4. The Bank will standardize the use of Outsourced Workers based on productivity and determine the positions that can be filled by Outsourced Workers.

Outsourcing Workers Service Provider Vendors

1. The Bank will conduct an assessment of the Outsourced Workers Service Provider Vendor and align it with the prevailing POJK for Outsourced Workers.
2. Collaboration with companies providing outsourcing services is managed centrally by the Human Capital Division and branch offices can no longer collaborate with companies providing outsourcing services.
3. The amount of the management fee for cooperation between all companies providing outsourcing services is determined by the head office.
4. The work to be outsourced to the Outsourcing Company refers to the field of work regulated in the applicable laws and regulations.
5. Outsourcing costs must consider and refer to the work plan and targets that have been set and pay attention to the provisions of applicable laws and regulations.
6. The appointment of the Outsourcing Company is carried out through a tender/beauty contest process where the mechanism refers to the provisions and authorities at PT Bank KB Bukopin Tbk.

Employee Relations

Programs are prepared to create a work atmosphere that helps increase employee productivity and increase employee engagement so as to provide a good employee experience. In addition, the Bank has socialized rules and regulations related to employee discipline, updating employee data and policies governing other personnel to obtain assessments from employees regarding the management of Human Capital.

Retirement and Compensation Policy

Pension programs are prepared for employees who are preparing for retirement in bridging them with future self-development in their retirement and to assist them in going through transition periods so that they are mentally prepared for retirement. Overall, in 2023 there is a reduction in the number of permanent and/or contract employees. The reduction in the number of employees was taken after taking into account the impact on the Bank's sustainability in the future in which a reduction in the number of workers is required and employees affected by this policy will be given compensation in accordance with the applicable laws and regulations.

Industrial Relations

The implementation of industrial relations is built on the basis of an understanding that the Bank, Employees and Labor Unions are the Bank's working partners in conducting their rights, obligations and responsibilities to maintain a working atmosphere of mutual respect, mutual trust and determination to cooperate with each other with the aim of creating harmonious, dynamic and fair industrial relations to ensure the continuity of the Bank's business and improving the welfare of all employees. The Bank will also update the Collective Labor Agreement to adapt to the Bank's current conditions.

HC COMPETENCY DEVELOPMENT PROGRAM

Policy and Program Realization

The Bank ensures the need for Human Capital with adequate competence. Training design and human capital development are aligned with the Bank's strategy so that all programs/activities can be implemented efficiently, effectively and integrated to support increased Bank performance.

Activities that support the above include the following:

a. Sharpening Education and Training Programs
   - Sharpening of training material content in line with the Bank's Business Strategy policy direction, especially Good Bank.
   - Basic training for all employees will also be equipped with APU PPT and Anti-Fraud modules, which will be given to all employees at all levels.
   - In connection with the initiative to transfer supporting officers to become business officers, the bank is also preparing training for employees which includes product understanding, improving sales skills, credit and funding.

b. Development of training implementation techniques
   - Developing learning methods both online through e-learning or online meeting platforms as well as offline training.
   - Development of Trainers/Facilitators from Internal KB Bank.
   - Digitalization of methods for evaluating educational and training activities by developing a Learning Management System.

c. Preparation of Talent and Successor Development Programs
   - Identification and development of successor competencies.

- Identify and implement a Management Development Program (MDP) at least once a year in a more effective way in recruiting and developing participant.

The implementation of mandatory training for each position level in 2023 is as follows:

Position Level	Training Program	Training Objectives	Number of Participants
All Levels	Training Induction	Training for new employees of KB Bank to increase understanding in terms of company profile, policies, products, etc	181
Staff	Basic Financial Analysis	to determine the profitability of a company	164
Coordinator, Manager, Department Head, Division Head, Directors, Commissioners	Level I-V Risk Management Certification	Fulfilling the competence of Bank officers in the field of risk management in accordance with regulatory provisions	534
Relationship Banking Officer, Priority Banking Officer	Mutual Fund Sales Agent Representative Certification (WAPERD)	Fulfillment of marketing funding employee licenses to sell mutual fund products	57
Treasury function employees	Basic, Advanced, Intermediate Level Treasury Certification	Fulfilling the competency of treasury employees in the treasury dealer sector in accordance with regulatory provisions.	3
HC function employees	Training on wage structure and wage scale	Providing provisions to participants so they can create a good & correct wage scale structure	16
Operational function employees	Payment System and Rupiah Currency Management Competency Certification (SPPUR)	Payment System and Rupiah Currency Management Competency Certification (SPPUR)	828
All employees	Anti-Money Laundering and Prevention of Terrorism Financing (APU PPT)	Increase employee understanding of money laundering crimes and how to anticipate them	2192
All employees	Anti Fraud	Increase the ability of employees to understand and be able to detect and prevent fraud in the workplace thereby helping the company to protect its assets and reputation	2093
All employees	Risk Management Certification Refreshment Level 1-5	to provide refreshment to employees who have passed the risk management certification exam and also maintain risk management certification	311
Credit Function Employees	Training Mortgage	To know and to understand the philosophy of consumer credit and KPR (Mortgage)	23
Managerial Level Employees	Leadership Training	Increasing the leadership competence of employees at the Managerial level	61

Competency Development Costs

In accordance with the Decree of the Board of Directors of Bank Indonesia No. 31/310/KEP/DIR/1999 concerning Provision of Funds for Development of the Quality of Human Capital for Commercial Banks, that Banks are obliged to provide education funds (BPL) of at least 3.5% of the current year's HC expenditure budget/Labor Costs (BTK). The Bank has actualized education and training costs in 2023 amounting to IDR 9,634,908,175 which is 40.78% of the Budget Training 2023.

INFORMATION TECHNOLOGY GOVERNANCE

In Global Technology, several technologies have been created that can support businesses in the banking sector. Machine Learning, AI, Devops, and RegTech are introduced and can be used in Actual Task Execution. Apart from that, the current trend in Online/Digital Banking is to carry out Full Scales Digital Transformation which includes channels, products, services and customers. Apart from that, strengthening mobile-based digital services, competition and expanding open API-based businesses are also trends in Online/Digital Banking.

The impact of the Covid-19 pandemic has caused almost all sectors of life to slow down, so that people make changes and adapt quickly and carry out various activities digitally, such as studying, working, shopping and others. This causes Internet and Smartphone users to increase as well as an increase in E-Commerce transactions and digital payment transactions also increasing quite significantly as can be seen from the increase in E-Money transactions which shows that non-cash transactions are increasingly in demand by the public. In line with this, there are rules from regulators that regulate the Information Technology Governance system which includes procedures, policies and overall IT management and also rules related to privacy.

ADVANCED IT & DIGITAL PROGRAM

To catch up with the Bank and win the competitive digital banking competition, the Bank has set the strategic agenda "Advanced IT & Digital" as a form of implementation through 2 agendas to be implemented in 2023, including:

1. Encourage IT Infrastructure Acceleration
   To accelerate business processes and move previously conventional systems into business process automation and centralization of business processes through digitalization, a strong IT infrastructure is required. The Bank has released an IT project, namely the SHINE Project, which aims to digitize all business processes into one database and connect to all the Bank's system infrastructure.

2. Creating an independent and differentiated digital channel
   Accelerating the IT infrastructure process through the SHINE Project began in stages and one of the agendas for accelerating the digitalization process was to focus on developing digital channels and maximizing features with the aim of centralizing services so that customers can easily access all banking services in just one Bank digital channel.

3. Creating a Digital Ecosystem and Business Platform
   The development of digital business must be balanced with the availability of financial transaction services that make things easier for customers.

DEVELOPMENT OF DIGITAL BANKING AS WELL AS TECHNOLOGY INFRASTRUCTURE

The development of digital banking has been very rapid, where currently 78% of customers have used digital banking services. Banks already have digital products, but the market share for these products is very low. KB Bank needs to build a capable IT system through the SHINE project for "New Go-To-Market Strategy", "Operational excellence" and "Proactive response to Risk". Apart from that, the data in KB Bank is scattered and not centralized, which creates risks to the data validity. It is a challenge for organizations to gain insight into customer behavior and business performance for strategic decision making.

In the digital application development plan, the Bank strives to always fulfill aspects of compliance with OJK and Bank Indonesia regulations, where internal development evaluations are also carried out as an effort to mitigate risks that may arise. The digital application development planned by the Bank is closely related to the implementation of IT transformation through the SHINE project which is currently underway as an internal factor, while for external factors, the Bank really hopes for support from OJK and BI to be able to realize the digital application development plan.

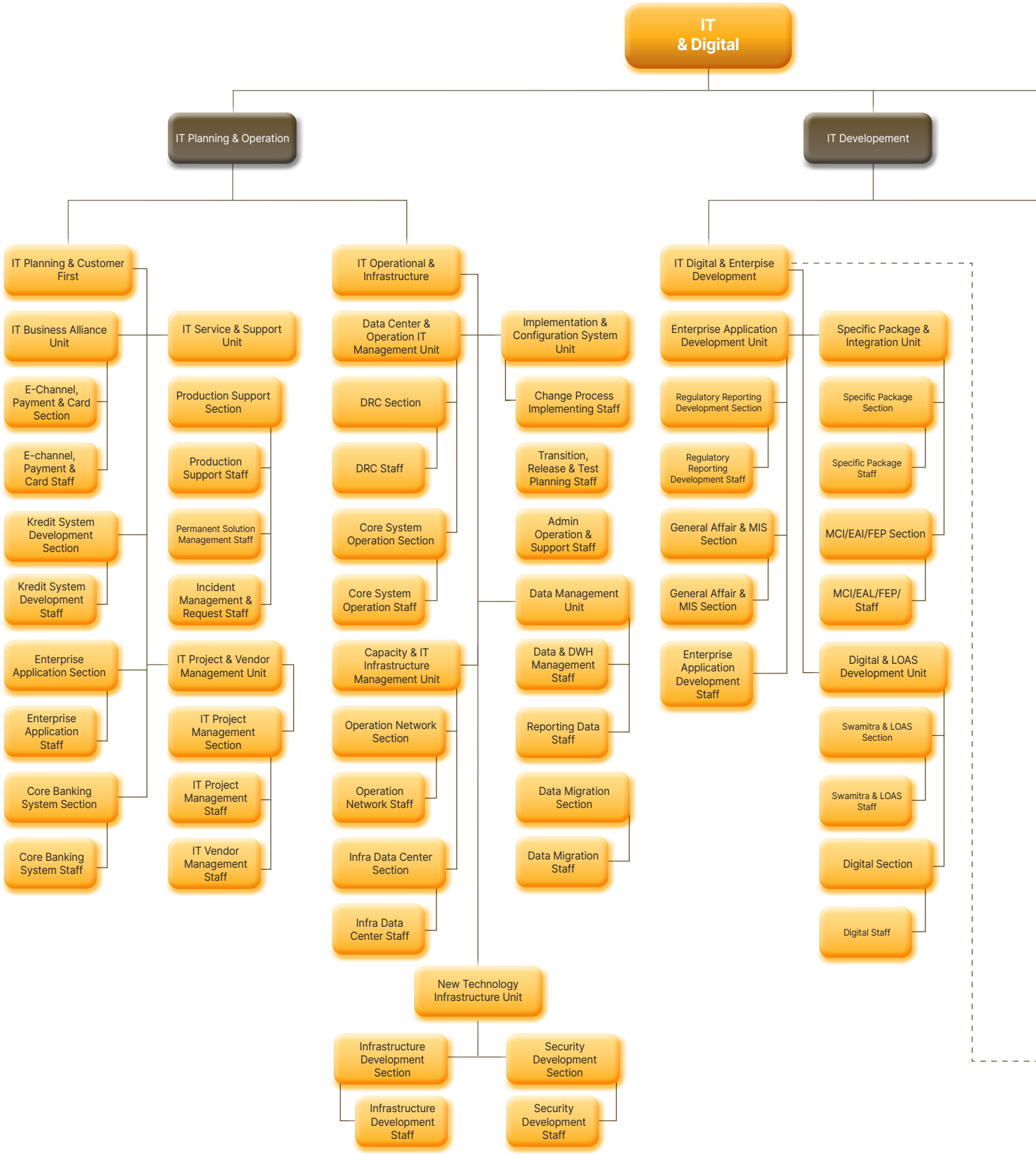
To catch up and win the competitive digital banking competition, the Bank has set the strategic agenda "New Digital & IT Infra" as a form of implementation through 3 agendas to be implemented in 2023, including:

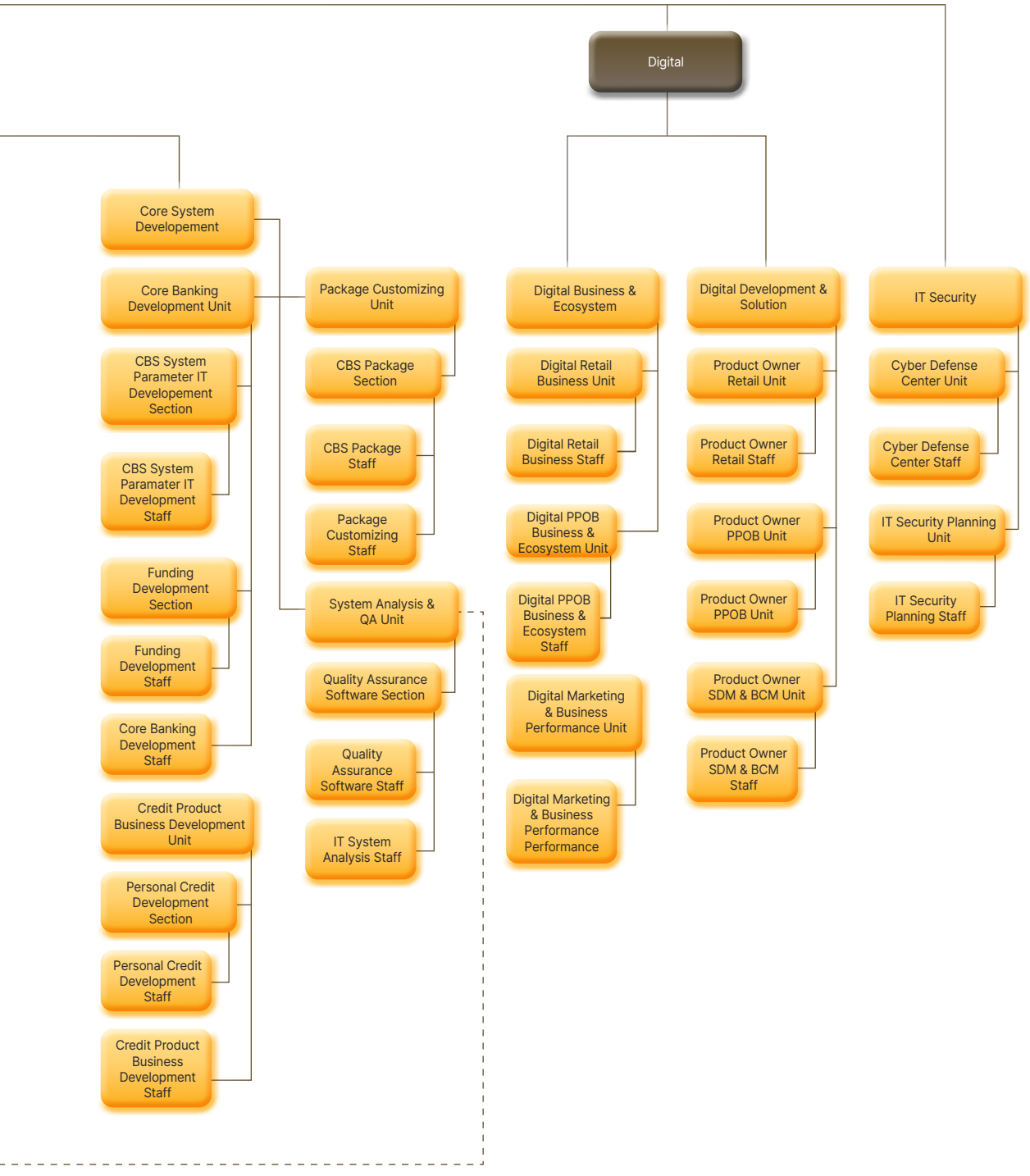
1. Build a differentiated digital ecosystem through strategic partnerships
2. Strengthen digital position in the market through revitalization & rebranding of Wokee
3. Focus on simplification and prepare to build integrated digital channels

INFORMATION TECHNOLOGY MANAGEMENT STRUCTURE

Information Technology (IT) management is carried out by the Information Technology Group which is under the supervision of the Director of Information Technology and Digital. The Information Technology Group oversees 3 (three) Divisions, namely IT Planning & Operation, IT Development, and Digital.

The following is the Information Technology Management Structure as of December 31 based on DIR Decree No.0020 of 2023 concerning the Organizational Structure of PT Bank KB Bukopin Tbk.




Digital
Core System Developement
Core Banking Development Unit
CBS System Parameter IT Developement Section
CBS System Paramater IT Development Staff
Funding Development Section
Funding Development Staff
Core Banking Development Staff
Credit Product Business Development Unit
Personal Credit Development Section
Personal Credit Development Staff
Credit Product Business Development Staff
Package Customizing Unit
CBS Package Section
CBS Package Staff
Package Customizing Staff
System Analysis & QA Unit
Quality Assurance Software Section
Quality Assurance Software Staff
IT System Analysis Staff
Digital Business & Ecosystem
Digital Retail Business Unit
Digital Retail Business Staff
Digital PPOB Business & Ecosystem Unit
Digital PPOB Business & Ecosystem Staff
Digital Marketing & Business Performance Unit
Digital Marketing & Business Performance Performance
Digital Development & Solution
Product Owner Retail Unit
Product Owner Retail Staff
Product Owner PPOB Unit
Product Owner PPOB Unit
Product Owner SDM & BCM Unit
Product Owner SDM & BCM Staff
IT Security
Cyber Defense Center Unit
Cyber Defense Center Staff
IT Security Planning Unit
IT Security Planning Staff

Looking at Bank KB Bank IT condition, it currently has four main functions which are divided into divisions (IT Planning & Operation, IT Development, IT Security and Digital), as described as follows:

Division	Functions, Roles, and Responsibilities
IT Planning & Operation	Responsible for managing the development of the Bank's information technology including strategies, policies, procedures, architecture, quality standards and building the Bank's IT infrastructure end-to-end to ensure the security and continuity of the Bank's business processes.
IT Development	Responsible for designing and developing Digital and E-channel application systems. Carry out development and maintenance of the Core Banking System, Credit Product system and other applications (namely Treasury and Trade Finance systems), as well as application testing including Unit Test, SIT, and UAT. Ensure technical documents, application sources, code administration processes and documentation are implemented in accordance with prevailing internal policies and regulations.
Digital	Responsible as a digital incubator for developing digital innovation and also providing solutions. Carrying out development planning, human capital allocation, management of digital platform features, and gathering user needs related to digital platforms. Create transaction collaborations with companies/customers (B2B/B2C). Develop, evaluate and perfect strategies to increase fee-based income from sales of public services, e-channels, digital transactions & services (excluding PPOB).

INFORMATION TECHNOLOGY MANAGEMENT

By focusing on and referring to the Financial Services Authority (OJK) Regulations, Bank Indonesia Regulations (PBI) and applicable Laws (UU), the Information Technology Group (GTI) has prepared a strategic plan for the development and management of information systems by implementing an identification process, measurement process., control and monitoring of all information technology assets and activities. GTI is also preparing to prepare new capabilities as an IT service provider for the financial industry by building competence and preparing infrastructure in accordance with applicable regulations.

As an effort to have a competitive advantage for the Bank, especially the IT aspect so that it can directly participate in accelerating the achievement of the Bank's performance targets, in 2023-2025, the IT Group will develop innovative initiatives and solutions to support KB Bank in business growth. For this reason, the Bank continues to strengthen the organizational functions that perform a role in coordinating all Information Technology functions at KB Bank.

Answering the Challenges of IT Disruption

Overall, the use of information technology in the Bank is a key to increase competitiveness and operational efficiency. The Bank continues to follow developments in information technology to answer emerging business challenges and opportunities, so that it can remain relevant and adaptive by carrying out various developments, including the following:

- Core Banking
  G/L related issues and account management issues that occurred in the old system were quickly resolved by introducing a modern core banking package.
- Transportation Layer
  Modernize today's fragmented transport layer architecture through middleware enhancements and architectural refactoring.
- Management Information System (MIS)
  EDW has been significantly enhanced through introducing new functions such as RDM, CRM, audit, profitability and KPI and compliance response.
- New Loan Origination & Admin
  Being able to contribute to credit risk mitigation and increase recovery rates by mechanizing manual screening, evaluation and post-management processes.
- Payment Gateway
  For timely launch of digital convergence products, payments, approvals, regulatory responses, reconciliation functions for each payment network are integrated into one system.
- Digital First
  The all-in-one digital infrastructure is used to minimize the impact on legacy systems to realize the bank's digital transformation strategy more safely and efficiently.

- General Affairs
  Gaining visibility into internal operations through computerization of budget & expense execution processes, deed inventory management, and fixed asset management.

- IT Operation
  Able to significantly increase service availability and quality by introducing modern ITSM.

- Banking Terminal
  Able to solve current productivity problems by introducing an integrated terminal system with improved UI/UX and usability that has a single sign on feature.

- Credit Card
  Able to attract wealthy customers by improving the functionality of outdated cards through licensing upgrades, integration with new core banking and providing new digital credit card services.

- Digital Contact Center
  Can support customers in a cost-effective way through system integration using APIs with professional Indonesian digital contact centers in the digital era.

- Anti Money Laundering (AML) / Fraud Detection System (FDS)
  Significantly reduce the risk of major penalties and reputation by introducing an agile compliance response system and implementing a fraud monitoring system.

- Infrastructure Software
  Increasing the availability and quality of banking services through modernization of infrastructure software and hardware.

- Enterprise Authentication
  A new authentication system based on various biometrics such as fingerprint, iris or facial recognition is provided.

Application Architecture Improvements

- KBStar
  a. Service for existing foreign customers who wish to open additional accounts.
  b. Integration with other e-wallet products makes it easier for customers to view e-wallet balances and top up.
  c. Payment options to merchants use NFC technology on cellphones which are directly connected to accounts via KBstar
  d. Insurance product purchasing services by customers through KBstar
  e. Investment product purchasing services for customers through KBstar
  f. Manage customer debit and credit cards through KBstar such as changing pins, blocking cards, and unblocking to requesting new cards
  g. The feature provides benefits to customers with a game-like concept that makes customers interested in getting points or prizes from Kbstar

- Corporate Internet Banking
  a. Opening online time deposits for corporate customers
  b. Loan applications for corporate customers
  c. Manage customer debit and credit cards via corporate internet banking such as card blocking and unblocking to requesting new cards

- New Bukopinet
  a. Payment and purchasing features that allow agents to carry out transactions for their customers
  b. Money transfer service by customers through an agent to another agent so that the recipient can pick it up at the destination agent

- Open API implementation
  a. Providing banking API services that can be accessed by third parties
  b. Increase opportunities for collaboration with many parties, such as fintech, etc.

- Robotic Processing Automation (RPA)
  a. Tools to automate simple processes that were previously done manually
  b. Software technology with digital systems to perform repetitive and simple tasks and business processes that would normally be performed by humans
  c. Formulation and implementation of Robotic Processing Automation (RPA) activities to support banking operations

- Project Management Tools
  a. Tools to increase transparency of project progress, communication between project team members in implementing IT projects and efforts to mitigate various project risks and handle project issues in a centralized manner.
  b. Tools for resource management include simplification of integrated project reporting processes and centralization of project data which can assist management in making various necessary strategic decisions.

- Expandable Public Cloud
  a. Makes it easier for users/banks to run applications/ programs without having to install the application first so that users can easily access data and information via the internet.
  b. The convenience offered by the public cloud for companies does not need to store data on hardware which of course has limited capacity and requires additional costs if it is full.

Improved Security Architecture & Cyber Security

- Administrative Security
  a. Systematic Security Organization and definition of roles and distribution of experts.
  b. Regular Security Incident and Response training for experts.
  c. Increase information security awareness (IT Security Awareness) for executives and employees and conduct regular training.
  d. Systematic implementation/implementation of information system security guidelines.

- Physical Security
  a. Implementation of storage media control systems in offices and security maintenance facilities, as well as archiving facilities for external storage media.
  b. Creation of PC document security to prevent secret leaks.
  c. Create PC security patch management, for the latest security patches and updates
  d. Implementation of an illegal software blocking system to identify software assets (Software Maintenance).

- Technology Security
  a. Detection system to monitor suspicious activity in network traffic.
  b. Malicious site blocking system to block access to sites that distribute malicious code and sites that can leak internal information
  c. Access control system to control network access by checking Security Policy before accessing the internal network.
  d. Implement a web firewall to protect web applications.
  e. DDoS system to respond to DDoS attacks.
  f. Implementation of a Threat Management System (TMS) to protect internal information assets from various threats.
  g. Integrated Source Code and Repository Management to manage change points such as documents, blueprints, and source code.
  h. Integrated authentication management system for Single Sign On (SSO).
  i. Mobile application fraud detection system to block illegal changes to mobile applications.
  j. Weblog analysis system for system error and security improvements.
  k. Integrated audit logs to record access types such as users and objects.
  l. Database access control system to control user database access based on authority.
  m. Database encryption system to protect against external database intrusion, internal user authorization errors, and malicious access.

Disaster Recovery

The Information Technology Continuity Management Policy provides general guidelines for implementing IT Service Continuity Management (ITSCM) as an inseparable part of implementing KB Bank IT Strategic Plan. The scope of this policy is:

1. General Policy
2. Business Impact Analysis Policy
3. Risk Assessment Policy
4. Disaster Recovery Policy
5. Disaster Recovery Center Facilities Policy
6. Trial Policy
7. Training and Awareness Policy
8. Review and Audit Policy
9. Third Party DRC Service Provider Policy

FUTURE INFORMATION TECHNOLOGY DEVELOPMENT PLANS

In line with the increasing role of information technology for the Bank in carrying out its operational activities, this means that Information Technology does not only act as a supporting tool but can become the main element or driving force for the Bank to achieve business goals. For this reason, KB Bank has prepared an Information Technology development plan that aligns with the bank's business plan by prioritizing innovation and digitalization. Future Information Technology development plans are as follows:

IT ROADMAP

2024 Completion of SHINE Project	2025 Strengthening the ability to operate the system independently	2026 Maximizing In-house Development
• Project SHINE System Operation • SHINE system stabilization • Minimize development outside the SHINE project, except for regulatory needs, audits and meeting strategic needs	• Strengthen system operating capabilities by prioritizing regular training and education programs for employees. • Improve system operation processes to maximize efficiency and performance • Automate system operation tasks to increase productivity	• Accelerate business innovation with our accumulated technological capabilities • Increase collaboration with third party partners through open systems • Building an ecosystem to facilitate collaboration with various stakeholders



6

Good Corporate Gavenance



Development of the Good Corporate Governance Principles Implementation



DEVELOPMENT OF THE GOOD CORPORATE GOVERNANCE PRINCIPLES IMPLEMENTATION

PT Bank KB Bukopin Tbk strives to strengthen the implementation of Good Corporate Governance (GCG) throughout the company environment by prioritizing the development and improvement of a conducive corporate culture. This approach does not only involve top level management, but also involves all stakeholders, including shareholders, the Board of Commissioners, Directors and all employees.

For the Bank, Good Corporate Governance is a crucial factor in maintaining the trust of shareholders and customers, increasing the Bank's compliance with applicable laws and regulations and ethical values generally accepted in the banking industry and providing added value for shareholders, the national banking industry, and stakeholders. Especially in line with the increasing business risks and challenges faced by the national banking industry.

The Bank believes that the main key to maintaining sustainable bank growth is not only the ability to provide excellent service to customers, but also the implementation of effective performance management and implementing the basic principles of GCG, namely transparency, accountability, responsibility, independence and fairness.

The implementation of the basic principles of GCG is outlined in the Bank's cultural values called ICCAN (Integrity, Competent, Care, Accountable, Never Give Up) which serve as a guide for management and employees in working and behaving. The company culture is implemented through a process of internalization into systems and procedures as well as shaping the behavior that is in accordance with norms. With this approach, apart that the culture has been stated in policies and procedures, it also becomes a discipline (soft skills) which is implemented by the Board of Commissioners, Directors and employees in carrying out their duties and responsibilities.

The Bank implements the five basic principles of GCG in a comprehensive and structured manner upon the three aspects of Governance, which are:

1. Governance Structure, aims to strengthen and complete the Bank's governance structure and infrastructure.
2. Governance Process, aims to ensure that the GCG implementation process produces output that takes into account the principle of significance or materiality.
3. Governance Outcome, which is demonstrated through good and quality performance results.

These steps underline KB Bank determination to ensure that every step taken and every decision made is based on the principles of ethics, integrity and legal compliance, thereby creating a transparent, accountable and sustainable work environment for all stakeholders.

BASICS OF IMPLEMENTING CORPORATE GOVERNANCE

The implementation of GCG at KB Bank refers to several regulations issued by the government and regulators, including:

Constitution:
1. Law of the Republic of Indonesia No. 10 of 1998 on Amendment to Law No. 7 of 1992 on Banking;
2. Law of the Republic of Indonesia No. 40 of 2017 on Limited Liability Company.

OJK Regulation (POJK):
1. OJK Regulation No.18/POJK.03/2014 concerning the Implementation of Integrated Governance for Financial Conglomerates;
2. OJK Regulation No. 33/POJK.04/2014 concerning Board of Directors and Board of Commissioners of Issuers or Public Companies;
3. OJK Regulation No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies;
4. OJK Regulation No. 35/POJK.04/2014 concerning Corporate Secretary of Issuers or Public Companies;
5. OJK Regulation No. 8/POJK.04/2015 concerning Issuer or Public Company Website;
6. OJK Regulation No. 21/POJK.04/2015 dated November 16, 2015 concerning the Implementation of Guidelines for Public Corporate Governance;
7. OJK Regulation No. 31/POJK.04/2015 concerning Transparency of Material Information or Facts by Issuers or Public Companies;
8. OJK Regulation No. 55/POJK.04/2015 concerning Establishment & Guidelines for Work Implementation of the Audit Committee;
9. OJK Regulation No. 56/POJK.04/2015 concerning Formation & Charter of Internal Audit Unit;
10. OJK Regulation No. 4/POJK.03/2016 concerning Application of Risk Management for Commercial Banks;
11. OJK Regulation No. 18/POJK.03/2016 concerning Implementation of Risk Management for Commercial Banks;
12. OJK Regulation No. 55/POJK.03/2016 concerning Implementation of Risk Management for Commercial Banks;
13. OJK Regulation No. 29/POJK.04/2016 dated July 29, 2016 concerning Annual Reports of Issuers or Public Companies;
14. OJK Regulation No. 46/POJK.03/2017 dated July 12, 2017 concerning The Implementation of Compliance Function of Commercial Bank;
15. OJK Regulation No. 37/POJK.03/2019 dated December 20, 2019 concerning Transparency and Publication of Bank Reports;
16. OJK Regulation No. 15/POJK.04/2020 dated April 21, 2020 concerning the Planning and Holding General Meeting of Shareholders of Public Limited Companies;
17. OJK Regulation NO. 45/POJK.03/2020 dated October 16, 2020 concerning Financial Conglomerates
18. OJK Regulation No. 17 of 2023 concerning Implementation of Governance for Commercial Banks.

OJK Circular Letter (SEOJK):
1. OJK Circular Letter 15/SEOJK.03/2015 dated May 25, 2015 concerning the Application of Integrated Governance for Financial Conglomerates;
2. OJK Circular Letter No. 32/SEOJK.04/2015 dated November 17, 2015 concerning Guidelines for Public Companies Governance;
3. OJK Circular Letter No. 30/SEOJK.04/2016 dated August 3, 2016 concerning the Form and Content of Annual Reports of Issuers or Public Companies;
4. OJK Circular Letter No. 34/SEOJK.03/2016 concerning the Implementation of Risk Management for Commercial Banks;
5. OJK Circular Letter No. 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Governance for Commercial Banks;
6. OJK Circular Letter No. 9/SEOJK.03/2020 dated June 30, 2020 concerning Transparency and Publication of Conventional Commercial Bank Reports

Others:
1. Other provisions related to the Capital Market and others;
2. General Guidelines for GCG in Indonesia, National Committee for Governance Policy
3. KB Bank Articles of Association.

The actualization of GCG as a culture is carried out through an internal process involving the Board of Commissioners, Directors and all employees. This interaction forms a positive work culture and can provide the Bank with a competitive advantage.

COMMITMENT TO SUSTAINABLE IMPLEMENTATION OF CORPORATE GOVERNANCE

KB Bank strengthens its commitment to implementing Good Corporate Governance (GCG) principles consistently and sustainably in every aspect of daily activities. This includes compliance with applicable regulations and laws as well as openness to improvements in accordance with best practices. The aim is to be in line with the vision, mission and objectives of KB Bank, and to be able to grow healthily and create added value for shareholders and other stakeholders.

GCG is placed as an important foundation in achieving sustainable business growth, by strengthening GCG structures and mechanisms and implementing the cultural values of KB Bank, namely ICCAN (Integrity, Competent, Care, Accountable, Never Give Up) which is a guide for management and employees in work and behave.

The signing of the Integrity Pact and the Gratification and Anti-Bribery Declaration signifies the commitment. The Integrity Pact contains a statement or promise to oneself regarding commitment to carrying out all duties, functions, responsibilities, authority and roles in accordance with statutory regulations and the ability not to commit acts of Fraud, Corruption, Collusion and Nepotism to the Board of Commissioners, Directors , and all KB Bank employees.

Commitment of the Board of Commissioners

Content of the Pact of Integrity

INTEGRITY PACT

PT. BANK KB BUKOPIN TBK

I, the undersigned,

I hereby declare that I have read the Bank KB Bukopin Code of Conduct and understand my obligations as a Commissioner to comply with the policies and regulations contained therein, including all forms of changes made by Bank KB Bukopin.

Therefore, I swear and declare that I am willing to:

1. Commence every task with good intentions and working solely for the interests of the Company and not harming other people and Stakeholders, based on sincerity and good faith.
2. Maintain and improve personal integrity in carrying out duties by not abusing authority and work responsibilities.
3. Comply with and implement the rules and/or provisions as stipulated in the Company's internal regulations.
4. Will not perform any form of Fraud, Corruption, Collusion and Nepotism, play an active role in efforts to prevent, eradicate and report/convey information on acts of Fraud, Corruption, Collusion and Nepotism within the Company.
5. Do not request and/or receive any form of gift, either directly or indirectly, in the form of Money and/or Gifts and/or Souvenirs and/or Gratifications in any form related to Position and Work, thereby giving rise to a conflict of interest.
6. Convey information to the Wistleblowing System regarding violations or unlawful acts, unethical/immoral acts or other acts that could harm the Company.
7. Receive consequences in the form of sanctions in accordance with Company regulations, compensation for losses incurred due to fraudulent actions that occur, as well as legal consequences from the Police and/or other Authorities.

Thus, this Integrity Pact was created and signed with full awareness and understanding without coercion from any party.

(place), (date/month/year)

Declarer,

Name

(Position)

Komitmen Direksi

Content of the Pact of Integrity

INTEGRITY PACT

PT. BANK KB BUKOPIN TBK

I, the undersigned,

I hereby declare that I have read the Bank KB Bukopin Code of Conduct and understand my obligations as a Director to comply with the policies and regulations contained therein, including all forms of changes made by Bank KB Bukopin.

Therefore, I swear and declare that I am willing to:

1. Commence every task with good intentions and working solely for the interests of the Company and not harming other people and Stakeholders, based on sincerity and good faith.
2. Maintain and improve personal integrity in carrying out duties by not abusing authority and work responsibilities.
3. Comply with and implement the rules and/or provisions as stipulated in the Company's internal regulations.
4. Will not perform any form of Fraud, Corruption, Collusion and Nepotism, play an active role in efforts to prevent, eradicate and report/convey information on acts of Fraud, Corruption, Collusion and Nepotism within the Company.
5. Do not request and/or receive any form of gift, either directly or indirectly, in the form of Money and/or Gifts and/or Souvenirs and/or Gratifications in any form related to Position and Work, thereby giving rise to a conflict of interest.
6. Convey information to the Wistleblowing System regarding violations or unlawful acts, unethical/immoral acts or other acts that could harm the Company.
7. Receive consequences in the form of sanctions in accordance with Company regulations, compensation for losses incurred due to fraudulent actions that occur, as well as legal consequences from the Police and/or other Authorities.

Thus, this Integrity Pact was created and signed with full awareness and understanding without coercion from any party.

(place), (date/month/year)

Declarer,

Name

(Position)

Commitment of the KB Bank Employees



Content of the Pact of Integrity

INTEGRITY PACT
PT. BANK KB BUKOPIN TBK

I, the undersigned,

I hereby declare that I have read the Bank KB Bukopin Code of Conduct and understand my obligations as an Employee to comply with the policies and regulations contained therein, including all forms of changes made by Bank KB Bukopin.

Therefore, I swear and declare that I am willing to:

1. Commence every task with good intentions and working solely for the interests of the Company and not harming other people and Stakeholders, based on sincerity and good faith.
2. Maintain and improve personal integrity in carrying out duties by not abusing authority and work responsibilities.
3. Comply with and implement the rules and/or provisions as stipulated in the Company's internal regulations.
4. Will not perform any form of Fraud, Corruption, Collusion and Nepotism, play an active role in efforts to prevent, eradicate and report/convey information on acts of Fraud, Corruption, Collusion and Nepotism within the Company.
5. Do not request and/or receive any form of gift, either directly or indirectly, in the form of Money and/or Gifts and/or Souvenirs and/or Gratifications in any form related to Position and Work, thereby giving rise to a conflict of interest.
6. Convey information to the Wistleblowing System regarding violations or unlawful acts, unethical/immoral acts or other acts that could harm the Company.
7. Receive consequences in the form of sanctions in accordance with Company regulations, compensation for losses incurred due to fraudulent actions that occur, as well as legal consequences from the Police and/or other Authorities.

Thus, this Integrity Pact was created and signed with full awareness and understanding without coercion from any party.

....., ...2023

Declarer,

Name :
NIP :

COMPANY COMMITMENT AND POLICY IN IMPLEMENTING CORPORATE GOVERNANCE AND GOVERNANCE OUTCOMES

KB Bank believes the importance to maintain sustainable growth by providing superior service to customers and implementing the principles of Good Corporate Governance (GCG). These GCG principles are rooted in ethical behavior, accountability, transparency and sustainability.

The Bank refers to the latest General Guidelines for Indonesian Corporate Governance (PUGKI) - PUGKI 2021 - which develops the basic value of TARIF. KB Bank ensures the implementation of GCG principles in all operational aspects and company decisions, including corporate culture, transparency and accountability.

With this approach, KB Bank aims to strengthen the foundation of business sustainability, build stakeholder trust, and maintain its reputation as a financial institution whose integrity is maintained.

The following are the 4 (four) pillars of corporate governance that guide KB Bank in managing the Company:

Ethical Behavior
Definition In performing its activities, the Corporation always prioritizes honesty, treats all parties with respect, fulfills commitments, builds and maintains moral values and beliefs consistently. The corporation pays attention to the interests of shareholders and other stakeholders based on the principle of fairness and is managed independently so that each organ of the company does not dominate the other and cannot be intervened by other parties. **Application within the scope of the Company** At KB Bank, every level of our organization, from the Commissioners and Directors to Executive Officers and employees, is deeply committed to upholding our Code of Ethics. This commitment is exemplified by our unwavering dedication to compliance with all relevant regulations and laws. Moreover, we embrace and embody our company's core values of Integrity, Competence, Care, Accountability, and Perseverance in every aspect of our work.
Accountability
Definition Corporations can account for their performance in a transparent and fair manner. For this reason, corporations must be managed properly, measurably and in accordance with corporate interests while taking into account the interests of shareholders and stakeholders. Accountability is a prerequisite needed to achieve sustainable performance. **Application within the scope of the Company** All levels at KB Bank, starting from the Commissioners, Directors, Executive Officers and employees, perform their mandatory duties to be accountable for their actions in accordance with the lines of authority established by the company, by improving governance aspects through stakeholder participation by covering all important aspects of the company.
Transparansi
Definition To maintain objectivity in conducting business, the corporation provides material and relevant information in a way that is easily accessible and understandable to stakeholders. Corporations take the initiative to disclose not only issues required by laws and regulations, but also important matters for decision making by shareholders, creditors and other stakeholders. **Application within the scope of the Company** Communicate with Shareholders or Investors through effective and continuous communication. As well as implementing information disclosure in an accurate and timely manner.
Sustainability
Definition The corporation complies with laws and regulations and is committed to do their responsibilities towards society and the environment in order to contribute to sustainable development by working with all relevant stakeholders to improve their lives in a way that is aligned with business interests and the sustainable development agenda. **Application within the scope of the Company** KB Bank has a strong commitment to building honest and open communication with shareholders and the community, including by respecting community culture, involving itself in social activities, and preserving the environment which is a shared responsibility.

Apart from implementing the 4 main pillars of corporate governance, KB Bank also adopted 8 comprehensive corporate governance principles. These principles include the rights of shareholders, stakeholders, basic rules regarding management, and supervision of corporate management in Indonesia. These principles also pay attention to aspects of ethics, risk management and disclosure.

The eight principles of corporate governance are divided into 3 (three) groups:

1. Corporate Management and Supervision Function
   These principles regulate the roles and responsibilities of the Board of Directors and Board of Commissioners. The main focus is on decision-making mechanisms, monitoring and supervision of corporate activities.

2. Process and Output from the Board of Directors and Board of Commissioners
   This group of principles regulates the processes used by the Board of Directors and Board of Commissioners in making decisions and the results resulting from these processes. This includes performance evaluation criteria, strategic planning, and transparent financial reporting.
3. Resource Owner
   These principles regulate how shareholders and other stakeholders will receive benefits from the implementation of corporate governance. This involves shareholder rights, protection of stakeholder interests, and fair allocation of dividends.

By implementing these eight principles, KB Bank aims to ensure that corporate management is carried out with strong principles and in accordance with established standards. It also helps banks in building trust and maintaining a good reputation in the eyes of shareholders, stakeholders and the general public.

The following are 8 (eight) principles of corporate governance and their application within the Company, as attached below.

Principle 1: Roles and Responsibilities of the Board of Directors and Board of Commissioners

Definition
The Board of Directors and Board of Commissioners conduct their roles and responsibilities independently to create sustainable value for the long-term best interests of the corporation and shareholders, taking into account the interests of stakeholders.

Explanation
Principle 1 relates to the roles and responsibilities of the Board of Directors in conducting corporate management and the roles and responsibilities of the Board of Commissioners in supervising the management of the corporation by the Board of Directors. In addition, this Principle regulates the performance assessment of the Board of Directors and the Board of Commissioners and their respective members, handling conflicts of interest that occur to members of the Board of Directors and members of the Board of Commissioners and increasing the competence of members of the Board of Directors and members of the Board of Commissioners.

Principle 2: Composition and Remuneration of the Board of Directors and Board of Commissioners

Definition
Members of the Board of Directors and members of the Board of Commissioners are selected and determined in such a way that the composition of the Board of Directors as the management organ and the composition of the Board of Commissioners as the supervisory organ are diverse and each consists of Directors and Commissioners who have the commitment, knowledge, ability, experience and expertise needed to appropriately fulfill the management role of the Board of Directors and the supervisory role of the Board of Commissioners.

Remuneration is designed to effectively align the interests of members of the Board of Directors and members of the Board of Commissioners with the long-term interests of the corporation and sustainable value creation.

Explanation
Principle 2 requires that the selection and appointment of members of the Board of Directors and members of the Board of Commissioners be executed in such a way that the Board of Directors and the Board of Commissioners as management and supervisory organs, respectively, have a composition of members with the required knowledge, abilities and expertise in accordance with their respective roles. In addition, this Principle emphasizes the importance of remuneration policies to encourage members of the Board of Directors and members of the Board of Commissioners to prioritize the long-term interests of the corporation based on the principle of sustainability, and requires disclosure of remuneration policies and information received by the Board of Directors and Board of Commissioners in a transparent and accountable manner.

Principle 3: Working Relationship between the Board of Directors and the Board of Commissioners

Definition
The Board of Directors and the Board of Commissioners have a close, open, constructive, professional and trusting working relationship for the best interest of the corporation.

Explanation
Principle 3 emphasizes the importance of a close, open, constructive, professional, trusting working relationship between the Board of Directors and the Board of Commissioners in achieving the best interests of the corporation. Principle 3 also regulates the need for the Board of Commissioners to access complete information and the importance of members of the Board of Directors and the Board of Commissioners understanding the implications of the ownership structure of the corporation on the implementation of their roles.

Principle 4: Ethical Behavior

Definition
The Corporation is committed to acting ethically and responsibly, upholding the values and culture of the organization.

Explanation
Principle 4 requires corporations to make periodic statements about the corporation's commitment not only to comply with applicable laws and regulations, but also a commitment to act in an ethical and responsible manners.

Principle 5: Risk Management, Internal Control and Compliance

Definition
Corporation conduct corporate governance practices that are integrated with the implementation of internal control and risk management systems, as well as effective compliance management systems in order to support the achievement of corporate goals, vision, mission, objectives, and performance targets in conducting business with integrity.

Explanation
Principle 5 requires the Board of Directors to implement governance, internal control and risk management systems, and compliance management systems in an integrated manner as part of the strategies, management tools, and practices carried out by the corporation in doing business responsibly (responsible business) as a good corporate citizen. The Board of Commissioners monitors and provides input on the effectiveness of the implementation of governance, internal control and risk management systems, and corporate compliance management systems implemented in an integrated manner by the Board of Directors.

Principle 6: Disclosure and Transparency
Definition The corporation makes accurate and timely disclosures regarding all material matters concerning the corporation. **Explanation** Principle 6 requires corporation to have a governance framework capable of providing assurance that can result in accurate and timely disclosure of all material matters about the corporation, which includes financial condition and performance, ownership of the corporation, and corporate governance.
Principle 7: Shareholder Rights
Definition The Corporation protects and facilitates the exercise of shareholder rights and ensures fair treatment of shareholders, including minority shareholders. All shareholders have the opportunity to obtain effective redress for violations of their rights. **Explanation** Principle 7 describes the fulfillment of shareholder rights and fair treatment for shareholders, how active cooperation between the corporation and its shareholders is carried out and the effective exercise of some shareholder rights through the GMS.
Principle 8: Stakeholder Rights
Definition The corporation recognizes the rights of stakeholders stipulated in applicable laws and regulations or an agreement agreed upon by the corporation and encourages active cooperation with stakeholders in creating wealth, employment, and financially sound business sustainability. **Explanation** Principle 8 explains the role of the Board of Directors and Board of Commissioners in integrating sustainability aspects in the corporate business model, conducting stakeholder engagement, and ensuring the protection of stakeholders' rights. The Board of Commissioners monitors the integration of all aspects mentioned above by the Board of Directors.

GOVERNANCE FRAMEWORK

The Bank implements the 4 pillars of corporate governance in a comprehensive and structured manner on the three aspects of governance, namely:

1. Governance structure Governance structure shows the adequacy of the Bank's governance structure and infrastructure so that the process of implementing good governance principles produces outcomes that are in line with the expectations of the Bank's stakeholders. Included in the Bank's governance structure are the Board of Directors, Board of Commissioners, Committees and Work Units at the Bank. What is included in the Bank's governance infrastructure includes Bank policies and procedures, management information systems and the main tasks and functions of each organizational structure.
2. Governance process Governance process reflects the effectiveness of the process of implementing good governance principles which is supported by the adequacy of the Bank's governance structure and infrastructure, resulting in outcomes that are in line with the expectations of stakeholders.
3. Governance outcomes (governance outcomes) Governance outcomes are demonstrated by the quality of outcomes that meet the expectations of Bank stakeholders which are the result of the process of implementing good governance principles and are supported by the adequacy of the Bank's governance structure and infrastructure.

GOVERNANCE OUTCOME

As a positive impact of the manifestation of the implementation and enforcement of governance towards creating a work culture and business continuity, the Bank always maintains the trust of controlling shareholders and external parties. This is realized by the results of the implementation of good corporate governance at KB Bank which is generally good as reflected in the adequate fulfillment of the principles of good corporate governance. In 2023, KB Bank GCG ranking based on self-assessment is Rank 2 (two).

QUALITY STANDARDS FOR IMPLEMENTING CORPORATE GOVERNANCE

KB Bank implements Good Corporate Governance (GCG) standards by integrating the company's vision and mission which are realized through the Company's Cultural Values, known as ICCAN (Integrity, Competent, Care, Accountable, & Never Give Up). ICCAN is a guide for all levels of management and employees in carrying out their duties and behaving.

Implementing GCG is considered a long-term process that aims to generate sustainable value. GCG is a culture that is instilled through an internal process that involves all levels of the Board of Directors, Board of Commissioners and employees.

GCG implementation standards regulate the role of the Board of Commissioners in executing its supervisory function to ensure that the management of the Company by the Board of Directors is in accordance with applicable regulations. The Board of Directors is responsible for conducting management functions in a trustworthy and professional manner, and avoiding conflicts of interest. All GCG organs work synergistically to ensure that all Bank operational activities comply with applicable legal provisions.

In addition, as a business entity whose shares are listed on the Indonesian Stock Exchange and supervised and supervised by the Indonesian Financial Services Authority, GCG implementation standards at KB Bank also refer to Financial Services Authority Regulation No. 21/POJK.04/2015 concerning Implementation of Public Company Governance Guidelines and POJK No. 17 of 2023 concerning Implementation of Governance for Commercial Banks.

To further improve the quality of GCG implementation, KB Bank also reviews and aligns best practices that apply globally, including:

1. Corporate Governance Principles for Stated Owned Companies developed by the Organization for Economic Co-operation and Development (OECD), namely the ASEAN Corporate Governance Scorecard;
2. Corporate Governance Perception Index (CGPI) organized by The Indonesian Instituter for Corporate Governance (IICG). CGPI is a research and ranking program for the implementation of GCG in companies in Indonesia;
3. Principles for Enhancing Corporate Governance published by the Basel Committee on Banking Supervision; And
4. ESG or Environment, Social, and Governance.

The internalization of various laws and regulations and guidelines with national and international standards into KB Bank internal policies is a commitment from the Board of Commissioners and Directors along with all KB Bank personnel. This commitment is translated into the Company's vision, mission and values and is expected to be integrated into the daily behavior of all KB Bank employees.

GCG IMPLEMENTATION ASSESSMENT

KB Bank consistently improves the quality of Good Corporate Governance (GCG) implementation which is reflected in the increase in governance outcomes from year to year. This improvement can be seen in operational and financial performance which shows sustainable growth as a result of GCG implementation.

To maintain this consistency, the Bank regularly measures the quality of GCG implementation, both through self-assessment and collaboration with third parties, in order to obtain more independent assessment results. The implementation of monitoring GCG implementation is carried out by:

1. Monitoring the implementation of SEOJK recommendations to all related work units.
2. Provide reminders about the implementation of GCG to all related work units.
3. Increase socialization with Compliance Awareness. What is meant is awareness that there are regulations by all parties along with an understanding of the regulations.

GCG SELF ASSESSMENT

The Bank applies GCG Implementation Quality standards, including the following:

1. Ensure that the basic principles of governance are implemented comprehensively.
2. Monitoring weaknesses in the GCG implementation process.
3. Improve coordination and communication with related departments/units to play an active role in implementing GCG.
4. Improve the quality and role of organs in the GCG organization to implement a culture of GGC implementation at all levels of the organization.

As a mean to improve and increase the quality of GCG implementation and based on OJK Regulation No. 17 of 2023 regarding Implementation of Governance for Commercial Banks; Banks must carry out a comprehensive self-assessment every semester in order to determine a follow-up plan that includes corrective action (if necessary) taking into account 11 (eleven) assessment factors, namely:

1. Implementation of the duties and responsibilities of the Board of Directors;
2. Implementation of the duties and responsibilities of the Board of Commissioners;
3. Completeness and implementation of committee duties;
4. Handling conflicts of interest;
5. Implementation of compliance functions;
6. Implementation of the internal audit function;
7. Implementation of the external audit function;
8. Implementation of risk management including an internal control system;
9. Provision of funds to related parties and provision of large funds (large exposure);
10. Transparency of the Bank's financial and non-financial conditions, reports on the implementation of governance and reporting internal;
11. Bank strategic plan.

The following are the results of the self-assessment of GCG implementation at KB Bank as of December 2023:

	RANK	RANK DEFINITION
Individual	2	KB Bank has implemented Governance which is generally Fair. This is reflected in the adequate fulfillment of the principles of Governance. In the event that there are weaknesses in the implementation of Governance principles, in general these weaknesses are quite significant and require adequate attention from the Bank's management. Thus, KB Bank GCG rating is Rank 2.
Consolidation	2	The implementation of KB Bank good corporate governance in a consolidated is Fair, the GCG assessment of PT Bank Syariah Bukopin and PT Bukopin Finance as Subsidiaries has no impact or influence that may cause a decline in Bank KB Bukopin's GCG assessment.

ANALISIS

Based on the analysis of indicators for all factors assessing the implementation of KB Bank Governance, it can be stated as follows:

1. All members of the Board of Commissioners have passed the Fit and Proper Test from the OJK.
2. All members of the Board of Directors have passed the Fit and Proper Test from the OJK.
3. The function and implementation of the committee's duties runs well.
4. There is no conflict of interest that is detrimental to the Bank or reduces the Bank's profits.
5. The Bank has periodically submitted basic reports on the implementation of the duties of the Director in charge of the compliance function to the OJK.
6. Reports on activities for implementing the internal audit function have been included in the Annual Report.
7. Public Accountants work independently and objectively in conducting audits
8. The Bank has implemented risk management through an organizational structure that supports the implementation of risk management and risk management processes. Based on the risk profile analysis, the risks faced by the Bank are classified as low to moderate.
9. In December 2023, there will be no Legal Lending Limits exceedance.
10. Annual Reports and Quarterly Reports have been submitted in a timely manner.
11. Submission of the RBB has been approved by the Board of Commissioners and submitted to the OJK.

Results of Self-Assessment on Implementation of Governance

In 2023, based on the findings and results of the analysis as described above, the implementation of good corporate governance at Bank KB Bukopin is generally "FAIR" as reflected in adequate compliance with the principles of good corporate governance. Weaknesses found in the implementation of good corporate governance in general are less significant and can be resolved with normal actions by Bank Management. Thus, KB Bank GCG rating is Rank 2 (two).

Soundness Rating of Bank

The Bank's soundness level reflects the results of an assessment of the Company's condition regarding the Bank's risks and performance which can be seen from the final ranking of the assessment results based on OJK Regulation No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks, and OJK Circular No. 14/SEOJK.03/2017 dated March 17, 2017 regarding Assessment of the Soundness Level of Commercial Banks using a risk approach (Risk-based bank rating) which includes four factors, namely:

1. Risk Profile;
2. Good Corporate Governance;
3. Profitability;
4. Capital.

The risk profile report is one of the factors in assessing the bank's health level. Banks are required to submit quarterly risk profile reports for March, June, September and December to the Financial Services Authority. The report is prepared using a self-assessment using a risk approach (risk based Bank rating), as regulated in Financial Services Authority Circular Letter No. 14/SEOJK.03/2017 dated March 17, 2017 concerning the Assessment of the Soundness Level of Commercial Banks.

From the results of the quarterly risk profile self-assessment submitted to the Financial Services Authority, for December 2023, the Bank's overall composite risk rating is at low to moderate (P2).

IMPLEMENTATION OF CORPORATE GOVERNANCE ASPECTS AND PRINCIPLES IN ACCORDANCE WITH FINANCIAL SERVICES AUTHORITY REGULATIONS

Based on OJK Regulation no. 21/POJK.04/2015 concerning Public Company Governance and OJK Circular Letter No. 32/SEOJK.04/2015, there are 5 aspects, 8 principles and 25 recommendations for implementing Good Corporate Governance. These recommendations are standards that must be implemented by companies to ensure effective and integrated Corporate Governance practices.

No	Principles	Recommendations	Explanation of Implementation at KB Bank	Description
I	**Aspect 1: Public Company Relations with Shareholders in guaranteeing the rights of Shareholders**			
	Prinsip 1 Meningkatkan Nilai Penyelenggaraan RUPS	Public Company has a method or technical procedure for voting (open or closed voting) that prioritizes independence, and the interests of shareholders.	The Bank regulates the mechanism or procedure for collecting votes in the Company's Articles of Association which prioritizes the independence and interests of shareholders in accordance with the POJK General Meeting of Shareholders (confirmation with Korsek)	Fulfilled
		All members of the Board of Directors and Board of Commissioners of the Public Company are present at the Annual GMS.	All Directors and Board of Commissioners were present at the Annual GMS, either face-to-face and/or via video conference (confirm with Korsek)	Fulfilled
		A summary of GMS minutes is available on the Public Company Website for at least 1 (one) year.	The Bank has provided the minutes of the GMS on the website in the Investor Relations section	Fulfilled
	Principle 2 Improving the Quality of Public Company Communication with Shareholders or Investors.	Public Company has a communication policy with shareholders or investors.	The Bank has special communication facilities for shareholders and other stakeholders in the form of corporate secretary e-mail and investor relations.	Fulfilled
		The Public Company discloses the Public Company's communication policy with shareholders or investors on the Website.	The bank has included the corporate secretary and investor relations e-mail on the website as a means of communication between the company and stakeholders.	Fulfilled
II	**Aspect 2: Function and Role of the Board of Commissioners**			
	Principle 3 Strengthening the Membership and Composition of the Board of Commissioners	Determination of the total of members of the Board of Commissioners considers the condition of the Public Company.	The Company determines the number of members of the Board of Commissioners in accordance with POJK Governance and other applicable regulations	Fulfilled
		Determination of the composition of the members of the Board of Commissioners takes into account the diversity of expertise, knowledge and experience required.	The company determines the member cpmposition of the Board of Commissioners takes the diversity, expertise, knowledge and experience required into account in accordance with POJK Governance and other applicable regulations.	Fulfilled
	Prinsip 4 Meningkatkan Kualitas Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris	The Board of Commissioners has Self Assessment policy to assess the performance of the Board of Commissioners.	In accordance with Decree No. 005 of 2021 concerning Guidelines and Work Rules for the Board of Commissioners of PT. Bank KB Bukopin Tbk dated 29 June 2021 that the Board of Commissioners is obliged to carry out a self-assessment which has been described in the performance assessment section of the Board of Commissioners of this Annual Report.	Fulfilled
		Self-assessment policy to assess the performance of the Board of Commissioners, is disclosed through the Annual Report of the Public Company.	Self-assessment to assess the performance of the Board of Commissioners is disclosed in the performance assessment section of the Board of Commissioners of this Annual Report.	Fulfilled
		The Board of Commissioners has a policy regarding the resignation of members of the Board of Commissioners if they are involved in financial crimes.	Any proposal for appointment and/or replacement of members of the Board of Commissioners/Directors to the GMS must take into account the recommendations of the Remuneration and Nomination Committee and obtain approval as regulated in Decree 0272 of 2017 concerning PT Bank Bukopin's Good Corporate Governance Guidelines dated 10 February 2017. Explained in the provisions that members of the Board of Commissioners/ Board of Directors must never be punished for committing a criminal act that is detrimental to the State's finances and/or the financial sector.	Fulfilled
		The Board of Commissioners or the Committee that carries out the Nomination and Remuneration function shall formulate a succession policy in the process of nominating members of the Board of Directors.	The appointment and dismissal of the Company's Directors is carried out based on the principles of professionalism and GCG. The Company refers to Financial Services Authority Regulation Number 17 of 2023 concerning Implementation of Governance for the Public. A description of the succession policy in the nomination process for members of the Company's Directors has been disclosed in the Directors' Succession section of this Annual Report	Fulfilled

No	Principles	Recommendations	Explanation of Implementation at KB Bank	Description
III	Aspect 3: Function and Role of Board of Directors			
	Principle 5 Strengthening the Membership and Composition of Board of Directors.	Determination of the total of members of the Board of Directors considers the condition of the Public Company and its effectiveness in decision making.	All members of the board of directors have adequate competence and are relevant to their position to carry out their duties and responsibilities in carrying out their duties and responsibilities. Based on observations of the curriculum vitae of members of the board of directors, it appears that the directors have integrity and competence that supports the implementation of their duties as bank directors. One of the ways this is revealed is the track record of a clear career path at the bank and participation in various training and certifications.	Fulfilled
		Determination of the composition of members of the Board of Directors pays attention to the diversity of expertise, knowledge, and experience needed.	The company's financial reports are prepared by referring to generally accepted financial accounting standards in Indonesia and have been signed by the Company's Board of Directors.	Fulfilled
		Member Board of Directors in charge of the field accounting or finance have expertise and/or knowledge in accounting.	All members of the board of directors have adequate and relevant competencies for their position to carry out their duties and responsibilities in carrying out their duties and responsibilities. Based on observations of the curriculum vitae of members of the board of directors, it appears that the directors have integrity and competence that supports the implementation of their duties as bank directors. One of the ways this is revealed is the existence of a track record of a clear career path at the bank and participation in various training and certifications.	Fulfilled
	Principle 6 Improving the Quality of Implementation of Directors' Duties and Responsibilities	The Board of Directors has the Self-Assessment policies to assess the performance of the Board of Directors.	Referring to Decree No.0404 of 2020 dated 30 December 2020, the Board of Directors is obliged to carry out a Self-Assessment Policy through the Key Performance Indicator (KPI) assessment system as described in the Directors' performance assessment section of this Annual Report.	Fulfilled
		The self-assessment policies to assess the performance of the Board of Directors are disclosed through the annual report of the Public Company.	The self-assessment of the directors' performance has been disclosed in the directors' performance assessment section of this annual report.	Fulfilled
		The Board of Directors has policies related to the resignation of members of the Board of Directors when involved in financial crimes.	The policy regarding the resignation of members of the Board of Directors is regulated in Decree 0272 of 2017 concerning PT Bank Bukopin's Good Corporate Governance Guidelines dated 10 February 2017. (*will be updated in accordance with POJK No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks.	Fulfilled

No	Principles	Recommendations	Explanation of Implementation at KB Bank	Description
	Principle 7 Improving Corporate Governance Aspects through Stakeholder Participation.	Public Company has a policy to prevent insider trading.	Policies related to Insider Trading are regulated in Decree 0056 of 2022 concerning Share Ownership Policy for Directors, Board of Commissioners and Employees of PT Bank KB Bukopin, Tbk	Fulfilled
		Public Company has anticorruption and anti-fraud policies.	KB Bank has an anti-fraud policy and other policies related to anti-corruption, including Decree No.0165 of 2021 concerning Anti-Bribery and Corruption Policy dated December 3, 2021.	Fulfilled
		Public Company has a policy regarding the selection and enhancement of the capability of suppliers or vendors	The Company has a policy regarding the selection and improvement of vendor capabilities through the Operational Activity Guidelines. The guidelines are Circular Letter No.164/DIR/VI/2020 concerning Guidelines for Operational Activities - Procurement of Goods and Services.	Fulfilled
		Public Company has a policy regarding the fulfillment of creditor rights.	The Company has established Whistleblowing Guidelines through Decree No. 1291/2018.	Fulfilled
		Public Company has a Whistleblowing system policy.	Decree No.0205 Year 2023 on Whistleblowing System (WBS) Policy dated November 9, 2023	Fulfilled
		Public Companies have a long-term incentive policy for Directors and employees.	None	Not Fulfilled
V	Aspect 5: Information Disclosure			
	Principle 8 Improving the Implementation of Information Disclosure	Public Company makes greater use of information technology in addition to the Website as a medium for information disclosure.	The company has social media accounts. They are the Newspapers and the Indonesian Stock Exchange Website	Fulfilled
		The Annual Report of Public Company discloses the ultimate beneficial owner in the ownership of a Public Company share of at least 5% (five percent), in addition to the disclosure of the ultimate beneficial owner in the ownership of the shares of the Public Company through the main and controlling shareholders	KB Bank every month reports share ownership of more than 5% to the Stock Exchange Authority and has disclosed it in this Annual Report.	Fulfilled

CORPORATE GOVERNANCE STRUCTURE AND MECHANISM

The Corporate Governance Structure of KB Bank follows the Law of the Republic of Indonesia no. 40 of 2007 concerning Limited Liability Companies (UU PT). The Company's organs consist of the General Meeting of Shareholders (GMS), Board of Commissioners and Directors. The management system adopts a two-tier system, namely the Board of Commissioners and Directors, which have clear authority and responsibility in accordance with statutory regulations.

Each organ has an important role in implementing GCG and carrying out its functions, duties and responsibilities for the benefit of the Company. To maximize the function of the main organ, KB Bank is supported by supporting organs, including Committees under the Board of Commissioners, Company Secretary, Internal Audit Unit (SKAI), and Directors Committee under the Board of Directors.

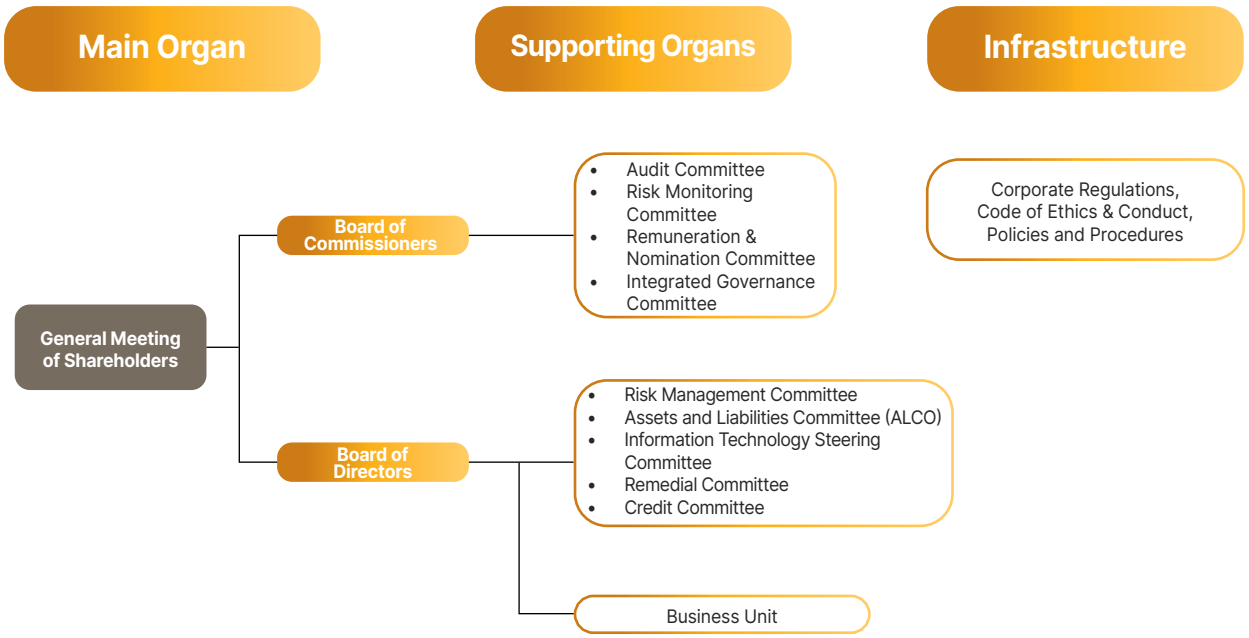
The Board of Commissioners Committee which was formed to assist and improve the supervisory function carried out by the Board of Commissioners, consists of:

1. Audit Committee;
2. Risk Monitoring Committee;
3. Remuneration & Nomination Committee;
4. Integrated Governance Committee.

The Board of Directors together with the Bank's management are tasked with managing, controlling and being responsible for the implementation of governance at Bank KB Bukopin, assisted by the Corporate Secretary, Internal Audit (SKAI) and the Board of Directors Committee, consisting of:

1. Risk Management Committee;
2. Asset and Liability Committee (ALCO);
3. Information Technology Steering Committee;
4. Credit Restructuring Committee;
5. Problem Loan Settlement Committee;
6. Credit Committee;
7. Foreign Exchange Committee;
8. IT Support Committee;
9. Internal Control and Anti-Fraud Committee.

KB BANK GOVERNANCE STRUCTURE



The following is a list of policies and SOPs owned by Bank KB Bukopin:

KEBIJAKAN/SOP	KETERANGAN
Code of Ethics	• Guidelines of Decree of The Board of Director No. 0382 of 2020 concerning the Code of Ethics of PT Bank KB Bukopin Tbk.
Credit Lending Guidelines	• Decree of the Board of Directors No. 0394 of 2020 concerning The Credit Lending Limit Policy of PT. Bank KB Bukopin Tbk.
Board of Commissioners & Supporting Committee Work Guidelines	• Decree of the Board of Commissioners No. 015 of 2019 concerning the Work Guidelines and Code of Conduct of the Board of Commissioners of PT Bank Bukopin Tbk. • Decree of the Board of Commissioners No. 004 of 2019 concerning the Work Guidelines and Code of Conduct of the Audit Committee of PT Bank Bukopin Tbk. • Decree of the Board of Commissioners No. 005 of 2019 concerning the Work Guidelines and Code of Conduct of the Risk Monitoring Committee of PT Bank Bukopin Tbk. • Decree of the Board of Commissioners No. 001 of 2019 concerning the Work Guidelines and Code of Conduct of the Remuneration and Nomination Committee of PT Bank Bukopin Tbk
Directors Work Guidelines	• Board of Directors Circular No. 28 of 2022 concerning Work Guidelines and Code of Conduct for the Board of Directors of PT Bank KB Bukopin Tbk
Internal Audit Charter	• Board of Directors Decree No. 0146 of 2022 concerning the Internal Audit Charter of PT Bank KB Bukopin Tbk
Risk Management Guidelines	• Decree No.0165 on Anti-Bribery and Corruption Policy
Gratification Management Guidelines	• Decree No.0205 Year 2023 on Whistleblowing System (WBS) Policy
Whistleblowing System	• Board of Directors Decree No. 1291 of 2018 concerning the Implementation of the Whistleblowing System Guidelines of Bank Bukopin
Other Guidelines	• Articles of Association of PT Bank Bukopin Tbk. • Board of Directors Decree No. 0178 of 2021 concerning Hierarchy of Internal Provisions Policy of PT Bank KB Bukopin Tbk

CORPORATE GOVERNANCE MECHANISM

KB Bank commitment to Good Corporate Governance is demonstrated through a series of operational policies and procedures that are consistently implemented in all daily activities. This policy is designed to ensure that every aspect of GCG practices is adhered to strictly and continuously.

The process of implementing policies and procedures related to GCG is not only an obligation, but also an integral part of the work culture at KB Bank. All members of the organization, from top management to lower level employees, are directed to understand, internalize and implement GCG principles in every action and decision they take.

Apart from being implemented in daily activities, GCG policies are also regularly reviewed and evaluated to ensure their relevance to market conditions, the latest laws and regulations, and best practices in the banking industry. This review was carried out comprehensively and involved participation from various parties at KB Bank, thereby ensuring that GCG policies and procedures remained up-to-date and effective in achieving company goals.

Apart from that, commitment to GCG policies does not only stop at the level of decision making and implementation, but also in terms of communication and outreach. GCG policies are communicated widely to all elements of the Bank's organization, either through training, meetings or other internal communication media. This aims to ensure that every member of the organization understands how important GCG principles are in achieving KB Bank strategic goals.

General Meeting of Shareholders

The General Meeting of Shareholders (GMS) at KB Bank serves as the highest forum equipped with special rights and authority, in accordance with the provisions stipulated in statutory regulations and the Bank's Articles of Association. Its main function is as an effective communication medium between the Board of Directors, Board of Commissioners and shareholders.

In each GMS, shareholders have the opportunity to ask questions and get answers to various issues related to the Bank's policies, performance and strategic direction. This allows shareholders to gain a deeper understanding of the various aspects that influence the Bank's performance and prospects. Apart from being a means for communication, the GMS is also an opportunity to maintain transparency and accountability of Bank management to shareholders. In this way, decisions taken by the Board of Directors and Board of Commissioners can be accounted for clearly and in accordance with the interests of shareholders.

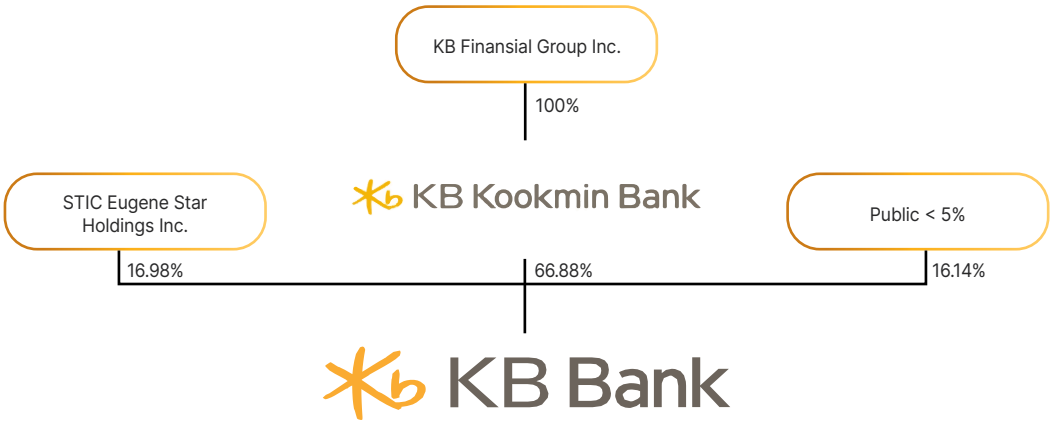
The entire GMS process also reflects the Bank's commitment to ensuring that the principles of good corporate governance are applied consistently, ensuring that all parties involved in decision making are within the established corridors, and ensuring that the interests of shareholders are well safeguarded.

The Company's GMS is held with reference to provisions including:

1. Law no. 40 of 2007 concerning Limited Liability Companies;
2. OJK Regulation no. 15/POJK.04/2020 dated April 20, 2020 concerning Plans and Implementation of the General Meeting of Shareholders of Public Companies;
3. OJK Regulation no. 16/POJK.04/2020 dated April 20, 2020 concerning the Implementation of Electronic General Meetings of Shareholders of Public Companies; And
4. OJK Regulation no. 17 of 2023 concerning Implementation of Governance for Commercial Banks.

SHAREHOLDERS

Shareholders are individuals or legal entities who legally own Bank shares. Shareholders do not intervene in the functions, duties and authority of the Board of Commissioners and Directors. As of December 31, 2023, the composition of KB Bank Shareholders is as follows:



TYPE OF GMS

In the the Articles of Association of the Company, it was explained that there are two types of GMS in the Company:

1. Annual GMS
   This GMS is held no later than 6 (six) months after the end of the fiscal year. The main agenda of the Annual GMS consists of submitting Financial Statements and Annual Reports from the Board of Directors to be approved by the Shareholders, appointing a Public Accountant Firm for next year, deciding on the use of profits, appointing or dismissing members of the Board of Directors or members of the Board of Commissioners and deciding on other matters required.
2. Extraordinary GMS
   The implementation of the Extraordinary GMS can be held at any time according to the needs of the Company by the Board of Directors or the Board of Commissioners, at the request of the Shareholders.

AUTHORITY OF GENERAL MEETING OF SHAREHOLDERS

The GMS has the authority not given to the Board of Directors or the Board of Commissioners, within the limits specified in Act 40 of 2007 concerning Limited Liability Companies and/or the Company's articles of association.

The authority of the GMS includes:

1. Evaluating the performance of the Board of Commissioners and Board of Directors;
2. Approving amendments to the Articles of Association;
3. Approving to the Board of Directors Report, the Board of Commissioners Supervisory Report and the Company's Financial Statements;
4. Determining the allocation of the use of profits;
5. Appointing and determining the cost of public accountant services;
6. Determining the amount and type of compensation and management facilities;
7. Approving the Annual Report including the Company's Financial Statements and the Supervisory Report of the Board of Commissioners of the Company and providing compensation and discharge of responsibility (acquit et decharge) to members of the Board of Directors and the Board of Commissioners for the management and supervision actions that they have done respectively;
8. Giving power and authority to the Board of Directors to determine and pay dividends;
9. Making decisions concerning the organization structure, for example amendments to the Articles of Association, incorporation, consolidation, separation, dismissal and liquidation of the Company;
10. Appointing and/or changing the composition, of the Board of Directors and Board of Commissioners;
11. Deciding on remuneration, namely: determination of salaries, other benefits and honorarium for the Board of Directors and Board of Commissioners of the Company;
12. Giving approval of transactions that contain conflicts of interest;
13. Granting power and authority to the Board of Commissioners to appoint a Public Accounting Firm (KAP) with regard to recommendations from the Audit Committee.

SHAREHOLDER RIGHTS

Shareholder rights in accordance with Law No. 40 of 2007 are as follows: :

1. Receiving stock dividends on terms and conditions in accordance with the resolution of the GMS.
2. Participating in making decisions at the GMS based on the applicable terms and conditions and the GMS Rules.
3. Obtaining information regarding the GMS Rules and voting procedures in the GMS.

PROCEDURE FOR HOLDING GMS

1. Extraordinary General Meeting of Shareholders (hereinafter referred to as "Meeting") will be held in Indonesian language.
2. In accordance with Article 12 paragraph 7 of the Company's Articles of Association, the Meeting will be chaired by a Member of the Board of Commissioners appointed by the Company's Board of Commissioners.
3. All meetings are discussed on an ongoing basis.
4. After finishing discussing each meeting, the Chairperson of the Meeting will provide the opportunity for shareholders or their proxies to submit questions opinions, proposals or suggestions before voting on matters relating to the Meeting event discussed.
5. The right to ask for questions and/or opinions at the Meeting are only the shareholders of the Company or their legal proxies whose names are registered in the Register of Shareholders of the Company the day before the notice date of GMS.
6. Questions: Shareholders who want to ask questions, are welcome to raise their hands and fill out the question form that has been distributed. The clerk will collect the form that has been filled out by the questioner, which includes the name, total of shares owned or represented and the questions. After the questioner has asked questions through the form, the Chairperson will answer or respond. Questions that will be answered are questions that are directly related to the Meeting.
7. Voting Rights
   a. Only the Company's shareholders whose names are recorded in the Register of Shareholders of the Company one day prior to the notice date or their attorney are entitled to vote.
   b. Each share gives the holder the right to issue 1 (one) vote.

Meeting Resolutions are made by deliberation to reach consensus. If deliberations to reach consensus are not reached, a vote will be held later.

QUORUM TERMS

General Meeting of Shareholders can be held if it is attended by Shareholders who represent more than ½ (one half) of the total of shares with valid voting rights issued by the Company. If the quorum as intended is not fulfilled, the second RUPS notice will be held. The second RUPS is valid and has the right to make binding decisions if it is attended by Shareholders representing at least 1/3 (one third) of the total of shares with voting rights issued by the Company.

IMPLEMENTATION OF THE 2023 GMS

Bank KB Bukopin has submitted the GMS notification to OJK, as attached below:

1. Letter No. 20870/DIR/XII/2022 dated 16 December 2022 regarding Notice of Agenda for Planned Extraordinary General Meeting of Shareholders (EGMS) of PT Bank KB Bukopin Tbk ("Company") dated January 31, 2023
2. Letter No. 06052/DIR/V/2023 dated 8-06-2023 regarding Notification of the Planned Agenda for the Annual General Meeting of Shareholders (AGMS) of PT Bank KB Bukopin Tbk ("Company") dated June 30, 2023

2023 ANNUAL GMS

In 2023, KB Bank will hold an Annual GMS on May 25, 2022 and the implementation process is in accordance with the mechanism set out in POJK No. 15/POJK.04/2020 dated April 20, 2020 concerning Plans and Implementation of General Meeting of Shareholders of Public Companies and No. 16/POJK.04/2020 dated April 20, 2020 concerning Implementation of Electronic General Meeting of Shareholders of Public Companies. as well as the provisions of the Articles of Association of KB Bank.

Resolution of the 2023 Annual GMS

The main resolution of KB Bank 2023 Annual General Meeting of Shareholders are as follows:

Notification	Announcement	Notice	Implementation	Results and Resolutions
KB Bank has submitted notification of the agenda of the Annual GMS to OJK on May 15, 2023 as stated in letter No. 06052/DIR/V/2023	KB Bank has announced the Annual GMS on May 24, 2023 on the Company's website, Stock Exchange Web and e-RUPS website	KB Bank has made notice for the Annual GMS on June 8, 2023 on the Company's website, Stock Exchange Web and e-GMS website	KB Bank held its Annual GMS on June 30, 2023 in Auditorium of KB Bank Building, 3rd floor, Jalan MT. Haryono Kav. 50-51 South Jakarta 12770	Summary of the Minutes of the Annual GMS was announced on July 4, 2023 on the Company website, Stock Exchange website and e-GMS provider website

First Meeting Agenda

Approval of the Company's Annual Report including the Supervisory Duty Report that has been carried out by the Board of Commissioners for the Fiscal Year ending on December 31, 2022 and ratification of the Consolidated Financial Report for the Fiscal Year ending on December 31, 2022, as well as providing full release and discharge of responsibility (acquit et de charge) to the Board of Commissioners and Directors of the Company for the supervisory and management actions that have been carried out in the Fiscal Year ending on December 31, 2022.

Decision Making

By Voting

	Total (Shares)	Percentage
Present Votes	162.558.263.964	100,00000%
Disagreeing Votes	94.900	0,00006%
Abstain Votes	25.300	0,00002%
Agreeing Votes	162.558.143.764	99,99992%
Total Agreeing Votes	162.558.169.064	99,99992%

Meeting Resolution

1. Approve and accept the Company's Annual Report including the Supervisory Duty Report which has been carried out by the Board of Commissioners for the Fiscal Year ending on December 31, 2022 and ratify the Consolidated Financial Report for the Fiscal Year ending on December 31, 2022 which has been audited by the Public Accounting Firm Kosasih, Nurdiyaman, Mulyadi, Tjahyo, and Partners, according to Report No. 00328/2.1051/AU.1/07/1671-2/1/III/2023 dated March 31, 2023 with a Fair Opinion in All Material Matters, the financial position of PT Bank KB Bukopin Tbk and its subsidiaries as of December 31, 2022 and financial performance and consolidated cash flows for the year ended on that date, in accordance with Indonesian Financial Accounting Standards.
2. Provide full release and discharge of responsibility (acquit et de charge) to the Company's Board of Commissioners and Directors for supervisory and management actions carried out during the Fiscal Year ending on December 31, 2022, as long as these actions do not constitute criminal acts and such actions reflected in the Company's Annual Report and Consolidated Financial Statements for the Fiscal Year ending on December 31, 2022.

Follow up/ Realization

Has been realized

Second Meeting Agenda	Appointment of a Public Accounting Firm to Audit Financial Reports Company for the 2023 Fiscal Year along with the determination of the honorarium.
Number of Shareholders Asking Questions	Throughout the Meeting Agenda, there were no questions from Shareholders and/or Proxies/Shareholder Representatives.
Decision Making	By Voting

	Total (Shares)	Percentage
Present Votes	162.558.263.964	100,00000%
Disagreeing Votes	20.539.144	0,01264%
Abstain Votes	23.300	0,00001%
Agreeing Votes	162.537.701.520	99,98735%
Total Agreeing Votes	162.537.724.820	99,98736%

Meeting Resolution	1. Appointing Tanudiredja, Wibisana, Rintis & Rekan Public Accounting Firm (a member firm of the PwC global network) as the Public Accounting Firm that will audit the Consolidated Financial Statements of the Company and Subsidiaries for the 2023 Fiscal Year. 2. Approving the granting of authority and power to the Company's Board of Commissioners to appoint a Public Accounting Firm and/or Public Accountant to conduct an audit of the Company's Consolidated Financial Statements for other periods in the 2023 Fiscal Year if necessary for the purposes and interests of the Company. 3. Granting delegation of authority to the Company's Board of Commissioners to determine the amount of compensation for audit services, additional scope of work required and other reasonable requirements for the Public Accounting Firm. 4. Granting authority and power to the Company's Board of Commissioners to appoint a replacement Public Accounting Firm in the event that the Tanudiredja, Wibisana, Rintis & Rekan Public Accounting Firm for whatever reason is unable to complete the audit of the Company's and Subsidiaries' Consolidated Financial Statements for the 2023 Fiscal Year, including determining audit service fees and other requirements for the replacement Public Accounting Firm.
Follow up/ Realization	Has been realized

Third Meeting Agenda	Approval of the determination of honorarium, salary and/or allowances for the Board of Commissioners and Directors of the Company.
Number of Shareholders Asking Questions	Throughout the Meeting Agenda, there were no questions from Shareholders and/or Proxies/Shareholder Representatives.
Decision Making	By Voting

	Jumlah (lembar saham)	Persentase
Present Votes	162.558.263.964	100,00000%
Disagreeing Votes	224.766	0,00014%
Abstain Votes	25.300	0,00002%
Agreeing Votes	162.558.013.898	99,99984%
Total Agreeing Votes	162.558.039.198	99,99986%

Meeting Resolution	1. Approve and determine the amount of salary, honorarium and/or allowances for the Board of Commissioners and Directors of the Company in the 2023 Fiscal Year, which remains in accordance with the maximum nominal amount of the remuneration package that was approved by the Extraordinary General Meeting of Shareholders on December 22, 2020. 2. Approved to delegate authority to the Board of Commissioners to determine the allocation of salaries, honorarium and/or allowances for each member of the Board of Commissioners and each member of the Board of Directors by considering the performance and financial condition of the Company and taking into account the recommendations of the Remuneration and Nomination Committee.
Follow up/ Realization	Has been realized

Fourth Meeting Agenda	Report on the Realization of the Use of Funds from the Sustainable Public Offering of Bonds and Limited Public Offering VI in 2021.
Number of Shareholders Asking Questions	Throughout the Meeting Agenda, there were no questions from Shareholders and/or Proxies/Shareholder Representatives.
Decision Making	Considering that the fourth agenda item is a report, no decision was taken.
Meeting Resolution	
Follow up/ Realization	Has been realized

EXTRAORDINARY GMS

In 2023, KB Bank held 1 (one) Extraordinary GMS which was held on January 31, 2023 and the implementation process was in accordance with the mechanism stated in POJK No. 15/POJK.04/2020 dated April 20, 2020 concerning Plans and Implementation of the General Meeting of Shareholders of Public Companies and No. 16/POJK.04/2020 dated April 20, 2020 concerning the Implementation of Electronic General Meetings of Shareholders of Public Companies. as well as the provisions of the Articles of Association of KB Bank.

Extraordinary GMS January 31, 2023

Notification	Announcement	Notice	Implementation	Results and Resolutions
KB Bank has submitted notification of the EGMS agenda to the OJK on December 16, 2022 as stated in letter No. 20870/ DIR/XII/2022	KB Bank has announced the EGMS on December 23, 2022 on the Company's website, the Stock Exchange website and the e-GMS provider website	KB Bank has called for an EGMS on January 9, 2023 on the Company website, Stock Exchange website and e-GMS provider website	KB Bank held an EGMS on Tuesday, January 31, 2023 at the Auditorium of the KB Bank Building 3rd Floor Jl. MT Haryono Kav 50- 51 South Jakarta	A summary of the EGMS Minutes was announced on February 2, 2023 on the Company's website, Stock Exchange website and e-RUPS provider website

Extraordinary GMS Meeting Agenda	Changes in the Composition of the Company's Management
Number of Shareholders Asking Questions	Throughout the Meeting Agenda, there were no questions from Shareholders and/or Proxies/Shareholder Representatives
Decision Making	By Voting

	Total (Shares)	Percentage
Present Votes	47.088.618.716	100,000
Disagreeing Votes	60.103.680	0,128
Abstain Votes	1.072.111	
Agreeing Votes	47.027.442.925	99,870
Total Agreeing Votes	47.028.515.036	99,872

Meeting Resolution	1. Respectfully accept the resignation of Mr. Jin Bum Kim as Director of the Company, effective as of the closing of the Meeting, accompanied by thanks and highest appreciation for all the services and dedication that have been provided to the Company. 2. Grant complete release and discharge of responsibility (acquit et de charge) to Mr. Jin Bum Kim as Director of the Company for management actions that have been carried out while serving as Director of the Company, as long as these actions are reflected in the Annual Report and Consolidated Financial Statements of the Company for the financial year which ends on December 31, 2022 and is not a criminal offense. 3. Extends the highest appreciation to Mr. Jin Bum Kim for all the work results achieved based on the provisions and capabilities of the Company, the authority to determine the amount is delegated to the Company's Board of Commissioners 4. Appoint Mr. Jung Ho Han as Director of the Company, for a period of 3 (three) years starting from the closing of the Meeting until the closing of the Annual General Meeting of Shareholders for the 2025 Financial Year. 5. Furthermore, the composition of the members of the Company's Board of Commissioners and Board of Directors is as follows: Board of Commissioners President Commissioner — Jerry Marmen Vice President Commissioner — Nam Hoon Cho Commissioner — Nanang Supriyatno Independent Commissioner — Tippy Joesoef Independent Commissioner — Hae Wang Lee Independent Commissioner — Stephen Liestyo Independent Commissioner — Sukriansyah S. Latief Independent Commissioner — Eugene K. Galbraith Board of Directors President Director — Woo Yeul Lee Vice President Director — Robby Mondong Director — Helmi Fahrudin Director — Dodi Widjajanto Director — Seng Hyup Shin Director — Yohanes Suhardi Director — Henry Sawali Director — Young Eun Moon**) Director — Jung Ho Han**) **) Provided that Mr. Young Eun Moon, and Mr. Jung Ho Han are effective as of being appointed by the Company after fulfilling all the requirements stipulated in the Financial Services Authority Regulation Number 27/POJK.03/2016 concerning Fit and Proper Test for Main Institutional Parties Financial Services, Financial Services Authority Regulation Number 37/POJK.03/2017 concerning the Utilization of Foreign Workers and Knowledge Transfer Programs in the Banking Sector and/or other applicable laws and regulations. 6. Authorize the Board of Directors with the right of substitution, to declare the Meeting's decision regarding changes to the composition of the Company's Board of Directors, with a separate official deed before a Notary, including but not limited to notifying the results of the Meeting's decision to the Minister of Law and Human Rights. Give authority to the Board of Commissioners to determine the division of duties and authority of each member of the Board of Directors based on Article 15 paragraph (9) of the Company's Articles of Association.
Follow Up/ Realization	Mr. Jung Ho Han, Br. Wong Eung Moon has obtained the results of the fit and proper assessment from the Foreign Employment Financial Services Authority and the Knowledge Transfer Program in the Banking Sector and/or other applicable laws and regulations

RESOLUTIONS FROM THE PREVIOUS YEAR'S GMS

In 2022, the Bank held 1 (one) Annual GMS on May 25, 2022 and 3 (three) Extraordinary GMS on March 23, 2022, August 24, 2022 and November 30, 2022 and the implementation process was in accordance with the mechanisms listed in POJK no. 15/POJK.04/2020 dated April 20, 2020 concerning Plans and Implementation of the General Meeting of Shareholders of Public Companies and No. 16/POJK.04/2020 dated April 20, 2020 concerning the Implementation of Electronic General Meetings of Shareholders of Public Companies. as well as the provisions of the Articles of Association of KB Bank.

2022 ANNUAL GMS

The Annual GMS was held on Thursday May 25, 2022, at the Auditorium of the KB Bukopin Bank Building, 3rd Floor, Jalan MT. Haryono Kav. 50-51 South Jakarta 12770.

No	Meeting Agenda	Resolution	Realization
1.	Approval of the Company's Annual Report for the Fiscal Year ending on December 31, 2021 and ratification of the Consolidated Financial Report for the Fiscal Year ending on December 31, 2021, as well as granting full release and release of responsibility (acquit et de charge) to the Board of Commissioners and The Company's Board of Directors for the supervisory and management actions that have been carried out in the Fiscal Year ending on December 31, 2021	1. Approve and accept the Company's Annual Report including the Supervisory Duty Report which has been carried out by the Board of Commissioners for the Fiscal Year ending on December 31, 2021 and ratify the Consolidated Financial Report for the Fiscal Year ending on December 31, 2021 which has been audited by the Public Accounting Firm Kosasih, Nurdiyaman, Mulyadi, Tjahyo, and Partners, according to Report No. 00298/2.1051/AU.07/1671-1/III/2022 dated March 31, 2022 with a Fair Opinion in All Material Matters, the financial position of PT Bank KB Bukopin Tbk and its subsidiaries as of December 31, 2021 as well as the consolidated financial performance and cash flow for year ending on that date, in accordance with Financial Accounting Standards in Indonesia. 2. Give full release and discharge of responsibility (acquit et decharge) to the Company's Board of Commissioners and Directors for supervisory and management actions carried out in the Fiscal Year ending on December 31, 2021, as long as these actions do not constitute criminal acts and these actions are reflected in the Company's Annual Report and Consolidated Financial Statements for the Fiscal Year ending on December 31, 2021.	Has been realized
2.	Appointment of a Public Accounting Firm to Audit the Company's Financial Report for the 2022 Fiscal Year along with determining the honorarium	1. Determine the Public Accounting Firm Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan as the Public Accounting Firm that will audit the Consolidated Financial Statements of the Company and Subsidiaries for the 2022 Fiscal Year. 2. Approved the granting of authority and power to the Company's Board of Commissioners to appoint a Public Accounting Firm and/or Public Accountant to conduct an audit of the Company's Consolidated Financial Statements for other periods in the 2022 Fiscal Year if necessary for the Company's goals and interests. 3. Grant delegation of authority to the Company's Board of Commissioners to determine the amount of compensation for audit services, additional scope of work required and other reasonable requirements for the Public Accounting Firm. 4. Grant authority and power to the Company's Board of Commissioners to appoint a replacement Public Accounting Firm in the event that the Public Accounting Firm Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan for whatever reason is unable to complete the audit of the Consolidated Financial Statements of the Company and Subsidiaries for the 2022 Fiscal Year, including determining fees for audit services and other requirements for the replacement Public Accounting Firm.	The Company has appointed a Public Accounting Firm (KAP) regarding the preparation of the Company's Financial Report for the 2022 Fiscal Year which was decided through a tender process in accordance with the applicable OJK Regulation (POJK)
3.	Approval of the determination of honorarium, salary and/or allowances for the Board of Commissioners and Directors of the Company	Approve and determine the honorarium, salary and/or allowances for the Company's Board of Commissioners and Directors for the 2022 Fiscal Year to be fixed or without adjustment.	Has been realized

No	Meeting Agenda	Resolution	Realization
4.	Report on the Realization of Use of Funds from Limited Public Offering V ("PUT V") in 2021	This Meeting Agenda does not reach any decisions, because it is only a report on the Realization of the Use of Funds from Limited Public Offering V ("PUT V) in 2021.	Has been realized
5.	Adjustment to article 3 of the Company's Articles of Association in relation to the Company's Aims and Objectives and Business Activities in accordance with the 2020 Standard Classification of Indonesian Business Fields (KBLI).	1. Approved adjustments to article 3 of the Company's Articles of Association in relation to the Company's Aims and Objectives and Business Activities in accordance with the 2020 Standard Classification of Indonesian Business Fields (KBLI). 2. Grant power and authority to the Company's Directors with the right of substitution to carry out all necessary actions in accordance with applicable laws and regulations in connection with adjustments to Article 3 of the Company's Articles of Association and state the resolutions of this Meeting in a separate official deed before a Notary, including but not limited to obtain approval from and/or notify the results of the decisions of this Meeting to the Minister of Law and Human Rights. The adjustments to Article 3 of the Company's Articles of Association as intended are (i) deleting Article 3 paragraph (2A) of the Company's Articles of Association in its entirety and (ii) adjusting Article 3 paragraph 3, thus, the complete text of Article 3 of the Company's Articles of Association is as follows:	Amendments to the Articles of Association have been made in accordance with the Deed of PT Bank Kb Bukopin Tbk Meeting Resolution Statement No. 29 dated May 25, 2022 made by Dini Lastari Siburian, SH

No	Meeting Agenda	Resolution	Realization
		ARTICLE 3 1. The Company's aims and objectives are in the banking sector in accordance with the provisions of the applicable laws and regulations. 2. To achieve the Company's aims and objectives, the Company can conduct the following main business activities: a. Collecting funds from the public in the form of savings in the form of current accounts, b. time deposits, certificates of deposit, savings and/or other forms c. which equates to that. d. Giving loan. e. Issue a debt acknowledgment letter. f. Buy, sell or guarantee at your own risk or for g. the interest and upon its customer's instruction: i) Money orders include money orders accepted by the current Bank ii) The validity period is no longer than customary practices in trade iii) the letters in question. iv) Debt acknowledgment letters and other commercial papers that have an expiry date v) no longer than is customary in trading the letters in question. vi) State Treasury Papers and Government Guarantee Letters. vii) Bank Indonesia Certificate (SBI). viii) Bonds. ix) The term of the Trade Letter is in accordance with the Laws and Regulations. x) Other securities instruments with maturities in accordance with xi) Legislation. h. Moving money either for your own benefit or for customer interests. i. Placing funds with, borrowing funds from, or lending funds to other banks, either by using letters, telecommunication facilities or money transfers, checks or other means. j. Receive payments from bills on securities and do calculations with or between third parties. k. Providing a place to store goods and securities. l. Conducting custody activities for the benefit of another party based on a contract. m. Placing funds from customers to other customers in the form of securities that are not listed on the Stock Exchange. n. Providing financing and/or performing other activities including carrying out activities based on sharia principles. o. Conducting factoring activities, credit card business and Trustee activities. p. Carrying out activities in foreign exchange. q. Implementing capital participation activities in banks or other companies in the financial sector, including leasing, venture capital, securities companies, insurance, as well as settlement and deposit clearing institutions.	

No	Meeting Agenda	Resolution	Realization
		r. Implementing temporary capital investment activities to overcome the consequences of credit failure, including financing failure based on sharia principles with the condition that the investment must be withdrawn in accordance with applicable regulations. s. Act as founder of the Pension Fund and Pension Fund Manager in accordance with the provisions of the applicable Pension Fund Legislation. t. Carrying out financial services, commercial banking and other investment banking activities. u. Purchasing collateral in whole or in part through auction or other means in the event that the debtor does not fulfill his obligations to the Company, provided that the collateral purchased must be disbursed as soon as possible. v. Performing other activities commonly carried out by the Bank as long as they do not conflict with applicable laws and regulations. 3. To support the Company's main business activities, the Company may carry out the following supporting business activities: a. Conventional Commercial Banks; b. Conventional Microfinance Institutions; c. Other Monetary Intermediaries; d. Conventional Finance Companies; e. Credit Card Financing; f. Conventional Venture Capital Companies; g. Conventional Infrastructure Financing Company; h. Housing Secondary Finance Company; i. YTDL Other Financial Services Activities, Not Insurance and Pension Funds; j. Conventional Financial Institution Pension Funds; k. Securities Clearing and Guarantee Institution; l. Clearing and Futures Guarantee Institution; m. Clearing and Futures Guarantee Institution for Physical Market Organizers; n. Operator of Transaction Implementation Facilities in the Money Market and Foreign Exchange Market; o. Custodian (Custodian); p. Trustee (Trustee); q. Insurance Agent Activities. As well as other supporting business activities to support the Company's main business activities as long as they do not conflict with statutory regulations	

No	Meeting Agenda	Resolution	Realization
6.	Changes in the Composition of the Company's Management	1. Respectfully accept the resignation of Mr. Chang Su Choi as President Director of the Company, effective from May 25, 2022 accompanied by the highest thanks and appreciation for all the services and dedication that have been provided to the Company. 2. Give appreciation to Mr. Chang Su Choi for all the work results achieved, the amount of which is in accordance with the provisions and capabilities of the Company, including if according to the consideration of the Board of Commissioners other appreciation can be given, the authority to determine the amount is delegated to the Board of Commissioners. 3. Propose to appoint Mr. Woo Yeul Lee as Director of the Company, for a period of 3 (three) years starting from the closing of the Annual General Meeting of Shareholders on May 25, 2022 until the closing of the Annual General Meeting of Shareholders for the 2024 Fiscal Year. 4. Give authority to the Board of Commissioners to determine the division of duties and authority of each member of the Board of Directors based on Article 15 paragraph 9 of the Company's Articles of Association. 5. Authorize the Board of Directors with the right of substitution, to declare the decisions of this Meeting regarding changes to the composition of the Company's Board of Directors, with a separate official deed before a Notary, including but not limited to notifying the results of this Meeting's resolutions to the Minister of Law and Human Rights. With the approval of the change in the composition of the Board of Commissioners and Directors by the Shareholders at the Meeting, the composition of the Company's Board of Commissioners and Directors is as follows: **Board of Commissioners** 1. President Commissioner : Jerry Marmen*) 2. Vice President Commissioner : Nam Hoon Cho 3. Commissioner : Nanang Supriyatno 4. Independent Commissioner : Tippy Joesoef 5. Independent Commissioner : Hae Wang Lee 6. Independent Commissioner : Stephen Liestyo 7. Independent Commissioner : Sukriansyah S. Latief, SH. MH.*) 8. Independent Commissioner : Eugene K. Galbraith**) *)For Mr. Jerry Marmen and Mr. Sukriansyah S. Latief effective since determined by the Company after obtaining fit and proper approval from the Financial Services Authority. **) For Mr. Eugene K. Galbraith, it is effective from the time it is determined by the Company after fulfilling all the requirements stipulated in POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 and/or other applicable laws and regulations. **Board of Directors** 1. President Director : Woo Yeul Lee**) 2. Vice President Director: Robby Mondong 3. Director : Helmi Fahrudin, SE. 4. Director : Dodi Widjajanto 5. Director : Seng Hyup Shin 6. Director : Yohanes Suhardi 7. Director : Iwan Dharmawan*) 8. Director : Henry Sawali* 9. Director : Jin Bum Kim**) * For Mr.Iwan Dharmawan and Mr.Henry Sawali, it is effective from the time it is determined by the Company after obtaining approval for capability and compliance (fit and proper) from the Financial Services Authority. ** For Woo Yeul Lee and Jin Bum Kim, it is effective from the time it is determined by the Company after fulfilling all the requirements stipulated in POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 and/or other applicable laws and regulations	Mr. Woo Yeul Lee, Mr. Henry Sawali, Mr. Jin Bum Kim have received the results of the fit and proper test from the Financial Services Authority, while Mr. Iwan Dharmawan has effectively resigned on August 24 2022

EXTRAORDINARY GMS 2022

In 2022, KB Bank held 3 (three) Extraordinary GMS which were held on March 23, 2022, August 24, 2022 and November 30, 2022 and the implementation process was in accordance with the mechanism stated in POJK No. 15/POJK.04/2020 dated April 20, 2020 concerning Plans and Implementation of the General Meeting of Shareholders of Public Companies and No. 16/POJK.04/2020 dated April 20, 2020 concerning the Implementation of Electronic General Meetings of Shareholders of Public Companies. as well as the provisions of the Articles of Association of KB Bank.

No.	Meeting	Resolution	Realization
1.	EGMS Changes to the Composition of the Company's Management on Wednesday, March 23, 2022 at the Auditorium of the KB Bukopin Bank Building, 3rd Floor, Jl. MT Haryono Kav 50- 51 South Jakarta	1. Accept the respectful resignation of Mr. Ji Kyu Jang as Director of the Company, effective January 27, 2022, accompanied by gratitude and highest appreciation for all the services and dedication he has provided to the Company. 2. Give appreciation to Mr. Ji Kyu Jang for all the work results achieved, the amount of which is in accordance with the provisions and capabilities of the Company, including if according to the consideration of the Board of Commissioners other appreciation can be given, the authority to determine the amount is delegated to the Board Commissioner. 3. Propose to appoint Mr. Jin Bum Kim as Director of the Company, for a period of 3 (three) years starting from the closing of the Meeting on March 23, 2022 until the closing of the Annual General Meeting of Shareholders for the 2024 Fiscal Year. 4. Give authority to the Board of Commissioners to determine the division of duties and authority of each member of the Board of Directors based on Article 15 paragraph 9 of the Company's Articles of Association. 5. Authorize the Board of Directors with the right of substitution, to declare the decisions of this Meeting regarding changes to the composition of the Company's Board of Directors, with a separate official deed before a Notary, including but not limited to notifying the results of this Meeting's resolutions to the Minister of Law and Human Rights With the approval of the change in the composition of the Board of Commissioners and the Board of Directors by the Shareholders at the Meeting, the composition of the Company's Board of Commissioners and Directors is as follows: **Board of Commissioners** 1. President Commissioner : Jerry Marmen* 2. Vice President Commissioner : Nam Hoon Cho** 3. Commissioner : Nanang Supriyatno* 4. Independent Commissioner : Tippy Joesoef 5. Independent Commissioner : Hae Wang Lee** 6. Independent Commissioner : Stephen Liestyo 7. Independent Commissioner : Sukriansyah S. Latief* 8. Independent Commissioner : Eugene K. Galbraith** *) For Mr. Jerry Marmen, Mr. Nanang Supriyatno and Mr. Sukriansyah S. Latief, it is effective from the time it is determined by the Company after obtaining fit and proper approval from the Financial Services Authority. **) For Mr. Nam Hoon Cho, Mr. Hae Wang Lee and Mr. Eugene K. Galbraith, effective from the date of appointment by the Company after fulfilling all the requirements stipulated in POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 and/or other applicable laws and regulations. **Board of Directors** 1. President Director : Chang Su Choi 2. Vice President Director : Robby Mondong* 3. Director : Helmi Fakhrudin 4. Director : Dodi Widjajanto*** 5. Director : Seng Hyup Shin 6. Director : Yohanes Suhardi 7. Director : Iwan Dharmawan* 8. Director : Henry Sawali* 9. Director : Jin Bum Kim** * Effective as determined by the Company after obtaining fit and proper test approval from the Financial Services Authority. ** Effective as determined by the Company after fulfilling all requirements stipulated in POJK No.27/POJK.03/2016; POJK No. 37/POJK.03/2017 and/or other applicable laws and regulations. *** Effective as Compliance Director since being appointed by the Company after obtaining fit and proper test approval from the Financial Services Authority.	Sdr. Jerry Marmen, Sdr. Nam Hoon Cho, Sdr. Nanang Supriyatno, Sdr. Hae Wang Lee, Sdr. Sukriansyah S. Latief, Sdr. Eugene K. Galbraith, Sdr. Robby Mondong, Sdr. Dodi Widjajanto, Sdr. Henry Sawali, Sdr Jin Bum Kim telah mendapatkan hasil penilaian kemampuan dan kepatutan (fit and Proper) dari Otoritas Jasa Keuangan, sementara Sdr. Iwan Dharmawan teleh efektif mengundurkan Diri pada tanggal 24 Agustus 2022

No.	Meeting	Resolution	Realization
2	EGMS regarding Changes to the Composition of the Company's Management on Wednesday, August 24, 2022 at the Auditorium of the KB Bukopin Bank Building, 3rd Floor, Jl. MT Haryono Kav 50-51 South Jakarta	1. Propose to appoint Young Eun Moon as Director of the Company, for a period of 3 (three) years starting from the closing of the Extraordinary General Meeting of Shareholders on August 24, 2022 until the closing of the Annual General Meeting of Shareholders for the 2024 Fiscal Year. 2. Cancellation of the appointment and accepting the respectful resignation of Mr. Iwan Dharmawan as Director of the Company, effective from August 24, 2022 accompanied by thanks and the highest appreciation for all the services and dedication that have been provided to the Company. 3. Provide full release and discharge of responsibility (acquit et de charge) to Mr. Iwan Dharmawan as Director of Risk Management for the management actions that have been carried out while serving as Director of the Company, as long as these actions do not constitute a criminal act. 4. Give appreciation to Mr. Iwan Dharmawan for all the work results achieved based on the provisions and capabilities of the Company, the authority to determine the amount is delegated to the Board of Commissioners. 5. Authorize the Board of Directors with the right of substitution, to declare the decisions of this Meeting regarding changes to the composition of the Company's Board of Directors, with a separate official deed before a Notary, including but not limited to notifying the results of this Meeting's resolutions to the Minister of Law and Human Rights. 6. Give authority to the Board of Commissioners to determine the division of duties and authority of each member of the Board of Directors based on Article 15 paragraph 9 of the Company's Articles of Association. With the approval of the change in the composition of the Board of Commissioners and Directors by the Shareholders at the Meeting, the composition of the Company's Board of Commissioners and Directors is as follows: **Board of Commissioners** 1. President Commissioner : Jerry Marmen* 2. Vice President Commissioner : Nam Hoon Cho 3. Commissioner : Nanang Supriyatno 4. Independent Commissioner : Tippy Joesoef 5. Independent Commissioner : Hae Wang Lee 6. Independent Commissioner : Stephen Liestyo 7. Independent Commissioner : Dr. Sukriansyah S. Latief, SH.MH 8. Independent Commissioner : Eugene K. Galbraith *) For Mr. Jerry Marmen, it is effective from the time it is determined by the Company after obtaining fit and proper approval from the Financial Services Authority **Board of Directors** 1. President Director : Woo Yeul Lee**) 2. Vice President Director : Robby Mondong 3. Director : Helmi Fahrudin 4. Director : Dodi Widjajanto 5. Director : Seng Hyup Shin 6. Director : Yohanes Suhardi 7. Director : Henry Sawali 8. Director : Jin Bum Kim**) 9. Director : Young Eun Moon**) ** For Mr. Woo Yeul Lee, Mr. Jin Bum Kim, and Mr. Young Eun Moon, it is effective as of being appointed by the Company after fulfilling all the requirements set out in the Financial Services Authority Regulation Number 27/POJK.03/2016 concerning Fit and Proper Test for Parties Main Financial Services Institutions, Financial Services Authority Regulation Number 37/POJK.03/2017 concerning the Utilization of Foreign Workers and Knowledge Transfer Programs in the Banking Sector and/or other applicable laws and regulations.	Mr. Jerry Marmen, Mr.Woo Yeul Lee, Mr. Jin Bum Kim have received the results of the fit and proper test from the Financial Services Authority, while Mr. Young Eun Moon is in the process of submitting a fit and proper test from the Financial Services Authority

No.	Meeting	Resolution	Realization
3	EGMS regarding Changes to the Composition of the Company's Management on Wednesday, November 30, 2022 at the Auditorium of the KB Bukopin Bank Building, 3rd Floor, Jl. MT Haryono Kav 50- 51 South Jakarta	**First Meeting Agenda :** 1. Approved the amendment to Article 4 paragraph (1) and paragraph (2) of the Individual Articles of Association concerning Capital, relating to the increase in the Company's authorized capital which was previously IDR 13,000,000,000,000 (thirteen trillion Rupiah) to IDR 21,000,000,000 ,000 (twenty one trillion Rupiah). 2. 2. Grant power and authority to the Company's Directors with the right of substitution to do all necessary actions in accordance with applicable laws and regulations in connection with changes to the Company's Articles of Association and restate all changes to the Company's Articles of Association in a separate official deed before a Notary including but not limited to obtaining approval from and/or notifying the results of the Meeting's resolutions to the Minister of Law and Human Rights. **First Meeting Agenda :** 3. Approved to increase the Company's capital through PUT VII by granting HMETD, by issuing a maximum of 120,000,000,000 (one hundred and twenty billion) Class B Shares with a nominal value of IDR 100.00 (one hundred Rupiah) per share, thereby amending Article 4 paragraph 2 of the Budget Basic, taking into account the provisions of laws and regulations in the capital markets sector, especially POJK 32/2015 as amended by POJK 14/2019. 4. 2. Grant full power and authority to the Company's Board of Commissioners and/or Directors with substitution rights to do all necessary actions related to LPO VII in accordance with applicable laws and regulations. 5. 3. Approve to grant authority and power to the Company's Board of Commissioners and/or Directors to declare or re-determine the actual (finished) number of shares that have been issued along with the distribution of the number of shares to the Company's shareholders through PUT VII with HMETD, make and/or request make all documents related to this matter, request approval and/or make notifications and carry out the necessary registration with the authorized parties, as well as to do all necessary actions, including but not limited to restating them in a Notarial deed and submitting them to the authorized agencies , signing letters and adjustments or other actions, one way or another without exception, taking into account the provisions of applicable laws and regulations, especially regulations in the capital market sector.	Amendments to the Articles of Association have been made in accordance with the Deed of PT Bank Kb Bukopin Tbk Meeting Resolution Statement No. 108 dated November 30, 2022 made by Notary Aulia Taufani, SH

Board of Commissioners

The Board of Commissioners is a key entity in the Bank's organizational structure, responsible for overseeing the Bank's overall management policies in accordance with the Articles of Association. The main task is to ensure that the Bank carries out its business activities in accordance with the stated aims and objectives, as well as providing advice to the Board of Directors. In addition, the Board of Commissioners also has an important role in ensuring the implementation of Good Corporate Governance (GCG) principles at all levels of the organization.

The Board of Commissioners of KB Bank plays an important role in ensuring company management that is transparent, accountable and in accordance with GCG principles. With effective and independent supervision from the Board of Commissioners, the Bank can increase stakeholder trust. This not only helps the Bank achieve its long-term goals, but also maintains the integrity and credibility of the company as a whole.

LEGAL BASIS

Legal Basis for Appointment of the Board of Commissioners

1. Law no. 40 of 2007 concerning Limited Liability Companies;
2. OJK Regulation (POJK) no. 33/POJK.04/2014 concerning Directors and Board of Commissioners of Issuers or Public Companies;
3. OJK Regulation (POJK) no. 17 of 2023 concerning Implementation of Governance for Commercial Banks;
4. Work Guidelines for the Board of Commissioners of KB Bank.

BOARD OF COMMISSIONERS WORK GUIDELINES/CHARTER

KB Bank has prepared work guidelines for the Board of Commissioners in Board of Commissioners Decree No. 015 of 2019 concerning Guidelines and Work Procedures for the Board of Commissioners of PT Bank Bukopin Tbk dated August 5, 2019. The aim of preparing the Work Procedure Guidelines for the Board of Commissioners is so that all actions and decisions to be taken can be aligned with the guidelines, articles of association and applicable regulations.

The guidelines contain:

1. Introduction containing the legal basis;
2. Structure of the Board of Commissioners;
3. Requirements for Members of the Board of Commissioners;
4. Independent Commissioner;
5. Appointment and Dismissal of Members of the Board of Commissioners;
6. Duties, Authorities, Obligations and Responsibilities;
7. Meetings of the Board of Commissioners and Meetings of the Board of Commissioners with the Board of Directors;
8. Division of Work and Working Time of the Board of Commissioners;
9. Secretariat of the Board of Commissioners and Secretary of the Board of Commissioners;
10. Board of Commissioners Work Ethics and Prohibitions;
11. Transparency;
12. Conclusion.

BOARD OF COMMISSIONERS CRITERIA

The criteria for members of the Board of Commissioners are as follows:

1. Have good morals, morals and integrity.
2. Capable of carrying out legal actions.
3. Within 5 (five) years before appointment and during office:
   a. Never declared bankruptcy;
   b. Never been a member of the Board of Directors and/or a member of the Board of Commissioners who was found guilty of causing a Company to be declared bankrupt;
   c. Never been convicted of committing a criminal act that is detrimental to state finances and/or related to the financial sector;
   d. Never been a member of the Board of Directors and/or member of the Board of Commissioners during his/her tenure:
      i) Never held an Annual GMS;
      ii) His/her accountability as a member of the Board of Directors and/or member of the Board of Commissioners has never been accepted by the GMS or he has never provided his/her accountability as a member of the Board of Directors and/or member of the Board of Commissioners to the GMS;
      iii) Has ever caused a Company that obtained a permit, approval or registration from the Financial Services Authority to fail to fulfill its obligation to submit an annual report and/or financial report to the Financial Services Authority.
4. Have a commitment to comply with statutory regulations.
5. Have the will and ability to carry out continuous learning in order to increase knowledge about banking and the latest developments related to the financial sector and other fields that support the implementation of their duties and responsibilities.
6. Have knowledge and/or expertise in the field required by the Company.
7. All members of the Board of Commissioners have adequate integrity, competence and financial reputation.
8. Members of the Board of Commissioners are prohibited from having family relationships up to the second degree with fellow members of the Board of Commissioners and/or members of the Board of Directors.
9. Members of the Board of Commissioners must fulfill the requirements for a fit and proper test in accordance with the Financial Services Authority Regulations regarding Fit and Proper Test.

TERM OF OFFICE PROVISIONS

The terms of office provisions in article 111 paragraph (3) of Law no. 40 of 2007 stipulates that members of the Board of Commissioners are appointed for a certain period of time and can be reappointed. This is further regulated in article 17 paragraph 3 of the Company's Articles of Association which stipulates that members of the Board of Commissioners are appointed by the General Meeting of Shareholders, each for a period of 3 (three) years starting from the date determined at the GMS until the closing of the annual GMS. fifth after the year of appointment, without reducing the right of the GMS to terminate at any time by stating the reasons. If his/her term of office has ended, he can be reappointed for only 1 (one) term of office.

Members of the Board of Commissioners can also be terminated at any time in a GMS resolutions based on the facts of the members of the Board of Commissioners concerned, including:

1. Not/inadequately able to fulfill the obligations agreed upon in the management contract;
2. Unable to conduct his/her duties properly;
3. Violate the provisions of the Articles of Association and/or applicable laws and regulations.
4. Violate the ethics and/or propriety that should be respected as a member of the Board of Directors;
5. Being involved in actions that are detrimental to the Company and/or the country;
6. Being declared guilty by a court decision that has permanent legal force;
7. Resign;
8. Other reasons deemed appropriate by the GMS for the interests and objectives of the Company.

COMPOSITION AND BASIS FOR APPOINTMENT OF MEMBERS OF THE BOARD OF COMMISSIONERS IN 2023

The composition and number of members of the Board of Commissioners is determined by the GMS by taking into account the Company's vision, mission and strategic plans to enable effective, precise and fast decision making, as well as being able to act independently.

Throughout 2023, there will be no changes to the composition and composition of the Board of Commissioners. The composition and composition of the Board of Commissioners in office as of December 31, 2023, is as attached below.

Name	Position	Basis of Appointment	Period
Jerry Marmen	President Commissioner	Extraordinary GMS on November 19, 2021	2021-Annual GMS for Fiscal Year 2023
Nam Hoon Cho	Vice President Commissioner	Extraordinary GMS on November 19 2021	2021-Annual GMS for Fiscal Year 2023
Stephen Liestyo	Independent Commissioner	Annual GMS on June 17, 2021	2021-Annual GMS for Fiscal Year 2023
Nanang Supriyatno	Commissioner	Extraordinary GMS on August 25, 2020	2020-Annual GMS for Fiscal Year 2024
Sukriansyah Latief	Commissioner	Extraordinary GMS on November 19, 2021	2021-Annual GMS for Fiscal Year 2023
Hae Wang Lee	Independent Commissioner	Extraordinary GMS on August 25, 2020	2020-Annual GMS for Fiscal Year 2024
Tippy Joesoef	Independent Commissioner	Extraordinary GMS on December 22, 2020	2020-Annual GMS for Fiscal Year 2024
Eugene K. Galbraith	Independent Commissioner	Extraordinary GMS on November 19, 2021	2021-Annual GMS for Fiscal Year 2023

FIT AND PROPER TEST

In accordance with Financial Services Authority Regulation no. 27/POJK.03/2016 concerning Fit and Proper Test for Main Parties of Financial Services Institutions states that prospective members of the Board of Commissioners are required to obtain approval from the Financial Services Authority before carrying out their actions, duties and functions as Board of Commissioners. Members of the Board of Commissioners who have passed fit and proper without records and have received approval from the Financial Services Authority, indicate that each member of the Board of Commissioners has adequate integrity, competence and financial reputation.

SHARE OWNERSHIP OF THE BOARD OF COMMISSIONERS

As a form of implementation of the principle of transparency in Bank governance, all members of the Board of Commissioners of KB Bank revealed that not a single member owns shares, either in the Company or even in banks and other companies in accordance with OJK regulations stated in POJK No. 17 of 2023 concerning Implementation of Governance for Commercial Banks.

Members of the Board of Commissioners are required to disclose share ownership of 5% (five percent) or more, both in the bank concerned and in other banks and companies, domiciled at home and abroad.

Name	Position	Share ownership (shares)			
		KB Bank	Other Banks	Non-Bank Financial Instituion	Other Companies
Jerry Marmen	President Commissioner	None	None	None	None
Nam Hoon Cho	Vice President Commissioner	None	None	None	None
Nanang Supriyatno	Commissioner	None	None	None	None
Stephen Liestyo	Independent Commissioner	None	None	None	None
Sukriansyah S. Latief	Independent Commissioner	None	None	None	None
Hae Wang Lee	Independent Commissioner	None	None	None	None
Tippy Joesoef	Independent Commissioner	None	None	None	None
Eugene K. Galbraith	Independent Commissioner	None	None	None	None

POLICY REGARDING CONCURRENT POSITIONS OF THE BOARD OF COMMISSIONERS

1. Members of the Board of Commissioners are prohibited from holding concurrent positions as members of the Board of Directors, members of the Board of Commissioners or Executive Officers:
   a. at financial institutions or financial companies, whether banks or non-banks;
   b. in more than 1 (one) non-financial institution or non-financial company, whether domiciled at home or abroad.
2. Does not include concurrent positions as intended in paragraph (1) in the case of:
   a. members of the Board of Commissioners serve as members of the Board of Directors, members of the Board of Commissioners or Executive Officers who carry out supervisory functions in 1 (one) non-bank subsidiary company controlled by the Bank;
   b. Non-Independent Commissioners conduct the functional duties of Bank shareholders in the form of legal entities in the Bank's business group; and/or
   c. Members of the Board of Commissioners hold positions in non-profit organizations or institutions.
3. Duties in the position and function as intended in paragraph (2) can be carried out as long as the person concerned does not neglect the implementation of their duties and responsibilities as a member of the Bank's Board of Commissioners.

Name	Position	Positions in Other Company/Institution
Jerry Marmen	President Commissioner	• Chair of the Professional Certification Institute (LSP) Governance, Risk and Compliance (TRK) • Assistant to the Special Staff of the President of the Republic of Indonesia for Economic Affairs, Cabinet Secretariat of the Republic of Indonesia
Nam Hoon Cho	Vice President Commissioner	Chairman of KB Kookmin Bank Global Business Group
Nanang Supriyatno	Commissioner	President Director of PT Satu Gen Indonesia
Stephen Liestyo	Independent Commissioner	-
Sukriansyah S. Latief	Independent Commissioner	-
Hae Wang Lee	Independent Commissioner	• Member of the Board of Directors of the Indonesian Korean Association • President Director of LEENOH Consulting Indonesia/
Tippy Joesoef	Independent Commissioner	• Member of the Audit Board of the Financial Services Authority • AIA Financial Independent Audit Committee Director of PT Sarana Menara Nusantara
Eugene K. Galbraith	Independent Commissioner	Direktur PT Sarana Menara Nusantara

BOARD OF COMMISSIONERS AFFILIATE RELATIONS

Regarding the affiliate relationship of the Bank's Board of Commissioners, it is in accordance with POJK No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks .

The information is available in the following table:

Name	Position	Financial Relation with						Family relation with						Management Relation	
		Board of Commissioner		Board of Director		Shareholder		Board of Commissioner		Board of Director		Shareholder			
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Jerry Marmen	President Commissioner		√		√		√		√		√		√		√
Nam Hoon Cho	VicePresident Commissioner		√		√	√			√		√		√	√	

Name	Position	Financial Relation with						Family relation with						Management Relation	
		Board of Commissioner		Board of Director		Shareholder		Board of Commissioner		Board of Director		Shareholder			
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Nanang Supriyatno	Commissioner		√		√		√		√		√		√		√
Stephen Liestyo	Independent Commissioner		√		√		√		√		√		√		√
Sukriansyah S. Latief	Independent Commissioner		√		√		√		√		√		√		√
Hae Wang Lee	Independent Commissioner		√		√		√		√		√		√	√	
Tippy Joesoef	Independent Commissioner		√		√		√		√		√		√		√
Eugene K. Galbraith	Independent Commissioner		√		√		√		√		√		√		√
Tippy Joesoef	Independent Commissioner		√		√		√		√		√		√		√

DUTIES, RIGHTS AND OBLIGATIONS

A description of the duties, rights and obligations of the Board of Commissioners has been included in the work guidelines of the Board of Commissioners as follows:

Duties

In the Board of Commissioners' Work Guidelines and Regulations, the Board of Commissioners is tasked with supervising management policies and the overall running of management. The Board of Commissioners provides advice to the Board of Directors in accordance with the Company's objectives and applicable laws and regulations. The Board of Commissioners also ensures that all Directors' decisions are in accordance with the company's values and support the achievement of the Company's long-term goals.

In the Board of Commissioners' Work Guidelines and Regulations, the Board of Commissioners is tasked with supervising management policies and the course of management in general, as well as providing advice to the Board of Directors, in accordance with the Company's aims and objectives as well as applicable laws and regulations.

In completing its duties, the Board of Commissioners is obliged and responsible for:

1. Conduct duties and responsibilities independently and in good faith, with full responsibility and prudence;
2. Ensure that Good Governance is implemented in every Company business activity at all organizational levels;
3. Conduct supervision over the implementation of the duties and responsibilities of the Board of Directors and provide advice to the Board of Directors;
4. In performing supervision as referred to in point 3 (three), the Board of Commissioners is obliged to direct, monitor and evaluate the implementation of the Company's strategic policies;
5. In performing supervision as intended in point 3 (three), the Board of Commissioners is prohibited from participating in decision making on the Company's operational activities, except:
   a. Provision of funds to related parties as regulated in the provisions regarding the loan maximum limit of the Public Company;
   b. Other matters stipulated in the Company's Articles of Association or applicable laws and regulations.
6. Decision making for the Company's operational activities by the Board of Commissioners as referred to in point 5 is part of the supervisory duties of the Board of Commissioners, so that it does not negate the responsibility of the Board of Directors for the implementation of the Company's management;
7. Carry out a self-assessment to assess the performance of the Board of Commissioners in accordance with applicable laws and regulations;
8. Ensure that the Board of Directors has followed up on audit findings and recommendations from the Company's internal audit work unit, external auditors, results of supervision by the Financial Services Authority and/or results of supervision by other authorities;
9. Report to the Financial Services Authority no later than 7 (seven) working days after discovery:
   a. Violation of laws and regulations in the financial and banking sector;
   b. Circumstances or predicted conditions that could endanger the continuity of the Company's business.
10. Provide sufficient time to carry out duties and responsibilities optimally;
11. Under certain conditions, the Board of Commissioners is obliged to hold an Annual GMS and other GMS in accordance with its authority as regulated in statutory regulations and the Articles of Association;
12. In order to support the effective implementation of its duties and responsibilities, the Board of Commissioners is obliged to form at least:
    a. Audit Committee;
    b. Risk Monitoring Committee;
    c. Remuneration and Nomination Committee;

d. Integrated Governance Committee;
e. Other Committees if required by statutory regulations. Appointment of committee members as referred to in point 12 (twelve), must be carried out by the Board of Directors based on the decision of the Board of Commissioners meeting.

13. Ensure that the committee that has been formed as intended in point 12 (twelve) carries out its duties effectively;
14. Each member of the Board of Commissioners is jointly and severally responsible for losses to the Company caused by errors or negligence of members of the Board of Commissioners in completing their duties;
15. Members of the Board of Commissioners cannot be held responsible for the Company's losses as referred to in point 15 (fifteen) if they can prove:
    a. The loss was not due to his/her fault or negligence;
    b. Has carried out management in good faith, full responsibility and prudence for the benefit and in accordance with the aims and objectives of the Company;
    c. Have no conflict of interest, either directly or indirectly, regarding management actions that result in losses.
16. Have taken action to prevent the occurrence or continuation of such losses.

RIGHTS AND AUTHORITIES OF THE BOARD OF COMMISSIONERS

The Board of Commissioners has the authority to:

1. Check books, documents of evidence, inventory of goods, check and match the condition of cash (for verification purposes) and other securities and find out all actions that have been carried out by the Board of Directors;
2. Entering buildings and grounds or other places used or controlled by the Company. Request information/ explanations from the Directors and/or other officials regarding all issues relating to the management of the Company. Know all policies and actions that have been and will be implemented by the Board of Directors;
3. Request the Board of Directors and/or other officials under the Board of Directors with the knowledge of the Directors to attend the Board of Commissioners Meeting;
4. Temporarily suspend members of the Board of Directors in accordance with the provisions of the Articles of Association;
5. Establish an Audit Committee, Remuneration and Nomination Committee, Risk Monitoring Committee, and Financial Conglomeration Integrated Governance Committee and other committees if deemed necessary taking into account applicable regulations;
6. Use experts for certain matters and within a certain period of time at the Company's expense, if deemed necessary and taking into account applicable regulations;
7. Conduct the Company's management in certain circumstances for a certain period of time in accordance with the provisions of the Company's Articles of Association;
8. Attend meetings of the Board of Commissioners and provide views on matters discussed;
9. Carry out other supervisory authority as long as it does not conflict with statutory regulations, the Articles of Association and/or GMS resolutions.

DIVISION OF DUTIES OF THE BOARD OF COMMISSIONERS

The division of duties among members of the Board of Commissioners ensures optimal focus in decision making and company supervision. Each member is responsible for a specific area, ensuring the implementation of tasks runs smoothly and efficiently, as well as creating clarity about their respective roles both collectively and individually.

Name	Position	Task Field
Jerry Marmen	Komisaris Utama	• Member of the Remuneration and Nomination Committee • Member of the Risk Monitoring Committee
Nam Hoon Cho	Wakil Komisaris Utama	• Member of the Remuneration and Nomination Committee
Nanang Supriyatno	Komisaris	• Member of the Remuneration and Nomination Committee • Member of the Audit Committee
Stephen Liestyo	Komisaris Independen	• Chair of the Audit Committee • Member of the Risk Monitoring Committee
Sukriansyah S. Latief	Komisaris Independen	• Chair of the Integrated Governance Committee • Member of the Remuneration and Nomination Committee
Hae Wang Lee	Komisaris Independen	• Chair of the Remuneration and Nomination Committee • Member of the Integrated Governance Committee
Tippy Joesoef	Komisaris Independen	• Head of the Risk Monitoring Committee • Member of the Remuneration and Nomination Committee • Member of the Audit Committee • Member of the Integrated Governance Committee
Eugene K. Galbraith	Komisaris Independen	• Member of the Audit Committee • Member of the Integrated Governance Committee

INDEPENDENCE OF THE BOARD OF COMMISSIONERS

In carrying out its functions, duties and responsibilities, the Board of Commissioners of KB Bank always prioritizes the principle of independence and upholds the interests of the Bank above their own personal interests. The Board of Commissioners ensures that in doing its duties, it is not influenced by any party.

This principle of independence is the main basis for decision making and supervision of the Board of Commissioners. The Board of Commissioners acts neutrally and objectively, without any influence from external or internal parties that could disrupt the integrity and credibility of the decisions taken.

By prioritizing the interests of the Bank, the Board of Commissioners ensures that all decisions taken have a positive impact on the growth and business continuity of KB Bank. The Board of Commissioners is committed to acting fairly and transparently in every aspect of company management, so as to strengthen the trust of stakeholders and maintain the good reputation of the Bank.

DECISIONS THAT REQUIRE APPROVAL FROM THE BOARD OF COMMISSIONERS

During 2023 the Board of Commissioners has carried out its duties and responsibilities in the context of carrying out supervision as follows:

1. Direct and evaluate the preparation of the Bank's strategic policies, including the Corporate Strategy and Bank Business Plan (RBB) for the 2023-2025 period;
2. Evaluate the implementation of the Bank's strategic policies in 2023, the achievement of the Bank's Business Plan (RBB) and monthly Financial Performance in 2023;
3. Approval of the appointment of a Public Accounting Firm in accordance with the Decision of the 2023 Annual General Meeting of Shareholders;
4. Provide approval for the provision of credit facilities, credit restructuring and investment above a certain limit as well as the provision of credit facilities to related parties, which is the authority of the Board of Commissioners.

The Board of Commissioners of KB Bank not only supervises, but also provides active advice to the Board of Directors. The Board of Commissioners ensures that supervisory and advisory decisions become more effective by interacting regularly in formal meetings and informal dialogue with all Directors or certain members of the Board of Directors. By providing continuous advice, the Board of Commissioners helps the Board of Directors formulate effective business strategies, identify risks, and maintain the Bank's operations according to standards.

Throughout 2023, the Board of Commissioners has provided recommendations and carried out the duties and responsibilities of the Board of Commissioners through forums, including:

1. Board of Commissioners meetings which may also invite the Directors (RAKOM);
2. Joint meetings between the Board of Commissioners and the Board of Directors (RADIRKOM) 10 times. Committee meetings are under the supervision of the Board of Commissioners, consisting of Audit Committee Meetings, Risk Monitoring Committee Meetings, Integrated Governance Committee Meetings and Remuneration and Nomination Committee Meetings. At the Committee Meeting the Directors or members of the Board of Directors may also be invited.

MANAGEMENT OF CONFLICTS OF INTEREST OF THE BOARD OF COMMISSIONERS

In the Board of Commissioners' Guidelines and Regulations, a conflict of interest is explained as a situation where the interests of individual members of the Board of Commissioners may conflict with the Company's interests in achieving company goals. This includes increasing profits, company value, achieving the vision, completing the mission, and implementing the resolutions of the General Meeting of Shareholders.
Management of conflicts of interest is strictly regulated in these guidelines. The Board of Commissioners is required to avoid conflicts of interest in various ways, including:

1. Other parties or personal initiatives that can be categorized as efforts to utilize the Bank for personal, family and/or other party interests that can harm or reduce the Bank's profits;
2. Other parties or personal initiatives that could potentially be categorized as taking and/or receiving personal benefits from the Bank other than remuneration and other facilities determined by the General Meeting of Shareholders;
3. Decision making where personally or in any way, either directly or indirectly, members of the Board of Directors have a personal interest in it.

RISK MANAGEMENT CERTIFICATION

In facing increasingly complex risks in banking activities, it is important for the Company to have bank administrators and officials who have competence in risk management. In accordance with Bank Indonesia Regulation no. 11/19/PBI/2009, the Board of Commissioners and the Board of Directors must have a Risk Management Certificate issued by a Professional Certification Institute, with the following classification:

Position	Level	Valid Period
Board of Commissioner	At least level 1	4 years
Board of Commissioner	At least level 2	4 years
Board of Commissioner and Board of Director with assets of 1 to 10 T	4	2 years

In the event that the validity period of the certification has expired, a periodic Refreshment Program must be carried out at least once every four years for levels 1 and 2; or one time in two years for levels 3, 4 and 5.

TRAINING AND COMPETENCY DEVELOPMENT PROGRAM

KB Bank is committed to implementing training and competency development programs for all members of the Board of Commissioners to support the implementation of the supervisory function of the Board of Commissioners. This commitment is reflected in the training attended by each member of the Board of Commissioners which can be seen in the Company Profile section of this Annual Report.

COMPANY INTRODUCTION PROGRAM FOR NEW COMMISSIONERS

The Introduction Program for newly appointed Board of Commissioners aims to provide an in-depth understanding of the Company. This includes an understanding of the duties and responsibilities of the Board of Commissioners as well as the business processes carried out by the Board of Directors. The ultimate goal is for the Board of Commissioners to work in harmony with other Company Organs.

In this program, the new Board of Commissioners will be introduced to the Company's operations, vision and strategy led by the Board of Directors. They will also study the regulatory framework, internal policies and best practices used by the Company.

In addition, the Introduction Program aims to facilitate interaction between the Board of Commissioners and other Company Organs. With a comprehensive understanding of the Company, the Board of Commissioners can contribute effectively in strategic decision making and supervision, as well as maintaining harmony between various organs in achieving common goals. The Company's introduction program includes:

1. Introduction to the business and divisions in the Company;
2. Introduction to Company culture;
3. The Company participates in training programs in areas appropriate to the supervision concerned;
4. Submission of Company documents, including; Annual Report, Bank Business Plan (RBB).

In 2023 there has been no changes to the composition of the Board of Commissioners, so KB Bank will not implement an introduction program for new members of the Board of Commissioners.

MECHANISM FOR RESIGNATION AND DISMISSAL OF THE BOARD OF COMMISSIONERS

A member of the Board of Commissioners can resign before the end of his/her term of office by notifying the Company in writing of his/her intention with a copy to the Shareholders, Directors and other members of the Board of Commissioners at least 30 (thirty days) before the date of his/her resignation and the Company is obliged to hold a GMS within a period of no later than 90 (ninety) days after receipt of the Letter of Resignation, to follow up on the matter or if not, the resignation will be considered valid without requiring GMS approval. Before the resignation becomes effective, the relevant Board of Commissioners is still obliged to complete its duties and responsibilities in accordance with the Articles of Association.

BOARD OF COMMISSIONERS PERFORMANCE ASSESSMENT

There are several types of assessment procedures to view the performance of the Board of Commissioners, two of which are described as follows:

Performance Assessment of the Board of Commissioners by the GMS

Every year, the performance of the Board of Commissioners is assessed at the General Meeting of Shareholders. The assessment is carried out based on the duties and obligations regulated in the Legislative Regulations and Articles of Association, as well as the mandate of Shareholders.

Evaluation criteria are submitted openly to the Board of Commissioners since their appointment. The evaluation results, both overall and individual, become an integral part of the Board of Commissioners' compensation and incentive scheme. Evaluation of individual performance is an important consideration for Shareholders when considering the dismissal or reappointment of members of the Board of Commissioners.

The results of the performance evaluation of the Board of Commissioners, both collectively and individually, are used as a tool for evaluating and improving the effectiveness of the Board of Commissioners' performance as a whole.

Procedures for Implementing the Performance Assessment of the Board of Commissioners

reported to Shareholders through the GMS based on the Board Manual and the performance targets of the Board of Commissioners.

Board of Commissioners Performance Evaluation Criteria

The General Meeting of Shareholders determines the performance criteria for the Board of Commissioners and individual members of the Board of Commissioners. Criteria for evaluating the individual performance of the Board of Commissioners include:

1. Level of attendance at Board of Commissioners Meetings and meetings with existing committees;
2. Contribution to the Company's supervision process;
3. Involvement in certain assignments;
4. Commitment to advancing the Company's interests;
5. Achieving the realization of the annual work program;
6. Compliance with applicable laws and regulations and Company policies.

The Party Conducting the Assessment

The party that assesses the performance of the Board of Commissioners is the Shareholders at the GMS.

Board of Commissioners Performance Assessment Results

For 2023, the Board of Commissioners has prepared an Annual Work Plan for the Board of Commissioners taking into account the duties, authority and obligations of the Board of Commissioners in accordance with applicable regulations and legislation. The Board of Commissioners has used the Board of Commissioners' Annual Work Plan as a work guide for each member of the Board of Commissioners in conducting their supervisory duties over the Company. Throughout 2023, the Board of Commissioners has carried out its duties well.

Performance Assessment of the Board of Commissioners using the GCG Self-Assessment Method

The performance assessment of the Board of Commissioners is carried out routinely 2 (two) times a year, namely in June and December. The performance assessment of the Board of Commissioners is carried out through Self Assessment based on Financial Services Authority Regulation No. 17 of 2023 and Financial Services Authority Circular No. 13/SEOJK.03/2017 which requires Commercial Banks to carry out an assessment of the implementation of Bank governance.

Procedures for Implementing the Board of Commissioners' Performance Self-Assessment

Implementation of the GCG Self-Assessment for the performance of the Board of Commissioners begins with a self-assessment of each member's performance by filling in a performance sheet template and the results will be provided to shareholders at the Annual GMS for evaluation and used as a basis for determining the dismissal and/or reappointment of members of the Board of Commissioners.

Board of Commissioners Performance Evaluation Criteria

The GCG Self Assessment is carried out using the criteria of SE OJK No. 13/SEOJK.03/2017 of 2017 concerning the Implementation of Governance for Commercial Banks. The assessment of the performance of the Board of Commissioners includes the following matters:

1. Personal Evaluation;
2. Competency Evaluation;
3. Performance of Board of Commissioners Committees and recommendations for necessary improvements (if any);
4. Effectiveness of Implementation of Responsibilities and Work Processes of the Board of Commissioners;
5. Effectiveness of Board of Commissioners Meetings.

The Party Conducting the Assessment

The party that carries out the assessment of the performance of the Board of Commissioners is the Compliance Group as the work unit that carries out assessments of GCG implementation factors in the Company.

PERFORMANCE ASSESSMENT OF COMMITTEES UNDER THE BOARD OF COMMISSIONERS

The Board of Commissioners has supporting committees which have duties and responsibilities to support the performance of the Board of Commissioners. These committees have clear work guidelines, so that the implementation of their duties can be directed and effective. The committees under the Board of Commissioners are the Audit Committee, Risk Monitoring Committee, Remuneration and Nomination Committee and Integrated Governance Committee.

Audit Committee

Has duties and responsibilities to supervise the effectiveness of the internal control system, risk management, internal audit, financial reporting processes. The Board of Commissioners assesses that the Audit Committee has carried out its duties and responsibilities well.

The assessment criteria used by the Board of Commissioners include:

1. Attendance and activeness in meetings;
2. Recommendations given to the Board of Commissioners;
3. Timely reporting.

Risk Monitoring Committee

Support the effective implementation of the duties and responsibilities of the Board of Commissioners related to risk supervision. The Board of Commissioners assesses that the Risk Monitoring Committee has carried out its duties and responsibilities well.

The assessment criteria used by the Board of Commissioners include:

1. Attendance and activeness in meetings;
2. Recommendations given to the Board of Commissioners;
3. Timely reporting.

Remuneration and Nomination Committee

Carry out the functions and duties of the Board of Commissioners related to remuneration and nomination of members of the Board of Directors and members of the Board of Commissioners. The Board of Commissioners assesses that the Remuneration and Nomination Committee has carried out its duties and responsibilities well.

The assessment criteria used by the Board of Commissioners include:

1. Attendance and activeness in meetings;
2. Recommendations given to the Board of Commissioners;
3. Timely reporting.

Integrated Governance Committee

Assist the Board of Commissioners in evaluating the implementation of Integrated Governance at least through assessing the adequacy of internal control and implementing the compliance function in an integrated manner.

The assessment criteria used by the Board of Commissioners include:

1. Attendance and activeness in meetings;
2. Recommendations given to the Board of Commissioners;
3. Timely reporting.

Independent Commissioner

Independent Commissioners, as members of the Board of Commissioners, have an important role in ensuring transparency, accountability and sustainability of the Company's operations. Independent Commissioners have no financial, management, share ownership or family relationships with the Board of Directors, other members of the Board of Commissioners, controlling shareholders or with the Bank itself which could interfere with their independence in making decisions.

In 2023, KB Bank will have 5 (five) Independent Commissioners, in accordance with POJK provisions, whose duty is to supervise the Company's activities independently and safeguard the interests of all stakeholders. Through the presence of Independent Commissioners, KB Bank strengthens its commitment to good corporate governance practices and supports sustainable growth.

CRITERIA FOR DETERMINING INDEPENDENT COMMISSIONERS

The requirements for appointing members of the Independent Board of Commissioners are at least the same as the requirements for appointing non-Independent Board of Commissioners members plus several other rules in OJK Regulation No. 33/POJK.04/2014 as follows:

Criteria	Independent Commissioner				
	Sukriansyah S. Latief	Hae Wang Lee	Tippy Joesoef	Stephen Liestyo	Eugene K. Galbraith
Not a person who works or has the authority and responsibility to plan, lead, control or supervise the activities of the Issuer or Public Company within the last 6 (six) months, except for reappointment as an Independent Commissioner of the Issuer or Public Company in the following period.	√	√	√	√	√
Does not own shares, either directly or indirectly, in the Issuer or Public Company.	√	√	√	√	√
Has no affiliation with the Issuer or Public Company, members of the Board of Commissioners, members of the Board of Directors, or Major Shareholders of the Issuer or Public Company.	√	√	√	√	√
Has no direct or indirect business relationship related to the business activities of the Issuer or Public Company.	√	√	√	√	√

STATEMENT OF INDEPENDENCE OF EACH INDEPENDENT COMMISSIONER

A statement of independence from members of the Independent Board of Commissioners stating that they have no affiliation with the Company will then be submitted to the OJK.

The following is proof of the statement of independence of the Independent Board of Commissioners of KB Bank:





SURAT PERNYATAAN

SURAT PERNYATAAN

STATEMENT LETTER



Board of Directors

The Board of Directors is a company organ that is fully responsible for managing the company for the interests and objectives of the company and represents the company, both inside and outside the court, in accordance with the provisions of the Articles of Association. In carrying out their duties, the Board of Directors of KB Bank always prioritizes transparency, professionalism, the interests of the company and its stakeholders, as well as strategic thinking to achieve the bank's targets.

LEGAL BASIS FOR APPOINTMENT OF DIRECTORS

1. Law no. 40 of 2007 concerning Limited Liability Companies;
2. OJK Regulation no. 33/POJK.04/2014 concerning Directors and Board of Commissioners of Issuers or Public Companies;
3. OJK Regulation no. 17 of 2023 concerning Implementation of Governance for Commercial Banks;
4. Articles of Association of PT Bank KB Bukopin Tbk.

DIRECTORS' WORK GUIDELINES/CHARTER

The Board of Directors Charter is prepared as a guideline for carrying out the duties and responsibilities of the Board of Directors efficiently, effectively, transparently, competently, independently and accountably so that it can be accepted by all interested parties and in accordance with statutory regulations. The Board of Directors' Charter is regularly reviewed to adapt to current conditions. The Board of Directors' Work Guidelines and Regulations (Charter) currently in effect are based on Decree No. 28 of 2022 concerning Guidelines and Work Rules for the Board of Directors of KB Bank, which covers aspects regarding:

1. Introduction;
2. Composition of the Board of Directors;
3. Work Ethics;
4. Working Time;
5. Board of Directors Meeting
6. Implementation of GCG Corporate Governance;
7. Leave/temporary absent
8. Sanctions
9. Others
10. Conclusion.

DIRECTORS' CRITERIA

The criteria for the Company's Directors are adjusted to Financial Services Authority Regulation no. 33/POJK.04/2014 concerning Directors and Board of Commissioners of Issuers or Public Companies. In addition, the Company also sets additional criteria, namely:

1. Have experience in the operational field as a Bank Executive Officer for at least 5 years;
2. Prepared by the Remuneration and Nomination Committee which is approved by the Board of Commissioners.

TERM OF OFFICE

Apart from being determined at the GMS, the Board of Directors' work guidelines also determine the term of office of appointed Directors for a period of 3 (three) years from the closing of the GMS when appointed, and if there are members of the Board of Directors whose term of office has ended they can be reappointed in accordance with the Company's Articles of Association.

STRUCTURE, NUMBER, COMPOSITION AND BASIS FOR APPOINTMENT OF MEMBERS OF THE BOARD OF DIRECTORS THROUGHOUT 2023

Throughout 2023, there will be changes to the structure and composition of the Board of Directors based on the Resolution of the Extraordinary General Meeting of Shareholders held on 31 January 2023, which honorably dismissed Jim Bum Kim as Bank Director, and appointed Jung Ho Han as the new Bank Director. The structure and composition of the Board of Directors serving as of December 31, 2023, is as attached below.

Name	Position	Basis of Appointment	Period
Woo Yeul Lee	President Director	Extraordinary GMS on November 19, 2021	2021-GMS 2024
Robby Mondong	Vice President Director	Extraordinary GMS on July 8, 2021	2021-GMS 2024
Helmi Fahrudin	Director	Extraordinary GMS on August 25, 2020	2020-GMS 2024
Dodi Widjajanto	Director	Extraordinary GMS on August 25, 2020	2020-GMS 2024
Seng Hyup Shin	Director	Extraordinary GMS on November 19, 2021	2021-GMS 2024
Yohanes Suhardi	Director	Extraordinary GMS on 8 July 2021	2021-GMS 2024
Young Eun Moon	Director	Extraordinary GMS on December 8, 2021	2022-GMS 2025
Henry Sawali	Director	Extraordinary GMS on December 8, 2021	2022-GMS 2025
Jung Ho Han	Director	Extraordinary GMS on 31 January 2023	2023-2026 GMS

At the time of preparation of this Annual Report, there was a change in the composition of the Board of Directors based on the Resolution of the Extraordinary General Meeting of Shareholders (EGMS) held on January 24, 2024, which honorably dismissed Seng Hyup Shin as Director of the Bank, and appointed Jang Hyuk Im as the new Director of the Bank. The composition of the Board of Directors in office as of January 24, 2024, until this Annual Report is signed, is as attached below.

Nama	Position	Basis of Appointment	Periode
Woo Yeul Lee	President Director	Annual GMS on May 25, 2022	2022 – 2025 GMS
Robby Mondong	Vice President Director	Extraordinary GMS on July 8, 2021	2021 – 2024 GMS
Helmi Fahrudin	Director	Extraordinary GMS on August 25, 2020	2020 – 2024 GMS
Dodi Widjajanto	Director	Extraordinary GMS on August 25, 2020	2020 – 2024 GMS
Jang Hyuk Im*	Director	Extraordinary GMS on January 24, 2024	2024 – 2027 GMS
Yohanes Suhardi	Director	Extraordinary GMS on July 8, 2021	2021 – 2024 GMS
Young Eun Moon	Director	Extraordinary GMS on December 8, 2021	2022 – 2025 GMS
Henry Sawali	Director	Extraordinary GMS on December 8, 2021	2022 – 2025 GMS
Jung Ho Han	Director	Extraordinary GMS on 31 January 2023	2023-2026 GMS

*) Jang Hyuk Im was appointed as Director as of January 24, 2024, replacing Seng Hyup Shin who is no longer serving as of January 24, 2024.

FIT AND PROPER TEST

OJK Regulation no. 27/POJK.03/2016 concerning the Fit and Proper Test for Main Parties of Financial Services Institutions, which states that the managers or managers of financial institutions must meet the fit and proper criteria to serve as members of the Board of Directors and Board of Commissioners. This assessment covers several aspects, namely integrity, financial suitability or reputation, and the competency of prospective bank administrators. In this context, integrity refers to honesty and trustworthiness, financial worthiness or reputation refers to financial and professional track record, while competence includes technical and managerial abilities relevant to carrying out the duties and functions assigned to the Board of Directors and Board of Commissioners. This assessment is key in ensuring that the managers or administrators of financial institutions have adequate capacity to carry out the responsibilities of the Board of Directors and Board of Commissioners effectively and responsibly.

Name	Position	OJK Approval	Effective Date
Woo Yeul Lee	President Director	KEP-4/D.03/2023	January 5, 2023
Robby Mondong	Vice President Director	KEP-65/D.03/2022	April 28, 2022
Helmi Fahrudin	Director	KEP-35/D.03/2021	April 22, 2021
Dodi Widjajanto	Director	KEP-120/D.03/2021	August 19, 2021
Seng Hyup Shin	Director	KEP-78/D.03/2021	August 20, 2021
Yohanes Suhardi	Director	KEP-26/D.03/2022	March 9, 2022
Henry Sawali	Director	KEP-26/D.03/2022	August 3, 2022
Jung Ho Han	Director	KEPR-150/D.03/2023	January 10, 2024
Young Eun Moon	Director	KEPR-164/D.03/2023	February 28, 2024

BOARD OF DIRECTORS' SHARE OWNERSHIP

Members of the Board of Directors are required to disclose share ownership of 5% (five percent) or more, both in the bank concerned and in other banks and companies, domiciled at home and abroad. The following is a description of the share ownership of members of the Board of Directors of KB Bank until the end of 2023:

Name	Position	Share Ownership (Share)			
		KB Bank	Other Banks	Non-Bank Financial Solution	Other Companies
Woo Yeul Lee	President Director	8.500.000 (0,0045240%)	None	None	None
Robby Mondong	Vice President Director	1.107.000 (0,0005892%)	None	None	None
Helmi Fahrudin	Director	482.951 (0,0002570%)	None	None	None
Dodi Widjajanto	Director	1.000.088 (0,0005323%)	None	None	None
Seng Hyup Shin	Director	2.300.000 (0,0012241%)	None	None	None
Yohanes Suhardi	Director	574.800 (0,0003059%)	None	None	None
Henry Sawali	Director	200.000 (0,0001064%)	None	None	None
Jung Ho Han	Director	None	None	None	None
Young Eun Moon	Director	None	None	None	None

CONCURRENT BOARD OF DIRECTORS POSITION

The guidelines and work procedures for the Board of Directors of KB Bank prohibit members of the Board of Directors from holding concurrent positions as:

1. Member of the Board of Directors, member of the Board of Commissioners or Executive Officer at a bank, company and/or other institution;
2. Political party administrators, members of the DPR, DPD, DPRD Level I, and DPRD Level II and/or regional heads;
3. Jabatan lainnya sesuai dengan ketentuan dalam Peraturan Perundang-undangan.

Name	Position	Position in Other Company/ Institution	Name of the Other Company/Institution
Woo Yeul Lee	President Director	None	None
Robby Mondong	Vice President Director	None	None
Helmi Fahrudin	Director	None	None
Dodi Widjajanto	Director	None	None
Seng Hyup Shin	Director	None	None
Yohanes Suhardi	Director	None	None
Henry Sawali	Director	None	None
Jung Ho Han	Director	None	None
Young Eun Moon	Director	None	None

DIRECTORS' AFFILIATE RELATIONS

The Articles of Association state that the General Meeting of Shareholders (GMS) has the authority to dismiss members of the Board of Directors if there is a family relationship up to the third degree between members of the Board of Directors or between members of the Board of Directors and members of the Board of Commissioners. This family relationship includes straight-line and side-line relationships, including those that arise as a result of marriage.

Name	Position	Financial Relation with						Family Relation with						Management Relation	
		Board of Commissioner		Board of Director		Shareholder		Board of Commissioner		Board of Director		Shareholder			
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Woo Yeul Lee	President Director		X		X		X		X		X		X		X
Robby Mondong	Vice President Director		X		X		X		X		X		X		X
Helmi Fahrudin	Director		X		X		X		X		X		X		X
Dodi Widjajanto	Director		X		X		X		X		X		X		X
Seng Hyup Shin	Director		X		X		X		X		X		X		X
Yohanes Suhardi	Director		X		X		X		X		X		X		X
Henry Sawali	Director		X		X		X		X		X		X		X
Jung Ho Han	Director		X		X		X		X		X		X		X
Young Eun Moon	Director		X		X		X		X		X		X		X

DUTIES, OBLIGATIONS AND RESPONSIBILITIES

Based on the Board of Directors' Guidelines and Regulations, the Board of Directors has full duties and responsibilities as follows:

1. Implementation of Company management;
2. Manage the Company in accordance with its authority and responsibilities as regulated in the Articles of Association and applicable laws and regulations;
3. Implement GCG principles in every Company business activity at all organizational levels;
4. Follow up on audit findings and recommendations from the Company's Internal Audit Work Unit, external auditors, Bank Indonesia supervision results and/or supervision results from other authorities;
5. In order to implement GCG principles, the Board of Directors is at least obliged to establish:
   a. Internal Audit Work Unit;
   b. Risk Management Work Unit and Risk Management Committee; And
   c. Compliance Work Unit.
6. Accountable for the implementation of his duties to Shareholders through the General Meeting of Shareholders;
7. Carry out the appointment of members of the Audit Committee, Risk Monitoring Committee and Remuneration and Nomination Committee based on the decision of the Board of Commissioners meeting;
8. Disclose to employees regarding the Company's strategic policies in the field of personnel;
9. Directors are prohibited from using individual advisors and/or professional services as consultants unless they meet the following requirements:
   a. Projects are special;
   b. Based on a clear contract, which at least includes the scope of work, responsibilities and work period as well as costs;
   c. Consultants are Independent Parties and have the qualifications to work on special projects as referred to in the previous point.
10. Provide accurate, relevant and timely data and information to the Board of Commissioners;
11. Have work guidelines and rules that are binding for each member of the Board of Directors;
12. All decisions taken by the Board of Directors in accordance with the work guidelines and regulations are binding and the responsibility of all members of the Board of Directors;
13. Members of the Board of Directors are prohibited from granting general power of attorney to other parties which results in the transfer of the duties and functions of the Board of Directors.

RIGHTS AND AUTHORITIES OF DIRECTORS

Based on the Articles of Association, the rights and authority of the Board of Directors are as follows:

1. The Board of Directors has the right to represent the Company inside and outside the court on all matters and in all cases bind the Company, with other parties, and carry out all actions, both regarding management and ownership;
2. The President Director or 2 (two) Directors together have the right and authority to act for and on behalf of the Board of Directors and represent the Company;
3. For certain actions, the Board of Directors also has the right to appoint one or more people as their representatives or proxies by giving them the powers regulated in the power of attorney;
4. The Board of Directors can appoint either individuals or 1 (one) group of people in the form of a committee to carry out the management of certain business activities of the Company.

DUTIES AND RESPONSIBILITIES OF EACH DIRECTOR

The division of duties and authority of each member of the Board of Directors is determined by the General Meeting of Shareholders (GMS) and regulated in the Board of Directors' work procedures guidelines. This guideline provides specific direction regarding the responsibilities of each member of the Board of Directors based on their expertise, experience and company goals. The division of duties and authority of each member of the Board of Directors is as follows:

Name	Position	Work Field
Woo Yeul Lee	President Director	Coordinating all functions and groups/divisions including Internal Audit, Anti Fraud, Corporate Communication and Human Capital.
Robby Mondong	Vice President Director	Coordinating the implementation of group retail business, small and medium enterprises and wholesale, corporate relations, and maintaining KPIs for branch office business performance
Helmi Fahrudin	Director of Operation	1. Retail segment sales planning and management. 2. Branch customer service. 3. Retail segment sales function. 4. Product development and portfolio management for the retail segment consisting of Pension Credit, Home Ownership Credit (KPR), Motor Vehicle Ownership Credit (KPM), Credit Cards, Wealth Management, Fund Products, and other products. 5. Strategic partners and retail product sales strategy. 6. Marketing communications. 7. Manage the retail credit factory in the retail segment related to credit analysis for the retail segment and operations related to the credit document compliance process, credit investigation and disbursement in the retail segment as well as third party management.
Dodi Widjajanto	Director of Compliance and Risk	1. Regulations and compliance policies. 2. Monitoring corporate governance. 3. Single point of contact with regulator. 4. Customer introduction. 5. Anti-money laundering and transaction monitoring. 6. Corporate legal functions and litigation. 7. Monitoring, analysis and assessment of credit portfolios and credit collectability, providing assessment/ rating models. 8. Credit risk control 9. Enterprise Risk Management 10. Market & Liquidity Risk Management 11. Operational Risk Management and others 12. Information Technology Risk Management 13. Personal data protection. 14. Customer Protection.
Seng Hyup Shin	Director of Finance	1. Treasury and liquidity management. 2. Custody and trustee business. 3. Corporate financial strategy and planning and budgeting. 4. Management information system and performance management. 5. Accounting, taxes and Internal Control Over Financial Reports. 6. Financial transactions in the procurement process. 7. Manage ALCO. 8. Manage KPIs at corporate, group and department levels.
Yohanes Suhardi	Director of SME Business	1. Sales planning and management micro and SME segments. 2. Product sales function for the micro and SME segments. 3. Product development for the micro and SME segments. 4. Micro and SME segment partnerships. 5. Manage portfolio and support sales for micro and SME segments. 6. Business functions, sales development and support as well as trade finance product operations. 7. SME credit operational risk management. 8. Sales planning and management for commercial, corporate and Korean Link segments. 9. Commercial, corporate and Korean Link segment sales and partnership functions. 10. Product development and transactional solutions in the commercial, corporate and Korean Link segments. 11. Participates in global syndication pmJaman, international banking loans to large companies, as well as financing and cross selling services. 12. Development of new business solutions and supply chain. 13. The function of developing policies and restructuring business processes related to credit. 14. Manage business KPIs for commercial, corporate and Korean Link segments.
Henry Sawali	Director of Credit	1. Credit analysis for corporate, commercial and Korean Link segments. 2. Manage the Credit Regional Center for the MSME segment. 3. Manage bad banks, credit restructuring for MSME, corporate, commercial and Korean Link segments. 4. Managing Foreclosed Assets (AYDA) and conducting bulk sales. 5. Manage assets and/or Bank portfolios that have been sold, as well as manage ABS and Sukuk. 6. Rite segment credit billing! 7. Operation of legal credit processing, credit investigation and disbursement in the MSME, corporate, commercial and Korean Link segments. 8. Manage all asset quality in the Bank and act as a control tower to improve asset quality. 9. Billing, maintenance and settlement for Swamitra.

Name	Position	Work Field
Jung Ho Han	Director of Strategy	1. Planning and managing company strategy. 2. Subsidiary management. 3. Driving business growth through strategic partnerships. 4. Strategy and optimization of physical sales channels / branch office outlets, sub-branch offices, cash offices and ATMs. 5. Driving transformation and as a project management office. 6. Procurement and management of fixed assets. 7. Encourage implementation and monitoring of efficiency strategies through cost hunting. 8. Operations on credit card electronic channels, payment systems and treasury. 9. Monitoring and developing services and operations to improve customer service. 10. Business Process Restructuring. 11. Management of insurance partners
Young Eun Moon	Director of IT	1. Digital TL development and development of TL-based services for customers. 2. Information Technology (TI) policy and strategy. 3. Reliability and availability of infrastructure Tel. 4. TI application development 5. IT security for Bank cyber resilience and security 6. New Generation Banking System (NGBS) 7. Incubation and development of digital solutions 8. Business development and digital ecosystem. 9. Improvements to processes and increased IT and digital competencies

MANAGEMENT OF CONFLICTS OF INTEREST OF DIRECTORS

In the event of a conflict of interest, members of the Board of Directors are prohibited from taking actions that could harm the Bank or reduce the Bank's profits and are required to disclose conflicts of interest in every decision, so that to carry out legal actions in the form of transactions that contain a conflict of interest between the personal economic interests of the members of the Board of Directors, approval from the GMS is required based on majority vote from shareholders who have no conflict of interest.

DECREE AND IMPLEMENTATION OF DIRECTORS' DUTIES

Throughout 2023, in general, the implementation of the duties and responsibilities of the Board of Directors went well. The Board of Directors is tasked with directing the Bank's operational and strategic business policies. This can be seen through the Bank's policies which support government programs and the Bank's strategic direction which focuses on the Retail segment, on the other hand, the activities carried out by the Board of Directors in 2023 include rebranding the Bank's new brand and logo.

The Decree issued by the Board of Directors in 2023 is as follows:

Decree No.	Regarding
0005	Foreign Worker Remuneration Policy
0008	BI Policy - Fast Payment
0018	Non-Structural Position Policy
0019	Clean Desk Policy of PT Bank KB Bukopin Tbk
0020	Organizational Structure
0021	Employee Transfer, Promotion & Demotion Policy
0025	Guidelines on the Collective Sales of Non-performing Loans
0037	Determination of Authority Limits Approval Power Matrix Credit Card & Merchant KB Bank for the Board of Directors of PT Bank KB Bukopin Tbk
0039	Training Implementation Policy for the Employees
0045	Disciplinary Regulations for the Employee
0048	Employment Termination Policy
0049	Changes in the Composition of Changes in Dapen Supervisors
0050	Addendum I SKEP for Directors No. 0020 of 2023
0052	Policy Duties and Responsibilities of the Organization of PT Bank KB Bukopin Tbk
0064	Consumer Credit Program for KB Bank Employees
0080	Information Reporting Policy to the Directors of PT Bank KB Bukopin Tbk
0081	Revocation of PT Bank KB Bukopin Tbk Loss Event Database Guidelines
0085	Special Treatment Policy for Certain Regions and Sectors Affected by Disasters

Decree No.	Regarding
0128	PT Bank KB BUkopin Tbk Risk Management Committee Charter
0129	Appointment of Department or Unit Responsible for increasing literacy and financial inclusion at PT Bank KB Bukopin TBk
0130	Addendum II SKEP for Directors No. 0020 of 2023 organizational structure
0131	Employee Leave Policy
0132	Policy on Providing Educational Assistance
0137	Car Ownership Cash Program Policy
0152	Rating Audit Policy of PT Bank KB Bukopin Tbk
0153	Addendum V Regarding the Special Treatment Policy for Debtors Due to the Impact of COVID-19
0155	Foreign Worker Remuneration Policy
0156	Policy on Utilization of Foreign Workers, Knowledge Transfer Program and Business Visits
0160	PT Bank KB Bukopin Tbk Anti Fraud Strategy Policy
0178	Budgeting authority, investment, budget allocation, payments and budget withdrawals
0179	Budget Policy
0198	PT Bank KB BUkopin Consumer and Community Protection Policy
0199	PT Bank KB Bukopin Consumer Protection Code of Ethics
0205	Whistleblowing System (WBS) Policy
0206	Institutional Policy and Authority of the PT Credit Committee. PT Bank KB Bukopin Tbk
0208	Policy for Implementing Anti-Money Laundering Programs, Preventing Terrorism Financing, and Preventing Funding for the Proliferation of Weapons of Mass Destruction Bank KB Bukopin
0211	Bank Organizational Structure
0212	Sustainable Finance Policy
0219	Office Network Classification Policy

DIRECTORS DEVELOPMENT PROGRAM

Bank KB Bukopin always encourages development activities for the Board of Director, both through orientation programs aimed at new members of the Board of Directors and training programs for Directors. The competency development program for the Board of Director is aimed at supporting the implementation of the Directors' duties to achieve sustainable growth and effective Bank management.

RISK MANAGEMENT CERTIFICATION

As regulated in Bank Indonesia Regulation no. 11/19/PBI/2009 concerning Risk Management Certification for Management and Officials of Commercial Banks, Board of Commissioners and Directors are required to have a Risk Management Certificate issued by a Professional Certification Institute, with the following classification:

Position	Level	Valid Period
Board of Commissioner	At least Level 1	4 years
Board of Commissioner	At least Level 2	4 years
Board of Commissioner and Board of Director with assets of 1 to 10 T	4	2 years

In the event that the validity period of the certification has expired, a periodic Refreshment Program must be carried out at least once every 4 (four) years for levels 1 and 2; or 1 (one) time in 2 (two) years for levels 3, 4 and 5.

The following table describes the risk management certification held by the Board of Directors of Bank KB Bukopin in 2023.

Name	Position	Level of Certification	Certification Body
Woo Yeul Lee	Board of Director	5	Banking Professional Certification Agency
Robby Mondong	Vice Board of Director	5	Banking Professional Certification Agency
Helmi Fahrudin	Director	5	Banking Professional Certification Agency
Dodi Widjajanto	Director	5	Banking Professional Certification Agency
Seng Hyup Shin	Director	5	Banking Professional Certification Agency

Name	Position	Level of Certification	Certification Body
Yohanes Suhardi	Director	5	Banking Professional Certification Agency
Henry Sawali	Director	5	Banking Professional Certification Agency
Jung Ho Han	Director	5	Banking Professional Certification Agency
Young Eun Moon	Director	5	Banking Professional Certification Agency

TRAINING AND COMPETENCY DEVELOPMENT PROGRAM

All members of the KB Bank Board of Directors are committed to improving their competence in order to support the implementation of their daily duties and responsibilities. This commitment is reflected in the training attended by each member of the Board of Directors throughout 2023 which can be seen in the Company Profile section of this Annual Report.

COMPANY INTRODUCTION PROGRAM FOR NEW DIRECTORS

The Introduction Program for newly appointed Directors aims to provide knowledge about the Company, so that they can understand their duties and responsibilities as a Director, the Company's business processes, and can work in harmony with other Company Organs. The Corporate Secretary as the implementer of the Introduction Program for newly appointed Directors, prepares introduction program materials which include the Company Introduction Program relating to:

1. Explanation of the duties, responsibilities and authority of members of the Board of Directors;
2. Introduction and explanation of Company Culture and Organizational Structure;
3. Explanation of the Company's Work Plan and Budget (RKAP) and Bank Business Plan (RBB), Guidelines for the Board of Directors' Work Rules, and the Company's Articles of Association;
4. Participate in training programs in fields appropriate to the duties and functions concerned. As well as other important things that can be provided in the form of presentations, meetings, visits to the Company and review of documents or other programs.

In 2023, there has been a new member of the Board of Directors who has participated in the Director's orientation program, namely Mr. Jung Ho Han

MECHANISM FOR RESIGNATION AND DISMISSAL OF DIRECTORS

A member of the Board of Directors may resign by notifying the Bank of his intention in writing, with a copy to the Shareholders, Directors and other members of the Board of Commissioners at least 30 (thirty) days before the date of his resignation. The Company must hold a General Meeting of Shareholders (GMS) within 90 (ninety) days after receiving the resignation letter of a member of the Board of Directors to follow up on the matter. Otherwise, the resignation will be considered valid without GMS approval. Before the resignation becomes effective, the relevant member of the Board of Directors is still obliged to complete his duties and responsibilities in accordance with the Articles of Association. The mechanism is as follows:

1. Proposals for dismissal and/or replacement of members of the Board of Directors will be decided at the GMS by taking into account recommendations from the Board of Commissioners or the committee carrying out the nomination function;
2. The decision to dismiss a member of the Board of Directors is taken after the relevant member of the Board of Directors is given the opportunity to defend himself at the GMS. Such dismissal takes effect from the closing of the GMS which decides the dismissal, unless another date of dismissal is determined by the GMS. Providing an opportunity to defend oneself is not necessary if the member of the Board of Directors voluntarily resigns from his/her position and/or does not object to the dismissal;
3. Members of the Board of Directors whose term of office has ended may be reappointed for only 1 (one) term of office;
4. A member of the Board of Directors has the right to resign from his position by notifying the Company in writing of his intention at least 30 (thirty) calendar days before the date of his resignation;
5. A member of the Board of Directors who resigns will only be relieved of his responsibilities if the GMS releases him from his responsibilities during his term of office;
6. The Company is obliged to hold a GMS no later than 90 (ninety) days after receiving the resignation letter to decide on the request for resignation of the member of the Board of Directors;
7. In the event that a member of the Board of Directors resigns resulting in the number of Directors being less than 2 (two) people, then the resignation is valid if it has been determined by the GMS and a new member of the Board of Directors has been appointed so that it meets the minimum requirements for the number of members of the Board of Directors;
8. The term of office of a member of the Board of Directors ends if:
   a. Resign;
   b. No longer meets applicable statutory requirements;
   c. Passes away;
   d. Dismissed based on GMS resolution.

DIRECTORS' PERFORMANCE ASSESSMENT

Based on Law no. 40 of 2007 concerning Limited Liability Companies stipulates that if the Board of Directors consists of 2 (two) or more Directors, the Directors' responsibilities apply jointly and severally. There are 2 (two) types of procedures for assessing the performance criteria of the Board of Directors as follows.

Performance Assessment by GMS
Every year, the Board of Directors and each member of the Board of Directors will be evaluated by the Board of Commissioners as part of accountability. This evaluation includes the results of the overall performance of the Board of Directors, both collegial and individual. The results of the evaluation will be presented to Shareholders at the General Meeting of Shareholders (GMS). This evaluation is one of the consideration factors for shareholders in the resolutions to dismiss and/or reappoint members of the Board of Directors.

Implementation Procedures of Performance Assessments for the Board of Directors
Every year, members of the Board of Directors carry out a self-assessment to evaluate the performance of the Board of Directors in a collegial manner. This aims to encourage positive contributions from each member of the Board of Directors in improving performance on an ongoing basis. Proposals for the performance achievements of the Board of Directors are submitted by the Board of Commissioners and Directors at the General Meeting of Shareholders (GMS). The GMS provides exemption from responsibility to members of the Board of Directors for the management carried out during the previous fiscal year, unless there are acts of embezzlement, fraud or other criminal acts which are reflected in the Annual Report and Financial Statements.

Board of Directors' Performance Evaluation Criteria
The performance assessment of the Directors is measured based on the key performance indicators that have been determined for each Director, namely:

President Director
1. Achieve targeted financial performance;
2. Efficient operating costs and improving asset quality;
3. Expand market share and increase customer loyalty towards the Company's products;
4. Increasing product effectiveness according to customer needs;
5. Optimize sales productivity to gain customer trust and loyalty;
6. Improve operational and service quality to increase customer loyalty;
7. Improve risk management and good corporate governance;
8. Improving the quality of Human Resources and employee engagement;
9. Improve IT support in services and operations to support business.

Vice President Director
1. Achieve targeted financial performance;
2. Efficient operating costs and improving asset quality;
3. Expand market share and increase customer loyalty towards the Company's products;
4. Increasing product effectiveness according to customer needs;
5. Optimize sales productivity to gain customer trust and loyalty;
6. Improve operational and service quality to increase customer loyalty;
7. Improve risk management and good corporate governance;
8. Improving the quality of Human Resources and employee engagement;

Director of Operations
1. Achieve targeted financial performance;
2. Efficient operating costs and improving asset quality;
3. Increase customer loyalty towards the Company's products;
4. Increasing product effectiveness according to customer needs;
5. Improving the quality of Human Resources and employee engagement;

Director of Compliance and Risk
1. Achieve targeted financial performance;
2. Efficient operating costs and improving asset quality;
3. Improve GCG implementation in the Company.
4. Improve the quality of Human Resources and employee engagement
5. Improve risk management;

Director of Finance
1. Efficient operating costs and improving asset quality;
2. Optimize sales productivity to gain customer trust and loyalty;
3. Improve the quality of Human Resources and employee engagement.

Director of SME Business
1. Achieve targeted financial performance;
2. Efficient operating costs and improving asset quality;
3. Expand market share and increase customer loyalty towards the Company's products;
4. Optimize sales productivity to gain customer trust and loyalty.

Director of Credit
1. Achieve targeted financial performance;
2. Efficient operating costs and improving asset quality;
3. Maintain and increase customer loyalty towards the Company's products;
4. Optimize sales productivity to gain customer trust and loyalty;
5. Improve the quality of Human Resources and employee engagement.

Director of Strategy
1. Achieve targeted financial performance;
2. Expand market share and increase customer loyalty towards the Company's products;
3. Optimize sales productivity to gain customer trust and loyalty.

Director of IT
1. Achieve targeted financial performance;
2. Efficient operating costs and improving asset quality;
3. Increasing Information Technology support in services and operations to support business;

The Party Conducting the Assessment
The performance assessment of the Board of Directors is carried out by the Board of Commissioners and Shareholders at the General Meeting of Shareholders (GMS), in accordance with the obligations stipulated in applicable laws and the provisions contained in the company's Articles of Association. This assessment process also follows the mandate given by Shareholders, which can be manifested in the resolutions taken at the GMS. The Board of Commissioners is responsible for ensuring that the performance assessment of the Board of Directors is carried out objectively and transparently, in accordance with established standards.

Meanwhile, Shareholders have an important role in determining company direction and policies, including evaluating the performance of the Board of Directors in achieving company goals. Thus, the Board of Directors performance assessment process becomes an integral part of good corporate governance, which aims to increase accountability, transparency and accountability at the highest leadership level.

Performance Assessment Based on GCG Assessment Aspects of the Board of Commissioners and Board of Directors
The performance assessment of the Board of Directors is also carried out using the self-assessment method in accordance with SEOJK No. 13/SEOJK.03/2017 of 2017 concerning the Implementation of Governance for Commercial Banks.

Procedures for Implementing GCG Self Assessment related to Directors' Performance
The Board of Directors carried out a self-assessment of its performance for one year in the period June and December, regarding the management of the Company, achievement of targets, efforts to overcome obstacles and risk management as well as the implementation of corporate governance. The board of commissioners will evaluate it through meetings with the Nomination and Remuneration Committee and then the results will be reported to shareholders at the Annual GMS.

Directors' Performance Evaluation Criteria
The Directors' Self Assessment Criteria regarding GCG implementation are divided into 3 (three) groups, namely Governance Structure, Governance Process and Governance Outcome. Governance Structure consists of 16 (sixteen) indicators, Governance Process consists of 14 (fourteen) indicators while Governance Outcome consists of 10 (ten) indicators.

The Party Conducting the Assessment
The assessment is carried out by the Compliance, Policy & Good Corporate Governance Department as the work unit that carries out assessments of GCG implementation factors in the Company.

PERFORMANCE ASSESSMENT OF COMMITTEES AND WORK UNITS UNDER THE BOARD OF DIRECTORS

In carrying out its management duties, the Board of Directors recognizes the importance of forming committees under it. The formation of these committees is adjusted to the Company's business needs and applicable regulatory provisions. The main purpose of forming these committees is to create effectiveness and efficiency in company operations.

These committees can cover various areas such as audit, risk, remuneration, nominations, and so on, depending on the needs and characteristics of the company. Each committee has specific responsibilities in accordance with its respective functions, such as supervising operational policies and practices, ensuring compliance with regulations, or providing recommendations regarding remuneration policies and appointment of members of the Board of Directors.

In 2023, the Board of Directors assesses that the committees formed have carried out their duties and responsibilities effectively. This evaluation includes an assessment of the performance of the committees in achieving their goals, as well as the effectiveness of work processes and their contribution to the overall performance of the company. Thus, the existence of these committees is expected to improve overall corporate governance and support the achievement of strategic business goals.

Risk Management Committee
The importance of effective and integrated risk management in the company's operational context has encouraged the formation of a Risk Management Committee. This committee has a crucial role in supporting the implementation of effective risk management processes and systems at all levels of the organization. By establishing a Risk Management Committee, the Company aims to ensure that business risk management is carried out systematically, integrated and sustainable.

In 2023, the Board of Directors concluded that the Risk Management Committee had functioned well and made a significant contribution. This assessment is based on an evaluation of the committee's performance in carrying out its duties and functions in accordance with its competence and authority. The Risk Management Committee is responsible for identifying, evaluating and mitigating the risks faced by the company. In addition, this committee also ensures that risk management strategies and policies are well integrated into the Company's overall business strategy.

Thus, the Board of Directors concluded that the Risk Management Committee had succeeded in carrying out its duties and functions well during 2023, which made a positive contribution in ensuring effective and sustainable business risk management.

ALCO Committee

The ALCO Committee is tasked with managing asset and liability products by considering growth, business continuity and profitability. According to the Board of Directors, ALCO's meetings and decisions in 2023 are effective. This reflects careful monitoring of the financial portfolio as well as the ability to deal with changing market dynamics. The decisions taken by ALCO have a significant strategic impact on the bank, including in terms of risk management and achieving long-term financial goals. Thus, ALCO plays an important role in making decisions that support the growth and stability of the bank's business.

Information Technology Steering Committee

The Information Technology Steering Committee is the highest entity in managing information technology which is tasked with providing recommendations and providing assistance to the Board of Directors and Board of Commissioners in monitoring implementation activities and readiness of information technology infrastructure. Duties include reviewing and evaluating the company's information technology needs, providing strategic advice, and ensuring compliance with applicable security standards and IT policies.

According to the Board of Directors, the implementation of the duties of the Information Technology Steering Committee during 2023 is in accordance with the work plan that has been determined. This committee has succeeded in supporting the implementation of information technology in the Company well. This reflects the Committee's commitment to ensuring that the company's information technology infrastructure runs efficiently, securely and in line with business needs. Thus, the role of the Information Technology Steering Committee is key in ensuring that information technology becomes one of the main drivers in achieving the Company's business goals.

Credit Restructuring Committee

The Credit Restructuring Committee is an entity that has the responsibility and authority to recommend and/or decide on Credit Restructuring. This authority includes restructuring quality 1 and 2 credit for debtors in the monitoring category (watch list), as well as restructuring or restructuring quality 3, 4 and 5 credit after restructuring.

This committee has an important role in evaluating and making decisions regarding credit restructuring, which is a strategic step to overcome emerging credit problems. The credit restructuring process requires a careful analysis of the debtor's financial condition and associated risks, as well as considering the impact on the company's overall finances.

During 2023, the Board of Directors assesses that the Credit Restructuring Committee has carried out its duties well. This committee succeeded in recommending and/or deciding on credit restructuring effectively in accordance with its authority. The decisions taken by the Credit Restructuring Committee have a significant impact on mitigating the company's credit risk and ensuring stable business continuity. Thus, the role of the Credit Restructuring Committee is key in maintaining the company's financial stability and ensuring healthy credit management.

Non-Performing Loans Settlement Committee

The Non-Performing Loans Settlement Committee has the authority and responsibility to recommend and/or decide on the resolution of non-performing loans. This authority includes the resolution of quality 3, 4 and 5 non-performing loans, including taking over collateral (AYDA), writing off books and writing off credit bills.

This committee plays an important role in evaluating appropriate solutions to overcome credit problems that arise. The decision-making process of the Non-Performing Loans Settlement Committee requires an in-depth analysis of the debtor's financial condition, collateral value and related risks.

During 2023, the Board of Directors assesses that all Committee members have carried out their duties optimally. This assessment is based on the contribution of each Committee to the bank, including reports and recommendations provided to the Board of Directors. This evaluation is the basis for ensuring that the decisions taken by the Non-performing Loan Settlement Committee have a positive impact in overcoming credit problems and maintaining the bank's financial health. Thus, the role of the Problem Loan Settlement Committee is key in ensuring effective handling of the non-performing credit portfolio.

Diversity Policy for the Board of Commissioners and Directors

Public Company Governance Guidelines from the Financial Services Authority in the Attachment to Financial Services Authority Circular Letter No. 32/ SEOJK.04/2015 concerning Public Company Governance Guidelines emphasizes the importance of diversity in the composition of members of the Board of Commissioners and Directors. This diversity includes desirable characteristics in terms of organizational structure and individuals. The appointment of members of the Board of Commissioners and Directors must take into account the skills, knowledge and experience relevant to the duties and functions of each position. This will ensure that the Board of Commissioners and Directors have the appropriate competencies to achieve the goals of a public company effectively.

The diversity of the composition of the Board of Commissioners is explained in the following table:

Name	Position	Gender	Age (years old)	Education	Work Experience	Expertise
Jerry Marmen	President Commissioner	Male	58	University Doctor of Philosophy at the Australian National University	• Assistant to the Special Staff of the President of the Republic of Indonesia (Economic Affairs) • Chair of the Governance, Risk and Compliance Professional Certification Institute: LSP TRK/LSP GRC • Supervisory Commissioner of the Risk Management Certification Body (BSMR) • PT Risk Policy Committee/Risk Monitoring Committee. Indonesian Services Insurance (Persero) • Strategic Advisor & Senior Partner, Korn Ferry (Hay Group) Indonesia • Strategic Advisor and Senior Partner at PT Sucofindo Prima Internasional Consultant • Chairman of the Indonesian Association for Competency Development in Financial Services Industry (Financial Services Industry Competency Development Association) • Secretary General IPA-GRC (Indonesian Professional Association for Governance, Risk and Compliance) • President Commissioner of PT Proteksi Antar Nusa • Commissioner of PT Proteksi Antar Nusa (Insurance Brokerage) • Vice Chancellor Perbanas School of Economics (PERBANAS Institute)	GRC Specialist for Banking & Financial Institutions
Nam Hoon Cho	Vice President Director	Male	55	Bachelor of Economics at Sungkyunkwa University	• Global Business Group – Head of Global Business Group KB Kookmin Bank (2021-sekarang) • Global Strategy Department - Chief Global Startegy Officer KB Financial Group (2018-2020) • Global Business Department - Managing Director KB Securities (2016-2018) • Management Support Dept. - Managing Director KB Investment & Securities (2015-2016) • Global Sales Department - Managing Director Daewoo Securities (2013-2015)	Securities and Capital Investment
Stephen Liestyo	Independent Commissioner	Male	59	S2 International Marketing, IPMI International Business School	• President Commissioner, PT Sol Mitra Fintec (2016-2021) • President Commissioner, PT Prismalink International (2014-2021) • Independent Commissioner of PT. Indonesian Commercial KiosOn, February (2018 2019) • President Commissioner of PT Wahana Ottomitra Multiartha (WOM Finance), (2010 2015) • Director of Consumer Banking, PT Bank Maybank Indonesia Tbk (2009-2013) • Commissioner of BCA Finance (2000-2009)	Finance
Nanang Supriyatno	Commissioner	Male	54	Master of Business Administration from Gadjah Mada University	• President Director of PT Satu Gen Indonesia (2020-Present) • Director of Corporate Internal Audit Bosowa Group (2017-2022) • President Director of PT Bosowa Beton Indonesia (2015-2018) • Risk Management Director PT Semen Bosowa Maros (2015-2017) • Vice President Special Asset Management PT Bank Mandiri (Persero) Tbk (1999-2013) • Credit Examiner/Auditor PT Bank Dagang Negara (Persero) (1995-1999)	Finance

Name	Position	Gender	Age (years old)	Education	Work Experience	Expertise
Sukriansyah S. Latief	Independent Commissioner	Male	54	Doctor of Law, Universitas Hasanudin	• Special Staff of Vice President Vice President's Palace (2019-present) • Commissioner of PT Pelindo Jasa Maritim (2021–2022) • Commissioner of PT Media Fajar Holding Company (2015-2022) • Lecturer at Fajar Educational Foundation of Ujungpandang (1998-present) • Commissioner of PT Pelindo IV Makassar (2021) • President Commissioner of PT. Kayaku Petrochemical (2021) • Commissioner of PT Pupuk Indonesia Holding Company (2015-2020) • Special Staff of the Ministry of Agriculture (2014-2019) • Director of PT Media Fajar Holding Company (2014-2015) • Extraordinary Lecturer of Hasanuddin University (2011-2014) • Production and HR Director, Fajar Daily (2009-2013)	Legal
Hae Wang Lee	Independent Commissioner	Male	55	Master of Law from Yonsei University	• Member of Board of Directors Korean Association of Indonesia (2020-present) • President Director LEENOH Consulting Indonesia (2019-present) • Foreign Lawyer MR&Partners Law Firm at Jakarta (2015-2019) • Lawyer at APEX LLC Head of Jakarta Apex Office (2011-2014) • Lawyer at Law Firm C&K, LEX, APEX (2006-2011)	Legal
Tippy Joesoef	Independent Commissioner	Male	59	Bachelor's Degree in Economics from Bandung College of Economics (STIEB)	• Member of the Audit Board, Financial Services Authority (2023-Present) • Independent Audit Committee, American International Assurance (AIA) Financial (2019-2021) • Chief GRC, Fazz Financial Group (2019-2021) • Executive Director – Country Risk Management Head, UOB Indonesia (2013-2016) • SVP Global Consumer Group, Citibank NA (2013) • SVP Risk Management, Bank Danamon (2011-2012) • Head of Country Operational Risk Management, Basel 2 and Enterprise Risk Management – Maybank (2005-2011) • Head of Compliance for Consumer & Commercial Banking, ABN AMRO Bank (1999-2005) • Credit Operations Manager, Standard Chartered Bank (1991-1999)	Risk Management
Eugene K. Galbraith	Independent Commissioner	Male	71	PhD in Anthropology Economics from John Hopkins University	• Director of PT Sarana Menara Nusantara (2020-present) • Senior Advisor Bank Pictet & Cie (Asia) Ltd, Singapore (2019-2021) • Senior Advisor, McKinsey and Company (2019-2021) • Deputy President Director Bank Central Asia [IDX: BBCA] (2011-2019) • President Commissioner of Bank Central Asia [IDX: BBCA] (2002-2011) • Deputy President Commissioner of Bank OCBC NISP (1998-2006)	Finance

The diversity in the Board of Directors is presented in the table below:

Name	Position	Gender	Age (years Old)	Education	Work Experience	Expertise
Woo Yeul Lee	President Director	Male	59	• Master of International Economics from Korea University in 1990 • Bachelor's degree in Agricultural Economics from Korea University in 1988	• Senior Executive Vice President & Chief Strategy Officer KB Financial Group (2022) • Senior Executive Vice President & Chief Human Resource Officer KB Financial Group (2021) • Senior Executive Vice President & Chief Information Technology Officer KB Financial Group (2020)	Finance
Robby Mondong	Vice President Director	Male	55	• MBA Degree in Marketing, Woodbury University Burbank CA USA (1993) • Degree in Finance and Banking, National University San Diego CA USA (1992)	• SEVP Head of Sales and Distribution PT Bank CIMB Niaga Tbk (2019 – 2021) • EVP Head of Sales and Distribution PT Bank CIMB Niaga Tbk (2015 – 2019) • SVP Head of Sales and Distribution PT Bank CIMB Niaga Tbk (2013 – 2015)	Finance
Henry Sawali	Director	Male	54	• Masters Degree in Business Administration, National University of San Diego USA (1992) • Bachelor Degree in Finance, California State University – Fresno (1986)	• Head of Commercial and MSME Banking Credit PT Bank CIMB Niaga Tbk (2017-2022) • Senior Manager – SCO for Indonesia PT Bank ANZ Indonesia (2016-2017) • Senior Vice President – Head of Corporate Credit Risk, PT Bank OCBC NISP Tbk (2010-2016)	Finance
Helmi Fahrudin	Director	Male	48	• Bachelor in Accounting Economics, Indonesian Christian University, (2003) • Diploma (D-3) in Accounting Economics, STIE Yogyakarta, (1997)	• Head of SKAI (Executive Officer) PT Bank Bukopin Tbk (2019-2020) • Head of Corporate Strategic Planning Division (Executive Officer) PT Bank Bukopin Tbk, (2018-2019) • Member of the Supervisory Board, Bank Bukopin Pension Fund (2016-2020)	Finance
Dodi Widjajanto	Director	Male	57	• Master of Management in Agribusiness, Bogor Agricultural Institute, (2002) • Bachelor of Economics and Development Studies, Sebelas Maret University, (1990)	• Head of Regional Office, PT Bank Negara Indonesia (Persero) Tbk Bandung Regional Office (2020) • Head of Regional Office, PT Bank Negara Indonesia (Persero) Tbk Palembang Regional Office (2018-2020) • General Manager Hong Kong Branch Office PT Bank Negara Indonesia (Persero) Tbk Hong Kong Branch Office (2016-2018)	Finance
Seng Hyup Shin	Direktur	Laki-laki	53	• Bachelor of Administration in Administration, KyungPook National University (1995) • Master of Administration in Administration, KyungPook National University (1997)	• General Manager, KB Financial Group (2018- 2020) • Senior Deputy General Manager, KB Financial Group (2017) • Team Manager, KB Financial Group (2014-2016)	Finance

Name	Position	Gender	Age (years Old)	Education	Work Experience	Expertise
Yohanes Suhardi	Director	Male	58	• Bachelor of Economics, Management, Tarumanegara University (1998) • b. MBA Degree in Finance Oklahoma University, USA, (1990)	• Commissioner, PT Sahabat Financial Keluarga (2014-2021) • EVP National Head SME Banking, PT Bank Permata Tbk (2013-2021) • SVP National Head SME Credit, PT Bank Permata Tbk (2007-2013)	Finance
Jung Ho Han	Director	Male	58	• Bachelor in Public Administration, Yonsei University (1992) • Master of Public Administration Yonsei University, Korea (1993)	• CISO / Managing Director (Information Security Division) KB Kookmin Bank (2020) • General Manager (Future IT Implementation Department KB Kookmin Bank (2019) • General Manager (Digital Strategy Department KB Kookmin Bank (2018-2019)	Management
Young Eun Moon	Director	Male	57	• Bachelor in Public Administration, Yonsei University (1992) • Master of Public Administration Yonsei University, Korea (1993)	• CISO / Managing Director (Information Security Division) KB Kookmin Bank (2020) • General Manager (Future IT Implementation Department KB Kookmin Bank (2019) • General Manager (Digital Strategy Department KB Kookmin Bank (2018-2019)	IT & Digital

NOMINATION AND REMUNERATION POLICY FOR THE BOARD OF COMMISSIONERS AND DIRECTORS

Remuneration for the Company's Board of Commissioners and Directors is based on the provisions contained in OJK Regulation No. 45/POJK.03/2015 concerning the Implementation of Governance in Providing Remuneration for Commercial Banks, as well as Financial Services Authority Circular Letter No. 40/SEOJK.03/2016 concerning the Implementation of Governance in Providing Remuneration for Commercial Banks. Apart from that, decisions regarding remuneration are also discussed and agreed upon at the Annual General Meeting of Shareholders (GMS).

Reviews of the remuneration and worker welfare systems are carried out regularly and continuously. The factors considered in the assessment include:

1. Bank Financial Performance;
2. Worker competency and performance;
3. Remuneration practices applicable in the market.

KB Bank emphasizes its commitment to implementing a competitive, fair and balanced remuneration system for all workers. This bank ensures that no worker receives compensation under the provisions set by the Government. In addition, KB Bank periodically reviews and updates its remuneration policy so that it is in line with industry developments and the company's business strategy. This is done to ensure that the remuneration system remains relevant and complies with applicable banking regulations.

REMUNERATION OF THE BOARD OF COMMISSIONERS

The amount of remuneration and other facilities provided to the Board of Commissioners will be determined at the Annual GMS by Shareholders taking into account recommendations from the Remuneration and Nomination Committee.

PROCEDURE FOR DETERMINING REMUNERATION FOR THE BOARD OF COMMISSIONERS

The procedure for determining the remuneration of the Company's Board of Commissioners is as follows:

1. Shareholders hold discussions at the GMS;
2. The GMS gives authority and power to the Board of Commissioners to determine the amount of remuneration;
3. The Remuneration and Nomination Committee conducts studies and evaluations to determine remuneration for the Board of Commissioners;
4. The Remuneration and Nomination Committee provides recommendations to the Board of Commissioners;
5. The Board of Commissioners discusses the recommendations of the Remuneration and Nomination Committee and then proposes them by letter to the Controlling Shareholders;
6. Letter of Determination by the Controlling Shareholder to the Board of Commissioners;
7. Letter from the Board of Commissioners to the Board of Directors regarding Determination of Remuneration for the Board of Commissioners and Directors.

INDICATORS FOR DETERMINING REMUNERATION FOR THE BOARD OF COMMISSIONERS

The indicators used in determining the Remuneration of members of the Board of Commissioners are as follows:
1. Remuneration that applies to the banking industry and the business scale of KB Bank in the banking industry;
2. The duties, responsibilities and authorities of members of the Board of Directors and/or members of the Board of Commissioners are related to achieving the objectives and performance of KB Bank;
3. Performance targets or performance of each member of the Board of Directors and/or members of the Board of Commissioners;
4. Balance of allowances between fixed and variable benefits.

Remuneration Policy for the Board of Commissioners and Board of Directors

No	Type of Remuneration/Facility	Information
1	Honorarium	In accordance with the provisions of the Board of Commissioners' Honorarium Scale after obtaining approval from the General Meeting of Shareholders or determined by the Board of Commissioners
2	Allowance Housing & Utilities Allowance Vehicle Allowance Religious Holiday allowance Health care benefits Glasses Reimbursement Educational Aid	Provided in accordance with the following internal provisions: • For the Board of Commissioners, refer to the Board of Commissioners Decree No. SKEP/016-DKOM/XI/2021 concerning Refinement of Remuneration Policy in the Form of Honorarium and other Benefits for the Board of Commissioners. • For the Board of Directors, refer to the Decree of the Board of Commissioners No. SKEP/001-DKOM/II/2023 concerning Refinement of Remuneration Policy in the Form of Honorarium, Variable Remuneration and other Benefits for Directors
3	Facility Phone Credit Facility Mobile Telephone Facility Business Travel Pocket Money Life insurance Post-Employment Insurance Legal Aid	Provided in accordance with the following internal provisions: • For the Board of Commissioners, refer to the Board of Commissioners Decree No. SKEP/001-DKOM/II/2021 concerning Refinement of Remuneration Policy in the Form of Honorarium and other Benefits for the Board of Commissioners. • For the Board of Directors, refer to the Decree of the Board of Commissioners No. SKEP/001-DKOM/II/2023 concerning Refinement of Remuneration Policy in the Form of Honorarium, Variable Remuneration and other Benefits for Directors
4	Tantiem/Bonuses/Incentives	In accordance with the GMS Resolutions
5	Appreciation for completion of work period	Provided in accordance with the following internal provisions: • For the Board of Commissioners, refer to the Board of Commissioners Decree No. SKEP/001-DKOM/II/2021 concerning Refinement of Remuneration Policy in the Form of Honorarium and other Benefits for the Board of Commissioners. • For the Board of Directors, refer to the Decree of the Board of Commissioners No. SKEP/001-DKOM/II/2023 concerning Refinement of Remuneration Policy in the Form of Honorarium, Variable Remuneration and other Benefits for Directors

Amount of Remuneration and Other Facilities	Amount Received in 1 Year	
	People	Amount (in IDR)
Honorarium	7	8,775,590,256
Allowance		
Housing & Utilities Allowance	7	1,755,118,056
Vehicle Allowance	7	1,316,338,524
Religious Holiday allowance	7	996,798,207
Health care benefits	7	256,154,332
Glasses Reimbursement	3	15,000,000
Educational Aid	7	731,299,188
Facility		
Phone Credit Facility	7	114,531,648
Mobile Telephone Facility	4	48,000,000
Business Travel Pocket Money	5	7,200,000
Life insurance	0	0
Post-Employment Insurance	0	0
Legal Aid	0	0
Tantiem/Bonuses/Incentives	0	0
Appreciation for completion of work period	0	0

Group Table for the Remuneration Amount for the Board of Commissioner

Total Remuneration	Number of the Board of Commissioner
Above IDR 2 billion	7
Above IDR 1 billion-IDR 2 billion	0
Above IDR 500 million-IDR 1 billion	0
IDR 500 million and below	0

STOCK OPTIONS FOR THE BOARD OF COMMISSIONERS

In accordance with the General Meeting of Shareholders on April 20, 2005, shareholders approved the issuance of option shares for members of the Board of Commissioners, Directors and employees of the Company who meet the requirements. However, in 2023, the Company will not have a stock option program.

REMUNERATION OF DIRECTORS

Procedure for Determining Directors' Remuneration

The amount of remuneration for the Board of Directors is determined by taking into account the GMS resolutions and applicable regulations. The Company will pay attention to profit achievement targets, the ability to maintain continuity and business development carried out in accordance with the results of the analysis and recommendations of the Remuneration and Nomination Committee. The Remuneration and Nomination Committee then proposes to the Board of Commissioners to then be proposed at the GMS.

Indicators for Determining Directors' Remuneration

The indicators used in determining the Remuneration of members of the Board of Commissioners are as follows:

1. Key Performance Indicator (KPI) or results of the performance and achievement assessment of the Board of Commissioners;
2. The Company's financial performance and capabilities;
3. Bank business development;
4. Comparative results of banking industry remuneration;
5. Consideration of the Company's long-term targets and strategies.

Nominal Amount/Components of Directors' Remuneration

OJK Regulation no. 45/POJK.03/2015 and Financial Services Authority Circular No. 40/SEOJK.03/2016 provides guidelines for providing remuneration to the Board of Commissioners and Directors of Commercial Banks.

Disclosure of remuneration components is an important part of transparency and accountability in corporate governance. The remuneration components for the Board of Commissioners can consist of various elements, including basic salary, incentives, allowances and other facilities. The nominal amount or amount of this remuneration component is usually adjusted to the responsibilities and contributions of each member of the Board of Commissioners, as well as the company's financial condition and performance.

Details of the remuneration components are usually disclosed in the company's annual report or sustainability report. This aims to provide clear and transparent information to stakeholders regarding remuneration management in the company, as well as to ensure that the process of providing remuneration is carried out in accordance with statutory provisions and good governance principles.

The nominal amounts/components of remuneration for the Board of Commissioners are as follows:

Amount of Remuneration and Other Facilities	Amount Received in 1 Year	
	People	Amount (in IDR)
Honorarium	7	19,652,500,000
Allowance		
Utility Allowance	7	3,930,500,000
Religious Holiday allowance	7	1,999,800,000
Health care benefits	6	1,163,278,480
Glasses Reimbursement	2	11,545,000
Education Assistance	7	1,666,500,000
Leave Benefits	7	1,666,500,000
Old-Age Income Benefit	0	0
Life Insurance Guarantee Benefits	0	0
Facility		
Credit Facility	6	4.000.000
Mobile Telephone Facility	1	12,000,000
Housing Loan Facility	0	0
Car Loan Facility	3	1,568,952,420
Business Travel Facilities	6	336,033,900
Vehicle Facilities	9	0
Membership Facilities	7	602,681,653
Post-Employment Insurance	0	0
Tantiem/Bonuses/Incentives	6	6,838,074,094
Appreciation for completion of term of office	0	0
Total		

Group Table for the Remuneration Amount for the Board of Directors

Total Remuneration	Number of Directors
Above IDR 2 billion	7
Above IDR 1 billion-IDR 2 billion	0
Above IDR 500 million-IDR 1 billion	0
IDR 500 million and below	0

Ratio of the Highest and the Lowest Salary

Description	2023	2022
Highest and lowest employee salaries	68:1	38:1
Highest and lowest Directors' salaries	1,69:1	1,34:1
Highest and lowest Commissioner salaries	1,39:1	1,39:1
Highest salaries for Directors and employees	1,46:1	1,16:1

Variable Remuneration for Employees

Variable Remuneration	Amount Received by Employees in 1 year			
	2023		2022	
	People	IDR (million)	People	IDR (million)
Total	2.340	11,680,412,056	2.278	13.831.543.914

TOTAL COMPENSATION GIVEN TO EMPLOYEES AFFECTED BY TERMINATION OF EMPLOYMENT AND TOTAL NOMINAL PAID

Nominal amount of compensation paid	2023	2022
IDR Billion	22,62	258,18
Number of people	490	1.687

MEETING OF THE BOARD OF COMMISSIONERS AND DIRECTORS

The implementation of Board of Commissioners meetings refers to Financial Services Authority Regulation no. 33/POJK.04/2014 dated December 8, 2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies and the Company's Articles of Association, which are again confirmed in the Guidelines and Work Rules for the Board of Commissioners and Directors.

Board of Commissioners Meeting

Board of Commissioners Work Guidelines and Regulations No. 015 of 2019, regulates the provisions for meetings of the Board of Commissioners and meetings of the Board of Commissioners with the Board of Directors, including as follows:

1. Every policy and strategic decision must be decided at a meeting of the Board of Commissioners with due observance of the prevailing regulations;
2. The Board of Commissioners must hold regular meetings at least 1 (one) time in 2 (two) months, or the Board of Commissioners meeting can be held at any time if deemed necessary by the President Commissioner or 2 (two) or more members of the Board of Commissioners or by the Board of Director;
3. In addition, the Board of Directors together with the Board of Commissioners shall periodically hold joint meetings at least 1 (one) time in 4 (four) months;
4. The Meeting of the Board of Commissioners must be attended physically by all members of the Board of Commissioners at least 2 (two) times a year;
5. The summons for a meeting of the Board of Commissioners shall be made in writing by the President Commissioner or one of the members of the Board of Commissioners through the Secretary of the Board of Commissioners by stating the agenda, date, time and place of the meeting;
6. The decision of the Board of Commissioners meeting shall be taken based on deliberation for consensus. In the event that a decision based on deliberation for consensus is not reached then the decision is taken by a vote based on a vote agreeing more than ½ (onehalf) part of the number of members of the Board of Commissioners present;
7. The results of the meeting of the Board of Commissioners including the joint meeting of the Board of Commissioners and Board of Directors shall be set forth in the minutes of the meeting, signed by all members of the Board of Commissioners and/or Directors present and delivered to all members of the Board of Commissioners and/or Board of Directors;
8. All decisions of the Board of Commissioners are binding on all members of the Board of Commissioners. Dissenting opinions that occur in the meeting of the Board of Commissioners must be clearly stated in the minutes of the meeting along with the reasons for the dissent;
9. Minutes of meetings of the Board of Commissioners are recorded and documented by the Secretary of the Board of Commissioners and/or the Corporate Secretary.

INTERNAL MEETING OF THE BOARD OF COMMISSIONERS

Throughout 2023, the Board of Commissioners of KB Bank conducted 22 (twenty two) internal meetings of the Board of Commissioners, the average attendance of Board of Commissioners members in the Board of Commissioners meeting was 86% (eighty six) with details of the meeting agenda as follows:

No	Date	Agenda	Meeting Participant
1	January 13, 2023	Approval of Outsourcing Policy	10 Participants
2	January 27, 2023	• Discussion of Company Performance Realization in the Fourth Quarter of 2022 • Discussion of the Bank Health Level Assessment Report (RBBR) Semester II 2022	35 Participants
3	February 14, 2023	• Discussion of the Distribution of Duties & Responsibilities of Members of the Board of Directors and Submission of Changes to the Company's Organizational Structure	16 Participants
4	March 8, 2023	• Approval of the Board of Commissioners Withdrawal of Part of the Credit Collateral of Related Parties (PT. Bosowa Utama & PT Bosowa Amal Taksi) • Discussion and approval of changes to Committee membership under the Board of Commissioners	19 Participants
5	March 15, 2023	Discussion of Bank Business Plan Revision	
6	April 3, 2023	Approval of the Proposed PUT VII Share Price	23 Participants
7	April 28, 2023	Discussion of Company Performance Realization for the First Quarter of 2023	17 Participants
8	May 12, 2023	• Development of Legal Case Settlement • Discussion of the Business Pricing Rate of KB Bank	28 Participants
9	June 5, 2023	Approval of the Board of Commissioners for the purchase of PT KB Finansia Multi Finance bonds	16 Participants
10	June 23, 2023	Approval of the Appointment of Chairman of the 2023 AGMS	14 Participants
11	June 27, 2023	• Approval of the Revised Bank Business Plan (RBB) for the 2023-2025 period • Approval of Additional Capital of KB Bukopin Syariah - Placement of Capital Deposit Funds and Capital Increase Report KB Bukopin Finance - Second Stage Escrow Fund Placement	
12	June 5, 2023	Discussion of the NGBS (Next Generation Banking System) Project Progress Report	
13	July 21, 2023	Discussion of the Realization of Company Performance in the Second Quarter of 2023	17 Participants
14	July 26, 2023	Discussion of RBBR Semester I 2023	
15	September 25, 2023	• Discussion of the Realization of Conversion of Capital Participation into KB Bukopin Finance and the Development of Subsidiary Company Performance. • Approval of Capital Increase of PT Bank KB Bukopin Syariah. • Discussion of Consumer Protection and Customer Complaint Services at Bank KB Bukopin.	23 Participants
16	October 19, 2023	• Discussion of the Progress of the Follow-up Report on Completion of the 2023 OJK Findings Commitments; • Discussion of the Company's Realization of Performance in the Third Quarter of 2023.	23 Participants
17	November 6, 2023	Report and Discussion on KB Bank Rebranding Plan	26 Participants
18	November 17, 2023	Discussion of Changes in the Role and Responsibilities of the Board of Directors regarding the Transfer of Functions of the Human Capital Division under the President Director	23 Participants
19	November 27, 2023	RBB 2024-2026 Approval	40 Participants
20	December 4, 2023	Discussion of Follow-up to OJK Letter No. SR-111/PB.31/2023 and Implementation of Governance for Commercial Banks Based on POJK 17 of 2023	40 Participants
21	December 13, 2023	• OJK Highlights at Audience Meetings • 2024 Audit Planning. • Approval of APU, PPT and CPF policies in accordance with New POJK Regulation no. 08 of 2023.	18 Participants
22	December 29, 2023	• Approval of the Remuneration and Nomination Committee Recommendations regarding the Finance Director Candidate • Approval of Changes to the Organizational Structure and Rules & Responsibilities of the Board of Directors • Approval of the Write-Off and Write-Off Policy	15 Participants

JOINT MEETING

Throughout 2023, the Board of Commissioners of KB Bank held meetings inviting the Directors 10 (ten) times. The meeting agenda is as follows:

No	Date	Agenda	Meeting Participant
1	January 27, 2023	• Discussion of Company Performance Realization in the Fourth Quarter of 2022 • Discussion of the Bank Health Level Assessment Report (RBBR) Semester II 2022	35 Participants
2	March 15, 2023	Discussion of Bank Business Plan Revision	23 Participants
3	April 3, 2023	Approval of the Proposed PUT VII Share Price	17 Participants
4	April 28, 2023	Discussion of Company Performance Realization for the First Quarter of 2023	28 Participants
5	June 23, 2023	Approval of the Appointment of Chairman of the 2023 AGMS	17 Participants
6	July 21, 2023	Discussion of the Realization of Company Performance in the Second Quarter of 2023	26 Participants
7	July 26, 2023	Discussion of RBBR Semester I 2023	23 Participants
8	September 25, 2023	• Discussion of the Realization of Capital Conversion to KB Bukopin Finance and the Development of Subsidiary Company Performance. • Approval of Capital Increase of PT Bank KB Bukopin Syariah. • Discussion of Consumer Protection and Customer Complaint Services at KB Bank.	40 Participants
9	October 19, 2023	• Discussion of the Progress of the Follow-up Report on Completion of the 2023 OJK Findings Commitments; • Discussion of the Company's Realization of Performance in the Third Quarter of 2023.	40 Participants
10	November 27, 2023	RBB 2024-2026 Approval	17 Participants

FREQUENCY OF MEETINGS AND ATTENDANCE LEVEL OF THE BOARD OF COMMISSIONERS IN 2023

Meetings of the Board of Commissioners during 2023 has been held 22 times. Meanwhile, the Joint Meeting of the Board of Commissioners with the Board of Directors during 2023 has been held 10 times. The frequency of attendance of the Board Meeting and the Joint Meeting of the Board of Commissioners with the Board of Directors is as follows:

No	Name	Board of Commissioner Meeting			Board of Director Meeting		
		Number of Meeting	Frequency of Attendance	Attendance Rate	Number of Meeting	Frequency of Attendance	Attendance Rate
1	Jerry Marmen	22	22	100%	10	10	100%
2	Nam Hoon Cho	22	10	45.45%	10	5	50%
3	Nanang Supriyatno	22	20	90.91%	10	9	90%
4	Stephen Liestyo	22	21	95.45%	10	10	100%
5	Sukriansyah S. Latief	22	22	100%	10	10	100%
6	Hae Wang Lee	22	20	90.91%	10	10	100%
7	Tippy Joesoef	22	19	86.36%	10	8	80%
8	Eugene K. Galbraith	22	17	77.27%	10	8	80 %

BOARD OF DIRECTORS MEETING

Board of Directors meetings are meetings held by the Board of Directors to make various business decisions, evaluate the Company's performance and determine various policies in managing the Company. Board of Directors meetings are held based on the following principles:

1. The Board of Directors is obliged to hold regular Board of Directors Meetings at least 1 (one) time every month and chaired by the President Director;
2. The Board of Directors is obliged to hold regular Board of Directors and Board of Commissioners meetings at least once every 4 (four) months;
3. Board of Directors Meetings can be held at any time if:
   a. deemed necessary by one or more members of the Board of Directors;
   b. Upon written request from one or more members of the Board of Commissioners.
4. Calls for Board of Directors Meetings must be made by members of the Board of Directors who have the right to represent the Board of Directors according to the provisions of the Articles of Association;

5. Decision making is carried out by deliberation to reach consensus and/or voting, and will be considered valid if the meeting is attended by more than half of the Board of Directors;
6. Minutes of meetings are drawn up by the Corporate Secretary and signed by all members of the Board of Directors present to be kept and made available at any time requested by the Board of Commissioners;
7. Dissenting opinions that occur at the meeting must be included in the minutes of the meeting along with the reasons.

INTERNAL BOARD OF DIRECTORS MEETING

Throughout 2023, the Board of Directors of KB Bank held Board of Directors meetings 65 times. The meeting agenda is as follows:

No	Date	Agenda	Number of Participants
1	January 9, 2023	1. Approval of Management's Response to Management Letter Crowe 2. PT Loan Report. Jakarta Clean Water (Salim Group)	35
2	January 10, 2023	Cost Efficiency Report	14
3	January 25, 2023	1. Application for Approval of Bank Soundness Levels for Semester 2 2022 2. December 2022 Financial Performance Report	58
4	January 27, 2023	Request for Approval from the Chair of the EGMS Meeting 31 January 2023	24
5	January 30, 2023	1. Request for Approval of the 2022 Semester II ICAAP Report 2. Wholesale Credit Rating Implementation Report 3. Monthly Progress Audit Report 4. Wholesale Credit Performance Report	26
6	7 Februari 2023	1. Monthly Marketing Budget report December 2022. 2. Application for Approval of Organizational Structure 3. Approval of Employee Discipline Culture. 4. Preparation for OJK Prudential Meeting & LAR Ratio	34
7	February 8, 2023	Preparation for the OJK Prudential Meeting	26
8	February 16, 2023	1. Application for Vehicle Purchase Approval & Online Transportation Collaboration. 2. Cross-selling Strategy Report & Business Updates. 3. CASA Improvement Report. 4. Compliance Update Report.	41
9	February 20, 2023	1. Audit Progress Report 2. Financial Performance Report January 2023	57
10	February 27, 2023	1. Request for Approval of New Credit Limit Authority Design during the Transition Period for SME & Wholesale 2. Application for Approval of Background & Recommendations for Secondary Cooperative Loans for Bukopin Services throughout Indonesia 3. AYDA Mapping Report by Age	32
11	February 28, 2023	1. Progress Report: LPO VII 2. Request for Approval of New Credit Limit Authority Design during the Transition Period for SME & Wholesale	24
12	March 14, 2023	1. Collaboration Report of PT Bank KB Bukopin Tbk & PT. PLN. 2. Pension Credit Update. 3. Bulk Auction Plan to Improve Asset Quality. 4. Pan Pacific Approval	41
13	March 15, 2023	Revision of Bank Business Plan	25
14	March 16, 2023	General Audit Progress Report on Financial Reports for Fiscal Year 2022 by Public Accounting Firm Crowe.	43
15	March 28, 2023	1. SME Product Presentation Report & PT KB Bukopin Tbk KUR Distribution in 2023 2. Audit Progress Report 3. Approval of Background & Recommendations for Secondary Cooperative Loans for Bukopin Services throughout Indonesia	39
16	March 29, 2023	1. Approval of the Proposed PUT VII Share Price 2. Financial Performance Report February 2023	39
17	April 3, 2023	1. Approval of the LPO VII Share Price Proposal 2. ABS Approval Stage 2 3. Approval of Credit Settlement Guidelines 4. Approval of Taspen & Asabri THR payments 5. Approval of Role & Responsibilities Policy 6. BI Fast Progress Report 7. DPD management reports & Monitoring Watchlist	56

No	Date	Agenda	Number of Participants
18	April 10, 2023	1. Approval of the Revocation of the PT Police Report. Tunas Muda Jaya (Payoff). 2. Approval of the implementation of AGMS for the 2022 financial year	23
19	April 12, 2023	Management Response Report on Public Accounting Firm Crowe's Management Letter	34
20	April 13, 2023	Preparation for OJK Meeting Realization of Action Plan to Improve Bank Performance	11
21	April 17, 2023	1. Approval of KPI Semester 2 2022 2. Approval of KKBS	17
22	April 27, 2023	Financial Performance Report March 2023	39
23	May 4, 2023	Impact of the End of Covid-19 Relaxation on the NPL & CKPN Ratio in April 2023.	11
24	May 10, 2023	1. Approval of the 2023 Annual General Meeting of Shareholders 2. Approval of Reporting Policy Information to the Board of Directors.	22
25	May 15, 2023	April 2023 Financial Performance Report	49
26	May 22, 2023	Reconciliation Issues between G/L and Ledger	44
27	May 29, 2023	KKBS Approval and Report	18
28	June 5, 2023	1. Approval and Report on Refund of KLBI Arrears 2. PLN Winback Strategy Report: Host to Host ATM & PPOB	31
29	June 12, 2023	Approval and Report on Refund of KLBI Arrears Part II	19
30	June 15, 2023	Preparation for Branch Closure	11
31	June 16, 2023	GL Reconciliation Issues	44
32	June 19, 2023	1. GL Reconciliation Update 2. Financial Performance Report May 2023 3. KLBI KUT Program Information 1998-1999 4. Approval of the 2023 KPI Policy and Scorecard	52
33	June 23, 2023	Approval of the Chairperson of the 2023 AGMS Meeting and the 2023 AGMS Report	26
34	June 23, 2023	1. Approval of Bank Business Revisions 2. Approval of Capital Increase of PT Bank KB Syariah - Placement of Capital Deposit Funds 3. PT Bank KB Bukopin Finance Capital Increase Report - Second Stage Escrow Fund Placement.	23
35	July 3, 2023	Audit Progress Report	14
36	July 10, 2023	Audit Progress Report (Continuation)	11
37	July 17, 2023	Financial Performance Report June 2023	34
38	July 24, 2023	1. Application for Approval of Bank Soundness Level 2. Approval of the Sale of Bankrupt Boedel Assets Via Curator of PT Kagum Yakin Abadi (Hotel Gino Ferruci Braga Bandung).	22
39	July 27, 2023	Changes in Organizational Structure	14
40	July 31, 2023	1. Approval of the 2023 Semester 1 ICAAP Report 2. Changes in Organizational Structure 3. TKA Utilization Report (What to do and what not to do before getting FnP)	22
41	August 7, 2023	1. KKBS Report and Approval 2. G/L and Ledger Reconciliation TFT Progress Report.	37
42	August 14, 2023	1. Financial Performance Report July 2023 2. Report and Approval of Tax Audit Results for Financial Year 2018. 3. Important Information Report to the Board of Directors (PT. TGA & PT. BSG Lawsuit Case). 4. Miscellaneous Agenda	41
43	August 21, 2023	1. Audit Progress Report 2. Updates regarding DPD and projections for August 2023.	21
44	August 28, 2023	1. Website Update Report 2. Credit culture value up' course results report 3. 2024 RBB Preparation Report 4. Follow-up Report on SKAI Findings by the Board of Directors.	41
45	September 5, 2023	1. Approval of Shine External PMO Extension 2. Approval of Marcom Budget & Incentives	28
46	September 11, 2023	1. Approval and capital conversion report for PT Bank KB Bukopin Finance 2. Approval of KB Star Launching and Marketing Plan 3. OJK Findings Report & Directors' Commitment and Compliance Update September 2023 4. AML Department Report Semester II 2023	58

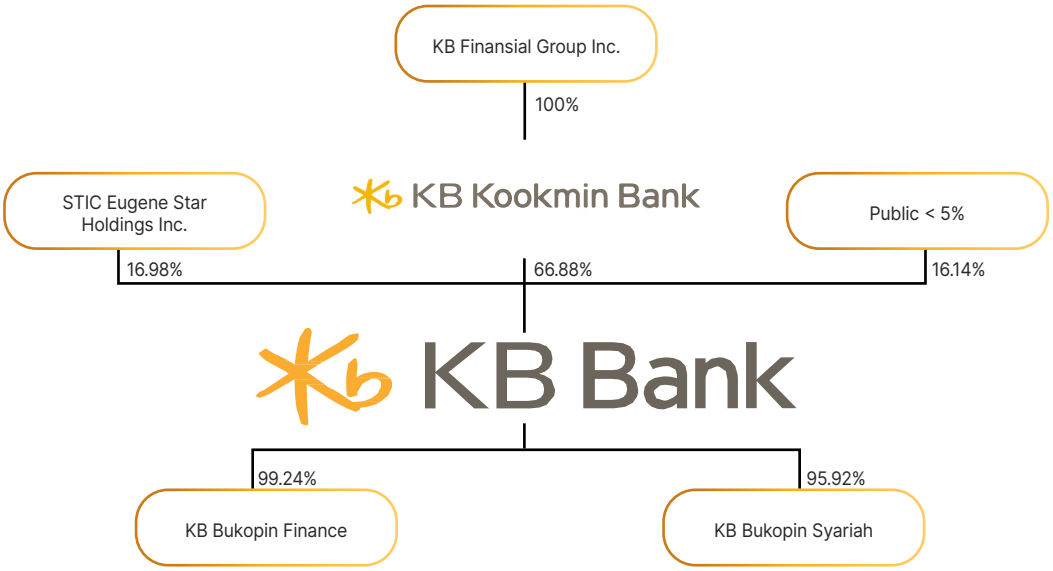
No	Date	Agenda	Number of Participants
47	September 18, 2023	1. August 2023 Financial Performance Report 2. TFT vs Ledger Reconciliation Progress Report 3. Double Interest Accrual Income Report	52
48	September 21, 2023	pproval of Capital Injection for PT Bank KB Bukopin Syariah	13
49	October 2, 2023	1. Audit Progress Report 2. Approval of the Bad Credit Collection Campaign	24
50	October 9, 2023	1. Deep Change Metamorphosis Update Report 2. SME Total Marketing Business Travel Program Assessment Report	40
51	October 16, 2023	1. September 2023 Financial Performance Report 2. Approval of KPI Results for Semester I 2023 3. Approval of Cessie PT. Mandiri West Madura 4. Updated Compliance Report: Follow-up to OJK Findings and Recommendations.	54
52	October 23, 2023	1. Approval of Changes to Organizational Structure 2. Progress Report on Completion of Open Items 3. RWA Boundary Monitoring Report 4. Audit Progress Report	35
53	October 30, 2023	1. Approval and Report on the 2023 Marketing Budget Monthly 2. Recruitment Process and Outsourcing Management Report	48
54	November 6, 2023	1. Surabaya Branch PPOP Progress Analysis Report 2. New Rebranding Report	47
55	November 13, 2023	1. Financial Performance October 2023 2. Changes in Authority & Implementation of the Credit Committee 3. SME Total Marketing Plan	69
56	November 17, 2023	Approval of RBB 2024 – 2026	34
57	November 20, 2023	1. Loan Document Verification Report 2. Rebranding Approval: Brand Name & Logo 3. Approval of Differences in External Reporting for Credit Card Write-Off Segments (WO) 4. Audit Progress Report November 2023	57
58	November 21, 2023	Audit Progress Report November 2023	9
59	November 23, 2023	1. Approval of KB STAR M10 Marketing Plan Update 2. Deep Change in the Mortgage Business	28
60	November 27, 2023	1. Approval of the Implementation of Personal Data Protection (PDP) 2. Approval of RBB 2024 - 2026 3. Flexy Pay Approval	56
61	December 4, 2023	1. Approval of Changes to Organizational Structure 2. Approval of Progress on Settlement of Open Items 3. Digital Contact Center Approval 4. Approval of Outsourcing Management Revamping 5. Paywatch Report	55
62	December 11, 2023	1. Approval of the Implementation of Natura Tax 2. Monthly Marketing Budget Report October 2023 3. Batam Branch Fuel Card 3.0 Update Report 4. Pension Credit Special Inspection Report	51
63	December 14, 2023	November 2023 financial performance report	43
64	December 18, 2023	1. Approval of the Extension of the Bad Loan Collection Campaign 2. Approval of Changes to the Write-Off Policy of PT Bank KB Bukopin Tbk 3. Approval of Key Performance Indicators 4. Approval of 2023 Public Expose Material	58
65	December 21, 2023	*Approval and Progress Update SHINE*	37

Frequency of Meetings and Attendance Level of the Board of Directors in 2023

No	Name	Number of Meeting	Frequency of Meeting	Attendance Percentage (%)
1	Woo Yeul Lee	65	62	95.3
2	Robby Mondong	65	61	93.8
3	Dodi Widjajanto	65	59	90.7
4	Seng Hyup Shin**)	65	63	96.9
5	Yohanes Suhardi	65	63	96.9
6	Helmi Fahrudin	65	58	89
7.	Jung Ho Han*)	60	50	83.3
8.	Henry Sawali	65	60	92.3
9.	Young Eun Moon*)	65	58	89

*) Mr. Jung Ho Han, Mr. Young Eun Moon has been effective since being appointed by the Company after fulfilling all the requirements stipulated in POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 and/or other applicable laws and regulations.
**) The Company has received Mr. Seng Hyup Shin's resignation letter on December 8, 2023.

MAJOR AND CONTROLLING SHAREHOLDERS



The major and controlling shareholder of KB Bank is Kookmin Bank Co., Ltd., a banking company from South Korea. KB Kookmin Bank is part of the KB Financial Group, one of the largest financial groups in South Korea. This Korean-based bank has the largest net income achievement in Korea throughout 2019. KB Financial Group shares have been listed on the Korea Exchange (KRX) since October 10, 2008 and on the New York Stock Exchange (NYSE) since September 29, 2008. KB Financial Group's total assets as of December 31, 2019 reached KRW789.6 trillion (or around IDR 9,326 trillion). The company has expanded its wings into the global market with a network spread across the UK, United States, India, China, Hong Kong, Japan and New Zealand. In Southeast Asia, Kookmin expanded to Cambodia, Vietnam, Laos, Myanmar and Indonesia.

Secretary to the Board of Commissioners

The Board of Commissioners of KB Bank has a Secretary to the Board of Commissioners (Sekdekom) who is an internal career officer of the Company. The appointment of the Secretary to the Board of Commissioners is carried out by the Bank's Directors based on the decision of the Board of Commissioners meeting. The main task of the Secretary of the Board of Commissioners is to carry out secretarial functions for the Board of Commissioners, directly reporting to the Board of Commissioners.

To support swift administration while carrying out the duties and responsibilities of the Board of Commissioners, KB Bank established a Secretariat Unit for the Board of Commissioners led by the Secretary of the Board of Commissioners. This unit is tasked with carrying out administrative activities related to the functions of the Board of Commissioners, ensuring that the decision-making process and implementation of the duties of the Board of Commissioners runs efficiently.

DUTIES AND RESPONSIBILITIES OF THE SECRETARY TO THE BOARD OF COMMISSIONERS

The Secretary to the Board of Commissioners has duties and responsibilities as outlined in the Guidelines and Work Rules for the Secretary to the Board of Commissioners of PT. Bank Bukopin Tbk based on Board of Commissioners Decree No. 018 of 2019, dated September 4, 2019, in general as follows:

1. Prepare meetings, including briefing sheets for the Board of Commissioners as needed;
2. Prepare Minutes of Board of Commissioners Meetings in accordance with provisions;
3. Coordinate the activities of meetings between the Board of Commissioners and the Board of Directors, committees under the Board of Commissioners, and other related parties, including the minutes of the meetings;
4. Administer Board of Commissioners documents, including incoming letters, outgoing letters, minutes of meetings and other documents;
5. Prepare draft reports for the Board of Commissioners;
6. Carry out other duties of the Board of Commissioners;
7. As a liaison officer for the Board of Commissioners with other parties;
8. Perform other secretarial duties.

Profile of Board of Commissioners' Secretary

YOCKY EKO WICAKSONO
Secretary of Board of Commissioner

Age	:	40 years
Nationality	:	Indonesia
Domicile	:	Jakarta
Education	:	Bachelor of Law, Brawijaya Malang University
Work Experience	:	• Manager of Regulation and Policy at PT Bank KB Bukopin Tbk • Senior Corporate Law Officer PT Bank KB Bukopin Tbk
Other Positions	:	-
Certification	:	• Level 3 Risk Management (BSMR) • Level 2 Risk Management (BSMR) • Level 1 Risk Management (LSPP) • General Banking Level 1 (LSPP) • Banking Compliance Officer Level • Special Education for the Advocate Profession (PERADI)
Legal Basis of Appointment		• SKEP /0118-DIR/VIII/2023

BOARD SECRETARY TRAINING AND/OR WORKSHOP

Competency Development/Training Materials	Time and Place of Implementation	Organizer
Kick Off Shine Project	February 22 -23, 2023 - Jakarta	DXC
Workshop Annual Report	3 April 2023, Jakarta	Inmark
April 3, 2023 – Jakarta	InMark	Golden English Course
English Course	September 13 – November 30, 2023 – Jakarta	Golden English Course
Training Ngbs-Be Budget Trf & App	October 25, 2023	Internal House (Training)
Workshop Board of Commissioner	November 8, 2023	Internal House (Training)

IMPLEMENTATION OF THE SECRETARY TO THE BOARD OF COMMISSIONERS DUTIES

During 2023, the Secretary to the Board of Commissioners of the Company has carried out their functions and duties to support the supervisory and advisory duties carried out by the Board of Commissioners, which generally includes the following matters:

1. Assist in preparing the agenda for the Board of Commissioners' meetings and coordinating with all relevant parties to ensure the effectiveness and smooth implementation, including preparing and administering the minutes of the Board of Commissioners' meetings;
2. Prepare draft letters from the Board of Commissioners regarding matters that require the attention of the Board of Directors or suggestions and opinions from the Board of Commissioners based on the results of Board of Commissioners meetings, the results of committee reviews submitted to the Board of Commissioners, responses to internal or external letters received by the Board of Commissioners, and other sources of strategic data/information as input/suggestions from the Board of Commissioners to the Company's Directors;
3. Inform the latest relevant regulatory developments to be submitted to the Board of Commissioners, including suggestions/input in making, updating/adjusting the Board of Commissioners Decree based on the applicable regulations/legislation;
4. Prepare and coordinate with related parties in drafting Decree Letters and Approval Letters from the Board of Commissioners;
5. Carry out duties as liaison officer for the Board of Commissioners with other related parties/units in the Company;
6. Provide information required by the Board of Commissioners regarding matters relating to the Company's operations to support the duties and supervisory functions of the Board of Commissioners;
7. Coordinate and supervise the secretarial unit to support the smooth running of the Board of Commissioners' duties, including those related to the management, storage and administration of the Board of Commissioners' files as well as other secretarial duties and activities requested by the Board of Commissioners.

SUPPORTING ORGANS OF THE BOARD OF COMMISSIONERS

In carrying out supervision, the Board of Commissioners of KB Bank is assisted by Committees at the Board of Commissioners level, consisting of:

1. Audit Committee;
2. Remuneration and Nomination Committee;
3. Risk Monitoring Committee;
4. Integrated Governance Committee.

All committees at the Board of Commissioners level are chaired by an Independent Commissioner.

The implementation of the duties and responsibilities of committees at the level of the Board of Commissioners of KB Bank refers to the Committee's Work Guidelines and Rules of Procedure which are prepared based on applicable regulations in Indonesia and best practices which are reviewed periodically.

Audit Committee

The Audit Committee was established with the aim of supporting the implementation of the Board of Commissioners' function in monitoring the effectiveness of the implementation of the Internal Control System and increasing its active role in ensuring corrective actions against the Bank's issues that could reduce the effectiveness of the Internal Control System.

The formation of the Audit Committee is based on the rules and regulations applicable in Indonesia, including:

1. Jakarta Stock Exchange Regulation Number-Kep-305/BEJ/07 dated July 19, 2004 concerning Regulation Number I-A concerning the Listing of Shares and Equity Securities Other than Shares Issued by Listed Companies;
2. Bapepam Regulation No.IX.I.5 dated September 24, 2004 concerning the Establishment and Guidelines for the Implementation of Audit Committee Work;
3. POJK No. 21/POJK.04/2015 concerning Implementation of Public Company Governance Guidelines;
4. POJK No. 55/POJK.04/2015 concerning the Establishment and Guidelines for Implementing the Work of the Audit Committee;
5. POJK No. 17 of 2023 concerning Implementation of Commercial Bank Governance;
6. POJK No. 13/POJK.03/2017 concerning the Use of Public Accounting Services and Public Accounting Firms in Financial Services Activities;
7. SEOJK No. 13/SEOJK.03/2017 concerning Implementation of Governance for Commercial Banks;
8. SEOJK No. 36/SEOJK.03/2017 concerning Procedures for Using the Services of Public Accountants and Public Accounting Firms in Financial Services Activities;
9. POJK No. 01/POJK.03/2019 concerning Implementation of the Internal Audit Function in Commercial Banks.

AUDIT COMMITTEE WORK GUIDELINES/CHARTER

The Audit Committee Charter is a reference in carrying out the duties and responsibilities of Committee members which has been ratified in the Board of Commissioners Decree No. 003 of 2019 concerning the Audit Committee Charter of PT Bank KB Bukopin, Tbk.

The KB Bank Bank Audit Committee Charter contains rules relating to membership, duties and responsibilities, authority, reporting and Audit Committee meetings. These matters are described in more detail in the Audit Committee Guidelines and Work Rules.

CRITERIA FOR AUDIT COMMITTEE MEMBERS

Audit Committee members are required to fulfill the following requirements and criteria:

1. Must have high integrity, good morals and character, ability, knowledge, experience in accordance with the field of work, and be able to communicate well;
2. Not a person who works or has the authority and responsibility to plan, lead, control or supervise the Company's activities within the last 6 (six) months except for Independent Commissioners;
3. Not someone who is internal in a Public Accounting Firm, Legal Consultant Firm, Public Appraisal Services Firm or other party providing assurance services, non-assurance services, appraisal services and/or other consulting services to the Company within the last 6 (six) months;
4. Must understand financial reports, the Company's business, especially those related to the Company's services or business activities, audit processes, risk management, and laws and regulations in the Capital Market sector as well as other related laws and regulations;
5. Must comply with the Audit Committee code of ethics established by the Company;
6. Willing to continuously improve competence through education and training;
7. Does not have direct or indirect shares in the Company;
8. In the event that a member of the Audit Committee acquires Company shares, either directly or indirectly, as a result of a legal event, the shares must be transferred to another party within a maximum period of 6 (six) months after acquiring the shares;
9. Has no affiliation with members of the Board of Commissioners, members of the Board of Directors, or Major Shareholders of the Company;
10. Has no direct or indirect business relationships related to the Company's business activities.

MEMBERSHIP STRUCTURE AND EXPERTISE OF THE AUDIT COMMITTEE

1. Members of the Audit Committee are appointed and dismissed by the Company's Directors based on the decision of the Board of Commissioners meeting.
2. The number of members and composition of the Audit Committee membership of PT Bank KB Bukopin Tbk is as follows:
   a. The Audit Committee consists of at least 1 (one) member who is an Independent Commissioner and 2 (two) people from independent parties from outside the Company, where 1 (one) person has expertise in the field of finance and accounting for at least 5 (five) years and 1 (one) person who has expertise in the field of law and/or banking for at least 5 (five) years;
   b. The audit committee is chaired by an Independent Commissioner who is also a member;
   c. The Chair of the Audit Committee can only hold concurrent positions as Chair of another Committee on at most 1 (one) other committee;
   d. One member of the Audit Committee is appointed as Committee Secretary;
   e. The appointment and dismissal of Audit Committee members is reported to the OJK within a maximum period of 2 (two) working days after the appointment or dismissal;
   f. Information regarding appointment and dismissal as referred to above is contained on the stock exchange website and the Company's website.

TERM OF OFFICE PROVISIONS

Referring to the Audit Committee Work Implementation Guidelines, it is explained that the term of office of Audit Committee members cannot be longer than the term of office of the Board of Commissioners as regulated in the Articles of Association and can only be re-elected for 1 (one) subsequent period.

STRUCTURE, NUMBER, COMPOSITION AND BASIS FOR APPOINTMENT OF THE AUDIT COMMITTEE

The composition and number of members of the Audit Committee which have been approved in Decree No. 0040 of 2023 Dated March 30, 2023 are as follows:

Name	Position in the Committee	Position in Bukopin	Expertise	Period
Stephen Liestyo	Chairman	Independent Commissioner	Banking, GCG and Financial Audit	2022-2023
Tippy Joesoef	Member	Independent Commissioner	Banking, GCG, Risk management and Financial Audit	2023-2024
Eugene K. Galbraith	Member	Independent Commissioner	Banking, GCG, Risk management and Financial Audit	2022-2023
Dewi Anggesty Sah Bandar	Member	Independent Party	Banking and Financial Auditing	2022-2025
Jacobus Sindu Adisuwono	Member	Independent Party	Banking and Financial Auditing	2022-2025

PROFILE OF AUDIT COMMITTEE MEMBERS

The profiles of Stephen Liestyo, Tippy Joesoef and Eugene K. Galbraith is available in the Profile of the Board of Commissioners section in this Annual Report. The profiles of members who are independent parties and independent parties are as follows

Dewi Anggesty Sah Bandar **Audit Committee Member (Independent Party)**	**Age**	58 Years old
	Nationality	Indonesia
	Domicile	Bekasi
	Education	• Bachelor (Ir) in Agricultural Economics (Agribusiness), Bogor Agricultural Institute (1988) • Master Management (MM) in Finance, Gadja Mada University (1993)
	Work Experience	• Kepala Manajemen Kualitas Biz Retail Banking - BTPN (Head of Retail Banking Biz Quality Management - BTPN (2012-2017); • Independent Commissioner of PT DMS Modal Ventura (2019-present); • Senior Partner PT INOFIN Consulting (2018-present).
	Concurrent Position	• Independent Commissioner of PT DMS Capital Ventura (2019-present) • Senior Partner PT INOFIN Consulting (2018- present)
	Basis of Appointment	Board of Directors Decree No. 0040 of 2023 March 30, 2023
	Qualification	Banking and Financial Auditing

Jacobus Sindu Adisuwono **Audit Committee Member (Independent Party)**	Age	61 Years old
	Nationality	Indonesia
	Domicile	Jakarta
	Education	Bachelor of Economics in Accounting, Parahyangan Catholic University
	Work Experience	• Secretary General of the Association of Bank Internal Auditors as a professional association (2011-2014) • General Chair of the Association of Bank Internal Auditors (2014-2017); • Member of the Supervisory Board - Bank Internal Auditors Association (2017-2020); • Chair of the Audit Committee of The Institute of Internal Auditors Indonesia (2018-present)
	Concurrent Position	• Commissioner of PT BCA General Insurance (August 2021-present) • Member of the Audit Committee of PT Bank BCA Syariah (2017-present)
	Basis of Appointment	Board of Directors Decree No. 0040 of 2023 dated 30 March 2023
	Qualification	Financial Accounting and Auditing

EDUCATIONAL QUALIFICATIONS AND WORK EXPERIENCE OF THE AUDIT COMMITTEE

The educational qualifications and work experience of Stephen Liestyo, Nanang Supriyatno, Eugene K. Galbraith can be seen in the Board of Commissioners Profile section in this Annual Report book. Meanwhile, educational qualifications and work experience Dewi Anggesty Sah Bandar, and Jacobus Sindu Adisuwono can be seen in the profiles of the two members of the Audit Committee.

AUDIT COMMITTEE EDUCATION AND/OR TRAINING

Audit Committee education and/or training can be seen in the Audit Committee Education and/or training section in this Annual Report book.

INDEPENDENCE OF AUDIT COMMITTEE MEMBERS

All members of the Audit Committee are independent parties who have no financial relationships, share ownership, or interests with the Company, the Board of Commissioners, Directors, or Shareholders. The Audit Committee is also not permitted to serve as members of other committees. This independence is regulated in OJK Regulation no. 55/POJK.04/2015 to ensure that Audit Committee members can provide their opinions freely without being influenced by personal or external interests in carrying out their duties.

Independence Aspect	Stephen Liestyo	Tippy Joesoef	Eugene K. Galbraith	Dewi Anggesty Sah Bandar	Jacobus Sindu Adisuwono
Has no financial relationship with the Board of Commissioners and Directors	√	√	√	√	√
Has no management relationship in the company, its subsidiaries, or affiliated companies	√	√	√	√	√
Has no management relationship in the company, its subsidiaries, or affiliated companies	√	√	√	√	√
Does not have family relations with the Board of Commissioners, Directors, and/or fellow members of the Nomination, Remuneration and GCG Committee	√	√	√	√	√
Does not serve as a manager of Political parties, officials and government	√	√	√	√	√

DUTIES AND RESPONSIBILITIES

The Audit Committee has duties and responsibilities of at least:

1. Review financial information that will be released by the Bank to the public and/or authorities, including financial reports, projections and other reports related to the Bank's financial information;
2. Review compliance with laws and regulations relating to Bank activities;
3. Provide independent opinions in the event of differences of opinion between Management and Accountants regarding the services provided;

4. Provide recommendations to the Board of Commissioners regarding the appointment of Public Accountants and Public Accounting Firms based on independence, scope of assignment and fees for audit services;
5. Monitor and evaluate the implementation of the duties of the Internal Audit Work Unit (SKAI);
6. Monitor and evaluate the conformity of audit implementation by Public Accountants with applicable audit standards;
7. Monitor and evaluate the implementation of follow-up actions by the Board of Directors regarding the findings of the Internal Audit Work Unit, Public Accountants, and the results of supervision by the Financial Services Authority;
8. Review complaints related to the Company's accounting and financial reporting processes;
9. Review and provide advice to the Board of Commissioners regarding potential conflicts of interest;
10. Assess the adequacy of internal control;
11. Carry out other tasks assigned by the Board of Commissioners.

AUTHORITY OF THE AUDIT COMMITTEE

In carrying out its duties and responsibilities, the Audit Committee has the following authorities:
1. Access Bank documents, data and information regarding employees, funds, assets and required Company resources;
2. Communicate directly with employees including the Board of Directors and parties carrying out internal audit, risk management and Accountant functions regarding the duties and responsibilities of the Audit Committee;
3. Involve independent parties outside the Audit Committee members who are needed to assist in carrying out their duties (if necessary).

AUDIT COMMITTEE RESPONSIBILITIES IN PROVIDING RECOMMENDATIONS FOR THE APPOINTMENT AND DISMISSAL OF EXTERNAL AUDITORS

The Audit Committee continuous to provide independent opinions in the event of differences of opinion between Management and Accountants regarding the services they provide. In addition, the Audit Committee also supports the duties of the Board of Commissioners by providing recommendations regarding the appointment of Public Accountants and Public Accounting Firms based on independence, scope of assignment and compensation for audit services.

AUDIT COMMITTEE MEETING

Audit Committee meetings are chaired by the Chair of the Audit Committee and attended by all committee members. Meeting procedures have been regulated in the Audit Committee Work Guidelines. Meetings are held at least once a month with decisions made through deliberation for consensus or majority voting. Each decision is recorded in a minute signed by all members of the Audit Committee, then submitted to the Board of Commissioners.

Throughout 2023, the Audit Committee of KB Bank has held meetings as (Audit Committee composition in accordance with Decree No. 0040 of 2023 dated 30 March 2023):

Date	Agenda	Attendance				
		Stephen Liestyo	Tippy Joesoef	Eugene K. Galbraith	Dewi Anggesty Sah Bandar	Jacobus Sindu Adisuwono
January 6, 2023	• Discussion of Monitoring Results of Credit Guarantee Binding and/ or Collateral Binding at the Notary • Discussion of the Realization of the Internal Audit Work Program until December 2022	√	√	√	√	√
January 27, 2023	• Follow-up discussion of KAP Crowe's Management Letter for the Financial Report of KB Bank for the 2021 Fiscal Year and previous years • Discussion of Quality Assurance Inspection Results for branches throughout Indonesia (Selindo) for the January - December 2022 period. • Discussion of the Realization of the Internal Audit Work Program until the Fourth Quarter of 2022	√	√	√	√	√

Date	Agenda	Attendance				
		Stephen Liestyo	Tippy Joesoef	Eugene K. Galbraith	Dewi Anggesty Sah Bandar	Jacobus Sindu Adisuwono
February 24, 2023	• Discussion of the Fourth Quarter Compliance Function Report, 2022. • Discussion of the Realization of the Internal Audit Work Program Up to January 2023	√	√	√	√	√
March 17, 2023	Material presented by the Management Department, Topic for Discussion of Progress in Completion of Audit of Consolidated Financial Statements by Crowe	√	√	√	√	√
March 31, 2023	Discussion of the Realization of the Audit Work Program from 14 February 2023 to March	√	√	√	√	√
April 13, 2023	Discussion of Management Response to the Management Letter	√	√	√	√	√
April 28, 2023	Discussion of Realization Internal Audit Work Program Until Quarter 1 Year	√	√	√	√	√
May 26, 2023	• Discussion of the KAP Tender Results Report for the 2023 Financial Year. • Discussion of progress on follow-up to findings from OJK audit results up to the first quarter of 2023. • Discussion of the Realization of the Internal Audit Work Program Until 19 May 2023.	√	√	√	√	√
July 6, 2023	• Discussion of Reliability & Reliance of IT Security against Cyber Crime Discussion of Realization • Internal Audit Work Program Until 12 June 2023	√	√	√	√	√
July 28, 2023	• Discussion of Monitoring and Follow-up Progress on OJK Findings. • Follow up on the Audit Committee's Recommendations regarding the Causes and Action Plan of CCTV Back Up Findings in Branches. • Discussion of the Realization of the Audit Work Program until Quarter II, 2023	√	√	√	√	√
September 1, 2023	• Monitoring & Progress Follow-up to Completion of OJK Findings Commitments per position on 31 August 2023. • Discussion of the Realization of the Internal Audit Work Program until August 2023	√	√	√	√	√
September 29, 2023	• Discussion of the GL Reconciliation Report. • Discussion of the Anti-Fraud Strategy Implementation Report for Semester 1 2023. • Discussion of the Realization of the Internal Audit Work Program until September 2023 • Update Progress on Procurement Overdue Findings.	√	√	√	√	√
October 27, 2023	• Pembahasan Pelaksanaan Kebijakan Internal dan SOP Berdasarkan Hasil Observasi QA dan Evaluasi Temuan Berulang di Unit Kerja Kantor Pusat & Cabang. • Pembahasan Realisasi Program Kerja Audit Internal Triwulan III Tahun 2023	√	√	√	√	√

Date	Agenda	Attendance				
		Stephen Liestyo	Tippy Joesoef	Eugene K. Galbraith	Dewi Anggesty Sah Bandar	Jacobus Sindu Adisuwono
November 24, 2023	Discussion of the Realization of the Audit Work Program until 10 November 2023.	√	√	√	√	√
December 14, 2023	• Discussion regarding the development of the number of human resources in branch offices that do not yet meet bank operational standards. • Discussion of the Realization of the Internal Audit Work Program Until December 4, 2023.	√	√	√	√	√

X = Absent / V= Present

Throughout 2023, the Audit Committee of KB Bank has also attended meetings organized by other work units to discuss materials related to the assignment to the Audit Committee. The meetings are as follows (Audit Committee composition in accordance with Decree No. 0040 of 2023 dated 30 March 2023):

Date	Agenda	Attendance				
		Stephen Liestyo	Tippy Joesoef	Eugene K. Galbraith	Dewi Anggesty Sah Bandar	Jacobus Sindu Adisuwono
January 6, 2023	• Discussion of Monitoring Results of Credit Guarantee Binding and/ or Collateral Binding at the Notary. • Discussion of the Realization of the Internal Audit Work Program until December 2022	√	√	√	√	√
January 27, 2023	• Follow-up discussion of KAP Crowe's Management Letter for the Financial Report of KB Bank for the 2021 Fiscal Year and previous years • Discussion of Quality Assurance Inspection Results for branches throughout Indonesia (Selindo) for the January - December 2022 period. • Discussion of the Realization of the Internal Audit Work Program until the Fourth Quarter of 2022	√	√	√	√	√
February 24, 2023	• Discussion of the Fourth Quarter Compliance Function Report, 2022. • Discussion of the Realization of the Internal Audit Work Program Until January 2023	√	√	√	√	√
March 17, 2023	Material presented by the Management Department, Discussion Topic on Progress of Completion of Audit of Consolidated Financial Statements by Crowe	√	√	√	√	√
March 31, 2023	Discussion on the Realization of the Audit Work Program 14 February 2023 to March	√	√	√	√	√
April 13, 2023	Discussion of Management Response to Management Letter.	√	√	√	√	√
April 28, 2023	Discussion of Realization Internal Audit Work Program Until Quarter 1 Year 2023.	√	√	√	√	√

Date	Agenda	Attendance				
		Stephen Liestyo	Tippy Joesoef	Eugene K. Galbraith	Dewi Anggesty Sah Bandar	Jacobus Sindu Adisuwono
May 26, 2023	• Discussion of the KAP Tender Results Report for the 2023 Financial Year. • Discussion of progress on follow-up to findings from OJK audit results up to the first quarter of 2023. • Discussion of the Realization of the Internal Audit Work Program Until May 19 2023.	√	√	√	√	√
July 6, 2023	• Discussion of Reliability & Reliance of IT Security against Cyber Crime Discussion of Realization • Internal Audit Work Program Until 12 June 2023.	√	√	√	√	√
July 28, 2023	• Discussion of Monitoring and Follow-up Progress on OJK Findings. • Follow up on the Audit Committee's Recommendations regarding the Causes and Action Plan of CCTV Back Up Findings in Branches. • Discussion of the Realization of the Audit Work Program until Quarter II, 2023	√	√	√	√	√
September 1, 2023	• Monitoring & Progress Follow-up to Completion of OJK Findings Commitments per position on 31 August 2023. • Discussion of the Realization of the Internal Audit Work Program until August 2023	√	√	√	√	√
September 29, 2023	• Discussion of the GL Reconciliation Report. • Discussion of the Anti-Fraud Strategy Implementation Report for Semester 1 of 2023. • Discussion of the Realization of the Internal Audit Work Program until September 2023 • Update Progress on Procurement Overdue Findings	√	√	√	√	√
October 27, 2023	• Discussion on the Implementation of Internal Policies and SOPs Based on the Results of QA Observations and Evaluation of Repeated Findings in Head Office & Branch Work Units. • Discussion of the Realization of the Internal Audit Work Program for the Third Quarter of 2023	√	√	√	√	√
November 24, 2023	Discussion of the Realization of the Audit Work Program until 10 November 2023.	√	√	√	√	√
December 14, 2023	• Discussion regarding the development of the number of human resources in branch offices that do not yet meet bank operational standards. • Discussion of the Realization of the Internal Audit Work Program Until 4 December 2023.	√	√	√	√	√
Total	**Total Meeting**	**15**	**15**	**15**	**15**	**15**
	Number of Attendence	**15**	**15**	**15**	**15**	**15**
	Presence Rate	**100%**	**100%**	**100%**	**100%**	**100%**

IMPLEMENTATION OF AUDIT COMMITTEE DUTIES

The duties and responsibilities of the Audit Committee have been carried out in accordance with the Work Program that has been approved by the Board of Commissioners by referring to the Audit Committee Charter and the Audit Committee's Work Guidelines and Rules.

REALIZATION OF AUDIT COMMITTEE ACTIVITIES

In accordance with the 2023 Audit Committee Work Program, the following activities have been carried out:

1. Review the financial reports that will be published including the Consolidated Financial Report of PT Bank KB Bukopin Tbk
2. Review the Compliance Function Implementation Report which is submitted quarterly by the Compliance Director to the President Director and Board of Commissioners of the Company and semi-annually to the OJK which contains the Company's compliance with laws and regulations relating to the Bank's activities.
3. Monitor and evaluate the implementation of the tasks of the Internal Audit Work Unit (SKAI) and the progress of follow-up to the results of the SKAI Audit during 2022 as well as evaluate the performance achievements of SKAI periodically through joint meetings with SKAI.
4. Monitor and evaluate the implementation of follow-up actions by the Board of Directors regarding the results of the supervision of the Financial Services Authority through meetings with the Compliance Division.

POLICY AND AMOUNT OF REMUNERATION FOR NON-COMMISSIONER AUDIT COMMITTEE

No	Description	Remark
1	Salary/Honorarium	Salary/Honorarium Religious Holiday Allowance Education Allowance Utilities Allowance Official Travel Facilities Health Care Benefits Bonus/Tantiem
2	Religious Holiday Allowance	1 (one) time salary
3	Education Allowance	1 (one) time basic salary/basic honorarium
4	Utilities Allowance	Granted in accordance with the provisions in the Decree of the Board of Commissioners No. SKEP/0005-DKOM/05/2018
5	Official Travel Facilities	Granted in accordance with the provisions in the Decree of the Board of Commissioners No. SKEP/0005-DKOM/05/2018
6	Health Care Benefits	Granted in accordance with the provisions in the Board of Commissioners Decree No. SKEP/0005-DKOM/05/2018
7	Bonus/Tantiem	Granted in accordance with the provisions of the Board of Commissioners Decree No. SKEP/0005-DKOM/05/2018 while taking into account the fairness and capability of the Company.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee was formed and is responsible to the Board of Commissioners in carrying out its functions and duties in areas related to remuneration and nomination of members of the Board of Directors and Board of Commissioners.

The bank's obligation to form a Remuneration and Nomination Committee is based on several regulations, including:

1. PBI No. 8 April PBI/2006 dated January 30, 2006 concerning the Implementation of Good Corporate Governance for Commercial Banks, as amended by Bank Indonesia Regulation No. 8/14/PBI/2006 dated October 5, 2006, and refined with Financial Services Authority Regulation no. 17 of 2023 concerning Implementation of Governance for Commercial Banks.
2. POJK No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies;
3. POJK No. 45/POJK.03/2015 concerning Implementation of Governance in Providing Remuneration for Commercial Banks;
4. POJK No. 17 of 2023 concerning Implementation of Governance for Commercial Banks;
5. SEOJK No. 13/SEOJK.03/2017 concerning Implementation of Governance for Commercial Banks.

As well as other policies that the Company has regarding the Remuneration and Nomination Committee:

1. Decree No. 0272 of 2017 concerning Good Corporate Governance Guidelines for KB Bank;
2. Decree No. 1805 of 2016 dated December 22, 2016 concerning Remuneration Policy of PT Bank Bukopin Tbk;
3. Decree no. 001 of 2019 dated January 28, 2019 concerning Guidelines and Work Rules for the Remuneration and Nomination Committee of PT Bank Bukopin Tbk.

REMUNERATION AND NOMINATION COMMITTEE WORK GUIDELINES/CHARTER

To strengthen the implementation of its duties and responsibilities, the Remuneration and Nomination Committee of KB Bank has been provided with Work Guidelines and Rules prepared based on the Decree of the Board of Commissioners No. 001 of 2019. These guidelines regulate various aspects, including duties, authority, structure, code of ethics, work schedules, meetings, reporting, as well as remuneration and work facilities.

Each member of the Remuneration and Nomination Committee is obliged to comply with the provisions contained in these guidelines, as an effort to support the effective implementation of the duties and responsibilities of the Board of Commissioners. This is in accordance with the principles of Good Corporate Governance which are upheld by KB Bank. By having clear work guidelines and regulations, it is hoped that the Remuneration and Nomination Committee can carry out its role professionally and transparently, and make a positive contribution to the company's success.

CRITERIA FOR REMUNERATION AND NOMINATION COMMITTEE MEMBERS

In POJK No. 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies explains the requirements for being a member of the Committee, namely:

1. Has no affiliation with the Issuer or Public Company, members of the Board of Directors, members of the Board of Commissioners, or Major Shareholders of the Issuer or Company;
2. Have experience related to Nomination and/or Remuneration;
3. Do not hold concurrent positions as members of other committees owned by the Issuer or the Company;
4. Have expertise in the banking sector;
5. Have adequate knowledge of capital market regulations and other regulations and have experience related to Nomination and/or Remuneration.

Apart from that, the criteria for members of the Remuneration and Nomination Committee according to the work guidelines are as follows:

1. The Remuneration and Nomination Committee consists of at least 3 (three) people, namely:
   a. 1 (one) Independent Commissioner;
   b. 1 (one) Commissioner;
   c. 1 (one) executive officer in charge of Human Resources or one employee representative.
2. The appointment of members of the Remuneration and Nomination Committee as referred to in point 1 must be carried out by the Board of Directors based on the decision of the Board of Commissioners;
3. The Remuneration and Nomination Committee is chaired by an Independent Commissioner;
4. The Chair of the Remuneration and Nomination Committee as referred to in point 3 is prohibited from holding concurrent positions as chair of more than 1 (one) committee in other committees;
5. Members of the Board of Directors are prohibited from being members of the Remuneration and Nomination Committee;
6. In the event that the members of the Remuneration and Nomination Committee are determined to be more than 3 (three) people, then the members of the Independent Commissioner will be at least 2 (two) people;
7. Executive officials in charge of human resources or employee representatives are officials who report directly to the Board of Directors or have influence on the company's operational policies;
8. Executive officials in charge of human resources or employee representatives must have knowledge of the company's remuneration and/or nomination system as well as the company's succession plan.

TERM OF OFFICE PROVISION

The term of office of members of the Remuneration and Nomination Committee is determined in the appointment decree, in accordance with POJK No. 34/ POJK.04/2014 concerning Nomination and Remuneration Committees for Issuers or Public Companies Article 4 has also explained that the term of office of committee members is not longer than the term of office of the Board of Commissioners

STRUCTURE, NUMBER, COMPOSITION AND BASIS FOR APPOINTMENT OF THE REMUNERATION AND NOMINATION COMMITTEE

The composition and number of members of the Remuneration and Nomination Committee as of January 2023, which has been ratified in Decree No. 0042 Year 2023 dated 30 March 2023 are as follows:

Nama	Position in the Committe	Position in Bukopin	Expertise	Period
Hae Wang Lee	Chairman	Independent Commissioner	Law	2021-2024
Jerry Marmen	Member	President Commissioner	Risk management, and GCG	2021-2024
Nam Hoon Cho	Member	Vice President Commissioner	Banking, and Management	2021-2023
Tippy Joesoef	Member	Independent Commissioner	Banking, GCG, Risk management and Financial Audit	2021-2024
Nanang Supriyatno	Member	Commissioner	Banking, GCG and Financial Audit	2021-2024
Sukriansyah S. Latief	Member	Independent Commissioner	Management, and GCG	2021-2023
Gamaridha Akhirul AR	Member	Acting HC Division	Banking, Management	2022-2025

REMUNERATION AND NOMINATION COMMITTEE PROFILE

The profiles of Hae Wang Lee, Jerry Marmen, Nam Hoon Cho, Tippy Joesoef, Nanang Supriyatno, and Sukriansyah S. Latief can be seen in the Board of Commissioners Profile section in this Annual Report book. The profile of Gamaridha Akhirul AR is as follows.

Gamaridha Akhirul AR
Member of the Remuneration and Nomination Committee

Age	43 year old
Nationality	Indonesia
Domicile	Bandung
Education	Master of Management (S2) Parahyangan Catholic University Bandung
Work Experience	• Senior HR Consultant at SEVERAL COMPANY • General Manager HR at PT SHINHAN BANK INDONESIA • Head of the Remuneration Department at WOORI SAUDARA BANK • Accounting Officer at BANK BTPN • Equipment Control Data at PT. ZHONGHAI INDO SHIPPING
Concurrent Position	HC Strategy, Policy, Development & Service Department Head of the company
Legal Basis of Appointment	Decree No. 0088 dated July 15, 2022
Qualification	Banking and Management

TRAINING FOR REMUNERATION AND NOMINATION COMMITTEE MEMBERS

The education and/or training of the Remuneration and Nomination Committee can be seen in the Profile Chapter in this Annual Report book.

INDEPENDENCE OF REMUNERATION AND NOMINATION COMMITTEE MEMBERS

All members of the Remuneration and Nomination Committee who are independent parties have no financial, management, share ownership and/or family relationships with the Board of Commissioners, Directors and/or Controlling Shareholders or relationships with banks, which could affect their ability to act independently.

Independence Aspect	Hae Wang Lee	Jerry Marmen	Nam Hoon Cho	Tippy Joesoef	Nanang Supriyatno	Sukriansyah S. Latief	Gamaridha Akhirul AR
Has no financial relationship with the Board of Commissioners and Directors	√	√	√	√	√	√	√
Has no management relationship in the company, its subsidiaries, or affiliated companies	√	√	√	√	√	√	√
Does not have family relations with the Board of Commissioners, Directors, and/ or fellow members of the Nomination, Remuneration and GCG Committee	√	√	√	√	√	√	√
Does not serve as a manager of political parties, officials and government	√	√	√	√	√	√	√

DUTIES AND RESPONSIBILITIES

Related to the Remuneration Function

1. Evaluate the Remuneration policy based on performance, risk, fairness with peer groups, targets and long-term strategies of the Bank, as well as the fulfillment of reserves as regulated in statutory regulations and the Bank's potential income in the future.
2. Submit evaluation results and recommendations to the Board of Commissioners regarding:
   a. Remuneration Policy for Directors and Board of Commissioners to be submitted to the General Meeting of Shareholders;
   b. The Remuneration Policy for employees as a whole is to be submitted to the Board of Directors.
3. Ensure that the Remuneration policy is in accordance with applicable regulations.
4. Conduct regular annual evaluations of the implementation of Remuneration policies.
5. Provide recommendations to the Board of Commissioners regarding:
   a. Remuneration Structure;
   b. Remuneration Policy; And
   c. Amount of Remuneration.
6. Assist the Board of Commissioners in conducting performance assessments in accordance with the remuneration received by each member of the Board of Directors and/or members of the Board of Commissioners.

Related to the Nomination Function

1. Provide recommendations to the Board of Commissioners regarding:
   a. composition of positions of members of the Board of Directors and/or members of the Board of Commissioners;
   b. policies and criteria required in the Nomination process; And
   c. performance evaluation policy for members of the Board of Directors and/or members of the Board of Commissioners.
2. Assist the Board of Commissioners in assessing the performance of members of the Board of Directors and/ or members of the Board of Commissioners based on benchmarks that have been prepared as evaluation material;
3. Provide recommendations to the Board of Commissioners regarding capacity development programs for members of the Board of Directors and/or members of the Board of Commissioners;
4. Prepare and provide recommendations regarding systems and procedures for selecting and/or replacing members of the Board of Directors and members of the Board of Commissioners to the Board of Commissioners;
5. Provide proposals for candidates who meet the requirements of the Financial Services Authority as members of the Board of Directors and/or members of the Board of Commissioners to the Board of Commissioners to be submitted to the GMS;
6. Provide recommendations regarding Independent Parties who will become members of Committees under the coordination of the Board of Commissioners.

Authority of the Remuneration and Nomination Committee

The authority of the Remuneration and Nomination Committee is:

1. Obtain full, free and unlimited access to information about employees, funds, assets and other Company resources related to the implementation of their duties;
2. Must collaborate with the Directorate in charge of Human Resources and other units deemed necessary;
3. Carry out duties carefully and well;
4. Prepare an annual activity plan approved by the Board of Commissioners;
5. Prepare a year-long activity report which is submitted to the Board of Commissioners;
6. Coordinate with the Audit Committee, Risk Monitoring Committee and other Committees in accordance with applicable statutory provisions, to avoid overlapping duties between committees under the Board of Commissioners;

7. Regarding fixed remuneration, the Remuneration and Nomination Committee prepares policies that at least take into account business scale, business complexity, peer group, inflation rate, financial conditions and capabilities, and do not conflict with applicable laws and regulations;
8. Regarding variable remuneration, apart from paying attention to point 7, the policies formulated must also encourage prudent risk taking.

REMUNERATION AND NOMINATION COMMITTEE MEETING

Committee meetings are held periodically at least 1 (one) time in 4 (four) months, attended by the chairman and the majority of the members. Decisions are taken by deliberation to reach consensus or based on majority vote according to a predetermined mechanism. The results of the meeting must be included in the minutes to be kept and reported to the Board of Commissioners.

Throughout 2023, the Remuneration and Nomination Committee of KB Bank has held meetings as follows (composition of the Remuneration and Nomination Committee in accordance with Decree No. 0042 Year 2023 dated 30 March 2023 date/month/year) as follows:

Date	Agenda	Attendance						
		Hae Wang Lee	Jerry Marmen	Nam Hoon Cho	Tippy Joesoef	Nanang Supriyatno	Sukriansyah S. Latief	Gamaridha Akhirul AR
January 3, 2023	• Interview CSO Candidates • Discussion of Interview Results • Discussion of Proposed Remuneration Policy for Foreign Workers	√	√	√	√	√	√	√
February 2, 2023	Discussion of Remuneration Proposals for Korean Directors	√	√	√	√	√	√	√
March 18, 2023	Discussion of 2022 Management KPI Results	√	√	√	√	√	√	√
April 13, 2023	Determination of variable remuneration for directors based on 2022 performance results	√	√	√	√	√	√	√
August 16, 2023	• Non-Commissioner KTKT Candidate Interview (Br. Dinan S & Br. Siswahyudi) • Discussion of Interview Results	√	√	√	√	√	√	√
september 9, 2023	Discussion of Changes in Remuneration Policy for Foreign Workers	√	√	√	√	√	√	√
october 6, 2023	• Discussion on Reporting KPI BOD Results Semester 1 2023 (PIC: Finance Group) • Discussion on employee salary scale updates (PIC: HC Division)	√	√	√	√	√	√	√

Date	Agenda	Attendance						
		Hae Wang Lee	Jerry Marmen	Nam Hoon Cho	Tippy Joesoef	Nanang Supriyatno	Sukriansyah S. Latief	Gamaridha Akhirul AR
December 27, 2023	Interview and Discussion of Remuneration & Nomination Committee Recommendations for Candidates for Finance Director of KB Bank	√	√	√	√	√	√	√
Jumlah	Total Meeting	8	8	8	8	8	8	8
	Attendance Rate	8	8	8	8	8	8	8
	Average Attendance	100%	100%	100%	100%	100%	100%	100%

X = Absent / V = Present

Throughout 2023, the Remuneration and Nomination Committee of KB Bank has held meetings as follows (composition of the Remuneration and Nomination Committee according to Decree No. 0042 Year 2023 dated 30 March 2023:

Date	Agenda	Attendance						
		Hae Wang Lee	Jerry Marmen	Nam Hoon Cho	Tippy Joesoef	Nanang Supriyatno	Sukriansyah S. Latief	Gamaridha Akhirul AR
January 3, 2023	• Interview CSO Candidates • Discussion of Interview Results • Discussion of Proposed Remuneration Policy for Foreign Workers	√	√	√	√	√	√	√
February 2, 2023	Discussion of Remuneration Proposals for Korean Directors	√	√	√	√	√	√	√
March 16, 2023	Discussion of 2022 Management KPI Results	√	√	√	√	√	√	√
April 13, 2023	Determination of Variable Remuneration for Directors Based on 2022 Performance Results	√	√	√	√	√	√	√
August 16, 2023	• Non-Commissioner KTKT Candidate Interview (Mr. Dinan S & Mr. Siswahyudi) • Discussion of Interview Results	√	√	√	√	√	√	√
September 21, 2023	Discussion of Changes in Remuneration Policy for Foreign Workers	√	√	√	√	√	√	√
October 6, 2023	• Interview and Discussion of Remuneration & Nomination Committee • Recommendations for Candidates for Finance Director of KB Bank	√	√	√	√	√	√	√

Date	Agenda	Attendance						
		Hae Wang Lee	Jerry Marmen	Nam Hoon Cho	Tippy Joesoef	Nanang Supriyatno	Sukriansyah S. Latief	Gamaridha Akhirul AR
December 27, 2023	Interview and Discussion of Remuneration & nomination Committee Recommendation on KB Bank Finance Director Candidate	√	√	√	√	√	√	√
Total	Number of Meetings	8	8	8	8	8	8	8
	Attendance Rate	8	8	8	8	8	8	8
	Average Attendance	100%	100%	100%	100%	100%	100%	100%

IMPLEMENTATION OF THE DUTIES OF THE REMUNERATION AND NOMINATION COMMITTEE

In 2023, the Remuneration and Nomination Committee has carried out its duties by providing recommendations for prospective members of the Board of Commissioners and Directors to the Board of Commissioners to be submitted to the GMS. This recommendation is based on the policies, criteria and qualifications that have been determined by the Committee in accordance with the Company's strategic plan. This process involves formulating policies, analyzing prospective candidate data, and identifying candidates who meet the requirements.

Apart from that, the Remuneration and Nomination Committee also assists the Board of Commissioners in determining an appropriate remuneration system for the Board of Directors and Board of Commissioners for 2023. The remuneration system includes salary, allowances, bonuses, and others. This step aims to ensure that the remuneration provided is in accordance with the contribution and performance of members of the Board of Directors and Board of Commissioners, as well as supporting the effective achievement of the bank's goals.

RISK MONITORING COMMITTEE

The Risk Monitoring Committee was formed to support the implementation of the Board of Commissioners' functions in supervising the effectiveness of the risk management process including the process of identifying, measuring, monitoring and controlling risks at the Bank. Until now, the Risk Monitoring Committee coordinates with the Risk Management Committee and the Risk Management Work Unit.

LEGAL BASIS

The Risk Monitoring Committee is one of the committees established by the Board of Commissioners in order to support the effective implementation of its duties and responsibilities, in accordance with:

1. Financial Services Authority Regulation no. 18/POJK.03/2016 dated March 16, 2016 concerning the Implementation of Risk Management for Commercial Banks;
2. Financial Services Authority Regulation no. 17 of 2023 concerning Implementation of Governance for Commercial Banks;
3. Financial Services Authority Circular (SEOJK) No. 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Governance for Commercial Banks.

DIRECTORS' SUCCESSION POLICY

KB Bank has implemented a sustainable employee development program to prepare for future leadership regeneration. This program targets potential employees who are included in the Talent Pool, giving them the opportunity to take part in training or activities related to management, business strategy, strategic planning, business risk and potential analysis, operational and financial performance analysis, as well as other similar programs.

With this program, the Bank has internal reserves who can be considered as candidates for members of the Board of Directors if needed, in accordance with recommendations from the Remuneration and Nomination Committee. The nomination process is carried out transparently and in accordance with the conditions and needs of the Bank, as well as based on applicable laws and regulations.

Apart from internal candidates, the Bank can also consider external candidates who meet the requirements, such as those obtained through references from Shareholders or Bank Management, or through collaboration with other third parties. This is regulated in the Board of Commissioners Decree No. 002 of 2019 concerning Nomination Guidelines, thus enabling the Bank to have various options in selecting the best prospective members of the Board of Directors.

RISK MONITORING COMMITTEE WORK

The Bank has Risk Monitoring Committee Work Guidelines which are continuously refined and updated in accordance with developments/changes in applicable legal regulations and current conditions.

The last update/refinement to the Guidelines and Work Rules of the KB Bank Risk Monitoring Committee was carried out in 2019 with the issuance of Board of Commissioners Decree No. 005 of 2019 concerning Guidelines and Work Rules for the Risk Monitoring Committee dated March 28, 2019.

The Guidelines regulate:

1. Duties and Responsibilities;
2. Authority;
3. Membership Structure;
4. Membership Structure;
5. Working Time;
6. Meetings;
7. Reporting;
8. Concurrent Position as Chairman of the Committee;
9. Remuneration and Work Facilities;
10. Performance Appraisal.

CRITERIA FOR RISK MONITORING COMMITTEE MEMBERS

In accordance with Financial Services Authority regulations, the requirements for becoming a member of the Risk Monitoring Committee must be from an independent party with the aim of being objective in carrying out the duties and responsibilities they carry out.

The Risk Monitoring Committee guidelines also state the membership code of ethics, including:

1. Carry out duties and responsibilities independently;
2. Be professional, honest and objective in every decision making by paying attention to the precautionary principle;
3. Be professional, honest and objective in every decision making by paying attention to the precautionary principle;
4. Uphold and maintain the image (vision and mission of the company), honor and dignity of the company as well as personal honor and dignity;
5. Be prudent in using and safeguarding the information obtained;
6. Committee members are required to have good integrity, character and morals;

7. Do not use information for personal or other interests unless there is a legal obligation or professional obligation;
8. Maintain and keep the confidentiality of all Company documents, data and information in its possession.

STRUCTURE, NUMBER, COMPOSITION AND BASIS FOR APPOINTMENT OF THE RISK MONITORING COMMITTEE

The composition and number of members of the Risk Monitoring Committee as of December 31, 2023, which has been ratified in Decree No. 0041 Year 2023 dated 30 March 2023. is as follows:

Name	Position in Committee	Position in Bukopin	Expertise	Period
Tippy Joesoef	Chairman	Independent Commissioner	Banking, GCG, Risk management and Financial Audit	2022-2024
Jerry Marmen	Member	President Commissioner	Risk management and GCG	2022-2023
Nanang Supriyatno	Member	Commissioner	Banking, GCG and Financial Audit	2023-2024
Stephen Liestyo	Member	Independent Commissioner	Banking, GCG and Financial Audit	2022-2023
Togar Natigor Siregar	Member	Independent Party	Accounting and Risk management	2022-2025
Rahardja Alimhamzah	Member	Independent Party	Banking, GCG, and Risk management	2022-2025

RISK MONITORING COMMITTEE PROFILE

The profiles of Tippy Joesoef, Jerry Marmen, Nanang Supriyatno, and Stephen Liestyo can be seen in the Board of Commissioners Profile section in this Annual Report book. Meanwhile, the profiles of Togar Natigor Siregar and Rahardja Alimhamzah are as follows.

Togar Natigor Siregar
Anggota Komite Remunerasi dan Nominasi

Age	59 Years Old
Nationality	Indonesia
Domicile	Jakarta
Education	• Bachelor of Laws, University of North Sumatra (USU) Medan (1988) • Master of Business Law, University of Indonesia (2008)
Work Experience	• Head of the Credit Legal Administration Department of the Indonesian Export Financing Institution (LPEI) Bank Exim Indonesia (2020-Present) • Head of Credit Control Unit, PT. Bank DBS Indonesia (June 4, 2010 – August 31, 2019) • Head of Bank Barclays Indonesia Risk Control Unit (July 16, 2009- May 31, 2010) • Head of Administration & Credit Control Division of Bank Internasional Indonesia (BII) (Oct 29, 2007- July 15, 2009) • Head of Risk & Credit Control - Standard Chartered Bank (Dec 2005 – Oct 23, 2007)
Concurrent Position	• Head of Credit Legal Administration for Financing Institutions • Indonesian Export (LPEI) Bank Exim Indonesia. (2020-Present)
Legal Basis of Appointment	Board of Directors Decree No. 0003 of 2022 Dated January 20, 2022
Qualification	Accounting and Risk Management

Rahardja Alimhamzah **Member of the Remuneration and Nomination Committee**	**Age**	57 years old
	Nationality	Indonesia
	Domicile	Jakarta
	Education	• Bachelor of Mechanical & Industrial Engineering at the University of New South Wales, Sydney-Australia (1986-1989) • Masters in Financial Management & Accounting at the University of Indonesia (1992-1994)
	Work Experience	• Bachelor of Mechanical & Industrial Engineering at the University of New South Wales, Sydney-Australia (1986-1989) • Masters in Financial Management & Accounting at the University of Indonesia (1992-1994) • Independent Commissioner and Chair of the Audit Committee and Chair of Risk Management PT Radana Bhaskara Finance Tbk (2021-Present) • Technical Advisor to PT ABI Komoditi Berjangka (2020-Present); • Independent Commissioner and Chair of the Audit Committee of PT Sompo Insurance Indonesia (2020-Present). • President Commissioner of PT CIMB Niaga Sekuritas (March 2018 - August 2020) • Non-Retail Business Director PT Bank Cimb Niaga (March 2016 – April 2020) • Corporate Banking Director PT Bank DBS Indonesia (May 2014- August 2014) • Corporate Banking Director PT Bank DBS Indonesia (April 2009- April 2014) • Corporate Banking Director PT Bank Rabobank International (April 2003 -April 2009)
	Concurrent Position	• Independent Commissioner and Chair of the Audit Committee and Chair of Risk Management PT Radana Bhaskara Finance Tbk (2021-Present); • Technical Advisor to PT ABI Komoditi Berjangka (2020-Present); • Independent Commissioner and Chair of the Audit Committee of PT Sompo Insurance Indonesia (2020-Present).
	Legal Basis of Appointment	Board of Directors Decree No. 0003 Year 2022 Dated January 20, 2022
	Qualification	Banking, GCG and Risk Management

TRAINING FOR RISK MONITORING COMMITTEE MEMBERS

The education and/or training of the Risk Monitoring Committee can be seen in the Profile Chapter in this Annual Report book.

INDEPENDENCE OF RISK MONITORING COMMITTEE MEMBERS

All members of the Risk Monitoring Committee who are independent parties have no financial, management, share ownership and/or family relationships with the Board of Commissioners, Directors and/or Controlling Shareholders or relationships with banks, which could affect their ability to act independently.

Independence Aspect	Tippy Joesoef	Jerry Marmen	Nanang Supriyatno	Stephen Liestyo	Togar Natigor Siregar	Rahardja Alimhamzah
Has no financial relationship with the Board of Commissioners and Board of Directors	√	√	√	√	√	√
Has no management relationship in the company, its subsidiaries, or affiliated companies	√	√	√	√	√	√
Has no management relationship in the company, its subsidiaries, or affiliated companies	√	√	√	√	√	√
Does not have family relations with the Board of Commissioners, Directors, and/or fellow members of the Nomination, Remuneration and GCG Committee	√	√	√	√	√	√
Does not serve as a manager of political parties, officials and government	√	√	√	√	√	√

DUTIES AND RESPONSIBILITIES

The Risk Monitoring Committee has the main responsibility in supporting the Board of Commissioners in carrying out an effective supervisory function over the Board of Directors in managing the company. They act in accordance with the principles of Good Corporate Governance, especially those relating to risk management.

The main duty of this committee is to provide professional opinions on reports or problems submitted by the Board of Directors to the Board of Commissioners. The Risk Monitoring Committee carries out a comprehensive evaluation of the policies, procedures and risk management practices implemented by the Board of Directors.

Apart from that, the Risk Monitoring Committee is also tasked with identifying matters that require special attention from the Board of Commissioners, especially those related to the risks faced by the company. Thus, the Risk Monitoring Committee plays an important role in ensuring that risk management in the company runs in accordance with established standards and can identify and handle risks that may affect the company's performance and business continuity effectively.

In addition to these duties and responsibilities, the Risk Monitoring Committee is required to:

1. Create a work program or annual plan for the Risk Monitoring Committee and send it to the Board of Commissioners for approval;
2. Evaluate the suitability of risk management policies with the implementation of Company policies;
3. Monitor and evaluate the implementation of the duties of the risk management committee and risk management work unit;
4. Evaluate the Company's risk management policies at least once a year together with the Board of Commissioners;
5. Evaluate the implementation of the Company's risk management policies at least once every 3 months with the Board of Commissioners;
6. Evaluate the Governance Implementation Self Assessment Report;
7. Create, review and update the Risk Monitoring Committee Work Guidelines and Rules of Conduct periodically;
8. Carry out other tasks assigned by the Board of Commissioners to the Risk Monitoring Committee in accordance with its duties and functions from time to time as needed.

AUTHORITY OF THE RISK MONITORING COMMITTEE

In accordance with the Work Guidelines and Rules that have been established in carrying out its duties and responsibilities, the Risk Monitoring Committee has the authority to:

1. In accordance with the Work Guidelines and Rules that have been established in carrying out its duties and responsibilities, the Risk Monitoring Committee has the authority to:
   a. Company parties (including Company employees);
   b. Other interested parties.
2. Obtain input and/or suggestions from parties outside the Company related to their duties.

RISK MONITORING COMMITTEE MEETING

Holding meetings at least 4 (four) times a year in accordance with the regulations in the 2019 Bank Bukopin Risk Monitoring Committee Guidelines. Details of the Risk Monitoring Committee meetings in 2023 (composition of the Risk Monitoring Committee in accordance with Decree No. 0041 Year 2023 March 30, 2023 is as follows:

Date	Agenda	Attendance					
		Tippy Joesoef	Jerry Marmen	Nanang Supriyatno	Stephen Liestyo	Togar Natigor Siregar	Rahardja Alimhamzah
January 6, 2023	• Update the Human Capital Development Matrix and Performance Assessment • Update on developments in updating customer data and KYC (Know Your Customer) • Discussion of the Risk Profile Assessment Report for November 2022. • Discussion of Policy Development and readiness of BCM (Business Continuity Management), BCP (Business Continuity Plan) and DRP (Disaster Recovery Planning)	√	√	√	√	√	√

Date	Agenda	Attendance					
		Tippy Joesoef	Jerry Marmen	Nanang Supriyatno	Stephen Liestyo	Togar Natigor Siregar	Rahardja Alimhamzah
January 27, 2023	Discussion of Risk Profile Assessment of PT. Bank KB Bukopin Tbk Quarter IV 2022.	√	√	√	√	√	√
February 24, 2023	• Discussion of the KB Bank Risk Profile Assessment Report January 2023; • Discussion of Quarterly Stress Test.	√	√	√	√	√	√
April 6, 2023	Discussion of Bank KB Bank Risk Profile Assessment Report February 2023	√	√	√	√	√	√
April 28, 2023	Discussion of the Risk Profile Assessment Report for the First Quarter of 2023	√	√	√	√	√	√
May 26, 2023	• Discussion of the April 2023 Risk Profile Assessment Report • Discussion of Bottom-up Stress Test: Market, Solvency & Sensitivity • Discussion of the Covid-19 Stress Test Q1 2023	√	√	√	√	√	√
July 6, 2023	Discussion of Risk Profile Assessment Report May 2023	√	√	√	√	√	√
July 28, 2023	Discussion of KB Bank Risk Profile Assessment Report Q2-2023	√	√	√	√	√	√
September 1, 2023	• Discussion of Credit, Market and Liquidity Stress Tests; • Discussion of New Market RWA Basel III; • Discussion of the July 2023 Monthly Risk Report.	√	√	√	√	√	√
September 29, 2023	• Discussion of the progress of OJK's Follow Up Findings; • Discussion of the KB Bank Risk Profile Assessment Report August 2023.	√	√	√	√	√	√
October 27, 2023	• Discussion of the progress of OJK's Follow Up Findings; • Discussion of the KB Bank Risk Profile Assessment Report for the Third Quarter of 2023.	√	√	√	√	√	√
November 24, 2023	• Discussion of the progress of OJK's Follow Up Findings; • Discussion of the KB Bank Risk Profile Assessment Report October 2023.	√	√	√	√	√	√
Total	**Number of Meetings**	**12**	**12**	**12**	**12**	**12**	**12**
	Attendance Rate	**12**	**12**	**12**	**12**	**12**	**12**
	Average Attendance	**100%.**	**100%.**	**100%.**	**100%.**	**100%.**	**100%.**

x = absent / √ = present

IMPLEMENTATION OF THE DUTIES OF THE RISK MONITORING COMMITTEE

The Risk Monitoring Committee has a central role in helping the Board of Commissioners fulfill its duties and responsibilities in evaluating and ensuring that the implementation of the Company's risk management is in accordance with established standards. The Risk Monitoring Committee is responsible for ensuring that risk management procedures and methodologies are adequate, so that the Company's activities remain under control and within acceptable risk limits.

In carrying out this function, the Risk Monitoring Committee carries out a comprehensive evaluation of the Company's risk management system. The Risk Monitoring Committee ensures that the methods used to identify, measure, manage and monitor the risks faced by the Company are in accordance with best practices and meet established standards.

Additionally, the Committee also plays a role in supervising the implementation and effectiveness of risk control measures taken by the Board of Directors. This aims to ensure that the Company has adequate policies and procedures to manage risks, so that the risks faced can be managed effectively and remain within the risk limits acceptable to the Company. Thus, the role of the Risk Monitoring Committee is key in maintaining the stability and continuity of the Company's operations in facing complex and diverse risk challenges.

For the above purposes, during 2023, the Risk Monitoring Committee has carried out activities to implement the 2023 Work Program, including:
1. Risk Monitoring by reviewing and evaluating various risk reports from the Risk Management Division which is carried out on a monthly basis;
2. Monitoring Meetings for Risk Profile Reports received from the Risk Management Division are held quarterly;
3. Participate in Seminar/Workshop or Training/Education activities held for each member of the Risk Monitoring Committee.

Policy and Amount of Remuneration for the Risk Monitoring Committee

No	Description	Retrieved
1	Salary/Honorarium	Given in accordance with the provisions of the Board of Commissioners' Decree No. SKEP/0005-DKOM/05/2018
2	Religious Holiday allowance	1 (one) times Wage
3	Education Aid	1 (one) times the basic salary/basic honorarium
4	Utilities Allowance	Given in accordance with the provisions of the Board of Commissioners' Decree No. SKEP/0005-DKOM/05/2018
5	Business Travel Facilities	Given in accordance with the provisions of the Board of Commissioners' Decree No. SKEP/0005-DKOM/05/2018
6	Health care benefits	Given in accordance with the provisions of the Board of Commissioners' Decree No. SKEP/0005-DKOM/05/2018
7	Bonus/Tantiem	Given in accordance with the provisions of the Board of Commissioners' Decree No. SKEP/0005-DKOM/05/2018 while still paying attention to the fairness and capabilities of the Company

COMMITTEE FOR INTEGRATED GOVERNANCE, FINANCIAL CONGLOMERATION

The Integrated Governance Committee, Financial Conglomeration was formed with the main aim of supporting the Board of Commissioners in evaluating the implementation of the Integrated Governance Committee, Financial Conglomeration. One of the main focuses is assessing the adequacy of internal control and the implementation of compliance functions in an integrated manner at all levels of the company.

This committee is assigned to do comprehensive evaluation of the Company's compliance with applicable standards and regulations, as well as ensuring that the internal control process has been carried out effectively. In addition, this Committee is also responsible for ensuring that the compliance function is integrated efficiently in all company activities.

With this approach, the Integrated Governance Committee, Financial Conglomeration plays an important role in maintaining company compliance with applicable rules and standards, as well as ensuring that the internal control system operates in accordance with the principles of Integrated Governance. This helps minimize compliance-related risks and improves efficiency in running overall company operations.

LEGAL BASIS

1. Financial Services Authority Regulation no. 18/POJK.03/2014 dated November 18, 2014 concerning the Implementation of Integrated Governance for Financial Conglomerates;
2. Financial Services Authority Regulation no. 21/POJK.04/2015 dated November 16, 2015 concerning Implementation of Public Company Governance Guidelines;
3. Financial Services Authority Regulation no. 17 of 2023 concerning Implementation of Governance for Commercial Banks;
4. Financial Services Authority Circular No. 15/ SEOJK.03/2015 dated May 20, 2015 concerning the Implementation of Integrated Governance for Financial Conglomerates;
5. Decree of the Board of Commissioners of PT Bank Bukopin Tbk No. SKEP/016-KOM/VIII/2019 dated August 13, 2019 concerning Completion of the Formation of the Integrated Governance Committee of the PT Bank Bukopin Tbk Financial Conglomerate.

WORK GUIDELINES/CHARTER FOR THE INTEGRATED GOVERNANCE, FINANCIAL CONGLOMERATION COMMITTEE

The Integrated Governance Committee, Financial Conglomeration has adopted Work Guidelines and Rules prepared specifically for Financial Conglomerates, in line with the provisions in Financial Services Authority Regulation No. 18/POJK.03/2014. This guideline regulates the steps and procedures that must be followed by the committee in carrying out the Integrated Governance function.

This document details the duties, responsibilities and authorities of the Integrated Governance Committee, Financial Conglomerate, and establishes a framework for evaluating the implementation of Integrated Governance within the financial conglomerate. This guideline also contains procedures for identifying, measuring and managing risks related to Integrated Governance.

Apart from that, the Work Guidelines and Rules also discuss procedures for reporting, discussing and following up on findings or recommendations resulting from the evaluation of Integrated Governance. Thus, this documentation becomes an important guide for the Integrated Governance Committee in carrying out its duties effectively in accordance with the standards set by the competent authority.
The Financial Conglomeration's Integrated Governance Committee Work Guidelines include the following matters:

1. Committee Membership;
2. Term of Office of the Committee;
3. Authority and Responsibilities of the Committee;
4. Committee Meetings;
5. Reporting;
6. Self-Assessment.

CRITERIA FOR COMMITTEE MEMBERS

The Integrated Governance Committee's work guidelines and regulations also state the membership requirements, including:

1. The committee consists of at least:
   a. Independent Commissioner who is Chair of one of the committees of the Main Entity;
   b. Independent Commissioners who represent and are appointed by the LJK in the Financial Conglomerate whose number is adjusted to the needs;
   c. Independent Party from Main Entity Committee Members and Sharia Supervisory Board Members.
2. The Committee is chaired by an Independent Commissioner who is Chair of one of the Main Entity committees.
3. Determination of Committee Members from each LJK in the Financial Conglomeration is regulated in a separate decree made and stipulated by each LJK Financial Conglomeration.
4. Committee members are required to have good integrity, morals and character and have the ability, knowledge, experience in accordance with their field and be able to communicate well.
5. Committee members are willing to continuously improve their competence through education and/or training.

TERM OF OFFICE PROVISIONS

The term of office of Committee members may not be longer than the term of office of the Board of Commissioners as regulated in the Articles of Association of each Entity and may be re-elected.

MEMBERSHIP STRUCTURE AND EXPERTISE

The composition and number of members of the Integrated Governance Committee, Financial Conglomerate as of December 31, 2023, which has been ratified in Directors' Decree No. 0043 Year 2023 are as follows:

Name	Position in the Committee	Position in KB Bank	Expertise
Sukriansyah S. Latief	Chairman	Independent Commissioner	Management
Eugene K. Galbraith	Member	Independent Commissioner	Banking, GCG and Financial Audit
Hae Wang Lee	Member	Independent Commissioner	Law

INDEPENDENCE OF INTEGRATED GOVERNANCE, FINANCIAL CONGLOMERATION COMMITTEE MEMBERS

All members of the Integrated Governance Committee, Financial Conglomeration who come from independent parties do not have financial, management, share ownership and/or family relationships with the Board of Commissioners, Directors and/or Controlling Shareholders or relationships with banks, which could affect their ability to act independently.

Independence Aspect	Sukriansyah S. Latief	Eugene K. Galbraith	Hae Wang Lee
Has no financial relationship with the Board of Commissioners and Board of Directors	√	√	√
Has no management relationship in the company, its subsidiaries, or affiliated companies	√	√	√
Has no management relationship in the company, its subsidiaries, or affiliated companies	√	√	√
Does not have family relations with the Board of Commissioners, Directors, and/ or fellow members of the Nomination, Remuneration and GCG Committee	√	√	√
Does not serve as a manager of political parties, officials and government	√	√	√

PROFILE OF INTEGRATED GOVERNANCE COMMITTEE MEMBERS, FINANCIAL CONGLOMERATION

Profile of Sukriansyah S. Latief, Tippy Joesoef, Eugene K. Galbraith, dan Hae Wang Lee, is available in the Board of Commissioners Profile section in this Annual Report book.

DUTIES AND RESPONSIBILITIES OF THE INTEGRATED GOVERNANCE, FINANCIAL CONGLOMERATE COMMITTEE

The Integrated Governance Committee, Financial Conglomerate has the following duties and responsibilities:

1. Evaluate the implementation of Integrated Governance at least through assessing the adequacy of internal control and implementation of the compliance function in an integrated manner;
2. In conducting the evaluation, the Integrated Governance Committee, Financial Conglomeration obtains information in the form of evaluation results regarding the implementation of internal audits and compliance functions of each Financial Services Institution from members of the Board of Commissioners of each Financial Services Institution who are members of the Integrated Governance Committee, Financial Conglomeration;
3. Provide recommendations to the Board of Commissioners of PT Bank KB Bukopin Tbk as the Main Entity in the Financial Conglomeration to improve the Integrated Governance Guidelines.

AUTHORITY OF THE INTEGRATED GOVERNANCE COMMITTEE, FINANCIAL CONGLOMERATION

The Integrated Governance Committee, Financial Conglomeration has the following authorities:

1. Integrated Governance Committee can request explanations or necessary information regarding employees, funds, assets and other resources related to the implementation of its duties to Financial Services Institutions in the financial conglomeration of PT Bank KB Bukopin Tbk, while still paying attention to applicable regulations. The Committee is obliged to report in writing the results of the assignment to the Board of Commissioners of the Main Entity;
2. Members of the Integrated Governance Committee have the authority to communicate directly with parties related to the tasks of the Integrated Governance Committee;

3. To carry out its duties, the Integrated Governance Committee can collaborate or coordinate with other Committees under the Board of Commissioners of the Main Entity, as well as relevant divisions/units/work units in the Main Entity or other Financial Services Institutions in the Financial Conglomeration of PT Bank KB Bukopin Tbk

INTEGRATED GOVERNANCE, FINANCIAL CONGLOMERATE COMMITTEE MEETING

Details of holding meetings of the Integrated Governance Committee, Financial Conglomeration in 2023 in accordance with the Decree of the Board of Directors No. Sukriansyah S. Latief, Tippy Joesoef, Eugene K. Galbraith, and Hae Wang Lee are as follows:

Date	Agenda	Attendance		
		Sukriansyah S. Latief	Eugene K. Galbraith	Hae Wang Lee
September 22, 2022	1. Discussion of GRC Implementation and Financial Group Report for Quarter III 2023 2. Discussion of PT Bank KB Bukopin Tbk Financial Group Strategic Issues in 2024	√	√	√

X = absent / V = present

IMPLEMENTATION OF THE DUTIES OF THE INTEGRATED GOVERNANCE, FINANCIAL CONGLOMERATE COMMITTEE

With the number of members in accordance with needs and fulfilling the requirements specified in the Legislative Regulations and acting independently, in 2023 the Integrated Governance Committee, Financial Conglomerate has carried out the following Duties and Responsibilities:

1. Evaluate the implementation of Integrated Governance by assessing the implementation of the Compliance Function at each Financial Services Institution (LJK) in the Financial Conglomeration and ensuring the adequacy of internal control carried out by the Integrated Internal Audit Work Unit;
2. Provide recommendations to the Board of Commissioners of the Main Entity for improvements to the Integrated Governance Guidelines;
3. Coordinate with the Financial Conglomeration organs, namely the Integrated Compliance Work Unit (SKKT), Integrated Internal Audit Work Unit (SKAIT) and Integrated Risk Management Work Unit.

PERFORMANCE ASSESSMENT OF BOARD OF COMMISSIONERS COMMITTEES

Results of Committee Performance Assessment at the Board of Commissioners Level in 2023

The Board of Commissioners has supporting committees which have duties and responsibilities to support the performance of the Board of Commissioners. These committees have clear work guidelines, so that the implementation of their duties can be directed and effective. The committees under the Board of Commissioners are the Audit Committee, Risk Monitoring Committee, Remuneration and Nomination Committee, and Integrated Governance Committee, Financial Conglomerate.

The Board of Commissioners assesses that these committees have carried out their functions, duties and responsibilities well as can be seen from:

1. Achievement of all Committee Work Plans/Programs determined at the beginning of 2023;
2. Implementation of Committee Meetings and the level of attendance of Committee members.

Implementation of the programs and work plans of the committees is carried out through meetings involving the relevant Directorates as well as in-depth evaluations outside of meetings, the results of which are submitted in writing to the Board of Commissioners.

The Audit Committee provides professional opinions on financial reports and information, reviews compliance with regulations, and evaluates the performance of external auditors.

The Nomination and Remuneration Committee is responsible for the nomination and remuneration policies for members of the Board of Directors and Board of Commissioners in accordance with applicable regulations.

The Risk Monitoring Committee monitors the Company's improvement process related to risk management, while the Integrated Corporate Governance Committee evaluates the implementation of Integrated Governance.

The Board of Commissioners periodically evaluates the performance of these committees. In 2023, each committee is seen to have carried out its duties well based on the frequency of meetings, attendance and reports on the implementation of activities.

COMMITTEES UNDER THE BOARD OF DIRECTORS

KB Bank has 6 (six) Committees under the Board of Directors which were formed to support the implementation of the Board of Directors' duties and responsibilities in accordance with the Financial Services Authority Regulations, namely:

1. Risk Management Committee;
2. Credit Committee;
3. Assets and Liabilities Committee (ALCO);
4. Information Technology Systems Steering Committee;
5. Credit Restructuring Committee.
6. Non-performing Loan Settlement Committee

RISK MANAGEMENT COMMITTEE

The Risk Management Committee at PT Bank KB Bukopin Tbk is responsible for implementing risk management by involving evaluation, approval, assessment and providing recommendations related to Credit, Operational, Market, Liquidity, Compliance, Strategic, Legal and Reputation risks. The duties of this committee include monitoring and adjusting risk management policies and practices, in accordance with applicable regulations in the implementation of Risk Management for Commercial Banks and Governance for Commercial Banks. This committee has an important role in ensuring the bank can manage risk effectively and in accordance with the principles of good governance.

RISK MANAGEMENT COMMITTEE GUIDELINES

The Company's Risk Management Committee was approved through Directors' Decree No. 0156 of 2022 dated December 30, 2022 concerning the Risk Management Committee Charter. In addition, the formation of the Risk Management Committee is guided by:

1. POJK No. 18/POJK.03/2016 dated March 16, 2016 concerning the Implementation of Risk Management for Commercial Banks;
2. SEOJK No. 34/SEOJK.03/2016 dated September 1, 2016 concerning Implementation of Risk Management for Commercial Banks;
3. POJK No. No. 17 of 2023 concerning Implementation of Governance for Commercial Banks;
4. SEOJK No. 13/SEOJK.03/2017 dated March 17, 2017 concerning Implementation of Governance for Commercial Banks;
5. PT Bank KB Bukopin Tbk Risk Management Policy;
6. Decree No. 0110 of 2022 dated September 30, 2022 concerning Refinement of the Organizational Structure of PT Bank KB Bukopin Tbk;
7. Articles of Association of PT Bank KB Bukopin Tbk.

RISK MANAGEMENT COMMITTEE MEMBERSHIP STRUCTURE

The Risk Management Committee at PT Bank KB Bukopin Tbk consists of permanent and invited members, including Division Heads, Department Heads, Regional Heads, and/or other parties relevant to the meeting topic. Committee meetings may be held with the presence of the Committee Chairman or Acting Chairman, and a minimum of 51% of permanent members to reach a quorum. Meetings can be held face to face or via online platforms. This ensures continued effective communication and appropriate decision making regarding bank risk management.

STRUCTURE AND MEMBERSHIP

Composition of the Risk Management Committee

Chairman (count as a member as well)	President Director
Acting Chairman (count as a member as well)	Director of Compliance & Risk Management
Secretary	Enterprise Risk Management Department Head
Full Member	Directors
Invitee	Division Head, Department Head, Regional Head and/or other parties who are related to the subject matter of the meeting

DUTIES, AUTHORITIES AND RESPONSIBILITIES

The duties, authorities and responsibilities of the Risk Management Committee include the following:

1. Recommend and/or approve the preparation of risk management frameworks, policies and procedures as well as changes thereto, including risk management strategies, determining limits along with determining the level of risk taken and risk tolerance, as well as contingency plans to anticipate the occurrence of abnormal conditions.
2. Improvement of the risk management process periodically or incidentally as a result of changes in the Bank's external and internal conditions which affect the Bank's capital adequacy, risk profile, and ineffective implementation of risk management based on evaluation results.
3. Determination of policies and/or business decisions that deviate from normal procedures, such as exceeding significant business expansion compared to the Bank's previously determined business plan or taking risk positions/ exposures that exceed predetermined limits.
4. Conduct regular discussions or reports on the Bank's risk profile before the risk profile report is submitted to the Regulator.
5. Develop a risk awareness culture and foster commitment to managing risk bankwide.
6. Conduct discussions regarding risk appetite, as well as monitor and manage the Bank's risks so that they are within predetermined risk limits.

7. Conduct a study of the Stress Test including scenarios, assumptions, methodology, results and risk mitigation follow-up to be carried out, as well as contingency plans if necessary.
8. Ensure good corporate governance in the implementation of risk management, with an appropriate framework for timely identification, measurement and escalation of risks, and approval of exposure to related parties as well as policy deviations and/or business decisions.
9. Ensure that all business and operational activities are in line with applicable regulations, risk policies and procedures, with approval and monitoring of exceptions, deviations and violations that may occur.
10. Assessment of various existing and emerging risks faced by the Bank, including (but not limited to):
    a. Credit Risk,
    b. Market and Liquidity Risk;
    c. Operational Risks including Fraud;
    d. Reputation Risk;
    e. Information Security and Information Technology Risks;
    f. Legal and Litigation Risk;
    g. Compliance Risk;
    h. Strategic Risk;
    i. Other significant risk issues (beyond those mentioned above) periodically.
11. Implementation of risk management processes and improvements in line with external and internal changes that can affect the capital adequacy ratio by assessing and evaluating the Bank's internal capital adequacy, to ensure the Bank has sufficient capital based on its risk profile.
12. Monitor and evaluate the performance of the Risk Management Division.

Implementation of Duties and Frequency of Risk Management Committee Meetings

The Risk Management Committee holds meetings at least 4 times a year, discussing risk profile reports and issues related to risk management such as identification, measurement, monitoring and control. Committee decisions can be taken if the Chair or Substitute Chair and at least 51% of the total permanent members are present, both in person and online meetings. This ensures consistent risk evaluation and accurate decision making.

Throughout 2023, the Risk Management Committee has hold meetings 9 (nine) times with the following agenda:

No	Date	Agenda
1	February 21, 2023	• RWA Basel III Implementation (for information) • Stress Test Q4 – 2022 (Credit, Market & Liquidity) (for information) • Peers Comparison Q3-2022 (for information)
2	April 5, 2023	• Risk Profile Guideline Annual Report (for information) • Risk Monthly Report as of February 2023 (for information) • Operational & IT Risk Update (for information)
3	May 30, 2023	• Disaster Policy (as approved) • BUST: Solvency, Sensitivity & Liquidity (as agreed) • Risk Monthly Report as of April 2023 (for information)
4	July 24, 2023	• Quarter II 2023 Risk Profile Report (as approved)
5	August 21, 2023	• Matter Arising from Previous RMC (for information) • KPR Charter (as approval) • Credit, Market, Liquidity Stress Test (as approval) • Pasar Baru RWA: Basel III (for information) • Monthly Position Risk Report July 2023 (for information)
6	September 22, 2023	• Matter Arising from Previous RMC (for information) • Program Product Policy (as approval) • Monitoring Stress Action Plan (for information) • NSFR Strengthening Management (for information) • Monthly Position Risk Report August 2023 (for information)
7	October 18, 2023	• Matter Arising from Previous RMC (for information) • Third Quarter 2023 Risk Profile Report (for information) • NSFR Strengthening Management (for information) • Stress Action Plan Monitoring (for information)
8	November 22, 2023	• Matter Arising from Previous RMC (for information) • Credit, Market, Liquidity Stress Test (as approval) • NSFR Strengthening Management (for information)
9	December 20, 2023	• Matter Arising from Previous RMC (for information) • NSFR Strengthening Management (for information) • Monthly Position Risk Report November 2023 (for information)

Sepanjang tahun 2023, Komite Manajemen Risiko mengadakan rapat sebanyak 9 (sembilan) kali dengan persensi kehadiran anggota Komite Manajemen Risiko sebagai berikut:

Name Director/participant/Position	Number of Obligatory Meetings	Number of Attendance
Lee Woo Yeoul / President Director	9	9
Robby Mondong / Deputy President Director	9	7
Seng Hyup Shin / Finance Director	9	6
Yohanes Suhardi / Wholesale & SME Banking Director	9	7
Dodi Widjajanto / Compliance & Risk Director	9	8
Helmi Fahrudin / Retail & Operations Director	9	7
Henry Sawali / Credit Group Director	9	8
Jung Ho Han/ Strategic Director	2	2

Risk Management Committee Performance Assessment by the Board of Directors

Throughout 2023, the Board of Directors assesses that the performance of the Risk Management Committee is good and has proven that it continuously makes improvements both in terms of the quality of the material presented and following up on concerns of the members of the Risk Management Committee.

CREDIT COMMITTEE

Credit Committee is an institution that has the task of evaluating, considering and having the authority to provide decisions (approval or rejection) on Credit applications submitted by (potential) Debtors to the Bank, taking into account the development of the Bank's Business without abandoning the principle of prudence.

Credit Committee Structure and Membership

Institutional Credit Committee with the authority to decide on Credit institutionally/Forum/group/Credit Committee based on the level of authority limits determined and regulated by the Board of Directors for the SMEs, Wholesale (Commercial) Credit Segment, both for the Credit Committee in meetings/face to face and circulate.

Individual limit authority/Job limit authority to decide on Credit applies to Retail Credit, mass product Credit Products, certain special Credit, as well as decision making in the context of settlement or collecting non-performing Loans which is further regulated in the implementation provisions of the Credit Committee.

Duties and Responsibilities of the Credit Committee

In general, the duties and responsibilities of the Credit Committee are:

1. Decide on granting Credit (new, additional, decrease, change of terms and/or extension) managed by the Business Unit in accordance with authority limits, including determination/change of Credit structure in the Non-Restructured category, Credit Structure including but not limited to Credit limits, objectives /object of financing, type of credit, nature of credit, term of credit, portion of financing, terms of credit/covenant, and collateral.
2. 2. Decide on the actions taken by the Bank in the context of Credit Repair, Restructuring and Settlement, both Credit Repair, Restructuring and Settlement which are still under the management of the Business Unit and Credit Repair, Renewal or Settlement managed by the Business Unit or Special Asset Management (SAM).
3. When making decisions regarding credit eligibility, it must be based on the principles:
   a. Integrity & Honesty
   b. Professionalism
   c. Competence
   d. Independence
   e. Objectivity
   f. Principles of Bank Prudence (prudential Banking)
   g. Provisions for healthy credit requirements and operational provisions of the Bank.
4. The responsibilities of the Credit Committee Institution include at least:
   a. Carrying out duties, especially in the process of granting credit approval based on competence, honestly, objectively, accurately and carefully; and
   b. Refuse requests and/or influence from parties with an interest in the Credit applicant to provide Credit or Financing approval which is only a formality.
   c. Ensure that every credit provided meets banking regulations and is in accordance with sound credit principles;
   d. Credit Committee members are responsible for the quality of Credit eligibility when the Credit application is decided.
   e. Ensure that the implementation of Credit provision is in accordance with the KPB and the Credit or Financing Implementation Guidelines;

Implementation of Credit Committee Duties in 2023

During 2023, the Credit Committee has evaluated, considered and decided on the feasibility of Credit applications as well as Credit requirements submitted at the time of the Credit Committee for Credit Proposals or Credit applications or Applications for new, additional and/or extension Credit applications, among others, such as (determination, arrangement, amendment, written-off, exemption):

1. Credit ceiling, including additions or reductions/decreases in credit ceilings or accelerated repayment.
2. Interest During Construction (IDC)/similar.
3. Credit grace period.
4. Use of Credit.
5. Credit interest rates.
6. Type of Credit facility.
7. Credit term, including extension, addition or reduction of term
8. Guarantee or collateral, including replacing or withdrawing part of the collateral.
9. Provisions
10. Administration Fees.
11. Credit Binding and Guarantee or Collateral Binding.
12. Late Fines
13. Cancellation Fines
14. Credit Disbursement
15. Payment of Obligations
16. Other Credit Requirements
17. Procedures for binding Credit Agreements & Credit Collateral.

ASSETS AND LIABILITIES COMMITTEE (ALCO)

The Assets and Liabilities Management Committee (ALCO) was formed by the Company's Directors based on Directors' Circular Letter No. SE/197/DIR/X/2018 dated October 16, 2018 concerning Assets and Liabilities Management Committee Policy. ALCO is responsible for discussing and making strategic decisions regarding the management of product assets and liabilities, taking into account growth, business continuity and profitability. ALCO decisions can only be changed through ALCO meetings. This committee was formed to anticipate developments in the money market, interest rates, exchange rates and the banking sector, especially regarding collecting public funds and channeling funds to productive assets.

Structure of Membership

Composition of ALCO Committee

Chairman	President director
Vice Chairman	Director in charge of finance and planning
Secretary	The work unit in charge of treasury business analyst functions
Member	• Director in charge of business functions, namely MSMEs, Consumer and Commercial • Director in charge of operational functions

Duties and responsibilities

The Assets and Liabilities Committee (ALCO) has the authority and responsibility for the following matters:

1. Evaluate and control risks over the position of liquidity risk and market risk, as well as determine the company's Asset and Liabilities Management (ALMA) management policies and strategies, which include liability management, liquidity management, liquid asset management, credit management (KYD), administrative post management and hedging strategies;
2. Review deviations between actual results and bank budget projections and business plans;
3. Review the pricing policy for assets and liabilities as well as fee based income and ensure that the pricing policy can support the Bank's Asset and Liabilities Management (ALMA) strategy and liquidity management;
4. Convey information to the Board of Directors regarding any developments in current conditions as well as developments in related provisions and regulations that influence ALMA's strategy and policies;
5. Evaluate emergency funding plans;
6. Continuing the policies that have been established to the relevant work units so that they can be implemented as well as possible;
7. Evaluate ALCO policies and decisions that have been taken.

Implementation of Duties in 2023

During 2023, the ALCO Committee has carried out its duties by providing recommendations to the relevant Board of Directors

1. Pricing of new and existing products to be in line with the Bank's strategic and business objectives through quorum requirements.
2. The Fund Transfer Pricing (FTP) framework is appropriate and functions as a bridge between business lines in designing and implementing FTP, as well as prioritizing consistency in the Bank's performance.
3. Make adjustments to the availability of long-term funds from the capital market according to the Bank's needs.
4. Pricing policies and strategies for fund products, loans and interoffice accounts based on asset and liability growth, interest rate trends and competitors' interest rates.

INFORMATION TECHNOLOGY SYSTEMS STEERING COMMITTEE

The Information Technology Steering Committee is the highest committee in the implementation of information technology which is tasked with providing recommendations and assisting the Board of Directors and Board of Commissioners in monitoring the implementation activities and readiness of information technology infrastructure.

Information Technology Steering Committee Structure and Membership

Membership of the IT Steering Committee is appointed and appointed by the Board of Directors. The organizational structure of the IT Steering Committee is as follows.

1. The Chair of the IT Steering Committee is the Director in charge of Information Technology.
2. IT Steering Committee Members:
   a. Director in charge of the Risk Management Work Unit

b. The highest official under the Director in charge of Information Technology at the level of Head of Division.
c. The highest official under the Director who oversees Services as the main user of IT at the level of Division Head.
d. Head of the Corporate Strategic Planning Division whose job is to align Corporate strategies and initiatives with IT strategies and initiatives.
e. Head of the Financial Planning and Accounting Division who is tasked to evaluate the Bank's budget, especially investment or IT operational costs.
f. Other related departments can become participants in the IT Steering Committee by considering their suitability such as relevance to the discussion material, as resource persons and so on.
g. Head of Department in charge of IT Strategy and Planning who is tasked to evaluate IT project management and Secretary of the IT Steering Committee.

Duties and Responsibilities of the Information Technology Steering Committee

In general, the duties and responsibilities of the IT Steering Committee are:

1. Provide recommendations to the Board of Directors as follows:
   a. IT strategic plan (IT Strategic Plan) which is in accordance with the strategic plan for the Company's business activities (Business Plan). The things that must be considered when providing these recommendations are as follows:
      i) Implementation plan (roadmap) to achieve IT needs that support the Company's business strategy. The roadmap consists of the current condition (current state), the condition to be achieved (future state) and the steps that will be taken to achieve the future state;
      ii) Resources required;
      iii) Profits/benefits that will be obtained when the plan is implemented.
   b. Formulating key IT policies and procedures such as IT security policies and risk management related to IT use;
   c. Conformity of approved IT projects with applicable IT strategic plans and corporate plans;
   d. d. The steering committee can also determine the priority status of IT projects that are critical (have a significant impact on the Company's operational activities);
   e. e. Compatibility of IT with management information system needs that support the management of the Company's business activities;
   f. f. The effectiveness of risk minimization measures for the Company's investments in the IT sector and that these investments contribute to achieving the Company's business objectives;
   g. g. Monitoring IT performance and efforts to improve it, for example by detecting IT finances and measuring the effectiveness and efficiency of implementing IT security policies.
2. Carry out a Management Review on the implementation of the service management system at least once a year every March as well as on other strategic, critical and urgent matters related to IT implementation and infrastructure activities that cannot be resolved through the IT Support Committee
3. The IT Steering Committee can order the IT Support Committee to hold a committee meeting if there are technical matters that must be resolved immediately and/or become input for the IT Steering Committee in making recommendations to the Board of Directors.

Implementation of Duties in 2023

During 2023, the Information Technology Steering Committee has carried out its duties by providing recommendations to the Board of Directors regarding IT support in the Company, including

1. The DC Server Development Relocation and Rejuvenation Project was carried out by procuring a new VM Server Development and placing it at DC Sentul.
2. Project Dedicated Line DR, DRC & Branches must consider the number of branches when purchasing the line at the negotiation stage before the finalization process.
3. Purchase Crystal Report directly by PT Bank KB Bukopin Tbk from SAP Crystal Report and amend the contract with DXC by removing the scope of purchasing Crystal Report.
4. Risks and issues on the SHINE project can be submitted directly to the relevant Director by ITPMO, Business PMO and External PMO.
5. Credit Card system update with a budget of IDR 21 billion and the implementing vendor is Silverlake.

CREDIT RESTRUCTURING COMMITTEE

Credit Restructuring Committee It is a committee institution that has a function in efforts made by the Bank to make improvements in credit activities or assist Debtors whose performance is good but have the potential to be exposed to non-performing loans with the aim of these debtors being able to maintain their good performance.

Structure and Membership of the Credit Restructuring Committee

Institutional Credit Committee with the authority to decide on Credit institutionally/Forum/group/Credit Committee based on the level of authority limits determined and regulated by the Board of Directors for the SME (UKM), Wholesale (Commercial) Credit Segment, both for the Credit Committee in meetings/face to face and circulate.

Individual limit authority/Job limit authority to decide on Credit applies to Retail Credit, mass product Credit Products, certain special Credit, as well as decision making in the context of resolving or collecting non-performing Loans which is further regulated in the implementation provisions of the Credit Committee.

Description of Duties and Responsibilities of the Credit Restructuring Committee

The Credit Restructuring Committee has the authority and responsibility to recommend and/or decide on Credit Restructuring according to its authority in terms of:

1. Credit restructuring of quality 1 (one) and 2 (two) for watch list category debtors.
2. Restructuring/restructuring of Credit quality 3 (three), 4 (four), 5 (five) as well as quality 1 (one) and 2 (two) post Restructuring which are still managed by the Business Unit.
3. Restructuring/restructuring of Credit quality 3 (three), 4 (four), 5 (five) as well as quality 1 (one) and 2 (two) post Restructuring managed by Special Asset Management.
4. The Credit Restructuring Committee Institution must understand the legal aspects, business aspects, financial aspects and fairness aspects of the credit that are discussed in the committee.
5. The implementation of the Credit Restructuring Committee applies to the Debtor portfolio which is still managed by the Business Unit.
6. The implementation of the Credit Restructuring Committee (Special Asset Management) applies to the Debtor portfolio managed by Special Asset Management (SAM).

Implementation of Duties in 2023

During 2023, the Credit Restructuring Committee has evaluated and provided recommendations regarding the following matters:

1. Changes to the Restructured Credit ceiling, including additions or reductions/decreases in ceilings or accelerated repayment;
2. Postponement of payment of principal obligations and/or interest or the like;
3. Giving a grace period;
4. Changes in the Use of Restructured Credit;
5. Changes in restructured interest rates;
6. Change in type of credit facility;
7. Changes in the credit term, including extension, addition or reduction of the term for the purpose of rescue;
8. Changes in Collateral or collateral, including replacing or withdrawing part of the collateral;
9. Charging or waiving Provision fees;
10. Waiver of Administrative Fees;
11. Credit Agreements and Guarantees or Collateral;
12. Waiver of Late Fines;
13. Credit Disbursement;
14. Conversion of Credit into Temporary Capital Investment in the Debtor company (specifically for Restructuring committees with SAM);
15. Determination of restructured credit to non-restructured;
16. Determination of other Credit Restructuring requirements.

NON-PERFORMING LOAN SETTLEMENT COMMITTEE

Is a committee institution whose function is to make decisions in the context of resolving non-performing loans in terms of evaluating, considering and having the authority to decide on the appropriateness of requests for resolution of non-performing loans submitted for portfolios managed by SAM or portfolios managed by the SAM Retail function.

Structure and Membership of the Non-performing Loan Settlement Committee

Institutional Credit Committee with the authority to decide on Credit institutionally/Forum/group/Credit Committee based on the level of authority limits determined and regulated by the Board of Directors for the SME (UKM), Wholesale (Commercial) Credit Segment, both for the Credit Committee in meetings/face to face and circulate.

Individual limit authority/Job limit authority to decide on Credit applies to Retail Credit, Mass Product Credit Products, certain special Credit, as well as decision making in the context of settlement.

Description of Duties and Responsibilities of the Non-Performing Loans Settlement Committee

In general, the authority and responsibility of the Non-Performing Loans Settlement Committee are:

1. Settlement of the Credit Portfolio which is included in the non-performing credit category in accordance with applicable external and internal Bank regulations, including terminating Foreclosed Collateral (AYDA).
2. Credit Write Off and Absolute Write-Off.
3. Understand the legal aspects, business aspects, financial aspects and fairness aspects of the credit that are discussed in the committee.
4. The implementation of the Credit Settlement Committee applies to the Debtor portfolio which is still managed by the Business Unit.
5. For the implementation of the Credit Settlement Committee (SAM), it applies to Debtor portfolios managed by Special Asset Management (SAM).

Implementation of Duties in 2023

During 2023, the Non-Performing Credit Settlement Committee has evaluated and provided recommendations regarding the following matters:

1. Determination of the execution or liquidation of Credit collateral;
2. Determination of Credit collateral as AYDA;
3. Approval of redemption/sale of collateral;
4. Termination of Subrogation of Non-Performing Loans;
5. Determination of cessie;
6. Credit settlement through legal channels;
7. Approval of the use of third party services;
8. Write off non-performing loans;
9. Absolute write-off non-performing loans;
10. Other decisions related to the settlement of non-performing loans.

Corporate Secretary

The Corporate Secretary is a key figure in the structure of KB Bank as a Public Company. This role includes bridging communication between the Company and Shareholders and other Stakeholders, as well as ensuring the Company's compliance with capital market regulations. The Corporate Secretary is also responsible for organizing meetings with Shareholders and Stakeholders, as well as facilitating effective dialogue between Stakeholders and KB Bank. In addition, the Corporate Secretary must ensure that the Company's policies and practices are in line with the principles of good governance and comply with all applicable legal provisions.

The formation, appointment and implementation of the functions and duties of the Corporate Secretary, among others, refers to:

1. Financial Services Authority Regulation no. 35/POJK.04/2014 concerning Corporate Secretaries of Issuers or Public Companies;
2. 2. Decree of the Directors of PT Bursa Efek Indonesia No. Kep-00001/BEI/01-2014 Regarding Amendments to Regulation No. I-A: Regarding the Listing of Shares and Equity Securities Other than Shares Issued by Listed Companies

PROFILE OF CORPORATE SECRETARY OFFICER

Slamet Haryanto Pradhana*	**Age**	38 years old
	Nationality	Indonesia
	Domicile	Jakarta
	Education	Bachelor of Economic Education & Bachelor of Management Economics, State University of Malang (2008)
	Work Experience	• QA & IT Audit Department Head • Secretariat & Protocol Manager, Corporate Secretary.
	Concurrent Position	-
	Legal Basis of Appointment	SKEP/0026-DIR/II/2022 dated 14 February 2022

*) In office from 27 February 2023 – 6 April 2023

Yocky Eko Wicaksono	**Age**	40 years old
	Nationality	Indonesia
	Domicile	Jakarta
	Education	Bachelor of Law, University of Brawijaya, Malang
	Work Experience	• • Secretary to the Board of Commissioners • • Manager Regulations and Policies of PT Bank KB Bukopin Tbk • • Senior Staff for Corporate Law and Policy at PT Bank KB Bukopin Tbk
	Concurrent Position	-
	Legal Basis of Appointment	SKEP /0118-DIR/VIII/2023

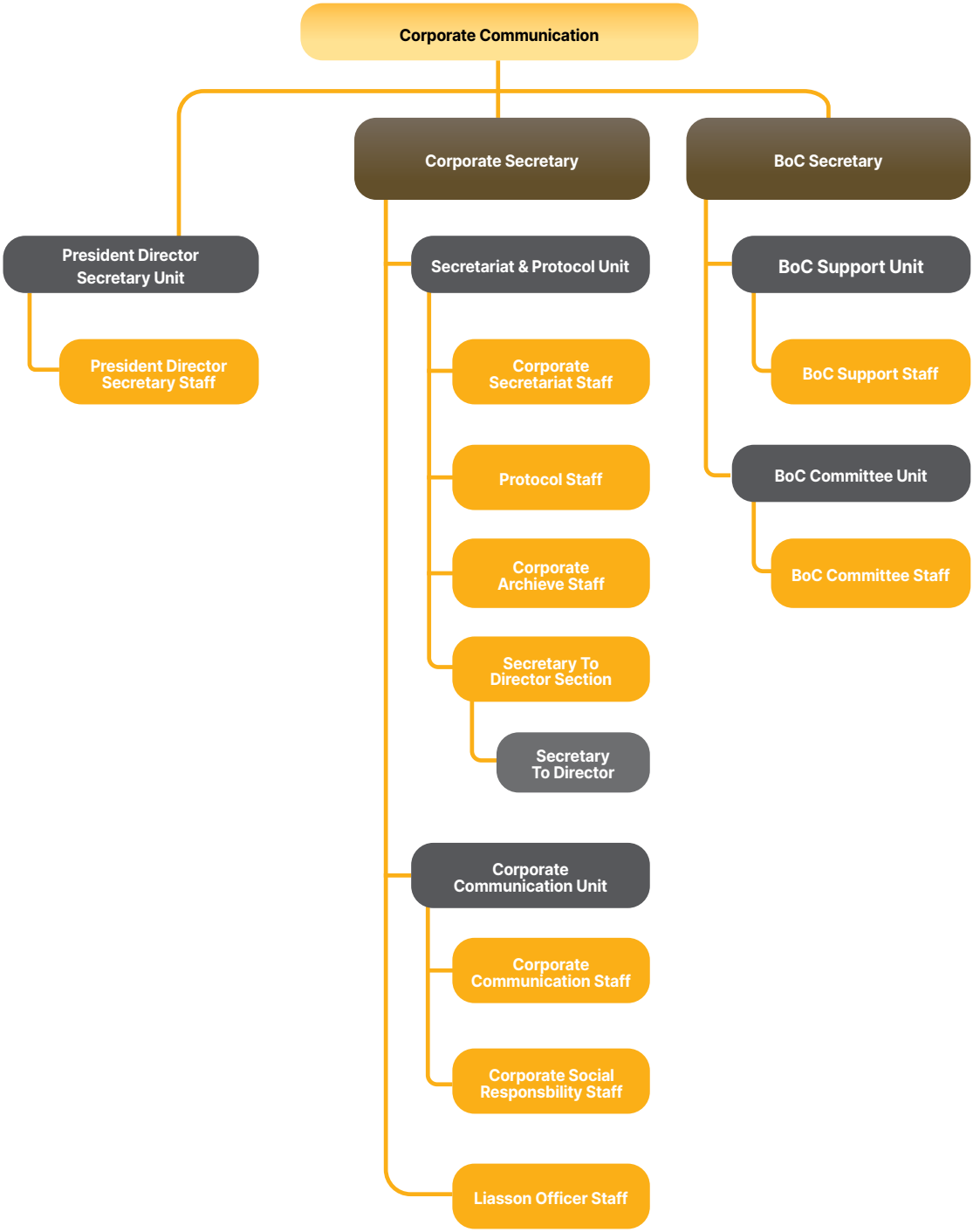
DUTIES AND RESPONSIBILITIES

The Corporate Secretary has broad and important duties in maintaining the image of KB Bank. This includes building the company's image through public relations, investor and secretarial functions. The Corporate Secretary is responsible for ensuring that all meeting results are properly documented and conveyed to related parties. The Corporate Secretary also ensures effective communication with stakeholders, including providing relevant and timely information about the company's performance. In addition, he/she is a liaison between the company and capital market authorities, shareholders, investors and the media. Information regarding company performance is conveyed through various media, such as GMS, financial reports, press releases, meetings with analysts, and through the Company's website, namely www.kbbukopin.co.id. The Corporate Secretary is also responsible for ensuring the Company's compliance with applicable capital market regulations. With these strategic duties and responsibilities, the Corporate Secretary is directly responsible to the President Director and reports the implementation of his duties to the Board of Commissioners.

The function of the Corporate Secretary in accordance with the Financial Services Authority Regulation No. 35/POJK/.04/2014 shall perform the following duties at least:

1. Follow developments in the Capital Market, especially applicable laws and regulations in the Capital Market sector;
2. Provide input to the Board of Directors and Board of Commissioners of Issuers or Public Companies to comply with statutory provisions in the Capital Market sector;
3. Assist the Board of Directors and Board of Commissioners in implementing corporate governance which includes:
   a. Disclosure of information to the public, including the availability of information on the Issuer or Public Company Website;
   b. Submission of reports to the Financial Services Authority on time;
   c. Organizing and documenting the General Meeting of Shareholders;
   d. Organizing and documenting Board of Directors and/or Board of Commissioners meetings;
   e. Implementation of an orientation program for the Company for new Directors and/or Board of Commissioners.
4. As a liaison between the Issuer or Public Company and the Shareholders of the Issuer or Public Company, the Financial Services Authority, and other stakeholders.

CORPORATE SECRETARY ORGANIZATIONAL STRUCTURE



IMPLEMENTATION OF DUTIES IN 2023

During 2023, the Company's Corporate Secretary has carried out duties, including:
1. Organizing Directors', Commissioners' Meetings, and Joint Meetings between Directors and Commissioners;
2. Preparing the minutes of each meeting;
3. Holding Annual and Extraordinary General Meetings of Shareholders (GMS);
4. Manage information disclosure to the public and regulators;
5. Following capital market developments, especially related to capital market regulations and conveying information on these developments to the Board of Commissioners, Directors and Stakeholders;
6. Carrying out various activities related to establishing the Company's image.

COMPETENCY DEVELOPMENT

Competency development through education and training for the Corporate Secretary is carried out in accordance with his function and duties as a liaison with external parties. Throughout 2023, the Corporate Secretary has attended various training/ workshops/seminars, including:

TRAINING NAME	DATE	ORGANIZER	
Anti-Fraud E-Learning in 2023	23-Oct-23	In-House (Training)	Jakarta
AML-CFT E-Learning in 2023	23-Oct-23	In-House (Training)	Jakarta
E-Learning Induction (AML-CFT & Anti-Fraud)	22-Dec-23	In-House (Training)	Jakarta
E-Learning Induction of Anti-Fraud and AML-CF	16-Jan-23	Learning Management System (BPRIDE)	Jakarta
Kick Off Shine Project	22-Feb-23	DXC	Jakarta
Kahoot Kick Off Shine Quiz Winners	22-Feb-23	DXC	Jakarta
SMR (Risk Management Certification) Refreshment Level 1-5	04-Sep-23	BSMR	Jakarta
SMR (Risk Management Certification) Refreshment in 2023	21-Feb-23	BSMR	Jakarta
Training Budget Expense Pic Allocation	26-Oct-23	Internal House (Diklat)	Jakarta
Training Icofr	21-Nov-23	PWC, Deloite &Kookmin	Jakarta
Ngbs-Be Budget Trf & App Training Batch 2 (October 25)	25-Oct-23	In-House (Training)	Jakarta
Fkdkp Webinar	10-Oct-23	FKDKP	Jakarta
Annual Report (Corsec) Workshop	03-Apr-23	Inmark	Jakarta
Board of Commissioner Workshop	08-Nov-23	In-House (Training	Jakarta

2023 INFORMATION DISCLOSURE

The Corporate Secretary has conveyed information to the public throughout 2023, through mass media, the BEI website and the KB Bank website using Indonesian and English, as well as submitting regular and incidental reports to the BEI and OJK as follows:

Type of Report	Objective	Period of Report
Bank's Annual Report	OJK	Annual
Bank Subsidiaries Annual Report	OJK	Annual
Annual GMS Implementation Report	OJK & BEI	Annual
Management reports and results of supervision by the board of commissioners	BI	Annual

LAPORAN INSIDENTIL

Date	Report Items	Items
January 10, 2023	Financial Services Authority	Report on Effective Appointment as Main Director of PT Bank KB Bukopin Tbk (Woo Yeul Lee)
January 5, 2023	Financial Services Authority	Realization Report on the Use of Proceeds from PUB Sustainable Bonds I and Sustainable Subordinated Bonds III of KB Bank Phase I 2021 as of December 31, 2022

Date	Report Items	Items
January 19, 2023	Financial Services Authority	Submission of 2022 Data Update Realization Report by custodian KB Bank
January 20, 2023	Financial Services Authority	Submission of Report on Current Conditions of Information Technology Implementation in 2022
January 26, 2023	Financial Services Authority	Information on plans to close Gadog Cianjur Cipanas KCP
January 26, 2023	Financial Services Authority	Information on Plans for Closure of KCP Pemantang Siantar Medan
January 26, 2023	Financial Services Authority	Information on plans to close KCP Jombang, Tulung Agung, East Java
January 26, 2023	Financial Services Authority	Information on plans to close KCP IKIP/UNJ East Jakarta
February 6, 2023	Financial Services Authority	Report on the Bank's Plan to Not Operate on Working Days at the Sidoarjo Branch Office, East Java
February 7, 2023	Bank Indonesia	Incidental Report
February 15, 2023	Financial Services Authority	Information on plans to close the offices of KCP RSPAD, KCP Grand Cakung, KCP Kelapa Gading II, KCP Pulo Gadung Trade Center, KCP Roxy Mas, KCP Pasar Minggu, KCP Kebayoran Lama, KCP Mampang, KFO Pasar Minggu
February 15, 2023	Financial Services Authority	information on plans to close the Ajibarang KCP office
February 15, 2023	Financial Services Authority	information on plans to close the UI Faculty of Engineering KCP office and Billy Moon KCP
February 15, 2023	Financial Services Authority	information on plans to close the KCP Dalyeng Kolot and KCP Situraja offices
February 15, 2023	Financial Services Authority	information on plans to close KCP Mikro Gedung Halang and KCP PMI offices
February 15, 2023	Financial Services Authority	information on plans to close the Cilimus KCP office
February 15, 2023	Financial Services Authority	information on plans to close the offices of KCP Peterongan Plasa, KCP Satya Wacana Christian Univ (UKSW), KFO Petorangan
February 15, 2023	Financial Services Authority	information on plans to close the Magetan KCP office
February 15, 2023	Financial Services Authority	information on plans to close the offices of KCP Blimbing, KCP Sawojajar and KCP Singosari
February 15, 2023	Financial Services Authority	information on plans to close the Lumajang KCP office
February 15, 2023	Financial Services Authority	information on plans to close the KCP Kayu Agung and KCP Lahat offices
February 15, 2023	Financial Services Authority	information on plans to close the Kotabumi KCP office
February 15, 2023	Financial Services Authority	information on plans to close the KCP Penuin office
February 15, 2023	Financial Services Authority	information on plans to close the Muara Bungo KCP office
February 15, 2023	Financial Services Authority	information on plans to close the offices of KCP Juanda, KCP Mempawah, KCP Singkawang, KCP Sungai Raya Dalam
February 15, 2023	Financial Services Authority	information on plans to close the KCP Kandangan office
February 15, 2023	Financial Services Authority	information on plans to close the KCP AW Syahrani office
February 15, 2023	Financial Services Authority	information on plans to close the Salodong KCP office
February 15, 2023	Financial Services Authority	information on plans to close the Amurang KCP office
February 20, 2023	Bank Indonesia	Incidental report
February 27, 2023	Financial Services Authority	Information on plans to close sub-branch offices of KCP Harapan Indah, KCP Jababeka, KCP Ruko Menteng Cikarang, KCP Unisma, KCP Citra Grand Cibubur
February 27, 2023	Financial Services Authority	Information on Plans to Close the Pandeglang KCP Sub-Branch Office
February 27, 2023	Financial Services Authority	Information on plans to close sub-branch offices of KCP Tangerang City, KCP Meruya, KCP Muara Karang, KCP Bakrie Tower, KCP Tanjung Priok, KCP Kemang, KCP Bendungan Hilir
February 27, 2023	Financial Services Authority	Information on plans to close the Cikampek KCP sub-branch office
February 27, 2023	Financial Services Authority	Information on Plans to Close Pekalongan KCP Sub-Branch Office
February 27, 2023	Financial Services Authority	Information on plans to close the Banjarnegara KCP sub-branch office
February 27, 2023	Financial Services Authority	Information on plans to close sub-branch offices of KCP Salatiga, KCP Sultan Agung, & KCP Majapahit
February 27, 2023	Financial Services Authority	Information on plans to close the KCP Grha Kepri sub-branch office
February 27, 2023	Financial Services Authority	Information on plans to close the Bung Hatta Univ KCP sub-branch office
February 27, 2023	Financial Services Authority	Information on plans to close UNILA KCP sub-branch offices
February 27, 2023	Financial Services Authority	Information on plans to close sub-branch offices of KCP Gresik, KCP Perak Barat 7 KCP Mulyosari
February 27, 2023	Financial Services Authority	Information on Plans to Close Mojokerto KCP Sub-Branch Office

Date	Report Items	Items
February 27, 2023	Financial Services Authority	Information on Plans to Close KCP Kuta & KCP Kreneng Sub-Branch Offices
February 27, 2023	Financial Services Authority	Information on Plans to Close Mamuju KCP Sub-Branch Office
February 27, 2023	Financial Services Authority	Information on plans to close the KCP Banjar Baru sub-branch office
February 28, 2023	Financial Services Authority	Management Report of Subsidiary Company PT Bank KB Bukopin Tbk
March 1, 2023	Financial Services Authority	Response to OJK letter Number S-162/PB.31/2022
March 2, 2023	Financial Services Authority	PT Bank KB Bukopin Tbk Affiliate Transaction Report
March 7, 2023	Financial Services Authority	Follow-up to the Implementation Report and Main Internal Audit Results for Semester I 2022 KB Bank
March 8, 2023	Financial Services Authority	Submission of Minutes of Meeting
March 9, 2023	Bank Indonesia	Reporting on plans to issue mastercard credit cards rebranding KB Bank
March 9, 2023	Bank Indonesia	Reporting on the plan to issue a rebranding mastercard debit card at KB Bank
March 9, 2023	Otoritas Jasa Keuangan Financial Services Authority	Changes and/or additional information to the Registration statement in the context of increasing Capital by granting Pre-emptive Rights (PUT) VII PT Bank KB Bukopin Tbk
March 10, 2023	Financial Services Authority	Submission of Changes to the Board of Directors and/or Board of Commissioners of KB Kookmin Bank Co. Ltd as Controlling Shareholder of PT Bank KB Bukopin Tbk
March 6, 2023	Financial Services Authority	Reporting changes to the list of implementing employees and/or SLIK officials
March 24, 2023	Financial Services Authority	Information on Sub-Branch Office Closure Plans (KCP)_KPO
March 24, 2023	Financial Services Authority	Information on Sub-Branch Office Closure Plans (KCP)_KPO
March 24, 2023	Financial Services Authority	Information on Sub-Branch Office Closure Plans (KCP)_KPO
March 24, 2023	Financial Services Authority	Information on plans to close sub-branch offices (KCP)_ Kudus Semarang
March 24, 2023	Financial Services Authority	Information on plans to close sub-branch offices (KCP)_Solo
March 24, 2023	Financial Services Authority	Information on the Plan to Close Sub-Branch Offices (KCP)_Bandung
March 24, 2023	Financial Services Authority	Information on Plans to Close Sub-Branch Offices (KCP)_Riau Islands Provincial Government
March 24, 2023	Financial Services Authority	Information on plans to close sub-branch offices (KCP)_Batam
March 24, 2023	Financial Services Authority	Information on plans to close sub-branch offices (KCP)_Surabaya
March 24, 2023	Financial Services Authority	Information on plans to close sub-branch offices (KCP)_Samarinda
March 24, 2023	Financial Services Authority	Information on the Plan to Close Sub-Branch Offices (KCP)_Pare-pare
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Cilegon
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Purwokerto
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Cirebon
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Magelang
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Sukabumi
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Tasikmalaya
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Tegal
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Madiun
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Probolinggo
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Banyuwangi
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Sidoarjo
March 27, 2023	Financial Services Authority	Application for Approval to Close the Domestic_Branch Offices in Parepare
April 6, 2023	Financial Services Authority	Changes in Audit Committee Members of PT Bank KB Bukopin Tbk
April 10, 2023	Financial Services Authority	Amendments and/or Additional Information to the Registration Statement in the Context of Capital Increase by Providing Pre-emptive Rights VII PT Bank KB Bukopin Tbk
April 11, 2023	Financial Services Authority	Notification of Resignation and Appointment of Alternate Corporate Secretary of PT Bank KB Bukopin Tbk
April 12, 2023	Financial Services Authority	Information on Cancellation of Closure of Mamuju KCP
April 13, 2023	Financial Services Authority	Information on Cancellation of Closure of KCP Banjar Baru

Date	Report Items	Items
April 28, 2023	Financial Services Authority	Amendments and/additional information to the registration statement in the context of increasing capital by granting pre-emptive rights VII PT Bank KB Bukopin Tbk
May 2, 2023	Financial Services Authority	Amendments and/or Additional Information to the Registration Statement in the Context of Capital Increase by Providing Pre-emptive Rights VII PT Bank KB Bukopin Tbk
May 4, 2023	Financial Services Authority	Amendments and/or Additional Information to the Registration Statement in the Context of Capital Increase by Providing Pre-emptive Rights VII PT Bank KB Bukopin Tbk
May 5, 2023	Financial Services Authority	Response and follow-up to financial services authority letter number SR-3/PM.223/2023
May 12, 2023	Financial Services Authority	Information on the Plan to Close Sub-Branch Offices ("KCP") - KCP STTNAS Campus
May 15, 2023	Financial Services Authority	Information on Cancellation of Closure of KCP Solo
May 15, 2023	Financial Services Authority	Information on Cancellation of Closure of Bintaro KCP
May 15, 2023	Financial Services Authority	Information on Cancellation of KCP Klaten Closure
May 15, 2023	Financial Services Authority	Information on Cancellation of Barru KCP Closure
May 15, 2023	Financial Services Authority	Information on Cancellation of Closure of KCP Batam Center
May 15, 2023	Financial Services Authority	Information on Cancellation of KCP Closure Abda
May 26, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk - Seng Hyup Shin
May 29, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk - Yohanes Suhardi
May 29, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk - Robby Mondong
May 29, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk- Seng Hyup Shin
May 29, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk - Dodi Widjajanto
May 29, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk - Helmi Fahrudin
May 29, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk - Woo Yeul Lee
June 5, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk- STIC Eugene Star Holding Inc
June 5, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk-WYL-Additional PUT VII
June 5, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk- Mr.Shin-Additional PUT VII
June 5, 2023	Financial Services Authority	Ownership Report or Any Changes in Share Ownership of PT Bank KB Bukopin Tbk - KB FG 67.57%
June 14, 2023	Financial Services Authority	Information on plans to move the address of KCP Ciranjang Cianjur
June 13, 2023	Financial Services Authority	Report on Changes in the Composition of Bank Shares which are Recorded in the Company's Articles of Association and Do Not Result in Changes in Control
June 26, 2023	Financial Services Authority	Management Report of Subsidiary Company PT Bank KB Bukopin Tbk
July 4, 2023	Financial Services Authority	PT Bank KB Bukopin Tbk KBBS Affiliate Transaction Report
July 4, 2023	Financial Services Authority	PT Bank KB Bukopin Tbk Bufin Affiliate Transaction Report
July 5, 2023	Financial Services Authority	Information on Plans to Close Sub-Branch Offices (“KCP”) and Functional Operational Offices (“KFO”)
July 11, 2023	Bank Indonesia	Incidental Report
July 11, 2023	Bank Indonesia	Incidental Report
July 21, 2023	Financial Services Authority	Report on Closure of Other Offices Apart from APERD Head Office
July 21, 2023	Bank Indonesia	Reporting on Plans to Add Contactless Features to Credit Cards and EDC Machines at KB Bank
July 24, 2023	Financial Services Authority	Submission of Information on Termination of PUB Pbligasi 2021 PT Bank KB Bukopin Tbk

Date	Report Items	Items
September 5, 2023	Financial Services Authority	Report on the Bank's Plan to Not Operate on Weekdays at the Medan Branch Office
September 8, 2023	Financial Services Authority	Information on Sub-Branch Office (KCP) Address Change Plans
September 14, 2023	Financial Services Authority	Information on Plans to Change the Address of the Balikpapan Branch Office ("KC")
September 15, 2023	Financial Services Authority	Capital Investment Activities to PT KB Bukopin Finance (KBBF)
August 28, 2023	Financial Services Authority	Submission of Proof of Advertisement of Financial Reports Published for Quarter II 2023
June 23, 2023	Financial Services Authority	Material Information or Fact Reports Material Information or Fact Reports Information Disclosure in Relation to Material Transactions of PT Bank KB Bukopin Tbk
July 4, 2023	Financial Services Authority	Report on Information or Material Facts on Affiliate Transactions of PT Bank KB Bukopin Tbk
July 4, 2023	Financial Services Authority	PT Affiliate Transaction Information or Material Facts Report. PT Bank KB Bukopin Tbk
July 10, 2023	Financial Services Authority	Request for Explanation from Issuers and Other Public Companies
July 24, 2023	Financial Services Authority	Information Report or Material Facts Submission of Information on Termination of PUB Bonds 2021 PT Bank KB Bukopin Tbk
July 25, 2023	Financial Services Authority	Submission of Proof of Advertisement Announcement of Termination of PUB Bonds 2021 PT Bank KB Bukopin Tbk
August 14, 2023	Financial Services Authority	Request for Explanation from Issuers and Other Public Companies
August 31, 2023	Financial Services Authority	Request for Explanation from Issuers and Other Public Companies
September 8, 2023	Financial Services Authority	Request for Explanation from Issuers and Other Public Companies
September 13, 2023	Financial Services Authority	Explanation of Mass Media Reporting
September 20, 2023	Financial Services Authority	Request for Explanation from Issuers and Other Public Companies
October 3, 2023	Financial Services Authority	Material Information or Facts Report PT Bank KB Bukopin Tbk Affiliate Transaction Report
October 10, 2023	Financial Services Authority	Material Information or Facts Report PT Bank KB Bukopin Tbk Affiliate Transaction Report
December 11, 2023	Financial Services Authority	Information Report or Material Facts on Resignation of Company Directors
December 11, 2023	Financial Services Authority	Submission of the Agenda for the Extraordinary General Meeting of Shareholders
December 11, 2023	Financial Services Authority	Submission of Proof of Information Disclosure Advertisement on the Resignation of the Company Director
December 18, 2023	Financial Services Authority	Notification of Plans for Extraordinary General Meeting of Shareholders
December 18, 2023	Financial Services Authority	Submission of Proof of Advertisement for GMS Notification
December 29, 2023	Financial Services Authority	Resignation of the Deputy President Commissioner of the Company
December 29, 2023	Financial Services Authority	Submission of Evidence of Information Disclosure Advertisement on the Resignation of the Deputy Chief Commissioner

INTERNAL AUDIT WORK UNIT

Internal audit at KB Bank is an independent and objective activity, aimed at increasing the value and efficiency of the bank's operations. As part of the third line of defense, internal audit must ensure that internal controls at each stage of defense are stronger in accordance with applicable regulations. For this reason, the KB Bank Internal Audit Work Unit continues to innovate in the use of audit methodology and tools, so that audit implementation becomes more effective and efficient. This is done through a systematic approach to evaluate and improve the effectiveness of the Bank's risk management, control and governance processes. Thus, internal audit becomes an important instrument in maintaining operational continuity and bank compliance with applicable regulations.

INTERNAL AUDIT CHARTER

The Internal Audit Charter is a guideline for implementing duties for the Internal Audit Work Unit (SKAI) which carries out internal audit functions, initiating communication with auditees in the company, examining company activities, examining company activities and the authority to access records, documents, data and physical core of the company including systems. information management and reporting.

The Internal Audit Charter has been updated based on Directors' Decree No. 0146 of 2022 dated December 14, 2022.

PROFILE OF THE HEAD OF THE INTERNAL AUDIT WORK UNIT

ROBY ENDRAMA PURBA **Head of the Internal Audit Work Unit**	**Age**	43 year old
	Nationality	Indonesia
	Domicile	DKI Jakarta
	Education	Bachelor of Accounting, Airlangga University, Surabaya
	Work Experience	• Head of Internal Audit PT AXA Mandiri Financial Service (2019-2022) • Head of Internal Audit IPC Investment Company (2018-2019) • Head Office Audit Group Head PT CIMB Niaga Tbk (2016-2018)
	Concurrent Position	-
	Legal Basis of Appointment	SKEP/0015-DIR/II/2022 dated February 2, 2022

PARTY APPOINTING AND DISMISSING THE HEAD OF THE INTERNAL AUDIT WORK UNIT

Based on Financial Services Authority (OJK) Regulation no. 1/POJK.03/2019, POJK No. 56/POJK.04/2015, and the Internal Audit Charter of PT Bank KB Bukopin Tbk, the Head of the Internal Audit Work Unit is appointed and dismissed by the President Director with the approval of the Board of Commissioners and the recommendation of the Audit Committee. The Head of the Internal Audit Work Unit can be dismissed by the President Director after approval from the Board of Commissioners, if he/she does not meet the auditor's requirements or does not carry out his/her duties properly.

DUTIES AND RESPONSIBILITIES

In the company's Internal Control Structure, the Internal Audit Work Unit (SKAI) has the main function of assisting the Board of Commissioners and President Director in achieving the Company's objectives by performing independent assessments of risk management, control and governance processes. SKAI carries out analysis and research in various fields such as finance, accounting and operations through on-site inspections and off-site monitoring. SKAI provides suggestions for improvements and objective information to management. SKAI's responsibilities also include ensuring that the internal audit function is in accordance with the Internal Audit Professional Standards and the Internal Audit Code of Ethics.

AUTHORITY OF THE INTERNAL AUDIT WORK UNIT

1. Access all relevant information about the Bank related to the duties and functions of SKAI;
2. Communicate directly with the Board of Directors, Board of Commissioners and Audit Committee;
3. Hold regular and incidental meetings with the Board of Directors, Board of Commissioners and Audit Committee;
4. Coordinate activities related to supervision with external auditors;
5. Participate in strategic meetings without having voting rights;
6. Propose changes to the Internal Audit Charter in accordance with environmental developments related to internal audit to the President Director and the Board of Commissioners;
7. Allocate internal auditor resources;
8. Propose transfers, participate in education & training and professional certification programs for internal auditors;
9. Use experts/specialists from outside the Company if necessary.

SCOPE OF INTERNAL AUDIT

SKAI's scope of work includes inspection and evaluation of the Company's activities regarding:

1. Effectiveness, efficiency and adequacy of internal control systems, risk management and sustainable governance.
2. Reliability, effectiveness, integrity of processes and information management systems, including relevance, accuracy, completeness, availability and confidentiality of data.
3. Compliance with statutory provisions.
4. Quality of organizational performance.

SKAI activities as referred to in number 1 apply to the Company as a whole including Subsidiary Companies, Branch Offices and Company activities that are handed over to external parties.

INTERNAL AUDIT WORK UNIT INFORMATION SYSTEM

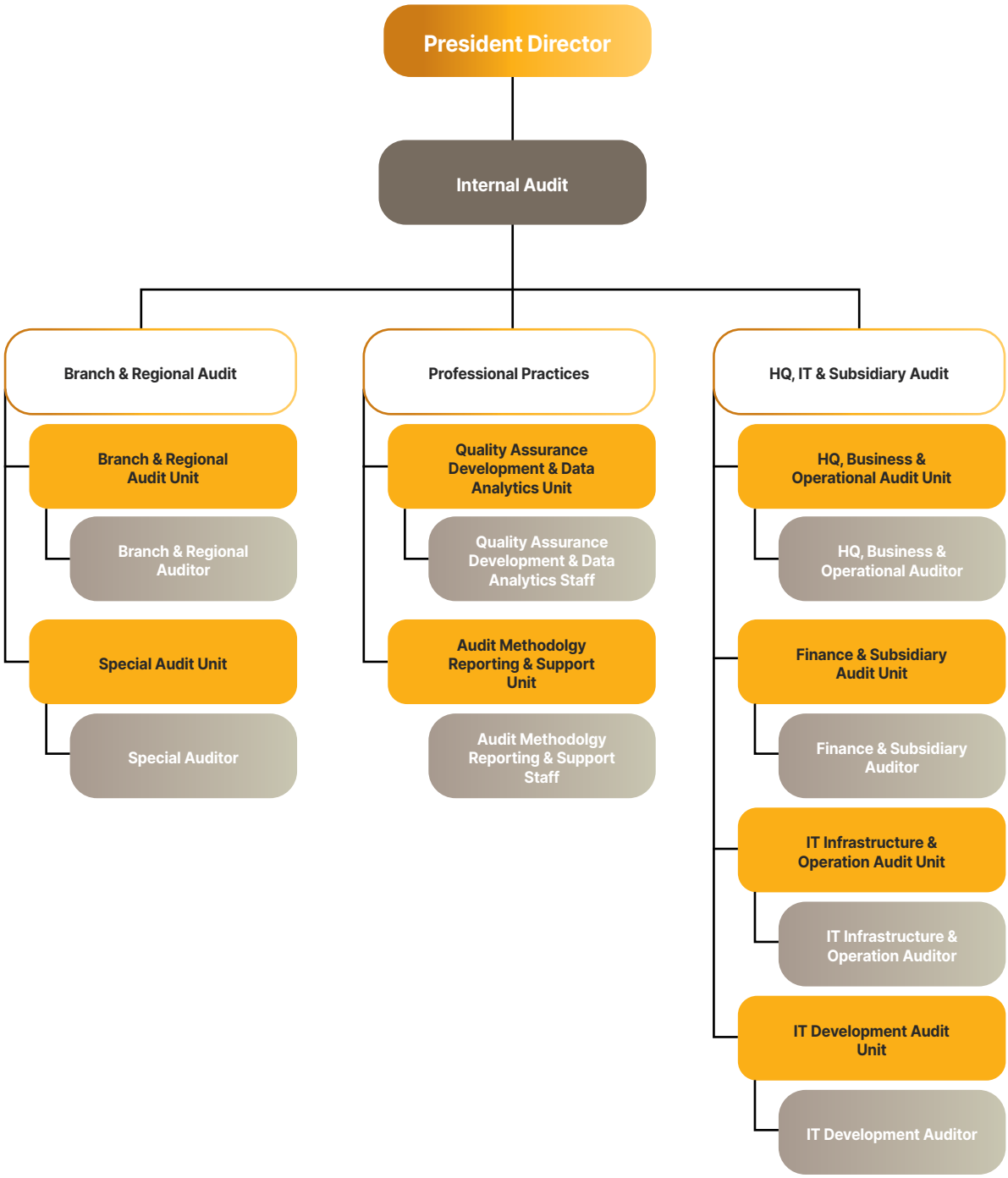
In supporting audit activities, SKAI has an Application System to make it easier to do audits and conduct internal supervision functions based on the 2023 Audit Plan and to make it easier for supervision in monitoring audit activities carried out by internal audit officers.

INTERNAL AUDIT ORGANIZATIONAL STRUCTURE AND NUMBER OF EMPLOYEES

The Internal Audit Work Unit in the Company is divided into 2 (two) Departments, namely:

1. Branch & Regional Audit
   a. Branch & Regional Audit Unit;
   b. Branch & Regional Auditor;
   c. Special Audit Unit;
   d. Special Auditor.
2. Professional Practices
   a. Quality Assurance, Development & Data Analytics Unit;
   b. Quality Assurance, Development & Data Analytics Staff;
   c. Audit Methodology, Reporting & Support Unit;
   d. Audit Methodology, Reporting & Support Staff
3. HQ, IT & Subsidiary Audit
   a. HQ Business & Operational Audit Unit;
   b. HQ Business & Operational Auditor;
   c. Finance & Subsidiary Audit Unit;
   d. Finance & Subsidiary Auditor;
   e. IT Infrastructure & Operation Audit Unit;
   f. IT Infrastructure & Operation Auditor ;
   g. IT Development Audit Unit
   h. IT Development Auditor.

Each Department is led by a Head of Department who is based at the Head Office with the number of staff according to needs.



POSITION OF THE INTERNAL AUDIT WORK UNIT IN THE ORGANIZATIONAL STRUCTURE

The Internal Audit Work Unit (SKAI) is an independent function that is directly responsible to the President Director and Board of Commissioners through the Audit Committee. SKAI is one element of the Internal Control System which is at the third layer in the three Lines of Defense which has the function of assisting Management in achieving the Company's objectives through independent assessment of internal control, risk assessment and corporate governance.

SKAI PERSONNEL COMPOSITION

The Internal Audit Work Unit is supported by 38 employees, with the following details:

Positions	Total Personnels
Head of Internal Audit Unit (SKAI)	1
Department Head	3
Manager	12
Auditor	17
QA & Audit Plan	4
Secretary of Head of Internal Audit Unit	1
Total	**38**

CERTIFICATION AS AN INTERNAL AUDIT PROFESSIONAL

	Certification	Total in person
Nasional	**Internal Audit Certification**	
	Qualified Internal Auditor Lanjut 1	-
	Qualified Internal Auditor Lanjut 2	2
	Qualified Internal Auditor Lanjut Managerial	4
	Certified Banking Internal Audit	11
	Certified Banking Internal Audit Level Supervisor	5
	Risk Management	
	Level 1 Risk Management Certification	14
	Level 2 Risk Management Certification	11
	Level 3 Risk Management Certification	4
	Level 4 Risk Management Certification	1
	Sertifikasi Audit Forensik	
	Certified Forensic Auditor (CFrA)	3

CODE OF ETHICS OF AUDITOR

In performing its functions and duties, SKAI also has an Auditor Code of Ethics which is stated in the Internal Audit Charter. The Internal Audit Code of Ethics is the norms and principles regarding appropriateness and appropriateness that must be obeyed and implemented by internal auditors, which at least includes the code of ethics for implementing internal audits as determined by the internal audit professional association.

1. Independent
   Internal auditors have independence in carrying out audit activities and investigative activities, expressing views and thoughts in accordance with their profession and applicable standards.
2. Integrity
   Internal auditors must do their work honestly, carefully, and responsibly.
3. Objectivity
   Internal auditors are free from conflicts of interest regarding the objects or activities being examined.
4. Confidentiality
   Internal auditors respect the value and ownership of the information they receive and do not disclose such information without lawful authority, unless required by law or the profession.
5. Competence
   Internal auditors apply the knowledge, skills and experience required to provide internal audit services.
6. Professionalism
   Professionalism is a reference in audit activities, for this reason internal auditors have integrity, an independent, reliable, firm, honest and trustworthy mental attitude.

DEVELOPMENT OF INTERNAL AUDIT COMPETENCY

The Company's business activities are increasingly developing, requiring competency development for SKAI personnel to continue to improve knowledge, skills and competencies that support the implementation of audits. Due to this, the Company's SKAI strives to provide continuous education for all Internal Audit personnel through the preparation of competency improvement programs. The competency improvement program is implemented through training activities, workshops and professional certification on both a national and international scale.

No	Training Name	Tanggal	Date	Organizer
1	Business Operation & Synergy Reg IV Workshop	January 9, 2023	Internal House (Diklat)	Learning Center (Jakarta)
2	E-Learning Induction, Anti-Fraud and AML CFT	Jan, Oct, Dec 2023	Learning Management System (BPRIDE)	Jakarta
3	Remedial for E-Learning Induction Batch I	February 1 -8, 2023	Learning Management System (BPRIDE)	Jakarta
4	Fraud Auditing Training I	February 7-10, 2023	LPFA	Jakarta
5	Risk Management Certification (SMR) Refreshment in 2023	Feb, Sep 2023	MAISA Edukasi (BSMR)	Jakarta
6	Kick Off Shine Project	February 22, 2023	Internal House (Diklat & IT)-(DXC)	Head Office (Jakarta)
7	Internal Audit Unit Workshop	Mar, Nov 2023	Internal House (Diklat)	Learning Center (Jakarta)
8	Swamitra Worshop	April 5, 2023	Internal House (Diklat)	Learning Center (Jakarta)
9	Fraud Auditing Training II	April 11-14, 2023	LPFA	Jakarta
10	BRD NGBS Workshop	April 13-14, 2023	Internal House (Diklat)	Jakarta
11	Internal Audit Unit Sharing Session	May, Jun, Jul, Aug, Sep, Oct 2023	Internal House (Diklat)	Learning Center (Jakarta)
12	Training Induction Batch II in 2023	May 8, 2023	Internal House (Diklat)	Jakarta
13	Risk Based Internal Audit	May 16-17, 2023	Ruang Seminar	Jakarta
14	Training Root Cause Analyst	May 22-23, 2023	IIA Indonesia	Jakarta
15	Collective Labour Workshop	June 5, 2023	Internal House (Diklat)	Learning Center (Jakarta)
16	Compliance & Risk Group Sharing Session	June 15, 2023	Internal House (Diklat)	Ground FL KPO (Jakarta)
17	Training Quality Assurance For Internal Audit	June 26-27, 2023	YPIA	Hotel Amaris Pancoran (Jakarta)
18	National Conference IAIB 23	July 12-13, 2023	IAIB	Tangerang - Banten
19	Training Financial Reporting (ICOFR)	August 8, 2023	Internal House (Diklat) - Deloitee	Learning Center (Jakarta)
20	Basic Excel Training	August, December 2023	Internal House (Diklat)	Learning Center (Jakarta)
21	Intermediate Excel Training	August, December 2023	Internal House (Diklat)	Learning Center (Jakarta)
22	Advanced Excel Training	August, September, December 2023	Internal House (Diklat)	Learning Center (Jakarta)
23	Training Induction Batch 3 (Induction, AML CFT & Anti-Fraud)	August 28 –September 3, 2023	Internal House (Diklat)	Jakarta
24	Training on Analysis of Consolidated Financial Statements to Assess the Soundness Level of Banks	October 12-13, 2023	Info Bank	Hotel Ashley Wahid Hasyin (Jakarta)
25	NGBS-BE Budget Trf & App Batch 2 (October 24) Training	October 24, 2023	Internal House (Diklat)	Learning Center (Jakarta)
26	NGBS-BE Budget Trf & App Batch 1 (October 25) Training	October 25, 2023	Internal House (Diklat)	Learning Center (Jakarta)
27	NGBS Training	September 11-15, 2023	Internal House (Diklat & IT)-(DXC)	Head Office (Jakarta)
28	Forensic Audit Training	September 20-21, 2023	LPFA	Jakarta
29	AML/CFT Prevention of Financing the Proliferation of WMD Pojk 8-2023 (Offline)	September 20-21, 2023	IAIB Indonesia	Hotel JS Luwansa (Jakarta)
30	Certified Information System Auditor Training	November 6-10, 2023	Andalan	Jakarta
31	Data Analytics Training for Internal Auditors	November 29-30, 2023	YPIA	Jakarta
32	National Seminar on Internal Audit 2023	December 6-7, 2023	YPIA	Bali
33	Credit Investigation Workshop	December 7-8, 2023	Internal House (Diklat)	Jakarta
34	Forensic Audit Certification	December 11-13, 2023	LPFA	Jakarta

IMPLEMENTATION OF DUTIES AND AUDIT FINDINGS IN 2023

Audit Method

SKAI carries out internal supervision functions based on the 2023 Audit Plan which has been prepared using a Risk Based Audit approach with a focus on business processes and inherent risks and in implementing audits it is directed at areas that have high risks which can hinder the achievement of business targets or operational activities.

Implementation of Audit Activities in 2023

The description of the 2023 audit implementation is as follows:

No	General Audit	Audit Plan until Des 2023	Realization until Des 2023	% Realization until Des 2023
1	Head Office General Audit	7	12	171%
2	Branch General Audit	23	26	113%
3	IT General Audit	4	5	125%
4	Thematic Audit	6	6	100%
5	Audit of Subsidiary Companies	2	2	100%
6	Special Audit	-	11	-
Total		**42**	**62**	**148%**

Audit Findings and Follow-up Results

KB Bank has followed up on the results of the Internal Audit examination during 2023 with a follow up percentage rate of 91%.

INTERNAL AUDIT WORK UNIT PERFORMANCE EVALUATION

An evaluation and review has been carried out by the Parker Russell International Accounting Firm which is registered as a Public Accountant. Based on the results of a review of SKAI for the period of July 1, 2020 to June 30, 2023, the aim of which is to ensure and believe in the compliance of SKAI's internal audit activities with the provisions of POJK No. 1/POJK.03/2019, International Professional Practices Framework (IPPF) and Bank Internal Audit Function Implementation Standards (SPFAIB).

From the results of the assessment of conformity with POJK, IPPF and SPFAIB standards, it was concluded that the implementation of the Internal Audit function of PT Bank KB Bukopin Tbk of the 15 (fifteen) sub-areas reviewed, 11 (eleven) of them were concluded to be Generally Conform (GC), 3 (three) of them were concluded as Partially Conform (PC), and 1 (one) was concluded as Not Applicable (N/A) because the sub area was not implemented.

PUBLIC ACCOUNTANT

Bank's financial aspects is carried out by implementing External Audit examinations carried out by the Public Accounting Firm (KAP). The External Auditor who will examine the Bank's financial statements for the 2023 Fiscal Year is determined through the Annual GMS based on recommendations from the Board of Commissioners and Audit Committee. The selection process is carried out in accordance with the applicable procurement mechanism for goods and services. To ensure the independence and quality of audit results, an External Auditor is appointed.

In 2023 KB Bank has appointed a Public Accounting Firm that has been registered with Bank Indonesia and OJK, namely the Public Accounting Firm Mirawati Sensi Idris (Moore Global) to examine the Company's books for the 2023 Fiscal Year.

PUBLIC ACCOUNTANT APPOINTMENT POLICY

Based on Article 6 of OJK Regulation no. 6/POJK.03/2015 concerning Transparency and Publication of Bank Reports has stipulated that Financial Reports for the position at the end of December which are announced quarterly and annually must be audited by a Public Accountant registered with the OJK.

Restrictions on the use of audit services for annual historical information from the same Public Accountant for a maximum of 3 (three) consecutive Fiscal Years, this is in accordance with OJK Regulation No. 13/POJK.03/2017 concerning the Use of Accounting Services and Public Accounting Firms in Financial Services Activities dated March 27, 2017.

NAME AND YEAR OF PUBLIC ACCOUNTING FIRM AND PUBLIC ACCOUNTANT THAT AUDITED ANNUAL FINANCIAL REPORTS FOR THE LAST 5 (FIVE) YEARS

Year	Public accounting firm	Name of Public Accountant (Accountable Partner)	Period	Fee Period (Rp)	Opinion	Izin KAP
2023	Mirawati Sensi Idris	Denny Susanto	1 year	2.430.000.000	Fair in all material respects	No.327/ KM.1/2023
2022	Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan	Denny Susanto	1 year	1.700.000.000	Fair in all material respects	No. 854/ KM.1/2015
2021	Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan	Denny Susanto	1 year	1.600.000.000	Fair in all material respects	No. 854/ KM.1/2015
2020	Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan	Mulyadi	1 year	1.600.000.000	Fair in all material respects	No. 854/ KM.1/2015
			September 2020, 30 (Limited Review)	1.100.000.000	Fair in all material respects	No. 854/ KM.1/2015
2019	Amir Abadi Jusuf, Aryanto, Mawar dan Rekan	Dedy Sukrisnadi	1 year	2.950.000.000	Fair in all material respects	No. 477/ KM.1/2015

OTHER SERVICES PROVIDED BY PUBLIC ACCOUNTING FIRMS AND PUBLIC ACCOUNTANTS APART FROM ANNUAL FINANCIAL REPORT AUDIT SERVICES IN THE LAST FISCAL YEAR

As of December 31, 2023, there are no other services provided by the Mirawati Sensi Idris (Moore Global) Public Accounting Firm other than audit services for the 2023 Financial Report.

COORDINATION OF EXTERNAL AUDITORS AND AUDIT COMMITTEE

During the audit period, the Bank implements open communication by providing complete audit information and data to the external auditor for audit purposes. Close collaboration is carried out to discuss the latest accounting policies and tax policy developments so that the Bank's Financial Reports can be presented fairly and accurately. Thus, an effective framework is established between the Bank and external auditors to ensure integrity and transparency in the audit process.

This is in line with the Audit Committee Charter, Duties and Responsibilities of the Audit Committee, which, among other things, states:

1. Provide independent opinions in the event of differences of opinion between Management and Accountants regarding the services provided;
2. Provide recommendations to the Board of Commissioners regarding the appointment of Public Accountants and Public Accounting Firms based on independence, scope of assignment and fees;
3. Review the implementation of audits by internal auditors (Internal Audit Work Unit), external auditors (Public Accounting Firm) and Bank supervisory institutions (BI, OJK or other Authority Institutions) and supervise the implementation of follow-up actions by the Board of Directors regarding these findings.

RISK MANAGEMENT

Risk management is a vital element in a company's strategy to avoid the impact of risks that could disrupt business continuity. This risk management function has a strategic role in implementing business activities proactively and anticipating potential risks in the future, thereby supporting the company's growth and sustainability and providing added value for shareholders. To face complex economic challenges, both at the domestic and global levels, the company needs an integrated and effective risk and capital management system.

In an effort to manage risk well, the company mitigates potential risks from every aspect of its business. This includes steps to identify, measure, monitor and control risks that may arise. To support this process, the company continues to develop technology and management information systems that can manage various types of risks more effectively, as well as continuing to improve the quality of human resources in terms of implementing risk management.

By implementing consistent risk management, the company ensures that every business process and operation is carried out according to predetermined risk standards, thereby ensuring the company's continuity and growth.

BASIS FOR RISK MANAGEMENT IMPLEMENTATION

In implementing risk management, the Company is guided by external regulations, including:

1. Peraturan Otoritas Jasa Keuangan (POJK) No. 18/Financial Services Authority Regulation (POJK) No. 18/POJK.03/2016 dated March 16, 2016 concerning the Implementation of Risk Management for Commercial Banks;
2. Financial Services Authority Circular (SEOJK) No. 34/SEOJK.03/2016 dated September 1, 2016 concerning Implementation of Risk Management for Commercial Banks;
3. Financial Services Authority Regulation no. 38/POJK.03/2017 dated July 12, 2017 concerning the Implementation of Consolidated Risk Management for Banks that Exercise Control over Subsidiary Companies;
4. Financial Services Authority Circular No. 43/SEOJK.03/2017 dated July 19, 2017 concerning Prudential Principles and Reports in the Context of Implementing Consolidated Risk Management for Banks that Control Subsidiaries;
5. Financial Services Authority Circular No. 27/SEOJK.03/2016, dated July 14, 2016 concerning Commercial Bank Business Activities Based on Core Capital;
6. Financial Services Authority Regulation no. 36/POJK.03/2017 dated July 12, 2017 concerning Prudential Principles in Capital Participation Activities.
7. Financial Services Authority Regulation no. 12/POJK.03/2021 dated July 30 2021 concerning Commercial Banks.

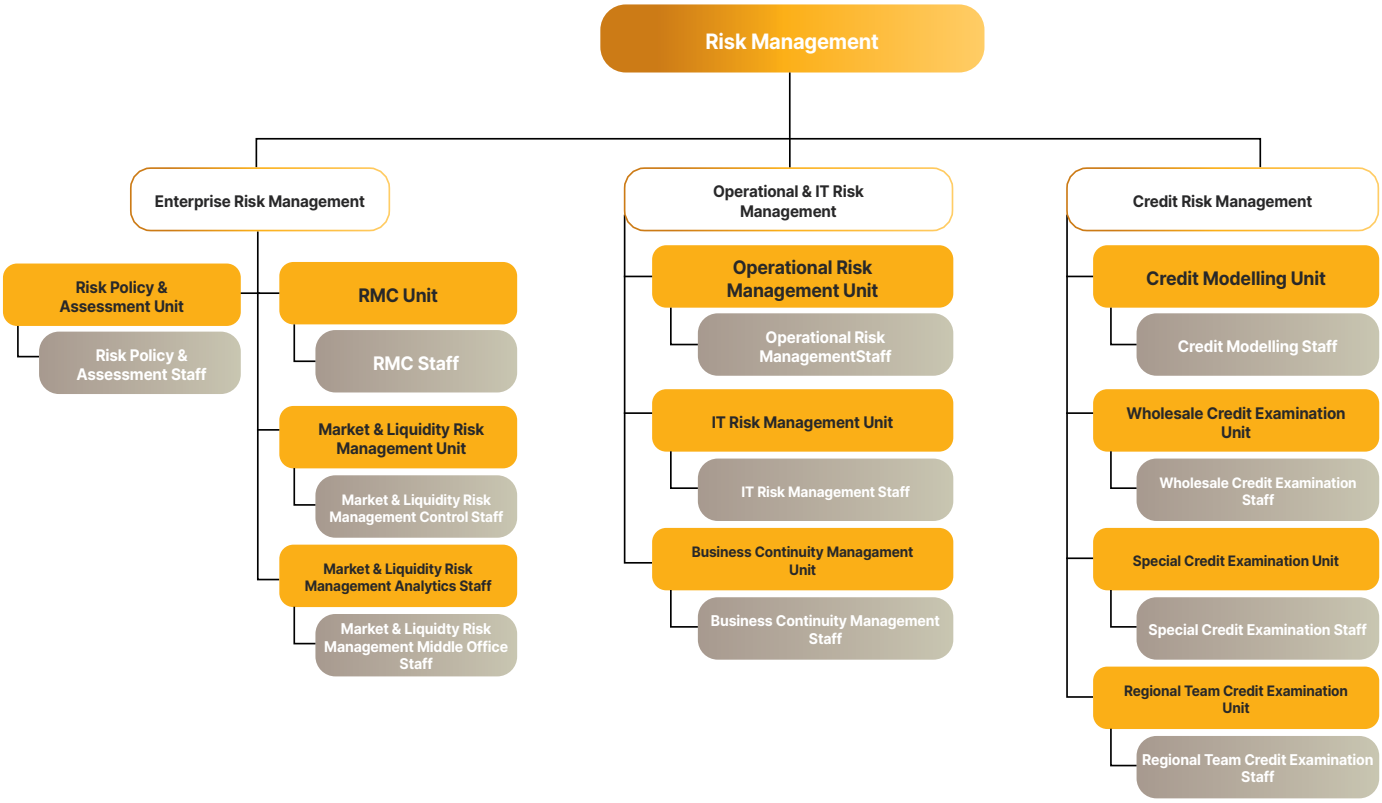
DETERMINATION OF RISK MANAGEMENT POLICIES AND PROCEDURES

Determination of Risk Management Policies and Procedures:

1. KB Bank Risk Management Policy is the highest rule in implementing risk management in all KB Bank business activities. (Decree Letter No. 0149 of 2022 concerning KB Bank Risk Management Policy).
2. Internal policies and guidelines relating to risk management include:
   a. Bank KB Bukopin Credit Risk Management Policy;
   b. Bank KB Bukopin Market Risk and Liquidity Management Policy;
   c. Bank KB Bukopin Operational Risk Management Policy;
   d. Bank KB Bukopin Compliance Risk Management Guidelines;
   e. Bank KB Bukopin Legal Risk Management Guidelines;
   f. KB Bukopin Bank Reputation Risk Management Guidelines;
   g. Bank KB Bukopin Strategic Risk Management Guidelines;
   h. Guidelines for Implementing Credit Risk Stress Tests;
   i. Guidelines for Implementing Market Risk Stress Tests;
   j. Guidelines for Implementing Liquidity Risk Stress Tests;
   k. Guidelines for the Obligation to Fulfill the Liquidity Coverage Ratio;
   l. Guidelines for Implementing the Calculation of the Obligation to Fulfill the Net Stable Funding Ratio;
   m. Bank KB Bukopin Risk Appetite Policy;
   n. Mechanism for Measuring Risk for Providing Bank Products;
   o. Bank KB Bukopin Program Product Policy;
   p. Bank KB Bukopin Risk Management Committee Charter;
   q. Bank KB Bukopin Capital Management Policy;

ORGANIZATIONAL STRUCTURE OF RISK MANAGEMENT

The organization and functions of KB Bank Risk Management are structured as follows:



In an effort to implement effective risk management, the Company has designed a detailed organizational structure, which includes clear duties and responsibilities for each section. This structure is adapted according to the company's objectives, business policies, as well as the size and complexity of the company's business activities.

The Company recognizes the importance of risk management at every level and work unit. Therefore, the Company has built an inclusive organizational structure, which includes various entities such as the Risk Monitoring Committee, Risk Management Committee, Risk Management Work Unit, Risk Taking Unit, and Internal Audit Work Unit.

In the Bank's organizational structure, there is a Risk Management Work Unit and a Compliance Work Unit which act independently of business groups, operations and other supporting divisions or departments (Risk Taking Unit). This work unit plays an important role in identifying, measuring, monitoring and controlling risks arising from business activities.

Not only that, there is also a work unit responsible for internal control, namely the Internal Audit Work Unit. They have a key role in ensuring that internal control standards and procedures are applied consistently throughout the organization, as well as performing independent evaluations of the effectiveness of the control system.

With a strong and integrated organizational structure, the Company can be more effective in managing risks arising from various aspects of its business activities, as well as ensuring compliance with applicable regulations.

The Risk Management Division is a Risk Management Work Unit in the Company which is led by the Division Head who reports to the Director of Compliance and Risk Management. The Risk Management Division consists of several Departments/ Units as follows:

1. Enterprise Risk Management Department
   a. Market & Liquidity Risk Management Unit
   b. Risk Policy & Assessment Unit
   c. RMC Units
2. Operational & IT Risk Management Department
   a. Operational Risk Management Unit
   b. IT Risk Management Unit
   c. Business Continuity Management Unit
3. Credit Risk Management Department
   a. Credit Modeling Unit
   b. Wholesale Credit Examination Unit
   c. Special Credit Examination Unit
   d. Regional Team Credit Examination Unit

The main task of the Risk Management Work Unit is to establish risk management policies and procedures and carry out a series of processes to collect and test risk measurements and reporting reported by risk owners. Determination of risk management implementation policies is carried out through the Board of Directors approval process.

DUTIES AND RESPONSIBILITIES OF THE RISK MANAGEMENT WORK UNIT

The authority and responsibilities of the Risk Management Work Unit include:

1. Develop and periodically review the overall risk management strategy and framework including risk management policies, procedures and processes;
2. Monitor the implementation of risk management strategies, frameworks and policies recommended by the Risk Management Committee and approved by the Board of Directors;
3. Recommend portfolio limits and ensure compliance with these limits;
4. Monitor overall risk exposure and per risk type;
5. Conduct stress testing to determine the impact of significant changes in macro conditions on the portfolio or overall Bank performance;
6. Assess the risks of proposed bank products;
7. Evaluation of the internal accuracy of the model and validation of data used to measure risk;
8. Provide recommendations to business groups, operational groups and other supporting groups/divisions/departments (Risk Taking Unit) and/or to the Risk Management Committee, according to their authority;
9. Prepare and submit risk profile reports to the Director of Compliance and Risk Management, President Director and Risk Management Committee on a regular basis.

COMPETENCY DEVELOPMENT IN THE FIELD OF RISK MANAGEMENT

The competency development that members of the Risk Management Work Unit will participate in during 2023 is as follows:

No	Training Name	Period	Organizer	Location
1.	Excel Training	2023	Finance Department	Menara Sentraya KB Bank
2.	Credit Risk Management Training	December 6-7, 2023	LPPI	LPPI in South Jakarta
	Risk Weighted Assets for Market Risk	November 2023	Risiko Manajemen Gagasan	Mercure Hotel Jakarta
	Induction Training	December 2023	KB Bank	E-Learning
5.	Procurement Training	January 2023	Lembaga Media Indonesia	Menara Sentraya KB Bank
6.	End User Training for Budget Expense	October 2023	Finance Departemen	Menara Sentraya KB Bank
7.	Anti-Money Laundering, CFT and Anti Fraud Training	October 23 - November 03, 2023	KB Bank	E-Learning
8.	Risk Management Certification (SMR) Refreshment Training Level 1-5	September 4-6, 2023	BSMR	E-Learning
9.	Finasta Project Shine W6 Training	March 20-24, 2023	DXC	3rd Floor of KB Bank Head Office
10.	Leadership for Managerial Training	December 11-12, 2023	KB Bank	Menara Sentraya KB Bank

RISK MANAGEMENT CERTIFICATION

Risk Management Certification

Certification Level	Position	Number of Employees
3	Depertemen Head DERM	1
4	Departemen Head DRTI	1
3	Departemen Head DMRK	1
2	Manager DERM	3
3	Manager DRTI	2
2	Manager DRTI	1
2	Manager DMRK	3
2	Staff DERM	2
1	Staff DRTI	1
1	Staff DMRK	13

RISK MANAGEMENT SYSTEM

The risk management system is implemented in an integrated manner through 4 pillars, which are:

PILLAR I ACTIVE SUPERVISION OF THE BOARD OF COMMISSIONERS AND DIRECTORS

The implementation of Bank risk management, both individually and consolidated with Subsidiaries, involves active monitoring and supervision from the Bank's Board of Directors and Board of Commissioners. To support the effective implementation of risk management, the Board of Directors and Board of Commissioners must understand risk, develop a risk culture and ensure that the implementation of risk management is in accordance with the characteristics and complexity of the Bank's and Subsidiaries' businesses.

Based on Directors' Decree No. 005 of 2019 concerning Guidelines and Work Rules for the Risk Monitoring Committee of PT Bank KB Bukopin Tbk. The duties of the Risk Monitoring Committee include:

1. Create a work program or annual plan for the Risk Monitoring Committee and send it to the Board of Commissioners for approval;
2. Evaluate the suitability of risk management policies with the implementation of company policies;
3. Monitor and evaluate the implementation of the duties of the Risk Management Committee and Risk Management Work Unit;
4. Evaluate the company's management policies at least once a year with the Board of Commissioners;
5. Evaluate the implementation of the company's risk management policy at least once every 3 months together with the Board of Commissioners;
6. Evaluate the Governance Implementation Self Assessment Report;
7. Create, review and update the Risk Monitoring Work Committee Work Guidelines and Rules periodically;
8. Carry out other duties other than those mentioned above as assigned by the Board of Commissioners to the Risk Monitoring Committee in accordance with its duties and functions from time to time as needed.

The implementation of the supervisory function of the Board of Commissioners is carried out through the Joint Meeting of Directors and Commissioners forum, as well as in meetings of the Risk Monitoring Committee, Integrated Governance Committee and Audit Committee.

In connection with this, the Risk Monitoring Committee periodically holds meetings and provides recommendations for improvements which are submitted in the minutes. The Risk Monitoring Committee meetings with discussion of the Risk Profile Report have been held 11 (eleven) times throughout 2023. Apart from discussing the Risk Profile, issues related to risk management implementation activities including approving appropriate risk management policies, strategies and frameworks have also been discussed. with the level of risk to be taken (Risk Appetite) and risk tolerance (Risk Tolerance) as well as performing regular evaluations of Risk management activities. The following are the Risk Monitoring Committee meetings held throughout 2023:

No	Date	Agenda
1	January 06, 2023	• Update on Human Capital Development Matrix & Performance Assessment • Update on the Development of Customer Data and KYC (Know Your Costumer) Update • Discussion of Risk Profile Report for December 2022 • Discussion of Policy Development and Readiness of BCM (Business Continuity Management), BCP (Business Continuity Plan), DRP (Disaster Recovery Planning)
2	January 27, 2023	• Discussion of the Risk Profile Assessment Report of PT Bank KB Bukopin Tbk for the fourth quarter of 2022. • Others
3	February 24, 2023	• Discussion of Risk Profile Assessment Report of PT Bank KB Bukopin Tbk January 2023 • Discussion of Quarterly Stress Test
4	April 28, 2023	• Discussion of the Risk Profile Assessment Report of PT Bank KB Bukopin Tbk 1st Quarter 2023
5	May 26, 2023	• Discussion of Risk Profile Assessment Report April 2023 • Discussion of Bottom-up Stress Test Market, Solvency & Sensitivity • Discussion of Covid-19 Stress Test Q1 2023
6	July 06, 2023	• Discussion of Risk Profile Assessment Report of PT Bank KB Bukopin Tbk May 2023
7	July 14, 2023	• Discussion of Risk Profile Assessment Report of PT Bank KB Bukopin Tbk Q2-2023. • Others
8	August 23, 2023	• Discussion of Credit, Market and Liquidity Stress Test. • Discussion of New Market RWA Basel III • Discussion of PT Bank KB Bukopin Risk Profile Assessment Report July 2023
9	September 20, 2023	• Discussion on Follow-Up progress of OJK findings. Discussion of Risk Profile • Assessment Report of PT Bank KB Bukopin Tbk August 2023
10	October 27, 2023	• Discussion on the progress of OJK Follow Up Findings • Discussion of the Risk Profile Assessment Report of PT Bank KB Bukopin Tbk Q3-2023.
11	November 24, 2023	• Discussion on the progress of OJK Follow Up Findings Discussion of Risk Profile • Assessment Report of PT Bank KB Bukopin Tbk October 2023

To ensure that the implementation of Risk Management runs effectively, the Company relies on the established Risk Governance. This Risk Governance functions as a clear basis for organizing roles and responsibilities, decision-making processes, and relationships between various Risk management functions throughout the company.

In Risk Governance, each function has a well-defined role in risk management. This includes identifying, assessing, monitoring and controlling risks at various levels and work units. In addition, Risk Governance also establishes structured and coordinated decision-making procedures to manage risks effectively.

The relationship between Risk management functions is also carefully regulated in Risk Governance. This aims to ensure that every decision related to Risk is considered holistically, taking into account its impact on the entire company. In addition, the policies required to manage risk effectively are also determined and implemented in accordance with the established Risk Governance Code.

SUPERVISION OF THE BOARD OF DIRECTORS

The implementation of the Board of Directors' supervisory function is carried out through the Board of Directors Meeting (Radir) and Risk Management Committee Meeting (KMR) forums, as follows:

1. February 21, 2023 with the agenda:
   a. RWA Basel III Implementation (for information)
   b. Stress Test Q4-2022 (Credit, Market & Liquidity) (for information)
   c. Peers Comparison Q3-2022 (for information)
   d. Operational & IT Risk Update (for information)
2. April 5, 2023 with the agenda:
   a. Risk Profile Guideline Annual Report (for information)
   b. Risk Monthly Report as February 2023 (for information)
   c. Operational & IT Risk Update (for information)
3. 3. May 30, 2023 with the agenda:
   a. Disaster Policy (for approval)
   b. BUST: Solvency, Sensitivity & Liquidity (for approval)
   c. Risk Monthly Report as of April 2023 (for information)
4. July 24, 2023 with the agenda:
   a. - Quarter II 2023 Risk Profile Report (for approval)
5. August 21, 2023 with the agenda:
   a. Matters Arising from Previous RMC (for information)
   b. KMR Charter (for approval)
   c. Stress Test Credit, Market, Liquidity (for approval)
   d. New Market ATMR; Basel III (for information)
   e. Monthly Position Risk Report July 2023 (for information)
6. 6. September 22, 2023 with the agenda:
   a. Matters Arising from Previous RMC (for information)
   b. Program Product Policy (for approval)
   c. Stress Action Plan Monitoring (for information)
   d. NSFR Strengthening Management (for information)
   e. Monthly Position Risk Report August 2023 (for information)
7. October 18, 2023 with the agenda:
   a. Matters Arising From Previous RMC (for information)
   b. Quarter III 2023 Risk Profile Report (for information)
   c. NSFR Strengthening Management (for information)
   d. Monitoring of Stress Test Action Plans (for information)
8. November 22, 2023 with the agenda:
   a. Matters Arising from Previous RMC (for information)
   b. Stress Test Credit Risk, Market, Liquidity (for approval)
   c. NSFR Strengthening Management (for information)
9. December 20, 2023 with the agenda:
   a. Matters Arising from Previous RMC (for information)
   b. NSFR Strengthening Management (for information)
   c. Monthly Position Risk Report November 2023 (for information)

PILLAR II ADEQUACY OF POLICIES, PROCEDURES AND LIMIT DETERMINATION

PILLAR II Adequacy of Policies, Procedures and Determination of Limits Formulation of Adequacy of Policies, Procedures and Determination of Limits is available and in line with the Bank's vision, mission and business strategy, and is carried out by taking into account, among other things, the type and complexity of business, risk profile, level of risk to be taken and risk tolerance as well as statutory regulations and other provisions that do not conflict with applicable regulations in Indonesia, which have been stipulated in the Decree concerning KB Bank Risk Management Policy.

1. Bank Risk Management Strategy
   The Bank's risk management strategy, both individually and consolidated, is prepared for long-term objectives to ensure business continuity, achieve expected capital adequacy and comprehensively control and manage the Bank's risks.

   The Bank's risk management strategy is prepared by considering economic development factors, adequacy of human resources & infrastructure, the Bank's financial condition, diversification of the Bank's portfolio, as well as the application of sustainable finance principles. The Bank periodically reviews its risk management strategy.

2. Risk Management Policies and Procedures
   The Bank's Risk Management Policy was established to ensure that the Bank maintains risk exposure that is consistent with internal policies and procedures as well as external regulations, laws, regulations and other related provisions, and is managed by officials who have knowledge, skills and expertise in risk management, in line with level of business complexity.

   Risk management policies for each type of risk are made by referring to the Bank's Risk Management Policy document, OJK regulations and other provisions. The Risk Management Division is responsible for coordinating it centrally. Meanwhile, risk management procedures and guidelines must be created by work units in the Bank and prepared in accordance with the Bank's risk management policy, prudential principles and relevant applicable regulations.

3. Determination of Risk Limits
   a. Risk Appetite Statement
      The Bank has limits set in accordance with the level of risk to be taken, risk tolerance and business strategy in the form of a Risk Appetite Statement and has received approval from the Board of Commissioners.
   b. Limits
      Determination of risk limits includes, among others:
      i) Overall limit;
      ii) Limits per risk type; And
      iii) Limits per certain functional activities that have risk exposure.
4. Implementation of Policies, Procedures and Limit Determination
   Risk awareness and compliance with policies, procedures and risk limits must be the way of thinking of all parties involved in implementing the risk management framework.

PILLAR III ADEQUACY OF RISK IDENTIFICATION, MEASUREMENT, MONITORING AND CONTROL PROCESSES, AS WELL AS RISK MANAGEMENT INFORMATION SYSTEMS

This process must be supported by a timely management information system and accurate and informative reports regarding the bank's risk exposure, functional activity performance and financial condition.

1. Identify Risks
   The steps in risk identification include:
   a. Understand the business and analyze various inherent risks.
   b. Identify potential sources of risk in Bank products and activities on a regular basis.
   c. Evaluate the likelihood and impact of losses.
   d. Ensure the availability of methods or systems to identify risks.
2. Risk Measurement
   Risks must be measurable so that the adequacy of reserves and the ability of capital to absorb the resulting risks can be determined. The important steps to establish a risk measurement process are:
   a. Place officials who are experts and experienced in determining how risk is measured.
   b. Create an appropriate methodology or model for each type of risk. The methodology or model must be documented.
   c. Have adequate risk measurement applications and also know the limitations of the technology.
   d. Test actual results compared to predicted results to validate the methodology or model.
   e. Conduct regular reviews regarding the suitability of assumptions, data sources and procedures used to measure risk.
   f. Make improvements to the measurement methodology if there are significant changes to material factors that influence risk.
   g. Performing regular stress testing, namely a process of estimating potential economic losses in abnormal market conditions, which allows the Bank to assess the impact on the Bank's income and capital.
   h. Carrying out regular Backtesting to test the Bank's internal models.
   i. Have a measurement or assessment mechanism for the materiality of increased risk exposure from Bank Product development.
3. Risk Monitoring
   In monitoring risk, each work unit in the Bank must do the following:
   a. Have a clear procedure to monitor risk exposure, risk tolerance, limits, Stress Testing results and consistent implementation of established policies and procedures.
   b. Have an early warning system to identify changes in risk profile or exceedance of limits so that corrective action can be taken immediately to minimize potential losses.
   c. Report monitoring results including portfolio reviews to Bank management periodically in the context of risk mitigation.
   d. Improve the reporting process if there are material changes to the Bank's business activities, products, transactions, risk factors, information technology and risk management information systems.
   e. Have an effective back-up system and procedures to prevent disruptions in the risk monitoring process. Back-up systems and procedures are reviewed periodically.
4. Risk Control
   In controlling risk, each work unit in the Bank must do the following:
   a. Have a control process to manage certain risks that can endanger business continuity.
   b. The risk control process implemented must be adjusted to risk exposure, Risk Appetite and Risk Tolerance.
   c. Ensure the availability of policies and procedures to manage and control risks.
   d. Ensure that all new products and/or developments will only be marketed after going through an adequate review of all risk areas and documented in the Product program and only if regulatory approval has been obtained (especially products that require approval from the regulator).
   e. Have a back-up system and procedures to handle and monitor risks in the event of system failure.
   f. Assets and Liabilities Management (ALMA) is implemented by the Bank to control interest rate risk, exchange rate risk and liquidity risk.

g. Other risk controls can be carried out through the mechanism of board of directors meetings through the Risk Management Committee (KMR), or through other discussion meetings.

5. Risk Management Information System
   Banks individually and consolidated with Subsidiaries must have an adequate risk management information system to carry out the process of identifying, measuring, monitoring, controlling and reporting risk exposure, both in aggregate/ composite and risk exposure based on the type of risk inherent in business activities and Bank operations. This system must be documented and reviewed periodically.

PILLAR IV INTERNAL CONTROL SYSTEM

The application of internal control in risk management includes:
1. Suitability of the internal control system with the type and level of risk inherent in the Bank's business activities.
2. Determination of authority and responsibility for monitoring compliance with risk management policies and procedures, as well as determining risk limits.
3. Establishment of reporting lines and clear separation of functions from operational work units to work units that carry out control functions.
4. Organizational structure that clearly describes the Bank's business activities.
5. Accurate and timely reporting of financial and operational activities.
6. Adequacy of procedures to ensure the Bank's compliance with regulations and legislation.
7. Effective, independent and objective review of the Bank's operational activity assessment procedures.
8. Adequate testing and review of the risk management information system.
9. Complete and adequate documentation of operational procedures, scope and audit findings, as well as Bank management responses based on audit results.
10. Periodic and continuous verification and review of the Bank's handling of material weaknesses and the actions of the Bank's management to correct deviations that occur.

IMPLEMENTATION OF BASEL IMPLEMENTATION

Pillar 2 of Basel II

As part of the implementation of Pillar 2 of Basel II, KB Bank has carried out an internal capital adequacy assessment process (ICAAP) which is submitted every semester, namely in the form of a KPMM Calculation Report according to the Risk Profile. In addition, KB Bank has carried out a self-assessment of the Bank's Health Level using a Risk-based Bank Rating (RBBR) approach with the scope of the assessment covering the following factors: Risk Profile, Good Corporate Governance (GCG), Profitability (Earnings) and Capital (Capital) to produce a Bank Health Composite Rating.

In implementing Pillar 2 of Basel II, the compatibility of measurements carried out by the Bank (with the Internal Capital Adequacy Assessment Process/ICAAP framework) with the Financial Services Authority (with the Supervisory Review and Evaluation Process/SREP framework) is something that needs to be considered to minimize assessment gaps and further improve the risk management process.

KB Bank continues to make improvements, including through reviewing the determination of ranking categorization in each assessment of parameters/indicators for each type of risk, ensuring the data sources used for each assessment of parameters/indicators for each type of risk and reviewing the level of significance of an event or findings. /examination and its impact on the overall Risk Profile Rating.

In general, KB Bank KPMM level is always managed carefully to be able to mitigate the level of risk faced in all conditions, through implementing effective risk management in accordance with business developments and business complexity as well as ensuring the establishment of strategies to maintain adequate capital levels at KB Bank. to support business continuity, business development and growth in profit levels.

Pillar 3 Basel II

By paying attention to Financial Services Authority Regulation no. 6/POJK.03/2015 concerning Transparency and Publication of Bank Reports and Financial Services Authority Regulation no. 32/POJK.03/2016 concerning Amendments to Financial Services Authority Regulation No.6/POJK.03/2015 concerning Transparency and Publication of Bank Reports, there is several report contents, especially those related to risk management, including disclosure of each type of risk, potential losses (risk exposures) faced by the Bank, risk management practices implemented by the Bank, and disclosure of liquidity adequacy ratio reports. In general, KB Bank has disclosed this in the KB Bank annual report and publications on the KB Bank website. The Bank will continue to improve database development, information systems and risk management so that it can produce increased disclosure and comply with pillar 3 of Basel II.

Basel III-Liquidity Coverage Ratio and Net Stable Funding Ratio

In connection with the implementation of Basel III, the Financial Services Authority has issued Financial Services Authority Regulation no. 42/POJK.03/2015 dated December 23, 2015 concerning the Obligation to Fulfill the Liquidity Coverage Ratio for Commercial Banks and Financial Services Authority Regulation no. 32/POJK.03/2016 concerning Amendments to Financial Services Authority Regulation no. 6/POJK.03/2015 concerning Transparency and Publication of Bank Reports. The Company has reviewed the Liquidity Coverage Ratio (LCR) Calculation Guidelines contained in Board of Directors' Circular Letter No. SE/004/DIR/I/2019 concerning Guidelines for the Obligation to Fulfill the Liquidity Coverage Ratio dated January 14, 2019 and Guidelines for Calculating the Net Stable Funding Ratio (NSFR) as contained in Directors' Circular Letter No. SE/241/DIR/XII/2018 concerning Guidelines for Implementing the Calculation of the Obligation to Fulfill the Net Stable Funding Ratio dated December 21, 2018.

The obligation to fulfill the LCR is carried out in stages, where the stage for Banks included in the BUKU 3 group is 70% (seventy percent) from June 30, 2016; 80% (eighty percent) since June 30, 2017; 90% (ninety percent) since December 31, 2017; and 100% (one hundred percent) since December 31, 2018.

KB Bank has submitted monthly LCR reports (individual and consolidated) to the Financial Services Authority and published quarterly LCR reports (individual and consolidated) on the KB Bank website. In addition, KB Bank has managed and monitored the level of liquid assets and Liquidity Coverage Ratio (LCR) on a daily basis by paying attention to limits as part of implementing liquidity risk management.

Matters of concern in implementing measurements according to the Basel III framework include, among other things, information system readiness and database availability, periodic reviews of policies and procedures at the Bank in implementing measurement and monitoring of liquidity ratios based on the Basel III framework.

In accordance with POJK No. 50/POJK.03/2017 concerning the Obligation to Fulfill the Net Stable Funding Ratio, starting from January 2018 KB Bank has monitored the fulfillment of the net stable funding ratio.

The implementation of the NSFR framework is inseparable from the LCR framework and is complementary as a tool for measuring Bank liquidity risk, where compliance with LCR standards aims to increase the short-term resilience of KB Bank liquidity risk profile by ensuring that KB Bank has High Quality Liquid Assets. (HQLA) which is adequate to survive during a significant stress scenario period in the next 30 days, while meeting the NSFR standard aims to reduce funding risk for a longer period by requiring banks to fund their activities with adequate stable funding sources in order to mitigate stress risk. on future funding.

In order to increase the quality and quantity of capital in accordance with the implementation of Basel III, especially aspects of common equity tier I, conservation buffer, countercyclical buffer and leverage ratio, KB Bank has prepared strategic steps to strengthen capital to support the achievement of business plans.

Basel III – Interest Rate Risk in The Banking Book (IRRBB)

In order to improve KB Bank ability to manage market risk, especially interest rate risk, namely risk originating from movements in interest rates in the market that are contrary to the position of the banking book which has the potential to have an impact on the Bank's capital and income, both now and in the future. future (Interest Rate Risk in The Banking Book/ IRRBB), KB Bank has currently calculated and implemented the IRRBB, which is reported quarterly to the OJK.

RISK PROFILE AND MANAGEMENT

Companies are required to prepare a Risk Profile Report, in line with the provisions in Financial Services Authority Regulation (POJK) No. 18/POJK.03/2016 and POJK no. 38/POJK.03/2017, both individually and consolidated. This report is prepared quarterly for March, June, September and December, with comparative comparisons to the previous quarter.

The Risk Profile Report must be submitted to the Financial Services Authority (OJK) no later than 15 working days after the end of the reporting month for individual reports, and the end of the month after the reporting month for consolidated reports. The contents of the report submitted to OJK must be in line with the substance of the Risk Profile Report provided to the President Director and Risk Management Committee by the Risk Management Work Unit.

Self assessment Risk Profile for Quarter IV 2023 prepared based on December 2023 data (unaudited). Overall, the inherent risk level rating of KB Bank Risk is Rank 2 (Low to Moderate), with the risk ranking details being that all composite risks are at Rank 2 (Low to Moderate).

In line with the provisions of the Financial Services Authority, the Bank always carries out risk management for 8 (eight) types of risk, namely: credit risk, market risk, liquidity risk, operational risk, legal risk, reputation risk, strategic risk and compliance risk.

Credit Risk

Credit risk is the risk resulting from the failure of debtors and/ or other parties (counterparties) to fulfill their obligations to the Bank. Credit risk managed by KB Bank is not only related to credit distribution but also other credit risk exposures such as placements, purchases of securities and investments which are managed comprehensively both at the portfolio and transaction levels. KB Bank has credit guidelines that regulate policies and procedures for providing credit to the SME, Wholesale and Retail segments, as well as policies and procedures for interbank placements and trade finance activities. These credit guidelines are reviewed and refined periodically, both based on general policies and guidelines for each business, while remaining based on the principles of independent risk management in accordance with Bank Indonesia and Financial Services Authority regulations as well as other external regulations as well as risk management policies related to lending.

The approval process for facilities with credit risk exposure is carried out based on the principle that each facility must be processed through the Credit Committee (or similar committee). The composition and number of committee members may vary according to the number and type of facilities proposed. For credit risk exposure with a value that is considered significant for the Bank, it is carried out through a tiered Credit Committee process referring to the credit risk limitation authority possessed by the Credit Committee members. To improve the quality of credit decisions, credit proposals are submitted by Credit

Underwriting which is independent, separate from the business organizational structure, and submitted after a debtor feasibility analysis process.

A credit risk management system has also been implemented in various aspects of credit risk management. These systems include SME Credit Tools and Wholesale Credit Tools for the SME segment and Wholesale segment and a credit risk scoring model for retail credit. KB Bank continuously makes the necessary efforts to perfect the model.

KB Bank continuously manages its credit risk through determining and evaluating credit processes and policies, setting and evaluating limits, which is supported by a regular reporting mechanism to the Board of Directors and Board of Commissioners. The Bank also continues to make improvements related to Bank Indonesia policies in implementing Basel, especially in implementing the Standardized Approach to Credit Risk.

Another thing that is an important key in managing credit risk is the human resource factor. Increasing competency in credit risk management is a main concern by providing training to both Account Officers as risk owners and staff related to the credit risk analyst function.

To increase the reliability of the credit risk management process, KB Bank continues to conduct studies on design and infrastructure in the credit process by continuing to improve the application of aspects of independence in credit decisions (four eyes principle) and the principle of prudence (prudential banking). KB Bank carries out back testing periodically for validation, refinement and development of credit risk measurement models. The credit risk measurement model includes the SME, Wholesale and Retail segment measurement models. KB Bank also conducted studies to ensure the implementation of Risk Appetite and Risk Tolerance for each business.

Furthermore, KB Bank carried out a stress test using a macro-related approach (or called macro bottom up stress testing) which pays attention to external risk factors such as developments in macroeconomic conditions that can affect customer quality, including by applying a worst case scenario (Beyond). Severe Scenario). This is aimed at determining KB Bank capital adequacy if credit quality deteriorates.

Market Risk

Market risk is the risk on the balance sheet and administrative account positions, including derivative transactions, due to overall changes in market conditions, including the risk of changes in option prices. Market risk includes, among others, interest rate risk, exchange rate risk, equity risk and commodity risk. The market risk variables that the Bank manages individually in this case are interest rates and exchange rates. Interest rate risk is the risk resulting from changes in the price of financial instruments from trading book positions or due to changes in the economic value of banking book positions, which are caused by changes in interest rates. Exchange rate risk is the risk resulting from changes in the value of trading book and banking book positions caused by changes in foreign exchange rates.
Control of foreign exchange rate risk and Bank interest rate risk in the trading book is carried out, among other things, through risk analysis and limits for trading activities which include Money Market, Foreign Exchange and Fixed Income Securities (securities) transactions. Apart from that, a daily mark to market process is carried out, and monitoring of the Net Open Position for this position.

By considering the composition of KB Bank portfolio, managing interest rate risk in the banking book is the focus of KB Bank attention because the banking book position is very significant when compared to the trading book position. This is done, among other things, by paying attention to the gap position of the Bank's assets and liabilities which are sensitive to interest rate movements and the tendency of movements in the Bank Indonesia Monetary Policy Rate in the form of the BI 7-day (Reverse) Repo Rate as well as market interest rates which can affect stability. Bank KB Bukopin's profitability level. Risk measurement in the banking book is carried out using the Interest Rate Risk Model with a repricing profile gap methodology and using a scenario of interest rate movements up to a certain level so that potential losses can be identified which could impact Bank KB Bukopin's profitability and capital. Foreign currency exchange rate risk assessment is carried out by taking into account PDN and foreign currency volatility managed by KB Bank, with risk control carried out through monitoring foreign exchange transaction mutations in all branch offices and business units. Monitoring and evaluation of limits related to market risk is carried out periodically in accordance with the internal conditions of KB Bank, Bank Indonesia and OJK regulations.

In measuring risk by taking into account various risk factors, KB Bank carried out stress tests with several scenarios, including the worst case scenario (Beyond Severe Scenario). This is intended to determine the level of Bank KB Bukopin's ability to deal with various levels of movement and abnormal market conditions. The stress test is carried out by taking into account the Guidelines for Implementing Market Risk Stress Tests.

Liquidity Risk

Liquidity risk is the risk resulting from the Bank's inability to meet maturing obligations from cash flow funding sources and/or from high quality liquid assets that can be collateralized, without disrupting the activities and financial condition of KB Bank. The main objective of risk management for liquidity risk is to minimize the possibility of the Bank's inability to obtain cash flow funding sources. To achieve this goal, in implementing liquidity risk management, Bank KB Bukopin carries out the process of identifying, measuring, monitoring and evaluating liquidity risk on a daily basis, among others, through collecting data related to controlling liquidity risk, including, among other

things, fulfilling the Minimum Statutory Reserve and the position of the Intermediation Ratio. Macroprudential (RIM), liquid assets position, liquidity coverage ratio (LCR), and net stable funding ratio (NSFR) as well as submitting regular reports covering the liquidity risk position of KB Bank.

To ensure KB Bank ability to fulfill its obligations to customers/ counterparties, KB Bank implements liquidity management through allocation of placements in Primary Reserves and liquid assets based on certain criteria and limits. The Bank has an Emergency Funding Plan Policy, which contains steps that must be taken by KB Bank in anticipating and dealing with changes in daily liquidity conditions so that KB Bank can continue to fulfill all agreed financial obligations in a timely manner and maintain continuity. KB Bank business processes. Reviews of policies, systems and procedures related to liquidity risk management are carried out periodically in accordance with developments at KB Bank, Bank Indonesia regulations, Financial Services Authority regulations and/or other external regulations.

Management of daily liquidity conditions is carried out by the Treasury Unit and external and macroeconomic changes that occur are immediately informed and internal strategies and policies are adopted, including through the Assets and Liabilities Management Committee (ALCO) mechanism.

In measuring risk, KB Bank has carried out historical and hypothetical stress tests by applying the worst case scenario (Beyond Severe Scenario). This is intended to determine the level of KB Bank ability to fulfill its obligations in all crisis conditions, as well as the mitigation that must be carried out in relation to these conditions. As a basic assumption used in the stress test related to the projection of outgoing funds from withdrawals of third party funds by customers, KB Bank monitors the movement of TPF on a daily, weekly and monthly basis to determine the level of deposition of third party funds. The stress test is carried out by taking into account the Guidelines for Implementing Liquidity Risk Stress Tests. Apart from that, to determine the level of KB Bank ability to obtain funding sources in normal and crisis conditions, KB Bank KB also monitors the level of market access on a daily basis, including through monitoring inter-bank loans, forex SWAP, sales of securities, Repo letters value and utilization of loans from other parties.

In connection with the implementation of Financial Services Authority Regulation no. 42/POJK.03/2015 concerning the Obligation to Fulfill the Liquidity Adequacy Ratio, namely the Liquidity Coverage Ratio (LCR) for Commercial Banks where the obligation to fulfill the LCR for Banks included in the BUKU 3 group is carried out in stages since June 30, 2016, and also the Financial Services Authority Regulation No. 32/ POJK.03/2016 concerning Amendments to Financial Services Authority Regulation no. 6/ POJK.03/2015 concerning Transparency and Publication of Bank Reports, KB Bank has submitted monthly LCR (individual and consolidated) reports to the Financial Services Authority and published quarterly LCR reports (individual and consolidated) on the KB Bank website. The position of KB Bank LCR ratio for the fourth quarter of 2023 individually is 129.92%, while on a consolidated basis it is 119.62%.

In accordance with POJK No. 50/POJK.03/2017 concerning the Obligation to Fulfill the Net Stable Funding Ratio, currently KB Bank has monitored the fulfillment of the net stable funding ratio. The NSFR ratio until the end of Quarter IV 2023 individually was 104.39%, while on a consolidated basis it was 103.74%. This ratio is above the minimum limit that must be maintained, namely 100%.

Operational Risk

Management of operational risks inherent in all of the Company's activities aims to minimize losses for the Company by focusing more on aspects of human resources and internal processes, however operational risk management still pays attention to aspects of information systems/technology and external events that influence the Company's operations.

The concern of each individual in all functions regarding the risk responsibilities inherent in each function is continuously improved and improved in order to have a good understanding of risk management.

Risk control is carried out by each function with the existence of policies and guidelines or procedures for each activity in each function whose availability is thoroughly ensured in accordance with the Company's business developments.

The risk management process is reflected in various activities including:

1. Identify operational risks through data/information analysis from various sources, including:
   a. Results of risk analysis for each business process that has potential risks;
   b. Data analysis by identifying the possibility and impact of operational risk for each operational activity through the results of independent risk measurement (risk control self-assessment);
   c. Analysis by identifying risks based on loss event data (Loss Event Database);
   d. Analysis of deficiencies or exceeding risk thresholds based on the established Risk Appetite Statement (RAS);
   e. Risk cause analysis refers to findings or observations (past data/events) based on the frequency and impacts that occur;
   f. Performing risk issue mapping on certain activities/ functions with a risk mitigation design;
   g. Actively and focused on every operational activity by collecting existing risk issues.
2. Operational risk measurement is carried out based on risk identification data in the form of:
   a. Top High Risk Issue based on the results of independent risk measurements;

b. Top High Risk Issue based on audit findings;
c. Loss events that have a high impact;
d. Exceeding the threshold of several parameters that are routinely monitored;
e. Risk profile based on self-assessment and impact on health level.

3. Operational risk monitoring focuses on products, information technology and activities, including:
   a. Risk Register Information Technology;
   b. Risk Register e-channel;
   c. Risk Register for all work units;
   d. Product Complexity;
   e. Conduct a review of data on losses or events that have other risk impacts for the company.
4. Risk control implemented includes:
   a. Increasing the control function in each function through the implementation of tiered controls and implementing SLAs;
   b. Increasing the control function by observing the quality of compliance and discipline towards procedures in each activity;
   c. Increased control and monitoring regarding new products and activities;
   d. Control operational risk by publishing a study/ opinion after conducting a review regarding policies, procedures, new activities, cooperation agreements, products and Information Technology;
   e. Monitor and control operational risks, including through discussion forums and meeting forums which are submitted in the form of reports, analysis results and memorandums to functions/work units;
   f. Improving the quality of human resources to understand and be able to manage risks according to their respective functions continuously;
   g. Risk management by implementing a Business Contingency Plan in dealing with external events (disasters);
   h. Conducting regular monitoring of the security of the information technology system used by the Company, including in every DRC testing activity.

In risk management, efforts are continuously made to increase risk awareness, including:
1. Implementation of Control Self Assessment to measure operational risk for each function;
2. Increased risk awareness at all levels of the company organization.

Risk Management Tools:

In order to manage operational risk, the Company applies, among others:
1. Risk Control Self Assessment (RCSA) module for web-based operational risk management which is used to identify, measure and monitor risks in each work unit;
2. Web-based Loss Event Data module used for historical loss data analysis where the results are directed at providing information on risks that must be anticipated in the future or not recur;
3. Key Risk Indicator (KRI) which consists of monitoring, the results of which will be used as an early warning system indicator for the possibility of a risk event occurring.

Legal Risk

Management of the Company's legal risks is in the context of protecting the Company from risks resulting from legal claims and/ or weaknesses in juridical aspects that could harm the Company. In managing legal risk, the Company established a Corporate Legal Department with a focus on resolving legal claims, both arising from third party lawsuits against the Company and the Company against third parties.

In addition, the Department is responsible for ensuring the strengthening of the Company's position in all engagements carried out and acting as Corporate Legal & Litigation in every activity. In order to increase the effectiveness of actively managing legal risks, the Company's Legal Department carries out discussions on risks or potential legal risks and their management, including reassessing the effectiveness of the enforceability process to check the validity of rights in contracts and agreements or discussions in other Control Forums. Increasing awareness of legal risks and resolving legal problems is a priority so as not to cause losses to the Company.

Reputational Risk

Reputation Risk Management of reputation risk due to negative perceptions of the Company is consistently carried out by monitoring and controlling indications or complaints submitted to the Company. The Company analyzes every customer complaint or negative perception conveyed through the media to determine the cause and resolution. The Company established a special unit responsible for managing reputation risk, especially related to customer complaints which can be submitted through the customer care unit.

Reputation risk management conveyed directly or through online media and other media is always improved and mitigated by analyzing the causes of events that have harmed the Company's reputation, for example negative perceptions, violations of business ethics, customer complaints and others. In addition, the Company has set risk limits for handling customer complaints in the context of measuring, monitoring and controlling reputation risk.

Reputation risk control is carried out with a series of activities, including:

1. Routinely monitor the handling and resolution of every complaint submitted to the Company;
2. Using an application that can monitor the customer complaint resolution process which is equipped with a Service Level Agreement (SLA) that has been agreed upon by all related units, namely the Complaint Tracking System application;
3. Increase all staff's understanding of reputation risks that can occur in every customer service activity;
4. Increase the understanding of all staff regarding the Company's reputation risks inherent in every action and behavior while there and in carrying out their respective functions.

Strategic Risk

Strategic risk management is carried out through monitoring and analysis as well as evaluation of the achievement of the Company's targets and goals in detail and regularly. Discussions related to achieving company targets are coordinated directly from the Head Office through responsible officials in each region, and then continued to the branch level and each individual.

Monitoring risk management strategies by measuring the Company's position both among the banking industry and among peer groups, which is followed up with mitigation steps for causes both internal to the Company and developments in macroeconomic conditions that may have an impact on the Company's business.

Compliance Risk

Compliance risk management related to risks inherent in the Company in terms of statutory regulations, internal provisions and other applicable provisions. Increasing compliance of all units and functions with the rules and regulations set by the regulator is always monitored and controlled by a unit that specifically monitors and simultaneously coordinates compliance risk control.

The Company always updates new regulations or provisions from regulators or related agencies by immediately aligning their implementation in the activities of each unit or function. Compliance risk measurement refers to the results of identifying experienced events resulting from non-compliance by calculating the magnitude of the risk of loss using accounting loss data.

RISK ASSESSMENT

Individual and consolidated risk profile assessments are determined by combining the results of the Inherent Risk assessment and Risk Management Implementation Quality Assessment, which includes:

1. Risk Governance;
2. Risk Management Framework;
3. Risk Management Process, Adequacy of Human Resources, and Adequacy of Management Information Systems; And
4. Adequacy of the Risk Control System.

From the results of the self-assessment carried out by the Company on its individual and consolidated Risk Profile which was submitted to the OJK in December 2023, the Company's overall risk predicate is at a composite risk level of Rank 2 (P2). Overall, it appears that taking into account the business activities carried out, the possibility of loss and the level of inherent risk faced by the Company is classified as moderate and can still be covered by the Company's capital. Likewise, from a quality perspective, the overall implementation of risk management is adequate compared to potential risk events that may arise.

EFFORTS TO IMPROVE RISK CULTURE

As part of efforts to improve the quality of risk management implementation, the Company continues to optimize the implementation of the Risk Monitoring Committee function to support the effective implementation of the duties of the Board of Commissioners, the implementation of the Risk Management Committee at the Directors level along with the implementation of its supporting committees.

RISK MANAGEMENT IMPLEMENTATION STRATEGY INITIATIVE IN 2023

1. Increasing the implementation of risk management by the Company is carried out in all aspects of the Company's business activities to ensure that the level of risk is managed in accordance with the Company's business strategy and targets as set out in the Bank's Business Plan for 2023. In order to support the Bank's Business Plan for 2023, several risk management strategies have been implemented. will be implemented in line with efforts to achieve the 2023 budget targets, including the following:
2. Strengthening the adequacy of the risk management framework.
3. Strengthen the implementation of risk management.
4. Increase risk awareness.
5. Encourage a risk culture in line with efforts to achieve the Bank's business strategy for 2024-2026.

REVIEW OF THE EFFECTIVENESS OF RISK MANAGEMENT SYSTEM IMPLEMENTATION

The Company always evaluates the effectiveness of the risk management system. In supporting the implementation of the Company's strategic plan, these include:

1. Complete an addendum to the risk appetite policy to adapt to the Bank's current business conditions.
2. Review risk management policies.
3. Review market and liquidity risk management policies.
4. Review capital management policies.
5. Review the risk management committee charter.

MANAGEMENT STATEMENT ON THE ADEQUACY OF THE RISK MANAGEMENT SYSTEM

KB Bank has evaluated the adequacy of the risk management system in 2023, including:

1. The Board of Directors evaluates the adequacy of risk management through regular reviews of current risk management policies and procedures, the adequacy of the risk management system, risk exposure reports and assessment of KB Bank risk profile.
2. The Joint Risk Monitoring Committee with the Board of Commissioners carries out the function of monitoring and evaluating the implementation of the risk management system carried out by the directors.

INTERNAL CONTROL SYSTEM

KB Bank emphasizes that the Internal Control System is a vital element in bank management, being the main foundation for healthy and controlled operations. In this context, the Internal Control System not only aims to achieve bank performance goals, but also to increase value for stakeholders, reduce the risk of loss, and ensure compliance with applicable regulations and laws.

The implementation of KB Bank Internal Control System is based on the COSO (Committee of the Sponsoring Organizations of the Treadway Commission) framework - Internal Control Integrated Framework. This framework provides comprehensive guidelines for developing an internal control system that includes operational and financial aspects, financial reporting, operational effectiveness and efficiency, and compliance with regulations.

By referring to the COSO framework, KB Bank ensures that its internal controls cover the aspects necessary to manage risk effectively, optimize operational performance, and comply with applicable legal and regulatory standards.

CONTROL OBJECTIVES

1. Compliance with Provisions and Legislative Regulations (Compliance Objectives);
2. Intended to ensure that all KB Bank business activities are carried out in accordance with statutory provisions and regulations, both provisions issued by the government, the Financial Services Authority and internal policies, provisions and procedures stipulated by Bukopin;
3. Availability of Complete, Accurate, Appropriate and Timely Financial and Management Information or Information Objectives;
4. Intended to ensure the availability of complete, accurate, effective and timely reports necessary for appropriate and accountable decision making;
5. Effectiveness and Efficiency in KB Bank Business Activities (Operational Objectives);
6. Intended to increase effectiveness and efficiency in the use of assets and other resources in order to protect KB Bank from the risk of loss;
7. Increasing the Effectiveness of Risk Culture in the KB Bank Organization as a Whole (Risk Culture Objective);
8. Intended to identify weaknesses and assess deviations early as well as reassess the reasonableness of existing policies and procedures at Bukopin on an ongoing basis.

CONTROL ENVIRONMENT

The control environment reflects the overall commitment, behavior, concern and steps of the Board of Directors and Board of Commissioners in conducting KB Bank operational control activities. Bukopin's control environment elements include:

1. Adequate organizational structure;
2. KB Bank leadership style and management philosophy;
3. Integrity and ethical values and competence of all employees;
4. KB Bank human resources policies and procedures;
5. Attention and direction from KB Bank management and other committees, such as the Risk Management Committee; And
6. External factors that influence KB Bukopin's operations and the implementation of Risk Management.

CONTROL ASSESSMENT

Risk Assessment at Bank KB Bukopin is a process that involves the Board of Directors in identifying, analyzing and evaluating the risks faced, with the aim of supporting the achievement of predetermined targets. This bank continuously identifies and evaluates risks that have the potential to affect the achievement of stated objectives.

Apart from the Board of Directors, the risk assessment also involves internal auditors to ensure that the scope of the audit carried out covers risk aspects as a whole. This risk assessment process involves identifying the type of risk, establishing risk limits, and implementing appropriate risk control techniques. The risk assessment methodology becomes a reference in creating risk profiles that are regularly documented, ensuring relevant and up-to-date data is available for appropriate decision making.

CONTROL ACTIVITIES

Control activities at KB Bank involve all employees, including the Board of Directors, to ensure effectiveness in controlling the risks that have been identified. Controls that are well planned and implemented will provide confidence to officials and employees that the directions of the Board of Directors and Board of Commissioners have been implemented effectively.

This control includes policies, procedures and practices designed to provide confidence to all Bank staff that instructions and decisions from top management have been implemented properly. Control activities are implemented at all functional levels in accordance with the organizational structure of KB Bank, ensuring that every part of the Bank is involved in comprehensive risk control efforts, which at least include:

1. Management Reviews (Top Level Reviews);
2. Operational Performance Review (Functional Review);
3. Information System Control;
4. Control of Physical Assets;
5. Documentation.

INFORMATION AND COMMUNICATION

The Information System must be able to produce reports regarding business activities, financial conditions, implementation of Risk Management, and fulfillment of provisions that support the implementation of the duties of the Board of Directors and Board of Commissioners. Information includes:

1. Sufficient and comprehensive internal and external information necessary for appropriate and accountable decision making;
2. Reliable information regarding all functional activities of KB Bank;
3. The security of the systems used, both storage systems and use of electronic data, must be guaranteed, monitored by an independent party (internal auditor), and supported by an adequate contingency program;
4. Availability of adequate evidence and documents to support the audit trail process.

MONITORING ACTIVITIES

Continuous monitoring is carried out on the overall effectiveness of the implementation of internal control through three lines of defenses. Monitoring of the Bank's main risks must be prioritized and function as part of the Bank's daily activities including regular evaluation, both by operational work units (risk taking units) and by SKAI.

Submission of internal audit assessments by the Internal Audit Work Unit is submitted directly to the President Director, Board of Commissioners, Audit Committee and Director in charge of the compliance function. Weaknesses in internal control, whether identified by the Operational Work Unit (risk taking unit), SKAI, or other parties, will be immediately reported to authorized officials and/or Directors for attention and corrective action to be taken. Material internal control weaknesses must be reported to the Board of Commissioners.

IMPLEMENTATION OF THE INTERNAL CONTROL SYSTEM AND COMPLIANCE WITH THE COSO-INTERNAL CONTROL FRAMEWORK

The Company has work reference standards that apply to all divisions and functions in the Company as the party responsible for implementing internal control in daily operational activities. The Bank's internal control system currently running is in accordance with the COSO Framework, internal control involves all parties in the Company starting from employees, officials to the Directors and Board of Commissioners.

The internal control objectives to be achieved by the Company in accordance with the COSO Framework include operational objectives relating to the effectiveness and efficiency of operational activities, reporting objectives relating to reliable, timely and transparent financial reporting as determined by regulators as well as compliance objectives relating to compliance with regulations. and applicable legislation. These three objectives are achieved through 5 (five) internal control components, namely:

1. Control Environment which is a set of standards, processes and structures that provide the basis for implementing internal control throughout the organization;
2. Risk Assessment, which is a dynamic and interactive process for identifying and assessing risks to achieving objectives;
3. Control activities carried out at all levels of the entity which include determination;
4. Policies, provisions, procedures and compliance in implementation in all operational activities;
5. Information and Communication, namely a communication mechanism that involves all parties which is carried out continuously in sharing relevant and quality information from both internal and external sources to support internal control;
6. Monitoring, is an evaluation activity carried out on an ongoing basis to provide confidence in the adequacy of internal control.

EVALUATION OF THE IMPLEMENTATION OF THE INTERNAL CONTROL SYSTEM

Evaluation of the internal control system at KB Bank is carried out by control functions in the second and third layers, including the Compliance Work Unit, Risk Management Work Unit, Quality Assurance Division and Internal Audit Work Unit. The purpose of this evaluation is to ensure the level of effectiveness of the Bank's internal control system.

During 2023, KB Bank has taken follow-up steps to increase the effectiveness of the internal control system. This includes updating policies, procedures and systems as part of efforts to minimize risks and make necessary improvements.

The results of the evaluation of the implementation of the internal control system by the Internal Audit Work Unit become material for review by the Board of Commissioners, especially through the role of the Audit Committee. The evaluation results show that KB Bank internal control system is considered adequate based on established standards. This reflects the Bank's commitment to maintaining the level of security and efficiency in its operations.

COMPLIANCE FUNCTION

THE POSITION OF THE COMPLIANCE FUNCTION IN THE ORGANIZATION

The implementation of KB Bank Compliance Function follows the provisions stipulated in POJK No. 46/POJK.03/2017 concerning the Compliance Function of Commercial Banks. This function aims to manage preventive measures to ensure that the Bank's policies, provisions, systems, procedures and business activities comply with applicable regulations and laws.

The main duties of the Compliance Function include ensuring that KB Bank complies with commitments made to the Financial Services Authority and other supervisory authorities. This is done through monitoring and evaluating the Bank's compliance with established rules and regulations.

In addition, the Compliance Function is also responsible for providing guidance and advice to all business units and operational functions of the Bank regarding compliance with applicable regulations. These steps are important to ensure that the Bank operates in accordance with the standards set by regulators and to maintain the company's reputation and integrity in the eyes of the public and regulators.

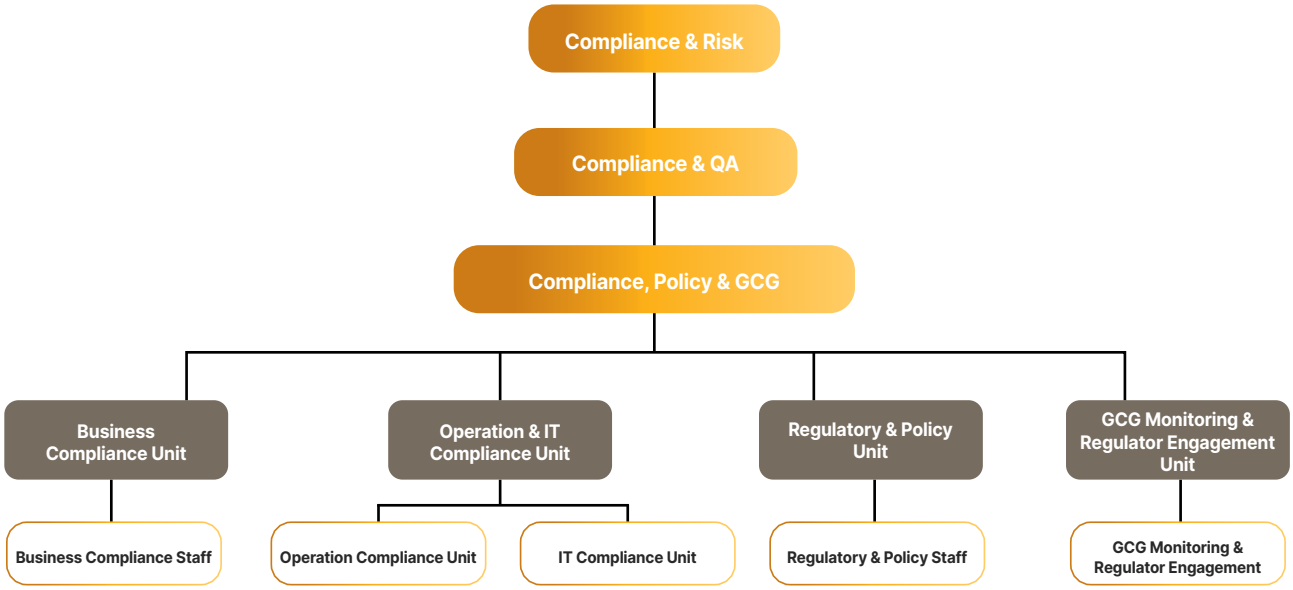
COMPLIANCE OPERATIONAL GUIDELINES

Based on the internal provisions of KB Bank, several operational guidelines have been regulated as a basis for implementing the Compliance Function, including:

1. Circular Letter No. SE/095/DIR/V/2022 Concerning Guidelines for Fulfilling Data and Information Requests in the Context of Supervision and Inspection of PT Bank Kb Bukopin Tbk.
2. Directors' Decree No. 0118 of 2021 concerning Policies for Implementing the Compliance Function of PT Bank KB Bukopin Tbk;
3. Circular Letter No. SE/281/DIR/XI/2021 concerning Guidelines for Implementing the Functions of the Compliance Work Unit in Ensuring the Fulfillment of Audit Result Commitments to the Financial Services Authority, Bank Indonesia, Regulators and/or Competent Authorities;
4. Circular Letter of the Board of Directors No. SE/155/DIR/VIII/2018 concerning Implementation of the Compliance Function of the Compliance Work Unit in Credit.
5. Board of Commissioners Decree No. 001 of 2017 concerning Guidelines for the Board of Commissioners' Supervision of the Implementation of Compliance Functions at PT Bank KB Bukopin Tbk;
6. Circular Letter of the Board of Directors No. SE/054/DIR/V/2017 concerning Compliance Risk Management Guidelines for KB Bank;
7. Circular Letter of the Board of Directors No. SE/009/DIR/IV/2013 concerning Implementation of Compliance Work Unit Functions in the Compliance Checklist;

COMPLIANCE ORGANIZATIONAL STRUCTURE

The Compliance Work Unit is independent and free from influence from other work units. The Compliance Work Unit was formed to assist in performing its duties and is directly responsible to the Compliance Director as the Director in charge of the Compliance Function at KB Bank. The position of the Compliance Work Unit is at the Department level.



DIRECTORS IN CHARGE UNDER OF COMPLIANCE FUNCTION

The Director in charge of the Compliance Function is Mr. Dodi Widjajanto as Compliance Director. A brief profile can be seen in the Directors' Profile section. The appointment of the Director in charge of the Compliance function has gone through a fit and proper test process in accordance with Regulatory provisions.

PROFILE OF THE HEAD OF THE COMPLIANCE WORK UNIT

The appointment and dismissal of the Head of the Compliance Work Unit refers to KB Bank Compliance Policy and is reported to the Regulator, and is carried out by the President Director on the recommendation of the Board of Directors and then reports directly to the Compliance Director.

KIMIN Compliance , Policy & GCG Department Head	**Age**	53 years old
	Nationality	Indonesia
	Domicile	South Jakarta
	Education	Bachelor of Economics from Tujuh Belas Agustus University, Semarang
	Work Experience	• Semarang KC Operations Coordinator (August 2010-July 2013) • Magelang KC Service Coordinator (August 2013-January 2014) • Service & Operations Manager Magelang KC (January 2014-November 2014) • Service & Operations Manager KC Sidoarjo (November 2014-December 2016) • Yogyakarta KC Service & Operations Manager (January 2017-December 2017) • Makassar KC Service & Operations Manager (January 2018-February 2019) • Head of Head Office Compliance, Policy & Governance Department (February 2019-present)
	Dasar Hukum Pengangkatan	Decree No. SKEP/0161-DIR/II/2019 dated February 11, 2019
	Sertifikasi	• BSMR Level IV • Compliance Certification Level II

DUTIES AND RESPONSIBILITIES OF THE HEAD OF THE COMPLIANCE WORK UNIT

Based on POJK No. 46/POJK.03/2017 concerning the Implementation of Compliance Functions for Commercial Banks, it is explained that the Duties and Responsibilities of the Compliance Work Unit are as follows:

1. Take steps to support the creation of a Compliance Culture in all Bank business activities at every level of the organization;
2. Identify, measure, monitor and control Compliance Risk by referring to the provisions of the Financial Services Authority which regulate the implementation of risk management for commercial banks;
3. Assess and evaluate the effectiveness, adequacy and conformity of the Bank's policies, provisions, systems and procedures with the provisions of laws and regulations;
4. Review and/or recommend updating and improving policies, provisions, systems and procedures owned by the Bank so that they comply with the provisions of the Financial Services Authority and statutory regulations;
5. Make efforts to ensure that the Bank's policies, provisions, systems and procedures, as well as business activities are in accordance with the provisions of the Financial Services Authority and statutory regulations;
6. Perform other duties related to the Compliance Function.

COMPLIANCE FUNCTION COMPETENCY DEVELOPMENT

No	Training Title	Date	Organizer	Location
1	INDUCTION, ANTI FRAUD AND AML/CFT E-LEARNING	January 16, 2023	BPRIDE	JAKARTA
2	INDUCTION BATCH I E-LEARNING REMEDIAL	February 1, 2023	BPRIDE	JAKARTA
3	ONLINE LAW PUBLIC SEMINAR	February 27, 2023	JUSTIKA SIAR	JAKARTA
4	INDUCTION BATCH II TRAINING 2023	May 8, 2023	INTERNAL HOUSE (DIKLAT)	JAKARTA
5	MONEY LAUDERING PREVENTION AND ERADICATION WEBINAR	May 17, 2023	FKDKP	JAKARTA

No	Training Title	Date	Organizer	Location
6	SHARING SESSION COMPLIANCE & RISK GROUP	June, 15, 2023	INTERNAL HOUSE (DIKLAT)	JAKARTA
7	BANK INDONESIA'S COACHING CLINIC SOCIALIZATION	June 23, 2023	BANK INDONESIA	JAKARTA
8	AML/CFT TRAINING (ONLINE) SOLO BRANCH	August 30, 2023	INTERNAL HOUSE (DIKLAT)	JAKARTA
9	INDUCTION TRAINING BATCH 3 (INDUCTION, AML/CFT & ANTI FRAUD)	August 28, 2023	INTERNAL HOUSE (DIKLAT)	JAKARTA
10	WEBINAR FOR BANKING COMPLIANCE DIRECTOR COMMUNICATION FORUM	August 28, 2023	FKDKP	JAKARTA
11	WEBINAR FOR BANKING COMPLIANCE DIRECTOR COMMUNICATION FORUM (IDENTIFICATION OF SUSPICIOUS FINANCIAL TRANSACTIONS)	September 20, 2023	FKDKP	JAKARTA
12	WEBINAR FOR BANKING COMPLIANCE DIRECTOR COMMUNICATION FORUM	October 10, 2023	FKDKP	JAKARTA
13	WORKSHOP ON PERSONAL DATA PROTECTION LAW	October 12, 2023	PT.XYNEXIS INTERNATIONAL	JAKARTA
14	AML/CFT TRAINING, MEDAN BRANCH	October 20, 2023	INTERNAL HOUSE (DIKLAT)	JAKARTA
15	AML/CFT E-LEARNING 2023	October 23, 2023	INTERNAL HOUSE (DIKLAT)	JAKARTA
16	AML/CFT, FINANCING OF THE PROLIFERATION OF WMD POJK 8-2023 (OFFLINE)	November 2, 2023	IAIB INDONESIA	JAKARTA
17	AML/CFT, FINANCING OF THE PROLIFERATION OF WMD POJK 8-2023 (ONLINE)	November 2, 2023	IAIB INDONESIA	JAKARTA
18	CERTIFIED COMPLIANCE PROFESIONAL	November 14, 2023	LSP MKS	JAKARTA
19	PERSONAL DATA PROTECTION LAW IMPLEMENTATION WORKSHOP	November 13, 2023	IGNITE	JAKARTA

COMPLIANCE PRINCIPLES

Implementation of the Bank's Compliance Function refers to POJK No. 46/POJK.03/2017 concerning the Compliance Function of Commercial Banks, namely managing ex-ante (preventive) steps to ensure that policies, provisions, systems and procedures, as well as business activities carried out by the Bank are in accordance with the provisions of the Regulator and regulations. applicable laws and regulations, as well as ensuring the Bank's compliance with commitments made by the Bank to the Financial Services Authority and/or other competent supervisory authorities.

COMPLIANCE WORK UNIT WORK PLAN

Improving and realizing a Compliance Culture, the KB Bank Compliance Work Unit continues to carry out the compliance awareness program for all parties and units in the Bank. As with the Compliance Awareness Programs that have been running in the previous year, they include:

1. Carrying out socialization and education programs, including:
   a. Compliance Campaign Outreach Program.
   b. Conduct socialization of regulations issued by the Regulator and Internal Regulations to the Board of Directors, all Branches/Divisions and related Units both in direct meetings and through Bukopin Office Communication (BOC) media.
   c. Participate in Collaboration Training with Human Capital.
2. Providing and developing infrastructure and compliance services, namely by:
   a. Manage the Compliance Work Unit website, namely http://igrc (IGRC: Integrated Governance Risk Compliance).
   b. Updated the appearance of the IGRC which is planned to be completed in Semester I 2024
   c. Continuously evaluate and ensure the availability of the Bank's internal and external provisions (Law, PBI and SEBI, POJK and SEOJK and other regulatory provisions) by updating and updating both internal and external provisions on the IGRC website.
3. Carrying out a consultative function, this is realized by creating a Compliance Call Center & Compliance Email. Apart from that, consultations can also be carried out in the question and answer discussion forum. Create questionnaires to be distributed to relevant departments as material to discuss current problems.
4. Increasing the Competency of Compliance Work Unit (SKK) Members, namely by:
   a. Attend training, seminars or workshops related to implementation of compliance and risk management.
   b. Participate in Compliance and Risk management Certification.
   c. Sharing Knowledge between units in the Compliance Department
5. Manage the Compliance Risks faced through consistent implementation of the internal control system, including by:
   a. Prepare reports to help ensure the implementation of compliance risk management
   b. Submit a memo regarding the readiness of documents requesting approval to the OJK (Compliance Checklist) related to the Fit and Proper Board of Directors and Board of Commissioners.
   c. Submit a memo regarding the readiness of approval request documents to the OJK (Compliance Checklist) related to New Activity Products.
   d. Delivering reminders regarding reporting obligations, reviewing policies, as well as conducting studies and

control over KJPP compliance, Audited Reports, and controlling differences in credit quality as a form of compliance risk management.

e. Update on Compliance Function Implementation Policy.
f. Management of internal policies in the IGRC Portal with uniformity of all applicable policies using two languages (Indonesian and English).
g. Deliver reminders regarding reporting obligations, implementation of product issuance, bank business activities, bank operations, policy reviews and fine warnings.

6. Ensure that policies, provisions, systems and procedures as well as business activities carried out by the Bank are in accordance with the provisions of the Financial Services Authority and applicable laws and regulations, including by providing opinions, preparing studies, conducting reviews, holding meetings, compiling reports , and do reminders.

In order to implement a culture of compliance in decision making during 2023, the Compliance Work Unit has been realized by:

NO	Output	Jan	Feb	March	April	May	June	Total
1	Opinion	37	45	40	25	28	15	190
2	Study	1		1	2			4
3	Review	2		2		2		6
4	FGD& Meeting	7	4	4	6	1	5	27
5	Report	2	1			2	1	6
6	Reminder	46	22	40	2	26	33	169

No	Output	July	Aug	Sep	Oct	Nov	Dec	Total
1	Opinion	41	41	37	49	26	49	243
2	Study			2	3			5
3	Review	2	2	4	4	1		13
4	FGD& Meeting			1			1	2
5	Report	1			4	2		7
6	Reminder	23	24	24	21	20	18	130

The Compliance Division Strategic Plan set for 2023 is:

1. Performing compliance outreach and education programs including the Anti-Money Laundering program.
2. Management and inventory of internal policies, as well as monitoring updates to internal regulations
3. Providing compliance reviews with business/non-business policies, activity guidelines, business activity plans, and cooperation agreements as well as conducting gap analysis of external provisions
4. Monitoring the Financial Services Authority's commitment to inspection and/or supervision.
5. Development of AML Monitoring System

The total percentage of fulfillment of commitments for the results of examinations by the Financial Services Authority and Bank Indonesia which are due by December 31, 2023 for examination positions in 2021, 2022 and 2023 is as follows:

1. OJK Head Office Inspection Position on May 31, 2021 amounted to 100% of 168 Commitments
2. OJK Yogyakarta Branch Office Inspection Position on May 31, 2021 amounted to 100% of 26 Commitments
3. OJK Batam Branch Office Inspection on May 31, 2021 position amounted to 100% of 61 Commitments
4. OJK Mataram Branch Office inspection on May 31, 2021 Position amounted to 100% of 49 Commitments
5. OJK Head Office Examination on January 31, 2022 Position amounted to 100% of 149 Commitments
6. OJK Denpasar Branch Office Inspection on January 31, 2022 Position amounted to 100% of 26 Commitments
7. OJK Manado Brach Office Inspection on the January 31, 2022 Position amounting to 100% of 50 Commitments
8. OJK Banjarmasin Branch Office Inspection on January 31, 2022 Position amounting to 100% of 65 Commitments
9. OJK Medan Branch Office Inspection on January 31, 2022 Position amounting to 100% of 24 Commitments
10. OJK Bogor Branch Office Inspection on January 31, 2022 Position amounting to 100% of 38 Commitments
11. OJK Semarang Branch Office Inspection on January 31, 2022 Position amounting to 100% of 35 Commitments
12. OJK Head Office Inspection on January 31, 2023 position amounting to 100% of 266 Commitments
13. OJK Bandung Branch Office Inspection on January 31, 2023 Position amounting to 100% of 36 Commitments
14. OJK Solo Branch Office Inspection on January 31, 2023 Position amounting to 100% of 31 Commitments
15. BI Audit Scope of Business & Ops on July 31, 2021 Position amounting to 100% of 10 Commitments
16. BI Audit Scope of IT Position 31 July 2021 amounting to 100% of 29 Commitments

Anti Money Laundering, Counter Terrorism Financing, and Counter Proliferation Financing of Weapons of Mass Destruction (AML, CFT and CPF)

Anti Money Laundering, Counter Terrorism Financing, and Counter Proliferation Financing of Weapons of Mass Destruction at KB Bank is based on Financial Services Authority regulations, namely POJK No. 8 of 2023 which regulates this matter in the financial services sector, especially in the banking sector.

KB Bank has an Anti Money Laundering (AML) Department at the head office and a Special Work Unit (UKK) in each branch and/or related work unit. The AML Department is responsible for implementing the AML, CFT and CPF in all KB Bank entities.

The AML Department has an analysis and reporting function whose task is to supervise the Bank's financial transactions and activities to detect potential of money laundering, terrorism financing, and proliferation financing of weapons of mass destruction. UKK in branches and/or related work units acts as the first link in this process, by reporting suspicious findings and activities to the AML Department at Head Office for further analysis.

In 2023, KB Bank has carried out a self-assessment of risk exposure to money laundering, terrorism financing, and proliferation financing of weapons of mass destruction on a Bank Wide basis with the final risk assessment being Medium, these results take into consideration the risk exposure to customers, countries or geographic areas, products and services, transactions or distribution networks (delivery channels) by also considering calculations from the National Risk Assessment (NRA) and Sectoral Risk Assessment (SRA). KB Bank as a Commercial Bank also plays a role as a Financial Services Provider in the Capital Markets Sector because in practice KB Bank also carries out a custodian function, therefore it is deemed necessary to conduct a separate studies and assessment of the risks of money laundering, terrorism financing and proliferation financing of weapons of mass destruction at the Custodian Bank. KB Bank as a Custodian Bank has also carried out a self-assessment of the risks of money laundering, terrorism financing, and proliferation financing of weapons of mass destruction by using an approach method that is not much different from that applied to commercial banks on a Bank Wide basis with the final risk assessment being Low.

KB Bank has attempted to exercise control in maximizing the AML, CFT and CPF programs and is fully committed to setting several targets for improving the quality of AML, CFT and CPF implementation. However, KB Bank sees that the Bank is still vulnerable to being used in money laundering practices, terrorism financing, and proliferation financing of weapons of mass destruction because in line with technological developments and the development of the business world, new modes of money laundering, terrorism financing, and proliferation financing of weapons of mass destruction will continue to grow. Therefore, KB Bank continues to make improvements in mitigating potential risks that may occur in the future, one of which is by increasing the use of information technology / developing transaction monitoring systems, sanction screening and improving internal policies so that they are effective in line with regulatory developments.

The implementation of the AML, CFT and CPF programs at KB Bank is carried out by the AML Department, whose function is to conduct activities and monitor the fulfillment of regulatory obligations regarding Anti Money Laundering, Counter Terrorism Financing, and Counter Proliferation Financing of Weapons of Mass Destruction (AML, CFT and CPF) with the following activities:

1. Report regularly on the implementation of AML, CFT and CPF to the Board of Directors and Board of Commissioners.
2. Review the policies regarding the implementation of the AML, CFT, and CPF programs which are adjusted to the latest regulatory provisions, namely the Republic of Indonesia Financial Services Authority Regulation Number 8 of 2023 concerning the Implementation of Anti Money Laundering, Counter Terrorism Financing, and Counter Proliferation Financing of Weapons of Mass Destruction Programs In the Financial Services Sector.
3. Conduct regular reviews of guidelines related to the Implementation of the AML, CFT and CPF Programs by making adjustments based on policies and procedures.
4. Conduct a Bank risk assessment for Crime of Money Laundering (TPPU), Crime of Financing Terrorism (TPPT), Proliferation of Weapons of Mass Destruction (PPSPM) that refers to the results of the latest national (National Risk Assessment/NRA) and sectoral (Sectoral Risk Assessment/ SRA) risk assessments which assess based on 4 (four) factors, in the form of Customer, country or geographic area, product, service, transaction or distribution network.
5. Grouping customers based on risk profile using the Risk Based Approach (RBA).

6. Identify, assess and mitigate risks related to new products, services and activities to ensure compliance with applicable AML, CFT and CPF.
7. Monitoring customer activities and transactions on an ongoing basis as well as acting as a counterparty to Investigating and Regulatory Parties in preventing criminal acts of money laundering, terrorism financing and funding for the proliferation of weapons of mass destruction, including closing business relationships and rejecting transactions in the context of implementing the AML, CFT and CPF programs
8. Improve the quality and monitoring of reporting obligations related to AML, CFT and CPF including Suspicious Financial Transaction Reports (STR), Cash Financial Transaction Reports (CTR), International Fund Transfer Instruction Reports (IFTI), and Integrated Service User Information System (SIPESAT), including AML, CFT and CPF reporting obligations in accordance with provisions.
9. Screening customer and transaction data (screening) against watchlists issued by the competent authority, including the List of Suspected Terrorists and Terrorist Organizations (DTTOT), List of Proliferation Financing of Weapons of Mass Destruction (DPPSPM), The Office of Foreign Assets Control (OFAC) List, United Nations (UN) List, and European Union (EU) List, and so on when opening an account and carried out periodically.
10. Monitoring the implementation of updating customer data through preparing plans and monitoring the realization of targets.
11. Developing an AML Transaction Monitoring System to sharpen analysis, monitoring and fulfill reporting needs in accordance with the latest provisions and legislation related to AML, CFT and CPF.
12. Increasing awareness regarding AML, CFT and CPF for employees in all branches/areas through regular outreach activities to employees to increase knowledge, insight, and understanding regarding the AML, CFT and CPF programs as well as implementing them in their work units .

Legal Issues/Litigation for Companies and Subsidiaries

Throughout 2023, the number of civil and criminal legal issues that have been resolved (have permanent legal force) and those that are still in the process of being resolved can be presented in the following table:

KB Bank Civil Law Cases Up to December 2023

No	Information	Common Civil	Bankrupt/PKPU Debtor Cases
1	Settled Law Cases up to December 2023	53	12
2	In the settlement process	54	57
	2a. Cases in first level (District Court)	31	-
	2b. Cases in appeal (High Court)	9	-
	2c. Cases in cassation (Supreme Court)	11	-
	2d. Cases in judicial review (Supreme Court)	3	-
	2e. Arbitrase	None	None
Total		**161**	**69**

KB Bank Criminal Law Cases Until December 2023

No	Information	In Process	Settled
1	WHISTLEBLOWER	11	0
2	REPORTED	12	5
3	WITNESS	39	1
Total		**62**	**6**

IMPORTANT CASES

IMPORTANT CASES CURRENTLY FACING THE COMPANY

The following are important cases (civil lawsuit cases) in 2023 which are considered to have the potential to have a material impact on the Bank:

1. **Lawsuit for Unlawful Acts filed by Waryono Karno**
   PT. Kembang Eight Eight Multi Finance ("PT Kembang 88") is an Ex-Debtor of KB Bank Head Office with credit collateral in the form of Proof of Motor Vehicle Ownership (BPKB). Furthermore, in 2015, based on the Deed of Sale and Purchase Agreement between PT Kibiland Agung Kencana and KB Bank, Roland Yahya as commissioner of PT Kibiland Agung Kencana and also the son of the President Director of PT Kembang 88 at that time (Chandra Yahya), handed it over to KB Bank Assets in the form of land covering an area of 88,298 M2 which he obtained based on the Sale and Purchase Agreement dated November 29, 2013 which he signed with Waryono Karno (Plaintiff), as a settlement for the PT Kembang 88 credit. The value of the land assets handed over by Roland Yahya to KB Bank is the value The total outstanding principal obligations of PT Kembang 88 are IDR 400,000,000,000 (four hundred billion rupiah).

   Next, Waryono Karno filed a criminal report against Roland Yahya for fraud committed by Roland Yahya to obtain the land assets. Based on the criminal decision, Roland Yahya was proven guilty of committing fraud in the sale and purchase transactions of land assets and was sentenced to prison. Subsequently, Waryono Karno filed an Unlawful Action Lawsuit against Roland Yahya, and withdrew KB Bank as Defendant IX in Case No. 727/Pdt.G/2021/PN.Tng at the Tangerang District Court.

   Waryono Karno's lawsuit essentially requested the Panel of Judges to declare Waryono Karno as the legal owner of the Land Assets in question based on 136 of the Deed of Sale, demands the cancellation of the Deed of Sale and Purchase Agreement that has been made between Waryono Karno and Roland Yahya and also demands the cancellation. regarding the Sale and Purchase Agreement that has been made between Roland Yahya and KB Bank. The First Instance Court's decision was in favor of Waryono Karno as the Plaintiff, where Waryono Karno was determined to be the legal owner of the Land Asset in question and sentenced KB Bank to hand over 136 Original AJBs to Waryono Karno. If KB Bank cannot submit, then the Head of Serpong District as PPAT is asked to reissue a copy of the deed of sale in question.

   In the event that Waryono Karno failed to obtain all 136 original AJBs, both from KB Bank and copies of the reissue of AJB from the Head of Serpong District as PPAT, then KB Bank together with the other Defendants, were sentenced to jointly and severally pay material losses amounting to IDR 397,329,750,000. ,- (three hundred ninety seven billion three hundred twenty nine million seven hundred and fifty thousand Rupiah).

   Based on the First Ruling, KB Bank has submitted an appeal, which based on the appeal submitted, on September 15, 2022, the Banten High Court has handed down a decision at the Appeal Level which in essence again wins Waryono Karno and upholds the decision of the Tangerang District Court. Based on the Appeal Level Decision, on November 9 2022, KB Bank has submitted a cassation legal action, which on the cassation request, on October 4, 2023, the Supreme Court has handed down a Cassation Level decision which essentially strengthens the First Level Decision and the Appeal Level Decision. To mitigate the large risks for KB Bank as a result of the contents of the Decision, especially the potential for a quite large payment penalty imposed on KB Bank jointly and severally with the other Defendants, KB Bank has made every effort to obtain the original 136 Deed of Sale that were sentenced to be returned to the Plaintiff /Waryono Karno, where these efforts have resulted in the fact that most of the original AJB in question has been successfully found in order to minimize potential losses for KB Bank due to payment penalties as stated in the decision.

2. **Lawsuit for Unlawful Acts filed by PATIBRATA**
   In 1986, PT Patibrata ("Debtor") received a credit facility to finance the Duta Plaza and Villa Hadis Permai projects with a total ceiling of IDR 9,300,000,000 (as of December 29, 1990). On 23 March 1991, the Debtor obtained additional credit facilities amounting to IDR 400,000,000.-.

   The Debtor's credit guarantees include 55 kiosk units located in the Nusamakmur Duta Niaga Building, which were then handed over to KB Bank management based on Deed No. 158 dated December 18, 1990 made before Zamri, SH., Notary in Padang. Debtor's credit was bad, so that the Bank and PT Patibrata had made the following Deeds: (1) Deed of Agreement on Transfer of Rights No. 30 dated July 6, 1994; (2) Deed of Agreement No. 80 dated September 28, 1998 and (3) Deed of Rental Agreement No.

74 dated March 23, 1995, where based on these deeds, the Bank has leased the Duta Plaza credit guarantee kiosk units to PT Matahari Putra Prima ("PT Matahari") where the rental proceeds were partly used to pay PT Patibrata's credit obligations and partly handed over to PT Patibrata;

Before the rental contract period with PT Matahari ended, an earthquake occurred in Padang in 2009 which resulted in damage to the Duta Plaza Building, where the damage to the building was further aggravated due to the demolition of the Salvage Claim appointed by the Insurance Company, PT Patibrata filed a lawsuit, including to sue for insurance claims and underpayment from the Bank to PT Patibrata.

On February 12, 2024, PT Patibrata filed an Unlawful Action Lawsuit against KB Bank and PT Matahari through the South Jakarta District Court, which essentially disputes:

a. Payment of levies charged by KB Bank to PT Patibrata;
b. KB Bank does not collect rent for certain units from PT Matahari;
c. Insurance claims that have been received by PT Matahari which are claimed as the rights of PT Patibrata;

For information, previously PT. Patibrata has filed a lawsuit twice against the BANK but the PN decided that his lawsuit could not be accepted. Currently, the lawsuit in question is still in the early stages of the case examination process at the South Jakarta District Court.

3. **Lawsuit for Unlawful Actions filed by the Citeureup Market Traders Cooperative**

There was a problem related to the debit action on June 19, 1989 amounting to IDR 357,579,666 carried out by KB Bank (formerly Bank Bukopin, hereinafter referred to as "Bank")) from the Koppas Citeureup account to the RKS account (as the Contractor), where the debiting action in question was only disputed 13 years later, namely in 2003, where Koppas Citeureup filed an Unlawful Action Lawsuit against the Bank and other parties.

At the first level at the District Court and the Appeal level at the High Court the Bank won where the Bank was not punished to pay, but at the Cassation level where the Cassation decision canceled the previous decision and finally punished RKS and KB Bank to jointly and severally: (i) return the funds of Koppas Citeureup amounting to IDR 357,579,666; and (il) to pay compensation of IDR 146,313,298.94/month from September 2003 until the Defendants pay off their obligations (the Bank loses). Whereas the Bank subsequently submitted a Legal Action for Judicial Review to I but the legal action in question was rejected.

Subsequently, the Bank filed a lawsuit against Koppas Citeureup, RKS and BS at the South Jakarta District Court where at the first level at the District Court and at the appeal level at the High Court, the Bank won which in essence stated that the debit action carried out by the Bank in 1989 was based on law. Based on this decision at the appeal level, neither party filed a legal remedy (cassation). The basis for the decision in favor of the Bank was used as a basis for the Bank to submit an Application for Judicial Review to Il but unfortunately the PK to Il submitted by KB Bank was submitted beyond the specified time limit, so it was rejected. (Bank Loses). Furthermore, Koppas Citeureup submitted an execution request for the implementation of the decision, so that the potential risk faced by the Bank until December 2022 was calculated at around IDR 41,000,000,000.

Because the Bank still believes that the debits carried out by the Bank are legal and justified and it is strongly suspected that there is bad faith and malicious conspiracy carried out by the Defendants in connection with the objection to the debit action which was only filed 14 years later, on June 30, 2022, the Bank again filed a new lawsuit with basis for Unlawful Actions against Koppas Citeureup with RKS.

Whereas on August 8, 2023, a First Level Decision was handed down by the South Jakarta District Court where KB Bank won), with the decision in essence: (i) Declaring that the Credit Debit Transaction carried out by the Plaintiff was valid and in accordance with the applicable legal provisions: (ii) Sentencing Defendant I, Defendant Il and Defendant III jointly and severally to pay material compensation worth IDR 165,270,772,342.88 (one hundred and sixty five billion two hundred seventy million seven hundred seventy two thousand three hundred and forty two Rupiah point eighty-eight cents);

Based on the First Level Decision, Koppas Citeureup submitted an appeal. Regarding the legal appeal, on January 11, 2024 the appeal decision was handed down, with the decision in essence upholding the decision of the South Jakarta District Court Number 581/Pdt.G/2022/PN Jkt.Sel dated August 8, 2023 which was requested to be appealed (KB Bank won).

That on March 4, 2024, Koppas Citeureup submitted a request for cassation but is currently still waiting for a Memorandum of Cassation from Koppas Citeureup. The Bank will do the best handling of this case at the Cassation Level to maintain the contents of the previous Decision in order to maintain the rights and interests of KB Bank.

4. **Lawsuit for Unlawful Actions filed by PT. Nur Kencana Lestari Inti**

On February 21, 2023, the President Director of PT. Nur Kencana Lestari Inti ("Debtor") filed a Civil Suit at the South Jakarta District Court registered under Number 191/Pdt.G/2023/PN.Jkt Selatan ("Civil Suit") against: PT Bank KB Bukopin Tbk ("KB Bukopin") as Defendant I; PT Tunas Muda Jaya ("TMJ") as Co-Defendant I; Surabaya State Wealth

and Auction Services Office (KPKNL) as Co-Defendant II; Notary Otty Chandra ("Notary") as Co-Defendant III. TMJ is a former Debtor of KB Bank which was then declared Bankrupt on November 4 2019 based on Decree No. 39/Pdt.Sus-PKPU/2019/PN. Surabaya Commerce.

TMJ's credit at KB Bank was repaid from receipts from KPKNL Surabaya from the auction of shares belonging to PT Anugerah Berkah Bersatu and PT Inter Sarana Raya in TMJ, each amounting to 2,950,200 shares (a total of 99% of shares in TMJ) which were purchased by NKLI through auction based on Auction Minutes No. 1636/45/2019 dated November 28, 2019 ("Auction Minutes on November 28, 2019") where for the purchase of the shares in question, NKLI received credit from KB Bank worth Rp. IDR638,385,375,500,- (six hundred thirty eight billion three hundred eighty five million three hundred seventy five thousand five hundred Rupiah) with collateral in the form of:

a. Bills for coal sales amounted to IDR 180,000,000,000 (one hundred and eighty billion Rupiah) based on the Coal Sale and Purchase Contract between PT. NKLI with PT. Belayan International Coal.
b. b. Bills for coal sales amounted to IDR 192,000,000,000 (one hundred and ninety-two billion Rupiah) based on the Coal Sale and Purchase Contract between PT. NKLI with PT. Love Indonesian Industry.
c. c. The coal reserves of PT. Tunas Muda Jaya.
d. d. Ownership Certificate (SHM) No. 01660 on behalf of Virgitha Wulandari (in the process of changing the name to a/n Abdul Hamid Ali) located at Kel. Kramat Pela, District. Kebayoran Baru, South Jakarta.
e. e. PT Anugerah Berkah Bersatu and PT. Inter Sarana Raya shares at PT. Tunas Muda Jaya amounted to 99% purchased by NKLI in question.

On February 21, 2023, NKLI filed a lawsuit against KB Bank through the South Jakarta District Court on the following grounds:

a. NKLI sued because as the Legal Buyer of 5,900,400 shares belonging to NKLI (at a price of IDR 638,385,375,500,-) but in the end it was unable to make changes to the Management Composition of TMJ because there were parties who objected from PT ADITYA CIPTA KONTRAKTOR as the Rights holder Going Concern based on Determination No. 39/Pdt.Sus-PKPU/2019/PN.Niaga Sby dated December 19, 2019
b. KB Bank acted in bad faith because it did not inform TMJ of the PAILIT Decision on November 4 2019 regarding PKPU Case No. 39/Pdt.Sus-PKPU/2019/PN.Niaga.Sby and the Determination of Going Concern whose rights are held by PT ADITYA CIPTA KONTRAKTOR

Currently the lawsuit in question is still in the process of being examined at the First Level at the South Jakarta District Court. KB Bank will make the best efforts to handle this case in order to defend the rights and interests of the bank.

IMPORTANT CASES CURRENTLY FACING SUBSIDIARIES

During 2023 there will be no legal problems faced by the Company's Subsidiaries.

LEGAL ISSUES CURRENTLY FACED BY CURRENT MEMBERS OF THE BANK'S BOARD OF COMMISSIONERS AND DIRECTORS

Throughout 2023, all current members of the Bank's Board of Commissioners and Directors have never been involved or involved in a civil and/or criminal case and/or dispute.

ADMINISTRATIVE SANCTIONS FROM THE RELEVANT AUTHORITIES

During 2023 there will be no material administrative sanctions that affect the continuity of the Bank's business or administrative sanctions for members of the Board of Directors and members of the Board of Commissioners of the Bank given by the regulator.

ACCESS TO CORPORATE INFORMATION AND DATA

KB Bank is consistently committed to implementing GCG values in every aspect of its operations. One implementation of these values is through information disclosure, both internally and externally. The Bank recognizes the importance of managing and disclosing information about the company to build a positive image in the eyes of the public, especially shareholders and other stakeholders.

In an effort to ensure optimal information disclosure, KB Bank routinely provides actual and useful information to stakeholders through various communication channels. This information is conveyed through press releases, print media, social media and electronic media. The Bank always pays attention to the provisions related to the confidentiality of company data that have been established, so that the information submitted remains relevant and on target. To obtain further information, the Bank has various facilities that can be accessed, including:

1. Website: https://www.kbbukopin.co.id;
2. Call Center: 14005; +6221 798 8266, 798 9837 Customer Care: customercare@kbbukopin.co.id;
3. Investors can directly contact the Bank's Investor Relations Service via email: investor.relations@bukopin.co.id

PRESS CONFERENCE

Throughout 2023, KB Bank has issued the following press releases:

January-April 2023:

1. G-Pro Program in January 2022
2. EGMS on March 23, 2022 : CSO Resignation
3. Financial Report Q4 2021 on April 1, 2022 : Loss IDR 2.3 T
4. Financial Report Q1 2022 on April 28, 2022 : Loss IDR 1.3 T
5. Lawsuit Case at Kupang Branch on May 12, 2022
6. AGMS on May 25, 2022 : CEO Resignation
7. Demonstration Issue at Surabaya Branch, June 13, 2022
8. Financial Report Q2 2022 on July 29, 2022 : Loss IDR 3.3 T
9. EGMS on August 24, 2022 : CRO Resignation
10. EGMS on November 30, 2022
11. Financial Report Q3 2022 on December 30, 2022 : Loss IDR 2.6 T
12. 76 Branch Closure Start on May 23, 2022 until December 20, 2022

May – December 2023

1. Financial report Q1 2023 – July 30, 2023
2. KB Bank MoU with Indika Energi Company for the development of Electric Vehicles (EV) – May 11, 2023
3. KB Bank received the highest national rating from Fitch Ratings (May 18, 2023)
4. KB Bank strategies to keep customer transactions safe from cyber attacks (May 24, 2023)
5. Directors of KB Bank cohesively buy BBKP shares (May 29, 2023)
6. The KB Bank loan remains positive amid slowing banking growth (November 2, 2023)
7. KB Bank again gets the highest rating from Indonesian banking (idAAA) from Pefindo after the rights issue (June 16, 2023)
8. Free! KB Bank customers can make transactions at ATMs anytime and anywhere (September 29, 2023)
9. Holding AGMS KB Bank shows performance growth throughout 2022 (June 30, 2023)
10. SME loans increased. KB Bank is optimistic about reaching the target of 30% (July 28, 2023)
11. KB Bank Partnering with Paywatch wil launch Upfront Salary Service for Employees in Indonesia – May 17, 2023
12. Further Strengthening Investment in Indonesia, KB Kookmin Bank Maintains Ownership as Controlling Shareholder in KB Bukopin Bank (BBKP) Through Right Issue – July 2, 2023

DIGITAL NEWSLETTER

Strategic changes in the era of digitalization have influenced how KB Bank carries out internal communications. In 2023, KB Bank shifted internal communication media from a monthly magazine format to an integrated digital platform, known as Bukopin Office Communication (BOC).

Through BOC, KB Bank employees can access the latest information, the latest news, and various other materials relevant to the company and industry. This digital platform provides faster and easier access for employees to connect with the latest information regarding company activities, initiatives, developments, as well as internal opportunities and events.

Additionally, BOC allows for more active interaction and involvement from employees, with comments and feedback features that allow them to participate in discussions, provide input, and share experiences and ideas.

ELECTRONIC MEDIA

By referring to OJK regulation no. 8/POJK.04/2015 concerning issuer or public company websites, the Company Website provides important information such as Information regarding Shareholders, Information regarding the GMS, Company group structure, financial performance analysis, financial reports for the last 5 years, profiles of the Board of Commissioners and Directors as well as the Charter/Charter of the Board of Commissioners, Directors, Committees and Internal Audit Unit.

The Company's official website www.kbbukopin.co.id can be accessed 24 hours a day and the information presented is always updated periodically so that the public and stakeholders always get the latest news from Bank KB Bukopin. Other sites that can be used to search for information about KB Bank are the OJK and Capital Market sites (www.ojk.go.id and www.idx.co.id).

SOCIAL MEDIA

The absolute development of information technology at this time means that companies must align operational performance so as not to be left behind, social media is the most widely and easily accessible means for people from all levels to access, KB Bank also provides information on a number of technological applications, namely:

Facebook	@KB Bank
Twitter	@kbbank_id
Instagram	@kbbukopin
YouTube	KB Bank

PRINT MEDIA

Even though electronic media has now made it easier to find information, print media is still used as a means of conveying information for KB Bank, apart from being a regulatory regulation, it also provides information to people in remote areas who are not yet able to utilize electronic media. Some information and announcements from KB Bank were conveyed through the daily Bisnis Indonesia, Investor Daily, and Kontan and several brochures regarding KB Bank products and services as well as in print media in the form of brochures or leaflets.

Customers can also obtain more detailed information by contacting the Company's contact center at No. Access 14005 24 hours a day or contact the nearest branch offices. Easy access to information is also provided to investors and potential investors, namely by contacting the Company's Investor Relations via e-mail investor.relations@bukopin.co.id.

CODE OF CONDUCT

Code of Conduct of the the Company is not just a formal document, but a reflection of the values that underlie the Company's culture and main principles. As an integral part of various internal policies and regulations, the Code of Conduct is a guideline that regulates daily behavior and decision making for all individuals involved in the Company's operations.

Not only is it a guide for action, the Company's Code of Conduct also creates a framework that provides direction in performing duties and interactions, ensuring that every step taken is in line with the company's values and high ethical principles. Thus, the Code of Conduct becomes the foundation for a positive work culture, where every individual in the Company is expected to act in accordance with high ethical standards, regardless of position or position in the organization.

Commitment to the Company's Code of Conduct is upheld by all levels, from the Board of Commissioners to employees at the operational level. This confirms that integrity, honesty and social responsibility are principles that are emphasized in every aspect of the Company's business and operational activities.

CODE OF CONDUCT GUIDELINES

The Code of Conduct guidelines have been prepared to serve as guidelines for implementation for all levels of the Company, including the Board of Commissioners, Supporting Organs of the Board of Commissioners, Directors, Management and all employees, which are binding regardless of function, rank or position. This guideline is always reviewed periodically in accordance with developments and company needs.

The KB Bank Code of Conductconsists of 7 (seven) sections, namely:

Section I	Obedience
Section II	Protecting Company Assets
Section III	Conflict of Interest
Section IV	Leaders as Role Models
Section V	Relationships with Customers, Partners and Competitors
Section VI	Relations with the Company and Fellow Employees
Section VII	Relations with Shareholders and the Community

PRINCIPAL/CORE OF KB BANK CODE OF CONDUCT

Principal/core of KB Bank Code of Conduct:

1. To comply with and comply with applicable laws and regulations;
2. To make correct records regarding all transactions related to the Company's activities;
3. To avoid unhealthy competition;
4. Not to abuse authority for personal, family or group interests;
5. Not to be involved in decision making that contains a conflict of interest;
6. To maintain customer and Company confidentiality;
7. To take into account the detrimental impact of each policy determined by the Company on the economic, social and environmental situation;
8. Not to accept gifts or rewards, either directly or indirectly, related to the duties and authority carried out;
9. Not to commit disgraceful acts that could harm the image of the profession and the image of the Company;
10. Not to be involved in practical political activities that can directly or indirectly harm the Company;
11. No bad credit.

DISCLOSURE OF COMPLIANCE THAT THE CODE OF CONDUCTS APPLIES TO ALL LEVELS OF THE ORGANIZATION

All members of the Board of Commissioners, members of the Board of Directors, Committee members, permanent workers and contract workers in accordance with applicable provisions are required to comply with and implement the Bank's Code of Conduct which is marked by the affixing of signatures by all KB Bank Personnel on a Statement of Compliance with the KB Bank Personnel Code of Conduct Bukopin is a concrete manifestation of commitment in implementing the KB Bank Code of Conduct.

SOCIALIZATION AND DISSEMINATION OF THE CODE OF CONDUCT

To disseminate KB Bank Code of Conduct, the Board of Directors and Board of Commissioners ensure that the dissemination of the Code of Conduct to all Company employees has been carried out in several ways, including:

1. Company website;
2. Internal Memorandum;
3. Internal Media;
4. Ask unit leaders to always remind their personnel to conduct their activities by respecting the Code of Conduct.

EFFORTS TO IMPLEMENT AND ENFORCE THE CODE OF CONDUCT

The implementation of the Code of Conduct at all levels of the Company emphasizes that every individual has an important role in creating a work environment with integrity and responsibility. Awareness of the importance of the Code of Conduct lies not only in collective understanding, but also in the personal responsibility of each employee in ensuring that every action taken is in line with the values and principles stated in the Code of Conduct.

The successful implementation of the Code of Conduct is not only the responsibility of the management team, but also the collective responsibility of all levels of the Company, from the personal level to the work unit level. By internalizing the values of the Code of Conduct, every employee of KB Bank is expected to be able to use ethical principles as a guide in every operational activity, so that as a whole the Company can achieve the vision, mission and goals that have been set.

One form of individual responsibility is in reporting violations of the Code of Conduct. The Company emphasizes the importance of openness and the obligation to report any actions suspected of violating the Code of Conduct, whether committed by colleagues or other employees. By providing support and protection for whistleblowers, the Company creates a safe environment for each individual to provide reports regarding irregularities that they know about. The importance of implementing the Code of Condcut is also reflected in the Company's consistency and firmness in providing sanctions for violations of the Code of Conduct.

NUMBER OF VIOLATIONS IN 2023

Non-compliance with the provisions in the Company Code of Conduct Guidelines is categorized as a violation which will be subject to sanctions in accordance with the regulations as a corrective action taken by the Company. The following is a table that explains the types of violations and sanctions given by the Company:

Type of Sanction Letter Number of Sanctions	Number of Sanctions
1st Warning Letter	12
2nd Warning Letter	26
3rd Warning Letter	29
Reprimand Letter	10
Total	**77**

ANTI-CORRUPTION POLICY AND ITS OUTREACH

Corruption is detrimental to the state and the private sector by slowing economic growth, reducing investment, increasing poverty and increasing income inequality. Bribery and corruption generally arise from weaknesses in individual integrity. KB Bank is committed to running business honestly, ethically and free from bribery and corruption practices. This is important to build trust from all parties involved in KB Bank activities.

KB Bank realizes the importance of controlling bribery and corruption. Therefore, the Company formulated an Anti-Bribery and Corruption Policy in accordance with Decree No. 0165 of 2021. This policy is the basis for all KB Bank employees to avoid and fight all forms of bribery and corruption practices. With this step, KB Bank strengthens its commitment to integrity and transparency in running its business. For this policy, socialization has been carried out through internal media such as Bukopin Office Communication (BOC) and postmaster email.

GRATIFICATION CONTROL

KB Bank confirms its commitment to the principle of Zero Tolerance towards all forms of bribery, corruption and gratification. In line with this, the Bank strives to act professionally, fairly and with integrity in every aspect of its business activities and relationships. Awareness of the importance of control related to gratuities encouraged the Bank to formulate an Anti-Bribery and Corruption Policy in accordance with Decree No. 0165 of 2021.

This policy was not only prepared, but also widely socialized through various internal Bank communication media. In addition, regular training is held to ensure every employee's understanding and awareness of the importance of complying with the policy. These steps were taken to maintain the integrity and trust in KB Bank and ensure that all parties involved understand and adhere to high standards in its business practices.

In the event that gratification is considered a gift related to position and contrary to their obligations or duties, all members of the Board of Commissioners, Board of Directors and all employees of KB Bank are obliged to reject the gratification. Bank KB Bukopin supervises the implementation of the Anti-Bribery and Corruption Policy, and any violations of this policy, Code of Conduct and Employee Disciplinary Guidelines.

To support the Anti-Bribery and Corruption Policy in accordance with Decree No. 0165 of 2021, KB Bank already has an anti-fraud policy and other policies related to gratification control, including Decree No. 0382 of 2020 Regarding the Code of Ethics of PT Bank KB Bukopin Tbk.; Decree No.0205 of 2023 concerning the Whitleblowing System (WBS) Policy dated November 9, 2023 and Decree No.0160 of 2023 concerning the Anti-Fraud Strategy Policy of PT Bank KB Bukopin Tbk. Dated September 29, 2023.

TRANSPARENCY OF THE COMPANY'S FINANCIAL AND NON-FINANCIAL CONDITIONS

KB Bank has fulfilled its obligations of transparency and publication of financial and non-financial conditions in accordance with applicable regulations, through the delivery and publication of information both through print media and the Bank's website as follows:

1. Monthly Financial Reports to regulators, which are also published via the OJK and Bank websites;
2. Quarterly Financial Reports to regulators, which are also published through print media and the Bank's website;
3. KB Bank Annual Report prepared and presented in accordance with regulations and submitted to regulators, rating agencies, banking development institutions, research institutions/institutions and financial magazines and published via the Bank's website;
4. Corporate Governance Information, which includes the Annual Corporate Governance Report, Vision, Mission, Company Values, Composition and Profile of the Board of Commissioners and Directors, as well as internal provisions related to governance starting from the Articles of Association to the Committee Charters which are also published via the Bank's website;
5. Information on Company Products and Services, including office networks, is published through the Bank's Annual Report and website, so that customers, investors and the wider public can easily access information on the Bank's products and services;
6. Information on Procedures for Submitting Complaints, Information Security Policies and Tips for Customers in using banking services published on the Bank's website for the implementation of consumer protection provisions;
7. Other information aimed at supporting information disclosure, financial education and services to the community.

BUYBACK (BUYBACK) OF KB Bank SHARES AND BONDS

During 2023, there will be no share buybacks or bond buybacks.

PROVIDING FUNDS FOR SOCIAL AND POLITICAL ACTIVITIES

KB Bank internal policy strictly prohibits the involvement of the Bank, including its employees, in political activities, including providing funds for political purposes. This is done to maintain the independence and professionalism of the Bank and its employees, so that the Bank can remain focused on its business activities without any political influence that could affect its performance and integrity.

On the other hand, KB Bank believes that social activities have a significant positive impact on society at large in the long term. Therefore, the Bank is actively involved in various social activities as a form of corporate social responsibility. The implementation of these social activities is regulated and reported in detail in a special section relating to Corporate Social Responsibility in this Annual Report.

PROVISION OF FUNDS TO RELATED PARTIES

POLICY

In providing funds to related parties, the Bank refers to Bank Indonesia regulation no. 8/13/PBI/2006 concerning Amendments to Bank Indonesia Regulation No. 7 March PBI/2005 concerning the Maximum Limit for Providing Commercial Bank Credit (BMPK). Provision of funds to Related Parties must be approved by the Board of Commissioners and the procedures for the approval process and implementation are regulated in Directors Circular Letter No. SE/023/DIR/VI/2014 concerning Addendum 1 LLL Policies and Procedures.

Throughout 2023, provisions for related parties and large exposure funds can be conveyed as follows:

Provision of Fund for Related Party	2023 (Rp billion)	2022 (Rp billion)	Nature of Relationship
Credit provided and sharia-gross financing/ receivables	626	760	Controlled/under the significant influence of one of the Major Shareholders
Directors, Board of Commissioners, Sharia Supervisory Board and Executive Officers	21	28	Management and key employees
Other	0	50	Controlled/under the significant influence of one of the Major Shareholders, and/or Management and key Employees

CUSTOMER PROTECTION, ANTI FRAUD AND WHISTLEBLOWING SYSTEM

CUSTOMER PROTECTION POLICY

KB Bank improves services to customers by implementing an integrated, online and reliable customer complaint handling policy. Every complaint is resolved quickly to protect customers' rights. If a settlement cannot be reached, customers can choose out-of-court settlement through LAPSPI, in accordance with OJK regulation No.1/POJK.07/2014.

PROTECTION OF CREDITOR RIGHTS

KB Bank implements an honest and transparent information disclosure policy to protect creditors' rights. Every creditor is treated fairly without discrimination. With information disclosure, creditors and business partners have the right to obtain relevant information according to their needs. Creditors' rights are regulated in the agreed agreement, and the Bank is obliged to fulfill its obligations on time, and strive to prevent negligence or omissions that could be detrimental to both parties.

CONFLICT MANAGEMENT POLICY (INCLUDING INSIDER TRADING)

KB Bank does not yet have a policy to prevent insider trading. However, in preparing publication documents so far, information has been strictly localized in the relevant departments.

IMPLEMENTATION OF ANTI FRAUD STRATEGY

KB Bank implements the Anti-Fraud Strategy Implementation Guidelines as a commitment to controlling fraud through an effective and sustainable control system. This strategy requires adequate resource allocation for effective implementation. The main objective is to prevent risk deviations, especially the risk of fraud which can harm customers and the Bank, as well as increasing the effectiveness of Good Corporate Governance.

The guidelines aim not only at prevention, but also detection, investigation and system improvement as an integral part of fraud control. This policy is regulated in Decree No. 0298 of 2020. The hope is that the implementation of the Anti-Fraud Strategy Implementation Guidelines will improve the Bank's internal control, which in turn will improve the business and operational performance of KB Bank and provide added value for all stakeholders.

PREVENTION

Implementing prevention functions can reduce the potential for fraud. The devices used in implementing prevention are as follows:

Anti fraud Awareness

Anti Fraud Awareness is KB Bank policy or effort to raise awareness regarding the importance of preventing fraud by all related parties. To raise Anti-Fraud Awareness, KB Bank does the following

1. Preparation and Outreach on Anti-Fraud Statements;
   One of KB Bank's educational efforts aimed at all employees is to provide direction in internalizing an anti-fraud culture and to be able to increase vigilance and increase awareness of the potential risk of fraud in every Bank activity as well as KB Bank's policy and commitment to not tolerate acts of fraud (zero tolerance).
2. Employee Awareness Program;
   This program is implemented in the form of socialization and publication/sustainable internal fraud prevention campaign through media in the Bank, for example:
   a. Carrying out training activities, both offline (face to face), online and via E-Learning related to Anti Fraud Awareness material which is held in collaboration with Human Capital and/or with related work units.
   b. Introduction to company culture and code of ethics through E-Learning Induction.
   c. Anti-Fraud Awareness Campaign through company communication media (e-mail, posters, brochures or electronic media) containing anti-fraud messages.
   d. Publication of fraud incidents along with sanctions given to fraud perpetrators.
3. Customer Awareness.
   This program aims to increase awareness and awareness of customers, depositors, as well as vendors and other stakeholders, regarding the possibility of fraud and to support the Bank's efforts to uphold an anti-fraud culture. This program is organized in the form of making and distributing anti-fraud posters/brochures, written explanations, electronic media, and the use of other means.

Fraud Prevention Commitment

1. Every employee, Director, Commissioner and member of the committee formed by the Board of Commissioners is required to understand and comply with the Code of Ethics and Company Culture as well as all regulations relevant to the work in question.
2. Every employee is required to understand and comply with Company Regulations/Collaborative Employment Agreements.
3. 3. Every employee, Director, Commissioner and committee member formed by the Board of Commissioners is obliged to carry out their duties and responsibilities in accordance with the work guidelines that have been determined.
4. Creating a conducive work environment based on morality, integrity and loyalty to the company.
5. Provide facilities/media to convey suggestions for improvements related to fraud prevention.
6. Establish active communication between management and internal audit, compliance, risk management and related internal control functions in Fraud prevention efforts.

Control Activities

Fraud control mechanisms implemented at all functional levels in accordance with Bukopin's organizational structure include at least:

1. Review of the Board of Directors and Board of Commissioners;
   The Board of Directors and Board of Commissioners periodically review the realization of work plans and budgets to detect problems such as weaknesses in control, misrepresentation of financial reports, etc.
2. perational Review;
   a. Reviews are carried out by the internal audit function periodically.
   b. The operational review mechanism is regulated in separate guidelines.
3. 3. Information System Control;
   a. General control includes control over data center operations, software procurement and maintenance systems, access security, as well as development and maintenance of existing application systems. This general control is applied to mainframes, servers and user workstations, as well as internal-external networks.
   b. Application control is applied to the programs used by KB Bank in processing transactions that are correct, accurate and have been properly authorized. In addition, application control must be able to ensure the availability of an audit trail so that the audit process can run effectively and to check the correctness of the audit process in question.
4. Asset Control (Physical);
   a. Asset control is implemented to ensure the implementation of physical security for KB Bank's assets.
   b. This activity includes securing assets, records, and limited access to computer programs and data files, as well as comparing the value of KB Bank's assets and liabilities with the value stated in the control records, especially checking asset values periodically.
5. Documentation.
   a. All provisions, policies and procedures are adequately documented.
   b. Documents are reviewed and updated periodically to describe KB Bank's actual operational activities and are informed to employees, directors and commissioners as well as members of committees formed by the Board of Commissioners.

Separation of Functions to Avoid Conflicts of Interest

The application of the principle of separation of functions (four eyes principle) aims to ensure that every person in position does not have the opportunity to commit and hide mistakes or irregularities in the implementation of their duties at all levels of the organization and in all operational activity steps.
Avoid giving authority and responsibility which could give rise to various conflicts of interest. The steps for separating functions include:

1. Determine certain functions or tasks that must be separated or allocated to several people and/or separate the functions of administering and storing goods in order to reduce the risk of manipulation of financial/wealth data or misuse of KB Bank assets.
2. Separation of functions is not limited to front office and back office activities, but also in the context of controlling:
   a. Approval of the purchase and/or sale of goods or services.
   b. Approval of disbursement of funds and realization of expenditure.
   c. Customer accounts and Bank owner accounts.
   d. Transactions in Bank bookkeeping.
   e. Providing information to Bank customers.
   f. Assessment of the adequacy of credit documentation and monitoring of debtors after credit disbursement.
   g. Other business activities that may give rise to significant conflicts of interest.

Accounting, Information and Communication Systems

1. Adequate accounting, information and communication systems aim to minimize the occurrence of fraud.
2. The accounting system includes methods and records in order to identify, group, analyze, classify, record/book, and report Bank transactions.
3. The Bank Information System produces reports regarding business activities, financial conditions, implementation of risk management and compliance with regulations that support the implementation of the duties of the Board of Commissioners and Directors.

4. These matters are of concern in implementing Fraud control related to the implementation of information systems and technology:
    a. Availability of accurate and up-to-date records of every KB Bank transaction and assets.
    b. Availability of adequate evidence and documents to support the audit trail process.
    c. Implementation of control over computer systems and their security (general control) as well as control over software applications and other manual procedures (application controls).
    d. Relevance of accuracy, timeliness, availability of access for interested parties and consistency of presentation format.
    e. Transaction recording retention procedures and schedules.
5. The availability of effective communication channels between supervisors and subordinates and vice versa, as well as across work units, aims to ensure that all officials/ employees understand and comply with applicable policies and procedures, including policies for preventing fraud.

Know Your Employee (KYE)

1. All elements of the KB Bank organization apply the "Know Your Employee" principle, namely that each supervisor must fully recognize each of his subordinates.
2. Employee recruitment is carried out using effective recruitment systems and procedures (pre-recruitment screening), which can provide a complete and accurate picture of prospective employees' track records.
3. Carry out post-recruitment controls including rotation systems, transfers, mandatory leave, promotions by considering employee track records.
4. The pre-employment screening method is adapted to the needs and complexity of KB Bank's business activities by using a selection system equipped with appropriate qualifications taking into account risks, and determined objectively and transparently. This system must cover the implementation of promotions and transfers, including placement in positions with special skills.
5. Supervision must recognize employees, including character, integrity, relationships, behavior, lifestyle, problems being faced and placement in positions that suit their desires and abilities.
6. Supervision periodically carries out coaching and counseling for subordinates with the aim of identifying and solving problems that occur so that in the end they can create a healthy and conducive work environment and high work motivation.
7. Documentation and updating of employee data, including creating a database containing a negative list of employees related to fraud cases.
8. Know Your Employee provisions and mechanisms are regulated in separate provisions

Identify Vulnerabilities

Vulnerability identification aims to identify, analyze and assess the risk of fraud inherent in every activity that has the potential to harm KB Bank in the following way:

1. Identification of vulnerabilities through Operational Risk and Fraud studies includes the process of identifying, analyzing and assessing potential risks in each Bank activity/product as well as providing recommendations on how to mitigate them.
2. 2. Identification is carried out through a study of program and service product documents or other formal media of the same level. In the event that the information is not sufficient to provide a study, the Anti-Fraud & Special Investigation Department may request other supporting documents or explanations through discussions/meetings.

Provisions regarding Vulnerability Identification are regulated in separate provisions.

Detection

The Detection Pillar contains steps to identify and discover fraud in the Bank's business activities which include:

1. Whistleblowing System (WBS)
    a. As a means for all stakeholders to report violations of the code of ethics, employee discipline guidelines, and conflicts of interest committed by both employees and Directors of KB Bank.
    b. The Whistleblowing System (WBS) channel consists of; Email, Whatsapp, SMS, Letter, Face to Face & Website E-Form.
    c. The bank provides a guarantee for the confidentiality of the reporter's identity and the contents of the report submitted.
    d. The policies and mechanisms for implementing the Whistleblowing System (WBS) are regulated in separate provisions.
2. Surprise Audits
    a. Surprise audit is an audit activity carried out suddenly on certain business units that are at high risk or prone to fraud.
    b. Surprise audits can be carried out by the Internal Audit Work Unit (SKAI).
3. Surveillance System
    a. The Surveillance System aims to monitor and test the effectiveness of anti-fraud policies.
    b. Implementation of the Surveillance System can be carried out by independent parties and/or internal parties at KB Bank without the party being tested or inspected knowing or realizing it.
    c. Carried out in situations and conditions where the objectives of testing and inspection can only be achieved if the examiner/examiner knows directly/gets a true and real picture/information regarding the subject and/or object of the audit.
    d. The 3 (three) main components/tools for testing in Surveillance System activities are:
        i) Internal Control System;
        ii) Risk Management;
        iii) Compliance.
4. Fraud Detection System
    The system used by the Bank to monitor transactions, accounts and networks in the Bank's payment system. Monitoring is carried out in order to detect transaction anomalies, the channels monitored are as follows:
    a. E-Channel,
    b. Credit card,
    c. Debit Card.

INVESTIGATION, REPORTING AND SANCTIONS INVESTIGATION

The Investigation, Reporting and Sanctions pillar contains steps for investigations, reporting systems and the imposition of sanctions on Fraud incidents which include:

Investigation

Investigations are carried out to collect evidence related to incidents that should be suspected of being an act of fraud. The standard fraud investigation policy aims to reveal the amount of loss, place of occurrence, perpetrator, mode and cause of fraud in the context of implementing an Anti-Fraud Strategy.

Reporting Investigation Results

The results of the investigation will be reported to the President Director and copied to the Director of Compliance, Anti Fraud & Special Investigation Department, President Commissioner, Chair of the Audit Committee and Related Directors.

Reporting to Authorities

1. Report on Changes in Anti-Fraud Strategy
2. In the event that there are changes to the anti-fraud strategy that have been submitted to the Financial Services Authority (OJK), the Bank is obliged to submit changes to the anti-fraud strategy no later than 7 (seven) working days after the changes are made.
3. The Bank reports the implementation of the Anti-Fraud Strategy every semester for the end of June and the end of December, in accordance with the format determined by the Financial Services Authority (OJK).
4. The Bank submits a Fraud Report that has a significant impact to the Financial Services Authority (OJK) no later than 3 (three) working days after the Bank becomes aware of the occurrence of Fraud which is decided by the Employee Disciplinary Committee.
5. What is meant by Fraud that has a significant impact is as follows:
   a. Has an actual loss impact of ≥ Rp. 1 billion.
   b. Become public attention in the mass media on a national scale.
   c. There are ≥ 5 (five) similar incidents with a total of ≥ Rp. 1 billion.
6. Reporting The results of the investigation will be reported to the President Director and copied to the Board of Commissioners, Compliance Director, relevant Directors, and SKAI and/or the Anti-Fraud & Special Investigation Department.

Sanctions

KB Bank has a policy of imposing sanctions on perpetrators who are proven to have committed fraud, which aims to provide a deterrent effect and reduce the losses incurred. The decision to impose sanctions on fraud perpetrators will be decided through the Employee Disciplinary Committee. Provisions relating to the imposition of sanctions are regulated in detail in the provisions of the Employee Disciplinary Regulations.

MONITORING, EVALUATION AND FOLLOW-UP

The Monitoring, Evaluation and Follow-up Pillar contains steps for monitoring and evaluating and following up on fraud, which includes:

Monitoring

Monitoring of follow-up actions carried out on fraud incidents is carried out by the Anti-Fraud & Special Investigation Department based on the results of recommendations for assessments/ examinations that have been carried out by the Examination Team.

Evaluation

KB Bank maintains fraud incident data (fraud profiling) to support the implementation of evaluations which include data and information regarding the type of fraud, date of fraud, work unit where the fraud occurred, parties involved, position, losses in rupiah, actions of KB Bank, weaknesses/ causes of fraud, follow-up/repair, and chronology of fraud incidents.

Based on fraud incident data and the results of the evaluation, weaknesses and causes of fraud can be identified and necessary handling and improvement steps can be determined, including strengthening the internal control system.

Evaluation is also carried out on the activities of the prevention pillar, detection pillar, investigation pillar, reporting and sanctions. Evaluation of these three pillars is carried out through a fraud overview every 6 months to assess the effectiveness of its implementation. The results of the fraud overview will be submitted to the President Director to improve the implementation of the anti-fraud strategy.

Follow-up

To improve weaknesses and strengthen the internal control system so that it can prevent the recurrence of fraud due to similar weaknesses, KB Bank has a follow-up mechanism based on the results of evaluations of fraud incidents.

INTERNAL FRAUD

Internal Fraud Violation Data Exceeds IDR 100 Million

Deviations/fraud committed by management, permanent employees and non-permanent employees (honorary and outsourced) related to the company's work processes and operational activities which have an impact on financial losses or which do not result in direct financial losses, are reflected in the following table:

Internal Fraud in Period	Number of Cases Committed by					
	Management		Permanent Employee		Non-Permanent Employee	
	2023	2022	2023	2022	2023	2022
Number of Fraud	0	0	9	8	0	0
Resolved	0	0	8	8	0	0
In Process of Resolution by the Bank's Internal	0	0	0	0	0	0
No Resolution has been made	0	0	0	0	0	0
Has been followed up through the legal process	0	0	1	0	0	0

VIOLATION REPORTING SYSTEM (WHISTLEBLOWING SYSTEM)

In facing increasing business complexity, PT Bank KB Bukopin Tbk recognizes the importance of optimizing the participation of management and employees in disclosing violations. As part of the Anti Fraud strategy and implementation of Good Corporate Governance (GCG), KB Bank developed a Whistleblowing System (WBS) to increase the effectiveness of corporate governance.

WBS allows reporting of violations through independent and confidential media, with guaranteed protection to the Whistleblower (Whistleblower). The Whistleblowing System (WBS) Guidelines were prepared to regulate the management system for reporting violations, applicable to all employees, Directors, Commissioners and members of committees formed by the Board of Commissioners, in accordance with the principles of Good Corporate Governance (GCG).

The implementation of WBS strengthens KB Bank commitment to creating a clean work environment with integrity. The policy regarding WBS is regulated in Decree No. 1291 of 2018 concerning Guidelines for the Whistleblowing System of KB Bank.

Whistleblowing System Management

Mechanism

1. The mechanism for channeling complaints by the Whistleblower is basically carried out through formal channels, namely through direct superiors, directorates and related functions (HR or Internal Audit) but if the Whistleblower views the complaint tool as ineffective or has doubts/fears, then the Whistleblower can channel the complaint through the WBS ;
2. The Anti Fraud Section receives complaint reports relating to irregularities committed by Employees, Directors, Commissioners and members of committees formed by the Board of Commissioners;
3. The KB Bank Whistleblowing System complaint reporting process will be carried out in the following manner:
   a. If the complaint report relates to irregularities committed by the Board of Directors, Board of Commissioners and committee members, the complaint report will be submitted to the President Director;
   b. If the complaint report relates to irregularities committed by the President Director, the complaint report will be submitted to the President Commissioner.
4. To speed up and simplify the complaint follow-up process, the Whistleblower can report indications of fraud that he knows about through the available disclosure/complaint channels. Provide information regarding the identity of the Whistleblower to facilitate communication with the Whistleblower which at least includes information including:
5. Provide information regarding the identity of the Whistleblower to facilitate communication with the Whistleblower which at least includes information including:
   a. The name of the Whistleblower or anonymous information;
   b. Telephone number and email address where you can be contacted.
6. Submission of a report on alleged violations committed by the Whistleblower must provide clear information, evidence or allegations regarding the occurrence of the reported violation and must fulfill the elements of 4W1H, including:
   a. What: What alleged violations are known;
   b. Where: Where the violation occurred/was committed;
   c. When: When was the violation committed;
   d. Who: Anyone involved in the law violation;
   e. How: How the violation was committed.
7. The report submitted must relate to Fraud, Violations of the law, Violations of the Collective Work Agreement, Violations of the Code of Conduct, Violations of Internal Policies/other KB Bank, Violations of conflicts of interest, and other things that can be the same.
8. The Anti-Fraud Section as the WBS manager periodically/at least once every 6 months makes a report on the follow-up to the implementation of the WBS, which includes, among other things:
   a. Number of complaints;
   b. Complaint category;
   c. Channels used by the Whistleblower;
   d. Handling complaints that are followed up and those that cannot be followed up.
9. The Commissioner and Board of Directors have the authority to check all incoming WBS reports

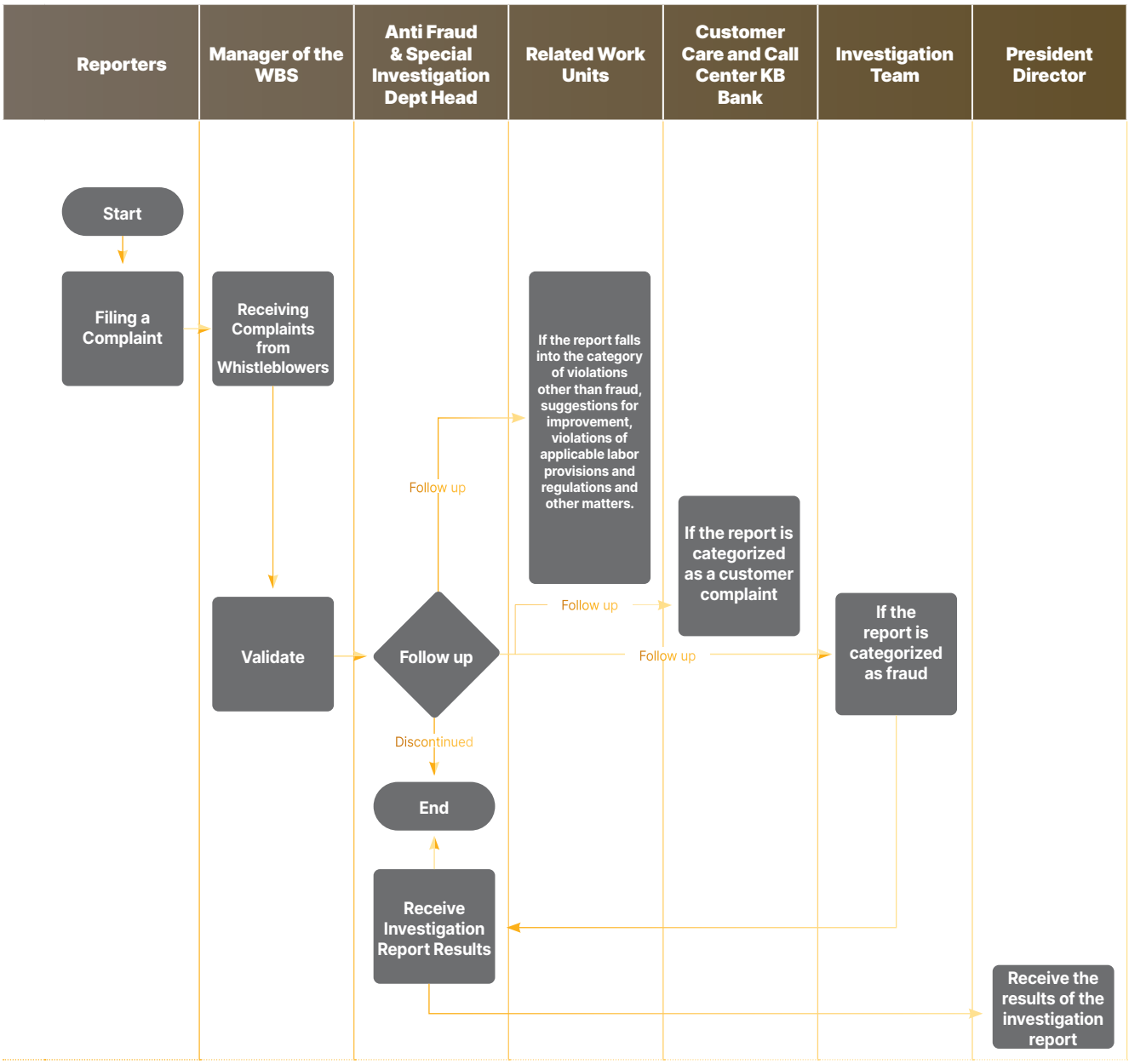
The handling of complaints

1. The Whistleblower makes a complaint and sends it to KB Bank via the following means/media:

Email	pedulibukopin@kbbank.co.id
Fax	021-7973763
Whatsapp	08119714005
SMS	08119714005
Mail	Addressed to the Anti Fraud Section Manager, KB Bank Building Jl. MT. Haryono Kav. 50-51 Jakarta 12770

2. WBS Manager receives complaints, records and documents all the information. The documents that must be created are as follows:
   a. Whistleblowing System (WBS) complaint report;
   b. Notes/recap of complaints submitted according to the complaint scope category.
3. The WBS Manager immediately reports the complaint to the Anti Fraud & Special Investigation Department Head, followed by an analysis of the complaint based on evidence and supporting documents and provides recommendations on whether the complaint needs to be followed up or not.
4. Complaints submitted via WBS media must be submitted to the Anti-Fraud & Special Investigation Department Head and it will be decided whether or not they will be examined (investigated) / forwarded to the relevant work unit within 10 (ten) working days.
5. Anti Fraud & Special Investigation Department Head decides to process the complaint report based on consideration of information received via WBS media. The recommendations given are as follows:
   a. Discontinued, due to incomplete information and supporting documents;
   b. Followed up in accordance with the recommendations of the Anti Fraud & Special Investigation Department Head by informing:
      i) Related Work Unit (If the WBS report is included in the category of violations other than fraud, proposals for improvement, violations of applicable labor rules and regulations, and other matters outside those mentioned above that can be equated with that).
      ii) Incoming complaints regarding customer information and complaints regarding products and services (including office and ATM networks) are directed to submit complaints to Customer Care Email and KB Bank Call Center.
      iii) Investigation Team to carry out investigations (if the WBS report is included in the fraud category).
6. The results of the investigation are expressed in the form of an investigation report and submitted to the President Director and copied to the Relevant Director and the Board of Commissioners.
7. The results of the inspection and all WBS documents are documented by the Anti Fraud & Special Investigation Department and are categorized as confidential documents.
8. Management of WBS facilities/media applies the dual control principle with a direct appointment mechanism by the Anti Fraud & Special Investigation Department Head.
9. Document Maintenance
   a. Anti Fraud & Special Investigation Department acts as document custodian and is responsible for storing documents in accordance with Policies / Procedures related to archives.
   b. A review of this Policy can be carried out at any time in accordance with the scope of risks, needs and developments of the Bank.

Flow Chart of Whistleblowing



Protection for Whistleblowers

1. KB Bank will provide guarantees and protection to the reporter against the possibility of threats, intimidation, punishment or other unpleasant actions from any party as long as the reporter maintains the confidentiality of the complaint submitted to any party and the report submitted is not in the form of slander.
2. The protection as referred to above includes all legal, physical and psychological protection if the reporter experiences threats, intimidation, punishment or any other unpleasant action.
3. The protection as referred to above also applies to the investigation team and parties who provide information related to complaints.

Types of Reports That Can Be Reported

The scope of complaints that will be followed up through WBS includes but is not limited to:

1. Acts of Fraud
   Acts of deviation or omission that are intentionally carried out to deceive, defraud or manipulate the Bank, customers or other parties, which occur within the Bank and/or using Bank facilities, resulting in the Bank, customers or other parties suffering losses and/ or the perpetrator of the fraud obtains financial benefits either directly or indirectly;
2. All forms of violations other than fraud with examples of actions including:
   a. Disclosing Bank secrets for personal interests,
   b. Sexual harassment and immoral acts inside and outside the Bank,
   c. Engaging in prohibited community activities,

d. Conflict of interest,
e. Norms and Ethics (Code of Conduct),
f. Violations of the Bank's internal regulations and applicable external regulations,
g. Acts that violate criminal or civil law or other statutory regulations,
h. Actions endanger work safety and environment, endanger bank security, including endanger third party/ customer assets.

3. Proposed Improvements
   Provide suggestions to the Bank regarding gaps in procedures, suggestions for system improvements or other suggestions.
4. Violation of applicable labor provisions and regulations.
5. Customer Complaints
   Customer complaints regarding products, services (including office and ATM networks) or other complaints.
6. Other things apart from those mentioned above that can be equated with it.

Whistleblowing System Socialization

The Anti-Fraud & Special Investigation Department and each Related Work Unit always carry out outreach about the Anti-Fraud and Whistleblowing System at every opportunity according to their capacity.

As a preventive measure, the Anti-Fraud Section routinely holds outreach and education for all KB Bank employees. It aims to raise awareness of potential financial crimes. This action is reflected in the Anti-Fraud Section's efforts to organize outreach programs to employees, by conveying information about various fraudulent activities. The Anti Fraud Section also utilizes internal media such as Bukopin Office Communication (BOC) and postmaster email to disseminate education about fraudulent activities. Through this approach, KB Bank strives to ensure that all employees have sufficient understanding of how to identify and prevent potential fraud in the work environment.

Number of Complaints

Implementation of the Whistleblower policy as a way of disclosing fraud that occurs. Throughout 2023, there are 18 information reported through the Whistleblowing System, with details in the following table:

	Email	Fax	SMS	WhatsApp	Kotak Surat	Other means of Communication (Phone, other information
Number of WBS reported in 2023	6	-	-	12	-	-

The follow-up process can be seen in the table below:

Internal WBS Report	2023
Total Report	18
Completed	15
Proven	2
Not proven	0
Information/Complaint in nature	13
Data is Incomplete and the Whistleblower does not Provide Additional Information/Data Requested	0
In Process of Completion	3

TRANSPARENCY OF BAD GOVERNANCE PRACTICES

The implementation of Good Corporate Governance (GCG) at KB Bank continues to be improved every year by making improvements and adjusting policies. The company is aware that bad practices in corporate governance can disrupt the GCG system that has been built. Therefore, KB Bank does not take actions that are contrary to the rules and policies related to GCG.

Several GCG principles emphasized by KB Bank include transparency, accountability, independence and justice. KB Bank confirms its commitment to running business with GCG principles in accordance with applicable regulations and standards. This is reflected in the table as follows:

No	Information	Practice
1	Report on Company Activities that Pollute the Environment	None
2	Important cases being faced by the Bank, subsidiaries, members of the Board of Directors and/or members of the Board of Commissioners who are currently serving are not disclosed in the Annual Report	None
3	Non-compliance in disclosing the fulfillment of tax obligations	None
4	Inconsistency in the presentation of the Annual Report and Financial Reports with applicable regulations and SAK	None
5	Cases Related to Workers and Employees	None
6	There is no disclosure of operating segments in the Financial Report	None
7	There is a discrepancy between the Annual Report Book and the Digital Annual Report	None

STATEMENT OF GOOD GOVERNANCE PRINCIPLES IMPLEMENTATION

All management and employees of KB Bank declare that in carrying out their business activities they have implemented the principles of Good Corporate Governance and there have been no material violations of applicable laws and regulations.

Management and employees are committed to continuously improving Good Corporate Governance practices in a transparent, accountable, responsible, independent manner, paying attention to equality and fairness, equity and sustainability in order to achieve KB Bank business objectives

KB BANK GOOD CORPORATE GOVERNANCE IMPLEMENTATION REPORT FOR 2023

ASSESSMENT RESULTS AND CONCLUSIONS

Based on the analysis of indicators on all factors of the assessment of the Implementation of KB Bank Governance in 2023, it can be concluded that the results of self-assessment of 11 (eleven) factors of the assessment of the Implementation of KB Bank Governance in 2023 **are ranked 2 (two)** with the category "**GOOD**".

Referring to the results of the analysis of 3 (three) Aspects of the 2023 Bank KB Bukopin Governance Self Assessment, this report presents the strengths and weaknesses of each aspect of the KB Bank Governance Self Assessment as well as follow-up plans for implementing Governance, as follows:

Strength of Implementation of Governance

1. **Governance Structure**
   a. The number and composition of the Board of Commissioners and Directors is in accordance with the provisions of applicable laws and regulations, taking into account the scale and complexity of the business and paying attention to background experience, education and training to meet the requirements, integrity, competence, independence and adequate financial reputation to support performance of the Bank.
   b. The Bank has made efforts to accelerate the Fit & Proper test submission to the OJK, so that it reaches the position of December 2023.
   c. All members of the Board of Commissioners have passed the Fit & Proper test, and
   d. All members of the Board of Directors have passed the Fit & Proper test.
   e. The implementation of the duties and responsibilities of the Board of Directors, especially in implementing and fulfilling GCG principles, has been adequate. This is reflected in the completeness of the structure which includes Compliance Work Unit, Risk Management Work Unit, Quality Assurance Work Unit, and Internal Audit Work Unit (SKAI). Each work unit has adequate composition, competence and criteria so that it is able to work independently of business and operational work units and perform its duties in accordance with applicable regulations.
   f. Has committees to support the performance of the Board of Directors, including the Risk Management Committee, Risk Management Support Committee, Assets and Liabilities Committee, Credit Committee, Remedial Committee, IT Steering Committee, IT Support Committee, Integrated Risk Management Committee, Internal Control Committee and Anti Fraud, Employee Disciplinary Committee (KDK), Human Capital Committee and Goods and Services Procurement Committee.
   g. Has committees established to support the implementation of the duties and responsibilities of the Board of Commissioners. It consists of the Audit Committee, Risk Monitoring Committee, Remuneration & Nomination Committee, and Integrated Governance Committee. The formation of these committees is in accordance with the provisions and needs of the Bank and the implementation of the committee's duties is complemented by policies and work conduct guidelines (the charter).
   h. Increasing understanding of regulations through the E Learning Human Capital Morning Quiz which all employees regularly take part in is carried out 2 (two) times in 1 (one) month.
   i. The Board of Directors and Board of Commissioners have implemented the principle of prudence in providing funds to related parties and providing large funds quite well. Submission of transparent financial and non-financial conditions, GCG implementation reports and internal reporting is in accordance with applicable regulations and ensures the realization of the achievements of the Bank's Strategic Plan and reporting it to the OJK.
   j. The Bank has an information system to support business activities and operational activities as well as to support the process of implementing internal control. The Bank is committed to always developing sustainable information systems in line with business developments and challenges. Information systems that are already running include the E-Flow System, Microfinance Information System (SIKM), BukiSys (AS400), Risk Control Self Assessment (RCSA), go-AML, Silverlake, SME Credit Tools (SCT), and Loan Origination System (LOS), Sanction Screening, Anti Money Laundering (AML) Monitoring System, and Enysis.
   k. Develop and strengthen the organizational structure to mitigate reputation risks and manage media handling by establishing a Corporate Relations Department. Apart from that, a unit was also formed to implement and monitor provisions related to consumer protection, namely the Consumer Protection work unit under the Compliance & Quality Assurance Division.
   l. A policy update initiative has been carried out on existing policies. The Bank is currently in the stage of mapping all policies, identifying policy owners, separating policies that are still valid and no longer valid and at the end of the second semester of 2023 at the stage of monitoring updates for each policy owner.

m. During the second semester of 2023, there were 51 policies that have been updated and new policies have been made and to improve the governance of credit decision making, several policies have been created, including:
   i) Circular No. SE/068/DIR/VII/2023 concerning Guidelines for Distribution of Environmental and Social Credit to PT Bank KB Bukopin Tbk.
   ii) MEMO No. 080/MEMO-DIDB/VIII/2023 concerning Special Pricing Guidelines for SME Credit
   iii) Circular No. SE/067/DRS/VII/2023 concerning the Special Mortgage Consumer Credit Product Program
   iv) Circular No. SE/077/DIR/VIII/2023 concerning Guidelines for the Wholesale and SME Credit Approval Process
   v) Decree No. 0153 of 2023 concerning Addendum V on Special Treatment Policies for Debtors due to the Impact of the Spread of Corona Virus Disease (COVID-19)
   vi) Circular No. SE/085/DRS/IX/2023 concerning KPR Express Take Over and Top Up Program Products from Take Over (Extension)
   vii) Decree No. 0206 of 2023 concerning Institutional Policy and Authority of the PT Credit Committee. PT Bank KB Bukopin Tbk
   viii) MEMO No. 120/Memo-DIDB/XI/2023 Special Pricing Guidelines for SME Credit.
   ix) Decree No.0153 of 2023 Addendum V regarding the Special Treatment Policy for Debtors Due to the Impact of the Spread of the Corona Virus Disease (Covid-19).

n. Developing an Information Technology Group which is divided into four main functions, namely IT Planning & Operation Division, IT Development, IT Security and Digital. As an effort to obtain a competitive advantage, especially in the IT aspect, so that we can directly participate in accelerating the achievement of the Bank's performance targets, and a cyber security function that is independent of the IT Plan and IT Operations.

o. The Strategic Heading of the Bank's agenda for 2023 is "BISA" which means the Bank wants to achieve progress together through fundamental changes with a focus on 4 main pillars, namely Boost Sales Performance, Innovation for Turnaround, Strengthening the Quality of Assets, Advanced IT & Digital. With these four things, the Bank's business can grow sustainably with a focus on Good Banking which is supported by improvements in IT infrastructure and digital innovation

2. Governance Process

a. The Board of Directors carries out the governance process in accordance with GCG principles in performing their duties and responsibilities according to their authority, including:
   i) Applying GCG principles in the form of Transparency, Accountability, Responsibility, Independence and Fairness.
   ii) Take strategic decisions based on the decisions of the Board of Directors Meeting which are stated in the meeting minutes and are well documented.
   iii) Organized several meetings together with the Board of Commissioners, Committees under the Board of Directors, and with related work units to discuss strategic issues and find solutions for corrective steps.
   iv) Has prepared a Bank action plan requested by the OJK and a report has been made on the realization of the action plan to the OJK.
   v) Prepare Quarterly Bank Business Realization Reports comprehensively and submit them on time.
   vi) Selling Bad Assets and NPLs through several schemes by first carrying out legal studies, both internally and externally, to mitigate legal risks that may arise in the future.
   vii) Conducting a series of stress tests as an anticipatory step for the Bank towards future conditions, including: the end of the Covid restructuring and its impact on the Bank's liquidity and capital ratios, increasing the GWM and simulating TPF withdrawals, carrying out regular NSFR and LCR calculations.
   viii) Following up on findings and recommendations from the results of SKAI inspections, External Audits, and supervision by competent authorities, including by preparing action plans to prevent and resolve non-compliance event problems.
   ix) Support to strengthen the implementation of better corporate governance and compliance culture, by ratifying several policies, including:
      - Clean Desk Policy.
      - Rules for Wearing Clothing and Work Appearance.
      - Employee Discipline Regulation Policy (PDK)
      - Asset and Liabilities Management Committee (ALCO) Policy
      - Organizational Duties and Responsibilities Policy.
      - PT Bank KB Bukopin Tbk Code of Conduct
      - Internal Control Committee Policy.
      - Policy No. 001 of 2023 Policy Concerning Hierarchy & Governance Internal Regulations of PT Bank KB Bukopin Tbk
      - Guideline No. 002 of 2023 Guidelines on Internalization Mechanisms for Bank External Regulations
   x) Perform other duties and responsibilities based on recommendations from regulators and directions/ advice of the Board of Commissioners while still referring to the provisions of the company's articles of association and applicable laws and regulations.

b. The Bank strengthens its compliance function by making various efforts to reduce regulatory fines and fulfill commitments to regulators, namely; through visits to branches by both the Board of Directors and the Compliance & QA Division, conducting focus group discussions by the Compliance Department, Quality Assurance Department, and SKAI, as well as monitoring the fulfillment of commitments, monitoring reports and fines by the Compliance Department.
c. The Bank coordinates with Bank KB Bukopin Syariah and KB Bukopin Finance in order to strengthen governance with subsidiaries to ensure the level of compliance with regulations and follow-up to audit findings is properly monitored in subsidiaries.
d. Adjusting the credit Risk Weighted Asset (RWA) in accordance with SEOJK no. 24/SEOJK.03/2021 and the operational RWA in accordance with SEOJK no. 6/SEOJK.03/2020.
e. Perform credit examination activities both regularly in several branches and on special credit examinations.
f. The Board of Commissioners has carried out a process of monitoring the duties and responsibilities of the Board of Directors, including:
   i) Conduct regular evaluation and monitoring of financial performance.
   ii) Conduct discussions on the Bank's strategic policies.
   iii) Ensure follow-up on SKAI findings, follow-up on external audit audit reports, results of supervision by competent authorities and matters relating to the Board of Directors' commitment to implementing GCG principles.
g. All Committees that support the implementation of the duties of the Board of Commissioners have carried out their duties well and acted independently, including:
   i) Provide recommendations to the Board of Commissioners based on adequate analysis.
   ii) Coordination between the Committees under the Board of Commissioners with SKAI, the Risk Management Work Unit and the Compliance Work Unit is going well, this is reflected in the discussions held in order to evaluate the results of SKAI findings, the implementation of Risk Management and monitoring the implementation of the Compliance Function towards fulfilling commitments regarding the results of OJK audits and Bank Indonesia.
   iii) There has been strict sanctions for violations to create a culture of compliance.

3. Governance Outcomes

a. The Board of Commissioners and Directors of the Bank have carried out their duties and held meetings both individually and jointly in accordance with applicable regulations and administered each meeting minutes document.
b. b. The Bank submits the Fund Utilization Result Report for the period of June and December related to the action of increasing capital that was conduct through the Rights Issue on May 31, 2023.
c. As of December 2023, the Bank has realized the use of Limited Public Offering VII funds amounting to IDR 7,360,398,493,456 with the following details:
   i) additional investment to KB Bukopin Finance IDR 592,000,000,000;
   ii) additional investment to KB Bukopin Syariah IDR 680,000,000,000;
   iii) new good quality credit expansion phase I IDR 538,983,645,870;
   iv) I new good quality credit expansion phase II IDR 5,549,414,847,586;
   v) public offering costs IDR 60.661.014.127.
d. Based on DPD data at the end of December 2023, there are no debtors with a Day Past Due of more than 1 day for Wholesale debtors, while for SME debtors the drop in 2021 is 1.89%, in 2022 it is 5.42% and in 2023 it is 1.02%.
e. The bank's fundamental financial ratios are still well maintained and in accordance with applicable regulations.
f. The bank received an idAAA rating with a stable outlook from the credit rating agency, Pefindo. This achievement shows that the Bank has reliability in terms of financial strength, stability and various other advantages.
g. The bank received a AAA(idn) rating from Fitch Rating.
h. One of the bank's preparations for becoming "Next Level Banking" is the SHINE Project, which has completed several activities as follows:
   i) Implementation of Dedicated Line in DC, DRC, and 176 Indonesian branches
   ii) Implementation of SDWAN in all 176 Indonesian branches
   iii) Implementation of a budget/expense system
   iv) KBStar M10 implementation
   v) Silverlake development for credit cards
   vi) Has implemented PAB licensing for the KBStar Application
i. The Bank has successfully launched KB Star on September 22, which is a Digital Banking Platform, to support cardless withdrawals, branchless banking, One Stop Service and other digital services, increasing the value proposition and new opportunities for the Bank regarding changes in customer transaction patterns which are already moving towards digital.
j. Bank mendapatkan 3 (tiga) penghargaan dari Business News Indonesia, yaitu:
   i) The Best GRC For IT/Digital Transformation 2023 Category - Banking Industries
   ii) The Best CEO For GRC Excellence 2023
   iii) The Best GRC For Corporate Governance & compliance 2023
k. The Bank received an award from the Indonesian Institute for Corporate Directorship, namely, Top 50 Mid Capitalization (Mid Cap) Public Listed Company.
l. The Bank received an award from the Indonesia Top Banking CEO Award 2023, namely TOP 10 Banking CEO 2023
m. The bank received an award from Infobank, namely Top 100 CEO 2023

n. The Bank continues to continuously build a compliance culture and risk culture by strengthening the Compliance Function, Risk Management, Internal Audit Function and Quality Assurance at all levels of the organization, including fulfilling and following up on the findings of internal and external auditors and other supervisory authorities.
o. The Bank has implemented transparency in Financial and Non-Financial Reports periodically in accordance with applicable regulations and provided and/or conveyed information regarding products and/or services that is accurate, honest and clear both through the KB Bank website and/or print media.
p. The Internal Audit Work Unit and Anti-Fraud Work Unit have carried out audits and monitoring which are carried out independently and continuously in accordance with the annual audit work plan / risk based audit and the established Anti-Fraud strategy plan.
q. External Audit has acted objectively in conducting audits so that the audit results submitted to Management have described KB Bank problems which will be followed up by KB Bank Management. The results of the external audit are submitted in a timely manner to the OJK.
r. Perform continuous business process improvements, one of which is by regulating the credit approval process through Committee decisions. This is aimed at improving the implementation of risk management at all levels of the organization involved in the Bank's credit activities and preventing abuse of authority or acts of fraud committed by employees.
s. The Bank follows up on the results of OJK and Bank Indonesia audits in accordance with commitments up to December 31, 2023, with achievements based on the Bank's assessment results as follows:
    i) Inspection by the OJK in 2023 at the Head Office with 266 commitments that must be followed up by the end of December 2023 and all of them have been followed up with the follow-up position achieved at the end of December 2023 of 100%.
    ii) The examination by Bank Indonesia in 2021 with the Scope of Technology which must be followed up by the end of December 2023 is 29 commitments and all of them have been followed up with the follow-up position achieved at the end of December 2023 of 100%.
t. In response to the fulfillment of the follow-up actions submitted by the Bank to the OJK, the OJK then carried out an evaluation and from the results of the OJK evaluation there were additional documents for 57 commitments which still had to be followed up and the Bank has followed up with the following explanation:
    i) A total of 42 commitments were followed up in December 2023 and have been fulfilled 100%; And
    ii) A total of 12 commitments were followed up in January 2024 and 3 commitments were followed up in March 2024.
u. The Bank fulfills data requests from the OJK in the context of daily supervision.
v. The Bank has realized capital investment in subsidiaries in accordance with the Bank's Business Plan using funds from Limited Public Offering VII.
w. The Bank follows up on the resolution of consumer complaints and reports regularly regarding consumer complaints to the OJK.

Weaknesses in the Implementation of Governance

1. Governance Structure

There is still a need for revamping and refining several policies, especially in credit risk management, including the Covid Restructuring Policy, the Policy for handling Problem Loans, the Write-Off and AYDA Policy, the Export Proceeds Foreign Exchange Policy, the Policy on Human Resources activities, including the TKA policy, Bank Code of Conduct Policy .

Identification of the problem / Root cause is:

a. There are still some policies related to credit risk management that do not yet have implementation instructions.
b. HR management is not yet optimal, especially regarding foreign workers, and the Bank's Code of Conduct policy still requires updating

In connection with this matter, in order to improve the Bank has carried out:

a. Revamp and addendum to policies related to credit risk management, as well as confirmation in the form of creating technical instructions related to credit risk management.
b. Revamped the Bank's Code of Conduct and has been socialized to all Bank Organizations.

2. Governance Process

a. It is necessary to improve the fulfillment of the Bank's commitments to Regulators, including accuracy and speed, which requires active supervision by the Board of Directors and Board of Commissioners.
b. There are still repeated findings in operational activities and business processes from OJK, SKAI inspections and QA observation results.
c. There are still errors/corrections made in filling out reports to the OJK, including reporting Integrated Commercial Bank Reports (LBUT) and APOLO. As well as delays in responding quickly to letters regarding action plans from the OJK.
d. It is necessary to improve the management of open items, proof sheets and postings on various assets

Identification of the problem / Root cause is:

a. Guidelines as technical instructions for fulfilling requests for data and information from regulators need to be refined to clarify the responsibilities of each party.
b. It is necessary to strengthen the supervision function in all Bank operational activities.
c. There are human errors, manual processes, and increased supervision.
d. Lack of strict monitoring by RTU and/or supervision of these accounts.

In connection with this matter, in order to improve the Bank has carried out:

e. Guidelines for fulfilling requests for data and information in the context of supervision and inspection have been created and socialized to all parts of the organization so that they can be understood. There has been a commitment from the Board of Directors through the BOD meeting to fulfill all of the Bank's commitments to the Regulator.
f. There is socialization of findings from Regulators, SKAI and QA to become lessons learned.
g. Request changes have been entered for several reports in the development of the SHINE project.
h. An action plan has been carried out to do mapping and completion (Department of Finance and Asset Management)

3. Governance Outcome

a. There are several strategic targets of the Bank that have not yet been achieved, including:
   i) Increase in Assets
   ii) Good Bank Improvement
   iii) Bad Bank Decline
   iv) Profit and loss
b. There are still fines as a result of inaccurate and inaccurate reporting to regulators.
c. c. There are still fraud findings based on the results of internal audits of events that occurred in the past.

Identify the Root Cause of the problem:

a. It is necessary to evaluate implementation and improve and refine business strategies and processes to ensure the Bank's performance is in accordance with the Bank's Business Plan.
b. There is a need to improve the quality of information management and Bank systems as well as monitoring by supervision.
c. There is still a need to increase/awareness of Bank compliance at all levels of the organization.

In connection with this matter, in order to improve the Bank will carry out:

a. Creation of a new Bank Business Plan for 2024 which was sent to the OJK, and a good action plan for resolving Bad Bank to the OJK.
b. Ensure data and reporting on SHINE development is organized according to targets, monitoring and providing reminders by the Compliance Department to each RTU to fulfill commitments.
c. Determine strategies to improve risk and compliance-based corporate culture programs to encourage increased performance, as well as enforce sanctions against perpetrators of fraud.

7

Corporate Social Responsibility Governance





CORPORATE SOCIAL RESPONSIBILITY GOVERNANCE



CORPORATE SOCIAL RESPONSIBILITY GOVERNANCE

KB Bank is strongly committed to implementing Social and Environmental Responsibility (CSER) activities which are implemented with a measurable, planned, integrated and sustainable approach. This commitment is fully in line with the company's mission, especially in providing optimal benefits for shareholders, employees, the global community, and in harmony with the principle of caring for the environment. KB Bank supports the realization of the United Nations resolution on 21 October 2015 which issued a resolution regarding the Sustainable Development Goals (SDGs).

The Bank's CSER commitment and activities essentially refer to aspects of Good Corporate Governance and Good Corporate Responsibility. The Bank's compliance with laws and regulations related to economic, environmental and social aspects is an indicator in measuring the performance of the Bank's CSER Program. The implementation of the KB Bank CSER program is also a form of the Bank's support for, among other things:

1. The Indonesian government has signed the Paris Agreement, an agreement in the Framework Convention;
2. United Nations Climate Change or United Nations Framework Convention on Climate Change (UNFCCC), regarding greenhouse gas (GHG) emission mitigation, adaptation, and finance. Through the Paris Agreement, Indonesia is committed to supporting the reduction of climate change and preventing global warming. This implementation must be carried out together throughout the world by ensuring the implementation of development with low greenhouse gas (GHG) emissions and providing financing that is environmentally, socially and governance (ESG) sound;
3. Instructions from the President of the Republic of Indonesia, Financial Services Authority (OJK) Regulations and OJK Circulars regarding literacy and education as well as financial inclusion for the community;
4. National Strategy for Financial Inclusion (SNKI) which was inaugurated by the President of the Republic of Indonesia on 18 November 2016;
5. OJK Regulation no. 51/POJK.03/2017 regarding the implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies. Commitment to conducting CSER activities that support the implementation of sustainable finance.

KB Bank realizes that the Bank has a moral obligation to provide benefits, including increasing access for the community to achieve better economic, social conditions and quality of life. For this reason, KB Bank is committed and responsible in implementing the CSER program to continue to strive a balance between business growth and the benefits that can be provided.

KB Bank has formulated Sustainability Banking Principles, namely all principles for managing the Company's activities in the aspects: customer, business strategy, banking operations, risk management, human capital and community development.



BASIC FOUNDATION FOR IMPLEMENTING SOCIAL AND ENVIRONMENTAL RESPONSIBILITY PROGRAMS

In general, the implementation of the KB Bank CSER program refers to applicable laws and regulations, including:

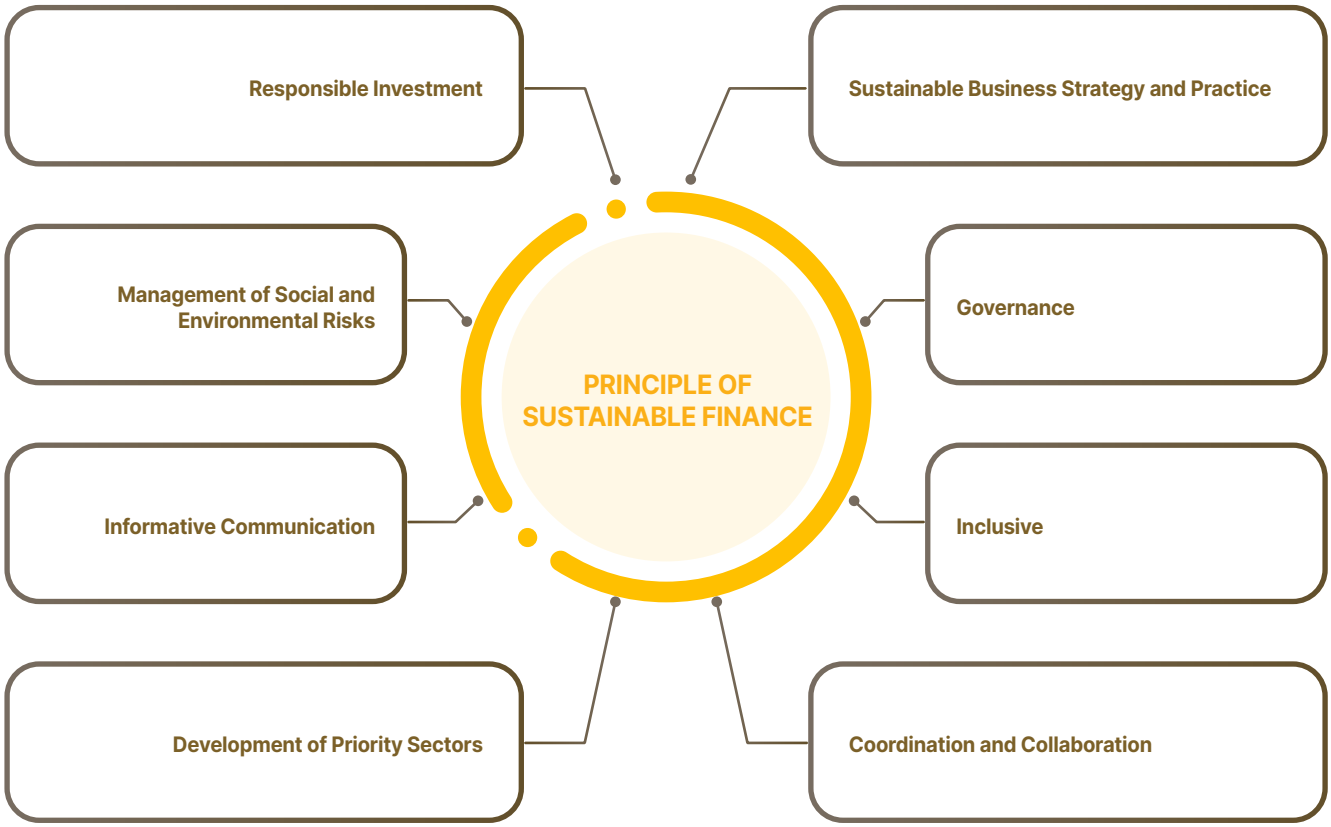
1. Law no. 40 of 2007 regarding Limited Liability Companies, especially Article 1 paragraph 3;
2. Law no. 8 of 1995 regarding Capital Markets;
3. Law no. 25 of 2007 regarding Capital Investment;
4. Law no. 32 of 2009 regarding Environmental Protection and Management;
5. Regulation of the Minister of Social Affairs of the Republic of Indonesia no. 13 of 2012 regarding the Business World Responsibility Forum in Implementing Social Welfare;
6. Government Regulation No. 47 of 2012 regarding Social and Environmental Responsibility;
7. Financial Services Authority Regulation no. 51/POJK.03/2017 regarding the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies.

SCOPE OF SOCIAL AND ENVIRONMENTAL RESPONSIBILITY PROGRAM MANAGEMENT

The implementation of CSER activities is coordinated by the Communication Work Unit. The person responsible for managing the CSER program at KB Bank is in the Corporate Secretary Department under the supervision of the President Director. In its implementation, CSER activities are often conducted in collaboration with other departments, branch offices, KB Kookmin Bank, KB Financial Group, Subsidiary Companies, Baitul Maal KB Bukopin, KB Bukopin Club, KB Bukopin Employee Welfare Foundation, Bukopin Employee Cooperative, Mosque Council, or other institutions.

SUSTAINABLE FINANCIAL STRATEGY IN SUPPORTING THE BANK'S CSER PROGRAM

KB Bank has a Phase I Sustainable Finance Roadmap to support the Bank's CSER program, and has produced several initiatives that are the foundation for changing the mindset of business actors. First, based on the OJK guidelines, it has introduced eight principles of Sustainable Finance which are used as a reference for financial service institutions in implementing the Sustainable Financial Plan, as follows:



Based on these guidelines, the Bank has established 4 main pillars in the Sustainable Financial Plan with the objectives, namely:

1. KB Bukopin for the Nation aims to support the distribution of government loan programs, financial inclusion, and improve the quality of human resources for Indonesian youths.
2. KB Bukopin Care aims to increase the awareness of KB Bukopin Bank personnel towards the environment and natural resources in every step of the Bank's business and operational activities.
3. KB Bukopin's From Us For Us aims to support the development of quality and competitive internal human resources at Bank KB Bukopin.
4. KB Bukopin Satu aims to improve organizational adjustments by considering sustainable aspects related to social and environmental issues.

In order to support the implementation of the next Sustainable Finance Roadmap, the Bank continues to adhere to these main pillars by adjusting the supporting initiatives. In accordance with the Roadmap, the Sustainable Finance Roadmap Phase II focuses on creating a comprehensive sustainable financial ecosystem, by involving all related parties and encouraging the development of cooperation with other parties. The Sustainable Finance Roadmap Phase II (2021 - 2025) is expected to become a foundation for the Financial Services Sector and a reference for relevant Ministries/Institutions (K/L) in developing innovative financing initiatives. Based on the Sustainable Finance Roadmap Phase II (2021 - 2025), the following are the Phase II Roadmap Development Priorities:

1. Development of a green taxonomy which aims to classify sustainable financing and investment activities in Indonesia. 16 This classification is the basis for all stakeholders in Indonesia in sustainable economic activities.
2. Implementation of ESG (Environmental, Social and Governance) aspects into risk management that aims to increase resilience and mitigating environmental and social risks that can affect financial industry business processes. This effort is carried out through reporting on environmental, social and governance aspects, developing key performance indicators and is supported by increasing overall human capital capacity.
3. Real program development is intended to provide successful examples of innovative development of green schemes thereby increasing the role of the financial industry in sustainable financing. Real program implementation is conducted through collaboration with relevant ministries/ institutions and other stakeholders. This effort is in line with the development of the government's leading economic sectors and is the basis for developing green financing schemes.
4. Innovation in sustainable financial products and services in order to accelerate the financial industry's transition towards sustainability which are carried out by developing innovative sustainable project financing/funding schemes. Aspects to be considered in innovative schemes are openness of information, inclusiveness, expert support, long-term goals and credibility.

5. National sustainable finance campaign which aims to build understanding of the importance of activities that consider environmental, social and governance aspects. This effort is carried out through the formation of a communication strategy as well as various educational and outreach activities.

IMPORTANT STAKEHOLDERS SOCIALLY, ECONOMICALLY AND ENVIRONMENTALLY IMPACTED OR AFFECTED BY BANK ACTIVITIES

Identification of stakeholders is an important part in formulating strategies for implementing the CSER program. By mapping stakeholders and their impacts and influences, the Company can develop a CSER program that is more focused and on target.

KB Bank identified stakeholders by referring to the 2015 version of the Stakeholder Engagement Standard, which is divided into 6 (six) attributes as follows:

1. Dependency
   If the Company is dependent on a person or organization, or vice versa.
2. Responsibility
   If the Company has legal, commercial or ethical responsibilities towards a person or organization.
3. Tension
   If a person or an organization requires the Company's attention regarding certain economic, social or environmental issues.
4. Influence
   If a person or organization has influence on the Company or other stakeholders' strategies or policies.
5. Diverse Perspective
   View If a person or an organization has a different view that can influence the situation and encourage action that did not exist before.
6. Proximity
   If a person or an organization has geographical and operational proximity to the Company.

Based on the identification carried out, KB Bank identified a number of stakeholders who have a direct impact or a large influence on KB Bank's business activities, and have a very large role in supporting the operational success of KB Bank, including:

1. Customer;
2. Shareholders;
3. Government and Financial Authorities;
4. Employees;
5. Trade Unions;
6. Work Partners/Suppliers;
7. Business Organization;
8. Community Organizations/Social Organizations/Non-Governmental Organizations;
9. Media.

IMPORTANT SOCIAL, ECONOMIC AND ENVIRONMENTAL ISSUES AND RISKS RELATED TO THE IMPACT OF BANK ACTIVITIES

Apart from mapping stakeholders who are affected and have an impact on the Bank's activities, through Focus Group Discussions (FGD) KB Bank also carries out mapping related to important social, economic and environmental issues and risks related to the impact of KB Bank's activities. These important issues and risks are then used as the basis for determining priorities and establishing strategies that will be implemented by management.

Important economic, social and environmental issues and risks related to the impact of KB Bank's activities are as follows:

Issues	Impact
Economic Issues	
Direct Economic Value Generated and Distributed	Significantly impacts the shareholders
Indirect Economic Impact	Impacts the shareholders, customers, government and financial authorities, business organizations, community organizations, work partners, society and the media
Social Issues	
Employment	Significantly impacts the government (regulator), unions and Employees
Occupational Health and Safety	Significantly impacts the employees
Education and Training	Significantly impacts the employees
Local Communities	Significantly impacts the stakeholders
Environmental Issues	
Energy	Impacts the sustainability of the environment
Water	Impacts the sustainability of the environment

CSER 2023 BUDGET AND FEATURED PROGRAMS

In 2023, the Bank has allocated funds amounting to IDR 900,000,000 to carry out CSER activities with four CSER fields consisting of education, environment, social and religious affairs. For HC competency development, a 5% of the Employment Costs (BTK) is budgeted and to be incurred by the Bank.

No	Scope	Nominal
1.	Education	Rp62.000.000
2.	Community Social	Rp223.587.450
3.	Religious Affairs	Rp472.000.000
Total		**Rp757.587.450**

In line with the government's sustainability vision, KB Bank's CSER activities in 2023 are focused on supporting the implementation of this vision while still paying attention to national economic conditions and the internal conditions of Bank KB Bukopin. Some of the featured programs for the 2023 CSER activities are as follows:

No.	TJSL/CSR Activity Type	Sustainable Development Goals	Explanation	Achievement
1 .	Distribution of Support for Ramadan Activities (Iftar Together) through the Ar Ridho mosque & Al Ikhlas mosque.	SDGs No. 2 – Zero Hunger	Budget allocation IDR 147,000,000 Implementation period: Month March 24 - April 18 2023	Distribution of Takjil snacks and dinner for residents and motorists passing through the Ar Ridho & Al Ikhlas mosque area
2	Distribution of Qurban animals to residents who are entitled to receive them around Cikoko, Tebet, S. Parman and proposals submitted.	SDGs No. 2 – Zero Hunger	Budget allocation IDR 275,000,000 Implementation period: June 29, 2023	A total of 10 cows are distributed for Qurban
3	Support for UGM Faculty of Cultural Sciences activities, Beat The Quest	SDGs No. 4 – Quality Education	Budget allocation IDR 12,000,000 Implementation Period: November 11, 2023	A series of competition events have been held to improve foreign language skills and hone students' soft skills, especially in the field of Arts & Culture
4	Support for MUI International Conference Activities	SDGs No. 16 – Peace, Justice, and Strong Institutions	Budget allocation IDR 50,000,000 Implementation Period: May 21-23, 2023	The purpose of the International Conference: to convey the message of peace and its solutions to people of different ethnicities, cultures and religions as well as to form the readiness of society and its anticipation of changes in the world's cultural order, especially technology, industry and the economy

STATEMENTS REGARDING CSER ACTIVITIES AS DISCLOSED IN THE SUSTAINABILITY REPORT

Information regarding KB Bank's Social and Environmental Responsibility (CSER) program in 2023 has been comprehensively disclosed in the Bank's Sustainability Report for the 2023 Financial Year which is presented separately. However, the information is an inseparable part of this Annual Report as directed by the Financial Services Authority Circular Letter No. 16/SEOJK.04/2021. The contents of the KB Bank Sustainability Report for the 2023 Financial Year include the points as directed by SEOJK No. 16/SEOJK.04/2021, namely as follows:

1. Explanation of Sustainability Strategy;
2. Overview of Sustainability Aspects (economic, social and environmental);
3. Brief Company Profile;
4. Explanation from the Board of Directors;
5. Sustainability Governance;
6. Sustainability Performance (economic, social and environmental);
7. Written Verification from an Independent Party;
8. Readers' Feedback Sheet; And
9. Company Responses to Previous Year's Report Feedback.

The Bank's CSER program is always aligned with the company's objectives as stated in the RAKB which is implemented in a directed, structured and sustainable manner. Apart from being expected to improve its corporate image, the CSER Bank program is also aimed at providing a positive impact on society and the environment in order to achieve the Sustainable Development Goals.



8

Financial Report


Tarik tunai tanpa kartu
lebih mudah dan ekonomis
di Indomaret
Rp.3500*
per Transaksi
Susun Planning liburan kamu
dengan Planning Account
Panasonic

PT Bank KB Bukopin Tbk
Dan Entitas Anak/*And Subsidiaries*

Laporan Keuangan Konsolidasian/
Consolidated Financial Statements
Untuk Tahun yang Berakhir
31 Desember 2023/*For the Year*
Ended December 31, 2023

PT BANK KB BUKOPIN TBK DAN ENTITAS ANAK/*AND SUBSIDIARIES*
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MIRAWATI SENSI IDRIS
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Branch Business License No. 327/KM.1/2023

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MOORE

Laporan Auditor Independen

No. 00388/3.0478/AU.1/07/1671-3/1/V/2024

Pemegang Saham, Dewan Komisaris dan Direksi
PT Bank KB Bukopin Tbk

Opini

Kami telah mengaudit laporan keuangan konsolidasian PT Bank KB Bukopin Tbk dan entitas anaknya terlampir ("Grup"), yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2023, serta laporan laba rugi dan penghasilan komprohonsif lain konsolidasian, laporan perubahan ekuitas konsolidasian, dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, serta catatan atas laporan keuangan konsolidasian, termasuk informasi kebijakan akuntansi yang material.

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian Grup tanggal 31 Desember 2023, serta kinerja keuangan dan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Basis Opini

Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Tanggung jawab kami menurut standar tersebut diuraikan lebih lanjut dalam paragraf Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan Konsolidasian pada laporan kami. Kami independen terhadap Grup berdasarkan ketentuan etika yang relevan dalam audit kami atas laporan keuangan konsolidasian di Indonesia, dan kami telah memenuhi tanggung jawab etika lainnya berdasarkan ketentuan tersebut. Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Independent Auditors' Report

No. 00388/3.0478/AU.1/07/1671-3/1/V/2024

The Shareholders, Boards of Commissioners and Directors
PT Bank KB Bukopin Tbk

Opinion

We have audited the consolidated financial statements of PT Bank KB Bukopin Tbk and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with Indonesian Financial Accounting Standards.

Basis for Opinion

We conducted our audit 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 paragraph 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An independent member of
Moore Global Network Limited -
members in principal cities throughout the world

Hal Audit Utama

Hal audit utama adalah hal-hal yang, menurut pertimbangan profesional kami, merupakan hal yang paling signifikan dalam audit kami atas laporan keuangan konsolidasian tahun kini. Hal-hal tersebut disampaikan dalam konteks audit kami atas laporan keuangan konsolidasian secara keseluruhan, dan dalam merumuskan opini kami atas laporan keuangan konsolidasian terkait, kami tidak menyatakan suatu opini terpisah atas hal audit utama tersebut.

Hal audit utama yang teridentifikasi dalam audit kami diuraikan sebagai berikut:

Penilaian atas Cadangan Kerugian Penurunan Nilai untuk Kredit yang Diberikan

Seperti yang telah disebutkan di Catatan 2 dari catatan atas laporan keuangan konsolidasian, Grup mengklasifikasikan kredit yang diberikan yang diukur pada biaya perolehan menjadi 3 tahap/*stage* sesuai dengan peningkatan risiko kredit secara signifikan sejak pengakuan awalnya. Salah satu input yang relevan dalam penentuan stage adalah kualitas kredit yang ditentukan dengan mempertimbangkan faktor kualitatif dan kuantitatif sesuai dengan peraturan Otoritas Jasa Keuangan ("OJK") tentang penilaian kualitas aset.

Untuk kredit yang diberikan yang diukur pada biaya perolehan diamortisasi dan diklasifikasikan sebagai *Stage* 1, *Stage* 2 dan *Stage* 3 yang tidak dianggap signifikan secara individual, manajemen menghitung Kerugian Kredit Ekspektasian ("KKE") menggunakan pendekatan kolektif dengan model parameter risiko yang menggunakan beberapa parameter utama, antara lain *Probability of Default* ("PD"), *Loss Given Default* ("LGD"), *Exposure at Default* ("EAD"), dan tingkat diskonto setelah memperhitungkan informasi perkiraan masa depan, termasuk faktor makroekonomi.

Untuk kredit yang diberikan yang diukur pada biaya perolehan diamortisasi dan diklasifikasikan sebagai Stage 3 yang dianggap signifikan secara individual, manajemen menghitung KKE dengan mengestimasi arus kas ekspektasian dari kredit yang diberikan.

Seperti yang telah disebutkan di Catatan 9 dari catatan atas laporan keuangan konsolidasian, Grup mengakui cadangan kerugian penurunan nilai menggunakan metode KKE untuk Kredit yang Diberikan sebesar Rp3.582.834 juta pada tanggal 31 Desember 2023.

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 year. 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.

The key audit matters identified in our audit is outlined as follows:

Assessment of the Allowances for Impairment Losses for Loans

As discussed in Note 2 to the consolidated financial statements, the Group classified the loans measured at amortised cost into 3 stages in accordance with its significant increase in credit risk since their initial recognition. One of the relevant inputs for determining the stages is the credit rating which is defined by considering qualitative and quantitative factors based on Financial Services Authority ("FSA") regulation on determining asset quality.

For loans measured at amortised cost and classified as Stage 1, Stage 2 and Stage 3 which are not considered individually significant, management calculates Expected Credit Loss ("ECL") using collective approach with the risk parameter modelling that incorporates a number of key parameters, including the Probability of Default ("PD"), Loss Given Default ("LGD"), Exposure at Default ("EAD"), and discount rate after taking into consideration forward-looking information, including macroeconomic factors.

For loans measured at amortised cost and classified as Stage 3 which are considered individually significant, management assesses ECL by estimating the expected future cash flow from the loans.

As discussed in Note 9 to the consolidated financial statements, the Group recognized an allowance for impairment losses using ECL impairment model for loans amounting to Rp3,582,834 million as at December 31, 2023.

Cadangan kerugian penurunan nilai untuk kredit yang diberikan dianggap penting karena memerlukan penerapan pertimbangan kritikal manajemen dan penggunaan estimasi subjektif dalam menentukan jumlah cadangan kerugian penurunan nilai yang harus diakui dalam laporan keuangan konsolidasian. Pertimbangan dan estimasi ini diungkapkan dalam Catatan 2 pada laporan keuangan konsolidasian.

Untuk merespon hal audit utama ini, kami melakukan prosedur-prosedur berikut:

- Kami menguji desain dan efektivitas pengoperasian pengendalian utama di seluruh proses siklus pinjaman, dibantu oleh spesialis teknologi informasi kami, dan menilai metodologi pengukuran penurunan nilai, validasi model penyisihan kerugian penurunan nilai, input, dasar dan asumsi yang digunakan oleh Grup dalam menghitung penyisihan kerugian penurunan nilai.
- Kami menilai estimasi arus kas masa depan pada sampel pinjaman yang dinilai secara individual dengan membandingkan asumsi yang dibuat dengan informasi yang diperoleh dari sumber internal dan eksternal dan menilai keandalan informasi yang digunakan dalam estimasi, berdasarkan informasi pasar yang tersedia atau penilaian yang disiapkan oleh penilai independen.
- Kami melibatkan profesional di bidang risiko kredit dan teknologi informasi dengan keterampilan khusus, pengetahuan industri, dan pengalaman relevan yang membantu dalam mengevaluasi metodologi dan penilaian utama yang digunakan dalam menentukan parameter PD dan LGD, mengevaluasi bagaimana faktor-faktor forward-looking digabungkan dalam model ECL kolektif dan menghitung ulang penilaian penurunan nilai secara kolektif berdasarkan sampel.
- Kami melakukan prosedur loan review, berdasarkan sampel minimal 70% dari total pinjaman dan menyertakan setidaknya 25 debitur terbesar dalam portofolio, untuk mengevaluasi apakah kualitas kredit telah dinilai dengan baik oleh Grup.

Pengukuran Nilai Wajar Instrumen Keuangan Level 2

Seperti yang telah disebutkan di Catatan 2 dan catatan atas laporan keuangan konsolidasian, Grup mengklasifikasikan instrumen keuangan yang diukur pada nilai wajar dengan menggunakan teknik penilaian dimana nilai diperoleh dari harga yang dapat diobservasi (atau input untuk model penilaian) selain dari harga kuotasi yang termasuk dalam level 1. Oleh karena itu, penilaian atas instrumen keuangan level 2 memerlukan tingkat pertimbangan yang lebih tinggi. Nilai wajar atas instrumen keuangan ini diukur dengan model penilaian yang dikembangkan secara internal.

The allowance for impairment losses for loans is considered to be a matter of significance as it requires the application of critical management judgment and use of subjective estimates in determining how much allowance for impairment loss is required to be recognized in the consolidated financial statements. These judgments and estimates are disclosed in Note 2 to the consolidated financial statements.

To address this key audit matter, we performed the following procedures:

- We tested the design and operating effectiveness of key controls across the loan cycle processes, as assisted by our information technology specialist, and assessed the impairment measurement methodologies, validation of allowance for impairment losses models, inputs, basis and assumptions used by the Group in calculating the allowance for impairment losses.
- We assessed the estimates of future cash flows on a sample of individually assessed loans by comparing assumptions made with information obtained from internal and external sources and assessing the reliability of information used in the estimates, based on available market information or valuation prepared by independent valuer.
- We involved credit risk and information technology professionals with specialized skills, industry knowledge and relevant experience who assisted in evaluating the methodology and key judgments used in determining the PD and LGD parameters, evaluating how forward-looking factors was incorporated in the collective ECL model and recalculating the collective impairment assessment on a sample basis.
- We performed loan review procedures, on a sample basis of minimum 70% of the total loans and include at least the top 25 of the biggest debtors in the portfolio, to evaluate whether the credit rating has been properly assessed by the Group.

Measurement of Level 2 Financial Instruments

As discussed in Note 2 to the consolidated financial statements, the Group classifies financial instrument measured at fair value using valuation techniques where values are derived from observable prices (or inputs to valuation models) other than quoted prices included within Level 1. The valuation of the Level 2 financial instruments therefore requires a higher degree of judgment. The fair value of this financial instrument is measured by the internally developed valuation models.

Untuk mengukur nilai wajar dari instrumen keuangan tersebut, Grup menggunakan model arus kas yang didiskontokan. Model ini menggunakan berbagai masukan dan asumsi, bergantung pada sifat instrumen keuangan.

Seperti yang telah disebutkan di Catatan 46 dari catatan atas laporan keuangan konsolidasian, nilai wajar instrumen tersebut pada tanggal 31 Desember 2023 adalah sebesar Rp5.322.917 juta.

Penilaian wajar instrumen keuangan Grup dianggap sebagai hal audit utama karena penggunaan masukan dari sumber eksternal dalam menghitung nilai pasar dari instrumen keuangan tersebut.

Untuk merespon hal audit utama ini, kami melakukan prosedur-prosedur berikut:

- Kami menguji desain dan efektivitas pengoperasian pengendalian utama di seluruh proses penilaian instrumen keuangan Grup yang diukur pada nilai wajar.
- Kami mengevaluasi apakah harga nilai wajar sudah sesuai dengan menilai teknik penilaian dan masukan signifikan yang tidak dapat diobservasi yang digunakan dalam penilaian instrumen.
- Kami mereviu formula yang digunakan dalam penilaian nilai wajar.

Informasi Lain

Manajemen bertanggung jawab atas informasi lain. Informasi lain terdiri dari informasi yang tercantum dalam Laporan Tahunan, tetapi tidak termasuk laporan keuangan konsolidasian dan laporan auditor kami. Laporan Tahunan diharapkan akan tersedia bagi kami setelah tanggal laporan auditor ini.

Opini kami atas laporan keuangan konsolidasian tidak mencakup informasi lain, dan oleh karena itu, kami tidak menyatakan bentuk keyakinan apapun atas informasi lain tersebut.

Sehubungan dengan audit kami atas laporan keuangan konsolidasian, tanggung jawab kami adalah untuk membaca informasi lain yang teridentifikasi diatas, jika tersedia dan, dalam melaksanakannya, mempertimbangkan apakah informasi lain mengandung ketidakkonsistensian material dengan laporan keuangan konsolidasian atau pemahaman yang kami peroleh selama audit, atau mengandung kesalahan penyajian material.

In order to measure the fair value of these financial instruments, the Group uses discounted cash flow model. This model use various inputs and assumptions, depending on the nature of the financial instrument.

As discussed in Note 46 to the consolidated financial statements, the fair value of such instrument as at December 31, 2023 was Rp5,322,917 million.

The fair valuation of financial instruments of the Group is considered a key audit matter due to the use of inputs from external sources in computing the market values of these financial instruments.

To address this key audit matter, we performed the following procedures:

- We tested the design and operating effectiveness of key controls across the valuation process of the Group's financial instruments measured at fair value.
- We evaluated whether the fair value prices were appropriate by assessing the valuation technique and significant unobservable inputs used on the valuation of the instrument.
- We reviewed the formula used in the fair value valuation.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The 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.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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.

Ketika kami membaca Laporan Tahunan, jika kami menyimpulkan bahwa terdapat suatu kesalahan penyajian material di dalamnya, kami diharuskan untuk mengomunikasikan hal tersebut kepada pihak yang bertanggung jawab atas tata kelola dan mengambil tindakan tepat berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia.

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 tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Dalam penyusunan laporan keuangan konsolidasian, manajemen bertanggung jawab untuk menilai kemampuan Grup dalam mempertahankan kelangsungan usahanya, mengungkapkan, sesuai dengan kondisinya, hal-hal yang berkaitan dengan kelangsungan usaha, dan menggunakan basis akuntansi kelangsungan usaha, kecuali manajemen memiliki intensi untuk melikuidasi Grup atau menghentikan operasi, atau tidak memiliki alternatif yang realistis selain melaksanakannya.

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 memeroleh 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 suatu tingkat keyakinan tinggi, namun bukan merupakan suatu jaminan bahwa audit yang dilaksanakan berdasarkan Standar Audit akan selalu mendeteksi kesalahan penyajian material ketika hal tersebut ada. Kesalahan penyajian dapat disebabkan oleh kecurangan maupun kesalahan dan dianggap material jika, baik secara individual maupun secara agregat, dapat diekspektasikan secara wajar akan memengaruhi keputusan ekonomi yang diambil oleh pengguna berdasarkan laporan keuangan konsolidasian tersebut.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Standard 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 suatu audit berdasarkan Standar Audit, kami menerapkan pertimbangan profesional dan mempertahankan skeptisisme profesional selama audit. Kami juga:

- Mengidentifikasi dan menilai risiko kesalahan penyajian material dalam laporan keuangan konsolidasian, baik yang disebabkan oleh kecurangan maupun kesalahan, mendesain dan melaksanakan prosedur audit yang responsif terhadap risiko tersebut, serta memeroleh bukti audit yang cukup dan tepat untuk menyediakan basis bagi opini kami. Risiko tidak terdeteksinya kesalahan penyajian material yang disebabkan oleh kecurangan lebih tinggi dari yang disebabkan oleh kesalahan, karena kecurangan dapat melibatkan kolusi, pemalsuan, penghilangan secara sengaja, pernyataan salah, atau pengabaian pengendalian internal.
- Memeroleh suatu pemahaman tentang pengendalian internal yang relevan dengan audit untuk mendesain prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektivitasan pengendalian internal Grup.
- Mengevaluasi ketepatan kebijakan akuntansi yang digunakan serta kewajaran estimasi akuntansi dan pengungkapan terkait yang dibuat oleh manajemen.
- Menyimpulkan ketepatan penggunaan basis akuntansi kelangsungan usaha oleh manajemen dan, berdasarkan bukti audit yang diperoleh, apakah terdapat suatu ketidakpastian material yang terkait dengan peristiwa atau kondisi yang dapat menyebabkan keraguan signifikan atas kemampuan Grup untuk mempertahankan kelangsungan usahanya. Ketika kami menyimpulkan bahwa terdapat suatu ketidakpastian material, kami diharuskan untuk menarik perhatian dalam laporan auditor kami ke pengungkapan terkait dalam laporan keuangan konsolidasian atau, jika pengungkapan tersebut tidak memadai, harus menentukan apakah perlu untuk memodifikasi opini kami. Kesimpulan kami didasarkan pada bukti audit yang diperoleh hingga tanggal laporan auditor kami. Namun, peristiwa atau kondisi masa depan dapat menyebabkan Grup tidak dapat mempertahankan kelangsungan usaha.
- Mengevaluasi penyajian, struktur, dan isi laporan keuangan konsolidasian secara keseluruhan, termasuk pengungkapannya, dan apakah laporan keuangan konsolidasian mencerminkan transaksi dan peristiwa yang mendasarinya dengan suatu cara yang mencapai penyajian wajar.
- Memeroleh bukti audit yang cukup dan tepat terkait informasi keuangan entitas atau aktivitas bisnis dalam Grup untuk menyatakan opini atas laporan keuangan konsolidasian. 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 Standard 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 auditors' 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 auditors' 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 pihak yang bertanggung jawab atas tata kelola mengenai, antara lain, ruang lingkup dan waktu pelaksanaan audit, serta temuan audit signifikan, termasuk setiap defisiensi signifikan dalam pengendalian internal yang teridentifikasi oleh kami 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 mematuhi ketentuan etika yang relevan mengenai independensi, dan mengomunikasikan seluruh hubungan, serta hal-hal lain yang dianggap secara wajar berpengaruh terhadap independensi kami, dan, jika relevan, 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 tahun kini dan oleh karenanya menjadi hal audit utama. Kami menguraikan hal audit utama dalam laporan auditor kami, kecuali peraturan perundang-undangan melarang pengungkapan publik tentang hal tersebut atau ketika, dalam kondisi yang sangat jarang terjadi, kami menemukan bahwa suatu hal tidak boleh dikomunikasikan dalam laporan kami karena konsekuensi merugikan dari mengomunikasikan hal tersebut akan diekspektasikan secara wajar melebihi 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 year and are therefore the key audit matters. We describe these matters in our auditors' 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.

MIRAWATI SENSI IDRIS

00388

Denny Susanto
Registrasi Akuntan Publik No. AP. 1671/
Public Accountant Registration No. AP. 1671

20 Mei 2024/*May 20, 2024*

KB Bank

PT Bank KB Bukopin, Tbk.
KB Bank Head Office Jl. MT. Haryono Kav. 50-51, Jakarta Selatan 12770
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SURAT PERNYATAAN DIREKSI TENTANG TANGGUNG JAWAB ATAS LAPORAN KEUANGAN KONSOLIDASIAN TANGGAL 31 DESEMBER 2023 DAN UNTUK PERIODE DUA BELAS BULAN BULAN YANG BERAKHIR PADA TANGGAL TERSEBUT PT BANK KB BUKOPIN TBK DAN ENTITAS ANAK

Kami yang bertanda tangan di bawah ini:

1 Nama : Woo Yeul Lee
Alamat Kantor : Jalan MT Haryono Kav 50-51 Jakarta Selatan – 12770
Alamat domisili : Hotel Fairmont Jakarta Jl. Asia Afrika No.8, Senayan Kec. Tanah Abang Jakarta Pusat
Nomor telepon : 021 – 7989837
Jabatan : Direktur Utama

2 Nama : Han Jung Ho
Alamat Kantor : Jalan MT Haryono Kav 50-51 Jakarta Selatan – 12770
Alamat domisili : Pakubuwono Springs Unit 56 Cherywood, Jl Teuku Nyak Arief No 9 RT 6 RW 2 Grogol Jakarta Selatan
Nomor telepon : 021 – 7988266
Jabatan : Direktur

menyatakan bahwa:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian PT Bank KB Bukopin Tbk dan entitas anak;
2. Laporan keuangan konsolidasian PT Bank KB Bukopin Tbk dan entitas anak telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;
3. a. Semua informasi dalam laporan keuangan konsolidasian PT Bank KB Bukopin Tbk dan entitas anak telah diungkapkan secara lengkap dan benar;
   b. Laporan keuangan konsolidasian PT Bank KB Bukopin Tbk dan entitas anak tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material;
4. Kami bertanggung jawab atas sistem pengendalian internal PT Bank KB Bukopin Tbk dan entitas anak.

Demikian pernyataan ini dibuat dengan sebenarnya.

BOARD OF DIRECTORS' STATEMENT REGARDING THE RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENT AS AT DECEMBER 31, 2023 AND FOR THE TWELVE MONTHS PERIOD THEN ENDED PT BANK KB BUKOPIN TBK AND ITS SUBSIDIARIES

We, the undersigned:

1 *Name* : *Woo Yeul Lee*
Office Address : *Jalan MT Haryono Kav 50-51 Jakarta Selatan – 12770*
Domicile Address : *Hotel Fairmont Jakarta Jl. Asia Afrika No.8, Senayan Kec. Tanah Abang Jakarta Pusat*
Phone Number : *021 – 7989837*
Title : *President Director*

2 *Name* : *Han Jung Ho*
Office Address : *Jalan MT Haryono Kav 50-51 Jakarta Selatan – 12770*
Domicile Address : *Pakubuwono Springs Unit 56 Cherywood, Jl Teuku Nyak Arief No 9 RT 6 RW 2 Grogol Jakarta Selatan*
Phone Number : *021 – 7988266*
Title : *Director*

declare that:

1. *We are responsible for the preparation and presentation of the consolidated financial statements of PT Bank KB Bukopin Tbk and its subsidiaries;*
2. *The consolidated financial statements of PT Bank KB Bukopin Tbk and its subsidiaries have been prepared and presented in accordance with Indonesian Financial Accounting Standards;*
3. a. *All information in the consolidated financial statements of PT Bank KB Bukopin Tbk and its subsidiaries have been disclosed in a complete and truthful manner;*
   b. *The consolidated financial statements of PT Bank KB Bukopin Tbk and its subsidiaries do not contain any incorrect information or material facts, nor do they omit any information or material facts;*
4. *We are responsible for PT Bank KB Bukopin Tbk and its subsidiaries internal control systems.*

This statement has been made truthfully.

Atas nama dan mewakili Direksi/*For and on behalf of the Board of Directors*

Jakarta, 20 Mei 2024/*May 20, 2024*

METERAI TEMPEL

Woo Yeul Lee
Direktur Utama/
President Director

Han Jung Ho
Direktur /
Director

PT BANK KB BUKOPIN TBK
DAN ENTITAS ANAK
Laporan Posisi Keuangan
Konsolidasian
Tanggal 31 Desember 2023
(Angka-angka disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
AND SUBSIDIARIES
Consolidated Statements
Of Financial Position
As at December 31, 2023
(Figures are presented in million Rupiah, unless otherwise stated)

	2023	Catatan/ *Notes*	2022	
ASET				**ASSETS**
Kas	289.184	3,46,51	524.320	Cash
Giro pada Bank Indonesia	3.205.619	4,46,51	4.140.431	Current accounts with Bank Indonesia
Giro pada bank lain		5,46,38		Current accounts with other banks
Pihak berelasi	6.377		75.647	Related party
Pihak ketiga	336.504		668.412	Third parties
Dikurangi: Cadangan kerugian penurunan nilai	(300)		(89)	Less: Allowance for impairment losses
Giro pada bank lain - neto	342.581		743.970	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan bank lain		6,46,51		Placements with Bank Indonesia and other banks
Pihak ketiga	2.133.567		12.180.830	Third parties
Surat-surat berharga:		7,46,51		Marketable securities:
Diukur pada nilai wajar melalui laba rugi	5.322.930		3.362.099	Fair value through profit or loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	3.067.387		588.835	Fair value through other comprehensive income
Diukur pada biaya perolehan diamortisasi	9.145.932		8.059.020	Measured at amortized cost
	17.536.249		12.009.954	
Dikurangi: Cadangan kerugian penurunan nilai	(109)		(76)	Less: Allowance for impairment losses
Surat-surat berharga - neto	17.536.140		12.009.878	Marketable securities - net
Surat-surat berharga yang dibeli dengan janji dijual kembali - neto	2.572.152	8,46,51	-	Marketable securities purchased with agreements to resell - net
Tagihan derivatif	3.040	11,46,51	9.254	Derivative receivables
Kredit yang diberikan dan pembiayaan/piutang syariah		9,40,46,51		Loans and sharia financing/receivables
Pihak berelasi	640.646	38	761.333	Related parties
Pihak ketiga	48.777.970		49.822.101	Third parties
Dikurangi: Cadangan kerugian penurunan nilai	(3.582.834)		(1.626.676)	Less: Allowance for impairment losses
Kredit yang diberikan dan pembiayaan/piutang syariah - neto	45.835.782		48.956.758	Loans and sharia financing/receivables - net
Tagihan akseptasi	132.577	10,40,46	17.346	Acceptance receivables
Dikurangi: Cadangan kerugian penurunan nilai	(1.613)		(211)	Less: Allowance for impairment losses
Tagihan akseptasi - neto	130.964		17.135	Acceptance receivables - net
Penyertaan saham	15	12,46	15	Investments in shares
Aset tetap dan aset hak guna	4.646.734	13	4.686.955	Fixed assets and right of use assets
Dikurangi: Akumulasi penyusutan	(1.413.059)		(1.290.753)	Less: Accumulated depreciation
Aset tetap dan aset hak guna- neto	3.233.675		3.396.202	Fixed assets and right of use assets - net
Aset pajak tangguhan - neto	2.670.543	21c	1.942.151	Deferred tax assets - net
Aset takberwujud	635.815	14	485.049	Intangible assets
Dikurangi: Akumulasi amortisasi dan penurunan nilai	(350.230)		(283.055)	Less: Accumulated amortization and impairment losses
Aset tak berwujud - neto	285.585		201.994	Intangible assets - net
Aset lain-lain - neto	6.068.453	15,46,51	5.872.414	Other assets - net
TOTAL ASET	**84.307.300**		**89.995.352**	**TOTAL ASSETS**

Lihat Catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

	2023	Catatan/ *Notes*	2022	
LIABILITAS DAN EKUITAS				**LIABILITIES AND EQUITY**
LIABILITAS				**LIABILITIES**
Liabilitas segera	431.402	16,46,51	388.522	Liabilities immediately payable
Simpanan nasabah		17,18,19,46,51		Deposits from customers
Giro		17		Demand deposits
Pihak berelasi	9.094	38	260.318	Related parties
Pihak ketiga	3.168.554		3.317.609	Third parties
Tabungan		18		Saving deposits
Pihak berelasi	18.491	38	9.870	Related parties
Pihak ketiga	6.854.693		6.945.914	Third parties
Deposito berjangka		19		Time deposits
Pihak berelasi	40.311	38	55.847	Related parties
Pihak ketiga	34.698.000		41.372.812	Third parties
Simpanan dari bank lain		20		Deposits from other banks
Pihak berelasi	7.699.413	38	10.121.907	Related parties
Pihak ketiga	187.308		259.468	Third parties
Surat-surat berharga yang dijual dengan janji dibeli kembali – neto	219.631	22,46	-	Marketable securities sold with agreements to repurchase - net
Liabilitas derivatif	808	11,51	12.259	Derivative payables
Liabilitas akseptasi	132.577	10,46	17.346	Acceptance payables
Pinjaman yang diterima		23,46		Borrowings
Pihak berelasi	6.544.886	38	6.533.582	Related parties
Pihak ketiga	5.159.606		4.666.549	Third parties
Surat berharga yang diterbitkan	3.397.588	24,38,46	3.392.718	Marketable securities issued
Utang pajak	64.635	21a	56.496	Tax payables
Liabilitas lain-lain	1.570.140	26,51	1.367.530	Other liabilities
TOTAL LIABILITAS	**70.197.137**		**78.778.747**	**TOTAL LIABILITIES**
EKUITAS YANG DAPAT DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK				**EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY**
Modal saham				Share capital
Saham biasa kelas A - nilai nominal Rp10.000 (nilai penuh)				Common A shares - Rp10,000 (full amount) par value
Saham biasa kelas B - nilai nominal Rp100 (nilai penuh)				Common B shares - Rp100 (full amount) par value
Modal dasar				Authorized capital
Saham biasa kelas A - 21.337.978 saham				Common A shares - 21,337,978 shares
Saham biasa kelas B - 207.866.202.200				Common B shares - 207,866,202,200 shares
Modal ditempatkan dan disetor penuh				Issued and fully paid capital
Saham biasa kelas A - 21.337.978 saham				Common A shares - 21,337,978 shares
Saham biasa kelas B - 187.866.201.892 saham per 31 Desember 2023 dan 67.866.202.200 saham per 31 Desember 2022	19.000.000	27a	7.000.000	Common B shares - 187,866,201,892 shares as of December 31, 2023 and 67,866,202,200 shares as of December 31,2022
Tambahan modal disetor	8.225.767	27b	8.286.428	Additional paid-in capital
Uang muka setoran modal	-	27a	3.000.000	Advance for future shares subscription
Surplus revaluasi aset	1.603.893	13	1.605.649	Asset revaluation surplus
Keuntungan yang belum direalisasi atas surat-surat berharga dalam kelompok nilai wajar melalui penghasilan komprehensif lain - setelah pajak tangguhan	7.563		2.625	Unrealized gain on fair value through other comprehensive income marketable securities - net of deferred tax
Akumulasi defisit	(14.700.914)		(8.673.269)	Accumulated deficit
	14.136.309		11.221.433	
Kepentingan non-pengendali	(26.146)	28	(4.828)	Non-controlling interest
TOTAL EKUITAS	**14.110.163**		**11.216.605**	**TOTAL EQUITY**
TOTAL LIABILITAS DAN EKUITAS	**84.307.300**		**89.995.352**	**TOTAL LIABILITIES AND EQUITY**

Lihat Catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

PT BANK KB BUKOPIN TBK
DAN ENTITAS ANAK
Laporan Laba Rugi Dan Penghasilan Komprehensif Konsolidasian
Untuk Tahun yang Berakhir Pada Tanggal 31 Desember 2023
(Angka-angka disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
AND SUBSIDIARIES
Consolidated Statements Of Profit Or Loss And Other Comprehensive Income
For the Year Ended December 31, 2023
(Figures are presented in million Rupiah, unless otherwise stated)

	2023	Catatan/ *Notes*	2022	
PENDAPATAN DAN BEBAN OPERASIONAL				**INCOME AND EXPENSES FROM OPERATIONS**
Pendapatan bunga dan syariah		29		Interest and sharia income
Pendapatan bunga	4.374.694		3.721.413	Interest income
Pendapatan syariah	486.942		407.257	Sharia income
Total pendapatan bunga dan syariah	4.861.636		4.128.670	Total interest and sharia income
Beban bunga dan syariah		30		Interest expense and sharia charges
Beban bunga	(3.746.710)		(2.828.375)	Interest expense
Beban syariah	(306.044)		(250.792)	Sharia charges
Total beban bunga dan syariah	(4.052.754)		(3.079.167)	Total interest expense and sharia charges
Pendapatan bunga dan syariah - neto	808.882		1.049.503	Interest and sharia income - net
Pendapatan operasional lainnya				Other operating income
Provisi dan komisi lainnya	333.732	31	323.340	Other fees and commissions
Keuntungan (kerugian) atas penjualan surat-surat berharga - neto	(8.899)		13.082	Gain (loss) on sale of marketable securities - net
Keuntungan selisih kurs - neto	29.265		31.815	Gain on foreign exchange - net
Lain-lain	102.429		131.272	Others
Total pendapatan operasional lainnya	456.527		499.509	Total other operating income
Penyisihan kerugian penurunan nilai atas aset keuangan - neto	(5.537.792)	32	(3.948.482)	Provision of allowance for impairment losses on financial assets - net
Keuntungan (kerugian) transaksi mata uang asing - neto	5.235		(1.919)	Gain (loss) from foreign exchange transactions - net
Penyisihan estimasi kerugian atas komitmen dan kontinjensi - neto	1.999	25	(2.272)	Provision for commitments and contingencies - net
Beban penyisihan kerugian penurunan nilai atas aset non-keuangan - neto	(269.055)		(81.325)	Provision for allowance for impairment losses on non-financial assets - net
Keuntungan (kerugian) dari perubahan nilai wajar aset keuangan	155.384		(147.542)	Gain (loss) from changes in fair value of financial assets
Beban operasional lainnya:				Other operating expenses:
Umum dan administrasi	(1.371.594)	33	(1.571.018)	General and administrative
Gaji dan tunjangan karyawan	(809.976)	34	(734.432)	Salaries and employee benefits
Premi program penjaminan pemerintah	(98.812)	30	(118.790)	Premium on government guarantee program
Total beban operasional lainnya	(2.280.382)		(2.424.240)	Total other operating expenses
RUGI OPERASIONAL	**(6.659.202)**		**(5.056.768)**	**LOSS FROM OPERATIONS**
BEBAN NON-OPERASIONAL - NETO	**(128.185)**	**35**	**(88.888)**	**NON-OPERATING EXPENSE - NET**
RUGI SEBELUM BEBAN PAJAK PENGHASILAN	**(6.787.387)**		**(5.145.656)**	**LOSS BEFORE INCOME TAX EXPENSE**

Lihat Catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

	2023	Catatan/ *Notes*	2022	
MANFAAT PAJAK PENGHASILAN				**INCOME TAX BENEFIT**
Tangguhan	731.684	21b	113.152	Deferred
Manfaat pajak penghasilan - neto	731.684		113.152	Income tax benefit - net
RUGI TAHUN BERJALAN	**(6.055.703)**		**(5.032.504)**	**LOSS FOR THE YEAR**
PENGHASILAN KOMPREHENSIF LAIN:				**OTHER COMPREHENSIVE INCOME:**
Pos yang tidak akan direklasifikasi ke laba rugi:				Item that will not be reclassified to profit or loss:
Pengukuran kembali keuntungan atas program imbalan pasti	8.640	37	25.736	Remeasurement of gain on defined benefit plans
Perubahan surplus revaluasi aset	(1.756)	13	77.837	Revaluation surplus
Pajak penghasilan terkait pos yang tidak akan direklasifikasi ke laba rugi	(1.900)	21c	(5.663)	Income tax related to item that will not be reclassified to profit or loss
Pos-pos yang akan direklasifikasi ke laba rugi:				Items that may be reclassified subsequently to profit or loss:
Perubahan nilai wajar surat-surat berharga dalam kelompok nilai wajar melalui penghasilan komprehensif lain	6.330		(70.134)	Changes in fair value of fair value through other comprehensive income marketable securities
Pajak penghasilan terkait pos yang akan direklasifikasi ke laba rugi	(1.392)	21c	15.429	Income tax related to item that will be reclassified to profit or loss
Penghasilan komprehensif lain - neto	9.922		43.205	Other comprehensive income - net
Total rugi komprehensif tahun berjalan	(6.045.781)		(4.989.299)	Total comprehensive loss for the year
Rugi tahun berjalan yang dapat diatribusikan kepada:				Loss for the year attributable to:
Pemilik entitas induk	(6.034.077)		(5.027.460)	Equity holders of the parent entity
Kepentingan non-pengendali	(21.626)	28	(5.044)	Non-controlling interest
	(6.055.703)		(5.032.504)	
Total rugi komprehensif tahun berjalan yang dapat diatribusikan kepada:				Total comprehensive loss for the year attributable to:
Pemilik entitas induk	(6.024.463)		(4.984.356)	Equity holders of the parent entity
Kepentingan non-pengendali	(21.318)		(4.943)	Non-controlling interest
	(6.045.781)		(4.989.299)	
RUGI PER SAHAM				**LOSS PER SHARE**
Dasar/dilusian (nilai penuh)	(61)	48	(74)	Basic/diluted (full amount)

Lihat Catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

PT BANK KB BUKOPIN TBK
DAN ENTITAS ANAK
Laporan Perubahan Ekuitas Konsolidasian
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Angka-angka disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
AND SUBSIDIARIES
Consolidated Statements Of Changes In Equity
For the Year Ended December 31, 2023
(Figures are presented in million Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Modal Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital*	Tambahan Modal Disetor/ *Additional Paid-in Capital*	Uang Muka Setoran Modal/ *Advance for Future Shares Subscription*	Surplus Revaluasi Aset/ *Asset Revaluation Surplus*	Keuntungan yang Belum Direalisasi atas Surat-Surat Berharga Dalam Kelompok Nilai Wajar melalui Penghasilan Komprehensif Lain - Setelah Pajak Tangguhan/ *Unrealized Gains on Fair Value through Other Comprehensive Income of Marketable Securities Net - of Deferred Tax*	Akumulasi Rugi/ *Accumulated Deficit*	Total	Kepentingan Non-Pengendali/ *Non-Controlling Interest*	Total Ekuitas/ *Total Equity*	
Saldo per 1 Januari 2022		**7.000.000**	**8.286.428**	**-**	**1.527.812**	**57.330**	**(3.665.882)**	**13.205.688**	**216**	**13.205.904**	**Balance as of January 1, 2022**
Uang muka setoran modal	27a	-	-	3.000.000	-	-	-	3.000.000	-	3.000.000	Advance for future shares subscription
Kerugian yang belum direalisasi atas surat-surat berharga dalam kelompok nilai wajar diukur melalui penghasilan komprehensif lain - setelah pajak tangguhan		-	-	-	-	(54.705)	-	(54.705)	-	(54.705)	Unrealized losses on fair value through other comprehensive income marketable securities - net of deferred tax
Surplus revaluasi aset tetap	13	-	-	-	77.837	-	-	77.837	-	77.837	Surplus of fixed asset revaluation
Pengukuran kembali atas program imbalan pasti - setelah pajak tangguhan		-	-	-	-	-	20.073	20.073	(101)	19.972	Remeasurement on defined benefit plans - net of deferred tax
Rugi tahun berjalan		-	-	-	-	-	(5.027.460)	(5.027.460)	(4.943)	(5.032.403)	Loss for the year
Saldo per 31 Desember 2022		**7.000.000**	**8.286.428**	**3.000.000**	**1.605.649**	**2.625**	**(8.673.269)**	**11.221.433**	**(4.828)**	**11.216.605**	**Balance as of December 31, 2022**

Lihat Catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

	Catatan/ *Notes*	Modal Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital*	Tambahan Modal Disetor/ *Additional Paid-in Capital*	Uang Muka Setoran Modal/ *Advance for Future Shares Subscription*	Surplus Revaluasi Aset/ *Asset Revaluation Surplus*	Keuntungan yang Belum Direalisasi atas Surat-Surat Berharga Dalam Kelompok Nilai Wajar melalui Penghasilan Komprehensif Lain - Setelah Pajak Tangguhan/ *Unrealized Gains on Fair Value through Other Comprehensive Income of Marketable Securities Net - of Deferred Tax*	Akumulasi Rugi/ *Accumulated Deficit*	Total	Kepentingan Non-Pengendali/ *Non-Controlling Interest*	Total Ekuitas/ *Total Equity*	
Saldo per 1 Januari 2023		**7.000.000**	**8.286.428**	**3.000.000**	**1.605.649**	**2.625**	**(8.673.269)**	**11.221.433**	**(4.828)**	**11.216.605**	**Balance as of January 1, 2023**
Realisasi uang muka setoran modal	27	3.000.000	-	(3.000.000)	-	-	-	-	-	-	Realization of advance for future shares
Penerimaan dana PUT VII	27	9.000.000	(60.661)	-	-	-	-	8.939.339	-	8.939.339	Receipt of LPO VII funds
Keuntungan yang belum direalisasi atas surat-surat berharga dalam kelompok nilai wajar diukur melalui penghasilan komprehensif lain - setelah pajak tangguhan		-	-	-	-	4.938	-	4.938	-	4.938	Unrealized income on fair value through other comprehensive income marketable securities - net of deferred tax
Penghentian revaluasi aset tetap	13	-	-	-	(1.756)	-	-	(1.756)	-	(1.756)	Derecognation of fixed asset revaluation
Pengukuran kembali atas program imbalan pasti - setelah pajak tangguhan		-	-	-	-	-	6.432	6.432	308	6.740	Remeasurement on defined benefit plans - net of deferred tax
Rugi tahun berjalan		-	-	-	-	-	(6.034.077)	(6.034.077)	(21.626)	(6.055.703)	Loss for the year
Saldo per 31 Desember 2023		**19.000.000**	**8.225.767**	**-**	**1.603.893**	**7.563**	**(14.700.914)**	**14.136.309**	**(26.146)**	**14.110.163**	**Balance as of December 31, 2023**

Lihat Catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

	2023	Catatan/ *Notes*	2022	
ARUS KAS DARI AKTIVITAS OPERASI				**CASH FLOWS FROM OPERATING ACTIVITIES**
Penerimaan bunga	4.445.205		3.611.905	Receipts from interest
Penerimaan pendapatan syariah	486.942		407.257	Receipts from sharia income
Pembayaran bunga	(4.109.898)		(2.790.920)	Payment of interest
Pembayaran beban syariah	(306.044)		(250.792)	Payments of sharia charges
Pendapatan operasional lainnya	351.755		269.558	Other operating income
Penerimaan kembali kredit yang telah dihapusbukukan	177.584	9p	84.769	Recoveries from written-off loans
Pembayaran gaji dan tunjangan karyawan	(937.763)		(988.084)	Payments of salaries and employee benefits
Beban operasional lainnya	(1.237.851)		(1.843.715)	Other operating expense
Beban non operasional	(123.249)		(90.542)	Non - operating expenses
Pengeluaran kas sebelum perubahan dalam aset dan liabilitas operasi	(1.253.319)		(1.590.564)	Cash payments before changes in operating assets and liabilities
Perubahan dalam aset dan liabilitas operasi:				Changes in operating assets and liabilities:
Penurunan (kenaikan) aset operasi:				Decrease (increase) in operating assets:
Penempatan pada Bank Indonesia dan bank lain yang jatuh tempo lebih dari 3 bulan sejak tanggal perolehan	(17.000)		(30.000)	Placements with Bank Indonesia and other banks with original maturities of more than 3 months from acquisition date
Surat-surat berharga - diukur pada nilai wajar melalui laba rugi	2.929.462		3.747.558	Marketable securities - at fair value through profit or loss
Surat-surat berharga - diukur pada biaya perolehan diamortisasi	495.880		724.074	Marketable securities - amortized cost
Kredit yang diberikan dan pembiayaan/piutang syariah	(3.134.725)		925.552	Loans and sharia financing/receivables
Tagihan akseptasi	113.829		11.783	Acceptances receivable
Aset lain-lain	(492.929)		(1.027.266)	Other assets
Kenaikan (penurunan) liabilitas operasi:				Increase (decrease) in operating liabilities:
Liabilitas segera	42.880		99.231	Liabilities immediately payable
Simpanan nasabah:				Deposits from customers:
Giro	(400.279)		263.175	Current accounts
Tabungan	(82.600)		(1.841.133)	Savings deposits
Deposito berjangka	(6.690.348)		(2.282.447)	Time deposits
Simpanan dari bank lain	(2.494.654)		729.306	Deposits from other banks
Liabilitas akseptasi	115.231		11.928	Acceptances payable
Utang pajak	8.139		14.332	Tax payables
Liabilitas lain-lain	694.625		(14.757)	Other liabilities
Kas neto digunakan untuk aktivitas operasi	(10.165.808)		(259.228)	Net cash used in operating activities

	2023	Catatan/ *Notes*	2022	
ARUS KAS DARI AKTIVITAS INVESTASI				**CASH FLOWS FROM INVESTING ACTIVITIES**
Penerimaan dari penjualan surat-surat berharga - diukur pada nilai wajar melalui penghasilan komprehensif lain	260.000		1.099.665	Receipts from sale of marketable securities - fair value through other comprehensive income
Penerimaan dari surat-surat berharga yang jatuh tempo	11.725.517		4.106.018	Receipts from matured marketable securities
Pembelian surat-surat berharga - diukur pada nilai wajar melalui penghasilan komprehensif lain dan diukur pada biaya perolehan diamortisasi	(20.804.241)		(12.205.046)	Purchase of marketable securities - fair value through other comprehensive income and and amortized cost
Penerimaan dari surat-surat berharga yang dibeli dengan janji dijual kembali yang jatuh tempo	57.780.679		33.774.734	Receipts from matured marketable securities purchased with agreements to resell
Pembayaran atas surat-surat berharga yang dibeli dengan janji dijual kembali	(60.352.831)		(33.525.187)	Payments of marketable securities purchased with agreements to resell
Pembelian aset tetap	(60.766)	13	(57.220)	Purchase of fixed assets
Hasil penjualan aset tetap	7.200	13	32.581	Proceeds from sale of fixed assets
Pembelian piranti lunak	(150.766)	14	(8.825)	Purchase of software
Kas neto digunakan untuk aktivitas investasi	(11.595.208)		(6.783.280)	Net cash used in investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN				**CASH FLOWS FROM FINANCING ACTIVITIES**
Penerimaan dari surat-surat berharga yang dijual dengan janji dibeli kembali	9.127.534		10.806.560	Receipts from marketable securities sold with agreements to repurchase
Pembayaran atas surat-surat berharga yang dijual dengan janji dibeli kembali yang jatuh tempo	(8.907.903)		(13.183.397)	Payments of matured marketable securities sold with agreements to repurchase
Penerimaan dari pinjaman yang diterima	1.246.416		8.887.273	Proceeds from borrowings
Pembayaran pinjaman yang diterima	(742.055)		(113.383)	Payment of borrowings
Penerimaan uang muka setoran modal	-	27	3.000.000	Advance received for future shares subscription
Penerimaan modal dari Penawaran Umum Terbatas VII	8.939.339	27	-	Receipt from Limited Public Offering VII
Kas neto diperoleh dari aktivitas pendanaan	9.663.331		9.397.053	Net cash provided by financing activities

Lihat Catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

	2023	Catatan/ *Notes*	2022	
PENINGKATAN (PENURUNAN) NETO KAS DAN SETARA KAS	**(12.097.685)**		**2.354.545**	**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**
Pengaruh perubahan kurs mata uang asing	492.085		(422.197)	Effects of foreign currency exchange rate changes
KAS DAN SETARA KAS AWAL TAHUN	**17.559.551**		**15.627.203**	**CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR**
KAS DAN SETARA KAS AKHIR TAHUN	**5.953.951**		**17.559.551**	**CASH AND CASH EQUIVALENTS AT END OF THE YEAR**
Kas dan setara kas terdiri dari:				Cash and cash equivalents consist of:
Kas	289.184		524.320	Cash
Giro pada Bank Indonesia	3.205.619		4.140.431	Current accounts with Bank Indonesia
Giro pada bank lain	342.581		743.970	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain yang jatuh tempo dalam 3 bulan atau kurang sejak tanggal perolehan	2.116.567		12.150.830	Placement with Bank Indonesia and other banks with original maturities of 3 months or less from acquisition date
Total	**5.953.951**		**17.559.551**	**Total**

Lihat Catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

1. Umum

a. Pendirian Bank

PT Bank KB Bukopin Tbk ("Bank") didirikan di Republik Indonesia pada tanggal 10 Juli 1970 dengan nama Bank Umum Koperasi Indonesia (disingkat Bukopin) yang disahkan sebagai badan hukum berdasarkan Surat Keputusan Direktorat Jenderal Koperasi No. 13/Dirjen/Kop/70 dan didaftarkan dalam Daftar Umum Direktorat Jenderal Koperasi No. 8251 pada tanggal yang sama. Bank mulai melakukan usaha komersial sebagai Bank umum koperasi di Indonesia sejak tanggal 16 Maret 1971 dengan izin Menteri Keuangan dalam Surat Keputusan No. Kep-078/DDK/II/3/1971 tanggal 16 Maret 1971.

Menurut Anggaran Dasar, usaha Bank mencakup segala kegiatan Bank umum sebagaimana dimaksud dalam Undang-Undang Perbankan dengan tujuan utama memperhatikan dan melayani kepentingan gerakan koperasi di Indonesia sesuai dengan Undang-Undang Perkoperasian yang berlaku. Dalam perkembangannya, Bank telah melakukan penggabungan usaha dengan beberapa Bank umum koperasi. Perubahan nama Bank Umum Koperasi Indonesia (Bukopin) menjadi Bank Bukopin disahkan dalam Rapat Anggota Bank Umum Koperasi Indonesia yang dituangkan dalam surat No. 03/RA/XII/89 tanggal 2 Januari 1990.

Dalam Rapat Khusus Anggota Bank, yang dinyatakan dengan akta notaris No. 4 tanggal 2 Desember 1992 dari Notaris Muhani Salim, S.H., para anggota menyetujui untuk mengubah status badan hukum Bank dari koperasi menjadi perseroan terbatas. Akta pendirian yang berkaitan dengan perubahan status badan hukum Bank dinyatakan dengan akta notaris No. 126 tanggal 25 Februari 1993 dari Notaris Muhani Salim, S.H., beserta pembetulannya, dengan akta notaris No. 118 tanggal 28 Mei 1993 dari notaris yang sama.

Perubahan ini telah disahkan oleh Menteri Kehakiman Republik Indonesia dalam Surat Keputusan No. C2-5332.HT.01.01.TH.93 tanggal 29 Juni 1993 serta diumumkan dalam Berita Negara Republik Indonesia No. 3633 tambahan No. 64 tanggal 10 Agustus 1993. Perubahan ini juga telah disetujui oleh Menteri Keuangan Republik Indonesia dalam Surat Keputusan No. S-1382/MK.17/1993 tanggal 28 Agustus 1993. Bank memulai kegiatan usaha dalam bentuk perseroan terbatas pada tanggal 1 Juli 1993.

1. General

a. Establishment of the Bank

PT Bank KB Bukopin Tbk (the "Bank") was established in the Republic of Indonesia on July 10, 1970 as Bank Umum Koperasi Indonesia (abbreviated to Bukopin) based on Decision Letter No. 13/Dirjen/Kop/70 of the Directorate General for Cooperatives and was registered in the General List of the Directorate General for Cooperatives No. 8251 on the same date. The Bank started its commercial operations as a cooperative Bank in Indonesia on March 16, 1971 upon the approval of the Ministry of Finance in its Decision Letter No. Kep-078/DDK/II/3/1971 dated March 16, 1971.

According to its Articles of Association, the Bank's scope of activities includes all commercial Banking activities as defined in the Banking Law, with the main objective of providing services to cooperatives in Indonesia in accordance with the Law on Cooperatives. During its growth, the Bank merged with certain cooperative Banks. The change in the name from Bank Umum Koperasi Indonesia (Bukopin) to Bank Bukopin was approved during the Cooperative Members' Meeting of Bank Umum Koperasi Indonesia as stated in letter No. 03/RA/XII/89 dated January 2, 1990.

During the Special Meeting of the Members of Bank, the minutes of which were covered by notarial deed No. 4 dated December 2, 1992 of Notary Muhani Salim, S.H., the cooperative members agreed to change the Bank's legal entity from a cooperative to a limited liability company. The Bank's deed of establishment and the amendment relating to the change in legal entity were covered by notarial deed No. 126 dated February 25, 1993 of Notary Muhani Salim, S.H., and notarial deed No. 118 dated May 28, 1993 of the same notary, respectively.

These changes were approved by the Minister of Justice of the Republic of Indonesia in its Decision Letter No. C2-5332.HT.01.01.TH.93 dated June 29, 1993 and were published in Supplement No. 64 of State Gazette No. 3633 dated August 10, 1993. The changes were also approved by the Minister of Finance of the Republic of Indonesia in its Decision Letter No. S-1382/MK.17/1993 dated August 28, 1993. The Bank started commercial operations as a limited liability company on July 1, 1993.

1. Umum (lanjutan)

a. Pendirian Bank (lanjutan)

Berdasarkan anggaran dasar PT Bank KB Bukopin Tbk, Akta Pernyataan Keputusan Rapat tertanggal 9 Juni 2023 No. 33 sebagaimana Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia tertanggal 12 Juni 2023 No. AHU-0107791.AH.01.11. Tahun 2023 tentang Perubahan Peningkatan Modal Ditempatkan/Disetor PT Bank KB Bukopin Tbk, Akta Pernyataan Keputusan Rapat tertanggal 9 Juni 2023 No. 33, sebagaimana telah diterima dan dicatat di dalam *database* Sistem Administrasi Badan Hukum Kementerian Hukum Dan Hak Asasi Manusia RI tertanggal 12 Juni 2023 No. AHU-AH.01.03-0075748 Perihal: Penerimaan Pemberitahuan Perubahan Anggaran DasarPT Bank KB Bukopin Tbk.

Entitas induk sekaligus pemegang saham pengendali Bank pada tanggal 31 Desember 2023 dan 2022 adalah KB Kookmin Bank Co., Ltd.

Kantor pusat Bank beralamat di Jalan M.T. Haryono Kav. 50-51, Jakarta 12770, Indonesia.

Pada tanggal 31 Desember 2023 dan 2022, Bank memiliki kantor pusat operasi, kantor cabang, kantor cabang pembantu, kantor fungsional dan ATM sebagai berikut:

1. General (continued)

a. Establishment of the Bank (continued)

Based on the articles of association of PT Bank KB Bukopin Tbk, Deed of Statement of Meeting Resolution dated on June 9, 2023 No. 33 as received and recorded in the Legal Entity Administration System database of the Ministry of Law and Human Rights of the Republic of Indonesia dated June 12, 2023 No. AHU-0107791.AH.01.11. Year 2023 concerning Amendment to Increase the Issued/Paid-up Capital of PT Bank KB Bukopin Tbk, Deed of Meeting Resolution dated June 9, 2023 No. 33, as received and recorded in the Legal Entity Administration System database of the Ministry of Law and Human Rights of the Republic of Indonesia dated June 12, 2023 No. AHU-AH.01.03-0075748 Subject: Receipt of Notification of Amendments to the Articles of Association PT Bank KB Bukopin Tbk.

The parent entity as well as controlling shareholders of the Bank as at December 31, 2023 and 2022 is KB Kookmin Bank Co., Ltd.

The Bank's head office is located at Jalan M.T. Haryono Kav. 50-51, Jakarta 12770, Indonesia.

As at December 31, 2023 and 2022, the Bank has operations headquarter, branches, sub-branches, functional offices and ATMs as follow:

	2023	2022	
Kantor pusat operasi	1	1	Operations headquarter
Kantor cabang	29	41	Branches
Kantor cabang pembantu	143	231	Sub-branches
Kantor fungsional	1	3	Functional offices
ATM	11	359	ATM

Pada tanggal 31 Desember 2023 dan 2022 jumlah karyawan Bank, termasuk karyawan tidak tetap, masing-masing adalah sebesar 2.618 dan 3.373 (tidak diaudit).

As at December 31, 2023 and 2022, the Bank has total employees, including non-permanent, of 2,618 and 3,373, respectively (unaudited).

b. Susunan Pengurus Bank

Personil manajemen kunci mencakup Dewan Komisaris, Direksi, dan pejabat eksekutif yaitu pejabat yang bertanggung jawab langsung kepada Direksi.

b. Composition of the Bank's Management

Key management personnel consists of the Board of Commissioners, Directors, and key executives who have direct responsibility to the Directors.

1. Umum (lanjutan)

b. Susunan Pengurus Bank (lanjutan)

Susunan Dewan Komisaris dan Direksi Bank pada tanggal 31 Desember 2023 adalah sebagai berikut:

1. General (continued)

b. Composition of the Bank's Management (continued)

The members of the Bank's Boards of Commissioners and Directors as at December 31, 2023, are as follows:

	31 Desember/ *December 31, 2023*	
Dewan Komisaris:		**Board of Commissioners:**
Komisaris Utama	Jerry Marmen	President Commissioner
Wakil Komisaris Utama	Nam Hoon Cho ***)	Deputy President Commissioner
Komisaris	Nanang Supriyatno	Commissioner
Komisaris Independen	Tippy Joesoef	Independent Commissioner
Komisaris Independen	Hae Wang Lee	Independent Commissioner
Komisaris Independen	Stephen Liestyo	Independent Commissioner
Komisaris Independen	Sukriansyah S. Latief	Independent Commissioner
Komisaris Independen	Eugene Keith Galbraith	Independent Commissioner
Direksi:		**Directors:**
Direktur Utama	Woo Yeul Lee	President Director
Wakil Direktur Utama	Robby Mondong	Deputy President Director
Direktur Kepatuhan dan Risiko	Dodi Widjajanto	Compliance and Risk Director
Direktur Bisnis Retail & Service	Helmi Fahrudin	Retail Business & Services Director
Direktur Keuangan	Seng Hyup Shin **)	Finance Director
Direktur Bisnis UKM & Wholesale	Yohanes Suhardi	SME & Wholesale Business Director
Direktur Kredit	Henry Sawali	Credit Director
Direktur Teknologi Informasi & Digital	Young Eun Moon *)	Information Technology & Digital Director
Direktur Strategi	Jung Ho Han *)	Strategic Director

*) Terhitung efektif sejak ditetapkan oleh Bank setelah memenuhi semua persyaratan yang diatur dalam POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 dan/atau peraturan perundang-undangan lainnya yang berlaku.

**) Perseroan menerima surat pengunduran diri pada tanggal 8 Desember 2023.

***) Perseroan menerima surat pengunduran diri pada tanggal 29 Desember 2023.

*) Shall be effective as stipulation specified by Bank after fulfilling all requirements governed by POJK No. 27/POJK.03/2016, No. 37/ POJK.03/2017 and/or other applicable laws and regulations.

**) The company received a letter of resignation on December 8, 2023.

***) The company received a letter of resignation on December 29, 2023.

Susunan Dewan Komisaris dan Direksi Bank pada tanggal 31 Desember 2023 adalah berdasarkan Rapat Umum Pemegang Saham Luar Biasa tanggal 31 Januari 2023 yang dituangkan dalam akta notaris No. 77 tanggal 31 Januari 2023.

Pada tanggal 24 Januari 2024 Bank melaksanakan Rapat Umum Pemegang Saham Luar Biasa dan hasil keputusannya adalah mengangkat Bapak Seng Hyup Shin sebagai Wakil Komisaris Perseroan, Bapak Jang Hyuk Im sebagai Direktur Perseroan sesuai dengan akta Notaris No. 57 tanggal 24 Januari 2024 dan sesuai dengan SKEP Dewan Komisaris No. SKEP/001 Tahun 2024 tentang Pembagian dalam Struktur Organinasi serta pembagian tugas dan wewenang anggota Direksi PT Bank KB Bukopin Tbk Bapak Jang Hyuk Im ditetapkan sebagai Direktur Keuangan, sehingga Susunan Dewan Komisaris dan Direksi Bank Sejak tanggal 24 Januari 2024 adalah sebagai berikut:

The members of the Bank's Boards of Commissioners and Directors as at December 31, 2023 is based on Extraordinary General Meeting of Shareholders dated January 31, 2023 stated in notarial deed No. 77 dated January 31, 2023.

On January 24, 2024 the Bank held an Extraordinary General Meeting of Shareholders and the result of the decision was to appoint Mr. Seng Hyup Shin as a Deputy President Commissioner of the Company and Mr. Jang Hyuk Im as a Director of the Company in accordance with Notary deed No. 57 dated January 24, 2024 and in accordance with SKEP of the Board of Commissioners No. SKEP/001 of 2024 concerning Division in the Organizational Structure and distribution of duties and authorities for the members of the Directors of PT Bank KB Bukopin Tbk. Mr. Jang Hyuk Im was appointed as Director of Finance, so that the composition of the Board of Commissioners and Directors of the Bank as at January 24, 2024 are as follows:

1. Umum (lanjutan)

b. Susunan Pengurus Bank (lanjutan)

1. General (continued)

b. Composition of the Bank's Management (continued)

	24 Januari/ *January 24, 2024*	
Dewan Komisaris:		**Board of Commissioners:**
Komisaris Utama	Jerry Marmen	President Commissioner
Wakil Komisaris Utama	Seng Hyup Shin *)	Deputy President Commissioner
Komisaris	Nanang Supriyatno	Commissioner
Komisaris Independen	Tippy Joesoef	Independent Commissioner
Komisaris Independen	Hae Wang Lee	Independent Commissioner
Komisaris Independen	Stephen Liestyo	Independent Commissioner
Komisaris Independen	Sukriansyah S. Latief	Independent Commissioner
Komisaris Independen	Eugene Keith Galbraith	Independent Commissioner
Direksi:		**Directors:**
Direktur Utama	Woo Yeul Lee	President Director
Wakil Direktur Utama	Robby Mondong	Deputy President Director
Direktur Kepatuhan dan Risiko	Dodi Widjajanto	Compliance and Risk Director
Direktur Bisnis Retail & Service	Helmi Fahrudin	Retail Business & Services Director
Direktur Keuangan	Jang Hyuk Im *)	Finance Director
Direktur Bisnis UKM & Wholesale	Yohanes Suhardi	SME & Wholesale Business Director
Direktur Kredit	Henry Sawali	Credit Director
Direktur Teknologi Informasi & Digital	Young Eun Moon *)	Information Technology & Digital Director
Direktur Strategi	Jung Ho Han	Strategic Director

*) Terhitung efektif sejak ditetapkan oleh Bank setelah memenuhi semua persyaratan yang diatur dalam POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 dan/atau peraturan perundang-undangan lainnya yang berlaku.

*) Shall be effective as stipulation specified by Bank after fulfilling all requirements governed by POJK No. 27/POJK.03/2016, No. 37/ POJK.03/2017 and/or other applicable laws and regulations.

Susunan Dewan Komisaris dan Direksi Bank pada tanggal 31 Desember 2022 adalah sebagai berikut:

The members of the Bank's Boards of Commissioners and Directors as at December 31, 2022, are as follows:

	31 Desember/ *December 31, 2022*	
Dewan Komisaris:		**Board of Commissioners:**
Komisaris Utama	Jerry Marmen	President Commissioner
Wakil Komisaris Utama	Nam Hoon Cho	Deputy President Commissioner
Komisaris	Nanang Supriyatno	Commissioner
Komisaris Independen	Tippy Joesoef	Independent Commissioner
Komisaris Independen	Hae Wang Lee	Independent Commissioner
Komisaris Independen	Stephen Liestyo	Independent Commissioner
Komisaris Independen	Sukriansyah S. Latief	Independent Commissioner
Komisaris Independen	Eugene Keith Galbraith	Independent Commissioner
Direksi:		**Directors:**
Direktur Utama	Woo Yeul Lee *)	President Director
Wakil Direktur Utama	Robby Mondong	Deputy President Director
Direktur Kepatuhan dan Manajemen Risiko	Dodi Widjajanto	Compliance and Risk Management Director
Direktur Operasi	Helmi Fahrudin	Operation Director
Direktur Keuangan	Seng Hyup Shin	Finance Director
Direktur Strategi	Jin Bum Kim **)	Strategic Director
Direktur Bisnis UKM	Yohanes Suhardi	Business & SME Director
Direktur Kredit	Henry Sawali	Credit Director
Direktur Teknologi Informasi	Young Eun Moon *)	Information Technology Director

*) Terhitung efektif sejak ditetapkan oleh Bank setelah memenuhi semua persyaratan yang diatur dalam POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 dan/atau peraturan perundang-undangan lainnya yang berlaku.

**) Perseroan menerima surat pengunduran diri pada tanggal 14 Desember 2022.

*) Shall be effective as stipulation specified by Bank after fulfilling all requirements governed by POJK No. 27/POJK.03/2016, No. 37/ POJK.03/2017 and/or other applicable laws and regulations.

**) The company received a letter of resignation on December 14, 2022.

1. Umum (lanjutan)

b. Susunan Pengurus Bank (lanjutan)

Susunan Dewan Komisaris dan Direksi Bank pada tanggal 31 Desember 2022 adalah berdasarkan Rapat Umum Pemegang Saham Luar Biasa tanggal 24 Agustus 2022 yang dituangkan dalam akta notaris No. 37 tanggal 24 Agustus 2022.

Susunan Komite Audit Bank pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

	31 Desember/ *December 31, 2023*	31 Desember/ *December 31, 2022*	
Ketua	Stephen Liestyo	Stephen Liestyo	Chairman
Anggota	Tippy Joesoef *)	Nanang Supriyatno	Member
Anggota	Eugene Keith Galbraith	Eugene Keith Galbraith	Member
Anggota	Dewi Anggesty Sah Bandar	Dewi Anggesty Sah Bandar	Member
Anggota	Jacobus Sindu Adisuwono	Jacobus Sindu Adisuwono	Member

Terhitung efektif sejak ditetapkan oleh Bank setelah memenuhi semua persyaratan yang diatur dalam POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 dan/atau peraturan perundang-undangan lainnya yang berlaku.

*) Terhitung efektif sejak ditetapkan oleh Bank setelah diperolehnya persetujuan Kemampuan dan Kepatutan *(fit and proper)* dari Otoritas Jasa Keuangan.

Susunan Komite Pemantau Risiko pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

	31 Desember/ *December 31, 2023*	31 Desember/ *December 31, 2022*	
Ketua	Tippy Joesoef	Tippy Joesoef	Chairman
Anggota	Jerry Marmen *)	Jerry Marmen	Member
Anggota	Stephen Liestyo	Nam Hoon Cho	Member
Anggota	Nanang Supriyatno	Stephen Liestyo	Member
Anggota	Togar Natigor Siregar	Togar Natigor Siregar	Member
Anggota	Rahardja Alim Hamzah	Rahardja Alimhamzah	Member

Terhitung efektif sejak ditetapkan oleh Bank setelah memenuhi semua persyaratan yang diatur dalam POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017, dan/atau peraturan perundang-undangan lainnya yang berlaku.

*) Terhitung efektif sejak ditetapkan oleh Bank setelah diperolehnya persetujuan Kemampuan dan Kepatutan *(fit and proper)* dari Otoritas Jasa Keuangan.

1. General (continued)

b. Composition of the Bank's Management (continued)

The members of the Bank's Boards of Commissioners and Directors as of December 31, 2022 is based on Extraordinary General Meeting of Shareholders dated August 24, 2022 stated in notarial deed No. 37 dated August 24, 2022.

The composition of the Bank's Audit Committee as at December 31, 2023 and 2022 are as follows:

Shall be effective as stipulation specified by Bank after fulfilling all requirements governed by POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 and/or other applicable laws and regulations.

*) Shall be effective as stipulation specified by Bank after obtaining approval for fit and proper by OJK.

The composition of the Bank's Risk Monitoring Committee as at December 31, 2023 and 2022, are as follows:

Shall be effective as stipulation specified bt the Bank after fulfilling all requirements governed by POJK No. 27/POJK.03/2016, No. 37/ POJK.03/ 2017, and/or other applicable laws and regulations.

*) Shall be effective as stipulation specified by Bank after obtaining approval for fit and proper by OJK.

1. Umum (lanjutan)

b. Susunan Pengurus Bank (lanjutan)

Susunan Komite Remunerasi dan Nominasi pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

1. General (continued)

b. Composition of the Bank's Management (continued)

The composition of the Bank's Remuneration and Nomination Committee as at December 31, 2023 and 2022, are as follows:

	31 Desember/ *December 31, 2023* dan/*and* 2022	
Ketua	Hae Wang Lee	Chairman
Anggota	Jerry Marmen	Member
Anggota	Nam Hoon Cho	Member
Anggota	Nanang Supriyatno	Member
Anggota	Tippy Joesoef	Member
Anggota	Sukriansyah S Latief	Member
Anggota	Gamaridha Akhirul AR	Member

Terhitung efektif sejak ditetapkan oleh Bank setelah memenuhi semua persyaratan yang diatur dalam POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 dan/atau peraturan perundang- undangan lainnya yang berlaku.

Shall be effective as stipulation specified bt the Bank after fulfilling all requirements governed by POJK No. 27/POJK.03/2016, No. 37/POJK. 03/2017 and/or other applicable laws and regulations.

Terhitung efektif sejak ditetapkan oleh Bank setelah diperolehnya persetujuan Kemampuan dan Kepatutan (*fit and proper*) dari Otoritas Jasa Keuangan.

Shall be effective as stipulation specified by Bank after obtaining approval for fit and proper by OJK.

Susunan Komite Tata Kelola dan Terintegrasi pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The composition of the Bank's Integrated governance committee as at December 31, 2023 and 2022 are as follows:

	31 Desember/ *December 31, 2023*	**31 Desember/ *December 31, 2022***	
Ketua	Sukriansyah S. Latief *)	Sukriansyah S. Latief *)	Chairman
Anggota	Eugene Keith Galbraith	Tippy Joesoef	Member
Anggota	Hae Wang Lee	Eugene Keith Galbraith	Member
Anggota	Dinan Sufendi Rae	Hae Wang Lee	Member

Terhitung efektif sejak ditetapkan oleh Bank setelah memenuhi semua persyaratan yang diatur dalam POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 dan/atau peraturan perundang-undangan lainnya yang berlaku.

Shall be effective as stipulation specified bt the Bank after fulfilling all requirements governed by POJK No. 27/POJK.03/2016, No. 37/POJK.03/2017 and/or other applicable laws and regulations.

*) Terhitung efektif sejak ditetapkan oleh Bank setelah diperolehnya persetujuan Kemampuan dan Kepatutan (fit and proper) dari Otoritas Jasa Keuangan.

*) Shall be effective as stipulation specified by Bank after obtaining approval for fit and proper by OJK.

Berdasarkan Surat Keputusan Direksi Perseroan No. SKEP/0118-DIR/VIII/2023 tanggal 8 Agustus 2023, Sekretaris Perusahaan Bank pada tanggal 31 Desember 2023 adalah Yocky Eko Wicaksono.

Based on the Company's Directors Decision Letter No. SKEP/0118-DIR/VIII/2023 dated August 8, 2023, the Corporate Secretary of the Bank as at December 31, 2023 is Yocky Eko Wicaksono.

Berdasarkan Surat Keputusan Direksi Perseroan No. SKEP/0026-DIR/II/2022 tanggal 11 Februari 2022, Sekretaris Perusahaan Bank pada tanggal 31 Desember 2023 adalah Slamet Haryanto Pradhana.

Based on the Company's Directors Decision Letter No. SKEP/0026-DIR/II/2022 dated February 11, 2022, the Corporate Secretary of the Bank as at December 31, 2023 is Slamet Haryanto Pradhana.

1. Umum (lanjutan)

b. Susunan Pengurus Bank (lanjutan)

Berdasarkan Surat Keputusan Direksi Perseroan No.SKEP/0015-DIR/II/2022 tanggal 2 Februari 2022, Kepala Satuan Kerja Audit Internal (Kepala SKAI) pada tanggal 31 Desember 2023 dan 2022 adalah Roby Endrama Purba.

c. Entitas anak

Entitas anak yang tercakup dalam laporan keuangan konsolidasian pada tahun yang berakhir 31 Desember 2023 dan 2022 adalah:

1. General (continued)

b. Composition of the Bank's Management (continued)

Based on the Company's Directors Decision Letter No.SKEP/0015-DIR/II/2022 dated February 2, 2022, the Internal Audit Task Force Head (Chief of IATF) as at December 31, 2023 and 2022 is Roby Endrama Purba.

c. Subsidiaries

The subsidiaries included in the consolidated financial statements for years ended December 31, 2023 and 2022 are as follows:

Nama Perusahaan/ *Company Name*	Kegiatan Usaha/ *Business Activity*	Tahun Beroperasi Komersial/ *Year of Commercial Operation*	Domisili/ *Domicile*	Persentase Kepemilikan/ *Percentage of Ownership*		Jumlah Aset/ *Total Assets*	
				31 Des./ Dec. 31, 2023	*31 Des./ Dec. 31, 2022*	*31 Des./ Dec. 31, 2023*	*31 Des/ Dec 31, 2022*
PT KB Bukopin Finance	Pembiayaan/ *Financing*	1983	Jakarta	99,24%	97,03%	459.661	424.491
PT Bank KB Bukopin Syariah	Perbankan/ *Banking*	1990	Jakarta	95,92%	92,78%	7.920.474	7.013.225

PT KB Bukopin Finance ("KBBF")

PT KB Bukopin Finance ("KBBF") didirikan pada tanggal 11 Maret 1983 berdasarkan akta notaris No. 5 dari Notaris Tan A Sioe, S.H., dan bergerak dalam bidang *leasing* (perusahaan pembiayaan). Anggaran dasar Perusahaan telah mengalami beberapa kali perubahan, terakhir dengan Akta Notaris Linsia, S.H., M.Kn., No. 1092 tanggal 25 Oktober 2023, sehubungan dengan peningkatan modal ditempatkan dan disetor Perusahaan.

Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) menyetujui untuk melakukan perubahan nama Perseroan dari PT Bukopin Finance menjadi PT KB Bukopin Finance ("KBBF") yang dituangkan ke dalam Akta No. 06 tanggal 28 Juni 2021 dan telah mendapat persetujuan dari Kementerian Hukum Dan Hak Asasi Manusia RI melalui Keputusan Menteri Hukum Dan Hak Asasi Manusia nomor AHU-0041490.AH.01.02.TAHUN 2021.

PT KB Bukopin Finance ("KBBF")

PT KB Bukopin Finance ("KBBF") was established on March 11, 1983 by notarial deed No. 5 of Notary Tan A Sioe, S.H., and is engaged in leasing activities. The Company's Articles of Association have been amended several times, the last of which was made by Notarial Deed No. 1092 of Linsia, S.H., M.Kn., dated October 25, 2023, in connection with increase in the Company's issued and paid-up capital.

The Extraordinary General Meeting of Shareholders (EGMS) agreed to change the name of the Company from PT Bukopin Finance to PT KB Bukopin Finance ("KBBF") which was stated in the Deed No. 06 dated June 28, 2021 and has received approval from the Ministry of Law and Human Rights of the Republic of Indonesia through the decision of the Minister Of Law And Human Rights number AHU-0041490.AH.01.02.TAHUN 2021.

1. Umum (lanjutan)

c. Entitas anak (lanjutan)

Berdasarkan akta No. 1092 tanggal 25 Oktober 2023 dari Notaris Linsia, S.H., M.Kn., Perusahaan menambah setoran modal pada KBBF sebesar 118.580 saham dengan nilai nominal seluruhnya sebesar Rp592.900.000.000 sehingga meningkatkan persentase kepemilihan perusahaan pada KBBF dari 97,03% menjadi 99,24%.

PT Bank KB Bukopin Syariah ("KBBS")

PT Bank Persyarikatan Indonesia ("BPI") didirikan pada tanggal 29 Juli 1990 berdasarkan akta notaris No. 102 dari Notaris Dr. Widjojo Wilami, S.H., yang bergerak dalam bidang perbankan. Berdasarkan akta notaris No. 28 dari Notaris Adrian Djunaini, S.H., tanggal 31 Maret 2008, BPI telah berubah nama menjadi PT Bank Syariah Bukopin ("BSB"). Status BSB berubah dari Bank Konvensional menjadi Bank Syariah sebagaimana dinyatakan dalam persetujuan Bank Indonesia (BI) No. 10/69/KEP.GBI/DpG/2008 tanggal 27 Oktober 2008.

Pada tanggal 30 Juni 2021 Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) menyetujui untuk melakukan perubahan nama Perseroan dari BSB menjadi PT Bank KB Bukopin Syariah ("KBBS") yang dituangkan ke dalam Akta No. 02 tanggal 6 Juli 2021 dan telah mendapat persetujuan Penetapan Penggunaan Izin Usaha Bank dengan Nama Baru dari Otoritas Jasa Keuangan berdasarkan surat nomor SR-27/PB.101/2021 tanggal 12 Agustus 2021 dan KEP-53/PB.1/2021 tanggal 10 Agustus 2021.

Berdasarkan akta nomor 04 tanggal 16 Oktober 2023 dari Notaris Hasnah, S.H., Modal Dasar yang dimiliki KBBS saat ini adalah Rp3.000.000.000.000 yang terbagi atas 56.690.737.000 saham dan terdiri dari saham Seri A, Seri B, dan Seri C. Terdapat penambahan kepemilikan Perusahaan pada Seri C Sebesar 13.600.000.000 saham dengan nilai nominal seluruhnya sebesar Rp638.000.000.000. Hal ini memengaruhi persentase kepemilikan Perusahaan pada KBBS dari 92,78% menjadi 95,92%.

1. General (continued)

c. Subsidiaries (continued)

Based on deed No. 1092 dated October 25, 2023 from Notary Linsia S.H., M.Kn., the Company increased its capital deposit in KBBF by 118,580 shares with a total nominal value of Rp592,900,000,000 thus increasing the Company's ownership percentage in KBBF from 97.03% to 99.24%.

PT Bank KB Bukopin Syariah ("KBBS")

PT Bank Persyarikatan Indonesia ("BPI") was established on July 29, 1990 by notarial deed No. 102 of Notary Dr. Widjojo Wilami, S.H., and is engaged in Banking activities. Based on notarial deed No. 28 of Notary Adrian Djunaini, S.H., dated March 31, 2008, BPI has changed its name to PT Bank Syariah Bukopin ("BSB"). The status of BSB changed from Conventional Bank to Sharia Bank as stated in Bank Indonesia (BI) decision letter No. 10/69/KEP.GBI/DpG/2008 dated October 27, 2008.

On the June 30, 2021 Extraordinary General Meeting Shareholders (EGMS) agreed to change the company name from BSB into PT Bank KB Bukopin Syariah ("KBBS") which set forth into the Deed No. 02 dated July 6, 2021 and has been approved for keeping the use of Bank License under new name from Authority Financial Services based on SR-27/PB.101/2021 dated August 12, 2021 and KEP-53/PB.1/2021 dated August 10, 2021.

Based on deed number 04 dated October 16, 2023 from Notary Hasnah, S.H., the current authorized capital of KBBS is Rp3,000,000,000,000 divided into 56,690,737,000 shares and consists of Series A, Series B, and Series C shares. There is an increase in the Company's ownership in Series C of 13,600,000,000 shares with a total nominal value of Rp638,000,000,000. This affected the Company's ownership percentage in KBBS from 92.78% to 95.92%.

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank

Penawaran umum obligasi

Pada tanggal 21 April 2015, Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Berkelanjutan Obligasi Subordinasi Berkelanjutan II Bank Bukopin Tahap I Tahun 2015 (Penawaran Umum Berkelanjutan) kepada Otoritas Jasa Keuangan ("OJK") melalui surat No. 05630/DIR/IV/2015 dalam rangka Penawaran Umum Berkelanjutan Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin dengan jumlah sebesar Rp2.000.000, dimana pada tahap pertama Bank menerbitkan dan menawarkan Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin Tahap I Tahun 2015 (Obligasi Subordinasi) dengan jumlah pokok Obligasi Subordinasi sebesar Rp400.000.

Obligasi Subordinasi tersebut diterbitkan tanpa warkat, ditawarkan dengan nilai 100% dari nilai nominal, berjangka waktu 7 (tujuh) tahun dengan tingkat bunga tetap sebesar 12,00% per tahun dan dibayarkan setiap triwulan dan akan jatuh tempo pada tanggal 30 Juni 2022.

Bank memperoleh pernyataan efektif dari OJK untuk melakukan Penawaran Umum Berkelanjutan melalui suratnya No. S-26/D.04/2015 tanggal 23 Juni 2015 dilaksanakan pada 24 - 25 Juni 2015. Dana Berkelanjutan ini telah diterima oleh Bank pada 30 Juni 2015 yang diperoleh dari Penawaran Umum Juni 2015.

Pada 11 Januari 2017, Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Berkelanjutan Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin Tahap II Tahun 2017 (Penawaran Umum Berkelanjutan) kepada OJK melalui surat No. 00455/DIR/I/2017 dalam rangka Penawaran Umum Berkelanjutan Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin dengan jumlah sebesar Rp2.000.000, dimana pada tahap kedua Bank menerbitkan dan menawarkan Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin Tahap II Tahun 2017 (Obligasi Subordinasi) dengan jumlah pokok sebesar Rp1.405.000.

1. General (continued)

d. Public offering of the Bank's bonds and shares

Public offering of bonds

On April 21, 2015, the Bank submitted a Statement of Registration in connection with the Shelf Public Offering of Shelf-registered Subordinated Bonds II Bank KB Bukopin Tranche I Year 2015 (Shelf Public Offering) through letter No. 05630/DIR/IV/2015 to Financial Services Authority ("OJK") in relation with the Shelf Public Offering of Shelf-registered Subordinated Bonds II Bank KB Bukopin amounting to Rp2,000,000, whereby at first tranche the Bank issued and offered the Shelf-registered Subordinated Bonds II Bank KB Bukopin Tranche I Year 2015 (Subordinated Bonds) amounted to Rp400,000.

The Subordinated Bonds issued were scriptless, offered at 100% of nominal value, with 7 (seven) years tenor and fixed interest rate of 12.00% per annum and will be paid quarterly and mature on June 30, 2022.

The Bank received the effective statement from OJK to conduct Shelf Public Offering through its letter No. S-26/D.04/2015 dated June 23, 2015. The Shelf Public Offering was held on June 24 - 25, 2015. The proceeds from the Shelf Public Offering were received by the Bank on June 30, 2015 from Public Offering in June 2015.

On January 11, 2017, the Bank submitted a Statement of Registration in connection with the Shelf Public Offering of Shelf-registered Subordinated Bonds II Bank KB Bukopin Tranche II Year 2017 (Shelf Public Offering) through letter No. 00455/DIR/I/2017 to Financial Services Authority ("OJK"), in relation with the Shelf Public Offering of Shelf-registered Subordinated Bonds II Bank KB Bukopin amounting to Rp2,000,000, whereby at second tranche the Bank issued and offered the Shelf-registered Subordinated Bonds II Bank KB Bukopin Tranche II Year 2017 (Subordinated Bonds) amounted to Rp1,405,000.

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank (lanjutan)

Penawaran umum obligasi (lanjutan)

Obligasi Subordinasi tersebut diterbitkan tanpa warkat, ditawarkan dengan nilai 100% dari nilai nominal, berjangka waktu 7 (tujuh) tahun dengan tingkat bunga tetap sebesar 11,00% per tahun dan dibayarkan setiap triwulan dan akan jatuh tempo pada tanggal 28 Februari 2024. Bank memperoleh pernyataan efektif dari OJK untuk melakukan Penawaran Umum Berkelanjutan melalui suratnya No. S-161/PB.313/2016 tanggal 23 Desember 2016. Penawaran Umum Berkelanjutan dilaksanakan pada tanggal 20 - 23 Februari 2017. Dana yang diperoleh dari Penawaran Umum Berkelanjutan ini telah diterima oleh Bank pada tanggal 28 Februari 2017.

Pada 10 September 2021, Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Berkelanjutan Obligasi Berkelanjutan I Bank KB Bukopin Tahap I Tahun 2021 (Penawaran Umum Berkelanjutan) kepada OJK melalui surat No. 08550/DIR/V/2021 dalam rangka Penawaran Umum Berkelanjutan Obligasi Subordinasi Berkelanjutan I Bank KB Bukopin dengan jumlah sebesar Rp1.000.000, dimana pada tahap pertama Bank menerbitkan dan menawarkan Obligasi Subordinasi Berkelanjutan I Bank KB Bukopin Tahap I Tahun 2021 (Obligasi Subordinasi) dengan jumlah pokok sebesar Rp1.000.000.

Pada 10 September 2021, Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Berkelanjutan Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I Tahun 2021 seri A dan seri B (Penawaran Umum Berkelanjutan) kepada OJK melalui surat No. 08550/DIR/V/2017 dalam rangka Penawaran Umum Berkelanjutan Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin dengan jumlah masing-masing sebesar Rp315.000 dan Rp685.000, dimana pada tahap ketiga Bank menerbitkan dan menawarkan Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I Tahun 2021 seri A (Obligasi Subordinasi No. ISIN IDA0001176A9) dan Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I Tahun 2021 seri B (Obligasi Subordinasi No. ISIN IDA0001176B7) dengan jumlah pokok masing-masing sebesar Rp315.000 dan Rp685.000.

1. General (continued)

d. Public offering of the Bank's bonds and shares (continued)

Public offering of bonds (continued)

The Subordinated Bonds issued were scriptless, offered at 100% of nominal value, with 7 (seven) years tenor and fixed interest rate of 11.00% per annum and will be paid quarterly and mature on February 28, 2024. The Bank received the effective statement from OJK to conduct Shelf Public Offering through its letter No. S-161/PB.313/2016 dated December 23, 2016. The Shelf Public Offering was held on February 20 - 23, 2017. The proceeds from the Shelf Public Offering were received by the Bank on February 28, 2017.

On September 10, 2021, the Bank submitted a Statement of Registration in connection with the Shelf Public Offering of Shelf-registered Subordinated Bonds I Bank KB Bukopin Tranche I Year 2021 (Shelf Public Offering) through letter No. 08550/DIR/V/2021 to Financial Services Authority ("OJK"), in relation with the Shelf Public Offering of Shelf-registered Subordinated Bonds I Bank KB Bukopin amounting to Rp1,000,000, whereby at second tranche the Bank issued and offered the Shelf-registered Subordinated Bonds I Bank KB Bukopin Tranche I Year 2021 (Subordinated Bonds) amounted to Rp1,000,000.

On September 10, 2021, the Bank submitted a Statement of Registration in connection with the Shelf Public Offering of Shelf-registered Subordinated Bonds III Bank KB Bukopin Tranche I Year 2021 serie A and serie B (Shelf Public Offering) through letter No. 08550/ DIR/V/2017 to Financial Services Authority ("OJK"), in relation with the Shelf Public Offering of Shelf-registered Subordinated Bonds III Bank KB Bukopin amounting to Rp315,000 and Rp685,000 respectively, whereby at third tranche the Bank issued and offered the Shelf- registered Subordinated Bonds III Bank KB Bukopin Tranche I Year 2021 serie A (Subordinated Bonds ISIN No. IDA0001176A9) and Shelf-registered Subordinated Bonds III Bank KB Bukopin Tranche I Year 2021 series B (Subordinated Bonds ISIN No. IDA0001176B7) amounted to Rp315,000 and Rp685,000, respectively.

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank (lanjutan)

Penawaran umum saham

Pada bulan Juni 2006, Bank melakukan Penawaran Umum Saham Perdana sejumlah 843.765.500 lembar saham Seri B dengan nilai nominal Rp100 (nilai penuh) per saham dengan harga jual Rp350 (nilai penuh) per saham kepada masyarakat, melalui pasar modal sesuai dengan ketentuan perundang-undangan yang berlaku. Penawaran Umum Saham Perdana saham Seri B kepada masyarakat ini telah memperoleh pernyataan efektif dari BAPEPAM-LK melalui suratnya No. S-825/BL/2006 tanggal 30 Juni 2006.

Saham yang ditawarkan tersebut mulai diperdagangkan di Bursa Efek Indonesia pada tanggal 10 Juli 2006 dan pada saat yang bersamaan sebanyak 99% saham Bank juga dicatatkan. Seluruh saham kelas A sebesar 0,31% dan saham kelas B sebesar 0,69% yang dimiliki oleh Kopelindo dan Kopkapindo masing-masing secara proporsional tidak dicatatkan dalam rangka memenuhi ketentuan peraturan pemerintah.

Pada tanggal 26 Oktober 2009, Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Terbatas I kepada BAPEPAM-LK melalui surat No. 7548/DIR/X/2009 dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu (HMETD) kepada pemegang saham (Catatan 27b). Saham yang ditawarkan adalah sebanyak 286.050.768 saham biasa kelas B baru ("Saham Baru") dengan nilai nominal Rp100 (nilai penuh) per saham dengan harga penawaran Rp415 (nilai penuh) per saham. Bank memperoleh pernyataan efektif dari BAPEPAM-LK untuk melakukan Penawaran Umum Terbatas I melalui suratnya No. S-10319/BL/2009 tanggal 26 November 2009.

Pada tanggal 26 November 2009, Bank melakukan Rapat Umum Pemegang Saham Luar Biasa untuk menyetujui pelaksanaan Penawaran Umum Terbatas I dalam rangka penerbitan HMETD.

Penawaran Umum Terbatas I dilaksanakan pada tanggal 4 - 10 Desember 2009. Jumlah dana yang diperoleh dari hasil Penawaran Umum Terbatas I adalah sebesar Rp118.711 (untuk 286.050.768 saham biasa kelas B), dimana sebesar Rp62.955 (untuk 151.699.698 saham biasa kelas B) diperoleh dari masyarakat dan sebesar Rp55.756

1. General (continued)

d. Public offering of the Bank's bonds and shares (continued)

Public offering of shares

In June 2006, the Bank undertook an Initial Public Offering of Shares of 843,765,500 Series B shares with a par value of Rp100 (full amount) per share and offering price of Rp350 (full amount) per share to the public, through the capital market in Indonesia, in accordance with the prevailing capital market law. The Bank received the effectivity statement from the BAPEPAM-LK through its letter No. S-825/BL/2006 dated June 30, 2006 for the sale of Series B shares to the public.

The initial Public Offering (IPO) shares were onotially traded on the Indonesia Stock Exchange on July 10, 2006 and at the same time, 99% of the Bank's shares were listed. All Series A shares amounting to 0.31% and Series B shares amounting to 0.69% which were owned by Kopelindo and Kopkapindo proportionally, were not listed to comply with the government regulation.

On October 26, 2009, the Bank submitted a Statement of Registration regarding Limited Public Offering I through letter No. 7548/DIR/X/2009 to BAPEPAM-LK, in relation with the issuance of pre-emptive rights to the shareholders (Note 27b). Total shares offered were 286,050,768 common B shares ("New Shares") with a par value of Rp100 (full amount) per share and offering price of Rp415 (full amount) per share. The Bank received the effectivity statement from BAPEPAM-LK to conduct Limited Public Offering I through its letter No. S-10319/BL/2009 dated November 26, 2009.

On November 26, 2009, the Bank held an Extraordinary General Meeting of Shareholders to approve the execution of the Limited Public Offering I with pre-emptive rights.

The Limited Public Offering I was held on December 4 - 10, 2009. The total proceeds from Limited Public Offering I amounting to Rp118,711 (for 286,050,768 common B shares), of which Rp62,955 (for 151,699,698 common B shares) was raised from the public and Rp55,756 (for 134,351,070 common B shares) was raised from Koperasi Pegawai

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank (lanjutan)

Penawaran umum saham (lanjutan)

(untuk 134.351.070 saham biasa kelas B) diperoleh dari Koperasi Pegawai Bulog Seluruh Indonesia (Kopelindo) dan Yayasan Bina Sejahtera Warga (Yabinstra) Bulog yang bertindak sebagai pembeli siaga (*standby buyer*) dengan proporsi masing-masing sebesar 89,83% dan 10,17%.

Dana yang diperoleh dari Penawaran Umum Terbatas I ini telah diterima oleh Bank pada bulan Desember 2009.

Pada tanggal 20 Desember 2010, Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Terbatas II kepada BAPEPAM-LK melalui surat No. 11754/DIR/XII/2010 dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu (HMETD) kepada pemegang saham (Catatan 27b).

Saham yang ditawarkan adalah sebanyak 2.051.366.765 saham biasa kelas B baru ("Saham Baru") dengan nilai nominal Rp100 (nilai penuh) per saham dengan harga penawaran Rp520 (nilai penuh) per saham. Bank memperoleh pernyataan efektif dari BAPEPAM-LK untuk melakukan Penawaran Umum Terbatas II melalui suratnya No. S-771/BL/2011 tanggal 26 Januari 2011. Pada tanggal 26 Januari 2011, Bank melakukan Rapat Umum Pemegang Saham Luar Biasa untuk menyetujui pelaksanaan Penawaran Umum Terbatas II dalam rangka penerbitan HMETD.

Penawaran Umum Terbatas II dilaksanakan pada tanggal 10 - 17 Februari 2011. Jumlah dana yang diperoleh dari hasil Penawaran Umum Terbatas II adalah sebesar Rp929.739 (untuk 1.787.960.495 saham biasa kelas B), dimana sebesar Rp921.098 (untuk 1.771.342.921 saham biasa kelas B) diperoleh dari masyarakat dan sebesar Rp8.641 (untuk 16.617.574 saham biasa kelas B) diperoleh dari Koperasi Karyawan Bank KB Bukopin Jakarta (KKBJ) dan Induk Koperasi Perikanan Indonesia (IKPI). Dana yang diperoleh dari Penawaran Umum Terbatas II ini telah diterima oleh Bank pada bulan Februari 2011.

1. General (continued)

d. Public offering of the Bank's bonds and shares (continued)

Public offering of shares (continued)

Bulog Seluruh Indonesia (Kopelindo) and Yayasan Bina Sejahtera Warga (Yabinstra) Bulog, who acted as the standby buyers with proportional share of 89.83% and 10.17%, respectively.

The proceeds from the Limited Public Offering I were received by the Bank in December 2009.

On December 20, 2010, the Bank submitted a Statement of Registration regarding Limited Public Offering II through letter No. 11754/ DIR/XII/2010 to BAPEPAM-LK, in relation with the issuance of pre-emptive rights to the shareholders (Note 27b).

Total shares offered were 2,051,366,765 common B shares ("New Shares") with a par value of Rp100 (full amount) per share and offering price of Rp520 (full amount) per share. The Bank received the effectivity statement from BAPEPAM-LK to conduct Limited Public Offering II through its letter No. S-771/BL/2011 dated January 26, 2011. On January 26, 2011, the Bank held an Extraordinary General Meeting of Shareholders to approve the execution of the Limited Public Offering II with pre-emptive rights.

The Limited Public Offering II was held on February 10 - 17, 2011. The total proceeds from Limited Public Offering II amounted to Rp929,739 (for 1,787,960,495 common B shares), of which Rp921,098 (for 1,771,342,921 common B shares) was raised from the public and Rp8,641 (for 16,617,574 common B shares) was raised from Koperasi Karyawan Bank KB Bukopin Jakarta (KKBJ) and Induk Koperasi Perikanan Indonesia (IKPI). The proceeds from the Limited Public Offering II were received by the Bank in February 2011.

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank (lanjutan)

Penawaran umum saham (lanjutan)

Pada tanggal 28 Oktober 2013, Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Terbatas III kepada Otoritas Jasa Keuangan melalui surat No. 13308/DIR/X/2013 dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu (HMETD) kepada pemegang saham.

Saham yang ditawarkan adalah sebanyak-banyaknya 2.659.505.614 saham biasa kelas B baru ("Saham Baru") dengan nilai nominal Rp100 (nilai penuh) per saham dengan harga penawaran Rp660 (nilai penuh) per saham. Bank memperoleh pernyataan efektif dari Otoritas Jasa Keuangan untuk melakukan Penawaran Umum Terbatas III melalui surat No. S-424/D.04/2013 tanggal 12 Desember 2013. Pada 11-13 Desember 2013, Bank melakukan Rapat Umum Pemegang Saham Luar Biasa untuk menyetujui pelaksanaan Penawaran Umum Terbatas III dalam rangka penerbitan HMETD.

Penawaran Umum Terbatas III dilaksanakan pada tanggal 30 Desember 2013 - 7 Januari 2014. Jumlah dana yang diperoleh dari hasil Penawaran Umum Terbatas III sebesar Rp730.126 (untuk 1.106.252.141 saham biasa kelas B), dari nilai tersebut sebesar Rp9.291 (untuk 14.076.556 saham biasa kelas B) diperoleh dari masyarakat, sebesar Rp343.410 (untuk 520.319.150 saham biasa kelas B) diperoleh dari Koperasi Pegawai Bulog Seluruh Indonesia (Kopelindo) dan sebesar Rp377.425 (untuk 571.856.435 saham biasa kelas B) dari PT Bosowa Corporindo. Dana yang diperoleh dari Penawaran Umum Terbatas III ini telah diterima oleh Bank hingga tanggal 31 Desember 2013 sebesar Rp587.490 dan hingga tanggal 9 Januari 2014 sebesar Rp730.126.

1. General (continued)

d. Public offering of the Bank's bonds and shares (continued)

Public offering of shares (continued)

On October 28, 2013, the Bank submitted a Statement of Registration regarding Limited Public Offering III through letter No. 13308/DIR/X/2013 to The Financial Services Authority, in relation with the issuance of pre-emptive rights to the shareholders.

Total shares offered were 2,659,505,614 common B shares ("New Shares") with a par value of Rp100 (full amount) per share and offering price of Rp660 (full amount) per share. The Bank received the effectivity statement from the Financial Services Authority to conduct Limited Public Offering III through its letter No. S-424/D.04/2013 dated December 12, 2013. On December 11 - 13, 2013, the Bank held an Extraordinary General Meeting of Shareholders to approve the execution of the Limited Public Offering III with pre-emptive rights.

The Limited Public Offering III was held on December 30, 2013 - January 7, 2014. The total proceeds from Limited Public Offering III amounted to Rp730,126 (for 1,106,252,141 common B shares), of which Rp9,291 (for 14,076,556 common B shares) was raised from the public, Rp343,410 (for 520,319,150 common B shares) was raised from Koperasi Pegawai Bulog Seluruh Indonesia (Kopelindo) and Rp377,425 (for 571,856,435 common B shares) was raised from PT Bosowa Corporindo. The proceeds from the Limited Public Offering III received by the Bank until December 31, 2013 amounted to Rp587,490 and until January 9, 2014 amounted to Rp730,126.

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank (lanjutan)

Penawaran umum saham (lanjutan)

Pada tanggal 22 Mei 2018, Bank melakukan Rapat Umum Pemegang Saham Tahunan untuk menyetujui pelaksanaan Penawaran Umum Terbatas IV dalam rangka penerbitan HMETD. Bank memperoleh pernyataan efektif dari Otoritas Jasa Keuangan untuk melakukan Penawaran Umum Terbatas IV melalui surat No.S-92/D.04/2018 tanggal 29 Juni 2018. Pada tanggal 2 Juli 2018, Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Terbatas IV kepada Otoritas Jasa Keuangan melalui surat No. 10400/SKPR/X/2018 dalam rangka Penyampaian penerbitan Saham melalui Hak Memesan Efek Terlebih Dahulu (HMETD) kepada pemegang saham.

Saham yang ditawarkan adalah sebanyak-banyaknya 2.725.986.130 saham biasa kelas B baru ("Saham Baru") dengan nilai nominal Rp100 (nilai penuh) per saham dengan harga penawaran Rp570 (nilai penuh) per saham.

Penawaran Umum Terbatas (PUT) IV dilaksanakan pada tanggal 13 Juli 2018 - 25 Juli 2018. Hingga tanggal 27 Juli 2018, Bank telah menerima dana dari PUT IV sebesar Rp1.462.214 yaitu dari Kookmin Bank sebesar Rp1.460.910 dan dari Publik sebesar Rp1.304. Berdasarkan surat dari PT Datindo Entrycom mengenai komposisi pemegang saham pada tanggal 30 Juli 2018, dana dari Kookmin Bank telah dicatatkan sebagai peningkatan modal disetor sebesar 2.565.288.316 saham biasa kelas B.

Pada tanggal 29 Juni 2020 Bank telah menyampaikan Pernyataan Pendaftaran sehubungan dengan Penawaran Umum Terbatas (PUT) V kepada Otoritas Jasa Keuangan (OJK) melalui aplikasi Sprint OJK. PUT V akan menerbitkan 4.660.763.499 lembar saham biasa kelas B baru ("Saham Baru") dengan nilai nominal Rp100 (nilai penuh) per saham dan nilai penawaran Rp180 (nilai penuh) per saham.

1. General (continued)

d. Public offering of the Bank's bonds and shares (continued)

Public offering of shares (continued)

On May 22, 2018, the Bank held an Extraordinary General Meeting of Shareholders to approve the execution of the Limited Public Offering IV with pre-emptive rights. The Bank received the effectivity statement from the Financial Services Authority to conduct Limited Public Offering IV through its letter No. S-92/D.04/2018 dated June 29, 2018. On July 2, 2018, the Bank submitted a Statement of Registration regarding Limited Public Offering IV through letter No. 10400/SKPR/X/2018 to The Financial Services Authority, in relation with the issuance of pre-emptive rights to the shareholders.

Total shares offered were 2,725,986,130 common B shares ("New Shares") with a par value of Rp100 (full amount) per share and offering price of Rp570 (full amount) per share.

The Limited Public Offering (LPO) IV was held on July 13, 2018 to July 25, 2018. Until July 27, 2018, the Bank has received proceed from LPO IV amounting to Rp1,462,214, consist of Kookmin Bank amounting to Rp1,460,910 and from Public of Rp1,304. Based on letter from PT Datindo Entrycom regarding the composition of shareholders as of July 30, 2018, the proceed from Kookmin Bank has been registered as increase in paid-up capital amounting to 2,565,288,316 common B shares.

On June 29, 2020 Bank submitted a Statement of Registration regarding Limited Public Offering (LPO) V to The Financial Services Authority (FSA) through Sprint OJK. LPO V will issue 4,660,763,499 common B shares ("New Shares") with a par value of Rp100 (full amount) per share and offering price of Rp180 (full amount) per share.

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank (lanjutan)

Penawaran umum saham (lanjutan)

Pada tanggal 2 September 2020 Bank telah melakukan Penambahan Modal Tanpa Hak Memesan Efek Terlebih Dahulu (PMTHMETD) dan menerbitkan saham baru sebanyak 16.360.578.947 (enam belas miliar tiga ratus enam puluh juta lima ratus tujuh puluh delapan ribu sembilan ratus empat puluh tujuh) saham kelas B dengan nilai nominal Rp100 (nilai penuh) per saham yang diambil bagian oleh KB Kookmin Bank Co., Ltd.

Pada tanggal 8 November 2021 Bank telah mendapatkan Pernyataan Efektif sehubungan dengan Penawaran Umum Terbatas (PUT) VI dari Otoritas Jasa Keuangan (OJK). PUT VI sendiri telah menerbitkan 35.214.288.984 lembar saham biasa kelas B baru ("Saham Baru") dengan nominal Rp100 (nilai penuh) per saham.

Pada tanggal 9 Juni 2023 Bank telah mendapatkan Pernyataan Efektif sehubungan dengan Penawaran Umum Terbatas (PUT) VII dari Otoritas Jasa Keuangan (OJK). PUT VI sendiri telah menerbitkan 119.999.999.692 lembar saham biasa kelas B baru ("Saham Baru") dengan nominal Rp100 (nilai penuh) per saham.

Tindakan Bank yang memengaruhi modal ditempatkan dan disetor penuh dalam saham biasa kelas B sejak Penawaran Umum Saham Perdana sampai dengan 31 Desember 2023 adalah sebagai berikut:

1. General (continued)

d. Public offering of the Bank's bonds and shares (continued)

Public offering of shares (continued)

On September 2, 2020, the Bank held Pre-emptive Rights (PMTHMETD) and issued 16,360,578,947 new shares (sixteen billion three hundred sixty million five hundred seventy eight thousand nine hundred and forty seven) class B shares with a nominal value of Rp100 (full amount) per share subscribed by KB Kookmin Bank Co., Ltd.

On November 8, 2021, the Bank has obtained an Effective Statement related to the Limited Public Offering (PUT) VI from the Financial Services Authority (OJK). PUT VI itself has issued 35,214,288,984 new class B ordinary shares ("New Shares") with a nominal value of Rp100 (full amount) per share.

On June 9, 2023, the Bank has obtained an Effective Statement related to the Limited Public Offering (PUT) VI from the Financial Services Authority (OJK). PUT VI itself has issued 119,999,999,692 new class B ordinary shares ("New Shares") with a nominal value of Rp100 (full amount) per share.

The Bank's action which affects issued and fully paid capital in common B shares from Initial Public Offering of shares up to December 31, 2023 are as follows:

Tanggal/*Date*	Tindakan Perusahaan/*Corporate Action*	Jumlah Saham Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Shares*
31 Desember 2005/ *December 31, 2005*	Total saham sebelum Penawaran Umum Saham Perdana/ *Total shares before Initial Public Offering*	4.760.000.050
30 Juni 2006/ *June 30, 2006*	Penawaran Umum Saham Perdana sejumlah 843.765.500 lembar saham/ *Initial Public Offering of shares of 843,765,500 shares*	5.603.765.550
30 hari bursa sejak tanggal 10 Juli 2007/*30 trading days starting July 10, 2007*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 47.864.000 lembar saham/ *Exercise of management stock option program of 47,864,000 shares*	5.651.629.550

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank (lanjutan)

Penawaran umum saham (lanjutan)

1. General (continued)

d. Public offering of the Bank's bonds and shares (continued)

Public offering of shares (continued)

Tanggal/*Date*	Tindakan Perusahaan/*Corporate Action*	Jumlah Saham Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Shares*
30 hari bursa sejak tanggal 1 November 2007/*30 trading days starting November 1, 2007*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 39.370.500 lembar saham/ *Exercise of management stock option program of 39,370,500 shares*	5.691.000.050
30 hari bursa sejak tanggal 10 Juli 2008/ *30 trading days starting July 10, 2008*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 740.500 lembar saham/ *Exercise of management stock option program of 740,500 shares*	5.691.740.550
30 hari bursa sejak tanggal 1 November 2008/30 trading days *starting November 1, 2008*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 780.500 lembar saham/ *Exercise of management stock option program of 780,500 shares*	5.692.521.050
30 hari bursa sejak tanggal 10 Juli 2009/ *30 trading days starting July 10, 2009*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 7.156.500 lembar saham/ *Exercise of management stock option program of 7,156,500 shares*	5.699.677.550
30 hari bursa sejak tanggal 1 November 2009/30 trading days *starting November 1, 2009*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 1.092.000 lembar saham/ *Exercise of management stock option program of 1,092,000 shares*	5.700.769.550
26 November 2009/ *November 26, 2009*	Penawaran Umum Terbatas I dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu sejumlah 286.050.768 lembar saham/ *Limited Public Offering I with the Issuance of Pre-emptive Rights of 286,050,768 shares*	5.986.820.318
30 hari bursa sejak tanggal 10 Juli 2010/ *30 trading days starting July 10, 2010*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 129.687.500 lembar saham/ *Exercise of management stock option program of 129,687,500 shares*	6.116.507.818
30 hari bursa sejak tanggal 1 November 2010/*30 trading days starting November 1, 2010*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 16.254.500 lembar saham/ *Exercise of management stock option program of 16,254,500 shares*	6.132.762.318
26 Januari 2011/ *January 26, 2011*	Penawaran Umum Terbatas II dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu sejumlah 1.787.960.495 lembar saham/ *Limited Public Offering II with the Issuance of Pre-emptive Rights of 1,787,960,495 shares*	7.920.722.813
30 hari bursa sejak tanggal 10 Juli 2011/ *30 trading days starting July 10, 2011*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 12.705.000 lembar saham/ *Exercise of management stock option program of 12,705,000 shares*	7.933.427.813
30 hari bursa sejak tanggal 1 November 2011/*30 trading days starting November 1, 2011*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 269.000 lembar saham/ *Exercise of management stock option program of 269,000 shares*	7.933.696.813
30 hari bursa sejak tanggal 10 Juli 2012/ *30 trading days starting July 10, 2012*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 14.346.000 lembar saham/ *Exercise of management stock option program of 14,346,000 shares*	7.948.042.813

1. Umum (lanjutan)

d. Penawaran umum obligasi dan penawaran umum saham Bank (lanjutan)

Penawaran umum saham (lanjutan)

1. General (continued)

d. Public offering of the Bank's bonds and shares (continued)

Public offering of shares (continued)

Tanggal/*Date*	Tindakan Perusahaan/*Corporate Action*	Jumlah Saham Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Shares*
30 hari bursa sejak tanggal 1 November 2012/*30 trading days starting November 1, 2012*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 680.500 lembar saham/ *Exercise of management stock option program of 680,500 shares*	7.948.723.313
30 hari bursa sejak tanggal 2 Januari 2013/*30 trading days starting January 2, 2013*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 352.500 lembar saham/ *Exercise of management stock option program of 352,500 shares*	7.949.075.813
30 hari bursa sejak tanggal 25 Mei 2013/ *30 trading days starting May 25, 2013*	Eksekusi saham dari program kompensasi manajemen berbasis saham sejumlah 9.954.500 embar saham/ *Exercise of management stock option program of 9,954,500 shares*	7.959.030.313
7 Januari 2014/ January 7, 2014	Penawaran Umum Terbatas III dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu sejumlah1.106.252.141 lembar saham/ *Limited Public Offering III with the Issuance of Pre-emptive Rights of 1,106,252,141 shares*	9.065.282.454
27 Juli 2018/ *July 27, 2018*	Penawaran Umum Terbatas IV dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu sejumlah 2.565.288.316 lembar saham/ *Limited Public Offering IV with the Issuance of Pre-emptive Rights of 2,565,288,316 shares*	11.630.570.770
29 Juni 2020/ *June 29, 2020*	Penawaran Umum Terbatas V dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu sejumlah 4.660.763.499 lembar saham/ *Limited Public Offering V with the Issuance of Pre-emptive Rights of 4,660,763,499 shares*	16.291.334.269
2 September 2020/ *September 2, 2020*	Penambahan Modal Tanpa Hak Memesan Efek Terlebih Dahulu ("PMTHMETD") sejumlah 16.360.578.974 lembar saham/ *Non Pre-Preemptive Private Placement with the Issuances of 16,360,578,974 shares*	32.651.913.243
2 Desember 2021/ *December 2, 2021*	Penawaran Umum Terbatas VI dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu sejumlah 35.214.288.984 lembar saham/ *Limited Public Offering VI with the Issuance of Pre-emptive Rights of 35,214,288,984 shares*	67.866.202.200
9 Juni 2023/ *June 9, 2023*	Penawaran Umum Terbatas VII dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu sejumlah 119.999.999.692 lembar saham/ *Limited Public Offering VI with the Issuance of Pre-emptive Rights of 119,999,999,692 shares*	187.866.201.892

2. Informasi Kebijakan Akuntansi Material

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan konsolidasian Bank dan Entitas anak ("Grup") adalah seperti dijabarkan di bawah ini:

2. Material Accounting Policy Information

The principal accounting policies adopted in preparing the consolidated financial statements of the Bank and it's subsidiaries (the "Group") are set out below:

2. Informasi Kebijakan Akuntansi Material (lanjutan)

a. Pernyataan kepatuhan dan dasar penyusunan laporan keuangan konsolidasian Grup

Laporan keuangan konsolidasian telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia yang mencakup Pernyataan dan Interpretasi yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia, Buku Panduan Akuntansi Perbankan bagi Bank Umum Kovensional (BPAK), Panduan Akuntansi Perbankan Syariah (PAPSI) dan Peraturan No. VIII.G.7 tentang "Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik".

Laporan keuangan entitas anak yang bergerak di bidang perbankan Syariah disajikan sesuai dengan Implementasi Standar Akuntansi Keuangan ("ISAK") 101 (Revisi 2016) tentang "Penyajian Laporan Keuangan Syariah", ISAK 102 (Amendemen 2013) tentang "Akuntansi Murabahah", ISAK 103 tentang "Akuntansi Salam", ISAK 104 (Amendemen 2016) tentang "Akuntansi Istishna", ISAK 105 tentang "Akuntansi Mudharabah", ISAK 106 tentang "Akuntansi Musyarakah", ISAK 107 (Amendemen 2016) tentang "Akuntansi Ijarah", ISAK 110 (Revisi 2015), "Akuntansi Sukuk", dan Pedoman Akuntansi Perbankan Syariah Indonesia ("PAPSI") yang diterbitkan atas kerjasama Ikatan Akuntan Indonesia dengan Bank Indonesia.

Laporan keuangan konsolidasian disusun berdasarkan nilai historis kecuali untuk beberapa akun yang dinilai menggunakan dasar pengukuran lain sebagaimana dijelaskan pada kebijakan akuntansi dari akun tersebut. Laporan keuangan konsolidasian disusun berdasarkan akuntansi akrual kecuali laporan arus kas konsolidasian.

Grup telah menyusun laporan keuangan konsolidasian dengan dasar bahwa Grup akan terus mempertahankan kelangsungan usaha.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung yang menyajikan penerimaan dan pengeluaran kas dan setara kas yang diklasifikasikan ke dalam aktivitas operasi, investasi, dan pendanaan.

2. Material Accounting Policy Information (continued)

a. Statement of compliance and basis of preparation of the Group's consolidated financial statements

The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards which comprise the Statements and Interpretations issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants, The Banking Accounting Handbook for Conventional Commercial Banks (BPAK) and the Islamic Banking Accounting Guide (PAPSI). and Regulation No. VIII.G.7 regarding "Presentation and Disclosures of Public Companies' Financial Statements".

The subsidiary's financial statements which operates under Sharia banking have been presented in accordance with Implementation of Financial Accounting Standards ("IFAS") 101 (Revised 2016) regarding "Sharia Financial Statements Presentation", IFAS 102 (Amendment 2013) regarding "Murabahah Accounting", IFAS 103 regarding "Salam Accounting", IFAS 104 (Amendment 2016) regarding "Istishna Accounting", IFAS 105 regarding "Mudharabah Accounting", IFAS 106 regarding "Musyarakah Accounting", IFAS 107 (Amendment 2016) regarding "Ijarah Accounting", IFAS 110 (Revised 2015) "Accounting for Sukuk", and Indonesian Sharia Banking Accounting Guidelines ("PAPSI") as issued under the cooperation between Indonesian Institute of Accountants and Bank Indonesia.

The consolidated financial statements have been prepared under the historical cost convention except for certain accounts which are valued on other measurement basis as described in the accounting policies for such accounts. The consolidated financial statements are prepared under the accrual basis of accounting, except for the consolidated statement of cash flows.

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

The consolidated statement of cash flows is prepared using the direct method which presents receipts and payments of cash and cash equivalents which are classified into operating, investing, and financing activities.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

a. Pernyataan kepatuhan dan dasar penyusunan laporan keuangan konsolidasian Grup (lanjutan)

Seluruh angka dalam laporan keuangan konsolidasian ini, kecuali dinyatakan secara khusus, dibulatkan menjadi jutaan Rupiah yang terdekat.

Pos-pos dalam Penghasilan Komprehensif Lainnya disajikan terpisah antara akun-akun yang akan direklasifikasikan ke laba rugi dan akun-akun yang tidak akan direklasifikasikan ke laba rugi.

Dalam penyusunan laporan keuangan konsolidasian sesuai dengan Standar Akuntansi Keuangan di Indonesia, dibutuhkan estimasi dan asumsi yang memengaruhi:
- nilai aset dan liabilitas dilaporkan, dan pengungkapan atas aset dan liabilitas kontinjensi pada tanggal laporan keuangan konsolidasian;
- jumlah pendapatan dan beban selama periode pelaporan.

Walaupun estimasi ini dibuat berdasarkan pengetahuan terbaik manajemen atas kejadian dan tindakan saat ini, hasil yang timbul mungkin berbeda dengan jumlah yang diestimasi semula.

Pertimbangan profesional dan estimasi signifikan dalam menentukan jumlah yang diakui dalam laporan keuangan konsolidasian adalah sebagai berikut:

Perhitungan cadangan kerugian

Saat mengukur Cadangan Kerugian Ekspektasian (ECL), Grup menggunakan informasi masa depan yang wajar dan dapat didukung, yang didasarkan pada asumsi untuk pergerakan masa depan dari berbagai pendorong ekonomi dan bagaimana penggerak ini akan saling memengaruhi.

Loss given default adalah estimasi kerugian yang timbul karena gagal bayar. Perhitungan didasarkan pada perbedaan antara arus kas kontraktual terutang dan yang diharapkan akan diterima, dengan mempertimbangkan arus kas dari agunan dan peningkatan kredit integral.

Probability of default merupakan input utama dalam mengukur ECL. *Probability of default* adalah perkiraan kemungkinan gagal bayar selama jangka waktu tertentu, yang penghitungannya mencakup data historis, asumsi, dan ekspektasi kondisi masa depan.

2. Material Accounting Policy Information (continued)

a. Statement of compliance and basis of preparation of the Group's consolidated financial statements (continued)

All figures in the consolidated financial statements are rounded to and stated in millions of Rupiah, unless otherwise stated.

The items under Other Comprehensive Income (OCI) are presented separately between items to be reclassified to profit or loss and those items not to be reclassified to profit or loss.

The preparation of consolidated financial statements in conformity with Indonesian Financial Accounting Standards requires the use of estimates and assumptions that affects:
- the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements;
- the reported amounts of revenues and expenses during the reporting period.

Although these estimates are based on management's best knowledge of current events and activities, actual results may differ from those estimates.

The most significant uses of the judgment and estimates in determining the amounts recognized in the consolidated financial statements are as follows:

Calculation of loss allowance

When measuring Expected Credit Losses (ECL), the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit increase.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

a. Pernyataan kepatuhan dan dasar penyusunan laporan keuangan konsolidasian Grup (lanjutan)

Penilaian model bisnis

Klasifikasi dan pengukuran aset keuangan bergantung pada hasil 'semata dari pembayaran pokok dan bunga' ("SPPI") dan uji model bisnis (lihat bagian aset keuangan pada Catatan 2d). Grup menentukan model bisnis pada tingkat yang mencerminkan bagaimana kelompok aset keuangan dikelola bersama untuk mencapai tujuan bisnis tertentu. Penilaian ini mencakup penilaian yang mencerminkan semua bukti yang relevan termasuk bagaimana kinerja aset dievaluasi dan kinerjanya diukur, risiko yang memengaruhi kinerja aset dan bagaimana hal ini dikelola dan bagaimana manajer aset diberi kompensasi. Grup memantau aset keuangan yang diukur pada biaya perolehan diamortisasi atau nilai wajar melalui penghasilan komprehensif lain yang dihentikan pengakuannya sebelum jatuh tempo untuk memahami alasan pelepasannya dan apakah alasan tersebut konsisten dengan tujuan bisnis di mana aset tersebut dimiliki. Pemantauan adalah bagian dari penilaian berkelanjutan Grup atas apakah model bisnis di mana aset keuangan yang tersisa dimiliki tetap sesuai dan jika tidak sesuai apakah telah terjadi perubahan dalam model bisnis dan dengan demikian terdapat perubahan prospektif terhadap klasifikasi aset keuangan tersebut. Tidak ada perubahan yang diperlukan selama periode yang disajikan.

Klasifikasi aset dan liabilitas keuangan

Grup menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset dan liabilitas keuangan dengan mempertimbangkan definisi yang ditetapkan PSAK 71. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Grup seperti diungkapkan pada Catatan 2d atas laporan keuangan konsolidasian.

Nilai wajar atas instrumen keuangan (Catatan 46)

Bila nilai wajar aset keuangan dan liabilitas keuangan yang tercatat pada laporan posisi keuangan konsolidasian tidak tersedia di pasar aktif, nilai wajar aset keuangan dan liabilitas keuangan ditentukan dengan menggunakan berbagai teknik penilaian termasuk penggunaan

2. Material Accounting Policy Information (continued)

a. Statement of compliance and basis of preparation of the Group's consolidated financial statements (continued)

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of Note 2d). The Group determines the business model at a level that reflects how group of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

Classification of financial assets and financial liabilities

The Group determine the classifications of certain assets and liabilities as financial assets and liabilities by considering the definition set forth in SFAS 71. Accordingly, the financial assets and liabilities are accounted for in accordance with the Group accounting policies as disclosed in Note 2d to the consolidated financial statements.

Fair value of financial instruments (Note 46)

Where the fair values of financial assets and financial liabilities recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical

2. Informasi Kebijakan Akuntansi Material (lanjutan)

a. Pernyataan kepatuhan dan dasar penyusunan laporan keuangan konsolidasian Grup (lanjutan)

model matematika. Masukan (input) untuk model ini berasal dari data pasar yang bisa diamati sepanjang data tersebut tersedia. Bila data pasar yang bisa diamati tersebut tidak tersedia, pertimbangan manajemen diperlukan untuk menentukan nilai wajar. Pertimbangan tersebut mencakup pertimbangan likuiditas dan masukan model seperti volatilitas untuk transaksi derivatif yang berjangka waktu panjang dan tingkat diskonto, tingkat pelunasan dipercepat, dan asumsi tingkat gagal bayar.

Perhitungan cadangan penurunan nilai kolektif meliputi kerugian kredit yang melekat dalam portofolio aset keuangan dengan karakteristik ekonomi yang sama, tetapi penurunan nilai secara individu belum dapat diidentifikasi. Dalam menilai kebutuhan untuk cadangan kolektif, manajemen mempertimbangkan faktor-faktor seperti kualitas kredit dan jenis produk. Guna membuat estimasi cadangan yang diperlukan, manajemen membuat asumsi untuk menentukan kerugian yang melekat, dan untuk menentukan parameter input yang diperlukan, berdasarkan pengalaman masa lalu, kondisi ekonomi saat ini dan prakiraan kondisi ekonomi dimasa depan. Keakuratan penyisihan tergantung pada seberapa baik estimasi arus kas masa depan untuk cadangan counterparty tertentu dan asumsi model dan parameter yang digunakan dalam menentukan cadangan kolektif.

Grup mereviu kredit yang diberikan dan piutang yang signifikan secara individual pada setiap tanggal laporan posisi keuangan untuk menilai apakah penurunan nilai harus dicatat pada laba rugi. Secara khusus, justifikasi oleh manajemen diperlukan dalam estimasi jumlah dan waktu arus kas di masa mendatang ketika menentukan penurunan nilai. Dalam estimasi arus kas ini, Grup membuat justifikasi tentang situasi keuangan debitur dan nilai realisasi neto agunan. Estimasi-estimasi ini didasarkan pada asumsi-asumsi tentang sejumlah faktor dan hasil aktual mungkin berbeda, yang tercermin dalam perubahan di masa mendatang cadangan penurunan nilai tersebut.

Grup mereviu efek utang yang diklasifikasikan sebagai diukur pada nilai wajar melalui laba rugi, diukur pada nilai wajar melalui penghasilan komprehensif lain, dan diukur dengan biaya perolehan diamortisasi pada setiap tanggal laporan posisi keuangan konsolidasian untuk menilai apakah telah terjadi penurunan nilai. Penilaian tersebut memerlukan pertimbangan yang sama seperti yang diterapkan pada penilaian individual pada kredit yang diberikan.

2. Material Accounting Policy Information (continued)

a. Statement of compliance and basis of preparation of the Group's consolidated financial statements (continued)

models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, management judgment is required to establish fair values. The judgments include considerations of liquidity and model inputs such as volatility for long term derivatives and discount rates, prepayment rates, and default rate assumptions.

Collectively assessed impairment allowances cover credit losses inherent in portfolios of financial assets with similar economic characteristics, but the individually impaired items cannot yet be identified. In assessing the need for collective allowances, management considers factors such as credit quality and type of product. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experiences, current economic conditions and forecast on future economic condition. The accuracy of the allowances depends on how well these estimate future cash flows for specific counterparty allowances and the model assumptions and parameters are used in determining collective allowances.

The Group review their individually significant loans and receivables at each consolidated statement of financial position date to assess whether an impairment loss should be recorded in the profit or loss. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. In estimating these cash flows, the Group make judgments about the debtor's financial situation and the net realizable value of collateral. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance for impairment losses.

The Group review their debt securities classified as measured at fair value through profit or loss, measured at fair value through other comprehensive income, and measured at amortised costs investments at each consolidated statement of financial position date to assess whether they are impaired. This requires similar judgment as applied to the individual assessment of loans.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

a. Pernyataan kepatuhan dan dasar penyusunan laporan keuangan konsolidasian Grup (lanjutan)

Penurunan nilai aset non-keuangan (Catatan 13, 14, dan 15)

Grup mengevaluasi penurunan nilai aset non-keuangan apabila terdapat kejadian atau perubahan keadaan yang mengindikasikan bahwa nilai tercatat aset non-keuangan tidak dapat dipulihkan kembali.

Penurunan nilai timbul saat nilai tercatat aset atau Unit Penghasil Kas ("UPK") melebihi nilai terpulihnya, yaitu mana yang lebih besar antara nilai wajar dikurangi biaya untuk menjual dan nilai pakainya. Nilai wajar dikurangi biaya untuk menjual didasarkan pada ketersediaan data dari perjanjian penjualan yang mengikat yang dibuat dalam transaksi normal atas aset serupa atau harga pasar yang dapat diamati dikurangi dengan biaya tambahan yang dapat diatribusikan dengan pelepasan aset.

Aset pajak tangguhan (Catatan 21.d)

Aset pajak tangguhan diakui atas jumlah pajak penghasilan terpulihkan (*recoverable*) pada periode mendatang sebagai akibat perbedaan temporer yang boleh dikurangkan. Justifikasi manajemen diperlukan untuk menentukan jumlah aset pajak tangguhan yang dapat diakui, sesuai dengan waktu yang tepat dan tingkat laba fiskal di masa mendatang sejalan dengan strategi rencana perpajakan ke depan.

Liabilitas kesejahteraan karyawan (Catatan 37)

Program-program pensiun ditentukan berdasarkan perhitungan aktuarial. Perhitungan aktuarial menggunakan asumsi-asumsi seperti tingkat diskonto, tingkat pengembalian aset, tingkat kenaikan penghasilan, tingkat kematian, tingkat pengunduran diri, dan lain-lain.

Penyusutan aset tetap

Manajemen mengestimasi masa manfaat ekonomis aset tetap Grup antara 4 sampai dengan 20 tahun. Ini merupakan masa manfaat ekonomis yang secara umum diharapkan dalam industri perbankan. Perubahan tingkat pemakaian dan perkembangan teknologi dapat memengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya beban penyusutan masa depan mungkin direvisi. Penjelasan lebih rinci diungkapkan dalam Catatan 2p dan 13.

2. Material Accounting Policy Information (continued)

a. Statement of compliance and basis of preparation of the Group's consolidated financial statements (continued)

Impairment of non-financial assets (Notes 13, 14, and 15)

The Group evaluate impairment of non-financial assets if there is event or change in circumstance that may indicate that the carrying amount of the non-financial assets may not be recovered.

An impairment exists when the carrying value of an asset or Cash Generating Unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset.

Deferred tax assets (Note 21.d)

Deferred tax assets are recognized for the future recoverable taxable income arising from temporary difference. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing on level of future taxable profits, together with future tax planning strategy.

Liability for employee service entitlements (Note 37)

Pension programs are determined based on actuarial valuation. The actuarial valuation involves assumptions such as discount rate, expected rate of returns on plan assets, salary increase rate, mortality rate, resignation rate, and others.

Depreciation of fixed assets

Management properly estimates the useful lives of the Group's fixed assets to be within 4 to 20 years. These are common life expectancies applied in the banking industries. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. Further details are disclosed in Notes 2p and 13.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

a. Pernyataan kepatuhan dan dasar penyusunan laporan keuangan konsolidasian Grup (lanjutan)

Revaluasi atas tanah (Catatan 13)

Grup menggunakan penilai independen untuk menilai nilai wajar atas tanah. Tanah dinilai dengan mengacu kepada bukti berdasarkan pasar, menggunakan harga yang sebanding setelah disesuaikan dengan faktor pasar spesifik seperti lokasi dan kondisi dari tanah.

Estimasi masa sewa

Dalam mengestimasi masa sewa dari masing-masing perjanjian sewa, manajemen mempertimbangkan seluruh fakta dan keadaan yang memberikan insentif ekonomik untuk mengeksekusi opsi perpanjangan, atau untuk tidak mengeksekusi opsi penghentian, termasuk perubahan fakta atau keadaan yang diekspektasi dari tanggal permulaan hingga tanggal eksekusi opsi. Opsi perpanjangan (atau periode setelah opsi penghentian) hanya diperhitungkan dalam masa sewa jika sewa cukup pasti akan diperpanjang (atau tidak dihentikan).

b. Prinsip-prinsip konsolidasian

Laporan keuangan konsolidasian meliputi laporan keuangan Bank dan laporan keuangan entitas anak.

Pengendalian diperoleh ketika Bank terekspos, atau memiliki hak atas imbal hasil variabel dari keterlibatannya dengan entitas dan memiliki kemampuan untuk memengaruhi pengembalian tersebut melalui kekuasaan yang dimiliki.

Dalam hal pengendalian terhadap entitas dimulai atau diakhiri dalam suatu tahun berjalan, maka hasil usaha entitas yang diperhitungkan ke dalam laporan keuangan konsolidasian hanya sebatas hasil pada saat pengendalian tersebut mulai diperoleh atau hingga saat pengendalian atas entitas tersebut berakhir.

Dalam mencatat akuisisi entitas anak digunakan metode pembelian. Biaya akuisisi diukur sebesar nilai wajar aset yang diserahkan, saham yang diterbitkan atau liabilitas yang diambil alih pada tanggal akuisisi. Biaya transaksi, selain biaya yang berhubungan dengan penerbitan instrumen utang atau ekuitas yang ditanggung oleh Bank sehubungan dengan kombinasi bisnis, dibebankan pada saat terjadinya. Kelebihan biaya akuisisi atas nilai wajar aset neto entitas anak dicatat sebagai goodwill (Catatan 2q.i untuk kebijakan akuntansi atas goodwill).

2. Material Accounting Policy Information (continued)

a. Statement of compliance and basis of preparation of the Group's consolidated financial statements (continued)

Revaluation of land (Note 13)

The Group use an independent appraiser to assess the fair value of the lands. Lands are valued by referencing to market-based evidence, using comparable prices adjusted for specific markets factors such as the location and condition of the land.

Estimation of lease term

When estimating the lease term of the respective lease arrangement management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise atermination option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the 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).

b. Principles of consolidation

The consolidated financial statements include the financial statements of the Bank and financial statements of its subsidiaries.

Control is achieved when the Bank is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Where an entity either began or ceased to be controlled during the year, the results of operations of that entity are included into theconsolidated financial statements only from the date that the control commenced or up to the date that control ceased.

The purchase method of accounting is used to account for the acquisition of subsidiary. The cost of an acquisition is measured at the fair value of the assets given up, shares issued or liabilities assumed at the date of acquisition. Transaction cost, excluding debt or equity instrument issuance cost which is borne by the Bank in relation with business combination, is charged to expense when incurred. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill (Note 2q.i for the accounting policy on goodwill).

2. Informasi Kebijakan Akuntansi Material (lanjutan)

b. Prinsip-prinsip konsolidasian (lanjutan)

Seluruh saldo dan transaksi yang signifikan termasuk keuntungan/kerugian yang belum direalisasi antar entitas dieliminasi untuk mencerminkan posisi keuangan dan hasil usaha Grup sebagai satu kesatuan usaha.

Laporan keuangan konsolidasian disusun dengan menggunakan kebijakan akuntansi yang sama untuk peristiwa dan transaksi sejenis dalam kondisi yang sama. Kebijakan akuntansi utama yang digunakan dalam penyusunan laporan keuangan konsolidasian, telah diterapkan secara konsisten oleh entitas anak, kecuali dinyatakan lain.

Laba atau rugi dan setiap komponen penghasilan komprehensif lain diatribusikan pada pemilik entitas induk dan pada kepentingan non-pengendali. Seluruh penghasilan komprehensif diatribusikan pada pemilik entitas induk dan pada kepentingan non-pengendali bahkan jika hal ini mengakibatkan kepentingan non-pengendali mempunyai saldo defisit.

c. Penjabaran mata uang asing

i. Mata uang penyajian

Laporan keuangan konsolidasian disajikan dalam mata uang Rupiah, yang merupakan mata uang fungsional Grup.

ii. Transaksi dan saldo

Transaksi dalam mata uang asing dijabarkan ke mata uang Rupiah dengan menggunakan kurs pada tanggal-tanggal transaksi tersebut. Pada tanggal pelaporan, aset dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam mata uang Rupiah dengan menggunakan kurs laporan (penutupan) yang ditetapkan oleh Bank Indonesia berdasarkan kurs spot Reuters pada pukul 16.00 Waktu Indonesia Barat ("WIB") yang berlaku pada tanggal tersebut.

Keuntungan dan kerugian selisih kurs yang timbul dari transaksi dalam mata uang asing dan dari penjabaran aset dan liabilitas moneter dalam mata uang asing diakui pada laba rugi, kecuali apabila ditangguhkan pada bagian ekuitas sebagai lindung nilai arus kas yang memenuhi syarat.

2. Material Accounting Policy Information (continued)

b. Principles of consolidation (continued)

All significant intercompany balances and transactions, including unrealized gain/loss, are eliminated to reflect the financial position and results of operations of the Group as one business entity.

The consolidated financial statements are prepared using uniformed accounting policy for transactions and events in similar circumstances. The principal accounting policies adopted in preparing the consolidated financial statements have been consistently applied by the subsidiaries, unless otherwise stated.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent entity and to the non-controlling interest. Total comprehensive income is attributable to the equity holders of the parent entity and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

c. Foreign currency translations

i. Presentation currency

The consolidated financial statements are presented in Rupiah, which is the functional currency of the Group.

ii. Transactions and balances

Transactions denominated in a foreign currency are converted into Rupiah using the spot rate at those transaction dates. At the reporting date, monetary assets and liabilities in foreign currencies are translated using the reporting (closing) rate determined by Bank Indonesia based on the Reuters spot rate at 16.00 Western Indonesia Time ("WIB") prevailing at that date.

Exchange gains and losses arising on transactions in foreign currency and on the translation of foreign currency monetary assets and liabilities are recognized in the profit or loss, except when deferred in equity as qualifying cash flow hedges.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

c. Penjabaran mata uang asing (lanjutan)

Selisih penjabaran mata uang asing atas efek utang dan aset moneter keuangan lain yang diukur berdasarkan nilai wajar dicatat sebagai bagian dari keuntungan dan kerugian selisih kurs.

Berikut ini adalah kurs mata uang asing utama yang digunakan untuk penjabaran jumlah dalam mata uang asing ke dalam Rupiah pada tanggal 31 Desember 2023 dan 2022:

	2023	2022	
Poundsterling Inggris	19.626	17.022	Great Britain Poundsterling
Euro Eropa	17.038	14.972	European Euro
Dolar Amerika Serikat	15.397	15.228	United States Dollar
Dolar Singapura	11.676	10.644	Singapore Dollar
Dolar Australia	10.521	9.901	Australian Dollar
China Yuan	2.170	2.146	Chinese Yuan
Dolar Hong Kong	1.970	1.940	Hong Kong Dollar
Yen Jepang	109	106	Japanese Yen
Won Korea Selatan	12	11	South Korean Won

d. Aset dan liabilitas keuangan

Aset keuangan Grup terdiri dari kas, giro pada Bank Indonesia, giro pada bank lain, penempatan pada Bank Indonesia dan bank lain, tagihan derivatif, surat-surat berharga dengan janji dijual kembali, tagihan surat-surat berharga yang dibeli dengan janji dijual kembali, wesel ekspor dan tagihan lainnya, kredit yang diberikan dan pembiayaan piutang syariah, tagihan akseptasi, penyertaan saham, bunga yang masih akan diterima, dan aset lain-lain (setoran jaminan).

Liabilitas keuangan Grup terdiri dari liabilitas segera, simpanan nasabah, simpanan dari bank lain, liabilitas derivatif, surat-surat berharga yang dijual dengan janji dibeli kembali, liabilitas akseptasi, surat berharga yang diterbitkan, pinjaman yang diterima, bunga yang masih harus dibayar, dan liabilitas lain-lain.

(i) Klasifikasi

Aset keuangan diklasifikasikan berdasarkan kategori sebagai berikut pada saat pengakuan awal:

- Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi (FVTPL);
- Diukur pada biaya diamortisasi; dan
- Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain (FVTOCI).

2. Material Accounting Policy Information (continued)

c. Foreign currency translations (continued)

Translation differences on debt marketable securities and other monetary financial assets measured at fair value are included in foreign exchange gains and losses.

Below are the major exchange rates used for translation of foreign currency amounts into Rupiah as at December 31, 2023 and December 31, 2022:

d. Financial assets and 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, derivative receivables, marketable securities purchased with agreement to resell, marketable securities receivables purchased with agreement to re-sell, bills and other receivables, loans and sharia receivables financing, acceptances receivable, investments in shares, interest receivables, and other assets (guarantee deposit).

The Group's financial liabilities consist of liabilities immediately payable, deposits from customers, deposits from other banks, derivative payable, marketable securities sold under agreement to repurchase, acceptances payable, marketable securities issued, borrowings, interest payable, and other liabilities.

(i) Classification

Financial assets are classified into the following categories on initial recognition:

- Financial assets held at fair value through profit or loss (FVTPL);
- Amortized cost; and
- Financial assets held at fair value through other comprehensive income (FVTOCI).

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(i) Klasifikasi (lanjutan)

Aset keuangan diklasifikasikan menjadi kategori tersebut di atas berdasarkan model bisnis dimana aset keuangan tersebut dimiliki, dan karakteristik arus kas kontraktualnya. Model bisnis merefleksikan bagaimana kelompok aset keuangan dikelola untuk mencapai tujuan bisnis tertentu.

Aset keuangan hanya dapat dikategorikan sebagai biaya perolehan diamortisasi jika instrumen dimiliki dalam rangka mendapatkan arus kas kontraktual ("hold to collect"), dan dimana arus kas kontraktual tersebut semata dari pembayaran pokok dan bunga (SPPI). Pokok merupakan nilai wajar dari instrumen pada saat pengakuan awal. Bunga dalam hal ini merupakan kompensasi untuk nilai waktu uang dan risiko kredit terkait beserta kompensasi untuk risiko lain dan biaya yang konsisten dengan persyaratan dalam peminjaman standar dan marjin laba. Kategori aset ini membutuhkan penilaian persyaratan kontraktual pada saat pengakuan awal untuk menentukan apakah kontrak mengandung persyaratan yang dapat mengubah waktu atau jumlah dari arus kas yang tidak konsisten dengan persyaratan SPPI.

Dalam menilai apakah arus kas kontraktual memiliki karakteristik SPPI, Grup mempertimbangkan persyaratan kontraktual atas instrumen tersebut. Hal ini termasuk dalam hal menilai apakah aset keuangan mengandung ketentuan kontraktual yang dapat mengubah waktu atau jumlah arus kas kontraktual sehingga tidak dapat memenuhi kondisi SPPI. Dalam melakukan penilaian, Grup mempertimbangkan:

- Kejadian kontinjensi yang akan mengubah jumlah dan waktu arus kas;
- *Fitur leverage*; dan
- Persyaratan pelunasan dipercepat atau perpanjangan fasilitas.

Aset dapat dijual dari *portofolio hold to collect* ketika terdapat peningkatan risiko kredit. Penghentian untuk alasan lain diperbolehkan namun jumlah penjualan tersebut harus tidak signifikan jumlahnya atau tidak sering.

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(i) Classification (continued)

Financial assets are classified into these categories based on the business model within which they are held, and their contractual cash flow characteristics. The business model reflects how groups of financial assets are managed to achieve a particular business objective.

Financial assets can only be held at amortized cost if the instruments are held in order to collect the contractual cash flows ("hold to collect"), and where those contractual cash flows are solely payments of principal and interest (SPPI). Principal represents the fair value of the instrument at the time of initial recognition. Interest in this context represents compensation for the time value of money and associated credit risks together with compensation for other risks and costs consistent with a basic lending arrangement and a profit margin. This requires an assessment at initial recognition of the contractual terms to determine whether it contains a term that could change the timing or amount of cash flows in a way that is inconsistent with the SPPI criteria.

In assessing whether the contractual cash flows have SPPI characteristics, the Group 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 Group considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features; and
- Prepayment and extension terms.

Assets may be sold out of hold to collect portfolios where there is an increase in credit risk. Disposals for other reasons are permitted but such sales should be insignificant in value or infrequent in nature.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(i) Klasifikasi (lanjutan)

Aset keuangan berupa instrumen utang dimana tujuan model bisnis dicapai dengan mendapatkan arus kas kontraktual dan menjual aset ("*hold to collect and sell*") dan memiliki arus kas SPPI, diklasifikasikan sebagai FVTOCI, dengan laba rugi yang belum direalisasi ditangguhkan di pendapatan komprehensif lain sampai aset tersebut diberhentikan.

Seluruh aset keuangan lainnya akan dipersyaratkan diklasifikasikan sebagai FVTPL. Aset keuangan dapat ditetapkan sebagai FVTPL hanya jika ini dapat mengeliminasi atau mengurangi accounting mismatch.

Manajemen menentukan klasifikasi aset keuangan dan liabilitas keuangan pada saat pengakuan awal.

(ii) Pengukuran awal

a. Pembelian atau penjualan aset keuangan yang memerlukan penyerahan aset dalam kurun waktu yang telah ditetapkan oleh peraturan dan kebiasaan yang berlaku di pasar (pembelian secara reguler) diakui pada tanggal penyelesaian, seperti tanggal perusahaan berkomitmen untuk membeli atau menjual aset.
b. Aset keuangan dan liabilitas keuangan pada awalnya diukur pada nilai wajarnya. Dalam hal aset keuangan atau liabilitas keuangan tidak diukur pada nilai wajar melalui laporan laba rugi, nilai wajar tersebut ditambah biaya transaksi yang dapat diatribusikan secara langsung. Pengukuran aset keuangan dan liabilitas keuangan setelah pengakuan awal tergantung pada klasifikasinya.

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

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(i) Classification (continued)

Financial asset debt instruments where the business model objectives are achieved by collecting the contractual cash flows and by selling the assets ("hold to collect and sell") and that have SPPI cash flows are held at FVTOCI, with unrealized gains or losses deferred in other comprehensive income until the asset is derecognized.

All other financial assets will mandatorily be held at FVTPL. Financial assets may be designated at FVTPL only if doing so eliminates or reduces an accounting mismatch.

Management determines the classification of its financial assets and liabilities at initial recognition.

(ii) Initial recognition

a. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way purchases) are recognized on the settlement date, i.e., the date that the companies commit to purchase or sell the assets.

b. Financial assets and liabilities are initially recognized at fair value. For those financial assets and liabilities not measured at fair value through profit and loss plus directly attributable transaction costs. The subsequent measurement of financial assets and liabilities depends on their classification.

Transaction costs only include costs that are directly attributable to the acquisition of a financial asset or issuance of a financial liability and an additional charge that would not occur if the instrument is not acquired or issued. For financial assets, transaction costs are added to the amount recognized in the initial recognition of the asset, while for financial liabilities, transaction costs are deducted from the amount of debt recognized on initial recognition of a

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(ii) Pengukuran awal (lanjutan)

jumlah utang yang diakui pada pengakuan awal 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.

Grup, pada pengakuan awal, dapat menetapkan aset keuangan dan liabilitas keuangan tertentu sebagai nilai wajar melalui laba rugi (opsi nilai wajar). Opsi nilai wajar dapat digunakan hanya bila memenuhi ketetapan sebagai berikut:

- penetapan sebagai opsi nilai wajar mengurangi atau mengeliminasi ketidak-konsistenan pengukuran dan pengakuan (accounting mismatch) yang dapat timbul; atau
- aset keuangan dan liabilitas keuangan merupakan bagian dari portofolio instrumen keuangan yang risikonya dikelola dan dilaporkan kepada manajemen kunci berdasarkan nilai wajar; atau
- aset keuangan dan liabilitas keuangan terdiri dari kontrak utama dan derivatif melekat yang harus dipisahkan, tetapi tidak dapat mengukur derivatif melekat secara terpisah.

(iii) Pengukuran setelah pengakuan awal

a. Aset keuangan dan liabilitas keuangan dalam kelompok nilai wajar melalui penghasilan komprehensif lain yang diukur pada nilai wajar melalui laporan laba rugi diukur pada nilai wajarnya.
b. Aset keuangan dan liabilitas keuangan lainnya yang diukur pada biaya perolehan diamortisasi, diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

(iv) Penghentian pengakuan

a. Aset keuangan dihentikan pengakuannya jika:
   - Hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut berakhir; atau

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(ii) Initial recognition (continued)

liability. The transaction costs are amortized over the terms of the instrument based on the effective interest rate method and recorded as part of interest income for transaction costs related to the financial asset or as part of interest expense for transaction costs related to financial liabilities.

The Group, upon initial recognition, may designate certain financial assets and liabilities, at fair value through profit or loss (fair value option). The fair value option is only applied when the following conditions are met:

- the application of the fair value option reduces or eliminates an accounting mismatch that would otherwise arise; or
- the financial assets and liabilities are part of a portfolio of financial instruments, the risks of which are managed and reported to key management on a fair value basis; or
- the financial assets and liabilities consist of a host contract and an embedded derivative that must be bifurcated, but unable to measure the embedded derivative separately.

(iii) Subsequent measurement

a. Fair value through other comprehensive income financial assets and financial liabilities measured at fair value through profit or loss are subsequently measured at fair value.
b. Financial assets and other financial liabilities which are measured at amortised cost, are measured at amortised cost using the effective interest method.

(iv) Derecognition

a. Financial assets are derecognized when:
   - The contractual rights to receive cashflows from the financial assets have expired; or

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(iv) Penghentian pengakuan (lanjutan)

a. Aset keuangan dihentikan pengakuannya jika: (lanjutan)

- Grup mentransfer hak untuk menerima arus kas yang berasal dari aset keuangan atau menanggung liabilitas untuk membayarkan arus kas yang diterima tersebut secara penuh tanpa penundaan berarti kepada pihak ketiga di bawah kesepakatan pelepasan (pass through arrangement); dan
- antara (a) Grup telah mentransfer secara substansial seluruh risiko dan manfaat atas aset, atau
- (b) Grup tidak mentransfer maupun tidak memiliki secara substansial seluruh risiko dan manfaat atas aset, namun telah mentransfer kendali atas aset.

Ketika Grup telah mentransfer hak untuk menerima arus kas dari aset atau di bawah kesepakatan pelepasan (pass-through arrangement), dan tidak mentransfer serta tidak mempertahankan secara substansial seluruh risiko dan manfaat atas aset dan masih memiliki pengendalian atas aset, aset diakui sebesar keterlibatan Grup yang berkelanjutan atas aset tersebut.

Kredit yang diberikan atau aset keuangan lain dihapusbukukan ketika tidak terdapat prospek yang realistis mengenai pengembalian kredit dalam waktu dekat atau hubungan normal dengan debitur telah berakhir. Kredit yang tidak dapat dilunasi dihapusbukukan dengan mendebit cadangan kerugian penurunan nilai.

b. Liabilitas keuangan dihentikan pengakuannya jika liabilitas keuangan tersebut berakhir, yaitu ketika liabilitas yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kedaluwarsa.

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(iv) Derecognition (continued)

a. Financial assets are derecognized when: (continued)

- The Group has transferred its rights to receive cash flows from the financial assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and
- either (a) the Group has transferred substantially all the risks and rewards of the asset, or
- (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

Loans or other financial assets are written off when there is no realistic prospect of collection in the near future or the normal relationship with the borrowers has ceased to exist. When a loan is deemed uncollectible, it is written off against the related allowance for impairment losses.

b. Financial liabilities are derecognized when they are extinguished, i.e. liabilities stated in the contract are released or cancelled or have expired.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(iv) Penghentian pengakuan (lanjutan)

Jika suatu liabilitas keuangan yang ada digantikan dengan yang lain oleh pemberi pinjaman yang sama pada keadaan yang secara substansial berbeda, atau berdasarkan suatu liabilitas yang ada yang secara substansial telah diubah, seperti pertukaran atau modifikasi yang diperlakukan sebagai penghentian pengakuan liabilitas awal dan pengakuan liabilitas baru, dan perbedaan nilai tercatat masing-masing diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

(v) Pengakuan pendapatan dan beban

a. Pendapatan dan beban bunga atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain serta aset keuangan dan liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi, diakui pada laporan laba rugi konsolidasi dengan menggunakan metode suku bunga efektif.

Jumlah tercatat bruto aset keuangan adalah biaya perolehan diamortisasi aset keuangan sebelum disesuaikan dengan cadangan penurunan nilai.

Dalam menghitung pendapatan dan beban bunga, tingkat bunga efektif diterapkan pada jumlah tercatat bruto aset (ketika aset tersebut bukan aset keuangan memburuk) atau terhadap biaya perolehan diamortisasi dari liabilitas.

Untuk aset keuangan yang telah memburuk pada saat pengakuan awal, pendapatan bunga dihitung dengan menerapkan tingkat bunga efektif terhadap biaya perolehan diamortisasi dari aset keuangan tersebut. Jika aset tersebut tidak lagi memburuk, maka perhitungan pendapatan bunga akan tetap dihitung dengan menerapkan tingkat bunga efektif terhadap biaya perolehan diamortisasi dari aset keuangan tersebut.

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(iv) Derecognition (continued)

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of profit and loss and other comprehensive income.

(v) Income and expense recognition

a. Interest income and expense on financial assets measured at fair value through other comprehensive income as well as financial assets and financial liabilities recorded at amortized cost are recognized in the consolidated statement of profit or loss using the effective interest method.

The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for allowance for impairment.

In calculating interest income and expenses, the effective interest rate is applied to the gross carrying amount of an asset (when the asset is not a deteriorated financial asset) or to the amortized cost of a liability.

For financial assets that have deteriorated at initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial assets. If the asset no longer deteriorates, the calculation of interest income will still be calculated by applying the effective interest rate to the amortized cost of the financial asset.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(v) Pengakuan pendapatan dan beban (lanjutan)

a. Untuk aset keuangan yang memburuk setelah pengakuan awal, pendapatan bunga dihitung dengan menerapkan tingkat bunga efektif terhadap biaya perolehan diamortisasi dari aset keuangan tersebut. Jika aset tersebut tidak lagi memburuk, maka perhitungan pendapatan bunga akan dihitung dengan menerapkan tingkat bunga efektif terhadap nilai tercatat bruto dari aset keuangan tersebut.

b. Keuntungan dan kerugian yang timbul dari perubahan nilai wajar atas aset keuangan yang diklasifikasikan dalam kelompok diukur pada nilai wajar melalui penghasilan komprehensif lain diakui secara langsung dalam laporan laba rugi komprehensif (merupakan bagian dari ekuitas) sampai aset keuangan tersebut dihentikan pengakuannya atau adanya penurun nilai, kecuali keuntungan atau kerugian akibat perubahan nilai tukar untuk instrumen utang.

Pada saat aset keuangan dihentikan pengakuannya atau dilakukan penurunan nilai, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas harus diakui pada laporan laba rugi.

(vi) Reklasifikasi aset keuangan

Grup mereklasifikasi aset keuangan jika dan hanya jika, model bisnis untuk pengelolaan aset keuangan berubah.

Reklasifikasi aset keuangan dari klasifikasi biaya perolehan yang diamortisasi ke klasifikasi nilai wajar melalui laba rugi dicatat sebesar nilai wajarnya. Selisih antara nilai tercatat dengan nilai wajar diakui sebagai keuntungan atau kerugian pada laba rugi.

Reklasifikasi aset keuangan dari klasifikasi biaya perolehan yang diamortisasi ke klasifikasi nilai wajar melalui penghasilan komprehensif lain dicatat sebesar nilai wajarnya.

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui penghasilan komprehensif lain ke klasifikasi nilai wajar melalui laba rugi dicatat pada nilai wajar. Keuntungan atau kerugian yang belum direalisasi direklasifikasi ke laba rugi.

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(v) Income and expense recognition (continued)

a. For financial assets that deteriorated after initial recognition, interest income is calculated by applying an effective interest rate to the amortized cost of the financial assets. If the asset no longer deteriorates, the calculation of interest income will be calculated by applying an effective interest rate to the gross carrying amount of the financial asset.

b. Gains and losses arising from changes in fair value of financial assets measured at fair value through other comprehensive income are recognized directly in the statement of comprehensive income (as part of equity) until the financial assets are derecognized or impaired, except for the gain or loss resulting from the change in exchange rates for debt instruments.

When a financial asset is derecognized or impaired, the cumulative gains or losses previously recognized in equity are recognized in profit or loss.

(vi) Reclassification of financial assets

The Group reclassifies financial assets if and only if, the business model for managing financial assets changes.

Reclassifications of financial assets from amortized cost classifications to fair value through profit or loss are recorded at fair value. The difference between the recorded value and fair value is recognized in profit or loss on the statement of profit or loss and other comprehensive income.

Reclassifications of financial assets from amortized cost classifications to fair value classifications through other comprehensive income are recorded at their fair values.

Reclassification of financial assets from fair value classification through other comprehensive income to fair value classification through profit or loss is recorded at fair value. Unrealized gains or losses are reclassified to profit or loss.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(vi) Reklasifikasi aset keuangan (lanjutan)

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui penghasilan komprehensif lain ke klasifikasi biaya perolehan yang diamortisasi dicatat pada nilai wajarnya pada tanggal reklasifikasi. Keuntungan atau kerugian yang belum direalisasi dihapus dari ekuitas dan disesuaikan terhadap nilai wajar.

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui laba rugi ke klasifikasi nilai wajar melalui penghasilan komprehensif lain dicatat pada wajar.

(vii) Saling hapus

Aset keuangan dan liabilitas keuangan dilakukan saling hapus dan nilai bersihnya disajikan dalam laporan posisi keuangan konsolidasian jika, dan hanya jika, Grup memiliki hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan adanya maksud untuk menyelesaikan secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara simultan.

Hal yang berkekuatan hukum harus tidak kontinjen atas peristiwa di masa depan dan harus dapat dipaksakan di dalam situasi bisnis yang normal, peristiwa kegagalan atau kebangkrutan dari entitas atas seluruh pihak lawan.

Pendapatan dan beban disajikan dalam jumlah bersih hanya jika diperkenankan oleh Standar Akuntansi Keuangan.

(viii) Pengukuran biaya diamortisasi

Biaya perolehan diamortisasi dari aset keuangan atau liabilitas keuangan adalah jumlah aset keuangan atau liabilitas keuangan yang diukur pada saat pengakuan awal dikurangi pembayaran pokok pinjaman, ditambah atau dikurangi amortisasi kumulatif menggunakan metode suku bunga efektif yang dihitung dari selisih antara nilai pengakuan awal dan nilai jatuh temponya, dan dikurangi penurunan nilai.

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.

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(vi) Reclassification of financial assets (continued)

Reclassifications of financial assets from fair value through other comprehensive income to the amortized cost is recorded at fair value at the date of reclassification. Unrealized gain or losses are removed from equity and are adjusted againts the fair value.

Reclassifications of financial assets from fair value through profit or loss to amortized cost classification is recorded at fair value.

(vii) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position when, and only when, the Group have a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The legal 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 company or the counterparty.

Income and expenses are presented on a net basis only when permitted by the Financial Accounting Standards.

(viii) Amortized cost measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cummulative amortization using the effective interest rate method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

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.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(viii) Pengukuran biaya diamortisasi (lanjutan)

Pengukuran nilai wajar mengasumsikan bahwa transaksi untuk menjual aset atau mengalihkan liabilitas terjadi:

- di pasar utama untuk aset dan liabilitas tersebut; atau
- jika tidak terdapat pasar utama, dipasar yang paling menguntungkan untuk aset atau liabilitas tersebut.

(ix) Pengukuran nilai wajar

Nilai wajar suatu aset atau liabilitas diukur menggunakan asumsi yang akan digunakan pelaku pasar ketika menentukan harga aset dan liabilitas tersebut dengan asumsi bahwa pelaku pasar bertindak dalam kepentingan ekonomi terbaiknya.

Nilai wajar atas pinjaman yang diberikan dan piutang, serta liabilitas kepada bank dan nasabah ditentukan menggunakan nilai berdasarkan arus kas kontraktual, dengan mempertimbangkan kualitas kredit, likuiditas dan biaya.

Semua aset dan liabilitas dimana nilai wajar diukur atau diungkapkan dalam laporan keuangan konsolidasian dapat dikategorikan pada level hierarki nilai wajar, berdasarkan tingkatan input terendah yang signifikan atas pengukuran nilai wajar secara keseluruhan:

- Level 1: harga kuotasian (tanpa penyesuaian) di pasar aktif untuk aset atau liabilitas yang identik yang dapat diakses pada tanggal pengukuran.
- Level 2: input selain harga kuotasian yang termasuk dalam level 1 yang dapat diobservasi untuk aset dan liabilitas, baik secara langsung atau tidak langsung.
- Level 3: input yang tidak dapat diobservasi untuk aset dan liabilitas.

Metode dan asumsi signifikan yang digunakan untuk menentukan nilai wajar dari instrumen keuangan adalah sebagai berikut: (i) jika tersedia, Grup mengukur nilai wajar instrumen keuangan dengan menggunakan harga kuotasi di pasar aktif untuk instrumen tersebut, atau (ii) jika pasar untuk suatu instrumen keuangan tidak aktif, Grup menentukan nilai wajar dengan menggunakan model penilaian

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(viii) Amortized cost measurement (continued)

The fair value measurement is based on the presumption that the transaction to sell an asset or paid to transfer a liability takes place either:

- in the principal market for the assets and liabilities; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

(ix) Fair value measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when determining the price of the asset and liability assuming that market participants act in their own economic best interest.

The fair value for loans and receivables as well as liabilities to banks and customers are determined using a present value model on the basis of contractually agreed cash flows, taking into account credit quality, liquidity and costs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are classified within fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities accessible at the measurement date.
- Level 2: inputs other than quoted prices included in level 1 for the asset and liability, which is directly or indirectly observable.
- Level 3: unobservable inputs for the asset and liability.

The methods and significant assumptions used to determine the fair value of financial instruments are as follows: (i) where available, the Group measures the fair value of financial instruments using quoted prices in an active market for that instrument, or (ii) if the market is for a financial instrument is inactive, the Group determines fair value using valuation model that most appropriately reflects the nature,

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(ix) Pengukuran nilai wajar

yang paling tepat mencerminkan sifat, karakteristik dan risiko dari masing-masing instrumen keuangan. Selain itu, ketika menggunakan harga kuotasian yang diperoleh dari pihak ketiga, Grup memverifikasi apakah harga tersebut valid dengan menggunakan metode yang tepat, seperti konfirmasi teknik penilaian dan input yang digunakan dan membandingkannya dengan nilai wajar instrumen keuangan serupa.

Untuk aset dan liabilitas yang diakui pada laporan keuangan konsolidasian secara berulang, Grup menentukan apakah terjadi transfer antara level di dalam hierarki dengan cara mengevaluasi kategori (berdasarkan input level terendah yang signifikan dalam pengukuran nilai wajar) setiap akhir periode pelaporan.

(x) Investasi pada sukuk

Grup menerapkan PSAK 110 (Revisi 2020) "Akuntansi Sukuk". PSAK 110 ini mengatur mengenai pengakuan, pengukuran, penyajian, dan pengungkapan transaksi sukuk Ijarah dan sukuk mudharabah.

Pengakuan dan Pengukuran

Sebelum pengakuan awal, Grup menentukan klasifikasi investasi pada sukuk berdasarkan tujuan investasi Grup. Klasifikasi dalam investasi pada sukuk terdiri dari:

- Biaya perolehan

Apabila investasi tersebut dimiliki dalam suatu model usaha yang bertujuan utama untuk memperoleh arus kas kontraktual dan terdapat persyaratan kontraktual dalam menentukan tanggal tertentu pembayaran pokok dan/atau hasilnya.

Pada saat pengukuran awal, investasi dicatat sebesar biaya perolehan dan biaya perolehan ini termasuk biaya transaksi. Setelah pengakuan awal, investasi pada sukuk ini diukur pada nilai perolehan yang diamortisasi. Selisih antara biaya perolehan dan nilai nominal diamortisasi secara garis lurus selama jangka waktu instrumen sukuk.

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(ix) Fair value measurement

characteristics and risks of each financial instrument. In addition, when using quoted prices obtained from third parties, the Group verifies whether the prices are valid using appropriate methods, such as confirming the valuation techniques and inputs used and comparing them with the fair value of similar financial instruments.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, Group determine whether transfers have occured between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(x) Investment in sukuk

The Group has applied SFAS 110 (Revised 2020) "Accounting for Sukuk". SFAS 110 establishes the recognition, measurement, presentation, and disclosures of sukuk Ijarah and sukuk mudharabah transactions.

Recognition and Measurement

Before the initial recognition, the Group determine the classification of investment in sukuk based on the purpose of the Groups' investment. The classification of investment in sukuk comprises of:

- Acquisition cost

If the investment is held within a business entity that aims to acquire assets in order to collect contractual cash flows and there is a contractual requirement to determine the specific date of principal payments and/or the result.

At the initial measurement, the investment is recorded at acquisition cost which includes the transaction cost. After the initial recognition, the investment in sukuk is measured at amortised cost. The difference between acquisition cost and nominal value is amortized using straight line method during the term of the sukuk instrument.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(x) Investasi pada sukuk (lanjutan)

- Nilai wajar melalui laba rugi

Pada saat pengakuan awal, investasi pada sukuk dalam klasifikasi ini dicatat sebesar harga perolehan, namun harga perolehan tersebut tidak termasuk biaya transaksi.

Setelah pengakuan awal, investasi diakui pada nilai wajar. Selisih antara nilai wajar dan jumlah tercatat diakui dalam laba rugi.

- Nilai wajar melalui penghasilan komprehensif lain

Pada saat pengakuan awal, investasi pada sukuk dalam klasifikasi ini dicatat sebesar harga perolehan dan biaya perolehan ini termasuk biaya transaksi.

Setelah pengakuan awal, investasi diakui pada nilai wajar. Selisih antara nilai wajar dan jumlah tercatat diakui dalam penghasilan komprehensif lain. Selisih antara biaya perolehan dan nilai nominal diamortisasi secara garis lurus selama jangka waktu instrumen sukuk dan diakui dalam laba rugi.

Nilai wajar investasi ditentukan dengan mengacu pada hierarki sebagai berikut:

i. harga kuotasi (tanpa penyesuaian) di pasar aktif, atau
ii. input selain harga kuotasi yang termasuk dalam huruf (i).

Untuk investasi pada sukuk yang diklasifikasikan sebagai diukur pada biaya perolehan dan nilai wajar melalui penghasilan komprehensif lain, jika terdapat indikasi penurunan nilai, maka Grup mengukur jumlah terpulihkannya. Jika jumlah terpulihkan lebih kecil daripada jumlah tercatat, maka Grup mengakui rugi penurunan nilai. Jumlah terpulihkan merupakan jumlah yang akan diperoleh dari pengembalian pokok tanpa memperhitungkan nilai kininya.

Penyajian

Pendapatan investasi dan beban amortisasi disajikan secara neto dalam laba rugi.

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(x) Investment in sukuk (continued)

- Fair value through profit or loss

At the initial recognition, the investment in sukuk is presented at acquisition cost which does not include transaction cost.

After initial recognition, the investment is recognized at fair value. The difference between fair value and recorded amount is recognized in profit or loss.

- Fair value through other comprehensive income

At the initial recognition, the investment in sukuk is presented at acquisition cost which includes transaction cost.

After initial recognition, the investment is recognized at fair value. The difference between fair value and recorded amount is recognized in other comprehensive income. The difference between acquisition cost and nominal value is amortized using straight line method during the term of the sukuk instrument and recognized in profit or loss.

Fair value on investment is determined according to following hierarchy:

i. quoted price (excluding any adjustment) in active market, or
ii. other input other than quoted price included in (i).

For investment in sukuk classified as at acquistion cost and at fair value through other comprehensive income, if there is an indication of impairment, the Group measures the recoverable amount. If the recoverable amount is less than recorded amount, the Group recognize the impairment losses. Recoverable amount represents the amount which will be recoverable from the principal repayment regardless of its present value.

Presentation

Investment income and amortization expense are presented in net amount in the profit or loss.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(x) Investasi pada sukuk (lanjutan)

Reklasifikasi

Grup tidak dapat mengubah klasifikasi investasi, kecuali terdapat perubahan tujuan model usaha. Model usaha yang bertujuan untuk memperoleh arus kas kontraktual didasarkan pada tujuan investasi yang ditentukan oleh Grup. Arus kas kontraktual yang dimaksud adalah arus kas bagi hasil dan pokok dari sukuk mudharabah atau arus kas imbalan (ujrah) dari sukuk Ijarah. Setelah pengakuan awal, jika aktual berbeda dengan tujuan investasi yang telah ditetapkan, maka Grup menelaah kembali konsistensi tujuan investasinya.

e. Kas dan setara kas

Untuk tujuan penyajian laporan arus kas konsolidasian, kas dan setara kas terdiri atas kas, giro pada Bank Indonesia, giro pada Bank lain, dan penempatan pada Bank Indonesia dan Bank lain yang jatuh tempo dalam 3 (tiga) bulan atau kurang sejak tanggal perolehan yang tidak dijaminkan atau dibatasi penggunaannya.

f. Giro pada Bank Indonesia dan bank lain

Giro pada Bank Indonesia dan bank lain pada pengakuan awal diukur pada nilai wajar ditambah biaya transaksi yang dapat diatribusikan secara langsung, jika ada, dan selanjutnya diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Cadangan kerugian penurunan nilai dibentuk jika terdapat bukti objektif penurunan nilai (Catatan 2o).

g. Penempatan pada Bank Indonesia dan bank lain

Penempatan pada Bank Indonesia dan Bank lain pada pengakuan awal diukur pada nilai wajar ditambah biaya transaksi yang dapat diatribusikan secara langsung, jika ada, dan selanjutnya diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Cadangan kerugian penurunan nilai dibentuk jika terdapat bukti objektif penurunan nilai (Catatan 2o).

2. Material Accounting Policy Information (continued)

d. Financial assets and liabilities (continued)

(x) Investment in sukuk (continued)

Reclassification

The Group cannot change investment classification unless there is a change in the business model purpose. Business model that is intended to collect contractual cash flow is based on the investment purpose set by the Group. The underlying contractual cash flow is the cash flow from revenue sharing and principal of sukuk mudharabah or benefit cash flow (ujrah) from sukuk Ijarah. After initial recognition, if the actual differs from the investment purpose initially set by the Group, then the Group reconsider the consequences of the revised investment purpose.

e. Cash and cash equivalents

For consolidated statement of cash flows presentation purposes, cash and cash equivalents consists of cash, current accounts with Bank Indonesia, current accounts with other Banks, and placements with Bank Indonesia and other Banks with original maturities of 3 (three) months or less from the acquisition date, which are not pledged as collateral or restricted for use.

f. Current accounts with Bank Indonesia and other banks

Current accounts with Bank Indonesia and other banks are initially measured at fair value plus directly attributable transaction costs, if any, and subsequently measured at their amortized cost using effective interest rate method. The allowance for impairment losses is provided if there is an objective evidence of impairment (Note 2o).

g. Placements with Bank Indonesia and other banks

Placements with Bank Indonesia and other Banks are initially measured at fair value plus directly attributable transaction costs, if any, and subsequently measured at their amortized cost using the effective interest rate method. The allowance for impairment losses is provided if there is an objective evidence of impairment (Note 2o).

2. Informasi Kebijakan Akuntansi Material (lanjutan)

h. Surat-surat berharga

Surat-surat berharga terdiri dari Sertifikat Bank Indonesia (SBI), wesel ekspor, obligasi pemerintah, obligasi korporasi, dan efek utang lainnya.

Surat berharga syariah diklasifikasikan sebagai diukur pada biaya perolehan yang diamortisasi.

Surat berharga pada awalnya disajikan sebesar nilai wajar. Setelah pengakuan awal, surat berharga dicatat sesuai kategorinya, yaitu nilai wajar melalui laba rugi, pada biaya perolehan diamortisasi dan nilai wajar melalui penghasilan komprehensif lain.

Pengukuran surat-surat berharga dinyatakan berdasarkan klasifikasinya sebagai berikut:

1. Surat-surat berharga diukur pada nilai perolehan dicatat pada biaya perolehan yang diamortisasi menggunakan metode suku bunga efektif.

   Aset dapat dijual dari portofolio diukur pada nilai perolehan ketika terdapat peningkatan risiko kredit. Penghentian untuk alasan lain diperbolehkan namun jumlah penjualan tersebut harus tidak signifikan jumlahnya atau tidak sering.

2. Surat-surat berharga yang diklasifikasikan sebagai dinilai pada nilai wajar melalui penghasilan komprehensif lain dinyatakan pada nilai wajar. Pendapatan bunga diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian menggunakan metode suku bunga efektif. Laba atau rugi selisih kurs atas surat-surat berharga diakui pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

   Perubahan nilai wajar lainnya diakui langsung dalam ekuitas sampai surat-surat berharga dijual atau mengalami penurunan nilai, dimana akumulasi keuntungan dan kerugian yang sebelumnya diakui dalam ekuitas diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

2. Material Accounting Policy Information (continued)

h. Marketable securities

Marketable securities consist of Bank Indonesia Certificates (SBI), export bills, government bonds, corporate bonds, and other debt marketable securities.

Sharia marketable securities are classified as measured at amortised cost.

Marketable securities are initially measured at fair value. Subsequently, marketable securities are accounted for depending on their classification as fair value through profit or loss, measured at amortised cost and fair value through other comprehensive income.

Measurement of securities is stated based on the classification of the securities as follows:

1. Marketable securities measured at amortised cost are carried at amortized cost using the effective interest rate method.

   Assets may be sold out of amortized cost portfolios when there is an increase in credit risk. Disposals for other reasons are permitted but such sales should be insignificant in value or infrequent in nature.

2. Marketable securities which are classified under fair value through other comprehensive income investments are stated at fair value. Interest income is recognized in the consolidated statement of profit or loss and other comprehensive income using the effective interest method. Foreign exchange gains or losses on securities are recognized in the consolidated statement of profit or loss and other comprehensive income.

   Other fair value changes are recognized directly in equity until the securities is sold or impaired, whereby the cumulative gains and losses previously recognized in the equity are recognized in the consolidated statement of profit or loss and other comprehensive income.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

h. Surat-surat berharga (lanjutan)

3. Surat-surat berharga dalam kategori nilai wajar melalui laba rugi dinyatakan pada nilai wajar.

Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajarnya disajikan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian tahun berjalan. Pendapatan bunga dari surat-surat berharga dicatat dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian sesuai dengan persyaratan dalam kontrak.

i. Surat-surat berharga yang dibeli dengan janji dijual kembali dan surat-surat berharga yang dijual dengan janji dibeli kembali

Surat-surat berharga yang dibeli dengan janji dijual kembali (*reverse repo*) diakui sebesar harga jual kembali surat berharga yang bersangkutan dikurangi pendapatan bunga yang belum diamortisasi. Selisih antara harga beli dengan harga jual diperlakukan sebagai pendapatan bunga yang belum diamortisasi dan diakui sebagai pendapatan bunga sesuai dengan jangka waktu surat berharga dibeli hingga dijual kembali dengan menggunakan metode suku bunga efektif (EIR). Surat berharga yang dibeli tidak dibukukan sebagai aset dalam laporan posisi keuangan konsolidasian karena kepemilikan surat berharga tetap berada pada pihak penjual. Cadangan kerugian penurunan nilai dibentuk jika terdapat bukti objektif penurunan nilai (Catatan 2o).

Surat-surat berharga yang dibeli dengan janji untuk dijual kembali diklasifikasikan sebagai biaya perolehan yang diamortisasi.

Surat-surat berharga yang dijual dengan janji dibeli kembali (repo) diakui sebesar harga pembelian kembali yang disepakati dikurangi beban bunga yang belum diamortisasi. Beban bunga yang belum diamortisasi merupakan selisih antara harga jual dengan harga beli kembali yang disepakati dan diakui sebagai beban bunga selama jangka waktu sejak surat berharga dijual hingga dibeli kembali dengan menggunakan metode suku bunga efektif (EIR). Surat berharga yang dijual tetap dicatat sebagai aset dalam laporan posisi keuangan konsolidasian karena secara substansi kepemilikan surat berharga tetap berada pada pihak Bank sebagai penjual. Cadangan kerugian penurunan nilai dibentuk jika terdapat bukti objektif penurunan nilai (Catatan 2o).

2. Material Accounting Policy Information (continued)

h. Marketable securities (continued)

3. Fair value through profit or loss marketable securities are carried at fair value.

Unrealized gains or losses resulting from changes in fair values are recognized in the current year consolidated statement of profit or loss and other comprehensive income. The interest income from marketable securities is recorded in the consolidated statement of profit or loss and other comprehensive income according to the terms of the contract.

i. Marketable securities purchased with agreements to resell and marketable securities sold with agreements to repurchase

Securities purchased under agreements to resell (reverse repo) are recognized as a repo receivable in the amount of the resale price of the related securities, less unamortized interest. The difference between purchase price and the selling price is treated as unamortized interest and is recognized as interest income in accordance with the period since the securities are purchased until they are resold by using effective interest rate (EIR) method. The securities received are not recorded as assets on the consolidated statements of financial position because the ownership of the securities remains with the seller. The allowance for impairment losses is provided if there is an objective evidence of impairment (Note 2o).

Marketables securities purchased under agreements to resell are classified as amortized cost.

Securities sold under repurchase (repo) agreements are recognized at the agreed repurchase price less unamortized interest. The unamortized interest represents the difference between the selling price and the agreed repurchase price and is recognized as interest expense during the period from the sale of securities to the date of repurchase by using Effective Interest Rate (EIR) method. The securities sold are recorded as assets on the consolidated statements of financial position because in substance the ownership of the securities remains with the Bank as the seller. The allowance for impairment losses is provided if there is an objective evidence of impairment (Note 2o).

2. Informasi Kebijakan Akuntansi Material (lanjutan)

i. Surat-surat berharga yang dibeli dengan janji dijual kembali dan surat-surat berharga yang dijual dengan janji dibeli kembali (lanjutan)

Surat-surat berharga yang dijual dengan janji dibeli kembali diklasifikasikan sebagai liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi.

j. Instrumen derivatif

Instrumen keuangan derivatif (termasuk transaksi mata uang asing untuk tujuan pendanaan dan perdagangan) diakui sebesar nilai wajar pada laporan posisi keuangan konsolidasian. Nilai wajar ditentukan berdasarkan harga pasar, model penentuan harga atau harga pasar instrumen lain yang memiliki karakteristik serupa. 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 kontrak derivatif yang tidak ditujukan untuk lindung nilai (atau tidak memenuhi kriteria untuk dapat diklasifikasikan sebagai lindung nilai) diakui dalam laba rugi tahun berjalan.

k. Kredit yang diberikan

Kredit yang diberikan diukur pada biaya perolehan diamortisasi menggunakan metode suku bunga efektif, dikurangi dengan cadangan kerugian penurunan nilai. Biaya perolehan diamortisasi dihitung dengan memperhitungkan diskonto atau premi pada saat akuisisi dan biaya transaksi yang merupakan bagian tidak terpisahkan dari suku bunga efektif. Amortisasi diakui pada laba rugi. Cadangan kerugian penurunan nilai dibentuk jika terdapat bukti objektif penurunan nilai (Catatan 2o).

Kredit yang diberikan diklasifikasikan sebagai diukur pada biaya perolehan diamortisasi. Kredit yang diberikan dalam pinjaman sindikasi ataupun penerusan kredit dinyatakan sebesar pokok kredit sesuai dengan porsi risiko yang ditanggung oleh Grup.

Kredit sindikasi, kredit dalam rangka pembiayaan bersama, dan kredit penerusan dinyatakan sebesar pokok kredit sesuai dengan porsi risiko yang ditanggung oleh Bank.

2. Material Accounting Policy Information (continued)

i. Marketable securities purchased with agreements to resell and marketable securities sold with agreements to repurchase (continued)

Marketable securities sold under repurchased agreement are classified as financial liabilities measured at amortised cost.

j. Derivative instruments

Derivative financial instruments (including foreign currency transactions for funding and trading) are recognized in the consolidated statement of financial position at their fair value. Fair value is determined based on quoted prices, pricing models or quoted prices of other instruments with similar characteristics. Derivatives are recorded as assets when the fair value is positive and liabilities when the fair value is negative.

Gain or loss as a result of fair value changes on a derivative contract not designated as a hedging instrument (or derivative contract that does not qualify as a hedging instrument) is recognized in the current year's profit or loss.

k. Loans

Loans are measured at amortised cost using the effective interest rate method, less allowance for impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and transaction costs that are an integral part of effective interest rate. The amortization is recognized in the profit or loss. Allowance for impairment losses is provided if there is an objective evidence of impairment (Note 2o).

Loans are classified as amortized costs. Loans under syndication or channelling are stated at the principal amount equal to the risk portion assumed by the Group.

Syndicated, joint financing, and channeling loans are stated at the loan principal amount based on the risk participation by the Bank.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

k. Kredit yang diberikan (lanjutan)

Restrukturisasi kredit

Setelah syarat dan ketentuan kredit direnegosiasi, penurunan nilai diukur dengan menggunakan suku bunga efektif awal yang dihitung sebelum persyaratan dimodifikasi dan kredit tersebut tidak lagi dianggap "*past due*". Manajemen akan melakukan penelaahan ulang atas kredit yang direnegosiasi secara berkelanjutan untuk memastikan bahwa semua kriteria terpenuhi dan pembayaran di masa datang akan terjadi. Evaluasi penurunan nilai individual atau kolektif akan terus dilakukan untuk kredit tersebut, mengikuti evaluasi penurunan nilai atas kredit.

Kerugian dari restrukturisasi kredit dengan cara konversi sebagian kredit yang diberikan menjadi saham atau instrumen keuangan lainnya, diakui hanya apabila nilai wajar penyertaan saham atau instrumen keuangan yang diterima dikurangi estimasi beban untuk menjualnya adalah kurang dari nilai tercatat kredit yang diberikan.

Kredit yang dihapusbuku

Kredit yang diberikan dihapusbukukan ketika tidak terdapat prospek yang realistis mengenai pengembalian kredit atau hubungan normal antara Grup dan debitur telah berakhir. Kredit yang tidak dapat dilunasi dihapusbukukan dengan mendebet cadangan kerugian penurunan nilai. Penerimaan kembali atas kredit yang telah dihapusbukukan sebelumnya dikreditkan ke cadangan kerugian penurunan nilai kredit pada laporan posisi keuangan konsolidasian.

l. Pembiayaan/Piutang syariah

Termasuk dalam pembiayaan/piutang syariah adalah pembiayaan mudharabah, pembiayaan musyarakah, dan piutang syariah.

Entitas anak Bank menerapkan ISAK 101 (Revisi 2016) tentang "Penyajian Laporan Keuangan Syariah", ISAK 102 (Amandemen 2016) tentang "Akuntansi Murabahah", ISAK 103 tentang "Akuntansi Salam", ISAK 104 (Amandemen 2016) tentang "Akuntansi Istishna", ISAK 105 tentang "Akuntansi Mudharabah", ISAK 106 tentang "Akuntansi

2. Material Accounting Policy Information (continued)

k. Loans (continued)

Loan restructuring

After the terms of loans have been renegotiated, any impairment is measured using the original effective interest rate as calculated before the modification of terms and the loan is no longer considered "past due". Management continuously reviews renegotiated loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, following the impairment assessment of loans.

Loss on loan restructuring which involves a conversion of loans into equity or other financial instruments in partial satisfaction of loans, is recognized only if the fair value of the equity or financial instruments received, reduced by estimated expenses to sell the equity or other financial instruments, is less than the carrying value of the loan.

Written-off loans

Loans are written-off when there is no realistic prospect of collection or when the Group's normal relationship with the borrowers has ceased to exist. When loans are deemed uncollectible, they are written-off against the related allowance for impairment losses. Subsequent recoveries are credited to the allowance for impairment losses in the consolidated statement of financial position.

l. Sharia financing/Receivables

Sharia financing/receivables include mudharabah financing, musyarakah financing, and sharia receivables.

The Bank's subsidiary implements IFAS 101 (Revised 2016) regarding "Sharia Financial Statements Presentation", IFAS 102 (Amendment 2016) regarding "Murabahah Accounting", IFAS 103 regarding "Salam Accounting", IFAS 104 (Amendment 2016) regarding "Istishna Accounting", IFAS 105 regarding "Mudharabah Accounting", IFAS 106

2. Informasi Kebijakan Akuntansi Material (lanjutan)

l. Pembiayaan/Piutang syariah (lanjutan)

Musyarakah", ISAK 107 (Amandemen 2016) tentang "Akuntansi Ijarah", ISAK 110 (Revisi 2015) tentang "Akuntansi Sukuk", Pedoman Akuntansi Perbankan Syariah Indonesia (PAPSI Revisi 2013) dan Standar Akuntansi Keuangan lain yang ditetapkan Ikatan Akuntan Indonesia yang berkaitan dengan pengakuan, pengukuran, penyajian, dan pengungkapan untuk topik tersebut.

Pembiayaan mudharabah merupakan pembiayaan kerjasama antara entitas anak Bank sebagai pemilik dana dengan nasabah sebagai pelaksana usaha. Pembagian hasil keuntungan dari proyek tersebut dilakukan sesuai dengan nisbah (*pre-determined ratio*) yang telah disepakati bersama. Pembiayaan mudharabah dinyatakan sebesar saldo pembiayaan dikurangi dengan cadangan kerugian.

Pembiayaan musyarakah adalah akad kerjasama yang terjadi diantara para pemilik modal (mitra musyarakah) untuk menggabungkan modal dan melakukan usaha secara bersama dalam suatu kemitraan dengan nisbah pembagian hasil atau kerugian sesuai dengan kesepakatan atau secara proporsional sesuai kontribusi modal. Pembiayaan musyarakah dinyatakan sebesar saldo pembiayaan dikurangi dengan cadangan kerugian.

Piutang syariah adalah tagihan yang timbul dari transaksi berdasarkan akad-akad murabahah, istishna, qardh, dan ijarah.

Piutang murabahah merupakan akad jual beli antara nasabah dan entitas anak Bank. Entitas anak Bank membiayai kebutuhan investasi nasabah yang dinilai dengan harga pokok ditambah dengan keuntungan yang disepakati bersama. Pembayaran atas piutang ini dilakukan dengan cara mengangsur dalam jangka waktu yang ditentukan. Piutang murabahah dinyatakan sebesar saldo piutang dikurangi dengan pendapatan marjin yang ditangguhkan dan cadangan kerugian.

2. Material Accounting Policy Information (continued)

l. Sharia financing/Receivables (continued)

regarding "Musyarakah Accounting", IFAS 107 (Amendment 2016) regarding "Ijarah Accounting", IFAS 110 (Revised 2015) "Accounting for Sukuk", Accounting Guidelines for Indonesian Sharia Banking (PAPSI Revised 2013) and other statement of Financial Accounting Standards established by the Indonesia Institute of Accountants relating to recognition, measurement, presentation, and disclosure for those topics.

Mudharabah financing represents joint financing between the Bank's subsidiary as a fund owner and customer as a business executor. Revenue sharing on the project or business is conducted in accordance with the agreed nisbah (pre-determined ratio). Mudharabah financing are stated at their outstanding balance net of allowance for losses.

Musyarakah financing is an agreement between the investors (musyarakah partners) to have a joint venture in a partnership with profit or loss sharing based on an agreement or proportionate capital contribution. Musyarakah financing is stated at their outstanding balance net of allowance for losses.

Sharia receivables resulted from transactions based on murabahah, istishna, qardh, and ijarah.

Murabahah receivables represent sale and purchase agreements between the borrowers and the Bank's subsidiary. The borrowers' investments are funded by the Bank's subsidiary valued at the main price increased with profit agreed by both parties. The financing facilities are repaid in installments over a certain period of time. Murabahah receivables are stated at their outstanding balance, net of deferred margin and allowance for losses.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

l. Pembiayaan/Piutang syariah (lanjutan)

Istishna merupakan akad penjualan antara nasabah dan produsen yang bertindak sebagai penjual. Berdasarkan akad tersebut, nasabah menugaskan produsen untuk membuat atau mengadakan barang sesuai dengan spesifikasi yang disyaratkan nasabah dan menjualnya dengan harga yang disepakati. Entitas anak Bank membiayai nasabah untuk membeli barang dari produsen (penjual). Cara pembayaran dapat berupa pembayaran di muka, cicilan atau ditangguhkan sampai jangka waktu tertentu. Piutang istishna disajikan sebesar tagihan termin kepada pembeli dikurangi cadangan kerugian.

Qardh merupakan penyediaan dana atau tagihan yang dapat dipersamakan dengan itu berdasarkan persetujuan atau kesepakatan antara nasabah dan entitas anak Bank, dengan ketentuan wajib untuk melunasi setelah jangka waktu tertentu. Pinjaman qardh diakui sebesar jumlah dana yang dipinjamkan pada saat terjadinya. Kelebihan penerimaan dari pinjaman qardh yang dilunasi, diakui sebagai pendapatan pada saat terjadinya. Pinjaman qardh dinyatakan sebesar saldo pembiayaan dikurangi dengan cadangan kerugian.

Pembiayaan Ijarah adalah akad sewa menyewa antara pemilik obyek sewa dengan penyewa untuk mendapatkan imbalan atas barang yang disewakannya. Pembiayaan Ijarah dinyatakan sebesar saldo pembiayaan dikurangi dengan cadangan kerugian.

m. Piutang pembiayaan konsumen dan piutang sewa pembiayaan

Piutang Pembiayaan Konsumen

Piutang pembiayaan konsumen pada pengakuan awal diukur pada nilai wajar ditambah biaya transaksi yang dapat diatribusikan secara langsung, jika ada, dan selanjutnya diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Cadangan kerugian penurunan nilai dibentuk jika terdapat bukti objektif penurunan nilai (Catatan 2o).

Piutang pembiayaan konsumen entitas anak merupakan jumlah piutang setelah dikurangi dengan pendapatan pembiayaan konsumen yang belum diakui dan cadangan kerugian penurunan nilai.

2. Material Accounting Policy Information (continued)

l. Sharia financing/Receivables (continued)

Istishna is a sales transaction between the customer and producer who acts as seller. Based on the contract, the customer orders the manufacturer to make or to supply goods ordered to the specifications required by the customer and to sell to the customer at an agreed price. The Bank's subsidiary finances the customer to buy from the producer (seller). The payment method may be in advance, installment or deferred until a certain period. Istishna receivables are presented based on the outstanding billing less allowance for losses.

Qardh is a fund supply or receivables which can be equalized based on the approval or agreement between the customer and the Bank's subsidiary, with the requirement for repayment after a certain period. Qardh is recognized at the amount of funds granted when incurred. The excess of qardh settlement is recognized as income when incurred. Qardh is stated at its outstanding balance net of allowance for losses.

Ijarah financing is an agreement between the lessor and lessee to receive income on leased item. Ijarah financing is stated at their outstanding balance net of allowance for losses.

m. Consumer financing receivables and leases financing receivables

Consumer Financing Receivables

Consumer financing receivables are initially measured at fair value plus directly attributable transaction costs, if any, and subsequently measured at their amortized cost using the effective interest rate method. Allowance for impairment loss is provided if there is an objective evidence of impairment (Note 2o).

The subsidiary's consumer financing receivables are presented net of unearned consumer financing income and allowance for impairment losses.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

m. Piutang pembiayaan konsumen dan piutang sewa pembiayaan (lanjutan)

Piutang Pembiayaan Konsumen (lanjutan)

Pendapatan pembiayaan konsumen yang belum diakui merupakan selisih antara jumlah keseluruhan pembayaran angsuran yang akan diterima dari konsumen dengan jumlah pokok pembiayaan konsumen. Pendapatan pembiayaan konsumen yang belum diakui dicatat sebagai pendapatan sesuai dengan jangka waktu kontrak pembiayaan konsumen berdasarkan metode suku bunga efektif.

Selisih neto antara pendapatan administrasi yang diperoleh dari konsumen pada saat pertama kali perjanjian pembiayaan konsumen ditandatangani dan beban-beban yang timbul pertama kali yang terkait langsung dengan tagihan pembiayaan konsumen ditangguhkan dan diakui sebagai penyesuaian atas imbal hasil pembiayaan konsumen berdasarkan metode suku bunga efektif dan disajikan sebagai bagian dari pendapatan bunga pada laba rugi tahun berjalan.

Pelunasan sebelum masa pembiayaan konsumen berakhir diperlakukan sebagai pembatalan kontrak pembiayaan konsumen dan keuntungan atau kerugian yang timbul diakui pada laba rugi tahun berjalan.

Piutang Sewa Pembiayaan

Penentuan apakah suatu perjanjian merupakan perjanjian sewa atau perjanjian yang mengandung sewa didasarkan atas substansi perjanjian pada tanggal awal sewa dan apakah pemenuhan perjanjian tergantung pada penggunaan suatu aset dan perjanjian tersebut memberikan suatu hak untuk menggunakan aset tersebut. Suatu sewa diklasifikasikan sebagai sewa pembiayaan jika sewa tersebut mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset. Suatu sewa diklasifikasikan sebagai sewa operasi jika sewa tidak mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset.

2. Material Accounting Policy Information (continued)

m. Consumer financing receivables and leases financing receivables (continued)

Consumer Financing Receivables (continued)

Unearned consumer financing income is the excess of the aggregate installment payments to be received from the consumer over the principal amount financed. The unearned consumer financing income is recognized as income over the term of the respective agreement using effective interest rate method.

The net difference between the administration income earned from the consumer at the first time the consumer financing agreement is signed and the initial incremental costs directly related to consumer financing facility is deferred and recognized as an adjustment to the yield received throughout the consumer financing period using effective interest rate method and presented as part of interest income in the current year's profit or loss.

Termination before consumer financing period end is treated as a cancellation of an existing contract and the resulting gain or loss is recognized in the current year's profit or loss.

Leases Financing Receivables

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset. Leases are classified as finance leases if the leases transfer substantially all the risks and rewards incidental to ownership of the leased assets. Leases are classified as operating leases if the leases do not transfer substantially all the risks and rewards incidental to ownership of the leased assets.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

m. Piutang pembiayaan konsumen dan piutang sewa pembiayaan (lanjutan)

Piutang Sewa Pembiayaan (lanjutan)

Entitas anak mengakui aset berupa piutang sewa pembiayaan di laporan posisi keuangan sebesar jumlah yang sama dengan investasi sewa neto. Penerimaan piutang sewa diperlakukan sebagai pembayaran pokok dan penghasilan sewa pembiayaan. Pengakuan penghasilan sewa pembiayaan didasarkan pada suatu pola yang mencerminkan suatu tingkat pengembalian periodik yang konstan atas investasi neto. Entitas anak bertindak sebagai lessor dalam sewa pembiayaan.

n. Tagihan dan liabilitas akseptasi

Tagihan akseptasi konsumen pada pengakuan awal diukur pada nilai wajar ditambah biaya transaksi yang dapat diatribusikan secara langsung, jika ada, dan selanjutnya diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Cadangan kerugian penurunan nilai dibentuk jika terdapat bukti objektif penurunan nilai (Catatan 2o). Liabilitas akseptasi diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

o. Penurunan nilai aset keuangan dan non-keuangan

Penurunan Nilai Aset Keuangan

Pada setiap tanggal laporan posisi keuangan konsolidasian, Grup mengevaluasi apakah terdapat bukti objektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai.

Cadangan atas kerugian kredit ekspektasian adalah berdasarkan atas kerugian ekspektasian sepanjang umur aset (the lifetime expected credit loss), kecuali tidak terdapat kenaikan yang signifikan dalam risiko kredit sejak awal, di mana dalam hal ini, cadangan adalah berdasarkan kerugian kredit ekspektasian dalam jangka waktu 12 bulan.

Kerugian yang diharapkan sepanjang umur aset dan kerugian kredit ekspektasian dalam jangka waktu 12 bulan dihitung baik secara individual maupun kolektif, tergantung kepada sifat portofolio instrumen keuangan yang mendasarinya.

2. Material Accounting Policy Information (continued)

m. Consumer financing receivables and leases financing receivables (continued)

Leases Financing Receivables (continued)

The subsidiary recognizes assets held under a financing lease in its statement of financial position and presented them as a receivable at an amount equal to the net investment in the lease. Payment of the lease receivable is treated as repayment of principal and financing lease income. The recognition of financing lease income is based on a pattern reflecting a constant periodic rate of return on the subsidiary's net investment in the financing lease. The subsidiary acts as a lessor in finance leases.

n. Acceptances receivable and payable

Acceptances receivable are initially measured at fair value plus directly attributable transaction costs, if any, and subsequently measured at their amortized cost using the effective interest rate method. The allowance for impairment losses is provided if there is an objective evidence of impairment (Note 2o). Acceptances payable are measured at amortised cost using effective interest rate method.

o. Impairment of financial and non-financial assets

Impairment of Financial Assets

The Group assess whether there is any objective evidence that a financial asset or a group of financial assets is impaired at each consolidated statement of financial position date.

The expected credit loss allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months expected credit loss.

Both the lifetime expected credit loss and 12 months expected credit loss are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

o. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Penurunan Nilai Aset Keuangan (lanjutan)

Grup menghitung kerugian kredit ekspektasian berdasarkan tiga skenario yang tertimbang menurut kemungkinan terjadinya untuk mengukur kekurangan kas yang diharapkan, didiskontokan pada suatu estimasi terhadap suku bunga efektif. Kekurangan kas adalah selisih antara arus kas yang harus dibayar kepada suatu entitas berdasarkan kontrak dan arus kas dari entitas bersangkutan yang diharapkan untuk diperoleh.

Grup telah menyusun suatu kebijakan untuk melakukan suatu penilaian, pada akhir setiap periode pelaporan, mengenai apakah risiko kredit suatu aset keuangan telah meningkat secara signifikan sejak pengakuan, Dengan mempertimbangkan perubahan risiko gagal bayar yang terjadi selama umur manfaat instrumen keuangan.

Grup menganggap instrumen utang memiliki risiko kredit yang rendah ketika peringkat risiko kreditnya setara dengan definisi *investment grade* yang dipahami secara global.

Pengukuran kerugian kredit ekspektasian

Kerugian Kredit Ekspektasian adalah estimasi probabilitas tertimbang dari kerugian kredit yang diukur sebagai berikut:

- Aset keuangan yang tidak memburuk pada tanggal pelaporan, kerugian kredit ekspektasian diukur sebesar selisih antara nilai kini dari seluruh kekurangan kas (yaitu selisih antara arus kas yang terutang kepada Grup sesuai dengan kontrak dan arus kas yang diperkirakan akan diterima oleh Grup);
- Aset keuangan yang memburuk pada tanggal pelaporan, kerugian kredit ekspektasian diukur sebesar selisih antara jumlah tercatat bruto dan nilai kini arus kas masa depan yang diestimasi;
- Komitmen pinjaman yang belum ditarik, kerugian kredit ekspektasian diukur sebesar selisih antara nilai kini jumlah arus kas jika komitmen ditarik dan arus kas yang diperkirakan akan diterima oleh Grup;
- Kontrak jaminan keuangan, kerugian kredit ekspektasian diukur sebesar selisih antara pembayaran yang diperkirakan untuk mengganti pemegang atas kerugian kredit yang terjadi dikurangi jumlah yang diperkirakan dapat dipulihkan.

2. Material Accounting Policy Information (continued)

o. Impairment of financial and non-financial assets (continued)

Impairment of Financial Assets (continued)

The Group calculates expected credit loss based on three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the effective interest rate. 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.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instruments credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

The Group considers debt instruments to have low credit risk when the credit risk rating is at par with the globally understood definition of investment grade.

Measurement of expected credit losses

Expected Credit Loss is an estimate of the weighted probability of a credit loss measured as follows:

- Financial assets that do not deteriorate at the reporting date, the expected credit loss is measured at the difference between the present value of all cash shortages (i.e. the difference between the cash flows owed to the Group in accordance with the contract and the cash flows expected to be received by the Group);
- Financial assets that deteriorate at the reporting date, the expected credit loss is measured at the difference between the gross carrying amount and the present value of estimated future cash flows;
- For undisbursed loan commitments, expected credit losses are measured at the difference between the present value of the amount of cash flow if the commitments is withdrawn and the cash flow expected to be received by the Group;
- For financial guarantee contracts, expected credit losses are measured at the difference between the estimated payments to replace the holder for the credit losses incurred less the amount estimated to be recoverable.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

o. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Aset keuangan yang direstrukturisasi

Jika ketentuan aset keuangan dinegosiasikan ulang atau dimodifikasi atau aset keuangan yang ada diganti dengan yang baru karena kesulitan keuangan peminjam, maka dilakukan penilaian apakah aset keuangan yang ada harus dihentikan pengakuannya dan kerugian kredit ekspektasian diukur sebagai berikut:

- Jika restrukturisasi tidak mengakibatkan penghentian pengakuan aset yang ada, maka arus kas yang diperkirakan yang timbul dari aset keuangan yang dimodifikasi dimasukkan dalam perhitungan kekurangan kas dari aset yang ada.
- Jika restrukturisasi akan menghasilkan penghentian pengakuan aset yang ada, maka nilai wajar aset baru diperlakukan sebagai arus kas akhir dari aset keuangan yang ada pada saat penghentian pengakuannya. Jumlah ini dimasukkan dalam perhitungan kekurangan kas dari aset keuangan yang ada yang didiskontokan dari tanggal penghentian pengakuan ke tanggal pelaporan menggunakan suku bunga efektif awal dari aset keuangan yang ada.

Aset keuangan yang memburuk

Pada setiap tanggal pelaporan, Grup menilai apakah aset keuangan yang dicatat pada biaya perolehan diamortisasi dan aset keuangan instrumen utang yang dicatat pada nilai wajar melalui penghasilan komprehensif lain mengalami penurunan nilai kredit (memburuk).

Aset keuangan memburuk ketika satu atau lebih peristiwa yang memiliki dampak merugikan atas estimasi arus kas masa depan dari aset keuangan telah terjadi.

Bukti bahwa aset keuangan mengalami penurunan nilai kredit (memburuk) termasuk data yang dapat diobservasi mengenai peristiwa berikut ini:

- Kesulitan keuangan signifikan yang dialami penerbit atau pihak peminjam;
- Pelanggaran kontrak, seperti peristiwa gagal bayar atau peristiwa tunggakan;
- Pihak pemberi pinjaman, untuk alasan ekonomik atau kontraktual sehubungan dengan kesulitan keuangan yang dialami pihak peminjam, telah memberikan konsesi pada pihak peminjam yang tidak mungkin diberikan jika pihak peminjam tidak mengalami kesulitan tersebut;

2. Material Accounting Policy Information (continued)

o. Impairment of financial and non-financial assets (continued)

Restructured financial assets

If the terms of the financial assets are renegotiated or modified or the existing financial assets are replaced with new ones due to the borrower's financial difficulties, an assessment is made whether recognition of existing financial assets must be derecognized and expected credit losses measured as follows:

- If the restructuring does not result in the termination of recognition of existing assets, then the estimated cash flows arising from the modified financial assets are included in the calculation of cash shortages of existing assets.

- If the restructuring will result in a derecognition of the existing assets, the fair value of the new asset is treated as the final cash flow of the existing financial assets at the time of derecognition. This amount is included in the calculation of cash shortages from existing financial assets which are discounted from the date of derecognition to the reporting date using the initial effective interest rate of the existing financial assets.

Credit-impaired financial assets

At each reporting date, the Group assesses whether the financial assets recorded at amortized cost and the financial assets of debt instruments which are recorded at fair value through other comprehensive income are credit- impaired (worsening).

Financial assets deteriorate when one or more events that have an adverse effect on the estimated future cash flows of the financial assets have occurred.

Evidence that financial assets become credit impaired including observable data regarding the following events:

- Significant financial difficulties experienced by the issuer or the borrower;
- Breach of contract, such as a default or arrears;
- The lender, for economic or contractual reasons in relation to the financial difficulties experienced by the borrower, has given concessions to the borrower which is not possible if the borrower does not experience such difficulties;

2. Informasi Kebijakan Akuntansi Material (lanjutan)

o. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Aset keuangan yang memburuk (lanjutan)

- Terjadi kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya;
- Hilangnya pasar aktif dari aset keuangan akibat kesulitan keuangan; atau
- Pembelian atau penerbitan aset keuangan dengan diskon sangat besar yang mencerminkan kerugian kredit yang terjadi.

Aset Keuangan yang dibeli atau yang berasal dari aset keuangan yang mengalami penurunan nilai (Purchased or originated credit- impaired financial assets - POCI)

Aset keuangan dikategorikan sebagai POCI apabila terdapat bukti objektif penurunan nilai pada saat pengakuan awal. Pada saat pengakuan awal, tidak ada cadangan kerugian kredit yang diakui karena harga pembelian atau nilainya telah termasuk estimasi kerugian kredit sepanjang umurnya. Selanjutnya, perubahan kerugian kredit sepanjang umurnya, apakah positif atau negatif, diakui dalam laporan laba rugi konsolidasian sebagai bagian dari cadangan kerugian penurunan nilai.

Penyajian cadangan kerugian kredit ekspektasian dalam laporan posisi keuangan

Cadangan kerugian kredit ekspektasian disajikan dalam laporan posisi keuangan konsolidasian sebagai berikut:

- Aset keuangan yang diukur pada biaya perolehan diamortisasi, cadangan kerugian kredit ekspektasian disajikan sebagai pengurang dari jumlah tercatat bruto aset;
- Komitmen pinjaman dan kontrak jaminan keuangan, cadangan kerugian kredit ekspektasian disajikan sebagai provisi;
- Instrumen utang yang diukur pada nilai wajar melalui penghasilan komprehensif lain, cadangan kerugian kredit ekspektasian tidak diakui dalam laporan posisi keuangan karena jumlah tercatat dari aset-aset ini adalah nilai wajarnya. Namun demikian cadangan kerugian kredit ekspektasian diungkapkan dan diakui dalam penghasilan komprehensif lain.

2. Material Accounting Policy Information (continued)

o. Impairment of financial and non-financial assets (continued)

Credit-impaired financial assets (continued)

- It is probable that the borrower will enter bankruptcy or the other financial reorganization;
- Loss of an active market for financial assets due to financial difficulties; or
- Purchase or issuance financial asset at significant discount which reflect the credit loss that occurs.

Purchased or originated credit- impaired financial assets - POCI

Financial assets are catergorized as POCI if there is objective evidence of impairment at initial recognition. At initial recognition, no allowance for credit losses is recognized because the purchase price or value has included lifetime estimated credit losses. Furthermore, changes in lifetime credit losses, whether positive or negative, are recognized in the consolidated statement of profit or loss as part of the allowance for impairment losses.

Presentation of allowance for expected credit losses in statements of financial position

Allowance for expected credit losses is presented in the consolidated statement of financial positions as follows:

- Financial assets measured at amortised cost, allowance for expected credit losses is presented as a deduction from the gross carrying amount of the asset;
- Loan commitments and financial guarantee contracts, allowance for expected credit losses is presented as a provision;
- Debt instruments measured at fair value through other comprehensive income, allowance for expected credit losses are not recognized in the statement of financial position because the carrying amounts of these assets are at their fair values. However, allowance for expected credit losses is disclosed and recognized in other comprehensive income.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

o. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Perhitungan penurunan nilai secara individual

Bank menetapkan pinjaman yang diberikan yang harus dievaluasi penurunan nilainya secara individual, jika memenuhi salah satu kriteria di bawah ini:
- Pinjaman yang diberikan yang secara individual memiliki nilai signifikan; atau
- Pinjaman yang diberikan yang direstrukturisasi yang secara individual memiliki nilai signifikan.

Perhitungan penurunan nilai secara kolektif

Bank menetapkan pinjaman yang diberikan yang harus dievaluasi penurunan nilainya secara kolektif, jika memenuhi salah satu kriteria di bawah ini:
- Pinjaman yang diberikan yang secara Individual memiliki nilai tidak signifikan; atau
- Pinjaman yang diberikan yang direstrukturisasi yang secara individual memiliki nilai tidak signifikan.

Penerimaan kembali atas aset keuangan yang telah dihapusbukukan

Ketika pinjaman yang diberikan tidak tertagih, pinjaman yang diberikan tersebut dihapusbuku dengan menjurnal balik cadangan kerugian penurunan nilai. Pinjaman yang diberikan tersebut dapat dihapus buku setelah semua prosedur yang diperlukan telah dilakukan dan jumlah kerugian telah ditentukan.

Penerimaan kembali atas aset keuangan yang telah dihapusbukukan pada tahun berjalan dikreditkan dengan menyesuaikan akun cadangan kerugian penurunan nilai. Penerimaan kembali atas aset keuangan yang telah dihapusbukukan pada tahun sebelumnya dicatat sebagai pendapatan operasional selain pendapatan bunga.

Sehubungan dengan kepatuhan terhadap Otoritas Jasa Keuangan (OJK), Bank menerapkan Peraturan OJK No.40/POJK.03/ 2019 tanggal 19 Desember 2019 tentang "Penilaian Kualitas Aset Bank Umum".

Untuk aset keuangan entitas anak berdasarkan prinsip perbankan Syariah, entitas anak Bank menerapkan peraturan Otoritas Jasa Keuangan ("POJK") No. 16/POJK.03/2014 tanggal 18 November 2014 tentang "Penilaian Kualitas Aset Bank Umum Syariah dan Unit Usaha Syariah" yang berlaku efektif sejak tanggal 1 Januari 2015.

2. Material Accounting Policy Information (continued)

o. Impairment of financial and non-financial assets (continued)

Individual impairment calculation

The Bank determines that loans should be evaluated for impairment through individual evaluation if one of the following criterias is met:

- Loans which individually have significant value; or
- Restructured loans which individually have significant value.

Collective impairment calculation

The Bank determines loans to be evaluated for impairment through collective evaluation if one of the following criterias is met:

- Loans which individually have insignificant value; or
- Restructured loans which individually have insignificant value.

Recoveries of written-off financial assets

When a loan is uncollectible, it is written off against the related allowance for impairment loss. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

The recoveries of written-off financial assets in the current year are credited by adjusting the allowance for impairment losses accounts. Recoveries of written-off financial assets from previous years are recorded as operational income other than interest income.

In compliance with Financial Service Authority (OJK), the Bank implements OJK Regulation No. 40/POJK.03/2019 dated December 19, 2019 about "Assessment of Commercial Banks' Asset Quality".

For the financial assets of subsidiary under Sharia Banking principles, the Bank's subsidiary applies Financial Services Authority regulation ("POJK") No. 16/POJK.03/2014 dated November 18, 2014 regarding "Asset Quality Assessment of Sharia Bank and Sharia Business Unit" effective starting January 1, 2015.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

o. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Penerimaan kembali atas aset keuangan yang telah dihapusbukukan (lanjutan)

Berdasarkan peraturan tersebut, entitas anak Bank wajib membentuk cadangan kerugian sesuai dengan standar akuntansi keuangan yang berlaku. Khusus untuk piutang murabahah yang merupakan pembiayaan, entitas anak Bank mengevaluasi apakah terdapat bukti objektif penurunan nilai dan mengakui kerugian penurunan nilai sesuai dengan ISAK 102 (Revisi 2013) yang mengacu pada PSAK 55 (Revisi 2014), sedangkan cadangan kerugian aset produktif lainnya dibentuk sebagai berikut:

Klasifikasi	Persentase minimum cadangan kerugian/ *Minimum percentage of allowance for losses*	Classification
Lancar	1%	Current
Dalam perhatian khusus	5%	Special mention
Kurang lancar	15%	Sub-standard
Diragukan	50%	Doubtful
Macet	100%	Loss

Cadangan khusus dibentuk atas aset produktif yang di klasifikasikan sebagai dalam perhatian khusus, kurang lancar, diragukan, dan macet, dihitung atas nilai aset produktif setelah dikurangi dengan nilai agunan.

Penurunan Nilai Aset Non-keuangan

Nilai tercatat dari aset yang bukan aset keuangan Grup, kecuali aset pajak tangguhan, ditelaah setiap tanggal pelaporan untuk menentukan apakah terdapat indikasi penurunan nilai. Jika indikasi tersebut ada, maka nilai yang dapat dipulihkan dari aset tersebut akan diestimasi.

Jumlah yang dapat dipulihkan dari suatu aset atau Unit Penghasil Kas (UPK) adalah sebesar jumlah yang lebih tinggi antara nilai pakainya dan nilai wajar aset atau UPK dikurangi biaya untuk menjual. Dalam menentukan nilai pakai, estimasi arus kas masa depan didiskontokan ke nilai sekarang dengan menggunakan tingkat diskonto sebelum pajak yang mencerminkan penilaian pasar saat ini terhadap nilai kas kini dan risiko spesifik terhadap aset tersebut.

2. Material Accounting Policy Information (continued)

o. Impairment of financial and non-financial assets (continued)

Recoveries of written-off financial assets (continued)

Based on the regulation, the Bank's subsidiary is required to provide an allowance for losses based on prevailing financial accounting standards. Specifically for murabahah receivables that represents financing, the Bank's subsidiary evaluates whether there is objective evidence of impairment and recognizes the impairment losess based on IFAS 102 (Revised 2013) which referring to SFAS 55 (Revised 2014), while the allowance for losses for other earning assets is provided as follows:

Specific allowance for earning assets on earning assets classified as special mention, sub-standard, doubtful, and loss, is calculated based on principal of the earning assets after deducting the value of collateral.

Impairment of Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount will be estimated.

The recoverable amount of an asset or Cash Generating Unit (CGU) is greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the assets.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

o. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Penerimaan kembali atas aset keuangan yang telah dihapusbukukan (lanjutan)

Penyisihan penurunan nilai diakui jika nilai tercatat dari suatu aset atau UPK melebihi nilai yang dapat diperoleh kembali. Penyisihan penurunan nilai diakui pada laba rugi tahun berjalan. Penyisihan penurunan nilai yang diakui sehubungan dengan UPK akan dialokasikan pertama kali untuk mengurangi nilai tercatat dari goodwill yang dialokasikan ke UPK dan kemudian mengurangi nilai tercatat dari aset lainnya di dalam unit tersebut (kelompok unit) secara pro rata.

Penyisihan penurunan nilai sehubungan dengan goodwill tidak dapat dijurnal balik. Sehubungan dengan aset lainnya, penyisihan penurunan nilai yang diakui pada tahun sebelumnya dinilai pada setiap tanggal pelaporan untuk melihat adanya indikasi bahwa kerugian telah menurun atau tidak ada lagi. Kerugian penurunan nilai dijurnal balik jika terdapat perubahan estimasi yang digunakan dalam menentukan nilai yang dapat dipulihkan.

Sehubungan dengan kepatuhan terhadap Otoritas Jasa Keuangan (OJK), Grup menerapkan Peraturan OJK No. 40/ POJK.03/2019 tanggal 19 Desember 2019 tentang “Penilaian Kualitas Aset Bank Umum”.

p. Aset tetap, aset hak guna, dan liabilitas sewa

Grup menerapkan kebijakan akuntansi model revaluasi untuk aset tetap berupa tanah. Untuk aset tetap selain tanah menggunakan model biaya. Sebelum 1 Maret 2016, tanah disajikan sebesar biaya perolehan.

Tanah disajikan sebesar nilai wajar. Penilaian terhadap tanah dilakukan oleh penilai independen eksternal yang memiliki sertifikasi. Penilaian dilakukan secara berkala untuk memastikan bahwa nilai wajar aset yang direvaluasi tidak berbeda secara material dengan nilai tercatatnya.

2. Material Accounting Policy Information (continued)

o. Impairment of financial and non-financial assets (continued)

Recoveries of written-off financial assets (continued)

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in the current year’s profit or loss. Impairment losses in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amount of the other assets in the units (group of units) on a pro rate basis.

An impairment losses in respect of goodwill can not be reversed. In respect of other assets, impairment losses recognized in prior period are assessed at each reporting date for any indications that the losses has decreased or no longer exists. An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount.

In compliance with Financial Service Authority (OJK), the Group implements OJK Regulation No. 40/POJK.03/2019 dated December 19, 2019 about “Assessment of Commercial Banks’ Asset Quality”.

p. Fixed assets, right-of-use and lease liabilities

The Group applies revaluation model as accounting policy for land. For fixed assets other than land, cost model is applied. Prior to March 1, 2016, land is stated at cost.

Lands are stated at fair value. Valuation of lands is performed by external independent valuers with certain qualification. Valuation is performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

p. Aset tetap, aset hak guna, dan liabilitas sewa (lanjutan)

Jika nilai wajar dari aset yang direvaluasi mengalami perubahan yang signifikan dan fluktuatif, maka perlu direvaluasi secara tahunan, sedangkan jika nilai wajar dari aset yang direvaluasi tidak mengalami perubahan yang signifikan dan fluktuatif, maka perlu dilakukan revaluasi sekurang-kurangnya 3 tahun sekali.

Kenaikan nilai tercatat yang timbul dari revaluasi tanah dicatat sebagai "Surplus revaluasi aset" dan disajikan sebagai "penghasilan komprehensif lain". Penurunan nilai tercatat yang timbul dari revaluasi dicatat sebagai beban pada tahun berjalan. Apabila aset tersebut memiliki saldo "Surplus revaluasi aset", maka selisih penurunan nilai tercatat tersebut dibebankan terhadap "Surplus revaluasi aset" dan sisanya diakui sebagai beban tahun berjalan.

Grup melakukan revaluasi untuk tujuan akuntansi dan pajak. Jumlah pajak yang telah dibayar diakui di penghasilan komprehensif lain dan surplus revaluasi aset di ekuitas.

Aset tetap, kecuali tanah yang tidak disusutkan, dinyatakan berdasarkan biaya perolehan dikurangi akumulasi penyusutan dan rugi penurunan nilai. Penyusutan dihitung dengan menggunakan metode garis lurus (*straight line*) selama estimasi manfaat aset tersebut sebagai berikut:

2. Material Accounting Policy Information (continued)

p. Fixed assets, right-of-use and lease liabilities (continued)

If the fair value of the revalued asset change significantly, it is necessary to revaluate on an annual basis, whereas if the fair value of the revaluated asset does not change significantly, it is necessary to revaluate at a minimum of every 3 years.

Increase in the carrying amount arising from revaluation of land is recorded in "Asset revaluation surplus" and presented as "other comprehensive income". Decrease in carrying amount as the result of revaluation is recorded as expense in the current year. If the asset has "Asset revaluation surplus", loss from revaluation of asset is charged to "Asset revaluation surplus" balance and the remaining balance is charged to current year's expenses.

The Group conduct revaluation for accounting and tax purposes. The related tax paid is recognized in other comprehensive income and asset revaluation surplus in equity.

Fixed assets, except land which is not depreciated, are stated at cost less accumulated depreciation and impairment losses. Depreciation is computed using the straight line method over the expected useful lives as follows:

	Tahun/*Years*	
Bangunan	20	Buildings
Perabot dan peralatan kantor	4 - 8	Furniture, fixtures, and office equipment
Kendaraan bermotor	4 - 8	Motor vehicles
Prasarana bangunan	sesuai masa sewa mana yang lebih rendah dibandingkan umur ekonomis/ *based on the lease period whichever is shorter of economic life*	Leasehold improvement

2. Informasi Kebijakan Akuntansi Material (lanjutan)

p. Aset tetap, aset hak guna, dan liabilitas sewa (lanjutan)

Biaya pemeliharaan dan perbaikan dibebankan pada laba rugi pada saat terjadinya, pemugaran dan penambahan dalam jumlah signifikan dikapitalisasi apabila kemungkinan besar Grup akan mendapatkan manfaat ekonomi masa depan dari aset tersebut yang melebihi standar kinerja yang diperkirakan sebelumnya. Biaya perolehan dan akumulasi penyusutan aset tetap yang sudah tidak digunakan lagi atau dijual dikeluarkan dari kelompok aset tetap yang bersangkutan dan laba atau rugi yang terjadi dilaporkan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian tahun berjalan.

Biaya-biaya sehubungan dengan pengurusan perpanjangan hak atas tanah ditangguhkan dan diamortisasi sepanjang umur hak atas tanah.

Aset dalam konstruksi merupakan aset yang masih dalam proses penyelesaian dan belum siap untuk digunakan, serta dimaksudkan untuk dipergunakan dalam kegiatan usaha. Aset ini dicatat sebesar biaya yang telah terjadi.

Estimasi masa manfaat ekonomis, metode penyusutan, dan nilai residu dikaji ulang pada setiap akhir periode pelaporan dan disesuaikan secara prospektif.

Jumlah tercatat aset tetap dihentikan pengakuannya pada saat dilepaskan atau saat tidak ada manfaat ekonomis masa depan yang diharapkan dari penggunaan atau pelepasannya. Laba atau rugi yang timbul dari penghentian pengakuan aset (dihitung sebagai perbedaan antara jumlah neto hasil pelepasan dan jumlah tercatat dari aset) diperhitungkan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada periode aset tersebut dihentikan pengakuannya.

Grup melakukan penelaahan pada akhir tahun untuk menentukan adanya indikasi terjadinya penurunan nilai aset. Grup menghitung taksiran jumlah yang dapat diperoleh kembali atas nilai semua aset yang dimiliki apabila terdapat situasi atau keadaan yang memberikan indikasi terjadinya penurunan nilai aset dan mengakuinya sebagai rugi penurunan nilai dalam laba rugi tahun berjalan.

2. Material Accounting Policy Information (continued)

p. Fixed assets, right-of-use and lease liabilities (continued)

The cost of repairs and maintenance is charged to profit or loss as incurred. Significant renewals and betterments are capitalized when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing assets will flow to the Group. When assets are retired or otherwise disposed of, their costs and the related accumulated depreciations are removed from the accounts and any resulting gain or loss is reflected in the current year's consolidated statement of profit or loss and other comprehensive income.

The expenses incurred in relation with the extension of land right are deferred and amortized over the term of the land rights.

Assets under construction represents assets in progress of construction and not yet ready for use, and intended to be used in business activity. The assets are recorded based on the incurred cost.

Estimated useful lives, depreciation method, and residual value are reviewed at end of each reporting period and adjusted prospectively, if appropriate.

An item of fixed asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statements of profit and other comprehensive income in the period such asset is derecognized.

The Group conduct a review at the end of the year to determine whether there are indications of asset impairment. The Group calculate the estimated recoverable amount of all their assets and determines if there is a decrease in the value of the assets and recognize an impairment loss on such assets to the current year's profit or loss.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

p. Aset tetap, aset hak guna, dan liabilitas sewa (lanjutan)

Bila nilai tercatat suatu aset melebihi taksiran jumlah yang dapat diperoleh kembali (estimated recoverable amount) maka nilai tercatat tersebut diturunkan ke jumlah yang dapat diperoleh kembali tersebut, yang ditentukan sebagai nilai tertinggi antara harga jual neto dan nilai pakai.

Aset hak guna dan liabilitas sewa

Pada tanggal permulaan kontrak, Grup menilai apakah kontrak merupakan atau mengandung sewa. Suatu kontrak merupakan atau mengandung sewa jika kontrak tersebut memberikan hak untuk mengendalikan penggunaan aset identifikasian selama suatu jangka waktu untuk dipertukarkan dengan imbalan. Grup dapat memilih untuk tidak mengakui aset hak-guna dan liabilitas sewa untuk:

- sewa dengan jangka waktu kurang atau sama dengan 12 bulan dan tidak terdapat opsi beli;
- sewa atas aset dengan nilai rendah.

Untuk menilai apakah kontrak memberikan hak untuk mengendalikan penggunaan aset identifikasian, Grup harus menilai apakah:

- Grup memiliki hak untuk mengoperasikan aset dan
- Grup telah mendesain aset dengan cara menetapkan sebelumnya bagaimana dan untuk tujuan apa aset akan digunakan selama periode penggunaan.

Grup mengakui liabilitas sewa sebesar jumlah pembayaran sewa yang masih harus dibayar hingga akhir masa sewa yang didiskontokan dengan menggunakan suku bunga pinjaman inkremental. Sedangkan aset hak guna mencakup jumlah liabilitas sewa yang diakui, biaya langsung awal yang dibayarkan, biaya pemulihan dan pembayaran sewa yang dilakukan pada atau sebelum tanggal mulai sewa, dikurangi insentif sewa yang diterima.

Pembayaran sewa juga termasuk harga eksekusi opsi pembelian yang wajar jika dipastikan akan dilakukan oleh Grup dan pembayaran penalti untuk mengakhiri sewa, jika jangka waktu sewa mencerminkan Grup mengeksekusi opsi penghentian sewa. Pembayaran sewa variabel yang tidak bergantung pada indeks atau suku bunga diakui sebagai beban pada periode di mana peristiwa atau kondisi yang memicu pembayaran terjadi.

2. Material Accounting Policy Information (continued)

p. Fixed assets, right-of-use and lease liabilities (continued)

When the carrying amount of an asset exceeds its estimated recoverable amount, the asset is written-down to its estimated recoverable amount, which is determined as the higher of net selling price or value in use.

Right-of-use assets and lease liabilities

At the inception of the contract, the Group assesses whether the contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. The Group can choose not to recognized the right use assets and lease liabilities for:

- leases with a term of less or equal to 12 months and there is no purchase option;
- leases of low value assets.

To assess whether a contract conveys the right to control the use of an identified asset, the Group shall assess whether:

- The Group has the right to operate the assets and
- The Group has designed the assets in a way that predetermine how and for what purpose it will be used.

The Group recognized lease liabilities at the amount of lease payments accrued to the end of the lease term which discounted using the incremental borrowing rate. Meanwhile, the right-of-use assets includes the amount of lease liabilities recognized, initial direct costs paid, restoration costs and lease payments on or before the start date of the lease, less lease incentives received.

Lease payments also include the reasonable exercise price for the purchase option if it is determined to be made by the Group and the payment of a penalty to terminate the lease, if the lease term reflects the Group exercising the lease termination option. Variable lease payments that are not dependt on an index or interest rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

p. Aset tetap, aset hak guna, dan liabilitas sewa (lanjutan)

Aset hak guna dan liabilitas sewa (lanjutan)

Aset hak guna disusutkan dengan metode garis lurus selama jangka waktu yang lebih pendek antara masa sewa dengan estimasi masa manfaat aset.

Jika kepemilikan aset sewa dialihkan ke Grup pada akhir masa sewa atau pembayaran sewa mencerminkan pelaksanaan opsi pembelian, penyusutan dihitung menggunakan estimasi masa manfaat ekonomis aset. Aset hak guna diuji penurunan nilainya sesuai dengan PSAK 48 “Penurunan Nilai Aset”.

Dalam menghitung nilai kini dari pembayaran sewa, Grup menggunakan suku bunga pinjaman inkremental penyewa pada tanggal dimulainya sewa karena suku bunga implisit dalam sewa tidak dapat ditentukan. Setelah tanggal dimulainya sewa, jumlah liabilitas sewa ditingkatkan untuk mencerminkan pertambahan bunga dan dikurangi pembayaran sewa yang dilakukan. Selain itu, jumlah tercatat liabilitas sewa diukur kembali jika terdapat modifikasi, perubahan jangka waktu sewa, perubahan pembayaran sewa, atau perubahan dalam penilaian opsi untuk membeli aset pendasar.

Sewa jangka pendek (dengan jangka waktu kurang atau sama dengan 12 bulan) dan sewa aset bernilai rendah, serta elemen-elemen sewa tersebut, sebagian atau seluruhnya tidak menerapkan prinsip-prinsip pengakuan yang ditentukan oleh PSAK 73 akan diperlakukan sama dengan sewa operasi pada PSAK 30. grup akan mengakui pembayaran sewa tersebut dengan dasar garis lurus selama masa sewa dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Beban ini dicatat pada beban umum dan administrasi dalam laporan laba rugi.

q. Aset takberwujud

Aset takberwujud terdiri dari goodwill dan piranti lunak.

Aset takberwujud diakui jika, dan hanya jika, biaya perolehan aset tersebut dapat diukur secara andal dan kemungkinan besar Grup akan memperoleh manfaat ekonomis masa depan dari aset tersebut.

2. Material Accounting Policy Information (continued)

p. Fixed assets, right-of-use and lease liabilities (continued)

Right-of-use assets and lease liabilities (continued)

Right-of-use asset are depreciated using the straight-line method over the shorter period between the lease term and the estimated useful life of the asset.

If the ownership of lease asset is transferred to the Group at the end of the lease term or the lease payments reflect the exercise of the purchase option, depreciation is calculated using the estimated useful life of the assets. Right-of-use assets are tested for impairment in accordance with SFAS 48 “Asset Impairment”.

In calculating the present value of lease payments, the Group uses the lessee’s incremental borrowing rate at the inception date of the lease since the interest rate implicit in the lease cannot be determined. After the inception date of the lease, the amount of the lease liability is increased to reflect the increase in interest and reduce the lease payments made. Furthermore, the lease liabilities carrying amount is remeasured if there are modifications, changes in term of the lease, lease payments, or the valuation of the option to purchase the underlying asset.

Short-term leases (with term of less or equal to 12 months) and leases of low-value assets, and elements of those leases, partially or entirely not applying the recognition principles stipulated by SFAS 73 will be treated the same as operating leases in SFAS 30. The Group will recognize these lease payments on a straight line basis during the lease period on the consolidated statement of profit or loss and other comprehensive income. This expense is recorded under general and administrative expenses in profit or loss.

q. Intangible assets

Intangible assets consist of goodwill and softwares.

Intangible assets are recognized if, and only if when its cost of the asset can be measured reliably and it is probable that expected future benefits that are attributable to such assets will flow to the Group.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

q. Aset takberwujud (lanjutan)

i. Goodwill

Goodwill merupakan selisih lebih antara harga perolehan investasi dan bagian Bank atas nilai wajar aset neto entitas anak pada tanggal akuisisi. Kerugian yang menjadi bagian dari kepentingan non-pengendali pada suatu entitas anak yang melebihi bagiannya dalam modal disetor pada tanggal akuisisi, diperhitungkan sebagai bagian dari goodwill.

Goodwill diukur sebesar nilai tercatat dikurangi dengan akumulasi penurunan nilai seperti diungkapkan pada Catatan 2o.

ii. Piranti Lunak

Piranti lunak yang bukan merupakan bagian integral dari perangkat keras yang terkait dicatat sebagai aset tak berwujud dan dinyatakan sebesar nilai tercatat, yaitu sebesar harga perolehan dikurangi dengan akumulasi amortisasi.

Pengeluaran selanjutnya untuk piranti lunak akan dikapitalisasi hanya jika pengeluaran tersebut menambah manfaat ekonomis aset yang bersangkutan dimasa datang. Semua pengeluaran lainnya dibebankan saat terjadinya.

Piranti lunak diamortisasi dengan menggunakan metode garis lurus selama estimasi masa manfaat ekonomis aset yaitu 4 (empat) tahun. Amortisasi dimulai ketika aset tersedia untuk digunakan.

Aset takberwujud dihentikan pengakuannya jika dilepas atau ketika tidak terdapat lagi manfaat ekonomi masa depan yang diharapkan dari penggunaan atau pelepasannya. Keuntungan atau kerugian yang muncul dari penghentian pengakuan aset takberwujud ditentukan sebagai selisih antara hasil neto pelepasan, jika ada, dan jumlah tercatat aset.

Keuntungan atau kerugian diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian ketika aset tersebut dihentikan pengakuannya.

2. Material Accounting Policy Information (continued)

q. Intangible assets (continued)

i. Goodwill

Goodwill represents the difference between the acquisition cost of an investment and the Bank's share of the fair value of the net assets of the subsidiary as of the date of acquisition. The losses applicable to the non-controlling interest in a subsidiary that exceed its interests in the equity of the subsidiary at the acquisition date, is calculated as part of goodwill.

Goodwill is measured at carrying value less accumulated impairment losses as disclosed in Note 2o.

ii. Softwares

Software which is not an integral part of a related hardware is recorded as intangible asset and stated at carrying amount, which is cost less accumulated amortization.

Subsequent expenditure on software is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as inccured.

Software is amortized using straight-line method over the estimated useful life of software, which is 4 (four) years. Amortization is recognized from the date when the asset is available for use.

An intangible asset shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset.

The gain or loss shall be recognized in consolidated statement of profit or loss and other comprehensive income when the asset is derecognized.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

r. Aset lain-lain

Aset lain-lain antara lain terdiri dari uang muka, biaya dibayar dimuka, bunga masih akan diterima, agunan yang diambil alih, dan lain-lain.

Agunan yang diambil alih diakui sebesar nilai terendah antara nilai tercatat kredit yang diberikan atau nilai realisasi neto dari agunan yang diambil alih. Nilai realisasi neto adalah nilai wajar agunan yang diambil alih dikurangi dengan estimasi biaya untuk menjual agunan tersebut. Selisih lebih saldo kredit di atas nilai realisasi neto dari agunan yang diambil alih dibebankan ke dalam akun cadangan kerugian penurunan nilai.

Selisih antara nilai agunan yang diambil alih dan hasil penjualannya diakui sebagai keuntungan atau kerugian pada saat penjualan.

Beban-beban yang berkaitan dengan pemeliharaan agunan yang diambil alih dibebankan pada laba rugi pada saat terjadinya.

Bila terjadi penurunan nilai yang bersifat permanen, maka nilai tercatat agunan yang diambil alih dikurangi untuk mengakui penurunan tersebut dan kerugiannya dibebankan pada laba rugi tahun berjalan.

s. Liabilitas segera

Liabilitas segera merupakan liabilitas Grup yang harus segera dibayarkan kepada pihak lain berdasarkan kontrak atau perintah dari pihak yang mempunyai kewenangan untuk itu. Liabilitas segera diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

t. Simpanan nasabah

Giro, tabungan, dan deposito berjangka diklasifikasikan sebagai liabilitas yang diukur pada biaya perolehan diamortisasi, yang diakui pada nilai wajar ditambah biaya transaksi yang dapat diatribusikan secara langsung, jika ada, pada pengakuan awal dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Biaya perolehan diamortisasi dihitung dengan memperhitungkan adanya diskonto atau premi terkait dengan pengakuan awal simpanan nasabah dan biaya transaksi yang merupakan bagian yang tak terpisahkan dari suku bunga efektif.

2. Material Accounting Policy Information (continued)

r. Other assets

Other assets consist of advance payments, prepaid expenses, interests receivable, foreclosed assets, and others.

Foreclosed assets are stated at net realizable value or at loan outstanding amount, whichever is lower. Net realizable value is the fair value of the foreclosed assets less estimated costs of liquidating the assets. The excess of loan receivable over the net realizable value of the foreclosed assets is charged to the allowance for impairment losses.

The difference between the value of the foreclosed assets and the proceeds from the sale of such properties is recorded as gain or loss at the time of sale.

Expenses for maintaining foreclosed assets are charged in the profit or loss as incurred.

The carrying amount of the foreclosed assets is written-down to recognize a permanent decline in value of the foreclosed assets. Any such write-down is charged to the current year's profit or loss.

s. Liabilities immediately payable

Liabilities immediately payable represent obligations to third parties based on contract or order by those having authority that have to be settled immediately. Liabilities immediately payable are measured at their amortized cost using effective interest rate method.

t. Deposits from customers

Demand deposits, savings deposits, and time deposits are classified as liabilities measured at amortised cost, which are initially recognized at fair value plus directly attributable transaction costs, if any, and subsequently measured at amortised cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of deposits from customers and transaction costs that are an integral part of the effective interest rate.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

u. Simpanan syariah

Simpanan syariah terdiri dari giro wadiah, tabungan wadiah, Sertifikat Investasi Mudharabah Antar Bank (SIMA), tabungan dan deposito berjangka mudharabah.

Giro wadiah merupakan titipan dana pihak ketiga yang mendapatkan bonus berdasarkan kebijakan entitas anak Bank. Giro wadiah dinyatakan sebesar titipan pemegang giro di entitas anak Bank.

Tabungan wadiah merupakan simpanan pihak lain yang mendapatkan bonus berdasarkan kebijakan entitas anak Bank. Tabungan wadiah dinyatakan sebesar nilai investasi pemegang tabungan di entitas anak Bank.

Sertifikat Investasi Mudharabah Antar Bank (sertifikat IMA) didefinisikan sebagai sertifikat yang diterbitkan oleh bank syariah atau Unit Usaha Syariah yang digunakan sebagai sarana investasi jangka pendek di PUAS dengan akad mudharabah.

Tabungan mudharabah merupakan simpanan pihak lain yang mendapatkan imbal bagi hasil atas penggunaan dana sesuai dengan nisbah yang telah ditetapkan dan disetujui sebelumnya.

Deposito berjangka mudharabah merupakan simpanan pihak lain yang hanya dapat ditarik pada waktu tertentu sesuai dengan perjanjian antara pemegang deposito dengan entitas anak Bank. Deposito berjangka mudharabah dinyatakan sebesar nilai nominal.

Tabungan mudharabah merupakan simpanan pihak lain yang mendapatkan imbal bagi hasil atas penggunaan dana sesuai dengan nisbah yang telah ditetapkan dan disetujui sebelumnya.

Deposito berjangka mudharabah merupakan simpanan pihak lain yang hanya dapat ditarik pada waktu tertentu sesuai dengan perjanjian antara pemegang deposito dengan entitas anak Bank. Deposito berjangka mudharabah dinyatakan sebesar nilai nominal.

v. Simpanan dari bank lain

Simpanan dari bank lain terdiri dari liabilitas terhadap bank lain, baik dalam maupun luar negeri, dalam bentuk tabungan, giro, interbank call money yang jatuh tempo menurut perjanjian tidak lebih dari 90 hari, dan deposito berjangka.

2. Material Accounting Policy Information (continued)

u. Sharia deposits

Sharia deposits consist of wadiah demand deposits, wadiah savings deposits, Certificate of Inter Bank Mudharabah Investment (SIMA), mudharabah savings and time deposits.

Wadiah demand deposits represent entrusted third party funds which earn bonus based on the subsidiary of the Bank's policy. Wadiah demand deposits are stated at the amounts due to the depositors in Bank's subsidiary.

Wadiah savings deposits represent third party funds which earn bonus based on the subsidiary of the Bank's policy. Wadiah savings deposits are stated at the investment amounts due to the depositors in Bank's subsidiary.

The Interbank Mudharabah Investment Certificate (IMA certificate) is defined as a certificate issued by a sharia bank or Sharia Business Unit which is used as a means of short-term investment in PUAS with a mudharabah contract.

Mudharabah savings deposits represent third party funds which earn profit sharing in return for utilization of funds in accordance with pre-determined and pre-approved revenue sharing (nisbah).

Mudharabah time deposits represent deposits from third parties which can be withdrawn only at specified dates based on the agreement between the depositors and the Bank's subsidiary. Mudharabah time deposits are stated at nominal amounts.

Mudharabah savings deposits represent third party funds which earn profit sharing in return for utilization of funds in accordance with pre-determined and pre-approved revenue sharing (nisbah).

Mudharabah time deposits represent deposits from third parties which can be withdrawn only at specified dates based on the agreement between the depositors and the Bank's subsidiary. Mudharabah time deposits are stated at nominal amounts.

v. Deposits from other banks

Deposits from other banks represent liabilities to domestic and overseas banks, in the form of saving deposits, demand deposits, interbank call money with original maturities of 90 days or less, and time deposits.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

v. Simpanan dari bank lain (lanjutan)

Simpanan dari bank lain diklasifikasikan sebagai liabilitas yang diukur pada biaya perolehan diamortisasi, yang diakui pada nilai wajar ditambah biaya transaksi yang dapat diatribusikan secara langsung, jika ada, pada pengakuan awal dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Biaya perolehan diamortisasi dihitung dengan memperhitungkan adanya diskonto atau premi terkait dengan pengakuan awal simpanan dari bank lain dan biaya transaksi yang merupakan bagian yang tidak terpisahkan dari suku bunga efektif.

Simpanan dari bank lain termasuk simpanan syariah dalam bentuk giro wadiah, tabungan mudharabah, dan investasi tidak terikat yang terdiri dari deposito berjangka mudharabah.

w. Pinjaman yang diterima

Pinjaman yang diterima merupakan dana yang diterima dari Pemerintah Indonesia, Bank Indonesia, bank lain atau pihak lain dengan kewajiban pembayaran kembali sesuai dengan persyaratan perjanjian pinjaman.

Pinjaman yang diterima diklasifikasikan sebagai liabilitas yang diukur pada biaya perolehan diamortisasi, yang pada pengakuan awal dinyatakan sebesar nilai wajar dikurangi biaya transaksi yang dapat diatribusikan secara langsung, jika ada, dan kemudian dinyatakan sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Biaya perolehan diamortisasi dihitung dengan memperhitungkan adanya diskonto atau premi terkait dengan pengakuan awal pinjaman diterima dan biaya transaksi yang merupakan bagian yang tidak terpisahkan dari suku bunga efektif.

x. Surat berharga yang diterbitkan

Surat berharga yang diterbitkan diklasifikasikan sebagai liabilitas yang diukur pada biaya perolehan diamortisasi, yang pada pengakuan awal dinyatakan sebesar nilai wajar dikurangi biaya transaksi yang dapat diatribusikan secara langsung dan kemudian dinyatakan sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Biaya perolehan diamortisasi dihitung dengan memperhitungkan adanya diskonto atau premi terkait dengan pengakuan awal surat berharga yang diterbitkan dan biaya transaksi yang merupakan bagian yang tidak terpisahkan dari suku bunga efektif.

2. Material Accounting Policy Information (continued)

v. Deposits from other banks (continued)

Deposits from other banks are classified as liabilities measured at amortised cost, which are initially recognized at fair value plus directly attributable transaction costs, if any, and subsequently are measured at amortised cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of deposits from other Banks and transaction costs that are an integral part of the effective interest rate.

Deposits from other banks include Sharia deposits in the form of wadiah demand deposits, mudharabah savings deposits, and unrestricted investments which consist of mudharabah time deposits.

w. Borrowings

Borrowings are funds received from the Government of the Republic of Indonesia, Bank Indonesia, other banks, or other parties with payment obligation based on borrowing agreements.

Borrowings are classified as liabilities measured at amortised cost which are initially recognized at fair value less directly attributable transaction costs, if any, and subsequently measured at amortised cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of borrowings and transaction costs that are an integral part of the effective interest rate.

x. Marketable securities issued

Marketable securities issued are classified as liabilities measured at amortised cost which are initially recognized at fair value less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of securities issued and transaction costs that are an integral part of the effective interest rate.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

y. Pendapatan dan beban bunga

Untuk seluruh instrumen keuangan diukur pada biaya perolehan diamortisasi, aset keuangan dengan pendapatan bunga yang diklasifikasikan sebagai tersedia untuk dijual, dan instrumen keuangan yang ditetapkan pada nilai wajar melalui laba rugi, pendapatan maupun beban bunga diakui dengan menggunakan metode suku bunga efektif, yaitu suku bunga yang akan mendiskonto secara tepat estimasi pembayaran atau penerimaan kas di masa datang sepanjang perkiraan umur instrumen keuangan tersebut atau, jika lebih tepat untuk masa yang lebih singkat untuk nilai tercatat neto dari aset keuangan atau liabilitas keuangan.

Perhitungan dilakukan dengan memperhitungkan seluruh syarat dan ketentuan kontraktual dari instrumen keuangan dan biaya tambahan yang timbul secara langsung untuk instrumen tersebut dan merupakan bagian tidak terpisahkan dari suku bunga efektif.

Pendapatan dan beban bunga yang disajikan di dalam laporan laba rugi konsolidasian dan penghasilan komprehensif lain meliputi:

a. Pendapatan dan beban bunga atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain serta aset keuangan dan liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi, diakui pada laporan laba rugi konsolidasian dengan menggunakan metode suku bunga efektif.

   Jumlah tercatat bruto aset keuangan adalah biaya perolehan diamortisasi aset keuangan sebelum disesuaikan dengan cadangan penurunan nilai.

   Dalam menghitung pendapatan dan beban bunga, tingkat bunga efektif diterapkan pada jumlah tercatat bruto aset (ketika aset tersebut bukan aset keuangan memburuk) atau terhadap biaya perolehan diamortisasi dari liabilitas.

   Untuk aset keuangan yang memburuk setelah pengakuan awal, pendapatan bunga dihitung dengan menerapkan tingkat bunga efektif terhadap biaya perolehan diamortisasi dari aset keuangan tersebut. Jika aset tersebut tidak lagi memburuk, maka perhitungan pendapatan bunga akan dihitung dengan menerapkan tingkat bunga efektif terhadap nilai tercatat bruto dari aset keuangan tersebut.

2. Material Accounting Policy Information (continued)

y. Interest income and expense

For all financial instruments measured at amortised cost, interest bearing financial assets classified as fair value through other comprehensive income, and financial instruments designated at fair value through profit or loss, interest income or expense is recorded using the effective interest rate method, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate.

Interest income and expenses presented in the statements of profit or loss and other comprehensive income include:

a. Interest income and expense on financial assets measured at fair value through other comprehensive income as well as financial assets and financial liabilities recorded at amortized cost are recognized in the consolidated statement of profit or loss using the effective interest method.

   The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for allowance for impairment.

   In calculating interest income and expenses, the effective interest rate is applied to the gross carrying amount of an asset (when the asset is not a deteriorated financial asset) or to the amortized cost of a liability.

   For financial assets that deteriorated after initial recognition, interest income is calculated by applying an effective interest rate to the amortized cost of the financial assets. If the asset no longer deteriorates, the calculation of interest income will be calculated by applying an effective interest rate to the gross carrying amount of the financial asset.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

y. Pendapatan dan beban bunga (lanjutan)

Untuk aset keuangan yang telah memburuk pada saat pengakuan awal, pendapatan bunga dihitung dengan menerapkan tingkat bunga efektif terhadap biaya perolehan diamortisasi dari aset keuangan tersebut. Jika aset tersebut tidak lagi memburuk, maka perhitungan pendapatan bunga akan tetap dihitung dengan menerapkan tingkat bunga efektif terhadap biaya perolehan diamortisasi dari aset keuangan tersebut.

b. Keuntungan dan kerugian yang timbul dari perubahan nilai wajar atas aset keuangan yang diklasifikasikan dalam kelompok diakui secara langsung dalam laporan laba rugi komprehensif (merupakan bagian dari ekuitas) sampai aset keuangan tersebut dihentikan pengakuannya atau adanya penurunan nilai, kecuali keuntungan atau kerugian akibat perubahan nilai tukar untuk instrumen utang.

Pada saat aset keuangan dihentikan pengakuannya atau dilakukan penurunan nilai, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas harus diakui pada laporan laba rugi.

a. Pendapatan dan beban bunga atas aset diukur pada nilai wajar melalui penghasilan komprehensif lain serta aset keuangan dan liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi, diakui pada laporan laba rugi dengan menggunakan metode suku bunga efektif.
b. Keuntungan dan kerugian yang timbul dari perubahan nilai wajar aset keuangan dan liabilitas keuangan yang diklasifikasikan sebagai diukur pada nilai wajar melalui laporan laba rugi diakui pada laporan laba rugi.

Jika aset keuangan atau kelompok aset keuangan serupa telah diturunkan nilainya sebagai akibat kerugian penurunan nilai, maka pendapatan bunga yang diperoleh setelahnya diakui atas bagian aset keuangan yang tidak mengalami penurunan nilai dari aset keuangan yang mengalami penurunan nilai, berdasarkan suku bunga yang digunakan untuk mendiskonto arus kas masa datang dalam menghitung kerugian penurunan nilai.

2. Material Accounting Policy Information (continued)

y. Interest income and expense (continued)

For financial assets that have deteriorated at initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial assets. If the asset no longer deteriorates, the calculation of interest income will still be calculated by applying the effective interest rate to the amortized cost of the financial asset.

b. Gains and losses arising from changes in the fair value of financial assets other than foreign exchange gains or losses on debt instrument are recognized directly in other comprehensive income (as part of equity), until the financial asset is derecognized or impaired, except gain or loss arising from changes in exchanges rate for debt instrument.

When a financial asset is derecognized or impaired, the cumulative gains or losses previously recognized in equity are recognized in profit or loss.

a. Interest income and expense on fair value through other comprehensive income assets and financial assets and liabilities measured at amortised cost, are recognized in the profit or loss using the effective interest rate method.

b. Gains and losses arising from changes in the fair value of the financial assets and liabilities classified as fair value through profit or loss are included in the profit or loss.

Once a financial asset or a group of similar financial assets' value has been written down as a result of an impairment loss, interest income is recognized as the unimpaired portion of the impaired financial assets using the rate of interest used to discount the future cash flows for the purpose of measuring the impaired loss.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

y. Pendapatan dan beban bunga (lanjutan)

Kredit yang pembayaran angsuran pokok atau bunganya telah lewat 90 hari atau lebih setelah jatuh tempo atau yang pembayarannya secara tepat waktu diragukan, secara umum diklasifikasikan sebagai kredit yang mengalami penurunan nilai.

Beban diakui pada saat terjadinya.

Nilai tercatat aset atau liabilitas keuangan disesuaikan jika Grup merevisi estimasinya untuk pembayaran maupun penerimaan. Nilai tercatat yang disesuaikan tersebut dihitung dengan menggunakan suku bunga efektif awal dan perubahannya dicatat pada laba rugi. Tetapi untuk aset keuangan yang telah direklasifikasi, dimana pada periode berikutnya Grup meningkatkan estimasi penerimaan kas sebagai hasil dari peningkatan pengembalian penerimaan kas, dampak peningkatan pemulihan tersebut diakui sebagai penyesuaian pada suku bunga efektif sejak tanggal perubahan estimasi.

Pendapatan dan beban bunga termasuk pendapatan margin dan bagi hasil serta beban hak pihak ketiga atas bagi hasil dana syirkah temporer dari Entitas Anak Syariah.

Pendapatan Entitas Anak Syariah terdiri dari pendapatan margin murabahah, bagi hasil dari pembiayaan mudharabah dan musyarakah.

Pendapatan dari murabahah diakui dengan menggunakan metode akrual.

Pendapatan dari transaksi pembiayaan atas dasar bagi hasil diakui pada saat angsuran diterima secara tunai.

Pendapatan Ijarah diakui selama masa akad secara proporsional.

Pendapatan atas piutang murabahah menggunakan metode setara tingkat imbal hasil efektif (margin efektif). Margin efektif adalah margin yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas di masa datang selama perkiraan umur dari piutang murabahah. Pada saat menghitung margin efektif, Bank mengestimasi arus kas di masa datang dengan mempertimbangkan seluruh persyaratan kontraktual dalam

2. Material Accounting Policy Information (continued)

y. Interest income and expense (continued)

Loans with principal and interest payment that have been past due for 90 days or more, or where reasonable doubts regarding the timely collection exist, are generally classified as impaired loans.

Expenses are recognized when incurred.

The carrying amount of the financial asset or financial liability is adjusted if the Group revise their estimates of payments or receipts. The adjusted carrying amount is calculated based on the original effective interest rate and the change in carrying amount is recorded in the profit or loss. However, for a reclassified financial asset for which the Group subsequently increase their estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognized as an adjustment to the effective interest rate from the date of the change in estimate.

Income and interest expense include margin and profit sharing revenue and expenses for the rights of any third party for the temporary syirkah fund of Sharia Subsidiary.

Revenues of Sharia Subsidiary consist of murabahah margin, profit sharing mudharabah and musyarakah financing.

Revenue from murabahah is recognized using the accrual method.

Revenue incurred from of financing transactions for profit and loss sharing are recognized when received in cash installments.

Ijarah income is recognized proportionately over the contract period.

Income from murabahah receivables using the effective rate of return method (effective margin). Effective margin is the margin that precisely discounts the estimated future cash payments or receipts through the expected life of the murabahah receivables. When calculating the effective margin, Bank estimates the future cash flows considering all contractual terms of the financial instrument, but does not consider the loss of receivables in the future.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

y. Pendapatan dan beban bunga (lanjutan)

instrumen keuangan tersebut, tetapi tidak mempertimbangkan kerugian piutang di masa mendatang. Perhitungan ini mencakup seluruh komisi, provisi dan bentuk lain yang diterima oleh para pihak dalam kontrak yang merupakan bagian tak terpisahkan dari margin efektif, biaya transaksi, dan seluruh premi atau diskon lainnya.

Pendapatan bagi hasil pembiayaan mudharabah dan musyarakah diakui pada saat diterima atau dalam periode terjadinya hak bagi hasil sesuai porsi bagi hasil (nisbah) yang disepakati.

Beban Unit Usaha Syariah merupakan beban bagi hasil dan bonus giro dan tabungan wadiah, yang diakui pada saat timbulnya kewajiban untuk melakukan bagi hasil sesuai dengan nisbah yang disepakati.

z. Pendapatan dan beban provisi dan komisi

Pendapatan dan beban provisi dan komisi atas aset dan liabilitas keuangan yang merupakan bagian dari suku bunga efektif, dimasukkan dalam perhitungan suku bunga efektif. Pendapatan dan beban ini diamortisasi sepanjang umur aset atau liabilitas keuangan.

Provisi dan komisi yang tidak berkaitan dengan kegiatan perkreditan dan pinjaman yang diterima atau jangka waktu perkreditan dan pinjaman yang diterima, atau jumlahnya tidak material diakui sebagai pendapatan atau beban pada saat terjadinya transaksi.

aa. Perpajakan

Aset dan liabilitas pajak penghasilan kini diakui sebesar jumlah yang diperkirakan dapat diperoleh dari atau dibayar kepada otoritas perpajakan yang dihitung dengan menggunakan tarif pajak (dan peraturan pajak) yang berlaku atau yang secara substantif diberlakukan pada tanggal pelaporan.

Pajak penghasilan tangguhan dihitung dengan menggunakan metode liabilitas, terhadap semua perbedaan temporer pada tanggal laporan posisi keuangan konsolidasian antara aset dan liabilitas menurut pajak dan nilai tercatatnya untuk tujuan pelaporan keuangan. Pajak tangguhan dihitung dengan menggunakan tarif pajak (dan peraturan pajak) yang berlaku atau yang secara substansif diberlakukan pada tahun dimana aset tersebut direalisasikan atau liabilitas tersebut diselesaikan.

2. Material Accounting Policy Information (continued)

y. Interest income and expense (continued)

This calculation includes all commissions, provision fees and other forms accepted by the parties in the contract that are an inseparable part of the effective margin, transaction costs and all other premiums or discounts.

Mudharabah and musyarakah income are recognized when cash is received or in a period where the right of revenue sharing is due based on agreed portion (nisbah).

Sharia Business Unit expenses represent a profit or loss sharing expense and current accounts and wadiah saving account, which are recognized when the obligation occurred in accordance with the pre-agreed ratio.

z. Fees and commission income and expense

Fees and commissions income and expense of financial assets and liabilities, which are an integral part of the effective interest rate are being taken into account in calculating the effective interest rate. These income and expense are amortized during the life of financial assets or liabilities.

Commissions and fees not related to lending and borrowing activities or loan and borrowing periods, or those that are not material are recognized as revenues and expenses at the time the transactions occur.

aa. Taxation

Current income tax assets and liabilities are provided at the amount expected to be recovered from or paid to the tax authority which are computed using the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax is calculated using the liability method, on all temporary differences at the consolidated statement of financial position date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted to the year when the asset is realized or the liability is settled.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

aa. Perpajakan (lanjutan)

Liabilitas pajak tangguhan diakui atas seluruh perbedaan temporer kena pajak, kecuali perbedaan temporer kena pajak yang berasal dari:

a. pengakuan awal goodwill; atau
b. pengakuan awal aset atau liabilitas dari transaksi yang bukan kombinasi bisnis dan pada saat transaksi tidak memengaruhi laba akuntansi atau laba kena pajak (rugi pajak)

Aset pajak tangguhan diakui untuk perbedaan temporer yang dapat dikurangkan untuk keperluan pajak dan saldo rugi fiskal yang dapat dikompensasi, sepanjang besar kemungkinan terdapat laba kena pajak pada masa datang yang dapat dimanfaatkan atas perbedaan temporer yang dapat dikurangkan untuk keperluan pajak dan saldo rugi fiskal yang dapat dikompensasi tersebut.

Aset dan liabilitas pajak tangguhan dapat saling hapus apabila terdapat hak yang berkekuatan hukum untuk melakukan saling hapus antara aset pajak kini dengan liabilitas pajak kini dan apabila aset dan liabilitas pajak tangguhan terkait dengan pajak penghasilan yang dikenakan oleh otoritas perpajakan yang sama, baik atas entitas kena pajak yang sama ataupun berbeda dan adanya niat untuk melakukan penyelesaian saldo-saldo tersebut secara neto.

Aset dan liabilitas pajak kini dapat saling hapus apabila memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus atas jumlah yang diakui dan bermaksud untuk menyelesaikan dengan dasar neto atau merealisasikan aset dan menyelesaikan liabilitas secara bersamaan.

Perubahan atas liabilitas pajak dicatat pada saat surat ketetapan pajak diterima atau, apabila diajukan keberatan dan atau banding, diakui pada saat hasil dari keberatan dan atau banding diterima.

Taksiran pajak penghasilan Grup dihitung untuk masing-masing perusahaan sebagai badan hukum terpisah. Aset pajak kini dan liabilitas pajak kini untuk badan hukum yang berbeda tidak disalinghapuskan dalam laporan keuangan konsolidasian.

2. Material Accounting Policy Information (continued)

aa. Taxation (continued)

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

a. the initial recognition of goodwill; or
b. the initial recognition of an asset or liability in a transaction which is nor a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss)

Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities and where there is an intention to settle those balances on a net basis.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis or to realize the assets and settle liabilities simultaneously.

Amendments to tax obligations are recorded when a tax assessment is received or, if objected or appealed against, when the result of the objection or appeal is determined.

The income tax of the Group is computed for each company as a separate legal entity. Current tax assets and current tax liabilities for different legal entities are not offset in the consolidated financial statements.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

ab. Laba (rugi) per saham

Laba (rugi) per saham dasar dihitung dengan membagi laba (rugi) tahun berjalan yang dapat diatribusikan kepada pemegang saham biasa entitas induk dengan jumlah rata-rata tertimbang saham yang beredar pada tahun yang bersangkutan.

Rugi per saham dilusian dihitung dengan membagi laba (rugi) tahun berjalan yang dapat diatribusikan kepada pemegang saham biasa entitas induk dengan rata-rata tertimbang saham yang beredar pada tahun yang bersangkutan yang disesuaikan dengan mengasumsikan konversi surat berharga berpotensi saham yang sifatnya dilutif.

ac. Imbalan kerja

Kewajiban Pensiun

Grup mempunyai program pensiun sesuai dengan Undang-Undang No. 11/2020 tentang Cipta Kerja ("Undang-Undang Cipta Kerja") atau Perjanjian Kerja Bersama ("PKB") atau Peraturan Perusahaan ("PP"). Karena UU Cipta Kerja atau UU Ketenagakerjaan atau PKB atau PP menentukan rumus tertentu untuk menghitung jumlah minimal imbalan pensiun, pada dasarnya, program pensiun berdasarkan UU Cipta Kerja atau UU Ketenagakerjaan atau PKB atau PP adalah program iuran pasti.

Program pensiun iuran pasti adalah program pensiun yang menentukan jumlah iuran pensiun yang akan dibayarkan, yang pemberiannya biasanya didasarkan pada satu faktor atau lebih seperti masa kerja atau kompensasi.

Kewajiban program iuran pasti yang diakui di laporan posisi keuangan konsolidasian dihitung sebesar nilai kini dari estimasi kewajiban imbalan pascakerja di masa depan yang timbul dari jasa yang telah diberikan oleh karyawan pada masa kini dan masa lalu. Perhitungan dilakukan oleh aktuaris independen dengan metode projected unit credit.

Biaya pemutusan kontrak kerja dan keuntungan/kerugian kurtailmen diakui pada periode dimana Bank menunjukkan komitmennya untuk mengurangi secara signifikan jumlah pekerja yang ditanggung oleh program.

2. Material Accounting Policy Information (continued)

ab. Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing income (loss) for the year attributable to ordinary equity holders of the parent entity by the weighted average number of shares outstanding during the year.

Diluted loss per share is computed by dividing earnings (loss) for the year attributable to ordinary equity holders of the parent entity by the weighted average number of shares outstanding during the year adjusted for the assumed conversion of all dilutive potential ordinary shares.

ac. Employee benefits

Pension Obligations

The Group have pension schemes in accordance with Law No. 11/2020 on Job Creation (the "Job Creation Law") or the Group's Collective Labour Agreement (the "CLA") or Company Regulation ("CR"). Since the Job Creation Law or Labour Law or the CLA or the CR sets the formula for determining the minimum amount of benefits, in substance pension plans under the Job Creation Law or Labour Law or the CLA or the CR represent defined contribution plans.

A defined contribution plan is a pension plan that defines an amount of pension contribution to be paid, usually as a function of one or more factors such as years of service or compensation.

The liability recognized in the consolidated statements of financial position in respect of defined contribution plans is calculated at present value of estimated future benefits that the employees have earned in return for their services in the current and prior period. The calculation is performed by an independent actuary using the projected unit credit method.

Termination costs and curtailment gain or loss are recognized in the period when Bank is demonstrably committed to make a significant reduction in the number of employees covered by a plan.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

ac. Imbalan kerja (lanjutan)

Kewajiban Pensiun (lanjutan)

Sejak tahun 2008, Bank juga memberikan penghargaan masa dinas untuk karyawan yang telah menyelesaikan masa kerja selama 10 tahun atau lebih. Untuk manfaat tersebut, PSAK 24 (Revisi 2013) mengharuskan perlakuan akuntansi yang hampir sama dengan akuntansi untuk program manfaat pasti (sebagaimana disajikan pada paragraf sebelum ini), kecuali bahwa semua keuntungan dan kerugian aktuarial yang timbul harus diakui sekaligus laba rugi tahun berjalan.

Sejak tahun 2014, Bank memberikan imbalan masa persiapan pensiun yaitu imbalan kepada karyawan sebelum usia pensiun dimana karyawan dibebaskan dari tugas-tugas rutin dan tidak perlu masuk kerja, tetapi tetap memperoleh fasilitas kepegawaian tertentu dan sejak tahun 2013, Bank memberikan asuransi kesehatan pensiun kepada karyawan yang telah memasuki usia pensiun dan pasangannya selama 2 tahun setelah tanggal karyawan pensiun. Estimasi kewajiban untuk imbalan ini dihitung dengan menggunakan perlakuan akuntansi yang sama dengan perhitungan untuk program pensiun imbalan pasti.

ad. Segmen operasi

Segmen operasi adalah komponen Grup yang terlibat dalam aktivitas bisnis yang memperoleh pendapatan dan menimbulkan beban, yang hasil operasinya dikaji ulang secara reguler oleh pengambil keputusan operasional untuk membuat keputusan tentang sumber daya yang dialokasikan pada segmen tersebut dan menilai kinerjanya serta tersedia informasi keuangan yang dapat dipisahkan. Segmen operasi terbagi dalam kelompok konvensional, pembiayaan, dan syariah.

Segmen geografis adalah komponen Grup yang dapat dibedakan dalam menghasilkan jasa pada lingkungan (wilayah) ekonomi tertentu dan komponen itu memiliki risiko dan imbalan yang berbeda dengan risiko dan imbalan pada komponen yang beroperasi pada lingkungan (wilayah) ekonomi lain. Grup melaporkan segmen geografis berdasarkan daerah Jakarta, Bogor, Tangerang, Bekasi (Jabotabek), Jawa selain Jabotabek, Sumatera, Kalimantan, dan lain-lain.

2. Material Accounting Policy Information (continued)

ac. Employee benefits (continued)

Pension Obligations (continued)

Starting 2008, the Bank provided long service awards for employees whose work periods reach 10 years or above. For such benefits, SFAS 24 (Revised 2013) requires an accounting treatment similar to that for defined benefit plans (as described in the previous paragraph), except that the actuarial gains and losses should all be recognized immediately in the current year's profit or loss.

Starting 2014, the Bank provides benefit of pension preparation period, i.e. benefit for employees before retirement age whereby the employee is freed from routine tasks and is not required to present at work, but still receives certain employment facilities and starting 2013, the Bank provides pension health insurance for employees and their spouses during 2 years after the employees' pension date. Estimated liability for these benefits is calculated using same accounting treatment with the calculation for defined benefit pension plan.

ad. Operating segment

An operating segment is a Group's component that involves in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by chief operating decision maker to make decision about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The operating segment has been determined to be conventional, multi-finance, and sharia.

A geographical segment is a distinguishable component of the Group that is engaged in providing services within a particular economic environment and that is subject to risks and returns that are different from those operating in other economic environments. The Group reports geographical segment information based on Jakarta, Bogor, Tangerang, Bekasi (Jabotabek), Java excluding Jabotabek, Sumatera, Kalimantan, and others.

2. Informasi Kebijakan Akuntansi Material (lanjutan)

ae. Transaksi dan saldo dengan pihak-pihak berelasi

Pihak berelasi adalah orang atau entitas yang terkait dengan entitas yang menyiapkan laporan keuangannya (entitas pelapor). Pihak berelasi adalah sebagai berikut:

i) Orang atau anggota keluarga dekatnya mempunyai relasi dengan entitas pelapor jika orang tersebut:
   a) Memiliki pengendalian atau pengendalian bersama atas entitas pelapor;
   b) Memiliki pengaruh signifikan atas entitas pelapor; atau
   c) Merupakan personil manajemen kunci entitas pelapor atau entitas induk entitas pelapor.

ii) Entitas mempunyai relasi dengan entitas pelapor jika entitas tersebut:
   a) Entitas dan entitas pelapor adalah anggota dari kelompok usaha yang sama (artinya entitas induk, entitas anak, dan entitas anak berikutnya saling berelasi dengan entitas lain);
   b) Satu entitas adalah entitas asosiasi atau ventura bersama dari entitas lain (atau entitas asosiasi atau ventura bersama yang merupakan anggota suatu kelompok usaha, yang mana entitas lain tersebut adalah anggotanya);
   c) Kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama;
   d) Satu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga;
   e) Entitas tersebut adalah suatu program imbalan pascakerja untuk imbalan kerja dari salah satu entitas pelapor atau entitas yang terkait dengan entitas pelapor. Jika entitas pelapor adalah entitas yang menyelenggarakan program tersebut, maka entitas sponsor juga berelasi dengan entitas pelapor;
   f) Entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi sebagaimana dimaksud dalam angka i);
   g) Orang yang diidentifikasi sebagaimana dimaksud dalam angka i) a) memiliki pengaruh signifikan atas entitas atau merupakan personil manajemen kunci entitas (atau entitas induk dari entitas); atau

2. Material Accounting Policy Information (continued)

ae. Transactions and balances with related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (reporting entity). Related parties are:

i) A person or a close member of that person's family is related to a reporting entity if that person:
   a) Has control or joint control of the reporting entity;
   b) Has control or joint control of the reporting entity; or
   c) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

ii) An entity is related to a reporting entity if any of the following conditions applies:
   a) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to others);
   b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
   c) Both entities are joint ventures of the same third party;
   d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
   e) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
   f) The entity is controlled or jointly controlled by a person identified in i);
   g) A person identified in i) a) has significant influence over the entity or is a member of the key management personnel of the entity (or a parent of the entity); or

2. Informasi Kebijakan Akuntansi Material (lanjutan)

ae. Transaksi dan saldo dengan pihak-pihak berelasi (lanjutan)

h) Entitas, atau anggota dari kelompok yang mana entitas merupakan bagian dari kelompok tersebut, menyediakan jasa personil manajemen kunci kepada entitas pelapor atau kepada entitas induk dari entitas pelapor.

Transaksi ini dilakukan berdasarkan persyaratan yang disetujui oleh kedua belah pihak, dimana persyaratan tersebut mungkin tidak sama dengan transaksi yang dilakukan dengan pihak-pihak yang tidak berelasi.

Semua transaksi dan saldo yang signifikan dengan pihak berelasi, baik yang dilakukan dengan syarat normal sebagaimana dilakukan dengan pihak ketiga, maupun tidak, telah diungkapkan pada catatan atas laporan keuangan konsolidasian.

af. Dividen

Pembagian dividen kepada para pemegang saham diakui sebagai liabilitas dalam laporan keuangan konsolidasian pada periode ketika dividen tersebut disetujui oleh para pemegang saham.

ag. Beban emisi saham

Beban yang terjadi sehubungan dengan penawaran saham kepada masyarakat (termasuk penawaran umum terbatas dengan hak memesan efek terlebih dahulu) dikurangkan langsung dari hasil emisi dan disajikan sebagai pengurang tambahan modal disetor.

ah. Perubahan dalam kebijakan akuntansi dan pengungkapan pada tahun 2023

Berikut adalah revisi, amandemen dan penyesuaian atas Standar Akuntansi Keuangan (SAK) yang berlaku efektif untuk tahun buku yang dimulai pada atau setelah 1 Januari 2023, yaitu:

- Amendemen PSAK No. 1: "Penyajian Laporan Keuangan" tentang Pengungkapan Kebijakan Akuntansi yang Mengubah Istilah "Signifikan" menjadi "Material" dan Memberi Penjelasan mengenai Kebijakan Akuntansi Material
- Amendemen PSAK No. 16, Aset Tetap: Hasil sebelum Penggunaan yang Diintensikan
- Amendemen PSAK No. 25, Kebijakan Akuntansi, Perubahan Estimasi Akuntansi dan Kesalahan: Definisi Estimasi Akuntansi

2. Material Accounting Policy Information (continued)

ae. Transactions and balances with related parties (continued)

h) Entities, or members of the group to which the entity is part of the group, providing services to the entity's key management personnel or to the parent's entity of the reporting entity.

The transactions are made based on terms agreed by the parties, whereby such terms may not be the same as those transactions with non-related parties.

All significant transactions and balances with related parties, whether or not conducted under terms and conditions similar to those granted to third parties, are disclosed in the notes to the consolidated financial statements.

af. Dividends

Dividend distribution to the shareholders is recognized as a liability in the consolidated financial statements in the period in which the dividends are approved by the shareholders.

ag. Shares issuance cost

Costs related to the public offering (including limited public offering with pre-emptive rights) are deducted from the proceeds and presented as a deduction to additional paid-in capital.

ah. Changes in accounting policies and disclosures in 2023

The following are revision, amendments and adjustments to Financial Accounting Standard (FAS) that are effective for the financial year that starting or after January 1, 2023, are as follows:

- Amendment to SFAS No. 1: "Presentation of Financial Statements" regarding Disclosure of Accounting Policies that Change the Term "Significant" to "Material" and Provide Explanations of Material Accounting Policies
- Amendment to SFAS No. 16, Property, Plant and Equipment: Proceeds before Intended Use
- Amendment to SFAS No. 25, Accounting Policies, Changes in Accounting Estimates and Erros: Definition of Accounting Estimates

2. Informasi Kebijakan Akuntansi Material (lanjutan)

ah. Perubahan dalam kebijakan akuntansi dan pengungkapan pada tahun 2023 (lanjutan)

- Amendemen PSAK No. 46, Pajak Penghasilan: Pajak Tangguhan terkait Aset dan Liabilitas yang Timbul dari Transaksi Tunggal
- Amendemen PSAK No. 107, "Akuntansi Ijarah"

Implementasi dari standar-standar tersebut tidak memiliki dampak yang signifikan terhadap jumlah yang dilaporkan di periode berjalan atau tahun sebelumnya.

Bank telah menerapkan materi penjelasan tersebut dan, dengan demikian, mengubah kebijakan akuntansi mengenai atribusi imbalan kerja pada periode jasa. Penerapan ini tidak berdampak material terhadap jumlah yang dilaporkan pada periode keuangan sebelumnya. Dengan demikian, dampak dari perubahan tersebut dicatat oleh Bank dalam laporan keuangan konsolidasian untuk tahun berjalan.

2. Material Accounting Policy Information (continued)

ah. Changes in accounting policies and disclosures in 2023 (continued)

- Amendment to SFAS No. 46, Income Taxes: Deferred Tax related to Assets and Liabilities Arising from a Single Transaction
- Amendment to SFAS No. 107, "Ijarah Accounting"

The implementation of the above standards had no significant effect on the amounts reported for the current period or prior financial years.

The Bank has implemented the said explanatory material and accordingly, changed its accounting policy regarding attribution of benefits to periods of service. The implementation has no material impact on the amounts reported for the previous financial periods. Therefore, the impact of the changes is recorded entirely in the consolidated financial statements for the current year.

3. Kas

Kas terdiri dari :

3. Cash

Cash consists of the following :

	2023	2022	
Rupiah	276.340	513.588	**Rupiah**
Mata uang asing:			**Foreign currencies:**
Dolar Amerika Serikat	8.627	7.337	United States Dollar
Euro Eropa	1.901	1.734	European Euro
Dolar Singapura	540	1.263	Singapore Dollar
Dolar Australia	201	228	Australian Dollar
Lain-lain	1.575	170	Others
	12.844	10.732	
Total	**289.184**	**524.320**	**Total**

Saldo dalam mata uang Rupiah termasuk uang pada ATM (Anjungan Tunai Mandiri) pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp7.154 dan Rp73.152.

Kas dalam mata uang asing lain-lain terdiri dari Yen Jepang, Poundsterling Inggris, Dolar Hong Kong, Yuan Cina dan Won Korea Selatan.

The Rupiah balance includes cash in ATMs (Automated Teller Machines) amounting to Rp7,154 and Rp73,152 as at December 31, 2023 and 2022, respectively.

Cash in other foreign currencies is denominated in Japanese Yen, Great Britain Poundsterling, Hong Kong Dollar, Chinese Yuan, and South Korean Won.

4. Giro Pada Bank Indonesia

Giro pada Bank Indonesia terdiri dari:

	2023	2022	
Rupiah	3.089.179	3.931.990	Rupiah
Dolar Amerika Serikat	116.440	208.441	United States Dollar
Total	**3.205.619**	**4.140.431**	**Total**

Pada tanggal 31 Desember 2023 dan 2022, saldo giro pada Bank Indonesia termasuk giro yang berdasarkan pada prinsip perbankan syariah masing-masing sebesar Rp540.926 dan Rp396.641.

Saldo giro pada Bank Indonesia disediakan untuk memenuhi persyaratan Giro Wajib Minimum (GWM) dari Bank Indonesia.

Bank dipersyaratkan untuk memiliki GWM dalam mata uang Rupiah dan mata uang asing.

Rasio GWM Bank pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

	2023	2022	
Bank Umum Konvensional			Conventional Banking
Rupiah			Rupiah
Giro Wajib Minimum Harian	7,05%	8,53%	Daily Minimum Statutory Reserves
Giro Wajib Minimum Rata-Rata	7,37%	8,53%	Average Minimum Statutory Reserves
Mata Uang Asing			Foreign currency
Giro Wajib Minimum Harian	4,02%	4,02%	Daily Minimum Statutory Reserves
Giro Wajib Minimum Rata-rata	4,02%	4,02%	Average Minimum Statutory Reserves
Penyangga Likuiditas Makroprudensial	35,08%	13,87%	Macroprudential Liquidity Reserve
Bank Umum Syariah			Sharia Commercial Banking
Giro Wajib Minimum Harian	0%	0%	Daily Minimum Statutory Reserves
Giro Wajib Minimum Rata-rata	8,21%	8,05%	Average Minimum Statutory Reserves

Pada 31 Desember 2023, Giro Wajib Minimum (GWM) Bank telah sesuai dengan Peraturan Anggota Dewan Gubernur No. 12 Tahun 2023 tanggal 1 Oktober 2023 tentang Perubahan Kedua atas Peraturan Anggota Dewan Gubernur No. 24/8/PADG/2022 tanggal 30 Juni 2022 yang ditetapkan sebesar 9%. GWM rata-rata Bank pada tanggal 31 Desember 2023 adalah sebesar 7,37%. Bank memperoleh insentif rata-rata GWM dari Bank Indonesia sebesar 1,70% periode 1 Desember 2023 sampai dengan 29 Februari 2024.

4. Current Accounts With Bank Indonesia

Current Accounts with Bank Indonesia consists of the following:

As at December 31, 2023 and 2022, current accounts with Bank Indonesia include amounts under sharia banking principles amounting to each Rp540,926 and Rp396,641, respectively.

Current accounts with Bank Indonesia are maintained to comply with Bank Indonesia Minimum Statutory Reserve requirement.

The Bank is required to maintain Minimum Statutory Reserves in Rupiah and in foreign currency.

As at December 31, 2023 and 2022, the Minimum Statutory Reserves ratios of Bank are as follows:

As at December 31, 2023, the Bank's Minimum Statutory Reserve (GWM) complies Board of Governors Member Regulation No. 12 of 2023 dated 1 October 2023 concerning the Second Amendment to the Regulation on Members of the Board of Governors No. 24/8/PADG/2022 dated June 30, 2022 which was set at 9%. The Bank's average Minimum Statutory Reserves on December 31, 2023 was 7.37%. The Bank obtains an average GWM incentive from Bank Indonesia of 1.70% for the period December 1, 2023 to February 29, 2024.

4. Giro Pada Bank Indonesia (lanjutan)

Pada 31 Desember 2022, GWM Bank telah sesuai dengan Peraturan Anggota Dewan Gubernur (PADG) No. 24/8/PADG/2022 tanggal 30 Juni 2022 yang ditetapkan sebesar 9%. GWM rata-rata Bank pada tanggal 31 Desember 2023 adalah sebesar 8,53%. Bank memperoleh insentif rata-rata GWM dari Bank Indonesia sebesar 0.5% periode 1 Desember 2022 sampai dengan 28 Februari 2022.

Pemenuhan rasio-rasio tersebut di atas ditentukan sebagai berikut:

	2023	2022	
Bank Umum Konvensional			Conventional Banking
Rupiah:			Rupiah:
Giro wajib minimum secara harian	0,00%	0,00%	Daily Minimum Statutory Reserves
Giro wajib minimum secara rata-rata	9,00%	9,00%	Average Minimum Statutory Reserves
Valuta Asing:			Foreign currency:
Giro wajib minimum secara harian	2,00%	2,00%	Daily Minimum Statutory Reserves
Giro wajib minimum secara rata-rata	2,00%	2,00%	Average Minimum Statutory Reserves
Penyangga Likuiditas Makroprudensial	5,00%	6,00%	Macroprudential Liquidity Reserve
Bank Umum Syariah			Sharia Commercial Banking
Rupiah:			Rupiah:
Giro wajib minimum	7,50%	7,50%	Daily Minimum Statutory Reserves
Valuta Asing:			Foreign currency:
Giro wajib minimum		-	Daily Minimum Statutory Reserves

PADG No. 21/22/PADG/2019 telah diamendemen dengan PADG No. 23/7/PADG/2021 tanggal 26 April 2021 tentang Perubahan Ketiga atas PADG No.21/22/PADG/2019 tentang Rasio RIM dan PLM bagi Bank Umum Konvensional, Bank Umum Syariah, dan Unit Usaha Syariah. Berdasarkan amendemen tersebut terdapat penyesuaian Parameter Disinsentif Bawah dan Parameter Disinsentif Atas yang digunakan dalam pemenuhan rasio GWM RIM.

Penyangga Likuiditas Makroprudensial (PLM) adalah cadangan likuiditas minimum yang wajib dipelihara oleh Bank berupa Sertifikat Bank Indonesia (SBI), Sertifikat Deposito Bank Indonesia (SDBI), Surat Berharga Negara (SBN) yang besarnya ditetapkan oleh Bank Indonesia sebesar persentase tertentu dari Dana Pihak Ketiga (DPK) Bank. Rasio Intermediasi Makroprudensial (RIM) adalah simpanan minimum yang wajib dipelihara oleh Bank dalam bentuk saldo Rekening Giro pada Bank Indonesia sebesar persentase tertentu dari DPK yang dihitung berdasarkan selisih antara RIM yang dimiliki oleh Bank dan RIM Target. Berdasarkan PADG No. 24/14/PADG/2022 tanggal 31 Oktober 2022, Parameter Disinsentif Bawah dari batas bawah Target RIM sebesar 84% dan Parameter Disinsentif Atas dari batas atas Target RIM sebesar 94% dalam pemenuhan Giro RIM adalah sebesar 0 (nol).

4. Current Accounts With Bank Indonesia (continued)

As at December 31, 2022, the Bank's Minimum Statutory Reserve (GWM) complies with Board of Governors Member Regulations (PADG) No. 24/8/PADG/2022 dated June 30, 2022 which was set at 9%. The Bank's average Minimum Statutory Reserves on December 31, 2023 was 8.53%. The Bank obtains an average GWM incentive from Bank Indonesia of 0.5% for the period December 1, 2022 to February 28, 2022.

Fulfillment of the above ratios is determined as follows:

PADG No. 21/22/PADG/2019 is amended with PADG No. 23/7/PADG/2021 on April 26, 2021 concerning The Third Amendment of PADG No. 21/22/PADG/2019 concerning RIM and PLM Ratio for Commercial Conventional Banks, Sharia Banks, and Business Units Sharia. Based on the amendments, there are adjusments to the Lower Disincentive Parameters and the Upper Disincentive Parameters used in the fulfillment of GWM RIM ratio.

Macroprudential Liquidity Reserve (PLM) is the minimum liquidity reserves that should be maintained by the Bank, in form of of Certificates of Bank Indonesia (SBI), Certificate of Bank Indonesia Deposit (SDBI), Treasury Bills (SBN), which is determined by Bank Indonesia percentage of Third Party Funds (DPK). Macroprudential Intermediation Ratio (RIM) is the minimum statutory reserve that should be maintained by the Bank in the form of Current Account with Bank Indonesia at a certain percentage of third party fund calculated based on the difference between the Bank's RIM and the targeted RIM. Based on PADG No. 24/14/PADG/ 2022 dated October 31, 2022, the Lower Disincentive Parameter of the lower limit of RIM targeted is 84% and the Upper Disincentive Parameter of the upper limit of RIM targeted is 94% in the fulfillment of RIM Current Account, which is 0 (zero).

4. Giro Pada Bank Indonesia (lanjutan)

RIM adalah rasio hasil perbandingan antara:

a. Kredit yang diberikan kepada pihak ketiga dalam Rupiah dan valuta asing, dan
b. Surat berharga korporasi dalam Rupiah dan valuta asing yang memenuhi persyaratan tertentu yang dimiliki Bank.
terhadap:
c. DPK Bank dalam bentuk giro, tabungan dan simpanan berjangka/deposito dalam Rupiah dan valuta asing, tidak termasuk dana antar Bank; dan
d. Surat berharga dalam Rupiah dan valuta asing yang memenuhi persyaratan tertentu yang diterbitkan oleh Bank untuk memperoleh sumber pendanaan.

Pada tanggal 31 Desember 2023 dan 2022, persentase GWM untuk Bank Umum Syariah dalam Rupiah masing-masing sebesar 8,21% dan 8,05%.

Pada tanggal 31 Desember 2023 dan 2022, Grup telah memenuhi ketentuan BI mengenai GWM.

4. Current Accounts With Bank Indonesia (continued)

RIM is the ratio of the results of the comparison between:

a. Loans to third parties in Rupiah and foreign currencies, and
b. Corporate securities in Rupiah and foreign currencies owned by the Bank that meet certain requirement.
to:
c. The Bank's TPF in the form of demand deposits, savings deposits and time deposits/deposits in Rupiah and foreign currencies, excluding interbank funds; and
d. Marketable securities in Rupiah and foreign currencies that meet certain requirements, issued by the Bank for funding sources.

As at December 31, 2023 and 2022, Minimum Statutory Reserves percentage for Sharia Commercial Banking in Rupiah currency are 8.21% and 8.05%, respectively.

As at December 31, 2023 and 2022, the Group has complied with BI regulation on the Minimum Statutory Reserves.

5. Giro Pada Bank Lain

a. Berdasarkan mata uang

5. Current Accounts With Other Banks

a. By currency

	2023	2022	
Pihak Berelasi (Catatan 38)			**Related parties (Note 38)**
Mata uang asing:			Foreign currencies:
Dolar Amerika Serikat	4.166	75.238	United States Dollar
Won Korea Selatan	2.211	409	South Korean Won
	6.377	75.647	
Pihak ketiga			**Third parties**
Rupiah	102.466	88.199	Rupiah
Mata uang asing:			Foreign currencies:
Dolar Amerika Serikat	149.065	486.680	United States Dollar
Dolar Singapura	44.801	55.969	Singapore Dollar
Dolar Hong Kong	9.774	2.788	Hong Kong Dollar
Euro Eropa	8.193	2.141	European Euro
Dolar Australia	7.689	2.790	Australian Dollar
Pound Sterling Inggris	7.018	13.100	Great Britain Poundsterling
Yuan Cina	5.694	6.495	Chinese Yuan
Yen Jepang	1.804	10.250	Japanese Yen
	336.504	668.412	
Total	342.881	744.059	Total
Cadangan kerugian penurunan nilai	(300)	(89)	Allowance for impairment losses
Neto	**342.581**	**743.970**	**Net**

Pada tanggal 31 Desember 2023 dan 2022, saldo giro pada bank lain termasuk saldo yang berdasarkan pada prinsip perbankan syariah masing-masing sebesar Rp164 dan Rp163.697.

As at December 31, 2023 and 2022, current accounts with other banks include amounts under sharia banking principles amounting to Rp164 and Rp163,697, respectively.

5. Giro Pada Bank Lain (lanjutan)

a. Berdasarkan mata uang (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, tidak terdapat giro pada bank lain yang dijaminkan.

b. Berdasarkan bank

5. Current Accounts With Other Banks (continued)

a. By currency (continued)

As at December 31, 2023 and 2022, there is no current account with other banks pledged as collateral.

b. By banks

	2023	2022	
Pihak berelasi			Related party
Mata uang asing :			Foreign currency :
KB Kookmin Bank Co., Ltd	6.377	75.647	KB Kookmin Bank Co., Ltd
Pihak ketiga			Third parties
Rupiah:			Rupiah:
PT Bank Central Asia Tbk	81.106	66.746	PT Bank Central Asia Tbk
PT Bank Woori Saudara Indonesia 1906 Tbk	9.548	9.548	PT Bank Woori Saudara Indonesia 1906 Tbk
PT Bank Rakyat Indonesia (Persero) Tbk	7.431	7.297	PT Bank Rakyat Indonesia (Persero) Tbk
Standard Chartered Bank, Jakarta	2.374	2.395	Standard Chartered Bank, Jakarta
PT Bank Syariah Indonesia Tbk	1.292	-	PT Bank Syariah Indonesia Tbk
PT Bank Mandiri (Persero) Tbk	452	648	PT Bank Mandiri (Persero) Tbk
PT Bank BCA Syariah	113	164	PT Bank BCA Syariah
PT Bank Negara Indonesia (Persero) Tbk	54	60	PT Bank Negara Indonesia (Persero) Tbk
PT Bank OCBC NISP Tbk	3	226	PT Bank OCBC NISP Tbk
PT Bank Sahabat Sampoerna	2	103	PT Bank Sahabat Sampoerna
PT Bank MNC Internasional Tbk	2	125	PT Bank MNC International Tbk
PT BPD Sulawesi Selatan dan Sulawesi Barat	-	827	PT BPD Sulawesi Selatan and Sulawesi Barat
Lain-lain	89	60	Others
Sub-total	102.466	88.199	Sub-total
Mata uang asing:			Foreign currencies:
Standard Chartered Bank, New York	57.956	254.391	Standard Chartered Bank, New York
Citibank N.A., New York	44.988	97.900	Citibank N.A., New York
United Overseas Bank Ltd, Singapura	37.159	24.260	United Overseas Bank Ltd, Singapore
PT Bank Mandiri (Persero) Tbk	20.894	29.636	PT Bank Mandiri (Persero) Tbk
PT Bank Central Asia Tbk	12.437	67.000	PT Bank Central Asia Tbk
Standard Chartered Bank, Hong Kong	9.774	2.788	Standard Chartered Bank, Hong Kong
Habib American Bank, New York	9.212	6.575	Habib American Bank, New York
Societe Generale, Perancis	8.193	2.141	Societe Generale, France
Australia and New Zealand Banking Group Limited	7.689	2.790	Australia and New Zealand Banking Group Limited
Standard Chartered Bank, Singapura	7.642	31.709	Standard Chartered Bank, Singapore
Standard Chartered Bank, London	7.018	13.100	Standard Chartered Bank, London
PT Bank ICBC Indonesia	5.694	6.495	PT Bank ICBC Indonesia
Citibank N.A., Jakarta	3.578	31.178	Citibank N.A., Jakarta
Sumitomo Mitsui Banking Corporation, Tokyo	1.804	10.250	Sumitomo Mitsui Banking Corporation, Tokyo
Sub-total	234.038	580.213	Sub-total
Total	**342.881**	**744.059**	**Total**
Cadangan kerugian penurunan nilai	(300)	(89)	Allowance for impairment losses
Neto	**342.581**	**743.970**	**Net**

5. Giro Pada Bank Lain (lanjutan)

c. Berdasarkan kolektibilitas

Pada tanggal 31 Desember 2023 dan 2022, semua giro pada Bank lain diklasifikasikan lancar.

d. Perubahan cadangan kerugian penurunan nilai

	2023	2022	
Rupiah:			Rupiah:
Saldo awal	89	370	Beginning balance
Penyisihan (pembalikan cadangan) kerugian penurunan nilai	211	(281)	Provision (reversal of allowance) for impairment losses
Saldo akhir	**300**	**89**	**Ending balance**

Cadangan kerugian penurunan nilai dihitung secara kolektif.

Manajemen berpendapat bahwa jumlah cadangan kerugian penurunan nilai telah memadai.

d. Tingkat bunga rata-rata per tahun

Giro pada bank lain dalam mata uang Rupiah, Dolar Amerika Serikat, Yen Jepang, Dolar Australia, Euro Eropa, Dolar Singapura, Yuan Cina, Dolar Hong Kong, Won Korea Selatan dan Poundsterling Inggris. Tingkat suku bunga rata-rata setahun untuk giro pada bank lain dalam Rupiah dan mata uang asing lainnya adalah sebagai berikut:

	2023	2022	
Rupiah	0,81%	0,83%	Rupiah
Mata uang asing	0,00%	0,17%	Foreign currencies

5. Current Accounts With Other Banks (continued)

c. By collectability

All current accounts with other banks are classified as current as at December 31, 2023 and 2022.

d. Movements in allowance for impairment losses

Allowance for impairment losses is calculated using collective assessment.

Management believes that the allowance for impairment losses is adequate.

d. Average annual interest rates

Current accounts with other banks in Rupiah, Unites States Dollar, Japanese Yen, Australian Dollar, European Euro, Singapore Dollar, Chinese Yuan, Hong Kong Dollar, South Korean Won and Great Britain Poundsterling currencies. The average interest rates per annum for current accounts with other banks in Rupiah and other foreign currencies are as follows:

6. Penempatan Pada Bank Indonesia Dan Bank Lain

a. Berdasarkan jenis, mata uang, dan bank

	2023	2022	
Pihak ketiga			**Third parties**
Rupiah:			Rupiah:
Penempatan pada Bank Indonesia, setelah dikurangi bunga yang ditangguhkan	1.384.883	8.456.195	Placements with Bank Indonesia, net of unearned interest
Interbank call money			**Interbank call money**
PT Bank Sahabat Sampoerna	-	50.000	PT Bank Sahabat Sampoerna
PT Bank Woori Saudara Indonesia 1906 Tbk	-	30.000	PT Bank Woori Saudara Indonesia 1906 Tbk
	-	80.000	

6. Placements With Bank Indonesia And Other Banks

a. By type, currency, and banks

6. Penempatan Pada Bank Indonesia Dan Bank Lain (lanjutan)

6. Placements With Bank Indonesia And Other Banks (continued)

a. Berdasarkan jenis, mata uang, dan bank (lanjutan)

a. By type, currency, and banks (continued)

	2023	2022	
Deposito Berjangka			**Time deposits**
PT Bank JTrust Indonesia Tbk	41.000	-	PT Bank JTrust Indonesia Tbk
PT Bank Nagari	40.000	50.000	PT Bank Nagari
PT Bank Sahabat Sampoerna	38.000	30.000	PT Bank Sahabat Sampoerna
PT Bank Sulawesi Tenggara	37.000	-	PT Bank Sulawesi Tenggara
PT BPD Sumatera Utara	34.000	30.000	PT BPD Sumatera Utara
PT BPD Sulawesi Selatan dan Sulawesi Barat	34.000	-	PT BPD Sulawesi Selatan dan Sulawesi Barat
PT BPD Sulawesi Utara	34.000	-	PT BPD Sulawesi Utara
PT BPD Sulawesi Tengah	33.000	-	PT BPD Sulawesi Tengah
PT BPD Sumatera Selatan dan Bangka Belitung	30.000	20.000	PT BPD Sumatera Selatan dan Bangka Belitung
PT BPD Riau Kepri Syariah (d/h PT BPD Riau Kepri)	16.000	10.000	PT BPD Riau Kepri Syariah (formerly PT BPD Riau Kepri)
PT Bank DKI	10.000	-	PT Bank DKI
PT Bank Victoria Syariah Tbk	10.000	-	PT Bank Victoria Syariah Tbk
PT BPD Sulawesi Utara dan Gorontalo	7.000	50.000	PT BPD Sulawesi Utara dan Gorontalo
PT Bank Tabungan Negara Syariah Tbk	7.000	-	PT Bank Tabungan Negara Syariah Tbk
PT Bank Woori Bersaudara 1960 Tbk	7.000	-	PT Bank Woori Bersaudara 1960 Tbk
PT Bank Oke Indonesia Tbk	7.000	-	PT Bank Oke Indonesia Tbk
PT BPD Sulawesi Selatan	7.000	-	PT BPD Sulawesi Selatan
PT Bank Mega Tbk	6.000	30.000	PT Bank Mega Tbk
PT Bank Tabungan Negara (Persero) Tbk	4.000	10.000	PT Bank Tabungan Negara (Persero) Tbk
PT BPD Bengkulu	3.000	50.000	PT BPD Bengkulu
PT BPD Kalimantan Barat	3.000	-	PT BPD Kalimantan Barat
PT Bank Raya Indonesia Tbk	1.000	-	PT Bank Raya Indonesia Tbk
PT Bank Sinarmas Tbk	950	-	PT Bank Sinarmas Tbk
PT Bank Nationalnobu Tbk	-	50.000	PT Bank Nationalnobu Tbk
PT Bank Mayapada International Tbk		50.000	PT Bank Mayapada International Tbk
PT BPD Lampung	-	40.000	PT BPD Lampung
PT Bank Victoria International Tbk	-	30.000	PT Bank Victoria International Tbk
PT Bank IBK IndonesiaTbk	-	30.000	PT Bank IBK Indonesia Tbk
PT Bank Mandiri Taspen Agroniaga Tbk	-	10.000	PT Bank Mandiri Taspen Agroniaga Tbk
	409.950	500.000	
Total	**1.794.833**	**9.036.195**	**Total**
Dolar Amerika Serikat:			United States Dollar:
Penempatan pada Bank Indonesia	338.734	2.988.960	Placements with Bank Indonesia
Interbank call money			**Interbank call money**
PT Bank IBK Indonesia Tbk	-	155.675	PT Bank IBK Indonesia Tbk
	338.734	3.144.635	
Total	**2.133.567**	**12.180.830**	**Total**

6. Penempatan Pada Bank Indonesia Dan Bank Lain (lanjutan)

a. Berdasarkan jenis, mata uang, dan bank (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, terdapat penempatan pada Bank Indonesia dan Bank lain yang berdasarkan prinsip perbankan syariah masing-masing sebesar Rp985.000 dan Rp599.000.

Pada tanggal 31 Desember 2023 dan 2022, tidak terdapat penempatan pada Bank Indonesia dan bank lain yang dijaminkan.

6. Placements With Bank Indonesia And Other Banks (continued)

a. By type, currency, and banks (continued)

As at December 31, 2023 and 2022, there are placement with Bank Indonesia and other Banks under sharia banking principles amounting to Rp985,000 and Rp599,000, respectively.

As at December 31, 2023 and 2022, there is no placement with Bank Indonesia and other banks pledged as collateral.

b. Berdasarkan sisa umur jatuh tempo / b. By remaining period to maturity

	2023	2022	
Rupiah:			**Rupiah:**
≤ 1 bulan	1.733.833	9.006.195	≤ 1 month
> 1 - 3 bulan	44.000	-	> 1 - 3 months
> 3 bulan - 1 Tahun	17.000	30.000	> 3 - 6 months
	1.794.833	9.036.195	
Dolar Amerika Serikat:			**United States Dollar:**
≤ 1 bulan	338.734	3.144.635	≤ 1 month
	338.734	3.144.635	
Total	**2.133.567**	**12.180.830**	**Total**

c. Berdasarkan kolektibilitas / c. By collectibility

Pada tanggal 31 Desember 2023 dan 2022, semua penempatan pada Bank Indonesia dan bank lain diklasifikasikan lancar.

Manajemen berpendapat bahwa tidak terdapat penurunan nilai atas penempatan pada Bank Indonesia dan bank lain, sehingga cadangan kerugian penurunan nilai tidak dibentuk pada tanggal 31 Desember 2023 dan 2022.

As at December 31, 2023 and 2022, all placements with Bank Indonesia and other banks are classified as current.

Management believes that there is no impaired placements with Bank Indonesia and other banks, therefore no allowance for impairment losses were provided as at December 31, 2023 and 2022.

d. Tingkat bunga rata-rata per tahun / d. Average annual interest rates

	2023	2022	
Rupiah:			**Rupiah:**
Penempatan pada Bank Indonesia	5,06%	3,13%	Placement with Bank Indonesia
Interbank call money	4,38%	2,60%	Interbank call money
Deposito berjangka	3,84%	4,29%	Time deposits
Dolar Amerika Serikat:			**United States Dollar:**
Penempatan pada Bank Indonesia	4,17%	0,68%	Placement with Bank Indonesia
Interbank call money	1,19%	2,00%	Interbank call money

7. Surat-Surat Berharga / Marketable Securities

a. Berdasarkan tujuan, jenis, dan mata uang / By purpose, type, and currency

	2023	2022	
Rupiah			**Rupiah**
Nilai wajar melalui laba rugi			**Fair value through profit or loss**
Obligasi pemerintah	13	555.013	Government bonds
Premi yang belum diamortisasi	1	7.403	Unamortized premium
Kerugian yang belum direalisasi	(1)	(6.549)	Unrealized loss
	13	555.867	
Diukur pada biaya perolehan diamortisasi			**Amortized cost**
Obligasi pemerintah	4.796.017	2.664.750	Government bonds
Premi (diskonto) yang belum diamortisasi	83.438	(1.028)	Unamortized premium (discount)
	4.879.455	2.663.722	
Obligasi korporasi	224.600	119.600	Corporate bonds
Obligasi Sukuk Ijarah Negara Indonesia	1.994.135	2.123.159	Indonesia Sukuk Ijarah Bonds
Premi (diskonto) yang belum diamortisasi	40.605	(1.085)	Unamortized premium (discount)
	2.034.740	2.122.074	
Wesel SKBDN	12.756	15.000	Domestic Letter of Credit (SKBDN)
Diskonto yang belum diamortisasi	(467)	-	Unamortized discount
	12.289	15.000	
Sukuk Korporasi	2.432.000	2.432.000	Corporate Sukuk
Diskonto yang belum diamortisasi	(1.097.939)	(1.177.789)	Unamortized discount
	1.334.061	1.254.211	
	8.485.145	6.174.607	
Nilai wajar melalui penghasilan komprehensif lain			**Fair value through other comprehensive income**
Obligasi pemerintah	2.656.870	486.354	Government Bonds
Premi yang belum diamortisasi	16.198	754	Unamortized premium
Keuntungan yang belum direalisasi	10.373	1.266	Unrealized gain
	2.683.441	488.374	
Obligasi Korporasi	-	10.000	Corporate bonds
Premi yang belum diamortisasi	-	37	Unamortized premium
Keuntungan yang belum direalisasi	-	88	Unrealized gain
	-	10.125	
Obligasi Sukuk Ijarah Negara Indonesia	390.000	90.000	Indonesia Sukuk Ijarah Bonds
Diskonto yang belum diamortisasi	(4.855)	(1.677)	Unamortized discount
Keuntungan yang belum direalisasi	(1.199)	2.013	Unrealized gain
	383.946	90.336	
	3.067.387	588.835	
Sub-total	**11.552.545**	**7.319.309**	**Sub-total**

7. Surat-Surat Berharga (lanjutan)

a. Berdasarkan tujuan, jenis, dan mata uang (lanjutan)

7. Marketable Securities (continued)

a. By purpose, type, and currency (continued)

	2023	2022	
Dolar Amerika Serikat			**United States Dollar**
Nilai wajar melalui laba rugi			**Fair value through profit or loss**
Obligasi pemerintah	-	160.221	Government bonds
Premi yang belum diamortisasi	-	2.667	Unamortized premium
Kerugian yang belum direalisasi	-	(2.708)	Unrealized loss
	-	160.180	
Obligasi korporasi	5.250.377	2.802.150	Corporate bonds
Premi yang belum diamortisasi	-	-	Unamortized premium
Kerugian yang belum direalisasi	72.540	(156.098)	Unrealized loss
	5.322.917	2.646.052	
Subtotal	**5.322.917**	**2.806.232**	**Subtotal**
Diukur pada biaya perolehan diamortisasi			**Amortized cost**
Obligasi pemerintah	657.452	1.858.946	Government bonds
Premi (diskonto) yang belum diamortisasi	532	19.192	Unamortized premium (discount)
	657.984	1.878.138	
Wesel SKBDN	-	996	Domestic Letters of Credit (SKBDN)
Diskonto yang belum diamortisasi	-	(33)	Unamortized discount
	-	963	
	657.984	1.879.101	
Subtotal	**5.980.901**	**4.685.333**	**Subtotal**
Yuan China			**China Yuan**
Diukur pada biaya perolehan diamortisasi			**Amortized cost**
Wesel SKBDN	2.876	5.451	Domestic Letters of Credit (SKBDN)
Diskonto yang belum diamortisasi	(73)	(139)	Unamortized discount
Subtotal	**2.803**	**5.312**	**Subtotal**
Total	**17.536.249**	**12.009.954**	**Total**
Dikurangi: cadangan kerugian penurunan nilai	(109)	(76)	Less: allowance for impairment losses
Neto	**17.536.140**	**12.009.878**	**Net**

7. Surat-Surat Berharga (lanjutan)

b. Berdasarkan tujuan, penerbit, dan mata uang

7. Marketable Securities (continued)

b. By purpose, issuer, and currency

	2023	2022	
Rupiah			**Rupiah**
Nilai wajar melalui laba rugi			**Fair value through profit or loss**
Negara Republik Indonesia	13	555.013	Republic of Indonesia Government
Premi yang belum diamortisasi	1	7.403	Unamortized premium
Kerugian yang belum direalisasi	(1)	(6.549)	Unrealized loss
	13	555.867	
Diukur pada biaya perolehan diamortisasi			**Amortized cost**
Negara Republik Indonesia	6.790.152	4.787.909	Republic of Indonesia Government
Diskonto yang belum diamortisasi	124.043	(2.113)	Unamortized discount
	6.914.195	4.785.796	
PT Perusahaan Pengelola Aset (Persero)	2.432.000	2.432.000	PT Perusahaan Pengelola Aset (Persero)
PT KB Finansia Multifinance	105.000	-	PT KB Finansia Multifinance
PT KIK EBA Bahana	119.600	-	PT KIK EBA Bahana
PT Lekang Jaya Konstruksi	6.484	-	PT Lekang Jaya Konstruksi
PT Inka Multi Solusi	3.539	-	PT Inka Multi Solusi
PT Rizki Asa Buana	2.733	-	PT Rizki Asa Buana
PT Bahana TCW Investment Management	-	119.600	PT Bahana TCW Investment Management
PT Topsco Steel Utama	-	15.000	PT Topsco Steel Utama
	2.669.356	2.566.600	
Diskonto yang belum diamortisasi	(1.098.406)	(1.177.789)	Unamortized discount
	1.570.950	1.388.811	
	8.485.145	6.174.607	
Nilai wajar melalui penghasilan komprehensif lain			**Fair value through other comprehensive income**
Negara Republik Indonesia	3.046.870	576.354	Republic of Indonesia Government
Diskonto yang belum diamortisasi	11.343	(923)	Unamortized discount
Keuntungan yang belum direalisasi	9.174	3.279	Unrealized gain
	3.067.387	578.710	
PT Bank Victoria International Tbk	-	10.000	PT Bank Victoria International Tbk
Premi yang belum diamortisasi	-	37	Unamortized premium
Keuntungan yang belum direalisasi	-	88	Unrealized gain
	-	10.125	
	3.067.387	588.835	
Sub-total	**11.552.545**	**7.319.309**	**Sub-total**

7. Surat-Surat Berharga (lanjutan)

7. Marketable Securities (continued)

b. Berdasarkan tujuan, penerbit, dan mata uang (lanjutan)

b. By purpose, issuer, and currency (continued)

	2023	2022	
Dolar Amerika Serikat			**United States Dollar**
Nilai wajar melalui laba rugi			**Fair value through profit or loss**
Negara Republik Indonesia	-	160.221	Republic of Indonesia Government
Premi yang belum diamortisasi	-	2.667	Unamortized premium
Kerugian yang belum direalisasi	-	(2.708)	Unrealized loss
	-	160.180	
IDMB United Pte., Ltd	2.771.460	2.802.150	IDMB United Pte., Ltd
Premi yang belum diamortisasi	-	-	Unamortized premium
Kerugian yang belum direalisasi	(81.595)	(156.098)	Unrealized loss
	2.689.865	2.646.052	
SMMK Pte Ltd	2.478.917	-	SMMK Pte Ltd
Premi yang belum diamortisasi	-	-	Unamortized premium
Kerugian yang belum direalisasi	154.135	-	Unrealized loss
	2.633.052	-	
	5.322.917	2.806.232	
Diukur pada biaya perolehan diamortisasi			**Amortized cost**
Negara Republik Indonesia	657.452	1.858.946	Republic of Indonesia Government
Premi (diskonto) yang belum diamortisasi	532	19.192	Unamortized premium (discount)
	657.984	1.878.138	
PT Anugrah Putra Fajar	-	996	PT Anugrah Putra Fajar
Diskonto yang belum diamortisasi	-	(33)	Unamortized discount
	-	963	
	657.984	1.879.101	
Total	**5.980.901**	**4.685.333**	**Total**
Yuan China			**China Yuan**
Diukur pada biaya perolehan diamortisasi			**Amortized cost**
PT Anugrah Putra Fajar	2.876	5.451	PT Anugrah Putra Fajar
Diskonto yang belum diamortisasi	(73)	(139)	Unamortized discount
	2.803	5.312	
Total	**17.536.249**	**12.009.954**	**Total**
Dikurangi: cadangan kerugian penurunan nilai	(109)	(76)	Less: allowance for impairment losses
Neto	**17.536.140**	**12.009.878**	**Net**

7. Surat-Surat Berharga (lanjutan)

c. Berdasarkan tujuan, peringkat, dan mata uang

7. Marketable Securities (continued)

c. By purpose, rating, and currency

	Lembaga pemeringkat/ *Rating company*	2023	2022	
Peringkat				**Rating**
Rupiah				**Rupiah**
Nilai wajar melalui laba rugi				**Fair value through profit or loss**
Tanpa peringkat *)		13	555.867	Not rated *)
Diukur pada biaya perolehan diamortisasi				**Amortized Cost**
idAAA	Pefindo	119.600	119.600	idAAA
idAA	Pefindo	1.334.061	-	idAA
BBB-	Pefindo		1.254.211	BBB-
AAA -	Moodys	105.000	-	AAA
Tanpa peringkat *)		6.926.484	4.800.796	Not rated *)
		8.485.145	6.174.607	
Nilai wajar melalui penghasilan komprehensif lain				**Fair value through other comprehensive income**
idA-	Pefindo	-	10.125	idA-
Tanpa peringkat *)		3.067.387	578.710	Not rated *)
		3.067.387	588.835	
Total		**11.552.545**	**7.319.309**	**Total**
Dolar Amerika Serikat				**United States Dollar**
Nilai wajar melalui laba rugi				**Fair value through profit or loss**
A+	Standard & Poor's	5.322.917	2.646.052	A+
Tanpa peringkat *)		-	160.180	Not rated *)
		5.322.917	2.806.232	
Nilai wajar melalui penghasilan komprehensif lain				**Fair value through other comprehensive income**
Tanpa peringkat *)		-	-	Not rated *)
Diukur pada biaya perolehan diamortisasi				**Amortized Cost**
Tanpa peringkat *)		657.984	1.879.101	Not rated *)
Total		**5.980.901**	**4.685.333**	**Total**
Yuan China				**China Yuan**
Diukur pada biaya perolehan diamortisasi				**Amortized Cost**
Tanpa peringkat *)		2.803	5.312	Not rated *)
Total		**17.536.249**	**12.009.954**	**Total**
Dikurangi: cadangan kerugian penurunan nilai		(109)	(76)	Less :allowance for impairment losses
Neto		**17.536.140**	**12.009.878**	**Net**

*) Terdiri dari Wesel SKBDN, Obligasi Pemerintah, Obligasi Ritel Indonesia, Obligasi Sukuk Ijarah Negara Indonesia, Surat Utang Negara, dan Sertifikat Deposito Bank Indonesia.

*) Consists of Domestic Letter of Credit (SKBDN), Government Bonds, Indonesia Retail Bond, Indonesia Sukuk Ijarah Bonds, State Promissory Notes, and Bank Indonesia Certificates of Deposits.

7. Surat-Surat Berharga (lanjutan) / 7. Marketable Securities (continued)

d. Berdasarkan sisa umur jatuh tempo / d. By remaining period to maturity

	2023	2022	
Rupiah			**Rupiah**
≤ 1 bulan	3.430	327.860	≤ 1 month
> 1 - 3 bulan	333.363	-	> 1 - 3 months
> 3 bulan - 1 tahun	352.428	641.180	> 3 months - 1 year
> 1 - 5 tahun	3.399.602	1.196.209	> 1 - 5 years
> 5 - 10 tahun	4.685.286	2.579.050	> 5 - 10 years
> 10 tahun	2.778.436	2.575.010	> 10 years
Subtotal	11.552.545	7.319.309	Subtotal
Dolar Amerika Serikat			**United States Dollar**
≤ 1 bulan	657.983	425.584	≤ 1 month
> 1 - 3 bulan	-	439.115	> 1 - 3 months
> 3 bulan - 1 tahun	-	559.318	> 3 months - 1 year
> 1 - 5 tahun	2.689.864	3.261.316	> 1 - 5 years
> 5 - 10 tahun	2.633.054	-	> 5 - 10 years
Sub-total	5.980.901	4.685.333	Sub-total
Yuan China			**Chinese Yuan**
≤ 1 bulan	-	324	≤ 1 month
> 1 - 3 bulan	1.277	1.937	> 1 - 3 months
> 3 bulan - 1 tahun	1.526	3.051	> 3 months - 1 year
Subtotal	2.803	5.312	Subtotal
Total	**17.536.249**	**12.009.954**	**Total**
Cadangan kerugian penurunan nilai	(109)	(76)	Allowance for impairment losses
Neto	**17.536.140**	**12.009.878**	**Net**

e. Berdasarkan golongan penerbit / e. By classification of issuers

	2023	2022	
Pemerintah dan Bank Indonesia:			Government and Bank Indonesia:
Obligasi Pemerintah	8.220.893	5.746.281	Government Bonds
Obligasi Sukuk Ijarah Negara Indonesia	2.418.686	2.212.410	Indonesia Sukuk Ijarah Bonds
Sub-total	10.639.579	7.958.691	Sub-total
IDMB United Pte., Ltd	2.689.865	2.646.052	IDMB United Pte., Ltd
SMMK Pte., Ltd	2.633.052	-	SMMK Pte., Ltd
PT Perusahaan Pengelola Aset (Persero)	1.334.062	1.254.211	PT Perusahaan Pengelola Aset (Persero)
PT Bahana TCW Investment Management	119.600	119.600	PT Bahana TCW Investment Management
PT KB Finansia Multifinance	105.000	-	PT KB Finansia Multifinance
PT Lekang Jaya Konstruksi	6.188	-	PT Lekang Jaya Konstruksi
PT Inka Multi Solusi	3.430	-	PT Inka Multi Solusi
PT Anugrah Putra Fajar	2.803	6.275	PT Anugrah Putra Fajar
PT Rizki Asa Buana	2.670	-	PT Rizki Asa Buana
PT Topsco Steel Utama	-	15.000	PT Topsco Steel Utama
PT Bank Victoria International Tbk	-	10.125	PT Bank Victoria International Tbk
Sub-total	6.896.670	4.051.263	Sub-total
Total	**17.536.249**	**12.009.954**	**Total**
Cadangan kerugian penurunan nilai	(109)	(76)	Allowance for impairment losses
Neto	**17.536.140**	**12.009.878**	**Net**

7. Surat-Surat Berharga (lanjutan)

f. Berdasarkan tanggal jatuh tempo dan peringkat

7. Marketable Securities (continued)

f. By maturity date and rating

	Tanggal jatuh tempo/ *Maturity date*	2023	2022	
Wesel SKBDN	12 Juni2024/ June 12, 2024	Tanpa peringkat/ Not rated	Tanpa peringkat/ Not rated	Domestic Letters of Credit (SKBDN)
Obligasi Pemerintah - Dolar Amerika Serikat	15 Januari 2024/ January 15, 2024	Tanpa peringkat/ Not rated	Tanpa peringkat/ Not rated	Government Bonds - United States Dollar
KIK EBA Bahana Bukopin Tahun 2019	4 September 2026/ September 4, 2026	idAAA	idAAA	KIK EBA Bahana Bukopin Year 2019
IDR-Linked Step-Up Fixed Rate Guaranteed Bond IDMB United Pte Ltd	21 Juni 2027/ June 21, 2027	A+	A+	IDR-Linked Step-Up Fixed Guaranteed Bond IDMB United Pte Ltd
SMMK Pte Ltd	28 September 2037/ September 28, 2037	A+	-	SMMK Pte Ltd
Obligasi Korporasi	28 September 2037/ September 28, 2037	AAA(idn)	BBB-	Corporate Bonds
Obligasi Pemerintah - Rupiah	15 April 2040/ April 15, 2040	Tanpa peringkat/ Not rated	Tanpa peringkat/ Not rated	Government Bonds - Rupiah
Obligasi Sukuk Ijarah Negara Indonesia	15 April 2043/ April 15, 2043	idA-	idA-	Indonesia Sukuk Ijarah Bonds

Peringkat untuk obligasi yang terdaftar di Bursa Efek Indonesia berdasarkan peringkat yang dilaporkan oleh PT Pemeringkat Efek Indonesia (Pefindo), sedangkan peringkat untuk obligasi lain yang tidak terdaftar di Bursa Efek Indonesia berdasarkan peringkat obligasi yang dilaporkan oleh Standard & Poor's.

The ratings of the bonds which are registered in the Indonesia Stock Exchange are determined by PT Pemeringkat Efek Indonesia (Pefindo), meanwhile the ratings of the bonds which are not registered in the Indonesia Stock Exchange are determined by Standard & Poor's.

g. Berdasarkan kolektibilitas

Pada tanggal 31 Desember 2023 dan 2022, semua surat berharga yang dimiliki oleh Bank diklasifikasikan lancar.

g. By collectibility

As at December 31, 2023 and 2022, all marketable securities held by the Bank are classified as current.

h. Tingkat bunga rata-rata per tahun

h. Average annual interest rates

	2023	2022	
Rupiah			**Rupiah**
Obligasi korporasi	7,30%	10,30%	Corporate bonds
Wesel SKBDN	9,17%	-	Domestic Letters of Credit (SKBDN)
Obligasi pemerintah	10,07%	7,65%	Goverment bonds
Obligasi ritel indonesia - tingkat bunga tetap	4,90%	5,65%	Indonesia retail bond - fixed rate
Sukuk korporasi	0,75%	0,75%	Corporate sukuk

7. Surat-Surat Berharga (lanjutan)

h. Tingkat bunga rata-rata per tahun (lanjutan)

	2023	2022	
Dolar Amerika Serikat			**United States Dollar**
Obligasi Pemerintah - tingkat bunga tetap	5,88%	4,08%	Indonesia retail bonds - fixed rate
Obligasi korporasi	2,00%	2,00%	Corporate bonds
Wesel SKBDN	-	7,48%	Domestic Letters of Credit (SKBDN)
Yuan China			**Chinese Yuan**
Wesel SKBDN	6,41%	6,04%	Domestic Letters of Credit (SKBDN)

i. Perubahan cadangan kerugian penurunan nilai

	2023	2022	
Saldo awal	76	125	Beginning balance
Penyisihan (pemulihan) selama tahun berjalan	33	(49)	Provision (reversal) during the year
Saldo akhir	**109**	**76**	**Ending balance**

Pada tanggal 31 Desember 2023 dan 2022, Manajemen berpendapat bahwa cadangan kerugian penurunan nilai yang dibentuk telah memadai.

j. Informasi signifikan lainnya sehubungan dengan surat-surat berharga

Pada tanggal 31 Desember 2023 dan 2022, Bank menjaminkan sebagian surat berharga berupa obligasi pemerintah dengan nilai tercatat Rp219.745 dan nihil untuk transaksi surat berharga yang dijual dengan janji dibeli kembali.

k. Perubahan efek-efek berdasarkan klasifikasinya

	31 Desember/*December 31, 2023*			
	Nilai Tercatat Bruto/*Gross Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/*Net Carrying Amount*	
Nilai wajar melalui penghasilan laba rugi				Fair value through other profit and loss
Saldo awal tahun	3.362.099	-	3.362.099	Beginning balance of the year
Aset keuangan yang baru dibeli	2.478.917	-	2.478.917	New financial assets puchased
Aset keuangan yang jatuh tempo atau dijual	(745.911)	-	(745.911)	Maturities or disposal
Kerugian dari perubahan nilai wajar	237.895	-	237.895	Loss on changes in fair value
Lainnya	(10.070)	-	(10.070)	Others
Saldo, akhir tahun	**5.322.930**	**-**	**5.322.930**	**Balance, end of year**

7. Marketable Securities (continued)

h. Average annual interest rates (continued)

As at December 31, 2023 and 2022, Management believes that the allowance for impairment losses on is adequate.

i. Movements in allowance for impairment losses

j. Other significant information regarding marketable securities

As at December 31, 2023 and 2022, the Bank has pledged part of marketable securities in form of government bonds with carrying amount of Rp219,745 and nil, respectively, for marketable securities sold with agreement to repurchase transactions.

k. Changes in Marketables securities based on classification

7. Surat-Surat Berharga (lanjutan)

k. Perubahan efek-efek berdasarkan klasifikasinya (lanjutan)

7. Marketable Securities (continued)

k. Changes in Marketables securities based on classification (continued)

	31 Desember/*December 31, 2023*			
	Nilai Tercatat Bruto/*Gross Carrying Amount*	**Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses***	**Nilai Tercatat Bersih/*Net Carrying Amount***	
Nilai wajar melalui penghasilan komprehensif lain				Fair value through other comprehensive income
Saldo awal tahun	588.835	-	588.835	Beginning balance of the year
Aset keuangan yang baru dibeli	2.671.395	-	2.671.395	New financial assets purchased
Aset keuangan yang jatuh tempo atau dijual	(210.877)	-	(210.877)	Maturities or disposal
Kerugian dari perubahan nilai wajar	5.807	-	5.807	Loss on changes in fair value
Lainnya	12.227	-	12.227	Others
Saldo, akhir tahun	**3.067.387**	**-**	**3.067.387**	**Balance, end of year**

	31 Desember/*December 31, 2023*			
	Nilai Tercatat Bruto/*Gross Carrying Amount*	**Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses***	**Nilai Tercatat Bersih/*Net Carrying Amount***	
Biaya perolehan diamortisasi				Amortized cost
Saldo. awal tahun	8.059.020	(76)	8.058.944	Beginning balance of the year
Aset keuangan yang baru dibeli	3.083.060	(33)	3.083.060	New financial assets purchased
Aset keuangan yang jatuh tempo atau dijual	(2.183.126)	-	(2.183.126)	Maturities or disposal
Lainnya	186.978	-	186.945	Others
Saldo, akhir tahun	**9.145.932**	**(109)**	**9.145.823**	**Balance, end of year**

8. Surat Berharga yang Dibeli dengan Janji Dijual Kembali

Pada tanggal 31 Desember 2022 tidak terdapat surat berharga yang dibeli dengan janji dijual kembali.

Surat berharga yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2023 terdiri dari:

8. Marketable Securities Purchased with Agreement to Resell

As at December 31, 2022, there is no marketable securities purchased with agreements to resell.

Marketable securities purchased with agreements to resell as at December 31, 2023 are as follow:

	2023						
	Jangka Waktu/ *Period*	**Tanggal Dimulai/ *Start Date***	**Tanggal Jatuh Tempo/ *Due Date***	**Suku Bunga/ *Interest Rate***	**Harga Beli Kembali/ *Repurchase Price***	**Bunga Belum Diamortisasi/ *Unamortized Interest***	**Nilai Neto/ *Net Value***
Pihak ketiga/*Third party*							
Rupiah:							
Bank Indonesia							
Obligasi Pemerintah/ Government Bonds							
Seri/*Series* VR0034	7 hari/ *7 days*	27 Des. 2023/ *Dec. 27, 2023*	3 Jan. 2024/ *Jan. 3, 2024*	6,00%%	95.875	(48)	95.827
Seri/*Series* VR0054	7 hari/ *7 days*	Des 28, 2023/ *28 Des. 2023/*	4 Jan. 2024/ *Jan. 4, 2024*	6,00%	287.356	(191)	287.165
Seri/*Series* VR0054	7 hari/ *7 days*	28 Des 2023/ *Des 28, 2023/*	4 Jan. 2024/ *Jan. 4, 2024*	6,00%	143.678	(96)	143.582

8. Surat Berharga yang Dibeli dengan Janji Dijual Kembali (lanjutan)

8. Marketable Securities Purchased with Agreement to Resell (continued)

	2023						
	Jangka Waktu/ *Period*	Tanggal Dimulai/ *Start Date*	Tanggal Jatuh Tempo/ *Due Date*	Suku Bunga/ *Interest Rate*	Harga Beli Kembali/ *Repurchase Price*	Bunga Belum Diamortisasi/ *Unamortized Interest*	Nilai Neto/ *Net Value*
Seri/*Series* VR0034	7 hari/ *7 days*	29 Des. 2023// *Dec. 29, 2023*	5 Jan. 2024/ *Jan 5, 2024*	6,00%	383.685	(319)	383.366
Seri/*Series* VR0034	7 hari/ *7 days*	29 Des. 2023// *Dec. 29, 2023*	5 Jan. 2024/ *Jan 5, 2024*	6,00%	671.448	(559)	670.889
Seri/*Series* VR0062	7 hari/ *7 days*	29 Des. 2023// *Dec. 29, 2023*	5 Jan. 2024/ *Jan 5, 2024*	6,00%	665.046	(554)	664.492
Seri/*Series* VR0042	7 hari/ *7 days*	29 Des. 2023// *Dec. 29, 2023*	5 Jan. 2024/ *Jan 5, 2024*	6,00%	142.915	(119)	142.796
Seri/*Series* VR0034	92 hari/ *92 days*	15 Nov. 2023/// *Nov. 15, 2023*	15 Feb. 2024// *Feb. 15, 2024*	6,55%	48.806	(402)	48.404
Seri/*Series* VR0065	273 hari/ *273 days*	Jun. 16, 2023/ *16 Jun, 2023/*	15 Mar. 2024// *Mar. 15, 2024*	6,40%	24.221	(308)	23.913
Seri/*Series* VR0065	273 hari/ *273 days*	Jun. 16, 2023/ *16 Jun, 2023/*	15 Mar. 2024// *Mar. 15, 2024*	6,41%	24.223	(308)	23.915
Seri/*Series* VR 0045	273 hari/ *273 days*	23 Jun. 2023// *Jun. 23, 2023*	22 Mar 2024/ *Mar. 22, 2024*	6,41%	49.270	(686)	48.584
Seri/*Series* VR 0037	364 hari/ *364 days*	16 Jun 2023/ *Jun. 16, 2023*	14 Juni. 2024/ *June 14, 2024*	6,41%	19.820	(551)	19.269
Seri/*Series* VR 0043	364 hari/ 364 *days*	23 Jun. 2023// *Jun. 23, 2023*	21 Jun 2024/ *Jun. 21, 2024*	6,41%	20.545	(595)	19.950
Total					**2.576.888**	**(4.736)**	**2.572.152**

9. Kredit yang Diberikan dan Pembiayaan/Piutang Syariah

9. Loans and Sharia Financing/Receivables

a. Berdasarkan mata uang, jenis, dan kolektibilitas

a. By currency, type, and collectability

	2023						
	Lancar/ *Current*	Dalam Perhatian Khusus/ *Special Mention*	Kurang Lancar/ *Substandard*	Diragukan/ *Doubtful*	Macet/ *Loss*	Total	
Rupiah:							**Rupiah:**
Modal kerja	12.700.942	2.778.896	86.298	27.551	1.385.015	16.978.702	Working capital
Investasi	12.421.537	955.853	45.904	15.666	1.036.580	14.475.540	Investment
Konsumsi	10.407.855	444.975	76.048	117.965	1.699.974	12.746.817	Consumer
Program Pemerintah	98.757	1.035	-	1.306	4.044	105.142	Government program
Sindikasi	3.544	122	-	221	39	3.926	Syndicated
Direksi dan karyawan	76.516	-	-	-	2.152	78.668	Directors and employees
Total Rupiah	35.709.151	4.180.881	208.250	162.709	4.127.804	44.388.795	Total Rupiah
Cadangan kerugian penurunan nilai	(591.000)	(752.511)	(44.807)	(56.860)	(2.069.484)	(3.514.662)	Allowance for impairment losses
Neto	35.118.151	3.428.370	163.443	105.849	2.058.320	40.874.133	Net
Mata uang asing:							**Foreign currencies:**
Modal kerja	3.355.300	-	-	-	13.821	3.369.121	Working capital
Investasi	1.658.515	-	-	-	-	1.658.515	Investment
Konsumsi	2.185	-	-	-	-	2.185	Consumer
Total mata uang asing	5.016.000	-	-	-	13.821	5.029.821	Total foreign currencies
Cadangan kerugian penurunan nilai	(64.311)	-	-	-	(3.861)	(68.172)	Allowance for impairment losses
Neto	4.951.689	-	-	-	9.960	4.961.649	Net
Total	**40.069.840**	**3.428.370**	**163.443**	**105.849**	**2.068.280**	**45.835.782**	**Total**

9. Kredit yang Diberikan dan Pembiayaan/ Piutang Syariah (lanjutan)

9. Loans and Sharia Financing/Receivables (continued)

a. Berdasarkan mata uang, jenis, dan kolektibilitas (lanjutan)

a. By currency, type, and collectability (continued)

2022

	Lancar/ *Current*	Dalam Perhatian Khusus/ *Special Mention*	Kurang Lancar/ *Substandard*	Diragukan/ *Doubtful*	Macet/ *Loss*	Total	
Rupiah:							**Rupiah:**
Modal kerja	17.577.102	537.385	221.593	116.896	398.519	18.851.495	Working capital
Konsumsi	11.421.325	475.524	61.644	117.794	1.901.237	13.977.524	Consumer
Investasi	12.967.929	282.237	132.377	137.770	266.396	13.786.709	Investment
Program Pemerintah	60.032	1.085	272	41	11.193	72.623	Government program
Sindikasi	539.090	-	-	-		539.090	Syndicated
Direksi dan karyawan	76.210	-	-	-	-	76.210	Directors and employees
Total Rupiah	42.641.688	1.296.231	415.886	372.501	2.577.345	47.303.651	Total Rupiah
Cadangan kerugian penurunan nilai	(520.251)	(93.532)	(60.615)	(113.253)	(787.416)	(1.575.067)	Allowance for impairment losses
Neto	42.121.437	1.202.699	355.271	259.248	1.789.929	45.728.584	Net
Mata uang asing:							**Foreign currencies:**
Modal kerja	1.573.816	-	-	-	33.384	1.607.200	Working capital
Sindikasi	1.193.746	-	-	-	-	1.193.746	Syndicated
Investasi	476.531	-	-	-	-	476.531	Investment
Konsumsi	2.306	-	-	-	-	2.306	Consumer
Total mata uang asing	3.246.399	-	-	-	33.384	3.279.783	Total foreign currencies
Cadangan kerugian penurunan nilai	(42.284)	-	-	-	(9.325)	(51.609)	Allowance for impairment losses
Neto	3.204.115	-	-	-	24.059	3.228.174	Net
Total	**45.325.552**	**1.202.699**	**355.271**	**259.248**	**1.813.988**	**48.956.758**	**Total**

b. Berdasarkan sektor ekonomi

b. By economic sector

2023

	Lancar/ *Current*	Dalam Perhatian Khusus/ *Special Mention*	Kurang Lancar/ *Substandard*	Diragukan/ *Doubtful*	Macet/ *Loss*	Total	
Rupiah:							**Rupiah:**
Jasa	5.453.262	246.206	42.569	29.155	289.934	6.061.126	Business service
Perdagangan	5.042.811	587.683	16.035	3.947	679.208	6.329.684	Trading
Manufaktur	3.366.414	90.299	41	265	72.422	3.529.441	Manufacturing
Transportasi	2.283.449	41.061	2.392	761	305.646	2.633.309	Transportation
Konstruksi	2.020.662	1.517.331	10.750	4.282	188.947	3.741.972	Construction
Tenaga listrik	632.494	-	-	-	14.037	646.531	Power supply
Pertanian	589.456	149.512	20.922	-	3.586	763.476	Agriculture
Pertambangan	525.750	-	-	2.158	856.035	1.383.943	Mining
Lain-lain	15.794.853	1.548.789	115.541	122.141	1.717.989	19.299.313	Others
Total Rupiah	35.709.151	4.180.881	208.250	162.709	4.127.804	44.388.795	Total Rupiah
Cadangan kerugian penurunan nilai	(591.000)	(752.511)	(44.807)	(56.860)	(2.069.484)	(3.514.662)	Allowance for impairment losses
Neto	35.118.151	3.428.370	163.443	105.849	2.058.320	40.874.133	Net
Mata uang asing:							**Foreign currencies:**
Manufaktur	1.929.078	-	-	-	-	1.929.078	Manufacturing
Tenaga listrik	1.196.702					1.196.702	Power supply
Pertambangan	971.791	-	-	-	-	971.791	Mining
Jasa	691.970	-	-	-	13.821	705.791	Business service
Perdagangan	140.370	-	-	-	-	140.370	Trading
Transportasi	-	-	-	-	-	-	Transportation
Pertanian	76.966	-	-	-	-	76.966	Agriculture
Konstruksi	6.937	-	-	-	-	6.937	Contructions
Lain-lain	2.186					2.186	Others
Total mata uang asing	5.016.000	-	-	-	13.821	5.029.821	Total foreign currencies
Cadangan kerugian penurunan nilai	(64.311)	-	-	-	(3.861)	(68.172)	Allowance for impairment losses
Neto	4.951.689	-	-	-	9.960	4.961.649	Net
Total	**40.069.840**	**3.428.370**	**163.443**	**105.849**	**2.068.280**	**45.835.782**	**Total**

9. Kredit yang Diberikan dan Pembiayaan/ Piutang Syariah (lanjutan)

9. Loans and Sharia Financing/Receivables (continued)

b. Berdasarkan sektor ekonomi (lanjutan)

a. By economic sector (continued)

	2022						
	Lancar/ *Current*	Dalam Perhatian Khusus/ *Special Mention*	Kurang Lancar/ *Substandard*	Diragukan/ *Doubtful*	Macet/ *Loss*	Total	
Rupiah:							**Rupiah:**
Jasa	8.860.548	117.414	13.651	141.655	201.316	9.334.584	Business service
Perdagangan	6.494.235	211.563	214.697	47.819	186.674	7.154.988	Trading
Konstruksi	6.675.508	301.864	14.898	37.854	60.548	7.090.672	Construction
Manufaktur	3.618.959	36.689	594	20.425	26.749	3.703.416	Manufacturing
Transportasi	2.131.639	84.795	2.626	3.120	217.745	2.439.925	Transportation
Pertanian	1.211.319	10.525	59	1.761	53.433	1.277.097	Agriculture
Pertambangan	1.127.077	1.200	55.309	-	371	1.183.957	Mining
Tenaga listrik	736.312	3.984	1.500	-	-	741.796	Power supply
Lain-lain	11.786.091	528.197	112.552	119.867	1.830.509	14.377.216	Others
Total Rupiah	42.641.688	1.296.231	415.886	327.501	2.577.345	47.303.651	Total Rupiah
Cadangan kerugian penurunan nilai	(520.251)	(93.532)	(60.615)	(113.253)	(787.416)	(1.575.067)	Allowance for impairment losses
Neto	42.121.437	1.202.699	355.271	259.248	1.789.929	45.728.584	Net
Mata uang asing:							**Foreign currencies:**
Pertambangan	1.381.317	-	-	-	-	1.381.317	Mining
Manufaktur	1.036.436	-	-	-	-	1.036.436	Manufacturing
Perdagangan	446.841	-	-	-	-	446.841	Trading
Transportasi	224.728	-	-	-	-	224.728	Transportation
Tenaga listrik	145.637	-	-	-	-	145.637	Power supply
Jasa	2.117	-	-	-	33.384	35.501	Business service
Konstruksi	7.019	-	-	-	-	7.019	Contruction
Lain-lain	2.304	-	-	-	-	2.304	Others
Total mata uang asing	3.246.399	-	-	-	33.384	3.279.783	Total foreign currencies
Cadangan kerugian penurunan nilai	(42.284)	-	-	-	(9.325)	(51.609)	Allowance for impairment losses
Neto	3.204.115	-	-	-	24.059	3.228.174	Net
Total	**45.325.552**	**1.202.699**	**355.271**	**259.248**	**1.813.988**	**48.956.758**	**Total**

c. Berdasarkan jangka waktu

c. By maturity

	2023	2022	
Rupiah:			Rupiah:
≤ 1 tahun	4.063.560	4.943.737	≤ 1 year
> 1 - 2 tahun	4.312.807	2.930.923	> 1 - 2 years
> 2 - 5 tahun	7.058.334	6.590.406	> 2 - 5 years
> 5 tahun	28.954.094	32.838.585	> 5 years
	44.388.795	47.303.651	
Mata uang asing:			Foreign currencies:
≤ 1 tahun	515.517	1.089.734	≤ 1 year
> 1 - 2 tahun	1.346.108	355.272	> 1 - 2 years
> 2 - 5 tahun	852.041	275.123	> 2 - 5 years
> 5 tahun	2.316.155	1.559.654	> 5 years
	5.029.821	3.279.783	
Total	49.418.616	50.583.434	Total
Cadangan kerugian penurunan nilai	(3.582.834)	(1.626.676)	Allowance for impairment losses
Neto	**45.835.782**	**48.956.758**	**Net**

9. Kredit yang Diberikan dan Pembiayaan/ Piutang Syariah (lanjutan)

9. Loans and Sharia Financing/Receivables (continued)

d. Berdasarkan sisa umur jatuh tempo

d. By remaining period to maturity

	2023	2022	
Rupiah:			Rupiah:
≤ 1 tahun	11.540.191	5.238.806	≤ 1 year
> 1 - 2 tahun	2.720.879	5.259.702	> 1 - 2 years
> 2 - 5 tahun	10.476.093	10.899.436	> 2 - 5 years
> 5 tahun	19.651.632	25.905.707	> 5 years
	44.388.795	47.303.651	
Mata uang asing:			Foreign currencies:
≤ 1 tahun	2.017.857	428.364	≤ 1 year
> 1 - 2 tahun	170.491	1.027.607	> 1 - 2 years
> 2 - 5 tahun	1.798.169	431.345	> 2 - 5 years
> 5 tahun	1.043.304	1.392.467	> 5 years
	5.029.821	3.279.783	
Total	49.418.616	50.583.434	Total
Cadangan kerugian penurunan nilai	(3.582.834)	(1.626.676)	Allowance for impairment losses
Neto	**45.835.782**	**48.956.758**	**Net**

e. Berdasarkan mata uang

e. By currency

	2023	2022	
Rupiah	44.388.795	47.303.651	Rupiah
Mata uang asing :			Foreign currencies:
Dolar Amerika Serikat	5.027.636	3.277.656	United States Dollar
Euro Eropa	2.185	2.127	Euro European
	5.029.821	3.279.783	
Total	**49.418.616**	**50.583.434**	**Total**
Cadangan kerugian penurunan nilai	(3.582.834)	(1.626.676)	Allowance for impairment losses
Neto	**45.835.782**	**48.956.758**	**Net**

f. Berdasarkan stage

f. By stages

	2023				
	Stage 1	Stage 2	Stage 3	Total	
Saldo awal tahun	45.503.113	1.634.341	3.445.980	50.583.434	Beginning balance of the year
Transfer ke kerugian kredit ekspektasian sepanjang umur (Stage 2)	(3.141.506)	3.174.585	(33.079)	-	Transferred to lifetime expected credit losses (Stage 2)
Transfer ke kredit yang mengalami penurunan nilai (Stage 3)	(5.193.908)	(334.956)	5.528.864	-	Transferred to credit impaired (Stage 3)
Transfer ke kerugian kredit ekspektasian 12 bulan (Stage 1)	467.486	(413.498)	(53.988)	-	Transferred to 12 month expected credit losses (Stage 1)
Perubahan bersih pada eksposur dan pengukuran kembali	6.951.508	(73.413)	-	6.878.095	Net change in exposure and remeasurement
Penghapusan	(3.621.400)	(46.060)	(4.375.453)	(8.042.913)	Written-off
Saldo akhir tahun	**40.965.293**	**3.940.999**	**4.512.324**	**49.418.616**	**Balance end of year**

9. Kredit yang Diberikan dan Pembiayaan/ Piutang Syariah (lanjutan)

9. Loans and Sharia Financing/Receivables (continued)

f. Berdasarkan stage (lanjutan)

f. By stages (continued)

	2022				
	Stage 1	Stage 2	Stage 3	Total	
Saldo awal tahun	44.465.086	4.342.810	9.704.192	58.512.088	Beginning balance of the year
Transfer ke kerugian kredit ekspektasian sepanjang umur (Stage 2)	(5.439)	96.610	(91.171)	-	Transferred to lifetime expected credit losses (Stage 2)
Transfer ke kredit yang mengalami penurunan nilai (Stage 3)	8.979	(26.389)	17.410	-	Transferred to credit impaired (Stage 3)
Transfer ke kerugian kredit ekspektasian 12 bulan (Stage 1)	(1.451.632)	(815.211)	2.266.843	-	Transferred to 12 month expected credit losses (Stage 1)
Perubahan bersih pada eksposur dan pengukuran kembali	2.486.119	(1.963.479)	(3.001.824)	(2.479.184)	Net change in exposure and remeasurement
Penghapusan	-	-	(5.449.470)	(5.449.470)	Written-off
Saldo akhir tahun	**45.503.113**	**1.634.341**	**3.445.980**	**50.583.434**	**Balance end of year**

g. Kredit konsumsi

Kredit konsumsi terdiri dari:

g. Consumer loans

The consumer loans consists of:

	2023	2022	
Kredit personal	10.154.077	9.509.200	Personal loans
Kredit pemilikan rumah	1.362.701	1.851.156	Housing loans
Kartu kredit	456.910	531.801	Credit card
Kredit kendaraan bermotor	402.945	89.871	Motor vehicle loans
Kredit konsumsi lainnya	372.369	1.997.802	Other consumer loans
Total	**12.749.002**	**13.979.830**	**Total**

h. Kredit yang bermasalah

Pada tanggal 31 Desember 2023, rasio kredit bermasalah - kotor dan neto konsolidasian berdasarkan peraturan Bank Indonesia masing-masing adalah 9,13% dan 4,73% (31 Desember 2022: 6,72% dan 4,80%).

Rincian kredit yang bermasalah berdasarkan sektor ekonomi pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

h. Non-performing loans

As at December 31, 2023, the ratios of consolidated non-performing loans - gross and net based on Bank Indonesia regulation are 9.13% and 4.73%, respectively (December 31, 2022 : 6.72% and 4.80%).

As at December 31, 2023 and 2022 the details of non-performing loans by economic sector are as follows:

	2023	2022	
Pertambangan	858.193	55.680	Mining
Perdagangan	699.190	449.190	Trading
Jasa	375.478	390.006	Business service
Transportasi	308.798	223.491	Transportation
Konstruksi	203.979	113.300	Construction
Manufaktur	72.727	47.768	Manufacturing
Pertanian	24.508	55.253	Agriculture
Tenaga listrik	14.037	1.500	Power supply
Lain-lain	1.955.675	2.062.928	Others
Total	4.512.585	3.399.116	Total
Cadangan kerugian penurunan nilai	(2.175.011)	(970.609)	Allowance for impairment losses
Neto	**2.337.574**	**2.428.507**	**Net**

9. Kredit yang Diberikan dan Pembiayaan/ Piutang Syariah (lanjutan)

i. Pembiayaan Syariah

Rincian pembiayaan/piutang syariah pada tanggal 31 Desember 2023 dan 2022 sebagai berikut:

	2023	2022	
Piutang Murabahah	3.496.817	724.021	Murabahah receivables
Pembiayaan Musyarakah	1.637.181	4.146.158	Musyarakah financing
Piutang Ijarah	280.049	53.536	Piutang Ijarah
Pembiayaan Mudharabah	207.785	243.729	Mudharabah financing
Piutang Istishna	6.902	582	Piutang Istishna
Piutang Qardh	3.054	119	Qardh receivables
Total	**5.631.788**	**5.168.145**	**Total**
Cadangan kerugian penurunan nilai	(91.804)	(115.245)	Allowance for impairment losses
Neto	**5.539.984**	**5.052.900**	**Net**

j. Kredit sindikasi

Kredit sindikasi merupakan kredit yang diberikan dan pembiayaan/piutang syariah kepada nasabah berdasarkan perjanjian pembiayaan bersama dengan bank-bank lain. Keikutsertaan Bank sebagai anggota sindikasi dengan persentase penyertaan berkisar antara 22% sampai dengan 70% pada tanggal 31 Desember 2023 dari total kredit sindikasi. Risiko atas kredit sindikasi ditanggung secara proporsional oleh bank-bank peserta.

k. Tingkat bunga rata-rata per tahun

Tingkat bunga rata-rata per tahun untuk kredit yang diberikan adalah sebagai berikut:

	2023	2022	
Rupiah	10,75%	13,59%	Rupiah
Mata uang asing	6,96%	1,96%	Foreign currencies

l. Kredit kepada pihak berelasi

	2023	2022	
Modal kerja	619.779	370.000	Working capital
Investasi	-	363.699	Investments
Direksi, Dewan Komisaris, Dewan Pengawas Syariah, dan Pejabat Eksekutif	20.867	27.634	Board of Directors, Board of Commissioners, Sharia Supervisory Board, and Executive Officers
Total (Catatan 38)	**640.646**	**761.333**	**Total (Note 38)**
Cadangan kerugian penurunan nilai	(7.934)	(16.165)	Allowance for impairment losses
Neto	**632.712**	**745.168**	**Net**

9. Loans and Sharia Financing/Receivables (continued)

i. Sharia financing

As at December 31, 2023 and 2022, the details of sharia financing/receivables are as follows:

j. Syndicated loans

Syndicated loans represent loans and sharia financing/receivables provided to customers under syndication agreements with other banks. The Bank's shares as a member in syndicated loans were 22% to 70% as at December 31, 2023 of the total syndicated loans. Risks from syndicated loans are shared proportionately by the participating banks.

k. Average annual interest rates

The average interest rates per annum on loans are as follows:

l. Loans to related parties

9. Kredit yang Diberikan dan Pembiayaan/ Piutang Syariah (lanjutan)

m. Perubahan cadangan kerugian penurunan nilai

Perubahan cadangan kerugian penurunan nilai kredit yang diberikan dan pembiayaan/piutang Syariah adalah sebagai berikut:

9. Loans and Sharia Financing/Receivables (continued)

m. Movements in allowance for impairment losses

The movements in allowance for impairment losses of loans and Sharia financing/receivables are as follows:

	2023				
	Stage 1	**Stage 2**	**Stage 3**	**Total**	
Saldo awal tahun	535.853	104.609	986.214	1.626.676	Beginning balance of the year
Transfer ke kerugian kredit ekspektasian sepanjang umur (Stage 2)	(188.371)	190.045	(1.674)	-	Transferred to lifetime expected credit losses (Stage 2)
Transfer ke kredit yang mengalami penurunan nilai (Stage 3)	(1.206.777)	(143.842)	1.350.619	-	Transferred to credit impaired (Stage 3)
Transfer ke kerugian kredit ekspektasian 12 bulan (Stage 1)	15.831	(4.476)	(11.355)	-	Transferred to 12 month expected credit losses (Stage 1)
Perubahan bersih pada eksposur dan pengukuran kembali	3.968.635	386.059	4.226.660	8.581.354	Net change in exposure and remeasurement
Penghapusan	(2.213.865)	(35.878)	(4.375.453)	(6.625.196)	Written-off
Saldo akhir tahun	**911.306**	**496.517**	**2.175.011**	**3.582.834**	**Ending balance of the year**

	2022				
	Stage 1	**Stage 2**	**Stage 3**	**Total**	
Saldo awal tahun	420.937	230.889	4.009.988	4.661.814	Beginning balance of the year
Transfer ke kerugian kredit ekspektasian sepanjang umur (Stage 2)	55.631	3.226	(58.857)	-	Transferred to lifetime expected credit losses (Stage 2)
Transfer ke kredit yang mengalami penurunan nilai (Stage 3)	256.143	74.418	(330.561)	-	Transferred to credit impaired (Stage 3)
Transfer ke kerugian kredit ekspektasian 12 bulan (Stage 1)	87.203	(138.546)	51.343	-	Transferred to 12 month expected credit losses (Stage 1)
Perubahan bersih pada eksposur dan pengukuran kembali	(284.061)	(65.378)	2.763.771	2.414.332	Net change in exposure and remeasurement
Penghapusan	-	-	(5.449.470)	(5.449.470)	Written-off
Saldo akhir tahun	**535.853**	**104.609**	**986.214**	**1.626.676**	**Ending balance of the year**

*) Lain-lain termasuk selisih kurs karena penjabaran mata uang asing.

*) Others includes foreign exchange translation.

Di dalam saldo cadangan kerugian penurunan nilai termasuk cadangan kerugian penurunan nilai pembiayaan/piutang syariah masing-masing sebesar Rp91.804 dan Rp115.245 pada tanggal 31 Desember 2023 dan 2022.

Allowance for impairment losses includes allowance for impairment losses for sharia financing/receivables amounted to Rp91,804 and Rp115,245 as at December 31, 2023 and 2022, respectively.

9. Kredit yang Diberikan dan Pembiayaan/ Piutang Syariah (lanjutan)

m. Perubahan cadangan kerugian penurunan nilai (lanjutan)

Manajemen berpendapat bahwa cadangan kerugian penurunan nilai yang dibentuk telah memadai.

Total kredit yang diberikan dan total cadangan kerugian penurunan nilai yang evaluasi penurunan nilainya dilakukan secara individual dan kolektif pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

9. Loans and Sharia Financing/Receivables (continued)

m. Movements in allowance for impairment losses (continued)

Management believes that the allowance for impairment losses is adequate.

The total loans and allowance for impairment losses which impairment evaluation is individually and collectively assessed as of December 31, 2023 and 2022 are as follows:

	2023		2022		
	Individual/ *Individual*	**Kolektif/ *Collective***	**Individual/ *Individual***	**Kolektif/ *Collective***	
Pinjaman yang diberikan dan pembiayaan/ piutang syariah	1.826.782	47.591.834	504.296	50.079.138	Loans and sharia financing/receivables
Cadangan kerugian penurunan nilai	(760.232)	(2.822.602)	(161.554)	(1.465.122)	Allowance for impairment loss
Neto	**1.066.550**	**44.769.232**	**342.742**	**48.614.016**	**Net**

n. Kredit yang direstrukturisasi

Kredit yang telah direstrukturisasi sampai dengan tanggal 31 Desember 2023 dan 2022 adalah sebesar Rp20.544.831 dan Rp22.032.583. Restrukturisasi tersebut dilakukan dengan cara perpanjangan masa pelunasan kredit dan perubahan persentase tingkat bunga. Cadangan kerugian penurunan nilai untuk kredit yang direstrukturisasi masing-masing sebesar Rp2.141.045 dan Rp580.509 pada tanggal 31 Desember 2023 dan 2022.

Rincian kredit yang telah direstrukturisasi per 31 Desember 2023 dan 2022 adalah sebagai berikut:

n. Restructured loans

Restructured loans amounted to Rp20,544,831 and Rp22,032,583 as at December 31, 2023 and 2022, respectively. The terms of restructuring consist of extension of payment maturity dates and modification of interest rate. The allowance for impairment losses for restructured loans amounted to Rp2,141,045 and Rp580,509 as at December 31, 2023 and 2022, respectively.

Detail of restructured loans as at December 31, 2023 and December 31, 2021 are as follow:

	2023	**2022**	
Lancar	16.105.203	20.268.552	Current
Dalam perhatian khusus	2.835.015	758.710	Special mention
Kurang lancar	86.234	335.532	Substandard
Diragukan	33.388	174.298	Doubtful
Macet	1.484.991	495.491	Loss
Total	**20.544.831**	**22.032.583**	**Total**

9. Kredit yang Diberikan dan Pembiayaan/ Piutang Syariah (lanjutan)

o. Piutang pembiayaan entitas anak

Piutang pembiayaan entitas anak adalah sebagai berikut:

	2023	2022	
Piutang pembiayaan - bruto	272.218	280.098	Financing receivables - gross
Dikurangi:			Less:
Pendapatan pembiayaan yang belum diakui	(54.424)	(82.272)	Unearned financing receivables
Total	217.794	197.826	**Total**
Dikurangi:			Less:
Cadangan kerugian penurunan nilai	(75.940)	(140.225)	Allowance for impairment losses
Total	**141.854**	**57.601**	**Total**

Pada tanggal 31 Desember 2023 dan 2021, piutang pembiayaan masing-masing sebesar Rp197.826 dan Rp450.163, digunakan sebagai jaminan atas pinjaman yang diterima (Catatan 23).

Tingkat suku bunga per tahun:

	2023	2022	
Produk			Products
Mobil	6,25% - 39,21%	6,25% - 39,21%	Automobiles
Motor	15,5%	15,5%	Motorcycles

p. Kredit yang dihapus buku

Ikhtisar mutasi kredit yang dihapus buku adalah sebagai berikut:

	2023	2022	
Saldo awal	11.363.340	5.998.639	Beginning balance
Penghapusbukuan	4.228.668	5.449.470	Write-off
Penerimaan kembali kredit yang telah dihapusbukukan	(177.584)	(84.769)	Recoveries from written-off loans
Saldo akhir	**15.414.424**	**11.363.340**	**Ending balance**

q. Kontrak Investasi Kolektif Efek Beragun Aset (KIK EBA)

Bank telah melakukan sekuritisasi pertama atas kumpulan tagihan kredit pensiunan (”Kumpulan Tagihan”) yang dimilikinya dengan menunjuk PT Bahana TCW Investment Management sebagai Manager Investasi. Selanjutnya atas Kumpulan Tagihan yang memenuhi kriteria pemilihan, oleh Bank, sebagai Kreditur Awal, telah dijual dan dialihkan ke Kontrak Investasi

9. Loans and Sharia Financing/Receivables (continued)

o. The subsidiary’s financing receivables

The subsidiary’s financing receivables balance is as follows:

As at December 31, 2023 and 2022, the financing receivables balances pledged as collateral for borrowings amounted to Rp197,826 and Rp450,163, respectively (Note 23).

Annual interest rate:

p. Written-off loans

A summary of written-off loans is as follows:

q. Collective Investment Contract Asset-Backed Securities (KIK EBA)

The Bank conducted the first securitization on its pension loans (“pool of receivables”), by appointing PT Bahana TCW Investment Management as the investment manager. The pool of receivables which met the criteria for selection by the Bank, as the Initial Creditor, was sold and transferred to Collective Investment Contract Asset-Backed Securities of

9. Kredit Yang Diberikan Dan Pembiayaan/ Piutang Syariah (lanjutan)

q. Kontrak Investasi Kolektif Efek Beragun Aset (KIK EBA) (lanjutan)

Kolektif Efek Beragun Aset Bahana Bukopin - Kumpulan Tagihan Kredit Pensiunan yang Dialihkan (KIK-EBA BB) yang tertuang dalam Perjanjian Induk Jual Beli Tagihan tanggal 29 Agustus 2019. KIK-EBA BB dibentuk berdasarkan Akta Kontrak Investasi Kolektif antara PT Bahana TCW Investment Management sebagai Manajer Investasi dan PT Bank Maybank Indonesia Tbk sebagai Bank Kustodian berdasarkan Akta No. 33 tanggal 22 Mei 2019 dan diamandemen dengan aktaNo. 80 tanggal 29 Agustus 2019. Nilai pokok Kumpulan Tagihan yang dijual dan dialihkan tersebut merupakan Kumpulan Tagihan terseleksi dengan nilai pokok sebesar-besarnya Rp1.001.000 yang terdiri dari 16.783 debitur dengan harga sebesar nilai pokok Kumpulan Tagihan pada tanggal cut-off final (29 Agustus 2019). Tingkat suku bunga yang dikenakan pada debitur Kumpulan Tagihan tersebut pada tanggal penjualan adalah sebesar 12% s.d 23,13% dengan jangka waktu 7 tahun.

Setelah terjadinya penjualan dan pengalihan kumpulan tagihan tersebut, risiko kredit atas kumpulan tagihan telah beralih dari Bank kepada pembeli.

Selanjutnya, KIK-EBA BB menerbitkan Efek Beragunan Aset (EBA) yang merupakan bentuk partisipasi dalam kepemilikan bersama atas Kumpulan Tagihan. EBA diterbitkan dalam tiga kelas yaitu:

(i) EBA Kelas A1 senilai Rp1 (nominal penuh) yang dicatat pada Bursa Efek Indonesia dan ditawarkan kepada publik dengan nilai 91,1% dari nilai pokok EBA Kelas A1 dengan tingkat bunga tetap sebesar 9,25% per tahun dengan tanggal jatuh tempo 4 September 2022. EBA Kelas A1 mendapatkan hasil pemeringkatan atas efek beragun dari PT Pemeringkat Efek Indonesia (Pefindo) yaitu idAAA (triple A; Stable Outlook). Surat Pernyataan Pendaftaran dari KIK-EBA BB telah mendapatkan pernyataan efektif dari Badan Pengawas Pasar Modal dan Lembaga Keuangan (BAPEPAM-LK) melalui surat No. S-1026/PM.21/2019 tanggal 28 Agustus 2019;

9. Loans And Sharia Financing/Receivables (continued)

q. Collective Investment Contract Asset-Backed Securities (KIK EBA) (continued)

Bahana Bukopin - Pool of Transferred Pension loans (KIK-EBA-BB) based on sale-purchase deed dated August 29, 2019. KIK-EBA BB was established based on Collective Investment Contract between PT Bahana TCW Investment Management as the investment manager and PT Bank Maybank Indonesia Tbk as the Custodian Bank based on deed No. 33 dated May 22, 2019, and amended by deed No. 80 dated August 29, 2019. Nominal par value of sold and transferred receivables which represents selected receivables with maximum nominal value amounting to Rp1,001,000 consists of 16,783 debtors, was sold and transferred at their nominal value at final cut-off date (August 29, 2019). The interest rate charged to the debtors of the pool of receivables on the date of sale amounted to 12% up to 23.13% with maturity of 7 years.

Subsequent to the sale and transfer of the pool of receivables, credit risks on the pool of receivables were transferred from the Bank to the buyer.

Further, KIK-EBA BB issued Asset-Backed Securities (ABS) which represent an instrument of joint ownership on the pool of receivables. ABS were issued in three types or classes as follows:

(i) Class A1 ABS amounting to Rp1 (full amount) which are registered in the Indonesia Stock Exchange, and offered to the public at 91.1% of the nominal value of class A1 ABS with interest at the annual fixed rate of 9.25% per annum and due on September 4, 2022. The Class A1 ABS was rated idAAA (triple A; Stable Outlook) by PT Pemeringkat Efek Indonesia (Pefindo). The Registration Statement Letter from KIK-EBA-BB received effective statement based on Letter No. S-1026/PM.21/2019 dated Agustus 28, 2019 of the Chairman of BAPEPAM-LK;

9. Kredit Yang Diberikan Dan Pembiayaan/ Piutang Syariah (lanjutan)

q. Kontrak Investasi Kolektif Efek Beragun Aset (KIK EBA) (lanjutan)

(ii) EBA Kelas A2 senilai Rp1 (nominal penuh) yang ditawarkan dengan nilai 91,1% dari nilai pokok EBA Kelas A2. EBA Kelas A2 tidak dicatat pada Bursa Efek Indonesia namun ditawarkan kepada calon pembeli dengan ketentuan bahwa pemegang EBA kelas A2 mempunyai hak untuk dibayar terlebih dahulu dari Pemegang EBA Kelas B.

(iii) EBA Kelas B dengan nilai pokok sebesar Rp119.600 memiliki jangka waktu 7 tahun dan mewakili sebesar-besarnya 9,2% dari aset keuangan KIK-EBA BB. EBA Kelas B tidak dicatat pada Bursa Efek Indonesia namun ditawarkan kepada calon pembeli dengan ketentuan bahwa pemegang EBA Kelas B berhak atas semua arus kas tersisa sesuai dengan urutan prioritas pembayaran. Pada tanggal 31 Desember 2019, Bank telah mencatat EBA Kelas B sebagai efek yang diukur pada biaya perolehan pada neraca Bank (Catatan 7).

Transaksi penjualan Kumpulan Tagihan telah memperoleh opini penjualan putus (*true sale*) dari pihak independen yang terdiri dari pendapat dari segi akuntansi oleh Akuntan Independen dan pendapat dari segi hukum oleh kantor konsultan hukum independen. Atas dasar opini kedua pihak independen tersebut, Bank telah mengeluarkan Kumpulan Tagihan sebesar Rp1.300.000 dari neraca Bank (penghentian pengakuan).

Berdasarkan perjanjian penyedia jasa tanggal 29 Agustus 2019, Bank juga bertindak sebagai penyedia jasa penagihan dalam transaksi sekuritisasi Kumpulan piutang diatas. Peran utama Bank sebagai penyedia jasa pengumpul antara lain mengumpulkan pembayaran pokok dan bunga dari para debitur untuk setiap periode penagihan, mentransfer secara bulanan hasil penagihan kepada KIK-EBA BB dan mengadministrasikannya dengan baik, aman dan teratur serta profesional untuk kepentingan KIK-EBA BB yang merupakan representasi dari para pemegang EBA.

9. Loans And Sharia Financing/Receivables (continued)

q. Collective Investment Contract Asset-Backed Securities (KIK EBA) (continued)

(ii) Class A2 ABS amounting to Rp1 (full amount) which are offered at 91.1% of the nominal value of class A2 ABS. Class A2 ABS are not registered in the Indonesia Stock Exchange but are offered to prospective buyer with the condition that the holder of Class A2 ABS has the first priority to be paid than the holder of Class B ABS.

(iii) Class B ABS with nominal value of Rp119,600 with due date of 7 years and represent maximum 9.2% of financial asset of KIK-EBA BB. The Class B ABS are not registered in the Indonesia Stock Exchange but are offered to prospective buyer with the condition that class B ABS holders have the right on the residual cash flow based on the payment priorities. On December 31, 2019, Bank recorded Class B ABS as measured at amortised cost securities on the Bank's balance sheets (Note 7).

A true sale opinion was obtained on the sale of the pool of receivables from independent parties which consists of accounting opinion from an independent accountant and legal opinion from an independent legal consulting firm. Based on the opinions of the above two independent parties, the Bank has excluded the pool of receivables amounting to Rp1,300,000 from its balance sheets (derecognition).

Based on the Service Provider Agreement dated August 29, 2019, the Bank also acts as a collecting service provider in the above securitization transaction of the pool of receivables. The Bank's primary role as a collective service provider, among others, is to collect the principal and interest payments from debtors on each collection period, to transfer monthly the proceeds from collection to the KIK-EBA BB and to maintain the good, safe, orderly and professional administration of the debtors' accounts for the interest of KIK-EBA BB, which represents the ABS holders.

9. Kredit Yang Diberikan Dan Pembiayaan/ Piutang Syariah (lanjutan)

r. Kredit yang dibeli dari BPI (sekarang PT Bank KB Bukopin Syariah)

Bank telah melakukan perjanjian pembelian atas sejumlah portofolio kredit dari BPI. Portofolio kredit tersebut dijamin dengan giro dari BPI.

Pembelian portofolio kredit ini dilakukan dalam beberapa tahap. Tahap I sebesar Rp78.688 dilakukan pada tanggal 9 Agustus 2005, tahap II sebesar Rp132.012 dilakukan pada tanggal 12 Agustus 2005, dan tahap III sebesar Rp93.432 dilakukan pada tanggal 31 Juli 2007.

Perjanjian ini telah sesuai dengan Akta Perjanjian Pengalihan Piutang No. 8 tertanggal 9 Agustus 2005, No. 18 tertanggal 12 Agustus 2005, dan No. 55 tertanggal 31 Juli 2007 dari Notaris Tetty Herawati Soebroto, S.H.

Seperti yang telah diungkapkan pada Catatan 1c, sejak tanggal 31 Maret 2008, laporan keuangan BPI telah dikonsolidasikan kedalam laporan keuangan konsolidasian Bank sehubungan dengan akuisisi 2.000.000.000 lembar saham seri C senilai Rp100.000. Pada saat laporan keuangan dikonsolidasi, agunan tunai dari BPI dieliminasi, dan Bank membentuk 100% cadangan kerugian berdasarkan saldo tersebut. Cadangan kerugian yang dibentuk tersebut diperhitungkan sebagai penyesuaian nilai wajar atas kredit yang diberikan dan menjadi bagian dari *goodwill* yang diakui pada saat akuisisi.

s. Informasi signifikan lainnya sehubungan dengan kredit yang diberikan dan pembiayaan/piutang Syariah

i. Pada tanggal 15 Desember 2009, Bank melakukan perjanjian Investasi Mudharabah Subordinasi dengan PT Bank KB Bukopin Syariah (KBBS) dimana Bank akan menyediakan dana investasi sebesar Rp100.000 dengan jangka waktu 72 (tujuh puluh dua) bulan.

Beberapa ketentuan terkait perjanjian tersebut adalah sebagai berikut:
- Nisbah bagi hasil adalah sebesar 70% untuk Bank dan 30% untuk KBBS dan dapat direview setiap 6 (enam) bulan sekali;
- Pembayaran nisbah bagi hasil berasal dari pendapatan operasional KBBS;
- Pembayaran pokok Investasi Mudharabah Subordinasi selambat-lambatnya dilaksanakan pada saat jatuh tempo.

9. Loans And Sharia Financing/Receivables (continued)

r. Loans purchased from BPI (currently PT Bank KB Bukopin Syariah)

The Bank entered into assets sale agreements on loan portfolio with BPI. These loans are secured with BPI's current accounts.

The loan purchase was conducted in several tranches. Tranche I amounting to Rp78,688 was performed on August 9, 2005, tranche II amounting to Rp132,012 was performed on August 12, 2005, and tranche III amounting to Rp93,432 was performed on July 31, 2007.

These agreements were notarized in the Asset Sale Agreement No. 8 dated August 9, 2005, No. 18 dated August 12, 2005, and No. 55 dated July 31, 2007 of Notary Tetty Herawati Soebroto, S.H.

As described in Note 1c, since March 31, 2008, BPI's financial statements have been consolidated to the Bank's consolidated financial statements in relation with the acquisition of 2,000,000,000 series C shares with a total of Rp100,000. When the financial statements are consolidated, cash collateral from BPI is eliminated, and the Bank provided 100% allowance for losses based on the outstanding balance. The allowance for losses is considered as adjustment on fair value of the loans and became part of the recognized goodwill during the acquisition.

s. Other significant information relating to loans and Sharia financing/receivables

i. On December 15, 2009, the Bank entered into an agreement of Subordinated Mudharabah Investment financing with PT Bank KB Bukopin Syariah (KBBS) whereby the Bank will provide investment fund of Rp100,000 for 72 (seventy two) months period.

Some relevant provisions of the agreement are as follows:
- Revenue sharing (nisbah) is 70% for the Bank and 30% for KBBS and can be reviewed every six-month;
- Payment of revenue sharing (nisbah) comes from KBBS's operating income;
- Principal amount of Subordinated Mudharabah Investment will be paid at maturity date, at the latest.

9. Kredit Yang Diberikan Dan Pembiayaan/ Piutang Syariah (lanjutan)

s. Informasi signifikan lainnya sehubungan dengan kredit yang diberikan dan pembiayaan/piutang Syariah (lanjutan)

Perjanjian Investasi Mudharabah Subordinasi antara Bank dengan KBBS telah mendapat persetujuan dari Bank Indonesia dengan surat No. 11/1594/DPbS tanggal 24 November 2009.

Pada tanggal 28 Desember 2009, KBBS telah melakukan pencairan pertama sebesar Rp50.000 berdasarkan perjanjian tersebut. Pada tahun 2016 pinjaman ini telah diperpanjang.

Pada tanggal 31 Desember 2023 dan 2022 seluruh portofolio kredit ini dieliminasi untuk laporan keuangan konsolidasian .

ii Kredit yang diberikan dijamin dengan agunan yang diikat dengan hak tanggungan atau surat kuasa membebankan hak tanggungan atau surat kuasa untuk menjual, atau jaminan lain yang umumnya diterima oleh Bank. Jumlah kredit yang diberikan yang dijamin dengan giro, tabungan, dan deposito berjangka pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp2.982.893 dan Rp1.766.227.

iii. Kredit modal kerja merupakan fasilitas kredit rekening koran, cerukan, dan kredit reguler.

iv. Kredit konsumsi terdiri dari kredit pemilikan rumah, kredit pemilikan mobil, kartu kredit, dan kredit perorangan termasuk kredit yang dijamin dengan agunan tunai.

v. Kredit program Pemerintah terdiri dari kredit usaha rakyat, kredit investasi, kredit modal kerja, kredit program kepada sektor koperasi, dan kredit pemilikan rumah.

vi. Pinjaman karyawan Bank terdiri dari kredit yang dibebani bunga khusus dengan jangka waktu berkisar antara 1 (satu) sampai dengan 15 (lima belas) tahun yang dilunasi melalui pemotongan gaji setiap bulannya. Perbedaan antara tingkat bunga pinjaman karyawan dan suku bunga pasar dibebankan dan dicatat sebagai beban tenaga kerja.

9. Loans And Sharia Financing/Receivables (continued)

s. Other significant information relating to loans and Sharia financing/receivables (continued)

The Subordinated Mudharabah Investment agreement between the Bank and KBBS has been approved by Bank Indonesia with letter No. 11/1594/DPbS dated November 24, 2009.

On December 28, 2009, KBBS has performed the first withdrawal amounting to Rp50,000 based on the agreement. On 2016, this facility has been extended.

As at December 31, 2023 and 2022, the loan portfolio is eliminated for the consolidated financial statements.

ii. Certain loans are secured by registered mortgages, powers of attorney to sell, or by other guarantees acceptable to the Bank. The loans secured by demand deposits, savings deposits, and time deposits as at December 31, 2023 and 2022 amounted to Rp2,982,893 and Rp1,766,227, respectively.

iii. Working capital loans consist of demand loans, overdraft, and regular loan facilities.

iv. Consumer loans consist of housing loan, car loan, credit card receivables, and personal loans including loans secured by cash collateral.

v. Government program loans consist of farming loans, investment loans, working capital loans, cooperative loans, and housing loans.

vi. Loans to the Bank's employees consist of loans granted with special interest rates and with terms between 1 (one) to 15 (fifteen) years, and are collected through monthly salary deductions. The difference between the employee loan's interest rates and market interest rate is expensed and recorded as personnel expenses.

10. Tagihan Dan Liabilitas Akseptasi / 10. Acceptances Receivable And Payable

a. Berdasarkan pihak dan mata uang / a. By counterparties and currency

	2023	2022	
Pihak ketiga			Third parties
Rupiah	21.404	-	Rupiah
Mata uang asing:			Foreign currencies:
Dolar Amerika Serikat	102.298	7.134	United States Dollar
Yuan Cina	8.875	10.212	Chinese Yuan
Total	132.577	17.346	**Total**
Cadangan kerugian penurunan nilai	(1.613)	(211)	Allowance for impairment losses
Neto	**130.964**	**17.135**	**Net**

b. Berdasarkan sisa umur jatuh tempo / b. By remaining period to maturity

	2023	2022	
Rupiah:			Rupiah:
< 1 bulan	9.076	-	< 1 month
> 1 - 3 bulan	11.700	-	> 1 - 3 months
> 3 - 6 bulan	628	-	> 3 - 6 months
> 6 - 12 bulan	-	-	> 6 -12 months
Total	21.404	-	Total
Mata uang asing:			Foreign currencies:
< 1 bulan	20.572	3.833	< 1 month
> 1 - 3 bulan	59.300	10.453	> 1 - 3 months
> 3 - 6 bulan	31.301	3.060	> 3 - 6 months
> 6 - 12 bulan	-	-	> 6 - 12 months
Total	111.173	17.346	Total
Cadangan kerugian penurunan nilai	(1.613)	(211)	Allowance for impairment losses
Neto	**130.964**	**17.135**	**Net**

Jumlah saldo liabilitas akseptasi adalah sama seperti yang tercatat dalam saldo akun tagihan akseptasi pada tanggal 31 Desember 2023 dan 2022.

Acceptances payable represent the same amount as acceptances receivable as at December 31, 2023 and 2022.

c. Berdasarkan kolektibilitas / c. By collectability

Pada tanggal 31 Desember 2023 dan 2022, semua Tagihan Dan Liabilitas Akseptasi diklasifikasikan lancar.

All Acceptances Receivable And Payable are classified as current as at December 31, 2023 and 2022.

Pada tanggal 31 Desember 2023 dan 2022, manajemen berpendapat bahwa cadangan kerugian penurunan nilai yang dibentuk telah memadai.

As at December 31, 2023 and 2022, management stated that the allowance for impairment losses is adequate.

11. Tagihan Dan Liabilitas Derivatif

Rincian transaksi derivatif atas swap mata uang asing pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

11. Derivative Receivable And Payable

Details of foreign currency swaps as of December 31, 2023 and 2022 are as follows:

	2023				
	Nilai kontrak/ *Contract amount*	Nilai wajar/ *Fair value*	Tagihan derivatif/ *Derivatives receivable*	Liabilitas derivatif/ *Derivatives payable*	
Pihak ketiga					**Third parties**
Transaksi swap mata uang asing :					Foreign currency swap transaction :
Dolar Amerika Serikat:					**United States Dollar:**
PT Bank Permata Tbk	477.321	1.569	1.869	(300)	PT Bank Permata Tbk
PT Bank Central Asia Tbk	461.932	15	304	(289)	PT Bank Central Asia Tbk
PT Bank Danamon Indonesia Tbk	184.768	184	207	(23)	PT Bank Danamon Indonesia Tbk
PT Bank CIMB Niaga Tbk	153.995	1	115	(114)	PT Bank CIMB Niaga Tbk
PT Bank Sinarmas Tbk	92.384	75	-	(75)	PT Bank Sinarmas Tbk
The Bank of Tokyo - Mitsubishi Ltd	76.987	89	89	-	The Bank of Tokyo - Mitsubishi Ltd
PT Bank Victoria International Tbk	46.192	417	417	-	PT Bank Victoria International Tbk
PT Bank HSBC Indonesia	30.795	21	21	-	PT Bank HSBC Indonesia
PT Bank ANZ Indonesia	15.397	18	18	-	PT Bank ANZ Indonesia
Bank BNP Paribas	3.843	-	-	(7)	Bank BNP Paribas
Total		**2.389**	**3.040**	**(808)**	**Total**

	2022				
	Nilai kontrak/ *Contract amount*	Nilai wajar/ *Fair value*	Tagihan derivatif/ *Derivatives receivable*	Liabilitas derivatif/ *Derivatives payable*	
Pihak ketiga					**Third parties**
Transaksi swap mata uang asing :					Foreign currency swap transaction :
Dolar Amerika Serikat:					**United States Dollar:**
PT Bank Central Asia Tbk	778.381	(8.719)	-	(8.719)	PT Bank Central Asia Tbk
PT Bank Sinarmas Tbk	738.376	4.958	6.698	(1.740)	PT Bank Sinarmas Tbk
PT Bank Mega Tbk	155.694	(776)	-	(776)	PT Bank Mega Tbk
PT Bank HSBC Indonesia	141.478	1.015	1.370	(355)	PT Bank HSBC Indonesia
PT Bank Permata Tbk	93.986	348	580	(232)	PT Bank Permata Tbk
PT Bank Danamon Indonesia Tbk	47.282	579	579	-	PT Bank Danamon Indonesia Tbk
PT Bank CIMB Niaga Tbk	31.135	(255)	-	(255)	PT Bank CIMB Niaga Tbk
PT Bank ANZ Indonesia	31.135	(155)	-	(155)	PT Bank ANZ Indonesia
PT Bank Victoria International Tbk	15.595	27	27	-	PT Bank Victoria International Tbk
PT Bank Negara Indonesia (Persero) Tbk	15.568	(27)	-	(27)	PT Bank Negara Indonesia (Persero) Tbk
Total		**(3.005)**	**9.254**	**(12.259)**	**Total**

Kontrak-kontrak untuk posisi 31 Desember 2023 dan 2022 jatuh tempo masing-masing pada tanggal 2 Januari – 2 Februari 2024 dan 3 Januari – 12 Januari 2023.

These contracts as at December 31, 2023 and 2022 are due on January 2 – February 2, 2024 and January 3 – January 12, 2023, respectively.

12. Penyertaan Saham

Rincian penyertaan saham pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

12. Investments in Shares

Investments in shares as at December 31, 2023 and 2022 consist of the following:

Nama perusahaan/*Name of company*	Jenis usaha/ *Nature of business*	Persentase kepemilikan/ *Percentage of ownership*	Biaya perolehan/ *Cost*	Nilai tercatat/ *Carrying value*
Simpanan keanggotaan/*Membership deposits:*				
PT Aplikanusa Lintasarta	Jasa Komunikasi/ *Communication Services*	0%	15	15
Total				**15**

Berdasarkan hasil evaluasi dan penelaahan manajemen Bank, penyertaan saham pada tanggal 31 Desember 2023 dan 2022 diklasifikasikan lancar.

Based on management's evaluation and review, investments in shares as at December 31, 2023 and 2022 are classified as current.

13. Aset Tetap dan Aset Hak Guna

13. Fixed Assets and Right of Use Assets

2023

	Saldo Awal/ *Beginning Balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassifications*	Revaluasi/ *Revaluations*	Saldo Akhir/ *Ending Balance*	
Biaya perolehan							**Cost**
Pemilikan langsung:							Direct ownership:
Tanah	2.433.852	8.175	36.783	-	-	2.405.244	Land
Bangunan	1.089.319	5.561	6.224	-	-	1.088.656	Building
Perabotan dan peralatan kantor	722.539	14.084	4.761	-	-	731.862	Furniture, fixture and office equipment
Prasarana bangunan	73.775	351	-	-	-	74.126	Leasehold improvements
Aset dalam konstruksi	41.222	5.846	-	-	-	47.068	Asset under construction
Kendaraan bermotor	26.820	26.749	3.149	-	-	50.420	Motor vehicles
Total	4.387.527	60.766	50.917	-	-	4.397.376	Total
Aset hak guna sewa	299.428	10.136	60.206	-	-	249.358	Right of use of assets
Total	4.686.955	70.902	111.123	-	-	4.646.734	Total
Akumulasi penyusutan							**Accumulated depreciations**
Pemilikan langsung:							Direct ownership:
Perabotan dan peralatan kantor	591.381	52.927	4.128	-	-	640.180	Furniture, fixture and office equipment
Bangunan	498.670	56.633	6.224	-	-	549.079	Building
Prasarana bangunan	51.880	8.655	-	-	-	60.535	Leasehold improvements
Kendaraan bermotor	21.866	5.299	3.514	-	-	23.651	Motor vehicles
Total	1.163.797	123.514	13.866	-	-	1.273.445	Total
Aset hak guna sewa	126.956	69.901	57.243	-	-	139.614	Right of use of assets
Total	1.290.753	193.415	71.109	-	-	1.413.059	Total
Nilai buku neto	**3.396.202**					**3.233.675**	**Net book value**

2022

	Saldo Awal/ *Beginning Balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassifications*	Revaluasi/ *Revaluations*	Saldo Akhir/ *Ending Balance*	
Biaya perolehan							**Cost**
Pemilikan langsung:							Direct ownership:
Tanah	2.377.779	12.826	34.590	-	77.837	2.433.852	Land
Bangunan	1.082.112	10.868	3.661	-	-	1.089.319	Building
Perabotan dan peralatan kantor	705.334	22.677	6.748	1.276	-	722.539	Furniture, fixture and office equipment
Prasarana bangunan	68.100	4.970	140	845		73.775	Leasehold improvements
Aset dalam konstruksi	43.428	4.485	4.570	(2.121)	-	41.222	Asset under construction
Kendaraan bermotor	28.969	1.394	3.543	-	-	26.820	Motor vehicles
Total	4.305.722	57.220	53.252	-	77.837	4.387.527	Total
Aset hak guna sewa	503.054	81.730	285.356	-	-	299.428	Right of use of assets
Total	4.808.776	138.950	338.608	-	77.837	4.686.955	Total

13. Aset Tetap dan Aset Hak Guna (lanjutan) / 13. Fixed Assets and Right of Use Assets (continued)

	2022						
	Saldo Awal/ *Beginning Balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassifications*	Revaluasi/ *Revaluations*	Saldo Akhir/ *Ending Balance*	
Akumulasi penyusutan							**Accumulated depreciations**
Pemilikan langsung:							Direct ownership:
Bangunan	447.570	66.234	15.134	-	-	498.670	Building
Perabotan dan peralatan kantor	538.059	57.637	4.315	-	-	591.381	Furniture, fixture and office equipment
Prasarana bangunan	40.865	11.027	12	-	-	51.880	Leasehold improvements
Kendaraan bermotor	21.340	3.390	2.864	-	-	21.866	Motor vehicles
Total	1.047.834	138.288	22.325	-	-	1.163.797	Total
Aset hak guna sewa	263.612	103.975	240.631	-	-	126.956	Right of use of assets
Total	1.311.446	242.263	262.956	-	-	1.290.753	Total
Nilai buku neto	**3.497.330**					**3.396.202**	**Net book value**

Keuntungan (kerugian) bersih dari penjualan aset tetap adalah sebagai berikut:

Net gain (loss) on sale of fixed assets is as follows:

	2023	2022	
Hasil penjualan	7.200	32.581	Proceeds from sale
Nilai buku	(12.900)	(30.927)	Net book value
Keuntungan (kerugian) bersih dari penjualan aset tetap (Catatan 35)	**(5.700)**	**1.654**	**Net gain (loss) on sale of fixed asset (Note 35)**

Rincian aset dalam konstruksi per 31 Desember 2023 dan 2022 adalah sebagai berikut:

Detail of assets under construction as of December 31, 2023 and 2022 are as follow:

	2023			
	Jumlah/ *Total*	Persentase Penyelesaian/ *Percentage of Completion*	Estimasi Penyelesaian/ *Estimated Completion*	
Tanah dan bangunan	47.065	25% - 90%	2024 - 2025	Land and buildings

	2022			
	Jumlah/ *Total*	Persentase Penyelesaian/ *Percentage of Completion*	Estimasi Penyelesaian/ *Estimated Completion*	
Tanah dan bangunan	41.222	25% - 90%	2023 - 2024	Land and buildings

Pada tanggal 1 Maret 2016, Grup mengubah kebijakan akuntansi terkait pengukuran setelah pengakuan awal untuk tanah dari model biaya ke model revaluasi. Pada tahun 2022, Bank melakukan kembali revaluasi atas aset tanahnya.

On March 1, 2016, the Group change their accounting policy related to subsequent measurement of land from the cost model to the revaluation model. In 2022, the Bank performed revaluation for its land of asset.

Nilai wajar dari tanah yang dimiliki Bank pada 31 Desember 2022 dinilai oleh Kantor Jasa Penilai Publik (KJPP) Febriman, Siregar & Rekan penilai properti independen dengan tanggal penilaian 29 Juli 2022.

The fair values of land owned by the Bank as at December 31, 2022 are determined by Kantor Jasa Penilai Publik (KJPP) Febriman, Siregar & Rekan, an independent property appraiser, with appraisal date of July 29, 2022.

13. Aset Tetap dan Aset Hak Guna (lanjutan)

Penilaian dilakukan berdasarkan Standar Penilaian Indonesia dan telah sesuai dengan POJK No. 28/POJK.04/2021 tentang Penilaian dan Penyajian Laporan Penilaian Properti di Pasar Modal untuk tujuan pelaporan keuangan. Nilai wajar tanah adalah berdasarkan pendekatan data pasar dengan membandingkan harga-harga aset yang serupa yang dapat diobservasi.

Harga pasar yang paling mendekati disesuaikan dengan perbedaan atribut-atribut utama, seperti: ukuran tanah, lokasi dan biaya penggantian. Pengukuran nilai wajar juga mempertimbangkan penggunaan tertinggi dan terbaik (*highest and best use*) dari aset yang dinilai. Nilai wajar dari tanah diklasifikasikan sebagai tingkat 2 berdasarkan hierarki nilai wajar.

Tabel berikut menyajikan informasi mengenai revaluasi tanah pada tanggal revaluasi:

13. Fixed Assets and Right of Use Assets (continued)

Valuation is performed based on Indonesian Valuation Standards and in accordance with POJK No. 28/POJK.04/2021 regarding Valuation and Presentation of Property Appraisal Report in Capital Market for the purposes of financial reporting. The fair value of land is based on market data approach by comparing observable market prices of similar assets.

Market prices in close proximity are adjusted for differences in key attributes such as: land size, location, and replacement costs. The fair value measurements also consider highest and best use of the asset being valued. The fair value of lands is classified as level 2 based on hierarchy of fair value.

The following table presents the information on the revaluation of the land on the date of revaluation:

	31 Desember/*December 31,* 2022			
	Nilai buku bersih sebelum revaluasi/ *Net book value before revaluation*	**Nilai wajar pada tanggal revaluasi/ *Fair value on the date of revaluation***	**Surplus revaluasi/ *Revaluation surplus***	
Tanah	2.220.971	2.298.808	77.837	Land

Pada tahun 2023 terdapat tanah yang di reklasifikasi menjadi aset terbengkalai dengan nilai perolehan ssebesar Rp22.395 dan nilai revaluasi yang dihapuskan sebesar Rp1.756. Mutasi surplus revaluasi telah tercermin dalam Laporan Perubahan Ekuitas Konsolidasian. Saldo surplus revaluasi per 1 Januari 2023 sebesar Rp1.605.649 dengan penurunan surplus selama 2023 sebesar Rp1.756 sehingga saldo akhir per 31 Desember 2023 menjadi sebesar Rp1.603.893.

Mutasi surplus revaluasi telah tercermin dalam Laporan Perubahan Ekuitas Konsolidasian. Saldo surplus revaluasi per 1 Januari 2022 sebesar Rp1.527.812 dengan penambahan surplus selama 2022 sebesar Rp77.837 sehingga saldo akhir per 31 Desember 2022 menjadi sebesar Rp1.605.649.

Cadangan revaluasi tidak boleh didistribusikan kepada pemegang saham Bank.

Aset tetap, kecuali tanah, diasuransikan terhadap risiko kebakaran dan risiko lainnya berdasarkan suatu paket polis tertentu dengan beberapa perusahaan asuransi diantaranya adalah PT Asuransi Mitra Pelindung Mustika, PT Asuransi Jasindo, PT Asuransi Mega Pratama, PT Asuransi Bosowa Periskop, PT Asuransi Jasaraharja Putera, PT Jasa Tania, PT Asuransi Ramayana, PT Asuransi Reliance Indonesia, PT Asuransi

On 2023, there was land reclassified as abandoned assets with an acquisition value of Rp22,395 and eliminated revaluation amounting to Rp1,756. Movements in the revaluation surplus have been reflected in the Consolidated Statement of Changes in Equity. The revaluation surplus balance as at January 1, 2023 was Rp1,605,649 with the addition of a surplus for 2023 amounting to Rp1.756 therefore the balance as at December 31, 2023 was Rp1,603,893.

Movements in the revaluation surplus have been reflected in the Consolidated Statement of Changes in Equity. The revaluation surplus balance as at January 1, 2022 was Rp1,527,812 with the addition of a surplus for 2022 amounting to Rp77,837 therefore the balance as at December 31, 2022 was Rp1,605,649.

The revaluation reserves are not available for distribution to the Bank's shareholders.

Fixed assets, except land, are insured against losses by fire and other risks under blanket policies with several insurance companies including PT Asuransi Mitra Pelindung Mustika, PT Asuransi Jasindo, PT Asuransi Mega Pratama, PT Asuransi Bosowa Periskop, PT Asuransi Jasaraharja Putera, PT Jasa Tania, PT Asuransi Ramayana, PT Asuransi Reliance Indonesia, PT Asuransi Central Asia, PT Asuransi Tugu Kresna Pratama

13. Aset Tetap dan Aset Hak Guna (lanjutan)

Central Asia, PT Asuransi Tugu Kresna Pratama dan PT KB Insurance yang merupakan pihak ketiga dari Bank. Nilai pertanggungan seluruhnya pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp2.978.770 dan Rp2.514.644. Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutup kemungkinan kerugian yang timbul dari risiko-risiko tersebut.

Aset tetap telah terdepresiasi penuh namun masih digunakan oleh Grup sebesar Rp574.439 dan Rp2.220.971 masing-masing pada tanggal 31 Desember 2023 dan 2022, antara lain berupa bangunan, perlengkapan kantor dan kendaraan bermotor.

Manajemen berpendapat tidak terdapat indikasi penurunan nilai atas aset tetap yang dimiliki oleh Grup.

Aset hak guna per 31 Desember 2023 dan 2022 adalah sebagai berikut:

13. Fixed Assets and Right of Use Assets (continued)

and PT KB Insurance which are third parties of the Bank. The total insurance coverage as at December 31, 2023 and 2022 are amounted to Rp2,978,770 and Rp2,514,644, respectively. Management believes that the insurance coverage is adequate to cover losses arising from such risks.

The Fixed Assets that have been fully depreciated but still in use by the Group amounting to Rp574,439 and Rp2,220,971 as at December 31, 2023 and 2022, respectively, included among others, building, office equipment and motor vehicles.

Management believes that there is no indication of impairment in the value of fixed assets of the Group.

Right of use of assets as at December 31, 2023 and 2022 are follows:

2023

	Saldo Awal/ *Beginning Balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Reklasifikasi/ *Reclassifications***	**Saldo Akhir/ *Ending Balance***	
Biaya perolehan						**Cost**
Pemilikan langsung:						Direct ownership:
Gedung	222.500	5.874	36.335	-	192.039	Building
Kendaraan	44.023	1.105	3.517	-	41.611	Vehicle
Perlengkapan kantor	13.163	-	541	-	12.622	Office equipment
ATM	10.304	42	10.346	-	-	ATM
Rumah	9.438	3.115	9.467	-	3.086	House
Total	299.428	10.136	60.206	-	249.358	Total
Akumulasi penyusutan						**Accumulated depreciation**
Pemilikan langsung:						Direct ownership:
Gedung	82.320	46.342	33.372	-	95.290	Building
Kendaraan	25.107	9.777	3.517	-	31.367	Vehicle
Perlengkapan kantor	7.994	4.037	541	-	11.490	Office equipment
Rumah	6.522	4.412	9.467	-	1.467	House
ATM	5.013	5.333	10.346	-	-	ATM
Total	126.956	69.901	57.243	-	139.614	Total
Nilai buku neto	**172.472**				**109.744**	**Net book value**

2022

	Saldo Awal/ *Beginning Balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Reklasifikasi/ *Reclassifications***	**Saldo Akhir/ *Ending Balance***	
Biaya perolehan						**Cost**
Pemilikan langsung:						Direct ownership:
Gedung	306.245	45.404	129.149	-	222.500	Building
Kendaraan	59.936	563	16.476	-	44.023	Vehicle
Perlengkapan kantor	13.637	-	474	-	13.163	Office equipment
ATM	99.562	32.286	121.544	-	10.304	ATM
Rumah	23.674	3.477	17.713	-	9.438	House
Total	503.054	81.730	285.356	-	299.428	Total
Akumulasi penyusutan						**Accumulated depreciation**
Pemilikan langsung:						Direct ownership:
Gedung	156.367	54.640	128.687	-	82.320	Building
Kendaraan	30.381	11.420	16.694	-	25.107	Vehicle
Perlengkapan kantor	4.321	4.147	474	-	7.994	Office equipment
Rumah	16.365	7.796	17.639	-	6.522	House
ATM	56.178	25.972	77.137	-	5.013	ATM
Total	263.612	103.975	240.631	-	126.956	Total
Nilai buku neto	**239.442**				**172.472**	**Net book value**

13. Aset Tetap dan Aset Hak Guna (lanjutan)

Bank menyewa beberapa aset termasuk rumah dinas, gedung kantor, ruang ATM, kendaraan dan lain-lain. Rata-rata masa sewa adalah 5 (lima) tahun.

13. Fixed Assets and Right of Use Assets (continued)

Bank had rent a number of assets which include official houses, offices, ATM space, vehicle and others. The average of lease term is 5 (five) years.

14. Aset Takberwujud

Aset takberwujud terdiri dari piranti lunak dan goodwill.

14. Intangible Assets

Intangible assets consist of computer softwares and goodwill.

	2023	2022	
Piranti lunak	340.104	189.338	Software
Goodwill	295.711	295.711	Goodwill
Sub-total	635.815	485.049	Sub-total
Dikurangi:			Less:
Akumulasi amortisasi dan penurunan nilai	(350.230)	(283.055)	Accumulated amortization and impairment losses
Neto	**285.585**	**201.994**	**Net**

a. Piranti lunak

	2023				
	Saldo Awal/ *Beginning Balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Saldo Akhir/ *Ending Balance***	
Biaya perolehan	189.338	150.766	-	340.104	Cost
Akumulasi amortisasi (Catatan 33)	(176.826)	(67.175)	-	(244.001)	Accumulated amortization (Note 33)
Nilai buku neto	**12.512**			**96.103**	**Net book value**

	2022				
	Saldo Awal/ *Beginning Balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Saldo Akhir/ *Ending Balance***	
Biaya perolehan	189.233	8.825	8.720	189.338	Cost
Akumulasi amortisasi (Catatan 33)	(176.519)	(6.412)	6.105	(176.826)	Accumulated amortization (Note 33)
Nilai buku neto	**12.714**			**12.512**	**Net book value**

a. Softwares

b. Goodwill

Goodwill timbul dari akuisisi entitas anak (Catatan 1c). Perubahan atas saldo goodwill pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

b. Goodwill

Goodwill arose from the acquisition of subsidiaries (Note 1c). Movements in goodwill balance as at December 31, 2023 and 2022 are as follows:

	2023				
	Saldo Awal/ *Beginning Balance*	**Penambahan/ *Additions***	**Pengurangan/ *Deductions***	**Saldo Akhir/ *Ending Balance***	
Biaya perolehan	295.711	-	-	295.711	Cost
Akumulasi amortisasi *)	(39.748)	-	-	(39.748)	Accumulated amortization *)
Akumulasi penurunan nilai	(66.481)	-	-	(66.481)	Accumulated impairment
Nilai buku neto	**189.482**			**189.482**	**Net book value**

14. Aset Takberwujud (lanjutan)

b. Goodwill (lanjutan)

14. Intangible Assets (continued)

b. Goodwill (continued)

	2022				
	Saldo Awal/ *Beginning Balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Saldo Akhir/ *Ending Balance*	
Biaya perolehan	295.711	-	-	295.711	Cost
Akumulasi amortisasi *)	(39.748)	-	-	(39.748)	Accumulated amortization *)
Akumulasi penurunan nilai	(66.481)	-	-	(66.481)	Accumulated impairment
Nilai buku neto	**189.482**			**189.482**	**Net book value**

*) Akumulasi amortisasi sampai dengan 1 Januari 2011

*) Accumulated amortization until January 1, 2011

Penurunan nilai sebesar Rp66.481 telah diakui karena jumlah tercatat lebih besar dari jumlah terpulihkannya. Jumlah terpulihkan atas KBBS telah dihitung berdasarkan nilai pakai *(value in use)* yang ditentukan dengan mendiskontokan arus kas masa depan berdasarkan anggaran keuangan yang disetujui oleh manajemen untuk periode 5 (lima) tahun.

Impairment losses amounting to Rp66,481 has been recognized as the carrying amount exceeds its recoverable amount. Recoverable amount of KBBS has been calculated based on value in use that is determined by discounting the future cash flows resulting from financial budget approved by management covering a 5 (five) year period.

Bank telah melakukan uji penurunan nilai atas goodwill yang terbentuk dari akuisisi PT Bank KB Bukopin Syariah (KBBS) dengan asumsi utama yang digunakan adalah sebagai berikut:

The Bank has performed impairment testing on goodwill resulting from acquisition of PT Bank KB Bukopin Syariah (KBBS) with the following key assumptions used by the Bank:

	2023	2022	
Tingkat diskonto	6,88%	10,88%	Discount rate
Proyeksi tingkat pertumbuhan	4,5%	3%	Projected growth rate
Produk Domestik Bruto	5,17%	-3,69%	Gross Domestic Product
Tingkat inflasi	2,28%	1,87%	Inflation rate
Tingkat pertumbuhan terminal value	1,60%	5,90%	Terminal value growth

Manajemen berpendapat bahwa tidak terdapat penurunan nilai atas aset tak berwujud pada tanggal 31 Desember 2023 dan 2022.

Management believes that there is no impairment on intangible assets as of December 31, 2023 and 2022.

15. Aset Lain-lain

15. Other Assets

	2023	2022	
Rupiah:			**Rupiah:**
Agunan yang diambil alih - neto	2.503.459	2.858.081	Foreclosed assets - net
Uang muka	772.143	88.722	Advance payments
Biaya dibayar dimuka	504.548	311.314	Prepaid Expenses
Bunga masih akan diterima	260.162	256.590	Accrued interest
Pembiayaan transaksi perdagangan	141.159	344.498	Trade financing
Setoran jaminan	98.972	100.295	Guarantee deposit
Tagihan terkait dengan transaksi kartu kredit dan ATM - neto	66.328	81.329	Receivables relating to credit card and ATM transactions - net
Piranti lunak dalam pengembangan	33.267	148.346	Softwares in development
Pendapatan masih akan diterima	12.640	7.638	Accrued revenue
Lain-lain - neto	1.655.983	1.645.729	Others - net
Sub-total	6.048.661	5.842.542	Sub-total

15. Aset Lain-lain (lanjutan) / 15. Other Assets (continued)

	2023	2022	
Dolar Amerika Serikat:			**United States Dollar:**
Bunga masih akan diterima	19.687	28.930	Accrued interest
Biaya dibayar di muka	106	942	Prepaid expenses
Sub-total	19.793	29.872	Sub-total
Total	**6.068.454**	**5.872.414**	**Total**

Pembiayaan transaksi perdagangan terdiri dari tagihan perdagangan UPAS, tagihan *flexy* gas, *flexy bill* dan *flexy health*, serta tagihan *invoice financing*. Dengan fasilitas ini debitur dapat memperoleh pembiayaan jangka pendek dari Grup dengan menjaminkan tagihan pelanggan kepada Bank, dan debitur dapat memilih untuk melunasi pinjaman tersebut sendiri atau Grup yang akan menagih kepada pelanggan. Fasilitas pembiayaan ini mulai dilaksanakan Grup pada tahun 2019.

Trade financing consists of trade UPAS, flexy gas, flexy bill, flexy health, and trade invoice financing. With these facilities, debtors can receive short term financing from the Group by using its invoices to customer as collateral to Bank, and debtors have the options to repay the financing by themselves or the Group can collect the amount required from the customers. The Group has only started these financing facilities in 2019.

Biaya dibayar di muka sebagian besar terdiri atas biaya-biaya sewa gedung, rumah, kendaraan, peralatan kantor, dan asuransi.

Prepaid expenses consist mainly of prepaid building rent, housing rent, car rent, office equipment rent, and insurance.

Agunan yang diambil alih merupakan agunan yang diambil alih oleh Grup sehubungan dengan penyelesaian kredit yang terdiri atas tanah, bangunan, kendaraan, dan lain-lain.

Foreclosed assets consist of collaterals which were acquired by the Group in the settlement of loans in form of lands, buildings, vehicles, and others.

Nilai wajar agunan yang diambil alih masing-masing sebesar Rp2.503.459 dan Rp2.858.081 per tanggal 31 Desember 2023 dan 2022.

Fair value of foreclosed assets amounting to Rp2,503,459 and Rp2,858,081 as at December 31, 2023 and 2022, respectively.

Pada tanggal 31 Desember 2023 dan 2022, agunan yang diambil alih berdasarkan kolektibilitas adalah sebagai berikut:

As at December 31, 2023 and 2022, foreclosed assets based on collectability are as follow:

	2023	2022	
Lancar	2.156	68.235	Current
Kurang lancar	910.081	1.995.308	Substandard
Diragukan	1.317.548	753.237	Doubtful
Macet	505.343	75.459	Loss
Saldo akhir tahun	2.735.128	2.892.239	Ending balance
Cadangan kerugian penurunan nilai	(231.669)	(34.158)	Allowance for impaiment losses
Neto	**2.503.459**	**2.858.081**	**Net**

Manajemen berpendapat bahwa nilai tercatat agunan yang diambil alih merupakan nilai neto yang dapat direalisasi.

Management believes that the carrying value of foreclosed assets represents their net realizable values.

Perubahan cadangan kerugian untuk agunan yang diambil alih adalah sebagai berikut:

The movements in allowance for losses on foreclosed assets were as follows:

15. Aset Lain-lain (lanjutan) / 15. Other Assets (continued)

	2023	2022	
Saldo awal	34.158	24.367	Begining balance
Beban selama tahun berjalan	197.511	9.791	Provision during the year
Saldo akhir	**231.669**	**34.158**	**Ending balance**

Uang muka terdiri dari uang muka yang dikeluarkan sehubungan dengan pembukaan cabang-cabang baru, relokasi cabang, renovasi gedung kantor, dan uang muka biaya lain-lain.

Advance payments consist of payments which relate to the opening of new branch offices, branch relocation, office building renovation, and other advance payments.

Pendapatan masih akan diterima merupakan pendapatan yang berasal dari penerimaan imbalan dari pihak ketiga atas pembayaran listrik, air, telepon, pajak, dan lain-lain melalui Grup.

Accrued revenue represents fees from third parties for electricity, water, telephone, tax, and other payments made through the Group.

Setoran jaminan terdiri dari setoran yang diberikan Grup kepada pihak ketiga sebagai jaminan atas pemakaian jasa atau perizinan yang diberikan oleh pihak ketiga.

Guarantee deposits consist of Group's payment to third parties as collateral on services or license that is delivered by third parties.

16. Liabilitas Segera / 16. Liabilities Immediately Payable

	2023	2022	
Pihak ketiga			**Third parties**
Rupiah:			**Rupiah:**
Titipan pembayaran dari nasabah	193.272	220.517	Payments from customers
Kiriman uang yang belum direalisasi	58.017	36.667	Unsettled money transfer
Titipan pajak sebagai bank persepsi	40.116	42.423	Tax collection received as collecting bank
Deposit pembukaan rekening	3	12	Deposit for opening accounts
Lain-lain	136.965	61.862	Others
Sub-total	428.373	361.481	Sub-total
Mata uang asing:			**Foreign currencies:**
Kiriman uang yang belum direalisasi	2.542	26.878	Unsettled money transfer
Lain-lain	487	163	Others
Sub-total	3.029	27.041	Sub-total
Total	**431.402**	**388.522**	**Total**

Titipan pembayaran dari nasabah terdiri dari pembayaran kepada beberapa rekanan payment point.

Payments from customers consist of payments to several payment points partners.

Lain-lain terdiri dari deposito berjangka yang telah jatuh tempo, setoran jaminan jatuh tempo dan lain-lain.

Others consist of matured time deposits, matured guarantee deposits and others.

17. Giro

a. Berdasarkan pihak

	2023	2022	
Pihak berelasi (Catatan 38)			**Related parties (Note 38)**
Rupiah	3.080	259.920	Rupiah
Mata uang asing	6.014	398	Foreign currencies
Sub-total	9.094	260.318	Sub-total
Pihak ketiga			**Third parties**
Rupiah	2.723.031	2.920.568	Rupiah
Mata uang asing	445.523	397.041	Foreign currencies
Sub-total	3.168.554	3.317.609	Sub-total
Total	**3.177.648**	**3.577.927**	**Total**

Pada tanggal 31 Desember 2023 dan 2022 giro yang berdasarkan pada prinsip perbankan syariah masing-masing sebesar Rp459.743 dan Rp647.138.

Giro yang dijadikan sebagai jaminan atau diblokir oleh Bank pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp753.970 dan Rp3.799.183.

Giro yang berdasarkan pada prinsip perbankan syariah yang dijadikan sebagai jaminan atas pembiayaan/piutang syariah kepada beberapa debitur pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp58.280 dan Rp86.236.

b. Berdasarkan mata uang

	2023	2022	
Rupiah	2.726.111	3.180.488	**Rupiah**
Mata uang asing:			**Foreign currencies:**
Dolar Amerika Serikat	417.845	357.951	United States Dollar
Yen Jepang	32.241	35.127	Japanese Yen
Dolar Singapura	722	3.491	Singapore Dollar
Dolar Australia	432	439	Australian Dollar
Euro Eropa	262	383	European Euro
Poundsterling Inggris	35	48	Great Britain Poundsterling
	451.537	397.439	
Total	**3.177.648**	**3.577.927**	**Total**

c. Tingkat bunga rata-rata per tahun

Giro dalam mata uang asing terdiri dari Dolar Amerika Serikat, Yen Jepang, Dolar Australia, Euro Eropa, Dolar Singapura dan Poundsterling Inggris.

17. Demand Deposits

a. By counterparties

As at December 31, 2023 and 2022 demand deposits under sharia banking principles amounted to Rp459,743 and Rp647,138, respectively.

Demand deposits amounting to Rp753,970 and Rp3,799,183 are pledged as collateral or blocked by the Bank as at December 31, 2023 and 2022, respectively.

Demand deposits under sharia banking principles amounting to Rp58,280 and Rp86,236 that are pledged as collateral for sharia financing/receivables granted to debtors as at December 31, 2023 and 2022, respectively.

b. By currency

c. Average annual interest rates

Demand deposits in foreign currencies consist of United States Dollar, Japanese Yen, Australian Dollar, European Euro, Singapore Dollar and Great Britain Poundsterling.

17. Giro (lanjutan)

d. Tingkat bunga rata-rata per tahun (lanjutan)

Suku bunga rata-rata tertimbang setahun untuk Giro adalah sebagai berikut:

	2023	2022	
	%	%	
Rupiah	0,12	0,13	**Rupiah**
Mata uang asing:			**Foreign currencies:**
Dolar Singapura	0,85	0,17	Singapore Dollar
Poundsterling Inggris	0,25	0,25	Great Britain Poundsterling
Dolar Amerika Serikat	0,10	0,11	United States Dollar
Euro Eropa	0,09	0,01	European Euro
Dolar Australia	0,03	0,20	Australian Dollar
Yen Jepang	0,03	0,16	Japanese Yen

17. Demand Deposits (continued)

d. Average annual interest rates (continued)

The weighted average of interest rate per annum for Demand deposits are as follows:

18. Tabungan

a. Berdasarkan pihak

	2023	2022	
Pihak berelasi (Catatan 38)			**Related parties (Note 38)**
Rupiah:			**Rupiah:**
SiAga	18.130	9.546	SiAga
Mata uang asing:			**Foreign currencies:**
SiAga	361	324	SiAga
	18.491	9.870	
Pihak ketiga			**Third parties**
Rupiah:			**Rupiah:**
SiAga	6.012.162	5.609.135	SiAga
Wadiah	249.284	280.039	Wadiah
Mudharabah	228.658	191.752	Mudharabah
Kerjasama	206.692	270.524	Kerjasama
Sikosi	-	243.125	Sikosi
Lain-lain	104.545	236.594	Others
Mata uang asing:			**Foreign currencies:**
SiAga	53.352	114.745	SiAga
	6.854.693	6.945.914	
Total	**6.873.184**	**6.955.784**	**Total**

18. Savings Deposits

a. By counterparties

Pada tanggal 31 Desember 2023 dan 2022 tabungan yang berdasarkan pada prinsip perbankan syariah adalah sebesar Rp477.942 dan Rp471.791.

As at December 31, 2023 and 2022, savings deposits under sharia banking principles amounting to Rp477,942 and Rp471,791, respectively.

Adapun pos tabungan lain-lain terdiri atas produk Tabungan Simple, Tabungan Wokee, Tabungan Haji dan Tabunganku.

Savings-Others consist of some products such as Tabungan Simple, Tabungan Wokee, Tabungan Haji and Tabunganku.

Tabungan yang dijadikan sebagai jaminan atau diblokir oleh Bank pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp2.119.864 dan Rp2.407.214.

Savings deposits amounting to Rp2,119,864 and Rp2,407,214 are pledged as collateral or blocked by the Bank as at December 31, 2023 and 2022, respectively.

18. Tabungan (lanjutan)

a. Berdasarkan pihak

Tabungan yang berdasarkan pada prinsip perbankan syariah yang dijadikan sebagai jaminan atas pembiayaan/piutang syariah kepada beberapa debitur pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp17.305 dan Rp4.585.

18. Savings Deposits (continued)

a. By counterparties

Savings deposits under sharia banking principles amounting to Rp17,305 and Rp4,585 are pledged as collateral to sharia financing/receivables granted to debtors as at December 31, 2023 and 2022, respectively.

b. Berdasarkan mata uang / b. By currency

	2023	2022	
Rupiah	6.819.471	6.840.715	**Rupiah**
Mata uang asing:			**Foreign currencies:**
Dolar Amerika Serikat	51.876	112.659	United States Dollar
Euro Eropa	1.087	1.083	European Euro
Dolar Australia	319	335	Australian Dollar
Yen Jepang	214	300	Japanese Yen
Dolar Singapura	210	684	Singapore Dollar
Poundsterling Inggris	7	8	Great Britain Poundsterling
Sub-total	53.713	115.069	Sub-total
Total	**6.873.184**	**6.955.784**	**Total**

c. Tingkat bunga rata-rata per tahun / c. Average annual interest rates

Tabungan dalam mata uang asing terdiri dari Dolar Amerika Serikat, Dolar Australia, Poundsterling Inggris, Euro Eropa, Dolar Singapura dan Yen Jepang.

Saving deposits in foreign currencies consist of United States Dollar, Australian Dollar, Great Britain Poundsterling, European Euro, Singapore Dollar and Japanese Yen.

Suku bunga rata-rata tertimbang setahun untuk tabungan adalah sebagai berikut:

The weighted average of interest rate per annum for saving deposits are as follows:

	2023	2022	
	%	%	
Rupiah	0,16	0,21	**Rupiah**
Mata uang asing:			**Foreign currencies:**
Dolar Singapura	1,00	0,88	Singapore Dollar
Dolar Australia	0,26	1,00	Australian Dollar
Poundsterling Inggris	0,25	0,25	Great Britain Poundsterling
Euro Eropa	0,08	0,07	European Euro
Dolar Amerika Serikat	0,06	0,10	United States Dollar
Yen Jepang	0,01	0,01	Japanese Yen

19. Deposito Berjangka

a. Berdasarkan pihak

19. Time Deposits

a. By counterparties

	2023	2022	
Pihak berelasi (Catatan 38)			**Related parties (Note 38)**
Rupiah	38.129	55.086	Rupiah
Mata uang asing	2.182	761	Foreign currencies
	40.311	55.847	

19. Deposito Berjangka (lanjutan) / 19. Time Deposits (continued)

a. Berdasarkan pihak (lanjutan) / a. By counterparties (continued)

	2023	2022	
Pihak ketiga			**Third parties**
Rupiah	31.206.482	38.216.295	Rupiah
Mata uang asing	3.491.518	3.156.517	Foreign currencies
	34.698.000	41.372.812	
Total	**34.738.311**	**41.428.659**	**Total**

Pada tanggal 31 Desember 2023 dan 2022 deposito berjangka yang berdasarkan pada prinsip perbankan syariah masing-masing sebesar Rp5.068.360 dan Rp4.470.295.

As at December 31, 2023 and 2022 time deposits under sharia banking principles amounted to Rp5,068,360 and Rp4,470,295, respectively.

Deposito berjangka yang dijadikan sebagai jaminan atau diblokir oleh Bank pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp1.035.272 dan Rp869.451.

Time deposits amounting to Rp1,035,272 and Rp869,451 are pledged as collateral or blocked by the Bank as at December 31, 2023 and 2022, respectively.

Deposito berjangka yang berdasarkan pada prinsip perbankan syariah yang dijadikan sebagai jaminan atas pembiayaan/piutang syariah kepada beberapa debitur pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp125.717 dan Rp420.559.

Time deposits under sharia banking principles amounting to Rp125,717 and Rp420,559 are pledged as collateral to sharia financing/ receivables granted to debtors as of December 31, 2023 and 2022, respectively.

b. Berdasarkan mata uang / b. By currency

	2023	2022	
Rupiah	31.244.611	38.271.381	**Rupiah**
Mata uang asing:			**Foreign currencies:**
Dolar Amerika Serikat	3.489.847	3.150.417	United States Dollar
Euro Eropa	2.376	2.312	European Euro
Dolar Australia	842	3.674	Australian Dollar
Dolar Singapura	635	826	Singapore Dollar
Yen Jepang	-	49	Japanese Yen
Sub-total	3.493.700	3.157.278	Sub-total
Total	**34.738.311**	**41.428.659**	**Total**

c. Tingkat bunga rata-rata per tahun berdasarkan periode penempatan / c. Average annual interest rate by contract period

	Tingkat bunga rata-rata per tahun (%)/ *Average interest rates per annum (%)*		Nilai nominal/*Nominal value*		
	2023	2022			
	%	%	2023	2022	
Rupiah:					**Rupiah:**
1 bulan	3,34	3,10	8.641.175	12.160.413	1 month
3 bulan	3,76	3,28	8.964.456	9.021.219	3 months
6 bulan	3,97	3,62	7.750.899	6.733.785	6 months
12 bulan	4,00	3,82	5.888.081	10.355.964	12 months
			31.244.611	38.271.381	

19. Deposito Berjangka (lanjutan) / 19. Time Deposits (continued)

c. Tingkat bunga rata-rata per tahun berdasarkan periode penempatan (lanjutan) / c. Average annual interest rate by contract period (continued)

Tingkat bunga rata-rata per tahun (%)/ *Average interest rates per annum (%)*		Nilai nominal/*Nominal value*		
2023	2022	2023	2022	
%	%			
Mata uang asing:				**Foreign currencies:**
1 bulan	0,02	0,02	990.041	2.546.026	1 month
3 bulan	0,03	0,02	1.592.250	33.365	3 months
6 bulan	0,04	0,02	120.453	21.997	6 months
12 bulan	0,05	0,03	790.956	555.890	12 months
			3.493.700	3.157.278	
Total			**34.738.311**	**41.428.659**	**Total**

d. Berdasarkan sisa umur sampai dengan jatuh tempo / d. By remaining period to maturity

2023	2022	
Rupiah:		**Rupiah:**
Sampai dengan 1 bulan	12.969.924	16.143.833	Up to 1 month
> 1 - 3 bulan	9.384.799	9.305.142	> 1 - 3 months
> 3 - 6 bulan	6.829.733	5.914.806	> 3 - 6 months
> 6 - 12 bulan	2.060.155	6.907.600	> 6 - 12 months
	31.244.611	38.271.381	
Mata uang asing:			**Foreign currencies:**
Sampai dengan 1 bulan	1.022.486	2.622.924	Up to 1 month
> 1 - 3 bulan	1.653.199	32.590	> 1 - 3 months
> 3 - 6 bulan	157.656	16.880	> 3 - 6 months
> 6 - 12 bulan	660.359	484.884	> 6 - 12 months
	3.493.700	3.157.278	
Total	**34.738.311**	**41.428.659**	**Total**

20. Simpanan Dari Bank Lain / 20. Deposits From Other Banks

a. Berdasarkan mata uang dan jenis / a. By currency and type

2023	2022	
Pihak berelasi (Catatan 38)		**Related parties (Note 38)**
Rupiah:		**Rupiah:**
Giro	913	3.032	Demand deposits
Dolar Amerika Serikat:		United States Dollar:
Interbank call money	7.698.500	10.118.875	Interbank call money
Sub-total	7.699.413	10.121.907	Sub-total
Pihak ketiga		**Third parties**
Rupiah:		**Rupiah:**
Interbank call money	130.000	-	Interbank call money
Tabungan	22.060	89.109	Savings deposits
Deposito berjangka	21.200	150.115	Time deposits
Giro	14.048	20.244	Demand deposits
Sub-total	187.308	259.468	Sub-total
Total	**7.886.721**	**10.381.375**	**Total**

20. Simpanan Dari Bank Lain (lanjutan)

a. Berdasarkan mata uang dan jenis (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, terdapat simpanan dari bank lain yang berdasarkan pada prinsip perbankan syariah masing-masing sebesar Rp180.553 dan Rp64.651.

Pada tanggal 31 Desember 2023 dan 2022, tidak terdapat simpanan dari Bank lain yang dijadikan sebagai jaminan atau diblokir oleh Bank.

20. Deposits From Other Banks (continued)

a. By currency and type (continued)

As at December 31, 2023 and 2022, deposits from other banks under sharia banking principles amounted to Rp180,553 and Rp64,651, respectively.

As at December 31, 2023 and 2022, there were no deposits from other Banks pledged as collateral or blocked by the Bank.

b. Tingkat bunga rata-rata per tahun

b. Average annual interest rates

	2023	2022	
	%	%	
Rupiah:			**Rupiah:**
Deposito berjangka	3,55	3,54	Time deposits
Tabungan	1,19	1,27	Savings deposits
Giro	0,80	0,68	Demand deposits
Interbank call money	0,48	3,62	Interbank call money
Mata uang asing:			**Foreign currencies:**
Interbank call money	5,36	2,02	Interbank call money
Deposito berjangka	0,00	0,42	Time deposits
Giro	000	0,00	Demand deposits

c. Berdasarkan sisa umur sampai dengan saat jatuh tempo

c. Based on their remaining period to maturity

	2023	2022	
Rupiah:			**Rupiah:**
Sampai dengan 1 bulan	179.221	172.298	Up to 1 month
> 1 bulan - 3 bulan	8.000	71.701	> 1 month - 3 months
> 3 bulan - 12 bulan	1.000	18.501	> 3 months - 12 months
	188.221	262.500	
Dolar Amerika Serikat:			**United States Dollar:**
Sampai dengan 1 bulan	4.465.130	10.118.875	Up to 1 month
> 1 bulan - 3 bulan	3.233.370	-	> 1 month - 3 months
> 3 bulan - 12 bulan	-	-	> 3 months - 12 months
	7.698.500	10.118.875	
Total	**7.886.721**	**10.381.375**	**Total**

21. Pajak Penghasilan

a. Utang pajak

21. Income Tax

a. Taxes payable

	2023	2022	
Pajak penghasilan:			Income tax:
Pasal 23 dan 4(2)	38.148	37.168	Articles 23 and 4(2)
Pasal 26	12.786	9.595	Article 26
Pasal 21	7.670	5.211	Article 21
Pajak pertambahan nilai	6.006	4.456	Value added tax
Lain-lain	25	66	Other
Total	**64.635**	**56.496**	**Total**

21. Pajak Penghasilan (lanjutan) / 21. Income Tax (continued)

b. Beban pajak penghasilan / b. Income tax expense

2023	2022	
702.789	94.711	Manfaat pajak tangguhan - Bank / Deferred tax benefit - Bank
28.895	18.441	Manfaat pajak tangguhan - entitas anak / Deferred tax benefit - subsidiaries
731.684	113.152	Total manfaat pajak tangguhan / Total deferred tax benefit
731.684	**113.152**	**Total Manfaat Pajak Tahun Berjalan / Total Current Year Tax Benefit**

Rekonsiliasi antara beban pajak penghasilan dengan hasil perkalian rugi akuntansi sebelum pajak penghasilan menggunakan tarif yang berlaku adalah sebagai berikut:

The reconciliation between income tax expense and the loss before income tax multiplied by the enacted tax rate is as follows:

2023	2022	
(6.787.387)	(5.145.656)	Rugi sebelum beban pajak penghasilan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian / Loss before income tax expense in the consolidated statement of profit or loss and other comprehensive income
573.818	80.965	Bagian laba bersih entitas anak / Net income of subsidiaries
(6.213.569)	(5.064.691)	Rugi sebelum pajak penghasilan - Bank / Loss before income tax - Bank
1.366.985	1.114.232	Manfaat pajak sesuai tarif pajak yang berlaku / Tax benefit based on applicable tax rate
(11.976)	(22.745)	Biaya-biaya yang tidak dapat dikurangkan / Non-deductible expenses
567	1.700	Pendapatan dari investasi reksadana yang tidak dikenakan pajak / Income from mutual fund investment exempted from tax
(652.787)	(998.476)	Penyesuaian atas manfaat pajak tangguhan / Adjustment in deferred tax benefit
-	-	Penyesuaian tarif pajak penghasilan badan / Adjustment in corporate income tax rate
702.789	94.711	
28.895	18.441	Manfaat pajak entitas anak Tangguhan / Tax benefits of subsidiaries Deferred
28.895	18.441	
731.684	**113.152**	**Manfaat pajak penghasilan - neto / Income tax benefit - net**

Rekonsiliasi antara rugi sebelum beban pajak penghasilan, seperti yang disajikan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dengan taksiran rugi fiskal untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The reconciliation between loss before income tax expense, as shown in the consolidated statement of profit or loss and other comprehensive income and estimated fiscal loss for the years ended December 31, 2023 and 2022 are as follows:

21. Pajak Penghasilan (lanjutan)

b. Beban pajak penghasilan (lanjutan)

Rekonsiliasi antara rugi sebelum beban pajak penghasilan, seperti yang disajikan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dengan taksiran rugi fiskal untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

21. Income Tax (continued)

b. Income tax expense (continued)

The reconciliation between loss before income tax expense, as shown in the consolidated statement of profit or loss and other comprehensive income and estimated fiscal loss for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022	
Rugi sebelum beban pajak penghasilan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian	(6.787.387)	(5.145.656)	Loss before income tax expense in the consolidated statement of profit or loss and other comprehensive income
Bagian laba bersih entitas anak	573.818	80.965	Net income of subsidiaries
Rugi sebelum pajak penghasilan - Bank	(6.213.569)	(5.064.691)	Loss before income tax - Bank
Perbedaan tetap:			Permanent differences:
Representasi	3.707	5.037	Representations
Sumbangan dan hadiah	3.500	6.494	Donations and gifts
Aktivitas karyawan	250	1.341	Employee activities
Reksadana yang tidak dikenakan pajak	(2.576)	(7.729)	Investment exempted from tax
Lain-lain	46.978	90.513	Others
Total perbedaan tetap	51.859	95.656	Total permanent differences
Perbedaan waktu:			Timing differences:
Cadangan kerugian (pembalikan cadangan):			Provision (reversal of allowance) for impairment losses on:
Kredit yang diberikan dan piutang	2.528.696	(2.201.316)	Loans and receivables
Penyusutan aset tetap	11.221	(6.868)	Depreciation of fixed assets
Beban untuk kesejahteraan karyawan	(15.103)	(229.059)	Employee service entitlements expense
Cadangan bonus	19.326	(2.265)	Bonus allowance
Cadangan kerugian penurunan nilai asset yang diambil alih	204.873	-	Allowance for impairment losses - foreclosed Asset
Cadangan kerugian penurunan nilai flexy pay	51.597	-	Allowance for impairment losses of flexy pay
Lain-lain	(23.771)	(24.211)	Others
Total perbedaan waktu	2.776.839	(2.463.719)	Total timing differences
Rugi fiskal	(3.384.871)	(7.432.754)	Fiscal loss

Kompensasi rugi fiskal yang kemungkinan dapat dimanfaatkan untuk mengurangi penghasilan kena pajak pada masa mendatang adalah sebagai berikut:

The fiscal loss compensation that may potentially be utilized to reduce taxable income in the future is as follows:

Kompensasi rugi fiskal			**Fiscal loss compensation carry forward**
2021	-	1.806.355	2021
2022	6.429.474	7.432.754	2022
2023	3.384.871	-	2023
Total	**9.814.345**	**9.239.109**	**Total**

Rugi fiskal Bank hasil rekonsiliasi di atas akan menjadi dasar dalam pengisian SPT Tahunan PPh Badan untuk pelaporan SPT tahun buku 2023.

Fiscal loss of the Bank resulting from the reconciliation above will became the basis for filing the Corporate Annual Tax Returns for fiscal years 2023.

21. Pajak Penghasilan (lanjutan)

b. Beban pajak penghasilan (lanjutan)

Rugi fiskal Bank hasil rekonsiliasi di atas telah sesuai dengan SPT Tahunan PPh Badan untuk pelaporan SPT tahun buku 2022.

c. Aset (liabilitas) pajak tangguhan

Pengaruh pajak tangguhan atas beda waktu yang signifikan antara pelaporan komersial dan perpajakan adalah sebagai berikut:

21. Income Tax (continued)

b. Income tax expense (continued)

Fiscal loss of the Bank resulting from the reconciliation agreed with filing the Corporate Annual Tax Returns for fiscal years 2022.

c. Deferred tax assets (liabilities)

The tax effects of significant temporary differences between commercial reporting and tax purposes are as follows:

	Saldo Awal 1 Januari/ *Beginning Balance January 1, 2023*	(Dibebankan) Dikreditkan ke Laporan Laba Rugi/ *(Charged) Credit to Profit or Loss*	Dikreditkan *ke Ekuitas/ Credited to Equity*	Saldo Akhir 31 Desember/ *Ending Balance December 31, 2023*	
Aset pajak tangguhan					**Deferred tax assets**
Liabilitas imbalan kerja	46.805	(24.254)	(1.415)	21.136	Post-employee benefit liability
Cadangan kerugian kartu kredit	5.791	(1.042)	-	4.749	Allowance for credit card
Penyusutan aset tetap	17.535	(11.266)	-	6.269	Depreciation of fixed assets
Rugi fiskal	2.032.604	126.550	-	2.159.154	Fiscal loss
Cadangan kerugian penurunan nilai aset yang diambil alih	-	45.072	-	45.072	Allowance for impairment losses of foreclosed aset
Cadangan kerugian penurunan nilai kredit yang diberikan dan pembiayaan/ piutang syariah	(214.915)	556.313	-	341.398	Allowance for impairment losses on loans financial assets and sharia financing/receivable
Lain-lain	5.428	15.475	-	20.903	Others
Aset pajak tangguhan	1.893.248	706.848	(1.415)	2.598.681	Deferred tax assets
Liabilitas pajak tangguhan					**Deferred tax liabilities**
Amortisasi goodwill	(33.673)	(4.059)	-	(37.732)	Goodwill amortization
Kentungan dari perubahan nilai atas instrumen pada nilai wajar melalui penghasilan komprehensif lain	(741)	-	(1.392)	(2.133)	Unrealized on changes in fair value of debt instrument through comprehensive income
Liabilitas pajak Tangguhan	(34.414)	(4.059)	(1.392)	(39.865)	Deferred tax liabilities
Aset pajak tangguhan - Bank - neto	**1.858.834**	**702.789**	**(2.807)**	**2.558.816**	**Deferred Tax assets - Bank - net**
Aset pajak tangguhan - entitas anak - neto	**83.317**	**28.895**	**(485)**	**111.727**	**Deferred tax assets - ubsidiaries - net**
Total	**1.942.151**	**731.684**	**(3.292)**	**2.670.543**	**Total**

	Saldo Awal 1 Januari/ *Beginning Balance January 1, 2022*	(Dibebankan) Dikreditkan ke Laporan Laba Rugi/ *(Charged) Credit to Profit or Loss*	Dikreditkan *ke Ekuitas/ Credited to Equity*	Saldo Akhir 31 Desember/ *Ending Balance December 31, 2022*	
Aset pajak tangguhan					**Deferred tax assets**
Liabilitas imbalan kerja	102.425	(50.393)	(5.227)	46.805	Post-employee benefit liability
Cadangan kerugian kartu kredit	6.845	(1.054)		5.791	Allowance for credit card
Penyusutan aset tetap	19.046	(1.511)		17.535	Depreciation of fixed assets
Rugi fiskal	1.395.876	636.728		2.032.604	Fiscal loss
Lain-lain	6.136	(708)		5.428	Others
Aset pajak tangguhan	**1.530.328**	**583.062**	**(5.227)**	**2.108.163**	**Deferred tax assets**

21. Pajak Penghasilan (lanjutan)

21. Income Tax (continued)

c. Aset (liabilitas) pajak tangguhan (lanjutan)

c. Deferred tax assets (liabilities) (continued)

	Saldo Awal 1 Januari/ *Beginning Balance January 1, 2022*	(Dibebankan) Dikreditkan ke Laporan Laba Rugi/ *(Charged) Credit to Profit or Loss*	Dikreditkan *ke Ekuitas/ Credited to Equity*	Saldo Akhir 31 Desember/ *Ending Balance December 31, 2022*	
Liabilitas pajak tangguhan					**Deferred tax liabilities**
Amortisasi goodwill	(29.612)	(4.061)		(33.673)	Goodwill amortization
Kentungan dari perubahan nilai atas instrumen pada nilai wajar melalui penghasilan komprehensif lain	(16.170)		15.429	(741)	Unrealized on changes in fair value of debt instrument through comprehensive income
Cadangan kerugian penurunan nilai kredit yang diberikan dan pembiayaan/ piutang syariah	269.375	(484.290)		(214.915)	Allowance for impairment losses on loans financial assets and sharia financing/receivable
Liabilitas pajak Tangguhan	**223.593**	**(488.351)**	**15.429**	**(249.329)**	**Deferred tax liabilities**
Aset pajak tangguhan - Bank - neto	1.753.921	94.711	10.202	1.858.834	Deferred Tax assets - Bank - net
Aset pajak tangguhan - entitas anak - neto	65.311	18.441	(436)	83.317	Deferred tax assets - subsidiaries -net
Total	**1.819.232**	**113.152**	**9.766**	**1.942.151**	**Total**

d. Administrasi

Pada tanggal 29 Oktober 2021, Pemerintah menerbitkan Undang-Undang Republik Indonesia No. 7 Tahun 2021 tentang Harmonisasi Peraturan Perpajakan. Aturan tersebut menetapkan tarif pajak penghasilan wajib pajak dalam negeri dan bentuk usaha tetap sebesar 22% yang mulai berlaku pada tahun pajak 2022 dan seterusnya, dan tambahan pengurangan tarif pajak sebesar 3% bagi wajib pajak dalam negeri yang memenuhi kriteria tertentu. Dengan demikian, penetapan tarif pajak sebelumnya sebesar 20% menjadi tidak berlaku setelah Undang-Undang ini disahkan.

Pada Peraturan Pemerintah Pengganti Undang-Undang Republik Indonesia No. 1/2020 di Pasal 5 ayat 2 menyebutkan Wajib Pajak dalam negeri:

i. Berbentuk perseroan terbuka;
ii. Dengan jumlah keseluruhan saham yang disetor diperdagangkan pada bursa efek di Indonesia paling sedikit 40% (empat puluh persen);
iii. Memenuhi persyaratan tertentu, dapat memperoleh tarif sebesar 3% (tiga persen) lebih rendah dari tarif sebagaimana dimaksud pada ayat (1) huruf a dan huruf b.

d. Administrative

On October 29, 2021, the Government issued Law of the Republic of Indonesia No. 7 year 2021 concerning Harmonization of Tax Regulations. The Regulation has stipulated the income tax rate for domestic taxpayers and business establishments of 22% which will be effective from the Fiscal Year 2022 onwards, and a further reduction of the tax rate of 3% for domestic taxpayers who meet certain requirements. Hence, the previously tax rate determination of 20% will be invalid after the ratification of this Law.

In Government Regulation in Lieu of Law of the Republic of Indonesia No. 1/2020 in Article 5 paragraph 2 mentions that domestic tax payers:

i. In the form of a public company;
ii. With the total number of paid-up shares traded on the stock exchange in Indonesia at least 40% (forty percent);
iii. Fulfilling certain requirements, can get a tariff of 3% (three percent) lower than the rate as referred to in paragraph (1) letter a and letter b.

21. Pajak Penghasilan (lanjutan)

d. Administrasi (lanjutan)

Berdasarkan Laporan Bulanan Kepemilikan Saham Emiten atau perusahaan Publik dan Rekapitulasi yang telah dilaporkan Nomor: DE/I/24-0221 tanggal 4 Januari 2024 dan DE/I/23-0330 tanggal 4 Januari 2023 dari PT Datindo Entrycom atas kepemilikan saham Bank periode yang berakhir pada 31 Desember 2023 and 31 Desember 2022, Bank tidak memenuhi kriteria untuk mendapatkan pengurangan tarif pajak karenanya Bank menggunakan tarif pajak 22% dalam perhitungan PPh Badan.

Sesuai dengan peraturan perpajakan di Indonesia, Bank menghitung dan melaporkan/menyetorkan pajak berdasarkan sistem self-assessment. Fiskus dapat menetapkan/mengubah pajak-pajak tersebut dalam jangka waktu tertentu sesuai dengan peraturan yang berlaku.

e. Pemeriksaan pajak

2003, 2004, dan 2006

Pada bulan September 2008, berdasarkan pemeriksaan Tahun Pajak 2003, 2004 dan 2006, Kantor Pelayanan Pajak (KPP) menerbitkan Surat Ketetapan Pajak Kurang Bayar (SKPKB) PPN atas penjualan AYDA dan transaksi murabahah, total senilai Rp74.700.

Atas SKPKB tersebut, pada bulan Desember 2008, Bank mengajukan keberatan karena menurut Bank, baik transaksi penjualan AYDA maupun murabahah bukanlah merupakan objek PPN. Transaksi murabahah bukan merupakan transaksi jual beli, melainkan transaksi pembiayaan dengan akad jual beli. Sebagaimana diatur dalam Undang-Undang (UU) No. 7 Tahun 1992 tentang Perbankan yang telah diubah dengan UU No. 10 Tahun 1998 dan UU No. 21 Tahun 2008 tentang Perbankan Syariah, pembiayaan murabahah adalah jasa keuangan di bidang pembiayaan. Sesuai dengan UU No. 8 Tahun 1983 yang telah diubah dengan UU No. 18 Tahun 2000 tentang PPN atas Barang dan Jasa dan Pajak Penjualan atas Barang Mewah, jasa keuangan bidang pembiayaan masuk dalam kategori jasa yang tidak dikenai PPN. Pada tanggal 19 Oktober 2009, DJP menolak keberatan Bank.

21. Income Tax (continued)

d. Administrative (continued)

Based on the Monthly Report on Share Ownership of Issuers or Public Companies and Recapitulation which has been reported Number: DE/I/24-0221 dated January 4, 2024 and DE/I/23-0330 dated January 4, 2023 from PT Datindo Entrycom for the Bank's share ownership for the period ending December 31, 2023 and December 31, 2022, the Bank does not meet the criteria for obtaining a reduced tax rate, therefore the Bank uses a tax rate of 22% in calculating Corporate Income Tax.

In accordance with the taxation laws in Indonesia, the Bank calculates and submits income tax returns based on self-assessment. The tax authorities may assess/amend taxes within the statute of limitations under the prevailing regulations.

e. Tax assessments

2003, 2004, and 2006

In September 2008, based on Tax Audit for years 2003, 2004 and 2006, Tax Office (KPP) issued Tax Underpayment Assessment Letters (SKPKB) for VAT on foreclosed assets and VAT on murabahah amounted to Rp74,700.

For that SKPKB, in December 2008, the Bank proposed an objection, because according to the Bank, both foreclosed assets and murabahah transactions were not subject to VAT. Murabahah transactions are not buying and selling transactions, but financing transactions under sale and purchase contracts. As stipulated in Law No. 7 of 1992 concerning Banking which has been amended by Law No. 10 of 1998 and Law No. 21 of 2008 concerning Sharia Banking, murabahah financing is financial services in the area of financing. In accordance with Law No. 8 of 1983 which was amended by Law No. 18 of 2000 concerning VAT on Goods and Services and Sales Tax on Luxury Goods, financial services in the financing sector included in the service category that is not subject to VAT. On October 19, 2009, the DGT rejected the Bank's objection.

21. Pajak Penghasilan (lanjutan)

e. Pemeriksaan pajak (lanjutan)

2003, 2004, dan 2006 (lanjutan)

Atas penolakan tersebut, pada tanggal 30 Desember 2009, Bank mengajukan banding ke Pengadilan Pajak, baik terhadap pengenaan PPN atas penjualan AYDA maupun transaksi murabahah. Pada bulan Juni 2011, Pengadilan Pajak menolak permohonan banding yang diajukan Bank.

Sebagai syarat pengajuan banding sebagaimana diatur dalam UU No. 14 Tahun 2002 tentang Pengadilan Pajak Pasal 36 ayat 4, Bank telah melakukan cicilan pembayaran SKPKB kepada Kantor Pajak, yaitu sejumlah 50% dari nilai sengketa atau sebesar Rp32.700. Pengeluaran ini dicatat dalam aset lain-lain (uang muka). Berdasarkan keputusan Pengadilan Pajak yang menolak banding Bank, atas sengketa PPN penjualan AYDA, Bank telah melakukan penyesuaian uang muka sebesar Rp2.191. Dengan demikian, pembayaran SKPKB PPN yang saat ini masih dicatat di aset lain-lain (uang muka) adalah atas transaksi murabahah, yaitu sebesar Rp30.509.

Selama proses sengketa pajak berlangsung (2009-2010), Pemerintah mengeluarkan undang-undang/peraturan terkait pengenaan PPN atas transaksi murabahah. Pada tanggal 15 Oktober 2009, Pemerintah menerbitkan UU No. 42 tahun 2009 tentang Perubahan Ketiga atas Undang-undang No. 8 tahun 1983 tentang Pajak Pertambahan Nilai Barang dan Jasa dan Pajak Penjualan atas Barang Mewah. UU tersebut menegaskan bahwa terhitung sejak 1 April 2010, jasa pembiayaan berdasarkan prinsip syariah tidak dikenai PPN.

Pada tanggal 25 Mei 2010, Pemerintah menerbitkan UU No. 2 tahun 2010 tentang Perubahan atas Undang-Undang Nomor 47 Tahun 2009 tentang Anggaran Pendapatan dan Belanja Negara (APBN) Tahun Anggaran 2010, yang menyatakan bahwa PPN murabahah Bank syariah (termasuk Bank KB Bukopin), ditanggung oleh Pemerintah, dengan pagu anggaran untuk Bank KB Bukopin sebesar Rp76.414.

Menindaklanjuti UU tersebut, pada tanggal 28 Desember 2010, Menteri Keuangan Republik Indonesia menerbitkan peraturan No. 251/PMK.011/2010 tentang Pajak Pertambahan Nilai yang ditanggung Pemerintah atas Transaksi Murabahah Perbankan Syariah Tahun Anggaran 2010 yang menyatakan bahwa:

21. Income Tax (continued)

e. Tax assessments (continued)

2003, 2004, and 2006 (continued)

For this refusal, on December 30, 2009, the Bank filed an appeal to the Tax Court, both for the imposition of VAT on the sale of the foreclosed assets and murabahah transactions. In June 2011, the Tax Court rejected the appeal submitted by the Bank.

As a precondition for filing an appeal as stipulated in Law No. 14 of 2002 concerning Tax Court Article 36 paragraph 4, the Bank has made installments of SKPKB payments to the Tax Office, which is a total of 50% of the value of the dispute or amounting to Rp32,700. This expenditure is recorded in other assets (down payment). Based on the decision of the Tax Court which rejected the Bank's appeal, over the dispute over the sale of the foreclosed assets, the Bank made an advance adjustment of Rp2,191. Thus, the payment of VAT SKPKB currently recorded in other assets (down payment) is for murabahah transactions, which is amounted to Rp30,509.

During the tax dispute process (2009-2010), the Government issued a law/regulation related to the imposition of VAT on murabahah transactions. On October 15, 2009, the Government issued Law No. 42 of 2009 concerning the Third Amendment to Law No. 8 of 1983 concerning Value Added Goods and Services Tax and Sales Tax on Luxury Goods. The law stipulates that starting April 1, 2010, financing services based on sharia principles are not subject to VAT.

On May 25, 2010, the Government issued Law No. 2 of 2010 concerning Amendments to Law Number 47 of 2009 concerning the State Budget (APBN) Budget Year 2010, which states that Murabahah VAT of sharia banks (including Bank KB Bukopin), is borne by the Government, with a budget plafond for Bank KB Bukopin of Rp76,414.

Following up on the Act, on December 28, 2010, the Minister of Finance of the Republic of Indonesia issued regulation No. 251/PMK.011/2010 concerning Value Added Tax borne by the Government for the Fiscal Year 2010 of Murabahah Transactions Sharia Banking stating that:

21. Pajak Penghasilan (lanjutan)

e. Pemeriksaan pajak (lanjutan)

2003, 2004, dan 2006 (lanjutan)

1) Atas transaksi murabahah perbankan syariah yang dilakukan sebelum tanggal 1 April 2010, dikenai PPN.
2) PPN terutang yang telah diterbitkan Surat Ketetapan Pajak, ditanggung Pemerintah.
3) PPN ditanggung pemerintah tersebut, diberikan dengan pagu anggaran sebesar Rp328.000 sebagaimana diatur dalam UU No. 2 tahun 2010 (termasuk untuk Bank KB Bukopin Rp76.414).
4) Wajib pajak bank syariah yang telah membayar Surat Ketetapan Pajak atas transaksi murabahah, dapat diberikan pengembalian pajak sesuai dengan ketentuan perpajakan yang berlaku.

Berdasarkan pada UU No. 2 tahun 2010 dan PMK No. 251/PMK.011/2010 tersebut, pada tanggal 22 Maret 2017, Bank mengajukan permohonan pengembalian atas kelebihan pembayaran pajak yang seharusnya tidak terutang berdasarkan Pasal 17 ayat (2) Undang-undang No. 6 Tahun 1983 tentang Ketentuan Umum dan Tata Cara Perpajakan sebagaimana telah beberapa kali diubah terakhir dengan Undang-undang No. 16 Tahun 2009. Pada tanggal 7 April 2017, Direktorat Jenderal Pajak (DJP) menolak permohonan Bank. Sehubungan dengan penolakan tersebut, Bank mengajukan gugatan ke Pengadilan Pajak.

Pada tanggal 13 Februari 2018, Bank telah menerima keputusan Pengadilan Pajak yang menolak gugatan Bank. Atas keputusan tersebut, pada tanggal 30 April 2018, Bank telah mengajukan permohonan peninjauan kembali ke Mahkamah Agung.

Pada tanggal 8 November 2018, Mahkamah Agung mengeluarkan keputusan untuk peninjauan kembali sengketa PPN murabahah tahun 2003 dan menolak permohonan Bank.

Pada tanggal 10 Desember 2018, Mahkamah Agung mengeluarkan keputusan peninjauan kembali sengketa PPN murabahah tahun 2004 dan 2006, dan menolak permohonan Bank.

Pada tahun 2022, Bank memutuskan untuk menghentikan upaya hukum penyelesaian sengketa pajak ini dan menerima hasil keputusan Mahkamah Agung.

21. Income Tax (continued)

e. Tax assessments (continued)

2003, 2004, and 2006 (continued)

1) Those sharia banking murabahah transactions conducted before April 1, 2010, are subject to VAT.
2) The VAT payable issued by the Tax Assessment Letter is borne by the Government.
3) The VAT borne by the Government therein, is given a budget ceiling of Rp328,000 as stipulated in Law No. 2 of 2010 (including for Bank KB Bukopin Rp76,414).
4) Sharia bank taxpayers who have paid Tax Assessment Letters for murabahah transactions, can be given a tax refund in accordance with applicable tax provisions.

Based on Law No. 2 of 2010 and PMK No. 251/PMK.011/2010, on March 22, 2017, the Bank submitted an application for the return of excess tax payments that should not be payable under Article 17 paragraph (2) of Law No. 6 of 1983 concerning General Provisions and Procedures for Taxation as amended several times, the latest by Law No. 16 of 2009. On April 7, 2017, the Directorate General of Taxation (DGT) rejected the Bank's request. In connection with the refusal, the Bank filed a claim to the Tax Court.

On February 13, 2018, the Bank has accepted the decision of the Tax Court to reject the Bank's claim. For the decision, on April 30, 2018, the Bank has submitted a request for a judicial review to the Supreme Court.

On November 8, 2018, the Supreme Court issued the decision for judicial review of the VAT murabahah year 2003 and rejected the Bank's request.

On December 10, 2018, the Supreme Court issued the decision for judicial review of the VAT murabahah year 2004 and 2006, and rejected the Bank's request.

In 2022, the Bank decided to dismiss the legal attempts on this tax dispute and accept the results of the Supreme Court's decision.

21. Pajak Penghasilan (lanjutan)

e. Pemeriksaan pajak (lanjutan)

2013

Pada tanggal 27 Agustus 2018, Bank telah menerima beberapa SKP nihil, SKPKB, dan STP atas pemeriksaan PPN tahun pajak 2013. Total nilai SKPKB dan STP adalah Rp3.638 dan seluruhnya telah dibayar pada tahun 2018. Dari total SKPKB dan STP senilai Rp3.638 tersebut, jumlah yang disetujui dan tidak diajukan keberatan adalah sebesar Rp1.568. Atas SKPKB yang tidak disetujui dan diajukan keberatan sebesar Rp2.069 pada tanggal 21 November 2018, Bank telah mengajukan keberatan. Pada tanggal 23 September 2019, Bank telah menerima putusan keberatan, dengan hasil Pengadilan Pajak menolak permohonan keberatan Bank.

Atas penolakan tersebut, pada tanggal 13 Desember 2019, Bank mengajukan banding ke Pengadilan Pajak dan disebabkan kondisi Covid 19 yang menjadi wabah pandemik di 2020 menyebabkan persidangannya sering tertunda sehingga melewati masa 1 tahun.

Pada tanggal 11 April 2022 Bank menerima putusan Banding. Majelis Hakim mengabulkan seluruh banding yang diajukan Bank terkait PPN AYDA sebesar Rp2.069. Tetapi pihak Direktorat Jenderal Pajak mengajukan permohonan peninjauan kembali ke Mahkamah Agung.

Atas sengketa pajak ini, Bank telah membentuk cadangan sebesar 100%.

Pada tanggal 21 Desember 2023 Bank menerima putusan Mahkamah Agung Majelis Hakim menolak seluruhnya permohonan Peninjauan Kembali DJP, sehingga sengketa tersebut dimenangkan oleh Bank. Sampai dengan tanggal laporan keuangan konsolidasian diterbitkan, belum ada upaya hukum lanjutan dari DJP.

2016

Pada tanggal 30 Agustus 2019, Bank dan Pemeriksa melakukan pembahasan akhir hasil pemeriksaan yang diikuti dengan penandatanganan Berita Acara Pembahasan Akhir Hasil Pemeriksaan, Ikhtisar Hasil Pembahasan Akhir dan Risalah Pembahasan.

Bank telah menerima SKP dan STP atas hasil pemeriksaan seluruh jenis pajak (PPh Badan, PPh dan PPN) untuk tahun pajak 2016.

21. Income Tax (continued)

e. Tax assessments (continued)

2013

On August 27, 2018, the Bank has received Notices of nil Tax Assessment, SKPKB and STP for VAT assessment fiscal year 2013. The total amount of SKPKB and STP is Rp3,638 which has been fully paid. From the total amount of Rp3,638, the amount being approved and didn't request the objection is Rp1,568. For the rest amount of SKPKB amounting to Rp2,069, which is disapproved, the Bank filed the objection on November 21, 2018. On September 23, 2019, the Bank had received the objection decision, with the result of the Tax Court rejected the Bank's objection request.

As the action to this rejection, on December 13, 2019, the Bank submitted an appeal to the Tax Court and due to the condition of Covid 19 which became a pandemic in 2020, the trial was often delayed so that it passed a period of 1 year.

On April 11, 2022 the Bank received the decision on Appeal. The Panel of Judges granted all appeals submitted by the Bank regarding VAT for AYDA in the amount of Rp2,069. However, the Directorate General of Taxes submitted a request for review to the Supreme Court.

As result of this tax dispute, the Bank has provided a reserve of 100%.

On December 21, 2023 the Bank received the decision of the Supreme Court. The Panel of Judges completely rejected the DGT's request for reconsideration, so that the dispute was won by the Bank. As of the date the consolidated financial statements were published, There has been no further legal action from the DJP.

2016

On August 30, 2019, the Bank and the Tax Auditor conducted a final discussion of the audit results which was followed by signing Official Report of Investigation, Summary of the Final Discussion result and Minutes of Discussion.

The Bank received SKP and STP of tax audit results in all aspects (Corporate Income Tax, Witholding Tax and VAT) for fiscal year 2016.

21. Pajak Penghasilan (lanjutan)

e. Pemeriksaan pajak (lanjutan)

2016 (lanjutan)

Berdasarkan hasil pemeriksaan tersebut, dari total permohonan restitusi PPh badan yang diajukan Bank sebesar Rp159.087, Kantor Pajak menyetujui sebagian besarnya, yaitu Rp143.281. Bank telah menerima restitusi pajak tersebut pada tanggal 4 Februari 2020 sebesar Rp119.749, sedangkan sisanya sebesar Rp23.532 dikompensasikan dengan berbagai utang pajak dan STP untuk tahun pajak 2014-2018.

Total nilai SKPKB dan STP yang diterbitkan oleh Kantor Pajak untuk PPh dan PPN adalah sebesar Rp26.306.

Sedangkan, SKPKB yang tidak disetujui oleh Bank adalah senilai Rp15.250 terdiri dari SKPKB PPh Pasal 23, PPh Pasal 26, dan PPN. Seluruh SKPKB yang tidak disetujui tersebut telah dilunasi oleh Bank pada tanggal 8 Oktober 2019. Atas SKPKB yang tidak disetujui tersebut, Bank telah mengajukan Keberatan pada tanggal 6 Desember 2019 dengan nilai sengketa sebesar Rp8.079.

Pada tanggal 12 Agustus 2020, Bank telah menerima putusan keberatan, dengan hasil menolak permohonan keberatan.

Atas penolakan tersebut, pada tanggal 14 Desember 2020, Bank mengajukan banding ke Pengadilan Pajak.

Pada tanggal 12 April 2022, bank mendapatkan hasil putusan Banding, dengan hasil menolak permohonan keberatan.

Tanggal 17 Juni 2022 Bank mengajukan peninjauan kembali ke Mahkamah Agung. Mahkamah Agung menolak permohonan Peninjauan Kembali bank, dimana hasilnya dikeluarkan secara parsial yaitu: tanggal 28 Februari 2023 untuk sengketa masa pajak maret 2016, tanggal 18 April 2023 untuk sengketa masa pajak Februari, April 2016, tanggal 31 Mei 2023 untuk sengketa masa pajak Mei, Juli, September 2016, tanggal 22 Juni 2023 untuk sengketa masa pajak Januari, November 2016, tanggal 18 Juli 2023 untuk sengketa masa pajak Juni 2016.

Bank telah membebankan seluruh sengketa pajak dan dicatat sebagai bagian dari “Beban operasional lainnya" pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian untuk tahun yang berakhir pada tanggal 31 Desember 2022.

21. Income Tax (continued)

e. Tax assessments (continued)

2016 (continued)

Based on the tax audit result, from total of corporate income tax refund requested by the Bank amounting to Rp159,087, Tax Office only approved Rp143,281. The Bank has received the tax refund on February 4, 2020 amounting to Rp119,749, while the remaining amount of Rp23,532 was compensated with various taxes payable and STP for fiscal year of 2014-2018.

Total amount of SKPKB and STP that were released by the tax office for withholding tax and VAT amounted to Rp26,306.

Whereas, SKPKB not agreed by the Bank amounting to Rp15,250 consists of SKPKB Article 23, Article 26, and VAT. All disagreed SKPKB have been paid by the Bank on October 8, 2019. For the not agreed SKPKB, the Bank has filled an Objection on December 6, 2019 for the amount of Rp8,079.

On August 12, 2020, the Bank has received the decision on its appeal denying its request.

As the result of this rejection, on December 14, 2020, the Bank submitted an appeal to the Tax Court.

On April 12, 2022, the Bank has received the appeal decision, with the result of rejecting the appeal request.

On June 17, 2020 the Bank submitted a judicial review to the Supreme Court. The Supreme Court rejected the application for Bank Reconsideration, where the results were issued in partial as follows: February 28, 2023 for March 2016 tax period disputes, April 18, 2023 for February tax period disputes, April 2016, May 31, 2023 for May, July, September 2016 tax period disputes, June 22, 2023 for January tax period disputes, November 2016, July 18 2023 for the June 2016 tax period dispute.

The bank has charged the entire tax dispute and recorded as part of the "Other operating expenses" in the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2022.

21. Pajak Penghasilan (lanjutan)

e. Pemeriksaan pajak (lanjutan)

2016 (lanjutan)

Pada tahun 2023, Bank memutuskan untuk menghentikan upaya hukum penyelesaian sengketa pajak ini dan menerima hasil keputusan Mahkamah Agung.

2017

Total nilai SKPKB dan STP untuk tahun pajak 2017 yang diterbitkan oleh DJP untuk PPh dan PPN adalah sebesar Rp18.065. Seluruh SKPKB dan STP tersebut telah dilunasi oleh Bank. SKPKB yang tidak disetujui dan diajukan Keberatan oleh Bank adalah senilai Rp3.688, terdiri dari SKPKB PPN. Pembayaran atas SKPKB yang diajukan keberatan dicatat sebagai Uang Muka.

Bank telah membebankan seluruh sengketa pajak dan dicatat sebagai bagian dari “Beban operasional lainnya" pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian untuk tahun yang berakhir pada tanggal 31 Desember 2022.

Pada tanggal 31 Mei 2022 Bank memutuskan untuk menghentikan proses banding.

2018

Pada tanggal 24 Agustus 2023, Bank menerima SKP dan STP untuk PPh dan PPN dengan total sebesar Rp40.296. Seluruh SKP dan STP tersebut telah dilunasi oleh Bank melalui kompensasi yang diterima Bank atas hasil banding PPN tahun pajak 2019 sebesar Rp32.296. Atas kekurangan pembayaran SKP PPN yang tidak disetujui sebesar Rp8.000, telah dibayarkan dan diajukan keberatan oleh Bank pada tanggal 27 Oktober 2023.

Pada tanggal 27 Oktober 2023 Bank mengajukan keberatan. Sampai dengan tanggal laporan keuangan konsolidasian diterbitkan, proses keberatan masih berlangsung.

2019

Bank telah menerima SKP dan STP untuk PPh dan PPN atas untuk tahun pajak 2019 dengan total keseluruhan sebesar Rp75.270. Bank tidak menyetujui dan sedang mengajukan keberatan SKPKB atas PPN sebesar Rp45.558. Seluruh SKPKB dan STP, baik yang disetujui maupun yang tidak disetujui telah dilunasi oleh Bank. Pada tanggal 30 Juni 2022, permohonan Keberatan PPN tersebut ditolak.

21. Income Tax (continued)

e. Tax assessments (continued)

2016 (continued)

In 2023, the Bank decided to dismiss the legal attempts on this tax dispute and accept the results of the Supreme Court's decision.

2017

Total amount of SKPKB and STP for fiscal year released by the the DGT for Withholding Tax and VAT amounted to Rp18,065. All of the SKPKB and STP already fully paid by the Bank. The amount of disapproved SKPKB are being submitted by the Bank for objection amounted to Rp3,688, consists of VAT SKPKB. Payments for it, was recorded as Advances.

The bank has charged the entire tax dispute and recorded as part of the "Other operating expenses" in the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2022.

On May 31, 2022 the Bank decided to stop the appeal process.

2018

On August 24, 2023, the Bank received SKP and STP for Income Tax and VAT totaling Rp40,296. The Bank settled all SKP and STP through compensation received by the Bank from the tax appeal results of PPN for year 2019 amounting to Rp32,296. The underpayment of the PPN’s SKP amounting to Rp8,000 has been paid and objected to by the Bank on October 27, 2023.

On October 27 2023 the Bank submitted an objection. As of the date the consolidated financial statements were published, the objection process was still ongoing.

2019

The Bank received the SKP and STP for Income Tax and VAT for the 2019 fiscal year with a total of Rp75,270. The Bank did not approve and submitted an objection to the SKPKB on VAT amounting to Rp45,558. All SKPKB and STP, both approved and disapproved, have been paid by the Bank. Payments for it were recorded as Advanced. On June 30, 2022, the Bank’s VAT objection application is rejected.

21. Pajak Penghasilan (lanjutan)

e. Pemeriksaan pajak (lanjutan)

2019 (lanjutan)

Pada tanggal 26 Agustus 2022, Bank mengajukan banding ke Pengadilan Pajak. Pada tanggal 8 Agustus 2023, permohonan banding tersebut dikabulkan sebesar Rp45.818 yang dikompensasikan ke SKP dan STP untuk PPh dan PPN hasil pemeriksaan tahun pajak 2018 termasuk penalti sebesar Rp32.299 dan jumlah yang diterima Bank sebesar Rp13.519.

Pada tanggal 9 November 2023, DJP mengajukan Peninjauan Kembali ke Mahkamah Agung. Sampai dengan tanggal laporan keuangan konsolidasian diterbitkan, proses Peninjauan Kembali masih berlangsung.

2020

Pada tanggal 22 April 2022, Bank menerima Surat Ketetapan Pajak Lebih Bayar (SKPLB) PPh sebesar Rp15.160, SKPKB PPh dan PPN total sebesar Rp26.593 dan STP PPN sebesar Rp1.558.

Bank menerima pengembalian pajak sebesar Rp15.159 dikompensasikan untuk SKPKB dan STP sebesar Rp13.453, sehingga pengembalian pajak yang diterima bank sebesar Rp1.706.

Atas SKPKB PPN AYDA Bank mengajukan keberatan sebesar Rp18.042, tanggal 21 Juni 2022. Pada tanggal 30 Desember 2022 permohonan Keberatan PPN Bank ditolak. Pada tanggal 06 April 2023, bank mengajukan banding ke Pengadilan Pajak.

Pada tanggal 17 Oktober 2023, permohonan Banding Bank dikabulkan majelis hakim, pada tanggal 23, 24, 27 November 2023 Bank telah menerima pengembalian PPN AYDA sebesar Rp16.712 dan tanggal 1 Maret 2024 sebesar Rp1.328 dan dikompensasikan atas utang Pajak Cabang sebesar Rp1,4.

Pada tanggal 23 Januari 2023, DJP mengajukan Peninjauan Kembali ke Mahkamah Agung. Sampai dengan tanggal laporan keuangan konsolidasian diterbitkan, proses Peninjauan Kembali masih berlangsung.

21. Income Tax (continued)

e. Tax assessments (continued)

2019 (continued)

On August 26, 2022, the Bank filed an appeal to the Tax Court. On August 8, 2023, the appeal was granted in the amount of Rp45,818, which was compensated to the SKP and STP for Income Tax and VAT resulting from examination for the fiscal year 2018 including penalties amounting to Rp32,299, and the amount received by the Bank was Rp13,519.

On November 9, 2023, DJP submitted a judicial review to the Supreme Court. As of the date the consolidated financial statements are published, the Judicial Review process is still ongoing.

2020

On April 22, 2022, the Bank received Directorate General of Taxes issued an Overpayment Tax Assessment Letter (SKPLB) PPh amounting to Rp15,160, SKPKB PPH and VAT totaling Rp26,593 and STP VAT amounting to Rp1,558.

The Bank received a tax refund amounting to Rp15,159, which was deducted for SKPKB and STP amounted to Rp13,453, so that the tax refund received by the bank amounted to Rp1,706.

On the SKPKB VAT AYDA Bank submitted to tax objection amounted to Rp18,042, dated June 21, 2022. On December 30, 2022, the Bank VAT Objection application is rejected. On April 06, 2023 the bank submit it to appeal.

On October 17, 2023, the Bank's appeal request was granted by the panel of judges, on November 23, 24, 27, 2023 the Bank received a refund of AYDA VAT amounting to Rp16,712 and on March 1 2024 amounting to Rp1,328 and compensation for the Branch Tax debt amounting to Rp1.4.

On January 23 2023, the DJP submitted a judicial review to the Supreme Court. As of the date the consolidated financial statements are published, the Judicial Review process is still ongoing.

22. Surat Berharga Yang Dijual Dengan Janji Dibeli Kembali

Surat berharga yang dijual dengan janji dibeli kembali pada tanggal 31 Desember 2023 terdiri dari:

22. Marketable Securities Sold With Agreements To Repurchase

Marketable securities sold with agreements to repurchase as at December 31, 2023 are as follow:

	31 Desember/*December 31*, 2023						
	Jangka waktu/ *Period*	Tanggal dimulai/ *Start date*	Tanggal jatuh tempo/ *Due date*	Suku bunga/ *Interest rate*	Harga beli kembali/ *Repurchase price*	Bunga belum diamortisasi/ *Unamortized interest*	Nilai neto/ Net *Value*
Pihak ketiga/*Third parties*							
Rupiah:							
Bank Indonesia							
Obligasi Pemerintah/ *Government Bonds*							
-Seri/*Series* SUKBI280224091	7 hari/ *7 days*	29 Des. 2023/ *Dec. 29, 2023*	5 Jan. 2024/ *Jan. 5, 2024*	6,25%	103.680	(126)	103.554
-Seri/*Series* SUKBI150224092	7 hari/ *7 days*	29 Des. 2023/ *Dec. 29, 2023*	5 Jan. 2024/ *Jan. 5, 2024*	6,25%	52.475	(64)	52.411
-Seri/*Series* SUKBI030524182	7 hari/ *7 days*	29 Des. 2023/ *Dec. 29, 2023*	5 Jan. 2024/ *Jan. 5, 2024*	6,25%	63.743	(77)	63.666
Total					**219.898**	**(267)**	**219.631**

Pada tanggal 31 Desember 2022 tidak terdapat surat berharga yang dijual dengan janji dibeli kembali.

As at December 31, 2022, there is no marketable securities sold with agreements to repurchase.

23. Pinjaman yang Diterima

23. Borrowings

	2023	2022	
Pihak berelasi			**Related parties**
Rupiah:			**Rupiah:**
KB Kookmin Bank Co., Ltd, Singapura	3.544.886	3.533.582	KB Kookmin Bank Co., Ltd, Singapore
KB Kookmin Bank Co., Ltd, Hong Kong	3.000.000	3.000.000	KB Kookmin Bank Co., Ltd, Hong Kong
Sub-total	6.544.886	6.533.582	Sub-total
Pihak ketiga			**Third parties**
Rupiah:			**Rupiah:**
PT Bank Central Asia Tbk	2.000.000	2.000.000	PT Bank Central Asia Tbk
International Finance Corporation	885.301	882.005	International Finance Corporation
PT Bank Danamon Indonesia Tbk	720.000	1.000.000	PT Bank Danamon Indonesia Tbk
PT Sarana Multigriya Finansial (Persero)	228.301	426.600	PT Sarana Multigriya Financial (Persero)
PT Bank Tabungan Negara (Persero) Tbk	49.780	49.780	PT Bank Tabungan Negara (Persero) Tbk
Badan Layanan Umum Pusat Pembiayaan Perumahan	18.681	24.301	Badan Layanan Umum Pusat Pembiayaan Perumahan
BPJS Ketenagakerjaan	6.538	7.720	BPJS Ketenagakerjaan
PT Bank Shinhan Indonesia	-	200.000	PT Bank Shinhan Indonesia
Lain-lain	-	17.765	Others
	3.908.601	4.608.171	
Dolar Amerika Serikat:			**United States Dollar:**
PT Bank Danamon Indonesia Tbk	1.231.760	-	PT Bank Danamon Indonesia Tbk
Agence Francaise De Developpement	19.245	58.378	Agence Francaise De Developpement
	1.251.005	58.378	
Sub-total	5.159.606	4.666.549	Sub-total
Total	**11.704.492**	**11.200.131**	**Total**

a. PT Bank Tabungan Negara (Persero) Tbk

Akun ini merupakan fasilitas Rekening Dana Investasi (RDI). Dana atas fasilitas ini diterima oleh Bank dari Pemerintah melalui PT Bank Tabungan Negara (Persero) Tbk selaku koordinator Bank yang digunakan untuk

a. PT Bank Tabungan Negara (Persero) Tbk

This account represents investment funds account (Rekening Dana Investasi or RDI). This fund facility was received by the Bank from the Government through PT Bank Tabungan Negara (Persero) Tbk as the coordinator bank

23. Pinjaman yang Diterima (lanjutan)

a. PT Bank Tabungan Negara (Persero) Tbk (lanjutan)

pembiayaan Kredit Pemilikan Rumah-Rumah Sangat Sederhana (KPR-RSS) dan Kredit Pemilikan Rumah Sederhana (KPR-RS). Penyaluran pembiayaan oleh PT Bank Tabungan Negara (Persero) Tbk terbagi menjadi 3 tahun anggaran, 1999, 2000 dan 2001.

i. Berdasarkan perjanjian tahun anggaran 1999/2000, No. 07/PKS/DIR/2000 tanggal 08 Februari 2000, maksimum jumlah pinjaman yang diterima sebesar Rp16.960.481.512.
ii. Berdasarkan perjanjian tahun anggaran 2000, No. 21/PKS/DIR/2001 tanggal 22 Februari 2001 maksimum jumlah pinjaman yang diterima sebesar Rp20.703.980.143.
iii. Berdasarkan perjanjian tahun anggaran 2001, No. 51/PKS/DIR/2001 tanggal 02 November 2001 maksimum jumlah pinjaman yang diterima sebesar Rp19.575.642.000.

Pada tanggal 31 Desember 2023 dan 2022, saldo pinjaman ini masing-masing sebesar Rp49.780 dan belum ada pembayaran kembali sejak tahun 2004.

b. PT Sarana Multigriya Finansial (Persero)

Berdasarkan akta No. 127/PP/SMF-BKP/VIII/2019 tanggal 29 Agustus 2019, Bank mendapatkan penambahan fasilitas pinjaman *refinancing* Kredit Pemilikan Rumah (KPR) dengan jangka waktu pinjaman sampai dengan 29 Agustus 2024 dan dikenakan tingkat bunga 8,6% per tahun.

Berdasarkan akta No. 141/PP/SMF-BKP/IX/2019 tanggal 27 September 2019, Bank mendapatkan penambahan fasilitas pinjaman *refinancing* Kredit Pemilikan Rumah (KPR) dengan jangka waktu pinjaman sampai dengan 27 September 2024 dan dikenakan tingkat bunga 8,5% per tahun.

Bank memberikan jaminan berupa fidusia aset atas keuangan KPR, yaitu tagihan/piutang yang akan ada saat ini dan/atau akan ada di kemudian hari yang diperoleh dari penerbitan KPR, termasuk hak agunan yang melekat padanya.

Selama periode perjanjian kredit, tidak ada hal-hal yang dipersyaratkan atau tidak boleh dilakukan oleh Bank terkait dengan perjanjian pinjaman yang diterima dari PT Sarana Multigriya Finansial (SMF).

Untuk tahun yang berakhir 31 Desember 2023 dan 2022 total pembayaran yang dilakukan atas masing-masing prinsipal dan bunga kepada SMF adalah sebesar Rp198.299 dan Rp25.858, dan nihil dan Rp36.611.

23. Borrowings (continued)

a. PT Bank Tabungan Negara (Persero) Tbk (continued)

was used to finance Very Simple Housing Loans (KPR-RSS) and Simple Housing Loan (KPR-RS). Fund disbursements provided by PT Bank Tabungan Negara (Persero) Tbk are divided into 3 fiscal years, 1999, 2000 and 2001.

i. Based on agreement for Fiscal Year 1999/2000, No. 07/PKS/DIR/2000 dated February 08, 2000, the maximum amount of fund borrowing amounted to Rp16,960,481,512.
ii. Based on agreement for fiscal year 2000, No. 21/PKS/DIR/2001 dated February 22, 2001, the maximum amount of fund borrowing amounted to Rp20,703,980,143.
iii. Based on agreement for fiscal year 2001 No. 51 PKS/DIR/2001 dated November 02, 2001, the maximum amount of fund borrowing amounted to Rp19,575,642,000.

As at December 31, 2023 and 2022, the outstanding balance of this borrowing amounted to Rp49,780, respectively, whereas no payments have been made since 2004.

b. PT Sarana Multigriya Finansial (Persero)

Based on deed No. 127/PP/SMF-BKP/VIII/2019 dated August 29, 2019, the Bank received additional borrowing facility of refinancing Housing Loan Facilities with a loan term until up to August 29, 2024 and bears an interest rate of 8.6% per annum.

Based on deed No. 141/PP/SMF-BKP/IX/2019 dated September 27, 2019, the Bank received additional borrowing facility of refinancing Housing Loan Facilities with a loan term until September 27, 2024 and bears an interest rate of 8.5% per annum.

The Bank provides collateral in form of fiduciary of Housing Loan Facilities, that is bills/receivables that will exist at this time and/or will be available later obtained from the issuance of the Housing Loan Facilities, including the collateral rights attached to them.

During the period of the credit agreement, there is no requirement or prohibitions that should be fulfilled by the Bank in relation to the loan agreement received from PT Sarana Multigriya Finansial (SMF).

For the years ended December 31, 2023 and 2022 the total payments made for the principal and interest to SMF amounted to Rp198,299 and Rp25,858, and nil and Rp36,611, respectively.

23. Pinjaman yang Diterima (lanjutan)

c. Badan Layanan Umum Pusat Pembiayaan Perumahan

Berdasarkan akta No. 106/SK.9/ HK.02.04/ 12/2012 dan PKO. 1846/DIR-GMBM/XII/2012 tanggal 26 Desember 2012, fasilitas pinjaman yang diberikan dalam rangka menyalurkan dan mendistribusikan pinjaman Fasilitas Likuiditas Pembiayaan Perumahan kepada Bank yang sasarannya untuk menurunkan tingkat suku bunga Kredit Pemilikan Rumah (KPR) bagi kelompok berpenghasilan rendah dan masyarakat berpenghasilan menengah bawah. Jangka waktu fasilitas ini adalah sampai dengan 31 Desember 2028.

Tingkat bunga pinjaman adalah sebesar 0,5% per tahun. Pembayaran angsuran dilakukan setiap bulan selama 20 tahun sejak tanggal pencairan.

Selama periode perjanjian kredit, tidak ada hal-hal yang dipersyaratkan atau tidak boleh dilakukan oleh Bank terkait dengan perjanjian pinjaman yang diterima dari Badan Layanan Umum Pusat Pembiayaan Perumahan (BLUP3).

Untuk tahun yang berakhir 31 Desember 2023 dan 2022 total pembayaran yang dilakukan atas masing-masing prinsipal dan bunga kepada BLUP3 adalah sebesar Rp5.620 dan Rp120, dan Rp6.734 dan Rp153.

d. BPJS Ketenagakerjaan

Bank memperoleh fasilitas pinjaman terkait Kredit Pemilikan Rumah (KPR) berdasarkan perjanjian No. PER/47/ 022011 dan PKS. 109/DIR-GMBM/11/2011 tanggal 16 Februari 2011. Fasilitas pinjaman ini diberikan oleh BPJS Ketenagakerjaan (dahulu PT Jamsostek (Persero)) terkait pemberian fasilitas Kredit Pemilikan Rumah (KPR) bagi peserta Jamsostek melalui Bank yang digunakan untuk membantu pembelian rumah dengan dukungan fasilitas Pinjaman Uang Muka Perumahan-Kerja Sama Bank (PUMP-KB).

Penyaluran dana akan dilakukan secara bertahap sesuai dengan kebutuhan penyaluran kredit. Jangka waktu fasilitas ini adalah sampai dengan 31 Desember 2028 dengan tingkat bunga 2% per tahun. Pembayaran pokok dilakukan setiap bulan selama 10 tahun sejak tanggal pencairan.

Selama periode perjanjian kredit, tidak ada hal-hal yang dipersyaratkan atau tidak boleh dilakukan oleh Bank terkait dengan perjanjian pinjaman yang diterima dari BPJS Ketenagakerjaan.

23. Borrowings (continued)

c. Badan Layanan Umum Pusat Pembiayaan Perumahan

Based on deed No. 106/SK.9/HK.02.04/12/2012 and PKO. 1846/DIR-GMBM/XII/2012 dated December 26, 2012, this borrowing facility is intended to re-lend and distribute Housing Financing Liquidity Facility for the Bank whose target is to reduce housing loan interest rate for low income and lower middle income community. Term of the facility is until December 31, 2028.

The interest rate of the borrowing is 0.5% per annum. Installment shall be made every month in 20 years after drawdown date.

During the period of the credit agreement, there is no requirement or prohibitions that should be fulfilled by the Bank in relation to the loan agreement received from Badan Layanan Umum Pusat Pembiayaan Perumahan (BLUP3).

For the years ended December 31, 2023 and 2022 the total payments made for the principal and interest to BLUP3 amounted to Rp5,620 and Rp120, and Rp6,734 and Rp153, respectively.

d. BPJS Ketenagakerjaan

The Bank received borrowing facility in relation with Housing Loan Facilities based on deed No. PER/47/022011 and PKS. 109/DIR-GMBM/11/2011 dated February 16, 2011. The borrowing facility obtained from BPJS Ketenagakerjaan (formerly PT Jamsostek (Persero)) in relation with Housing Loan Facilities for Jamsostek members through the Bank to assist them in purchasing houses with support from Housing Advance Loan-Cooperation with (PUMP-KB) Bank facility.

Fund distribution will be done in phases based on loan granting needs. The term of this facility is up to December 31, 2028 with interest rate of 2% per annum. The principal shall be made every month in 10 years after drawdown date.

During the period of the credit agreement, there is no requirement or prohibitions that should be fulfilled by the Bank in relation to the loan agreement received from BPJS Ketenagakerjaan.

23. Pinjaman yang Diterima (lanjutan)

d. BPJS Ketenagakerjaan (lanjutan)

Untuk tahun yang berakhir 31 Desember 2023 dan 2022 total pembayaran yang dilakukan atas masing-masing prinsipal dan bunga kepada BPJS Ketenagakerjaan adalah sebesar Rp1.182 dan Rp154, dan Rp1.198 dan Rp180.

e. Agence Francaise de Developpement

Fasilitas pinjaman yang diberikan ini adalah dalam rangka menyalurkan dan mendistribusikan pinjaman untuk membiayai proyek-proyek energi terbarukan dengan fokus utama pada proyek-proyek tenaga air, proyek energi panas bumi dan proyek biomasa, berdasarkan perjanjian NºCID 1036 OI E pada tanggal 11 Februari 2014. Jangka waktu fasilitas ini adalah sampai dengan 11 Februari 2024 dengan tingkat bunga pinjaman adalah sebesar 4,78% per tahun. Pembayaran bunga dilakukan setiap 6 (enam) bulanan yang dimulai pada tanggal 11 Februari 2015. Sedangkan, pembayaran prinsipal dilakukan setiap 6 (enam) bulanan yang dimulai pada tanggal 11 Agustus 2018.

Selama periode perjanjian kredit, Bank tanpa pemberitahuan tertulis dan/atau tidak tertulis kepada Agence Francaise de Developpement (AFD) harus mematuhi hal-hal sebagai berikut:

i. Usaha keuangan (KPMM di atas 12%, rasio penurunan nilai pinjaman provisi bersih terhadap total portofolio pinjaman di bawah 5%);
ii. Menginformasikan laporan keuangan (diaudit), menginformasikan laporan peringkat kredit, laporan surat opini yang dikirim oleh Auditor dan laporan audit internal; dan
iii. Menginformasikan informasi lain mengenai Bank yang mungkin diminta oleh AFD secara wajar.

Untuk tahun yang berakhir 31 Desember 2023 dan 2022 total pembayaran yang dilakukan atas masing-masing prinsipal dan bunga kepada AFD adalah sebesar USD2.500.000 (angka penuh) (Rp39.133) dan USD151.699 (angka penuh) (Rp1.557), dan USD2.500.000 (angka penuh) (Rp38.069) dan USD272.858 (angka penuh) (Rp4.155).

Pada tanggal 21 November 2023 Bank telah menyampaikan pemberitahuan tertulis kepada AFD sehubungan dengan perubahan peningkatan modal ditempatkan/disetor.

Manajemen berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

23. Borrowings (continued)

d. BPJS Ketenagakerjaan (continued)

For the years ended December 31, 2023 and 2022 the total payments made for the principal and interest to BPJS Ketenagakerjaan amounted to Rp1,182 and Rp154, and Rp1.198 dan Rp180, respectively.

***e.* Agence Francaise de Developpement**

This borrowing facility is intended to re-lent and distributed fund to finance renewable energy projects, with a specific focus on hydropower projects, geothermal energy projects and biomass projects, based on agreement NºCID 1036 OI E dated February 11, 2014. This facility has a maximum period until February 11, 2024 with interest rate at 4.78% per annum. Interest payment is made every 6 (six) months starting from February 11, 2015. Meanwhile, principal made every 6 (six) months starting from August 11, 2018.

During the period of the Loan, the Bank without written and/or unwritten notice to Agence Fraincaise de Developpement (AFD) have to comply the following activities:

i. Financial undertakings (CAR above 12%, a ratio of impaired loans of net provisions to total loan portfolio below 5%);
ii. Inform financial statement (audited), inform credit rating report, opinion letter report sent by the Auditors and internal audit report; and
iii. Inform any other informations concerning the Bank that AFD may reasonably request.

For the years ended December 31, 2023 and 2022 the total payments made for the principal and interest to AFD were USD2,500,000 (full amount) (Rp39,133) and USD151,699 (full amount) (Rp1,557), and USD2,500,000 (full amount) (Rp38,069) and USD272,858 (Full amount) (Rp4,155), respectively.

On November 21, 2023, the Bank has submitted a written notification to AFD regarding the amendment to increase the issued/paid-up capital.

Management belives that all compliance requirements have been met as of the date of the consolidated statement of financial position.

23. Pinjaman yang Diterima (lanjutan)

f. PT Bank Central Asia Tbk (BCA)

Pada tanggal 9 Desember 2021, berdasarkan Akta No. 01 oleh Notaris Veronica Sandra Irawaty Purnadi, S.H., Bank telah memeroleh fasilitas kredit berupa fasilitas Term Loan Revolving (TLR-1) sebesar Rp1.000.000, dengan suku bunga sebesar 4,95% dan berlaku hingga 9 Desember 2022. Fasilitas ini digunakan untuk membiayai modal kerja Bank. Pokok akan dibayarkan pada saat jatuh tempo sedangkan pembayaran bunga akan dibayarkan setiap bulan.

Pada tanggal 12 Agustus 2022, berdasarkan Akta No. 08, Perubahan Pertama Atas Perjanjian Kredit oleh Notaris Veronica Sandra Irawaty Purnadi, S.H., Bank memeroleh fasilitas kredit tambahan yaitu fasilitas Term Loan Revolving 2 (TLR-2) sebesar Rp1.000.000, dengan suku bunga sebesar JIBOR + Marjin 0,85% dan berlaku hingga 12 Agustus 2023. Pokok akan dibayarkan pada saat jatuh tempo sedangkan pembayaran bunga akan dibayarkan setiap 3 (tiga) bulan.

Pada tanggal 8 Desember 2022, perjanjian kredit tersebut kemudian diubah berdasarkan Perubahan Kedua Atas Perjanjian Kredit sebagai berikut:

- memperpanjang jangka waktu fasilitas kredit TLR-1 berlaku hingga 9 Desember 2023;
- mengubah suku bunga menjadi suku bunga JIBOR + marjin 0,75% per tahun untuk TLR-1 dari jumlah fasilitas yang belum dibayar kembali; dan
- mengubah pembayaran bunga TLR-1 menjadi akan dibayarkan setiap 3 (tiga) bulan.

Pada tanggal 7 Agustus 2023, perjanjian kredit tersebut diubah berdasarkan Perubahan Ketiga Atas Perjanjian Kredit sebagai berikut:

- memperpanjang jangka waktu fasilitas TLR-2 berlaku hingga 12 Agustus 2025; dan
- mengubah suku bunga TLR-2, menjadi suku bunga JIBOR + marjin 0,85% per tahun dengan jangka waktu pembayaran kembali sampai dengan 12 bulan dan JIBOR + marjin 0,95% per tahun dengan jangka waktu pembayaran kembali lebih dari 12 bulan.

Pada tanggal 4 Desember 2023, perjanjian kredit tersebut diubah kembali berdasarkan Perubahan Keempat Atas Perjanjian Kredit untuk memperpanjang jangka waktu fasilitas kredit TLR-1 berlaku hingga 9 Desember 2025.

23. Borrowings (continued)

f. PT Bank Central Asia Tbk (BCA)

On December 9, 2021, based on Notarial Deed No. 01 by Notary Veronica Sandra Irawaty Purnadi, S.H., the Bank has obtained a credit facility in the form of a Term Loan Revolving (TLR-1) facility amounting to Rp1,000,000, with an interest rate of 4.95% and is valid until December 9, 2022. This facility is used to finance the Bank's working capital. The principal will be paid at maturity while interest payments will be paid every month.

On August 12, 2022, based on Notarial Deed No. 08, First Amendment to the Credit Agreement by Notary Veronica Sandra Irawaty Purnadi, S.H., the Bank obtained an additional credit facility, namely the Term Loan Revolving 2 (TLR-2) facility amounting to Rp1,000,000, with an interest rate of JIBOR + Margin 0.85% and is valid until August 12, 2023. The principal will be paid at maturity while the interest payments will be paid every 3 (three) months.

On December 8, 2022, the credit agreement was then amended based on the Second Amendment to the Credit Agreement as follows:

- extending the term of the TLR-1 credit facility valid until December 9, 2023;
- change the interest rate to JIBOR interest rate + 0.75% margin per year for TLR-1 of the outstanding facility amount; and
- change the TLR-1 interest payment to be paid every 3 (three) months.

On August 7, 2023, the credit agreement was amended based on the Third Amendment to the Credit Agreement as follows:

- extending the validity period of the TLR-2 facility until August 12, 2025; and
- change the TLR-2 interest rate to a JIBOR + 0.85% margin per year interest rate with a repayment period of up to 12 months and JIBOR + 0.95% margin per year with a repayment period of more than 12 months.

On December 4, 2023, the credit agreement was amended again based on the Fourth Amendment to the Credit Agreement to extend the term of the TLR-1 credit facility until December 9, 2025.

23. Pinjaman yang Diterima (lanjutan)

g. PT Bank Danamon Indonesia Tbk

Berdasarkan Perjanjian Kredit No. 886/PK/FI/1020 tanggal 22 Oktober 2020, Bank telah memperoleh Fasilitas Kredit Berjangka (Fasilitas KB) dari PT Bank Danamon Indonesia Tbk (Danamon) sebesar Rp500.000 dengan suku bunga yang ditentukan oleh konfirmasi dari Danamon. Jangka waktu fasilitas 12 (dua belas) bulan dan bersifat berulang (*revolving*). Fasilitas ini digunakan untuk membiayai modal kerja Bank.

Bank dan Danamon telah menandatangani Perjanjian Perubahan terhadap Perjanjian Kredit No. 508/PP/EB/0821 tanggal 27 Agustus 2021 sebagai pengganti Perjanjian Kredit No. 886/PK/FI/1020 tanggal 22 Oktober 2020. Perubahan Perjanjian Kredit tersebut sebagai berikut:

1. Memperpanjang jangka waktu Fasilitas KB untuk jangka waktu 12 (dua belas) bulan sejak 22 Oktober 2021 sampai 22 Oktober 2022 (*revolving*); dan
2. Menambah plafon Fasilitas KB yang semula sebesar Rp500.000 menjadi sebesar Rp1.000.000.

Bank dan Danamon telah menandatangani beberapa kali perubahan terhadap perjanjian kredit melalui surat permohonan perpanjangan jangka waktu kredit No. B .B.587/ARO/EB/1022 tanggal 18 Oktober 2022, dan mengalami perubahan kembali pada perjanjian kredit No. 189/PP/EB/0623 tanggal 22 Juni 2023. Perubahan Perjanjian Kredit tersebut sebagai berikut:

1. Memperpanjang jangka waktu Fasilitas KB untuk jangka waktu 12 (dua belas) bulan sejak 22 Oktober 2022 sampai 22 Oktober 2023 (revolving); dan
2. Menambah plafon Fasilitas KB yang semula sebesar Rp1.000.000 menjadi sebesar Rp2.000.000.

Bank dan Danamon telah menandatangani Perjanjian Perubahan Terhadap Perjanjian Kredit No. 433/PP/EB/1223 tanggal 22 Desember 2023. Perubahan Perjanjian Kredit tersebut sebagai berikut:

1. Memperpanjang jangka waktu Fasilitas KB untuk jangka waktu 12 (dua belas) bulan sejak 22 Oktober 2023 sampai 22 Oktober 2024 (revolving); dan
2. Mendapatkan fasilitas kredit berjangka 2 (Fasilitas KB 2) sebesar Rp1.000.000

23. Borrowings (continued)

g. PT Bank Danamon Indonesia Tbk

Based on Credit Agreement No. 886/PK/FI/1020 dated October 22, 2020, the Bank has obtained a Term Credit Facility (KB Facility) from PT Bank Danamon Indonesia Tbk (Danamon) in the amount of Rp500,000 with an interest rate determined by Danamon confirmation. The term of the facility is 12 (twelve) months and revolving. This facility is used to finance the Bank's working capital.

The Bank and Danamon signed an Amendment Agreement to Credit Agreement No. 508/PP/EB/0821 dated August 27, 2021 in lieu of Credit Agreement No. 886/PK/FI/1020 dated October 22, 2020. Changes to the Credit Agreement are as follows:

1. Extending the term of the KB Facility for a period of 12 (twelve) months from October 22, 2021 to October 22, 2022 (revolving); and
2. Increase the plafond of KB Facilities from Rp500,000 to Rp1,000,000.

The Bank and Danamon have signed several amendments to the credit agreement, including through the letter of credit term extension request No. B.B.587/ARO/EB/1022 dated October 18, 2022, and further amendments under credit agreement No. 189/PP/EB/0623 dated June 22, 2023. Changes to the Credit Agreement are as follows:

1. Extending the term of the KB Facility for a period of 12 (twelve) months from October 22, 2022 to October 22, 2023 (revolving); and
2. Increase the plafond of KB Facilities from Rp1,000,000 to Rp2,000,000.

The Bank and Danamon signed an Amendment Agreement to Credit Agreement No. 433/PP/EB/1223 dated December 22, 2023. Changes to the Credit Agreement are as follows:

1. Extending the term of the KB Facility for a period of 12 (twelve) months from October 22, 2023 to October 22, 2024 (revolving); and
2. Obtained term credit facility 2 (KB Facility 2) amounting to Rp1,000,000.

23. Pinjaman yang Diterima (lanjutan)

g. PT Bank Danamon Indonesia Tbk (lanjutan)

Selama periode perjanjian kredit, Bank harus memberitahukan secara tertulis dan/atau tidak tertulis kepada Danamon untuk melakukan hal-hal antara lain sebagai berikut:

i. Denda atas keterlambatan pembayaran dan percepatan pembayaran masing-masing sebesar 3%;
ii. Memberikan laporan keuangan yang telah diaudit/in-house;
iii. Menginformasikan kepada Danamon apabila terjadi perubahan usaha/sesuatu yang dapat mengubah usaha atau kekayaan Bank, anggaran dasar dan perubahannya, perubahan kepemilikan dan modal disetor serta perubahan Dewan Komisaris & Direksi Bank;
iv. Tunduk pada BMPK (Batas Maksimum Pemberian Kredit);
v. Memastikan kolektibilitas Bank pada masing-masing Kreditur tetap pada kolektibilitas 1; dan
vi. Menginformasikan jika Bank melakukan peleburan, penggabungan, pengambilalihan atau pembubaran.

Pada tanggal 14 Juni 2023 Bank telah menyampaikan pemberitahuan tertulis kepada Danamon sehubungan dengan perubahan peningkatan modal ditempatkan/disetor PT Bank KB Bukopin Tbk .

Manajemen berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

Selama tahun 2023 Bank melakukan penarikan pinjaman sebesar Rp1.220.000 dan USD80.000.000 (angka penuh) (Rp1.231.760).

Untuk tahun yang berakhir 31 Desember 2023 dan 2022 total pembayaran yang dilakukan atas masing-masing pokok dan bunga kepada Danamon Indonesia adalah sebesar Rp1.500.000 dan Rp65.993, dan nihil dan Rp30.689.

h. PT Bank Shinhan Indonesia

Berdasarkan Perjanjian Kredit No. 030/PFK/V/2021 tanggal 25 Mei 2021, Bank telah memperoleh Fasilitas Kredit Korporasi (Modal Kerja) dari PT Bank Shinhan Indonesia (Shinhan) sebesar Rp200.000 dengan suku bunga menggunakan JIBOR 1 Tahun + Marjin 1,5% pertahun. Jangka waktu fasilitas 366 (tiga ratus enam puluh enam) hari dan bersifat berulang (revolving). Fasilitas ini digunakan untuk membiayai modal kerja Bank.

23. Borrowings (continued)

g. PT Bank Danamon Indonesia Tbk (continued)

During the period of the Loan, the Bank should notify in writing and/or not in writing to Danamon to carry out the following activities, among others:

i. Penalty for late payment and accelerated payment of 3%, respectively;
ii. Provide audited/in-house financial statement;
iii. Inform Danamon if there is a change in business/something that may change the business or assets of the Bank, the articles of association and amendments, changes in ownership and paid-up capital as well as changes in the Board of Commisioners & Board of Director of Bank;
iv. Comply to Legal Lending Limit;
v. Ensure that the collectability of Bank on each Creditor remains at Collectability 1; and
vi. Inform if Bank conducts consolidation, merger, acquisitions or dissolution.

On June 14, 2023, the Bank has submitted a written notification to Danamon regarding the amendment to increase the issued/paid-up capital of PT Bank KB Bukopin Tbk.

Management believes that all compliance requirements have been met as of the date of the consolidated statement of financial position.

During 2023, the Bank drew down the loan amounting to Rp1,220,000 and USD80,000,000 (full amount) (Rp1,231,760).

For the year ended December 31, 2023 and 2022 the total payments made for the principal and interest to Danamon Indonesia were Rp1,500,000 and Rp65,993 and nil and Rp30,689. respectively.

h. PT Bank Shinhan Indonesia

Based on Credit Agreement No. 030/PFK/V/2021 dated May 25, 2021, the Bank has obtained a Corporate Credit Facility (Working Capital) from PT Bank Shinhan Indonesia (Shinhan) amounting to Rp200,000 with an interest rate using JIBOR per annum + Margin of 1.5% per year. The term of the facility is 366 (three hundred sixty six) days and is revolving. This facility is used to finance the Bank's working capital.

23. Pinjaman yang Diterima (lanjutan)

h. PT Bank Shinhan Indonesia (lanjutan)

Bank dan Shinhan telah menandatangani Perjanjian Perpanjangan Jangka Waktu Kredit No. 100/PPWK/V/2022 tanggal 27 Mei 2022 sebagai pengganti Perjanjian Kredit No. 030/PFK/V/2021 tanggal 25 Mei 2021. Perjanjian Perpanjangan Jangka Waktu Kredit tersebut sebagai berikut:

1. Mengubah suku bunga Fasilitas Kredit sebelumnya JIBOR 1 Tahun + Marjin 1,5% pertahun menjadi suku bunga 4,85% pertahun; dan
2. Memperpanjang jangka waktu Fasilitas Kredit yang jatuh tempo pada tanggal 28 Mei 2022, untuk selanjutnya diperpanjang selama 366 (tiga ratus enam puluh enam) hari terhitung sejak tanggal 28 Mei 2022 sampai dengan tanggal 29 Mei 2023.

Selama periode perjanjian kredit, Bank harus memberitahukan secara tertulis dan/atau tidak tertulis kepada Bank Shinhan Indonesia untuk melakukan hal-hal antara lain sebagai berikut:

i. Menginformasikan melalui surat setiap perubahan status hukum Bank, AOA, komposisi pemegang saham dan apabila ada rencana perubahan kepemilikan KB Kookmin kurang dari 51% harus mendapat persetujuan terlebih dahulu dari Bank;
ii. Memberikan laporan keuangan yang telah diaudit/in-house; dan
iii. Menginformasikan persyaratan keuangan setiap tahun dengan maksimum Rasio NPL 5% dan minimum KPMM 11%.

Manajemen berpendapat bahwa seluruh persyaratan kepatuhan telah dipenuhi pada tanggal laporan posisi keuangan konsolidasian.

Untuk tahun yang berakhir 31 Desember 2023 dan 2022 total pembayaran yang dilakukan atas masing-masing pokok dan bunga kepada Shinhan adalah sebesar Rp200.000 dan Rp4.015, nihil dan Rp10.578.

Pada tanggal 29 Mei 2023 Perusahaan telah melakukan pelunasan atas fasilitas ini dan tidak melakukan perpanjangan.

23. Borrowings (continued)

h. PT Bank Shinhan Indonesia (continued)

The Bank and Shinhan have signed the Credit Term Extension Agreement No. 100/PPWK/V/2022 dated May 27, 2022 in lieu of Credit Agreement No. 030/PFK/V/2021 dated May 25, 2021. The Credit Term Extension Agreement is as follows:

1. Changing the interest rate on the previous Credit Facility 1 Year JIBOR + Margin 1.5% per year to an interest rate of 4.85% per annum; and
2. Extending the term of the Credit Facility which matures on May 28, 2022, to be further extended for 366 (three hundred sixty six) days from May 28, 2022 to May 29, 2023.

During the period of the Loan, the Bank should notify in writing and/or not in writing to Bank Shinhan Indonesia to carry out the following activities, among others:

i. Notify in letter of any change in the legal status of Bank, AOA, composition of shareholders and if there is a plan to change the ownership of KB Kookmin less than 51% must obtain prior approval from the Bank;
ii. Provide audited/in-house financial statement; and
iii. Submit financial covenant every annual review with maximum NPL Ratio 5% and minimum CAR 11%.

Management believes that all compliance requirements have been met as of the date of the consolidated statement of financial position.

For the years that ended December 31, 2023 and 2022 the total payments made for the principal and interest to Shinhan were Rp200,000 and Rp4,015, nil and Rp10,578, respectively.

On May 29, 2023, the Bank has settled this facility and opted to not renew.

23. Pinjaman yang Diterima (lanjutan)

i. International Finance Corporation

Pada tanggal 31 Mei 2022, Bank telah menandatangani perjanjian fasilitas pinjaman Obligasi Bank dari International Finance Corporation (IFC) untuk mendukung Operasi Pembiayaan Yang Relevan. Pinjaman ini terdiri dari tiga fasilitas, yaitu:

- Fasilitas *Tranche* 1 senilai Rp178.680 dengan suku bunga 7,54% pertahun. Bank telah melakukan seluruh penarikan pinjaman pada tanggal 25 Agustus 2022.
- Fasilitas *Tranche* 2 senilai Rp148.200 dengan suku bunga 7,54% pertahun. Bank telah melakukan seluruh penarikan pinjaman pada tanggal 31 Agustus 2022.
- Fasilitas *Tranche* 3 senilai Rp564.550 dengan suku bunga 7,66% pertahun. Bank telah melakukan seluruh penarikan pinjaman pada tanggal 2 September 2022.

Fasilitas pinjaman ini memiliki tenor 3 (tiga) tahun dan akan jatuh tempo pada tanggal 25 Agustus - 2 September 2025. Pokok akan dibayarkan pada saat jatuh tempo sedangkan pembayaran bunga akan dibayarkan setiap 6 bulan.

Persyaratan penting *Financial Covenant* dalam perjanjian ini atara lain sebagai berikut:

a. Rasio Kecukupan Modal Tertimbang Menurut Risiko yang tidak kurang dari 13,5%;
b. Rasio Ekuitas Terhadap Aset yang tidak kurang dari 5%;
c. Rasio Modal Inti terhadap Modal Total yang tidak kurang dari 7%;
d. Rasio Eksposur Kelompok Ekonomi yang tidak lebih 15%;
e. Keseluruhan Rasio Eskposur Besar yang tidak lebih dari 400%;
f. Rasio Eksposur Pihak Berelasi tidak lebih dari 15%;
g. Rasio Eksposur Kredit Terbuka yang tidak lebih dari 185% sampai dengan 31 Desember 2023; yang tidak lebih dari 150% sampai dengan 31 Maret 2023; dikurangi dengan 20% setiap triwulannya sampai dengan 30 September 2024; dan kemudian tidak lebih dari 25% untuk kedepannya;
h. Rasio Partisipasi Ekuitas Ditambah Aset Tetap yang tidak lebih dari 35%;
i. Keseluruhan Rasio Risiko Valuta Asing yang tidak lebih dari 25%;
j. Rasio Risiko Valuta Asing Mata Uang Tunggal yang tidak lebih dari 10%;
k. Rasio Risiko Tingkat Suku Bunga yang tidak lebih dari 35% sampai dengan 31 Maret 2023; dan kemudian dikurangi dengan 3% setiap triwulan dari setiap Tahun Buku sampai dengan mencapai 10%;

23. Borrowings (continued)

i. International Finance Corporation

On May 31, 2022, the Bank has signed a Bank Bond loan facility agreement from the International Finance Corporation (IFC) to support the Relevant Financing Operations. This loan consists of three facilities, namely:

- Tranche 1 facility amounting Rp178,680 with an interest rate of 7.54% per year. The bank has made all loan withdrawals on August 25, 2022.
- Tranche 2 facility amounting Rp148,200 with an interest rate of 7.54% per year. The bank has made all loan withdrawals on August 31, 2022.
- Tranche 3 facility amounting Rp564,550 with an interest rate of 7.66% per year. The bank has made all loan withdrawals on September 2, 2022.

This loan facility has a tenor of 3 (three) years and will mature on August 25 - September 2, 2025. The principal will be paid at maturity while interest payments will be paid every 6 months.

The important requirements Financial Covenant in this agreement are as follows:

a. Risk Weighted Capital Adequacy Ratio of not less than 13.5%;
b. Equity to Assets Ratio of not less than 5%;
c. Tier 1 Capital to Total Capital Ratio of not less than 7%;
d. Economic Group Exposure Ratio of not more than 15%;
e. Aggregate Large Exposure Ratio of not more that 400%;
f. Related Party Exposure Ratio of not more than 15%;
g. Open Credit Exposure Ratio of not more than 185% until December 31, 2023; not more than 150% until March 31, 2023; reduced by 20% every quarter until September 30, 2024; and then not more than 25% onwards;
h. Fixed Asstes Plus Equity Participations Ratio of not more than 35%;
i. Aggregate Foreign Exchange Risk Ratio of not more than 25%;
j. Single Currency Foreign Exchange Risk Ratio of not more that 10%;
k. Interest Rate Risk of not more than 35% untul March 31, 2023; and then reduced by 3% every quarter of each Financial Year until it reaches 10%;

23. Pinjaman yang Diterima (lanjutan)

i. International Finance Corporation (lanjutan)

l. Rasio Risiko Tingkat Suku Bunga yang tidak lebih dari 65%; dan kemudian dikurangi dengan 2% setiap triwulan sampai dengan mencapai 20%;
m. Rasio Senjang Jatuh Tempo Mata Uang Asing yang tidak kurang dari -150%; dan
n. Keseluruhan Rasio Senjang Jatuh Tempo Negatif yang tidak kurang dari -300%.

Bank tidak memberikan jaminan apapun atas pinjaman ini.

Untuk tahun 31 Desember 2023 total pembayaran yang dilakukan atas masing-masing pokok dan bunga kepada IFC adalah sebesar nihil dan Rp72.098.

Untuk tahun 31 Desember 2022 tidak ada pembayaran pokok maupun bunga kepada IFC.

Pada tanggal 31 Desember 2023, Perusahaan telah memenuhi seluruh kewajiban yang dipersyaratkan dalam perjanjian pinjaman, kecuali untuk pemenuhan rasio eksposur pihak berelasi sebesar 19% yang seharusnya tidak melebihi 15%.

Sampai pada tanggal laporan keuangan ini, Bank belum mendapatkan surat pemberitahuan *breach covenant* dari IFC atas rasio eksposur pihak berelasi sebesar 19%.

j. Kookmin Bank Co. Ltd., Singapore Branch

Pada tanggal 10 Juni 2022, Bank telah menandatangani perjanjian fasilitas peminjaman kembali dari Kookmin Bank Co. Ltd., Singapore Branch untuk mendukung Operasi Pembiayaan Yang Relevan. Pinjaman ini terdiri dari tiga fasilitas, yaitu:

- Fasilitas Tranche 1 senilai Rp714.720 dengan suku bunga 7,54% per tahun. Bank telah melakukan seluruh penarikan pinjaman pada tanggal 29 Agustus 2022.
- Fasilitas Tranche 2 senilai Rp592.800 dengan suku bunga 7,54% per tahun. Bank telah melakukan seluruh penarikan pinjaman pada tanggal 2 September 2022.
- Fasilitas Tranche 3 senilai Rp2.258.200 dengan suku bunga 7,66% per tahun. Bank telah melakukan seluruh penarikan pinjaman pada tanggal 6 September 2022.

Fasilitas pinjaman ini memiliki tenor 3 (tiga) tahun dan akan jatuh tempo pada tanggal 29 Agustus - 6 September 2025. Pokok akan dibayarkan pada saat jatuh tempo sedangkan pembayaran bunga akan dibayarkan setiap 6 bulan.

23. Borrowings (continued)

i. International Finance Corporation (continued)

l. Aggregate Interest Rate Risk Ratio of not more that 65%; and then reduced by 2% every quarter until it reaches 20%;
m. Foreign Currency Maturity Gap Ratio of not less than -150%; and
n. Aggregate Negative Maturity GAP Ratio of not less than -300%.

The Bank does not provide any collateral for this loan.

For the year ended December 31, 2023, the total payments made for principal and interest to IFC amounted to nil and Rp72,098, respectively.

For the year ended December 31, 2022 there has been no payment of either principal or interest to IFC.

As at December 31, 2023, the Company has fulfilled all obligations required under the loan agreement, except for the fulfillment of the related party exposure ratio of 19% which should not exceed 15%.

As at the date of this financial report, the Bank has not received a breach covenant notification letter from IFC on the related party exposure ratio of 19%.

j. Kookmin Bank Co. Ltd., Singapore Branch

On June 10, 2022, the Bank has signed a loan facility agreement from the Kookmin Bank Co. Ltd., Singapore Branch to support the Relevant Financing Operations. This loan consists of three facilities, namely:

- Tranche 1 facility amounting Rp714,720 with an interest rate of 7.54% per year. The bank has made all loan withdrawals on August 29, 2022.
- Tranche 2 facility amounting Rp592,800 with an interest rate of 7.54% per year. The bank has made all loan withdrawals on September 2, 2022
- Tranche 3 facility amounting Rp2,258,200 with an interest rate of 7.66% per year. The bank has made all loan withdrawals on September 6, 2022

This loan facility has a tenor of 3 (three) years and will mature on August 29 - September 6, 2025. The principal will be paid at maturity while interest payments will be paid every 6 months.

23. Pinjaman yang Diterima (lanjutan)

j. Kookmin Bank Co. Ltd., Singapore Branch (lanjutan)

Bank tidak memberikan jaminan dan komitmen apapun atas pinjaman ini.

Untuk tahun 31 Desember 2023 total pembayaran yang dilakukan atas masing-masing pokok dan bunga kepada Kookmin Bank Co. Ltd., Singapore Branch adalah sebesar nihil dan Rp286.514.

Untuk tahun 31 Desember 2022 tidak ada pembayaran pokok maupun bunga kepada Kookmin Bank Co. Ltd., Singapore Branch.

k. Kookmin Bank Co. Ltd., Hong Kong Branch

Pada tanggal 29 Juni 2022, Bank telah menandatangani perjanjian fasilitas pinjaman dari Kookmin Bank Co. Ltd., Hong Kong Branch untuk membiayai kebutuhan modal kerja umum dan memperkuat struktur permodalan jangka panjang. Jumlah plafon keseluruhan dari fasilitas sebesar Rp3.000.000.

Fasilitas pinjaman ini memiliki tenor 7 (tujuh) tahun dan akan jatuh tempo pada tanggal 30 Juni 2029. Pokok akan dibayarkan pada saat jatuh tempo sedangkan pembayaran bunga akan dibayarkan setiap 3 bulan.

Bank tidak memberikan jaminan dan komitmen apapun atas pinjaman ini.

Untuk tahun yang berakhir 31 Desember 2023 dan 2022 total pembayaran yang dilakukan atas bunga pinjaman kepada Kookmin Bank Co. Ltd., Hong Kong Branch adalah sebesar Rp287.952 dan Rp142.923.

l. Lain-lain

Pinjaman lain-lain adalah pinjaman yang diterima oleh PT KB Bukopin Finance (entitas anak) dalam Rupiah yang berasal dari:

	2023	2022	
Pihak ketiga:			Third parties:
PT Bank MNC Internasional Tbk	-	12.791	PT Bank MNC Internasional Tbk
PT Bank Victoria International Tbk	-	3.226	PT Bank Victoria International Tbk
PT Bank Sahabat Sampoerna	-	1.748	PT Bank Sahabat Sampoerna
Total	**-**	**17.765**	**Total**

PT. Bank MNC Internasional Tbk

Pada tanggal 27 Desember 2023, Bank telah melunasi seluruh pinjamannya kepada Bank MNC.

23. Borrowings (continued)

j. Kookmin Bank Co. Ltd., Singapore Branch (continued)

The Bank does not provide any collateral and commitment for this loan.

For the year ended December 31, 2023 the total payments made for the principal and interest to Kookmin Bank Co. Ltd., Singapore Branch were nil and Rp286,514.

For the year ended December 31, 2022 there has been no payment of either principal or interest to Kookmin Bank Co. Ltd., Singapore Branch.

k. Kookmin Bank Co. Ltd., Hong Kong Branch

On June 29, 2022, the Bank has signed a loan facility agreement from Kookmin Bank Co. Ltd., Hong Kong Branch to finance general working capital needs and strengthen the long-term capital structure. The total plafond for the facility amounting Rp3,000,000.

This loan facility has a tenor of 7 (seven) years and will mature on June 30, 2029. The principal will be paid at maturity while interest payments will be paid every 3 months.

The Bank does not provide any collateral and commitment for this loan.

For the year ended December 31, 2023 and 2022 the total payments made for the interest payment to Kookmin Bank Co. Ltd., Hong Kong Branch Indonesia were Rp287,952 and Rp142,923.

l. Others

Other borrowings represent borrowings received by PT KB Bukopin Finance (a subsidiary) in Rupiah from:

PT. Bank MNC Internasional Tbk

On December 27, 2023, the Bank has fully paid all its loan to Bank MNC.

23. Pinjaman yang Diterima (lanjutan)

l. Lain-lain (lanjutan)

PT Bank Victoria International Tbk (Victoria)

Pada tanggal 26 April 2023, Bank telah melunasi seluruh pinjaman yang tersisa (fasilitas kredit FL5) kepada Victoria.

PT Bank Sahabat Sampoerna (Sampoerna)

Pada tanggal 1 Agustus 2023, Bank telah melunasi seluruh pinjamannya kepada Bank Sampoerna.

Pinjaman digunakan untuk pembiayaan kendaraan bermotor kepada konsumen dan dijamin oleh piutang pembiayaan konsumen dengan suku bunga bekisar 13% - 20% dan jangka waktu 4 - 5 tahun.

23. Borrowings (continued)

l. Others (continued)

PT Bank Victoria International Tbk (Victoria)

On April 26, 2023, the Bank has fully paid all its remaining loan (FL5 credit facilities) to Victoria.

PT Bank Sahabat Sampoerna (Sampoerna)

On August 1, 2023, the Bank has fully paid all its loan to Bank Sampoerna.

The borrowings were for motor vehicle consumer financing which are guaranteed by consumer financing receivables with interest rate between 13% - 20% and maturity of 4 - 5 years.

24. Surat Berharga yang Diterbitkan

a. Berdasarkan jenis

	2023						
	Wali amanat/ *Arranger*	Peringkat/ *Rating*	Jatuh tempo/ *Maturity*	Jangka waktu suku bunga/ *Interest rate period*	Tingkat bunga per tahun/ *Interest rate per annum*	Nilai tercatat/ *Carrying amount*	
Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin Tahap II Tahun 2017	PT Bank Mandiri (Persero) Tbk	idA- (Pefindo)	28 Februari 2024/ *February 28, 2024*	84	11	1.405.000	Shelf-registered Subordinated Bond II Bank KB Bukopin Tranche II Year 2017
Obligasi Senior Berkelanjutan I Bank KB Bukopin Tahap I Tahun 2021	PT Bank Mandiri (Persero) Tbk	idnAAA (Fitch)	9 September 2024/ *September 9, 2024*	36	6,25	1.000.000	Shelf-registered Senior Bond I Bank KB Bukopin Tranche I Year 2021
Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I Tahun 2021 Seri A	PT Bank Mandiri (Persero) Tbk	idAA (Pefindo)	9 September 2026/ *September 9, 2026*	60	8	315.000	Shelf-registered Subordinated Bond III Bank KB Bukopin Tranche I Year 2021 A Series
Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I Tahun 2021 Seri B	PT Bank Mandiri (Persero) Tbk	idAA (Pefindo)	9 September 2028/ *September 9, 2028*	84	8,9	685.000	Shelf-registered Subordinated Bond III Bank KB Bukopin Tranche I Year 2021 B Series
Dikurangi: Biaya emisi yang belum diamortisasi						(7.412)	Less: Unamortized issuance cost
						3.397.588	

	2022						
	Wali amanat/ *Arranger*	Peringkat/ *Rating*	Jatuh tempo/ *Maturity*	Jangka waktu suku bunga/ *Interest rate period*	Tingkat bunga per tahun/ *Interest rate per annum*	Nilai tercatat/ *Carrying amount*	
Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin Tahap II Tahun 2017	PT Bank Mandiri (Persero) Tbk	idA- (Pefindo)	28 Februari 2024/ *February 28, 2024*	84	11	1.405.000	Shelf-registered Subordinated Bond II Bank KB Bukopin Tranche II Year 2017
Obligasi Senior Berkelanjutan I Bank KB Bukopin Tahap I Tahun 2021	PT Bank Mandiri (Persero) Tbk	idnAAA (Fitch)	9 September 2024/ *September 9, 2024*	36	6,25	1.000.000	Shelf-registered Senior Bond I Bank KB Bukopin Tranche I Year 2021
Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I Tahun 2021 Seri A	PT Bank Mandiri (Persero) Tbk	idAA (Pefindo)	9 September 2026/ *September 9, 2026*	60	8	315.000	Shelf-registered Subordinated Bond III Bank KB Bukopin Tranche I Year 2021 A Series
Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I Tahun 2021 Seri B	PT Bank Mandiri (Persero) Tbk	idAA (Pefindo)	9 September 2028/ *September 9, 2028*	84	8,9	685.000	Shelf-registered Subordinated Bond III Bank KB Bukopin Tranche I Year 2021 B Series
Dikurangi: Biaya emisi yang belum diamortisasi						(12.282)	Less: Unamortized issuance cost
						3.392.718	

a. By type

24. Surat Berharga yang Diterbitkan

a. Berdasarkan jenis (lanjutan)

Pada tanggal 30 Juni 2015, Bank menerbitkan dan mencatatkan Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin Tahap I tahun 2015 sebesar Rp400.000 dengan tingkat bunga tetap sebesar 12% per tahun dan berjangka waktu 7 (tujuh) tahun sejak tanggal emisi. Obligasi ini dicatat di Bursa Efek Indonesia.

Bunga obligasi dibayarkan setiap 3 (tiga) bulan. Pembayaran bunga obligasi pertama telah dilakukan pada tanggal 30 September 2015, sedangkan pembayaran bunga obligasi terakhir sekaligus jatuh tempo pokok obligasi dilakukan pada tanggal 30 Juni 2022.

Pada tanggal 28 Februari 2017, Bank menerbitkan dan mencatatkan Obligasi Subordinasi Berkelanjutan II Bank KB Bukopin Tahap II tahun 2017 sebesar Rp1.405.000 dengan tingkat bunga tetap sebesar 11% per tahun dan berjangka waktu 7 (tujuh) tahun sejak tanggal emisi. Obligasi ini dicatat di Bursa Efek Indonesia. Bunga obligasi dibayarkan setiap 3 (tiga) bulan.

Pembayaran bunga obligasi pertama telah dilakukan pada tanggal 29 Mei 2017, sedangkan pembayaran bunga obligasi terakhir sekaligus jatuh tempo pokok obligasi akan dilakukan pada tanggal 28 Februari 2024 (Pada tanggal 27 Februari 2024 Perusahaan telah melunasi Obligasi tersebut)

Pada tanggal 9 September 2021, Bank menerbitkan dan mencatatkan Obligasi Berkelanjutan I Bank KB Bukopin Tahap I tahun 2021 sebesar Rp1.000.000 dengan tingkat bunga tetap sebesar 6,25% per tahun dan berjangka waktu 3 (tiga) tahun sejak tanggal emisi. Obligasi ini dicatat di Bursa Efek Indonesia. Bunga obligasi dibayarkan setiap 3 (tiga) bulan.

Pembayaran bunga obligasi pertama telah dilakukan pada tanggal 9 Desember 2021, sedangkan pembayaran bunga obligasi terakhir sekaligus jatuh tempo pokok obligasi akan dilakukan pada tanggal 9 September 2024.

Pada tanggal 9 September 2021, Bank menerbitkan dan mencatatkan Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I tahun 2021 Seri A sebesar Rp315.000 dengan tingkat bunga tetap sebesar 8% per tahun dan berjangka waktu 5 (lima) tahun sejak tanggal emisi. Obligasi ini dicatat di Bursa Efek Indonesia. Bunga obligasi dibayarkan setiap 3 (tiga) bulan.

24. Marketable Securities Issued

a. By type (continued)

On June 30, 2015 the Bank issued Shelf-registered Subordinated Bond II Bank KB Bukopin Tranche I Year 2015 amounting to Rp400,000 which bears fixed interest rate of 12% per annum and has 7 (seven) years tenor since issuance date. The bond is listed on the Indonesia Stock Exchange.

The bond's interest will be paid on quarterly basis. The first interest payment was made on September 30, 2015, while the last interest payment and due date of the bond's principal was made on June 30, 2022.

On February 28, 2017, the Bank issued Shelf-registered Subordinated Bond II Bank KB Bukopin Tranche II Year 2017 amounting to Rp1,405,000 which bears fixed interest rate of 11% per annum and has 7 (seven) years tenor since issuance date. The bond is listed on the Indonesia Stock Exchange. The bond's interest will be paid on quarterly basis

The first interest payment was made on May 29, 2017, while the last interest payment and due date of the bond's principal will be made on February 28, 2024 (On February 27, 2024, the Company has repaid the Bonds)

On September 9, 2021, the Bank issued Shelf-registered Bond I Bank KB Bukopin Tranche I Year 2021 amounting to Rp1,000,000 which bears fixed interest rate of 6.25% per annum and has 3 (three) years tenor since issuance date. The bond is listed on the Indonesia Stock Exchange. The bond's interest will be paid on quarterly basis.

The first interest payment was made on December 9, 2021, while the last interest payment and due date of the bond's principal will be made on September 9, 2024.

On September 9, 2021, the Bank issued Shelf-registered Subordinated Bond III Bank KB Bukopin Tranche I Year 2021 Series A amounting to Rp315,000 which bears fixed interest rate of 8% per annum and has 5 (five) years tenor since issuance date. The bond is listed on the Indonesia Stock Exchange. The bond's interest will be paid on quarterly basis.

24. Surat Berharga yang Diterbitkan

a. Berdasarkan jenis (lanjutan)

Pembayaran bunga obligasi pertama telah dilakukan pada tanggal 9 Desember 2021, sedangkan pembayaran bunga obligasi terakhir sekaligus jatuh tempo pokok obligasi akan dilakukan pada tanggal 9 September 2026.

Pada tanggal 9 September 2021, Bank menerbitkan dan mencatatkan Obligasi Subordinasi Berkelanjutan III Bank KB Bukopin Tahap I tahun 2021 Seri B sebesar Rp685.000 dengan tingkat bunga tetap sebesar 8,9% per tahun dan berjangka waktu 7 (tujuh) tahun sejak tanggal emisi. Obligasi ini dicatat di Bursa Efek Indonesia. Bunga obligasi dibayarkan setiap 3 (tiga) bulan

Pembayaran bunga obligasi pertama telah dilakukan pada tanggal 9 Desember 2021, sedangkan pembayaran bunga obligasi terakhir sekaligus jatuh tempo pokok obligasi akan dilakukan pada tanggal 9 September 2028.

Bank menerbitkan obligasi senior dan obligasi subordinasi untuk mengembangkan pembiayaan dan memperkuat struktur pendanaan jangka panjang Bank.

Obligasi subordinasi ini tidak dijamin dengan suatu agunan khusus, akan tetapi dijamin dengan seluruh harta kekayaan Bank, yang telah ada maupun yang akan ada di kemudian hari, baik barang bergerak maupun barang tidak bergerak sesuai dengan ketentuan dalam pasal 1131 dan 1132 Kitab Undang-undang Hukum Perdata.

Perjanjian obligasi subordinasi mencakup beberapa pembatasan, antara lain mengenai larangan pengurangan modal dasar, modal ditempatkan dan modal disetor, penggabungan dan atau peleburan usaha, transaksi dengan pihak berelasi, pinjaman dan penerbitan obligasi.

Untuk 31 Desember 2023 dan 2022, Bank telah memenuhi ketentuan tentang pembatasan kewajiban sebagaimana disepakati dalam Perjanjian Perwaliamanatan.

Untuk 31 Desember 2023 dan 2022, Bank telah melakukan pembayaran bunga obligasi secara tepat waktu.

Untuk keperluan perhitungan rasio Kewajiban Penyediaan Modal Minimum (KPMM), Obligasi Subordinasi Berkelanjutan II diperhitungkan sebagai modal pelengkap setelah Bank menerima surat persetujuan dari Otoritas Jasa Keuangan No. S-56/PB.31/2015 tanggal 7 Juli 2015 dan dari Bank Indonesia No. 14/24/DPB1/ TPB1-4 tanggal 14 Maret 2012.

24. Marketable Securities Issued

a. By type (continued)

The first interest payment was made on December 9, 2021, while the last interest payment and due date of the bond's principal will be made on September 9, 2026.

On September 9, 2021, the Bank issued Shelf-registered Subordinated Bond III Bank KB Bukopin Tranche I Year 2021 Series B amounting to Rp685,000 which bears fixed interest rate of 8.9% per annum and has 7 (seven) years tenor since issuance date. The bond is listed on the Indonesia Stock Exchange. The bond's interest will be paid on quarterly basis.

The first interest payment was made on December 9, 2021, while the last interest payment and due date of the bond's principal will be made on September 9, 2028.

The Bank issued senior bond and subordinated bond to expand its financing and to strengthen long term funding structure of the Bank.

The subordinated bond is not guaranteed with specific collateral, but guaranteed with all assets of the Bank, that exist in the present or in the future, whether fixed or non-fixed assets in accordance with the provisions of article 1131 and 1132 of the Civil Laws.

The subordinated bond agreement includes several covenants, among others, the prohibition of reduction of authorized capital, issued and paid-up capital, merger, related party transactions, borrowings and bonds issuance.

For December 31, 2023 and 2022, the Bank has fulfilled the clauses related to the covenant and obligations according to the Bonds Trustee Agreements.

For December 31, 2023 and 2022, the Bank has paid the interest of the bond on a timely basis.

For the purpose of calculating the Capital Adequacy Ratio (CAR), the Subordinated Bond II is included as supplementary capital after the Bank received approval letter from Financial Services Authority No. S-56/PB.31/2015 dated July 7, 2015 and from Bank Indonesia No. 14/ 24/DPB1/TPB1-4 dated March 14, 2012.

24. Surat Berharga yang Diterbitkan (lanjutan)

a. Berdasarkan jenis (lanjutan)

Untuk keperluan perhitungan rasio Kewajiban Penyediaan Modal Minimum (KPMM), Obligasi Subordinasi Berkelanjutan III diperhitungkan sebagai modal pelengkap setelah Bank menerima surat persetujuan dari Otoritas Jasa Keuangan No. S-212/PB.31/2021 tanggal 4 Oktober 2021.

b. Berdasarkan mata uang

Semua surat berharga yang diterbitkan adalah dalam mata uang Rupiah.

24. Marketable Securities Issued (continued)

a. By type (continued)

For the purpose of calculating the Capital Adequacy Ratio (CAR), the Subordinated Bond III is included as supplementary capital after the Bank received approval letter from Financial Services Authority No. S-212/PB.31/2021 dated October 4, 2021.

b. By currency

All marketable securities issued are denominated in Rupiah.

25. Estimasi Kerugian Komitmen dan Kontinjensi

a. Estimasi kerugian komitmen dan kontinjensi

	2023	2022	
Fasilitas kredit yang diberikan dan pembiayaan/piutang syariah yang belum digunakan	19.672	20.221	Unused loans and sharia financing/receivables facilities
Bank Garansi yang diterbitkan	2.712	4.251	Bank Guarantees issued
L/C tidak dapat dibatalkan	318	229	Irrevocable L/C
	22.702	**24.701**	

b. Perubahan estimasi kerugian komitmen dan kontinjensi

	2023	2022	
Saldo awal	24.701	22.429	Beginning balance
Penyisihan pembentukan (pembalikan cadangan) selama tahun berjalan	(1.999)	2.272	Provision addition (reversal of allowance) during the year
Saldo akhir	**22.702**	**24.701**	**Ending balance**

25. Estimated Losses On Commitments and Contingencies

a. Estimated losses on commitments and contingencies

	2023	2022	
Fasilitas kredit yang diberikan dan pembiayaan/piutang syariah yang belum digunakan	19.672	20.221	Unused loans and sharia financing/receivables facilities
Bank Garansi yang diterbitkan	2.712	4.251	Bank Guarantees issued
L/C tidak dapat dibatalkan	318	229	Irrevocable L/C
	22.702	**24.701**	

b. Movements in the estimated losses on commitments and contingencies

	2023	2022	
Saldo awal	24.701	22.429	Beginning balance
Penyisihan pembentukan (pembalikan cadangan) selama tahun berjalan	(1.999)	2.272	Provision addition (reversal of allowance) during the year
Saldo akhir	**22.702**	**24.701**	**Ending balance**

26. Liabilitas Lain-Lain

	2023	2022	
Pihak ketiga			**Third parties**
Rupiah:			**Rupiah:**
Titipan debitur	380.088	288.652	Debtor's deposits
Utang kesejahteraan karyawan	206.372	137.269	Employee benefits payable
Bunga masih harus dibayar	151.367	155.540	Interest payables
Liabilitas estimasi untuk kesejahteraan karyawan (Catatan 37)	100.344	127.787	Estimated liability for employee service entitlements (Note 37)
Setoran jaminan	30.700	40.038	Guarantee deposits
Lain-lain	669.941	554.916	Others
	1.538.812	1.304.202	
Mata uang asing:			**Foreign currencies:**
Bunga masih harus dibayar	26.221	58.611	Interest payables
Setoran jaminan	130	132	Guarantee deposits
Lain-lain	4.977	4.585	Others
	31.328	63.328	
Total	**1.570.140**	**1.367.530**	**Total**

26. Other Liabilities

	2023	2022	
Pihak ketiga			**Third parties**
Rupiah:			**Rupiah:**
Titipan debitur	380.088	288.652	Debtor's deposits
Utang kesejahteraan karyawan	206.372	137.269	Employee benefits payable
Bunga masih harus dibayar	151.367	155.540	Interest payables
Liabilitas estimasi untuk kesejahteraan karyawan (Catatan 37)	100.344	127.787	Estimated liability for employee service entitlements (Note 37)
Setoran jaminan	30.700	40.038	Guarantee deposits
Lain-lain	669.941	554.916	Others
	1.538.812	1.304.202	
Mata uang asing:			**Foreign currencies:**
Bunga masih harus dibayar	26.221	58.611	Interest payables
Setoran jaminan	130	132	Guarantee deposits
Lain-lain	4.977	4.585	Others
	31.328	63.328	
Total	**1.570.140**	**1.367.530**	**Total**

26. Liabilitas Lain-Lain (lanjutan)

Utang kesejahteraan karyawan meliputi pencadangan tunjangan, bonus dan tantiem.

Bunga masih harus dibayar merupakan beban bunga simpanan nasabah, simpanan dari bank lain, pinjaman yang diterima, dan surat berharga yang diterbitkan.

Titipan debitur merupakan dana dari debitur untuk administrasi kredit, seperti biaya notaris dan asuransi, yang akan dibayarkan kepada pihak ketiga.

Setoran jaminan merupakan titipan debitur terkait dengan penerbitan Bank garansi, *Letters of Credit*, Surat Kredit Berdokumen Dalam Negeri (SKBDN), dan *safe deposit box*.

Lain-lain terdiri dari pendapatan provisi *Letters of Credit* yang diamortisasi sesuai dengan jangka waktu dan lain-lain.

26. Other Liabilities (continued)

Employee benefits payable represents accrual for allowances, bonus and tantiem.

Interests payable represent interest expense for customer deposits, deposits from other banks, borrowings, and securities issued.

Debtor's deposit represents fund from debtors for loan administration, such as notary and insurance expenses, which will be paid to third parties.

Guarantee deposits represent debtor's funds for issuance of Bank guarantee, Letters of Credit, Domestic Letters of Credit (SKBDN), and safe deposit box.

Others consist of fees and commission from Letters of Credit which are amortized during the period and others.

27. Ekuitas

a. Modal saham

Dana Setoran Modal

Pada 19 Desember 2022, Perseroan mengirimkan Surat Permohonan kepada Otoritas Jasa keuangan dengan perihal Permohonan Persetujuan Pengakuan Dana Setoran Modal PUT VII sebagai Modal Inti (Tier 1), dan pada 20 Desember 2022 OJK menyetujui permohonan Perseroan untuk Dana Setoran Modal PUT VII sebagai Modal Inti (Tier 1).

Total Dana Setoran Modal yang disetujui OJK pada Modal Inti (Tier 1) adalah sebesar Rp3.000.000 yang akan dicatatkan pada Modal Inti (Tier 1) Perseroan. Dana Setoran Modal sebesar Rp3.000.000 tersebut telah disetorkan pada tanggal 19 Desember 2022 dan telah dicatat sebagai uang muka setoran modal. Pada tahun 2023 uang muka modal tersebut telah direalisasikan menjadi modal ditempatkan dan disetor.

Penawaran Umum Terbatas (PUT) VII

Berdasarkan surat OJK No. S-113/D.04/2023 tanggal 5 Mei 2023, Bank telah mendapat Pernyataan Efektif pelaksanaan PUT VII dari OJK.

Bank menerbitkan 119.999.999.692 (nilai penuh) lembar saham kelas B dengan nilai nominal Rp100 (nilai penuh) per lembar saham dengan Harga Pelaksanaan Rp100 (nilai penuh) per lembar saham sehingga seluruhnya berjumlah Rp11.999.999.969.200 (nilai penuh).

27. Equity

a. Share capital

Capital Deposit Fund

On December 19, 2022, the Company sent a Request for Approval Letter to the Financial Services Authority regarding the Approval Request for the Recognition of Deposit Funds for LPO VII Capital as Core Capital (Tier 1), and on December 20, 2022, OJK approved the Company's application for Deposit Funds for LPO VII Capital as Core Capital (Tier 1).

The total Capital Deposit Fund approved by OJK for Core Capital (Tier 1) is Rp3,000,000 which will be recorded in the Company's Core Capital (Tier 1). The Capital Deposit Fund of Rp3,000,000 was paid on December 19, 2022 and has been recorded as an advance for future shares subscription. on 2023 the capital advance had been realized into issued and paid-up capital.

Limited Public Offering (LPO) VII

Based on OJK's letter No. S-113/D.04/2023 dated May 5, 2023, the Bank has received an Effective Statement of LPO VII Implementation from OJK. On

The Bank issued 119,999,999,692 (full amount) class B shares with nominal value of Rp100 (full amount) per share with Exercise Price of Rp100 (full amount) per share for a total of Rp11,999,999,969,200 (full amount)

27. Ekuitas (lanjutan)

a. Modal saham (lanjutan)

Penawaran Umum Terbatas (PUT) VII (lanjutan)

Dana yang berhasil dihimpun dalam PUT VII sebesar Rp11.999.999.969.200 (nilai penuh) yang dicatat dalam Modal Disetor di posisi ekuitas yang sudah termasuk uang muka setoran modal yang telah dikonversi menjadi modal disetor sebesar Rp3.000.000 pada tanggal 5 Mei 2023.

Berdasarkan hasil keputusan rapat Dewan Direksi dan Dewan Komisaris yang dinyatakan dalam akta notaris No. 33 tanggal 9 Juni 2023 dari Notaris Aulia Taufani, S.H., jumlah modal ditempatkan dan disetor penuh terdiri dari 21.337.978 saham kelas A dengan total sebesar Rp213.379.780.000 (nilai penuh) dan 187.866.201.892 saham kelas B dengan total sebesar Rp18.786.620.189.200 (nilai penuh). Perubahan ini telah diterima oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-AH.01.03-0075748 tanggal 12 Juni 2023.

Susunan pemegang saham Bank pada tanggal 31 Desember 2023 sebagai berikut:

27. Equity (continued)

a. Share capital (continued)

Limited Public Offering (LPO) VII (continued)

Total fund that have been gathered from LPO VII amounting to Rp11,999,999,969,200 (full amount) the fund recognized as Additional paid-in capital in Bank's Equity that has included the realized capital advance into issued and paid-up capital amounted to Rp3,000,000 at May 5, 2023.

Based on the decisions of the Board of Directors and Board of Commissioners meetings which were covered by notarial deed No. 33 dated June 9, 2023 of Notary Aulia Taufani, SH, the number of fully paid capital consists of 21,337,978 common A shares with a total value of Rp213,379,780,000 (full amount) and 187,866,201,892 common B shares with a total value of Rp18,786,620,189,200 (full amount). These changes have been accepted by the Minister of Justice and Human Rights of the Republic of Indonesia with Decision Letter No. AHU-AH.01.03-0075748 dated June 12, 2023.

The Bank's shareholders as at December 31, 2023 are as follows:

	Jumlah Saham (Nilai Penuh)/ *Number of Shares (Full Amount)*	Persentase Kepemilikan/ *Percentage of Ownership Dec 31, 2023*	Jumlah Modal Ditempatkan dan Disetor Penuh/*Issued and Fully Paid Capital*	
I. Saham Biasa Kelas A (Rp10.000 (nilai penuh) per lembar saham)				**I. Common A Shares** (Rp10,000 (full amount) per share)
PT Perusahaan Pengelola Aset (Persero)	4.736.255	0,00 %	47.363	PT Perusahaan Pengelola Aset (Persero)
Masyarakat (masing-masing kepemilikan kurang dari 5%)	16.601.723	0,01 %	166.017	Public (Individual ownership of less than 5%)
Total saham biasa kelas A	**21.337.978**	**0,01 %**	**213.380**	Total common A shares
II. Saham Biasa Kelas B (Rp100 (nilai penuh) per lembar saham)				**II. Common B Shares** (Rp100 (full amount) per share)
Kookmin Bank Co., Ltd	125.655.736.951	66,87 %	12.565.574	Kookmin Bank Co., Ltd
STIC Eugene Star Holdings Inc	31.900.000.000	16,98 %	3.190.000	STIC Eugene Star Holdings Inc
PT Perusahaan Pengelola Aset (Persero)	1.034.232.376	0,55 %	103.423	PT Perusahaan Pengelola Aset (Persero)
Woo Yeul Lee (Direktur Utama)	8.500.000	0,01 %	850	Woo Yeul Lee (President Director)
Koperasi Pegawai Bulog Seluruh Indonesia	5.382.249	0,00 %	538	Koperasi Pegawai Bulog Seluruh Indonesia
Seng Hyup Shin (Direktur)	2.300.000	0,00 %	230	Seng Hyup Shin (Director)
Robby Mondong (Wakil Direktur Utama)	1.107.000	0,00 %	111	Robby Mondong (Deputy President Director)
Dodi Widjajanto (Direktur)	1.000.088	0,00 %	100	Dodi Widjajanto (Director)
Yohanes Suhardi (Direktur)	574.800	0,00 %	57	Yohanes Suhardi (Director)
Helmi Fahrudin (Direktur)	482.951	0,00 %	48	Helmi Fahrudin (Director)
Henry Sawali (Direktur)	200.000	0,00 %	20	Henry Sawali (Director)
Masyarakat (masing-masing kepemilikan kurang dari 5%)	29.256.685.477	15,58 %	2.925.669	Public (Individual ownership of less than 5%)
Total saham biasa kelas B	**187.866.201.892**	**99,99 %**	**18.786.620**	Total common B shares
Total saham biasa	**187.887.539.870**	**100,00 %**	**19.000.000**	**Total common shares**

27. Ekuitas (lanjutan) / 27. Equity (continued)

a. Modal saham (lanjutan) / a. Share capital (continued)

Susunan pemegang saham Bank pada tanggal 31 Desember 2022 sebagai berikut:

The Bank's shareholders as at December 31, 2022 are as follows:

	Jumlah Saham (Nilai Penuh)/ *Number of Shares (Full Amount)*	Persentase Kepemilikan/ *Percentage of Ownership Dec 31, 2022*	Jumlah Modal Ditempatkan dan Disetor Penuh/*Issued and Fully Paid Capital*	
I. Saham Biasa Kelas A (Rp10.000 (nilai penuh) per lembar saham)				**I. Common A Shares** (Rp10,000 (full amount) per share)
PT Perusahaan Pengelola Aset (Persero)	4.736.255	0,01 %	47.363	PT Perusahaan Pengelola Aset (Persero)
Masyarakat (masing-masing kepemilikan kurang dari 5%)	16.601.723	0,02 %	166.017	Public (Individual ownership of less than 5%)
Total saham biasa kelas A	**21.337.978**	**0,03 %**	**213.380**	Total common A shares
II. Saham Biasa Kelas B (Rp100 (nilai penuh) per lembar saham)				**II. Common B Shares** (Rp100 (full amount) per share)
Kookmin Bank Co., Ltd	45.484.861.813	67,00 %	4.548.486	Kookmin Bank Co., Ltd
PT Perusahaan Pengelola Aset (Persero)	1.034.232.376	1,52 %	103.423	PT Perusahaan Pengelola Aset (Persero)
Yohanes Suhardi (Direktur)	207.700	0,00 %	21	Yohanes Suhardi (Director)
Helmi Fahrudin (Direktur)	174.500	0,00 %	17	Helmi Fahrudin (Director)
Masyarakat (masing-masing kepemilikan kurang dari 5%)	21.346.725.811	31,45 %	2.134.673	Public (Individual ownership of less than 5%)
Total saham biasa kelas B	**67.866.202.200**	**99,97 %**	**6.786.620**	Total common B shares
Total saham biasa	**67.887.540.178**	**100,00 %**	**7.000.000**	**Total common shares**

Semua saham yang dikeluarkan oleh Bank adalah saham atas nama dan setiap saham mempunyai 1 (satu) hak suara.

All shares issued by the Bank entitle the holder to have 1 (one) vote per share.

b. Tambahan modal disetor - neto / b. Additional paid-in capital - net

Perubahan tambahan modal disetor adalah sebagai berikut:

The movements in additional paid in capital are as follow:

Tambahan modal disetor yang berasal dari Penawaran saham perdana - neto	184.694	Additional paid-in-capital from IPO - net
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2006	**184.694**	**Balance of additional paid-in-capital - net as at December 31, 2006**
Tambahan modal disetor yang berasal dari eksekusi opsi saham - neto	33.138	Additional paid-in-capital arising from the exercise of share options - net
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2007	**217.832**	**Balance of additional paid-in-capital - net as at December 31, 2007**

27. Ekuitas (lanjutan)

b. Tambahan modal disetor - neto (lanjutan)

Perubahan tambahan modal disetor adalah sebagai berikut: (lanjutan)

27. Equity (continued)

b. Additional paid-in capital - net (continued)

The movements in additional paid in capital are as follow: (continued)

Tambahan modal disetor yang berasal dari eksekusi opsi saham - neto	578	Additional paid-in-capital arising from the exercise of share options - net
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2008	**218.410**	**Balance of additional paid-in-capital - net as at December 31, 2008**
Tambahan modal disetor yang berasal dari Penawaran Umum Terbatas I - neto	82.647	Additional paid-in-capital from Limited Public Offering I - net
Tambahan modal disetor yang berasal dari eksekusi opsi saham - neto	3.133	Additional paid-in-capital arising from the exercise of share options - net
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2009	**304.190**	**Balance of additional paid-in-capital - net as at December 31, 2009**
Tambahan modal disetor yang berasal dari eksekusi opsi saham - neto	55.439	Additional paid-in-capital arising from the exercise of share options - net
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2010	**359.629**	**Balance of additional paid-in-capital - net as at December31, 2010**
Tambahan modal disetor yang berasal dari Penawaran Umum Terbatas II - neto	727.852	Additional paid-in-capital from Limited Public Offering II - net
Tambahan modal disetor yang berasal dari eksekusi opsi saham - neto	6.838	Additional paid-in-capital arising from the exercise of share options - net
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2011	**1.094.319**	**Balance of additional paid-in-capital - net as at December 31, 2011**
Tambahan modal disetor yang berasal dari eksekusi opsi saham - neto	5.686	Additional paid-in-capital arising from the exercise of share options - net
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2012	**1.100.005**	**Balance of additional paid-in-capital - net as at December 31, 2012**
Tambahan modal disetor yang berasal dari Penawaran Umum Terbatas III - neto	281.522	Additional paid-in-capital from Limited Public Offering III - net
Tambahan modal disetor yang berasal dari eksekusi opsi saham - neto	3.915	Additional paid-in-capital arising from the exercise of share options - net
Pembalikan cadangan opsi saham yang telah gugur	8.599	Reversal of share option reverse which has been forfeited
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2013	**1.394.041**	**Balance of additional paid-in-capital - net as at December 31, 2013**

27. Ekuitas (lanjutan)

b. Tambahan modal disetor - neto

Perubahan tambahan modal disetor adalah sebagai berikut:

Tambahan modal disetor yang berasal dari Penawaran Umum Terbatas III - neto	330.028
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2014	**1.724.069**
Tambahan modal disetor yang berasal dari Penawaran Umum Terbatas IV - neto	1.199.869
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2018	**2.923.938**
Tambahan modal disetor yang berasal dari Penawaran Umum Terbatas V - neto	372.861
Tambahan modal disetor yang berasal dari PMTHMETD - neto	1.472.452
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2020	**4.769.251**
Tambahan modal disetor yang berasal dari Penawaran Umun Terbatas VI - neto	3.517.177
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2023 dan 31 Desember 2021	**8.286.428**
Penggunaan tambahan modal disetor yang digunakan untuk biaya Penawaran Umum Terbatas VII - neto	(60.661)
Saldo tambahan modal disetor - neto pada tanggal 31 Desember 2023	**8.225.767**

27. Equity (continued)

b. Additional paid-in capital - net

The movements in additional paid in capital are as follow:

Additional paid-in-capital from Limited Public Offering III - net	
Balance of additional paid-in-capital - net as at December 31, 2014	
Additional paid-in-capital from Limited Public Offering IV - net	
Balance of additional paid-in-capital - net as at December 31, 2018	
Additional paid-in-capital from Limited Public Offering V - net	
Additional paid-in-capital from Private Placement - net	
Balance of additional paid-in-capital - net as at December 31, 2020	
Additional paid-in-capital from Limited Public Offering VI - net	
Balance of additional paid-in-capital - net as at December 31, 2023 and December 31, 2021	
Use of additional paid-in capital used for Limited Public Offering costs VII - net	
Balance of additional paid-in-capital -net as of 31 December 2023	

Tambahan modal disetor berupa agio saham berasal dari penerbitan saham pada saat IPO, PUT I, PUT II, PUT III, PUT IV, PUT V, PMTHMETD, PUT VI dan PUT VII sebagai berikut:

Additional paid-in capital arise from issuance of shares in IPO, LPO I, LPO II, LPO III, LPO IV, LPO V, PP, LPO VI and LPO VII are as follow:

	Harga Penawaran (Nilai Penuh) per Saham/ *Offering Price (Full Amount)* per Share	**Jumlah Lembar Saham/ *Number of Shares***	
IPO	350	843.765.500	IPO
PUT I	415	286.050.768	LPO I
PUT II	520	1.787.960.495	LPO II
PUT III	660	1.106.252.141	LPO IIII
PUT IV	570	2.565.288.316	LPO IV
PUT V	180	4.660.763.499	LPO V
PMTHMETD	190	16.360.578.947	PP
PUT VI	200	35.214.288.984	LPO VI
PUT VII	100	119.999.999.692	LPO VII

28. Kepentingan Non-Pengendali / Non-Controlling Interest

Perubahan kepentingan non-pengendali atas aset neto entitas anak adalah sebagai berikut:

Movements in the non-controlling interest's share in the net assets of the subsidiaries are as follows:

	2023	2022	
Saldo awal	(4.828)	216	Beginning balance
Bagian kepentingan non-pengendali atas rugi bersih entitas anak	(21.318)	(5.044)	Net loss of subsidiaries attributable to non-controlling interest
Saldo akhir	**(26.146)**	**(4.828)**	**Ending balance**

29. Pendapatan Bunga Dan Syariah / Interest And Sharia Income

Pendapatan bunga diperoleh dari:

Interest income is derived from the following:

	2023	2022	
Rupiah:			**Rupiah:**
Kredit yang diberikan	2.867.896	2.870.197	Loans
Surat-surat berharga	897.932	514.730	Marketable securities
Penempatan pada Bank			Placements with Bank
Surat-surat berharga yang dibeli dengan janji dijual kembali	123.417	46.089	Purchased with agreements to resell Bank
Bank Indonesia dan bank lain	114.055	75.395	Indonesia and other banks
Giro pada Bank Indonesia	28.107	22.005	Bank Indonesia current account
Giro pada bank lain	1.230	276	Current account with other banks
Tagihan lainnya	135	143	Other receivables
Sub-total	4.032.772	3.528.835	Sub-total
Mata uang asing:			**Foreign currencies:**
Kredit yang diberikan	252.183	89.363	Loans
Penempatan pada Bank Indonesia dan bank lain	58.135	66.537	Placements with Bank Indonesia and other banks
Surat-surat berharga	31.270	36.542	Marketable securities
Giro pada bank lain	3	13	Current account with other banks
Tagihan lainnya	331	123	Other receivables
Sub-total	341.922	192.578	Sub-total
Total pendapatan bunga	4.374.694	3.721.413	Total interest income
Pendapatan syariah	486.942	407.257	Sharia income
Total	**4.861.636**	**4.128.670**	**Total**

Pendapatan bunga dan syariah berdasarkan klasifikasi aset keuangan adalah sebagai berikut:

Interest and sharia income based on the classification of financial assets are as follows:

	2023	2022	
Diukur pada biaya perolehan amortisasi	4.575.624	4.026.451	Valued at amortized cost
Diukur pada nilai wajar melalui laba rugi	230.219	73.507	Fair value through profit and loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	55.793	28.712	Fair value through other comprehensive income
Total	**4.861.636**	**4.128.670**	**Total**

29. Pendapatan Bunga Dan Syariah

Termasuk dalam pendapatan bunga dari kredit yang diberikan adalah provisi dan komisi yang berkaitan dengan kegiatan pemberian kredit yang diamortisasi berdasarkan metode suku bunga efektif masing-masing sebesar Rp61.738 dan Rp61.281 untuk tahun-tahun yang berakhir 31 Desember 2023 dan 2022.

Termasuk dalam pendapatan syariah adalah pendapatan atas pembiayaan syariah dan surat-surat berharga.

29. Interest And Sharia Income

Interest income from loan include fees and commission related to lending activities amortized using an effective interest rate method amounting to Rp61,738 and Rp61,281 for the years ended December 31, 2023 and 2022, respectively.

Sharia income includes income from sharia financing and marketable securities.

30. Beban Bunga dan Syariah

Beban bunga dan syariah berasal dari:

30. Interest Expense and Sharia Charges

Interest expense and sharia charges are derived from:

2023	2022	
Rupiah:		**Rupiah:**
Deposito berjangka	1.747.716	1.399.243	Time deposits
Pinjaman yang diterima	852.041	404.988	Borrowings
Surat berharga yang diterbitkan	308.086	332.225	Marketable securities issued
Tabungan	191.786	237.352	Savings deposits
Giro	36.462	36.328	Demand deposits
Simpanan dari bank lain	13.949	74.093	Deposits from other banks
Surat berharga yang dijual dengan janji dibeli kembali	4.525	26.953	Marketable securities sold with agreement to repurchase
Sub-total	3.154.565	2.511.182	Sub-total
Mata uang asing:		**Foreign currencies:**
Simpanan dari bank lain	427.869	180.602	Deposits from other banks
Deposito berjangka	123.030	90.149	Time deposits
Pinjaman yang diterima	39.216	42.460	Borrowings
Giro	1.034	1.631	Demand deposits
Tabungan	996	2.351	Savings deposits
Sub-total	592.145	317.193	Sub-total
Total beban bunga	3.746.710	2.828.375	Total interest expense
Beban syariah	306.044	250.792	Sharia charges
Total	**4.052.754**	**3.079.167**	**Total**

Sehubungan dengan liabilitas bank umum yang dijamin oleh Program Penjaminan Pemerintah, Pemerintah Republik Indonesia telah mendirikan sebuah lembaga independen berdasarkan Undang-undang Republik Indonesia No. 24 tahun 2004 tanggal 22 September 2004. Berdasarkan peraturan ini, Lembaga Penjamin Simpanan (LPS) menjamin dana masyarakat termasuk dana dari bank lain dalam bentuk giro, deposito, sertifikat deposito, tabungan dan/atau bentuk lainnya yang dipersamakan dengan itu.

In connection with the commercial bank obligations guaranteed by Government Guarantee Program, the Indonesian Government has established an independent institution in accordance with the Republic of Indonesia Law No. 24 year 2004 dated September 22, 2004. Under this Law, The Deposit Guarantee Institution (Lembaga Penjamin Simpanan/LPS) guarantees third parties deposits including deposits from other banks in the form of demand deposits, time deposits, certificates of deposit, saving deposits and/or other equivalent forms.

30. Beban Bunga dan Syariah (lanjutan)

Pada tanggal 13 Oktober 2008, Presiden Republik Indonesia menetapkan Peraturan Pemerintah No. 66 Tahun 2008 tentang besaran nilai simpanan yang dijamin LPS. Berdasarkan peraturan tersebut, nilai simpanan yang dijamin untuk setiap nasabah pada satu Bank yang semula berdasarkan Undang-undang No. 24 Tahun 2004 ditetapkan maksimum Rp100.000.000 (nilai penuh) diubah menjadi maksimum Rp2.000.000.000 (nilai penuh). Pada tanggal 31 Desember 2023 dan 2022, Bank adalah peserta dari program penjaminan tersebut.

Bank telah melakukan pembayaran premi Program Penjaminan Pemerintah terhadap Kewajiban Pembayaran Bank Umum masing-masing sebesar Rp98.812 dan Rp118.790 untuk yang berakhir pada tanggal 31 Desember 2023 dan 2022 yang dicatat sebagai beban pembiayaan lainnya.

30. Interest Expense and Sharia Charges (continued)

On October 13, 2008, the President of the Republic of Indonesia approved Government Regulation No. 66 Year 2008 regarding the amount of deposits guaranteed by LPS. Based on such regulation, the customers' guaranteed deposit in a Bank which was previously regulated under Law No. 24 Year 2004 amounted to a maximum of Rp100,000,000 (full amount) was amended to a maximum of Rp2,000,000,000 (full amount). As at December 31, 2023 and 2022, the Bank was a participant of above guarantee program.

The Bank has paid the premium on the Government Guarantee Program for Obligation of Commercial Banks amounting to Rp98,812 and Rp118,790 for the years ended December 31, 2023 and 2022, respectively, which was recorded as other financing charges.

31. Provisi dan Komisi Lainnya / 31. Other Fees and Commissions

	2023	2022	
Imbalan jasa	174.169	163.641	Fees
Jasa administrasi	72.428	82.057	Administrative service charges
Komisi merchant	5.702	8.332	Merchant commission
Lain-lain	81.433	69.310	Others
Total	**333.732**	**323.340**	**Total**

Imbalan jasa merupakan pendapatan yang berasal dari penerimaan imbalan atas pembayaran listrik, air, telepon, pajak, transaksi perdagangan, dan lain-lain melalui Bank dan pendapatan imbalan atas transaksi ATM dengan bank lain.

Fees represent fees for electricity, water, telephone, tax, trade financing, and other payments made through the Bank and fees from ATM transaction with other banks.

Lain-lain merupakan pendapatan dari jasa-jasa yang diberikan oleh Bank yang antara lain meliputi pendapatan jasa pelayanan nasabah dan transaksi kartu kredit.

Others consist of fees from services provided by the Bank, which include among others income from customer service and credit card transactions.

32. Pemulihan Cadangan (Penyisihan) Kerugian Penurunan Nilai Atas Aset Keuangan / 32. Reversal of Allowance (Provision) For Impairment Losses On Financial Assets

	2023	2022	
Surat-surat berharga (Catatan 7i)	(33)	49	Marketable securities (Note 7i)
Kredit yang diberikan dan pembiayaan/piutang Syariah	(5.466.917)	(3.920.586)	Loans and Sharia financing/ receivables
Tagihan akseptasi	(1.402)	(145)	Acceptance receivables
Tagihan lainnya	(69.440)	(27.800)	Other Receivable
Total	**(5.537.792)**	**(3.948.482)**	**Total**

33. Beban Umum Dan Administrasi / 33. General And Administrative Expenses

Beban umum dan administrasi terdiri dari:

General and administrative expenses consist of:

	2023	2022	
Perbaikan dan pemeliharaan	198.995	286.640	Repairs and maintenance
Penyusutan aset tetap (Catatan 13)	193.415	242.263	Depreciation of fixed assets (Note 13)
Alih daya	151.973	187.256	Outsourcing
Sewa	130.118	106.838	Rent
Jasa profesional	108.739	102.116	Professional fees
Amortisasi piranti lunak (Catatan 14)	67.175	6.412	Amortization of software (Note 14)
Komunikasi	62.006	79.926	Communications
Transportasi	35.290	35.803	Transportation
Interchange dan keanggotaan kartu	28.426	22.126	Card interchange and membership
Listrik dan air	27.162	31.883	Electricity and water
Pendidikan dan pelatihan	26.192	13.072	Education and training
Iklan dan promosi	23.015	44.091	Advertising and promotion
Beban Bunga – Aset Sewa	15.795	11.040	Interest Expense – Lease
Transaksi ATM	11.750	1.082	ATM transactions
Perlengkapan kantor	10.982	16.749	Office supplies
Asuransi	5.835	6.185	Insurance
Representasi	4.499	5.994	Representation
Pengiriman uang	2.008	2.630	Cash delivery
Lain-lain	268.219	368.912	Others
Total	**1.371.594**	**1.571.018**	**Total**

Interchange kartu merupakan biaya yang timbul dari transaksi kartu kredit dan debit dengan Visa Electron dan MasterCard.

Card interchange is cost from the transaction of credit and debit cards with Visa Electron and MasterCard.

Lain-lain meliputi biaya kegiatan karyawan, biaya proses warkat kliring, biaya transaksi *payment point*, sumbangan dan hadiah dan lain-lain.

Others consist of employees' activities expense, clearing process expenses, payment point transaction expenses, social contribution and gifts, and others.

34. Beban Gaji dan Tunjangan Karyawan / 34. Salaries and Employee Benefits Expenses

Beban gaji dan tunjangan karyawan terdiri dari:

Salaries and employee benefits expenses consist of:

	2023	2022	
Gaji, insentif, dan lembur	426.276	453.093	Salaries, incentives, and overtime payments
Tunjangan karyawan	240.938	217.756	Employee benefits
Asuransi Karyawan	50.254	41.636	Employee insurance
Dana Pensiun	43.921	31.683	Pension Benefits
Beban (penghasilan) imbalan pasca-kerja dan jangka panjang lainnya (Catatan 37)	48.587	(9.736)	Provision for post employement and other long-term benefits expense (Note 37)
Total	**809.976**	**734.432**	**Total**

Berikut ini adalah beban gaji dan tunjangan-tunjangan untuk pengurus dan pejabat eksekutif (Catatan 38):

Outlined below are salaries other benefits for the management and executive officers (Note 38):

34. Beban Gaji dan Tunjangan Karyawan (lanjutan)

34. Salaries and Employee Benefits Expenses (continued)

	2023	2022	
Dewan Komisaris	5.757	5.208	Board of Commissioners
Direksi	16.625	12.403	Board of Directors
Lain-lain *)	34.310	33.389	Others *)
	56.692	51.000	
Pajak	10.768	8.227	Tax
Total	**67.460**	**59.227**	**Total**

*) Termasuk pejabat eksekutif, komite audit, dan lain-lain.

*) Including executive officers, audit committee, and others.

35. Pendapatan (Beban) Non-operasional - Neto

35. Non-operating Income (Expense) - Net

	2023	2022	
Keuntungan (kerugian) dari penjualan aset tetap (Catatan 13)	(5.700)	1.654	Gain (loss) on sale of fixed assets (Note 13)
Keuntungan (kerugian) dari penjualan agunan yang diambil alih	(5.674)	(24.680)	Gain (loss) on sale of foreclosed assets
Lain-lain - neto	(116.811)	(65.862)	Others - net
Total	**(128.185)**	**(88.888)**	**Total**

Lain-lain terdiri dari denda yang timbul dari transaksi perpajakan, komitmen kredit dan lain-lain.

Others consist of tax penalty, loan commitment penalty and others.

36. Informasi Segmen

36. Segment Information

a. Bidang usaha

a. Business activities

Nama Perusahaan/Company	Bidang Usaha/Business Activities
PT Bank KB Bukopin Tbk	Perbankan konvensional/Conventional banking
PT Bank KB Bukopin Syariah	Perbankan syariah/sharia Banking
PT KB Bukopin Finance	Pembiayaan/Financing

b. Segmen operasi

b. Business segment

Segmen operasi

Untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022, tidak terdapat pendapatan bunga dari salah satu konsumen eksternal yang mencapai 10% atau lebih dari total pendapatan bunga dan syariah Bank.

Berikut adalah informasi segmen usaha Grup berdasarkan segmen operasi:

Operating segment

For the years ended December 31, 2023 and 2022 there are no interest incomes from transactions with a single external customer amounted to 10% or more of the Bank's total interest and sharia.

Following is the Group business segment information by operating segment:

36. Informasi Segmen (lanjutan)

b. Segmen operasi (lanjutan)

Segmen operasi

(i) Pendapatan bunga dan syariah konsolidasian

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	89,70	4.355.568	89,37	3.677.797	Conventional banking
Pembiayaan	0,27	12.935	0,73	30.275	Financing
Syariah	10,03	486.942	9,90	407.257	Sharia
Total sebelum eliminasi	100,00	4.855.445	100,00	4.115.329	Total before elimination
Eliminasi		6.191		13.341	Elimination
Pendapatan Bunga Konsolidasian		**4.861.636**		**4.128.670**	**Consolidated interest income**

(ii) Rugi operasional konsolidasian

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	91,41	(6.088.071)	98,51	(4.987.160)	Conventional banking
Pembiayaan	0,26	(17.443)	0,03	(1.687)	Financing
Syariah	8,33	(554.401)	1,46	(73.945)	Sharia
Total sebelum eliminasi	100,00	(6.659.915)	100,00	(5.062.792)	Total before elimination
Eliminasi		713		6.024	Elimination
Rugi operasional konsolidasian		**(6.659.202)**		**(5.056.768)**	**Consolidated Operating loss**

(iii) Rugi bersih konsolidasian

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	90,99	(5.510.780)	98,58	(4.966.957)	Conventional banking
Pembiayaan	0,31	(18.571)	0,06	(2.941)	Financing
Syariah	8,70	(527.065)	1,36	(68.630)	Sharia
Total sebelum eliminasi	100,00	(6.056.416)	100,00	(5.038.528)	Total before elimination
Eliminasi		713		6.024	Elimination
Rugi bersih konsolidasian		**(6.055.703)**		**(5.032.504)**	**Consolidated net loss**

(iv) Total aset konsolidasian

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	90,39	78.842.594	91,93	84.703.740	Conventional banking
Pembiayaan	0,53	459.661	0,46	424.491	Financing
Syariah	9,08	7.920.474	7,61	7.013.225	Sharia
Total sebelum eliminasi	100,00	87.222.729	100,00	92.141.456	Total before elimination
Eliminasi		(2.915.429)		(2.146.104)	Elimination
Total aset konsolidasian		**84.307.300**		**89.995.352**	**Total consolidated assets**

36. Segment Information (continued)

b. Business segment (continued)

Operating segment

(i) Consolidated interest income and sharia

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	89,70	4.355.568	89,37	3.677.797	Conventional banking
Pembiayaan	0,27	12.935	0,73	30.275	Financing
Syariah	10,03	486.942	9,90	407.257	Sharia
Total sebelum eliminasi	100,00	4.855.445	100,00	4.115.329	Total before elimination
Eliminasi		6.191		13.341	Elimination
Pendapatan Bunga Konsolidasian		**4.861.636**		**4.128.670**	**Consolidated interest income**

(ii) Consolidated operating loss

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	91,41	(6.088.071)	98,51	(4.987.160)	Conventional banking
Pembiayaan	0,26	(17.443)	0,03	(1.687)	Financing
Syariah	8,33	(554.401)	1,46	(73.945)	Sharia
Total sebelum eliminasi	100,00	(6.659.915)	100,00	(5.062.792)	Total before elimination
Eliminasi		713		6.024	Elimination
Rugi operasional konsolidasian		**(6.659.202)**		**(5.056.768)**	**Consolidated Operating loss**

(iii) Consolidated net loss

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	90,99	(5.510.780)	98,58	(4.966.957)	Conventional banking
Pembiayaan	0,31	(18.571)	0,06	(2.941)	Financing
Syariah	8,70	(527.065)	1,36	(68.630)	Sharia
Total sebelum eliminasi	100,00	(6.056.416)	100,00	(5.038.528)	Total before elimination
Eliminasi		713		6.024	Elimination
Rugi bersih konsolidasian		**(6.055.703)**		**(5.032.504)**	**Consolidated net loss**

(iv) Total consolidated assets

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	90,39	78.842.594	91,93	84.703.740	Conventional banking
Pembiayaan	0,53	459.661	0,46	424.491	Financing
Syariah	9,08	7.920.474	7,61	7.013.225	Sharia
Total sebelum eliminasi	100,00	87.222.729	100,00	92.141.456	Total before elimination
Eliminasi		(2.915.429)		(2.146.104)	Elimination
Total aset konsolidasian		**84.307.300**		**89.995.352**	**Total consolidated assets**

36. Informasi Segmen (lanjutan)

b. Segmen operasi (lanjutan)

Segmen operasi

(v) Total liabilitas konsolidasian

	2023		2022		
	%	Rp	%	Rp	
Perbankan konvensional	89,95	64.080.008	91,63	73.377.904	Conventional banking
Pembiayaan	0,01	10.277	0,38	299.351	Financing
Syariah	10,04	7.151.658	7,99	6.399.153	Sharia
Total sebelum eliminasi	100,00	71.241.943	100,00	80.076.408	Total before elimination
Eliminasi		(1.044.806)		(1.297.661)	Elimination
Total liabilitas konsolidasian		**70.197.137**		**78.778.747**	**Total consolidated liabilities**

36. Segment Information (continued)

b. Business segment (continued)

Operating segment

(v) Total consolidated liabilities

c. Segmen geografis

Berikut ini adalah informasi segmen usaha Grup berdasarkan daerah geografis:

(i) Pendapatan bunga konsolidasian

	2023		2022		
	%	Rp	%	Rp	
Jabodetabek	69,65	3.381.976	61,44	2.528.513	Jabodetabek
Jawa selain Jabodetabek	13,48	654.485	18,38	756.328	Java other than Jabodetabek
Sumatera	6,67	324.025	7,83	322.090	Sumatera
Kalimantan	1,87	90.653	2,30	94.924	Kalimantan
Lain-lain	8,33	404.306	10,05	413.474	Others
Total sebelum eliminasi	100,00	4.855.445	100,00	4.115.329	Total before elimination
Eliminasi		6.191		13.341	Elimination
Pendapatan bunga konsolidasian		**4.861.636**		**4.128.670**	**Consolidated interest income**

c. Geographic segment

Following is the Group business segment information by geographical area:

(i) Consolidated interest income

(ii) Rugi operasional konsolidasian

	2023		2022		
	%	Rp	%	Rp	
Jabodetabek	66,82	(4.450.328)	74,94	(3.794.169)	Jabodetabek
Jawa selain Jabodetabek	22,73	(1.513.717)	22,26	(1.127.194)	Java other than Jabodetabek
Sumatera	3,99	(265.686)	1,09	(55.249)	Sumatera
Kalimantan	1,33	(88.722)	3,66	(185.371)	Kalimantan
Lain-lain	5,13	(341.468)	(1,95)	99.191	Others
Total sebelum eliminasi	100,00	(6.659.915)	100,00	(5.062.792)	Total before elimination
Eliminasi		713		6.024	Elimination
Rugi operasional konsolidasian		**(6.659.202)**		**(5.056.768)**	**Consolidated operating loss**

(ii) Consolidated operating loss

36. Informasi Segmen (lanjutan) / 36. Segment Information (lanjutan)

c. Segmen geografis (lanjutan) / c. Geographic segment (continued)

(iii) Rugi bersih konsolidasian / (iii) Consolidated net loss

	2023		2022		
	%	Rp	%	Rp	
Jabodetabek	67,17	(4.067.817)	81,65	(4.113.729)	Jabodetabek
Jawa selain Jabodetabek	22,29	(1.349.764)	15,95	(803.558)	Java other than Jabodetabek
Sumatera	4,45	(269.318)	1,18	(59.267)	Sumatera
Kalimantan	1,47	(88.786)	3,67	(185.592)	Kalimantan
Lain-lain	4,62	(280.731)	(2,45)	123.617	Others
Total sebelum eliminasi	100,00	(6.056.416)	100,00	(5.038.529)	Total before elimination
Eliminasi		713		6.024	Elimination
Rugi bersih konsolidasian		**(6.055.703)**		**(5.032.505)**	**Consolidated net loss**

(iv) Total aset konsolidasian / (iv) Total consolidated assets

	2023		2022		
	%	Rp	%	Rp	
Jabodetabek	70,52	61.507.271	68,44	63.059.098	Jabodetabek
Jawa selain Jabodetabek	12,95	11.298.679	15,36	14.157.351	Java other than Jabodetabek
Sumatera	6,66	5.807.490	6,64	6.122.616	Sumatera
Kalimantan	1,71	1.492.026	1,87	1.716.400	Kalimantan
Lain-lain	8,16	7.117.263	7,69	7.085.991	Others
Total sebelum eliminasi	100,00	87.222.729	100,00	92.141.456	Total before elimination
Eliminasi		(2.915.429)		(2.146.104)	Elimination
Total aset konsolidasian		**84.307.300**		**89.995.352**	**Total consolidated assets**

(v) Total liabilitas konsolidasian / (v) Total consolidated liabilities

	2023		2022		
	%	Rp	%	Rp	
Jabodetabek	55,61	39.617.023	55,75	44.640.738	Jabodetabek
Jawa selain Jabodetabek	19,89	14.171.176	22,50	18.023.304	Java other than Jabodetabek
Sumatera	8,78	6.251.866	8,40	6.724.622	Sumatera
Kalimantan	4,26	3.033.770	4,06	3.250.300	Kalimantan
Lain-lain	11,46	8.168.108	9,29	7.437.444	Others
Total sebelum eliminasi	100,00	71.241.943	100,00	80.076.408	Total before elimination
Eliminasi		(1.044.806)		(1.297.661)	Elimination
Total liabilitas konsolidasian		**70.197.137**		**78.778.747**	**Total consolidated liabilities**

37. Kesejahteraan Karyawan

Imbalan Pensiun

Bank menyelenggarakan program pensiun iuran pasti untuk karyawan yang diangkat menjadi karyawan tetap sejak 1 April 2010. Keputusan tersebut telah disetujui oleh Dewan Direksi sesuai dengan Surat Keputusan terbaru No. 1218 Tahun 2013. Keputusan penyempurnaan program iuran pasti disempurnakan kembali dengan Surat Keputusan Direksi Adendum II SK No. 0961 Tahun 2016 bahwa pembayaran iuran program pensiun iuran pasti inlkmi dikelola oleh Dana Pensiun Lembaga Keuangan (DPLK) PT Bank KB Bukopin Tbk yang telah disahkan oleh Otoritas Jasa Keuangan Nomor KEP-32/NB.1/2016. Program ini berlaku untuk karyawan yang diangkat sebagai karyawan tetap sejak tanggal efektif perubahan program pensiun Manfaat Pasti oleh Otoritas Jasa Keuangan. Program ini juga berlaku untuk karyawan yang sebelumnya merupakan peserta program manfaat pasti yang telah dihentikan programnya seperti yang disebutkan di atas.

Beban pensiun iuran pasti yang telah dibebankan pada laba rugi untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp48.587 dan (Rp9.736).

Kesejahteraan Karyawan

Kesejahteraan karyawan meliputi uang jasa, uang pisah, pesangon, tunjangan cuti besar dan kompensasi lainnya, dikompensasikan dengan imbalan pensiun.

Sejak tanggal 20 Desember 2013, Bank memberikan asuransi kesehatan pensiun kepada karyawan yang telah memasuki usia pensiun dan pasangannya selama 2 (dua) tahun setelah tanggal karyawan pensiun. Manfaat-manfaat asuransi diberikan melalui sistem penggantian kepada karyawan.

Liabilitas Imbalan Pasca-Kerja

Penyisihan untuk imbalan kerja karyawan sesuai dengan Undang-Undang Cipta Kerja No. 11/2020 tanggal 2 November 2020. Penyisihan telah dibuat sesuai dengan PSAK 24 (revisi 2013) tentang Imbalan Kerja. Asumsi aktuarial dan metode yang digunakan untuk mengukur liabilitas pasca kerja, beban dan liabilitas kerja karyawan telah memadai dan disajikan menurut estimasi terbaik kami atas kondisi masa depan.

Perhitungan aktuaria atas liabilitas estimasi untuk kesejahteraan karyawan Bank saja pada tanggal 31 Desember 2023 didasarkan atas laporan dari KKA I Gde Eka Sarmaja, FSAI dan Rekan, tertanggal 16 Mei 2024 dengan menggunakan metode *Projected Unit Credit.*

37. Employee Service Entitlements

Pension Benefits

The Bank provides a defined contribution pension plan for employees who become permanent employees since April 1, 2010. The decision has been approved by the Board of Directors in accordance with the latest Decree No. 1218 of 2013. The decision to improve the defined contribution program was re-perfected with a Decree of Directors Addendum II SK No. 0961 of 2016 that contribution payments managed by Financial Institution Pension Fund PT Bank KB Bukopin Tbk which has been approved by the Financial Services Authority Number KEP-32/NB.1/2016. This program applies to employee who is appointed as permanent employees from the effective date of the change to the defined benefit pension plan by the Financial Services Authority. The program also applied for employee who previously was a member of the defined benefit pension plan that has been terminated as mention above.

Defined contribution pension expense that was charge to profit or loss as for the years ended December 31, 2023 and 2022 amounted to Rp48,587 and (Rp9,736), respectively.

Employees' Service Entitlements

Employees' service entitlements consist of service payments, severance payments, termination benefits, long leave benefits and other compensation, compensated with retirement benefits.

Starting December 20, 2013, the Bank provides pension health insurance for employees and their spouses during 2 (two) years after the employee's pension date. Insurance benefits are granted by reimbursement system to the employees.

Post-Employment Benefits Liability

Provision for employee benefits in accordance with the Job Creation Law No. 11/2020 dated November 2, 2020. Provision has been made in accordance with PSAK 24 (Revised 2013) regarding employee benefits. The actuarial assumptions and methods used to measure post-employment liabilities, expenses, and employees' employment liabilities are adequate and are presented according to our best estimate of future conditions.

The actuarial calculation of the estimated liability for the welfare of the Bank's employees only as at December 31, 2023 was based on reports from KKA I Gde Eka Sarmaja, FSAI and Co, dated May 16, 2024 using the Projected Unit Credit method.

37. Kesejahteraan Karyawan (lanjutan)

Liabilitas Imbalan Pasca-Kerja (lanjutan)

Perhitungan aktuaria atas liabilitas estimasi untuk kesejahteraan karyawan KBBS pada tanggal 31 Desember 2023 didasarkan atas laporan dari KKA I Gde Eka Sarmaja, FSAI dan Rekan tertanggal 22 Maret 2024 dengan metode *Projected Unit Credit.*

Perhitungan aktuaria atas liabilitas estimasi untuk kesejahteraan karyawan untuk KBBF pada tanggal 31 Desember 2023 didasarkan atas laporan dari KKA I Gde Eka Sarmaja, FSAI dan Rekan tertanggal 16 Mei 2024 dengan metode *Projected Unit Credit.*

Beban yang diakui dalam laporan laba rugi dan penghasilan komprehensif lain adalah sebagai berikut:

	2023	2022	
Beban jasa kini	13.861	13.255	Current service cost
Beban masa lalu	(13.122)	(8.840)	Past service cost
Beban bunga	8.684	10.627	Interest expense
Kerugian atas penyelesaian	59.697	2.055	Losses on settlement
Pengakuan keuntungan aktuaria	(20.533)	(26.833)	Actuarial gains
Total	**48.587**	**(9.736)**	**Total**

Rekonsiliasi perubahan liabilitas selama tahun berjalan yang diakui di laporan posisi keuangan konsolidasian adalah sebagai berikut:

	2023	2022	
Liabilitas pada awal tahun	127.787	172.927	Liability at beginning of the year
Penyisihan (Pembalikan) tahun berjalan (Catatan 34)	48.587	(9.736)	Provision (reversal) during the year (Note 34)
Pembayaran selama tahun berjalan	(67.390)	(9.668)	Payment during the year
Jumlah yang diakui di penghasilan komprehensif lainnya	(8.640)	(25.736)	Total amount recognized in other comprehensive income
Liabilitas pada akhir tahun	**100.344**	**127.787**	**Liability at the end of year**

Mutasi nilai kini liabilitas imbalan kerja adalah sebagai berikut:

	2023	2022	
Saldo pada awal tahun	127.787	172.927	Balance at beginning of year
Beban jasa kini	13.861	13.255	Current service cost
Beban masa lalu	(13.122)	(8.840)	Past service cost
Beban bunga	8.684	10.627	Interest cost
Kerugian atas penyelesaian	59.698	2.055	Losses on settlement
Manfaat yang dibayarkan	(67.390)	(9.668)	Benefit paid
Kerugian/(keuntungan) pada kewajiban aktuari:			Actuarial (gains)/losses on obligation:
Asumsi demografi	7.420	17.412	Demographic assumption
Experience adjustment	(36.594)	(69.981)	Experience adjustment
Liabilitas pada akhir tahun	**100.344**	**127.787**	**Liability at the end of year**

37. Employee Service Entitlements (continued)

Post-Employment Benefits Liability (continued)

The actuarial calculation for estimated employee service entitlement liabilities of KBBS as at December 31, 2023 was based on reports from KKA I Gde Eka Sarmaja, FSAI and Co dated March 22, 2024 using the Projected Unit Credit method.

The actuarial calculation for estimated employee service entitlement liabilities of KBBF as at December 31, 2023 was based on reports from KKA I Gde Eka Sarmaja, FSAI and Co dated May 16, 2024 using the Projected Unit Credit method.

The expenses recognized in the statement of profit or loss and other comprehensive income were as follows:

The movements of estimated post-employment benefits liability in the consolidated statements of financial position were as follows:

The movements in the present value of liabilites for employee benefits were follows:

37. Kesejahteraan Karyawan (lanjutan)

Liabilitas Imbalan Pasca-Kerja (lanjutan)

Tabel berikut menunjukkan sensitivitas atas kemungkinan perubahan tingkat diskonto dan tingkat kenaikan gaji sebesar 1%, dengan variabel lain dianggap tetap, terhadap nilai kini liabilitas imbalan kerja karyawan:

	2023	2022	
Tingkat diskonto			Discount rate
Tingkat diskonto +1%	(9.989)	(11.795)	Discount rate +1%
Tingkat diskonto -1%	11.720	13.819	Discount rate -1%
Tingkat kenaikan gaji			Salary increment rate
Tingkat kenaikan gaji +1%	14.622	15.445	Salary increment rate +1%
Tingkat kenaikan gaji -1%	(11.911)	(13.081)	Salary increment rate -1%

Analisis jatuh tempo yang diharapkan dari imbalan pasca-kerja yang tidak terdiskonto pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

	2023	2022	
Dalam waktu 12 bulan berikutnya	3.756	13.360	Within the next 12 months
Antara 1 dan 5 tahun	15.603	35.030	Between 1 and 5 years
Antara 5 dan 10 tahun	56.052	86.962	Between 5 and 10 years
Di atas 10 tahun	501.731	934.101	Beyond 10 years
Total	**577.142**	**1.069.453**	**Total**

Asumsi-asumsi yang digunakan dalam perhitungan aktuaria untuk Tahun dan tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022, adalah sebagai berikut:

	2023		2022		
	Bank	Entitas Anak/ *Subsidiaries*	Bank	Entitas Anak/ *Subsidiaries*	
Asumsi ekonomi:					Economic assumptions:
Tingkat diskonto	6,50% per tahun/ *6.50% per annum*	6,50% per tahun/ *6.50% per annum*	7,00% per tahun/ *7.00% per annum*	6,75-7,00% per tahun/ *6.75-7.00% per annum*	Discount rate
Tingkat rata-rata kenaikan penghasilan	5,00% per tahun/ *5.00% per annum*	5,00% per tahun/ *5.00% per annum*	5,00% per tahun/ *5.00% per annum*	5,00% per tahun/ *5.00% per annum/*	Average salary increase rate
Tingkat kenaikan harga emas	7,00% per tahun/ *7.00% per annum*	- -	7,00% per tahun/ *7,00% per tahun/*	- -	Gold price increase rate
Asumsi lainnya:					Other assumptions:
Usia pensiun normal	56 tahun/ *56 years*	56 tahun/ *56 years*	56 tahun/ *56 years*	56 tahun/ *56 years*	Normal retirement age
Tingkat kematian	Tabel TM IV- 2019/ *TM IV - 2019 Table*	Tabel TM IV- 2019/ *TM IV - 2019 Table*	Tabel TM IV- 2019/ *TM IV - 2019 Table*	Tabel TM IV- 2019/ *TM IV - 2019 Table*	Mortality rate
Tingkat kecacatan	10% dari TM IV-2019/ *10% from TM IV-2019*	10% dari TM IV-2019/ *10% from TM IV-2019*	10% dari TM IV-2019/ *10% from TM IV-2019*	10% dari TM IV-2019/ *10% from TM IV-2019*	Disability rate
Tingkat pengunduran diri	*4% pertahun sampai* usia 30 tahun kemudian menurun linear menjadi 0,1% pertahun di usia 49 tahun dan 1% pertahun untuk usia 50 sampai usia 54/ *4% up to age 30 and decreasing linearly 0.1% up to age 49 decreasing linearly 1% ages 50 to 54*	*4% pertahun sampai* usia 30 tahun kemudian menurun linear menjadi 0,1% pertahun di usia 49 tahun dan 1% pertahun untuk usia 50 sampai usia 54/ *4% up to age 30 and decreasing linearly 0.1% up to age 49 decreasing linearly 1% ages 50 to 54*	*4% pertahun sampai* usia 30 tahun kemudian menurun linear menjadi 0,1% pertahun di usia 49 tahun dan 1% pertahun untuk usia 50 sampai usia 54/ *4% up to age 30 and decreasing linearly 0.1% up to age 49 decreasing linearly 1% ages 50 to 54*	*4% pertahun sampai* usia 30 tahun kemudian menurun linear menjadi 0,1% pertahun di usia 49 tahun dan 1% pertahun untuk usia 50 sampai usia 54/ *4% up to age 30 and decreasing linearly 0.1% up to age 49 decreasing linearly 1% ages 50 to 54*	Resignation rate

37. Employee Service Entitlements (continued)

Post-Employment Benefits Liability (continued)

The following table demonstrates the sensitivity to a reasonably possible change in discount rates and salary increment rate amounting to 1%, with all other variables held constant, of the present value of employee benefits liability:

Expected maturity analysis of undiscounted post-employment benefit as at December 31, 2023 and 2022 are as follows:

The assumptions used in actuarial calculation for the Year and year ended December 31, 2023 and December 31, 2022 are as follows:

37. Kesejahteraan Karyawan (lanjutan)

Liabilitas Imbalan Pasca-Kerja Lainnya

Pada tahun 2021, Bank melaksanakan Program G-Pro. Program ini merupakan Program Penawaran Pengakhiran Hubungan Kerja secara Sukarela sebagai bagian dari strategi peningkatan pelayanan kepada nasabah. Program ini merupakan program bagi semua karyawan, semua dapat berpartisipasi, tidak dibatasi oleh masa kerja dan usia, dan bahkan mendapat kompensasi lebih baik. Program ini diumumkan pada tahun 2021 dan direalisasikan di awal tahun 2022 dengan liabilitas yang dicadangkan oleh Bank untuk tahun yang berakhir pada 31 Desember 2023 dan 2022 masing-masing sebesar Rp98.113 dan Rp208.513. Pembayaran untuk program ini sudah diselesaikan pada bulan September 2022.

37. Employee Service Entitlements (continued)

Other Post-Employment Benefits Liability

In 2021, the Bank implemented G-Pro Program. This program is a Voluntary Termination of Employment Offer Program as part of a strategy to improve services to customers. This program is a program for all employees, anyone can participate regardless of years of services or age, and they are even better compensated. This program will be generalized in 2021 and implemented in early 2022, with liabilities by the Bank for the year ending December 31, 2023 and 2022 amounted to Rp98,113, and Rp208,513, respectively. Payment for this program has been completed in September 2022.

38. Transaksi Dan Saldo Dengan Pihak-Pihak Berelasi

Dalam menjalankan kegiatan usahanya, Grup melakukan transaksi-transaksi tertentu dengan pihak-pihak berelasi.

38. Transactions And Balances With Related Parties

In the normal course of business, the Group entered into certain transactions with related parties.

	2023	2022	
Giro pada Bank lain			Current account in other Bank
KB Kookmin Bank (Catatan 5)	6.377	75.647	KB Kookmin Bank (Note 5)
Kredit yang diberikan dan pembiayaan/ piutang Syariah - bruto (Catatan 9l):			Loans and Sharia financing/ receivables - gross (Note 9l):
PT KB Finansia Multi Finance	499.791	250.000	PT KB Finansia Multi Finance
PT Sunindo KB Finance	119.988	120.000	PT Sunindo KB Finance
PT Haka Sarana Investama	-	121.048	PT Haka Sarana Investama
PT Dalle Mineral Papua	-	55.309	PT Dalle Mineral Papua
Dinasti Batubara Indonesia	-	46.278	Dinasti Batubara Indonesia
PT Bosowa Amal Taksi	-	28.891	PT Bosowa Amal Taksi
PT Bosowa Utama	-	27.519	PT Bosowa Utama
PT Mallomo	-	27.012	PT Mallomo
PT Bosowa Berlian Motor	-	26.081	PT Bosowa Berlian Motor
Kopelindo Infrastruktur Indonesia	-	15.934	Kopelindo Infrastruktur Indonesia
PT Makassar Capital	-	7.369	PT Makassar Capital
PT Kurnia Oryza Abadi	-	4.878	PT Kurnia Oryza Abadi
PT Gerin Surya Gemilang	-	3.348	PT Gerin Surya Gemilang
PT Bosowa Tambang Indonesia	-	32	PT Bosowa Tambang Indonesia
Direksi, Dewan Komisaris, Dewan Pengawas Syariah, dan Pejabat Eksekutif	20.867	27.634	Directors, Commissioners, Sharia Supervisory Board, and Executive Officers
Total aset untuk pihak berelasi	**647.023**	**836.980**	**Total related parties assets**
Persentase terhadap total aset	**0,77%**	**0,93%**	**Percentage to total assets**

38. Transaksi Dan Saldo dengan Pihak-Pihak Berelasi (lanjutan)

38. Transactions And Balances with Related Parties (continued)

	2023	2022	
Liabilitas			**Liabilities**
Simpanan dari bank lain (Catatan 20)	7.699.413	10.121.907	Deposit from other banks (Note 20)
Pinjaman yang diterima (Catatan 23)	6.544.886	6.533.582	Borrowing (Note 23)
Dana pensiun Bank KB Bukopin	61.700	51.700	KB Bukopin Bank pension fund
Deposito berjangka (Catatan 19)	40.311	55.847	Time deposits (Note 19)
Tabungan (Catatan 18)	18.491	9.870	Savings deposits (Note 18)
Giro (Catatan 17)	9.094	260.318	Demand deposits (Note 17)
Total liabilitas untuk pihak berelasi	**14.373.895**	**17.033.224**	**Total related parties liabilities**
Persentase terhadap total liabilitas	**20,48%**	**21,62%**	**Percentage to total liabilities**
Pendapatan bunga dan syariah dari pihak berelasi	22.592	13.157	Interest and sharia income from related parties
Persentase terhadap pendapatan bunga dan syariah	0,46%	0,32%	Percentage to total interest and sharia income
Pendapatan operasional lainnya			Other operating income
Pendapatan dan komisi lainnya dari pihak berelasi	-	255	Other fees and commission from related parties
Persentase terhadap pendapatan operasional lainnya	0,00%	0,05%	Percentage to other operating income
Beban bunga dan syariah dari pihak berelasi	899	7.253	Interest expense and sharia charges from related parties
Persentase terhadap beban bunga dan Syariah	0,02%	0,24%	Percentage to total interest and Sharia income
Beban operasional lainnya			Other operating expenses
Gaji dan tunjangan karyawan, pengurus, dan pejabat eksekutif (Catatan 34)	67.460	59.227	Salaries and benefits for employees, management and executive officer (Note 34)
Persentase terhadap Beban operasional lainnya	2,74%	2,44%	Percentage to other operating expenses

Hubungan dengan pihak berelasi adalah sebagai berikut:

The relationships with related parties are as follows:

Sifat dari hubungan/*Nature of Relationship*	Pihak berelasi/*Related parties*
Pemegang saham pengendali/*Controlling Shareholder*	KB Kookmin Bank Co., Ltd
Dikendalikan/dibawah pengaruh signifikan salah satu pemegang saham utama Bank/ *Controlled by/under significant influence of one of major shareholder*	PT Haka Sarana Investama Kopelindo Infrastruktur Indonesia PT Bosowa Berlian Motor PT Bosowa Amal Taksi PT Mallomo PT Bosowa Utama PT Makassar Capital PT Bosowa Tambang Indonesia PT KB Finansial Multi Finance PT Sunindo KB Finance PT Kurnia Oryza Abadi PT Dalle Mineral Papua

38. Transaksi Dan Saldo Dengan Pihak-Pihak Berelasi (lanjutan)

38. Transactions And Balances With Related Parties (continued)

Sifat dari hubungan/*Nature of Relationship*	Pihak berelasi/*Related parties*
Dikendalikan oleh keluarga terdekat dari manajemen/*Controlled by a close member of the management's family*	Dinasti Batubara Indonesia
Manajemen kunci yang sama/*Same key management*	PT Gerin Surya Gemilang
Dana pensiun Bank/*The Bank's pension fund*	Dana Pensiun Bank KB Bukopin
Manajemen dan karyawan kunci/ *Management and key employees*	Direksi, Dewan Komisaris, Dewan Pengawas Syariah, dan Pejabat Eksekutif/*Board of Directors, Board of Commissioners, Sharia Supervisory Board, and Executive Officers*

39. Komitmen Dan Kontinjensi

39. Commitments And Contingencies

Bank memiliki komitmen dan kontinjensi sebagai berikut:

The Bank has commitments and contingencies as follows:

	2023	2022	
Komitmen			**Commitments**
Tagihan Komitmen			**Commitments Receivables**
Pembelian spot dan derivatif yang masih berjalan	595.903	1.242.120	Outstanding spot and derivative purchased
Liabilitas Komitmen			**Commitments Liabilities**
Fasilitas kredit yang diberikan dan pembiayaan/piutang syariah yang belum digunakan	(4.822.935)	(4.215.885)	Unused loans and Sharia financing/receivable facilities
SKBDN yang masih berjalan	-	(52.283)	Outstanding SKBDN
L/C yang tidak dapat dibatalkan yang masih berjalan pihak ketiga	(88.205)	(11.744)	Outstanding irrevocable L/C third parties
Penjualan spot dan derivatif yang masih berjalan	(971.552)	(818.770)	Outstanding spot and derivative sold
Total Liabilitas Komitmen	(5.882.692)	(5.098.682)	Total Commitments Liabilities
Total Komitmen - Neto	**(5.286.789)**	**(3.856.562)**	**Total Commitments - Net**
Kontinjensi			**Contingencies**
Tagihan Kontinjensi			**Contigent Receivables**
Pendapatan bunga dalam penyelesaian	4.038.667	4.066.581	Interest Income on non-performing loans
Liabilitas Kontinjensi			**Contingent Liablities**
Bank garansi Pihak ketiga	(1.337.709)	(3.161.179)	Bank Guarantees Third Parties
Total Liabilitas Kontinjensi	(1.337.709)	(3.161.179)	Total Contingent Liabilities
Total Kontinjensi - Neto	**2.700.958**	**905.402**	**Total Contingencies - Net**
Liabilitas Komitmen dan Kontinjensi - Neto	**(2.585.831)**	**(2.951.160)**	**Commitments and Contingent Liabilities - Net**

40. Manajemen Risiko

Bank senantiasa memperhatikan upaya untuk meningkatkan kesadaran risiko *(risk awareness)* dan memperkuat budaya risiko *(risk culture)* bagi seluruh jenjang karyawan Bank, agar dapat menerapkan pengelolaan risiko dengan baik dan secara menyeluruh dalam aktivitas perbankan sehari-hari. Oleh karena itu, Bank berupaya menerapkan manajemen risiko yang efektif dan komprehensif sebagai aspek penting bagi Bank dalam pengelolaan berbagai risiko yang dihadapi Bank.

Pengelolaan risiko yang baik dan efektif menjadi salah satu faktor penting atas keberhasilan Bank dalam menjalankan strategi dan upaya meningkatkan kinerja. Pengelolaan tersebut bertujuan untuk melindungi Bank dari kerugian yang mungkin timbul diakibatkan dari berbagai aktivitasnya, serta menjaga tingkat risiko agar sesuai dengan strategi bisnis dan arahan yang telah dicanangkan. Karena itu, Bank menjaga keseimbangan antara risiko dan manfaat agar menghasilkan pertumbuhan nilai jangka bagi pemegang saham.

Manajemen risiko mempunyai peranan penting dalam pengelolaan risiko Bank dan bersifat proaktif serta *forward looking* dalam mendukung pertumbuhan dan kegiatan bisnis Bank secara berkelanjutan. Risiko dalam konteks perbankan merupakan suatu potensi kejadian, baik yang diperkirakan *(expected)* maupun yang tidak diperkirakan *(unexpected)* yang berdampak negatif terhadap pendapatan dan permodalan bank.

Dalam penerapan manajemen risiko, Bank berpedoman pada Peraturan Otoritas Jasa Keuangan No.18/POJK.03/2016 dan Surat Edaran No. 34/SEOJK.03/2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum serta Peraturan OJK No. 38/POJK.03/2017 tentang Penerapan Manajemen Risiko secara Konsolidasi bagi Bank yang Melakukan Pengendalian terhadap entitas anak.

Organisasi manajemen risiko Bank melibatkan pengawasan dari Dewan Komisaris dan Direksi.

Bank memiliki Komite Pemantau Risiko sebagai komite risiko tertinggi di tingkat Dewan Komisaris yang bertanggung jawab untuk memberikan pengawasan atas pelaksanaan strategi dan kebijakan manajemen risiko serta mengevaluasi pelaksanaan tugas Komite Manajemen Risiko dan satuan kerja manajemen risiko Bank.

40. Risk Management

Bank continuously make some efforts to improve risk awareness and strengthen risk culture at all levels of employees, in order to implement risk management properly and thoroughly in daily banking activities. Therefore, Bank seeks to implement an effective and comprehensive risk management as an important aspect of the Bank in managing the various risks faced by the Bank.

An effective and good risk management is one of the important factors for the success of the Bank in carrying out strategies and efforts to improve performance. The management aims to protect the Bank from losses that may arise as a result of its various activities, as well as to maintain the level of risk in accordance with the business strategy and directives that have been announced. Therefore, the Bank maintains a balance between risks and benefits in order to generate long-term value growth for shareholders.

Risk management has an important role in managing the Bank's risk and is proactive and forward looking in supporting the Bank's growth and business activities in a sustainable manner. Risk in the banking context is a potential event, both expected and unexpected, which has a negative impact on the bank's income and capital.

In the implementation of risk management, Bank refers to Financial Services Authority Regulation No.18/POJK.03/2016 and Circular Letter No. 34/ SEOJK.03/2016 concerning the Implementation of Risk Management for Commercial Banks and OJK Regulation No.38/POJK.03/2017 concerning the Implementation of Consolidated Risk Management for Banks that control subsidiaries.

The organization of the risk management of the Bank involves oversight from the Board of Commissioners and Directors.

The Risk Oversight Committee is a highest risk committee at the Board of Commissioners' level that responsible to oversight the implementation of risk management strategies and policies and evaluate the implementation of duties of the Risk Management Committee and risk management working unit in the Bank.

40. Manajemen Risiko (lanjutan)

Dewan Komisaris mendelegasikan wewenang kepada Direksi untuk mengimplementasikan strategi manajemen risiko. Komite Manajemen Risiko dibentuk pada tingkat Direksi dan bertanggungjawab untuk memberikan rekomendasi kepada Direktur Utama dalam mengembangkan strategi dan kebijakan manajemen risiko, mengelola risiko secara keseluruhan di Bank, serta perbaikan atas pelaksanaan strategi, kebijakan dan evaluasi atas permasalahan risiko yang signifikan. Komite Manajemen Risiko diketuai oleh Direktur Utama.

Dalam melaksanakan tugas tersebut, Direksi dan Dewan Komisaris didukung oleh satuan kerja manajemen risiko yang independen dan secara jelas terlepas dari semua bisnis dan tidak memiliki tanggung jawab terhadap bisnis.

Proses manajemen risiko meliputi identifikasi, pengukuran, pemantauan dan pengendalian terhadap risiko yang melekat pada seluruh produk dan aktivitas Bank.

Penilaian dan pengukuran eksposur risiko (dampak potensial dari suatu kejadian risiko) harus objektif, konsisten dan mengacu pada hal yang spesifik. Kualitas dari informasi risiko memegang peranan penting dalam menentukan kualitas bisnis.

Bank menjalankan proses identifikasi, pengukuran, pemantauan dan pengendalian risiko serta Sistem Informasi Manajemen Risiko melalui fungsi kerja Risk sebagai Lini Pertahanan Kedua, dimana bertanggungjawab untuk menyusun dan melakukan kaju ulang secara berkala atas berbagai kebijakan limit, dan perangkat manajemen risiko. Fungsi kerja Risk juga berperan dalam melakukan pemantauan dan memberikan rekomendasi kepada Lini Pertahanan Pertama atas pelaksanaan manajemen risiko yang dilakukan oleh masing-masing unit kerja. Hal ini termasuk dalam hal melakukan pelaporan atas risiko Bank secara keseluruhan kepada Dewan Komisaris dan Direksi secara berkala.

Untuk menyesuaikan dengan perkembangan usaha yang sejalan dengan rencana bisnis bank, maka Bank secara terus menerus melakukan pemantauan risiko secara berkala serta pengendalian internal yang komprehensif dari sisi kebijakan, prosedur, maupun penetapan limit. Hal ini diperkuat dengan adanya internalisasi atas ketentuan eksternal yang berlaku, antara lain terkait dengan penetapan kebijakan dasar manajemen risiko dan *risk appetite*.

40. Risk Management (continued)

The Board of Commissioners delegate authority to the Directors to implement the risk management strategy. The Risk Management Committee is established at the Directors' level and is responsible in providing recommendation to the President Director to develop the risk management strategy and policy, manage overall risk in the Bank, and improve the implementation of strategies, policies and evaluate significant risk issues. The Risk Management Committee is chaired by the President Director.

In carrying out these tasks, Directors and Board of Commissioners are supported by an independent risk management work unit, which clearly separated with no reporting line or responsibility to business.

The risk management process includes identifying, measuring, monitoring and controlling risks in all products and activities of the Bank.

Assessment and measurement of risk exposures (the potential impact of risk events) must be objective, consistent and context specific. The quality of risk information plays an important role in determining the quality of business.

Bank runs a risk identification, measurement, monitoring and control process as well as a Risk Management Information System through the Risk Group as the second line of defense, that responsible for establishing and conducting periodic reviews of various risk management policies, limit, and tools. Risk Group also plays a role in monitoring and providing recommendation to the First Line of Defense on the implementation of risk management carried out by each working unit. This includes reporting on the overall risk of the Bank to the Board of Commissioners and the Directors on a regular basis.

To adapt to business developments that are in line with the bank's business plan, Bank continuously conducts periodic risk monitoring and comprehensive internal controls to the policies, procedures, and limit setting. This is reinforced by the internalization of applicable external regulations, among others related to the establishment of basic risk management policies and risk appetite.

40. Manajemen Risiko (lanjutan)

Risk appetite Bank diartikan sebagai tingkat dan jenis risiko yang bersedia diambil oleh Bank dalam rangka mencapai sasaran Bank. Dimana tingkat risiko yang akan diambil tercermin dalam strategi dan sasaran bisnis.

Sesuai dengan Kebijakan Manajemen Risiko, Bank mengelola 8 (delapan) tipe risiko utama yaitu risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko hukum, risiko reputasi, risiko stratejik dan risiko kepatuhan.

Profil Risiko

Laporan profil risiko merupakan salah satu faktor dalam penilaian tingkat kesehatan Bank. Bank wajib menyampaikan laporan tersebut secara individual dan konsolidasi disampaikan kepada OJK secara triwulanan (posisi Maret, Juni, September dan Desember). Laporan profil risiko disusun secara *self-assessment* sebagaimana diatur dalam Surat Edaran OJK No. 14/SEOJK.03/2017 tanggal 17 Maret 2017 perihal Penilaian Tingkat Kesehatan Bank Umum.

Penilaian profil risiko terdiri dari menjadi penilaian risiko inheren dan penilaian Kualitas Penerapan Manajemen Risiko (KPMR).

Penilaian Risiko *Inheren* merupakan penilaian atas risiko yang melekat pada kegiatan bisnis Bank, baik yang dapat dikuantifikasikan maupun yang tidak, yang berpotensi memengaruhi posisi keuangan Bank.

Karakteristik risiko inheren Bank ditentukan oleh faktor internal maupun eksternal, antara lain strategi bisnis, karakteristik bisnis, kompleksitas produk dan aktivitas Bank, industri di mana Bank melakukan kegiatan usaha, serta kondisi makroekonomi.

Penilaian atas Risiko Inheren dilakukan dengan memperhatikan parameter/indikator yang bersifat kuantitatif maupun kualitatif. Penetapan tingkat risiko inheren atas masing-masing jenis Risiko mengacu pada prinsip-prinsip umum penilaian Tingkat Kesehatan Bank Umum. Penetapan tingkat risiko inheren untuk masing-masing jenis risiko dikategorikan ke dalam peringkat 1 (*low*), peringkat 2 (*low to moderate*), peringkat 3 (*moderate*), peringkat 4 (*moderate to high*) dan peringkat 5 (*high*).

40. Risk Management (continued)

Bank's risk appetite is the level and type of risk that Bank is willing to take in order to achieve the Banks's objectives. The level of risk to be taken is reflected in the strategy and objectives of the business.

In accordance with the Risk Management Policy, Bank manages 8 (eight) main types of risk, namely credit risk, market risk, liquidity risk, operational risk, legal risk, reputation risk, strategic risk, and compliance risk.

Risk Profile

The risk profile report is one of the factors in the assessment of the Bank's soundness level. Banks are required to submit these reports individually and the consolidated reports are submitted to the OJK on a quarterly basis (positions in March, June, September, and December). The risk profile report is prepared by self-assessment as stipulated in the OJK Circular Letter No. 14/SEOJK.03/2017 dated March 17, 2017 concerning Assessment of Commercial Bank Soundness Level.

The risk profile assessment consists of assessment of inherent risk assessment and assessment of the Quality of Risk Management Implementation (QRMI).

Inherent Risk Assessment is an assessment of the risks inherent in the Bank's business activities, both quantifiable and non-quantifiable, that have the potential to affect the Bank's financial position.

The Bank's inherent risk characteristics are determined by internal and external factors, including business strategy, business characteristics, complexity of the Bank's products and activities, the industry in which the Bank conducts business, as well as macroeconomic conditions.

Assessment of Inherent Risk is carried out by taking into account quantitative and qualitative parameters/indicators. The determination of the level of inherent risk for each type of risk refers to the general principles of assessing the Soundness of Commercial Banks. The determination of the level of inherent risk for each type of risk is categorized into rank 1 (low), rank 2 (low to moderate), rank 3 (moderate), rank 4 (moderate to high), and rank 5 (high).

40. Manajemen Risiko (lanjutan)

Profil Risiko (lanjutan)

Penilaian kualitas Penerapan Manajemen Risiko mencerminkan penilaian terhadap kecukupan system pengendalian risiko yang mencakup seluruh pilar penerapan Manajemen Risiko sebagaimana yang diatur dalam ketentuan Otoritas Jasa Keuangan (OJK). Penilaian kualitas penerapan Manajemen Risiko merupakan penilaian terhadap 4 (empat) aspek yang saling berkaitan, yaitu:

1. Tata Kelola Risiko;
2. Kerangka Manajemen Risiko;
3. Proses Manajemen Risiko, Kecukupan Sumber Daya Manusia dan Kecukupan Sistem Informasi Manajemen; dan
4. Kecukupan Sistem Pengendalian Risiko, dengan memperhatikan karakteristik dan kompleksitas usaha Bank.

Dari hasil penilaian laporan profil risiko (*self assessment*) yang disampaikan kepada OJK, untuk posisi Desember 2023, peringkat risiko komposit Bank yaitu Peringkat 2 (*low to moderate*).

Selain menyampaikan laporan profil risiko, Bank juga menyampaikan laporan keuangan grup dengan entitas anak yang dilaporkan secara semesteran sebagai bentuk pemantauan rutin entitas utama terhadap entitas anak.

Risiko Kredit

Risiko kredit adalah risiko kerugian akibat kegagalan pihak lain dalam memenuhi kewajibannya.

Risiko kredit dapat bersumber dari berbagai aktivitas bisnis Bank. Pada sebagian besar Bank, pemberian kredit merupakan sumber risiko kredit yang terbesar. Selain kredit, Bank menghadapi risiko kredit dari berbagai instrumen keuangan seperti surat berharga, akseptasi, transaksi antar Bank, transaksi pembiayaan perdagangan, transaksi nilai tukar dan derivatif serta kewajiban komitmen dan kontinjensi.

Eksposur risiko kredit juga dapat meningkat karena adanya konsentrasi kredit pada debitur, wilayah geografis, produk, jenis pembiayaan atau lapangan usaha tertentu. Tujuan dari pengelolaan risiko kredit adalah mengendalikan dan mengelola eksposur risiko kredit dalam tingkatan yang dapat diterima.

Dalam peningkatan aspek kehati-hatian dalam pengelolaan risiko kredit, Bank telah menetapkan struktur organisasi yang telah menggambarkan secara jelas pemisahan antara fungsi lini pertahanan pertama, lini pertahanan kedua dan lini pertahanan ketiga.

40. Risk Management (continued)

Risk Profile (continued)

Assessment of the quality of Risk Management Implementation reflects an assessment of the adequacy of the risk control system covering all pillars of Risk Management implementation as stipulated in the provisions of the Financial Services Authority (OJK). Assessment of the quality of Risk Management Implementation is an assessment of 4 (four) interrelated aspects, namely:

1. Risk Governance;
2. Risk Management Framework;
3. Risk Management Process, Adequacy of Human Resources and Adequacy of Management Information Systems; and
4. Adequacy of the Risk Control System, taking into account the characteristics and complexity of the Bank's business.

Based on quarterly risk profile report (self assessment) submitted to OJK for December 2023 position, The Bank's composite risk is rated at 2 (low to moderate).

In addition to submitting risk profile reports, the Bank also submits financial group reports with subsidiaries which are reported on a semi-annual basis as a form of routine monitoring of the main entity to subsidiaries.

Credit Risk

Credit risk is the risk of loss due to the failure of other parties to fulfill their obligations.

Credit risk can be sourced from various business activities of the Bank. In most banks, lending is the biggest source of credit risk. In addition to credit, the Bank faces credit risk from various financial instruments such as securities, acceptances, inter-bank transactions, trade finance transactions, exchange rate transactions and derivatives as well as commitments and contingencies liabilities.

Credit risk exposure may also increase due to the concentration of credit on debtors, geographic areas, products, types of financing or certain business sector. The purpose of credit risk management is to control and manage credit risk exposure at an acceptable level.

In increasing the prudential aspect in managing credit risk, the Bank has organizational structure that has clearly described the separation between the functions of the first line of defense, second line of defense, and third line of defense.

40. Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Bank memiliki kebijakan dan prosedur dalam pemberian kredit kepada nasabah *Wholesale*, SME dan Retail, serta kebijakan dan prosedur dalam rangka penempatan antar bank maupun kegiatan *trade finance*. Kebijakan dan pedoman terkait perkreditan tersebut dikaji dan disempurnakan secara berkala sesuai dengan ketentuan Regulator, Peraturan Eksternal lainnya, serta perubahan bisnis.

Bank melakukan evaluasi atas tingkat risiko kredit terkait pemberian fasilitas kepada debitur atau proyek, dengan mempertimbangkan berbagai faktor, antara lain:

i. Historis dan proyeksi kondisi keuangan, termasuk laporan posisi keuangan, laba rugi dan arus kas nasabah;
ii. Riwayat hubungan kredit;
iii. Kualitas, kinerja dan pengalaman dari pengelolaan nasabah;
iv. Posisi nasabah dalam persaingan di industri sejenis; dan
v. Kondisi ekonomi secara umum.

Proses persetujuan fasilitas kredit dilakukan berdasarkan prinsip bahwa setiap fasilitas harus diproses melalui Komite Kredit. Pengambilan keputusan dalam komite kredit telah mengedepankan prinsip kehati-hatian dimana untuk segmen *Wholesale* dan SME, fungsi Bisnis dan fungsi Kredit memiliki memiliki hak suara yang sama dalam pengambilan keputusan kredit. Sedangkan untuk segmen Retail pengambilan keputusan kredit dilakukan oleh fungsi kredit.

Dalam pengelolaan mitigasi risiko kredit, Bank telah menggunakan *credit rating* baik untuk segmen SME dan *Wholesale* yang dibangun pada sistem khusus, dimana Bank terus melakukan upaya yang diperlukan untuk penyempurnaan sistem tersebut.

Selanjutnya dalam hal mendukung proses kredit Retail, Bank menggunakan aplikasi teknologi informasi yaitu Sistem Informasi Kredit Mikro (SIKM) yang didalamnya terdapat credit scoring untuk memperkuat proses analisa pemberian kredit retail.

Berdasarkan Pedoman Komite Kredit dan Ketentuan Limit Kewenangan Komite Kredit, tugas lembaga Komite Kredit paling sedikit meliputi hal-hal sebagai berikut:

i. Memberikan persetujuan atau penolakan kredit atau pembiayaan sesuai dengan batas wewenang atau jenis kredit atau pembiayaan yang ditetapkan oleh direksi;

40. Risk Management (continued)

Credit Risk (continued)

The Bank has policies and procedures in providing loans to Wholesale, SME and Retail customers, as well as policies and procedures for interbank placements and trade finance activities. The policies and guidelines related to credit are reviewed and improved periodically in accordance with the provisions of the Regulator, other External Regulations, and business changes.

The Bank evaluates the credit risk level related to financing to customers or projects by considering various factors, among others:

i. Historical and projected financial condition, including statement of financial position, income statements, and cash flows of customers;
ii. Credit history;
iii. Quality, performance, and experience of the customers' management;
iv. Customers' competitive position in the similar industries and
v. General economic condition.

The credit facility approval process is carried out based on the principle that each facility must be processed through the Credit Committee. Decision making in the credit committee has prioritized the principle of prudence where for the Wholesale and SME segments, the Business function and the Credit function have the same voting rights in making credit decisions. Meanwhile, for the Retail segment, credit decisions are made by the credit function.

In managing credit risk mitigation, the Bank has used credit ratings for the SME and Wholesale segments which are built on a spesific system, where the Bank continues to make the necessary efforts to improve the system.

Furthermore, in terms of supporting the Retail credit process, the Bank also uses information technology applications, namely the Micro Credit Information System (SIKM), which includes credit scoring to strengthen the retail credit analysis process.

Based on the Credit Committee Guideline and Credit Limit Authority Provision, the duties of the Credit Committee at least include the following:

i. Approve or reject credit of financing in accordance with the limits of authority or type of credit or financing set by the directors;

40. Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

ii. Melakukan koordinasi dengan *Assets and Liabilities Committee* (ALCO) dalam aspek pendanaan Kredit atau Pembiayaan. Dalam hal ALCO belum ada, komite Kredit harus melakukan evaluasi atas aspek pendanaan kredit atau pembiayaan tersebut dan secara berkala melaporkan secara tertulis kepada direksi;
iii. Memahami aspek legal/hukum, aspek bisnis/usaha, aspek keuangan dan aspek kewajaran dari kredit yang dikomitekan; dan
iv. Bila diperlukan dapat melakukan koordinasi dengan unit/fungsi didalam Bank terkait dengan kompetensinya.

Bank mengimplementasikan berbagai model sesuai dengan standar regulasi Bank Indonesia maupun best practice internasional. Bank mengembangkan model secara mandiri atau bekerjasama dengan pihak ketiga.

Untuk menjaga agar kualitas kredit tetap terjaga, Bank telah melakukan pemantauan rutin dan konsisten baik untuk setiap jenis kredit (Komersial, SME, Konsumer) maupun portofolio kredit secara keseluruhan melalui *Portfolio Quality Review* (PQR) yang diselenggarakan tiap bulan bersama dengan direktur terkait. Selain itu, Bank juga melakukan monitoring debitur baru khususnya melalui Analisa *vintage* yang berbasis pada pregerakan kolektabilitas dan *day past due*.

Dalam rangka mengurangi eksposur risiko kredit yang bermasalah dilakukan langkah penyehatan kredit antara lain melalui restruktur, atau penyelesaian kredit melalui pengambil alihan jaminan hingga pelaksanaan hapus buku. Proses pengelolaan kredit bermasalah diatur dalam kebijakan yang bersifat khusus. Selain itu Bank telah memperkuat fungsi khusus untuk pengelolaan atas penyehatan dan penyelesaian kredit bermasalah yaitu melalui *Special Asset Management* yang dipimpin oleh SEVP yang membawahkan beberapa Divisi dan Departemen.

Untuk mengetahui ketahanan Bank dalam menghadapi suatu skenario kejadian ekstrim tetapi mungkin terjadi, Bank melakukan *stress test* secara berkala sehingga dapat melakukan antisipasi lebih awal. Sebagai upaya Bank dalam mengidentifikasi dan mengukur dampak pelemahan makroekonomi akibat pandemi COVID-19 terhadap kualitas aset dan ketahanan permodalan, Bank telah melakukan *stress testing* dan telah disampaikan kepada Direksi dan regulator.

40. Risk Management (continued)

Credit Risk (continued)

ii. Coordinating with the Assets and Liabilities Committee (ALCO) in the aspect of Credit or Financing funding. In the event that ALCO does not yet exist, the Credit Committee must evaluate the aspects of credit or financing funding and periodically report in writing to the board of directors;
iii. Understand legal aspects, business aspects, financial aspects and fairness aspects of the credit that are discussed in the committee; and
iv. If necessary, it can coordinate with units/functions within the Bank regarding their competence.

The Bank has implemented various models to fulfill the Bank Indonesia regulation standard or international best practices. The Bank has developed the models independently or by entering into an agreement with third parties.

To maintain credit quality, the Bank has carried out regular and consistent monitoring for each type of credit (Commercial, SME, Consumer) and the overall loan portfolio through the Portfolio Quality Review (PQR) which is held monthly together with the relevant directors. In addition, the Bank also monitors new debtors, particularly through vintage analysis based on collectability movements and day past due.

To reduce non-performing credit risk exposure, credit restructuring measures are taken, including among others through restructuring, or credit settlement through taking over guarantees to carrying out write-offs. The process of managing non-performing loans is regulated in special policies. Moreover the Bank has strengthened its special function in order to managing the credit restructuring and settlement through Special Asset Management led by SEVP which oversees several Division and Department.

To understand the Bank's resilience in facing a scenario of extreme events that may occur, the Bank conducts stress tests regularly as part of early anticipation effort. As an effort of the Bank in identifying and measuring the impact of macroeconomic weakness due to COVID-19 pandemic on asset quality and capital resilience, the Bank has conducted stress testing and has been submitted to Board of Directors and regulator.

40. Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Untuk memperkuat pengendalian risiko kredit, Bank menerapkan manajemen risiko tidak hanya pada risk taking unit namun juga pada unit kerja pendukung seperti fungsi Analis Kredit dan fungsi *Quality Assurance*. Fungsi analis kredit yaitu melakukan analisis terhadap proposal pengajuan kredit sementara fungsi *Quality Assurance* dan *Credit Examination* yaitu memastikan pelaksanaan manajemen risiko di risk taking unit terutama yang berkaitan dengan kredit telah berjalan sebagaimana mestinya.

Bank juga telah mengembangkan fungsi *Credit Examination* yang berperan sebagai lini pertahanan kedua di risiko kredit yang melakukan pemeriksaan kredit *(post-fact)* secara independen terhadap seluruh portofolio kredit Bank baik pada *Wholesale*, SME, dan Retail. Pemeriksaan dilakukan untuk memastikan portofolio kredit Bank dijalankan sesuai prinsip manajemen risiko dan telah memenuhi seluruh ketentuan perkreditan baik internal maupun eksternal.

Penerapan prinsip kehati-hatian harus dilakukan secara efektif pada setiap jenis penyediaan dana dan sejak awal proses kredit. Terkait dengan hal tersebut, Bank melakukan pemisahan fungsi analis kredit dalam proses pengambilan keputusan kredit dengan adanya pemisahan *Account Officer Sales* dan *Account Officer Analyst*. Sejalan dengan hal tersebut, telah dilakukan perubahan atas Pedoman Manajemen Risiko Kredit sebagai upaya untuk meningkatkan pemahaman dan kesadaran akan risiko bagi semua pihak yang terlibat dalam proses kredit. Ketentuan dan prosedur ini merupakan bagian yang tidak terpisahkan dari kebijakan manajemen risiko Bank.

Selain itu, Bank terus berupaya meningkatkan kesadaran risiko *(risk awareness)* pada seluruh karyawan Bank.

a. Risiko kredit maksimum

Dalam aset keuangan yang diakui di laporan posisi keuangan konsolidasian, eksposur maksimum terhadap risiko kredit sama dengan nilai tercatatnya. Untuk bank garansi yang diterbitkan dan fasilitas *Letter of Credit* (L/C) atau SKBDN yang tidak dapat dibatalkan, eksposur maksimum terhadap risiko kredit adalah nilai yang harus dibayarkan oleh Bank jika kewajiban atas bank garansi yang diterbitkan dan fasilitas L/C atau SKBDN yang tidak dapat dibatalkan terjadi atau terealisasi. Untuk komitmen kredit, eksposur maksimum atas risiko kredit adalah sebesar jumlah fasilitas yang belum ditarik dari nilai penuh fasilitas kredit yang telah disepakati *(committed)* kepada nasabah.

40. Risk Management (continued)

Credit Risk (continued)

To strengthen credit risk control, the Bank applies risk management not only to risk taking units but also to supporting work units such as Credit Analyst functions and Quality Assurance functions. The function of the credit analyst is to analyze the loan application proposals, while the function of Quality Assurance and Credit Examination is to ensure that the implementation of risk management in the risk taking unit, especially those related to credit, has been running properly.

The Bank also developed a Credit Examination function, which acts as a second line of defense in credit risk, which conducts independent credit examination (post-fact) on the entire Bank's loan portfolio on Wholesale, SME and Retail segments. The examination aims to ensure that the Bank's credit portfolio is carried out in accordance with risk management principles and has complied with all credit provisions, both internal and external.

The application of precautionary principle must be carried out effectively in every type of fund provision and from the beginning of the loan process. In this regard, the Bank separates the functions of credit analysts in the credit decision making process with the separation of Account Officer Sales and Account Officers Analysts. In line with this, changes have been made to the Credit Risk Management Guidelines as an effort to increase understanding and awareness of risks for all parties involved in the credit process. These provisions and procedures are an integral part of the Bank's risk management policy.

In addition, the Bank continues to increase risk awareness among all Bank employees.

a. Maximum credit risk

For financial assets recognized in the consolidated statements of financial position, the maximum exposure to credit risk generally equals their carrying amount. For bank guarantees and irrevocable Letters of Credit issued or SKBDN, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the obligations of the bank guarantees and irrevocable Letters of Credit issued or SKBDN are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the unused committed loan facilities granted to customers.

40. Manajemen Risiko (lanjutan)

a. Risiko kredit maksimum (lanjutan)

Tabel berikut menyajikan eksposur maksimum terhadap risiko kredit untuk instrumen keuangan pada laporan posisi keuangan *(on-balance sheet)* dan rekening administratif *(off-balance sheet)*, tanpa memperhitungkan agunan yang dimiliki atau perlindungan kredit lainnya:

	2023	2022	
Laporan Posisi Keuangan Konsolidasian			**Consolidated Statement of Financial Position**
Giro pada Bank Indonesia	3.205.619	4.140.431	Current accounts with Bank Indonesia
Giro pada bank lain	342.581	743.970	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	2.133.567	12.180.830	Placements with Bank Indonesia and other banks
Surat-surat berharga:			Marketable securities:
Diukur pada nilai wajar melalui melalui laba rugi	5.322.930	3.362.099	Fair value through profit and loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	3.067.387	588.835	Fair value through other comprehensive income
Diukur pada biaya perolehan amortisasi	9.145.823	8.058.944	Measured at amortized cost
Tagihan surat-surat berharga yang dibeli dengan janji dijual kembali	2.572.152	-	Marketable securities purchased with agreement to resell
Tagihan derivatif	3.040	9.254	Derivative receivables
Kredit yang diberikan dan pembiayaan/piutang syariah	45.835.782	48.956.758	Loans and sharia financing/ receivables
Tagihan akseptasi	130.964	17.135	Acceptances receivable
Penyertaan saham	15	15	Investments in shares
Aset lain-lain	1.272.119	807.707	Other assets
Rekening Administratif			**Administrative Accounts**
Fasilitas kredit yang diberikan dan pembiayaan/piutang syariah yang belum digunakan	4.822.935	4.215.885	Unused loans and sharia financing/ receivables facilities
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	88.205	64.027	Outstanding irrevocable L/C and domestic L/C
Bank garansi yang diterbitkan	1.337.709	3.161.179	Bank guarantees issued
Total	**79.280.828**	**86.307.069**	**Total**

b. Risiko konsentrasi kredit

Konsentrasi risiko kredit berdasarkan geografis

Risiko konsentrasi kredit timbul ketika sejumlah nasabah bergerak dalam aktivitas usaha yang sejenis atau memiliki kegiatan usaha dalam wilayah geografis yang sama, atau memiliki karakteristik sejenis.

Bank mendorong adanya diversifikasi dari portofolio kreditnya pada berbagai geografis dan sektor industri, mencerminkan profil risiko yang seimbang dan sehat dan untuk fokus pada upaya pemasaran terhadap industri dan nasabah yang potensial untuk meminimalisir risiko kredit. Bank telah menetapkan limit konsentrasi industri yang menentukan berdasarkan tingkat risiko sektor industri, proyeksi pertumbuhan kredit dan juga ketersediaan modal.

40. Risk Management (continued)

a. Maximum credit risk (continued)

The following table presents the maximum exposure to credit risk of on-balance sheet financial instruments and off-balance sheet accounts, without taking into account any collateral held or other credit enhancement:

b. Credit concentration risk

Concentration of credit risk by geography

Concentrations of credit risk arise when a number of customers are engaged in similar business activities or activities within the same geographic region, or when they have similar characteristics.

The bank encourages the diversifications of its credit portfolio among a variety of geographic areas and industries, reflecting a well-balanced and healthy risk profile, and to focus marketing efforts toward potential industries and customers in order to minimize the credit risk. The Bank has sets its industry concentration limit based on industry risk level, projection of loan growth and availability of capital.

40. Manajemen Risiko (lanjutan)

b. Risiko konsentrasi kredit (lanjutan)

Konsentrasi risiko kredit berdasarkan geografis

Risiko konsentrasi kredit timbul ketika sejumlah nasabah bergerak dalam aktivitas usaha yang sejenis atau memiliki kegiatan usaha dalam wilayah geografis yang sama, atau memiliki karakteristik sejenis.

Bank mendorong adanya diversifikasi dari portofolio kreditnya pada berbagai geografis dan sektor industri, mencerminkan profil risiko yang seimbang dan sehat dan untuk fokus pada upaya pemasaran terhadap industri dan nasabah yang potensial untuk meminimalisir risiko kredit. Bank telah menetapkan limit konsentrasi industri yang menentukan berdasarkan tingkat risiko sektor industri, proyeksi pertumbuhan kredit dan juga ketersediaan modal.

Diversifikasi portofolio kredit didasarkan rencana strategi bank, sektor target, kondisi ekonomi saat ini, kebijakan pemerintah, sumber pendanaan dan proyeksi pertumbuhan.

Pada tanggal 31 Desember 2023 dan 2022, pengungkapan risiko kredit maksimum berdasarkan konsentrasi sebelum memperhitungkan agunan yang dimiliki dan perjanjian *master netting* adalah sebagai berikut:

40. Risk Management (continued)

b. Credit concentration risk (continued)

Concentration of credit risk by geography

Concentrations of credit risk arise when a number of customers are engaged in similar business activities or activities within the same geographic region, or when they have similar characteristics.

The bank encourages the diversifications of its credit portfolio among a variety of geographic areas and industries, reflecting a well-balanced and healthy risk profile, and to focus marketing efforts toward potential industries and customers in order to minimize the credit risk. The Bank has sets its industry concentration limit based on industry risk level, projection of loan growth and availability of capital.

The extent of diversification is based on the Bank's strategic plan, target sectors, current economic conditions, government policy, funding sources and growth projections.

As at December 31, 2023 and 2022, the disclosure on the maximum credit risk by concentration without taking into account any collateral held and master netting agreement is as follow:

	2023						
	Jabotabek	Jawa Selain Jabotabek/ *Java Other than Jabotabek*	Sumatera	Kalimantan	Lain-Lain/ *Others*	Total	
Laporan Posisi Keuangan Konsolidasian							**Consolidated Statement of Financial Position**
Giro pada Bank Indonesia	3.205.619	-	-	-	-	3.205.619	Current accounts with Bank Indonesia
Giro pada bank lain	342.567	6	8	-	-	342.581	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	2.133.567	-	-	-	-	2.133.567	Placements with Bank Indonesia and other banks
Surat-surat berharga							Marketable securities
Diukur pada nilai wajar melalui laba rugi	5.322.930	-	-	-	-	5.322.930	Fair value through profit and loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	3.067.387	-	-	-	-	3.067.387	Fair value through other comprehensive income
Diukur pada biaya perolehan							Measured at
Amortisasi	9.145.823	-	-	-	-	9.145.823	Amortized cost
Tagihan surat-surat berharga yang dibeli dengan janji dijual kembali	2.572.152	-	-	-	-	2.572.152	Marketable securities sold with agreement to ressell receivable
Tagihan derivatif	3.040	-	-	-	-	3.040	Derivative receivables
Kredit yang diberikan dan pembiayaan/ piutang syariah	28.781.905	8.418.724	3.263.034	1.087.484	4.284.635	45.835.782	Loans and sharia financing/receivables
Tagihan akseptasi	130.964	-	-	-	-	130.964	Acceptances receivable
Penyertaan saham	15	-	-	-	-	15	Investments in shares
Aset lain-lain	1.223.039	23.767	9.342	1.901	14.070	1.272.119	Other assets

40. Manajemen Risiko (lanjutan) / 40. Risk Management (continued)

b. Risiko konsentrasi kredit (lanjutan) / b. Credit concentration risk (continued)

	2023						
	Jabotabek	Jawa Selain Jabotabek/ *Java Other than Jabotabek*	Sumatera	Kalimantan	Lain-Lain/ *Others*	Total	
Rekening Administratif							**Administrative Accounts**
Fasilitas kredit yang diberikan dan pembiayaan/ piutang syariah yang belum digunakan	4.558.701	111.418	114.932	25.336	12.548	4.822.935	Unused loans and sharia financing/ receivables facilities
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	85.649	2.556	-	-	-	88.205	Outstanding irrevocable L/C and domestic L/C
Bank garansi yang diterbitkan	1.023.828	233.912	20.989	16.169	42.811	1.337.709	Bank guarantees issued
Total	**61.597.186**	**8.790.383**	**3.408.305**	**1.130.890**	**4.354.064**	**79.280.828**	**Total**

	2022						
	Jabotabek	Jawa Selain Jabotabek/ *Java Other than Jabotabek*	Sumatera	Kalimantan	Lain-Lain/ *Others*	Total	
Laporan Posisi Keuangan Konsolidasian							**Consolidated Statement of Financial Position**
Giro pada Bank Indonesia	4.140.431	-	-	-	-	4.140.431	Current accounts with Bank Indonesia
Giro pada bank lain	743.069	15	54	-	832	743.970	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	12.180.830	-	-	-	-	12.180.830	Placements with Bank Indonesia and other banks
Surat-surat berharga							Marketable securities
Diukur pada nilai wajar melalui laba rugi	3.362.099	-	-	-	-	3.362.099	Fair value through profit and loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	588.835	-	-	-	-	588.835	Fair value through other comprehensive income
Diukur pada biaya perolehan							Measured at
Amortisasi	8.058.944	-	-	-	-	8.058.944	Amortized cost
Tagihan derivatif	9.254	-	-	-	-	9.254	Derivative receivables
Kredit yang diberikan dan pembiayaan/ piutang syariah	29.880.480	9.672.817	3.478.565	1.096.378	4.828.518	48.956.758	Loans and sharia financing/receivables
Tagihan akseptasi	17.135	-	-	-	-	17.135	Acceptances receivable
Penyertaan saham	15	-	-	-	-	15	Investments in shares
Aset lain-lain	763.347	21.984	7.418	2.346	12.612	807.707	Other assets
Rekening Administratif							**Administrative Accounts**
Fasilitas kredit yang diberikan dan pembiayaan/ piutang syariah yang belum digunakan	3.838.707	192.102	99.476	25.692	59.908	4.215.885	Unused loans and sharia financing/ receivables facilities
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	64.027	-	-	-	-	64.027	Outstanding irrevocable L/C and domestic L/C
Bank garansi yang diterbitkan	2.220.230	492.676	190.030	10.401	247.842	3.161.179	Bank guarantees issued
Total	**65.867.403**	**10.379.594**	**3.775.543**	**1.134.817**	**5.149.712**	**86.307.069**	**Total**

40. Manajemen Risiko (lanjutan)

40. Risk Management (continued)

b. Risiko konsentrasi kredit (lanjutan)

b. Credit concentration risk (continued)

Konsentrasi risiko kredit berdasarkan industri

Concentration of credit risk by industry

2023

	Keuangan/ *Financial*	Pemerintah/ *Government*	Konsumsi/ *Consumers*	Perdagangan/ *Trade*	Konstruksi/ *Construction*	Manufaktur/ *Manufacturing*	Lain-Lain/ *Other*	Total	
Laporan Posisi Keuangan Konsolidasian									**Consolidated Statement of Financial Position**
Giro pada Bank Indonesia	3.205.619	-	-	-	-	-	-	3.205.619	Current accounts with Bank Indonesia
Giro pada bank lain	342.581	-	-	-	-	-	-	342.581	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	2.133.567	-	-	-	-	-	-	2.133.567	Placements with Bank Indonesia and other banks
Surat-surat berharga									Marketable securities
Diukur pada nilai wajar melalui laba rugi	5.322.917	13	-	-	-	-	-	5.322.930	Fair value through profit and loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	-	3.067.387	-	-	-	-	-	3.067.387	Fair value through other comprehensive income
Diukur pada biaya perolehan diamortisasi	1.573.646	7.572.177	-	-	-	-	-	9.145.823	Measured at amortized cost
Surat-surat berharga yang dibeli dengan janji dijual kembali	-	2.572.152	-	-	-	-	-	2.572.152	Marketable securities purchased with agreement to resell
Tagihan derivatif	3.040	-	-	-	-	-	-	3.040	Derivative receivables
Kredit yang diberikan dan pembiayaan/ piutang syariah	15.863	-	11.520.707	14.451.355	4.563.046	5.494.925	9.789.886	45.835.782	Loans and sharia financing/ receivables
Tagihan akseptasi	-	-	-	-	-	130.964	-	130.964	Acceptances receivable
Penyertaan saham	15	-	-	-	-	-	-	15	Investment in shares
Aset lain-lain	289.254	-	68.963	523.095	179.578	203.345	7.884	1.272.119	Other assets
Rekening Administratif									**Administrative accounts**
Fasilitas kredit yang diberikan dan pembiayaan/piutang syariah yang belum digunakan	11	-	2.807.181	792.861	244.359	247.389	731.134	4.822.935	Unused loans and Sharia financing/ receivable facilities
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	-	-	-	-	88.205	-	-	88.205	Outstanding irrevocable L/C and domestic L/C
Bank garansi yang diterbitkan	-	-	-	-	1.337.709	-	-	1.337.709	Bank guarantees issued
Total	**12.886.513**	**13.211.729**	**14.396.851**	**15.767.311**	**6.412.897**	**6.076.623**	**10.528.904**	**79.280.828**	**Total**

2022

	Keuangan/ *Financial*	Pemerintah/ *Government*	Konsumsi/ *Consumers*	Perdagangan/ *Trade*	Konstruksi/ *Construction*	Manufaktur/ *Manufacturing*	Lain-Lain/ *Other*	Total	
Laporan Posisi Keuangan Konsolidasian									**Consolidated Statement of Financial Position**
Giro pada Bank Indonesia	4.140.431	-	-	-	-	-	-	4.140.431	Current accounts with Bank Indonesia
Giro pada bank lain	743.970	-	-	-	-	-	-	743.970	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	12.180.830	-	-	-	-	-	-	12.180.830	Placements with Bank Indonesia and other banks
Surat-surat berharga									Marketable securities
Diukur pada nilai wajar melalui laba rugi	3.362.099	-	-	-	-	-	-	3.362.099	Fair value through profit and loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	10.125	578.710	-	-	-	-	-	588.835	Fair value through other comprehensive income
Diukur pada biaya perolehan diamortisasi	125.798	7.933.146	-	-	-	-	-	8.058.944	Measured at amortized cost
Tagihan derivatif	9.254	-	-	-	-	-	-	9.254	Derivative receivables
Kredit yang diberikan dan pembiayaan/ piutang syariah	269.342	16	13.566.056	1.343.569	304.909	1.904.918	31.567.948	48.956.758	Loans and sharia financing/ receivables
Tagihan akseptasi	-	-	-	-	-	17.135	-	17.135	Acceptances receivable
Penyertaan saham	15	-	-	-	-	-	-	15	Investment in shares
Aset lain-lain	37.127	-	6.737	23.576	24.451	12.538	703.278	807.707	Other assets
Rekening Administratif									**Administrative accounts**
Fasilitas kredit yang diberikan dan pembiayaan/piutang syariah yang belum digunakan	1.206.477	-	2.801.388	-	-	178.148	29.872	4.215.885	Unused loans and Sharia financing/ receivable facilities
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	-	-	-	-	63.835	192	-	64.027	Outstanding irrevocable L/C and domestic L/C
Bank garansi yang diterbitkan	10.448	-	-	-	18.580	2.803.855	328.296	3.161.179	Bank guarantees issued
Total	**22.095.916**	**8.511.872**	**16.374.181**	**1.367.145**	**411.775**	**4.916.786**	**32.629.394**	**86.307.069**	**Total**

40. Manajemen Risiko (lanjutan)

c. Agunan dan perlindungan kredit lainnya

Bank menerapkan kebijakan untuk memitigasi risiko kredit, antara lain dengan meminta agunan sebagai jaminan pelunasan kredit jika jaminan berupa sumber pembayaran utama debitur berdasarkan arus kas tidak terpenuhi. Bank dapat menerima beragam jenis agunan yang diatur oleh kebijakan mitigasi risiko. Nilai agunan ditentukan berdasarkan hasil penilaian pada saat kredit diberikan dan ditinjau ulang secara berkala dan konsisten.

Untuk kredit yang diberikan, Bank menggunakan agunan untuk meminimalkan risiko kredit. Berdasarkan klasifikasi, kredit Bank dapat dibedakan menjadi dua kelompok besar, yaitu:

1. *Secured loans*
2. *Unsecured loans*

Untuk *Secured loans*, Bank menetapkan jenis dan nilai agunan yang dijaminkan sesuai skema kredit. Jenis dari agunan terdiri dari:

a. *Physical collateral*, antara lain tanah, bangunan dan BPKB kendaraan bermotor;
b. *Cash collateral*, antara lain simpanan (tabungan, giro dan deposito berjangka), emas, *financial collateral* (surat berharga); dan
c. Lainnya, antara lain garansi, jaminan pemerintah, dan jaminan dari Lembaga penjamin.

Agunan merupakan sumber terakhir pelunasan kredit *(secondary source of credit repayment)* dan sebagai salah satu bentuk mitigasi risiko kredit. Sumber utama pelunasan kredit berasal dari hasil usaha dan hasil analisa kemampuan debitur.

d. Kualitas aset keuangan

Kualitas aset keuangan dikelola oleh Bank dengan menggunakan panduan dari Otoritas Jasa Keuangan dan diungkapkan pada Catatan 4, 5, 6, 7, 8, 9, 10, 11 dan 12 atas laporan keuangan konsolidasian.

40. Risk Management (continued)

c. Collateral and other credit enhancements

The Bank implements policies to mitigate credit risk, among others, by asking for collateral as guarantee for repayment of credit if the collateral is the main source of payment of the debtor based on cash flow is not fulffiled. The Bank can accept various types of collateral that are regulated by risk mitigation policies. The collateral value is determined based on the results of the appraisal at the time the credit is given and is regularly and consistently reviewed.

For the loans, Bank uses the collateral to minimize the credit risk. Loans in Bank are classified into two major categories as follows:

1. Secured loans
2. Unsecured loans

For secured loans, Bank determined the type and value of collateral according to the loan scheme. Types of collateral are as follows:

a. Physical collateral, such as land, buildings and proof of vehicle ownership;
b. Cash collateral, such as deposits (savings, current accounts, time deposit), gold, financial collateral (securities); and
c. Others, such as guarantees, government guarantees, and guarantees from guarantee/insurance institution.

Collateral is a second source of credit repayment and also as a form of credit risk mitigation. The primary source of credit repayment is the funds generated from business operations and capability analysis the borrowers.

d. Quality of financial assets

The financial assets quality is managed by the Bank using the guidance from Financial Services Authority and disclosed in Notes 4, 5, 6, 7, 8, 9, 10, 11, and 12 to the consolidated financial statements.

40. Manajemen Risiko (lanjutan)

d. Kualitas aset keuangan (lanjutan)

Bank memiliki kebijakan terkait tingkat risiko yang akan diambil *(risk appetite)* dan toleransi risiko *(risk tolerance)* untuk mempertahankan peringkat risiko di seluruh portofolio aset keuangan secara akurat dan konsisten, sehingga Bank fokus atas risiko dengan peringkat tertentu dan perbandingan eksposur kredit di seluruh lini bisnis, daerah geografis dan produk. Sistem peringkat ini didukung oleh berbagai analisis keuangan, dikombinasikan dengan informasi pasar sebagai masukan utama untuk pengukuran risiko pihak lawan *(counterparty)*. Peringkat risiko disesuaikan dengan berbagai kategori dan ditentukan sesuai dengan panduan peringkat Bank Indonesia yang dinilai dan diperbaharui secara berkala.

e. Evaluasi penurunan nilai

Di samping itu, Bank telah menerapkan PSAK 71 dalam perhitungan Cadangan Kerugian Penurunan Nilai (CKPN) terutama dalam perhitungan *Probability of Default* (PD) dan *Loss Given Default* (LGD).

Metodologi perhitungan CKPN dikelompokkan ke dalam 2 (dua) kategori, yaitu kolektif dan individual. Metode penurunan nilai ini digunakan untuk menghitung CKPN fasilitas kredit yang terkait dengan *significant loan* dan *non-significant loan*. Minimum kriteria yang termasuk dalam kategori *significant loan* dan *non-significant loan* mengacu kepada Pedoman Penurunan Nilai Aset Keuangan Bank.

Tabel berikut ini menyajikan aset keuangan (tidak termasuk tagihan dari cabang-cabang lain) berdasarkan *staging* dan peringkat kredit pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

40. Risk Management (continued)

d. Quality of financial assets (continued)

Bank has policy related to risk appetite and risk tolerance to maintain risk rating over all financial asset portfolios accurately and consistently, therefore the Bank will focused on the risks with certain rating and the comparison of credit exposures across all business lines, geographic regions, and products. The rating system is supported by a various financial analytics, combined with processed market information to provide the main inputs of counterparty risk measurement. The risk rating is adjusted to various categories and is determined in accordance with the Bank Indonesia rating guidelines which are assessed and updated regularly.

e. Impairment assessment

Moreover, Bank has implemented PSAK 71 in calculating Allowance for Impairment Losses (CKPN) especially in the calculation of Probability of Default (PD) and Loss Given Default (LGD).

CKPN Calculation methodology grouped into 2 categories, those are collective and individual. This method used to calculate CKPN for significant and non-significant loan. Minimum criteria that describe significant and non-significant loan refers to Bank's Financial Asset Impairment Policy.

The following table presents the financial assets (not include due from other branches), based on stage and credit grading as of December 31, 2023 and 2022 are as follows:

	2023									
	Giro pada Bank Indonesia/ *Current Accounts with Bank Indonesia*	Giro pada bank lain/ *Current accounts with other banks*	Penempatan pada Bank Indonesia dan bank-bank lain/ *Placements with Bank Indonesia and other banks*	Efek-efek/ *Securities*	Tagihan akseptasi/ *Acceptance receivables*	Kredit yang diberikan/ *Loans*	Penyertaan Saham/ *Investments in Shares*	Aset keuangan lainnya/ *Other financial assets*	Jumlah/ *Total*	
Aset keuangan dengan biaya perolehan diamortisasi										**Financial assets at amortized cost**
Stage 1	3.205.619	342.881	2.133.567	9.145.932	132.577	40.965.293	15	1.531.016	57.456.900	Stage 1
Stage 2	-	-	-	-	-	3.940.999	-	-	3.940.999	Stage 2
Stage 3	-	-	-	-	-	4.512.324	-	-	4.512.324	Stage 3
	3.205.619	342.881	2.133.567	9.145.932	132.577	49.418.616	15	1.531.016	65.910.223	
Aset keuangan - nilai wajar melalui penghasilan komprehensif lain										**Financial assets - fair value through other comprehensive income**
Stage 1	-	-	-	3.067.387	-	-	-	-	3.067.387	Stage 1

40. Manajemen Risiko (lanjutan)

40. Risk Management (continued)

e. Evaluasi penurunan nilai (lanjutan)

e. Impairment assessment (continued)

2023

	Giro pada Bank Indonesia/ *Current Accounts with Bank Indonesia*	Giro pada bank lain/ *Current accounts with other banks*	Penempatan pada Bank Indonesia dan bank-bank lain/ *Placements with Bank Indonesia and other banks*	Efek-efek/ *Securities*	Tagihan akseptasi/ *Acceptance receivables*	Kredit yang diberikan/ *Loans*	Penyertaan Saham/ *Investments in Shares*	Aset keuangan lainnya/ *Other financial assets*	Jumlah/ *Total*	
Aset keuangan - nilai wajar melalui laba rugi										**Financial assets - fair value through profit or loss**
Stage 1	-	-	-	5.322.930	-	-	-	-	5.322.930	Stage 1
Jumlah aset keuangan	**3.205.619**	**342.881**	**2.133.567**	**17.536.249**	**132.577**	**49.418.616**	**15**	**1.531.016**	**74.300.540**	**Total financial assets**
Cadangan kerugian penurunan nilai										**Allowance for impairment losses**
Stage 1	-	300	-	109	1.613	911.306	-	51.597	913.328	Stage 1
Stage 2	-	-	-	-	-	496.517	-	-	496.517	Stage 2
Stage 3	-	-	-	-	-	2.175.011	-	-	2.226.608	Stage 3
Jumlah cadangan kerugian penurunan nilai	**-**	**300**	**-**	**109**	**1.613**	**3.582.834**	**-**	**51.597**	**3.636.453**	**Total allowance for impairment losses**
Jumlah – bersih	**3.205.619**	**342.581**	**2.133.567**	**17.536.140**	**130.964**	**45.835.782**	**15**	**1.479.419**	**70.664.087**	**Total - net**

2022

	Giro pada Bank Indonesia/ *Current Accounts with Bank Indonesia*	Giro pada bank lain/ *Current accounts with other banks*	Penempatan pada Bank Indonesia dan bank-bank lain/ *Placements with Bank Indonesia and other banks*	Efek-efek/ *Securities*	Tagihan akseptasi/ *Acceptance receivables*	Kredit yang diberikan/ *Loans*	Penyertaan Saham/ *Investments in Shares*	Aset keuangan lainnya/ *Other financial assets*	Jumlah/ *Total*	
Aset keuangan dengan biaya perolehan diamortisasi										**Financial assets at amortized cost**
Stage 1	4.140.431	744.059	12.180.830	8.059.020	17.346	45.503.113	15	893.939	71.538.753	Stage 1
Stage 2	-	-	-	-	-	1.634.341	-	-	1.634.341	Stage 2
Stage 3	-	-	-	-	-	3.445.980	-	-	3.445.980	Stage 3
	4.140.431	744.059	12.180.830	8.059.020	17.346	50.583.434	15	893.939	76.619.074	
Aset keuangan - nilai wajar melalui penghasilan komprehensif lain										**Financial assets - fair value through other comprehensive income**
Stage 1	-	-	-	588.835	-	-	-	-	588.835	Stage 1
				588.835					**588.835**	
Aset keuangan - nilai wajar melalui laba rugi										**Financial assets - fair value through profit or loss**
Stage 1	-	-	-	3.362.099	-	-	-	-	3.362.099	Stage 1
Jumlah aset keuangan	**4.140.431**	**744.059**	**12.180.830**	**12.009.954**	**17.346**	**50.583.434**	**15**	**893.939**	**80.570.008**	**Total financial assets**
Cadangan kerugian penurunan nilai										**Allowance for impairment losses**
Stage 1	-	89	-	76	211	535.853	-	3.001	539.230	Stage 1
Stage 2	-	-	-	-	-	104.609	-	-	104.609	Stage 2
Stage 3	-	-	-	-	-	986.214	-	-	986.214	Stage 3
Jumlah cadangan kerugian penurunan nilai	**-**	**89**	**-**	**76**	**211**	**1.626.676**	**-**	**3.001**	**1.630.053**	**Total allowance for impairment losses**
Jumlah – bersih	**4.140.431**	**743.970**	**12.180.830**	**12.009.878**	**17.135**	**48.956.758**	**15**	**890.938**	**78.939.955**	**Total - net**

40. Manajemen Risiko (lanjutan)

e. Evaluasi penurunan nilai (lanjutan)

Dalam menentukan kualitas kredit berdasarkan segmen nasabah, untuk portofolio Komersial, UMKM dan Konsumer, eksposur dianalisis berdasarkan peringkat risiko kredit yang memainkan peranan utama dalam penilaian kualitas dan pengawasan risiko. Semua kredit diberikan peringkat risiko kredit yang ditelaah ulang secara sistematis dan diubah berdasarkan perubahan keadaan atau perilaku debitur. Risiko kredit diklasifikasi berdasarkan kolektibilitas dan lama tunggakan (DPD). Adapun kredit dengan kolektibilitas 1 dan kolektibilitas 2 dengan DPD kurang dari sama dengan 30 hari diklasifikasikan pada *stage* 1. Kredit dengan kolektibilitas 2 dengan DPD lebih dari sama dengan 31 hari sampai dengan kurang dari sama dengan 90 hari diklasifikasikan pada *stage* 2. Sementara kredit dengan kolektibilitas 3, 4 dan 5 diklasifikasikan pada *stage* 3.

40. Risk Management (continued)

e. Impairment assessment (continued)

In determining credit quality by client segment for Commercial, SME and Consumer banking portfolios. Exposures are analyzed by credit grade which plays a central role in the quality assessment and monitoring of risk. All loans are assigned a credit grade which is reviewed periodically and amended in light of changes in the borrower's circumstances or behavior. Credit grading is classified based on collectibility and Day Past Due (DPD). In case of loans with collectibility 1 and collectibility 2 with DPD less than 30 days are classified on stage 1. Loans with collectibility 2 with DPD more than 31 days up to less than 90 days days are classified on stage 2. While loans with collectibility 3, 4 and 5 are classified on stage 3.

40. Manajemen Risiko (lanjutan)

e. Evaluasi penurunan nilai (lanjutan)

Tabel berikut adalah instrumen aset keuangan (tidak termasuk tagihan dari cabang-cabang lain) berdasarkan *stage* dengan jumlah cadangan kerugian penurunan nilai untuk setiap instrumen dengan klasifikasi biaya perolehan diamortisasi dan nilai wajar melalui penghasilan komprehensif lain pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

40. Risk Management (continued)

e. Impairment assessment (lanjutan)

This table shows financial assets instruments (not include due from other branches) by stage with the allowance for impairment losses against each financial instruments under classification of amortized cost and fair value through other comprehensive income as at December 31, 2023 and 2022 are as follow:

2023

	Stage 1			*Stage* 2			*Stage* 3			Jumlah/*Total*			
	Nilai Tercatat/ *Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/ *Net Carrying Amount*	Nilai Tercatat/ *Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/ *Net Carrying Amount*	Nilai Tercatat/ *Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/ *Net Carrying Amount*	Nilai Tercatat/ *Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/ *Net Carrying Amount*	
Giro pada Bank Indonesia	3.205.619	-	3.205.619	-	-	-	-	-	-	3.205.619	-	3.205.619	Current accounts with Bank Indonesia
Giro pada bank lain	342.881	(300)	342.581	-	-	-	-	-	-	342.881	(300)	342.581	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan bank lain	2.133.567	-	2.133.567	-	-	-	-	-	-	2.133.567	-	2.133.567	Placements with Bank Indonesia and other bank - net
Surat - surat Berharga	17.536.249	(109)	17.536.140	-	-	-	-	-	-	17.536.249	(109)	17.536.140	Marketable Securities
Tagihan akseptasi	132.577	(1.613)	130.964	-	-	-	-	-	-	132.577	(1.613)	130.964	Acceptance receivables
Kredit yang diberikan	40.965.293	(911.306)	40.053.987	3.940.999	(496.517)	3.444.482	4.512.324	(2.175.011)	2.337.313	49.418.616	(3.582.835)	45.835.781	Loans
Penyertaan Saham	15	-	15	-	-	-	-	-	-	15	-	15	Investment in shares
Aset keuangan lainnya	1.531.016	-	1.531.016	-	-	-	-	(51.597)	(51.597)	1.531.016	(51.597)	1.479.419	Other financial assets
	65.847.217	**(913.328)**	**64.933.889**	**3.940.999**	**(496.517)**	**3.444.482**	**4.512.324**	**(2.226.608)**	**2.285.716**	**74.300.540**	**(3.636.454)**	**70.664.086**	

40. Manajemen Risiko (lanjutan)

e. Evaluasi penurunan nilai (lanjutan)

40. Risk Management (continued)

e. Impairment assessment (lanjutan)

2022

	Stage 1			*Stage* 2			*Stage* 3			Jumlah/*Total*			
	Nilai Tercatat/ *Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/ *Net Carrying Amount*	Nilai Tercatat/ *Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/ *Net Carrying Amount*	Nilai Tercatat/ *Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/ *Net Carrying Amount*	Nilai Tercatat/ *Carrying Amount*	Cadangan Kerugian Penurunan Nilai/ *Allowance for Impairment Losses*	Nilai Tercatat Bersih/ *Net Carrying Amount*	
Giro pada Bank Indonesia	4.140.431	-	4.140.431	-	-	-	-	-	-	4.140.431	-	4.140.431	Current accounts with Bank Indonesia
Giro pada bank lain	744.059	(89)	743.970	-	-	-	-	-	-	744.059	(89)	743.970	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan bank lain	12.180.830	-	12.180.830	-	-	-	-	-	-	12.180.830	-	12.180.830	Placements with Bank Indonesia and other bank - net
Surat-surat Berharga	12.009.954	(76)	12.009.878	-	-	-	-	-	-	12.009.954	(76)	12.009.878	Marketable Securities
Tagihan akseptasi	17.346	(211)	17.135	-	-	-	-	-	-	17.346	(211)	17.135	Acceptance receivables
Kredit yang diberikan	45.503.113	(535.853)	44.967.260	1.634.341	(104.609)	1.529.732	3.445.980	(986.214)	2.459.766	50.583.434	(1.626.676)	48.956.758	Loans
Penyertaan Saham	15	-	15	-	-	-	-	-	-	15	-	15	Investment in shares
Aset keungan lainnya	893.939	(3.001)	890.938	-	-	-	-	-	-	893.939	(3.001)	890.938	Other financial assets
	75.489.687	**(539.230)**	**74.950.457**	**1.634.341**	**(104.609)**	**1.529.732**	**3.445.980**	**(986.214)**	**2.459.766**	**80.570.008**	**(1.630.053)**	**78.939.955**	

Dalam hal terdapat keraguan terhadap kemampuan nasabah untuk melakukan pembayaran kontraktual pada saat jatuh tempo, persyaratan kredit dapat dinegosiasikan kembali berdasarkan kesepakatan antara Bank dan nasabah.

Where there is doubt on the ability of the borrowers to meet contractual payments when due, the terms of the loans might be renegotiated based on mutual agreement between the Bank and the borrowers.

40. Manajemen Risiko (lanjutan)

Risiko Pasar

Risiko pasar adalah risiko kerugian yang timbul akibat perubahan faktor pasar yang tidak sesuai dengan posisi yang diambil oleh Bank baik pada posisi aset dan liabilitas keuangan dan rekening administratif, termasuk risiko perubahan harga *option*. Aktivitas Bank secara kesuluruhan akan dipengaruhi oleh pergerakan variabel pasar seperti suku bunga, nilai tukar, harga ekuitas dan harga komoditas. Dalam rangka meminimalisasi potensi kerugian yang dapat terjadi dari volatilitas pergerakan variabel pasar tersebut, maka diperlukan adanya pemantauan yang ketat terhadap posisi Bank yang terekspos.

Pengelolaan risiko pasar dijalankan berdasarkan kebijakan dan prosedur yang berkaitan dengan produk, jasa dan aktivitas *treasury* serta bisnis yang terpapar risiko tersebut. Pengendalian risiko nilai tukar mata uang asing dan risiko suku bunga Bank pada *trading book* antara lain melalui analisis risiko dan limit untuk aktivitas *trading* seperti transaksi *money market, foreign exchange* dan *fixed income securities* (surat-surat berharga). Selain itu, dilakukan proses *marked to market* untuk posisi *trading book, monitoring* posisi devisa neto dan *Value at Risk* (VaR) atas posisi tersebut.

Risiko suku bunga

Dalam rangka mengidentifikasi risiko secara lebih akurat pada produk dan aktivitas Bank yang sensitif terhadap suku bunga pasar yang dapat memengaruhi tingkat risiko Bank dan untuk mewujudkan sistem perbankan yang sehat maka Bank perlu mengelola risiko suku bunga yang tidak hanya terbatas pada komponen *trading book* namun juga pada komponen *banking book* sesuai dengan prinsip kehati-hatian.

Pengelolaan risiko suku bunga dalam *Interest Rate Risk in the Banking Book* (IRRBB) dilakukan dengan memperhatikan pergerakan suku bunga di pasar yang berlawanan dengan posisi *Banking Book*, yang berpotensi memberikan dampak terhadap permodalan dan rentabilitas (*earnings*) Bank, baik untuk saat ini maupun pada masa mendatang.

IRRBB bersumber dari 3 (tiga) aspek dasar yang terkait dengan tingkat dan karakteristik struktur suku bunga, serta dampak dari tingkat dan karakteristik tersebut terhadap perubahan atas kurva imbal hasil *(yield curve)*. Ketiga aspek dasar dimaksud adalah *gap risk, basis risk* dan *option risk*.

40. Risk Management (continued)

Market Risk

Market risk is the risk of losses that arise due to changes in market factors that are not in accordance with position taken by Bank both in the position of financial assets and liabilities and administrative accounts, including the risk of changes in option prices. The overall activity of the Bank will be influenced by movements in market variables such as interest rates, exchange rates, equity prices and commodity prices. In order to minimize the potential losses that may occur due to the volatility of such market variable movements, it is necessary to perform strict monitoring of the Bank's exposure.

The overall market risk management is performed based on the policies and procedures related to the products, services and activities in the treasury and business exposed to that risk. The management of foreign exchange rate and interest rate risks in the trading book is performed through risk and limit analysis for trading activities such as money market, foreign exchange, and fixed income securities transactions (marketable securities). Furthermore, the trading book position has been marked-to-market and the net open position and Value at Risk (VaR) on that position are monitored.

Interest rate risk

In order to identify the risk potential more accurately towards the Bank's products and activity that were affected by market's interest rate which may affect risk level of the Bank and to make a good sound practice, the Bank needs to manage interest rate risk for both components either in the trading book or Banking book component according to the conservatism principles.

The Interest Rate Risk in the Banking Book (IRRBB) management is performed by monitoring the movement of interest rate in market not in same direction with Banking Book Position that may impact the Bank's capital and earning, in current condition and the future.

IRRBB comes from three basic aspects related to characteristic and structure of interest rate, and also the impact of yield curve changes. The basic aspects are gap risk, basis risk and option risk.

40. Manajemen Risiko (lanjutan)

Risiko Pasar (lanjutan)

Dalam melakukan pengukuran risiko, Bank melakukan *stress test* dengan beberapa skenario, termasuk skenario terburuk (*worst case scenario*) untuk mengetahui tingkat kemampuan Bank dalam menghadapi berbagai tingkat pergerakan hingga kondisi pasar yang tidak normal. Hasil *stress test* tersebut digunakan sebagai pertimbangan pada saat penetapan atau perubahan kebijakan dan limit risiko pasar. *Stress testing* dilakukan setiap 3 (tiga) bulan sekali atau periode yang lebih pendek jika terjadi kondisi abnormal. Bank melakukan *back testing* untuk validasi pada metodologi, formula, model dan penggunaan asumsi pada setiap skenario dalam model pengukuran risiko.

Tabel berikut mengikhtisarkan eksposur risiko suku bunga Bank atas aset keuangan dan liabilitas keuangan yang tidak untuk diperdagangkan pada 31 Desember 2023 dan 2022 (Bank saja).

40. Risk Management (continued)

Market Risk (continued)

In measuring risks, the Bank has performed stress tests based on several scenarios, including the worst case scenario. This is intended to assess the Bank's ability during various levels of market movements to abnormal market conditions. The stress test results was used as a consideration in determining changes in policies and limit related to market risk. Stress testing is done every 3 (three) months or whichever is earlier in case there is an abnormal condition. The Bank periodically performs back testing to validate methodology, formula, model and assumptions used on each scenario of risk measurement model.

The table below summarizes the Bank's interest rate risk exposure on non-trading financial assets and liabilities as at December 31, 2023 and 2022 (Bank only).

	2023					
	Total	Kurang Dari 3 Bulan/ *Less Than 3 Months*	3 - 12 Bulan/ *Months*	Lebih Dari 1 - 5 Tahun/ *More Than 1 - 5 Years*	Lebih dari 5 Tahun/ *More Than 5 Years*	
Aset						**Assets**
Giro pada Bank Indonesia	2.655.765	2.655.765	-	-	-	Current accounts with Bank Indonesia
Giro pada bank lain	367.341	367.341	-	-	-	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	738.617	738.617	-	-	-	Placements with Bank Indonesia and other banks
Surat-surat berharga						Marketable securities
Diukur pada nilai wajar melalui laba rugi	5.322.930	-	-	4.434.321	888.609	Fair value through profit or loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	3.477.939	-	76.255	2.897.332	504.352	Fair value through other comprehensive
Diukur pada biaya perolehan amortisasi	8.808.097	1.277.302	193.121	7.337.674	-	Measured at amortized cost
Tagihan derivatif	3.040	3.040	-	-	-	Derivative receivable
Tagihan Surat-surat berharga yang dibeli dengan janji dijual kembali	-	-	-	-	-	Marketable securities purchased receivables with/ agreemetns to resell
Kredit yang diberikan dan pembiayaan/ piutang syariah	44.183.228	3.513.641	7.869.650	15.523.202	17.276.735	Loans and sharia/ financing/receivables
Tagihan akseptasi	132.577	96.953	35.624	-	-	Acceptance receivables
	65.689.534	**8.652.659**	**8.174.650**	**30.192.529**	**18.669.696**	
Liabilitas						**Liabilities**
Simpanan nasabah	39.036.634	31.493.700	7.349.532	193.402	-	Deposits from customers
Simpanan dari bank lain	7.761.176	7.758.176	3.000	-	-	Deposits from other banks
Surat-surat berharga yang dijual dengan janji dibeli kembali - bruto	-	-	-	-	-	Marketable securities sell with agreement to repurchase - gross
Pinjaman yang diterima	11.654.712	1.231.760	2.247.547	8.175.405	-	Borrowings
Surat berharga yang diterbitkan	3.397.588	-	-	3.397.588	-	Securities issued
	61.850.110	**40.483.636**	**9.600.079**	**11.766.395**	**-**	
Neto	**3.839.424**	**(31.830.977)**	**(1.425.429)**	**18.426.134**	**18.669.696**	***Net***

40. Manajemen Risiko (lanjutan)

40. Risk Management (continued)

Risiko Pasar (lanjutan)

Market Risk (continued)

2022

	Total	Kurang Dari 3 Bulan/ *Less Than 3 Months*	3 - 12 Bulan/ *Months*	Lebih Dari 1 - 5 Tahun/ *More Than 1 - 5 Years*	Lebih dari 5 Tahun/ *More Than 5 Years*	
Aset						Assets
Giro pada Bank Indonesia	3.743.790	3.743.790	-	-	-	Current accounts with Bank Indonesia
Giro pada bank lain	766.734	766.734	-	-	-	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	11.081.830	11.051.830	30.000	-	-	Placements with Bank Indonesia and other banks
Surat-surat berharga						Marketable securities
Diukur pada nilai wajar melalui laba rugi	3.362.099	74.639	85.541	3.043.336	158.583	Fair value through profit or loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	1.090.347	501.512	51.127	282.598	255.110	Fair value through other comprehensive
Diukur pada biaya perolehan amortisasi	7.661.041	949.580	1.041.954	2.239.020	3.430.487	Measured at amortized cost
Tagihan derivatif	9.254	9.254	-	-	-	Derivative receivable
Kredit yang diberikan dan pembiayaan/ piutang syariah	45.984.992	806.856	3.881.117	15.881.248	25.415.771	Loans and sharia/ financing/receivables
Tagihan akseptasi	17.346	9.258	8.088	-	-	Acceptance receivables
	73.717.433	**17.913.453**	**5.097.827**	**21.446.202**	**29.259.951**	
Liabilitas						Liabilities
Simpanan nasabah	46.696.050	33.923.898	12.261.431	510.721	-	Deposits from customers
Simpanan dari bank lain	10.374.005	10.374.005	-	-	-	Deposits from other banks
Surat-surat berharga yang dijual dengan janji dibeli kembali - bruto						Marketable securities sell with agreement to repurchase - gross
Pinjaman yang diterima	11.132.586	500.000	2.700.000	7.900.564	32.022	Borrowings
Surat berharga yang diterbitkan	3.392.717	-	-	2.707.717	685.000	Securities issued
	71.595.358	**44.797.903**	**14.961.431**	**11.119.002**	**717.022**	
Neto	**2.122.075**	**(26.884.450)**	**(9.863.604)**	**10.327.200**	**28.542.929**	

Manajemen risiko suku bunga atas limit *repricing gap* dilakukan dengan memonitor sensitivitas aset dan liabilitas keuangan Bank atas berbagai skenario tingkat bunga baik standar dan non-standar. Analisis sensitivitas Bank atas kenaikan atau penurunan tingkat bunga pasar, dengan asumsi bahwa tidak ada pergerakan asimetris di kurva imbal hasil dan posisi laporan posisi keuangan yang tetap, adalah sebagai berikut (tidak diaudit):

The management of interest rate risk against repricing gap limits is supplemented by monitoring the sensitivity of the Bank's financial assets and liabilities to various standard and non-standard interest rate scenarios. An analysis of the Bank's sensitivity to an increase or decrease in market interest rates, assuming no asymmetrical movement in curves and a constant position of statement of financial position, is as follows (unaudited):

2023

	Kenaikan paralel 100 basis poin/ *100 basis point-parallel increase*	**Penurunan paralel 100 basis poin/ *100 basis point-parallel decrease***	
Sensitivitas atas proyeksi pendapatan bunga - neto	(224.021)	224.021	Sensitivity of projected interest income - net

2022

	Kenaikan paralel 100 basis poin/ *100 basis point-parallel increase*	**Penurunan paralel 100 basis poin/ *100 basis point-parallel decrease***	
Sensitivitas atas proyeksi pendapatan bunga - neto	(57.727)	57.727	Sensitivity of projected interest income - net

40. Manajemen Risiko (lanjutan)

Risiko Pasar (lanjutan)

Risiko nilai tukar

Penilaian risiko nilai tukar mata uang asing dilakukan dengan memperhatikan Posisi Devisa Neto (PDN) dan volatilitas mata uang asing yang dikelola Bank. Pengendalian risiko dilakukan melalui monitoring mutasi transaksi valuta asing di seluruh kantor cabang dan unit bisnis. Informasi mengenai PDN diungkapkan pada Catatan 43.

Tabel berikut mengindikasikan posisi aset dan liabilitas moneter dalam mata uang asing yang tidak untuk diperdagangkan pada tanggal 31 Desember 2023 dan 2022, dimana Bank memiliki eksposur signifikan terhadap arus kas masa depan. Analisa tersebut menghitung dampak pergerakan nilai tukar wajar yang mungkin terjadi terhadap Rupiah, dengan seluruh variabel dianggap konstan, terhadap laba rugi (akibat perubahan nilai wajar aset dan liabilitas moneter yang tidak untuk diperdagangkan yang sensitif terhadap nilai tukar) (tidak diaudit).

40. Risk Management (continued)

Market Risk (continued)

Foreign exchange risk

The foreign exchange risk valuation is performed by monitoring the Net Open Position (NOP) and foreign exchange volatility maintained by the Bank. Risk control is performed through monitoring the foreign exchange transaction movement in all branches and business units. The information related with NOP is disclosed in Note 43.

The table below indicates the foreign currencies position of non-trading monetary in assets and liabilities as at December 31, 2023 and December 31, 2022, which the Bank has significant exposure against its forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the currency rate against the Indonesian Rupiah, with all variables held constant, on the profit or loss (due to change in the fair value of currency sensitive non-trading monetary assets and liabilities) (unaudited).

	2023			
	Kenaikan (penurunan) dalam nilai tukar/ ***Increase (decrease) in exchange rate***	**Sensitivitas terhadap laporan laba rugi/** ***Sensitivity in profit or loss***	**Sensitivitas terhadap ekuitas/** ***Sensitivity in equity***	
Mata uang				**Currency**
Dolar Amerika Serikat	10/(10)	(89,69)/89.69	-	United States Dollar
Euro Eropa	10/(10)	(1,65)/1.65	-	European Euro
Dolar Australia	10/(10)	6,30/(6.30)	-	Australian Dollar
Yen Jepang	10/(10)	(29,37)/29.34	-	Japanese Yen
Dolar Hong Kong	10/(10)	9,77/(9.77)	-	Hong Kong Dollar
Dolar Singapura	10/(10)	47,01/(47.01)	-	Singapore Dollar
Poundsterling Inggris	10/(10)	6,83/(6.83)	-	Great Britain Poundsterling
Won Korea	10/(10)	2,22/(2.22)	-	Korean Won
Yuan China	10/(10)	4,31/(4.31)	-	Chinese Yuan

	2022			
	Kenaikan (penurunan) dalam nilai tukar/ ***Increase (decrease) in exchange rate***	**Sensitivitas terhadap laporan laba rugi/** ***Sensitivity in profit or loss***	**Sensitivitas terhadap ekuitas/** ***Sensitivity in equity***	
Mata uang				**Currency**
Dolar Amerika Serikat	10/(10)	60,38/(60.38)	-	United States Dollar
Euro Eropa	10/(10)	4,89/(4.89)	-	European Euro
Dolar Australia	10/(10)	1,44/(1.44)	-	Australian Dollar
Yen Jepang	10/(10)	25,83/(25.83)	-	Japanese Yen
Dolar Hong Kong	10/(10)	2,81/(2.81)	-	Hong Kong Dollar
Dolar Singapura	10/(10)	45,61/(45.61)	-	Singapore Dollar
Poundsterling Inggris	10/(10)	12,90/(12.90)	-	Great Britain Poundsterling
Won Korea	10/(10)	0,43/(0.43)	-	Korean Won
Yuan China	10/(10)	10,83/(10.83)	-	Chinese Yuan

40. Manajemen Risiko (lanjutan)

Risiko Likuiditas

Risiko likuiditas adalah risiko akibat ketidakmampuan Bank untuk memenuhi liabilitas yang jatuh tempo dari sumber pendanaan arus kas dan/atau dari aset likuid berkualitas tinggi yang dapat diagunkan, tanpa mengganggu aktivitas dan kondisi keuangan Bank.

Risiko likuiditas juga berkaitan dengan optimalisasi struktur neraca dan risiko struktural terhadap ketergantungan pada sumber pendanaan tertentu. Pengelolaan risiko likuiditas Bank berupaya agar dapat mengelola risiko likuiditas dalam perspektif jangka pendek maupun struktural.

Besar kecilnya risiko likuiditas ditentukan antara lain:

a. Kecermatan dalam perencanaan arus kas atau arus dana berdasarkan prediksi pembiayaan dan prediksi pertumbuhan dana, termasuk mencermati tingkat fluktuasi dana;
b. Ketepatan dalam mengatur struktur dana termasuk kecukupan dana;
c. Ketersediaan aset yang siap dikonversikan menjadi kas;
d. Kemampuan menciptakan akses ke pasar antar bank atau sumber dana lainnya, termasuk fasilitas lender of last resort.

Dalam rangka meningkatkan ketahanan likuiditas, Bank melakukan perhitungan rasio kecukupan likuiditas yaitu *Liquidity Coverage Ratio* (LCR) dan *Net Stable Funding Ratio* (NSFR) dan mengelola Rasio Kecukupan Likuiditas tersebut sesuai ketentuan regulator, baik secara individu (bank saja) maupun konsolidasi dengan perusahaan anak.

Selain itu, Bank juga menghitung rasio Giro Wajib Minimum (GWM) pada Bank Indonesia dan Kas, Penyangga Likuiditas Makroprudensial (PLM) dan Rasio Intermediasi Makroprudensial (RIM).

Terkait dengan POJK No. 50/POJK.03/2017 tentang Kewajiban Pemenuhan Rasio Pendanaan Stabil Bersih (Net Stable Funding Ratio) Bagi Bank Umum, Bank menyampaikan laporan NSFR secara triwulanan (individual) ke Otoritas Jasa Keuangan dan mempublikasikan laporan NSFR triwulanan (individual) pada situs web Bank.

Berdasarkan perhitungan, NSFR Bank Periode Triwulan IV 2023 adalah sebesar 104,39% (secara individual) dan 103,74% (secara konsolidasi). Atas hal tersebut, Bank telah memenuhi rasio NSFR sesuai ketentuan (> 100%).

40. Risk Management (continued)

Liquidity Risk

Liquidity risk is the risk due to the inability of the Bank to meet obligations due from cash flow funding sources and/or from high quality liquid assets that can be pledged, without disrupting the activities and financial condition of the Bank.

Liquidity risk is the also related to the optimization of the balance sheet structure and structural risk of dependence on certain funding sources. The Bank's liquidity risk management strives to be able to manage liquidity risk form both a short-term and structural perspective.

The size of the liquidity risk is determined, among others:

a. Accuracy in cash flow or flow of fund planning based on financing and fund growth prediction, which includes observing the fund rate volatility;
b. The precision in managing the fund structure, including the adequacy of funding;
c. The availability of asset that is ready to be converted into cash;
d. Ability to create access to the interbank market or other funding sources, including the lender of last resort facilities.

In order to improve liquidity resilience, Bank calculates liquidity adequacy ratios namely Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) and manages the Liquidity Adequacy Ratio according to regulatory provisions, both individually (bank only) and consolidated with subsidiary companies.

In addition, the Bank also calculates the Bank's minimum Statutory Reserves (GWM) at Bank Indonesia and Cash, Macroprudential Liquidity Buffer (PLM), and Macroprudential Intermediation Ratio (RIM).

Related with the regulation of the Financial Services Authority No. 50/POJK.03/2017 concerning the Obligation of Net Stable Funding Ratio for Commercial Banks, the Bank has submitted NSFR report on quarterly (individual) to Financial Services Authority and published NSFR report to Bank's website.

Based on the calculation, NSFR for Quartal IV 2023 is 104.39% (individual) and 103.74% (consolidated). For this reason, the Bank has already fulfilled the NSFR ratio in accordance with the provisions (> 100%).

40. Manajemen Risiko (lanjutan)

Risiko Likuiditas (lanjutan)

Dalam hal ini Bank akan terus melakukan upaya-upaya strategis untuk dapat mempertahankan rasio likuiditas. Beberapa strategi yang telah dan akan terus dilakukan Bank antara lain:

- Meningkatkan DPK Terutama DPK yang mempunyai kategori stabil dan mempunyai tenor menengah - jangka panjang.
- Menjaga Kecukupan Aset Likuid Bank.
- Memelihara dan meningkatkan Pendanaan Antar Bank terutama jangka panjang.
- Dukungan sumber pendanaan dari Kookmin sebagai Pemegang Saham Pengendali (PSP)
- Program pemasaran pendanaan yang berfokus pada jangka waktu menengah 6-12 bulan

Sisa jatuh tempo kontraktual dari liabilitas keuangan

Tabel di bawah ini menyajikan ekspektasi arus kas yang tidak didiskontokan dari liabilitas keuangan Bank berdasarkan jatuh tempo kontraktual yang terdekat pada tanggal laporan posisi keuangan konsolidasian.

40. Risk Management (continued)

Liquidity Risk (continued)

In this regard, the Bank will continue to make strategic efforts to be able to maintain the liquidity ratio. Some of the strategies that have been and will continue to be carried out by the Bank include:

- Increase TPF, especially TPF which has a stable category and has a medium – long term tenor.
- Maintaining the adequacy of Liquid Assets.
- Maintain and enhance Interbank Funding especially long-term maturity.
- Support funding sources from Kookmin as Controlling Shareholder (PSP).
- Funding marketing programs focused on a medium term of 6-12 months

Residual contractual maturities of financial liabilities

The table below shows the expected undiscounted cash flows on the Bank's financial liabilities on the basis of their earliest possible contractual maturity as at the consolidated statement of financial position date.

	2023					
	Total	Kurang dari 3 bulan/ *Less than 3 months*	3 - 12 bulan/ *months*	Lebih dari 1 - 5 tahun/ *More than 1 - 5 years*	Lebih dari 5 tahun/ *More than 5 years*	
Liabilitas segera	431.402	431.402	-	-	-	Liabilities immediately payable
Simpanan nasabah	44.789.143	32.415.350	12.180.392	193.401	-	Deposits from customers
Simpanan dari bank lain	7.886.721	7.883.721	3.000	-	-	Deposits from other banks
Surat-surat berharga yang dijual dengan janji dibeli kembali - bruto	219.631	219.631	-	-		Marketable securities sell with agreement to repurchase - gross
Surat berharga yang diterbitkan	3.397.588	-	-	-	3.397.588	Securities issued
Liabilitas derivatif	808	808	-	-	-	Derivative payable
Liabilitas akseptasi	132.577	96.953	35.624	-	-	Acceptance payable
Pinjaman yang diterima	11.704.492	1.231.760	2.297.327	8.175.405	-	Borrowings
Liabilitas Lain-lain	1.570.140	1.263.423	206.372	-	100.345	Other liabilities
Neto	**70.132.502**	**43.543.048**	**14.722.715**	**8.368.806**	**3.497.933**	**Net**
Komitmen dan Kontinjensi						**Commitment and Contigencies**
Fasilitas kredit kepada debitur yang belum digunakan	4.822.935	2.934.857	1.195.554	676.892	15.632	Unused Loan Facilities
Irrevocable letter of credit yang masih harus berjalan	88.205	78.074	10.131	-	-	Outstanding Irrevocable Letters of Credit
Garansi yang diterbitkan	1.337.709	775.909	480.463	81.337	-	Guarantee Issued
Total	**6.248.849**	**3.788.840**	**1.686.148**	**758.229**	**15.632**	**Total**

40. Manajemen Risiko (lanjutan)

40. Risk Management (continued)

Risiko Likuiditas (lanjutan)

Liquidity Risk (continued)

	2022					
	Total	Kurang dari 3 bulan/ *Less than 3 months*	3 - 12 bulan/ *months*	Lebih dari 1 - 5 tahun/ *More than 1 - 5 years*	Lebih dari 5 tahun/ *More than 5 years*	
Liabilitas segera	388.522	388.522	-	-	-	Liabilities immediately payable
Simpanan nasabah	51.962.370	38.576.511	12.870.049	513.228	2.582	Deposits from customers
Simpanan dari bank lain	10.381.375	10.381.375	-	-	-	Deposits from other banks
Surat-surat berharga yang dijual dengan janji dibeli kembali - bruto	-	-	-	-	-	Marketable securities sell with agreement to repurchase - gross
Surat berharga yang diterbitkan	3.392.718	-	-	1.989.922	1.402.796	Securities issued
Liabilitas derivatif	12.259	12.259	-	-	-	Derivative payable
Liabilitas akseptasi	17.346	9.258	8.088	-	-	Acceptance payable
Pinjaman yang diterima	11.200.131	500.000	2.700.000	7.900.564	99.567	Borrowings
Liabilitas Lain-lain	1.367.530	1.119.467	130.458	-	117.605	Other liabilities
Neto	**78.722.251**	**50.987.392**	**15.708.595**	**10.403.714**	**1.622.550**	**Net**
Komitmen dan Kontinjensi						**Commitment and Contigencies**
Fasilitas kredit kepada debitur yang belum digunakan	4.215.885	3.056.850	1.065.614	71.507	21.914	Unused Loan Facilities
Irrevocable letter of credit yang masih harus berjalan	64.027	58.979	482	3.829	737	Outstanding Irrevocable Letters of Credit
Garansi yang diterbitkan	3.161.179	2.429.607	430.652	300.920	-	Guarantee Issued
Total	**7.441.091**	**5.545.436**	**1.496.748**	**376.256**	**22.651**	**Total**

Secara berkala Bank melakukan kaji ulang terhadap kebijakan dan limit risiko likuiditas. Selain itu, Bank memiliki kebijakan *contingency funding plan* sebagai pedoman bagi Bank untuk mengantisipasi situasi krisis likuiditas. Untuk mengetahui dampak perubahan pasar maupun faktor internal pada kondisi ekstrem (krisis) terhadap kondisi likuiditas yang dapat berdampak pada kecukupan modal Bank, Bank melakukan *stress test* terhadap posisi likuiditas Bank secara regular, sehingga Bank dapat mengantisipasi lebih awal dan mengambil langkah-langkah pengendalian dan solusi yang paling optimal sebagai strategi jangka pendek maupun jangka panjang pemulihan likuiditas. Informasi mengenai jatuh tempo aset dan liabilitas sesuai kontrak diungkapkan pada Catatan 41.

The Bank on a regular basis reviews the liquidity risk management policy and its limit. Futhermore, the Bank has contigency funding plan policy as a guidance for the Bank to overcome the situiation of liquidity crisis. In determining impact of changes in market and internal factors in extreme conditions (crisis) to the liquidity conditions that could impact the Bank's capital adequacy, the Bank performs stress test on Bank's funding liquidity position on a regular basis. By applying stress test, the Bank can anticipate early and take control measures as well as calculate the most optimal solution per short-term strategy and long-term recovery of liquidity. The information related to the maturity profile of assets and liabilities is disclosed in Note 41.

Risiko Operasional

Risiko operasional adalah risiko akibat ketidakcukupan dan/atau tidak berfungsinya proses internal, kesalahan manusia, kegagalan sistem dan/atau adanya kejadian-kejadian eksternal yang berpotensi menimbulkan kerugian finansial maupun non finansial bagi Bank. Kebijakan manajemen risiko operasional secara Bank *wide* digunakan sebagai acuan utama bagi semua lini bisnis, fungsi pendukung dan entitas anak dalam mengelola risiko operasional. Pendekatan Bank terhadap manajemen risiko operasional adalah dengan menentukan strategi mitigasi guna memperoleh keseimbangan yang optimal antara paparan risiko operasional, efektivitas mekanisme kontrol dan pembuatan *risk appetite* sebagai salah satu strategi bank dengan melakukan implementasi konsisten atas Manajemen Risiko Operasional.

Operational Risk

Operational risk is a risk due to insufficiency and/or non-functioning of internal processes, human error, system failure, and/or the existence of external factors that have the potential to cause financial and non-financial losses to the Bank. Bank wide Operational Risk Management Policy is used as a main reference for all line of businesses, support functions and subsidiaries in managing their operational risk. The Bank's approach to Operational Risk management is to define the best mitigation strategy to get optimum balance between operational risk exposure, effectiveness of control mechanism, and creating risk appetite as a Bank strategy by a consistent implementation of a comprehensive Operational Risk Management.

40. Manajemen Risiko (lanjutan)

Risiko Operasional (lanjutan)

Pengelolaan terhadap eksposur risiko operasional di Bank mencakup pengelolaan terhadap eksposur risiko hukum, reputasi, kepatuhan dan stratejik yang terdapat pada setiap proses bisnis dan aktivitas operasional.

Penerapan Manajemen Risiko Operasional dilakukan dengan berpedoman pada Peraturan Otoritas Jasa keuangan No.18/POJK.03/2016 tentang Penerapan Manajemen Risiko bagi Bank Umum, yang mensyaratkan penerapan manajemen risiko mencakup 4 pilar yakni pengawasan aktif Direksi dan Dewan Komisaris, kecukupan kebijakan dan prosedur manajemen risiko dan penetapan limit Risiko, kecukupan proses manajemen risiko, dan sistem pengendalian internal.

Hal ini juga termasuk pengkajian atas produk dan/atau aktivitas baru atau pengembangan yang meningkatkan profil risiko produk dan/atau aktivitas Bank.

Pengelolaan risiko operasional yang dilakukan secara efektif dapat mengurangi potensi kerugian risiko operasional.

Manajemen risiko serta penetapan limit risiko, kecukupan proses identifikasi, pengukuran, pemantauan dan pengendalian risiko, serta sistem informasi manajemen risiko dan sistem pengendalian intern yang menyeluruh. Pengelolaan risiko operasional yang dilakukan secara efektif dapat mengurangi potensi kerugian risiko operasional.

Bank telah memiliki Kebijakan Manajemen Risiko Operasional, penetapan *risk appetite* dan *risk tolerance* dan penetapan limit Risiko Operasional. Di dalam mengelola risiko operasional, risk taking unit bertanggung jawab atas risiko yang terjadi pada unitnya masing-masing. Tata cara atas pengendalian risiko operasional diatur dalam suatu kebijakan Bank secara menyeluruh yang mencakup ketentuan dan prosedur operasional untuk setiap unit dan dilakukan reviu secara berkala.

40. Risk Management (continued)

Operational Risk (continued)

Management of operational risk exposures at Bank includes legal risk exposures, reputation, compliance and strategic risk exposure that occur in every business process and operational activity.

The Implementation of Operational Risk Management is carried out by referring to the Regulation of Financial Services Authority No. 18/POJK.03/2016 concerning the Implementation of Risk Management for Commercial Banks, which requires the implementation of risk management toward 4 pillars, that cover active supervision of the Board of Directors and the Board of Commissioners, adequacy of risk management policy, procedure, and establishment of risk limit, adequacy of risk management process, and internal control system.

In addition, it includes the assessment of new or development products and/or activities that increase the risk profile of the products and/or activities of the Bank.

Effective operational risk management can reduces the potential of operational risk losses.

Risk management policies and procedures, set of the risk limits, adequacy of risk identification, risk measurement, risk monitoring and risk control processes, and a comprehensive risk management information system and an internal control system as well. Effective operational risk management can reduces the potential of operational risk loss.

The Bank has an Operational Risk Management Policy, setting of risk appetite and risk tolerance, and Operational Risk Limits. In managing operational risk, the risk owner is responsible for the risk that occurs in their respective units.

The operational risk management procedures are regulated in a comprehensive Bank's policy for each unit that includes provisions and procedures and reviewed periodically.

40. Manajemen Risiko (lanjutan)

Risiko Operasional (lanjutan)

Bank telah melakukan beberapa hal dalam rangka pengelolaan risiko operasional, yaitu:

i. Menetapkan *risk governance* pengelolaan risiko operasional;
ii. Menetapkan kebijakan dan prosedur serta melakukan reviu secara berkala sebagai landasan penerapan manajemen risiko;
iii. Menetapkan operational *risk appetite* dan *risk tolerance;*
iv. Menyusun metodologi dan perangkat pengelolaan risiko operasional;
v. Membangun *Risk Awareness* di seluruh lini organisasi termasuk mewujudkan *Risk Culture* dalam aktivitas bisnis Bank;
vi. Menjalankan implementasi pengelolaan risiko operasional ke seluruh unit kerja Kantor Pusat dan *Branch* termasuk implementasi *Operational Risk Management* (ORM) *Tools* yang meliputi aplikasi *Loss Event Database* (LED) dan Aplikasi *Risk Control Self-Assesment* (RCSA);
vii. Menyusun *Disaster Recovery Plan* sebagai langkah antisipasi atas kejadian internal maupun eksternal yang berpotensi menimbulkan kerugian termasuk kejadian bencana;
viii. Melalukan penilaian risiko sendiri terhadap penerapan ketahanan dan keamanan siber;
ix. Melakukan penilaian tingkat maturitas untuk keamanan siber dan perbankan digital;
x. Melakukan penilaian kerentanan dan pengujian penetrasi;
xi. Melakukan penilaian risiko (*risk-assessment*) kecukupan pengelolaan risiko atas rencana pengembangan Produk dan/atau layanan Bank;
xii. Melakukan perhitungan atas Aset Tertimbang Menurut Risiko (ATMR) untuk Risiko Operasional;
xiii. Menyediakan kajian risiko terkait dengan proses bisnis, aktivitas operasional dan transaksional;
xiv. Melaksanakan peningkatan atas kapabilitas Sumber Daya Manusia secara berkelanjutan, menyusun *Blue Print* Sumber Daya Manusia, menyusun *Man Power Planning*, dan Peningkatan komposisi SDM di Unit Bisnis;
xv. Pelaksanaan Komite Pengendalian Internal secara rutin untuk membahas suatu permasalahan yang dapat meningkatkan eksposur risiko Bank;
xvi. Melaksanakan monitoring secara berkala atas keamanan sistem teknologi informasi yang digunakan;

40. Risk Management (continued)

Operational Risk (continued)

The Bank has done several things in order to manage operational risk, as follows:

i. Stipulate risk governance for operational risk management;
ii. Stipulate policies and procedures and conduct periodic reviews as a basis for implementing risk management;
iii. Stipulate operational risk appetite and risk tolerance;
iv. Develop operational risk management methodologies and tools;
v. Building Risk Awareness in all lines of organization including realizing Risk Culture in Bank's business activities;
vi. Carry out the implementation of operational risk management to all Headquarters and Branch work units including the implementation of Operational Risk Management Tools (ORM Tools) which include the Loss Event Database (LED) application and the Risk Control Self-Assessment (RCSA) application;
vii. Develop a Disaster Recovery Plan as an anticipatory measure for internal and external events that have the potential to cause losses; including events of disasters;
viii. Self Risk Assessment for Cyber Security Implementation;
ix. Maturity Level Assessment for Cyber Security and Digital Banking;
x. Vulnerability Assessment and Penetration Test;
xi. Conduct a risk assessment of management adequacy of the Bank's products and/or services development plan;
xii. Calculate the Risk Weighted Assets (RWA) for Operational Risk;
xiii. Provide the risk studies related to business process, operational, and transactional activities;
xiv. Improves the ability of Human Resources regularly, preparation of the Human Resources Blue Print, development of Man Power Planning and Improve HR composition in Business Units;
xv. Conduct Internal Control Committee to discuss issues that have the potential to increase the risk of bank exposure;
xvi. Carry out periodic monitoring of the security of information technology systems used;

40. Manajemen Risiko (lanjutan)

Risiko Operasional (lanjutan)

Bank telah melakukan beberapa hal dalam rangka pengelolaan risiko operasional, yaitu: (lanjutan)

xvii. Melaksanakan *monitoring limit* risiko dan pelaporan internal maupun eksternal (Regulator);
xviii. Penyempurnaan dan penguatan program strategi *anti-fraud*, antara lain melalui sosialisasi *anti-fraud* kepada seluruh karyawan, pemantauan penerapan sanksi terhadap pelaku, dan pengembangan unit *anti-fraud* menjadi departemen;
xix. Perbaikan kelemahan dalam kegiatan operasional dan TI;
xx. Pelaksanaan monitoring atas penanganan pengaduan nasabah, peningkatan, kompetensi petugas Bank dalam penaganan pengaduan nasabah;

Bank telah menerapkan *operational risk governance*, melalui:

i. Pengawasan aktif Dewan Komisaris dan Direksi;
ii. Pelaksanaan pengelolaan atas risiko operasional melalui model *three line of defense*, yaitu:
- *Risk taking* unit sebagai *risk owner* merupakan *first line of defense* yang bertanggung jawab terhadap pengelolaan langsung dari masing- masing unit kerja;
- *Second line of defense* yang menjalankan fungsi oversight; dan
- Internal Audit sebagai *third line of defense* yang menjalankan fungsi *independent assurance*.

iii. Melakukan peninjauan ulang dan pembenahan terhadap kebijakan dan pedoman internal Bank yang ada guna menunjang kegiatan usaha Bank.
iv. Melakukan sosialisasi kebijakan/pedoman internal untuk meningkatkan pemahaman kepada karyawan.

Dalam rangka pengelolaan risiko operasional, Bank telah mengembangkan:

i. Aplikasi *Risk Control Self Assessment* (RCSA) berbasis web yang digunakan untuk mengidentifikasi, mengukur, dan memonitor risiko operasional pada setiap unit kerja secara berkala;

40. Risk Management (continued)

Operational Risk (continued)

The Bank has done several things in order to manage operational risk, as follows: (continued)

xvii. Monitor the risk limit and provide the internal and external report (Regulator);

xviii. Improvement and strengthening of the anti-fraud strategy program, including through anti-fraud socialization to all employees, monitoring the implementation of sanctions against perpetrators, and developing anti-fraud units into departments;
xix. Improvement of weaknesses in operational and IT activities;
xx. Implementation of handling customer complaints monitoring, increasing the competence of Bank officers in handling custumer complaints;

The Bank has implemented operational risk governance, through:

i. Active supervision by the Board of Commissioners and Directors;
ii. Implementation of the operational risk management through models named as three line of defense that consist of:
- Risk taking unit as a risk owner is the first line of defense that is responsible for direct management of each work unit;
- The second line of defense that runs the oversight function; and
- Internal Audit as the third line of defense that carries out the independent assurance function.

iii. Conduct review and revamp the internal policies and guidelines of the Bank to support the Bank's business activities.
iv. Conduct socialization of internal policies/guidelines to increase understanding to employees.

In order to manage operational risk, the Bank has developed:

i. The web based of Risk Control Self Assessment (RCSA) application, that is used to identify, measure, and monitor the operational risk in each unit on a regular basis;

40. Manajemen Risiko (lanjutan)

Risiko Operasional (lanjutan)

ii. Aplikasi *Loss Event Data* (LED) berbasis web yang digunakan untuk pencatatan data kerugian Bank yang sudah terjadi atau berpotensi menimbulkan kerugian bagi Bank, baik atas kerugian finansial maupun non finansial;
iii. *Action Plan* sebagai langkah-langkah mitigasi risiko operasional;
iv. *Dashboard* Manajemen Risiko Operasional yang digunakan sebagai indikator tingkat risiko operasional dalam suatu aktivitas perbankan.

Setiap kejadian atau indikasi dari terjadinya risiko operasional atau kelemahan yang teridentifikasi oleh alat-alat risiko operasional akan ditindaklanjuti melalui perbaikan-perbaikan. Proses pelaporan dan eskalasi akan dilakukan mulai dari setiap unit bisnis dan unit pendukung sampai dengan Komite Manajemen Risiko. Departemen *Operational Risk* dan *IT Management* secara proaktif telah melakukan sosialisasi atau kampanye yang berkesinambungan untuk meningkatkan kesadaran tentang Risiko Operasional ke seluruh unit di Bank, melalui berbagai informasi atas kejadian berisiko dan rekomendasi atas perbaikan proses.

Sebagai bagian dari pemantauan Risiko Operasional, Bank juga mengelola Risiko Teknologi Informasi dengan memiliki tata kelola terkait dengan Manajemen Risiko Teknologi Informasi. Fokus pemantauan risiko operasional terkait risiko teknologi informasi antara lain adalah *Risk Register Information Technology* yang mana saat ini Bank fokus pada pembangunan NGBS (*New Generation Banking System*), kemudian *Risk Register e-channel* serta digital yang merupakan transformasi yang dicanangkan oleh pemerintah

Bank telah melakukan penyusunan dan pemantauan pelaksanaan penyelesaian isu risiko yang berpontensi tinggi dalam dampak kerusakan terutama pada daftar utama RCSA (*Risk Control Self-Assessment*) dari RTU (*Risk Taking Unit*) serta melakukan umpan balik berupa opini terhadap kewajaran dan ketepatan dari penilaian yang telah dilakukan oleh RTU. Selain itu terkait kontrol internal, Bank melakukan pengkinian *Risk Issue* secara rutin dan juga menjaga limit risiko di aktivitas operasional agar dapat mendukung pertumbuhan bisnis tetapi tetap aman dari risiko.

40. Risk Management (continued)

Operational Risk (continued)

ii. The web based of Loss Event Data (LED), that is used to record and collect Bank's losses data that have occurred or have the potential to cause losses for the Bank, both in financial and non-financial losses;
iii. The Action Plan as an operational risk mitigation step;
iv. The Operational Risk Management Dashboard that is used as an indicator of operational risk level of banking activities.

Any events or indication of operational risk or weaknesses identified by operational risk tools will be followed up through improvements. The reporting and escalation process will start from each business unit and supporting unit up to the Risk Management Committee. Operational Risk and IT Management Department has proactively carried out ongoing campaigns or socialization to raise awareness concerning Operational Risk to all units within the Bank, through information sharing on risk events and recommendations for process improvement.

As part of Operational Risk monitoring, the Bank also manage Information Technology Risk by developing governance related to Information Technology Risk Management. Focus of operational risk monitoring related to information technology risk among others are Risk Register Information Technology, where the Bank is currently focusing on the development of the NGBS (New Generation Banking System), then the e-channel and digital Risk Registers, which are transformations launched by the government.

The Bank has prepared and monitored the implementation of the resolution of risk issues that have a high potential for damage, especially on the main list of RCSA (Risk Control Self-Assessment) from the RTU (Risk Taking Unit) as well as providing feedback in the form of opinions on the fairness and accuracy of the assessments that have been carried out by RTU. Related with internal control Bank did updating Risk Issues on a regular basis and also maintaining risk limits in operational activities in order to support business growth while remaining safe from risk.

40. Manajemen Risiko (lanjutan)

Risiko Operasional (lanjutan)

Selain itu Bank juga telah melakukan pemantauan atas pencatatan data kerugian Bank yang sudah terjadi atau berpotensi menimbulkan kerugian bagi Bank, baik atas kerugian finansial maupun non finansial yang dicatatkan kedalam aplikasi *Loss Event Database* (LED). Sebagai bentuk peningkatan atas penggunaan aplikasi LED (*Loss Event Database*) Bank telah melakukan pembaharuan terhadap pedoman aplikasi LED melalui Surat Edaran Direksi No.SE/048/DIR/2023 tentang Pedoman *Loss Event Database* PT Bank KB Bukopin Tbk.

Kejadian-kejadian berisiko selama tahun 2023 baik yang disebabkan karena faktor kelalaian karyawan, sistem, proses ataupun kejadian eksternal dinilai mengalami kerugian yang relatif tidak signifikan terhadap Bank. Bank menggunakan pendekatan indikator dasar untuk mengalokasi modal dan Aktiva Tertimbang Menurut Risiko (ATMR) untuk risiko operasional dengan menggunakan data rata-rata 3 tahun terakhir dari pendapatan bruto Bank.

Bank telah melakukan perhitungan beban modal risiko operasional berdasarkan *Basel Committee on Banking Supervision* dan Peraturan Otoritas Jasa Keuangan Nomor 11/POJK.03/2016 tanggal 29 Januari 2016 tentang Kewajiban Penyediaan Modal Minimum Bank Umum. Berdasarkan ketentuan tersebut, Bank dalam melakukan perhitungan ATMR risiko operasional menggunakan Pendekatan Indikator Dasar.

Bank telah melakukan uji coba perhitungan beban modal risiko operasional berdasarkan *Basel III: Finalizing Post-Crisis Reforms* dan Surat Edaran Otoritas Jasa Keuangan Nomor 6/SEOJK.03/2020 tanggal 29 April 2020 tentang perhitungan ATMR risiko operasional menggunakan Pendekatan Standar bagi Bank Umum (*Standard Measurement Approach*) yang berlaku pada tanggal 1 Januari 2023.

Risiko Hukum

Risiko hukum adalah risiko akibat tuntutan hukum dan/atau kelemahan aspek yuridis, yang antara lain disebabkan oleh lemahnya perikatan yang dilakukan oleh Bank, ketiadaan dan/atau perubahan peraturan perundang-undangan yang menyebabkan suatu transaksi yang telah dilakukan Bank menjadi tidak sesuai dengan ketentuan dan proses litigasi baik yang timbul dari gugatan pihak ketiga terhadap Bank maupun Bank terhadap pihak ketiga.

40. Risk Management (continued)

Operational Risk (continued)

In addition, the Bank has also monitored the recording of data on Bank losses that have occurred or have the potential to cause losses to the Bank, both financial and non-financial losses that are recorded in the Loss Event Database (LED) application. As a form of increasing the use of the LED application (Loss Event Database) the Bank has updated the LED application guidelines through Directors Circular Letter No.SE/048/DIR/2023 concerning Loss Event Database Guideline PT KB Bank Bukopin, Tbk.

Risk events in 2023 either due to negligence of employees, system, processes, or external events are considered as having incurred relatively insignificant losses to the Bank. The Bank adopts basic indicator approach to allocate capital and Risk Weighted Assets (RWA) for operational risk using average data of the last 3 years of the Bank's gross income.

The Bank has calculated the operational risk capital charge under the Basel Committee on Banking Supervision and the Financial Services Authority Regulation Number 11/POJK.03/2016 dated January 29, 2016 regarding the Minimum Capital Requirement for Commercial Banks. Based on these provisions, the Bank performs operational risk calculations using the Basic Indicator Approach.

The Bank has conducted a trial test on the calculation of operational risk capital costs based on Basel III: Finalizing of Post-Crisis Reforms and Financial Services Authority Circular Letter Number 6/SEOJK.03/2020 dated April 29, 2020, concerning Calculation of Operational RWA Using Standard Approaches for Commercial Banks which have been apply effective January 1, 2023.

Legal Risk

Legal risk is the risk due to legal claims and/or weaknesses in legal aspects which among others derived from the weaknesses in the Bank's engagements, the absence and/or changes in laws which result in the transaction executed by the Bank is not aligned with the current regulations, and litigation process both from third parties to the Bank and from the Bank to third parties.

40. Manajemen Risiko (lanjutan)

Risiko Hukum (lanjutan)

Proses identifikasi risiko hukum dilakukan dengan menganalisis seluruh sumber risiko hukum yang sekurang-kurangnya dilakukan terhadap rencana penyelenggaraan produk dan/atau layanan Bank, seluruh aktivitas Bank yang tidak terbatas pada kegiatan penghimpunan dana, penyaluran dana, *treasury*, *trade finance services*, pengelolaan sumber daya manusia, pengembangan produk/aktifitas baru, serta pelaksanaan kegiatan operasional dan bisnis lainnya melalui proses pengendalian manajemen risiko hukum yang layak sebelum diperkenalkan atau dijalankan.

Melalui Departemen Hukum Perusahaan dan Litigasi, Bank telah melakukan identifikasi risiko hukum yang memadai dengan memberikan legal *advisory*/legal opinion dan analisis yuridis kepada unit terkait untuk meningkatkan kualitas perjanjian kredit/Kerjasama agar tidak merugikan Bank, serta memperkuat standar perjanjian Kerjasama dan kebijakan manajemen risiko hukum sebagai bentuk mitigasi atas risiko yang akan muncul.

Selain itu Identifikasi serta pengukuran risiko hukum juga dilakukan melalui pemantauan penanganan kasus hukum, *potential loss* yang dihadapi Bank dari tuntutan hukum, serta pemantauan biaya legal. Pengelolaan risiko hukum Bank dilakukan oleh Departemen Hukum Perusahaan dan Litigasi dengan fokus kepada penyelesaian tuntutan hukum. Departemen tersebut bertanggung jawab untuk memastikan penguatan posisi Bank dalam kasus yang di hadapi oleh Bank.

Identifikasi risiko hukum juga dilakukan pada seluruh aktivitas Bank yang tidak terbatas pada kegiatan penghimpunan dana, penyaluran dana, *treasury, trade finance services*, pengelolaan sumber daya manusia, pengembangan produk/aktifitas baru, serta pelaksanaan kegiatan operasional dan bisnis lainnya.

Risiko Reputasi

Risiko reputasi adalah risiko akibat menurunnya tingkat kepercayaan pemangku kepentingan (*stakeholder*) yang bersumber dari persepsi negatif terhadap Bank, yang antara lain disebabkan adanya kejadian yang telah merugikan reputasi Bank, misalnya pemberitaan negatif di media massa, pelanggaran etika bisnis, keluhan nasabah, serta hal lain yang dapat menyebabkan risiko reputasi, misalnya kelemahan pada tata kelola, budaya perusahaan dan praktik bisnis Bank.

40. Risk Management (continued)

Legal Risk (continued)

The process of identifying legal risks is carried out by analyzing all sources of legal risks which at least are carried out on plans for implementing Bank products and/or services, all Bank activities that are not limited to fundraising activities, fund distribution, treasury, trade finance services, human resource management, development of new products/activities, as well as implementation of operational and other business activities through appropriate legal risk management control processes prior to their introduction or implementation.

Through the Corporate Legal and Litigation Department, the Bank has identified adequate legal risks by providing legal advisory, legal opinion, and juridical analysis to related units to improve the quality of credit and cooperation agreements so as not to harm the Bank, as well as strengthening Cooperation agreement standards and legal risk management policies as a form of mitigation of the risks that will arise.

In addition, the identification and measurement of legal risk is also carried out through monitoring the handling of legal cases, potential loss faced by the Bank from lawsuits, and monitoring legal costs. The Bank's legal risk management is carried out by the Corporate Legal and Litigation Department with a focus on resolving legal claims. This department is responsible for ensuring the strengthening of the Bank's position in cases faced by the Bank.

Legal risk identification is also carried out in all Bank activities which are not limited to fund raising, fund distribution, treasury, trade finance services, human resource management, new product/activity development, as well as the implementation of other operational and business activities.

Reputation Risk

Reputation risk is the risk due to decrease in stakeholders' trust that comes from negative perception on the Bank, among others derived from events that resulting loss to the Bank, such as negative news in mass media, transgression of business ethics, customers complaints, and other matters resulting reputation risk, such as the weaknesses in corporate governance, corporate culture, and the Bank's business practices.

40. Manajemen Risiko (lanjutan)

Risiko Reputasi (lanjutan)

Karena risiko reputasi melekat pada berbagai kegiatan dan aspek, Bank bergantung pada perangkat dan mekanisme pengelolaan risiko operasional dalam mengelola risiko ini. Dengan demikian, Bank melakukan analisis atas setiap pengaduan nasabah ataupun persepsi negatif Bank yang disampaikan melalui media pemberitaan (media massa, media online, media TV dan media sosial) untuk memastikan penyebab dan penyelesaiannya.

Bank memiliki Departemen khusus yang memiliki bertanggung jawab untuk melakukan pengelolaan risiko reputasi terkait dengan pengaduan nasabah, serta Departemen khusus yang bertanggung jawab terkait pengelolaan risiko reputasi atas komunikasi internal dan eksternal serta pemantauan dan pengelolaan media.

Pengelolaan risiko reputasi atas pengaduan/ keluhan nasabah atau pemberitaan negatif yang disampaikan secara langsung kepada Bank ataupun melalui media online serta media lainnya terus dilakukan secara berkelanjutan melalui:

i. Penggunaan *Complaint Tracking System* sebagai aplikasi untuk monitoring dan pengelolaan atas penanganan serta penyelesaian pengaduan nasabah;
ii. Pelaksanaan pemantauan atas pemberitaan di media massa baik cetak maupun elektronik menggunakan sistem *dashboard* secara harian;
iii. Pelaksanaan fungsi pemantauan dan pengelolaan atas pemberitaan Bank di Media Massa oleh *Corporate Relation Department*
iv. Pelaksanaan fungsi pemantauan atas penyelesaian penanganan pengaduan nasabah oleh *Customer Experience and Development Department*;
v. Pelaksaan program pertemuan rutin tahunan dengan awak media sebagai bentuk menjaga relasi Perusahaan;
vi. Pengelolaan Perlindungan Konsumen yang dilakukan oleh *Compliance Development and Customer Protection Unit.*

Sebagai bagian dari proses manajemen risiko reputasi, Bank menyediakan media komunikasi bagi nasabah apabila mengalami ketidaknyamanan dalam bertransaksi baik melalui media sosial, email maupun layanan telepon Halo Bukopin yang beroperasi selama 24 Jam.

Rating Bank berdasarkan Fitch dipertahankan pada tingkat AAA(idn) dan Pefindo pada idAAA.

40. Risk Management (continued)

Reputation Risk (continued)

Since reputational risk is inherent in various activities and aspects, the Bank relies on tools and mechanisms in operational risk management in managing such risk. Therefore, the Bank analyzes each customer complain or negative perception that is published through the news media (mass media, online media, TV program and social media) to ascertain the cause and its resolution.

The Bank has a special Department that is responsible for managing reputation risk related to customer complaints, as well as a special Department that is responsible for managing reputation risk for internal and external communications as well as media monitoring and management.

Reputation risk management of customer complaints or negative news that submitted directly to the Bank or through online media and other media is carried out continuously through:

i. Use of the Complaint Tracking System as an application to monitor and manage the handling and resolution of customer complaints;
ii. Implementation of monitoring of reporting in mass media, both print mass media and electronic, using a dashboard system on a daily basis;
iii. Implementation of the monitoring and management function of Bank reporting in the Mass Media by the Corporate Relations Department;
iv. Implementation of the monitoring function for the resolution of handling customer complaints by the Customer Experience and Development Department;
v. Implementation of a regular annual meeting program with media crew as a form of maintaining relationships as well as managing the Company's reputation;
vi. Consumer Protection Management carried out by the Compliance Development and Customer Protection Unit.

As part of the reputation risk management process, the Bank provides communication media for customers if they experience inconvenience in transactions either via the Bank's official social media, email or the Halo Bukopin telephone service which operates 24 hours.

Bank’s rating based on Fitch is maintained at AAA(idn) and Pefindo's rating at idAAA.

40. Manajemen Risiko (lanjutan)

Risiko Reputasi (lanjutan)

Untuk memastikan pengendalian risiko reputasi, Bank telah melakukan langkah-langkah antara lain:

- Penetapan alur proses secara jelas atas penyelesaian penanganan pengaduan nasabah;
- Penerapan *Service Level Agreement* (SLA) di tiap unit kerja untuk memastikan aktivitas layanan kepada nasabah telah sesuai dengan standar waktu;
- Melaksanakan pelatihan kepada karyawan untuk meningkatkan kualitas pelayanan Bank kepada nasabah.

Risiko Kepatuhan

Risiko kepatuhan adalah risiko yang terjadi karena Bank tidak mematuhi dan/atau tidak melaksanakan ketentuan internal, peraturan perundang-undangan dan ketentuan yang berlaku secara umum. Dalam menjalankan kegiatan usaha pada industri perbankan, Bank diwajibkan untuk selalu tunduk terhadap peraturan perbankan yang diterbitkan baik oleh Pemerintah maupun Bank Indonesia. Selain itu, Bank juga wajib tunduk kepada beberapa ketentuan lainnya, seperti peraturan yang mengatur penjaminan simpanan, perseroan terbatas, perpajakan dan peraturan di bidang pasar modal Otoritas Jasa Keuangan (OJK).

Dalam menjalankan kegiatan usaha, Bank senantiasa menjaga kepatuhan terhadap ketentuan Otoritas Jasa Keuangan (OJK) dan peraturan perundang-undangan yang berlaku untuk memelihara reputasi bank, sehingga sesuai dengan harapan dari seluruh pemangku kepentingan dan juga industri perbankan pada umumnya.

Pelaksanaan Fungsi Kepatuhan Bank juga merupakan salah satu cerminan dari penerapan Tata Kelola perusahaan yang baik (*Good Corporate Governance*). Apabila Bank lalai dalam menjalankan fungsi kepatuhan maka Bank akan berhadapan langsung dengan risiko kepatuhan (*compliance risk*).

Pada praktiknya risiko kepatuhan melekat pada risiko Bank yang terkait pada peraturan perundang-undangan, ketentuan kehati-hatian dan ketentuan lain yang berlaku, seperti:

- Kepatuhan terhadap ketentuan dan/atau standar yang berlaku, seperti diantaranya pemenuhan ketentuan atas Kewajiban Pemenuhan Modal Minimum (KPMM), Penilaian Kualitas Aset Bank, Pembentukan Cadangan Kerugian Penurunan Nilai (CKPN), Aktiva Tertimbang Menurut Risiko (ATMR), Batas Maksimum Pemberian Kredit (BMPK), Posisi Devisa Netto (PDN), Giro Wajib Minimum, *Liquidity Coverage Ratio (LCR) dan Net Stable Funding Ratio* (NSFR).

40. Risk Management (continued)

Reputation Risk (continued)

To ensure reputation risk control, the Bank has taken steps including:

- Establishing a clear process flow for resolving customer complaints;
- Implementation of Service Level Agreement in all business units to ensure that the service activities meets the maximum service time standards;
- Conduct training for employees to improve the quality of Bank's services for customers.

Compliance Risk

Compliance risk is the risk incurred due to the Bank has not complied and/or not implemented the applicable internal policies, laws, and regulations. In engaging in the banking industry services, the Bank is required to always comply with the banking regulations issued by the Goverment and Bank Indonesia. In addition, the Bank is also required to comply with several other rules, such as regulation on deposit guarantee program, limited liability company, taxation and capital market Financial Services Authority (OJK).

In the conduct of its business activities, the Bank at all times maintains compliance with Financial Services Authority (OJK) regulations and applicable laws and regulations to maintain the Bank's reputation, so as to align with the expectations of all stakeholders and also the banking industry in general.

The implementation of the Bank's Compliance Function also reflects the implementation of Good Corporate Governance. In the event the Bank is negligent in carrying out its compliance function, the Bank will directly encounter with compliance risk.

In practice, compliance risk is inherent to the Bank's activities that are related to regulations, prudential provisions, and other provisions, such as:

- Compliance with the prevailing regulations and/or standards, among others are Minimum Capital Requirement (CAR), Assessment of Bank Asset Quality, Formation of Allowance for Impairment Losses, Calculation of Risk Weighted Assets (RWA) and Legal Lending Limit (LLL) regulations, Net Open Position (NOP), Minimum Statutory Reserves (GWM), Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR).

40. Manajemen Risiko (lanjutan)

Risiko Kepatuhan

- Pemenuhan komitmen Rencana Bisnis Bank (RBB);
- Risiko operasional terkait pemenuhan ketentuan terkait prinsip-prinsip *Know Your Customer* (KYC) dan Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme (APU-PPT);
- Ketentuan terkait internal proses bisnis;
- Ketentuan pelaporan kepada regulator.

Kesalahan dalam melakukan interpretasi terhadap ketentuan perundang-undangan, juga berpotensi menimbulkan terjadinya risiko kepatuhan. Risiko kepatuhan yang terjadi pada Bank dapat memengaruhi reputasi dan tingkat kepercayaan masyarakat terhadap Bank, yang pada akhirnya dapat memengaruhi kinerja dan perkembangan usaha Bank.

Identifikasi dan pengukuran risiko kepatuhan dilakukan secara berkala yang antara lain didasarkan pada pengalaman kerugian di masa lalu yang disebabkan oleh risiko kepatuhan melalui perhitungan risiko berdasarkan accounting loss data dan pengukuran lain melalui parameter profil risiko kepatuhan.

Pelaksanaan fungsi kepatuhan merupakan tindakan yang bersifat preventif (*ex-ante*) untuk memastikan kegiatan usaha Bank telah sesuai dengan peraturan perundang undangan yang berlaku.

Bank memiliki *Divisi Compliance and Quality Assurance* yang bertanggung jawab untuk mengkoordinir penerapan tata kelola Perusahaan, terwujudnya budaya kepatuhan, tersedianya kebijakan internal yang sesuai dengan regulasi eksternal dan memantau pemenuhan komitmen Bank ke Regulator, serta memastikan terselenggaranya penerapan strategi anti pencucian uang dan pencegahan pendanaan terorisme Bank.

Risiko Stratejik

Risiko stratejik adalah risiko akibat ketidaktepatan dalam pengambilan dan/atau pelaksanaan suatu keputusan strategis serta kegagalan dalam mengantisipasi perubahan lingkungan bisnis yang antara lain disebabkan kelemahan dalam proses formulasi strategi dan ketidaktepatan dalam perumusan strategi, sistem informasi yang kurang memadai, ketidaktepatan dalam implementasi strategi dan penetapan tujuan strategis yang terlalu agresif.

Bank merumuskan dan menetapkan target dan strategi bisnis yang akan dicapai di dalam rencana bisnis (business plan) dengan mempertimbangkan faktor internal dan eksternal sesuai dengan visi dan misi Bank.

40. Risk Management (continued)

Compliance Risk

- Fulfillment the commitments of Bank's Business Plan regulation;
- Operational risks due to The Know Your Customer Principles (KYCP) and Anti Money Laundering and Countering the Financing of Terrorism (APU-PPT);
- Regulation related to internal business process;
- Regulation related to regulatory report.

Misinterpretation in the statutory provisions also potentially create compliance risks. Compliance risk in the Bank can affect the reputation and public trust to the Bank, which in turn can affect the performance and business development of the Bank.

The identification and measurement of compliance risk is carried out on a regular basis which is based on, among other things, the experience of past losses caused by compliance risk through risk calculations based on accounting loss data and other measurements through compliance risk profile parameters.

The implementation of the compliance function is a preventive (ex-ante) action to ensure that the Bank's business activities are conducted in accordance with applicable laws.

The Bank has a Compliance and Quality Assurance Division which is responsible for coordinating the implementation of corporate governance, creating a culture of compliance, providing internal policies that are in accordance with external regulations and monitoring the fulfillment of the Bank's commitments to regulators, as well as ensuring the implementation of the Bank's anti-money laundering strategy and preventing the financing of terrorism.

Strategic Risk

Strategic risk is the risk due to inaccuracy in making and/or implementing a strategic decision and failure to anticipate changes in the business environment, among others derived from the weaknesses in the strategy formulation process, inaccuracies in the formulation of strategy, inadequate information system, inaccuracies in strategy implementation, and setting the strategic goals that are too aggressive.

Bank formulates and defines the business targets and strategies to be achieved in the business plan by considering internal and external factors in accordance with Bank's vision and mission.

40. Manajemen Risiko (lanjutan)

Risiko Stratejik

Bank merumuskan dan menetapkan target dan strategi bisnis yang akan dicapai di dalam rencana bisnis (business plan) dengan mempertimbangkan faktor internal dan eksternal sesuai dengan visi dan misi Bank.

Bank mengelola risiko stratejik melalui proses pertimbangan dan pengambilan keputusan setiap kebijakan strategis secara kolektif dan komprehensif oleh Direksi dan Komite-Komite yang telah dibentuk.

Tujuan utama Bank dalam mengelola risiko stratejik adalah untuk memastikan bahwa proses manajemen risiko dapat meminimalkan kemungkinan dampak negatif dari ketidaktepatan pengambilan keputusan stratejik dan kegagalan dalam mengantisipasi perubahan lingkungan bisnis. Pengelolaan risiko stratejik dilaksanakan melalui monitoring, analisis dan evaluasi atas pencapaian target dan sasaran Bank secara detail dan rutin.

Bank secara rutin melakukan pengendalian risiko stratejik antara lain dengan memantau posisi Bank baik antar industri perbankan maupun antar peer group, pemantauan realisasi anggaran (rencana bisnis) dan pengukuran lainnya melalui parameter profil risiko stratejik dan dilanjutkan dengan mitigasi faktor penyebab kegagalan dan pelaksanaan pemantauan perkembangan kondisi makro ekonomi yang dapat berdampak pada bisnis Bank.

Bank telah memiliki Divisi Strategi Perusahaan yang bertanggung jawab dalam perencanaan, pengelolaan dan pengembangan strategi Perusahaan serta keuangan berkelanjutan dan ESG.

40. Risk Management (continued)

Strategic Risk

Bank formulates and defines the business targets and strategies to be achieved in the business plan by considering internal and external factors in accordance with Bank's vision and mission.

The Bank manages strategic risks through a consideration, and decision-making process regarding every strategic policy in a collective and comprehensive manner performed by the established Directors and Committees.

The main objective of the Bank in managing strategic risk is to ensure that the risk management process can minimize the possibility of negative impacts from inaccurate strategic decision making and failure to anticipate changes in the business environment. Strategic risk management is carried out through monitoring, analysis and evaluation of the achievement of the Bank's goals and targets in detail and routinely.

The Bank routinely carries out strategic risk control including by monitoring the Bank's position both among the banking industry and among peer groups, monitoring the realization of the realization of the budget (business plan) and other measurements through strategic risk profile parameters and continued by mitigating the factors causing failure and implementing monitoring on developments in macroeconomic conditions that may have an impact to the Bank's business.

The Bank has a Corporate Strategy Division which is responsible for planning, managing and developing corporate strategy as well as sustainable finance and ESG.

41. Analisis Jatuh Tempo Aset dan Liabilitas Berdasarkan Periode yang Tersisa

41. Maturity Profile Based on Remaining Period To Maturity

	2023							
	Total	≤ 1 Bulan/ *≤ 1 Months*	> 1 - 3 Bulan/ *> 1 - 3 Months*	> 3 Bulan - 1 Tahun/ *> 3 Months - 1 Year*	> 1- 5 Tahun/ *> 1 - 5 Years*	> 5 Tahun/ *> 5 Years*	Tidak Memiliki Jatuh Tempo/ *without Maturity*	
Kas	289.184	289.184	-	-	-	-	-	Cash
Giro pada Bank Indonesia	3.205.619	3.205.619	-	-	-	-	-	Current accounts with Bank Indonesia
Giro pada bank lain - bruto	342.881	342.881	-	-	-	-	-	Current accounts with other banks - gross
Penempatan pada Bank Indonesia	2.133.567	2.133.567	-	-	-	-	-	Placements with Bank Indonesia
dan bank lain - bruto				-	-		-	and other banks - gross
Surat-surat berharga - bruto	17.536.249	661.413	336.640	353.954	6.089.466	10.096.776	-	Marketable securities - gross
Tagihan surat-surat berharga yang dibeli dengan janji dijual kembali - net	2.572.152	2.388.117	48.404	135.631	-	-	-	Marketable securities receivable purchased with agreement to resell - net
Tagihan derivative	3.040	3.040	-	-	-	-	-	Derivatives payable
Kredit yang diberikan dan pembiayaan/ piutang syariah - bruto	49.418.616	1.455.712	2.346.527	9.755.809	15.165.632	20.694.936	-	Loans and sharia financing/receivables - gross
Tagihan akseptasi - bruto	132.577	29.648	71.000	31.929	-	-	-	Acceptances receivable - gross
Penyertaan saham bruto	15	-	-	-	-	-	15	Investment in shares - gross

41. Analisis Jatuh Tempo Aset dan Liabilitas Berdasarkan Periode Yang Tersisa (lanjutan)

41. Maturity Profile Based on Remaining Period To Maturity (continued)

2023

	Total	≤ 1 Bulan/ *≤ 1 Months*	> 1 - 3 Bulan/ *> 1 - 3 Months*	> 3 Bulan - 1 Tahun/ *> 3 Months - 1 Year*	> 1- 5 Tahun/ *> 1 - 5 Years*	> 5 Tahun/ *> 5 Years*	Tidak Memiliki Jatuh Tempo/ *without Maturity*	
Aset tetap - bersih	3.233.675	-	-	-	-	-	3.233.675	Fixed assets - net
Aset pajak tangguhan neto	2.670.542	-	-	-	-	-	2.670.542	Deferred tax assets net
Aset tak berwujud - neto	285.585	-	-	-	-	-	285.585	intangible assets - net
Aset lain-lain - bruto	6.068.454	1.064.632	-	-	-	-	5.003.822	Other assets -gross
Total	87.892.156	11.573.813	2.800.571	10.277.323	21.255.098	30.791.712	11.193.639	Total
Cadangan kerugian penurunan nilai	(3.584.856)							Allowance for impairment losses
	84.307.300							
Liabilitas								**Liabilities**
Liabilitas segera	431.402	431.402	-	-	-	-	-	Liabilities immediately payable
Simpanan nasabah	44.789.143	22.728.772	9.686.577	12.180.392	193.402	-	-	Deposits from customers
Simpanan dari bank lain	7.886.721	4.644.351	3.241.370	1.000	-	-	-	Deposits from other banks
Surat-surat berharga yang dijual dengan janji dibeli kembali - neto	219.631	219.631	-	-	-	-	-	Marketable securities sold with agreement to repurchases - net
Liabilitas derivatif	808	808	-	-	-	-	-	Derivatives payable
Liabilitas akseptasi	132.577	29.648	71.000	31.929	-	-	-	Acceptances payable
Pinjaman yang diterima	11.704.492	1.231.760		2.297.327	8.175.405	-	-	Borrowings
Hutang pajak	64.635	-	-	-	-	-	64.635	Taxes Payable
Surat berharga yang diterbitkan	3.397.588	-	-	-	3.397.588	-	-	Marketable securities
Liabilitas lain-lain	1.570.140	177.588	-	206.373	-	100.344	1.085.835	Other liabilities
Total	70.197.137	29.463.960	12.998.947	14.717.021	11.766.395	100.344	1.150.470	Total
Perbedaan jatuh tempo	17.695.019	(17.890.147)	(10.198.376)	(4.439.698)	9.488.703	30.691.368	10.043.169	Maturity gap
Aset neto	**14.110.163**							**Net assets**

2022

	Total	≤ 1 Bulan/ *≤ 1 Months*	> 1 - 3 Bulan/ *> 1 - 3 Months*	> 3 Bulan - 1 Tahun/ *> 3 Months - 1 Year*	> 1- 5 Tahun/ *> 1 - 5 Years*	> 5 Tahun/ *> 5 Years*	Tidak Memiliki Jatuh Tempo/ *without Maturity*	
Kas	524.320	524.320	-	-	-	-	-	Cash
Giro pada Bank Indonesia	4.140.431	4.140.431	-	-	-	-	-	Current accounts with Bank Indonesia
Giro pada bank lain - bruto	744.059	744.059	-	-	-	-	-	Current accounts with other banks - gross
Penempatan pada Bank Indonesia dan bank lain - bruto	12.180.830	11.945.155	50.000	185.675	-	-	-	Placements with Bank Indonesia and other banks - gross
Surat-surat berharga - bruto	12.009.954	753.768	441.052	1.203.548	4.457.525	5.154.061	-	Marketable securities - gross
Tagihan derivatif	9.254	9.254	-	-	-	-	-	Derivatives payable
Kredit yang diberikan dan pembiayaan/ piutang syariah - bruto	50.583.434	773.013	30.551	4.863.605	17.618.090	27.298.175	-	Loans and sharia financing/receivables - gross
Tagihan akseptasi - bruto	17.346	3.833	10.453	3.060	-	-	-	Acceptances receivable - gross
Penyertaan saham bruto	15	-	-	-	-	-	15	Investment in shares -gross gross
Aset tetap - bersih	3.396.202	-	-	-	-	-	3.396.202	Fixed assets - net
Aset pajak tangguhan neto	1.942.151	-	-	-	-	-	1.942.151	Deferred tax assets net
Aset tak berwujud - neto	201.994	-	-	-	-	-	201.994	intangible assets - net
Aset lain-lain - bruto	5.872.414	88.722	-	-	-	-	5.783.692	Other assets
Total	91.622.404	18.982.555	532.056	6.255.888	22.075.615	32.452.236	11.324.054	Total
Cadangan kerugian penurunan nilai	(1.627.052)							Allowance for impairment losses
	89.995.352							
Liabilitas								**Liabilities**
Liabilitas segera	388.522	388.522	-	-	-	-	-	Liabilities immediately payable
Simpanan nasabah	51.962.371	29.238.273	9.338.237	12.870.049	513.229	2.583	-	Deposits from customers
Simpanan dari bank lain	10.381.375	10.381.375	-	-	-	-	-	Deposits from other banks
Liabilitas derivatif	12.259	12.259	-	-	-	-	-	Derivatives payable
Liabilitas akseptasi	17.346	3.833	10.453	3.060	-	-	-	Acceptances payable
Pinjaman yang diterima	11.200.130	-	500.000	2.700.000	7.900.564	99.566	-	Borrowings
Surat berharga yang diterbitkan	3.392.717	-	-	-	2.707.717	685.000	-	Marketable securities issued
Liabilitas lain-lain	1.367.530	209.671	-	-	-	2.000.000	(842.141)	Other liabilities
Total	78.722.250	40.233.933	9.848.690	15.573.109	11.121.510	2.787.149	(842.141)	Total
Perbedaan jatuh tempo	12.900.154	(21.251.378)	(9.316.634)	(9.317.221)	10.954.105	29.665.087	10.481.913	Maturity gap
Aset neto	**5.732.755**							**Net assets**

42. Pengelolaan Permodalan

Sasaran utama atas kebijakan pengelolaan permodalan yang dilakukan oleh Bank adalah untuk mematuhi ketentuan permodalan eksternal yang berlaku dan untuk mempertahankan rasio permodalan yang sehat agar dapat mendukung usaha dan memaksimalkan nilai bagi pemegang saham.

Bank mengelola struktur modal dan melakukan penyesuaian atas struktur tersebut terhadap perubahan kondisi ekonomi dan karakteristik risiko aktivitasnya. Untuk mempertahankan atau menyesuaikan struktur modal tersebut, Bank dapat menyesuaikan jumlah pembayaran dividen kepada pemegang saham, mengembalikan modal kepada pemegang saham atau mengeluarkan saham baru.

Manajemen menggunakan rasio permodalan yang diwajibkan regulator untuk memantau permodalan Bank. Pendekatan OJK untuk pengukuran tersebut terutama berdasarkan pengawasan atas hubungan antara kecukupan modal dengan ketersediaan modal.

Bank telah melakukan perhitungan kecukupan modal berdasarkan Peraturan OJK yang berlaku, dimana modal yang dimiliki diklasifikasikan dalam 2 (dua) Tier yaitu Modal Tier 1 dan Modal Tier 2.

Bank tidak memiliki modal tambahan yang memenuhi kriteria Modal Tier 3 sesuai dengan Peraturan OJK yang berlaku.

Perhitungan Kewajiban Penyediaan Modal Minimum (KPMM) Bank pada 31 Desember 2023 dan 2022 sesuai dengan Peraturan Otoritas Jasa Keuangan adalah sebagai berikut:

42. Capital Management

The primary objectives of the Bank's capital management policy are to ensure that the Bank complies with externally imposed capital requirements and that the Bank maintains healthy capital ratios in order to support its business and to maximize shareholder value.

The Bank manages its capital structure and makes adjustments to that structure to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Bank may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

Management uses regulatory capital ratios in order to monitor its capital. OJK`s approach to such measurement is primarily based on monitoring the relationship of the capital adequacy to availability of capital resources.

The Bank calculated its capital adequacy requirements using the prevailing OJK regulation, where the regulatory capital is classified into 2 (two) tiers, Tier 1 Capital and Tier 2 Capital.

The Bank does not have any other supplementary capital which meets the criteria of Tier 3 Capital under prevailing OJK regulation.

The Capital Adequacy Ratio (CAR) calculations for the Bank only as at December 31, 2023 and 2022 in accordance with the prevailing Financial Services Authority Regulations are as follow:

	2023		2022		
	Entitas Induk/ *Parent Only*	**Konsolidasi/ *Consolidated***	**Entitas Induk/ *Parent Only***	**Konsolidasi *Consolidated***	
Modal					Capital
Tier I	7.847.606	9.813.056	5.726.315	6.750.289	Tier I
Tier II	4.317.559	4.392.073	4.778.737	4.788.685	Tier II
Jumlah Modal	**12.165.165**	**14.205.129**	**10.505.052**	**11.538.974**	**Total Capital**
Aktiva Tertimbang Menurut Risiko untuk Risiko Kredit	42.683.771	48.289.880	52.182.469	55.820.223	Risk Weighted Assets for Credit Risk
Aktiva Tertimbang Menurut Risiko untuk Risiko Operasional	2.098.314	2.344.395	2.547.386	3.068.047	Risk Weighted Assets for Operational Risk
Aktiva Tertimbang Menurut Risiko untuk Risiko Pasar	197.195	197.195	317.510	317.510	Risk Weighted Assets for Market Risk
Rasio CET 1	17,45%	19,31%	10,40%	11,40%	CET 1 Ratio
Rasio Tier 1	17,45%	19,31%	10,40%	11,40%	Tier 1 Ratio
Rasio Tier 2	9,60%	8,64%	8,68%	8,09%	Tier 2 Ratio
Total KPMM	27,05%	27,95%	19,08%	19,49%	Total CAR
Rasio Kewajiban Penyediaan Modal Minimum yang diwajibkan	10-11%	10-11%	10-11%	10-11%	Minimum Capital Adequacy Ratio required
Capital conservation buffer	2,50%	2,50%	2,50%	2,50%	Capital conservation buffer
Countercyclical buffer	0,00%	0,00%	0,00%	0,00%	Countercyclical buffer
Capital surcharge untuk bank sistemik	0,00%	0,00%	0,00%	0,00%	Capital surcharge for systemic bank

Bank mematuhi semua persyaratan modal yang ditetapkan oleh pihak eksternal sepanjang periode pelaporan, khususnya berkenaan dengan perhitungan Kewajiban Penyediaan Modal Minimum (KPMM) dan Aktiva Tertimbang Menurut Risiko (ATMR).

The Bank has complied with all externally imposed capital requirements throughout the reporting period, particularly regarding Capital Adequacy Ratio (CAR) and calculation of Risk Weighted Assets (RWA).

42. Pengelolaan Permodalan (lanjutan)

Berdasarkan POJK No.34/POJK.03/2016 tanggal 22 September 2016 tentang Kewajiban Penyediaan Modal Minimum, Bank wajib membentuk tambahan modal sebagai penyangga *(buffer)*, sebagai berikut:

a. *Capital Conservation Buffer* adalah tambahan modal yang berfungsi sebagai penyangga *(buffer)* apabila terjadi kerugian pada periode krisis;
b. *Countercyclical Buffer* adalah tambahan modal yang berfungsi untuk mengantisipasi kerugian apabila terjadi pertumbuhan kredit perbankan yang berlebihan sehingga berpotensi mengganggu stabilitas sistem keuangan;
c. *Capital Surcharge* untuk *Domestic Systemically Important Bank* (D-SIB) adalah tambahan modal yang berfungsi untuk mengurangi dampak negatif terhadap stabilitas sistem keuangan dan perekonomian apabila terjadi kegagalan Bank yang berdampak sistemik melalui peningkatan kemampuan Bank dalam menyerap kerugian.

Tambahan modal sebagai penyangga *(buffer)* yang wajib dibentuk oleh Bank adalah:

a. *Capital Conservation Buffer* sebesar 2,5% dari ATMR untuk Bank yang tergolong dalam Kelompok Bank berdasarkan Modal Inti KBMI 2 atau KBMI 3 yang pemenuhannya secara bertahap:
   - 0,625% dari ATMR mulai 1 Januari 2016;
   - 1,25% dari ATMR mulai 1 Januari 2017;
   - 1,875% dari ATMR mulai 1 Januari 2018;
   - 2,5% dari ATMR mulai 1 Januari 2019.
b. *Countercyclical Buffer* sebesar 0% (nol persen) sampai dengan 2,5% (dua koma lima persen) dari ATMR bagi seluruh Bank.
c. *Capital Surcharge* untuk D-SIB sebesar 1% (satu persen) sampai dengan 2,5% (dua koma lima persen) dari ATMR Bank yang berdampak sistemik.

Pemenuhan modal sebagai penyangga *(buffer)* harus dipenuhi dengan menggunakan komponen modal inti utama *(Common Equity Tier 1)*.

Berdasarkan PBI No. 17/22/PBI/2015 tanggal 23 Desember 2015 tentang Kewajiban Pembentukan *Countercyclical Buffer* (CCB) ditetapkan bahwa besaran CCB yang ditetapkan oleh Bank Indonesia untuk pertama kali, yaitu mulai 1 Januari 2016 adalah sebesar 0% dan berlaku untuk seluruh bank, baik bank umum konvensional dan bank umum syariah, termasuk kantor cabang dari bank yang berkedudukan di luar negeri.

Sasaran utama atas kebijakan pengelolaan permodalan yang dilakukan oleh Bank adalah untuk mematuhi ketentuan permodalan eksternal yang berlaku dan untuk mempertahankan rasio permodalan yang sehat agar dapat mendukung usaha dan memaksimalkan nilai bagi pemegang saham.

42. Capital Management (continued)

Based on POJK No.34/POJK.03/2016 dated September 22, 2016 concerning Capital Adequacy Ratio, the Bank is required to establish additional capital as a buffer, as follows:

a. Capital Conservation Buffer is an additional capital which serves as a buffer in the event of a loss in the period of crisis;

b. Countercyclical Buffer is an additional capital which serves to anticipated losses in the event of excessive credit growth and thus potentially disrupt the stability of the financial system;

c. Capital Surcharge for Domestic Systemically Important Banks (D-SIB) is an additional capital which serves to reduce the negative impact on the stability of the financial system and economy in the event of Bank failure which has systemic effect through an increase in the Bank's ability to absorb losses.

Additional capital as a buffer which shall be established by the Bank are:

a. Capital Conservation Buffer amounting to 2.5% of RWA to the Bank classified to KBMI 2 or KBMI 3 whose fulfillment gradually:
   - 0.625% from RWA since January 1, 2016;
   - 1.25% from RWA since January 1, 2017;
   - 1.875% from RWA since January 1, 2018;
   - 2.5% from RWA since January 1, 2019.
b. Countercyclical Buffer in the amount of 0% (zero percent) up to 2.5% (two point five percent) from RWA for the whole Bank.
c. Capital Surcharge for D-SIB in the amount of 1% (one percent) to 2.5% (two point five percent) from RWA of Banks with systemic impact.

Fulfillment of capital as a buffer should be met by using components of common equity Tier 1.

Based on PBI No. 17/22/PBI/2015 dated December 23, 2015 concerning the Establishment of Countercyclical Buffer Obligation stipulated that the amount of CCB set by Bank Indonesia for the first time, starting January 1, 2016 amounted to 0% and applying to all banks, both conventional commercial bank and islamic banks, including branches of banks domiciled abroad.

The primary objectives of the Bank's capital management policy are to ensure that the Bank complies with externally imposed capital requirements and that the Bank maintains healthy capital ratios in order to support its business and to maximize shareholder value.

42. Pengelolaan Permodalan (lanjutan)

Evaluasi terhadap besaran CCB akan dilakukan secara berkala, yaitu paling kurang 1 kali dalam 6 bulan. Dalam hal berdasarkan hasil evaluasi ditetapkan bahwa besaran CCB tidak berubah maka Bank Indonesia akan mengeluarkan pengumuman di website Bank Indonesia dan apabila ditetapkan ada perubahan, maka Bank Indonesia akan menerbitkan Surat Edaran mengenai perubahan tersebut.

Berdasarkan POJK No. 46/POJK.03/2015 tanggal 23 Desember 2015 tentang Penetapan *Systemically Important Bank* dan *Capital Surcharge*, ditetapkan bahwa Otoritas Jasa Keuangan berkoordinasi dengan Bank Indonesia akan menetapkan SIB dan Capital Surcharge untuk SIB. Bank yang ditetapkan sebagai SIB wajib membentuk *Capital Surcharge* untuk SIB.

Penetapan SIB dan *Capital Surcharge* untuk SIB dilakukan secara semesteran setiap tahun pada:
a. Bulan Maret dengan menggunakan data pada bulan Desember tahun sebelumnya; dan
b. Bulan September dengan menggunakan data posisi bulan Juni tahun sebelumnya.

Otoritas Jasa Keuangan (OJK) menetapkan *Capital Surcharge* untuk SIB dalam 5 kelompok *bucket*:
a. 1% dari ATMR bagi SIB yang digolongkan dalam kelompok *bucket* 1;
b. 1,5% dari ATMR bagi SIB yang digolongkan dalam kelompok *bucket* 2;
c. 2% dari ATMR bagi SIB yang digolongkan dalam kelompok *bucket* 3;
d. 2,5% dari ATMR bagi SIB yang digolongkan dalam kelompok *bucket* 4;
e. 3,5% dari ATMR bagi SIB yang digolongkan dalam kelompok *bucket* 5.

Untuk pertama kali, OJK akan menetapkan SIB dalam 4 kelompok dimana pemenuhannya dilakukan secara bertahap:

1. SIB bagi kelompok *(bucket)* 1 sebesar:
   a. 0,25% dari ATMR sejak tanggal 1 Januari 2016;
   b. 0,5% dari ATMR sejak tanggal 1 Januari 2017;
   c. 0,75% dari ATMR sejak tanggal 1 Januari 2018;
   d. 1% dari ATMR sejak tanggal 1 Januari 2019.

2. SIB bagi kelompok *(bucket)* 2 sebesar:
   a. 0,375% dari ATMR sejak tanggal 1 Januari 2016;
   b. 0,75% dari ATMR sejak tanggal 1 Januari 2017;
   c. 1,125% dari ATMR sejak tanggal 1 Januari 2018;
   d. 1,5% dari ATMR sejak tanggal 1 Januari 2019.

42. Capital Management (continued)

The evaluation of the amount of CCB would be done regularly, i.e. at least 1 time within 6 months. In the case that based on the evaluation determined where the magnitude of the CCB does not change, then Bank Indonesia will issue an announcement on the website of Bank Indonesia and, if specified changes, then Bank Indonesia will issue a Circular Letter regarding such change.

According to POJK No. 46/POJK.03/2015 dated December 23, 2015 concerning the Stipulation of Systemically Important Banks and Capital Surcharge, the Financial Services Authority in coordination with Bank Indonesia will set SIB and Capital Surcharge for SIB. Banks are defined as SIB is required to establish Capital Surcharge for SIB.

Determination of SIB and Capital Surcharge for SIB conducted biannually on:
a. March using data in December of the previous year; and
b. September using data in June of the previous year.

Financial Services Authority (FSA) establish Capital Surcharge for SIB in 5 Banks of bucket:
a. 1% from RWA for SIB, which classified as bucket 1;
b. 1.5% from RWA for SIB, which classified as bucket 2;
c. 2% from RWA for SIB, which classified as bucket 3;
d. 2.5% from RWA for SIB, which classified as bucket 4;
e. 3.5% from RWA for SIB, which classified as bucket 5.

For the first time, the FSA will set the SIB into 4 buckets where fulfillment is done gradually:

1. SIB for bucket 1 amounted to:
   a. 0.25% from RWA since January 1, 2016;
   b. 0.5% from RWA since January 1, 2017;
   c. 0.75% from RWA since January 1, 2018;
   d. 1% from RWA since January 1, 2019.

2. SIB for bucket 2 amounted to:
   a. 0.375% from RWA since January 1, 2016;
   b. 0.75% from RWA since January 1, 2017;
   c. 1.125% from RWA since January 1, 2018;
   d. 1.5% from RWA since January 1, 2019.

42. Pengelolaan Permodalan (lanjutan)

3. SIB bagi kelompok *(bucket)* 3 sebesar:
   a. 0,5% dari ATMR sejak tanggal 1 Januari 2016;
   b. 1% dari ATMR sejak tanggal 1 Januari 2017;
   c. 1,5% dari ATMR sejak tanggal 1 Januari 2018;
   d. 2% dari ATMR sejak tanggal 1 Januari 2019.
4. SIB bagi kelompok *(bucket)* 4 sebesar:
   a. 0,625% dari ATMR sejak tanggal 1 Januari 2016;
   b. 1,25% dari ATMR sejak tanggal 1 Januari 2017;
   c. 1,875% dari ATMR sejak tanggal 1 Januari 2018;
   d. 2,5% dari ATMR sejak tanggal 1 Januari 2019.

42. Capital Management (continued)

3. SIB for bucket 3 amounted to:
   a. 0.5% from RWA since January 1, 2016;
   b. 1% from RWA since January 1, 2017;
   c. 1.5% from RWA since January 1, 2018;
   d. 2% from RWA since January 1, 2019.
4. SIB for bucket 4 amounted to:
   a. 0.625% from RWA since January 1, 2016;
   b. 1.25% from RWA since January 1, 2017;
   c. 1.875% from RWA since January 1, 2018;
   d. 2.5% from RWA since January 1, 2019.

43. Posisi Devisa Neto

Perhitungan Posisi Devisa Neto Bank berdasarkan pada Peraturan Bank Indonesia No. 17/5/PBI/2015 tanggal 29 Mei 2015. Berdasarkan peraturan tersebut, Bank hanya diwajibkan untuk menjaga posisi devisa neto secara keseluruhan maksimum 20% dari total modal.

Rasio Posisi Devisa Neto secara keseluruhan adalah penjumlahan nilai absolut dari selisih bersih antara aset dan liabilitas dalam mata uang asing dan selisih bersih dari tagihan dan liabilitas komitmen dan kontinjensi, yang dicatat dalam akun administratif yang didenominasi dalam setiap mata uang asing, yang dinyatakan dalam Rupiah.

Posisi Devisa Neto Bank pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

43. Net Open Position

The Net Open Position calculations for the Bank only are based on Bank Indonesia Regulation No. 17/5/PBI/2015 dated May 29, 2015. Based on such regulation, the Bank is only required to maintain the overall net open position at a maximum of 20% from total capital.

The overall Net Open Position ratio is the sum of the absolute values of the net difference between the assets and liabilities denominated in each foreign currency and the net difference of the receivables and payables of both commitments and contingencies recorded in the administrative accounts denominated in each foreign currency, which are stated in Rupiah.

Net Open Positions for the Bank as at December 31, 2023 and 2022 are as follows:

	2023			
	Aset/ *Assets*	**Liabilitas/ *Liabilities***	**Nilai Neto/ *Net Value***	
Mata uang Keseluruhan (Laporan Posisi Keuangan dan Rekening Administratif)				**Currency Overall (Statement of Financial Position and Off-Balance Sheet)**
Dolar Amerika Serikat	15.069.997	15.159.688	89.691	United States Dollar
Yen Jepang	3.851	33.225	29.374	Japanese Yen
Euro Eropa	13.960	15.610	1.650	European Euro
Dolar Australia	9.475	3.179	6.296	Australian Dollar
Poundsterling Inggris	7.177	349	6.828	Great Britain Poundsterling
Dolar Singapura	49.788	2.781	47.007	Singapore Dollar
Lain-lain*)	28.966	12.661	16.305	Others*)
	15.183.214	15.227.493	197.151	
Total Modal			12.295.211	**Total Capital**
Rasio Posisi Devisa Neto (Keseluruhan)			**1,60**	**Net Open Position Ratio (Overall)**

43. Posisi Devisa Neto (lanjutan) / 43. Net Open Position (continued)

	2022			
	Aset/ *Assets*	Liabilitas/ *Liabilities*	Nilai Neto/ *Net Value*	
Mata uang Keseluruhan (Laporan Posisi Keuangan dan Rekening Administratif)				**Currency Overall (Statement of Financial Position and Off-Balance Sheet)**
Dolar Amerika Serikat	15.833.310	15.772.931	60.379	United States Dollar
Yen Jepang	10.730	36.562	25.832	Japanese Yen
Euro Eropa	7.620	12.509	4.889	European Euro
Dolar Australia	7.419	8.861	1.442	Australian Dollar
Poundsterling Inggris	13.265	362	12.903	Great Britain Poundsterling
Dolar Singapura	67.099	21.488	45.611	Singapore Dollar
Lain-lain*)	25.040	10.977	14.063	Others*)
	15.964.483	15.863.690	165.119	
Total Modal			**11.538.974**	**Total Capital**
Rasio Posisi Devisa Neto (Keseluruhan)			**1,43**	**Net Open Position Ratio (Overall)**

44. Perjanjian-Perjanjian Signifikan / 44. Significant Agreements

Bank menandatangani beberapa perjanjian penting seperti yang tersebut di bawah ini:

a. Perjanjian Kerja sama dengan PT Bank Pembangunan Daerah Jambi pada tanggal 29 Juni 2020 mengenai Jual Beli Piutang dan Pembiayaan Bersama dengan jenis kredit pensiunan. Jumlah maksimal plafond pembiayaan adalah sebesar Rp35.000.000.000 (nilai penuh) dengan jangka waktu maksimal 15 tahun dan umur debitur maksimal 75 tahun pada saat perjanjian kredit berakhir.

   Porsi pembiayaan Bersama yang telah disepakati adalah PT Bank Pembangunan Daerah Jambi sebesar 90% dan Bank sebesar 10% dari total pembiayaan bersama.

b. Perjanjian Kerja sama dengan PT Bank Tabungan Pensiunan Nasional Tbk (BTPN) pada tanggal 7 Juni 2018 mengenai Jual Beli Piutang dan Pengalihan Piutang dengan jenis kredit pensiunan. Jumlah maksimal plafond pembiayaan adalah sebesar Rp2.000.000.000.000 (nilai penuh) dengan jangka waktu maksimal 15 tahun dan umur debitur maksimal 75 tahun pada saat perjanjian kredit berakhir.

   Porsi pembiayaan Bersama yang telah disepakati adalah PT BTPN sebesar 90% dan Bank sebesar 10% dari total pembiayaan bersama.

c. Perjanjian Kerja sama dengan PT Bank Woori Saudara Indonesia 1906 Tbk pada tanggal 21 Juli 2020 mengenai Jual Beli Piutang dan Pengalihan Piutang dengan jenis kredit pensiunan. Jumlah maksimal plafond pembiayaan adalah sebesar Rp500.000.000.000 (nilai penuh) dengan jangka waktu maksimal 15 tahun dan umur debitur maksimal 75 tahun pada saat perjanjian kredit berakhir.

The Bank entered into several significant agreements as follows:

a. Joint Agreement with PT Bank Pembangunan Daerah Jambi dated June 29, 2020 regarding the Sale and Purchase of Receivables and pension loans Joint Financing. The maximum limit of financing is Rp35,000,000,000 (full amount) with a maximum term of 15 years and the maximum age of the debtor is 75 years at the end of the credit agreement.

   The portion of joint financing that has been agreed upon is PT Bank Pembangunan Daerah at 90% and Bank at 10% of the total joint financing.

b. Joint Agreement with PT Bank Tabungan Pensiunan Nasional Tbk (BTPN) dated June 7, 2018 regarding the Sale and Purchase of Receivables and Transfer of Pension Loans Receivables. The maximum limit of financing is Rp2,000,000,000,000 (full amount) with a maximum term of 15 years and the maximum age of the debtor is 75 years at the end of the credit agreement.

   The portion of joint financing that has been agreed upon is PT BTPN at 90% and Bank at 10% of the total joint financing.

c. Joint Agreement with PT Bank Woori Saudara Indonesia 1906 Tbk dated July 21, 2020 regarding the Sale and Purchase of Receivables and pension loans Joint Financing. The maximum limit of financing is Rp500,000,000,000 (full amount) with a maximum term of 15 years and the maximum age of the debtor is 75 years at the end of the credit agreement.

44. Perjanjian-Perjanjian Signifikan (lanjutan)

Porsi pembiayaan Bersama yang telah disepakati adalah PT Bank Woori Saudara Indonesia 1906 Tbk sebesar 90% dan Bank sebesar 10% dari total pembiayaan bersama.

d. Perjanjian Kerja sama dengan PT Bank Perkreditan Rakyat Dhaha Ekonomi pada tanggal 26 September 2019 mengenai Jual Beli Piutang dan Pembiayaan Bersama dengan jenis kredit pensiunan. Jumlah maksimal plafond pembiayaan adalah sebesar Rp5.000.000.000 (nilai penuh) dengan jangka waktu maksimal 15 tahun dan umur debitur maksimal 75 tahun pada saat perjanjian kredit berakhir.

Porsi pembiayaan Bersama yang telah disepakati adalah PT Bank Perkreditan Rakyat Dhaha Ekonomi sebesar 95% dan Bank sebesar 5% dari total pembiayaan bersama.

e. Perjanjian Kerja sama dengan PT Bank Tabungan Negara (Persero) Tbk (BTN) pada tanggal 8 Juli 2020 mengenai Jual Beli Piutang dan Pembiayaan Bersama dengan jenis kredit pensiunan. Jumlah maksimal plafond pembiayaan adalah sebesar Rp500.000.000.000 (nilai penuh) dengan jangka waktu maksimal 15 tahun dan umur debitur maksimal 75 tahun pada saat perjanjian kredit berakhir.

Porsi pembiayaan Bersama yang telah disepakati adalah PT Bank Tabungan Negara (Persero) Tbk (BTN) sebesar 90% dan Bank sebesar 10% dari total pembiayaan bersama.

f. Perjanjian Kerjasama dengan PT Bank KB Bukopin Syariah pada tanggal 29 Desember 2020 mengenai perjanjian tentang Investasi Mudharabah Subordinasi. PT Bank KB Bukopin Tbk memberikan investasi sebesar Rp275.000.000.000 (nilai penuh) kepada PT Bank KB Bukopin Syariah.

Kedua pihak sepakat dan mengikatkan diri atas penyediaan dana dengan Mudharabah (bagi hasil) dengan nisbah bagi hasil dengan porsi masing-masing pihak adalah PT Bank KB Bukopin Tbk sebesar 70% dan PT Bank KB Bukopin Syariah sebesar 30%.

g. Transaksi penjualan kredit portofolio LAR (Loan at Risk) ke SPC IDMB United Pte Ltd di Singapura. Kredit nominal Rp4.135.377.534.505 (nilai penuh) dan Bank ditunjuk sebagai *collecting agent* dengan imbalan mendapat *Collection Fee* sebesar 1% dari nominal penagihan dan Management Fee sebesar 0,25% dari *outstanding principal*.

44. Significant Agreements (continued)

The portion of joint financing that has been agreed upon is PT Bank Woori Saudara Indonesia 1906 Tbk at 90% and Bank at 10% of the total joint financing.

d. Joint Agreement with PT Bank Perkreditan Rakyat Dhaha Ekonomi dated September 26, 2019 regarding the Sale and Purchase of Receivables and pension loans Joint Financing. The maximum limit of financing is Rp5,000,000,000 (full amount) with a maximum term of 15 years and the maximum age of the debtor is 75 years at the end of the credit agreement.

The portion of joint financing that has been agreed upon is PT Bank Perkreditan Rakyat Dhaha Ekonomi at 95% and Bank at 5% of the total joint financing.

e. Joint Agreement with PT Bank Tabungan Negara (Persero) Tbk (BTN) dated July 8, 2020 regarding the Sale and Purchase of Receivables and Joint Financing with pension loans. The maximum limit of financing is Rp500,000,000,000 (full amount) with a maximum term of 15 years and the maximum age of the debtor is 75 years at the end of the credit agreement.

The portion of joint financing that has been agreed upon is PT Bank Tabungan Negara (Persero) Tbk (BTN) at 90% and Bank at 10% of the total joint financing.

f. Cooperation Agreement with PT Bank KB Bukopin Syariah on December 29, 2020 regarding the agreement regarding Subordinated Mudharabah Investment. PT Bank KB Bukopin Tbk provides an investment of Rp275,000,000,000 (full amount) to PT Bank KB Bukopin Syariah.

Both parties agreed and committed themselves to providing funds with Mudharabah (profit sharing) with a profit sharing ratio with each party's portion, namely PT Bank KB Bukopin Tbk at 70% and PT Bank KB Bukopin Syariah at 30%.

g. LAR (Loan at Risk) portofolio credit sales transaction to SPC IDMB United Pte Ltd in Singapore. Credit nominal Rp4,135,377,534,505 (full amount) and Bank appointed as collecting agent in exchange for a Collection Fee of 1% of nominal collection and Management Fee of 0.25% of outstanding principal.

44. Perjanjian-Perjanjian Signifikan (lanjutan)

h. Transaksi penjualan kredit portofolio LAR (Loan at Risk) ke SMMK Pte Ltd di Singapura. Kredit nominal Rp3.813.072.530.214 (nilai penuh) dan KB Bukopin ditunjuk sebagai collecting agent dengan imbalan mendapat Collection Fee sebesar 1% dari nominal penagihan dan *Management Fee* sebesar 0,25% dari *outstanding principal*.

i. Pada tanggal 28 September 2022 Bank membeli surat berharga syariah yaitu Sukuk Wakalah BI Al-Istitsmar yang diterbitkan oleh PT Perusahaan Pengelola Aset (Persero) senilai Rp2.432.000 dengan jangka waktu 15 tahun (28 September 2022 - 28 September 2037) dan imbal hasil senilai 0,75% per tahun.

44. Significant Agreements (continued)

h. LAR (Loan at Risk) portofolio credit sales transaction to SMMK Pte Ltd in Singapore. Credit nominal Rp3,813,072,530,214 (full amount) and KB Bukopin appointed as collecting agent in exchange for a Collection Fee of 1% of nominal collection and Management Fee of 0.25% of outstanding principal.

i. On September 28, 2022 Bank acquired sharia marketable securities Sukuk Wakalah BI Al-Istitsmar issued by PT Perusahaan Pengelola Aset (Persero) amounting to Rp2,432,000 with maturity date to 15 years (September 28, 2022 - September 28, 2037) and yield of 0.75% per annum.

45. Jaminan Pemerintah terhadap Kewajiban Pembayaran Bank Umum

Pada tanggal 13 Oktober 2008, Presiden Republik Indonesia menetapkan Peraturan Pemerintah No. 66 Tahun 2008 tentang besaran nilai simpanan yang dijamin Lembaga Penjaminan Simpanan. Berdasarkan Peraturan tersebut, nilai simpanan yang dijamin untuk setiap nasabah pada satu Bank yang semula berdasarkan Undang-Undang No. 24 Tahun 2004 ditetapkan maksimum Rp100 diubah menjadi maksimum Rp2.000.

Berdasarkan Undang-Undang Republik Indonesia No. 7 Tahun 2009, Perusahaan Pemerintah pengganti undang-undang tentang Lembaga Penjaminan Simpanan telah ditetapkan menjadi undang-undang sejak tanggal 13 Januari 2009.

45. Government Guarantee for The Payment of Obligations of Commercial Banks

On October 13, 2008, the President of the Republic of Indonesia approved Government Regulation No. 66 Year 2008 regarding the amount of deposits guaranteed by Lembaga Penjaminan Simpanan. Based on such Regulation, the guaranteed deposit amount in a Bank which previously according to Law No. 24 Year 2004 amounted to a maximum of Rp100 was amended to a maximum amount of Rp2,000.

Based on the Law of the Republic of Indonesia No. 7 Year 2009, Government Regulation in lien of law on Lembaga Penjaminan Simpanan has been set into law since January 13, 2009.

46. Nilai Wajar Instrumen Keuangan

Tabel di bawah ini menyajikan perbandingan atas nilai tercatat dengan nilai wajar dari instrumen keuangan Grup yang tercatat dalam laporan keuangan konsolidasian:

46. Fair Value of Financial Instruments

The table presents the comparison, of the carrying amounts and fair value of the Group financial instruments that are recognized in the consolidated financial statements:

	2023					
	Diukur pada Nilai Wajar melalui Laba Rugi/ *Fair Value through Profit or Loss*	Nilai Wajar melalui Penghasilan Komprehensif Lain/ *Fair Value through Other Comprehensive Income*	Biaya Perolehan Diamortisasi/ *Amortized Cost*	Total Nilai Tercatat/ *Total Carrying Amount*	Nilai Wajar/ *Fair Value*	
Aset						**Assets**
Kas	-	-	289.184	289.184	289.184	Cash
Giro pada Bank Indonesia	-	-	3.205.619	3.205.619	3.205.619	Current accounts with Bank Indonesia
Giro pada bank lain - neto	-	-	342.581	342.581	342.581	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan bank lain - neto	-	-	2.133.567	2.133.567	2.133.567	Placements with Bank Indonesia and other banks - net

46. Nilai Wajar Instrumen Keuangan (lanjutan)

46. Fair Value of Financial Instruments (continued)

	2023					
	Diukur pada Nilai Wajar melalui Laba Rugi/ *Fair Value through Profit or Loss*	Nilai Wajar melalui Penghasilan Komprehensif Lain/ *Fair Value through Other Comprehensive Income*	Biaya Perolehan Diamortisasi/ *Amortized Cost*	Total Nilai Tercatat/ *Total Carrying Amount*	Nilai Wajar/ *Fair Value*	
Surat-surat berharga - neto	5.322.930	3.067.387	9.145.823	17.536.140	17.536.140	Marketable securities - net
Surat-surat berharga yang dibeli dengan janji dijual kembali - neto	-	-	2.572.152	2.572.152	2.572.152	Marketable securities sold with agreement to ressel receivable - net
Tagihan derivatif	-	-	3.040	3.040	3.040	Derivative receivables
Kredit yang diberikan dan pembiayaan/ piutang syariah - neto	-	-	45.835.782	45.835.782	45.835.782	Loans and sharia financing/receivables - net
Tagihan akseptasi - neto	-	-	130.964	130.964	130.964	Acceptances receivable - net
Penyertaan saham - neto	-	-	15	15	15	Investments in shares - net
Aset lain-lain	-	-	1.272.119	1.272.119	1.272.119	Other asset
Total	**5.322.930**	**3.067.387**	**64.930.846**	**73.321.163**	**73.321.163**	**Total**
Liabilitas						**Liabilities**
Liabilitas segera	-	-	431.402	431.402	431.402	Liabilities immediately payable
Simpanan nasabah	-	-	44.789.143	44.789.143	44.789.143	Deposits from customers
Simpanan dari bank lain	-	-	7.886.721	7.886.721	7.886.721	Deposits from other banks
Liabilitas derivatif	-	-	808	808	808	Derivatives payable
Surat-surat berharga yang dijual dengan janji dibeli kembali - neto	-	-	219.631	219.631	219.631	Marketable securities sold with agreement to ressel receivable - net
Liabilitas akseptasi	-	-	132.577	132.577	132.577	Acceptances payable
Pinjaman yang diterima	-	-	11.704.492	11.704.492	11.704.492	Borrowings
Surat berharga yang diterbitkan	-	-	3.397.588	3.397.588	3.397.588	Marketable securities issued
Liabilitas lain-lain	-	-	1.570.140	1.570.140	1.570.140	Other Liabilities
Total	-	**-**	**70.132.502**	**70.132.502**	**70.132.502**	**Total**

	2022					
	Diukur pada Nilai Wajar melalui Laba Rugi/ *Fair Value through Profit or Loss*	Nilai Wajar melalui Penghasilan Komprehensif Lain/ *Fair Value through Other Comprehensive Income*	Biaya Perolehan Diamortisasi/ *Amortized Cost*	Total Nilai Tercatat/ *Total Carrying Amount*	Nilai Wajar/ *Fair Value*	
Aset						**Assets**
Kas	-	-	524.320	524.320	524.320	Cash
Giro pada Bank Indonesia	-	-	4.140.431	4.140.431	4.140.431	Current accounts with Bank Indonesia
Giro pada bank lain - neto	-	-	743.970	743.970	743.970	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan bank lain - neto	-	-	12.180.830	12.180.830	12.180.830	Placements with Bank Indonesia and other banks - net
Surat-surat berharga - neto	3.362.099	588.835	8.058.944	12.009.878	12.009.878	Marketable securities - net
Tagihan derivatif	9.254	-	-	9.254	9.254	Derivative receivables
Kredit yang diberikan dan pembiayaan/ piutang syariah - neto	-	-	48.956.758	48.956.758	48.956.758	Loans and sharia financing/ receivables - net
Tagihan akseptasi - neto	-	-	17.135	17.135	17.135	Acceptances receivable - net
Penyertaan saham - neto	-	-	15	15	15	Investments in shares - net
Aset lain-lain	-	-	807.707	807.707	807.707	Other asset
	3.371.353	**588.835**	**75.430.110**	**79.390.298**	**79.390.298**	

46. Nilai Wajar Instrumen Keuangan (lanjutan) / 46. Fair Value of Financial Instruments (continued)

	2022					
	Diukur pada Nilai Wajar melalui Laba Rugi/ *Fair Value through Profit or Loss*	Nilai Wajar melalui Penghasilan Komprehensif Lain/ *Fair Value through Other Comprehensive Income*	Biaya Perolehan Diamortisasi/ *Amortized Cost*	Total Nilai Tercatat/ *Total Carrying Amount*	Nilai Wajar/ *Fair Value*	
Liabilitas						**Liabilities**
Liabilitas segera	-	-	388.522	388.522	388.522	Liabilities immediately payable
Simpanan nasabah	-	-	51.962.370	51.962.370	51.962.370	Deposits from customers
Simpanan dari bank lain	-	-	10.381.375	10.381.375	10.381.375	Deposits from other banks
Liabilitas derivatif	12.259	-	-	12.259	12.259	Derivatives payable
Liabilitas akseptasi	-	-	17.346	17.346	17.346	Acceptances payable
Pinjaman yang diterima	-	-	11.200.131	11.200.131	11.200.131	Borrowings
Surat berharga yang diterbitkan	-	-	3.392.718	3.392.718	3.392.718	Marketable securities issued
Liabilitas lain-lain	-	-	1.367.530	1.367.530	1.367.530	Other Liabilities
Total	**12.259**	**-**	**78.709.992**	**78.722.251**	**78.722.251**	**Total**

Berikut metode dan asumsi yang digunakan untuk perkiraan nilai wajar:

Nilai wajar aset dan liabilitas keuangan tertentu selain surat berharga yang diukur melalui harga perolehan yang diamortisasi dan biaya perolehan, pinjaman yang diterima, dan surat berharga yang diterbitkan mendekati nilai tercatat, karena instrumen keuangan tersebut memiliki jangka waktu jatuh tempo yang singkat dan memiliki tingkat bunga sesuai pasar.

Nilai wajar dari surat berharga yang diukur melalui harga perolehan yang diamortisasi dan biaya perolehan ditentukan berdasarkan harga kuotasi pasar yang berlaku pada 31 Desember 2023 dan 2022.

Nilai wajar dari pinjaman yang diterima dan surat berharga yang diterbitkan dihitung menggunakan arus kas yang didiskonto berdasarkan suku bunga pasar.

Tabel di bawah ini menyajikan nilai wajar instrumen keuangan berdasarkan hierarki yang digunakan Bank untuk menentukan dan mengungkapkan nilai wajar dari instrumen keuangan:

a. Tingkat 1: Dikutip dari harga di pasar aktif untuk aset atau liabilitas keuangan yang identik;
b. Tingkat 2: Yang melibatkan input selain dari harga kuotasi yang termasuk dalam Tingkat 1 yang dapat diobservasi untuk aset dan liabilitas, baik secara langsung (seperti harga) atau tidak langsung (berasal dari harga);
c. Tingkat 3: Input untuk aset dan liabilitas yang tidak berdasarkan pada data yang dapat di observasi di pasar (input yang tidak dapat diobservasi).

The following methods and assumptions are used to estimate the fair value:

Fair values of certain financial assets and liabilities other than securities measured at amortised cost and acquisition cost marketable securities, borrowings, and securities issued approximate their carrying amounts due to short-term maturities of these financial instruments, due to the interest rate is at market rate and carried at fair value.

The fair value of marketable securities amortized cost and acquisition cost marketable securities is determined on the basis of quoted market price as at December 31, 2023 and December 31, 2022.

The fair value of borrowings and securities issued is calculated using discounted cash flows using market rate.

The table below shows the fair value of financial instruments based on the hierarchy used by the Bank in determining and disclosing the fair value of financial instruments:

a. Level 1: Quoted prices in active markets for identical financial assets or liabilities;
b. Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
c. Level 3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

46. Nilai Wajar Instrumen Keuangan (lanjutan)

46. Fair Value of Financial Instruments (continued)

	2023				
	Pengukuran Nilai Wajar pada Tanggal Pelaporan Menggunakan/ *Fair Value Measurement as at Reporting Date Using:*				
	Nilai Tercatat/ ***Carrying Amount***	**Tingkat/** ***Level 1***	**Tingkat/** ***Level 2***	**Tingkat/** ***Level 3***	
Aset keuangan yang diukur pada nilai wajar					**Financial asset measured at fair value**
Diukur pada nilai wajar melalui laba rugi:					Fair value through profit or loss:
Tagihan derivatif	3.040	3.040	-	-	Derivative receivables
Surat-surat berharga	5.322.930	13	5.322.917	-	Marketable securities
Nilai wajar melalui penghasilan komprehensif lain:					Fair value through other comprehensive income:
Surat-surat berharga	3.067.387	3.067.387	-	-	Marketable securities
Aset keuangan yang nilai wajarnya diungkapkan					**Financial asset of which the Fair value is disclosed**
Biaya perolehan di amortisasi:					Amortized cost:
Surat-surat berharga	9.145.823	7.811.762	-	1.334.061	Marketable securities
Kredit yang diberikan dan piutang:					**Loans and receivables:**
Pinjaman yang diberikan dan pembiayaan/piutang Syariah	45.835.782	-	45.835.782	-	Loans and sharia financing/receivables
Liabilitas keuangan yang nilai wajarnya diungkapkan					**which the fair value is disclosed**
Biaya perolehan diamortisasi:					Amortized cost:
Surat berharga yang diterbitkan	3.397.588	-	3.397.588	-	Marketable securities issued
Pinjaman yang diterima	11.704.492	-	11.704.492	-	Borrowings

	2022				
	Pengukuran Nilai Wajar pada Tanggal Pelaporan Menggunakan/ *Fair Value Measurement as at Reporting Date Using:*				
	Nilai Tercatat/ ***Carrying Amount***	**Tingkat/** ***Level 1***	**Tingkat/** ***Level 2***	**Tingkat/** ***Level 3***	
Aset keuangan yang diukur pada nilai wajar					**Financial asset measured at fair value**
Diukur pada nilai wajar melalui laba rugi:					Fair value through profit or loss:
Tagihan derivatif	9.254	9.254	-	-	Derivative receivables
Surat-surat berharga	3.362.099	716.047	2.646.052	-	Marketable securities
Nilai wajar melalui penghasilan komprehensif lain:					Fair value through other comprehensive income:
Surat-surat berharga	588.835	588.835	-	-	Marketable securities
Aset keuangan yang nilai wajarnya diungkapkan					**Financial asset of which the Fair value is disclosed**
Biaya perolehan di amortisasi:					Amortized cost:
Surat-surat berharga	8.058.944	6.804.733	-	1.254.211	Marketable securities
Kredit yang diberikan dan piutang:					Loans and receivables:
Pinjaman yang diberikan dan pembiayaan/piutang Syariah	48.956.758	-	48.956.758	-	Loans and sharia financing/receivables
Liabilitas keuangan yang nilai wajarnya diungkapkan					**Financial liabilities of which the fair value is disclosed**
Biaya perolehan diamortisasi:					Amortized cost:
Surat berharga yang diterbitkan	3.392.718	-	3.392.718	-	Marketable securities issued
Pinjaman yang diterima	11.200.131	-	11.200.131	-	Borrowings

Pada tanggal 31 Desember 2023 dan 2022 tidak terdapat aset keuangan atau liabilitas keuangan yang ditransfer dari/ke tingkat 2 dan/atau tingkat 3.

As at December 31, 2023 and 2022 there is no financial assets and financial liabilities transfer out of or into level 2 and/or level 3.

47. Analisa Kualitas Kredit

Pengukuran Kerugian Kredit Ekspektasian

Peningkatan Risiko Kredit Secara Signifikan

Ketika menentukan apakah risiko gagal bayar pada instrumen keuangan telah meningkat secara signifikan sejak pengakuan awal, Grup mempertimbangkan informasi yang wajar dan terdukung, serta relevan yang tersedia tanpa biaya atau upaya yang berlebihan. Hal tersebut mencakup informasi dan analisa kuantitatif dan kualitatif, berdasarkan pada pengalaman historis dan penilaian pakar kredit dan termasuk perkiraan masa depan *(forward-looking)*.

Tujuan dari penilaian ini adalah untuk mengidentifikasi apakah peningkatan risiko kredit secara signifikan atas eksposur telah terjadi dengan membandingkan:

- *Probability of Default* (PD) atas umur tersisa pada tanggal pelaporan; dengan
- *Probability of Default* (PD) atas umur tersisa yang di estimasi pada saat pengakuan awal eksposur (jika relevan, disesuaikan dengan perubahan ekspektasi pembayaran dimuka).

Grup menggunakan kriteria berikut dalam menentukan apakah peningkatan risiko kredit secara signifikan atas eksposur telah terjadi:
- pengujian kuantitatif berdasarkan perubahan *Probability of Default* (PD);
- indikator kualitatif.

Credit Risk Grades

Grup mengalokasikan setiap eksposur ke *credit risk* grades berdasarkan variasi data yang ditentukan dapat memprediksi risiko gagal bayar dan menerapkan pengalaman atas kredit. *Credit risk grades* ditetapkan menggunakan faktor kualitatif dan kuantitatif yang dapat mengindikasikan risiko gagal bayar. Faktor-faktor ini bervariasi tergantung pada sifat eksposur dan jenis peminjam.

Credit risk grades ditetapkan dan dikalibrasi sedemikian rupa sehingga risiko terjadinya gagal bayar meningkat secara eksponensial seiring dengan penurunan *rating* risiko kredit, sebagai contoh, selisih antara *credit risk rating grades* 1 dan 2 lebih kecil dari pada selisih antara *credit risk rating grades* 2 dan 3.

Setiap eksposur dialokasikan ke *credit risk grades* pada pengakuan awal berdasarkan informasi yang tersedia tentang peminjam. Eksposur ini dipantau secara berkelanjutan, dan dapat mengakibatkan eksposur dipindahkan ke *credit risk grades* yang berbeda. Pemantauan biasanya menggunakan data berikut: laporan keuangan, penggunaan fasilitas kredit, estimasi kondisi ekonomi.

47. Credit Quality Analysis

Measurement of Expected Credit Losses

Significant Increase in Credit Risk

When determining whether the risk of default on financial instruments has increased significantly since initial recognition, the Group considers reasonable and supported relevant information that is available without excessive costs or efforts. This includes quantitative and qualitative information and analysis, based on historical experience and credit expert assessments and including forward-looking estimates.

The purpose of this assessment is to identify whether a significant increase in credit risk of exposure has occurred by comparing:

- Probability of Default (PD) for the remaining age at the reporting date; with
- Probability of Default (PD) for the estimated remaining age at initial recognition of the exposure (if relevant, adjusted for change in expectations of prepayment).

The Group use these criteria for determining whether there has been a significant increase in credit:
- quantitative test based on movement in PD;
- qualitative indicators.

Credit Risk Grades

The Group allocated each exposure to credit risk grades based on a variety of data that is determined to predict the risk of default and apply credit experience judgement. Credit risk grades are determined using qualitative and quantitative factors that can indicate the risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are determined and calibrated in such a way that the risk of default is increasing exponentially as credit risk rating decreases, for example, the difference between credit risk rating grades 1 and 2 is smaller than the difference between credit risk rating grades 2 and 3.

Each exposure is allocated to credit risk grades at initial recognition based on available information about the borrower. This exposure is monitored on an ongoing basis, and can result in the exposure being transferred to different credit risk grades. Monitoring usually uses the following data: financial statements, use of credit facilities, estimates of economic conditions.

47. Analisa Kualitas Kredit (lanjutan)

***Credit Risk Grades* (lanjutan)**

Penentuan Struktur *Probability of Default*

Credit risk grades adalah input utama dalam penentuan struktur PD *term structure* atas eksposur. Bank mengumpulkan informasi kinerja dan gagal bayar tentang eksposur risiko kredit yang dianalisa berdasarkan yurisdiksi atau wilayah dan menurut jenis produk dan peminjam serta penilaian risiko kredit. Untuk beberapa portofolio, informasi yang dibeli dari penilai kredit eksternal juga digunakan.

Bank menggunakan model statistik untuk menganalisa data yang dikumpulkan dan menghasilkan perkiraan *probability of default* (PD) atas umur tersisa dan bagaimana hal ini diperkirakan akan berubah sebagai akibat dari berlalunya waktu.

Analisa ini mencakup identifikasi dan kalibrasi hubungan antara perubahan tingkat gagal bayar dan perubahan dalam faktor-faktor makro ekonomi utama serta analisa mendalam tentang dampak faktor-faktor lain tertentu (misalkan restrukturisasi) pada risiko gagal bayar. Untuk sebagian besar eksposur, indikator makro ekonomi utama meliputi: pertumbuhan PDB, suku bunga acuan, dan tingkat pengangguran. Untuk eksposur pada industri dan/atau wilayah tertentu, analisa dapat mencakup harga komoditas dan/atau harga properti yang relevan.

Penentuan Terjadinya Peningkatan Risiko Kredit Secara Signifikan

Grup mempergunakan sejumlah kriteria untuk menentukan telah terjadi peningkatan risiko kredit secara signifikan.

Kriteria tersebut ditetapkan menggunakan faktor kuantitatif dan kualitatif termasuk penentuan berdasarkan status hari tunggakan yang dapat mengindikasikan telah terjadi peningkatan risiko kredit yang signifikan terhadap saat awal diberikan.

Grup dimungkinkan menggunakan penilaian dari analis kredit dan pengalaman historis yang relevan, dalam menentukan bahwa eksposur mungkin saja telah mengalami peningkatan risiko kredit yang signifikan berdasarkan indikator kualitatif tertentu yang dianggap dapat mengindikasikan hal tersebut dimana pengaruhnya mungkin belum sepenuhnya tercermin pada saat dilakukan analisis kuantitatif.

Grup menentukan bahwa peningkatan risiko kredit secara signifikan belum terjadi apabila masih kurang dari 30 hari tunggakan. Hari tunggakan ditentukan dengan menghitung jumlah hari sejak tanggal jatuh tempo awal dimana pembayaran penuh belum diterima. Tanggal jatuh tempo ditentukan tanpa mempertimbangkan masa tenggang yang mungkin tersedia bagi peminjam.

47. Credit Quality Analysis (continued)

Credit Risk Grades (continued)

Determination of the Probability of Default Structure

Credit risk grades are the main input in determining the PD term structure of the exposure. The Bank collects performance and default information about credit risk exposures, which are analyzed by jurisdiction or region and by product and borrower type as well as credit risk assessment. For some portfolios, information purchased from external credit assessors is also used.

The Bank uses a statistical model to analyze the collected data and produce an estimate of the probability of default (PD) for the remaining life and how this is expected to change as a result of the passage of time.

This analysis includes the identification and calibration of the relationship between changes in default rates and changes in key macroeconomic factors as well as an in-depth analysis of the impact of other certain factors (e.g. restructuring) on the risk of default. For most exposures, the main macroeconomic indicators include: GDP growth, benchmark interest rates, and the unemployment rate. For exposures in certain industries and/or regions, the analysis can include commodity prices and/or, relevant property prices.

Determination of Significant Increase in Credit Risk

The Group uses several criteria for determining that credit risk has increased significantly.

The criteria are determined using quantitative and qualitative factors including determination based on arrear day status that can indicate significant increase in credit risk since initial recognition.

The Group can also use the judgement of credit analysts and, if possible, relevant historical experience, in determining that the exposure may have experienced a significant increase in credit risk based on certain qualitative indicators that are considered to indicate this and their effects may not be fully reflected in quantitative analysis in comprehensive manner on a timely manner.

The Group determines that a significant increase in credit risk has not occurred if it is still less than 30 days in arrears. Arrear days are determined by counting the number of days from the initial due date where full payment has not been received. The due date is determined without considering the grace period that might be available to the borrower.

47. Analisa Kualitas Kredit (lanjutan)

***Credit Risk Grades* (lanjutan)**

Grup memantau efektivitas kriteria yang digunakan dalam mengidentifikasi peningkatan risiko kredit yang signifikan dengan cara reviu berkala.

Modifikasi Aset Keuangan

Ketentuan kontraktual pinjaman dapat dimodifikasi untuk beberapa alasan, termasuk perubahan kondisi pasar, retensi pelanggan dan faktor-faktor lain yang tidak terkait dengan penurunan kredit saat ini. Pinjaman yang ketentuan kontraktualnya dimodifikasi dapat menyebabkan pinjaman awal dihentikan pengakuannya dan pinjaman hasil modifikasi diakui sebagai pinjaman baru pada nilai wajar.

Ketika ketentuan kontraktual pinjaman dimodifikasi dan tidak mengakibatkan penghentian pengakuan, penentuan terjadinya peningkatan risiko kredit secara signifikan dilakukan dengan cara membandingkan:

- sisa PD sepanjang umur pada tanggal pelaporan berdasarkan ketentuan yang dimodifikasi; dengan
- sisa PD sepanjang umur yang diestimasi berdasarkan data pada saat pengakuan awal dan ketentuan kontraktual awal.

Bank menganggap aset keuangan dalam keadaan *default*/gagal bayar ketika:

- Debitur tidak mungkin membayar kewajiban kreditnya secara penuh, tanpa bantuan (*recourse*) dari Bank; atau
- Debitur telah melewati jatuh tempo lebih dari 90 hari atas kewajiban kredit material apa pun kepada Bank.

Dalam menilai apakah debitur dalam keadaan *default*/gagal bayar, Bank mempertimbangkan indikator berikut:

- Kualitatif seperti pelanggaran persyaratan penjanjian (*covenants*);
- Kuantitatif seperti status tunggakan; dan
- Berdasarkan data yang dikembangkan secara internal dan diperoleh dari sumber eksternal.

47. Credit Quality Analysis (continued)

Credit Risk Grades (continued)

The Group monitors the effectiveness of the criteria used in identifying significant increases in credit risk by periodic review.

Modification of Financial Assets

Loan contractual terms can be modified for a number of reasons, including changes in market conditions, customer retention and other factors not related to the current credit decline. Loans with modified contractual terms can cause the initial loan to be derecognized and recognized the modified loan as a new loan at fair value.

When the contractual terms of the loan are modified and do not result in termination of recognition, determining the occurrence of a significant increase in credit risk is done by comparing:

- PD remainder life at reporting date based on modified provision; with
- Residual PD throughout the estimated age based on data at initial recognition and initial contractual provisions.

The Bank considers financial assets as default when:

- The debtor is unlikely to pay its credit obligation in full, without assistance (recourse) from the Bank; or
- The debtors have past due more than 90 days for any material credit obligations to the Bank.

In assessing whether a debtor is in default, the Bank considers the following indicators:

- Qualitative such as violations of the terms of the agreement (covenants);
- Quantitative such as arrears status; and
- Based on data developed internally and obtained from external sources.

47. Analisa Kualitas Kredit (lanjutan)

Input, Asumsi, dan Teknik yang digunakan dalam mengestimasi penurunan nilai

Penggunaan informasi perkiraan masa depan *(forward-looking)*

Bank menggunakan informasi *forward-looking* dalam menilai apakah telah terjadinya peningkatan risiko kredit secara signifikan dan pengukuran kerugian kredit ekspektasian. Berdasarkan saran dari Komite Manajemen Risiko, pakar ekonomi dan pertimbangan berbagai informasi aktual dan perkiraan eksternal, Bank merumuskan pandangan dasar *(base case)* tentang pergerakan variabel ekonomi yang relevan dimasa depan serta perkiraan skenario lain yang mungkin terjadi. Proses ini meliputi pengembangan dua atau lebih skenario ekonomi tambahan dan mempertimbangkan probabilitas relatif dari keluaran *(output)* yang mungkin. Informasi eksternal mencakup data ekonomi dan perkiraan yang diterbitkan oleh, seperti badan pemerintah dan analis sektor swasta dan akademisi terpilih.

Pandangan dasar *(base case)* mencerminkan keluaran dengan probabilitas yang paling tinggi dan digunakan dalam perencanaan strategis dan anggaran. Skenario yang lain, mencerminkan keluaran yang lebih optimis dan keluaran yang lebih pesimis.

Skenario ekonomi yang dirumuskan menggunakan kisaran indikator utama berikut:

47. Credit Quality Analysis (continued)

Inputs, Assumptions, and Techniques used in estimating impairment

Use of forward-looking information

The Bank uses forward-looking information in assessing whether there has been a significant increase in credit risk and measurement of expected credit losses. Based on advice from the Risk Management Committee, economists and consideration of various actual information and external forecast, the Bank formulated a base case for the movement of relevant economic variables in future as well as forecasts of other possible scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of the possible outputs. External information includes economic data and estimates published by, such as government agencies and selected private sector analysts and academics.

The base case reflects the output with the highest probability and is used in strategic planning and budgeting. Another scenario, reflects more optimistic outputs and more pessimistic outputs.

The economic scenario is formulated using the following range of key indicators:

	2023	2024	
Tingkat pengangguran	dasar 8%/*base 8%* Kisaran antara 7 hingga 10%/ *Range between 7 and 10%*	dasar 8%/*base 8%* Kisaran antara 7 hingga 10%/ *Range between 7 and 10%*	*Unemployment rate*
Suku bunga	dasar 1%/*base 1%* Kisaran antara 0,5 hingga *2%/Range between 0.5 and 2%*	dasar 1%/*base 1%* Kisaran antara 0,5 hingga *2%/Range between 0.5 and 2%*	*Interest rates*
Pertumbuhan PDB	dasar 1,5%/*base 1.5%* Kisaran antara 0 hingga 2,5%/ *Range between 0 and 2.5%*	dasar 1,5%/*base 1.5%* Kisaran antara 0 hingga 2,5%/ *Range between 0 and 2.5%*	*GDP growth*

Pengukuran Kerugian Kredit Ekspektasian

Input utama dalam pengukuran kerugian kredit ekspektasian adalah variabel berikut :
- *Probability of Default (PD)*
- *Loss of Given Default (LGD)*
- *Exposure at Default (EAD)*

Parameter ini umumnya berasal dari model statistik yang dikembangkan secara internal dan data historis lainnya. Parameter ini disesuaikan untuk mencerminkan informasi *forward-looking*.

Measurement of Expected Credit Loss

The main inputs in measuring expected credit loss are the following variables:
- Probability of Default (PD)
- Loss of Given Default (LGD)
- Exposure at Default (EAD)

These parameters generally come from statistical models that are developed internally and other historical data. This parameter is adjusted to reflect forward-looking information.

47. Analisa Kualitas Kredit (lanjutan)

Pengukuran Kerugian Kredit Ekspektasian (lanjutan)

Estimasi PD adalah estimasi pada tanggal tertentu, yang dihitung berdasarkan model peringkat statistik, dan dinilai menggunakan rating yang disesuaikan dengan berbagai kategori dari debitur dan eksposur. Model statistik ini didasarkan pada data yang disusun secara internal yang terdiri dari faktor kuantitatif dan kualitatif.

LGD adalah besarnya kerugian jika terjadi gagal bayar. Parameter LGD diestimasi secara historis berdasarkan tingkat pemulihan atas klaim terhadap debitur yang gagal bayar. Model LGD mempertimbangkan struktur, jaminan, senioritas klaim, industri debitur, dan biaya pemulihan setiap jaminan yang merupakan bagian integral dari aset keuangan.

EAD merepresentasikan estimasi eksposur jika terjadi gagal bayar. EAD suatu aset keuangan adalah jumlah tercatat bruto. Untuk komitmen pinjaman dan jaminan keuangan, EAD mencakup jumlah yang telah ditarik, serta jumlah potensial di masa depan yang akan ditarik, yang diestimasi berdasarkan pengamatan historis dan perkiraan berwawasan ke depan (*forward-looking*).

Ketika pemodelan parameter dilakukan secara kolektif, instrumen keuangan dikelompokkan berdasarkan kesamaan karakteristik risiko yang meliputi:

- jenis instrumen;
- peringkat risiko kredit;
- jenis agunan;
- tanggal pengakuan awal;
- sisa waktu jatuh tempo;
- industri; dan
- lokasi geografis debitur.

a. Analisis risiko kredit berdasarkan internal *rating grades*:

47. Credit Quality Analysis (continued)

Measurement of Expected Credit Loss (continued)

PD estimation is an estimate on a certain date, which is calculated based on a statistical ranking model, and is assessed using a rating that is adjusted to various categories of debtors and exposures. This statistical model is based on data compiled internally consisting of quantitative and qualitative factors.

LGD is the amount of loss if there is a default. LGD parameters are historically estimated based on the level of recovery of claims against debtors who default. The LGD model considers the structure, collateral, claim seniority, the debtor industry, and the cost of recovering any collateral that is an integral part of a financial asset.

EAD represents the estimated exposure in case of default. EAD of a financial asset is the gross carrying amount. For loan commitments and financial guarantees, EAD includes the amount that has been withdrawn, as well as potential future amounts to be withdrawn, which are estimated based on historical observations and forward-looking estimates.

When parameter modeling is done collectively, financial instruments are grouped according to the similarity of risk characteristics which include:

- type of instrument;
- credit risk rating;
- type of collateral;
- date of initial recognition;
- remaining due date;
- industry; and
- debtor's geographical location.

a. Credit risk analysis based on internal rating grades:

	2023					
	Kerugian Kredit Ekspektasian 12 Bulan/ *12 Months ECL*	**Kerugian Kredit Sepanjang Umurnya - Kredit Tidak Memburuk/ *Lifetime ECL - No Credit Impaired***	**Kerugian Kredit Sepanjang Umurnya - Kredit Memburuk/ *Lifetime ECL - Credit Impaired***	**Kerugian Kredit atas Aset Keuangan yang Dibeli atau Berasal dari Aset Keuangan yang Memburuk/ *Purchased or Credit Impaired Financial Assets***	**Total**	
Kredit yang diberikan yang diukur pada biaya perolehan yang diamortisasi						Loans at amortized cost
Grade 1	39.904.538	614.341	160.916	-	40.679.795	Grade 1
Grade 2	1.056.648	3.326.041	2.009	-	4.384.698	Grade 2
Grade 3	-	-	410.030	-	410.030	Grade 3
Grade 4	-	-	348.669	-	348.669	Grade 4
Grade 5	-	-	3.595.424	-	3.595.424	Grade 5
Total	40.961.186	3.940.382	4.517.048	-	49.418.616	Total

47. Analisa Kualitas Kredit (lanjutan)

47. Credit Quality Analysis (continued)

Pengukuran Kerugian Kredit Ekspektasian (lanjutan)

Measurement of Expected Credit Loss (continued)

	2023					
	Kerugian Kredit Ekspektasian 12 Bulan/ *12 Months ECL*	Kerugian Kredit Sepanjang Umurnya - Kredit Tidak Memburuk/ *Lifetime ECL - No Credit Impaired*	Kerugian Kredit Sepanjang Umurnya - Kredit Memburuk/ *Lifetime ECL - Credit Impaired*	Kerugian Kredit atas Aset Keuangan yang Dibeli atau Berasal dari Aset Keuangan yang Memburuk/ *Purchased or Credit Impaired Financial Assets*	Total	
Cadangan kerugian kredit	(908.096)	(498.218)	(2.176.520)	-	(3.582.834)	Loss allowance
Nilai Tercatat	**40.053.090**	**3.442.164**	**2.340.528**	**-**	**45.835.782**	**Carrying Amount**

	2022					
	Kerugian Kredit Ekspektasian 12 Bulan/ *12 Months ECL*	Kerugian Kredit Sepanjang Umurnya - Kredit Tidak Memburuk/ *Lifetime ECL - No Credit Impaired*	Kerugian Kredit Sepanjang Umurnya - Kredit Memburuk/ *Lifetime ECL - Credit Impaired*	Kerugian Kredit atas Aset Keuangan yang Dibeli atau Berasal dari Aset Keuangan yang Memburuk/ *Purchased or Credit Impaired Financial Assets*	Total	
Kredit yang diberikan yang diukur pada biaya perolehan yang diamortisasi						Loans at amortized cost
Grade 1	45.330.369	531.223	46.770	-	45.908.362	Grade 1
Grade 2	172.744	1.103.118	227	-	1.276.089	Grade 2
Grade 3	-	-	415.888	-	415.888	Grade 3
Grade 4	-	-	372.500	-	372.500	Grade 4
Grade 5	-	-	2.610.595	-	2.610.595	Grade 5
Total	45.503.113	1.634.341	3.445.980	-	50.583.434	Total
Cadangan kerugian kredit	(535.853)	(104.609)	(986.214)	-	(1.626.676)	Loss allowance
Nilai Tercatat	**44.967.260**	**1.529.732**	**2.459.766**	**-**	**48.956.758**	**Carrying Amount**

Cadangan kerugian kredit untuk aset keuangan yang diklasifikasikan pada nilai wajar melalui penghasilan komprehensif lain tidak diakui pada laporan posisi keuangan karena nilai tercatat aset keuangan tersebut adalah nilai wajar.

Allowance for credit losses for financial assets classified as fair value through other comprehensive income is not recognized in the statement of financial position because the carrying value of the financial assets is the fair value.

b. Analisis risiko kredit berdasarkan *probability of default:*

b. Credit risk analysis based on probability of default:

	2023					
	Kerugian Kredit Ekspektasian 12 Bulan/ *12 Months ECL*	Kerugian Kredit Sepanjang Umurnya - Kredit Tidak Memburuk/ *Lifetime ECL - No Credit Impaired*	Kerugian Kredit Sepanjang Umurnya - Kredit Memburuk/ *Lifetime ECL - Credit Impaired*	Kerugian Kredit atas Aset Keuangan yang Dibeli atau Berasal dari Aset Keuangan yang Memburuk/ *Purchased or Credit Impaired Financial Assets*	Total	
Kredit yang diberikan yang diukur pada biaya perolehan yang diamortisasi						Loans at amortized cost
0,00-0,10	40.961.186	-	72.497	-	41.030.683	0.00-0.10
0,11-0,40	-	3.940.382	11.447	-	3.951.829	0.11-0.40
0,41-1,00	-	-	4.433.104	-	4.433.104	0.41-1.00
Total	40.961.186	3.940.382	4.517.048	-	49.418.616	Total

47. Analisa Kualitas Kredit (lanjutan)

47. Credit Quality Analysis (continued)

Pengukuran Kerugian Kredit Ekspektasian (lanjutan)

Measurement of Expected Credit Loss (continued)

	2023					
	Kerugian Kredit Ekspektasian 12 Bulan/ *12 Months ECL*	Kerugian Kredit Sepanjang Umurnya - Kredit Tidak Memburuk/ *Lifetime ECL - No Credit Impaired*	Kerugian Kredit Sepanjang Umurnya - Kredit Memburuk/ *Lifetime ECL - Credit Impaired*	Kerugian Kredit atas Aset Keuangan yang Dibeli atau Berasal dari Aset Keuangan yang Memburuk/ *Purchased or Credit Impaired Financial Assets*	Total	
Cadangan kerugian kredit	(908.096)	(498.218)	(2.176.520)	-	(3.582.834)	Loss allowance
Nilai Tercatat	**40.053.090**	**3.442.164**	**2.340.528**	**-**	**45.835.782**	**Carrying Amount**

	2022					
	Kerugian Kredit Ekspektasian 12 Bulan/ *12 Months ECL*	Kerugian Kredit Sepanjang Umurnya - Kredit Tidak Memburuk/ *Lifetime ECL - No Credit Impaired*	Kerugian Kredit Sepanjang Umurnya - Kredit Memburuk/ *Lifetime ECL - Credit Impaired*	Kerugian Kredit atas Aset Keuangan yang Dibeli atau Berasal dari Aset Keuangan yang Memburuk/ *Purchased or Credit Impaired Financial Assets*	Total	
Kredit yang diberikan yang diukur pada biaya perolehan yang diamortisasi/						Loans at amortized cost
0,00-0,10	45.503.113	973.589	2.501.999	-	48.978.701	0.00-0.10
0,11-0,40	-	531.916	182.934	-	714.850	0.11-0.40
0,41-1,00	-	128.836	761.047	-	889.883	0.41-1.00
Total	45.503.113	1.634.341	3.445.980	-	50.583.434	Total
Cadangan kerugian kredit	(535.853)	(104.609)	(986.214)	-	(1.626.676)	Loss allowance
Nilai Tercatat	**44.967.260**	**1.529.732**	**2.459.766**	**-**	**48.956.758**	**Carrying Amount**

Analisa Sensitivitas Kerugian Kredit Ekspektasian Terhadap Kondisi Ekonomi Masa Depan

Sensitivity Analysis of Expected Credit Loss for Future Economic Conditions

Rasio Kerugian Kredit Ekspektasian Terhadap Aset Keuangan Pada 31 Desember 2023/ *ECL Ratio to Financial Assets at December 31, 2023*	Aset Keuangan yang Diukur pada Biaya Perolehan Diamortisasi/ *Financial asset Measured at Amortized Cost*	Aset Keuangan yang Diukur pada Nilai Wajar melalui Penghasilan Komprehensif Lain/ *Financial Assets Measured at Fair Value Through Other Comprehensive Income*	Total/ *Total*	
Kerugian kredit ekspektasian yang dilaporkan	3.582.834	-	3.582.834	Reported ECL
Nilai tercatat bruto	49.418.616	-	49.418.616	Gross carrying amount
Rasio kerugian kredit ekspektasian yang dilaporkan terhadap nilai tercatat bruto	7,25%	-	7,25%	ECL ratio to gross carrying amount

47. Analisa Kualitas Kredit (lanjutan)

Analisa Sensitivitas Kerugian Kredit Ekspektasian Terhadap Kondisi Ekonomi Masa Depan (lanjutan)

47. Credit Quality Analysis (continued)

Sensitivity Analysis of Expected Credit Loss for Future Economic Conditions (continued)

	2023	2024	2025	2026	2027	
Skenario Moderat						Moderate Scenario
Neraca Transaksi Berjalan (% PDB Tahunan)	91,58%	105,12%	117,06%	127,84%	137,76%	Current Account (% GDP Yearly)
Tingkat Inflasi	-4,54%	-5,15%	-5,70%	-6,19%	-6,64%	Inflation Rate
Anggaran Pemerintah (% PDB)	37,41%	38,59%	39,16%	39,41%	39,46%	Fiscal Balance (% GDP)
BI Rate	23,94%	24,15%	24,13%	24,03%	-23,92%	BI Rate
Index Keyakinan Konsumer	8,64%	8,64%	8,64%	8,64%	8,64%	Consumer Confidence Index
Pembentukan Modal Tetap Bruto	70,95%	71,09%	71,11%	71,12%	71,12%	Gross Fixed Capital Formation
Belanja Pemerintah	10,54%	10,45%	10,28%	10,08%	9,88%	Government Expenditure
Index Harga Konsumen	7,32	-4,44	14,79	24,16	-83,31	Consumer Price Index
Produksi Industri	5,89%	6,21%	6,44%	6,61%	6,73%	Industrial Production
Harga Minyak	83,92	90,10	95,26	99,68	103,53	Oil Price
Hutang Rumah Tangga	9,73%	9,65%	9,59%	9,52%	9,47%	Household Debt
Skenario Optimis						Upside Scenario
Neraca Transaksi Berjalan (% PDB Tahunan)	152,63%	175,21%	195,09%	213,07%	229,61%	Current Account (% GDP Yearly)
Tingkat Inflasi	-7,56%	-8,59%	-9,49%	-10,31%	-11,07%	Inflation Rate
Anggaran Pemerintah (% PDB)	62,35%	64,31%	65,27%	65,68%	65,77%	Fiscal Balance (% GDP)
BI Rate	39,90%	40,25%	40,22%	40,05%	-39,86%	BI Rate
Index Keyakinan Konsumer	14,40%	14,40%	14,40%	14,40%	14,40%	Consumer Confidence Index
Pembentukan Modal Tetap Bruto	118,25%	118,48%	118,52%	118,53%	118,53%	Gross Fixed Capital Formation
Belanja Pemerintah	17,57%	17,41%	17,13%	16,80%	16,47%	Government Expenditure
Index Harga Konsumen	12,20	-7,39	-24,66	-40,26	138,85	Consumer Price Index
Produksi Industri	9,82%	10,35%	10,73%	11,01%	11,22%	Industrial Production
Harga Minyak	139,87	150,17	158,76	166,13	172,56	Oil Price
Hutang Rumah Tangga	16,22%	16,09%	15,98%	15,87%	15,78%	Household Debt
Skenario Pesimis						Downside Scenario
Neraca Transaksi Berjalan (% PDB Tahunan)	61,05%	70,08%	78,04%	85,23%	91,84%	Current Account (% GDP Yearly)
Tingkat Inflasi	-3,02%	-3,44%	-3,80%	-4,13%	-4,43%	Inflation Rate
Anggaran Pemerintah (% PDB)	24,94%	25,72%	26,11%	26,27%	26,31%	Fiscal Balance (% GDP)
BI Rate	15,96%	16,10%	16,09%	16,02%	-15,94%	BI Rate
Index Keyakinan Konsumer	5,76%	5,76%	5,76%	5,76%	5,76%	Consumer Confidence Index
Pembentukan Modal Tetap Bruto	47,30%	47,39%	47,41%	47,41%	47,41%	Gross Fixed Capital Formation
Belanja Pemerintah	7,03%	6,96%	6,85%	6,72%	6,59%	Government Expenditure
Index Harga Konsumen	4,88	-2,96	-9,86	-16,10	55,54	Consumer Price Index
Produksi Industri	3,93%	4,14%	4,29%	4,40%	4,49%	Industrial Production
Harga Minyak	55,95	60,07	63,50	66,45	69,02	Oil Price
Hutang Rumah Tangga	6,49%	6,44%	6,39%	6,35%	6,31%	Household Debt

48. Rugi Per Saham

Berikut adalah perhitungan rugi bersih per saham dasar dan dilusian:

48. Loss Per Share

The following presents the computations of basic and diluted loss per share:

	2023			
	Rugi Tahun Berjalan yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/ *Loss for the Period Attributable to Equity Holders The Parent Entity*	**Rata-rata Tertimbang Jumlah Saham Dasar/ *Weighted Average Number of Ordinary Shares Outstanding***	**Rugi per Saham (Nilai Penuh)/ *Loss per Share (Full Amount)***	
Rugi per saham dasar/ dilusian	(6.034.077)	98.277.584.070	(61)	Basic/ diluted loss per share

48. Rugi Per Saham (lanjutan) / 48. Loss Per Share (continued)

	2022			
	Rugi Tahun Berjalan yang Dapat Diatribusikan Kepada Pemilik Entitas Induk/ *Loss for the Period Attributable to Equity Holders The Parent Entity*	Rata-rata Tertimbang Jumlah Saham Dasar/ *Weighted Average Number of Ordinary Shares Outstanding*	Rugi per Saham (Nilai Penuh)/ *Loss per Share (Full Amount)*	
Rugi per saham dasar/ dilusian	(5.027.460)	67.887.540.178	(74)	Basic/ diluted loss per share

49. Transaksi Non-Kas / 49. Non-Cash Transaction

	2023	2022	
Keuntungan yang belum direalisasi atas surat-surat berharga diukur pada nilai wajar melalui penghasilan komprehensif lain setelah pajak tangguhan	4.938	(54.704)	Unrealized gain from fair value through other comprehensive income marketable securities - net
Revaluasi aset tetap	-	77.837	Revaluation of fixed assets
Reklasifikasi aset tetap ke aset terbengkalai	24.151	-	Reclassification of fixed assets to abandoned assets

50. Informasi Tambahan / 50. Additional Information

Pada tanggal 31 Desember 2023 dan 2022 informasi tambahan untuk Bank adalah sebagai berikut (Bank saja):

As at December 31, 2023 and 2022 additional information regarding the Bank is as follows (Bank only):

	2023	2022	
Rasio aset produktif bermasalah terhadap total aset produktif	6,37%	4,09%	Non-performing assets to total earning assets ratio
Rasio kredit terhadap dana pihak ketiga	113,18%	98,48%	Loans to third party fund ratio
Rasio total beban operasional terhadap total pendapatan operasional	223,28%	222,62%	Total operating expenses to total operating income ratio
Rasio kredit kepada Usaha Mikro Kecil (UMK) terhadap total kredit yang diberikan	46,92%	53,51%	Small micro business loans to total loans ratio

Sesuai dengan peraturan POJK No. 38/ POJK.03/2019 tentang Perubahan atas POJK No. 32/POJK.03/2018 tentang Batas Maksimum Pemberian Kredit dan Penyediaan Dana Besar Bagi Bank Umum, batas maksimum penyediaan dana kepada pihak terkait, satu peminjam yang bukan pihak terkait dan satu kelompok peminjam yang bukan pihak terkait masing-masing tidak melebihi 10%, 20%, dan 25% dari modal Bank.

Based on OJK regulation No. 38/POJK.03/2019 related to the Changes of POJK No. 32/ POJK.03/2018 related to Legal Lending Limit and Provision of Large Funds for Commercial Banks, the maximum lending limit to related parties, one non-related party debtor, and one non-related party group of debtors shall not exceed 10%, 20%, and 25% of the Bank's capital, respectively.

50. Informasi Tambahan (lanjutan)

Pada tanggal 31 Desember 2023 tidak terdapat pelampauan BMPK. Pada 31 Desember 2021 terdapat pelampauan BMPK terkait penjaminan kredit dalam rangka penerapan teknik Manajemen Risiko Kredit. Pelampauan BMPK ini merupakan dampak penurunan Modal Inti yang dialami oleh Bank. Pelampauan BMPK ini telah diselesaikan pada Januari 2022.

50. Additional Information (continued)

As at December 31, 2023 there is no excess of the LLL. As at December 31, 2021, there was an excess of the LLL related to loan guarantees in the context of implementing Credit Risk Management techniques. The excess of the LLL is an impact of the declining in Core Capital experience by the Bank. This excess of the LLL has been resolved in January, 2022.

51. Aset dan Liabilitas Dalam Mata Uang Asing

Saldo aset dan liabilitas moneter dalam mata uang asing adalah sebagai berikut:

51. Assets and Liabililities in Foreign Currencies

The balances of monetary assets and liabilities in foreign currencies are as follows :

	2023		2022		
	Mata Uang Asing (dalam ribuan)/ *Foreign Currency (in thousand)*	Ekuivalen Rupiah/ *Rupiah Equivalent*	Mata Uang Asing (dalam ribuan)/ *Foreign Currency (in thousand)*	Ekuivalen Rupiah/ *Rupiah Equivalent*	
ASET					**ASSETS**
Kas:					Cash:
Dolar Amerika Serikat	560	8.627	482	7.337	United States Dollar
Euro Eropa	112	1.901	116	1.734	European Euro
Dolar Singapura	46	540	119	1.263	Singapore Dollar
Dolar Australia	19	201	23	228	Australian Dollar
Lain-lain (ekuivalen USD)	102	1.575	11	170	Others (USD equivalent)
Sub-total		12.844		10.732	Sub-total
Giro pada Bank Indonesia:					Current accounts with Bank Indonesia:
Dolar Amerika Serikat	7.563	116.440	13.689	208.441	United States Dollar
Giro pada bank lain:					Current accounts with other banks:
Dolar Amerika Serikat	9.952	153.231	36.902	561.918	United States Dollar
Dolar Singapura	3.837	44.801	5.258	55.969	Singapore Dollar
Dolar Hong Kong	4.959	9.774	1.437	2.788	Hong Kong Dollar
Euro Eropa	481	8.193	143	2.141	European Euro
Dolar Australia	731	7.689	282	2.790	Australian Dollar
Poundsterling Inggris	358	7.018	770	13.100	Great Britain Poundsterling
Yuan Cina	2.624	5.694	3.026	6.495	Chinese Yuan
Won Korea	186	2.211	38.422	409	Korean Won
Yen Jepang	16.550	1.804	97.147	10.250	Japanese Yen
Sub-total		240.415		655.860	Sub-total
Penempatan pada Bank Indonesia dan bank lain:					Placements with Bank Indonesia and other banks:
Dolar Amerika Serikat	22.000	338.734	206.510	3.144.635	United States Dollar
Surat-surat berharga:					Marketable securities:
Dolar Amerika Serikat	388.446	5.980.901	307.689	4.685.333	United States Dollar
Yuan China	1.292	2.803	2.475	5.312	Chinese Yuan
Sub-total		5.983.704		4.690.645	Sub-total
Tagihan akseptasi:					Acceptance receivables:
Dolar Amerika Serikat	6.644	102.298	468	7.134	United States Dollar
Yuan Cina	4.090	8.875	4.758	10.212	Chinese Yuan
Sub-total		111.173		17.346	Sub-total
Tagihan derivatif:					Derivative receivables:
Dolar Amerika Serikat	197	3.040	608	9.254	United States Dollar

51. Aset Dan Liabilitas Dalam Mata Uang Asing (lanjutan)

51. Assets And Liabililities In Foreign Currencies (continued)

	2023		2022		
	Mata Uang Asing (dalam ribuan)/ *Foreign Currency (in thousand)*	Ekuivalen Rupiah/ *Rupiah Equivalent*	Mata Uang Asing (dalam ribuan)/ *Foreign Currency (in thousand)*	Ekuivalen Rupiah/ *Rupiah Equivalent*	
Kredit yang diberikan dan pembiayaan/piutang syariah:					Loans and sharia financing/receivables:
Dolar Amerika Serikat	326.533	5.027.636	215.246	3.277.656	United States Dollar
Euro Eropa	128	2.185	142	2.127	European Euro
Sub-total		5.029.821		3.279.783	Sub-total
Aset lain-lain:					Other assets:
Dolar Amerika Serikat	1.282	19.793	1.962	29.872	United States Dollar
Total aset		**11.855.964**		**12.046.568**	**Total assets**
LIABILITAS					**LIABILITIES**
Liabilitas segera:					Liabilities immediately payable:
Dolar Amerika Serikat	96	1.471	1.357	20.659	United States Dollar
China Yuan	183	398	101	216	Chinese Yuan
Dolar Hongkong	197	388	-	-	Hong Kong Dollar
Euro Eropa	20	341	-	-	European Euro
Yen Jepang	2.560	279	-	-	Japanese Yen
Poundsterling Inggris	8	149	8	143	Great Britain Poundsterling
Dolar Singapura	0	3	565	6.014	Singapore Dollar
Dolar Australia	-	-	1	9	Australian Dollar
Sub-total		3.029		27.041	Sub-total
Liabilitas akseptasi:					Acceptance liabilities:
Dolar Amerika Serikat	6.644	102.298	468	7.134	United States Dollar
Yuan Cina	4.090	8.875	4.758	10.212-	Chinese Yuann
Sub-total		111.173		-	Sub-total
Giro:					Demand deposits:
Dolar Amerika Serikat	27.138	417.845	23.507	357.951	United States Dollar
Yen Jepang	295.789	32.241	332.928	35.127	Japanese Yen
Dolar Singapura	62	722	328	3.491	Singapore Dollar
Dolar Australia	41	432	44	439	Australian Dollar
Euro Eropa	15	262	26	383	European Euro
Poundsterling Inggris	2	35	3	48	Great Britain Poundsterling
Sub-total		451.537		397.439	Sub-total
Tabungan:					Saving deposits:
Dolar Amerika Serikat	3.369	51.876	7.398	112.659	United States Dollar
Euro Eropa	64	1.087	72	1.083	European Euro
Dolar Singapura	18	210	64	684	Singapore Dollar
Dolar Australia	27	319	34	335	Australian Dollar
Yen Jepang	1.963	214	2.840	300	Japanese Yen
Poundsterling Inggris	1	7	1	8	Great Britain Poundsterling
Sub-total		53.713		115.069	Sub-total
Deposito berjangka:					Time deposits:
Dolar Amerika Serikat	226.658	3.489.847	206.890	3.150.417	United States Dollar
Dolar Australia	80	842	371	3.674	Australian Dollar
Euro Eropa	139	2.376	154	2.312	European Euro
Dolar Singapura	54	635	78	826	Singapore Dollar
Yen Jepang	-	-	464	49	Japanese Yen
Sub-total		3.493.700		3.157.278	Sub-total

51. Aset Dan Liabilitas Dalam Mata Uang Asing (lanjutan)

51. Assets And Liabililities In Foreign Currencies (continued)

	2023		2022		
	Mata Uang Asing (dalam ribuan)/ *Foreign Currency (in thousand)*	Ekuivalen Rupiah/ *Rupiah Equivalent*	Mata Uang Asing (dalam ribuan)/ *Foreign Currency (in thousand)*	Ekuivalen Rupiah/ *Rupiah Equivalent*	
Simpanan dari bank lain:					Deposit from other banks:
Dolar Amerika Serikat	500.000	7.698.500	664.513	10.118.875	United States Dollar
Pinjaman yang diterima:					Borrowings:
Dolar Amerika Serikat	81.249	1.251.005	3.834	58.378	United States Dollar
Liabilitas derivatif:					Derivative payables:
Dolar Amerika Serikat	53	808	805	12.259	United States Dollar
Liabilitas lain-lain:					Other liabilities:
Dolar Amerika Serikat	2.034	31.320	4.158	63.323	United States Dollar
Dolar Australia	-	-	0	3	Australian Dollar
Dolar Singapura	-	-	0	1	Singapore Dollar
Euro Eropa	0	1	0	1	European Euro
Yuan Cina	0	7		-	Chinese Yuan
		31.328		63.328	
Total liabilitas		**13.094.793**		**13.967.013**	**Total liabilities**

52. Pernyataan Standar Akuntansi Keuangan (PSAK) dan Interpretasi Standar Akuntansi Keuangan (ISAK) yang dikeluarkan dan direvisi

Perubahan Pernyataan Standar Akuntansi Keuangan (PSAK)

Diterapkan pada tahun 2023

Penerapan standar akuntansi keuangan revisi berikut, yang berlaku efektif 1 Januari 2023, relevan bagi Perusahaan namun tidak menyebabkan perubahan signifikan atas kebijakan akuntansi Perusahaan dan tidak berdampak material terhadap jumlah-jumlah yang dilaporkan dalam laporan keuangan tahun berjalan maupun sebelumnya:

- Amendemen PSAK No. 1: "Penyajian Laporan Keuangan" tentang Pengungkapan Kebijakan Akuntansi yang Mengubah Istilah "Signifikan" menjadi "Material" dan Memberi Penjelasan mengenai Kebijakan Akuntansi Material;
- Amendemen PSAK No. 16, Aset Tetap: Hasil sebelum Penggunaan yang Diintensikan;
- Amendemen PSAK No. 25, Kebijakan Akuntansi, Perubahan Estimasi Akuntansi dan Kesalahan: Definisi Estimasi Akuntansi;
- Amendemen PSAK No. 46, Pajak Penghasilan: Pajak Tangguhan terkait Aset dan Liabilitas yang Timbul dari Transaksi Tunggal;
- Amendemen PSAK No. 107, "Akuntansi Ijarah";

52. Issued and revised statements of financial accounting standards (SFAS) and Interpretation Of Financial Accounting Standards (IFAS)

Changes to the Statements of Financial Accounting Standards (SFAS)

Adopted during 2023

The implementation of the following revised financial accounting standards, which are effective from January 1, 2023 and relevant for the Company, did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported in the current or prior year's financial statements:

- Amendment to SFAS No. 1: "Presentation of Financial Statements" regarding Disclosure of Accounting Policies that Change the Term "Significant" to "Material" and Provide Explanations of Material Accounting Policies;
- Amendment to SFAS No. 16, Property, Plant and Equipment: Proceeds before Intended Use;
- Amendment to SFAS No. 25, Accounting Policies, Changes in Accounting Estimates and Erros: Definition of Accounting Estimates;
- Amendment to SFAS No. 46, Income Taxes: Deferred Tax related to Assets and Liabilities Arising from a Single Transaction;
- Amendment to SFAS No. 107, "Ijarah Accounting";

52. Pernyataan Standar Akuntansi Keuangan (PSAK) dan Interpretasi Standar Akuntansi Keuangan (ISAK) yang dikeluarkan dan direvisi (lanjutan)

- PSAK 1 (Amendemen): "Penyajian Laporan Keuangan: Klasifikasi Liabilitas sebagai Jangka Pendek atau Jangka Panjang";
- PSAK 1 (Amendemen): "Penyajian Laporan Keuangan: Pengungkapan Kebijakan Akuntansi";
- PSAK 16 (Amendemen): "Aset Tetap: Hasil Sebelum Penggunaan yang Diintensikan";
- PSAK 25 (Amendemen): "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan: Definisi Estimasi Akuntansi";
- PSAK 46 (Amendemen): "Pajak Penghasilan: Pajak Tangguhan terkait Aset dan Liabilitas yang timbul dari Transaksi Tunggal yang diadopsi dari Amendemen IAS 12 Income Taxes tentang Deferred Tax related to Assets and Liabilities arising from a Single Transaction";
- PSAK 73 (Amendemen): "Sewa: terkait liabilitas sewa pada transaksi jual dan sewa-balik";
- PSAK 107 (Amendemen): "Akuntansi Ijarah".

Telah diterbitkan namun belum berlaku efektif

1 Januari 2024

- Amandemen PSAK No. 1, "Penyajian Laporan Keuangan" terkait Liabilitas Jangka Panjang dengan Kovenan
- Amandemen PSAK No. 73, "Sewa" terkait Liabilitas Sewa pada Transaksi Jual dan Sewa-balik
- Standar Akuntansi Keuangan Internasional

1 Januari 2025

- PSAK No. 74, "Kontrak Asuransi"
- PSAK No. 74 (Amandemen): "Kontrak Asuransi: Penerapan Awal PSAK No. 74 dan PSAK No. 71 - Informasi Komparatif"
- Amandemen PSAK No. 10, "Pengaruh Perubahan Kurs Valuta Asing: Kekurangan Ketertukaran"

Sampai dengan tanggal penerbitan laporan keuangan, Bank masih mempelajari dampak yang mungkin timbul dari penerapan amendemen PSAK tersebut dan dampak tersebut pada laporan keuangan belum dapat ditentukan.

52. Issued and revised statements of financial accounting standards (SFAS) and Interpretation Of Financial Accounting Standards (IFAS) (continued)

- SFAS 1 (Amendment): "Presentation of Financial Statements: Classification of Liabilities as Current or Non-current";
- SFAS 1 (Amendment): "Presentation of Financial Statements: Disclosure of Accounting Policies";
- SFAS 16 (Amendment): "Property, Plant and Equipment: Proceeds before Intended Use";
- SFAS 25 (Amendment): "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates";
- SFAS 46 (Amendment): "Income Tax: Deferred Tax related to Assets and Liabilities arising from a Single Transaction which adopted from Amended IAS 12 Income Taxes on Deferred Tax related to Assets and Liabilities arising from a Single Transaction";
- SFAS 73 (Amendment): "Leases: regarding lease liabilities in sale-and-lease back transactions";
- SFAS 107: "Ijarah Accounting".

Issued but not yet effective

January 1, 2024

- Amendment to SFAS No. 1, "Presentation of Financial Statements" regarding Long-term Liabilities with the Covenant
- Amendment to SFAS No. 73, "Leases" regarding Lease Liabilities in Sale-and-lease Back Transaction
- International Financial Accounting Standard

January 1, 2025

- SFAS No. 74, "Insurance Contracts"
- SFAS No. 74 (Amendment): "Insurance Contracts: Initial Application of SFAS No. 74 and SFAS No. 71 - Comparative Information"
- Amendment to SFAS No. 10, "Impact on Changes in Foreign Currency: Lack of Exchangeability".

As at the date of authorization of these financial statements, the Bank is still evaluating the potential impact of the above amendments to SFAS and has not yet determined the related effects on the financial statements.

53. Informasi Tambahan Arus Kas

Rekonsiliasi liabilitas yang timbul dari aktivitas pendanaan adalah sebagai berikut:

53. Additional Information on Cash Flow

Reconciliation of liabilities that arising from financing activities is as follows:

	31 Desember/ *December 31* 2022	Arus Kas/ *Cash flows*	Perubahan Non Kas/ *Non Cash Changes*: Amortisasi Biaya Emisi/ *Amortization of Issuance Cost*	Perubahan Non Kas/ *Non Cash Changes*: Pergerakan Kurs Mata Uang Asing/ *Foreign Exchange* Rate	31 Desember/ *Desember 31,* 2023	
Obligasi subordinasi	2.395.776	-	3.075	-	2.398.851	Subordinated bonds
Pinjaman yang diterima	11.200.131	504.361	-	-	11.704.492	Borrowings
Surat berharga yang dijual dengan janji dibeli kembali	-	219.631	-	-	219.631	Marketable securities sold with agreements to repurchase
Surat berharga yang diterbitkan	996.942	-	1.795	-	998.737	Marketable Securities issued
Total	**14.592.849**	**723.992**	**4.870**	**-**	**15.321.711**	**Total**

	31 Desember/ *December 31* 2021	Arus Kas/ *Cash flows*	Perubahan Non Kas/ *Non Cash Changes*: Amortisasi Biaya Emisi/ *Amortization of Issuance Cost*	Perubahan Non Kas/ *Non Cash Changes*: Pergerakan Kurs Mata Uang Asing/ *Foreign Exchange* Rate	31 Desember/ *Desember 31,* 2022	
Obligasi subordinasi	2.792.450	-	(396.674)	-	2.395.776	Subordinated bonds
Pinjaman yang diterima	2.426.241	8.887.273	(113.383)	-	11.200.131	Borrowings
Surat berharga yang dijual dengan janji dibeli kembali	2.399.726	(2.399.726)	-	-	-	Marketable securities sold with agreements to repurchase
Surat berharga yang diterbitkan	995.258	-	1.684	-	996.942	Marketable Securities issued
Total	**8.613.675**	**6.487.547**	**(508.373)**	**-**	**14.592.849**	**Total**

54. Informasi Keuangan Tersendiri Bank

Bank menerbitkan laporan keuangan konsolidasian yang merupakan laporan keuangan utama, informasi keuangan tambahan PT Bank KB Bukopin Tbk (Entitas Induk) ini, dimana investasi pada Entitas Anak dicatat dengan metode harga perolehan, disajikan untuk menganalisa hasil usaha entitas induk saja. Informasi keuangan tambahan PT Bank KB Bukopin Tbk (Entitas Induk) berikut ini (Lampiran I - Lampiran V) harus dibaca bersamaan dengan laporan keuangan konsolidasian PT Bank KB Bukopin Tbk dan Entitas Anak.

54. Financial Information of The Bank

The Bank published the consolidated financial statements as its primary financial statements. The supplementary financial statements of PT Bank KB Bukopin Tbk (Parent Entity) which account for investment in Subsidiaries using the cost method, and have been prepared in order that the parent entity's result of operations can be analyzed. The supplementary financial information of PT Bank KB Bukopin Tbk (Parent Entity) (Attachment I - Attachment V) should be read in conjunction with the consolidated financial statements of PT Bank KB Bukopin Tbk and Subsidiaries.

55. Peristiwa Setelah Periode Pelaporan

Asset Bulk Sales

Asset Bulk Sales merupakan skema dari rangkaian transaksi yang terdiri dari:

Penjualan Kredit

Bank melakukan penjualan kredit kepada TLDC PTE LTD dengan total baki debet Rp2.868.932 yang dibeli dengan harga Rp1.621.790 pada 28 Maret 2024.

55. Events After Reporting Date

Asset Bulk Sales

Asset Bulk Sales is a scheme of a series of transactions consisting of:

Loan Sales

The Bank sold credit to TLDC PTE LTD with a total debit balance of IDR 2,868,932 purchased at a price of Rp1,621,790 on March 28, 2024.

55. Peristiwa Setelah Periode Pelaporan (lanjutan)

***Asset Bulk Sales* (lanjutan)**

Akuisisi *Private Bond*

Bank telah melakukan pembelian *private bond* dari TLDC PTE LTD dengan nominal sebesar USD106 juta pada 28 Maret 2024 dengan jangka waktu 5 tahun dan Bunga floating berdasarkan *US Treasury Bills* 5y + margin variabel 0,8% (tahun ke-1 & tahun ke-2)/0,9% (tahun ke-3)/1% (tahun ke 4 & tahun ke-5).

Pinjaman yang Diterima

Berdasarkan dokumen Perjanjian Pinjaman pada tanggal 1 April 2024, fasilitas pinjaman diterima oleh PT Bank KB Bukopin Tbk dari The Korea Development Bank, cabang Singapura dengan nominal USD300.000.000.

56. Tanggung Jawab dan Otorisasi Penerbitan Laporan Keuangan Konsolidasian

Manajemen Bank bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian yang diotorisasi Direksi untuk terbit pada tanggal 20 Mei 2024.

55. Events After Reporting Date (continued)

Asset Bulk Sales (continued)

Private Bond Acquisition

The Bank has purchased a private bond of TLDC PTE LTD with a nominal value of USD106 million on March 28, 2024 which will be due in 5 years and floating interest rate based on US Treasury Bills 5y + variable margin 0.8% (year 1-year 2)/0.9% (year 3)/1% (year 4-year 5).

Borrowings

Based on the Loan Agreement document dated April 1, 2024, the loan facility was received by PT Bank KB Bukopin Tbk from The Korea Development Bank, Singapore branch, with a nominal amount of USD300,000,000.

56. Responsibilities and Authorized Issuance of Consolidated Financial Statements

Management of the Bank is responsible for the preparation and presentation of the consolidated financial statements that are authorized by Directors for issuance on May 20, 2024.

Lampiran 1 **Attachment 1**

PT BANK KB BUKOPIN TBK
(ENTITAS INDUK SAJA)
Laporan Posisi Keuangan
Tanggal 31 Desember 2023
(Angka-angka disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
(PARENT ONLY)
Statements Of Financial Position
As at December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

	2023	2022	
ASET			**ASSETS**
Kas	254.501	490.328	Cash
Giro pada Bank Indonesia	2.655.765	3.743.790	Current accounts with Bank Indonesia
Giro pada bank lain	367.341	766.734	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	738.617	11.081.830	Placements with Bank Indonesia and other banks
Surat-surat berharga			Marketable securities
Diukur pada nilai wajar melalui laba rugi	5.322.930	3.362.099	Fair value through profit and loss
Diukur pada nilai wajar melalui penghasilan komprehensif lain	3.477.939	1.090.347	Fair value through other comprehensive income
Diukur pada biaya perolehan amortisasi	8.808.097	7.661.041	Measured at amortized cost
	17.608.966	12.113.487	
Dikurangi: Cadangan kerugian penurunan nilai	(109)	(76)	Less: Allowance for impairment losses
Surat-surat berharga - neto	17.608.857	12.113.411	Marketable securities - net
Tagihan Surat-surat berharga yang dibeli dengan janji dijual kembali - neto	2.572.152	-	Marketable securities receivable purchased with agreements to resell - net
Tagihan derivatif	3.040	9.254	Derivative receivables
Kredit yang diberikan	44.183.228	45.984.992	Loans
Dikurangi: Cadangan kerugian penurunan nilai	(3.353.299)	(1.419.124)	Less: Allowance for impairment losses
Kredit yang diberikan - neto	40.829.929	44.565.868	Loans - net
Tagihan akseptasi	132.577	17.346	Acceptances receivables
Dikurangi: Cadangan kerugian penurunan nilai	(1.613)	(211)	Less: Allowance for impairment losses
Tagihan akseptasi - neto	130.964	17.135	Acceptances receivables - net
Penyertaan saham	2.313.180	1.032.615	Investments in shares
Dikurangi:			Less:
Akumulasi amortisasi dan penurunan nilai goodwill	(106.229)	(106.229)	Accumulated amortization and impairment losses of goodwill
Penyertaan saham - neto	2.206.951	926.386	Investments in shares - net
Aset tetap	4.322.260	4.360.811	Fixed assets
Dikurangi: Akumulasi penyusutan	(1.300.473)	(1.185.651)	Less: Accumulated depreciation
Aset tetap - neto	3.021.787	3.175.160	Fixed assets - net
Aset pajak tangguhan - neto	2.558.816	1.858.834	Deferred tax assets - net
Aset tak berwujud	338.304	187.538	Intangible assets
Dikurangi: Akumulasi amortisasi	(243.063)	(176.339)	Less: Accumulated amortization
Aset tak berwujud - neto	95.241	11.199	Intangible assets - net
Aset lain-lain - neto	5.798.633	5.943.811	Other assets - net
TOTAL ASET	**78.842.594**	**84.703.740**	**TOTAL ASSETS**

PT BANK KB BUKOPIN TBK
(ENTITAS INDUK SAJA)
Laporan Posisi Keuangan (lanjutan)
Tanggal 31 Desember 2023
(Angka-angka disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
(PARENT ONLY)
Statements Of Financial Position (continued)
As at December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

	2023	2022	
LIABILITAS DAN EKUITAS			**LIABILITIES AND EQUITY**
LIABILITAS			**LIABILITIES**
Liabilitas segera	430.154	389.384	Liabilities immediately payable
Simpanan nasabah	39.036.634	46.696.050	Deposits from customers
Simpanan dari bank lain	7.761.176	10.374.005	Deposits from other banks
Liabilitas derivatif	808	12.259	Derivative payables
Liabilitas akseptasi	132.577	17.346	Acceptances payables
Pinjaman yang diterima	11.654.712	11.132.586	Borrowings
Surat berharga yang diterbitkan	3.397.588	3.392.717	Subordinated bond
Utang pajak	59.039	52.208	Taxes payables
Liabilitas lain-lain	1.607.185	1.311.221	Other liabilities
TOTAL LIABILITAS	**64.079.873**	**73.377.776**	**TOTAL LIABILITIES**
EKUITAS			**EQUITY**
Modal saham			Share capital
Saham biasa kelas A - nilai nominal Rp10.000 (nilai penuh)			Common A shares - Rp10,000 (full amount) par value
Saham biasa kelas B - nilai nominal Rp100 (nilai penuh)			Common B shares - Rp100 (full amount) par value
Modal dasar			Authorized capital
Saham biasa kelas A - 21.337.978 saham			Common A shares - 21,337,978 shares
Saham biasa kelas B - 207.866.202.200 saham			Common B shares - 207,866,202,200 shares
Modal ditempatkan dan disetor penuh			Issued and fully paid capital
Saham biasa kelas A - 21.337.978 saham			Common A shares - 21,337,978 shares
Saham biasa kelas B - 187.866.201.892 saham per 31 Desember 2023 dan 67.866.202.200 saham per 31 Desember 2022	19.000.000	7.000.000	Common B shares - 187,866,201,892 shares as at December 31, 2023 and 67,866,202,200 shares as at December 31, 2022
Tambahan modal disetor	8.225.767	8.286.428	Additional paid-in capital
Uang muka setoran modal	-	3.000.000	Advance for future shares subscription
Surplus revaluasi aset	1.557.366	1.559.122	Asset revaluation surplus
Keuntungan (kerugian) yang belum direalisasi atas surat-surat berharga dalam kelompok nilai wajar melalui penghasilan komprehensif lain	7.563	2.625	Unrealized gain (loss) on fair value through other comprehensive income marketable securities
Akumulasi rugi	(14.027.975)	(8.522.211)	Accumulated deficit
TOTAL EKUITAS	**14.762.721**	**11.325.964**	**TOTAL EQUITY**
TOTAL LIABILITAS DAN EKUITAS	**78.842.594**	**84.703.740**	**TOTAL LIABILITIES AND EQUITY**

PT BANK KB BUKOPIN TBK
(ENTITAS INDUK SAJA)
Laporan Laba Rugi Dan Penghasilan Komprehensif
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Angka-angka disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
(PARENT ONLY)
Statements Of Profit Or Loss And Other Comprehensive Income
For the Year Ended December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

	2023	2022	
PENDAPATAN DAN BEBAN OPERASIONAL			**INCOME AND EXPENSES FROM OPERATIONS**
Pendapatan bunga	4.347.708	3.674.535	Interest income
Beban bunga	(3.738.512)	(2.828.247)	Interest expense
Pendapatan bunga - neto	609.196	846.288	Interest income - net
Pendapatan operasional lainnya			Other operating income
Provisi dan komisi lainnya	310.805	266.695	Other fees and commissions
Keuntungan atas penjualan surat-surat berharga - neto	(8.899)	13.082	Gain on sale of marketable securities - net
Keuntungan selisih kurs - neto	29.265	31.815	Gain on foreign exchange - net
Lain-lain	98.562	116.955	Others
Total pendapatan operasional lainnya	429.733	428.547	Total other operating income
Pembentukan cadangan kerugian penurunan nilai atas aset keuangan – neto	(4.979.817)	(3.856.675)	Provision allowance for impairment losses on financial assets - net
Beban estimasi kerugian atas komitmen dan kontinjensi - bersih	(1.999)	(2.272)	Provision for allowance for Commitments and Contingencies -net
Beban penyisihan kerugian penurunan nilai atas aset non-keuangan - neto	(268.218)	(84.127)	Provision for allowance for impairment losses non-financial assets - net
Keuntungan (kerugian) dari perubahan nilai wajar aset keuangan	155.384	(147.542)	Gain (loss) from in fair value of financial assets
Keuntungan (kerugian) transaksi mata uang asing - neto	5.235	(1.919)	Gain (loss) from foreign exchange transactions - net
Umum dan administrasi	(1.247.117)	(1.442.582)	General and administrative
Gaji dan tunjangan karyawan	(706.146)	(623.497)	Salaries and employee benefits
Premi program penjaminan pemerintah	(86.843)	(106.404)	Premium on government guarantee program
Total beban operasional lainnya	(2.040.106)	(2.172.483)	Total operational expenses
RUGI OPERASIONAL	**(6.088.072)**	**(4.990.183)**	**LOSS FROM OPERATIONS**
BEBAN NON-OPERASIONAL - NETO	**(125.498)**	**(74.508)**	**NON-OPERATING LOSS - NET**
RUGI SEBELUM BEBAN PAJAK PENGHASILAN	**(6.213.570)**	**(5.064.691)**	**LOSS BEFORE INCOME TAX EXPENSE**

PT BANK KB BUKOPIN TBK
(ENTITAS INDUK SAJA)
Laporan Laba Rugi Dan Penghasilan Komprehensif (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Angka-angka disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
(PARENT ONLY)
Statements Of Profit Or Loss And Other Comprehensive Income (continued)
For the Year Ended December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

	2023	2022	
MANFAAT (BEBAN) PAJAK PENGHASILAN			**INCOME TAX BENEFIT (EXPENSE)**
Tangguhan	702.789	94.711	Deferred
Manfaat (beban) pajak penghasilan - neto	702.789	94.711	Income tax (expense) benefit - net
RUGI TAHUN BERJALAN	**(5.510.781)**	**(4.969.980)**	**LOSS FOR THE YEAR**
PENGHASILAN KOMPREHENSIF LAIN:			**OTHER COMPREHENSIVE INCOME:**
Pos-pos yang tidak akan direklasifikasi ke laba rugi:			Items that will not be reclassified to profit or loss:
Pengukuran kembali kerugian atas program imbalan pasti	6.432	23.760	Remeasurement loss on defined benefit
Perubahan surplus revaluasi aset	(1.756)	77.837	Changes in asset revaluation surplus
Pajak penghasilan terkait pos-pos yang tidak akan direklasifikasi ke laba rugi	(1.415)	(5.227)	Income tax related to items that not be reclasified to profit or loss
Pos-pos yang akan direklasifikasi: ke laba rugi:			Items that may be reclassified subsequently to profit or loss:
Perubahan nilai wajar surat-surat berharga dalam nilai wajar melalui penghasilan komprehensif lain	6.330	(70.134)	Changes in fair value of fair value through other comprehensive income marketable securities
Pajak penghasilan terkait pos-pos yang akan direklasifikasi ke laba rugi	(1.392)	15.429	Income tax related to items that will be reclasified to profit or loss
Total penghasilan komprehensif lain - neto	8.199	41.665	Total other comprehensive income - net
Total rugi komprehensif tahun berjalan	(5.502.582)	(4.928.315)	Total comprehensive loss for the year
RUGI PER SAHAM			**LOSS PER SHARE**
Dasar/dilusian (nilai penuh)	(56)	(73)	Basic/diluted (full amount)

PT BANK KB BUKOPIN TBK (ENTITAS INDUK SAJA)
Laporan Perubahan Ekuitas
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Angka-angka Disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK (PARENT ONLY)
Statements Of Changes In Equity
For the Year Ended December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

	Modal Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital*	Tambahan Modal Disetor/ *Additional Paid-in Capital*	Uang Muka Setoran Modal/ *Advance for Future Shares Subscription*	Surplus Revaluasi Aset/ *Asset Revaluation Surplus*	Keuntungan yang Belum Direalisasi atas Surat-Surat Berharga Dalam Kelompok Nilai Wajar melalui Penghasilan Komprehensif Lain - Setelah Pajak Tangguhan/ *Unrealized Gains on Fair Value Through Other Comprehensive Income Marketable Securities - Net of Deferred Tax*	Akumulasi Rugi/ *Accumulated Deficit*	Total
Saldo per 1 Januari 2022/ *Balance as of January 1, 2022*	7.000.000	8.286.428	-	1.481.285	57.330	(3.570.765)	13.254.278
Uang muka setoran modal/ *Advance for future shares subscription*	-	-	3.000.000	-	-	-	3.000.000
Surplus revaluasi aset/ *Assets revaluation surplus*	-	-	-	77.837	-	-	77.837
Kerugian yang belum direalisasi atas surat-surat berharga dalam kelompok nilai wajar melalui penghasilan komprehensif lain - setelah pajak tangguhan/ *Unrealized loss on fair value through other comprehensive income marketable securities - net of deferred tax*	-	-	-	-	(54.705)	-	(54.705)
Pengukuran kembali atas program imbalan pasti - setelah pajak tangguhan *Remeasurement on defined benefit plans – net of deferred tax*	-	-	-	-	-	18.534	18.534
Rugi tahun berjalan/*Loss for the year*	-	-	-	-	-	(4.969.980)	(4.969.980)
Saldo per 31 Desember 2022/ *Balance as of December 31, 2022*	**7.000.000**	**8.286.428**	**3.000.000**	**1.559.122**	**2.625**	**(8.522.211)**	**11.325.964**

Lampiran 3

PT BANK KB BUKOPIN TBK (ENTITAS INDUK SAJA) **PT BA**
Laporan Perubahan Ekuitas (lanjutan) **Stater**
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Angka-angka Disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain) **(Figures are presented in**

	Modal Ditempatkan dan Disetor Penuh/ ***Issued and Fully Paid Capital***	**Tambahan Modal Disetor/** ***Additional Paid-in Capital***	**Uang Muka Setoran Modal/** ***Advance for Future Shares Subscription***	**Surplus Revaluasi Aset/** ***Asset Revaluation Surplus***	**Keuntung yang Bel Direalisa atas Surat- Berharga D Kelompok Wajar mel Penghasi Komprehens - Setelah P Tangguh** ***Unrealiz Gains o Fair Valu Through O Comprehensiv Income Mark Securities of Deferred***
Saldo per 1 Januari 2023/ *Balance as of January 1, 2023*	7.000.000	8.286.428	3.000.000	1.559.122	
Uang muka setoran modal/ *Advance for future shares subscription*	3.000.000	-	(3.000.000)	-	
Penerimaan dana PUT VII dan penempatan pribadi	9.000.000	(60.661)	-	-	
Penghentian revaluasi aset/ *Dececognation assets revaluation*	-	-	-	(1.756)	
Kerugian yang belum direalisasi atas surat-surat berharga dalam kelompok nilai wajar melalui penghasilan komprehensif lain - setelah pajak tangguhan/ *Unrealized loss on fair value through other comprehensive income marketable securities - net of deferred tax*	-	-	-	-	
Pengukuran kembali atas program imbalan pasti - setelah pajak tangguhan *Remeasurement on defined benefit plans – net of deferred tax*	-	-	-	-	
Rugi tahun berjalan/*Loss for the year*	-	-	-	-	
Saldo per 31 Desember 2023/ ***Balance as of December 31, 2023***	**19.000.000**	**8.225.767**	**-**	**1.557.366**	

PT BANK KB BUKOPIN TBK
(ENTITAS INDUK SAJA)
Laporan Arus Kas
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Angka-angka Disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
(PARENT ONLY)
Statements Of Cash Flow
For the Year Ended December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

	2023	2022	
ARUS KAS DARI AKTIVITAS OPERASI			**CASH FLOWS FROM OPERATING ACTIVITIES**
Penerimaan bunga	4.417.801	3.566.202	Receipts from interest
Pembayaran bunga	(3.948.183)	(2.789.351)	Payments of interest expense
Pendapatan operasional lainnya	325.797	193.350	Other operating income
Penerimaan kembali kredit yang telah dihapusbukukan	179.698	84.763	Recoveries from written-off loans
Pembayaran gaji dan tunjangan karyawan	(727.681)	(845.329)	Payments of salaries and employee benefits
Beban operasional lainnya	(1.112.903)	(1.731.424)	Other operating expenses
Beban non operasional	(119.192)	(74.727)	Non operating expenses
Pengeluaran kas sebelum perubahan dalam aset dan liabilitas operasi	(984.663)	(1.596.516)	Cash out before changes before in operating assets and liabilities
Perubahan dalam aset dan liabilitas operasi:			Changes in operating assets and liabilities:
Penurunan (kenaikan) aset operasi:			Decrease (increase) in operating assets:
Penempatan pada bank lain yang jatuh tempo lebih dari 3 bulan sejak tanggal perolehan	(2.011.721)	(30.000)	Placements with other banks with maturities of more than 3 months from acquisition date
Surat-surat berharga - diperdagangkan	2.929.462	3.747.558	Marketable securities - trading
Surat-surat berharga - kredit yang diberikan dan piutang	495.880	724.074	Marketable securities - loans and receivables
Kredit yang diberikan	(1.423.577)	1.891.553	Loans
Tagihan akseptasi	113.828	11.783	Acceptances receivable
Aset lain-lain	(158.276)	(1.582.602)	Other assets
Kenaikan (penurunan) liabilitas operasi:			Increase (decrease) in operating liabilities:
Liabilitas segera	40.770	100.139	Liabilities immediately payable
Simpanan nasabah:			Deposits from customers:
Giro	(464.823)	127.514	Demand deposits
Tabungan	(88.679)	(1.901.335)	Savings deposits
Deposito berjangka	(7.105.913)	(2.775.137)	Time deposits
Simpanan dari bank lain	(2.612.829)	783.085	Deposits from other banks
Liabilitas akseptasi	115.231	11.928	Acceptances payable
Utang pajak	13.160	13.930	Taxes payable
Liabilitas lain-lain	527.169	66.919	Other liabilities
Kas neto digunakan untuk aktivitas operasi	(10.614.981)	(407.107)	Net cash used in operating activities

PT BANK KB BUKOPIN TBK
(ENTITAS INDUK SAJA)
Laporan Arus Kas (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Angka-angka Disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
(PARENT ONLY)
Statements Of Cash Flow (continued)
For the Year Ended December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

	2023	2022	
ARUS KAS DARI AKTIVITAS INVESTASI			**CASH FLOWS FROM INVESTING ACTIVITIES**
Penerimaan dari penjualan surat-surat berharga - nilai wajar melalui penghasilan komprehensif lain	260.000	1.099.665	Receipts from sale of marketable securities - fair value through other comprehensive income
Penerimaan dari surat-surat berharga yang jatuh tempo	11.665.372	4.106.018	Receipts from matured marketable securities
Pembelian surat-surat berharga - nilai wajar melalui penghasilan komprehensif lain dan pada biaya perolehan diamortisasi	(21.294.342)	(12.558.187)	Purchase of marketable securities - fair value through other comprehensive income and at amortized cost
Penerimaan dari surat-surat berharga yang dibeli dengan janji dijual kembali yang jatuh tempo	57.780.679	33.774.734	Receipts from matured marketable securities purchased with agreement to resell
Pembayaran atas surat-surat berharga yang dibeli dengan janji dijual kembali	(60.352.831)	(33.525.187)	Payments of marketable securities purchased with agreement to resell
Pembelian aset tetap	(45.775)	(47.065)	Purchase of fixed assets
Hasil penjualan aset tetap	22.395	7.624	Proceeds from sale of fixed assets
Pembelian piranti lunak	(150.766)	(105)	Purchase of software
Penurunan penyertaan saham	1.280.565	-	Decrease in investment in shares
Kas neto digunakan untuk aktivitas investasi	(10.834.703)	(7.142.503)	Net cash used in investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN			**CASH FLOWS FROM FINANCING ACTIVITIES**
Penerimaan dari surat-surat berharga yang dijual dengan janji dibeli kembali	8.907.903	10.806.560	Receipts from marketable securities sold with agreement to repurchase
Pembayaran atas jatuh tempo surat-surat berharga yang dijual dengan janji dibeli kembali	(8.907.903)	(13.183.397)	Payments of matured marketable securities sold with agreement to repurchase
Penerimaan dari pinjaman yang diterima	1.246.361	8.886.990	Proceeds from borrowings
Pembayaran pinjaman yang diterima	(724.234)	(80.196)	Payment of borrowings
Biaya penerbitan surat berharga yang diterbitkan			Cost of issuance of securities issued
Penerimaan dana setoran modal	-	3.000.000	future shares subscription
Penerimaan modal dari Penawaran Umum Terbatas VII	8.939.339	-	Receipts from Limited Public Offering VII
Kas neto diperoleh dari aktivitas pendanaan	9.461.466	9.429.957	Net cash provided by financing activities

PT BANK KB BUKOPIN TBK
(ENTITAS INDUK SAJA)
Laporan Arus Kas (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Angka-angka Disajikan dalam jutaan Rupiah, Kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
(PARENT ONLY)
Statements Of Cash Flow (continued)
For the Year Ended December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

	2023	2022	
PENINGKATAN (PENURUNAN) NETO KAS DAN SETARA KAS	**(11.988.218)**	**1.880.347**	**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**
Pengaruh perubahan kurs mata uang asing	(48.240)	(422.198)	Effect of foreign currency exchange rate changes
KAS DAN SETARA KAS AWAL TAHUN	**16.052.682**	**14.594.533**	**CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR**
KAS DAN SETARA KAS AKHIR TAHUN	**4.016.224**	**16.052.682**	**CASH AND CASH EQUIVALENTS AT END OF YEAR**
Kas dan setara kas terdiri dari:			Cash and cash equivalents consist of:
Kas	254.501	490.328	Cash
Giro pada Bank Indonesia	2.655.765	3.743.790	Current accounts with Bank Indonesia
Giro pada bank lain	367.341	766.734	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain yang jatuh tempo dalam 3 bulan atau kurang sejak tanggal perolehan	738.617	11.051.830	Placements with Bank Indonesia and other banks with original maturities of 3 months or less from acquisition date
Total	**4.016.224**	**16.052.682**	**Total**

PT BANK KB BUKOPIN TBK
(ENTITAS INDUK SAJA)
Pengungkapan Lainnya
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2023
(Angka-angka disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK KB BUKOPIN TBK
(PARENT ONLY)
Other Disclosure
For the Year Ended
December 31, 2023
(Figures are presented in million Rupiah unless otherwise stated)

1. Laporan Keuangan Tersendiri

Laporan posisi keuangan, laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas dan laporan arus kas Entitas Induk adalah laporan keuangan tersendiri yang merupakan informasi tambahan atas laporan keuangan konsolidasian.

1. Separate Financial Statements

Statements of financial position, statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Parent are separate financial statements which represents additional information to the consolidated financial statements.

2. Daftar Investasi Pada Entitas Anak

2. Schedule Of Investment In Subsidiaries

2023

Nama Entitas/ ***Entity Name***	**Persentase Kepemilikan/** ***Percentage of Ownership***	**Biaya perolehan 1 Jan. 2023/** ***Acquisition Cost Jan. 1, 2023***	**Penambahan/** ***Additions***	**Pengurangan/** ***Deductions***	**Biaya Perolehan 31 Des. 2023/** ***Carrying Value Dec. 31, 2023***
PT KB Bukopin Finance	99,24%	190.600	600.565	-	791.165
PT Bank KB Bukopin Syariah	95,92%	842.000	680.000	-	1.522.000
Total		1.032.600	1.280.565	-	2.313.165
Akumulasi amortisasi dan penurunan nilai *goodwill/ Accumulated amortization and impairment losses of goodwill*					(106.229)
					2.206.936

2022

Nama Entitas/ ***Entity Name***	**Persentase Kepemilikan/** ***Percentage of Ownership***	**Biaya perolehan 1 Jan. 2022/** ***Acquisition Cost Jan. 1, 2022***	**Penambahan/** ***Additions***	**Pengurangan/** ***Deductions***	**Biaya Perolehan 31 Des. 2022/** ***Carrying Value Dec. 31, 2022***
PT KB Bukopin Finance	97,03%	190.600	-	-	190.600
PT Bank KB Bukopin Syariah	92,78%	842.000	-	-	842.000
Total		1.032.600	-	-	1.032.600
Akumulasi amortisasi dan penurunan nilai *goodwill/ Accumulated amortization and impairment losses of goodwill*					(106.229)
					926.371

2023 Annual Report

Strengthening a Solid Business Foundation

KB Bank

PT Bank KB Bukopin Tbk

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