

2023 | Annual Report

CCB  **中国建设银行** 印度尼西亚
China Construction Bank Indonesia

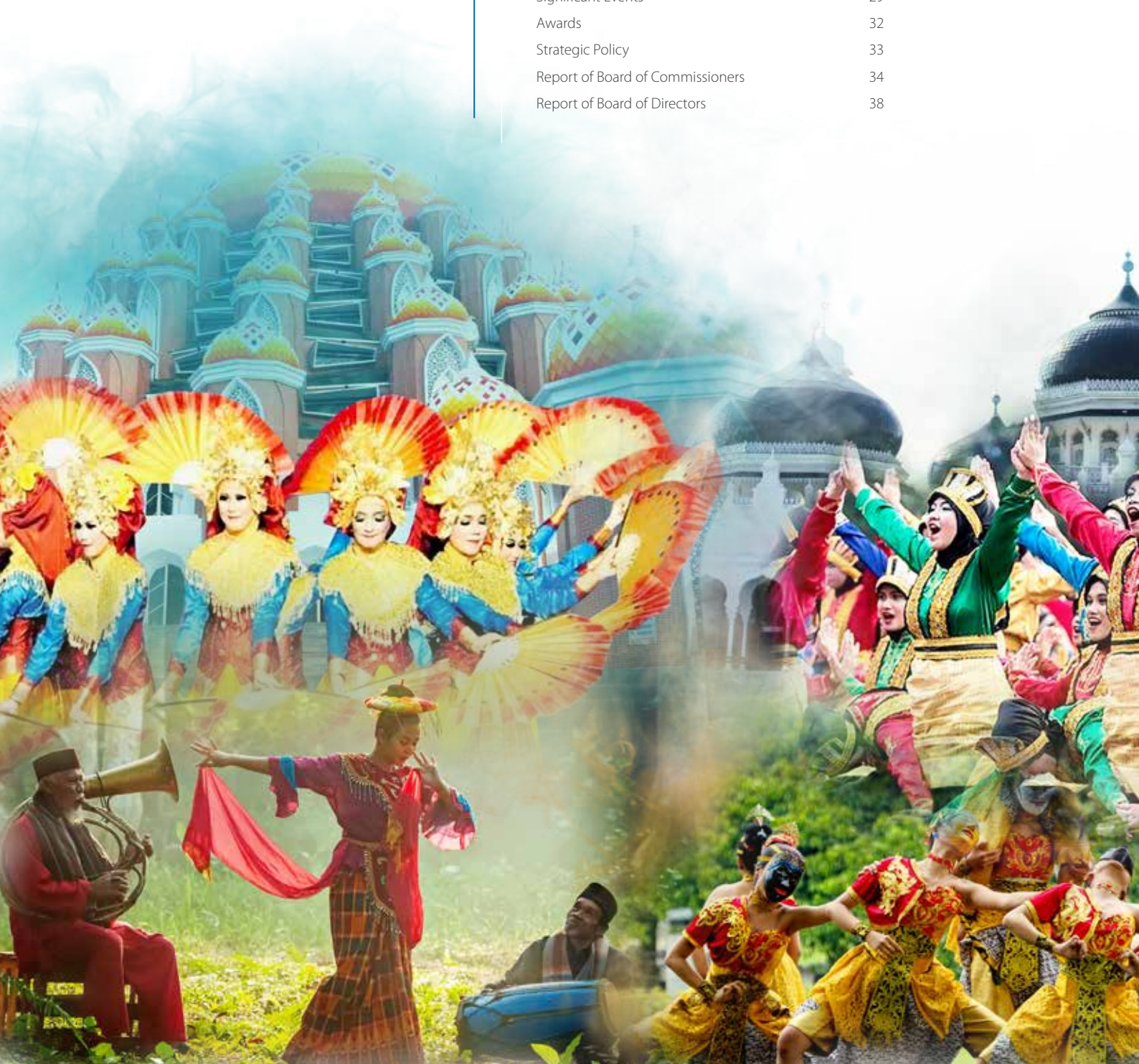


Togetherness in Indonesian Traditional dance philosophy

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Tari Piring

Minangkabau

The traditional dance known as Piring Dance is Minangkabau-based. According to tradition, Solok, West Sumatra, is the place where plate dance first appeared. This dance shows the movement of dancers utilising plates. The dancers will swing the plates in their palms in time with the music, quickly and consistently, without losing go or allowing any of the plates to fall. The Minangkabau silat movement, often known as silek, is the inspiration for the plate dance movement.

Opening

01



Togetherness in Indonesian Traditional dance philosophy

Key Highlights

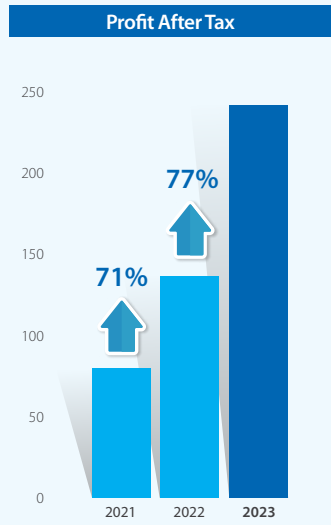
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Net profit increased significantly by **71% in 2022** and increased again by **77% in 2023**.
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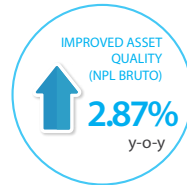
CCB Indonesia has received the **idAAA rating** (highest rating) from the rating agency PT Pefindo for **4 (four) consecutive years**.
- 

Tier-1 Capital increased significant to above **IDR6 trillion** as of end of 2023 which qualifies CCB Indonesia for status upgrade to KBMI 2 category in early 2024.
- 

Bank Indonesia (BI) appointed **CCB Indonesia** as **one of initiator banks** as **management** of the Money Market and Foreign Exchange Market Association Indonesia (**APUVINDO**).



STRONG LOAN AND FUNDING GROWTH



IMPROVED PROFITABILITY AND EFFICIENCY



SOLID LIQUIDITY AND CAPITAL



Key Highlights

STRONG LOAN AND FUNDING GROWTH

- Loan growth by IDR2.7 trillion or 16% y-o-y from corporate and commercial segments.
- Improved Asset Quality with lower Gross NPL ratio from 3.40% (Dec'22) to 2.87% (Dec'23).
- Total Funding growth by IDR2.0 trillion or 11% y-o-y mostly come from TD growth.

IMPROVED PROFITABILITY AND EFFICIENCY

- Revenue up by 13% y-o-y mostly contributed from business volume growth and improved NIM/margin.
- Controlled cost growth with JAWS (income growth higher than cost growth) by 13%.
- Lower ECL impairment by 11% y-o-y on the back of improved economy and also asset quality.
- Profit/PAT growth by 77% y-o-y contributed from business volume growth and improved profitability (higher NIM/margin from 3.54% to 4.18% and improved efficiency).
- Improved Efficiency with lower CIR from 62% to 58% and lower BOPO from 88% to 83%.

SOLID LIQUIDITY AND CAPITAL

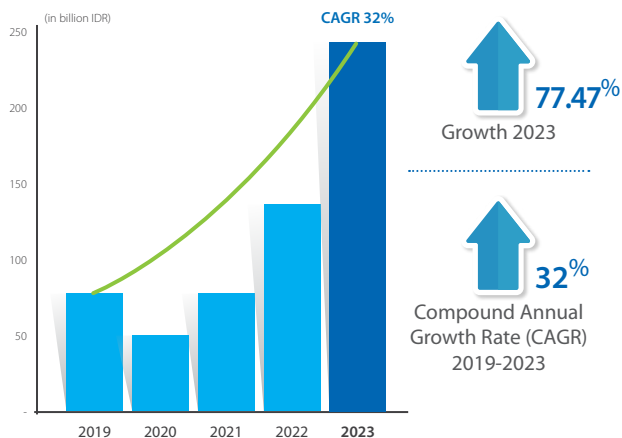
- Total Asset increased by IDR2.8 trillion or 11% y-o-y.
- Strong and more optimal Liquidity with higher LDR from 93% (Dec'22) to LDR 97% (Dec'23) while LCR 241% and NSFR 120% are still above regulatory minimum threshold of 100%.
- Strong Capital with CAR 37.45% (Dec'23), up from previous year 32.73%.
- Core Tier-1 Capital increased from IDR5.73 trillion, up by IDR284 billion to above IDR6 trillion as of December 2023, which qualifies CCB Indonesia for a status upgrade to category KBMI 2.



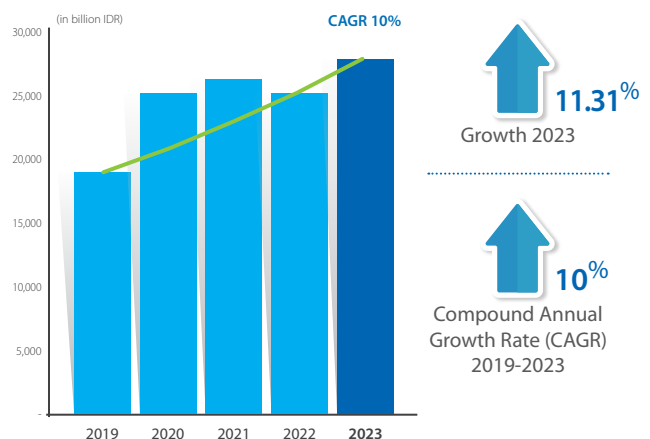
Key Performance 2023

With the support of stakeholders, CCB Indonesia continues to show strong financial performance with net profit increasing significantly by 77.47% y-o-y, as well as continues to provide higher quality banking services through electronic banking and 72 offices spread across Indonesia

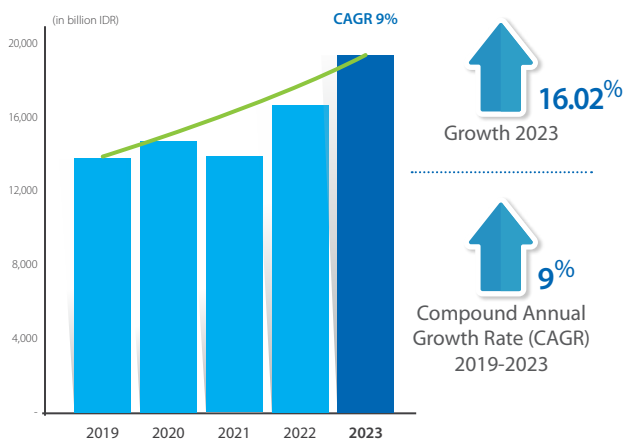
Profit After Tax



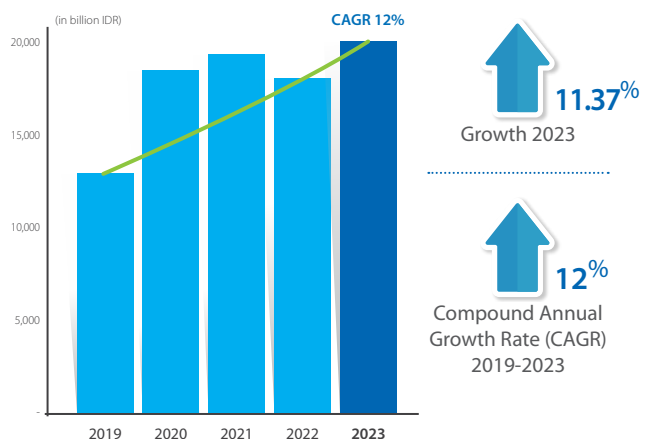
Total Assets



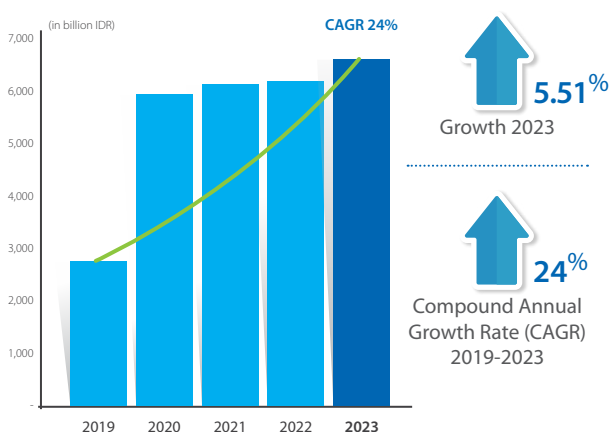
Loan



Third Party Fund



Equity





Vision, Mission, Core Beliefs, Core Values

Vision

Become an international bank and has the ability to multiply value through innovation capabilities.

Mission

Provide better products and services for customers, create higher value for shareholders, build broader career path for associates, and implementing social and environmental responsibility as a good corporate citizen.

Core beliefs

1. Strong financial base

We believe that a strong financial base will determine the competitiveness of our bank. Therefore, we aim to deliver outstanding sustainable financial performance by building a customer network, productive processes and cost-effectiveness, superior human capital.

2. Ability to provide complex service and with speed

We believe that the ability to provide complex and fast services can win customers' choices. Therefore, we desire to design and implement complex and fast service processes for customers.

3. Strong partnered relationship

We believe that the partnership is a multiplier of the value received by the customer; therefore we intend to build comprehensive partnerships between our bank and suppliers and business partners, partnerships between employees and managers, partnerships between functions within our organization.

4. Sustainable improvement

We believe that in this life we will never reach perfection, therefore we desire to always strive for perfection; there is always a better way.

5. Human capital

We believe that human capital is a determinant of our ability to deliver sustainable financial performance; therefore we aim to attract, retain, motivate and effectively utilize the quality personnel we can find.

6. Commitment

We believe that the commitment to build a harmony of economic, social and environmental interests will maintain sustainable economic growth, therefore we desire to succeed in developing a green environment.

Core Values

1. Integrity

Ability and commitment to realize what has been agreed.

2. Trust

Relationships are based on trust in each other.

3. Speed

Speed in providing service.

4. Competence

Competence is the main differentiator between success and failure in any field

Overview of CCB Indonesia



Brief History of CCB Indonesia 11

Business Line 12

- Business Activities on the Basis of the Articles of Association and are Conducted
- Business Activities According to the Articles of Association

PT Bank China Construction Bank Indonesia Tbk ("CCB Indonesia") is a Commercial Foreign Exchange Bank listed in the Indonesian Stock Exchange (IDX), and was the result of a merger between PT Bank Windu Kentjana International Tbk ("Bank Windu") and PT Bank Antardaerah ("Bank Anda") on November 30, 2016, which has a network consisting of 72 offices spread out in cities across Indonesia such as Jakarta, Bandung, Semarang, Yogyakarta, Surabaya, Denpasar Bali, Mataram Lombok, Palembang, Bandar Lampung, Batam, Pekanbaru, Pontianak, Makassar and Pangkal Pinang.

Accelerating business development in the corporate banking segment, along with the retail segment, namely commercial banking and small and medium scale enterprises (SMEs), as well as consumer banking, taking into account the harmony of economic, social and environmental interests.

Brief History of CCB Indonesia

Merger between Bank Windu with the fully controlled subsidiary Bank Anda has been approved by Financial Services Authority (OJK) No. S-400 / PB.12 / 2016 dated November 30, 2016 as well as the Admission of Merger Notification of Minister of Law and Human Rights No. AHU-AH.01.10-0003777 dated November 30, 2016.

Overview of CCB Indonesia

Thus, merger between Bank Windu and Bank Anda has been effectively implemented as of November 30, 2016.

Bank Windu as surviving company was renamed into "PT Bank China Construction Bank Indonesia Tbk" or shortened as "CCB Indonesia" which had been registered by the Decision of Minister of Law R.I. No. AHU-0003776.AH.01.10.Tahun 2016 dated November 30, 2016 and has been approved by Financial Services Authority No.S-441/PBI.12/2016 dated December 28, 2016 in accordance with copy of the corresponding decision of the Board of Commissioners of Financial Services Authority No. 17/KDK.03/2016 dated December 27, 2016 regarding the confirmation of the use of business license of PT Bank Windu Kentjana International Tbk into PT Bank China Construction Bank Indonesia Tbk.

Background for change of Company's name is related to the entry of new controlling shareholder China Construction Bank Corporation ("CCB") into the Company, which currently holds 60% (sixty percent) of the shares of the Company.

Previously, PT Bank Windu Kentjana International Tbk ("Bank Windu") was also a merged bank between PT Bank Multicor Tbk and PT Bank Windu Kentjana (BWK) on January 8, 2008. The merger is legally incorporated in the Merger Deed No.171 dated November 28, 2007 which was approved by the Minister of Justice and Human Rights No.AHU-00982.AH.01.02 on January 8, 2008.

PT Bank Windu Kentjana (BWK) was originally founded on May 26, 1967 by 3 (three) social foundations as its founder, Dharma Putra Kostrad Foundation, Trikora Orphans Fellowship Foundation and Djajakarta Foundation. In 1978, ownership was transferred to the Salim family (Salim Group).

While Multicor was originally known as PT Multinational Finance Corporation established in 1974 in the form of Non-Bank Financial Institutions (LKBB), was a consortium (joint venture) of domestic banks with international banks namely Royal Bank of Scotland, BCA, LTCB Japan, Jardine Fleming, Chemical Bank and Asia Insurance. In 1993 changed its status to Bank Multicor. Subsequently in 2003, Mr. Johnny Wiraatmadja and colleagues took over the ownership of Bank Multicor.

On January 8, 2008 a merger between Bank Multicor Tbk and BWK took place and it became "PT Bank Windu Kentjana International Tbk.", also known as "Bank Windu".

Business Line

Business Activities on the Basis of the Articles of Association and are Conducted

Based on Article 3 of the Company's Articles of Association, the scope of CCB Indonesia's activities is to conduct business in the banking sector in accordance with the applicable laws and regulations. Information on business activities based on the Articles of Association. The scope of CCB Indonesia's activities includes:

Business Activities According to the Articles of Association

Main Business Activities

- Raising funds from the community in the form of current account, time deposits, certificates of deposit, savings and/or other equivalent forms;
- Granting medium, long or short term-loans and other types that are prevalent in the banking world;
- Promissory note issuance;
- Purchasing, selling, or guaranteeing at own risk or for the benefit and at the behest of the customer:
 - Bills including bills received by banks whose validity period is no longer than the usual practice in trading these letters;
 - Promissory notes and commercial paper - other, whose validity period is no longer than the usual practice in trading such documents;
 - State treasury papers and government guarantees;
 - Bank Indonesia Certificates (SBI);
 - Bonds;
 - Promissory notes which can be traded;
 - Other securities in accordance with the provisions stipulated by the competent authority.
- Transferring money both for own interests and for the interests of customers;
- Placing funds in, borrowing funds from, or lending funds to other banks, either by using letters, telecommunications facilities or by sight draft, checks or other means;
- Receiving payments from bills on securities and doing calculations with or between third parties;
- Placing funds from customers to other customers in the form of securities listed on the stock exchange;
- Conducting activities in foreign currencies by meeting applicable regulations;
- Providing financing and or conducting other activities in accordance with the provisions stipulated by the competent authority.

Overview of CCB Indonesia

Supporting Business Activities

- Providing a place to store goods and securities;
- Conducting custodian activities for the interests of other parties based on a contract;
- Purchasing collateral both in whole or in part through auctions 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;
- Conducting factoring, credit business and trustee activities;
- Conducting activities as a provider of pension funds in accordance with applicable laws and regulations, both as the founder of the employer's pension fund and as the founder and/or participant of the financial institution pension fund;
- Conducting venture capital in banks or other companies in finance leasing, venture capital companies, securities companies, insurance companies, clearing and guarantee institutions as well as deposit and settlement institutions, by fulfilling the provisions stipulated by the competent authority;
- Conducting temporary venture capital activities to overcome non-performing loan, on condition that the investment must be withdrawn accordance with the provisions stipulated by the competent authority;
- Undertaking other businesses that are directly or indirectly related to the above purpose, the implementation of which is not contrary to the laws in force in Indonesia.

All business activities according to the Articles of Association have been implemented by the Company.



Company Profile



Company Name	PT Bank China Construction Bank Indonesia Tbk
Head Office	Sahid Sudirman Center, 15th floor Jl. Jend Sudirman Kav. 86, Central Jakarta 10220, Indonesia. Telephone (62-21) 5082 1000 Fax. (62-21) 5082 1010 SWIFT/BIC : BWKIIDJA
Website	idn.ccb.com
Email	corsec@idn.ccb.com
Investor Relation	Corporate Secretary (Andreas Basuki)
Legal Aspect	<p>Merger between PT Bank Windu Kentjana International Tbk with PT Bank Antardaerah which was approved by Financial Services Authority ("OJK") No. S-400 / PB.12 / 2016 dated 30 November 2016, as well as the Admission of Merger Notification No. AHU-AH.01.10-0003777 dated November 30, 2016.</p> <p>Surviving company was renamed into "PT Bank China Construction Bank Indonesia Tbk" abbreviated "CCB Indonesia" which was registered by the Decision of Minister of Law and Human Rights R.I. No. AHU-0003776.AH.01.10. year 2016 dated 30 November 2016 and has been approved by Financial Services Authority No. S-441/PBI.12/2016 dated 28 December 2016 in accordance with copy of the corresponding decision of the Board of Commissioners of Financial Services Authority No. 17/KDK.03/2016 dated 27 December 2016 regarding the confirmation of the use of business license of "PT Bank Windu Kentjana International Tbk" into "PT Bank China Construction Bank Indonesia Tbk".</p>
Bank Status	Public listed Company dan Foreign Exchange Commercial Bank
Stock listing	Indonesia Stock Exchange
Stock Code	MCOR

Supporting Institutions and/or Professionals

Trading and Stock Listing Information

PT Indonesia Stock Exchange

Indonesia Stock Exchange Building, Tower 1
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190, Indonesia
Tel : (62-21) 5150515
Fax : (62-21) 5154153
Website : www.idx.co.id
Email : listing@idx.co.id

Services provided : Annual Stock Registration Services
Assignment Period : January - December 2023
Fee : IDR277,500,000,-

Public Accounting Firm

Public Accountant Firm Purwanto, Sungkoro and Surja a member of Ernst and Young

(Public Accountant : Christophorus Alvin Kossim)
Indonesia Stock Exchange Building
Tower 1, 13th and 14th Floor, Tower 2, 7th Floor,
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190, Indonesia
www.ey.com

Services provided : Audit services for Financial Statement for
Fiscal Year 2023.
Assignment Period : January - December 2023
Audit Fee : IDR1,972,192,500,-

Securities Administration Bureau

PT Sinartama Gunita

Gedung Menara Tekno Lt.7
Jl. H. Fachrudin No.19, Kebon Sirih, Tanahabang
Jakarta Pusat 10250, Indonesia
Tel : (62-21) 3923003
Fax : (62-21) 3923003
Website : www.sinartama.co.id
Email : helpdesk1@sinartama.co.id

Services provided : Stock Administration Services
Assignment Period : July 2023 – June 2024
Fee : IDR20,181,818,-

Custodian

PT Indonesian Central Securities Depository

Indonesia Stock Exchange Building, Tower 1, 5th Floor
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190, Indonesia
Tel : (62-21) 5152855
Fax : (62-21) 52991199
Website : www.ksei.co.id
Email : helpdesk@ksei.co.id

Services provided : Securities Administration (Stock) Management
Assignment Period : January - December 2023
Fee : IDR11,100,000,-

Public Notary

Notaris Eliwaty Tjitra, S.H.

Graha Kencana Blok DK Jl. Raya Perjuangan No. 88
Kebon Jeruk Jakarta Barat, Indonesia
Tel : (62-21) 536 77 338
Fax : (62-21) 536 77 339, 532 5938
Email : eliwaty@gmail.com

Services provided : Preparing the Annual GMS Resolution for Fiscal
Year 2022.
Assignment Period : January - December 2023
Fee : IDR22,200,000,-

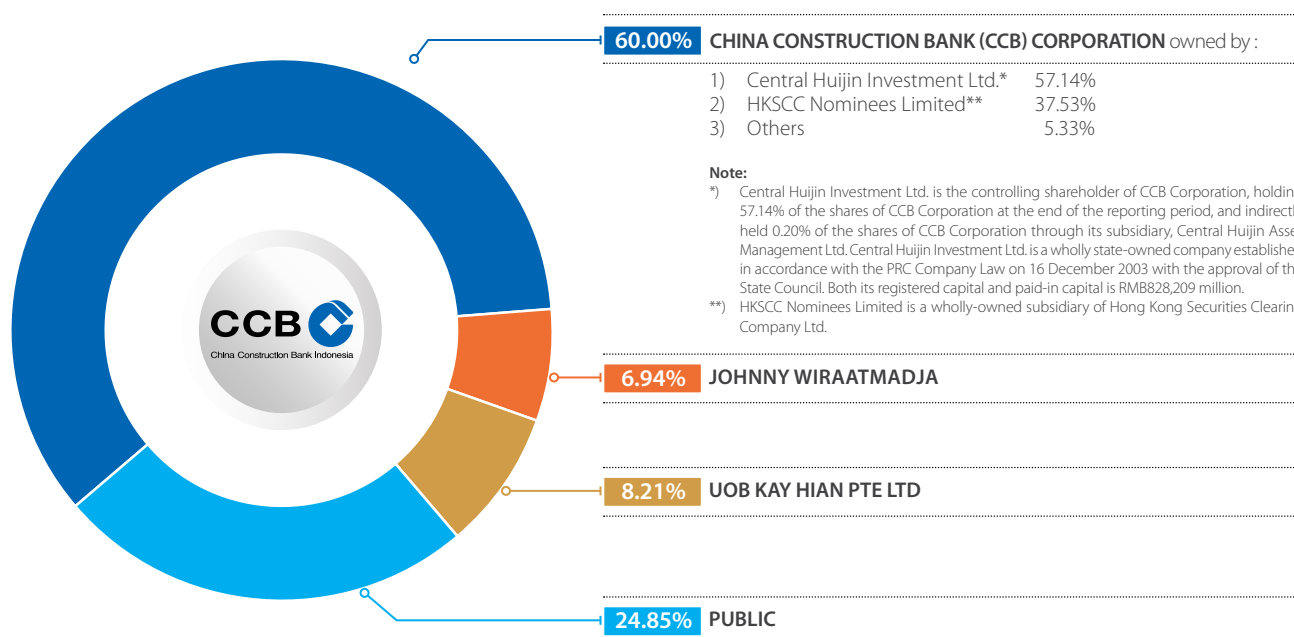
Membership of the Association

CCB Indonesia is a member of a number of associations, including:

1. National Commercial Banks Association (Perbanas)
2. Association of Indonesian Issuers (AEI)
3. Banking Compliance Director Communication Forum (FKDKP)
4. Indonesia Corporate Secretary Association (ICSA)
5. Indonesian Payment System Association (ASPI)
6. Indonesian Commodity Futures Trading Association (ASPEBTINDO)
7. Alternative Institutions for Settlement of Financial Services Sector Disputes (LAPS SJK)
8. Chinese Chamber of Commerce
9. Association Cambiste International - Financial Markets Association Indonesia (ACI FMA Indonesia)
10. International Chamber of Commerce (ICC)
11. Banking Operations Director Communication Forum (FKDOP)
12. Indonesian Money Market and Foreign Exchange Market Association (APUVINDO)

Shareholders' Information

Composition of Shareholders



Share Ownership Composition of CCB Indonesia

No.	Shareholders' Name	1 January 2023		31 December 2023	
		Number of Shares	Percentage	Number of Shares	Percentage
1.	China Construction Bank Corporation	22,751,563,707	60.00%	22,751,563,707	60.00%
2.	Johnny Wiraatmadja	2,613,613,705	6.89%	2,631,113,705	6.94%
3.	UOB Kay Hian Pte. Ltd.	3,112,882,656	8.21%	3,112,882,656	8.21%
4.	Public	9,441,670,446	24.90%	9,424,170,446	24.85%
	Total Shares	37,919,730,514	100.00%	37,919,730,514	100.00%

Brief Description of Shareholders

China Construction Bank Corporation

China Construction Bank (CCB) Corporation, headquartered in Beijing, is a leading large-scale commercial bank in China. Its predecessor, People's Construction Bank of China, was established in October 1954. It was listed on Hong Kong Stock Exchange in October 2005 (stock code: 939) and Shanghai Stock Exchange in September 2007 (stock code: 601939). At the end of 2023, CCB Corporation's market capitalisation was approximately US\$151,857 million, ranking eighth among all listed banks in the world. The Group ranks second among global banks by Tier 1 capital.

CCB Corporation provides customers with comprehensive financial services, including corporate finance business, personal finance business, treasury and asset management business and others, serving 757 million personal customers and 10.82 million corporate customers. Moreover, CCB Corporation has subsidiaries in various sectors, including fund management, financial leasing, trust, insurance, futures, pension and investment banking. At the end of 2023, the Group had 376,871 staff members and 14,895 operating entities, including nearly 200 overseas entities which covered 31 countries and regions.

Shareholders' Information

The Group implements the new development concept fully, accurately and comprehensively and supports the fostering of a new development pattern to promote high-quality development. It consciously practices finance activities in a politically oriented and people-centred manner, and further advances New Finance initiatives with the "Three Major Strategies" of housing rental, inclusive finance and FinTech, deeply cultivates key areas of national economy and people's livelihood, such as smart government affairs, rural revitalisation, green development, elderly care and healthcare, consumer finance, mega wealth management, FinTech, and county-level business expansion, so as to maximise values to stakeholders, including customers, shareholders, employees and society, assist

in the construction of a "Financial Power", and create more magnificent chapters for New Finance in the path of Chinese modernisation.

Johnny Wiraatmadja

Mr Johnny Wiraatmadja, Indonesian citizen, 70 years old, is an entrepreneur and has experience in the banking sector since 1979, domiciled in Jakarta.

He was appointed as Director of Treasury at PT Bank Panin, Tbk from 1991 to 2007. Furthermore, from 2007 until now, he serves as Commissioner at PT Bank Panin, Tbk.

Share Ownership of the Company (Direct and Indirect)**Board of Commissioners and Board of Directors**

No.	Name	Position	Number of Shares 1 Jan 2023	Number of Shares 31 Dec 2023
Board of Commissioners				
1.	Sun Jianzheng	President Commissioner	-	-
2.	Qi Jiangong	Commissioner	-	-
3.	Mohamad Hasan	Commissioner (independent)	-	-
4.	Yudo Sutanto	Commissioner (independent)	-	-
Board of Directors				
1.	You Wennan	President Director	600,302 (<1%)	667,964 (<1%)
2.	Zhu Yong	Director	254,698 (<1%)	333,636 (<1%)
3.	Setiawati Samahita	Director	1,375,095 (<1%)	2,316,097 (<1%)
4.	Junianto	Director	639,708 (<1%)	1,062,958 (<1%)
5.	Chandra Nangkok Tua Siagian	Director	582,310 (<1%)	938,386 (<1%)
6.	Agresius Robajanto Kadiaman	Compliance Director	764,687 (<1%)	1,086,359 (<1%)

Note:

All members of Board of Commissioners and Board of Directors have no indirect ownership of CCB Indonesia shares during 2023 period.

Shareholders' Information

Number of Shareholders and Percentage Based on Classification as of 31 December 2023

Shareholder Category	Number of Shareholders	Number of Shares	Percentage
Domestic Investor			
1. Broker	14	10,267,572	0.03%
2. Individual - Domestic	11,033	6,307,696,068	16.63%
3. Individual Foreign KITAS - NPWP	12	3,096,600	0.01%
4. Insurance NPWP	3	1,723,775,428	4.55%
5. Pension Fund	2	14,700,000	0.04%
6. Limited company NPWP	28	2,245,232,330	5.92%
7. Foundation NPWP	2	203,100	0.00%
Sub Total	11,094	10,304,971,098	27.18%
Foreign Investor			
8. Individual - Foreign	16	6,084,269	0.02%
9. Institution - Foreign	31	27,608,675,147	72.81%
Sub Total	47	27,614,759,416	72.82%
Total	11,141	37,919,730,514	100.00%

Shareholders < 5% Based on Classification

Shareholder Category	1 January 2023			31 December 2023		
	Number of Shareholders	Number of Shares	Percentage	Number of Shareholders	Number of Shares	Percentage
Domestic Investor						
1. Broker	15	16,233,572	0.04%	14	10,267,572	0.03%
2. Government of Indonesia	1	107,029,300	0.28%	0	0	0.00%
3. Individual - Domestic	11,705	3,576,298,163	9.43%	11,032	3,676,582,363	9.69%
4. Individual Foreign KITAS - NPWP	7	2,079,900	0.01%	12	3,096,600	0.01%
5. Insurance NPWP	3	1,723,775,428	4.55%	3	1,723,775,428	4.55%
6. Mutual Fund	2	27,300,000	0.07%	0	0	0.00%
7. Pension Fund	2	14,700,000	0.04%	2	14,700,000	0.04%
8. Limited company NPWP	32	2,217,388,730	5.85%	28	2,245,232,330	5.92%
9. Foundation NPWP	2	323,100	0.00%	2	203,100	0.00%
Sub Total	11,769	7,685,128,193	20.27%	11,093	7,673,857,393	20.24%
Foreign Investor						
10. Individual - Foreign	22	9,641,469	0.03%	16	6,084,269	0.02%
11. Institution - Foreign	29	1,746,900,784	4.61%	29	1,744,228,784	4.60%
Sub Total	51	1,756,542,253	4.63%	45	1,750,313,053	4.61%
Total	11,820	9,441,670,446	24.90%	11,138	9,424,170,446	24.85%

Company Group Structure, Subsidiaries and Associated Entities

Company Group Structure

Subsidiaries and/or Associated Entities

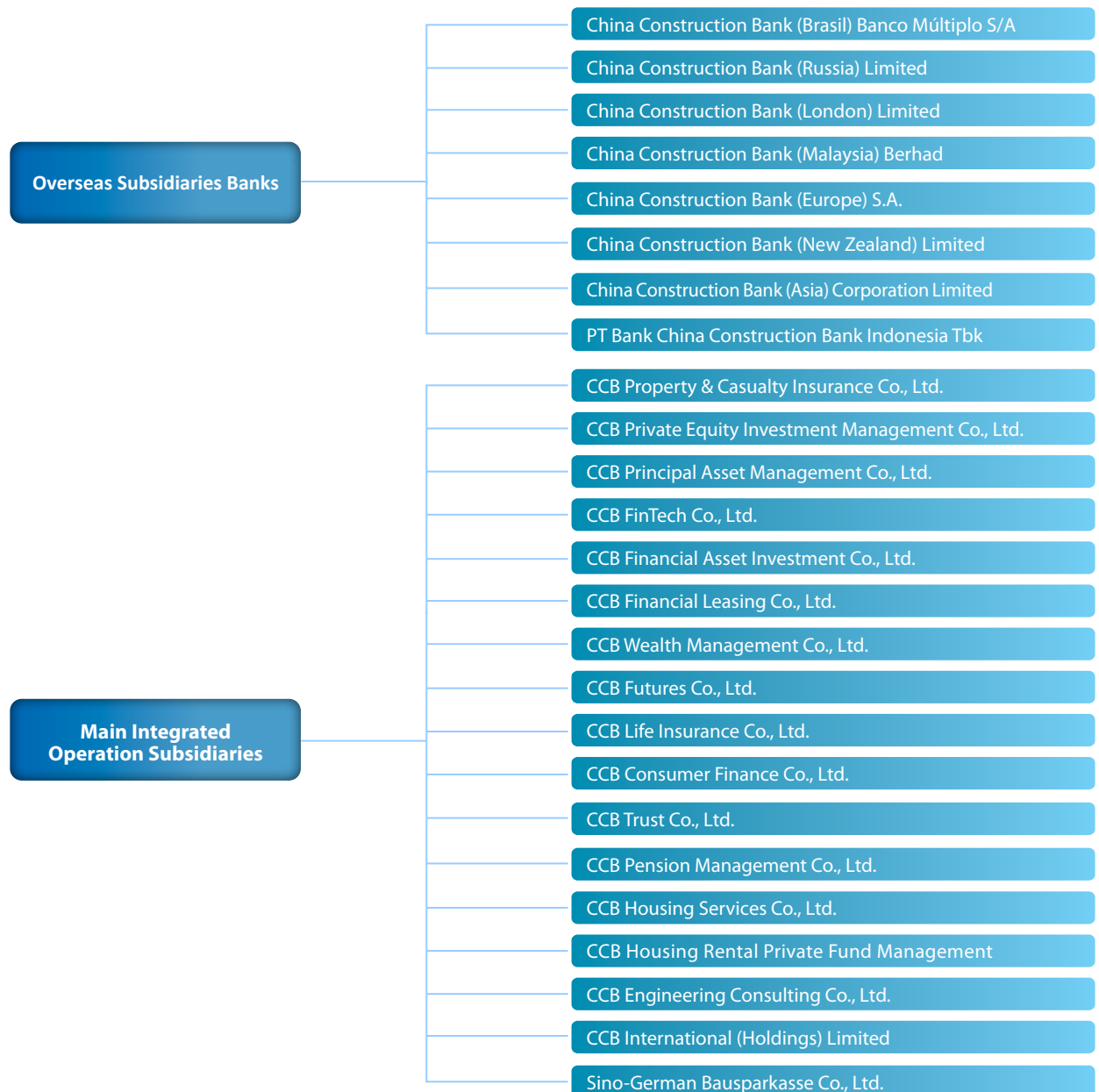
As of December 31, 2023, PT Bank China Construction Bank Indonesia Tbk has no subsidiaries or associated entities.

Other Information

As of December 31, 2023, there has been no transactions between bank and related parties in business groups in the financial sector; there has been no transactions with related parties conducted by every entity in the business group in the financial sector; there has

been no provision of funds, commitments or other facilities which may be equalized by any entity situated in business group with Bank to debtor and / or parties that have obtained the provision of funds from Bank.

Structure of Subsidiaries of CCB Corporation



Capital and Risk Management - Parent Entity

Capital Management

The Group adhered to a robust and prudent capital management strategy, continued to strengthen capital constraints and incentives and further promoted intensive and refined capital management so as to continuously improve the efficiency of capital use. It attached importance to both internal capital accumulation and external capital replenishment, and maintained a capital adequacy level that is constantly above the regulatory requirements and among the highest in the industry.

Capital Adequacy Ratio

In accordance with the regulatory requirements, the scope for calculating capital adequacy ratios of the Group includes CCB Corporation's domestic and overseas branches and sub-branches and financial subsidiaries (insurance companies excluded). At the end of 2023, given relevant rules during the parallel period, the Group's total capital ratio, Tier 1 ratio and Common Equity Tier 1 ratio, which were calculated in accordance with the *Capital Rules for Commercial Banks (Provisional)*, were 17.95%, 14.04% and 13.15%, respectively, all in compliance with the regulatory requirements. The Group's total capital adequacy ratio, Tier 1 capital adequacy ratio and Common Equity Tier 1 capital adequacy ratio fell by 0.47, 0.36 and 0.54 percentage points respectively from 2022.

In 2023, CCB Corporation adhered to a robust and prudent capital management strategy, which attached importance to both internal capital accumulation and external capital replenishment, and maintained a stable capital structure and high capital quality through profit retention and issuance of an appropriate amount of capital instruments, so as to effectively support the development of various businesses. It actively served the real economy, seeing rapid growth in core assets including credit extension and bond investment. It also further promoted intensive and refined capital management, and enhanced the efficiency of capital use to continuously improved the quality and efficiency to serve the real economy.

Risk Management

The Group adhered to its comprehensive risk management concept of "full coverage, whole processes, all participation, systemic knowledge, global vision and enterprise-wide governance", implemented management requirements of "definite delegation, conscious of the situation, early warning, prompt actions, be innovative and strict appraisal", and continued to improve its comprehensive risk management system and mechanisms. It upgraded long-term mechanisms such as culture, accountability, science and technology, inspection, assessment and team-building, and pressed ahead with integrated risk management across the group. It strengthened cross-cycle asset quality controls, enhanced its measures to manage new risks, and ensured that all risks were under control on the whole.

The Group constantly improved its comprehensive, proactive, intelligent and modern risk management system. To strengthen comprehensive risk management, it continuously optimised risk governance system from the Group's perspective, accelerated construction of comprehensive risk management infrastructure, continuously improved its coordinated risk control mechanism of "three lines of defence", and promoted proactive integration of the "second line of defence" into the "first line of defence" to eliminate management vacuum. To strengthen proactive risk management, it adhered to the bottom line of risk compliance, and reinforced the prevention and control of major financial risks; it promoted unified management of credit risk, improved the comprehensive financing management mechanism for corporate customers, and strengthened the management of major risk incidents and emergencies, so as to ensure there were no major or severe cases, large NPLs, large claims and disputes, large penalties, major risk events or widespread negative media coverage. To strengthen intelligent risk management, it issued the Implementation Plan for the Upgrading project of Intelligent Risk Control Platform (2023-2025), focused on the "six capabilities", i.e. mobile risk control, monitoring, early warning and interception, automatic data aggregation and risk reporting, anti-fraud, anti-money laundering, and automated risk control, and accelerated the construction of an enterprise-wide risk management platform; it improved panoramic risk view, continuously iterated and optimised intelligent risk control systems such as "3R" and "Blue Chip", and promoted the 30 application projects of intelligent risk control to empower business, customers, government and internal management; it strengthened the identification of and response to risks related to financial digitalisation, consolidated the foundation of automatic aggregation of all business exposures of customers, and improved effective risk data aggregation and risk reporting capabilities. The Group also updated its recovery and resolution plans on an annual basis, and made continuous improvements in areas such as total loss-absorbing capacity ("TLAC"), large exposures, and effective risk data aggregation and risk reporting, so as to meet the additional regulatory requirements for systemically important banks.

Credit Risk Management

The Group attached great importance to risk prevention and control, adhered to bottom line thinking and limit thinking, and effectively controlled risks in key areas, thus ensuring the stability and controllability of the overall credit risk in 2023.

The Group optimised credit approval management mechanism. In line with the comprehensive financing management rules, the basic procedure for the comprehensive financing business of corporate customers follows the sequence of "rating, total amount and single business", and the basic procedure for that of group customers follows the sequence of "total amount of groups, total amount of single customers, and single business". The total amount of comprehensive financing covers credit and non-credit investment

Capital and Risk Management - Parent Entity

and financing businesses that CCB Corporation has provided and intends to provide to its customers. Operating departments are responsible for customer investigation and eligibility assessment, declaration of customer ratings, development of comprehensive financing business plan and post-lending management, while credit approval departments are responsible for the implementation of independent project evaluation, review of credit ratings of corporate customers, and independent approval of comprehensive financing business.

The Group pressed ahead with unified credit risk management. It continuously enhanced structural optimisation and adjustment, based on a unified credit policy, further advanced strategic businesses such as inclusive finance, housing rental, rural revitalisation, and green finance, and provided support for key areas such as manufacturing, strategic emerging industries, IT innovation, new infrastructure, energy security, digital economy, and modern service industry, so as to consolidate the foundation for long-term sustainable development. It enhanced wholeprocess risk management, and integrated environmental, social and governance risks into the business management system and the entire process of investment and lending. It continuously strengthened the fundamental management of loan disbursement review, post-lending tracking and collateral monitoring, built and improved the intelligent collection model system for retail services, and intensified forward-looking prediction, prevention and control of risks. It improved its unified credit risk monitoring mechanism, stressed on the responsibilities for risk management and control, adhered to the "customercentric" concept in coordinated management, and enhanced collaborative risk prevention and control between the parent bank and subsidiaries. From 1 July 2023, the Group officially implemented the Rules on Risk Classification of Financial Assets of Commercial Banks. It took full consideration of the substantive risks, conducted risk classification management in a strict and accurate manner in line with the three-step procedure of "initial classification, identification and approval", and the asset quality remained stable.

Liquidity Risk Management

The Board assumes the ultimate responsibility for liquidity risk management, and reviews and approves the liquidity risk strategy and risk appetite. The senior management carries out the liquidity risk strategy set by the Board, and organises the implementation of the liquidity risk management activities. The board of supervisors supervises and evaluates the performance of the Board and senior management in liquidity risk management. Asset & liability management department leads in CCB Corporation's liquidity risk management, and forms an executive body together with business management departments and branches to perform specific duties in liquidity risk management. Each subsidiary assumes the primary responsibility for its own liquidity risk management.

The Group adheres to a liquidity risk management strategy featuring prudence, decentralisation, coordination and diversification. The objective for liquidity risk management is to establish and improve a liquidity risk management system that can fully identify, accurately measure, continuously monitor, and effectively control liquidity risk, effectively balance the return on and security of funds, and safeguard the steady operation across the group. In light of the regulatory requirements, external macro environment and business development, CCB Corporation formulates approaches for liquidity risk identification, measurement and monitoring, sets risk limit management criteria, carries out daily liquidity management, periodically conducts stress testing at the group level, and reviews and assesses contingency plans.

In 2023, the Group adhered to the principle of robustness and prudence, proactively responded to dynamics in internal and external capital markets, carefully arranged the total amount and structure of capital sources and utilisation, and firmly safeguarded the bottom line of risks with its liquidity risk stably under control. It gave full play to the buffering role of liquidity reserve, firmly supported business development, and maintained a sound balance between safety, liquidity and profitability. It strengthened coordinated liquidity management at the group level, enhanced the role of coordination mechanism of liquidity management departments, and strengthened refined management of liquidity indicators. It continuously advanced the iteration of liquidity management system, improved automatic data calculation, and strengthened FinTech support for daily management. It also proactively fulfilled obligations of a leading state-owned bank, and played its roles as a market stabiliser and a policy transmitter.

Market Risk Management

In 2023, the Group continuously improved the market risk management system. It formulated the annual risk policy and limit plan for investment and trading business, and strengthened limit control of subsidiaries. It optimised the approval mechanism for real estate bond investments, conducted special stress testing on bonds, carried out risk screening of its bond business on a regular basis, and upgraded its debenture risk management and control system. It advanced the construction of digital monitoring platform for financial market trading business and constantly conducted digital monitoring of trading business. It launched on-site investigation on derivative business in key subsidiaries, and carried out stress testing and risk screening of derivative business in response to fluctuations of RMB exchange rate. It actively pressed ahead with the construction of "Blue Chip", the investment and trading business risk management and control platform, and actively prepared for the implementation of Basel III. It accelerated the development and optimisation of IT systems related to the new standardised approach for market risk and counterparty credit risk measurement on a consolidated basis, and established the systems of measurement, rules and management.

Capital and Risk Management - Parent Entity

Operational Risk Management

In 2023, the Group took the opportunity of promoting the implementation of standardised approach for operational risk under Basel III to effectively improve its operational risk management.

Based on the Capital Rules for Commercial Banks, the Group strengthened data management of losses from operational risk, established a business indicator management mechanism, and set up an operational risk measurement system under the standardised approach, thus fully reinforcing regulatory compliance. It strengthened business continuity management, and systematically improved the system of rules; it identified CCB Corporation's key businesses and resources, improved management strategies, developed emergency plans and organised emergency drills, so as to consolidate management foundation, enhance operational resilience, and be well prepared for impact of risk events.

The Group produced educational videos on compliance to guide and regulate staff behaviour. It developed a compliance model for staff behaviour and explored intelligent tools to improve its ability to detect noncompliance. It screened and handled certain staff behaviours to mitigate related risks. It also organised dynamic audits on key operational risk items related to employees, with focus on legal case risk prevention and control, staff behaviour management and noncompliance.

Reputational Risk Management

In 2023, the Group adhered to the forward-looking, comprehensive, proactive and effective principle of reputational risk management, strengthened source management of reputational risk, and continued to improve its reputational risk management system and mechanism. It focused on strengthening the working mechanism for emergency response and joint resolution of reputational events, clarified the responsibility for adverse publicity prevention of institutions at all levels, and standardised the path and time limit of public opinion reporting process, so as to enhance its capability in quick response to adverse media coverage. It strengthened the reporting, monitoring and early warning of potential negative publicity, and prevented and mitigated potential risks with emergency plans. During the reporting period, the Group steadily improved its reputational risk management practices and effectively safeguarded its good corporate image and reputation. As a result, no significant reputational incidents occurred.

Country Risk Management

In strict compliance with regulatory requirements, the Group incorporates country risk management into the comprehensive risk management system. The Board assumes the ultimate responsibility for the effectiveness of country risk management, and the senior management carries out country risk management policies approved by the Board.

In 2023, the Group continuously optimised its country risk management in line with the needs of business development to

address global economic challenges. It managed country risks by extensively applying tools such as assessment and rating, risk limit, exposure analysis, stress testing, monitoring and early warning, and emergency response. It optimised the country risk management system, promptly reviewed country risk ratings, and carried out country risk assessment. It closely monitored country risk exposure, conducted country risk stress testing, and strengthened country risk early warning and emergency response mechanism. The Group's country risk exposure was mainly concentrated in countries or regions with "low" or "relatively low" country risk, and the overall country risk was maintained at a reasonable level.

IT Risk Management

In 2023, the Group improved the system of rules for IT risk management, upgraded its management framework and whole-process management requirements, and performed IT risk identification, assessment, monitoring, reporting, control and mitigation covering both business and technology across the group. It also refined the system of IT risk assessment indicators, effectively carried out IT risk monitoring and early warning, conducted problem-oriented on-site inspections, and promoted early identification, early warning, early exposure and early resolution of IT risks. The Group attached great importance to cybersecurity, improved its cybersecurity risk monitoring system, conducted all-round, full-chain and real-time monitoring, actively responded to cyberattacks, and effectively addressed cybersecurity risks such as ransomware and data leakage, seeing no cybersecurity incidents throughout the year. It reinforced the top-level design and overall management of IT outsourcing, improved the management mechanism, conducted in-depth supervision and inspection of third-party service providers, and strengthened the risk management and control of IT outsourcing, seeing no IT risk events caused by third-party outsourcing and cooperation throughout the year. It strengthened external IT audit, engaged professional accounting firms to conduct audit, assurance and risk assessment on IT services provided by CCB Corporation to overseas institutions, IT controls over personal information protection and SWIFT system, and issue relevant reports. The Group also engaged qualified third-party evaluation institutions to conduct protection capability evaluation for filing systems at or above Grade III in accordance with standards of cybersecurity classified protection for the financial industry and commercial password application of information systems, and achieved excellent results in evaluation.

Strategic Risk Management

In 2023, the Group strictly implemented regulatory requirements on strategic risk management, continued to improve the strategic risk management framework and optimise management tools for strategic risk identification and assessment, closely tracked external economic and financial environment, and built a strategic risk management system in line with its business scale and product complexity under the leadership of the Board and senior management. The Group's strategic risk remained under control during the reporting period.

Emerging Risk Management

As new risks continue to emerge in the wake of digital transformation and accelerated application of FinTech in recent years, commercial banks are facing new challenges in operation and development. The Group attached great importance and actively responded to all kinds of new risks and new forms of traditional risks in the digital era, and continuously enhanced its new risk management capabilities.

Consolidated Management of CCB Corporation Group

In 2023, CCB Corporation continuously enhanced consolidated management, reinforced various aspects of the Group's consolidated management, including corporate governance, risk management and capital management, and prevented cross-border and cross-industry business risks, and promoted the high quality development of subsidiaries.

The Group improved its management structure, incorporated subsidiaries into the business segment operation and management system and promoted business integration of the parent bank

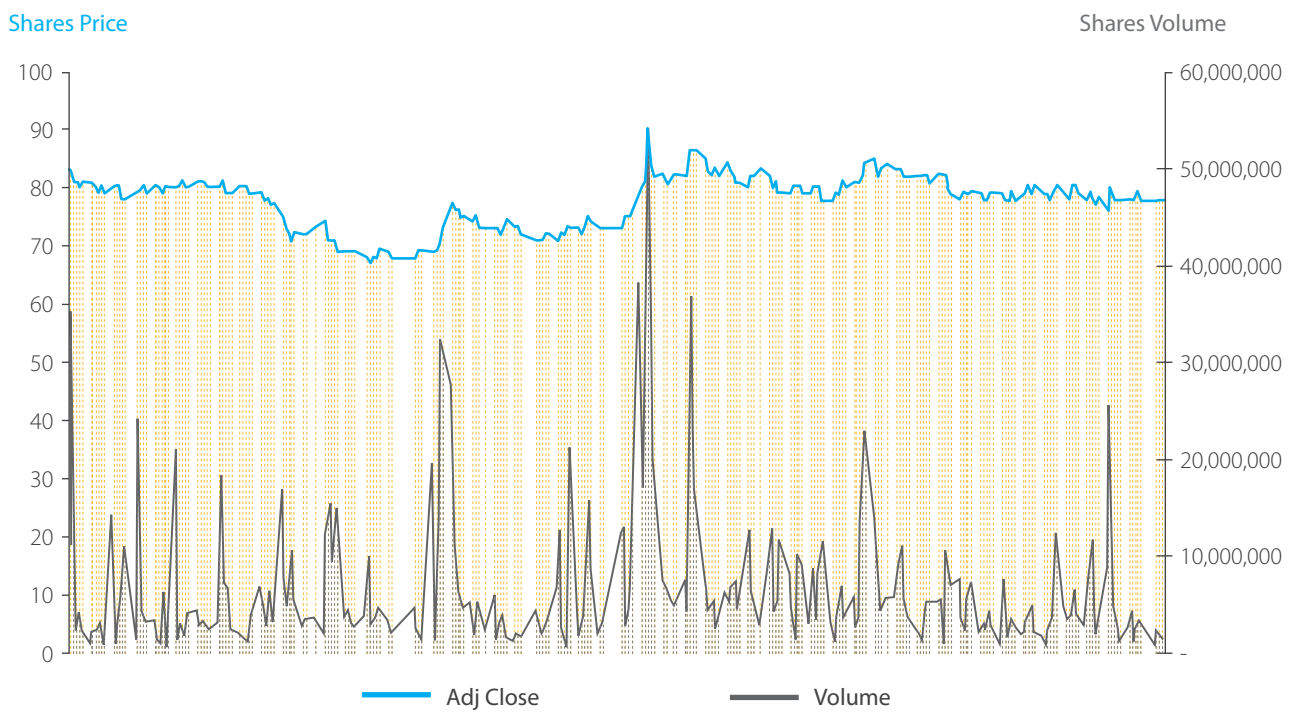
and subsidiaries. It continued to streamline equity hierarchy of the Group, and improved penetrated management ability of subsidiaries at all levels. It reviewed its management policy of "different strategies for each subsidiary", and guided its subsidiaries to focus on their main business directions for high-quality development. The Group strengthened the transmission and implementation of its unified risk appetite, implemented a dual risk reporting mechanism for subsidiaries, improved the effectiveness of subsidiaries' business risk source control, and strengthened overall risk management of subsidiaries. It established a "customer-centric" comprehensive financing management mechanism to strengthen integrated and collaborative risk control. It strengthened coordinated management of data requirements of parent bank and subsidiaries, encouraged subsidiaries to accelerate the implementation of data governance measures, and continuously improved the data capability and automation level of subsidiaries. It enhanced monitoring and management of capital adequacy of subsidiaries to push the subsidiaries to constantly meet industry regulatory requirements on capital indicators and maintain a reasonable buffer. It promoted IT integration and the building of data governance system at the group level, and helped its subsidiaries improve capability of self-governance in technology management and data governance.



Shares Highlights



Graph of Shares Price and Volume of CCB Indonesia (MCOR) throughout 2023



Shares Price Throughout 2023

Period	Highest Price (in IDR)	Lowest Price (in IDR)	Closing Price (in IDR)	Total Transaction Volume
January	89	77	80	6,303,286
February	84	79	80	4,584,250
March	80	68	69	6,421,043
April	70	67	69	3,578,600
May	79	68	72	7,300,429
June	77	68	73	5,561,624
July	89	73	85	15,965,515
August	85	79	80	6,319,236
September	86	77	84	7,094,170
October	85	77	78	4,861,064
November	81	77	80	3,346,682
December	87	74	78	4,699,189

Shares Price (in IDR)	2023				2022			
	Opening	Highest	Lowest	Closing Price	Opening	Highest	Lowest	Closing Price
First Quarter	81	89	68	69	116	118	94	102
Second Quarter	69	79	67	73	102	102	89	91
Third Quarter	73	89	73	84	91	98	84	86
Fourth Quarter	84	87	74	78	86	94	79	80

Shares Volume	2023		2022	
	Highest	Lowest	Highest	Lowest
First Quarter	35,121,700	337,800	32,400,100	2,045,600
Second Quarter	32,080,000	478,800	29,292,900	1,435,300
Third Quarter	53,853,400	961,700	149,589,400	737,800
Fourth Quarter	25,059,900	546,400	29,073,300	403,800

Shares Performance (in IDR)	2023	2022	Market Capitalization (in IDR)	2023	2022
	Highest Price	89		118	First Quarter
Lowest Price	67	79	Second Quarter	2,740,458,924,257	3,416,188,522,019
Price at the end of the year	78	80	Third Quarter	3,153,404,789,556	3,228,485,855,974
Earnings Per Share	6.36	3.59	Fourth Quarter	2,928,161,590,302	3,003,242,656,720

Shares Ownership as of December 2023	Number of Shareholders	Number of shares	Ownership Portion
Local	11,094	10,304,971,098	27.18%
Local Individual	11,045	6,310,792,668	16.64%
Local Institution	49	3,994,178,430	10.53%
Foreign	47	27,614,759,416	72.82%
Foreign Individual	16	6,084,269	0.02%
Foreign Institution	31	27,608,675,147	72.81%
Total	11,141	37,919,730,514	100.00%

Shares Highlights

Capital Structure

Description	Nominal value of IDR100 per share	
	Number of shares	Nominal Amount
Authorized capital	60,000,000,000	Rp6,000,000,000,000
Total Issued and Paid-Up Capital	37,919,730,514	Rp3,791,973,051,400
Number of Shares in Portepel	22,080,269,486	Rp2,208,026,948,600

Chronology of Shares Listing

Recording Date	Description/Corporate Actions	Additional New Shares	Paid-Up Shares Capital	Shares Listed on the Indonesia Stock Exchange	Nominal Value (IDR)
April 16 th , 2007	Capital prior to Initial Public Offering (IPO)	-	1,429,245,170	-	100
July 3 rd , 2007	Initial Public Offering (IPO)	300,000,000	1,729,245,170	1,711,952,718	100
January 8 th , 2008	Merger (Shares Conversion of PT Bank Multicor, Tbk into PT Bank Windu Kentjana International, Tbk)	1,013,000,000	2,742,245,170	2,714,802,718	100
July 2010	Limited Public Offering I to the Company's Shareholders on the issuance of Pre-emptive Rights (HMETD) to the Shareholders with offering price amounting to IDR200 per share.	1,014,630,713	3,756,875,883	3,719,307,123	100
July 2012	Limited Public Offering II to the Company's Shareholders on the issuance of Pre-emptive Rights (HMETD) to the Shareholders with offering price amounting to IDR200 per share along with the issuance of Series I Warrant	525,962,624	4,282,838,507	4,240,010,121	100
July - November 2013	Conversion of 5,283 Series I Warrant into Shares	5,283	4,282,843,790	4,240,015,404	100
December 2013	Limited Public Offering III to the Company's Shareholders on the issuance of Pre-emptive Rights (HMETD) to the Shareholders with offering price amounting to IDR125 per share along with the issuance of Series II Warrant	1,627,480,640	5,910,324,430	5,851,221,186	100
May - December 2014	Conversion of 570,000 Series I Warrant into Shares	570,000	5,910,894,430	5,851,791,186	100
January - December 2015	Conversion of 587,404,171 Series I Warrant and 37,987,934 Series II Warrant into Shares	625,392,105	6,536,286,535	6,460,737,221	100
January - July 2016	Conversion of 11,453,773 Series II Warrant into Shares	11,453,773	6,547,740,308	6,482,262,901	100
July 25, 2016	Limited Public Offering IV to the Company's Shareholders on the issuance of Pre-emptive Rights (HMETD) to the Shareholders with offering price amounting to IDR100 per share	10,083,519,837	16,631,260,145	16,456,934,930	100
September - December 2016	Conversion of 200,606 Series II Warrant into Shares	200,606	16,631,460,751	16,366,239,742	100
2020	Limited Public Offering V to the Company's Shareholders on the issuance of Pre-emptive Rights (HMETD) to the Shareholders with offering price amounting to IDR150 per share	21,288,269,763	37,919,730,514	37,540,533,209	100
2023	During 2023 there was no addition of new shares	-	37,919,730,514	37,540,533,209	100

Financial Highlights

(in million IDR)

BALANCE SHEET	2023	2022	2021	2020	2019
Total Assets	27,851,946	25,022,953	26,194,548	25,235,573	18,893,684
Loans	19,359,978	16,687,285	13,772,663	14,729,081	13,858,412
Securities	4,506,619	893,950	1,108,110	1,174,538	1,699,912
Placement with Other Banks	184,142	279,436	659,148	256,464	-
Customer Funds	19,986,812	17,946,578	19,274,009	18,452,403	12,861,778
Deposits from Other Banks	324,650	68,011	74,122	40,012	1,593,888
Equity	6,540,557	6,199,237	6,081,204	6,016,716	2,794,858
Liabilities	21,311,389	18,823,716	20,113,344	19,218,857	16,098,826

(in million IDR)

STATEMENT OF PROFIT AND LOSS	2023	2022	2021	2020	2019
Interest Income	1,690,178	1,322,606	1,248,020	1,282,612	1,298,866
Net Interest Income	956,879	803,954	720,832	562,357	559,891
Other Operating Income	43,494	68,965	64,092	64,328	70,192
Other Operating Expenses	543,791	529,401	500,920	514,337	493,623
Operating Income	302,702	170,654	108,928	57,056	114,488
Non-Operating Income (Expenses)	7,099	5,088	(4,914)	6,647	(2,152)
Income Before Tax	309,801	175,742	104,014	63,703	112,336
Net Income (Loss)	241,291	135,959	79,392	49,979	78,967
Income Attributable to Owners of the Company	241,291	135,959	79,392	49,979	78,967
Income Attributable to Non-Controlling Interests	-	-	-	-	-
Comprehensive Income (Loss)	341,320	118,032	64,487	85,541	278,700
Comprehensive Income Attributable to Owners of the Company	341,320	118,032	64,487	85,541	278,700
Comprehensive Income Attributable to Non-Controlling Interests	-	-	-	-	-
Earnings per Share (in full Rupiah)	6.36	3.59	2.09	1.91	4.75

(in million IDR)

ASSETS QUALITY	2023	2022	2021	2020	2019
Earning Assets	26,671,589	23,905,067	24,813,815	23,823,521	16,257,504
Non-Earning Assets	215,913	233,616	232,837	247,766	245,592
Total Earning and Non-Earning Assets	26,887,502	24,138,683	25,046,652	24,071,287	16,503,096

Financial Highlights

FINANCIAL RATIO (%)	2023	2022	2021	2020	2019
Capital					
CAR Credit Risk	40.76%	35.57%	41.56%	38.60%	18.68%
CAR Credit and Market Risks	39.76%	35.24%	41.20%	38.05%	18.60%
CAR Credit Market and Operational Risks	37.45%	32.73%	37.96%	35.28%	17.40%
Fixed Assets to Capital Ratio	12.92%	12.24%	15.75%	23.67%	35.71%
Assets Quality					
Non-Performing Earning and Non-Earning Assets to Total Earning and Non-Earning Assets	2.21%	2.70%	3.33%	2.35%	2.61%
Non-Performing Earning Assets to Total Earning Assets	2.09%	2.37%	2.44%	1.82%	2.09%
Allowance for Impairment Losses of Financial Assets to Earning Assets*	1.93%	1.90%	1.19%	0.73%	0.80%
NPL Gross	2.87%	3.40%	4.39%	2.94%	2.52%
NPL Net	0.77%	0.93%	2.45%	1.92%	1.64%
Profitability					
ROA	1.22%	0.69%	0.41%	0.29%	0.71%
ROE	4.11%	2.40%	1.43%	1.27%	4.15%
NIM	4.18%	3.54%	3.12%	2.82%	3.83%
BOPO	82.76%	87.76%	92.75%	97.70%	91.49%
Profit/Loss To Income Ratio	13.61%	9.63%	5.92%	3.64%	-
Cost to Income Ratio	58.33%	61.59%	66.87%	89.93%	-
Liquidity					
LDR	96.86%	92.98%	71.46%	79.82%	107.75%
Compliance					
Violation of Legal Lending Limit					
a. Related Party	0.00%	0.00%	0.00%	0.00%	0.00%
b. Unrelated	0.00%	0.00%	0.00%	0.00%	0.00%
Exceedances of Legal Lending Limit					
a. Related Party	0.00%	0.00%	0.00%	0.00%	0.00%
b. Unrelated	0.00%	0.00%	0.00%	0.00%	0.00%
Statutory Reserves Requirement in Rupiah	8.83%	9.62%	5.61%	3.94%	0.00%
Statutory Reserves Requirement in Foreign Currency	4.38%	4.58%	6.24%	5.91%	8.17%
Net Open Position	0.17%	0.40%	0.11%	0.17%	0.64%
Others					
Liability to Equity Ratio	325.83%	303.65%	330.75%	319.42%	576.02%
Liability to Assets Ratio	76.52%	75.23%	76.78%	76.16%	85.21%

Significant Events



1. Social Visit to the Orphanage of Tangan Kasih

CCB Indonesia carried out a social activity on February 3, 2023 by providing logistical and operational needs for the Tangan Kasih Orphanage which cares for 40 children from toddlers to teenagers.

2. Social Assistance for Jamrud Biru Foundation

CCB Indonesia provided social assistance for logistical needs at the Jamrud Biru Foundation which takes care of 125 people with mental disabilities in Bekasi on February 18, 2023.

3. Social Assistance for Scavengers and Underprivileged Families

In connection with the holy month of Ramadhan 1444 H, CCB Indonesia shared the blessings of Ramadhan to those who live in scavenger stalls and underprivileged families in collaboration with the Indonesia Hijau Foundation to distribute needs in the form of groceries and school supplies and also sponsor to get School Diploma to the fostered children, so that they can continue school to a higher level, with the aim of getting a better life, these activities were held in two places, namely in the Depok and Kebagusan areas, South Jakarta on April 14, 2023 and April 18, 2023.

4. Mortgage Marketing Collaboration via Digital Platform

In line with increasing digitalization, including in property marketing, on May 10, 2023, CCB Indonesia collaborated with "RINGKAS", a digital platform that helps people who want to own house or property through applications and mortgage financing.

5. Fun Walk with the Coordinating Ministry for the Economy

CCB Indonesia participated in the Fun Walk event organized by the Coordinating Ministry for the Economy of the Republic of Indonesia on May 14, 2023 on Sudirman street, Jakarta.

6. AGMS in Hybrid Manner

CCB Indonesia held a hybrid Annual General Meeting of Shareholders (AGMS), with limited physical presence and also electronically by using the eASY.KSEI application for e-Proxy, e-Voting and GMS zoom display on June 6, 2023 at the head office of CCB Indonesia.



Significant Events

**7. Nusantara CSR Award 2023 Incorporating SDGs**

CCB Indonesia won the "Nusantara CSR Award 2023 Incorporating SDGs" in the category of Land Ecosystems Sustainable Green Program by La Tofi School of Social Responsibility in Jakarta on July 5, 2023.

8. Indonesia Best CSR Award 2023 with Outstanding Program in Sustainable Greening and Supporting the Fulfillment of Community Needs

CCB Indonesia received the "Indonesia Best CSR Award 2023 with Outstanding Program in Sustainable Greening and Supporting the Fulfillment of Community Needs" by Warta Ekonomi Magazine in Jakarta on July 6, 2023.

9. Collaboration for Mortgage Marketing of Citra City Sentul Project

CCB Indonesia signed a cooperation agreement with Ciputra Group on July 11, 2023 to support the Citra City Sentul project through mortgage facilities.

10. Sustainable Greening Program

CCB Indonesia continued the Sustainable Greening Program by planting 700 seeds of petai plants around Sumberharjo, Sindukarto and Puloharjo Villages, Wonogiri, Central Java. CCB Indonesia also supported watering plants during the dry season in 2023. This assistance program for planting seeds and watering has been implemented continuously since 2014.

11. Collaboration for Mortgage Marketing in Batam

CCB Indonesia signed a cooperation agreement with Royal Property and Central Group in Batam on November 8, 2023 to support housing marketing through mortgage facilities.

12. Social Visit to the Orphanage of Brayat Pinuji

CCB Indonesia carried out a social visit by providing logistical assistance and a number of computer equipment to the Brayat Pinuji Orphanage, Boro, Yogyakarta which cares for 90 children from toddlers to teenagers on July 30, 2023 and December 15, 2023.





13. Social Visit to the Orphanage of Bhakti Luhur

CCB Indonesia carried out a social visit by providing logistical assistance and a number of computer equipment to the Bhakti Luhur Orphanage, Tangerang, which cares for 62 children with disabilities on August 18, 2023.

14. Indonesia Best Business Transformation 2023

CCB Indonesia received "Indonesia Best Business Transformation 2023" in the Era of Disruption by SWA Magazine in Jakarta on August 30, 2023, as well as being a speaker at the award ceremony for the winner with the theme 'The Secret Formula of Successful Business Transformation'.

15. Social Assistance to Orphanage of Mekar Lestari

CCB Indonesia carried out social activities by providing daily logistical needs and assistance for school fees to the Mekar Lestari Orphanage which cares for 38 children from toddlers to teenagers on September 2, 2023.

16. Social Visit to the Orphanage of Guardian Holy Angel

CCB Indonesia carried out a social activity on November 11, 2023 by providing logistical and operational needs for the Guardian Holy Angel Orphanage which cares for 48 children from toddlers to teenagers.

17. Free Medical Treatment for Underprivileged Families

CCB Indonesia carried out free medical treatment activity 100 pax for underprivileged families in Cakung area, East Jakarta, in collaboration with Benih Baik Foundation on December 1, 2023.

18. Participation in "Capital Market Care Actions for Future Generations for Stunting Care Actions and responsible ESG Practices"

CCB Indonesia received Certificate of Appreciation for Participating in "Capital Market Care Actions for Future Generations for Stunting Care Actions and Responsible ESG Practices" from Public-listed Association and Indonesian Stock Exchange (IDX) on December 13, 2023.

19. Social Visit to Nursing House "Hana" in Yogyakarta

CCB Indonesia conducted social visit by providing logistics assistance to Nursing House "Hana" in Yogyakarta, which took care of 30 elderly women on December 15, 2023.

20. Financial Literacy for Small Entrepreneurs

CCB Indonesia, in collaboration with Bank Indonesia and Department of Cooperatives & SMEs of Yogyakarta Special Region, carried out Financial Literacy related to the use of digital finance and the introduction of sustainable finance, which was attended by 50 small entrepreneurs at CCB Indonesia Branch Office in Yogyakarta on December 16, 2023.



Awards



Strategic Policy



The Bank's policy is directed at accelerating the development of the corporate banking business, especially infrastructure financing, and supporting the development of the SME sector, which is in line with the government program.

CCB Indonesia in short and medium term directs its strategic policy on business improvement, good corporate governance implementation, IT system development, process effectiveness and cost efficiency encouragement, and human capital professionalism and competence improvement. The direction of the Bank's policy is in line with the government program, in this case infrastructure financing and supporting the development of SME sector.

The forward-looking strategic direction is aimed at :

- Develop business prudently and conservatively in the corporate banking segment, along with the retail segment, namely commercial banking and small and medium scale enterprises (SMEs), as well as consumer banking, taking into account the harmony of economic, social and environmental interests.
- Ensure sufficient CAR and liquidity for business development onwards.
- Stay consistent in improving the implementation of good corporate governance (GCG) and improving the risk management system to a more advanced level.
- Optimizing existing offices, towards developing digital banking gradually.
- Improving the quality of human capital by increasing the scale of training programs and more diverse development opportunities.
- Strengthening IT system infrastructure to improve the effectiveness, efficiency and business capabilities of bank. Development and utilization of technology to manage risk, facilitate control, AML functions and anti-fraud as well as product and service development.

Report of Board of Commissioners



Sun Jianzheng
President Commissioner

Board of Commissioners deemed that Board of Directors and the management had taken steps in accordance with their roles, responsibilities, and authorities properly during 2023

Our fervent gratitude for the God Almighty. On this occasion, Board of Commissioners hereby submits Board of Commissioners' Report on the performance of CCB Indonesia in 2023.

On the basis of the results of supervision and evaluation conducted, Board of Commissioners viewed that Board of Directors and management had taken steps in accordance with their duties, responsibilities and authorities.

Board of Commissioners evaluated that the achievement of performance in 2023 is generally good in accordance with the Bank's Business Plan, especially profitability, loan quality, and maintaining liquidity position. Management has implemented the principle of prudence in running the business during 2023.



Report of Board of Commissioners

The results of the Risk Based Bank Rating in December 2023 by self-assessment obtained a composite rating with a value of "2", which reflects the Bank's generally healthy condition; thus, it is considered capable of facing significant negative effects from changes in business conditions and other external factors, taking into account assessment factors, namely risk profile, application of good corporate governance, profitability and capital.

In order to support the bank's business policies that have been established in the implementation of the Company's supervisory duties, Board of Commissioners, assisted by Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee, constantly encourages the Company's performance by improving the quality of planning, the function of internal supervision, evaluating the formulation and implementation of policies in the field of risk and evaluating and providing input on remuneration and nomination policies to Directors.

During the 2023 period there was no change to the membership and composition of Board of Commissioners. In accordance with the provisions, the number of members of the Bank's Board of Commissioners is not less than 3 (three) people and does not exceed the number of members of Board of Directors. Members of Board of Commissioners consist of Independent Commissioners and Non-Independent Commissioners, with a composition of 50% of the members of Board of Commissioners are Independent Commissioners.

In 2023 there was the changes to the membership of the Audit Committee as stipulated in Directors' Decree No. 039/SK-DIR/KP-JKT/V/2023. Meanwhile, there was no change in the membership of Risk Monitoring Committee and Remuneration and Nomination Committee during 2023. Membership of the Audit Committee, Risk Monitoring Committee, as well as Remuneration and Nomination Committee is described in detail in the Corporate Governance Chapter.

The membership and composition, as well as the independence of the members of all Committees under the supervision of Board of Commissioners, have complied with the provisions of the Financial Services Authority.

Board of Commissioners has a Board of Commissioners Charter (BOC Charter) which covers Work Ethics, Working Hours and Meetings, Duties and Responsibilities, Rights and Authorities, Work Relations, Performance Assessment and Evaluation.

Board of Commissioners also has Guidelines for Conducting a Meeting of Board of Commissioners, based on Financial Services Authority Regulation No. 33/POJK.04/2014 on December 8, 2014, concerning Directors and Board of Commissioners of Issuers or Public Companies, as well as Board of Commissioners Code of Conduct, which includes regulating and evaluating the performance of Board of Commissioners.

Board of Commissioners continuously monitors the factors that affect the Bank's soundness, namely aspects of the risk profile, implementation of good corporate governance, profitability, and capital, and continues to encourage management to be consistent from strategy formulation to implementation of the established strategy, including the targets set in the Plan. Bank business can be realized. Periodically, the Board of Commissioners holds a meeting of Board of Commissioners, as well as a meeting of Board of Commissioners with Board of Directors in the context of implementing the supervisory function of the Bank's business activities in accordance with the determined strategic plan. Every semester, Board of Commissioners submits a Business Plan Supervision Report to the Financial Services Authority in accordance with the provisions. In general, the Bank has been able to comply with the provisions of the Financial Services Authority and other regulatory authorities.

In the view of Board of Commissioners, CCB Indonesia has implemented good corporate governance in accordance with applicable laws and regulations, which was realized in:

- Implementation of the duties and responsibilities of Board of Commissioners and Board of Directors
- Completeness and implementation of duties of committees and work units that undertake the bank's internal control functions
- Implementation of compliance, internal auditor and external auditor functions
- Implementation of risk management, including internal control systems
- Provision of funds to related parties and provision of large funds
- Bank's strategic plan
- Transparency of the Bank's financial and non-financial conditions.

Frequency and Method of Providing Advice from Board of Commissioners to Board of Directors

Board of Commissioners not only plays an oversight role but also plays an active role in providing advice. Giving advice from Board of Commissioners to Board of Directors is carried out both formally in the Meeting, and informally on every opportunity that exists with all Directors and with one of Directors.

Board of Commissioners Meeting classifies Formal Meetings into 3 (three) types of meetings, namely:

1. Board of Commissioners meetings, namely internal meetings of Board of Commissioners which in 2023 have been held 6 (six) times, 5 (five) of which were attended by all members of Board of Commissioners, and were held virtually via teleconference.
2. Board of Commissioners invite Board of Directors meetings, namely the online meeting of Board of Commissioners with Board of Directors which in 2023 has been held 3 (three) times.

Report of Board of Commissioners

3. Committee meetings under the supervision of Board of Commissioners, consisting of Audit Committee Meetings, Risk Monitoring Committee Meetings, and Remuneration and Nomination Committee Meetings which the Committee Meetings may also invite Directors or members of the Board of Directors if necessary.

The Bank has held hybrid Annual General Meeting of Shareholders (AGMS), with limited physical presence and electronically by using the eASY.KSEI application for e-Proxy, e-Voting and GMS zoom display on June 6, 2023 at the head office of CCB Indonesia.

The following is a review of the financial performance in 2023: The Bank's profit after tax in 2023 was IDR241.29 billion, a significant increase of 77.47% compared to 2022 of IDR135.96 billion, with achieving 157.69% of the business plan target. Likewise, other indicators such as loan quality and efficiency showed better performance than the previous year.

Loan disbursement increased by 16.02% year on year from IDR16.69 trillion as of December 31, 2022 to IDR 19.36 trillion as of December 31, 2023, with 101.24% achievement of the business plan. Meanwhile, Third Party Funds year on year increased by 11.37% from IDR17.95 trillion to IDR19.99 trillion as of December 31, 2023, or 97.88% of the business plan target. The Bank manages to improve the effectiveness of the intermediary function by optimizing the Loan to Deposits Ratio (LDR). As Loan increased, Total Assets as of December 31, 2023 also rose 11.31% year on year from IDR 25.02 trillion to IDR27.85 trillion, or 100.95% of the business plan target.

Achievement of profitability ratios namely Return On Assets (ROA) and Return On Equity (ROE) as of December 31, 2023 were 1.22% and 4.11% respectively, better than the business plan targets of 0.79% and 2.65% respectively. Net Interest Margin (NIM) of 4.18% also exceeded the business target of 3.68%. As of December 31, 2023, the loan quality of gross NPL was 2.87% and net NPL was 0.77%, which was better than the target of 3.95% and 1.32% respectively. Capital Adequacy Ratio (CAR) as of December 31, 2023 reached 37.45% higher than the projected business plan of 35.97%.

Tier-1 Capital increased from IDR5.73 trillion as of December 2022, up by IDR284 billion to IDR6.014 trillion as of December 2023.

Board of Commissioners considers that the implementation of Good Corporate Governance at CCB Indonesia has been carried out properly and sustainably, by maintaining the fulfilment of the

principles of Good Corporate Governance in every business activity at all levels or levels of the organization is an important factor to gain the trust of stakeholders, including: shareholders/investors, customers, correspondent banks, government/regulators, employees, suppliers and the community in the CCB Indonesia work environment, because the results of Good Corporate Governance assessment also affect the assessment of the Risk-Based Bank Rating (RBBR).

In the context of implementing sustainability finance, CCB Indonesia carries out business activities in responsible manner, by integrating environmental, social and governance aspects within the framework of sustainable finance, including by providing loans for environmentally sound business activities, namely to parties who have social and environmental concerns (green company), and implement sustainable greening programs, as well as financial literacy and inclusion programs. Thus, the growth of CCB Indonesia's business will have a good impact on the preservation of the planet and the welfare of the community's environment.

Indonesia's economic growth remains strong amidst the global economic slowdown, based on data from the Central Statistics Agency (BPS), overall economic growth in 2023 was recorded strong growth of 5.05% (yoy).

According to Bank Indonesia, economic growth in 2024 is expected to continue to increase, driven by domestic demand, particularly continued growth in consumption, including the positive impact of holding elections, as well as increased investment, particularly buildings, in line with the continued development of PSN, including the Indonesian Capital City (IKN). Based on Business Fields (LU), the LU prospects for the Manufacturing Industry, Wholesale and Retail Trade, Information and Communication, Construction, and Transportation and Warehousing are predicted to continue to grow well. Bank Indonesia continues to strengthen the synergy of the Government's fiscal stimulus with Bank Indonesia's macroprudential stimulus to encourage economic growth, especially from the domestic demand side.

In the Macroeconomic Framework and Principles of Fiscal Policy for 2024, the Government assumes economic growth in 2024 of 5.1% to 5.7%.

In accordance with the Business Plan, in 2024 the Bank plans credit growth of 13.59%, Third Party Funds are estimated to grow 15.81% by optimizing the Bank's liquidity position at the LDR position of 95.00%, while Total Assets are projected to increase 11.23% compared to the position end of 2023.

Report of Board of Commissioners

Projected financial ratios for 2024 include: gross NPL ratio of 3.10%, net NPL of 0.52%; CAR of 34.55%; LDR of 95.00%; NIM of 3.86%; ROA of 1.12% and ROE of 4.12%.

Board of Commissioners assesses that the Bank's prospects are good in the future and the upcoming strategic policy steps prepared by Board of Directors through the Bank's Business Plan are good and realistic towards the Bank's internal and external conditions. The business strategy that has been reported to Board of Commissioners by Board of Directors, including business implementation plan based on the principle of prudence, adequate

internal control system, implementing Good Corporate Governance and risk management thoroughly.

Conclusively, on this occasion we express our gratitude for the hard work of Board of Directors, and do not forget our appreciation for all shareholders, employees, customers, business partners, banking and capital market authorities, as well as other stakeholders for their trust and great support for CCB Indonesia.

May God Almighty always guide and protect all of us; thus, we can welcome the future optimistically.

Board of Commissioners,



Sun Jianzheng
President Commissioner



Qi Jiandong
Commissioner



Mohamad Hasan
Independent Commissioner



Yudo Sutanto
Independent Commissioner

Report of Board of Directors



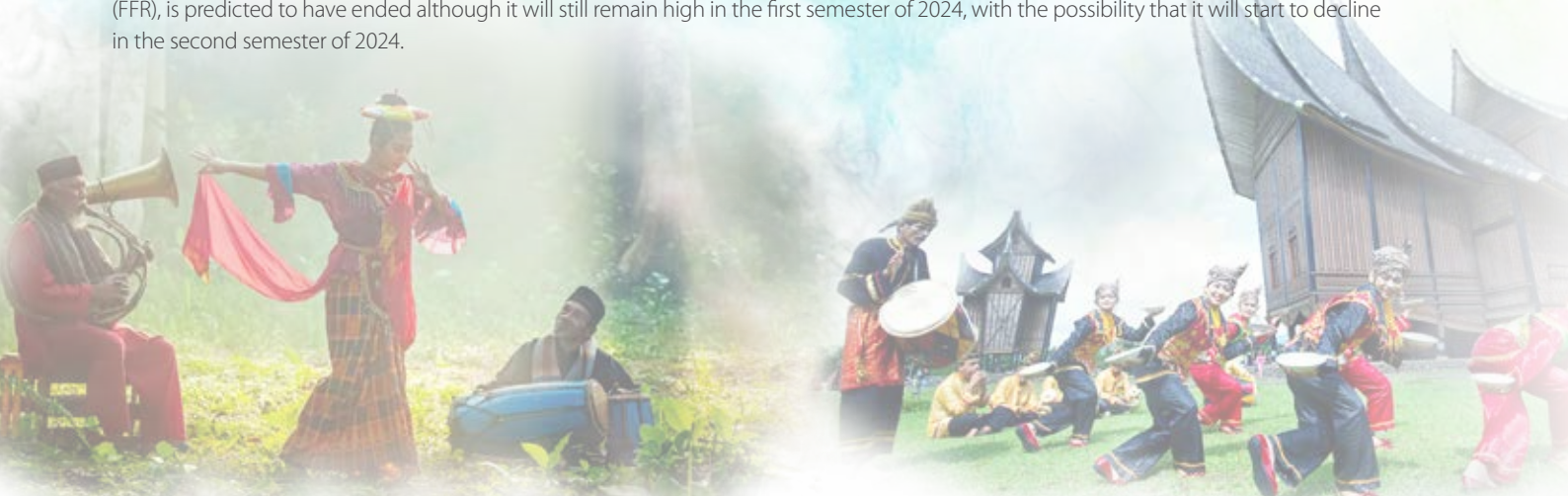
You Wennan
President Director

The Bank's financial performance in 2023 showed a strong financial result. Net profit showed a significant increase of 77.47% y-o-y which was supported by an increase in lending of 16.02% y-o-y and also strengthening of various financial ratio indicators, especially profitability, efficiency and asset quality while still adhering to the principle of prudence with a strong liquidity and capital position.

World economic growth is slowing as financial market uncertainty eases. The global economy is forecast to grow by 3.0% in 2023 and slow to 2.8% in 2024. The economies of the United States (US) and India remain strong, supported by household consumption and investment.

Meanwhile, China's economy is slowing as household consumption and investment remain weak as a result of the weakening performance of the property sector, as well as limited fiscal stimulus.

The decline in inflation in developed countries, including the US, continues, although it is still above target, while China's inflation is decreasing due to slowing economic growth. The cycle of increasing monetary policy interest rates in advanced countries, including the Fed Funds Rate (FFR), is predicted to have ended although it will still remain high in the first semester of 2024, with the possibility that it will start to decline in the second semester of 2024.



Indonesia's economic growth remains strong amidst the global economic slowdown, based on data from the Central Statistics Agency (BPS), overall economic growth in 2023 was recorded strong growth of 5.05% (yoy).

Indonesia's economic recovery continues to be supported by domestic demand 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).

Indonesia's Balance of Payments (NPI) in 2023 is estimated to record a surplus, thereby supporting external resilience. The trade balance surplus continued in December 2023, which was recorded at 3.3 billion US dollars, influenced by the export performance of Indonesia's main commodities which remained strong, such as coal and iron and steel.

The foreign capital inflow in the form of portfolio investment into the domestic financial market also continued with net inflows until the end of 2023 recorded at 5.4 billion US dollars.

Indonesia's foreign exchange reserve position at the end of December 2023 was recorded to have increased to 146.4 billion US dollars, equivalent to financing 6.7 months of imports or 6.5 months of imports and payment of government foreign debt, and is above the international adequacy standard of around 3 months of imports.

Meanwhile, the capital and financial transaction balance surplus is predicted to continue, supported by foreign capital inflows in line with investors' positive perception of better domestic economic prospects and attractive investment returns.

The stability of the Rupiah exchange rate is well maintained throughout 2023, going forward, the Rupiah exchange rate will remain stable with a tendency to strengthen supported by easing global uncertainty, a downward trend in developed country bond yields, and easing pressure on strengthening the US dollar. The positive development of the Rupiah exchange rate in the future is supported by Bank Indonesia's stabilization policy as well as strengthening pro-market monetary operations strategies through optimizing SRBI, SVBI and SUVBI instruments in order to attract foreign portfolio inflows and deepen the money market.

Inflation decreased and was maintained within the target range. CPI inflation in December 2023 was recorded at 2.61% (yoy), down from the previous year's 5.51% (yoy).

Banking loans in 2023 will remain good, thus supporting economic growth. Loan growth in 2023 will reach 10.38% (yoy). From the demand side, the increase in loans is in line with the positive performance of corporations and households. From the supply side, the increase in loans was driven by banking risk appetite and well-maintained banking liquidity capacity.

Source: Bank Indonesia

Indonesian Government continues to take further policy steps needed to support the National Economic Recovery program by observing the dynamics of the global economy and financial markets and its impact on Indonesia's economic prospects from time to time in order to maintain macroeconomic and financial system stability, as well as accelerate national economic recovery.

During 2023 the financial performance of CCB Indonesia showed a number of positive financial ratio indicators, especially the Bank's profitability performance during this pandemic. The profit after tax in 2023 was IDR241.29 billion, a significant increase of 77.47% compared to 2022 of IDR135.96 billion, with achieving 157.69% of the business plan target. Likewise, other indicators such as loan quality and efficiency showed better performance than the previous year.

Loan disbursement increased by 16.02% year on year from IDR16.69 trillion as of December 31, 2022 to IDR19.36 trillion as of 31 December 2023, with 101.24% achievement of the business plan. Meanwhile, Third Party Funds year on year increased by 11.37% from IDR17.95 trillion to IDR19.99 trillion as of December 31, 2023, or 97.88% of the business plan target. The Bank manages to improve the effectiveness of the intermediary function by optimizing the Loan to Deposits Ratio (LDR). As Loan increased, Total Assets as of December 31, 2023 also rose 11.31% year on year from IDR25.02 trillion to IDR27.85 trillion, or 100.95% of the business plan target.

Achievement of profitability ratios namely Return On Assets (ROA) and Return On Equity (ROE) as of December 31, 2023 were 1.22% and 4.11% respectively, better than the business plan targets of 0.79% and 2.65% respectively. Net Interest Margin (NIM) of 4.18% also exceeded the business target of 3.68%. As of December 31, 2023, the loan quality of gross NPL was 2.87% and net NPL was 0.77%, which was better than the target of 3.95% and 1.32% respectively. Capital Adequacy Ratio (CAR) as of December 31, 2023 reached 37.45% higher than the projected business plan of 35.97%.

Tier-1 Capital increased from IDR5.73 trillion as of December 2022, up by IDR284 billion to IDR6.014 trillion as of December 2023, which qualifies the Bank for an upgrade to KBMI 2 bank category.

The challenges faced by CCB Indonesia during 2023 are primarily economic recovery from the impact of the COVID-19 pandemic in a number of business sectors, including CCB Indonesia's customers. In addition, the level of competition in the banking industry is still tight and competitive, both in terms of assets and liabilities, including margin spreads. The Bank always sets interest rates at a competitive and reasonable level.

At the end of 2023 CCB Indonesia has a network of 72 offices, consisting of 1 Head Office, 20 Branch Offices and 51 Sub-Branch Offices, spread across cities in Indonesia such as Jakarta, Bandung, Semarang, Solo, Yogyakarta, Surabaya, Denpasar Bali, Mataram Lombok, Palembang, Bandar Lampung, Batam, Pekanbaru, Pontianak,

Report of Board of Directors

Makassar and Pangkal Pinang. During 2023, CCB Indonesia has consolidated with the closing of 8 (eight) offices with consideration of business effectiveness, namely KCP Melawai, KCP Cibinong, KCP Tanjung Pinang Merdeka, KCP Bandung Sudirman, KCP Bekasi Ahmad Yani, KCP Bali Tabanan, KCP Mataram Ampenan, and KC Cirebon.

Board of Directors has a Code of Conduct for Board of Directors (BOD Charter) which includes Work Ethics, Working Hours and Meetings, Duties and Responsibilities, Rights and Authorities, Work Relationships, Performance Appraisal and Evaluation. In 2023, there is no change in the composition of Board of Directors of CCB Indonesia. Board of Directors has the Guidelines for Conducting the Meeting of the Board of Directors, based on Financial Services Authority Regulation regarding Board of Directors and Board of Commissioners of Issuers or Public Companies, as well as the Board of Directors Charter, which includes the Assessment and Evaluation of Board of Directors' Performance. In 2023 Board of Directors has held 84 (eighty four) Board of Directors meetings, which are generally carried out virtually, and has held 3 (three) Board of Directors invite Board of Commissioners meetings, so that it has complied with the applicable provisions.

The results of the Risk Based Bank Rating in Semester II 2023 by self-assessment obtained a composite rating with a value of "2", which reflects the Bank's generally healthy condition; thus, it is considered capable of facing significant negative effects from changes in business conditions and other external factors, taking into account valuation factors, namely risk profile, implementation of good corporate governance, profitability and capital. CCB Indonesia has received the **AAA** rating (highest rating) for 4 (four) consecutive years from the rating agency PT Pefindo, the latest period September 4, 2023 to September 1, 2024, on the basis of capital strength, liquidity and support from the shareholders of CCB Indonesia.

Board of Directors of CCB Indonesia fully support the implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies, in accordance with Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017, which is a comprehensive support from the financial services sector to create sustainable economic growth by aligning economic, social and environmental interests.

CCB Indonesia is committed to preserving the environment in the company's daily operational activities by integrating environmental, social and governance aspects (environmental social governance/

ESG) in a sustainable financial framework, including by maintaining clean environment around the office, providing loans for environmentally friendly business activities, namely to parties who have social and environmental concerns ('green companies'), implement a sustainable greening program, as well as financial literacy and inclusion programs. The occurrence of climate change or extreme weather, which recently hit the earth globally and caused various disasters, such as long droughts, landslides. CCB Indonesia has participated in sustainable greening program on barren land that has been implemented for the past 9 (nine) years continuously through corporate social responsibility which aims to prevent erosion and avoid landslides. CCB Indonesia encourages loan providers to give priority to environmentally sound business with concern for social and environmental aspects ('green financing'), for example the business sector of processing waste into energy sources.

By prioritizing safety for all, CCB Indonesia held a hybrid Annual General Meeting of Shareholders (AGMS), with limited physical presence and electronically by using the eASY.KSEI application for e-Proxy, e-Voting and GMS zoom display on June 6, 2023 at the head office of CCB Indonesia.

Bank Indonesia appointed CCB Indonesia as one of initiator banks as the Management of the Indonesian Money Market and Foreign Exchange Market Association (APUVINDO), namely a self-regulatory association that was formed by transaction performers in the Indonesian Foreign Exchange Market (PUVA) in 2023.

In 2024, economic growth is expected to continue to increase, supported by domestic demand, especially continued growth in consumption, including the positive impact of holding elections, as well as increased investment, especially buildings, in line with the continued development of PSN, including the Indonesian Capital City (IKN). Based on Business Fields (LU), the LU prospects for the Manufacturing Industry, Wholesale and Retail Trade, Information and Communication, Construction, and Transportation and Warehousing are predicted to continue to grow well. Bank Indonesia continues to strengthen the synergy of the Government's fiscal stimulus with Bank Indonesia's macroprudential stimulus to encourage economic growth, especially from the domestic demand side.

In the Macroeconomic Framework and Principles of Fiscal Policy for 2024, the Government assumes economic growth in 2024 of 5.1% to 5.7%. Bank Indonesia estimates that banking loans will grow 10%–12% in 2024.

Report of Board of Directors

In 2024, CCB Indonesia plans credit growth of 13.59%, Third Party Funds are estimated to grow 15.81% by optimizing the Bank's liquidity position at the LDR position of 95.00%, while Total Assets are projected to increase 11.23% compared to the position end of 2023.

Projected financial ratios for 2024 include: gross NPL ratio of 3.10%, net NPL of 0.52%; CAR of 34.55%; LDR of 95.00%; NIM of 3.86%; ROA of 1.12% and ROE of 4.12%. In expanding business volume, the Bank always adheres to the prudential principle.

Strategies and strategic policies are directed at prudent and conservative business development in the corporate banking segment, along with the Small and Medium Enterprises (SME) segment including commercial and consumer banking; maintain CAR position and adequate liquidity for business development in the years to come; implementation of good corporate governance; development of information technology systems; promote process effectiveness and cost efficiency, as well as improve professionalism and competence of human capital.

The formulation of these strategies and policies are discussed intensively by Board of Directors through Board of Directors meetings, as well as meetings of Board of Directors with Board of Commissioners. Periodically the Board of Directors conducts monitoring accompanied by discussions at the Board of Directors

meeting to ensure the implementation of strategies and policies can proceed properly.

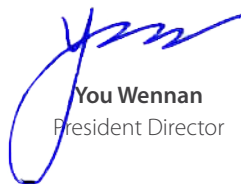
The broad and comprehensive implementation of Good Corporate Governance will contribute to profitability, added value for stakeholders, and long-term business growth sustainability for CCB Indonesia as a public-listed company.

CCB Indonesia is committed to always implementing the principles of Good Corporate Governance in every business activity.

In implementing Good Corporate Governance, CCB Indonesia builds a corporate culture by applying the principles of corporate governance, namely transparency, accountability, responsibility, independence and fairness. These five principles are always applied in business activities and the implementation of the Bank's daily operations at all levels of the organization.

On this occasion, Board of Directors expressed the greatest appreciation to all stakeholders for their trust and support, as well as the well-established cooperation so far; therefore, the Bank was able to improve its performance. We would also like to express our deepest gratitude to the Shareholders and Board of Commissioners who have entrusted us with managing this Bank, as well as to all employees, CCB Indonesia's big family who participated together in advancing CCB Indonesia with great dedication.

Board of Directors,




You Wennan
President Director



Zhu Yong
Director




Setiawati Samahita
Director



Junianto
Director



Chandra NT Siagian
Director



Agresius R. Kadiaman
Compliance Director

Tari Klana Topeng Yogyakarta

As an honour to Ponorogo, who aided the Yogyakarta palace when it was invaded by Trunojoyo, the Mataram palace requires all visitors to perform the Klana Sewandana dance, a traditional dance. However, the Klana Sewandana dance has been preserved in the form of a Yogyakarta-style performance that aims to capture the tenacity and bravery of the powerful Klana Sewandana monarch as well as serve as a dance to ward off evil. This dance has up to this point demonstrated that the Yogyakarta palace has always been secure.

Business and Functional Review

02



Togetherness in Indonesian Traditional dance philosophy

Loan



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CCB Indonesia builds and maintains close and mutually beneficial relationships with customers for long-term sustainable growth

Accelerating business development in the corporate banking segment, along with the retail segment, namely commercial banking and small and medium scale enterprises (SMEs), as well as consumer banking, taking into account the harmony of economic, social and environmental interests.

CCB Indonesia has full support from China Construction Bank Corporation as controller who has expertise and experience, especially in infrastructure financing, which is in line with government programs and supports the Indonesian economy in general.

CCB Indonesia always maintains diversified loan portfolios in various economic sectors, so that the spread of risk is relatively good. Lending is directed at sectors that are considered still potential and prospective with a focus on the quality and level of ability to repay debtors' loans.

CCB Indonesia is actively extending credit to existing customers, as well as potential customers to expand and develop the business, as well as for working capital needs, as well as other needs. CCB Indonesia continues to strive to finance important industrial sectors to support business growth. CCB Indonesia is always guided by the conservative principle and the prudential banking principle.

In the context of implementing sustainability finance, providing loans for environmentally sound business activities, namely to parties who have a concern for the environment (green company). CCB Indonesia encourages credit providers to give more priority to business actors who carry out their business by prioritizing environmentally sound aspects.

Loan distribution is directed at sectors that are considered still potential and prospective with a focus on the quality and level of ability to repay debtors' loans. The step of lending is carried out by management in accordance with government policy and the Financial Services Authority. In increasing the credit portfolio, CCB Indonesia channelled funds to various sectors from trade, industry, services, infrastructure, consumption, and others.

CCB Indonesia continues to encourage the bank intermediary function by taking into account liquidity; Loan to Deposits Ratio (LDR) position of 96.86% as of December 31, 2023. In 2023 lending increased significantly by 16% y-o-y from IDR16.7 trillion as of December 2022 to IDR19.4 trillion as of December 2023, or 101% of the target. During 2023, loan quality can be maintained well, with gross NPL ratio of 2.87% from the initial target of 3.95%.

A number of business sectors are considered prospective, including infrastructure, telecommunications, consumption, the service sector, trade and the manufacturing sector with domestic raw materials.

Corporate Banking

Development of distribution to the corporate banking segment, related to controllers, CCB Corporation, which has expertise and experience in handling corporate banking, especially for infrastructure financing and trade finance, especially Chinese corporations that invest and do business in Indonesia, state-owned companies, and Indonesian conglomerate companies.

Financing in the infrastructure sector is in line with current government programs, by providing financing solutions for government projects through arranging or participating in syndicated financing with CCB Corporation groups, or externally with other banks; as well as the "one belt - one road" program development initiative in Indonesia.

The focus of the industrial sectors for corporate banking include: infrastructure, manufacturing, natural resources (oil and gas, mining and other materials), transportation (sea, air and land), irrigation systems, petrochemicals, telecommunications, waste recycling management, real estate/property and electricity generation.

Corporate Banking develops a number of products on a larger scale, such as investment loan, working capital loan, syndicated loan, factoring, commodity financing, trade finance, export credit, bank guarantees, invoice financing and LC standby. Corporate loan products include Back to back loan, Current Account Loan, Syndicated Loan, Investment Loan, Project Financing Loan, Working Capital Loan, and trade finance products.

Commercial Banking

Commercial loans at CCB Indonesia is the provision of credit facilities, both for companies and individuals, for the needs of working capital and investment financing.

- **Working Capital** is a credit facility provided to meet the needs of working capital that runs out in one business cycle, and/or special working capital needs such as to finance inventory/receivables/projects or other special needs which, according to CCB Indonesia's evaluation, are appropriate to be financed.
 - Credit limit as needed
 - Credit can be given in Rupiah or foreign currency
 - The period of up to a maximum of 1 year and can be extended as needed
 - The nature of revolving or non-revolving credit
- **Investment** is a credit facility provided to finance the needs of capital goods in the context of rehabilitation, modernization, expansion, establishment of new projects and/or special needs related to investment.
 - Credit limit as needed
 - Credit is given in Rupiah or foreign currency
 - Long-term (more than 1 year) adjusted to the project plan

CCB Indonesia's commercial loans play an important role in channelling funds through credit. This shows the role and contribution of CCB Indonesia to help grow the Indonesian economy by encouraging the growth of the business sector in society.

CCB Indonesia's lending policy is guided by the principle of prudential banking. Increasing the loan portfolio to various potential and quality business sectors that support the growth of the Indonesian economy remains spread evenly, so as to avoid concentrated risk.

Loan

Consumer Banking

In distributing consumer credit, CCB Indonesia has implemented a number of attractive program promos for customers, including product exhibitions and promotions in public places, as well as providing special promotions for Mortgage Loan programs. CCB Indonesia also cooperates with a number of major developers in order to provide mortgage facilities for consumers of the main developers.

The increasing number of CCB Indonesia's branch offices in various cities in Indonesia has increased the competitiveness of CCB Indonesia in the consumer sector. In line with that CCB Indonesia develops innovative products and improves service quality. The level of customer needs is continuously monitored and the results are used as a basis for continuous improvement in products and services.

In the midst of intense competition in the consumer sector, CCB Indonesia relies on customer-oriented business models that are able to provide innovative products according to consumer needs.

Ease of access and premium quality services to customers and prospective customers with a focus on prospective areas as a consumer credit marketing channel.

Small and Medium Enterprise (SMEs) Loan

The SME sector has become the prima donna of credit disbursement in the banking industry, in addition to having still wide opportunities, it has been proven to be relatively more resilient in a crisis situation that has occurred several times in Indonesia. Lending to SMEs is also in line with government programs to encourage the improvement of SMEs in Indonesia. Efforts to increase lending to the SME segment with wider risk spreading. Flexibility combined with the conservative principle is the main foundation for this UKM credit, the ability of personnel handling credit is sharpened by the provision of special training. Besides that, the activity of lending to UKM is also classified as sustainability finance.

The number of loans to the MSME sector as of December 31, 2023 was Rp1,703 billion with the ratio of MSMEs to total loans of 8.79%. Based on the economic sector, the largest portion of the financing plan for MSMEs for each group is as follows:

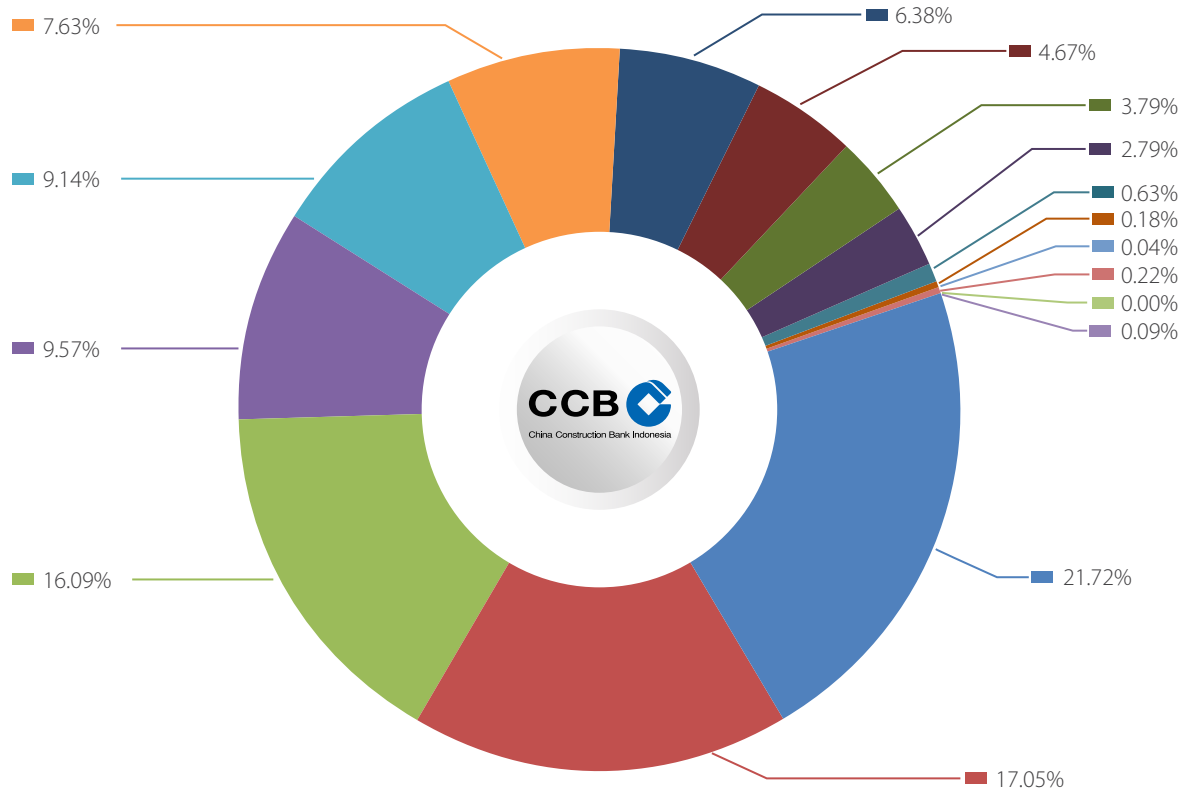
MSME Loans Distribution	The Most Dominant Economic Sector	Sharing of Groups
Micro Business Loans	Wholesale & Retail	2.58%
Small Business Loans	Wholesale & Retail	18.49%
Medium Business Loans	Wholesale & Retail	78.93%

Viewed from the type of use, the following loan classifications per position 31 December 2023 compared to the position 31 December 2022:

Type of Loans	31 Dec 2023 (in million IDR)	%	31 Dec 2022 (in million IDR)	%
Working capital	8,836,642	45.64%	8,188,467	49.07%
Investment	9,046,948	46.73%	6,994,754	41.92%
Consumer	1,473,201	7.61%	1,499,234	8.98%
Employee	3,187	0.02%	4,830	0.03%
Total	19,359,978	100.00%	16,687,285	100.00%

In 2023, the concentration of CCB Indonesia's lending in the Manufacturing Industry sector (21.72%), Electricity, Gas and Water (17.05%), Financial Intermediaries (16.09%) and Wholesale and Retail trade (9.14%), others were spread across various industrial sectors. CCB Indonesia continues to maintain the diversification of the loan portfolio relatively spread to various economic sectors, so that the spread of risk is relatively good.

Loan Data by Economic Sector in 2023



- Manufacturing Industry
- Electricity, Gas And Water
- Financial Intermediaries
- Real Estate, Rental Business And Company Services
- Wholesale And Retail Trade
- Household
- Construction
- Transportation, Warehousing And Communication
- Mining And Excavation
- Accommodation And Supply Of Drinking Food
- Health Services And Social Activities
- Agriculture
- Education Services
- Fisheries
- Community Services, Social Culture, Entertainment And Other Personals
- Administration, Government, Defense And Social Guarantee

Loan by collectability

Description	(in million IDR)	
	2023	2022
Current	18,266,779	15,991,256
Spesial Mention	536,786	128,820
Sub Standard	245,676	4,356
Doubtful	38,171	233,779
Loss	272,566	329,074
Total	19,359,978	16,687,285

Treasury, FI, Trade Finance and International Banking



Financial Institution/ FI	49
Trade Finance	49
International Banking	49

Bank Indonesia (BI) appointed CCB Indonesia as one of initiator banks as management of the Money Market and Foreign Exchange Market Association Indonesia (APUVINDO)

Treasury role in CCB Indonesia includes assets and liabilities management, liquidity management, and the net open position (NOP) in accordance with applicable regulations.

Treasury also acts as a profit center through securities trade and foreign exchange transactions, either for customer's benefit or Bank's benefit.

Treasury is actively and dynamically managing Bank's liquid assets portfolio to diversify its fund placement. Bank conducts placement in the inter-bank market, State Treasury Notes, Bank Indonesia Certificate and Corporate Bonds.

For foreign exchange transactions, Treasury strengthens its cooperation with corporate and commercial segments to cover a larger client network. The diversity of products offered are also tailored to customer's requirements. Thus, Bank's marketing strategy to market Treasury product solutions can be more optimal. Bank has offered Treasury service solutions in the form of foreign exchange transactions of Spot, Forward, Swap and various hedging product solutions.

Moreover, with the expansion of inter-bank network owned, Treasury is now participating more actively in the money market transactions and foreign exchange markets. Without ignoring the precautionary principle, Treasury is expected to provide optimal and sustainable income from this inter-bank market.

Treasury, FI, Trade Finance dan Perbankan Internasional

Facing the existing economic challenges, Treasury is expected to continue to take the initiative in developing existing products and businesses. Existing opportunities will continue to be explored to provide reliable solutions for the needs of foreign exchange transactions and customer hedging.

CCB Indonesia is one of the Indonesian Appointed Cross Currency Dealer (ACCD) Banks in the Implementation of Bilateral Transactions with Local Currency Settlement (LCS) between Indonesia and China. Bank Indonesia (BI) and the People's Bank of China (PBC) since 2021 officially started the implementation of cooperation in the settlement of bilateral transactions with local currencies between Indonesia and China. The framework for this cooperation includes, among others, the use of direct quotations and relaxation of certain regulations in foreign exchange transactions between Rupiah and Yuan.

The implementation of this cooperation is part of Bank Indonesia's ongoing efforts to encourage wider use of local currencies in the settlement of trade transactions and direct investment with various partner countries. The expansion of the use of LCS is expected to support the stability of the Rupiah through its impact on reducing dependence on certain currencies in the domestic foreign exchange market. The use of LCS provides many direct benefits to business actors, including: (i) more efficient conversion costs of transactions in foreign currencies, (ii) availability of alternative trade financing and direct investment in local currency, (iii) availability of alternative hedging instruments in local currency, and (iv) diversification of currency exposure used in the settlement of foreign transactions.

Taking into account CCB Indonesia's activeness in the Money Market and Foreign Exchange Market (PUVA) initiative, in 2023 Bank Indonesia (BI) appointed CCB Indonesia as one of initiator banks as management of the Money Market and Foreign Exchange Market Association Indonesia (APUVINDO), namely a self-regulatory association formed by transaction performers in PUVA Indonesia in the form of banks and consisting of institutions and associations that carry out or are related to activities in PUVA Indonesia.

The purpose of establishing this association is to realize sustainable and industry-led development of PUVA Indonesia in the product pricing participant and infrastructure aspects in line with the direction of PUVA development.

Financial Institution/ FI

Bank also actively plays a role in providing credit line and cooperation with financial institutions, banks and non-banks such as asset management, insurance institutions and pension funds. Determining transaction limit for FI facilities has also been using counterparty scoring method, so Bank's risk exposure remains prudent.

CCB Indonesia also supports Bank Indonesia's initiative to encourage the expansion of repurchase agreement (Repo) transaction actors in order to develop advanced and modern financial markets, increase the effectiveness of monetary policy transmission and encourage financial system stability by increasing the number of Global Master Repurchase Agreement (GMRA) signings with counterparties in Indonesia. This GMRA agreement is one of the main requirements before carrying out a repo transaction with a counterparty.

Trade Finance

CCB Indonesia provides comprehensive Trade Finance products and services to customers both local or international transactions, to assist customers in issuing Letter of Credit (LC), Domestic Letter of Credit (SKBDN), Bank Guarantee/Standby Letter of Credit (SBLC)/Demand Guarantee, conducting Document Negotiation/Discounting under LC/SKBDN and Documentary Collection, as well as obtaining financing in the form of Trust Receipt Financing, Invoice Financing, Pre-shipment Financing, Post-Shipment Financing and Supply Chain Financing.

In carrying out international transactions, CCB Indonesia collaborates with CCB branches in other countries, as well as with correspondent banks both domestically and internationally to increase the scope and quality of services to customers.

International Banking

In facing competitive business challenges, international scale professional services has been prepared in capturing opportunities to serve transnational company business activities. (Transnational Company/TNC).

International banking services is provided to assist customers in carrying out various banking transactions. Various services at competitive costs and exchange rates, as well as the latest processing systems have been available to serve the customers.

Trade Operation as an implementer of international banking services strives to provide excellent and up-to-date services for international and domestic trade transaction settlement services, bank guarantee provision and distribution services, foreign exchange fund transfer services, as well as playing an important role in helping the implementation of international financing programs, transaction financing trading, and implementation of RMB Local Currency Settlement (LCS).

Bank continues to improve the structure of international trading services so as to provide services in accordance with customers' expectations and needs.

Human Capital



Education, Training, and Development for Human Capital 51

- Total Employees by Employees' Status
- Employees' Composition by Education Level
- Employees' Composition by Years of Service
- Employees' Composition by Age
- Employees' Composition by Position
- Employees' Composition by Gender
- Employee Turnover

CCB Indonesia, as an institution engaged in financial services, places human resources as the company's capital. Human capital management as a strategic partner aims to encourage business growth and support CCB Indonesia's efforts to provide the best for all stakeholders

In 2023, the Bank's human resource management is focused on enhancing employee competencies, increasing employee awareness of personal data protection, increasing employee understanding of cyber security, and updating personnel policies. Changes to the organizational structure were also carried out to improve the effectiveness of the Company's operational performance. Filling vacant positions was prioritized through internal promotions to strengthen risk mitigation management and improve operational support for business development. Workforce quality improvement is carried out through training, both online and offline methods.

Improving employee competencies is not only conducted to improve hard skills, but also soft skills. Among the soft skills enhancement, there were leadership training for all employees at the middle management level, improvement of cooperation in groups

Human Capital

through team building for employees, and also improvement of other skills such as time management. The Bank has also increased understanding of knowledge that can also support employee performance in general. In line with the issuance of government policies related to the protection of personal data and also handling cyber security, the Bank successfully implemented ISO 27001 in 2023. Related to the implementation of ISO 27001, the training has been conducted for employees to increase awareness of personal data protection and cybersecurity. This is also supported by the updating of several Human Capital policies to support personal data protection and cyber security.

The implementation of training and skills enhancement in 2023 increased compared to previous years. Workforce quality enhancement activities were also accompanied by the enhancement of employee performance management systems, among others by developing a system to improve the objectivity of performance appraisals. Training related to the enhancement of specific competencies related to the Bank's activities remains a large part of the training program, including risk management competency certification, competency-based training on Payment System and Rupiah Money Management (SPPUR), Treasury competency training, as well as other training. In addition, training was also provided to improve employee skills in loan management, introduction to Bank products and Sustainability Finance. Human resource development is conducted through systematic and continuous education and training programs, which training materials are adapted to the needs of the Bank in line with the development of national and global conditions.

In supporting the improvement of human capital quality, development in 2023 was directed at:

- Maintenance of competency certificates and competency-based training that is mandatory for Bank employees
- Education to increase risk and compliance awareness
- Education to improve understanding of personal data protection and cybersecurity
- Enforcement of systematic and continuous education and training programs.
- Cadre formation process for first line management positions, including the promotion of employees to fill strategic positions.
- Ensure code of conduct implementation and increase compliance with applicable provisions and laws in the field of labour

Education, Training, and Development for Human Capital

Employee training and enhancement programs became a special concern in 2023, and are still being improved according to the needs to support the Bank's business development. During 2023, the Bank conducted 310 training programs with a total of 8,567 participants. Compared to 2022, 179 training programs were

conducted with 6,602 participants. Training programs in 2023 were conducted online and offline, adapted to the needs at the time of activity implementation. Online training can involve more employees from various locations, however face-to-face training can increase interaction between trainers and trainees.

The Bank has consistently conducted training programs and increased employee competence, both carried out inside and outside of the bank. The number of participants in education and training programs during 2023 and 2022 are as follows:

Types of Education and Training	Total Participants	
	2023	2022
• Internal Education	8,290	6,248
• External Training	277	354
Total	8,567	6,602

Education and training programs held throughout 2023 with materials covering technical skills and soft skills including: Risk Management Certification, Payment Systems and Rupiah Money Management (SPPUR), credit analysis, Bank Operations / Standard Operating Procedures (SOP), Customer Service Complaints, AML CFT Training, Sustainable Finance, Compliance field, Induction Program, Training related to system development, Product Knowledge, Training related to Cyber Security, Personal data Protection, Cyber Crime, Digital Banking, IT hardware, work safety, as well as various other Seminars and Workshops.

The number of Bank employees as of December 2023 (excluding outsourcing employees) was 1,183 persons. The Bank outsources some of the work of non-staff, such as couriers, drivers, security and cleaning to outsourcing service providers. As of December 31, 2023, the number of outsourced employees was 295 persons, bringing the total number of employees (including outsourced employees) to 1,478 persons.

Total Employees by Employees' Status

Employees' Status	31 Dec 2023		31 Dec 2022	
	Total	%	Total	%
Permanent Employees	1,137	96%	1,154	96%
Probation Employees	37	3%	41	3%
Contract Employees	9	1%	8	1%
Number of employees	1,183	100%	1,203	100%
Outsourcing Employees	295	-	321	-
Number of employees (including outsourcing employees)	1,478	-	1,524	-

Human Capital

Employees' Composition by Education Level

(Excluding outsourcing employees)

Education Level	Dec 31, 23		Dec 31, 22	
	Total	%	Total	%
< Senior High School	249	21%	279	23%
Academy	126	11%	141	12%
Bachelor	766	65%	742	62%
Postgraduate	42	4%	41	3%
Total	1,183	100%	1,203	100%

Employees' Composition by Years of Service

(Excluding outsourcing employees)

Years of Service	Dec 31, 23		Dec 31, 22	
	Total	%	Total	%
0-3 years	296	25%	314	26%
3-5 years	128	11%	155	13%
5-10 years	375	32%	362	30%
10-20 years	257	22%	232	19%
> 20 years	127	11%	140	12%
Total	1,183	100%	1,203	100%

Employees' Composition by Age

(Excluding outsourcing employees)

Age	Dec 31, 23		Dec 31, 22	
	Total	%	Total	%
< 25 years old	48	4%	49	4%
25-34 years old	450	38%	474	39%
35-44 years old	374	32%	365	30%
> 45 years old	311	26%	315	26%
Total	1,183	100%	1,203	100%

Employees' Composition by Position

(Excluding outsourcing employees)

Position	Dec 31, 23		Dec 31, 22	
	Total	%	Total	%
Directors	6	1%	6	0%
Division Head/Regional Head	39	1%	38	3%
Branch Manager	67	9%	70	6%
Department Head	151	14%	155	13%
Officer	64	5%	71	6%
Staff	765	68%	758	63%
Non-Staff	91	1%	105	9%
Total	1,183	100%	1,203	100%

Employees' Composition by Gender

(Excluding outsourcing employees)

Gender	Dec 31, 23		Dec 31, 22	
	Total	%	Total	%
Male	582	49%	594	49%
Female	601	51%	609	51%
Total	1,183	100%	1,203	100%

Employee Turnover

(Excluding outsourcing employees)

Employee Turnover	Dec 31, 23	Dec 31, 22
New Employees Recruitment	140	162
Resigned employees	160	180
Total year-end employees	1,183	1,203



Information Technology



Development of Information Technology Systems of CCB Indonesia is performed in a sustainable manner, especially to provide convenience for customers in transactions.

Information Technology (IT) as the driving force of business needs to be flexible and reliable which is able to follow the dynamics of CCB Indonesia development. IT is also an important element in supporting the bank's operations.

In the era of digitalization, cyber security has become the top priority, so CCB Indonesia has implemented ISO 27001 regarding Information Security Management Systems and obtained the certification.

Consistently, CCB Indonesia is always working to improve the quality of products and services, with the support of IT as a very important instrument in realizing such efforts. This is reflected in the successful implementation of QRIS in 2023 in order to provide better services to customers.

The best use of information technology is a key factor for the efficiency required in the processing of transactions, improving accuracy and providing satisfactory services to various banking needs of the customers. The synergy that is developed in the entire elements have led to the sustainable growth of CCB Indonesia.

To realize short-term targets in Information Technology, IT development is also supported by appropriate technology tools to achieve targets with a proper security system. All technological activities are carried out in a centralized and integrated manner.

The IT systems development policy is consistently continued in the future that directs CCB Indonesia to have image transformation into a modern bank, by providing convenience to customers in banking transactions, using the technology and sophistication of internet by applying and improving the service of electronic delivery channels.

To develop a forward-looking information technology in order to support process and service which are effective, rapid, accessible and convenient, will be continued consistently.

The development of the Information Technology System for CCB Indonesia is carried out continuously in line with the development of the company, which is expected to provide optimal support for CCB Indonesia operations and also provide convenience for customers in making transactions both at Bank counters and online.

Risk Management



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The implementation of risk management includes identification, measurement, monitoring and control of various types of risk in each line of business and its supporting functions. CCB Indonesia always implements effective and comprehensive risk management in accordance with the level of risk faced

Risk management is a structured approach to managing uncertainty related to the threat of loss as a result of a series of activities or business activities being carried out. In risk management, it requires management that has sufficient expertise and competence, so that all kinds of potential risks can be anticipated from the start by preparing the necessary mitigation measures.

CCB Indonesia always implements effective and comprehensive risk management according to the level of risk faced. The application of risk management is an important aspect in managing various risks faced by the Bank.

The implementation of risk management includes identification, measurement, monitoring and control of various types of risk in each line of business and its supporting functions. Therefore, in applying risk management, the Bank is very concerned about the efforts to raise risk awareness and risk culture well and thoroughly in daily banking operational activities.

The Bank's risk management policies follow and refer to the Financial Services Authority Regulations (POJK) and Bank Indonesia Regulations (PBI) as minimum provisions to guarantee the best governance. The Bank improves and perfects every policy, guidelines and standard operating procedures that shape the effectiveness of the risk management strategy, in line with the development of the Bank's business complexity.

Risk management aims to protect the Bank from possible losses arising from various activities, maintain the Bank's capital, support the decision-making process, to optimise the risk profile, to increase the value of the Company, and to keep the Bank's reputation based on risk appetite by considering the capital capacity owned. Therefore, the Bank maintains a balance between risk and benefits in order to produce sustainable value growth for shareholders.

The Bank identifies risks for each risk factor that can be quantified and measured according to objective and consistent criteria. The implementation of sound and comprehensive risk management in identifying, measuring, controlling, monitoring and reporting risks is carried out on 8 types of risks determined by Bank Indonesia and the Financial Services Authority (OJK), namely Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Legal Risk, Compliance Risk, Strategic Risk and Reputation Risk.

The entire risk management process is carried out based on the application of the principles of good corporate governance. In implementing risk management, the Bank has a corporate governance structure which functions to improve the four eyes principle and transparency in the risk management process. The Risk Management function is established as a controller to direct the Bank's capability, and in terms of risk measurement and risk control supported by other functions, such as Internal Audit, Legal, Compliance, and others.

In implementing risk management, the Bank refers to banking regulations in accordance with Financial Services Authority Regulation (OJK) Number 18/POJK/03/2016 and OJK Circular Letter Number 34/SEOJK/03/2016 regarding "Application of Risk Management for Commercial Banks". In addition, the Bank also refers to internal regulations, namely risk management policies, international best practices, as well as the Basel Committee recommendations.

Risk Management Structure

Risk Management structure consists of Risk Monitoring Committee, Risk Management Committee and Risk Management Division. The risk management organization involves active supervision of the Board of Commissioners and Directors, including business lines at various levels of responsibility.

Risk Monitoring Committee is the highest management authority at the Board of Commissioners level. This committee functions as

a supervisory board to monitor the implementation of risk management strategies and policies.

Risk Management Committee is a committee at Board of Directors level and executive officers who are responsible for overall risk management in all business lines and operational banks. This committee also functions to oversee the implementation of strategies, policies and evaluate significant risk issues. Board of Directors has the authority to manage risk, provide risk limits in making decisions which are the Bank's risk appetite.

In addition, the Bank has other directors' committees in implementing risk management, namely the Credit Committee, Credit Policy Committee, Assets and Liabilities Committee (ALCO), and Information Technology Steering Committee. Each committee performs its duties based on the mandate that has been set. These committees meet regularly to assess and discuss risk issues faced by the Bank in carrying out its operational activities.

Daily risk management activities are carried out by the Risk Management Division, which is independent from the operational business units, which regularly monitors and reviews each risk and potential loss to the Bank. Specifically, the functions and duties of the Risk Management Division are as follows:

- Monitoring and reviewing the implementation of risk management policies, methodologies, process, information systems and strategies of the Bank on a regular basis.
- Related to Operational Risk, implementing various operational risk management tools including data collection on operational losses, Risk & Control Self Assessments, and Key Risk Indicators, Stress Test etc.
- Related to Credit Risk, monitoring and reviewing credit risk exposure, reviewing credit policies, credit concentration limits, industrial market targets and sectoral zones, conducting stress tests, reviewing credit risk portfolio reports, setting and developing methodologies for calculating impairment losses credits based on applicable Financial Accounting Standards Guideline/FASG, etc.
- Related to Market and Liquidity Risks, monitoring and reviewing market and liquidity risk exposures arising from business units; stress testing of market and liquidity risks, etc.
- Related to other risks, namely legal risk, compliance risk, strategic risk and reputation risk; monitoring and reviewing the risk exposure of each business and operational unit, etc.
- Supporting the approval process of new products & activities of the Bank by reviewing the related risks and required risk mitigation.
- Providing the Board of Commissioners, Directors and Risk Management Committee with an independent and periodic assessment of the risk profile, Risk Based Bank Rating (RBBR),

Risk Management

capital adequacy assessment report through the Internal Capital Adequacy Assessment Process (ICAAP), where the Bank's capital adequacy level is measured by considering risks other than Pillar 1 risks (credit, market and operational), as well as providing recommendations to risk taking units or risk management committees in accordance with the scope of the Risk Management Division.

- Responsible for reporting related to Financial Services Authority (OJK) regulations for Risk Management.

Implementation of Risk Management

The implementation of risk management at CCB Indonesia involves the main elements that support the risk management governance structure. The implementation of good and comprehensive risk management is expected to improve business performance with controlled risk by prioritizing prudential principles and sound banking practices. The application of risk management is part of strengthening the stability and resilience of banking business activities by:

- Active supervision by Board of Commissioners and Board of Directors;
- Adequacy of policies, procedures and limit setting;
- Risk management process and risk management system; and
- Risk management internal control system.

Board of Commissioners and Board of Directors hold a key role in ensuring the success of risk management through their active supervision. Board of Commissioners may delegate the risk monitoring function to the Risk Monitoring Committee. However, Board of Commissioners remains as the final responsible party.

Board of Directors has a role in determining comprehensive risk management policies direction and strategies as well as the implementation. As the party responsible for carrying out operational activities, including monitoring the implementation of risk management, Board of Directors established Risk Management Committee to assist them in carrying out their functions and responsibilities.

Risk Management Policy

Risk Management policy aims to be able to measure the amount of tolerance limit or risk appetite which can be taken by banks in managing profitability, which reflects the amount of capital managed to face risks including business development. CCB Indonesia's risk management policy also includes efforts to foster a risk awareness culture at all levels, namely the awareness that risk management is essentially the responsibility of all levels of the bank.

Risk Management Strategy

Risk Management strategy is made by considering the Bank's business plan in a comprehensive manner to be conveyed to all levels of the Bank so that all levels can understand and implement it properly. The Bank implements the following risk management strategy as follows:

- Having committees that actively monitor risk management;
- Formulation of risk management policies based on banking regulations concerning the Implementation of Risk Management for Commercial Banks and taking into account the recommendations from Basel and best practices in the market;
- Ensure the application of the precautionary principle and the four eyes principle in decision making;
- Establishment of risk limits;
- Implementing a risk awareness culture in all Bank employees.
- Develop a methodology for calculating risk exposure;
- Monitor the quality of risk implementation on a regular basis;
- Develop an information system and risk reporting;
- Perform stress testing to anticipate potential risks in the future;
- Ensure the effectiveness and enhance the competence of human resources in the application of risk management.



Key Metrics Report

No.	Description	Dec 2023	Dec 2022
Available Capital (value)			
1	Common Equity Tier 1 (CET1)	6,014,355	5,729,759
2	Capital Tier 1	6,014,355	5,729,759
3	Total Capital	6,209,630	5,992,483
Risk Weighted Asset (Value)			
4	Total Risk Weighted Asset (RWA)	16,581,331	18,310,609
Risk Based Capital Ratio in the form of percentage of RWA			
5	CET1 Ratio (%)	36.27	31.29
6	Tier 1 Ratio (%)	36.27	31.29
7	Total Capital Ratio (%)	37.45	32.73
Additional CET1 that functions as a buffer in the form of percentage of RWA			
8	Capital conservation buffer (2.5% of RWA) (%)	2.50	-
9	Countercyclical Buffer (0 - 2.5% of RWA) (%)	-	-
10	Capital Surcharge for Systemic Bank (1% - 2.5%) (%)	-	-
11	Total CET1 as buffer (Line 8 + Line 9 + Line 10)	-	-
12	CET 1 Component for buffer	-	-
Leverage ratio in accordance with Basel III			
13	Total Exposure	34,265,494	30,784,124
14	Total Exposure	-	-
	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)		
a.	Leverage ratio values in accordance with Basel III with the Expected Credit Loss Model in accordance with PSAK 71 in full. (%) (line 2a / line 13)	N/A	N/A
b.	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)	-	-
c.	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 inputted the average value of the listed value of the Securities Financing Transaction (SFT) assets on a gross basis	17.71	18.71
d.	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 inputted the average value of the listed value of the Securities Financing Transaction (SFT) assets on a gross basis	16.08	15.67
Liquidity Coverage Ratio (LCR)			
15	Total High Quality Liquid Assets (HQLA)	7,712,763	7,550,961
16	Total Net Cash Outflow	3,198,895	2,901,323
17	LCR (%)	241.11	260.26
Net Stable Funding Ratio (NSFR)			
18	Total Available Stable Funding (ASF)	19,858,964	18,494,381
19	Total Required Stable Funding (RSF)	16,582,105	13,944,676
20	NSFR (%)	119.76	132.63

Qualitative Analysis

Risk Management

LI1: Difference between Consolidated Coverage according to accounting standards and prudential requirements

(in million IDR)

Period 31 December 2023	a	b	c	d	e	f	g	
	Carrying value as stated in the publication of financial statements	Carrying value based on the precautionary principle	The carrying amount of each risk					Does not refer to capital requirements or based on capital reduction
			According to the credit risk framework	According to the counterparty credit risk framework	According to the securitization framework	According to market risk framework		
Indonesia								
Assets								
Cash	212,839	212,839	-	-	-	-	-	
Placement with Bank Indonesia	1,552,681	1,552,681	-	-	-	-	-	
Placement with another bank	184,142	184,142	77,355	-	-	-	-	
Spot and derivatives/forward bills	12,832	12,832	-	-	-	-	-	
Securities held	4,412,259	4,412,259	-	-	-	-	-	
Securities that are sold with a promise to repurchase (repo)	94,360	94,360	-	-	-	-	-	
Receivables on securities purchased with an agreement to resell (reverse repo)	1,055,336	1,055,336	-	-	-	-	-	
Acceptance bill	-	-	-	-	-	-	-	
Credit given	19,359,978	19,359,978	12,830,521	-	-	-	-	
Equity capital	-	-	-	-	-	-	-	
Other financial assets	112,357	112,357	-	-	-	-	-	
Reserve for losses for decrease in the value of financial assets	(513,840)	(513,840)	-	-	-	-	-	
Intangible assets - Net	213,224	213,224	-	-	-	-	-	
Fixed assets and inventory - Net	798,577	798,577	798,577	-	-	-	-	
Non-productive assets	215,914	215,914	162,459	-	-	-	-	
Other Assets - Net	141,287	141,287	16,699	-	-	-	-	
Total Assets	27,851,946	27,851,946	13,885,611	-	-	-	-	
Liabilities								
Current Account	3,126,957	3,126,957	-	-	-	-	-	
Saving Account	1,087,415	1,087,415	-	-	-	-	-	
Time Deposit	15,772,440	15,772,440	-	-	-	-	-	
Liabilities to Bank Indonesia	-	-	-	-	-	-	-	
Liabilities to other banks	324,650	324,650	-	-	-	-	-	
Spot and derivatives/forward liabilities	2,023	2,023	-	-	-	-	-	
Liabilities for securities that are sold under an agreement to repurchase (repo)	94,085	94,085	-	-	-	-	-	
Acceptance liabilities	-	-	-	-	-	-	-	
Securities that are issued	461,910	461,910	-	-	-	-	-	
Loans/financing received	-	-	-	-	-	-	-	
Security deposit	9,382	9,382	-	-	-	-	-	
Other liabilities	432,527	432,527	-	-	-	-	-	
Total liabilities	21,311,389	21,311,389	-	-	-	-	-	
Qualitative Analysis								

LI2: Source of the main difference between exposure in accordance with prudential regulations and carrying values in accordance with financial accounting standards

(in million IDR)

Period 31 December 2023	a	b	c	d	e
	Total	Suitable items:			
		Credit risk framework	Framework securitization	Counterparty credit risk framework	Market risk framework
The carrying amount of the asset in accordance with the consolidation scope of prudential provisions (as reported in template LI1)	27,851,946	13,885,611	-	-	-
The carrying amount of the liability in accordance with the scope of the consolidated prudential provisions (as reported on template LI1)	21,311,389	-	-	-	-
The total net value in accordance with the consolidated scope of prudential provisions	-	-	-	-	-
Administrative account value	-	-	-	-	-
Valuation difference	-	-	-	-	-
Difference between netting rules, besides of included on line 2	-	-	-	-	-
Provision difference	-	-	-	-	-
Difference of prudential filters	-	-	-	-	-
....	-	-	-	-	-
Considered exposure value, in accordance with the consolidation scope of prudential provisions	-	-	-	-	-
Qualitative Analysis					

LIA: Explanation of the Differences between Exposure Values in accordance with Financial Accounting Standards and OJK Provisions

There is no difference between the carrying value according to financial accounting standards, as reported in the financial statements and the exposure value according to prudential regulations

Capital Disclosure

a) Capital Structure

Risk management through capital carried out by the Bank includes diversification of capital sources to comply with applicable capital requirements, maintaining a healthy capital ratio, supporting long-term strategic business plans and maximizing value for shareholders. The Bank must ensure capital adequacy to cover various types of risks based on regulatory requirements, as well as internal requirements according to changes in economic conditions and the characteristics of activities.

The Bank has complied with the capital requirements set forth throughout the reporting period with an emphasis on core capital to support its business and activities. CCB Indonesia's core capital as of December 31, 2023 is IDR6.01 trillion. In managing capital, the Bank refers to the applicable regulatory provisions in calculating capital adequacy to cover risks.

b) Capital adequacy

The Bank's Capital Adequacy Ratio (CAR) taking into account credit, market and operational risks in 2023 is 37.45%, increasing by 4.72% compared to 2022 which was 32.73%.

Risk Management

Quantitative Disclosure of Bank Capital Structure
Standard Format for Disclosure of Capital Calculations in Accordance with the Basel III Framework
CC1: Capital Composition

Period : 31 December 2023

No.	Component	Amount (in million IDR)	Ref. No. that derive from Consolidated Balance Sheet
CET 1: Instrument and Additional Paid-In Capita			
1	Common share (related stock surplus)	5,059,351	1
2	Retained earnings	1,120,687	2
3	Accumulated other comprehensive income (and other reserves)	355,519	3
4	Directly issued capital subject to phase out from CET1	N/A	N/A
5	Non-controlling interest that can be taken into account	-	4
6	CET 1 before regulatory adjustments		
CET 1: Regulatory Adjustment			
7	Differences in the fair value financial instruments adjustments in the trading book	-	-
8	Goodwill	190,075	5
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	23,150	6
10	Deferred tax assets that rely on future profitability	N/A	N/A
11	Cash-flow hedge reserve	N/A	N/A
12	Shortfall on provisions to expected losses	N/A	N/A
13	Securitisation gain on sale	N/A	N/A
14	Gains and losses due to changes in own credit risk on fair valued liabilities	N/A	N/A
15	Defined-benefit pension fund net assets	N/A	N/A
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	N/A	N/A
17	Cross-holdings in CET 1 instruments in other entities	N/A	N/A
18	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold)	N/A	N/A
19	Significant investments in the common stock of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	N/A	N/A
20	Mortgage servicing rights	N/A	N/A
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	N/A	N/A
22	Amount exceeding the 15% threshold:	N/A	N/A
23	Significant investments in the common stock of financials	N/A	N/A
24	Mortgage Servicing Rights	N/A	N/A
25	Deferred tax assets arising from temporary differences	N/A	N/A
26	National specific regulatory adjustments		
	a. Difference between PPKA and CKPN	-	N/A
	b. PPKA non productive	188,387	N/A
	c. Deferred tax assets	124,588	7
	d. Investments	-	-
	e. Shortfall in capital of affiliates engaged in insurance	N/A	N/A
	f. Securitization exposure	N/A	N/A
	g. Others	N/A	N/A

Quantitative Disclosure of Bank Capital Structure

Standard Format for Disclosure of Capital Calculations in Accordance with the Basel III Framework

CC1: Capital Composition

Period : 31 December 2023

No.	Component	Amount (in million IDR)	Ref. No. that derive from Consolidated Balance Sheet
27	Regulatory adjustments applied to CET 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	N/A	N/A
28	Total regulatory adjustments to Common equity Tier 1	-	-
29	Common Equity Tier 1 capital (CET1)	-	-
Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	N/A	N/A
31	Of which: classified as equity under applicable accounting standards	N/A	N/A
32	Of which: classified as liabilities under applicable accounting standards	N/A	N/A
33	Directly issued capital instruments subject to phase out from Additional Tier 1	N/A	N/A
34	AT 1 instruments issued by a subsidiaries are recognized in the KPMM calculation on a consolidated basis	N/A	N/A
35	Instruments issued by subsidiaries subject to phase out	N/A	N/A
36	Total AT 1 before regulatory adjustment	-	-
Additional Tier 1 capital before regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	N/A	N/A
38	Reciprocal cross-holdings in Additional Tier 1 instruments	N/A	N/A
39	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	N/A	N/A
40	Significant investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	N/A	N/A
41	National specific regulatory adjustments	N/A	N/A
a.	Placement of funds on AT1 instruments at other banks	N/A	N/A
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	N/A	N/A
43	Total regulatory adjustments to Additional Tier 1 capital	-	-
44	Additional Tier 1 capital (AT1) after regulatory adjustment	-	-
45	Tier 1 capital (Tier 1) (CET 1 + AT 1)	-	-
Supplementary Capital (Tier 2): Instruments and reserves			
46	Tier 2 instruments issued by the Bank (including stock surplus) / Directly issued qualifying Tier 2 instruments plus related stock surplus	15,397	8
47	Directly issued capital instruments subject to phase out from Tier 2	N/A	N/A
48	Tier 2 instruments issued by subsidiaries and inclusive in the calculation of CAR on consolidated basis	N/A	N/A
49	Instruments issued by subsidiaries subject to phase out	N/A	N/A
50	General PPA reserves for earning assets that must be calculated up to 1.25% of RWA for Credit Risk	179,878	N/A
51	Tier 2 capital before regulatory adjustments	-	-
Supplementary Capital (Tier 2): Deduction Factor (Regulatory Adjustment)			
52	Investments in own Tier 2 instruments	N/A	N/A
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	N/A	N/A

Risk Management

Quantitative Disclosure of Bank Capital Structure Standard Format for Disclosure of Capital Calculations in Accordance with the Basel III Framework CC1: Capital Composition

Period : 31 December 2023

No.	Component	Amount (in million IDR)	Ref. No. that derive from Consolidated Balance Sheet
54	Investments in other TLAC liabilities of banking, financial, and insurance entities that are outside the scope of regulatory consolidation and, for which the Bank does not own more than 10% of the issued entity's ordinary shares: amounts previously designated to the 5% limit but which are no longer eligible (only for G-SIBs). 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)	N/A	N/A
55	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)	N/A	N/A
56	National specific regulatory adjustments	N/A	N/A
	a. Sinking fund	N/A	N/A
	b. Placement of funds in Tier 2 instruments in other banks	N/A	N/A
57	Total regulatory adjustments to Tier 2 capital	N/A	N/A
58	Total Tier 2 capital (T2) after regulatory adjustment	N/A	N/A
59	Total Capital (Core Capital + Supplementary Capital)	6,209,630	-
60	Total risk weighted assets (RWA)	16,581,331	-
Minimum Capital Adequacy Ratio (CAR) and Additional Capital (Capital Buffer)			
61	Main Core Capital Ratio CET 1 (percentage of RWA)	36.27	-
62	Tier 1 Core Capital Ratio (percentage of RWA)	36.27	-
63	Total Capital Ratio (percentage of RWA)	37.45	-
64	Buffer (percentage of RWA)	-	-
65	Capital Conservation Buffer	2.50	-
66	Countercyclical Buffer	-	-
67	Higher Loss Absorbency Requirement	-	-
68	For conventional commercial banks: CET 1 available to meet Buffer (percentage of RWA) For branch offices of Banks domiciled abroad: The share of Business Funds placed in CEMA (expressed as a percentage of RWA) available to meet Buffers.	28.45	-
National minima (if different from Basel 3)			
69	National CET 1 lowest ratio (if different from Basel 3)	N/A	N/A
70	National Tier 1 lowest ratio (if different from Basel 3)	N/A	N/A
71	The lowest ratio of total national capital (if different from Basel 3)	N/A	N/A
Amount under deduction limit (before risk weighting)			
72	Non-significant investments in TLAC's capital or other obligations in other financial entities	N/A	N/A
73	Significant investment in ordinary shares of financial entities	N/A	N/A
74	Mortgage servicing rights (net of tax liabilities)	N/A	N/A
75	Deferred tax assets arising from temporary differences (net of tax liabilities)	N/A	N/A

Quantitative Disclosure of Bank Capital Structure
Standard Format for Disclosure of Capital Calculations in Accordance with the Basel III Framework
CC1: Capital Composition

Period : 31 December 2023

No.	Component	Amount (in million IDR)	Ref. No. that derive from Consolidated Balance Sheet
Cap imposed for provision at Tier 2			
76	Provisions that can be recognized as Tier 2 in accordance with exposure based on the standard approach (before being stamped)	N/A	N/A
77	Cap of provisions recognized as Tier 2 under a standardized approach	N/A	N/A
78	Provisions that can be recognized as Tier 2 according to exposure based on the IRB approach (before being stamped)	N/A	N/A
79	Cap of provision recognized as Tier 2 under IRB approach	N/A	N/A
Capital Instruments that include phase out (only valid between Jan 1, 2018 to Jan 1, 2022)			
80	Cap on CET 1 which includes phase out	N/A	N/A
81	Amount excluded from CET 1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A
82	Cap on AT 1 which includes phase out	N/A	N/A
83	Amount excluded from AT 1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A
84	Cap on Tier 2 which includes phase out	N/A	N/A
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	N/A	N/A

Qualitative Analysis



Risk Management

CC2: Capital Reconciliation

Period : 31 December 2023

Description	Publication Balance (in million IDR)	Published Balance Sheet with prudential coverage (in million IDR)	Reference
ASSETS			
1. Cash	212,839	212,839	-
2. Placement at Bank Indonesia	1,552,681	1,552,681	-
3. Placements at other banks	184,142	184,142	-
4. Spot and derivatives / forward bills	12,832	12,832	-
5. Securities owned	4,412,259	4,412,259	-
6. Securities that are sold with a promise to repurchase (repo)	94,360	94,360	-
7. Receivables on securities purchased with an agreement to resell (reverse repo)	1,055,336	1,055,336	-
8. Acceptance bill	-	-	-
9. Provided loans	19,359,978	19,359,978	-
10. Sharia financing *)	-	-	-
11. Capital investment	-	-	-
12. Other financial assets	112,357	112,357	-
13. Reserve for losses for decrease in the value of financial assets -/-	(513,840)	(513,840)	-
a. Securities held	(152)	(152)	-
b. Credit provided and sharia financing *)	(513,561)	(513,561)	-
c. Other	(127)	(127)	-
14. Assets are intangible	255,279	255,279	-
GoodWill		190,075	5
Other intangible assets		65,204	6
Accumulated amortization of intangible assets -/-	(42,055)	(42,055)	6
15. Fixed assets and inventory	1,196,648	1,196,648	-
Accumulated depreciation of fixed assets and inventory -/-	(398,071)	(398,071)	-
16. Non-productive assets	215,914	215,914	-
a. Abandoned property	107,608	107,608	-
b. Collateral that is foreclosed	108,306	108,306	-
c. Account onhold	-	-	-
d. Interoffice assets**)	-	-	-
17. Deferred TaxAssets	-	124,588	7
18. Other Assets	141,287	16,699	-
TOTAL ASSETS	27,851,946	27,851,946	-
LIABILITY AND EQUITY			
LIABILITIES			
1. Current Accounts	3,126,957	3,126,957	
2. Savings	1,087,415	1,087,415	
3. Deposits	15,772,440	15,772,440	
4. Electronic Money	-	-	
5. Liabilities to Bank Indonesia	-	-	
6. Liabilities to other banks	324,650	324,650	
7. Spot and derivatives / forward liabilities	2,023	2,023	

CC2: Capital Reconciliation

Period : 31 December 2023

Description	Publication Balance (in million IDR)	Published Balance Sheet with prudential coverage (in million IDR)	Reference
8. Liabilities for securities that are sold under an agreement to repurchase (repo)	94,085	94,085	-
9. Acceptance liability	-	-	-
10. Securities issued	461,910	461,910	8
11. Loans/financing received	-	-	-
12. Security deposit	9,382	9,382	-
13. Interoffice liabilities**)	-	-	-
14. Other liabilities	432,527	432,527	-
15. Minority interests	-	-	-
TOTAL LIABILITIES	21,311,389	21,311,389	-
EQUITY			
16. Paid up capital	3,791,973	3,791,973	1
a. Authorized capital	6,000,000	6,000,000	-
b. Unpaid capital -/-	(2,208,027)	(2,208,027)	-
c. Shares purchased back (treasury stock) -/-	-	-	-
17. Additional paid-in capital	1,267,378	1,267,378	-
a. Agio	1,267,378	1,309,729	1
b. Disagio -/-	-	(42,351)	-
c. Capital deposit funds	-	-	1
d. Other	-	-	-
18. Other comprehensive income	355,519	355,519	-
a. Other Comprehensive Income Benefits	-	362,622	3
b. Loss of Other Comprehensive Income	-	(365,482)	-
c. Profit and Loss Employee Benefits	-	133	3
d. Fixed Asset Revaluation Difference	-	358,246	3
19. Backup	5,000	5,000	-
a. general reserve	5,000	5,000	-
b. Reserves goals	-	-	-
20. Profit/loss	1,120,687	1,120,687	-
a. Past years	879,396	879,396	2
b. Current year ***)	241,291	241,291	2
c. Dividends paid -/-	-	-	-
TOTAL EQUITY THAT CAN ATTRIBUTABLE TO THE OWNER	6,540,557	6,540,557	-
21. Non-Controlling Interests	-	-	4
TOTAL EQUITY	6,540,557	6,540,557	-
TOTAL LIABILITIES AND EQUITY	27,851,946	27,851,946	-

Risk Management

CCA: Key Features of Capital Instruments and TLAC-Eligible Instruments

Period : 31 December 2023

No.	Description	Quantitative/Qualitative Information
1	Issuer	PT Bank China Construction Bank Indonesia, Tbk
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Indonesian law
	a. Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A
4	Transitional Basel III rules	N/A
5	Post-transitional Basel III rules	Tier 2
6	Eligible at solo/group/group and solo	Group, Solo
7	Instrument type (types to be specified by each jurisdiction)	Subordinated Securities
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	15,397
9	Par value of instrument	461,910
10	Accounting classification	Liabilities - Amortised Cost
11	Original date of issuance	26 - 02 - 2019
12	Perpetual or dated	With Maturity
13	Original maturity date	26 - 02 - 2024
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	SOFR + 1.5%
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non Convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Writedown feature	Yes
31	If writedown, writedown trigger(s)	Follow OJK Regulations
32	If writedown, full or partial	Follow OJK Regulations
33	If writedown, permanent or temporary	Follow OJK Regulations
34	If temporary write-own, description of writeup mechanism	Follow OJK Regulations
	Type of subordination	
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Junior Bond
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Qualitative Analysis

Qualitative Disclosures regarding Capital Structure and Capital Adequacy Ratio

Capital Adequacy Ratio

31 December 2023 and 31 December 2022

(in million IDR)

Capital Components	December 2023		December 2022	
	Individual	Consolidated	Individual	Consolidated
I Core Capital (Tier 1)	6,014,355	-	5,729,759	-
1 Main Core Capital/Common Equity Tier 1 (CET 1)	6,014,355	-	5,729,759	-
1.1 Paid-in Capital (after deducting Treasury Stock)	3,791,973	-	3,791,973	-
1.2 Supplementary Additional Capital *)	2,560,195	-	2,229,442	-
1.2.1 Additional Factor	3,114,064	-	2,774,057	-
1.2.1.1 Other comprehensive income	719,434	-	615,632	-
1.2.1.1.1 Differences from the explanation of financial statements	-	-	-	-
1.2.1.1.2 Potential gains from an increase in the fair value of financial assets measured at fair value through other comprehensive income	361,188	-	362,513	-
1.2.1.1.3 Fixed asset revaluation surplus balance	358,246	-	253,119	-
1.2.1.2 Other additional capital reserves (other disclosed reserves)	2,394,630	-	2,158,425	-
1.2.1.2.1 Agio	1,267,378	-	1,267,378	-
1.2.1.2.2 General reserves	5,000	-	4,500	-
1.2.1.2.3 Profit from previous years	879,396	-	743,939	-
1.2.1.2.4 Current year profit	241,291	-	135,959	-
1.2.1.2.5 Capital deposit funds	-	-	-	-
1.2.1.2.6 Others	1,565	-	6,649	-
1.2.2 Deduction Factor	553,869	-	544,615	-
1.2.2.1 Other Comprehensive Income	365,482	-	366,793	-
1.2.2.1.1 Differences from the explanation of financial statements	-	-	-	-
1.2.2.1.2 Potential loss from a decrease in the fair value of financial assets measured at fair value through other comprehensive income	365,482	-	366,793	-
1.2.2.2 Other additional capital reserves (other disclosed reserves)	188,387	-	177,822	-
1.2.2.2.1 Disagio	-	-	-	-
1.2.2.2.2 Loss from previous years	-	-	-	-
1.2.2.2.3 Current year loss	-	-	-	-
1.2.2.2.4 The difference between the Allowance for Asset Quality Assessment (PPKA) and Allowance for Loss and Impairment (CKPN) on productive assets	-	-	-	-
1.2.2.2.5 The difference in the amount of the fair value adjustment of the financial instrument in the Trading Book	-	-	-	-
1.2.2.2.6 Impairment for Quantitative Valuation of Non-productive Assets	188,387	-	177,822	-
1.2.2.2.7 Others	-	-	-	-
1.3 Calculating Non-Controlling Interests	-	-	-	-
1.4 Reduction Factor of Main Core Capital *)	337,813	-	291,656	-
1.4.1 Deferred tax	124,588	-	73,849	-
1.4.2 Goodwill	190,075	-	190,075	-

Risk Management

Capital Adequacy Ratio

31 December 2023 and 31 December 2022

(in million IDR)

Capital Components	December 2023		December 2022	
	Individual	Consolidated	Individual	Consolidated
1.4.3 Intangible Asset	23,150	-	27,732	-
1.4.4 Participation calculated as a deduction factor	-	-	-	-
1.4.5 Lack of capital in insurance subsidiary companies	-	-	-	-
1.4.6 Securitization exposure	-	-	-	-
1.4.7 Other major core capital deduction factors	-	-	-	-
1.4.7.1 Placement of funds in AT 1 and/or Tier 2 instruments in other banks	-	-	-	-
1.4.7.2 Cross-ownership in another entity acquired by virtue of a transfer by law, grant, or testamentary grant	-	-	-	-
1.4.7.3 Exposure that creates Credit Risk due to settlement failure (settlement risk) - Non Delivery Versus Payment	-	-	-	-
1.4.7.4 Exposure in Subsidiaries conducting business activities based on sharia principles (if any)	-	-	-	-
2. Additional Tier 1 (AT 1) *	-	-	-	-
2.1 Instruments that meet the requirements of AT 1	-	-	-	-
2.2 Agio/Disagio	-	-	-	-
2.3 Reduction Factors of Additional Core Capital *	-	-	-	-
2.3.1 Placement of funds in AT 1 and/or Tier 2 instruments in other banks	-	-	-	-
2.3.2 Cross-ownership in another entity acquired by virtue of a transfer by law, grant, or testamentary grant	-	-	-	-
II Supplementary Capital (Tier 2)	195,275	-	262,724	-
1 Capital instruments in the form of shares or other that meet the requirements of Tier 2	15,397	-	108,972	-
2 Agio/Disagio	-	-	-	-
3 General reserves of PPKA on productive assets that must be calculated (maximum 1.25% RWA Credit Risk)	179,878	-	153,752	-
4 Subtracting Factors of Supplementary Capital *	-	-	-	-
4.1 Sinking Fund	-	-	-	-
4.2 Placement of funds in a Tier 2 instrument with another bank	-	-	-	-
4.3 Cross-ownership in another entity acquired by virtue of a transfer by law, grant, or testamentary grant	-	-	-	-
III. Capital Reducing Factors in the Form of Exposures That Create Credit Risk Due to Settlement Risk - Non Delivery Versus Payment	-	-	-	-
IV. Capital Reducing Factors in the Form of Exposure in Subsidiary Companies Conducting Business Activities Based on Sharia Principles (If Any)	-	-	-	-
TOTAL CAPITAL	6,209,630	-	5,992,483	-
RISK-WEIGHTED ASSETS				
RWA CREDIT RISK	15,235,593	-	16,844,943	-
RWA MARKET RISK	382,744	-	161,667	-
RWA OPERATIONAL RISK	962,994	-	1,303,999	-
TOTAL ATMR	16,581,331	-	18,310,609	-

Capital Adequacy Ratio

31 December 2023 and 31 December 2022

(in million IDR)

Capital Components	December 2023		December 2022	
	Individual	Consolidated	Individual	Consolidated
CAR Ratio				
CET 1 Ratio (%)	36.27	-	31.29	-
Tier 1 Ratio (%)	36.27	-	31.29	-
Tier 2 Ratio (%)	1.18	-	1.43	-
Capital Adequacy Requirement Ratio (%)	37.45	-	32.73	-
Capital Adequacy Requirement Ratio According To Risk Profile (%)	9.00	-	9.00	-
Allocation of Fulfillment Capital Adequacy Requirement According to The Risk Profile				
From CET 1 (%)	7.82	-	7.57	-
From AT 1 (%)	-	-	-	-
From Tier 2 (%)	1.18	-	1.43	-
CET 1 for Buffer (%)	28.45	-	23.73	-
Percentage of Buffer Required by The Bank (%)	-	-	-	-
Countercyclical Buffer (%)	-	-	-	-
Capital Surcharge untuk Bank Sistemik (%)	-	-	-	-
Capital Conservation Buffer (%)	2.50	-	-	-



Risk Management

Leverage Ratio Fulfillment Obligation Report and Leverage Ratio Calculation Report

Report of Total Exposure in Leverage Ratio

Bank Name : PT Bank China Construction Bank Indonesia, Tbk
Report Position : December 2023

(in million IDR)

No	Description	Total
1	Total assets on the balance sheet in published financial statements (gross value before deducting CKPN).	29,241,827
2	Adjustments to the value of investments in banks, financial institutions, insurance companies, and/or other entities based on financial accounting standards must be consolidated but are outside the scope of consolidation based on the provisions of the Financial Services Authority.	-
3	Adjustments for the value of a collection of financial assets or underlying sharia assets that have been transferred in asset securitization that meet the sale and balance requirements as regulated in the OJK statutory regulations regarding the Prudential Principles in Asset Securitization Activities for Commercial Banks. In the event that the underlying financial assets or sharia assets have been deducted from the total assets in the balance sheet in the published financial report (line number 1), then this line is filled in as 0 (zero).	-
4	Adjustments to temporary exceptions for current account placements with Bank Indonesia in order to comply with minimum statutory reserve requirements (if any).	-
5	Adjustments for fiduciary assets that are recognized as balance sheet components based on financial accounting standards but are excluded from the calculation of total exposure in the Leverage Ratio.	-
6	Adjustments for the value of regular purchases or sales of financial assets using the trade date accounting method.	-
7	Adjustments for transaction values in cash pooling facilities that meet the requirements as regulated in this Financial Services Authority Regulation.	-
8	Adjustment for derivative transaction exposure value.	1,305,022
9	Adjustment for the exposure value of Securities Financing Transaction (SFT) as an example of a reverse repo transaction.	-
10	Adjustment for the Administrative Account Transaction (TRA) exposure value which has been multiplied by the Credit Conversion Factor (FKK).	5,073,429
11	Prudent valuation adjustments in the form of capital reduction factors and Allowance for Impairment Losses (CKPN)	(1,354,784)
12	Other adjustments (if any)	-
13	Total Exposure in Leverage Ratio Calculation	34,265,494

Leverage Ratio Calculation Report

Bank Name : PT Bank China Construction Bank Indonesia, Tbk
Report Position : December 2023

(in million IDR)

No	Description	Period	
		T	T-1
Asset Exposure in the Statement of Financial Position (Balance Sheet)			
1	Asset exposure in the Statement of Financial Position (Balance Sheet) includes collateral assets recorded in the balance sheet, but does not include derivative transaction exposure and SFT exposure. *Using gross value before deducting CKPN."	28,079,299	23,320,362
2	The added value for derivative collateral handed over to counterparties and the provision of such collateral resulted in a decrease in total asset exposure on the balance sheet due to the application of accounting standards.	-	-
3	(Reduction of receivables related to cash variation margin provided in derivative transactions).	-	-
4	(Adjustment for securities received in SFT exposure that have been recorded as assets in the Bank's balance sheet).	-	-
5	(Allowance for Impairment Losses (CKPN) on these assets in accordance with applicable accounting standards).	(513,839)	(530,160)
6	(Assets that have been calculated as a reducing factor for Core Capital (tier 1) as referred to in the Financial Services Authority Regulation which regulates the obligation to provide minimum capital for commercial banks).	(840,945)	(839,578)
7	Total Asset Exposure in the Statement of Financial Position (Balance Sheet) (Summation from line 1 to line 6)"	26,724,515	21,950,624

Leverage Ratio Calculation Report

Bank Name : PT Bank China Construction Bank Indonesia, Tbk

Report Position : December 2023

(in million IDR)

No	Description	Period	
		T	T-1
Derivative Transaction Exposure			
8	Replacement Cost (RC) value for all derivative transactions, whether there is a variation margin that meets the requirements or there is an offsetting agreement that meets certain requirements.	-	-
9	The additional value is the Potential Futures Exposures (PFE) for all derivative transactions.	1,317,854	904,688
10	(exception for exposure to derivative transactions settled through a central clearing counterparty (CCP))	N/A	N/A
11	Adjustments to the effective notional value of credit derivatives	-	-
12	(Adjustment for effective notional value made offsetting and subtracting add-ons for derivative credit sales transactions)	-	-
13	Total Derivative Transaction Exposure (Summ of lines 8 to line 12)	1,317,854	904,688
Securities Financing Transaction (SFT) Exposure			
14	Gross SFT Value	1,149,696	4,350,968
15	(Net value between cash liabilities and cash receivables)	-	-
16	Credit Risk due to counterparty failure related to SFT assets which refers to the Current Exposure calculation as regulated in Attachment I to this Financial Services Authority Regulation.	-	-
17	Exposure as an SFT agent	-	-
18	Total SFT Exposure (Summ of lines 14 to line 17)	1,149,696	4,350,968
Administrative Account Transaction (TRA) Exposure			
19	The value of all committed obligations or contingent liabilities. *Gross value before deducting CKPN	9,656,543	10,331,639
20	(Adjustment to the result of multiplying the value of committed obligations or contingent liabilities and the Credit Conversion Factor (FKK))	(4,583,114)	(5,463,194)
21	(Allowance for Impairment Losses (CKPN) for the TRA is in accordance with applicable accounting standards).	-	-
22	Total Administrative Account Transaction Exposure (TRA) (Summation from line 19 to line 21)	5,073,429	4,868,445
Capital and Total Exposure			
23	Core Capital (Tier 1)	6,069,256	5,902,513
24	Total Exposure (Sum of rows 7, 13, 18, and 22)	34,265,494	32,074,725
Leverage Ratio			
25	Leverage Ratio Value (Column 23 ÷ Column 24)	17.71%	18.40%
26	Minimum Leverage Ratio Value	3.00%	3.00%
27	Buffer against the Leverage Ratio value	N/A	N/A
Disclosure of Average Values			
28	The average value of the gross carrying value of SFT assets, after adjustments for sales accounting transactions which are calculated on a net basis with cash liabilities in SFT and cash claims in SFT	3,486,048	3,896,019
29	The final reporting quarter value of the gross carrying value of SFT assets, after adjustments for sales accounting transactions which are calculated on a net basis with cash liabilities in SFT and cash claims in SFT	-	-
30	Total Exposure, including the impact of adjustments to temporary exceptions for current account placements with Bank Indonesia in order to comply with minimum statutory reserve requirements (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	34,265,494	32,074,725
30a	Total Exposure, does not include the impact of adjustments to the temporary exception for the placement of demand deposits with Bank Indonesia in order to comply with minimum statutory reserve requirements (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	37,751,542	35,970,744
31	Leverage Ratio Value, including the impact of adjustments to temporary exceptions for current account placements with Bank Indonesia in order to comply with minimum statutory reserve requirements (if any), which includes the average gross carrying value of SFT assets as referred to in line 28	17.71%	18.40%
31a	The Leverage Ratio value, does not include the impact of adjustments to the temporary exception for the placement of demand deposits with Bank Indonesia in order to comply with the minimum statutory reserve requirements (if any), which includes the average value of the gross carrying value of SFT assets as referred to in line 28	16.08%	16.41%

Qualitative Analysis

As of 31 December 2023, there is a leverage ratio percentage of 17.71%, which is above the minimum requirement of 3% stipulated in Number 31/POJK.03/2019 concerning Obligations to Fulfill Leverage Ratios for Commercial Banks.

Risk Management

Credit Risk Management

Credit risk is the risk that arises because the debtor fails to fulfil his obligations to the Bank. Failure to manage this risk can result in financial losses that have a negative impact on the financial performance of the Bank directly or indirectly. Credit risk management is carried out with the aim of measuring, anticipating, and minimizing losses due to the failure of the debtor or counterparty to fulfil their obligations.

Credit risk can be sourced from various bank business activities, such as lending, purchasing securities, acceptances, inter-bank transactions, trade finance transactions, exchange rate transactions and derivatives, as well as commitments and contingencies obligations, where lending is the largest source of risk in assets bank balance sheet.

Credit risk management, among others, is carried out on the following matters:

- a. The readiness of human, operational and IT resources capable of supporting credit risk management in accordance with the bank's business plan in the development of lending that has the potential to cause credit risk exposure. Increasing the number of adequate human resources through the recruitment process and improving the quality of human resources through the training process.
- b. Identification of credit risk to the source and potential for credit risk that is adjusted to the characteristics of the product and the type of activity.
- c. The measurement of inherent risk includes, among others, the composition of the asset portfolio and the level of concentration, the quality of the provision of funds and the adequacy of the reserves. In addition, banks perform credit risk stress testing to measure the impact of changes in internal and external conditions on the bank's credit portfolio.
- d. In carrying out the credit Risk Management function, the credit approval process has been regulated in bank policies, guidelines, and SOPs, which include, among other things, setting limits on the authority of regional credit makers and credit committees at the head office so that the risk management of credit disbursement can run optimally.
- e. Credit analysis is carried out by implementing the 5C principles, namely Character, Capital, Collateral, Capacity and Condition of the Economy. In addition, credit analysis will also be carried out by considering the impact of lending on risk exposures other than credit risk, such as market risk, liquidity risk, operational risk, legal risk, compliance risk, reputation risk and strategic risk.
- f. The Bank always refers to the practice of prudential principles in assessing credit quality, providing credit decisions with adequate analysis of the 3 PILLAR assessment factors, namely

business prospects, debtor performance, and ability to pay. After disbursement of credit is carried out strictly by requiring a business visit from the debtor and submitting a call report to the loan monitoring department.

- g. The implementation of the covenant monitoring system as one of the tools in monitoring debtors to minimize the occurrence of default, or in other words can help reduce or control the risk of transactions by specifying certain things that debtors should and should not do.
- h. The process of unifying an integrated credit risk management information system so as to facilitate management in monitoring credit performance. Plans for implementing a new data warehouse to support an integrated credit risk management information system.
- i. The Bank has conducted regular evaluations of the availability of the Bank's Credit Policy, including through the provision of Risk Opinions and Compliance Opinions on policy reviews, guidelines and SOPs related to credit.
- j. To manage portfolio composition, CCB Indonesia has set sectoral limits for each industrial business sector, unused facility limits, determination of sectoral Risk Appetite and Risk Acceptance Criteria in Commercial & Retail Banking which are reviewed and monitored regularly by the Risk Management Division.
- k. To cover potential credit risk in the future, banks establish an Expected Credit Loss (ECL) reserve by including the Macro Economic Variables (MEV) factor in the ECL model. In addition, the bank maintains the NPL coverage ratio in accordance with the bank's target set in the Bank's Business Plan (RBB).

The Bank proactively runs credit collection and recovery loans for debtors who experience late payments and all bad loans. Credit collection and recovery is carried out by the Special Asset Management Unit. In terms of resolving non-performing loans by confiscation of collateral or the auction process at the Private Auction Center and the District Court, the Legal Division plays a role in providing assistance so that it is always proper in litigation.

Credit Collection and Recovery

The bank's credit collection system is proactively done through Special Asset Management (SAM) Division, which specifically handles non-performing loans. Credit collection and recovery are carried out non-performing debtors of which the handling method is adjusted to the different problems of each debtor. For the execution of collateral, SAM Division cooperates with Legal Division in settlement through legal channels.

Credit Concentration Risk Management Policy

The Bank diversifies its loan portfolio by spreading risks arising from various industrial sectors and credit segments. Credit concentration risk management is carried out including:

- Determination of limits based on the Industrial sector.
- Credit concentration risk analysis is carried out in accordance with the portfolio profile managed by the Bank by considering various impacts of changes in various economic indicators that can affect lending in certain economic sectors.
- Analysis of Non-Performing Loans (NPL) movements in each industry sector.
- Monitor credit concentration risk on a regular basis.
- Calculating the capital allocation for credit concentration risk, which is conveyed through the Capital Calculation Report Based on Risk Profile or ICAAP.

Credit Risk Exposure

Based on the exposure category according to the Standard Approach, the Bank has the following exposures:

Disclosure of Net Receivables by Region - Bank Individually

(in million IDR)

No.	Portfolio Category	31 December 2023					31 December 2022					
		Net Receivables by Region					Net Receivables by Region					
		Region 1	Region 2	Region 3	Others	Total	Region 1	Region 2	Region 3	Others	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
1	Receivables to Government	5,889,066	-	-	-	5,889,066	3,029,012	-	-	-	-	3,029,012
2	Receivables on Public Sector Entities	1,626,646	-	-	-	1,626,646	1,757,048	325,473	-	-	-	2,082,522
3	Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-	-	-	-
4	Receivables to Bank	386,775	-	-	-	386,775	279,435	-	-	-	-	279,435
5	The bill is in the form of a Covered Bond	-	-	-	-	-	-	-	-	-	-	-
6	Receivables to Securities Companies and Other Financial Services Institutions	-	-	-	-	-	-	-	-	-	-	-
7	Receivables in the form of Securities/Subordinated Receivables, Equity and Other Capital Instruments	-	-	-	-	-	-	-	-	-	-	-
8	Residential Property Secured Loans	2,195,070	168,358	45,541	89,013	2,497,983	552,287	42,990	7,023	5,172	607,472	
9	Commercial Property Backed Loans	2,045,198	274,026	167,228	316,355	2,802,807	33,508	-	-	-	33,508	
10	Credit for Land Acquisition, Land Management and Construction	-	-	-	-	-	-	-	-	-	-	-
11	Employee or Pensioner Credit	-	-	-	-	-	-	-	-	-	-	-
12	Receivables on Micro Businesses, Small Businesses, and Retail Portfolios	173,013	6,044	-	18,446	197,503	393,573	98,688	22,043	32,679	546,985	
13	Receivables on Corporations	5,883,179	753,364	1,768,835	461,515	8,866,894	11,374,868	474,212	126,336	913,325	12,888,743	
14	Receivables That Have Been Due Date	134,980	6,591	1,601	6,627	149,799	140,081	5,632	2,001	7,288	155,002	
15	Other Assets	3,951,612	-	-	-	3,951,612	1,108,504	-	-	-	-	1,108,504
	TOTAL	22,285,539	1,208,384	1,983,206	891,955	26,369,084	18,668,316	946,995	157,403	958,464	20,731,183	

The Bank does not have a subsidiary, therefore the Bank in Consolidation with Subsidiaries is Zero.

Geographically, the Bank office network is spread across major cities in Indonesia, such as: Jakarta, Bogor, Tangerang, Bekasi, Serpong, Bandung, Semarang, Solo, Yogyakarta, Surabaya, Denpasar, Pontianak, Bandar Lampung, Pekanbaru, Palembang, Batam, Makassar, Mataram and Malang.

Risk Management

Disclosure of Net Receivables Based on the Remaining Contract Term - Bank Individually

(in million IDR)

No.	Portfolio Category	31 December 2023						31 December 2022							
		Net Receivable based on Contract Term						Net Receivable based on Contract Term							
		< 1 year	> 1 year to 3 years	> 3 years to 5 years	> 5 years	Non-contractual	Total	< 1 year	> 1 year to 3 years	> 3 years to 5 years	> 5 years	Non-contractual	Total		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
1	Receivables to Government	5,889,066	-	-	-	-	-	5,889,066	3,029,012	-	-	-	-	-	3,029,012
2	Receivables on Public Sector Entities	547,755	164,621	382,821	531,449	-	1,626,646	943,476	166,246	550,920	421,880	-	-	2,082,522	
3	Receivables to Securities Companies and Financial Services Institutions	533,679	1,229,672	1,033,166	18,674	-	2,815,190	-	-	-	-	-	-	-	
4	Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Receivables to Bank	386,775	-	-	-	-	386,775	279,435	-	-	-	-	-	279,435	
6	The Receivable is in the form of a Cover Bond	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Receivables in the form of Securities/Subordinated Receivables, Equity and Other Capital Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	Residential Property Secured Loans	845,553	120,081	302,306	1,230,042	-	2,497,983	220	10,175	49,223	547,854	-	-	607,472	
9	Commercial Property Backed Loans	1,452,790	211,528	327,017	809,871	1,600	2,802,807	28,868	4,640	-	-	-	-	33,508	
10	Credit for Land Acquisition, Land Processing and Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Employee or Pensioner Credit	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Receivables on Micro Businesses, Small Businesses, and Retail Portfolios	156,678	1,253	9,551	30,021	-	197,503	114,143	46,058	65,948	320,836	-	-	546,985	
13	Receivables on Corporations	1,739,947	311,795	1,462,843	5,352,309	-	8,866,894	3,396,577	1,166,039	3,433,823	4,890,205	2,100	-	12,888,743	
14	Receivables That Have Been Due Date	21,778	6,577	53,025	31,185	37,235	149,799	12,909	4,077	70,349	33,107	34,559	-	155,002	
15	Other Assets	1,136,422	-	-	-	-	1,136,422	1,108,504	-	-	-	-	-	1,108,504	
	TOTAL	12,710,443	2,045,527	3,570,728	8,003,551	38,835	26,369,084	8,913,144	1,397,236	4,170,264	6,213,881	36,659	20,731,183		

The bank does not have a subsidiary; thus, the Disclosure of Net Receivables Based on Remaining Contract Term - Bank in Consolidation with Subsidiaries is Zero

Risk Management

Disclosure of Net Receivables by Economic Sector - Bank Individually

(in million IDR)

No.	Economic Sector	Receivables to Government	Receivables to Public Sector Entities	Receivables to Securities Companies and Financial Services Institutions	Receivables to Multilateral Development Bank and International Institutions	Receivables to Bank	Home-Backed Loans	Commercial Property-Backed Loans	Employee/Retiree Loans	Receivables to Micro, Small Businesses, and Retail Portfolio	Receivables to Corporations	Past Due Receivables	Others Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
31 December 2023													
1	Agriculture, Forestry and Fisheries	-	-	-	-	-	13,039	19,808	-	4,918	22,226	-	-
2	Mining and excavation	-	164,621	-	-	-	5,454	90,623	-	61,608	411,796	-	-
3	Processing industry	-	-	-	-	-	151,228	798,956	-	7,622	2,902,342	42,625	-
4	Procurement of Electricity, Gas, Steam/ Hot Water and Cold Air	-	-	-	-	-	233,737	24,535	-	-	2,928,753	-	-
5	Water Management, Waste Water Management, Waste Management and Recycling, and Remediation Activities	-	157,272	-	-	-	-	-	-	-	-	-	-
6	Construction	-	706,330	-	-	-	99,756	190,402	-	-	160,467	26,956	-
7	Wholesale and Retail Trade; Car and Motorcycle Repair and Maintenance	-	-	-	-	-	452,491	458,793	-	30,706	743,677	38,771	-
8	Transportation and Warehousing	-	-	-	-	-	40,564	122,663	-	12,222	727,920	600	-
9	Provision of accommodation and provision of food and drink	-	-	-	-	-	49,205	358,125	-	13,358	115,315	4,174	-
10	Information and Communication	-	-	-	-	-	-	-	-	-	-	-	-
11	Financial and Insurance Activities	-	598,423	2,523,427	-	-	1,739	-	-	-	-	-	-
12	Real Estate	-	-	291,763	-	-	235,989	495,615	-	1,210	779,558	9,017	-
13	Professional, Scientific and Technical Activities	-	-	-	-	-	-	-	-	-	-	-	-
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agents and Other Business Support.	-	-	-	-	-	-	-	-	-	-	-	-
15	Government Administration, Defense and Mandatory Social Security	-	-	-	-	-	847	-	-	-	-	-	-
16	Education	-	-	-	-	-	544	34,686	-	-	-	-	-
17	Human Health Activities and Social Activities	-	-	-	-	-	2,587	4,527	-	40,964	74,839	-	-
18	Arts, Entertainment and Recreation	-	-	-	-	-	-	-	-	-	-	-	-
19	Other Service Activities	-	-	-	-	-	-	-	-	-	-	-	-
20	Household Activities as an Employer; Activities that produce goods and services by households that are used to meet their own needs	-	-	-	-	-	-	-	-	-	-	-	-
21	Activities of International Agencies and Other Extra International Agencies	-	-	-	-	-	-	-	-	-	-	-	-
22	Household	-	-	-	-	-	-	-	-	-	-	-	-
23	Not Other Business Fields	-	-	-	-	-	-	-	-	-	-	-	-
24	Others	5,889,066	-	-	-	-	1,210,804	204,074	-	24,894	-	27,656	1,136,421
TOTAL		5,889,066	1,626,646	2,815,190	-	386,775	2,497,983	2,802,807	-	197,503	8,866,894	149,799	1,136,421

Risk Management

Disclosure of Net Receivables by Economic Sector - Bank Individually

(in million IDR)

No.	Economic Sector	Receivables to Government	Receivables to Public Sector Entities	Receivables to Securities Companies and Financial Services Institutions	Receivables to Multilateral Development Bank and International Institutions	Receivables to Bank	Home-Backed Loans	Commercial Property-Backed Loans	Employee/Retiree Loans	Receivables to Micro, Small Businesses, and Retail Portfolio	Receivables to Corporations	Past Due Receivables	Others Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
31 December 2022													
1	Agriculture, Forestry and Fisheries	-	325,474	-	-	-	-	-	-	5,695	38,527	9,161	-
2	Mining and excavation	-	387,974	-	-	-	-	-	-	-	705,771	-	-
3	Processing industry	-	-	-	-	-	-	-	-	17,811	2,780,285	69,841	-
4	Procurement of Electricity, Gas, Steam/ Hot Water and Cold Air	-	-	-	-	-	-	-	-	798	2,630,294	-	-
5	Water Management, Waste Water Management, Waste Management and Recycling, and Remediation Activities	-	-	-	-	-	-	-	-	-	-	-	-
6	Construction	-	647,327	-	-	-	-	4,640	-	16,645	475,281	15,768	-
7	Wholesale and Retail Trade; Car and Motorcycle Repair and Maintenance	-	-	-	-	-	-	-	-	66,431	1,136,140	31,773	-
8	Transportation and Warehousing	-	-	-	-	-	-	-	-	10,411	667,643	6,201	-
9	Provision of accommodation and provision of food and drink	-	-	-	-	-	-	-	-	4,555	716,702	269	-
10	Information and Communication	-	-	-	-	-	-	-	-	-	-	-	-
11	Financial and Insurance Activities	-	721,748	-	-	-	-	-	-	318	1,852,287	-	-
12	Real Estate	-	-	-	-	-	-	28,868	-	420,554	1,318,626	4,518	-
13	Professional, Scientific and Technical Activities	-	-	-	-	-	-	-	-	-	-	-	-
14	Rental and Leasing Activities without Option Rights, Employment, Travel Agents and Other Business Support	-	-	-	-	-	-	-	-	-	-	-	-
15	Government Administration, Defense and Mandatory Social Security	-	-	-	-	-	-	-	-	848	-	-	-
16	Education	-	-	-	-	-	-	-	-	889	2,637	2,469	-
17	Human Health Activities and Social Activities	-	-	-	-	-	-	-	-	-	110,084	-	-
18	Arts, Entertainment and Recreation	-	-	-	-	-	-	-	-	-	-	-	-
19	Other Service Activities	-	-	-	-	-	-	-	-	-	-	-	-
20	Household Activities as an Employer; Activities that produce goods and services by households that are used to meet their own needs	-	-	-	-	-	-	-	-	-	-	-	-
21	Activities of International Agencies and Other Extra International Agencies	-	-	-	-	-	-	-	-	-	-	-	-
22	Household	-	-	-	-	-	-	-	-	-	-	-	-
23	Not Other Business Fields	-	-	-	-	-	-	-	-	-	-	-	-
24	Others	3,029,012	-	-	-	279,435	607,472	-	-	2,031	454,467	15,003	1,108,504
	TOTAL	3,029,012	2,082,522	-	-	279,435	607,472	33,508	-	546,985	12,888,743	155,002	1,108,504

The Bank does not have a subsidiary; thus, Disclosure of Net Receivables by Economic Sector - Consolidated Banks with Subsidiaries is Zero.

Disclosure of Receivables and Allowances by Region - Bank Individually

(in million IDR)

No.	Description	31 December 2023					31 December 2022				
		Region					Region				
		Region 1	Region 2	Region 3	Others	Total	Region 1	Region 2	Region 3	Others	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	Receivables	22,285,539	1,208,384	1,983,206	891,955	26,369,084	18,668,316	946,997	157,406	958,464	20,731,183
2.	Receivables that have increased and worsened credit risk (Stage 2 and Stage 3)										
a.	Not Yet Due	15,101,187	1,203,793	1,982,435	883,728	19,171,143	14,187,874	941,952	156,353	952,240	16,238,419
b.	Overdue	175,246	4,591	771	8,227	188,835	436,544	5,045	1,053	6,224	448,866
3.	Allowance for Impairment Losses - Stage 1	23,457	1,228	2,056	3,704	30,445	30,310	2,699	356	4,092	37,456
4.	Allowance for Impairment Losses - Stage 2	72,706	21	1,075	1,120	74,921	9,930	13	15	-	9,957
5.	Allowance for Impairment Losses - Stage 3	399,425	5,995	465	2,310	408,195	407,263	1,692	501	2,749	412,206
6.	Deleted book receivables	9,313	-	-	-	9,313	11,023	-	-	-	11,023



Risk Management

Disclosure of Receivables and Allowances Based on Economic Sector - Bank Individually

(in million IDR)

No.	Economic Sector	Receivables	Impaired Receivables		Allowance for Impairment Losses - stage 1	Allowance for Impairment Losses - stage 2	Allowance for Impairment Losses - stage 3	Deleted book receivables
			Not Yet Mature	Past Due				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
31 December 2023								
1	Agriculture, Forestry and Fisheries	59,993	-	59,993	114	-	-	-
2	Mining and excavation	734,102	-	734,102	444	-	-	-
3	Processing industry	4,204,535	86,775	4,117,760	4,078	2,289	269,320	-
4	Procurement of Electricity, Gas, Steam/Hot Water and Cold Air	3,154,130	-	3,154,130	3,387	64	-	-
5	Water Management, Waste Water Management, Waste Management and Recycling, and Remediation Activities	146,284	-	146,284	160	-	-	-
6	Construction	1,234,578	24,002	1,210,576	1,140	64,846	20,545	-
7	Wholesale and Retail Trade; Car and Motorcycle Repair and Maintenance	1,770,303	50,593	1,719,709	2,580	3,686	52,591	-
8	Transportation and Warehousing	694,559	-	694,559	798	-	-	-
9	Provision of accommodation and provision of food and drink	540,177	4,174	536,003	5,648	590	1,239	-
10	Information and Communication	20,916	600	20,316	174	-	209	-
11	Financial and Insurance Activities	3,115,973	-	3,115,973	2,832	-	-	-
12	Real Estate	879,364	18,598	860,766	6,106	257	45,729	-
13	Professional, Scientific and Technical Activities	43,977	-	43,977	42	-	209	-
14	Rental and Leasing Activities Without Option Rights, Employment, Travel Agents and Other Business Support	929,812	-	929,812	988	-	1,114	-
15	Government Administration, Defense and Mandatory Social Security	847	-	847	2	-	-	-
16	Education	35,230	-	35,230	51	-	-	-
17	Human Health Activities and Social Activities	122,916	-	122,916	135	-	-	-
18	Arts, Entertainment and Recreation	657	600	57	0.29	-	-	-
19	Other Service Activities	-	-	-	-	-	-	-
20	Household Activities as an Employer; Activities that produce goods and services by households that are used to meet their own needs	-	-	-	-	-	-	-
21	Activities of International Agencies and Other Extra International Agencies	-	-	-	-	-	-	-
22	Household	-	-	-	-	-	-	-
23	Not Other Business Fields	-	-	-	-	-	-	-
24	Other	8,680,733	3,494	8,677,239	1,765	3,189	17,238	9,313
	Total	26,369,084	188,835	26,180,248	30,445	74,921	408,195	9,313
31 December 2022								
1	Agriculture, Forestry and Fisheries	373,554	364,393	9,161	547	-	4,087	-
2	Mining and excavation	1,093,745	1,093,745	-	1,583	-	-	-
3	Processing industry	3,117,938	2,824,262	293,676	9,522	2,512	262,313	-
4	Procurement of Electricity, Gas, Steam/Hot Water and Cold Air	2,631,092	2,631,092	-	5,234	-	-	-
5	Water Management, Waste Water Management, Waste Management and Recycling, and Remediation Activities	-	-	-	-	-	-	-
6	Construction	1,210,305	1,152,670	57,635	2,906	1,702	56,589	-
7	Wholesale and Retail Trade; Car and Motorcycle Repair and Maintenance	1,284,343	1,226,537	57,806	1,967	3,290	49,225	-
8	Transportation and Warehousing	684,254	678,054	6,201	1,239	-	2,648	-
9	Provision of accommodation and provision of food and drink	721,527	721,527	-	6,053	-	52	-
10	Information and Communication	-	-	-	-	-	-	-
11	Financial and Insurance Activities	2,528,658	2,528,658	-	3,880	-	-	-
12	Real Estate	1,407,248	1,384,951	22,298	2,196	32	29,264	-

Risk Management

Disclosure of Performing and Non-Performing Restructuring Assets - Individual Banks

Description	Performing (Current and Special Mention Quality)		Non Performing (Substandard, Doubtful and Bad Quality)		Stage 1		Stage 2		Stage 3	
	Gross Carrying Amount	Allowance for Impairment Losses	Gross Carrying Amount	Allowance for Impairment Losses	Gross Carrying Amount	Allowance for Impairment Losses	Gross Carrying Amount	Allowance for Impairment Losses	Gross Carrying Amount	Allowance for Impairment Losses
	a	b	c	d	e	f	g	h	i	j
1 Securities	-	-	-	-	-	-	-	-	-	-
2 Loans	-	-	-	-	-	-	-	-	-	-
a. Corporate	-	-	-	-	-	-	-	-	-	-
b. Retail	-	-	-	-	-	-	-	-	-	-
3 Administrative Account Transactions	-	-	-	-	-	-	-	-	-	-

Disclosure Details of Movement of Reserve for Impairment Losses - Bank Individually

(in million IDR)

No.	Description	Report date position			Previous Year's Report Date Position		
		Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Allowance for Impairment Losses (AIL) Opening Balance	32,723	9,853	412,170	18,798	492	272,671
2	Establishment (Recovery) of AIL in the Current Period (Net)						
	Establishment of AIL in the current period	3,257	2,481	919	5,321	405	-
	Recovery of AIL in the current period	(5,535)	62,588	65,138	8,604	8,956	143,626
3	Impairment used to write off bills for the current period	-	-	(70,033)	-	-	(4,127)
4	Other Establishment (Recovery) in the current period	-	-	-	-	-	-
	AIL Closing Balance	30,445	74,922	408,194	32,723	9,853	412,170

Disclosure of Loan Quality of Assets (CR1)

1) Bank individually

Description	Gross Carrying Value		Allowance for Impairment Losses	Allowance for Impairment Losses		Allowance for Impairment Losses (IRB Approach)	Net Value (a+b-c)
	Overdue Receivables	Undue Receivables		Stage 2 and Stage 3	Stage 1		
	a	b	c	d	e	f	g
1 Loans	556,412	18,803,566	513,561	483,116	30,445	-	18,846,417
2 Securities	-	4,412,259	152	-	152	-	4,412,107
3 Administrative Account Transactions	-	989,232	1,540	-	1,540	-	987,692
4 Total	556,412	24,205,057	515,253	483,116	32,137	-	24,246,216

Additional disclosures

Overdue receivables include receivables that are more than 90 days overdue or have a collectibility of 3, 4 and 5.

Disclosure of Loan Movements and Overdue Securities (CR2)

1) Bank Individually

(in million IDR)

	a
1 Loans and Securities that have matured in the last reporting period	556,412
2 Loans and Securities that have matured since the last reporting period	-
3 Loans and Securities that return to bills that have not yet matured	-
4 Write-off value	-
5 Another changes	-
6 Loans and Securities that have matured at the end of the reporting period (1+2-3-4+5)	556,412

Additional Disclosures

All overdue receivables come from the loans provided.

Quantitative Disclosures related to Credit Risk Mitigation Techniques (CR3)

1) Bank individually

Description	Receivables Not Guaranteed by Credit Risk Mitigation Techniques	Receivables Guaranteed by Credit Risk Mitigation Techniques	Receivables Guaranteed by Collateral	Receivables guaranteed by Guarantee, Guarantee and/or Credit Insurance	Receivables Guaranteed by Credit Derivatives
	a	b	c	d	e
1 Loans	14,986,829	3,859,587	-	-	-
2 Securities	4,412,107	-	-	-	-
3 Total	19,398,936	3,859,587	-	-	-
4 Maturity Loans and Securities	149,799	-	-	-	-

Additional Disclosures

The Bank applies the Credit Risk Mitigation with Collateral Technique with a Simple Approach to Credit and Securities exposures. All Receivables guaranteed by Credit Risk Mitigation (MRK) technique come from Loans provided to Customers. There are no significant changes to the exposure of Asset positions in the Financial Statements.

Disclosure of Credit Risk Exposure and Impact of Credit Risk Mitigation Techniques (CR4)

1) Bank Individually

Portfolio Category	Net Receivables Before Implementation of Commitment Obligation Function (FKK) and Credit Risk Mitigation (MRK) Techniques		Net Receivables After Implementation of Commitment Obligation Function (FKK) and Credit Risk Mitigation (MRK) Techniques		RWA and Average Risk Weight	
	Statement of Financial Position	Administrative Account Transactions	Statement of Financial Position	Administrative Account Transactions	RWA	Average Risk Weight (e/(c+d))
	a	b	c	d	e	f
1 Receivables to Government	5,889,066	-	5,889,066	-	-	0.00%
2 Receivables on Public Sector Entities	1,626,646	265,878	1,626,646	26,588	509,512	30.82%
3 Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	0.00%
4 Receivables to Bank	368,780	-	368,780	-	73,756	20.00%
Receivables to Securities Companies and Other Financial Services Institutions 1)	2,815,190	324,851	2,815,190	32,485	1,139,070	40.00%
5 The Receivable is in the form of a Covered Bond	-	-	-	-	-	0.00%
6 Receivables on Corporations - General Corporate Exposures 2)	8,866,894	5,869,438	8,866,894	829,604	7,982,792	82.33%
Receivables from securities companies and other financial services institutions 3)	-	-	-	-	-	0.00%
Special Financing Exposure 4)	-	-	-	-	-	0.00%
7 Receivables in the form of Securities/Subordinated Receivables, Equity and Other Capital Instruments	-	-	-	-	-	0.00%
8 Receivables on Micro Businesses, Small Businesses, and Retail Portfolios	197,503	90,668	197,503	9,120	53,135	25.72%
9 Property Backed Loans						
Residential Property-Backed Loans whose Payments Are Not Materially Dependent on Property Cash Flow	2,497,983	182,237	2,497,983	18,224	1,241,205	49.33%
Residential Property-Backed Loans whose Payments Depend Materially on the Property's Cash Flows	-	-	-	-	-	0.00%
Commercial Property-Backed Loans Where Payments Are Not Materially Dependent on Property Cash Flows	-	-	-	-	-	0.00%
Commercial Property-Backed Loans Where Payments Depend Materially on the Property's Cash Flows	2,802,807	1,118,042	2,802,807	111,804	2,810,891	96.44%
10 Receivables That Have Been Due Date	149,799	-	149,799	-	74,900	50.00%
11 Other Assets	1,200,708	-	1,200,708	-	1,042,022	86.78%
12 Total	26,415,376	7,851,114	26,415,376	1,027,825	14,927,282	54.39%

Risk Management

Exposure Disclosure by Asset Class and Risk Weight (CR5)

1) Bank Individually

Portfolio Category	0%	20%	50%	100%	150%	Others	Net Receivables After FKK and MRK Techniques				
1 Receivables to Government	5,889,066	-	-	-	-	-	5,889,066				
Portfolio Category	20%	50%	100%	150%	Others	Net Receivables After FKK and MRK Techniques					
2 Receivables to Public Entities	-	1,653,234	-	-	-	1,653,234					
Portfolio Category	0%	20%	30%	50%	100%	150%	Others	Net Receivables After FKK and MRK Techniques			
3 Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-			
Portfolio Category	20%	30%	40%	50%	75%	100%	150%	Others	Net Receivables After FKK and MRK Techniques		
4 Receivables to Bank	368,780	-	-	-	-	-	-	-	368,780		
Receivables to Securities Companies and Other Financial Services Institutions 1)	-	-	2,847,675	-	-	-	-	-	-		
Portfolio Category	10%	15%	20%	25%	35%	50%	100%	Others	Net Receivables After FKK and MRK Techniques		
5 Receivables are in the form of Covered Bonds	-	-	-	-	-	-	-	-	-		
Portfolio Category	20%	50%	65%	75%	80%	85%	100%	130%	150%	Others	Net Receivables After FKK and MRK Techniques
6 Receivables to General Corporations 2)	-	829,604	-	-	-	-	8,866,894	-	-	-	9,696,498
Receivables from securities companies and other financial services institutions 3)	-	-	-	-	-	-	-	-	-	-	-
Special Financing Exposure 4)	-	-	-	-	-	-	-	-	-	-	-
Portfolio Category	100%	150%	250%	400%	Others	Net Receivables After FKK and MRK Techniques					
7 Receivables in the form of Securities/ Subordinated Receivables, Equity and Other Capital Instruments	-	-	-	-	-	-					
Portfolio Category	45%	75%	85%	100%	Others	Net Receivables After FKK and MRK Techniques					
8 Receivables on Micro Businesses, Small Businesses and Retail Portfolio	160,323	46,301	-	-	-	206,623					

Risk Management

Portfolio Category	0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Net Receivables After FKK and MRK Techniques	
9 Property Backed Loans																				
Residential Property-Backaged Loans whose Payments Are Not Materially Dependent on Property Cash Flow	-	48,098	2,699	1,778	-	-	-	2,463,632	-	-	-	-	-	-	-	-	-	-	-	2,516,207
without credit sharing approach 5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
using a credit distribution approach (guaranteed) 5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
using a credit sharing approach (guaranteed) 5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential Property-Backaged Loans whose Payments Depend Materially on the Property's Cash Flows	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Property-Backed Loans Where Payments Are Not Materially Dependent on Property Cash Flows	-	-	-	-	-	-	-	206,319	-	-	-	-	-	-	2,708,292	-	-	-	-	2,914,611
without credit sharing approach 5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
using a credit distribution approach (guaranteed) 5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
using a credit sharing approach (guaranteed) 5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Property-Backed Loans Where Payments Depend Materially on the Property's Cash Flows	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Acquisition, Land Processing and Construction Credit 5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Portfolio Category	50%	100%	150%	Others	Net Receivables After FKK and MRK Techniques															
10 Overdue Receivables	149,799	-	-	-	72,426															
Portfolio Category	0%	20%	100%	150%	1250%	Others	Net Receivables After FKK and MRK Techniques													
11 Other Assets	212,839	-	879,563	108,306	-	-	1,200,708													

Risk Management

Exposure Disclosure by Asset Class and Risk Weight (CR5) Cont

1) Bank Individually

No.	Risk Weight	Net Receivables Statement of Financial Position	TRA Net Receivables (before imposition of FKK)	Average FKK	Net Receivables (After imposition of FKK and MRK Technique)
1	<40%	6,519,615	36,447	-	6,556,062
2	40%-70%	7,402,090	6,696,491	-	8,281,530
3	75%	42,420	134	-	42,554
4	85%	-	-	-	-
5	90%-100%	12,342,945	1,118,042	-	12,454,749
6	105%-130%	-	-	-	-
7	150%	108,306	-	-	108,306
8	250%	-	-	-	-
9	400%	-	-	-	-
10	1250%	-	-	-	-
11	Total Net Receivables	26,415,376	7,851,114	-	27,443,201

Qualitative Disclosure Regarding Counterparty Credit Risk

The Bank carries out comprehensive risk management, one of which is by monitoring Counterparty Credit Risk exposure every month, including measuring the Potential Future Exposure (PFE) value.

CCR1: Analysis of Credit Risk Net Receivables due to counterparty failure based on the approach used

No.	Description	a	b	c	d	e	f
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha is used for the calculation of regulatory EAD	Net Receivables	RWA
1	SA-CCR (for derivatives)	-	1,317,854	-	1.40	1,844,996	368,999
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)	-	-	-	-	-	-
5	VaR for SFTs	-	-	-	-	N/A	N/A
6	Total	-	-	-	-	-	368,999

Qualitative Analysis

In accordance with SEOJK No.48/SEOJK.03/2017. Calculation of Credit Risk RWA due to counterparty failure (Counterparty Credit Risk) using a standard approach method for derivative transactions using the Replacement Cost calculation analysis method for derivative transactions without margin.

CCR2: Capital Charge for Credit Valuation Adjustment (CVA)

No.	Description	a	b
		Net Receivables	RWA
	Total portfolios subject to the Advanced CVA capital charge	N/A	N/A
1	(i) VaR component (including the 3x multiplier)		N/A
2	(ii) Stressed VaR component (including the 3x multiplier)		N/A
3	All portfolios subject to the Standardised CVA capital charge	-	-
4	Total subject to the CVA capital charge	-	-

CCR3 : CCR Exposure Based on Portfolio Category and Risk Weight

No.	Risk Weight	a	b	c	d	e	f	g	h	i
	Portfolio Category	0%	10%	20%	50%	75%	100%	150%	Others	Total Net Receivables
Indonesia										
1	Receivables to Government	-	-	-	-	-	-	-	-	-
	a. Receivables to the Indonesian Government									
	b. Receivables to Governments of Other Countries									
2	Receivables on Public Sector Entities	-	-	-	-	-	-	-	-	-
3	Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-	-
4	Receivables to Bank	-	-	1,844,996	-	-	-	-	-	1,844,996
	a. Short Term Receivables	-	-	1,844,996	-	-	-	-	-	1,844,996
	b. Long Term Receivables	-	-	-	-	-	-	-	-	-
5	Receivables to Securities Companies and Other Financial Services Institutions	-	-	-	-	-	-	-	-	-
	a. Short Term Receivables									
	b. Long Term Receivables									
6	Receivables on Micro Businesses, Small Businesses and Retail Portfolios	-	-	-	-	-	-	-	-	-
7	Receivables on Corporations	-	-	-	-	-	-	-	-	-
	Counterparty Credit Risk	-	-	1,844,996	-	-	-	-	-	1,844,996

Qualitative Analysis

The increase in Net Receivables was due to an increase in the portfolio category of Receivables to other banks with a rating of 20%

CCR6 : Credit Derivative Net Receivables

	a	b
	Protection bought	Protection sold
Indonesia		
Notional Value		
Single-name credit default swaps	-	-
Index credit default swaps	-	-
Total return swaps	-	-
Credit options	-	-
Other credit derivatives	-	-
Total Notional Value	-	-
Fair value		
Positive fair value (asset)	-	-
Negative fair value (liability)	-	-

SECA Explanation of Qualitative disclosures regarding securitization exposure

There is nothing about securitization exposure

SEC3 : Securitization exposure on the banking book when the bank is the originator or sponsor and its capital requirements

No.	Indonesia	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure value (based on Risk Weight)					Exposure value (based on regulatory approach)				RWA (based on regulatory approach)				Capital charge after cap			
		≤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%	IRB RBA (include IAA)	IRB SFA	SA/ SSFA	1250%	IRB RBA (include IAA)	IRB SFA	SA/ SSFA	1250%
6	Where is the re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Where is the underlying securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	non-retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Where is the re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Qualitative Analysis

SEC4: Securitization exposure on the banking book and its capital requirements

No.	Indonesia	≤20% Risk Weight	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	
			Exposure value (based on Risk Weight)					Exposure Values				RWA				Capital charge after cap			
			>20% to 50% Risk Weight	>50% to 100% Risk Weight	>100% to <1250% Risk Weight	1250% Risk Weight	IRB RBA	IRB SFA	SA/ SSFA	1250%	IRB RBA	IRB SFA	SA/ SSFA	1250%	IRB RBA	IRB SFA	SA/ SSFA	1250%	
1	Total exposure																		
2	Traditional securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Where is the underlying securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	non-retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Where is the re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	Non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Synthetic securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Where is the underlying securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	non-retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Where is the re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Qualitative Analysis

Risk Management

Disclosure of Net Receivables Based on Portfolio Categories and Rating Scale - Bank Individually

No.	Portfolio Category	Rating Agencies	Long-Term Rating				
		Standard and Poor's Fitch Ratings Moody's PT Fitch Ratings Indonesia PT Peningkat Efek Indonesia	AAA AAA Aaa AAA (idn) idAAA	AA+ s.d AA- AA+ s.d AA- Aa1 s.d Aa3 AA+(idn) s.d AA-(idn) idAA+ s.d idAA-	A+ s.d A- A+ s.d A- A1 s.d A3 A+(idn) s.d. A-(idn) idA+ s.d id A-	BBB+ s.d BBB- BBB+ s.d BBB- Baa1 s.d Baa3 BBB+(idn) s.d BBB-(idn) id BBB+ s.d id BBB-	BB+ s.d BB- BB+ s.d BB- Ba1 s.d Ba3 BB+(idn) s.d BB-(idn) id BB+ s.d id BB-
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Receivables to Government	-	-	-	-	-	-
2.	Receivables to Public Sector Entities	-	-	-	-	-	-
3.	Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-
4.	Receivables to Bank	-	-	-	-	-	-
5.	Residential-Backed Loan	-	-	-	-	-	-
6.	Commercial Property-Backed Loans	-	-	-	-	-	-
7.	Employee/Retiree Loans	-	-	-	-	-	-
8.	Receivables to Micro, Small Businesses, and Retail Portfolio	-	-	-	-	-	-
9.	Receivables to Corporations	-	-	-	-	-	-
10.	Past Due Receivables	-	-	-	-	-	-
11.	Other Assets	-	-	-	-	-	-
	Total	-	-	-	-	-	-

No.	Portfolio Category	Rating Agencies	Long-Term Rating				
		AAA AAA Aaa AAA (idn) idAAA	AA+ s.d AA- AA+ s.d AA- Aa1 s.d Aa3 AA+(idn) s.d AA-(idn) idAA+ s.d idAA-	A+ s.d A- A+ s.d A- A1 s.d A3 A+(idn) s.d. A-(idn) idA+ s.d id A-	BBB+ s.d BBB- BBB+ s.d BBB- Baa1 s.d Baa3 BBB+(idn) s.d BBB-(idn) id BBB+ s.d id BBB-	BB+ s.d BB- BB+ s.d BB- Ba1 s.d Ba3 BB+(idn) s.d BB-(idn) id BB+ s.d id BB-	BB+ s.d BB- BB+ s.d BB- Ba1 s.d Ba3 BB+(idn) s.d BB-(idn) id BB+ s.d id BB-
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Receivables to Government	-	-	-	-	-	-
2.	Receivables to Public Sector Entities	-	-	-	-	-	-
3.	Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-
4.	Receivables to Bank	-	-	-	-	-	-
5.	Residential-Backed Loan	-	-	-	-	-	-
6.	Commercial Property-Backed Loans	-	-	-	-	-	-
7.	Employee/Retiree Loans	-	-	-	-	-	-
8.	Receivables to Micro, Small Businesses, and Retail Portfolio	-	-	-	-	-	-
9.	Receivables to Corporations	-	-	-	-	-	-
10.	Past Due Receivables	-	-	-	-	-	-
11.	Other Assets	-	-	-	-	-	-
	Total	-	-	-	-	-	-

The bank does not have a subsidiary, thus the Disclosure of Net Receivables Based on Portfolio Categories and Rating Scale - Consolidated Banks with Subsidiaries is Zero.

Risk Management

(in million IDR)

31 December 2023								
Net Receivables								
	B+ s.d B- B+ s.d B- B1 s.d B3 B+(idn) s.d B-(idn)	Lower than B- Lower than B- Lower than B3 Lower than B-(idn)	Short Term Rating				Without Rating	Total
			F1+ s.d F1	F2	F3	Lower than A-3		
			P-1	P-2	P-3	Lower than F3		
			F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Lower than P-3		
			idA1	idA2	idA3 s.d id A4	Lower than F3(idn)		
id B+ s.d id B-	Lower than idB-	idA1	idA2	idA3 s.d id A4	Lower than idA4			
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,626,646	1,626,646
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	17,733,331	17,733,331
-	-	-	-	-	-	-	-	19,359,977

31 December 2022								
Net Receivables								
	B+ s.d B- B+ s.d B- B1 s.d B3 B+(idn) s.d B-(idn)	Lower than B- Lower than B- Lower than B3 Lower than B-(idn)	Short Term Rating				Without Rating	Total
			A-1	A-2	A-3	Lower than A-3		
			F1+ s.d F1	F2	F3	Lower than F3		
			P-1	P-2	P-3	Lower than P-3		
			F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Lower than F3(idn)		
id B+ s.d id B-	Lower than idB-	idA1	idA2	idA3 s.d id A4	Lower than idA4			
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,082,522	2,082,522
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	12,888,743	12,888,743
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,716,020	1,716,020
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	16,687,285

Risk Management

Disclosure of Net Receivables Based on Risk Weight after Taking into account the Impact of Credit Risk Mitigation - Bank Individually

(in million IDR)

Portfolio Category	31 December 2023										Risk-Weighted Assets	Capital Expenses
	Net Receivables after Calculating Risk Mitigation Impact											
	0%	20%	35%	40%	45%	50%	75%	100%	150%	Others		
(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Balance Sheet Exposures												
Receivables to Government	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Public Sector Entities	-	-	-	-	-	496,219	-	-	-	-	496,219	-
Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Bank	-	77,355	-	-	-	-	-	-	-	-	77,355	-
Receivables to Securities Companies and Other Financial Services Institutions	-	-	-	1,126,076	-	-	-	-	-	-	1,126,076	-
Residential-Backed Loan	-	10,099	-	-	-	1,224,527	-	-	-	-	1,234,625	-
Commercial Property-Backed Loans	-	-	-	-	-	103,160	-	2,596,488	-	-	2,699,648	-
Employee/Retiree Loans	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Micro, Small Businesses, and Retail Portfolio	-	-	-	-	69,787	-	31,815	-	-	-	101,602	-
Receivables to Corporations	-	-	-	-	-	19,164	-	7,153,188	-	-	7,172,352	-
Past Due Receivables	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	977,735	-	-	977,735	-
Total Exposures of Balance Sheet	-	87,454	-	1,126,076	69,787	1,843,069	31,815	10,727,411	-	-	13,885,611	-
Exposure of Committed/Contingent Liability on Administrative Account Transactions												
Receivables to Government	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Public Sector Entities	-	-	-	-	-	13,294	-	-	-	-	13,294	-
Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Bank	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Securities Companies and Other Financial Services Institutions	-	-	-	12,994	-	-	-	-	-	-	12,994	-
Residential-Backed Loan	-	729	-	-	-	7,289	-	-	-	-	8,018	-
Commercial Property-Backed Loans	-	-	-	-	-	-	-	111,804	-	-	111,804	-
Employee/Retiree Loans	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Micro, Small Businesses, and Retail Portfolio	-	-	-	-	2,358	-	2,910	-	-	-	5,268	-
Receivables to Corporations	-	-	-	-	-	-	-	829,604	-	-	829,604	-
Past Due Receivables	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures of Administrative Account Transactions	-	729	-	12,994	2,358	20,583	2,910	941,408	-	-	980,983	-
Credit Risk Exposure due to Counterparty Credit Risk												
Receivables to Government	1,055,336	-	-	-	-	-	-	-	-	-	1,055,336	-
Receivables to Public Sector Entities	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Bank	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Micro, Small Businesses, and Retail Portfolio	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Corporations	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures of Counterparty Credit Risk	1,055,336	-	-	-	-	-	-	-	-	-	1,055,336	-

Disclosure of Net Receivables Based on Risk Weight after Taking into account the Impact of Credit Risk Mitigation - Bank Individually

(in million IDR)

Portfolio Category	31 December 2022										Risk-Weighted Assets	Capital Expenses
	Net Receivables after Calculating Risk Mitigation Impact											
	0%	20%	35%	40%	45%	50%	75%	100%	150%	Lainnya		
(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Balance Sheet Exposures												
Receivables to Government	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Public Sector Entities	-	-	-	-	-	724,202	-	-	-	-	724,202	-
Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Bank	-	55,887	-	-	-	-	-	-	-	-	55,887	-
Receivables to Securities Companies and Other Financial Services Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Residential-Backed Loan	-	1,788	209,628	-	-	-	-	-	-	-	211,416	-
Commercial Property-Backed Loans	-	-	-	-	-	-	-	33,508	-	-	33,508	-
Employee/Retiree Loans	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Micro, Small Businesses, and Retail Portfolio	-	-	-	-	-	-	401,063	-	-	-	401,063	-
Receivables to Corporations	-	-	-	-	-	-	-	11,607,801	-	-	11,607,801	-
Past Due Receivables	-	-	-	-	-	-	-	8,297	220,058	-	228,355	-
Other Assets	-	-	-	-	-	-	-	-	-	-	960,867	-
Total Exposures of Balance Sheet	-	57,675	209,628	-	-	724,202	401,063	11,649,606	220,058	960,867	14,223,098	-
Exposure of Committed/Contingent Liability on Administrative Account Transactions												
Receivables to Government	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Public Sector Entities	-	-	-	-	-	151,321	-	-	-	-	151,321	-
Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Bank	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Securities Companies and Other Financial Services Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Residential-Backed Loan	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Property-Backed Loans	-	-	-	-	-	-	-	180	-	-	180	-
Employee/Retiree Loans	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Micro, Small Businesses, and Retail Portfolio	-	-	-	-	-	-	14,162	-	-	-	14,162	-
Receivables to Corporations	-	-	-	-	-	-	-	1,899,985	-	-	1,899,985	-
Past Due Receivables	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures of Administrative Account Transactions	-	-	-	-	-	151,321	14,162	1,900,165	-	-	2,065,647	-
Credit Risk Exposure due to Counterparty Credit Risk												
Receivables to Government	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Public Sector Entities	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Bank	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Micro, Small Businesses, and Retail Portfolio	-	-	-	-	-	-	-	-	-	-	-	-
Receivables to Corporations	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures of Counterparty Credit Risk	-	-	-	-	-	-	-	-	-	-	-	-

The Bank does not have a subsidiary; thus, the Disclosure of Net Receivables Based on Risk Weight After Calculating the Impact of Credit Risk Mitigation in a Consolidated Bank with Subsidiary Companies is Zero.

Risk Management

Disclosure of Net Receivables and Credit Risk Mitigation Techniques - Bank Individually

(in million IDR)

No.	Portfolio Category	31 December 2023						31 December 2022						
		Net Receivables	Guaranteed Parts With				Parts that are Not Guaranteed	Net Receivables	Guaranteed Parts With				Parts that are Not Guaranteed	
			Collateral	Guarantee	Credit Insurance	Others			Collateral	Guarantee	Credit Insurance	Others		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3)-[(4)+(5)+ (6)+ (7)]	(9)	(10)	(11)	(12)	(13)	(14) = (9)- [(10)+(11)+ (12)+ (13)]	
A Balance Sheet Exposures														
1	Receivables to Government	5,889,066	5,889,066	-	-	-	-	3,029,012	3,029,012	-	-	-	-	-
2	Receivables to Public Sector Entities	1,626,646	634,209	-	-	-	992,437	2,082,522	634,118	-	-	-	-	1,448,404
3	Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Receivables to Bank	386,775	-	-	-	-	386,775	279,435	-	-	-	-	-	279,435
5	Receivables to Securities Companies and Other Financial Services Institutions	2,815,190	-	-	-	-	2,815,190	-	-	-	-	-	-	-
6	Residential-Backed Loan	2,497,984	7,193	-	-	-	2,490,791	607,472	-	-	-	-	-	607,472
7	Commercial Property-Backed Loans	2,802,807	561	-	-	-	2,802,246	33,508	-	-	-	-	-	33,508
8	Employee/Retiree Loans	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Receivables to Micro, Small Businesses, and Retail Portfolio	197,503	119,413	-	-	-	78,090	546,985	12,234	-	-	-	-	534,751
10	Receivables to Corporations	8,866,894	329,202	2,769,009	-	-	5,768,683	12,888,743	2,206,030	-	-	-	-	10,682,713
11	Past Due Receivables	149,799	-	-	-	-	149,799	155,002	-	-	-	-	-	155,002
12	Other Assets	1,136,420	-	-	-	-	1,136,420	1,108,504	-	-	-	-	-	1,108,504
	Total Exposures of Balance Sheet	26,369,084	6,979,644	-	-	-	16,620,431	20,731,183	5,881,394	-	-	-	-	14,849,789
B Administrative Account Transaction Exposures														
1	Receivables to Government	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Receivables to Public Sector Entities	265,878	-	-	-	-	265,878	302,641	-	-	-	-	-	302,641
3	Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Receivables to Bank	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Receivables to Securities Companies and Other Financial Services Institutions	324,851	-	-	-	-	324,851	-	-	-	-	-	-	-
6	Residential-Backed Loan	182,237	-	-	-	-	182,237	-	-	-	-	-	-	-
7	Commercial Property-Backed Loans	1,118,042	-	-	-	-	1,118,042	180	-	-	-	-	-	180
8	Employee/Retiree Loans	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Receivables to Micro, Small Businesses, and Retail Portfolio	80,069	-	-	-	-	80,069	19,040	157	-	-	-	-	18,883
10	Receivables to Corporations	4,890,805	-	-	-	-	4,890,805	1,903,320	3,335	-	-	-	-	1,899,985
11	Past Due Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Exposures of Administrative Account Transaction	6,861,882	-	-	-	-	6,861,882	2,225,180	3,492	-	-	-	-	2,221,688
C Credit Risk Exposure due to Counterparty Credit Risk														
1	Receivables to Government	-	-	-	-	-	-	3,926,033	-	-	-	-	-	3,926,033
2	Receivables to Public Sector Entities	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Receivables to Multilateral Development Bank and International Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Receivables to Bank	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Receivables to Micro, Small Businesses, and Retail Portfolio	10,599	-	-	-	-	10,599	-	-	-	-	-	-	-
6	Receivables to Corporations	978,633	-	-	-	-	978,633	-	-	-	-	-	-	-
	Total Credit Risk Exposure due to Counterparty Credit Risk	989,232	-	-	-	-	989,232	6,371,773	-	-	-	-	-	6,371,773
	TOTAL(A+B+C)	34,220,198	6,979,644	-	-	-	24,471,545	29,328,136	5,884,886	-	-	-	-	23,443,250

The Bank does not have a subsidiary; thus, Disclosure of Net Receivables and Credit Risk Mitigation Techniques in Consolidated Banks with Subsidiaries is Zero.

Disclosure of Credit Risk RWA Calculation Using Standard Approach

1. Asset Exposure in The Statement of Financial Position, Except Securitization Exposure

(in million IDR)

No.	Portfolio Category	31 December 2023			31 December 2022		
		Net Receivables	RWA Before CRM	RWA After CRM	Net Receivables	RWA Before CRM	RWA After CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Receivables to Government	5,889,066	-	-	3,029,012	-	-
	a. Receivables to the Government of Indonesia	5,889,066	-	-	3,029,012	-	-
	b. Receivables to Government of Other Countries	-	-	-	-	-	-
2.	Receivables to Public Sector Entities	1,626,646	813,323	496,219	2,082,522	1,041,261	724,202
3.	Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4.	Receivables to Bank	386,775	77,355	77,355	279,435	55,887	55,887
	a. Short Term Receivables	184,164	36,833	36,833	279,435	55,887	55,887
	b. Long Term Receivables	202,611	40,522	40,522	-	-	-
5.	Receivables to Securities Companies and Other Financial Services Institutions	2,815,190	1,126,076	1,126,076	-	-	-
	a. Short Term Receivables	-	-	-	-	-	-
	b. Long Term Receivables	2,815,190	1,126,076	1,126,076	-	-	-
6.	Home-Backed Loans	2,497,984	1,234,625	1,233,187	607,472	211,416	211,416
7.	Commercial Property-Backed Loans	2,802,807	2,699,648	2,699,087	33,508	33,508	33,508
8.	Employee or Retired Loans	-	-	-	-	-	-
9.	Receivables to Micro, Small Business, and Retail Portfolio	197,503	101,602	47,867	546,985	410,239	401,063
10.	Receivables to Corporations	8,866,894	8,866,894	7,153,188	12,888,743	12,888,743	11,607,801
11.	Past Due Receivables	149,799	74,900	74,900	155,002	228,355	228,355
	a. Residential-Backed Loans	-	-	-	8,297	8,297	8,297
	b. Except Residential-Backed Loans	149,799	74,900	74,900	146,705	220,058	220,058
12.	Other Assets	1,136,420	-	977,734	1,108,504	-	960,867
	a. Cash, gold and commemorative coin	212,839	-	-	217,290	-	-
	b. Investments (other than those that are a factor in reducing capital)	-	-	-	-	-	-
	1) Temporary equity participation for credit restructuring	-	-	-	-	-	-
	2) Investments in financial companies not listed on the stock exchange	-	-	-	-	-	-
	3) Investments in financial companies listed on the stock exchange	-	-	-	-	-	-
	c. Fixed assets and net inventory	798,577	-	798,577	730,695	-	730,695
	d. Foreclosed Collateral (AYDA)	108,306	-	162,459	139,306	-	208,959
	e. Net interoffice	-	-	-	-	-	-
	f. Others	16,698	-	16,698	21,213	-	21,213
TOTAL		26,369,084	14,994,423	13,885,610	20,731,183	14,869,408	14,223,098

Risk Management

2. Disclosure of Commitment/Contingent Liability Exposure in Administration Account Transaction Except Securitization Exposure

(in million IDR)

No.	Portfolio Category	31 December 2023			31 December 2022		
		Net Receivables	RWA Before CRM	RWA After CRM	Net Receivables	RWA Before CRM	RWA After CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Receivables to Government	-	-	-	-	-	-
	a. Receivables to the Government of Indonesia	-	-	-	-	-	-
	b. Receivables to Government of Other Countries	-	-	-	-	-	-
2.	Receivables to Public Sector Entities	26,588	13,294	13,294	302,641	151,321	151,321
3.	Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4.	Receivables to Bank	-	-	-	-	-	-
	a. Short Term Receivables	-	-	-	-	-	-
	b. Long Term Receivables	-	-	-	-	-	-
5.	Receivables to Securities Companies and Other Financial Services Institutions	32,485	12,994	12,994	-	-	-
	a. Short Term Receivables	-	-	-	-	-	-
	b. Long Term Receivables	32,485	12,994	12,994	-	-	-
6.	Home-Backed Loans	18,224	8,018	8,018	-	-	-
7.	Commercial Property-Backed Loans	111,804	111,804	111,804	180	180	180
8.	Employee or Retired Loans	-	-	-	-	-	-
9.	Receivables to Micro, Small Business, and Retail Portfolio	9,120	5,268	5,268	19,040	14,280	14,162
10.	Receivables to Corporations	829,604	829,604	829,604	1,903,320	1,903,320	1,899,985
11.	Past Due Receivables	-	-	-	-	-	-
	a. Residential-Backed Loans	-	-	-	-	-	-
	b. Except Residential-Backed Loans	-	-	-	-	-	-
TOTAL		1,027,825	980,983	980,983	2,225,180	2,069,100	2,065,647

3. Disclosure of Exposure Causing Credit Risk due to Counterparty Credit Risk

(in million IDR)

No.	Portfolio Category	31 December 2023			31 December 2022		
		Net Receivables	RWA Before CRM	RWA After CRM	Net Receivables	RWA Before CRM	RWA After CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Receivables to Government	1,055,336	-	-	3,926,033	-	-
	a. Receivables to the Government of Indonesia	1,055,336	-	-	3,926,033	-	-
	b. Receivables to Government of Other Countries	-	-	-	-	-	-
2.	Receivables to Public Sector Entities	-	-	-	-	-	-
3.	Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4.	Receivables to Bank	-	-	-	-	-	-
	a. Short Term Receivables	-	-	-	-	-	-
	b. Long Term Receivables	-	-	-	-	-	-
5.	Receivables to Micro, Small Business, and Retail Portfolio	-	-	-	-	-	-
6.	Receivables to Corporations	-	-	-	-	-	-
TOTAL		1,055,336	-	-	3,926,033	-	-

4. Disclosure of Exposures Causing Credit Risk due to Settlement Risk

(in million IDR)

No.	Portfolio Category	31 December 2023			31 December 2022		
		Exposure Value	Capital Deduction Factor	RWA	Exposure Value	Capital Deduction Factor	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Delivery versus payment	-	-	-	-	-	-
	a. Capital Expense 8% (5-15 days)	-	-	-	-	-	-
	b. Capital Expense 50% (16-30 days)	-	-	-	-	-	-
	c. Capital Expense 75% (31-45 days)	-	-	-	-	-	-
	d. Capital Expense 100% (lebih dari 45 days)	-	-	-	-	-	-
2.	Non-delivery versus payment	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-

5. Disclosure of Securitization Exposure

(in million IDR)

No.	Jenis Transaksi	31 December 2023		31 December 2022	
		Capital Deduction Factor	RWA	Capital Deduction Factor	RWA
(1)	(2)	(3)	(4)	(5)	(6)
1.	RWA for Securitization Exposure calculated using the External Rating Base Approach (ERBA) Method.	-	-	-	-
2.	RWA for Securitization Exposure calculated using the Standardized Approach (SA) Method.	-	-	-	-
3.	Securitization Exposure which is a Deduction Factor of the Main Core Capital	-	-	-	-
TOTAL		-	-	-	-



Risk Management

6. Disclosure of Derivative Exposure

(in million IDR)

No.	Portfolio Category	31 December 2023			31 December 2022		
		Net Receivables	RWA Before CRM	RWA After CRM	Net Receivables	RWA Before CRM	RWA After CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Receivables to Government	-	-	-	-	-	-
	a. Receivables to the Government of Indonesia	-	-	-	-	-	-
	b. Receivables to Government of Other Countries	-	-	-	-	-	-
2.	Receivables to Public Sector Entities	-	-	-	-	-	-
3.	Receivables to Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4.	Receivables to Bank	1,844,996	368,999	-	-	-	-
	a. Short Term Receivables	1,844,996	368,999	-	-	-	-
	b. Long Term Receivables	-	-	-	-	-	-
5.	Receivables to Micro, Small Business, and Retail Portfolio	-	-	-	-	-	-
6.	Receivables to Corporations	-	-	-	-	-	-
7.	Weighted exposure form Credit Valuation Adjustment (CVA risk weighted assets)	-	-	-	-	-	-
TOTAL		1,844,996	368,999	-	-	-	-

7. Disclosure of Total Credit Risk Measurement

(in million IDR)

Description		31 Dec 2023	31 Dec 2022
TOTAL CREDIT RISK RWA	(A)	15,235,593	16,844,943
CREDIT RISK RWA REDUCTION FACTORS: The excess difference between PPKA general reserves for productive assets that must be calculated and 1.25% RWA for Credit Risk.	(B)	1,345,737	556,198
TOTAL CREDIT RISK RWA (A) - (B)	(C)	13,889,856	16,288,745
TOTAL CAPITAL DEDUCTION FACTOR	(D)	-	-



Market Risk Management

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market variables, which include changes in interest rates, exchange rates, including derivative instruments, as well as micro and macro economic conditions.

Market risk management is carried out on the position of financial instruments in the trading book and banking book. Market risk in the trading book is measured by various methodologies, one of which is Value at Risk (VaR) which takes into account potential losses within a period with a certain level of confidence.

Market risk management, among others, is carried out on the following matters:

- a. The readiness of human, operational and IT resources capable of supporting market risk management in accordance with the bank's business plan in product development that has the potential to cause market risk exposure. Increasing the number of adequate human resources through the recruitment process and improving the quality of human resources through the training process.
- b. Monitoring and reporting the magnitude of Market Risk, macroeconomics on the entire Bank's portfolio exposed to Market Risk.
- c. Monitoring and reporting on compliance with Market Risk limits (realization of Market Risk exposure compared to the limit).
- d. Recommendations for follow-up on the occurrence of exceeding the limit and/or the occurrence of abnormal market conditions, and/or the occurrence of other conditions that lead to an increase in potential Market Risk.
- e. Ensuring that the amount of bank capital required is sufficient to cover the market risk of the trading book and banking book.
- f. Stress testing simulation on the worst possible market impact on the Bank's portfolio.

Development of a market risk exposure measurement system, among others through simulation of 99% VaR calculation using statistical methods to measure the ability of the Bank's capital to absorb potential losses. Based on policies, procedures and SOPs.

Market - Trading Book

Trading book market risk is the potential loss caused by changes in interest rates and exchange rates on the trading portfolio. During 2023, the exposure of the Bank's trading book is still very limited and simple. Any price changes that occur can be managed fairly well and will not have a significant impact on Bank capital.

Market Risk - Banking Book

Banking book market risk is caused by movements in exchange rates and interest rates on banking book activities that can be detrimental to banks. Banking book market risk management arising from treasury activities and balance sheet position is adjusted to the strategies and policies set by Management through the decisions of the asset and liability committee. Every change in interest rates and exchange rates for banking book activities is managed by optimizing the structure of the bank's balance sheet to get maximum returns according to the level of risk that is acceptable to the bank or the economic value of bank capital (economic value perspective).

Sources of risk in banking book interest rates are repricing risk (mismatch between asset and liability components), basis risk (use of different reference rates), option risk (repayment of loan or withdrawal of deposits before maturity).

Pricing Management

To maximize Net Interest Margin (NIM), the Bank implements a pricing policy for Fund products and credit products by considering competitive market conditions. Apart from that, the Bank considers liquidity conditions and Fund needs. In order to minimize interest rate risk, the Bank's credit interest rate will be adjusted to the fund interest rate. The Bank's loan interest rate is determined by taking into account the reserve requirement (GWM) fee and the Bank's profit margin while still taking into account the competitiveness with the main competitors.

The Bank publishes the Prime Lending Rate in Rupiah through announcements in each of the Bank's branch offices, the Bank's website and newspapers.

Risk Management

Market Risk Disclosure Using Standard Methods

(in million IDR)

No.	Risk Type	31 December 2023				31 December 2022				
		Individual		Consolidated		Individual		Consolidated		
		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	27,285	341,067	-	-	11,020	137,745	-	-	-
2.	Exchange Rate Risk	829	10,364	-	-	1,914	23,922	-	-	-
3.	Equity Risk *)	-	-	-	-	-	-	-	-	-
4.	Commodity Risk *)	-	-	-	-	-	-	-	-	-
5.	Option Risk	-	-	-	-	-	-	-	-	-
	Total	28,114	351,431	-	-	12,933	161,667	-	-	-

Interest Rate Risk in Banking Book - Report on the Implementation of Risk Management for IRRBB

IRRBB (Interest Rate Risk in the Banking Book) is the risk due to interest rate movements in the market that are contrary to the position of the Banking Book, which has the potential to impact the Bank's equity and earnings, both now and in the future. IRRBB measurement is carried out by determining the gap between interest rate sensitive assets, interest rate sensitive liabilities, and interest rate sensitive contingent commitments between bucket repricing maturities then simulated with changes in the Bank's interest rates.

Interest rate risk control is carried out by minimizing the repricing maturities gap on each time scale (bucket) between interest rate sensitive assets, interest rate sensitive liabilities, and interest rate sensitive contingent commitments through the asset liability management strategy.

The risk management strategy for IRRBB is implemented by minimizing the repricing maturities gap for each bucket between interest rate sensitive assets, interest rate sensitive liabilities, and the Bank's interest rate sensitive contingency commitments. The interest rate shock scenario and stress test scenario used by the Bank in calculating IRRBB using the EVE and NII approaches, namely 400 basis point interest rate change with 6 types of interest rate shock scenarios used, namely:

1. Shock rate parallel up
2. Shock rate parallel down
3. Short down long up
4. Short up long down
5. Shock rate shock up
6. Shock rate shock down

The modeling assumptions used in the IRRBB calculation use a standard approach in accordance with FSA Circular Letter No.12/SEOJK.03/2018. Currently, the Bank does not yet have other modeling assumptions to be used significantly in the Bank's internal measurement system (IMS).

In calculating Δ EVE, the Bank takes into account all cash flows excluding margin. In the calculation process, the cash flows that have been classified in 19 time buckets are multiplied by the reference interest rate and then discounted at the risk-free rate at the reporting date.

The average repricing maturity period applied to Non Maturity Deposits (NMD) is in the over-night time bucket of up to 1 month. The longest repricing maturity period applied to NMD is in the time bucket >4Y to \leq 5Y specifically for transactional retail NMD.

Interest Rate Risk in Banking Book - IRRBB Calculation Report

Table of Report on the Application of Risk Management for Interest Rate Risk in Banking Book (IRRBB).

Report Position: 31 December 2023

(In million IDR)

Period	Δ EVE		Δ NII	
	2023	2022	2023	2022
Parallel up	(127,925)	(12,228)	255,213	357,824
Parallel down	(511,377)	(467,523)	(255,213)	(357,824)
Steeper	(225,994)	(53,029)		
Flattener	282,082	85,906		
Short rate up	368,468	210,045		
Short rate down	(550,809)	(312,736)		
Negative Maximum Value (absolute)	550,809	467,523	255,213	357,824
Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	6,069,256	5,759,008	923,196	833,368
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	9.08%	8.12%	27.64%	42.94%

Liquidity Risk (LIQA)

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 pledged as collateral, without disrupting the Bank's activities and financial condition.

Liquidity risk can be categorized as:

1. Market liquidity risk, namely the risk that arises because the Bank is unable to liquidate certain positions at market prices due to illiquid market liquidity conditions or market disturbances.
2. Funding liquidity risk, namely the risk that arises because the Bank is unable to liquidate liquid assets or obtain funding.

Bank liquidity is influenced by funding structure, asset liquidity, liabilities to counterparties, and credit commitments to debtors. The Bank's liquidity risk is measured through several indicators, including the Net Stable Funding Ratio (NSFR), Liquidity Coverage Ratio (LCR), Loan to Deposit Ratio (LDR), and several other liquidity ratios.

Liquidity risk management, among others, is carried out as follows:

- a. The readiness of human, operational and IT resources capable of supporting liquidity risk management in accordance with the bank's business plan in developing products that have the potential to cause liquidity risk exposure. Increasing the number of adequate human resources through the recruitment process and improving the quality of human resources through the training process.
- b. Management of liquidity ratios within normal limits which include the ratio of LDR, NSFR, LCR, Liquid Assets Ratio to Non Core Deposit (ALNCD), etc. This is to mitigate the bank's ability to meet its short-term obligations.
- c. CCB Indonesia also proactively manages the core deposit base at an adequate level and ensures that existing liquidity limits are adhered to.
- d. Liquidity risk management is carried out through setting policies, setting limits and monitoring liquidity risk management.
- e. Maintain primary reserves in the form of Statutory Reserves in accordance with the provisions of the Financial Services Authority and provide optimal cash balances in accordance with customer behavior patterns.
- f. Maintain secondary reserves in the form of Bank Indonesia Certificates, other Bank Indonesia Facilities, Securities that are easy to trade. Secondary reserve is a tool in anticipating unexpected liquidity needs.
- g. In dealing with the liquidity crisis, the Bank has prepared a Contingency Funding Plan document. The Contingency Funding Plan includes policies, strategies, procedures and action plans to ensure the Bank's ability to obtain the required funding sources in a timely manner and at a reasonable cost.
- h. Maintain sufficient market access.
- i. Have an adequate liquidity risk management information system.

Risk Management

Bank Risk Management Approach (OVA)

Item	Approach Parameters	General Disclosure
a.	How the business model is determined and interacts with the overall risk profile (ie the main risks related to the business model and how each risk is disclosed) and how the bank's risk profile interacts with the risk tolerance that has been approved by the board of directors.	<ul style="list-style-type: none"> - CCB Indonesia (the Bank) views that the implementation of risk management is part of the implementation of compliance with laws and regulations and part of the precautionary principle in carrying out business activity strategies in an effort to respond to rapidly growing external and internal banking dynamics, maintain the soundness of the bank and ensure that the business activities carried out by the Bank do not cause losses that exceed the Bank's ability or that may disrupt the continuity of the Bank's business. - The implementation of risk management carried out by the Bank includes planning, strategy, organization, policies and procedures, as well as risk management methodology. The purpose of implementing risk management is to ensure that all risks faced by the Bank can be identified, measured, monitored, controlled and communicated appropriately. - Risk Management Implementation Policy refers to the provisions and regulations of the Financial Services Authority, including Number: 18/POJK.03/2016 dated March 16, 2016 concerning the Implementation of Risk Management for Commercial Banks and Financial Services Authority Circular Letter Number: 34/SEOJK.03/2016 dated September 01, 2016 concerning Implementation of Risk Management for Commercial Banks (with attachments), Financial Services Authority Regulation Number 17/2023 dated September 14, 2023 concerning Implementation of Governance for Commercial Banks, Financial Services Authority Circular Letter Number 13/SEOJK.03/2017 dated March 17, 2017 concerning Implementation of Governance for Commercial Banks and POJK No.13/POJK.03/2021 concerning Implementation of Commercial Bank Products. The Bank has internal policies in the form of General Policies and General Risk Management Guidelines ("KPU") which aim to ensure that the risks faced by the Bank can be identified, measured, controlled and reported properly. This KPU is reviewed periodically and adjusted accordingly. POJK/SEOJK and other provisions. - The implementation of risk management at CCB Indonesia always complies with the regulations set by the Regulator and refers to banking industry best practices. All reports related to Bank products and/or activities have been submitted to Regulators properly and on time. - The implementation of the Bank's Risk Management in principle refers to the pillars and provisions contained in regulatory authorities as well as improving the quality of risk management implementation in line with developments in the implementation of the Basel framework which is adjusted to the goals, policies, size and business complexity, as well as adjusting the Bank's capabilities and best practices. The implementation of risk management is carried out on an ongoing basis to achieve healthy and sustainable business growth and operational activities as well as to ensure that it generates optimal returns in accordance with the determined risk appetite and risk tolerance. - In carrying out its business, the Bank is faced with inherent risks in all business activities and banking operations. Bank risk management is carried out on 8 (eight) types of risk, namely Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Compliance Risk, Legal Risk, Reputation Risk, & Strategic Risk. The management of these risks is carried out by taking into account the principle of prudence in accordance with Regulatory provisions. The Bank also implements the principle of transparency in risk management through published reports submitted to Regulators and the public through information on website and mass media. - The determination of risk appetite and risk tolerance is the basis for establishing indicators for assessing the Bank's inherent risk profile rating, which consists of "low, low to moderate, moderate, moderate to high, and high" ratings.

Risk Management

Item	Approach Parameters	General Disclosure
b.	Risk governance structure: Bank responsibilities (supervision and delegation of authority, breakdown of responsibilities by type of risk, business unit, etc.); relationships between organizational structures involved in risk management (i.e. Board of Directors, executive officers, separate risk committee, risk management committee, compliance function, and internal audit function)	<p>CCB Indonesia has an organizational structure to support the implementation of risk management, three lines of defense, risk owner, risk control, risk assurance, with the organ structure as described below.</p> <ol style="list-style-type: none"> 1. Active Supervision of the Board of Commissioners The Board of Commissioners understands the risks faced by the Bank and provides clear directions in the implementation of risk management, as well as in conducting supervision. The Board of Commissioners carries out the risk oversight function through the Risk Monitoring Committee. 2. Active Supervision of the Board of Directors (BOD) The Board of Directors of CCB Indonesia provides direction in implementing risk management, conducting active monitoring and mitigation. The Board of Directors carries out the function of risk policy (risk policy) through the Board of Directors committees such as the Risk Management Committee (KMR), Asset & Liability Committee (ALCO), Credit Policy Committee (KKP). 3. Risk Monitoring Committee The Risk Monitoring Committee is a risk management oversight function at the Commissioners level and Independent Parties. 4. Risk Management Committee Risk Management Committee is the function of implementing risk management at the level of Directors and executive officers to direct and approve the preparation of risk strategies, policies, procedures, limits and methodologies. Based on the Risk Management Committee's Work Rules and Regulations with document number 240/PEDO-CCBI/KOMR/IX/2013 Revision Number 03 as of April 20, 2022. 5. Asset and Liabilities Management Committee (ALCO) ALCO is the function of implementing risk management in managing market risk and managing Bank liquidity. The implementation of ALCO refers to the ALCO Committee's Code of Conduct with document number 242/PEDO-CCBI/ALCO/IX/2013 Rev. 04. 6. Credit Policy Committee (KKP) The Credit Policy Committee is the implementation of risk management in its role of assisting the Board of Directors in formulating credit policies that are regulated, based on the Guidelines for the Work Rules of the Credit Policy Committee with document number 251/PEDO-CCBI/KOKP/XI/2013. Rev 03. 7. Risk Taking Unit The business unit is a risk taking unit that is responsible for each risk in business activities. 8. CCB Indonesia Risk Management Division Risk Management Division is a function of managing the implementation of risk management at CCB Indonesia which is independent of the Bank's operational activities. The Risk Management Division is currently under the Compliance & Risk Management Directorate. 9. Internal Control The Internal Control System in each Division and Office of the Bank is supported by a supervisory function from the Internal Audit Division, supervision from the Compliance Division, and the Anti-Fraud Work Unit.
c.	Media to communicate, reject, and encourage risk management culture within the Bank (ie code of conduct; guidelines related to operational limits or procedures to prevent violations or exceeding the Bank's risk limits; procedures to increase and share risk issues between business lines and management functions risk).	<p>The Bank implements a Risk Awareness Culture in a sustainable and consistent manner by conducting socialization, training, and certification to build the sensitivity of all Bank employees to the risk culture.</p> <p>The Implementation of Risk Management Culture is carried out continuously at all levels of the organization, including:</p> <ol style="list-style-type: none"> a) The Bank includes employees in the Risk Management Certification Program as well as the refreshment program in accordance with the minimum required certification. With the Certification Program, all employees are expected to have a better understanding and awareness of risks. b) Socialization of the provisions of both internal and regulatory provisions through email media. c) Conducting socialization related to operational risk in order to increase risk awareness to employees at branch offices and divisions. d) Broadcasting risk management awareness posters to all employees every month.
d.	The scope and main features of the risk measurement system.	<p>Risk appetite is defined as the level and type of risk that is willing to be taken by the Bank in order to achieve the Bank's business objectives. Risk appetite set by the Bank is reflected in the Bank's business strategy and objectives.</p> <p>Risk tolerance is the acceptable level of variation relative to the achievement of certain goals. In setting risk tolerance, management considers the importance of each interrelated objective and aligns it with risk appetite.</p> <p>Risk appetite and risk tolerance are considered in the preparation and changes to the bank's strategic business plan (RBB) which are carried out periodically. Therefore, a review of risk appetite and risk tolerance can be carried out at least once a year.</p>

Risk Management

Item	Approach Parameters	General Disclosure
e.	Description of the risk information reporting process provided to the board of commissioners and directors, particularly in relation to the scope and content of the risk exposure report.	<p>Risk information reporting provided to the Board of Commissioners and the Board of Directors includes a risk-based bank soundness report which contains a description of the Bank's Risk Profile, Governance, Profitability, and Capital. In addition, it is also reported specifically, namely the Bank's risk profile report which contains details of measuring 8 types of risk, which before being reported every 3 months, it is submitted in the Risk Management Committee meeting.</p> <p>The report on the implementation of risk management is also submitted to the Board of Commissioners every 3 months which contains an exposure report of 8 types of risk and qualitative risk management implementation.</p> <p>In addition, the obligation to report on the implementation of risk management is carried out regularly by referring to several Financial Services Authority Regulations (POJK) and Financial Services Authority Circular Letters (SEOJK) related to the implementation of risk management.</p>
f.	Qualitative information related to stress tests (ie portfolio of stress tests, scenarios and methodologies used, as well as the use of stress tests in risk management.	<p>In order to implement risk management, the Risk Management Division conducts stress testing which aims to:</p> <ol style="list-style-type: none"> 1. To measure the resilience of the Bank's capital in overcoming extreme conditions that occur due to changes in deteriorating economic conditions. 2. To obtain the necessary information in an effort to mitigate risk in stressful conditions. <p>Stress testing conducted by the Bank consists of:</p> <ol style="list-style-type: none"> 1. Credit Risk Stress Testing, conducted quarterly with various scenarios of credit quality decline to the level considered the worst condition, whether influenced by economic variable factors, among others, the increase in the rupiah exchange rate, changes in interest rates, as well as the impact of natural disasters and pandemics 2. Market Risk Stress Testing (exchange rate risk and interest rate risk), carried out monthly, with various scenarios of lowering loan interest rates, increasing fund interest rates, increasing volatility of the rupiah exchange rate against foreign currencies, and others 3. Operational Risk Stress Testing, conducted quarterly, with several scenarios of operational events that have an impact on the Bank's profit and loss report, either directly or indirectly. 4. Liquidity Risk Stress Testing, conducted monthly, with various scenarios of withdrawal of third party funds on a certain scale, such as 10%, 30% to certain ratios that are considered to represent the worst conditions. <p>Based on the results of stress testing, the Bank can measure that the Bank's Capital appears to be strong enough to deal with risks that could potentially occur. In addition to capital, an impact analysis on the Risk Based Bank Rating (RBBR) has also been carried out.</p>
g.	Strategies and processes to regulate, hedge and mitigate risks arising from the bank's business model and processes to monitor the effectiveness of hedging and risk mitigation.	<p>In order to mitigate the risks that arise from the Bank's business model, a risk assessment has been carried out on each new product and activity that will be developed before the Bank realizes the new business that has been listed and the bank's business plan (RBB). In addition, each product owner conducts a business impact analysis (BIA) on each product to be developed.</p> <p>Regarding hedging, banks carry out Net Open Position (NOP) monitoring, and Mark to Market (MtM).</p> <p>Determination of classification of Held to Maturity (HTM), Available for Sale (AFS), securities and determination of securities that can be owned by banks to mitigate risk in value.</p> <p>In general, the Bank can implement Risk Acceptance, Risk Avoidance, Risk Transference, and Risk Mitigation strategy.</p>

Liquidity Risk - Liquidity Adequacy Ratio (LCR) Calculation Report

QUARTERLY CALCULATION REPORT
LIQUIDITY COVERAGE RATIO (LCR) QUARTERLY

Name of Bank : PT Bank China Construction Bank Indonesia Tbk

Period of Report : Q4 - 2023

(in million IDR)

No.	Component	Haircut or Run-off Rate or Inflow Rate	Outstanding or Market Value	Value after Haircut or Run-off Rate or Inflow Rate
A. HQLA				
1. HQLA Level 1				
1.1	Cash and cash equivalents	0%	187,151	187,151
1.2	Total placements with Bank Indonesia, namely:		-	-
	Part of placements with Bank Indonesia that can be withdrawn during stressful conditions	0%	1,632,938	1,632,938
1.3	Securities that meet the criteria of Article 10 paragraph (1) letter c		-	-
	Issued or guaranteed by governments of other countries	0%	-	-
	Issued or guaranteed by the central bank of another country	0%	-	-
	Issued or guaranteed by public sector entities	0%	-	-
	Issued or secured by a multilateral development bank	0%	-	-
	Published or guaranteed by international agencies (a.I BIS, IMF, ECB and European Community)	0%	-	-
1.4	Securities issued by the Central Government and Bank Indonesia in rupiah and foreign currency	0%	5,722,674	5,722,674
1.5	Securities issued by the government and central banks of other countries in foreign currency with a risk weight of more than 0% that meet the criteria of Article 10 paragraph (1) letter e	0%	-	-
Total HQLA Level 1				7,542,763
2. HQLA Level 2A				
2.1	Securities that meet the criteria of Article 11 paragraph (1) letter a:		-	-
	Issued or guaranteed by the governments of other countries	15%	-	-
	Issued or guaranteed by the central bank of another country	15%	-	-
	Issued or guaranteed by public sector entities	15%	-	-
	Issued or secured by a multilateral development bank	15%	-	-
2.2	Securities in the form of debt securities issued by non-financial corporations that meet the criteria of Article 11 paragraph (1) letter b	15%	-	-
2.3	Securities in the form of covered bonds not issued by the reporting Bank or parties affiliated with the Reporting Bank meeting the criteria of Article 11 paragraph (1) letter b	15%	200,000	170,000
Total HQLA Level 2A				170,000

Risk Management

(in million IDR)				
No.	Component	Haircut or Run-off Rate or Inflow Rate	Outstanding or Market Value	Value after Haircut or Run-off Rate or Inflow Rate
3. HQLA Level 2B				
3.1	Asset-backed securities in the form of houses that meet the criteria of Article 12 paragraph (1) letter a	25%	-	-
3.2	Securities in the form of debt securities issued by corporations that meet the criteria of Article 12 paragraph (1) letter b	50%	-	-
3.3	Common shares owned by non-Bank subsidiaries that meet the criteria of Article 12 paragraph (1) letter c	50%	-	-
3.4	Government securities or central banks of other countries with the highest rank BBB + and the lowest BBB-	50%	-	-
Total HQLA Level 2B				-
Total HQLA before adjustment				7,712,763
Adjustment for Maximum Limit of HQLA Level 2B				-
Adjustment for Maximum Limit of HQLA Level 2				-
Total HQLA				7,712,763

B. Net Cash Outflow**1. Cash Outflow**

1.1	Withdrawal of Individual Customer's Deposit			
	Total Deposits from individual customers:			
	Stable deposit	5%	1,759,365	87,968
	Stable deposits that meet the criteria of Article 50 paragraph (2)			
	Total Stable deposits of individual customers			87,968
	Deposits are less stable	10%	4,286,141	428,614
	Less stable savings that meet the criteria of Article 50 paragraph (2)			
	Additional categories of Deposits with higher withdrawal rates set by supervisors			
	Category 1			
	Category 2			
	Category 3			
	Total Savings are less stable for individual customers			428,614
	Total Withdrawal of Individual Customer's Deposit			516,582
1.2	Withdrawal of Funding from Micro and Small Business Clients			
	Number of Micro and Small Business Customer Financing:			
	Stable funding from customers who meet the criteria of Article 15 paragraph (1)	5%	-	-
	Stable funding from customers who meet the criteria of Article 15 paragraph (2)	5%	541,852	27,093
	Stable funding from customers who meet the criteria of Article 50 paragraph (2)			
	Total Stable Funding for customers of Micro and Small Business Enterprises			27,093
	Funding that less stable than customers who meet the criteria of Article 21 paragraph (1)	10%	393,179	39,318

Risk Management

				(in million IDR)
No.	Component	Haircut or Run-off Rate or Inflow Rate	Outstanding or Market Value	Value after Haircut or Run-off Rate or Inflow Rate
	Less stable funding that meets the criteria of Article 50 paragraph (2)			
	Additional categories of Deposits with higher withdrawal rates set by supervisors			
	Category 1			
	Category 2			
	Category 3			
	The less stable funding amount from Micro and Small Business Enterprises			39,318
	Number of Withdrawal of Funding for Micro and Small Business			66,411
1.3	Withdrawal of Funding from Corporate Clients			
	Funding amount from corporate customers:			
	Operational savings:			
	Guaranteed by the Deposit Insurance Corporation (LPS)	5%	95,338	4,767
	Not guaranteed by the Deposit Insurance Corporation (LPS)	25%	2,156,320	539,080
	Operational savings that meet the criteria of Article 50 paragraph (1):			
	Guaranteed by the guarantee institution			
	Not guaranteed by the guarantee institution			
	Total Deposits of corporate customers			543,847
	Deposits non-operating and / or non-operating liabilities			
	Guaranteed by the Deposit Insurance Corporation (LPS)	20%	79,522	15,904
	Not guaranteed by the Deposit Insurance Corporation (LPS)	40%	5,314,067	2,125,627
	Deposits non-operational and / or non-operating liabilities that meet the criteria of Article 50 paragraph (1):			
	Guaranteed by the guarantee institution			
	Not guaranteed by the guarantee institution			
	Securities in the form of debt securities issued by the Bank	100%	-	-
	Total non-operating deposits and / or non-operating liabilities			2,141,531
	Total of Withdrawals Funding Derived from Corporate Customers			2,685,378
1.4	Withdrawal of Funds by Collateral (Secured Funding)			
	The transaction is conducted with Bank Indonesia	0%	-	-
	The transaction with HQLA Level 1 collateral	0%	-	-
	The transaction by collateral HQLA Level 2A	15%	-	-
	Transactions are made with the Central Government or public sector entities that have the highest risk weight of 20% or multilateral development banks, with collateral other than HQLA Level 1 or HQLA Level 2A	25%	-	-
	Transactions with HQLA collateral Level 2B are EBA	25%	-	-
	Transactions with collateral HQLA Level 2B in addition to EBA	50%	-	-
	Transactions are made with collateral other than HQLA	100%	-	-
	Total Withdrawal of Funds by Collateral (Secured Funding)			-

Risk Management

(in million IDR)				
No.	Component	Haircut or Run-off Rate or Inflow Rate	Outstanding or Market Value	Value after Haircut or Run-off Rate or Inflow Rate
1.5	Other Cash Outflow (Additional Requirement)			
	Other cash outflows related to derivative transactions	100%	-	-
	Other cash outflows related to the increase in liquidity requirements			
	Related to the downgrade (rating) of the Bank in Funding transactions, derivatives, and other agreements	100%	-	-
	Related to mark-to-market changes of derivative transactions or other transactions	The largest absolute net collateral flow for 30 days that is realized in 24 months	-	-
	Related to the potential for changes in the value of collateral for derivatives and other transactions	20%	-	-
	Related to the excess of non-segregated collateral which is controlled by the Bank which can be contractually taken at any time by the counterparty	100%	-	-
	Related to the obligation of providing collateral to the counterparty of a particular transaction but the counterparty has not requested such collateral	100%	-	-
	Related to the potential for collateral exchange in the form of HQLA to be not HQLA	100%	-	-
	Other cash outflows related to Funding losses			
	Derived from asset-backed securities, covered bonds, and other structured financing instruments issued by the Bank	100%	-	-
	Derived from asset-backed commercial papers, conduits, securities investment vehicles	100% of funding due within 30 days and potential assets to be repaid within 30 days ahead	-	-
	Other cash outflows relate to commitment obligations in the form of credit facilities			
	Facilities are provided to individuals or Micro and Small Business Enterprises	5%	400,485	20,024
	Facilities are granted to non-financial corporations, the Central Government, Bank Indonesia, other state governments, central banks of other countries, public sector entities, and / or multilateral development banks	10%	2,233,288	223,329
	Facilities are granted to the Bank and / or financial services institutions	40%	-	-
	Facilities are granted to other entities	100%	227,364	227,364
	Other cash outflows are related to the commitment obligations in the form of liquidity facilities			
	Facilities are provided to individuals or Micro and Small Business Enterprises	5%	-	-
	Facilities are provided to non-financial corporations, the Central Government, Bank Indonesia, other state governments, central banks of other countries, public sector entities, and / or multilateral development banks	30%	-	-
	Facilities are provided to the Bank	40%	-	-
	Facilities are provided to financial institutions and / or other entities	100%	-	-

Risk Management

				(in million IDR)
No.	Component	Haircut or Run-off Rate or Inflow Rate	Outstanding or Market Value	Value after Haircut or Run-off Rate or Inflow Rate
	Other contractual obligations to provide funds to:			
	Financial services institutions	100%	-	-
	Individual customers	100% of the value of the excess difference between the contractual obligation to disburse funds with 50% of the total cash inflows	-	-
	Non-financial corporation	100% of the value of the excess difference between the contractual obligations to disburse funds with 50% of the total cash inflows	-	-
	Other contingent financing obligations			
	Comes from trade finance instruments	3%	-	-
	Derived from credit facilities and liquidity facilities of a nature Unconditionally revocable uncommitted	0%	-	-
	Derived from letter of credit (L / C) and warranty not related to trade finance obligations	5%	3,998	200
	Derived from the potential demand for repurchase of bank debt or associated with securities investment vehicles and other financing facilities	5%	-	-
	Derived from structured products that are anticipated by customers through ready marketability	5%	-	-
	Comes from managed funds sold for the purpose of maintaining stability	5%	-	-
	The obligation to cover potential buyback of securities, with or without collateral, which has a period of more than 30 (thirty) days for issuers having affiliation with the dealer or market maker	5%	-	-
	Non-contractual liabilities of short position of customers covered by other customers' collateral	50%	-	-
	Other contractual cash outflows	100%	-	-
	Total of Withdrawals related to Other Cash Out (Additional Requirement)			470,917
	Total of Cash Outflows			3,739,288
	2. Cash Inflows			
	2.1 Loan with Collateral (Secured Lending)			
	Collateral is not reused to cover short positions Customer			
	Collateral is HQLA Level 1	0%	-	-
	Collateral is HQLA Level 2A	15%	-	-
	Collateral in the form of Asset Backed Securities that meet the requirements of HQLA Level 2B	25%	-	-
	Collateral in the form of HQLA Level 2B other than Asset Backed Securities	50%	-	-
	The transaction in the form of margin lending but the collateral in addition to HQLA	50%	-	-
	Collateral does not meet the requirements as mentioned above	100%	-	-
	Collateral is reused to cover short positions of customers	0%	-	-
	Total of Cash Flows Originated from Loans with Collateral (Secured Lending)			-

Risk Management

(in million IDR)				
No.	Component	Haircut or Run-off Rate or Inflow Rate	Outstanding or Market Value	Value after Haircut or Run-off Rate or Inflow Rate
2.2 Receivables by Counterparty				
	Individual customers	50%	94,410	47,205
	Customers of Micro and Small Business Enterprises	50%	6,497	3,248
	Financial services institutions	100%	140,615	140,615
	Bank Indonesia	100%	-	-
	Other (non-financial corporate customers, Central Government, other state governments, public sector entities and multilateral development banks)	50% of the contractual value and/or 100% of the contractual value in the event that the rate of receipt comes from non-HQLA securities with remaining period of less than 30 days.	698,648	349,324
The total of cash inflows by the counterparty				540,393
2.3 Other Cash Inflows				
	Derived from derivative transactions	100%	-	-
	Comes from other contractual bills	50%	-	-
Total of Cash Inflow Other				-
Total of Cash Inflow				540,393
Total of Cash Inflows which can be calculated in LCR Calculation (maximum 75% of Total Outflow Cash)				540,393
Total Net Cash Out Flow				3,198,895
C. LCR				
Total HQLA				7,712,763
Total Net Cash Out Flow				3,198,895
Result of LCR				241.11%

- Liquidity Coverage Ratio (LCR) calculation is made based on POJK No. 42/POJK.03/2015 concerning the Obligation to Fulfill the Liquidity Coverage Ratio for Commercial Banks. The LCR value of CCB Indonesia for the period December 2023 is 241.11% or above the OJK minimum requirement, namely 100%. This indicates that the Bank's condition is quite good in managing liquidity needs to support business activities.
- LCR value for the fourth quarter of 2023 is obtained from the daily average during October 2023 to December 2023.
 - Total HQLA in Quarter IV 2023 increased by 8.70% compared to Quarter III 2023. Total Net Cash Outflow in Quarter IV 2023 increased by 8.43% compared to Quarter III 2023. The increase in the HQLA ratio was greater than an increase in the Net Cash Outflow ratio causes the LCR ratio to increase.
 - Total average level 1 HQLA in the fourth quarter of 2023 is IDR7.54 trillion, an increase of IDR447.55 billion compared to the third quarter of 2023 which amounted to IDR7.09 trillion. There was a significant increase in securities items issued by the Indonesian Government in rupiah of IDR539.02 billion and there was a decrease in the portion of placements with Bank Indonesia that could be withdrawn during stressful conditions of IDR96.88 billion.
 - Total average Net Cash Outflow in the fourth quarter of 2023 is IDR3.19 trillion, an increase of IDR248.65 billion compared to the third quarter of 2023 which amounted to IDR2.95 trillion. This is caused by:
 - Increase in Cash Outflow which was influenced by non-operational savings accounts from corporate customers which were not guaranteed by LPS, increased by IDR271.01 billion or 14.62% compared to the third quarter of 2023.
 - Increase in Cash Inflow which was influenced by billing items based on counterparties from non-financial corporate customers and public sector entities which increased by IDR73.23 billion or 26.55% compared to the third quarter of 2023.

The implementation of liquidity risk management has been running well. The active role of Board of Commissioners, Board of Directors and ALCO Committee constantly monitors liquidity conditions on a regular basis.

Liquidity Risk - NSFR Report

OBLIGATION OF NET STABLE FUNDING RATIO

Bank Name : PT Bank China Construction Bank Indonesia Tbk

Report Month : December 2023

A. NSFR Calculation

(in million IDR)

ASF components	Report Date Position (September 2023)					Report Date Position (December 2023)					Ref. No. from the NSFR Working Paper
	Carrying Value Based on Remaining Term				Total Weighted Value	Carrying Value Based on Remaining Term				Total Weighted Value	
	No Term	≤ 6 months	> 6 months - 1 year	> 1 year		No Term	≤ 6 months	> 6 months - 1 year	> 1 year		
1. Capital	6,386,216	-	-	-	6,386,216	6,551,425	-	-	-	6,551,425	
2. Capital according to OJK Regulations of CAR	6,386,216	-	-	-	6,386,216	6,551,425	-	-	-	6,551,425	1.1.1 1.1.2 1.1
3. Other capital instruments	-	-	-	-	-	-	-	-	-	-	1.2
4. Deposits originating from individual customers and funding originating from micro and small business customers:	1,594,734	6,886,459	173,862	-	7,925,718	1,663,906	7,051,270	201,731	-	8,147,512	2 3
5. Stable savings and funding	1,144,009	1,535,665	43,692	-	2,587,198	1,132,074	1,271,086	42,772	-	2,323,635	2.1 3.1
6. Deposits and funding are less stable	450,725	5,350,794	130,170	-	5,338,520	531,832	5,780,184	158,959	-	5,823,877	2.2 3.2
7. Funding originating from corporate customers:	2,219,221	7,464,554	115,591	-	4,698,392	2,536,999	8,389,060	130,379	-	5,160,027	4
8. Operational savings	2,084,078	-	-	-	1,042,039	2,397,212	-	-	-	1,198,606	4.1
9. Other funding comes from corporate customers	135,142	7,464,554	115,591	-	3,656,353	139,786	8,389,060	130,379	-	3,961,421	4.2
10. Liabilities that have pairs of interdependent assets	-	-	-	-	-	-	-	-	-	-	5
11. Other liabilities and equity :	-	-	-	-	-	-	-	-	-	-	6
12. NSFR derivative liabilities	-	-	-	-	-	-	-	-	-	-	6.1
13. Equity and other liabilities that are not included in the above categories	-	-	-	-	-	-	-	-	-	-	6.2 to 6.5
14. Total ASF	-	-	-	-	19,010,326	-	-	-	-	19,858,964	-
15 Total HQLA in order to calculate NSFR	1,850,506	168,247	1,098,855	387,898	82,750	1,765,520	810,009	2,765,558	636,693	210,613	1
16 Deposits at other financial institutions for operational purposes	262,645	631,830	-	-	447,238	121,147	45,000	-	-	83,074	2
17 Loans in Current and Under Special Mention (performing) categories	-	3,253,426	1,825,855	11,291,296	11,849,181	-	2,234,429	3,292,753	13,531,559	13,990,003	3
18 to financial institutions guaranteed by HQLA Level 1	-	-	-	-	-	-	-	-	-	-	3.1.1
19 to non-guaranteed financial institutions with HQLA Level 1 and loans to unsecured financial institutions	-	2,500	4,317	18,934	21,467	-	7,920	1,998	17,814	20,001	3.1.2 3.1.3

Risk Management

(in million IDR)

ASF components	Report Date Position (September 2023)					Report Date Position (December 2023)					Ref. No. from the NSFR Working Paper
	Carrying Value Based on Remaining Term				Total Weighted Value	Carrying Value Based on Remaining Term				Total Weighted Value	
	No Term	≤ 6 months	> 6 months - 1 year	> 1 year		No Term	≤ 6 months	> 6 months - 1 year	> 1 year		
20 to non-financial corporations, retail customers and micro and small business customers, central government, governments of other countries, Bank Indonesia, central banks of other countries and public sector entities, which include:	-	2,814,770	1,108,739	9,822,232	10,310,651	-	1,612,487	2,598,721	11,937,178	12,252,206	3.1.4.2 3.1.5 3.1.6
21 meets the qualifications to get a risk weight of 35% or less, according to SE OJK RWA for Credit Risk	-	-	-	-	-	-	-	-	-	-	3.1.4.1
22 Loans secured by residential houses that are not being guaranteed, which include:	-	-	-	-	-	-	-	-	-	-	3.1.7.2
23 meets the qualifications to get a risk weight of 35% or less, according to SE OJK RWA for Credit Risk	-	436,156	712,799	1,450,131	1,517,063	-	614,022	692,034	1,376,567	1,547,796	3.1.7.1
24 Securities in the Current and Substandard (performing) categories that are not being pledged as collateral, are not in default, and are not listed as HQLA, including shares traded on the stock exchange	-	-	-	-	-	-	-	-	200,000	170,000	3.2
25 Assets that have pairs of interdependent liabilities	-	-	-	-	-	-	-	-	-	-	4
26 other assets :	4,466,642	503,496	3,678	805,146	1,587,840	1,114,748	496,098	-	1,145,390	1,908,680	5
27 Physical commodities traded, including gold	-	-	-	-	-	-	-	-	-	-	5.1
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)	-	-	-	-	-	-	-	-	-	-	5.2
29 NSFR derivative assets	-	-	-	-	-	-	-	-	-	-	5.3
30 NSFR of derivative liabilities before deducting the variation margin	-	-	-	-	-	-	-	-	-	-	5.4
31 All other assets that are not included in the above categories	4,466,642	503,496	3,678	805,146	1,587,840	1,114,748	496,098	-	1,145,390	1,908,680	5.5 to 5.12
32 Administrative Account	-	-	-	-	455,832	-	-	-	-	389,737	6
33 Total RSF	-	-	-	-	14,422,842	-	-	-	-	16,582,105	-
34 Net Stable Funding Ratio (Net Stable Funding Ratio (%))	-	-	-	-	131.81%	-	-	-	-	119.76%	-

¹ Components reported in the category without a term are components that do not have a contractual term, including: capital instruments that are permanent (perpetual), short positions, open maturity positions, current accounts, equity that is not included in the HQLA category and commodities."

- Net Stable Funding Ratio (NSFR) calculation is made based on POJK No.50/POJK.03/2017 concerning Obligations to Fulfill the Net Stable Funding Ratio (NSFR) for Commercial Banks. In the December 2023 period, CCBI Bank's NSFR value is above the OJK minimum requirement (100%), namely 119.76%.
- The Bank's NSFR value for the December 2023 period reduce 12.05% from NSFR value for the September 2023 period which was 131.81%. The decrease in NSFR for the December 2023 period was due to the following:
 - Total Available Stable Funding (ASF) has increased by 4.46% from the September 2023 period, and total Required Stable Funding (RSF) has also increased by 14.97% from the September 2023 period.
 - Total Available Stable Funding (ASF) for the period December 2023 is IDR19.86 trillion, an increase of IDR848.64 billion compared to the September 2023 period which was IDR19.01 trillion. This condition was mainly due to an increase in funding originating from corporate customers of IDR461.64 billion.

- c. Total Required Stable Funding (RSF) for the period December 2023 is IDR16.58 trillion, an increase of IDR2.16 trillion from the September 2023 period which amounted to IDR14.42 trillion. This condition was mainly due to an increase in loans in the current and special attention category (performing) to non-financial corporations, retail customers and micro and small business customers as well as public sector entities of IDR1.94 trillion.
3. In the December 2023 period, the largest ASF composition comes from deposits originating from individual customers of IDR8.15 trillion or 41.03% of the total ASF. Meanwhile, the largest RSF composition comes from loans in the current and special attention category (performing) of IDR13.99 trillion or 84.37% of the total RSF.

This reflects that the Bank has the ability to manage liquidity for a period of one year and mitigate risks that may arise in the next one-year period.

Bound Assets (Encumbrance - ENC)

Position 31 December 2023

(in million IDR)

	a	b	c	d
	Bound Assets (Encumbrance)	assets that are held or pledged with the central bank but have not been used to generate liquidity	Unencumbered assets	Total
Assets in the statement of financial position can be presented in detail as needed	94,360	2,896,303	5,636,203	8,626,866

Qualitative Analysis

- Encumbered assets are Bank assets that are limited for liquidity needs, legally and contractually by the Bank. Restricted assets do not include assets held or agreed with Bank Indonesia but which have not been used to generate liquidity. Currently the Bank has tied assets in the form of Repo Securities amounting to IDR94.36 billion.
- Currently, the Bank has assets held or pledged with Bank Indonesia of IDR2.90 trillion, including in the form of Statutory Reserves of IDR1.34 trillion. The assets placed in Bank Indonesia consist of placements in Rupiah of IDR2.44 trillion and placements in foreign currency of IDR0.45 trillion. The assets held at Bank Indonesia have not been used to generate liquidity but are still calculated as HQLA as regulated in POJK Number 42/POJK.03/2015 concerning Liquidity Coverage Ratio for Commercial Banks.
- Unencumbered assets are assets that qualify as HQLA as stipulated in the POJK Number 42/POJK.03/2015 concerning Liquidity Coverage Ratio for Commercial Banks. Currently the Bank has unrestricted assets of IDR5.64 trillion, in the form of Cash of IDR212.84 billion, Government Securities of IDR1.10 trillion, Reverse Repo of IDR1.06 trillion, Bank Indonesia Rupiah Securities of IDR3.07 trillion and Bank Bonds amounting to IDR200.00 billion.



Risk Management

Operational Risk

Operational Risk is the inadequacy and/or non-functioning of internal processes, human error, system failure, or external events that may disrupt the Bank's operations/business and/or cause losses to the Bank.

The implementation of operational risk management becomes very important in line with the increasing volume and complexity of the Bank's operations and business.

Operational risk management, among others, is carried out as follows:

- a. The readiness of human, operational and IT resources capable of supporting operational risk management in accordance with the Bank's business plan in product development that has the potential to cause operational risk exposure. Increasing the number of adequate human resources through the recruitment process and improving the quality of human resources through the training process.
- b. Ensure the availability of Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) to mitigate operational risk from external disruptions of the Bank and conducting periodic testing.
- c. Maintain and develop the security of information technology processes in electronic data processing, such as emergency plan backup procedures that are tested periodically.
- d. Conduct a review on each issuance of new products and/or activities and their development in accordance with applicable regulations.
- e. Increase employee productivity through training and development, both internally and externally.
- f. Ensure that the Operational Management framework that is developed can properly mitigate potential operational risks.
- g. Identify and measure operational risks inherent in all activities, and assess the quality of control in each business line using the Operational Risk Self Assessment (ORSA) and Key Operational Risk Indicator (KORI) methods carried out by the Operational Risk Coordinator (ORISCO) in each function and branch offices and supervised by the Risk Management Division.
- h. Ensure risk assessments related to cyber security have been carried out in accordance with regulatory provisions and mitigation required to maintain the quality of the bank's cyber security and resilience processes.
- i. Creating a culture and developing awareness of risks, including cyber security risks, through knowledge sharing/ socialization to all work units, either directly or indirectly, or through risk management coordinator officers in each work unit.
- j. Ensure the adequacy, policies, guidelines and Standard Operations and Procedures of each work unit.
- k. Physical security of operational implementation by restricting access as a restricted area.
- l. Follow up on the results of internal audits, external audits, anti-fraud, Financial Services Authority inspections and other authorities inspections.

Operational Risk Disclosure - Bank Individually

(in million IDR)

No.	Approach Used	31-Dec-2023	
		Business Indicators (Average of last 3 years)	
(1)	(2)	(3)	
	Components of Business Indicators (KIB)		77,040
	Internal Loss Multiplier Factor (FPKI)		1.00
	Minimum Operational Risk Capital (MMRO)		77,040
	RWA for Operational Risk		962,994

Legal Risk

Legal Risk is the risk resulting from legal claims and/or weaknesses in juridical aspects. Legal risk management is conducted jointly by the risk owner together with the Legal Division and the Credit Operation-Legal Credit Division along with its team, which is responsible for periodically reviewing contracts and agreements between the Bank and third parties and/or debtors to verify the validity of rights in contracts and agreements. Enhancing the understanding of Bank officers regarding legal regulations is crucial in fostering relationships with customers and other external parties.

Identification of Legal Risk is conducted based on factors causing the risk, including legal claims and weaknesses in juridical aspects inherent in the functional and operational activities of the Bank. Legal Risk measurement is carried out by the Risk Management Division together with the Legal Division. From this measurement, evaluation reports are obtained from individual legal case analyses regarding liabilities arising from legal claims. The measurement is based on the evaluation reports of individual legal cases regarding liabilities arising from legal claims and the quality of contract agreements.

Indicators/parameters used in measuring Legal Risk include potential losses due to legal claims, weaknesses in contracts due to non-compliance with the legal requirements of agreements, and changes in legal regulations causing Bank products to be inconsistent with existing provisions.

Monitoring of Legal Risk is conducted by the Risk Management Division together with the Legal Division by evaluating the effectiveness of policy implementation, procedures, and compliance with legal policies, regulations, and Bank limits provisions. Monitoring is periodically carried out for all Legal Risk positions. In implementing Legal Risk controls, the Legal Division provides legal input and recommendations to each division and periodically reviews cooperation agreements and contracts with counterparties.

Reputation Risk

Reputation Risk is the risk resulting from a decrease in stakeholder trust stemming from negative perceptions of the Bank.

The management of reputation risk is conducted jointly by Corporate Secretary and the Division/Regional/Branches authorized and responsible for providing comprehensive information to customers and other stakeholders to control reputation risk. The Bank's Reputation Risk is managed by Corporate Secretary Division, which handles Bank-related media coverage in both print and electronic

media and coordinates with units managing customer complaints in accordance with OJK Regulation No. 22/2023 concerning Consumer Protection and Society in the Financial Services Sector.

Moreover, the Bank also enhances the quality of customer service by promptly addressing customer complaints and legal claims, applying transparency principles, and implementing appropriate communication policies to address negative news/publications or prevent counterproductive information.

Measurement of Reputation Risk is based on assessments of factors influencing the Bank's reputation, including customer complaints and negative media coverage about the Bank. To monitor Reputation Risk and ensure customer satisfaction, the function of customer complaint handling unit (UP3N) of the Bank to support service management and handle customer complaints at both Branch and Head Office. Additionally, Reputation Risk monitoring is also conducted by the Risk Management Division, which provides reminders and improvement recommendations to the Reputation Risk Management Division based on assessments of reputation risk profile parameters. In controlling Reputation Risk, the Corporate Secretary Division is responsible for implementing policies related to handling and resolving negative publicity or avoiding counterproductive information. For Reputation Risk control related to customer complaints, the Bank follows up on customer complaints and resolves them according to established SLAs.

Strategic Risk

Strategic Risk is the risk arising from inaccuracies in making and/or implementing strategic decisions and failures to anticipate changes in the business environment.

In managing strategic risk, the Board of Directors establishes written strategic plans (corporate plans) and business plans and communicates them to the officials and/or employees of the Bank at every organizational level, then implements and monitors these plans. Monitoring of the bank's strategic plan achievements is conducted by the Assets Liability Management (ALM) Division, which is periodically reported to the Board of Directors.

Measurement of Strategic Risk is based on the bank's performance achievements by comparing actual results with set targets. Monitoring is carried out by identifying the bank's weaknesses, strengths, and developments in the external conditions that may directly or indirectly affect the bank's established strategy, ensuring that the strategy's determination considers its impact on the bank's capital. Additionally, monitoring of risk exposure compared to the bank's risk appetite and periodic monitoring of Strategic Risk Appetite and Risk Tolerance are conducted. The Risk Management Division monitors Strategic Risk by comparing targeted results with actual

Risk Management

results, evaluating unit performance, and ensuring target objectives are achieved. Control of Strategic Risk is conducted by analyzing the gap between actual reports and business plan targets and presenting necessary actions to the Board of Directors periodically.

Compliance Risk

Compliance Risk is the risk arising from the Bank's failure to comply with and/or implement regulations issued by the Financial Services Authority (OJK), Bank Indonesia, as well as prevailing laws and regulations.

Compliance risk is inherent in risks related to legal and regulatory requirements and other regulations, such as the Minimum Capital Adequacy Ratio (CAR), Net Open Position (NOP), Asset Provisioning (PPA), Quality of Productive Assets (QPA), and Maximum Credit Exposure (MCE). Compliance risk also relates to the implementation of Know Your Customer (KYC) principles, Employee, Anti Money Laundering (AML), Counter Terrorism Financing (CTF), and Prevention of Proliferation Financing of Weapons of Mass Destruction (PPFWMD). Compliance risk management is conducted as follows:

- a. Ensuring the adequacy of policies, guidelines, and procedures of each work unit and division.
- b. Creating a culture and fostering awareness of compliance risks

through knowledge sharing/socialization of relevant regulations to all work units, both directly and indirectly, conveyed by the Compliance Division to each respective work unit.

- c. Enhancing the internal control function in each work unit or independent division and optimizing the implementation of compliance functions.
- d. Following up on the results of internal audit examinations, external audits, anti-fraud measures, Financial Services Authority inspections, and other regulatory examinations.

Risk Profile

The risk profile assessment includes evaluations of inherent risks and assessments of the quality of Risk Management implementation, reflecting the risk control system. The assessment is conducted on 8 (eight) risks: Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Legal Risk, Strategic Risk, Compliance Risk, and Reputation Risk. The Bank manages risks on a bank-wide basis, as regulated by the Financial Services Authority (OJK) regarding the Implementation of Risk Management for Commercial Banks. Based on the self-assessment of the bank-wide risk profile as of December 2023, the Bank's risk profile rating is Low to Moderate, with the following details:

Measurement of the Bank's Risk Profile as of 31 December 2023 (as per the Bank's Risk Profile Report)

Risks Type	Inherent Risk Rating	Quality Rating in The Application of Risk Management	Rank Levels of Risk
Loan Risk	Low to Moderate	Satisfactory	Low to Moderate
Market Risk	Low to Moderate	Satisfactory	Low to Moderate
Liquidity Risk	Low	Satisfactory	Low
Operational Risk	Low to Moderate	Satisfactory	Low to Moderate
Legal Risk	Low to Moderate	Satisfactory	Low to Moderate
Strategic Risk	Low to Moderate	Satisfactory	Low to Moderate
Compliance Risk	Low to Moderate	Satisfactory	Low to Moderate
Reputation Risk	Low	Satisfactory	Low
Composite Rating	Low to Moderate	Satisfactory	Low to Moderate

According to the monitoring conducted on each of the main risk groups encountered by CCB Indonesia during 2023, the composite rating for the overall risk profile of the bank as of December 31, 2023, was at level 2 (Low to Moderate). This indicates that the Bank's risk management implementation across all areas has been effective, reflecting the Bank's robust condition and its capability to withstand significant adverse effects stemming from changes in business conditions and other external factors.

CCB  **中国建设银行**
China Construction Bank Indonesia



Tari Ronggeng Blantek

Betawi (Jakarta)

A common Betawi dance that is used to greet guests at major events is the Blantek/Ronggeng Blantek Dance. In addition, the motions of this dance, which debuted as an opening dance in Blantek art, are joyful and amusing.

Financial Review

03



Togetherness in Indonesian Traditional dance philosophy

Management Analysis and Discussion



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CCB Indonesia's financial performance in 2023 showed a strong financial result. Net profit showed a significant increase of 77.47% y-o-y which was supported by an increase in lending of 16.02% y-o-y and also strengthening of various financial ratio indicators, especially profitability, efficiency and asset quality while still adhering to the principle of prudence with a strong liquidity and capital position

Despite the global economic slowdown, Indonesia's economy continues to grow strongly. Based on data from the Central Statistics Agency (BPS), economic growth in the fourth quarter of 2023 grew by 5.04% (yoy), an increase compared to growth in the previous quarter (III) of 4.94% (yoy). With these developments, Indonesia's overall economic growth in 2023 recorded strong growth of 5.05% (yoy). In line with this, CCB Indonesia is now able to provide optimal performance in 2023. This is shown by financial performance reflected in the significant increase in Net Profit of 77.47% (yoy), supported by a 16.02% (yoy) increased in lending, and the strengthening of various financial indicators, particularly profitability, efficiency and asset quality. The Bank also remained prudent by maintaining a strong liquidity and capital position.

Management Analysis and Discussion

World economic growth is slowing as financial market uncertainty eases. The global economy is forecast to grow by 3.0% in 2023 and slow to 2.8% in 2024. The economies of the United States (US) and India remain strong, supported by household consumption and investment.

Meanwhile, China's economy is slowing as household consumption and investment remain weak as a result of the weakening performance of the property sector, as well as limited fiscal stimulus.

The cycle of increasing monetary policy interest rates in advanced countries, including the Fed Funds Rate (FFR), is predicted to have ended although it will still remain high in the first semester of 2024, with the possibility that it will start to decline in the second semester of 2024.

Indonesia's economic growth in the fourth quarter of 2023 was 5.04 percent (yoy), slightly higher than the government's prediction of 5%. The primary driver of this growth is rising household consumption and investment. Household spending, the major component of Indonesia's GDP, is expected to expand by 4.82 percent in 2023. The increase in the minimum wage and government social assistance are the primary drivers of increased family consumption. Despite global economic concerns and high inflation, the increase in household consumption demonstrates that Indonesians' purchasing power remains stable.

Meanwhile, investment increased by 4.40% percent, boosted by the implementation of the infrastructure development program. Even if investment growth has decreased compared to the previous year, this demonstrates investor confidence in the Indonesian economy. Political and economic stability, as well as a big market potential, entice investors to deposit their wealth in Indonesia.

Financial Services Authority (Otoritas Jasa Keuangan/OJK) assess that Indonesia's banking industry performs well in the face of numerous global uncertainties. Banking and economic liquidity are adequate to promote expanded credit/financing and continued economic recovery. Banking interest rates have increased, yet they remain beneficial to economic recovery.

Banking intermediation in 2023 continued to increase and is predicted to continue in 2024. The resilience of the financial system, especially banks, is maintained both in terms of capital and liquidity. Bank Indonesia continues to maintain stability and improve the efficiency of the payment system through strengthening policies and accelerating the digitization of the payment system to maintain the momentum of economic recovery.

Almost all GDP components contribute to increased economic growth in the fourth quarter of 2023. Household consumption climbed by 4.47% (yoy), while Nonprofit Institutions Serving

Households (LNPR) consumption increased by 18.11% (yoy) due to increased election preparation activities, and Government consumption increased by 2.81% (yoy) due to goods and staff spending. Investment increased by 5.02% year on year, owing mostly to building investment as infrastructure development continued and investment activity expanded, as well as to growth in the export sector, which increased by 1.64% (yoy).

According to information from Bank Indonesia, banking loan throughout 2023 increased by 10.38% on an annual basis (yoy). Based on type of use, investment loan and working capital, respectively, grew 12.26% (yoy) and 10.05% (yoy).

In 2024, economic growth is expected to continue to increase, driven by domestic demand, particularly continued consumption growth, which will benefit from the holding of elections, as well as increased investment, particularly in buildings, in line with the continued development of National Strategic Projects (PSN), including Ibu Kota Nusantara (IKN).

In the Macroeconomic Framework and Principles of Fiscal Policy for 2024, the Government assumes economic growth in 2024 of 5.1% to 5.7%.

Bank Indonesia estimates that banking loans will grow 10%–12% in 2024.

Source: Bank Indonesia, Financial Services Authority, BAPPENAS, Ministry of Finance of Republic of Indonesia, Central Statistics Agency (BPS)

Financial Performance in 2023 and Realization compared to the Bank's Business Plan

In 2023, CCB Indonesia's financial performance demonstrates a variety of good financial ratio indicators, particularly steady credit and financing growth, increasing profitability, manage to get efficiency, with solid and strong capital and liquidity levels. The bank's earnings profit increased by 77.47% compared to the prior year. Similarly, other measures like credit quality and efficiency performed better than the previous year. CCB Indonesia continues to work to boost bank intermediation functions by focusing on liquidity positions.

Accelerating business development in the corporate banking segment, along with the retail segment, namely commercial banking and small and medium scale enterprises (SMEs), as well as consumer banking, taking into account the harmony of economic, social and environmental interests.

The Bank's policy direction has been in line with government programs to finance infrastructure and support the development of SME sector. The Bank has consistently practiced prudent and selective lending to manage bank quality asset.

Management Analysis and Discussion

Compared to the position at the end of 2022, there was an increase significantly in the Bank's loan of IDR2.6 trillion or 16.02% (yoy), to IDR19.3 trillion at the end of 2023, mainly from Corporate and Commercial although there are decreasing in Consumer and SME segments.

The Bank's Third Party Funds (DPK) increased by IDR2 trillion, or 11.37% (yoy), to IDR19.9 trillion at the end of 2023. This decline mainly due to an increase in time deposits by IDR1.8 trillion, or 13.5% (yoy) to IDR15.7 trillion. Meanwhile, current accounts increased by IDR136.8 billion, or 4.58% (yoy) to IDR3.1 trillion. The Bank seeks to improve the effectiveness of its intermediary function by optimizing the Loan to Deposits Ratio (LDR).

The Bank's Total Assets reached IDR27.8 trillion at the end of 2023, an increase of IDR2.8 trillion or 11.31% (yoy), reflected by a decrease placement with BI and other banks, amounting to IDR648 billion. On the other hand, total loans increased by IDR2.6 trillion.

The Bank's liquidity ratio (LDR) increased from 92.98% at the end of 2022 to 96.86% at the end of 2023, in line with the Bank's policy to boost its intermediation function. The strong liquidity position is reflected in the LCR (Liquidity Coverage Ratio) of 241.11%, and NSFR (Net Stable Funding Ratio) stood at 132.63% at the end of 2023. This figure is above the minimum level set by the regulator, which is 100%.

The Bank recorded a profit before tax expense of IDR310 billion, a significant increase of IDR134 billion or 76.08% y-o-y from last year. The increase was due to higher loan interest income of IDR367.5 billion, despite an increase in interest expense to third parties of IDR214.2 billion. On the other hand, there was a decrease in the provision for allowance for impairment losses (CKPN) by IDR19 billion compared to the previous year, meanwhile credit quality improved, the gross NPL ratio from 3.40% at the end of 2022 to 2.87% at the end of 2023.

Description of Interest Incomes

Description	(in million IDR)	
	2023	2022
Loans	1,325,422	1,024,885
Marketable Securities	313,068	271,938
Placement in Other Banks	40,168	17,521
Current Account Services	11,520	8,262
Total	1,690,178	1,322,606

The Bank's profit after tax for the year 2023 was recorded at IDR241.3 billion, which increases the Bank's capital organically to anticipate asset growth. The Bank recorded CAR ratio of 37.45% at the end of 2023, a increase compared to the previous year of 32.73%, in line with the increase in credit in 2023. The Bank's Tier 1 Capital at the end of 2023 amounted to IDR6.01 trillion, an increase of IDR285 billion compared to the end of 2022 which was recorded at IDR5.73 trillion.

During 2023, the Bank remains focused on implementing its short and medium term plans, which directs its strategic policy on business improvement, good corporate governance implementation, IT system development, process effectiveness and cost efficiency encouragement, and human capital professionalism and competence improvement. The direction of the Bank's policy is in line with the government program, in this case infrastructure financing and supporting the development of SME sector.

Income Statement

Net Interest Income

Interest income increased by IDR367.6 billion or 28.8% to IDR1,690 billion in 2023, from IDR1,323 billion in the previous year. This was mainly due to an increase in loans.

Meanwhile, interest expense increased by IDR214.6 billion, or 41.3%, compared to the previous year, to IDR733.3 billion. The increase in interest expense was due to the increase in third party fund collection in 2023.

Thus, Net Interest Income in 2023 amounted to IDR956.8 billion, or higher than the previous year of IDR803.9 billion. The realization of Net Interest Income was above the Bank's Business Plan (RBB) of IDR872 billion due to an increase in Lending Rates and a decrease in Interest Expenses, resulting in a realized NIM of 4.18%, higher than the plan of 3.68% NIM.

Description of Interest Expenses

Description	(in million IDR)	
	2023	2022
Current Accounts	45,939	40,805
Time deposits	587,476	401,874
Saving Accounts	17,405	15,924
Interbank	15,334	3,825
Other	67,145	56,224
Total	733,299	518,652

Management Analysis and Discussion

Other Operating Incomes

Other Operating Income in 2023 amounted to IDR43.5 billion, a decrease compared to 2022 of IDR69 billion.

Other Operating Expenses

Other Operating Expenses in 2023 amounted to IDR543.8 billion, an increase of 2.7% or IDR14.4 billion compared to the previous year. If compared to the Bank's business plan, the realization of Other Operating Expenses is still below the Bank's business plan by 0.6% or IDR4.7 billion. Labor Expenses were below the business plan by 1.6% or IDR5.5 billion.

Allowance for impairment losses (CKPN)/Impairment

The provision for impairment losses in 2023 of IDR154 billion, a decrease of 10.98% or IDR19 billion, compared to the previous year, in line with the improvement in credit quality, with the gross NPL ratio decreasing from 3.40% at the end of 2022 to 2.87% at the end of 2023. Compared to the Bank's business plan, the realization of provision for impairment losses was above the bank's business plan by 21.2% or IDR27 billion.

Profit Before Tax

Profit before tax expense of IDR310 billion, a significant increase of IDR134 billion or 76.26% y-o-y from last year. As explained earlier, the increase was mainly due to lower interest cost on deposits, and due to lower labor cost offset by higher CKPN cost. Compared to the bank's business plan (RBB), the achievement of Profit Before Tax was above target by 51.8% or IDR105.8 billion.

Net Profit

Net Profit in 2023 was recorded at IDR241.3 billion, a significant increase of 77.5% or IDR105.3 billion compared to the previous year, and above the bank's business plan target by 57.7% or IDR88.3 billion.

Balance Sheet

Total Assets

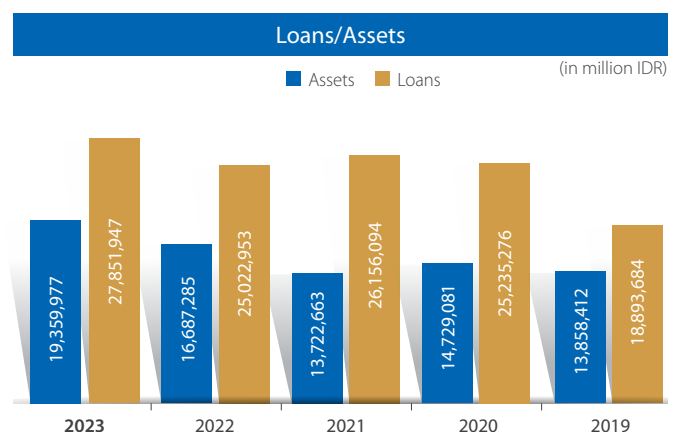
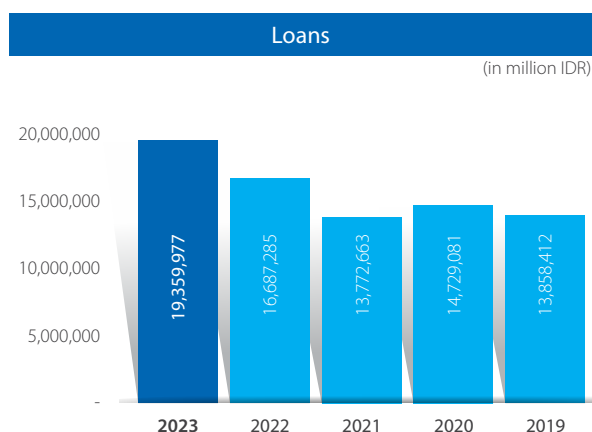
The Bank's total assets as of December 2023 amounted to IDR27.8 trillion, an increase of 11.31% (yoy) or IDR2.8 billion. The increase in total assets was mainly due to an increase in marketable securities of IDR648 billion, as well as an increase in deposits of IDR2.04 billion.

Equity

Total Equity reached IDR6.5 trillion at the end of 2023, a slight increase compared to the position at the end of 2022.

Loans Disbursed

Loans amounted to IDR19.3 trillion at the end of 2023, an increase of 16% or IDR2.6 trillion compared to the end of 2022, above the Bank's business plan target of IDR237.9 trillion which was partly due to the delay in a number of project financing disbursements. Credit quality improved with gross NPL ratio declining to 2.87% from 3.40% previously. While on a net basis, NPL ratio decreased to 0.77% compared to the end of the previous year of 0.93%.



Management Analysis and Discussion

Third Party Funds

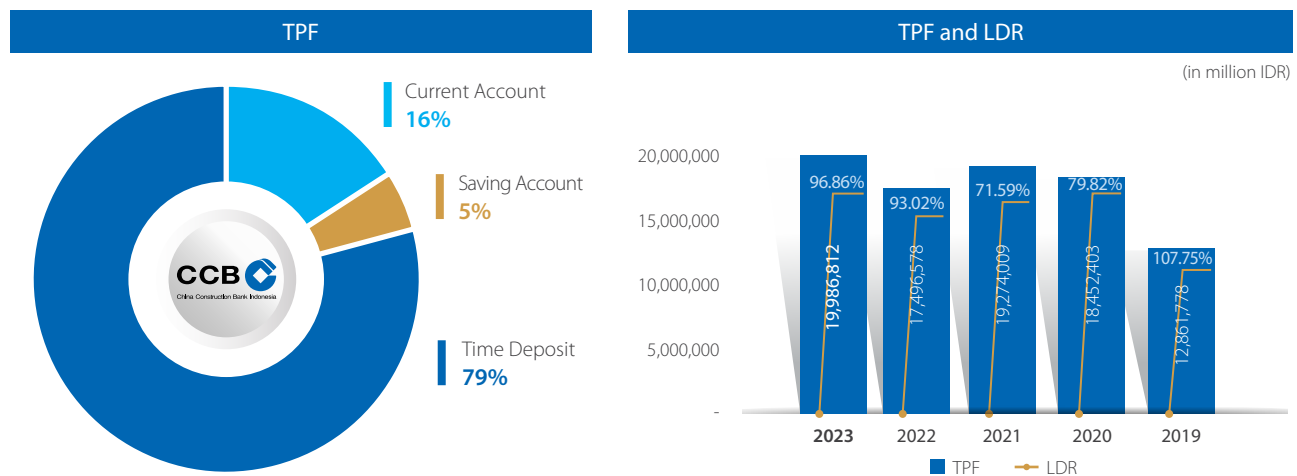
Third Party Funds (TPF) at the end of 2023 reached IDR19.9 trillion, an increase of 11.37% or IDR2,040 billion compared to the end of 2022, and below the bank's business plan of 2.1%. The Bank seeks to improve the effectiveness of its intermediary function by optimizing LDR.

At the end of 2023, the Bank recorded total Current Accounts reaching IDR3.1 trillion, an increase of 4.6% or IDR136.8 billion, from the end of 2022 position, and below the Bank's business plan by 26.0%. While the amount of Savings at the end of 2023 reached IDR1 trillion, an increase of 2.8% or IDR29.6 billion from the position in 2022 and below the Bank's business plan by 4.3%. Time deposit at the end of 2023 reached IDR15.7 trillion, above the Bank's business plan by 4.7%. CASA ratio was 21.09% at the end of December 2023, down from 22.56% at the end of 2022 and below the bank's business plan of 26.26%.

Savings continue to be developed by the Bank to meet the transaction needs of individual, SME and corporate customers in order to compete more competitively.

The level of customer confidence in the Bank is also well maintained, reflected in the good growth of deposits with reasonable interest rates.

(in million IDR)		
Description	2023	2022
Current Account	3,126,957	2,990,153
Saving Account	1,087,415	1,057,862
Time Deposit	15,772,440	13,898,563
Total	19,986,812	17,946,578



Financial Ratios

Capital Adequacy Ratio

The Minimum Capital Adequacy Ratio (CAR) at the end of 2023 amounted to 37.45% or increased compared to the position at the end of 2022 of 32.73% due to an increase in credit risk-weighted assets. The CAR position is higher than the Bank's Business Plan target of 35.97%.

Non-Performing Loan Ratio

The gross NPL ratio decreased to 2.87% at the end of 2023 compared to the end of 2022 position of 3.40% and below the bank's business plan of 3.95%. Meanwhile, the net NPL ratio also decreased to 0.77% compared to the position at the end of last year of 0.93%.

Return on Assets

Return on Assets (ROA) as of the end of December 2023 was 1.22%, an increase compared to the position at the end of 2022 of 0.69%, higher than the Bank's business plan of 0.79%.

Return on Equity

Return on Equity (ROE) in 2023 amounted to 4.11%, an increase compared to the previous year of 2.40% and higher than the target

of 2.65%. This is due to profit after tax which is higher than the bank's business plan.

Net Interest Margin

NIM ratio in 2023 was 4.18%, an increase compared to the previous year of 3.54% and higher than the Bank's business plan target of 3.68%, due to a decrease in interest on deposits.

Expense to Income Ratio

BOPO ratio in 2023 is 82.76%, or a decrease compared to the previous year, namely 87.76%. Compared to the ratio targeted in the Bank's business plan of 87.78%, the realization of BOPO in 2023 was higher due to an increase in loan interest income.

Loan to Deposit Ratio

Loan to Deposit Ratio (LDR) position at the end of December 2023 was 96.86%, higher than the position at the end of 2022 of 92.98% and also higher than the Bank's business plan target of 93.65%. The Bank strives to improve the effectiveness of its intermediary function by optimizing LDR, while maintaining liquidity at a safe level, with an LCR (Liquidity Coverage Ratio) of 241.1% and NSFR (Net Stable Funding Ratio) of 132.63% at the end of 2023, above the minimum level set by the regulator of 100%.



Management Analysis and Discussion

Cash Flow Development

Description	31 December 2023	31 December 2022
Operating Cash before Changes in Operating Assets and Liabilities	430,332	363,039
Net Cash from (Used for) Operating Activities	2,988,748	(1,423,770)
Net Cash from (Used for) Investing Activities	(3,619,104)	171,319
Net Cash from Financing Activities	(10,629)	(12,924)
Net Increase in Cash and Cash Equivalents	(640,985)	(1,265,375)
Cash and Early Year Cash Equivalents	2,602,352	3,799,349
Effect of Changes in Foreign Currency	(11,705)	68,378
Cash and End of Year Cash Equivalents	1,949,662	2,602,352

Cash Flow from Operating Activities

Net cash flows from operating activities amounted to a deficit of IDR2,988,748 million with the largest gain coming from a decrease in interest income, fees and commissions, other operating income, increase in receivables from securities purchased under resale agreements, decrease in derivative liabilities, increase in acceptance liabilities, increase in other liabilities, increase in third party deposits. While its use in terms of operating activities for payment of interest and other financial expenses, payment of general and administrative expenses, labor costs, payment of income taxes, purchase of securities for sale, increase in acceptance receivables, payment of other expenses and payment of accounts payable.

Cash Flow from Investing Activities

In 2023, cash outflows from investing activities for the acquisition of fixed assets amounted to IDR16 billion and the purchase of marketable securities amounted to IDR3.6 trillion, while cash inflows included proceeds from the sale of repossessed collateral and fixed assets amounting to IDR9.9 billion. So that the net cash flow from investing activities was a deficit of IDR3.6 trillion.

Material Commitments for Investment in Capital Goods

Details of the Company's capital expenditures are as follows:

Description	31 December 2023	31 December 2022
Land	-	-
Building	515	302
Asset Repairment	134	976
Office Inventories	8,003	3,917
Car	79	-
Assets under Construction	7,635	3,575
Total	16,366	8,770

Sources of funds used for capital expenditures come from internal sources. Historically, the Bank has a good level of leverage and was able to finance capital expenditures.

The Company's capital expenditures are mostly aimed at strengthening the Company's operations in order to support the Company's operational and financial performance. The purchase of capital goods to the Company's performance affects the ability of the Company's infrastructure to handle fast-growing and high operational activities, as well as meeting the needs of increasingly complex, online and timely regulatory reporting, the ability to fulfill statistical data for risk management reporting and management of the Company.

Operational Review Per Business Segment

Funding

To improve its performance in achieving third party funds throughout 2023, the Bank implemented a number of initiatives including:

1. To increase CASA, CCB Indonesia has consistently developed information technology systems, especially electronic delivery channels.
2. In the effort to increase total current accounts, working with corporate customers to increase the volume of business and transactions in the Bank, by requiring them to use their account at CCB Indonesia as the main corporate account.
3. Time deposits are maintained proportionally by setting a competitive interest rate policy within reasonable limits.

(in million IDR)

Product	December 2023	December 2022	Growth	Percentage
Current Account	3,126,957	2,990,153	136,804	4.57%
Saving Account	1,087,415	1,057,862	29,553	2.79%
Time Deposit	15,772,440	13,898,563	1,873,787	13.48%
Total	19,986,812	17,946,578	2,040,235	11.37%

Corporate Loans

(in million IDR)

Corporate	December 2023	December 2022	Growth	%
Total Corporate Loans	9,134,978	7,451,584	1,683,394	22.59%

Loan distribution in the Corporate Banking segment in 2023 increased significantly in line with increasing utilization of working capital and project financing facilities. By prioritizing prudence and thorough analysis, the quality of credit assets can still be maintained well.

The realization of lending from the Corporate Banking segment until the end of 2023 reached IDR9.1 trillion or an increase of IDR1.7 trillion from the position at the end of 2022.

The highest Corporate Banking loan disbursement is in the manufacturing sector at 34.28% of the current Corporate Banking asset portfolio, followed by power plant, water treatment and infrastructure at 32.05%, financing at 9.55%, construction at 8.82%, and others 15.30%. In addition to growth in loan assets, there was also growth in fee-based income.

Commercial Loans

In 2023, the loan portfolio of the commercial loan segment also showed an increase in line with the recovery of post-pandemic economic conditions, while still adhering to prudent and conservative principles.

(in million IDR)

Financing Type	December 2023	December 2022	Growth	%
Working Capital	4,757,923	3,810,509	947,414	24.86%
Investment	3,088,831	2,989,145	99,686	3.33%
Total Commercial Loans	7,846,754	6,799,654	1,047,100	15.40%

Management Analysis and Discussion

Small Business Segment (SME) Loans

In 2023, lending to the small business segment was consolidated, and decreased compared to the previous year, while still maintain credit quality.

SME Loan	December 2023	December 2022	Growth	%
Total SME Loans	901,858	931,982	(30,124)	(3.23%)

(in million IDR)

Consumer Loans

To increase the consumer lending portfolio, especially Home Ownership Loans, the Bank continues the initiative of collaborative programs with large developers, holding virtual customer gatherings during the pandemic, providing rewards programs, both internal and external, holding attractive marketing programs, and other promotional media, by utilizing websites and media for marketing expansion. Consumer loans experienced growth compared to the previous year.

Product	December 2023	December 2022	Growth	%
Primary Mortgage	1,005,996	1,053,223	(47,227)	(4.5%)
Secondary Mortgage	309,433	315,711	(6,278)	(1.99%)
Other Mortgage	133,199	116,006	17,193	14.82%
Other Products	27,759	19,124	8,635	45.15%
Total Consumer Loans	1,476,387	1,504,064	(27,677)	(1.87%)

(in million IDR)

Public Offering

During the fiscal year 2023, the Company did not hold any Public Offering, hence no information needs to be disclosed.

Material Transaction

During the 2023 financial year there were no Material Transactions in accordance with applicable regulations, hence there is no information that needs to be disclosed.

Business Outlook

In 2024, economic growth is expected to continue to increase, driven by domestic demand, particularly continued growth in consumption, including the positive impact of holding elections, and increased investment, particularly in buildings, in line with the continued development of the National Strategic Program (PSN), including the Archipelago Capital (IKN). Investment is also expected to rise, led by improved business prospects and increased foreign investment (PMA) inflows.

Meanwhile, export performance is expected to be sluggish as a result of the global economic downturn and falling commodity prices. Bank Indonesia will continue to increase the synergy between the government's fiscal stimulus and macroprudential stimulus to promote economic growth, particularly from the domestic demand

side. All regions are expected to have significant economic development as domestic demand improves.

Banking intermediation will expand in 2023 and is expected to continue until 2024. The financial system, particularly banking, remains resilient in terms of capital and liquidity. Bank Indonesia continues to ensure payment system stability and efficiency by strengthening policies and increasing digitization in order to sustain the economic recovery momentum.

Furthermore, the banking industry's performance in 2023 is on a favorable trajectory, with banking and economic liquidity sufficient to stimulate increasing credit/financing and economic recovery. Optimism regarding banking performance stems from the anticipation that credit distribution would continue to improve, resulting in increased profits and capital. This is consistent with Bank Indonesia's (BI) projections for banking industry loan growth in 2024, which are expected to expand by 10-12% due to the country's solid economic conditions.

In the Macroeconomic Framework and Principles of Fiscal Policy for 2024, the Government assumes economic growth in 2024 of 5.1% to 5.7%.

The challenges for CCB Indonesia is the banking industry's growing tight competitiveness, both in terms of assets and

Management Analysis and Discussion

liabilities, including margin spreads. The Bank consistently sets interest rates that are competitive and reasonable. Global economic uncertainty, notably owing to rising inflation and interest rates, has the potential to slow down economic growth and asset quality in terms of consumers' capacity to fulfill their commitments.

Owing to CCB Corporation's specialization in infrastructure financing, CCB Indonesia is optimistic that it can grow strongly and contribute significantly to Indonesia's development, especially in the infrastructure sector. CCB Corporation as the majority shareholder is committed to the development of CCB Indonesia, both through strong capital support, as well as the transfer of business knowledge, improved compliance and risk management and information technology as well as operational support.

Marketing Strategy

Given the Indonesian economy's potential for growth and relatively solid business growth, the Bank has developed a realistic business strategy by taking into account various factors.

CCB Indonesia sharpened its fund disbursement strategy while still adhering to the prudential and conservative principles, especially in terms of lending to the corporate banking segment, retail sector, namely commercial and small and medium scale enterprises (SMEs), as well as consumer banking.

In addition, secondary reserve management in securities and interbank placements. In developing bank activities, as an alternative investment instrument and other sources of income for the Bank, such as placement in securities such as Bank Indonesia Certificates, Government Securities, Retail Sukuk, corporate bonds, taking into account the yield obtained, tenor and security, and maximizing the return on bank investment in securities.

Lending will be distributed to commercial loans for working capital and investment financing, as well as consumer loans. For the effectiveness of lending, the Bank will continue to adhere to prudential banking principles and maintain loan quality.

In terms of pricing, the Bank offers competitive rates to penetrate the market. Each branch office monitors and provides information on prevailing interest rates in the local area. Loan processing is expedited through the application of the integrated Loan Originating System (LOS), and conservative and prudential banking principles are the main guidelines.

The quality of loans disbursed, both new, additional, and ongoing loans, is properly monitored and evaluated utilizing Post-loan Monitoring Management.

The disbursement of new quality loans is intended to achieve the loan growth target in 2024 and improve the Bank's profitability.

Meanwhile, the growth of third party funds (TPF) will be carried out in line with the growth of lending, by maintaining the Loan to Deposits Ratio position in accordance with management policy. The target of fund raising is to gradually increase the portion of the portfolio of more efficient sources of funds, namely Savings and Current Accounts, with wider customer diversification and not relying on a certain group of customers. This increase in CASA is to minimize costs, but keep the funding position under control, so that the liquidity position is maintained and the acquisition of better spread margins. The fierce competition in the banking sector for deposits does not solely depend on the number of office networks, but also on the reliability of technology such as internet and mobile banking. CCB Indonesia has consistently developed information system technology; internet banking has been gradually implemented in previous years and has been able to serve corporate and individual customers.

In 2024, the Bank will continue to develop technology geared towards digital banking. This move is for the convenience and comfort of customers, especially current and savings customers. The development of innovative products to encourage the collection of funds to increase CASA through attractive promo programs.

Meanwhile, time deposit products as the foundation of bank funds are maintained proportionally by setting competitive interest rate policies within reasonable limits.

Public trust needs to be enhanced with sound and transparent bank management (good corporate governance) and excellent service quality, attractive customer choice products, and competitive interest rate policies. With CCB Corporation as the controlling shareholder, it is expected to further strengthen public confidence in CCB Indonesia.

Target / Projection for the coming year

CCB Indonesia is carefully planning its future strategic initiatives geared towards:

1. Develop business carefully and conservatively in the corporate banking segment, along with the retail segment, namely commercial banking and small and medium scale enterprises (SMEs), as well as consumer banking, taking into account the harmony of economic, social and environmental interests.
2. Ensure adequate CAR for business development in 2024 and beyond.
3. Consistently improving the implementation of good corporate governance (GCG) and enhancing the risk management system to a more advanced level.
4. Optimization of existing offices, towards the development of digital banking.

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5. Improving the quality of human capital by increasing the scale of training programs and more diverse development opportunities.
6. Strengthening IT system infrastructure to improve the effectiveness, efficiency and capability of the bank's business. Development and utilization of technology to manage risk, facilitate control, AML and anti-fraud functions as well as product and service development.

For financial projections in 2024, Loans are targeted to increase by 13.59% compared to the end of 2023, Third Party Funds are projected with the same growth of 15.82%, while Total Assets are projected to increase by 11.23%, when compared to the end of 2023. Profit after tax is targeted at IDR253 billion, an increase of 4.90% compared to the end of 2023.

Projected financial ratios for 2024 include: gross NPL ratio of 3.10%, net NPL ratio of 0.52%; CAR of 34.55%; LDR of 95.00%; NIM of 3.86%; ROA of 1.12% and ROE of 4.12%. In developing business volume, the Bank always adheres to the principle of prudence.

Capital Plan

CCB Indonesia always ensures adequate Capital Adequacy Ratio (CAR) for business development.

Conservatively, the Bank maintains capital ratios in accordance with applicable regulations. CAR is maintained at a safe level, taking into account capital add on based on risk profile assessment, as well as capital buffer in accordance with Basel III implementation. CAR is projected to be 34.55% by the end of 2024 and total core capital is projected to be IDR6.30 trillion by the end of 2024.

Organic capital addition will also occur through CCB Indonesia's earnings in the coming years. The Bank also seeks to drive revenue growth through fee-based income, in addition to interest income.

The Bank carefully considers various uncertainties that may occur, considering the potential impact of changes in the macroeconomy, market environment, regulatory policies, asset quality, and business development on capital requirements and availability, and reflects this in its capital raising arrangements and capital management measures. The Bank conducts stress testing using ICAAP on capital adequacy in anticipation of risks.

Dividend Policy

All issued shares of the Company shall have the same and equal rights in all respects with existing shareholders, including the right to dividends, in accordance with the provisions of the Company's Articles of Association and prevailing laws and regulations.

The amount of cash dividend payment will be adjusted based on the profit earned by the Company in the relevant fiscal year, without prejudice to the right of the Company's GMS to determine otherwise in accordance with the provisions of the Company's Articles of Association and the prevailing laws and regulations in the banking sector.

The Company's management plans to distribute dividends if there is a cash surplus from operating activities after the funds are set aside for reserve funds, financing activities, capital expenditure plans and working capital of the Company, amounting to a maximum of 20% (twenty percent) of the Company's consolidated net profit, for each year. While at least 80% (eighty percent) will be used to strengthen the Company's capital. However, if necessary, from time to time the Company may not distribute dividends to the Company's Shareholders. Since the Initial Public Offering in June 2007, the Company has never paid dividends. There are no negative covenants in relation to third party restrictions on the distribution of dividends. In the last 2 (two) years, the Bank has not paid dividends, as profit generation is still prioritized to strengthen the capital structure.

Additional Information

There is no material information, regarding investment, expansion, divestment, business merger / consolidation, acquisition, debt/capital restructuring, and transactions containing conflict of interest, which occurred in the financial year 2023.

Transactions with Related Parties

In carrying out its business activities, the Company also conducts certain transactions with related parties. There are no transactions with related parties either directly or indirectly related to the Company's main business activities, which are defined as conflict of interest transactions based on BAPEPAM-LK regulation No. IX.E.1 "Conflict of Interest". In this financial report, the term related party is in accordance with PSAK No. 7 (Revised 2010) concerning "Disclosure of Related Parties".

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The following is the table of Provision of Funds to Related Parties at the end of 2023.

Description	Balance as of 31 December 2023 (in million IDR)	Condition and Treatment of the transaction
Board of Commissioners, Directors, Executive Officers and Key Employees	6,569	In accordance with applicable procedures. There is no preferential treatment.
Accrued interest income	15	In accordance with applicable procedures. There is no preferential treatment.
Total	6,584	

Performance Review Per Business Segment from Revenue and Profitability

31 Desember 2023/31 December 2023						
	Kredit <i>Loans</i>	Treasuri <i>Treasury</i>	Ekspor-impor <i>Trade finance</i>	Pendapatan dan beban yang tidak dapat dialokasikan <i>Unallocated income and expenses</i>	Total	
Pendapatan						Income
Pendapatan bunga	1,325,422	364,756	-	-	1,690,178	Interest income
Pendapatan lainnya	-	-	4,813	53,865	58,678	Other income
Jumlah pendapatan	1,352,422	364,756	4,813	53,865	1,748,856	Total income
Beban						Expenses
Beban bunga	-	(34,153)	-	(699,146)	(733,299)	Interest expense
Beban lainnya	-	(1,802)	-	(703,954)	(705,756)	Other expenses
Jumlah beban	-	(35,955)	-	(1,403,100)	(1,439,055)	Total expenses
Segmen - neto	1,352,422	328,801	4,813	(1,349,235)		Segment - net
Laba sebelum beban pajak					309,801	Income before tax expense
Beban pajak					(68,510)	Tax expense
Laba tahun berjalan					241,291	Income for the year
Aset segmen	18,846,417	7,312,413	-	1,693,116	27,851,946	Segment assets
Liabilitas segmen	(461,910)	(324,650)	(9,992)	(20,514,837)	(21,311,389)	Segment liabilities
Segmen - neto	18,384,507	6,987,763	(9,992)	(18,821,721)	6,540,557	Segment - net

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Prime Lending Rate

All Commercial Banks conducting conventional business activities have an obligation to report and publish the Prime Lending Rate (SBDK) in Rupiah currency as stipulated in OJK Regulation No.37/POJK.03/2019 concerning Transparency and Publication of Bank Reports and OJK Circular Letter No.9/SEOJK.03/2020 concerning Transparency and Publication of Conventional Commercial Bank Reports.

The reporting and publication of Prime Lending Rate is one of the efforts taken by the Bank to provide clarity to customers and facilitate customers in weighing the benefits, costs and risks of credit offered. In addition, the Prime Lending Rate is also an effort to improve good governance and encourage healthy competition in the banking industry, among others, through the creation of better market discipline.

The Bank uses the Prime Lending Rate as an indicator of the amount of credit interest rates that will be charged to customers so that CCB Indonesia constantly updates the Prime Lending Rate in accordance with the movement of the BI 7-Day Reverse Repo Rate set by Bank Indonesia. The Prime Lending Rate calculation considers 3 (three) components, namely the Cost of Funds for Credit (HPDK) arising from customer fund raising activities, operational expenses

incurred for fund raising and lending activities and the profit margin component set by the Bank in lending activities. For the record, the calculation of SBDK does not take into account the risk premium component of the debtor, the amount of which depends on the assessment of the risk of each debtor. Therefore, the amount of credit interest rate charged to debtors is not necessarily the same as the Prime Lending Rate.

CCB Indonesia has an obligation to report the calculation of the Prime Lending Rate to OJK on a monthly and periodic basis and to publish it in the wider media. Prime Lending Rate calculation applies to corporate loans, retail loans and consumer loans (mortgage and non-mortgage). The classification of corporate loans, retail loans and consumer loans (mortgages and non-mortgages) is based on internal criteria used by the Bank.

In determining the Prime Lending Rate (Prime Lending Rate), CCB Indonesia considers the compatibility of the Prime Lending Rate movement with regulatory policies, trends in the movement of the BI 7-Day Reverse Repo Rate and average market interest rates. In addition, operational costs and cost of funds at the Bank are also important factors for CCB Indonesia in determining the Prime Lending Rate to remain competitive in the market. The Prime Lending Rate for 2023 is as follows:

	Prime Lending Rate by Credit Segmentation				BI 7DRR
	Loans		Consumer Loans		
	Corporate	Retail	Mortgage	Non-Mortgage	
2023					
March	7.71%	8.57%	8.24%	8.33%	5.75%
June	7.59%	7.83%	8.02%	8.82%	6.00%
September	7.41%	8.03%	7.80%	8.79%	6.00%
December	7.55%	7.42%	8.29%	9.63%	6.00%
2022					
March	7.26%	7.26%	7.26%	7.26%	3.50%
June	7.19%	7.19%	7.19%	7.19%	3.50%
September	6.86%	7.42%	7.06%	7.16%	4.25%
December	6.75%	7.54%	6.96%	6.95%	5.50%

CCB Indonesia categorizes loans for the calculation of SBDK based on business segments as follows:

1. Corporate loans which are loans granted to Corporate Banking and High-End Commercial customers;
2. Retail loans which include loans granted to Small and Medium Enterprise Commercial Banking customers;
3. Mortgage consumption;
4. Non-mortgage consumption loans (Multipurpose).

Information on the Prime Lending Rate applicable at any time can be seen in the publications at each branch office and/or CCB Indonesia website (<https://idn.ccb.com/en/prime-lending-rate>).

Changes in Laws and Regulations and Accounting Policies

The business activities carried out by the Bank are regulated by a series of policies set by the Financial Services Authority, Bank Indonesia and other Indonesian laws and regulations. In addition, the Bank's business activities and business development are also affected by a series of policies, the results of operational conditions and financial conditions. Some of the changes in laws and regulations that occurred throughout 2023 that had a significant impact on CCB Indonesia are as follows:

Table of Changes in Law & Legislation:

No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
1	SEOJK No. 29/SEOJK.03/2022	Cyber Resilience and Security for Commercial Banks	<ul style="list-style-type: none"> a. Bank is required to have a unit or function dedicated to handling the cyber resilience and security of the bank. b. Bank is obliged to conduct assessment on: <ul style="list-style-type: none"> • Inherent Risks Related to Cyber Security • Level of Cyber Security Maturity c. Bank is required to establish Cyber Security Risk Determination. d. Bank is mandated to conduct Cyber Security Testing Based on Vulnerabilities and Scenarios. 	<ul style="list-style-type: none"> a. CCB Indonesia has established a unit or function dedicated to the cyber resilience and security of the bank. b. CCB Indonesia has conducted assessment on: <ul style="list-style-type: none"> • Inherent Risks Related to Cyber Security • Level of Cyber Security Maturity c. CCB Indonesia has determined Cyber Security Risk as of the end of December 2022. d. CCB Indonesia has conducted Cyber Security Testing Based on Vulnerabilities and Scenarios as of the end of December 2022. The results of: <ul style="list-style-type: none"> • Determination of Cyber Security Risk Level • Cyber Security Testing Based on Vulnerabilities • Cyber Security Testing Based on Scenarios • Assessment of Inherent Risks Related to Cyber Security • Results of Cyber Security Maturity Level Assessment <p>have been reported to OJK on June 27, 2023, via Letter No. 162/CCBI/DDIR-OJK/VI/2023 dated June 26, 2023.</p>
2	SEOJK No. 28/SEOJK.03/2022	Risk Management Certification for Human Resources of Commercial Banks	<ul style="list-style-type: none"> • The validity period of the Risk Management Certificate is 3 (three) years from the date of issuance, and it may be extended. The validity period of the extension of the Risk Management Certificate is 3 (three) years after the expiration date of the previous Risk Management Certificate. • Bank is required to monitor and to ensure that human resources participate in the human resource quality development program through Risk Management Certification and maintain the validity of the Risk Management Certificate they hold. 	CCB Indonesia will monitor to ensure that human resources participate in the human resource quality development program through Risk Management Certification and maintain the validity of the Risk Management Certificate they hold, in accordance with SEOJK No. 28/SEOJK.03/2022.
3	PADG No. 24/20/PADG/2022	Report on the Implementation of Market Code of Ethics and Treasury Certification Implementation	Banks are required to submit a Report on the Implementation of the Market Code of Ethics and Treasury Certification Implementation to Bank Indonesia.	CCB Indonesia has submitted the Report on the Implementation of the Market Code of Ethics and Treasury Certification Implementation to Bank Indonesia on January 24, 2023, through the Bank Indonesia system.
4	PADG No. 22/3/PADG/2020	Implementation of Competency Standardization in Payment Systems and Rupiah Management	Banks are required to submit a report on the certification ownership of Competency Standardization in Payment Systems and Rupiah Management on a quarterly basis.	CCB Indonesia has submitted a report on the ownership of the SK SPPUR certificate via letter No. 134/CCBI/DDIR-BI/VI/2023 dated June 8, 2023.

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No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
5	POJK No. 27 of 2022	Second Amendment to Financial Services Authority Regulation No. 11/POJK.03/2016 Regarding the Obligation to Provide Minimum Capital for Commercial Banks	Banks classified as group of core capital 2, group of core capital 3, and group of core capital 4 are required to establish a Capital Conservation Buffer.	Currently, CCB Indonesia is classified as a group of core capital 1 (KBMI 1) bank.
6	UU RI No. 27 of 2022	Personal Data Protection	Banks are required to comply with the provisions stipulated in Indonesian Law No. 27 of 2022.	The Bank will adhere to the provisions stipulated in Indonesian Law No. 27 of 2022.
7	KDK No. 34/KDK.03/2022	Designation of Accommodation and Food and Beverage Sectors, Textile and Textile Product Sectors, as well as Footwear, Micro, Small, and Medium-sized Enterprises, and Bali Province as Sectors and Regions Requiring Special Treatment for Bank Credit or Financing	<ul style="list-style-type: none"> In the implementation of such special treatment, banks need to establish risk management, including assessing the debtor's sustainability that will be restructured, calculating reserves based on the debtor's condition and performance according to financial accounting standards, and other risk management efforts as stipulated in the fifth dictum of the Special Treatment. Banks are required to submit reports consisting of: <ul style="list-style-type: none"> a. Credit or Financing Stimulus Report and/or Provision of Other Funds Assessed Based on Accuracy of Payment on a quarterly basis; b. Credit Stimulus or Restructuring Financing Report on a quarterly basis; and c. Credit Stimulus or Restructuring Financing Recapitulation Report on a monthly basis. 	<ul style="list-style-type: none"> In the event that the Bank will implement special treatment for debtors in the accommodation and food and beverage sectors, textile and textile product sectors, as well as footwear, micro, small, and medium-sized enterprise segments, and Bali Province, the Bank will establish risk management, including assessing the sustainability of debtors to be restructured, calculating reserves based on the condition and performance of debtors according to financial accounting standards, and other risk management efforts as stipulated in the dictum. CCB Indonesia has submitted a monthly Credit Stimulus or Restructuring Financing Recapitulation Report. <ul style="list-style-type: none"> - April 2023 Position, submitted via Letter No. 121/CCBI/DDIR-OJK/V/2023 dated May 24, 2023 - May 2023 Position, submitted via Letter No. 121/CCBI/DDIR-OJK/VI/2023 dated June 21, 2023 <p>For the Quarterly Reports, CCB Indonesia will submit before the end of July 2023</p>
8	PADG No. 1 of 2023	Second Amendment to Member of the Board of Governors Regulation No. 24/4/PADG/2022 Regarding the Implementation Regulation of Incentives for Banks Providing Funding for Specific and Inclusive Economic Activities.	<p>Adjustment of the provision of information regarding the provision of Incentives to Banks by Bank Indonesia for the incentive period:</p> <ol style="list-style-type: none"> For the month of March 2023, to be completed no later than the beginning of March 2023; and For the month of April 2023 to May 2023, to be completed no later than the beginning of April 2023. 	CCB Indonesia has received information regarding the provision of incentives from Bank Indonesia in March 2023 and April 2023.
9	Indonesia Government Regulation No. 10 of 2023	Types and Tariffs for Non-Tax State Revenues Applicable to the Ministry of Home Affairs	<p>Regarding the types of Non-Tax State Revenues in the form of access services for the utilization of population data and documents for:</p> <ol style="list-style-type: none"> government agencies, social security organizers, cooperatives, micro and small enterprises, a tariff of IDR 0.00 (zero Rupiah) applies; and telecommunication operators are subject to a tariff of 50% (fifty percent) of the tariff as stated in the Attachment, which is an integral part of this Government Regulation, for the first 2 (two) years since the enactment of this Government Regulation. 	In the event that CCB Indonesia utilizes access services for the utilization of population data and documents to perform Know Your Customer (KYC) and Customer Due Diligence (CDD), CCB Indonesia will pay according to the tariff specified in Attachment to Government Regulation No. 10.

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No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
10	PADG No. 2 of 2023	Amendment to the Regulation of the Board of Governors Number 24/8/PADG/2022 regarding the Implementation Regulation of Fulfillment of Minimum Mandatory Reserves in Rupiah and Foreign Currency for Conventional Commercial Banks, Sharia Commercial Banks, and Sharia Business Units.	The Minimum Mandatory Reserve (GWM) in Rupiah that must be fulfilled by the Bank is 9% (Nine percent).	In June 2023, CCB Indonesia received a Rupiah GWM incentive of 0.4%, thus the mandatory Rupiah GWM to be fulfilled by the Bank is 8.6%. Currently, the fulfillment of Rupiah GWM at CCB Indonesia is 8.73%.
11	POJK No. 3 of 2023	Enhancement of Financial Literacy and Inclusion in the Financial Services Sector for Consumers and Society	<ul style="list-style-type: none"> Mandatory establishment of a function or unit for the implementation of the provisions of POJK No. 3 of 2023. PUJK is obliged to compile and submit: <ul style="list-style-type: none"> a. Financial Literacy report; and b. Financial Inclusion report, to the Financial Services Authority. 	<ul style="list-style-type: none"> CCB Indonesia has established a function or unit for the implementation of the provisions of POJK No. 3 of 2023. CCB Indonesia has submitted: <ul style="list-style-type: none"> a. Financial Literacy report; and b. Financial Inclusion report, to the Financial Services Authority through letter No. 161/CCBI/DDIR-OJK/VI/2023 dated June 26, 2023. CCB Indonesia will fulfill the obligations stipulated in POJK No. 8 of 2023.
12	POJK No. 8 of 2023	Implementation of Anti-Money Laundering, Counter Terrorism Financing, and Counter Proliferation Financing of Weapons of Mass Destruction Programs in the Financial Services Sector	<ul style="list-style-type: none"> Banks are required to identify, assess, and understand the risks of Money Laundering, Terrorism Financing, and/or Proliferation Financing of Weapons of Mass Destruction concerning Customers, countries or geographical areas, products, services, transactions, or distribution networks. Banks are required to submit the assessment documents of Money Laundering, Terrorism Financing, and/or Proliferation Financing of Weapons of Mass Destruction risks that have been prepared individually to the Financial Services Authority, once a year. Banks must have policies, supervision, management, and risk mitigation procedures for Money Laundering, Terrorism Financing, and/or Proliferation Financing of Weapons of Mass Destruction risks that can manage and mitigate the identified risks approved by the Board of Commissioners. 	
13	PBI No. 4 of 2023	Short-Term Liquidity Loans for Conventional Commercial Banks	<p>In the event that CCB Indonesia receives Short-Term Liquidity Loans (PLJP), it is mandatory to submit reports to Bank Indonesia with copies to the Financial Services Authority (OJK), which include:</p> <ol style="list-style-type: none"> PLJP utilization report; BUK liquidity condition report; calculation report of the minimum capital adequacy ratio; collateral report if there are: <ol style="list-style-type: none"> corporate bonds or corporate sukuk that do not meet the rating requirements set by Bank Indonesia; settlement of Credits or Financing that serve as collateral for PLJP by debtors or BUK customers; and/or Credit Assets or Financing Assets experiencing a deterioration in quality; 30-day cash flow projection report for the next calendar day, provided on a daily basis; action plan to address Liquidity Difficulties; and other reports requested by Bank Indonesia. <p>The submission of daily cash flow projection reports as referred to in item e is carried out during the PLJP provision period up to 1 (one) working day before the maturity date or accelerated repayment date of the PLJP.</p>	Currently, CCB Indonesia has not applied for PLJP as it has not experienced short-term liquidity difficulties.

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No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
14	PBI No. 4 of 2023	Money Market and Foreign Exchange Market	Treasury Dealers from participants in the Money Market and/or Foreign Exchange Market transactions are required to be registered with Bank Indonesia starting from 6 (six) months from the effective date of this Bank Indonesia regulation (December 27, 2023).	The bank is currently preparing to fulfill this obligation.
15	POJK No. 9 of 2023	Consumer Protection by Bank Indonesia	<ol style="list-style-type: none"> 1. The obligations of Providers include: <ol style="list-style-type: none"> a. The obligation of Providers in Implementing the Principles of Equality and Fair Treatment. b. The obligation of Providers in Implementing the Principles of Openness and Transparency. c. The obligation of Providers in Implementing the Principles of Education and Literacy, such as conducting education to enhance the literacy of Consumers and/or the public. d. The obligation of Providers in Implementing the Principles of Responsible Business Behavior. e. The obligation of Providers in Implementing the Principles of Consumer Asset Protection against Misuse. f. The obligation of Providers in Implementing the Principles of Consumer Data and Information Protection. g. The obligation of Providers in Implementing the Principles of Effective Complaint Handling and Resolution. h. The obligation of Providers in Implementing the Principles of Compliance Enforcement, such as ensuring compliance with the provisions of laws and regulations regarding Consumer Protection. i. The obligation of Providers in Provider Cooperation, such as ensuring that other parties engaged in business activities with Consumers adhere to the principles of Consumer Protection as regulated in this Bank Indonesia Regulation. 2. Providers are required to implement risk management related to Consumer Protection. 3. Providers are required to submit reports related to Consumer Protection to Bank Indonesia. 	Currently, the Bank has fulfilled the obligations stipulated in Regulation No. 3 of 2023.
16	POJK No. 9 of 2023	Utilization of Public Accountant Services and Public Accountant Offices in Financial Services Activities.	<ol style="list-style-type: none"> 1. CCB Indonesia is obligated to submit periodic reports annually to the Financial Services Authority regarding: <ol style="list-style-type: none"> a. The appointment of Public Accountants (AP) and Public Accountant Offices (KAP) for the audit of annual historical financial information, accompanied by documents: <ol style="list-style-type: none"> 1) The appointment of AP and KAP along with the Audit Committee's recommendations and the considerations used in providing recommendations; and 2) Self-assessment results received from KAP, no later than 10 (ten) working days after the agreement between the Parties and KAP is signed; and b. The utilization of AP and KAP services, no later than 6 (six) months after the end of the fiscal year, electronically through the Financial Services Authority reporting system. 2. The submission of reports shall be complete and accurate. 3. CCB Indonesia is required to prepare and submit corrections for errors in reports electronically through the Financial Services Authority reporting system. 4. In the event that the Financial Services Authority reporting system cannot be used for the electronic submission of reports and report corrections, the Parties shall submit the reports offline to the Financial Services Authority. 	<p>Considering that this POJK takes effect on July 11, 2023, for the submission of Reports on the appointment of AP and KAP, self-assessment results received from KAP, and the utilization of AP and KAP services will be submitted via APOLO in 2024.</p> <p>Reports on the appointment of AP and KAP, self-assessment results received from KAP, and the utilization of AP and KAP services in 2023 are submitted via SIPENA.</p>

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No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
17	PBI No. 7 of 2023	Foreign Exchange from Export Proceeds and Import Financing	<p>Banks' Obligations:</p> <ol style="list-style-type: none"> Bank's obligations regarding Supporting Documents for Export (DHE), include but are not limited to submitting Non-TT Transaction Reports. Bank's obligations related to the receipt, placement, and utilization of Non-TT Supporting Documents for Export (SDA): <ol style="list-style-type: none"> Providing information and reports regarding the receipt of Non-TT Supporting Documents for Export (SDA). Ensuring that the utilization of Non-TT Supporting Documents for Export (SDA) by Exporters complies with the provisions. Ensuring that funds from the special account for Non-TT Supporting Documents for Export (SDA) to be placed into placement instruments originate from Non-TT Supporting Documents for Export (SDA). 	The Bank has submitted Non-TT Transaction Reports, information, and reports regarding the receipt of Non-TT Supporting Documents for Export (SDA) on January 5, 2024.
18	PADG No. 4 of 2023	Foreign Exchange from Export Proceeds and Import Payments	<p>Banks' Obligations:</p> <ol style="list-style-type: none"> Submitting Non-TT Transaction Reports, equipped with Export information, electronically to Bank Indonesia. Providing information and reports regarding the receipt of Supporting Documents for Export (DHE) fully, accurately, and promptly to Bank Indonesia. Ensuring the utilization of Non-TT Supporting Documents for Export (SDA) by Exporters is in accordance with the provisions. Banks are required to facilitate the utilization of Exporters' Non-TT Supporting Documents for Export (SDA) placements to Bank Indonesia. Ensuring that funds to be placed into Non-TT Supporting Documents for Export (SDA) placements originate from Non-TT Supporting Documents for Export (SDA). 	
19	PADG No. 5 of 2023	Second Amendment to Regulation Number 21/28/PADG/2019 concerning Monitoring of Foreign Exchange Transactions of Banks and Customers	<ol style="list-style-type: none"> Banks are required to verify the data and information obtained from customers to ensure the accuracy of the Foreign Exchange Traffic Report (LLD). For export transactions, banks must verify the Supporting Documents for Export (DHE) to ensure that the data and information provided by customers match the Supporting Documents for Export. Banks must verify the consistency between the Outward Fund Transfer order and the Supporting Documents for Outward Fund Transfer submitted by customers, including the recipient's name and payment amount. Banks must provide an explanation to customers that the accuracy and/or consistency of the Supporting Documents for Outward Fund Transfer and the declaration letter for Outward Fund Transfer are the responsibility of the customers. 	<p>The Bank has verified the data and information obtained from customers to ensure the accuracy of the Foreign Exchange Traffic Report (LLD).</p> <p>The LLD Report has been submitted to Bank Indonesia on January 15, 2024.</p>
20	PBI No. 8 of 2023	Revocation of Bank Indonesia Regulation Number 22/7/PBI/2020 Regarding Adjustment of the Implementation of Several Bank Indonesia Provisions as a Result of the Corona Virus Disease 2019 (COVID-19) Pandemic	<ol style="list-style-type: none"> The Government has declared the end of the COVID-19 pandemic status in Indonesia through the issuance of Presidential Decree Number 17 of 2023 concerning the Determination of the End of the Corona Virus Disease 2019 (COVID-19) Pandemic Status in Indonesia. With the end of the COVID-19 pandemic status, Bank Indonesia Regulation Number 22/7/PBI/2020 regarding Adjustment of the Implementation of Several Bank Indonesia Provisions as a Result of the Corona Virus Disease 2019 (COVID-19) Pandemic is no longer relevant, thus it needs to be revoked. Upon the effective date of this Bank Indonesia Regulation, Bank Indonesia Regulation Number 22/7/PBI/2020 regarding Adjustment of the Implementation of Several Bank Indonesia Provisions as a Result of the Corona Virus Disease 2019 (COVID-19) Pandemic is revoked and declared null and void. Policies established by Bank Indonesia based on Bank Indonesia Regulation Number 22/7/PBI/2020 regarding Adjustment of the Implementation of Several Bank Indonesia Provisions as a Result of the Corona Virus Disease 2019 (COVID-19) Pandemic may still be implemented until Bank Indonesia adjusts the said policies. 	The Bank will adjust the implementation of several Bank Indonesia provisions as a result of the Corona Virus Disease 2019 (COVID-19) pandemic.

Management Analysis and Discussion

No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
21	POJK No. 17 of 2023	Implementation of Governance for Commercial Banks	<p>1. In general, this POJK is the result of consolidating several relevant existing POJKs and includes additional new regulations that impact Shareholders, Independent Commissioners, Directors, Reporting, GCG Assessment, and gradual imposition of fines. The impacts of this POJK are as follows:</p> <ul style="list-style-type: none"> • Controlling Shareholders of Banks must: <ul style="list-style-type: none"> a. Support and implement efforts to strengthen the bank's capital; and b. Refrain from actions that may expose the Bank to risks. • Termination or replacement of Independent Commissioners, President Directors, directors in charge of compliance before the end of their term must obtain prior approval from the Financial Services Authority (OJK) before being decided at the General Meeting of Shareholders. <p>2. Reporting:</p> <ul style="list-style-type: none"> • Strategic Plan: Banks must prepare and submit a strategic plan in the form of: <ul style="list-style-type: none"> a. Corporate plans; and b. Business plans, following the procedures outlined in the Financial Services Authority regulations regarding commercial banks, and Financial Services Authority regulations regarding bank business plans. • Submitting a governance implementation report at the end of each financial year to the Financial Services Authority and the controlling shareholders of the Bank no later than 4 (four) months after the end of the financial year. • Conducting a self-assessment of Good Governance implementation at least 2 (two) times a year. The factors for assessing Good Governance implementation as stipulated in POJK 17 of 2023 include: the execution of duties and responsibilities of the Board of Directors; the execution of duties and responsibilities of the Board of Commissioners; completeness and execution of committee duties; conflict of interest management; compliance function implementation; internal audit function implementation; external audit function implementation; risk management implementation including internal control systems; provision of funds to related parties and large exposures; transparency of the Bank's financial and non-financial conditions, governance implementation reports, and internal reporting; Bank's strategic plan; Remuneration; Shareholder aspects; Anti-Fraud Strategy Implementation; Sustainable Finance Implementation; Governance in SMEs. 	<ul style="list-style-type: none"> • As of now, Controlling Shareholders consistently support and strive to strengthen the Bank's capital and refrain from actions that may expose the Bank to risks. • As of now, there have been no terminations or replacements of Independent Commissioners, President Directors, directors in charge of compliance before the end of their term. • Currently, the Bank has developed corporate and business plans for the years 2024-2026, submitted to the OJK in November 2023. • The Bank will submit its governance implementation report for the year 2023 no later than April 2024. • Currently, the Bank is preparing data/information for the self-assessment of Good Governance implementation at the Bank for the second semester of 2023 using the 16 assessment factors as stipulated in POJK 17 of 2023. • As of now, the Bank has never received warnings or fines related to governance reporting or other obligations stipulated in POJK 17 of 2023. The Bank will always comply with the provisions stipulated in POJK 17 of 2023

Management Analysis and Discussion

No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
			<p>3. Sanction regulations stipulated in POJK 17 of 2023:</p> <ul style="list-style-type: none"> • Sanctions related to Reporting: <ul style="list-style-type: none"> a. Banks that violate the provisions are subject to written warnings. b. Banks that are late in fulfilling the obligation to submit and publish governance implementation reports are subject to administrative fines of IDR1,000,000.00 (one million Rupiah) per working day, up to a maximum of IDR30,000,000.00 (thirty million Rupiah). c. Banks that have been fined administratively must still submit governance implementation reports to the Financial Services Authority. • Sanctions for non-compliance: <ul style="list-style-type: none"> a. In the event that a bank has been fined administratively and continues to violate the provisions, the bank is subject to administrative sanctions, including: <ul style="list-style-type: none"> 1) Prohibition on issuing new bank products; 2) Freezing certain banking activities; 3) Prohibition on expanding business activities; 4) Prohibition on engaging in new business activities; and/or 5) Reduction in the governance factor assessment in the bank's health level assessment. b. In the event that a bank has been fined administratively, key individuals of the bank may be subject to administrative sanctions, including bans as key individuals according to the Financial Services Authority regulations regarding reassessment for key individuals of financial institutions. c. In addition to administrative sanctions, banks and/or controlling shareholders may be subject to administrative fines ranging from at least IDR2,000,000,000.00 (two billion Rupiah) to a maximum of IDR50,000,000,000.00 (fifty billion Rupiah) for each violation committed. 	
22	PBI No. 11 of 2023	Macroprudential Liquidity Incentive Policy	<ol style="list-style-type: none"> 1. The Macroprudential Liquidity Incentive Policy (MLIP) is an incentive established by Bank Indonesia through the reduction of bank deposits at Bank Indonesia for the purpose of meeting the mandatory Liquidity Coverage Ratio (LCR) on an average basis. 2. Bank Indonesia provides MLIP to banks that channel: <ol style="list-style-type: none"> a. Credit or Financing to specific sectors determined by Bank Indonesia; b. Inclusive credit or financing based on the achievement of the macroprudential inclusive financing ratio (RPIM); c. Credit or financing to ultra-micro enterprises (UMi); d. Environmentally conscious credit or financing; and/or e. financing as determined by Bank Indonesia. 3. Banks are required to periodically report to Bank Indonesia regarding the provision of Credit or Financing to UMi. 	The Bank has currently adjusted its policy accordingly, and the Ultra Micro Financing (UMi) Report for the Fourth Quarter of December 2023 was submitted to Bank Indonesia on January 18, 2024.

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No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
23	PADG No. 13 of 2023	Strengthening the Quality of Market Participants and the Operation of Self-Regulatory Organizations in the Money Market and Foreign Exchange Market	<ol style="list-style-type: none"> 1. Bank Indonesia regulates, develops, and supervises the strengthening of the quality of participants in Money Market and/or Foreign Exchange Market transactions and the operation of SROs with the aim of enhancing: <ol style="list-style-type: none"> a. The integrity of participants in Money Market and/or Foreign Exchange Market transactions; b. The competency standards of participants in Money Market and/or Foreign Exchange Market transactions; c. The standards for the implementation of Treasury Certification by Treasury Certification providers; d. The contribution of market participants to the development of the Money Market and/or Foreign Exchange Market in an industry-led manner; and e. The application of prudential principles. 2. Treasury Dealers from participants in Money Market and/or Foreign Exchange Market transactions, such as Banks, are required to be registered with Bank Indonesia. 3. Participants in Money Market and/or Foreign Exchange Market transactions, such as Banks, are required to have internal procedures to ensure that Treasury Dealers adhere to Market Code of Ethics. 4. Treasury Dealers who have engaged in Treasury Activities before the enactment of Bank Indonesia regulations on the Money Market and Foreign Exchange Market must register with Bank Indonesia no later than 1 (one) year from the date the Bank Indonesia regulations come into effect. 5. For Treasury Dealers who commence Treasury Activities after June 27, 2023, until December 26, 2023, they may continue to carry out Treasury Activities for 6 (six) months from the effective date of registration requirements. 	The Bank will make adjustments to the implementation of certain provisions in order to strengthen the quality of participants and the operation of Self-Regulatory Organizations in the Money Market and Foreign Exchange Market.
24	SEOJK No. 18/SEOJK.03/2023	Procedure for Using Public Accountant Services and Public Accountant Offices in Financial Services Activities	<ol style="list-style-type: none"> 1. Parties such as Commercial Banks, Issuers, and Public Companies <ol style="list-style-type: none"> a. Parties such as commercial banks, issuers, and public companies limit the use of audit services for annual historical financial information from the same Public Accountant (PA) for 7 (seven) cumulative years. b. The cumulative calculation of the limitation on the use of audit services for annual historical financial information from the same PA is accumulated since the 2017 fiscal year. c. Parties such as commercial banks, issuers, and public companies may only reuse audit services for annual historical financial information from the same PA after passing a cooling-off period according to the type of PA role in the engagement, namely: <ol style="list-style-type: none"> 1) If the PA acts as an engagement partner, the cooling-off period is for 5 (five) consecutive reporting fiscal years; 2) If the PA acts as the responsible party for the quality control review engagement, the cooling-off period is for 3 (three) consecutive reporting fiscal years; and 3) If the PA acts as another audit engagement partner, the cooling-off period is for 2 (two) consecutive reporting fiscal years. 2. Parties such as commercial banks, issuers, and public companies ensure that PAs have complied with the limitations on the use of audit services and cooling-off periods as stipulated in the code of ethics of the Public Accountants Professional Association and the provisions of regulations regarding public accountant practices. 	The Bank will make adjustments to the limitations on the use of audit services and related cooling-off periods.

Management Analysis and Discussion

No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
25	PADG No. 17 of 2023	Implementation of Bank Indonesia-Fast Payment	<ol style="list-style-type: none"> 1. In the implementation of BI-FAST, Participants are required to: <ol style="list-style-type: none"> a. Maintain smoothness and security in the use of BI-FAST; b. Be responsible for the accuracy of all data, transaction orders, and all information sent by the Participant to the Operator through BI-FAST; c. Execute agreements with the Operator; d. Conduct BI-FAST operational activities in accordance with agreements and other relevant Bank Indonesia provisions; e. Transparently inform customers about transaction costs; f. Provide data and information related to the implementation of BI-FAST to Bank Indonesia; and g. Comply with the provisions issued by the SRO. 2. Participant's obligation to maintain smoothness and security in the use of BI-FAST. 	The Bank has fulfilled the obligations as stipulated in PADG No. 17 of 2023.
26	PADG No. 18 of 2023	Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional Commercial Banks, Sharia Commercial Banks, and Sharia Business Units.	<ol style="list-style-type: none"> 1. The change in the ratio of the Macroprudential Liquidity Buffer (MLB) for Conventional Commercial Banks to 5% of Rupiah third-party funds (DPK) of Conventional Commercial Banks 2. Types of securities considered in meeting the MLB are: <ol style="list-style-type: none"> a. SBI for all periods; b. SBIS for all periods; c. SDBI for all periods; <ol style="list-style-type: none"> c1. SRBI for all periods; d. SukBI for all periods; and/or e. Government securities consisting of: <ol style="list-style-type: none"> 1) SUN in the form of government bonds and/or treasury bills, for all types and periods, excluding non-negotiable SUNs; and/or 2) SBSN in the form of long-term and/or short-term SBSN for all types and periods, excluding non-negotiable SBSNs. 	The Bank has adjusted the size of the Macroprudential Liquidity Buffer (MLB) ratio to 5% of Rupiah third-party funds (TPF) of Conventional Commercial Banks
27	PADG No. 18 of 2023	Fifth Amendment to the Regulation of the Member of the Board of Governors Number 21/25/PADG/2019 on Loan To Value Ratio for Property Loans, Financing To Value Ratio for Property Financing, and Down Payment for Motor Vehicle Loans or Financing.	<p>Stipulation of limitations:</p> <ol style="list-style-type: none"> 1. LTV Ratio for KP and FTV Ratio for PP 2. Down Payment for KKB or PKB 	The Bank has adjusted the stipulation of the limits until December 31, 2024.

Management Analysis and Discussion

No.	Regulation	Regulation Summary	Background for Regulation Issuance	Impact on CCB Indonesia
28	SEOJK No. 24/SEOJK.03/2023	Assessment of Digital Maturity Level of Commercial Banks	<ol style="list-style-type: none"> The Bank has internal policies and procedures in conducting appraisals that contain at least the party conducting the appraisal and the party reviewing the appraisal adjusted to the organization and complexity of the Bank. The Bank submits a report on the results of its self-assessment of the Bank's digital maturity level as part of the report on the current condition of the Bank's IT implementation. The results of the assessment of the Bank's digital maturity level are submitted to the Financial Services Authority as part of the report on the current condition of the Bank's IT implementation, which is no later than 15 (fifteen) working days after the end of the reporting year using the format. The first assessment of the Bank's digital maturity level is carried out by the Bank for the position at the end of December 2023 and the results of the assessment are submitted to the Financial Services Authority no later than the end of June 2024. For the following year assessment is submitted in accordance with the deadline. The results of the self-assessment of the Bank's digital maturity level, for the first time at the end of December 2023, shall be submitted to the Financial Services Authority no later than the end of June 2024, submitted online through the Financial Services Authority reporting system (SIPENA), without being combined in the report on the current condition of the bank's IT implementation. For the following year's assessment, it shall be submitted no later than 15 (fifteen) working days after the end of the reporting year as part of the report on the current condition of the bank's IT implementation. 	The Bank has conducted a self-assessment of its digital maturity level, for the first time, at the end of December 2023. The report will be submitted no later than the end of June 2024.

Changes in Accounting Policies

The standards and interpretations that are issued by the DSAK-IAI, but not yet effective for current year financial statements are disclosed below.

Effective on or after January 1, 2023.

- Amendment to SFAS 1: "Presentation of Financial Statements" regarding the classification of liabilities.
- Amendment of SFAS 16: "Fixed Assets" regarding proceeds before intended use.
- Amendment of SFAS 25: "Accounting Policies, Changes in Accounting Estimates, and Errors" regarding the definition of "accounting estimates" and their explanations.
- Amendment of SFAS 46: "Income Tax" on 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.

The above standards are effective on January 1, 2023 and early implementation is permitted.

Effective on or after January 1, 2024.

- Amendment of SFAS 1: "Presentation of Financial Statements" related to long-term liabilities with covenants.
- Amendment of SFAS 73: "Leases" regarding lease liabilities in sale-and-lease back transactions.

The above standards are effective on January 1, 2024 and early adoption is permitted.

As at the authorization date of this financial statements, the Bank is still evaluating the potential impact of these new and revised accounting standards to the financial statements of the Bank.



Tari Kecak

Bali

The dancing form known as kecak originated in Bali. Numerous male dancers who sit in a row in a circular pattern while raising both arms in a rhythm known as "cak, cak, cak" practise this Kecak dance art. This dance was created as an artistic show for visitors to Bali and was influenced by the Balinese people's ancient ceremonies, which were eventually transformed into the Hindu myth of the Ramayana.

Corporate Governance

04



Togetherness in Indonesian Traditional dance philosophy

Sustainability Report



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1. Sustainability Strategy
2. Performance Overview of the Sustainability Aspects
3. Profile of CCB Indonesia
4. Explanation of Board of Directors
5. Sustainability Governance
6. Sustainability Performance
7. Responsibility for Sustainable Financial Products/Services Development
8. Others

Corporate Social and Environmental Responsibility

CCB Indonesia Sustainability Report was prepared based on the Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies; and Financial Services Authority Circular No. 16/SEOJK.04/2021 concerning the Form and Content of the Annual Report of Issuers or Public Companies. In carrying out CCB Indonesia's business activities, it is carried out responsibly, by integrating environmental, social, and environmental aspects of governance (ESG) in a sustainable financial framework, so that business growth is also expected to have a good impact on planetary preservation and public welfare. The distribution of financing is carried out by giving more priority to business people who carry out their business with concern for social and environmental aspects. CCB Indonesia also plays a role in contributing to the sustainable greening program in barren areas that has been implemented for the past 9 (nine) years through corporate social responsibility.

The Scope of this Report covers the period from January 1 to December 31, 2023 with the scope of information and data originating from CCB Indonesia. Information on financial statements that have been audited by the Public Accounting Firm of Purwantono, Sungkoro and Surja (a member of Ernst and Young).

The Sustainability Report includes:

1. Sustainability Strategy
2. Performance Overview of the Sustainability Aspect
3. Profile of CCB Indonesia
4. Explanation of the Board of Directors
5. Sustainability Governance
6. Sustainability Performance
7. Responsibility for Sustainable Financial Products/Services Development
8. Others

1. Sustainability Strategy

Sustainability Strategy Explanation

In carrying out business activities, CCB Indonesia implements responsibly, by integrating environmental, social and governance (ESG) aspects within a sustainable financial framework, so that business growth is also expected to have a positive impact on preserving the planet and the welfare of society.

CCB Indonesia will consistently support government policies by implementing programs with economic activities that support Indonesia's efforts and Sustainable Development Goals (SDGs) which cover economic, environmental and social aspects; within a sustainable financing framework to support the achievement of the net zero emission (NZE) target in Indonesia until 2060.

CCB Indonesia is committed to maintaining environmental sustainability in the company's daily operational activities, including maintaining the cleanliness of the environment around the office, giving priority to providing loans to environmentally sound business activities and parties who care about social and environmental aspects ('green company'), and has implemented a sustainable greening program which started in 2014.

Financing priorities are directed towards environmentally sound business activities, which means that these activities must pay attention to and strive to reduce negative impacts on the environment and encourage sustainable practices. Environmentally sound business activities include investment in renewable energy, namely: financing for renewable energy projects such as solar, wind or hydroelectric power which help reduce greenhouse gas emissions and promote cleaner energy sources; as well as sustainable transportation financing to support sustainable transportation projects, such as the development of public transportation or sustainable infrastructure.

Apart from that, CCB Indonesia also plays an active role in contributing to the sustainable reforestation program in barren and drought areas which has entered its 9th year through corporate social responsibility (CSR).

Reforestation is very important to overcome the problem of land degradation, reduce soil erosion, and increase environmental sustainability. This sustainable greening program is beneficial for others and the environment, especially overcoming barren, barren land that is prone to landslides to stop and rehabilitate land damage. This activity is included in the Sustainable Development Goals or SDGs No. 15, namely protecting, restoring and supporting sustainable use of terrestrial ecosystems, sustainably managing forests, combating desertification, and inhibiting and reversing land degradation and preventing the loss of biodiversity.

The occurrence of climate change or extreme weather, which has recently hit the earth globally and caused various disasters, such as long droughts, landslides. CCB Indonesia has participated in assistance through a sustainable reforestation program in the Central Java area, especially Wonogiri to prevent erosion in barren areas to avoid the danger of landslides. Implementation of the reforestation program starts from the pre-planting process, planting seeds to watering until the trees can grow independently, namely having strong enough roots.

Definition of Sustainable Finance

- Sustainable Finance is a comprehensive support from the financial services sector to create sustainable economic growth by aligning economic, social and environmental interests.
- Sustainable Financial Products and/or Services are financial products and/or services that integrate economic, social and environmental aspects, as well as governance in its features.
- Financial Services Institutions (LJK), Issuers and Public Companies must implement Sustainable Finance in the business activities of LJK, Issuers and Public Companies.

CCB Indonesia's strategy in implementing the Sustainable Financial Action program includes:

- 1) Environmentally sound business financing.
In this case, it is carried out by providing loans for environmentally sound business activities, namely to parties who have a concern for the environment ('green companies'). CCB Indonesia encourages loan providers to give more priority to business players who are environmentally sound and carry out their business by paying attention to social and environmental aspects.
- 2) Sustainable Greening Program
In line with the implementation of Corporate Social Responsibility (CSR) for a sustainable greening program in the Wonogiri area, Central Java which has been started since 2014 until now, and will be continued in the coming years, to prevent erosion for barren areas to avoid landslide hazard. The implementation of this program is currently running in 3 (three) villages, namely Sumberharjo Village, Sindukarto Village and Puloharjo Village, Eromoko District,

Sustainability Report

Wonogiri Regency. This reforestation program consists of (i) planting superior seeds of sapodilla fruit, longan, petai and jackfruit on village roads, fields and people's houses, as well as hillsides/mountains, and the fruit yields can be used by the local community; (ii) provide assistance programs for watering the donated plants. The implementation of this program has been implemented since 2014 for a period of 10 (ten) years until 2024, and this program will be continued to other villages that are still barren in the Wonogiri district.

3) Bank activities with concern for Social and Environmental Aspects.

Efforts to encourage the implementation of activities at CCB Indonesia that pay attention to social and environmental aspects, with the aim of saving the use of increasingly limited natural resources, for example the development of environmentally sound products (digital banking), saving resource use, implementing educational programs through e-learning, meetings with participants who have remote location with teleconference meeting and so on.

Goals of the Sustainable Greening Program

- 1) Overcoming land degradation
One of CCB Indonesia's main reforestation objectives in arid areas is to overcome land degradation caused by erosion, decreased soil quality and loss of vegetation. Plants planted in this program can help improve soil structure, increase fertility and reduce erosion, as well as avoid the danger of landslides.
- 2) Improving environmental quality
Greening can help improve environmental quality in barren areas. Planted plants can produce oxygen, absorb carbon dioxide, and reduce air pollution. Apart from that, reforestation can also help maintain the balance of local ecosystems, improve water quality, and provide habitat for various species of flora and fauna.
- 3) Reduce the impact of climate change
Planting trees and other plants in CCB Indonesia's reforestation program can help reduce greenhouse gas emissions and reduce the effects of global warming. Plants absorb carbon dioxide from the air and store it in the form of biomass, helping to reduce the amount of greenhouse gases in the atmosphere.
- 4) Providing biological resources
Reforestation programs in arid and barren areas can help provide sustainable biological resources. Planted trees

and plants can provide wood, animal feed, food and medicinal ingredients for local communities. This can help improve economic prosperity and food security in the area.

5) Increase economic sustainability

Greening can also provide long-term economic benefits. For example, developing agrotourism by utilizing green land can become a source of income for local communities. The fruits/vegetables produced from plants originating from the CCB Indonesia greening program can be fully used by the local community and are able to provide economic value.

6) Improving the quality of life of the community

A green environment can have a positive impact on people's quality of life. Greenery can create a cooler environment, cooling the air temperature which tends to get hotter. This can improve living comfort and people's health.

7) Promote environmental awareness

Through CCB Indonesia's greening program, it is hoped that public awareness and understanding of the importance of protecting the environment will increase. Involving the community in greening programs can help increase their awareness and active participation in protecting and preserving the environment. CCB Indonesia, in collaboration with local village heads and farming communities, regularly holds meetings, especially to instill the importance of this greening program.

CCB Indonesia's sustainable greening program consists of:

1. Program for planting superior seedlings of sapodilla fruit, longan, petai and jackfruit which is usually carried out in December on village roads, farmers' fields and residents' houses, as well as surrounding hillsides/mountains, and the fruit can be used by the local community and provide economic value;
2. The assistance program for watering the donated plants is carried out during the dry season, generally between March and October.

Steps in Implementing Sustainable Greening Program

1. Identify areas that need reforestation
Identify the areas in Eramoko District that are the most arid and barren. CCB Indonesia coordinates with local

governments, local communities or environmental organizations to obtain more detailed information about these areas.

2. Assistance from agricultural/plantation experts
CCB Indonesia consults with local agricultural/plantation experts to gain more in-depth knowledge about the types of plants suitable for growing in the area. Consider factors such as climate, soil type, and water availability in selecting the right plant species.
3. Collection and planting of superior seeds
Collect plant seeds that suit the conditions of the area. Accompanied by local agricultural/plantation experts to obtain suitable plant seeds. Be sure to choose species that are resistant to drought and poor soil conditions.
4. Land preparation
CCB Indonesia, assisted by local agricultural/plantation experts, prepares the land by ensuring that the soil is sufficient to support the growth of new plants. Then improve the soil by adding organic fertilizer or other organic materials.
5. Planting and maintenance
Plant seeds with sufficient distance between one tree and another, and provide proper care, including regular watering and applying fertilizer if necessary. CCB Indonesia, assisted by local agricultural/plantation experts, ensures that they monitor plant growth and provide protection against pests and diseases. Apart from that, CCB Indonesia also helps with watering, especially in the dry season, because water in this area is quite difficult to obtain.
6. Involve the local community
CCB Indonesia also involves local communities in this reforestation project, especially farming communities, by inviting them to participate in planting and caring for plants. The local agricultural/plantation expert team provided an understanding of the benefits of reforestation and invited them to look after the plants well after planting was completed.
7. Fruit/vegetable results from the reforestation program
The fruits or vegetables produced from plants originating from this reforestation program can be fully used by the local community and provide economic value that is beneficial to the surrounding environment.

8. Monitoring and Evaluation
CCB Indonesia, assisted by local agricultural/plantation experts, regularly monitors plant growth and the impact of reforestation. Evaluate the success of reforestation projects and identify steps that need improvement.

2. Performance Overview of the Sustainability Aspects

a. Economic Aspect

During 2023 the financial performance of CCB Indonesia showed a number of positive financial ratio indicators, especially the Bank's profitability performance during this pandemic. The profit after tax in 2023 was IDR241.29 billion, a significant increase of 77.47% compared to 2022 of IDR135.96 billion, with achieving 157.69% of the business plan target. Likewise, other indicators such as loan quality and efficiency showed better performance than the previous year.

Loan disbursement increased by 16.02% year on year from IDR16.69 trillion as of December 31, 2022 to IDR19.36 trillion as of December 31, 2023, with 101.24% achievement of the business plan. Meanwhile, Third Party Funds year on year increased by 11.37% from IDR17.95 trillion to IDR19.99 trillion as of December 31, 2023, or 97.88% of the business plan target. The Bank manages to improve the effectiveness of the intermediary function by optimizing the Loan to Deposits Ratio (LDR). As Loan increased, Total Assets as of December 31, 2023 also increased by 11.31% year on year from IDR25.02 trillion to IDR27.85 trillion, or 100.95% of the business plan target.

Achievement of profitability ratios namely Return On Assets (ROA) and Return On Equity (ROE) as of December 31, 2023 were 1.22% and 4.11% respectively, better than the business plan targets of 0.79% and 2.65% respectively. Net Interest Margin (NIM) of 4.18% also exceeded the business target of 3.68%. As of December 31, 2023, the loan quality of gross NPL was 2.87% and net NPL was 0.77%, which was better than the target of 3.95% and 1.32% respectively. Capital Adequacy Ratio (CAR) as of December 31, 2023 reached 37.45% higher than the projected business plan of 35.97%.

The complete economic aspects can be seen in the Financial Overview Chapter (page 8), the Report of Board of Directors Chapter (page 38) and the Financial Review Chapter: Management Analysis and Discussion (page 117)

Sustainability Report

CCB Indonesia develops environmentally sound products and services through digital banking, such as internet banking (corporate and individual), mobile banking, and virtual accounts. CCB Indonesia has consistently been developing technology-based products and services, initially developing internet banking for corporations, continuing for individuals, and mobile banking, as well as continuing development of digital banking, such as QR payment, iDebit.

b. Environmental Aspect

Efforts are made to reduce the use of energy resources at CCB Indonesia from time to time, as reflected in the costs incurred by the Bank showing a downward trend.

CCB Indonesia always strives to reduce the use of fuel resources in banking activities, including: meetings and discussions using teleconference media, as well as holding virtual training (e-training), and holding the General Meeting of Shareholders held in a hybrid manner. Apart from that, CCB Indonesia also encourages customers to make financial transactions using digital banking, so that customers do not need to come to the bank and reduce the use of transportation.

Transportation costs have shown a consistent decline in the last 5 (five) years, namely IDR341 million (2019), IDR149 million (2020), IDR144 million (2021), IDR129 million (2022), and to IDR119 million (2023).

Likewise, Printing Costs show a decreasing trend from IDR1.73 billion (in 2019), to IDR876 million (2020), to IDR543 million (2021), IDR579 million (2022), and to IDR95 million (in 2023).

Gas Electric Water costs have also decreased from IDR5.70 billion (in 2022) to IDR5.62 billion (in 2023).

However, since the pandemic period has ended in 2023 and office operational activities have returned to normal, which is marked by the level of traffic congestion which tends to increase along with the end of activity restrictions regulated through the previous PPKM status, fuel consumption increased in 2023, namely IDR3.20 billion (320,354 litres of fuel) from IDR2.93 billion (292,840 litres of fuel) in 2022.

c. Social Aspect

The occurrence of climate change or extreme weather, such as long droughts, droughts, landslides. CCB Indonesia continuously participates in the planting of sapodilla, longan, petai and jackfruit seedlings, as well as support for watering plants in a reforestation program in the Wonogiri area, Central Java to prevent erosion in barren areas to avoid landslide

hazards. The fruits from the planting of the reforestation program can be shared free of charge for the community around the location. In addition, in the context of corporate social responsibility (CSR), CCB Indonesia also holds a number of social activities that provide support for underprivileged communities and need assistance, such as social visits to orphanages, school assistance, especially for children with disabilities and natural disaster assistance.

3. Profile of CCB Indonesia

a. Vision, Mission, Core Beliefs and Core Values

CCB Indonesia mission has been adjusted in the previous year to accommodate the Sustainable Finance program which contains elements of social and environmental responsibility.

Vision

Become an international bank and has the ability to multiply value through innovation capabilities.

Mission

Provide better products and services for customers, create higher value for shareholders, build broader career path for associates, and implementing social and environmental responsibility as a good corporate citizen.

Core Values

1. Integrity
Ability and commitment to realize what has been agreed.
2. Trust
Relationships are based on trust in each other.
3. Speed
Speed in providing service.
4. Competence
Competence is the main differentiator between success and failure in any field

Core beliefs

1. Strong financial base
We believe that a strong financial base will determine the competitiveness of our bank. Therefore, we aim to deliver outstanding sustainable financial performance by building a customer network, productive processes and cost-effectiveness, superior human capital.
2. Ability to provide complex service and with speed
We believe that the ability to provide complex and fast services can win customers' choices. Therefore, we desire to design and implement complex and fast service processes for customers.

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3. Strong partnered relationship
We believe that the partnership is a multiplier of the value received by the customer; therefore we intend to build comprehensive partnerships between our bank and suppliers and business partners, partnerships between employees and managers, partnerships between functions within our organization.
4. Sustainable improvement
We believe that in this life we will never reach perfection, therefore we desire to always strive for perfection; there is always a better way.
5. Human capital
We believe that human capital is a determinant of our ability to deliver sustainable financial performance; therefore, we aim to attract, retain, motivate and effectively utilize the quality personnel we can find.
6. Commitment
We believe that the commitment to build a harmony of economic, social and environmental interests will maintain sustainable economic growth, therefore we desire to succeed in developing a green environment.

b. Company's Address

Company's Name	PT Bank China Construction Bank Indonesia Tbk
Head Office	Sahid Sudirman Center, 15th floor Jl. Jend Sudirman Kav. 86 Central Jakarta 10220, Indonesia. Telephone (62-21) 5082 1000 Fax. (62-21) 5082 1010 SWIFT/BIC : BWKIIDJA
Website	idn.ccb.com
Email	corsec@idn.ccb.com
Status of the Bank	Public Company and Foreign Exchange Bank
Stock Listing	Indonesia Stock Exchange
Stock Code	MCOR

Detailed information about the CCB Indonesia's office network which consists of 72 offices can be found in the Office Network Chapter (page 268).

c. Scale of business

(in million IDR)

Financial Figures	Dec-23	Dec-22	Dec-21
Total Assets	27,852	25,023	26,195
Loans	19,360	16,687	13,773
Third Fund Party	19,987	17,947	19,274
Equity	6,541	6,199	6,081
Profit After Tax	241	136	79

The number of Bank employees as of December 2023 (excluding outsourcing employees) was 1,183 persons. The Bank outsources some of the work of non-staff, such as couriers, drivers, security and cleaning to outsourcing service providers. As of December 31, 2023, the number of outsourced employees was 295 persons, bringing the total number of employees (including outsourced employees) to 1,478 persons.

Total Employees by Employees' Status

Employees' Status	31-Dec-23		31-Dec-22	
	Total	%	Total	%
Permanent Employees	1,137	96%	1,154	96%
Probation Employees	37	3%	41	3%
Contract Employees	9	1%	8	1%
Number of employees	1,183	100%	1,203	100%
Outsourcing Employees	295		321	
Number of employees (including outsourcing employees)	1,478		1,524	

Employees' Composition by Education Level

(Excluding outsourcing employees)

Education Level	31-Dec-23		31-Dec-22	
	Total	%	Total	%
< Senior High School	249	21%	279	23%
Academy	126	11%	141	12%
Bachelor	766	65%	742	62%
Postgraduate	42	4%	41	3%
Total	1,183	100%	1,203	100%

Employees' Composition by Years of Service

(Excluding outsourcing employees)

Years of Service	31-Dec-23		31-Dec-22	
	Total	%	Total	%
0-3 years	296	25%	314	26%
3-5 years	128	11%	155	13%
5-10 years	375	32%	362	30%
10-20 years	257	22%	232	19%
> 20 years	127	11%	140	12%
Total	1,183	100%	1,203	100%

Employees' Composition by Age

(Excluding outsourcing employees)

Age	31-Dec-23		31-Dec-22	
	Total	%	Total	%
< 25 years old	48	4%	49	4%
25-34 years old	450	38%	474	39%
35-44 years old	374	32%	365	30%
> 45 years old	311	26%	315	26%
Total	1,183	100%	1,203	100%

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Employees' Composition by Position

(Excluding outsourcing employees)

Position	31-Dec-23		31-Dec-22	
	Total	%	Total	%
Directors	6	1%	6	0%
Division Head / Regional Head	39	1%	38	3%
Branch Manager	67	9%	70	6%
Department Head	151	14%	155	13%
Officer	64	5%	71	6%
Staff	765	68%	758	63%
Non-Staff	91	1%	105	9%
Total	1,183	100%	1,203	100%

Employees' Composition by Gender

(Excluding outsourcing employees)

Gender	31-Dec-23		31-Dec-22	
	Total	%	Total	%
Male	582	49%	594	49%
Female	601	51%	609	51%
Total	1,183	100%	1,203	100%

Share Ownership Composition per 31 December 2023

No	Shareholders' Name	1-Jan-23		31-Dec-23	
		Number of Shares	Percentage	Number of Shares	Percentage
1	China Construction Bank Corporation	22,751,563,707	60.00%	22,751,563,707	60.00%
2	Johnny Wiraatmadja	2,613,613,705	6.89%	2,631,113,705	6.94%
3	UOB Kay Hian Pte. Ltd.	3,112,882,656	8.21%	3,112,882,656	8.21%
4	Public	9,441,670,446	24.90%	9,424,170,446	24.85%
Total Shares		37,919,730,514	100.00%	37,919,730,514	100.00%

At the end of 2023 CCB Indonesia has a network of 72 offices, consisting of 1 Head Office, 20 Branch Offices and 51 Sub-Branch Offices, spread across cities in Indonesia such as Jakarta, Bandung, Semarang, Solo, Yogyakarta, Surabaya, Denpasar Bali, Mataram Lombok, Palembang, Bandar Lampung, Batam, Pekanbaru, Pontianak, Makassar and Pangkal Pinang.

Detailed information related to this is found in the Financial Overview Chapter (page 6), Human Capital Chapter (page 50), Shareholder's Information Chapter (page 16) and Offices Network Chapter (page 268).

d. Products, Services, and Business Activities carried out

Business Activities According to Articles of Association

Main Business Activities

- Raising funds from the community in the form of current account, time deposits, certificates of deposit, savings and/or other equivalent forms;
- Granting medium, long or short term-loans and other types that are prevalent in the banking world;
- Promissory note issuance;
- Purchasing, selling, or guaranteeing at own risk or for the benefit and at the behest of the customer:
 - Bills including bills received by banks whose validity period is no longer than the usual practice in trading these letters;
 - Promissory notes and commercial paper - other, whose validity period is no longer than the usual practice in trading such documents;
 - State treasury papers and government guarantees;
 - Bank Indonesia Certificates (SBI);
 - Bonds;
 - Promissory notes which can be traded;
 - Other securities in accordance with the provisions stipulated by the competent authority.
- Transferring money both for own interests and for the interests of customers;
- Placing funds in, borrowing funds from, or lending funds to other banks, either by using letters, telecommunications facilities or by sight draft, checks or other means;
- Receiving payments from bills on securities and doing calculations with or between third parties;
- Placing funds from customers to other customers in the form of securities listed on the stock exchange;
- Conducting activities in foreign currencies by meeting applicable regulations;
- Providing financing and or conducting other activities in accordance with the provisions stipulated by the competent authority.

Supporting Business Activities

- Providing a place to store goods and securities;
- Conducting custodian activities for the interests of other parties based on a contract;
- Purchasing collateral both in whole or in part through auctions in the event that the debtor does not fulfil his obligations to the Company provided that the collateral purchased must be disbursed as soon as possible;
- Conducting factoring, credit business and trustee activities;

- Conducting activities as a provider of pension funds in accordance with applicable laws and regulations, both as the founder of the employer's pension fund and as the founder and/or participant of the financial institution pension fund;
- Conducting venture capital in banks or other companies in finance leasing, venture capital companies, securities companies, insurance companies, clearing and guarantee institutions as well as deposit and settlement institutions, by fulfilling the provisions stipulated by the competent authority;
- Conducting temporary venture capital activities to overcome non-performing loan, on condition that the investment must be withdrawn accordance with the provisions stipulated by the competent authority;
- Undertaking other businesses that are directly or indirectly related to the above purpose, the implementation of which is not contrary to the laws in force in Indonesia.

Detailed information related to this can be found in the Products and Services Chapter (page 264)

e. Membership in the Association

CCB Indonesia is a member of a number of associations, including:

1. National Commercial Banks Association (Perbanas)
2. Association of Indonesian Issuers (AEI)
3. Banking Compliance Director Communication Forum (FKDKP)
4. Indonesia Corporate Secretary Association (ICSA)
5. Indonesian Payment System Association (ASPI)
6. Indonesian Commodity Futures Trading Association (ASPEBTINDO)
7. Alternative Institutions for Settlement of Financial Services Sector Disputes (LAPS SJK)
8. Chinese Chamber of Commerce
9. Association Cambiste International - Financial Markets Association Indonesia (ACI FMA Indonesia)
10. International Chamber of Commerce (ICC)
11. Banking Operations Director Communication Forum (FKDOP)
12. Indonesian Money Market and Foreign Exchange Market Association (APUVINDO)

f. Significant Changes in CCB Indonesia

During 2023, CCB Indonesia has consolidated with the closing of 8 (eight) offices with consideration of business effectiveness, namely KCP Melawai, KCP Cibinong, KCP Tanjung Pinang Merdeka, KCP Bandung Sudirman, KCP Bekasi Ahmad Yani, KCP Bali Tabanan, KCP Mataram Ampenan, and KC Cirebon. Until the end of 2023 CCB Indonesia had a network of 72 offices, including the Head Office.

In 2023 there was no change in the majority shareholder and no significant change in the other shareholders.

No	Shareholders' Name	1 Jan 2023		31 Dec 2023	
		Number of Shares	Percentage	Number of Shares	Percentage
1	China Construction Bank Corporation	22,751,563,707	60.00%	22,751,563,707	60.00%
2	Johnny Wiraatmadja	2,613,613,705	6.89%	2,631,113,705	6.94%
3	UOB Kay Hian Pte. Ltd.	3,112,882,656	8.21%	3,112,882,656	8.21%
4	Public	9,441,670,446	24.90%	9,424,170,446	24.85%
Total Shares		37,919,730,514	100.00%	37,919,730,514	100.00%

4. Explanation of Board of Directors

Board of Directors of CCB Indonesia fully supports the implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies, in accordance with Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017, which is a comprehensive support from the financial services sector to create sustainable economic growth by aligning economic, social and environmental interests.

CCB Indonesia is committed to preserving the environment in the company's daily operational activities by integrating environmental, social and governance aspects (environmental social governance / ESG) in a sustainable financial framework, including by maintaining clean environment around the office, providing loans for environmentally sound business activities, namely to parties who have social and environmental

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concerns (green companies), implement sustainable greening program, as well as financial literacy and inclusion programs. The occurrence of climate change or extreme weather, which recently hit the earth globally and caused various disasters, such as long droughts, landslides. CCB Indonesia has participated in sustainable greening program on barren land that has been implemented for the past 9 (nine) years continuously through corporate social responsibility which aims to prevent erosion and avoid landslides. CCB Indonesia encourages loan providers to give priority to environmentally sound business with concern for social and environmental aspects (green financing).

Achieving the performance of Sustainable Financial Action during 2022, CCB Indonesia has implemented a number of initiative steps to encourage the implementation of Sustainable Financial Action, with the following description:

(1) Realisation of loan extension for environmentally sound business activities

Loan disbursement for Environmentally Sound Business Activities (KUBL), namely to a number of companies with environmental insight and concern for social and environmental aspects, as well as supporting environmentally sound programs (green companies) during 2023.

Realisation of loan extension for environmentally sound business activities as follows:

Environmentally sound business activities category (exclude MSMEs)	Realization as of Dec 2023 (in millions of IDR)
Renewable energy	89,870
Pollution Prevention and Control	350,772
Sustainable Water and Wastewater Management	84,892
Other Environmentally Sound Business Activities	575,050

Loan disbursement to a number of green companies or financing for environmentally sound business activities, including:

- State Electricity Company (Persero), with specific financing for green financing projects amounting to USD150 million;
- PT Aruna Cahaya Pratama, engaged in the procurement, installation and operation of solar panel systems (photovoltaicPV) and/or solar power plants with a total capacity of up to 200MW, with total financing of IDR400 billion;

- PT Air Bersih Jakarta (ABJ), a company that supports PAM Jaya in increasing the reach of clean water supply services throughout Jakarta. This financing is to build, operate and maintain the new drinking water supply system Jatiluhur SPAM and Buaran SPAM, then distributed to customers throughout the Jakarta area, with a syndicated financing amount of IDR700 billion;
- PT Sarana Multi Infrastruktur (SMI), a catalyst agent company for Indonesian infrastructure development which is directly supervised by the Minister of Finance. CCB Indonesia collaborates with CCB Asia (Hong Kong) to participate in a syndicated loan facility to provide working capital facilities in line with CCB Indonesia's commitment to infrastructure progress in Indonesia. This financing is provided to support PT SMI's infrastructure development financing portfolio in Indonesia, especially for projects in the 'green project' and 'social project' categories, and there are KPIs and assessments carried out by third party sustainability consultants. Total financing from CCB Asia (Hong Kong) and CCB Indonesia for this project is USD18 million;
- PT PP Semarang Demak (Persero), is engaged in the toll road construction business, in this case financing for environmentally sound transportation business activities with total financing of IDR400 billion;
- PT Manha Daya Mandiri, engaged in mini hydro power generation (renewable energy) with total financing of IDR30 billion;
- PT Culletprima Setia, engaged in the manufacturing sector of household equipment (plates, glasses, etc.) using recycled glass/shard as raw material (pollution prevention and control), total financing of IDR75 billion;
- PT Sarana Inti Pertiwi, engaged in the contractor business for processing raw water in shopping centers (malls), apartments, water dams, etc., total financing of IDR1.25 billion; as well as
- Distributing loan to MSME sector which can be categorized as environmentally sound business activities.

(2) Loan to Micro, Small and Medium Enterprises (MSME) debtors

The number of loans to the MSME sector as on December 31, 2023 was IDR1,703 billion with the ratio of MSMEs to total loans of 8.79%. Based on the economic sector, the largest portion of the financing plan for MSMEs for each group is as follows:

MSME Loans Distribution	The Most Dominant Economic Sector	Sharing of Groups
Micro Business Loans	Wholesale & Retail	2.58%
Small Business Loans	Wholesale & Retail	18.49%
Medium Business Loans	Wholesale & Retail	78.93%

(3) Realisation of the greening program in Wonogiri

The sustainable greening program that has been implemented by CCB Indonesia since 2014 in a barren and arid area in Wonogiri, Central Java, has been continued where previously CCB Indonesia has planted seeds of sapodilla, longan, petai and jackfruit trees on farms belonging to farming communities, and slopes. - Hill slopes are prone to landslides in Sumberharjo Village and Sindukarto Village, Eromoko District, Wonogiri Regency, as part of humanitarian social activities. The fruits from this planting can be used by the local community, which is expected to improve the economy of the surrounding community.

CCB Indonesia continues the Sustainable Reforestation Program, in 2023 it entered Phase VII of Tree Planting by coordinating the planting of 700 high-yielding petai seedlings on farms owned by farming communities, hamlet roads and hillsides prone to landslides running in 3 (three) villages, namely in Sumberharjo Village, Sindukarto Village, and Puloharjo Village, Eromoko District, Wonogiri Regency, as part of a social humanitarian activity (Corporate Social Responsibility). The implementation of a sustainable reforestation program that previously carried out planting of longan, sapodilla, jackfruit and petai tree seedlings in Phases I – VI during 2014 - 2022. The fruits from this planting can be utilized by the local community, which is expected to improve the economy of the surrounding community, while protecting the environment.

During March – October 2023 CCB Indonesia helped watering trees during the dry season around Sumberharjo and Sindukarto Villages, Eromoko District, Wonogiri Regency, Central Java. In the dry season in the Wonogiri area it is very dry and the air temperature can reach up to 40 degrees Celsius during the day, so the plants can wither if not assisted by intensive watering.

In December 2023, CCB Indonesia continue this Sustainable Greening Program which is entering Phase VII of Tree Planting by coordinating the planting of 700 high-yielding petai seedlings on farms owned by farming communities, hamlet roads and hillsides prone to landslides running in 3 (three) villages, namely Sumberharjo Village, Sindukarto

Village and Puloharjo Village, Eromoko District, Wonogiri Regency, Central Java.

(4) Socialization and Briefing of Sustainable Finance

Directions to units that carry out business functions for lending give priority to businessmen who carry out their business by prioritizing and paying attention to environmental factors, as well as having a positive impact on environmental preservation.

CCB Indonesia also participates in providing banking education by helping small entrepreneurs by providing banking education, in order to gain knowledge and financial literacy, for the progress and success of their business. In providing banking education, socialization of sustainable finance was also carried out regarding the importance of environmental and social care for small entrepreneurs in conducting business.

CCB Indonesia, in collaboration with Bank Indonesia and Department of Cooperatives & SMEs of Yogyakarta Special Region, carried out Financial Literacy related to the use of digital finance and the introduction of sustainable finance, which was attended by 50 small entrepreneurs at CCB Indonesia Branch Office in Yogyakarta on December 16, 2023.

(5) Development of digital banking service products

CCB Indonesia consistently develops technology-based products and services through electronic channel-based applications, namely the development of internet banking and mobile banking, and continues development that leads to further digital banking. As is well known, in the context of Sustainable Finance, the use of technology-based products will save the resources used, such as paper (paperless), fuel (because there is no need for transportation). During the pandemic, internet and mobile banking have become very useful tools for customers to be able to carry out financial transactions from home.

(6) Implementation of online and offline training

During 2023, the Bank held 310 training programs with a total of 8,567 participants. Compared to 2022, 179 training programs were implemented with a total of 6,602 participants. The training program in 2023 were carried out online and offline, adjusted to the needs at the time of implementing the activities. Online training can involve more employees from various locations, but face-to-face training can increase interaction between trainers and trainees. The Bank consistently carries out training programs and increased employee competency, both within and outside the bank.

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Education and training programs held during 2023 with materials covering technical skills and soft skills include: Risk Management Certification, Payment Systems and Rupiah Currency Management (SPPUR), credit analysis, Bank Operations / Standard Operating Procedures (SOP), Customer Service Complaints, AML CFT Training, Sustainable Finance, Compliance, Induction Program, Training related to system development, Product Knowledge, Training related to Cyber Security, Training related to personal data protection, Training related to Cyber Crime, Digital Banking, IT hardware, work safety, as well as various other Seminars and Workshops.

(7) Training/workshops related to understanding Sustainable Finance

A number of officers and Directors participated in a number of trainings/workshops related to the understanding of Sustainable Finance, including Environmental, Social, and Governance (ESG) during 2023 as follows:

- Webinar "Opening Opportunities through Improving ESG Ratings" by Indonesia Stock Exchange ("IDX") and PricewaterhouseCoopers ("PWC") on January 19, 2023 in Jakarta
- Webinar "IFC and IDX ESG Collaboration Launch Event and ESG Leadership Training" by Indonesia Stock Exchange ("IDX") and International Finance Corporation ("IFC") on March 16, 2023 in Jakarta
- Webinar "The Future of Sustainability Reporting: An Exclusive Forum for Regulators and Listed Companies in Indonesia" by Indonesia Stock Exchange ("IDX") in collaboration with the Global Reporting Initiative ("GRI") on June 13, 2023 in Jakarta
- Seminar "Creating Green Investment Opportunities and Potential in Jakarta" by Bank Indonesia and the Jakarta Investment Forum (JIF) of DKI Jakarta Provincial Government on August 3, 2023 in Jakarta
- Webinar "Conference Catalyzing Green and Sustainable Finance Through Capital Market and Other Innovative Solutions" by the Asian Development Bank (ADB) on August 8, 2023 in Bangkok, Thailand
- Webinar "OJK International Research Forum, Save the Planet: The Role of the Financial Sector to Support Carbon Reduction and Electric Vehicles Development" by Financial Services Authority Institute (OJK Institute) on September 25, 2023 in Jakarta
- Webinar "Sustainable Finance and Capital Market: Investing in a Greener Future" by the Financial Services Authority (OJK), Indonesia Stock Exchange (IDX), Indonesian Finance Association (IFA) on October 11, 2023 in Jakarta
- Webinar "Socialization of Financial Services Authority Regulations (POJK) Number 14/POJK.04/2023 concerning Carbon Trading through Carbon Exchanges and Financial Services Authority Circular Letter (SEOJK) Number 12/SEOJK.04/2023 concerning Procedures for Organizing Carbon Trading Through Exchanges Carbon" by the Financial Services Authority (OJK) on October 24, 2023 in Jakarta
- CCB Indonesia, in collaboration with Bank Indonesia and Department of Cooperatives & SMEs of Yogyakarta Special Region, carried out Financial Literacy related to the use of digital finance and the introduction of sustainable finance, which was attended by 50 small entrepreneurs at CCB Indonesia Branch Office in Yogyakarta on December 16, 2023

The performance of sustainable finance actions during 2023 in general has been in accordance with the plan, although CCB Indonesia has not set specific targets for achievement. The challenges faced include the need to continuously improve knowledge and competence for human capital according to their respective functions at CCB Indonesia regarding the implementation of sustainable financial governance, and knowledge regarding the provision of banking products and services that are environmentally sound and in accordance with the principles of sustainable finance. In addition, efforts are needed to integrate the implementation of sustainable governance with existing functions within the organizational structure.

In carrying out its activities, CCB Indonesia always prioritizes compliance with applicable regulations and also pays attention to risk management from every step of the initiative to encourage the implementation of the Sustainable Finance Actions described above.

With a loan growth target of 13.59% in 2024, there are still great opportunities and potentials to increase lending to parties or business actors who are environmentally sound (green companies). CCB Indonesia will continue to encourage credit providers to give more priority to business players who carry out their business with concern for social and environmental aspects.

5. Sustainability Governance

As a responsible public company, CCB Indonesia is committed to ensuring that the Bank's operations are always concerned with the environment, social and based on good governance. The broad and comprehensive implementation of Good Corporate Governance will contribute to profitability, added value for stakeholders, and long-term business growth sustainability for CCB Indonesia as a public company.

CCB Indonesia always strives to improve sustainability governance, while maintaining the fulfilment of the principles of Good Corporate Governance in every business activity at all levels of the organization is an important factor to gain the trust of stakeholders, including: shareholders/investors, customers, banks correspondents, government/regulators, employees, suppliers and the community in the CCB Indonesia work environment with concern for social and environmental aspects.

CCB Indonesia believes that the implementation of Good Corporate Governance (GCG) is an important component to improve the Bank's performance in a sustainable manner and ensure stakeholder protection and ensure compliance with applicable laws and regulations. Therefore, the Bank ensures and supervises that the principles of GCG have been implemented properly in every business activity and in all parts of the organization.

In implementing Good Corporate Governance, CCB Indonesia builds a corporate culture by applying the principles of corporate governance, namely transparency, accountability, responsibility, independence and fairness. These five principles are always applied in the Bank's business activities and day-to-day operations at all levels of the organization.

Improving the quality of the implementation of Good Corporate Governance is one of the efforts to improve bank performance, protect the interests of stakeholders and improve compliance with laws and regulations and ethical values (code of conduct) that generally apply to the banking industry.

As a framework that can provide guidance for each organizational unit of the Bank so that in acting, they adhere to the principles of Good Corporate Governance, the Bank has prepared General Policies and Guidelines for the Implementation of Good Corporate Governance, and has been approved by the Board of Commissioners and Board of Directors.

CCB Indonesia applies GCG principles through three aspects of the implementation of Governance, namely Governance Structure, Governance Process, and Governance Outcome.

- Governance structure, which includes the adequacy of the GCG structure and infrastructure, which aims to ensure that the process of implementing Good Governance principles produces outcomes that are in line with the expectations of stakeholders.
- Governance process, includes structured and systematic procedures and mechanisms to produce policy outcomes that meet the principles of Governance.

- Governance Outcomes, including efforts to evaluate governance performance in line with the challenges and long-term sustainability of the Bank's business and stakeholder expectations.

The Bank is committed to implementing good corporate governance at all levels or levels of the organization. This commitment is made in an effort to improve the financial and non-financial performance of the Bank and gain the trust of investors and shareholders.

The form of GCG implementation is stated in the Vision, Mission, Core Values, Code of Ethics, Core Company Policies and best practices in Corporate Governance, Charter and Work Guidelines to the Whistleblowing System.

The three main pillars in the governance of CCB Indonesia are the General Meeting of Shareholders (GMS), the Board of Commissioners, and the Board of Directors. The GMS is the highest entity in the form of a forum for shareholders to make decisions and oversee the overall performance of the Bank.

Under the GMS there is a Board of Commissioners which holds the supervisory and advisory functions. The Board of Commissioners is responsible for ensuring that all business activities under the coordination of the Board of Directors are carried out in accordance with the regulations and objectives of the Bank. To carry out its functions, the Board of Commissioners is supported by the Audit Committee, Risk Monitoring Committee, and the Nomination and Remuneration Committee. The Board of Commissioners carries out their duties and responsibilities in making decisions independently.

Board of Directors is an organ that has a representative and managerial mandate. The Board of Directors plays a major role in the Bank's day-to-day operations, as well as being responsible for ensuring that the Bank's strategies and initiatives, both short term and long term, are implemented properly. In carrying out its responsibilities, the Board of Directors is assisted by the committees under it, including the Credit Committee, Credit Policy Committee, Risk Management Committee, Asset & Liabilities Management Committee (ALCO), and the IT Steering Committee. In addition to the above committees, the work of the Board of Directors is also assisted by work units, including the Internal Audit Division, Risk Management Division, Compliance Division and Anti-Fraud Unit. All organs, committees, and work units work in accordance with the agreed division of tasks and responsibilities, with a good internal control system.

CCB Indonesia always has and allocates part of its funds as social and environmental responsibility funds to support activities in implementing sustainable finance as well as implementing business practices and investment strategies

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by paying attention to, implementing and integrating environmental, social and governance values in supporting at least:

- 1) sustainable business ecosystem;
- 2) product development;
- 3) transaction;
- 4) sustainable activity financing services and transition financing;
- 5) development of sustainable financial programs and implementation of bank operational activities that are environmentally friendly; and
- 6) social and community empowerment.

in implementing sustainable finance.

a Person in Charge of Sustainable Finance Implementation

Responsible for the Implementation of Sustainable Finance at CCB Indonesia at the highest governance organs in the Company, namely the Board of Commissioners and Directors, then continued by management at the head office, Division Heads and Regional Heads, to the entire CCB Indonesia branch office network.

Responsibilities of the Board of Commissioners related to the implementation of sustainability aspects and sustainable finance principles, including to approve the Sustainable Finance Action Plan prepared by the Board of Directors and is part of the Bank's Business Plan to be submitted to the Financial Services Authority.

The Board of Directors is responsible for the preparation and implementation of the Sustainable Finance Action Plan, to be forwarded to the next layer of organizational structure. Corporate Secretary assists the Board of Directors in the preparation of the Sustainable Finance Action Plan which is submitted together with the Bank's Business Plan to the Financial Services Authority after obtaining approval from the Board of Commissioners. The head office management provides direction to units that carry out business functions for lending, giving priority to business actors who carry out their business by prioritizing and paying attention to environmental factors, as well as having a positive impact on environmental preservation.

b Competency Development Related to Sustainable Finance

CCB Indonesia is fully aware of the importance of continuously increasing knowledge and competence for human capital according to their respective functions at CCB Indonesia regarding the implementation of sustainable financial governance, and knowledge regarding the provision of banking products and services that are environmentally sound and in accordance with the principles of sustainable finance.

During 2023, the Bank has held 310 training programs with a total of 8,567 participants. Compared to 2022, 179 training programs have been implemented with a total of 6,602 participants. The training program in 2023 has been carried out online and offline, adjusted to the needs at the time of implementing the activities. Online training can involve more employees from various locations, but face-to-face training can increase interaction between trainers and trainees. The Bank has consistently carried out training programs and increased employee competency, both within and outside the bank.

In the context of developing competencies related to sustainable finance, as explained in the previous section, a number of officers and Directors participated in a number of trainings/workshops related to the understanding of Sustainable Finance, including Environmental, Social, and Governance (ESG) during 2023 as follows:

- Webinar "Opening Opportunities through Improving ESG Ratings" by Indonesia Stock Exchange ("IDX") and PricewaterhouseCoopers ("PWC") on January 19, 2023 in Jakarta;
- Webinar "IFC and IDX ESG Collaboration Launch Event and ESG Leadership Training" by Indonesia Stock Exchange ("IDX") and International Finance Corporation ("IFC") on March 16, 2023 in Jakarta;
- Webinar "The Future of Sustainability Reporting: An Exclusive Forum for Regulators and Listed Companies in Indonesia" by Indonesia Stock Exchange ("IDX") in collaboration with the Global Reporting Initiative ("GRI") on June 13, 2023 in Jakarta;
- Seminar "Creating Green Investment Opportunities and Potential in Jakarta" by Bank Indonesia and the Jakarta Investment Forum (JIF) of DKI Jakarta Provincial Government on August 3, 2023 in Jakarta;
- Webinar "Conference Catalyzing Green and Sustainable Finance Through Capital Market and Other Innovative Solutions" by the Asian Development Bank (ADB) on August 8, 2023 in Bangkok, Thailand;
- Webinar "OJK International Research Forum, Save the Planet: The Role of the Financial Sector to Support Carbon Reduction and Electric Vehicles Development" by Financial Services Authority Institute (OJK Institute) on September 25, 2023 in Jakarta;
- Webinar "Sustainable Finance and Capital Market: Investing in a Greener Future" by the Financial Services Authority (OJK), Indonesia Stock Exchange (IDX), Indonesian Finance Association (IFA) on October 11, 2023 in Jakarta;

- Webinar "Socialization of Financial Services Authority Regulations (POJK) Number 14/POJK.04/2023 concerning Carbon Trading through Carbon Exchanges and Financial Services Authority Circular Letter (SEOJK) Number 12/SEOJK.04/2023 concerning Procedures for Organizing Carbon Trading Through Exchanges Carbon" by the Financial Services Authority (OJK) on October 24, 2023 in Jakarta;
- CCB Indonesia, in collaboration with Bank Indonesia and Department of Cooperatives & SMEs of Yogyakarta Special Region, carried out Financial Literacy related to the use of digital finance and the introduction of sustainable finance, which was attended by 50 small entrepreneurs at CCB Indonesia Branch Office in Yogyakarta on December 16, 2023.

c Risk Assessment on the Implementation of Sustainable Finance

In managing the risk of implementing sustainable finance, the Bank has an adequate organizational structure to support the implementation of risk management and good internal control, among others by establishing the Internal Audit Division, Risk Management Division, Risk Management Committee, Risk Monitoring Committee, and Compliance Division. CCB Indonesia has implemented a risk management policy that aims to ensure that risks arising in its business activities can be identified, measured, monitored, managed and reported which in turn can provide benefits in the form of increasing the trust of shareholders and the public. To achieve this goal, the Bank has established a Risk Management Committee and a Risk Management Division in charge of establishing Risk Management Policies to deal with risks that arise, improve and enhance the implementation of Risk Management.

The organizational structure has been fulfilled by filling all positions with definitive officials. The Board of Commissioners and the Board of Directors have carried out their duties and responsibilities related to the implementation of risk management. This risk management involves all levels of the Board of Directors, executive officers, and all employees, as well as with the supervisory function by the Board of Commissioners.

The organizational apparatus, along with the Committees that assist the implementation of the duties of the Commissioners and Directors, coordinate with each other in supporting the implementation of risk management and internal control.

The Board of Directors ensures that all material risks and impacts caused by these risks have been followed up and submits an accountability report to the Board of Commissioners.

The Board of Directors has monitored risk management policies and strategies through discussions at various committee meetings. The Bank has improved the Quality of Risk Management which is reflected in the Bank's Risk Profile which is maintained properly.

As a manifestation of the Bank's commitment to the implementation of good corporate governance and the implementation of risk management in sound and prudent banking business practices, CCB Indonesia performs a comprehensive supervisory function that is independent and objective. In principle, the implementation of the internal control system is carried out through an inherent control mechanism in each line and task force, among others in the form of direct supervision by superiors to subordinates, compliance with standard work procedures and other internal control mechanisms.

d Stakeholders Relation

CCB Indonesia always strives to maintain the trust of stakeholders, which is the main value for the Bank, in order to continuously improve performance, ensure business continuity, and carry out its roles and responsibilities as an intermediary institution to support the national economy. CCB Indonesia is committed to always prioritizing the implementation of good corporate governance practices in all of its operational activities with prudential principles.

CCB Indonesia always strives to improve sustainability governance, while maintaining the fulfilment of the principles of Good Corporate Governance in every business activity at all levels or levels of the organization is an important factor to gain the trust of stakeholders, including: shareholders/investors, customers, correspondent banks, government/regulators, employees, suppliers and the community in the CCB Indonesia work environment with concern for social and environmental aspects.

CCB Indonesia believes that the implementation of Good Corporate Governance is an important component to improve the Bank's performance in a sustainable manner and ensure stakeholder protection and ensure compliance with applicable laws and regulations. Therefore, the Bank ensures and supervises that the Good Corporate principles have been implemented properly in every business activity and in all parts of the organization.

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e Challenges to the Implementation of Sustainable Finance

In carrying out all its business activities in all lines, CCB Indonesia is committed to always implementing good corporate governance. The application of the principles of sustainable finance in sustainable governance is CCB Indonesia's commitment in running its business by paying attention to environmental, social, and environmental social governance (ESG) aspects.

The challenges faced by CCB Indonesia in implementing sustainable governance that still need to be considered are the need to continuously increase knowledge and competence for human capital according to their respective functions at CCB Indonesia regarding the implementation of sustainable financial governance, and knowledge regarding the provision of banking products and services, environmentally sound and in accordance with the principles of sustainable finance (internal capacity building). In addition, efforts are needed to integrate the implementation of sustainable governance with existing functions within the organizational structure.

In carrying out its activities, CCB Indonesia always prioritizes compliance with applicable regulations and also pays attention to risk management from every step of the initiative to encourage awareness of the importance of environmental, social and governance sustainability.

A full description of governance and risk management can be seen in the Corporate Governance Chapter (page143).

6. Sustainability Performance

a. Activities to Build the Culture of Sustainability

CCB Indonesia seeks to build awareness for all employees of the importance of implementing sustainable finance, by providing direction through branch managers to reach all offices and heads of work units at the head office, so that they can pass it on to all staff under their coordination, in carrying out all operational and business activities. by emphasizing concern for social and environmental aspects. Directions to units that carry out business functions for lending give priority to business actors who carry out their business by prioritizing and paying attention to environmental factors, as well as having a positive impact on environmental preservation. CCB Indonesia's mission has been adapted to accommodate the Sustainable Finance program which in its Mission contains an element of social and environmental responsibility.

Mission of CCB Indonesia

"Provide better products and services for customers, create higher value for shareholders, build a broader career path for associates, and implement social and environmental responsibility as a good corporate citizen"

CCB Indonesia has adjusted the General Credit Policy and Guidelines specifically in Sub Chapter III.18 which is used as a reference/reference/guideline for all credit-related parties as follows:

III.18. Financing Related to the Implementation of Sustainable Finance

III.18.1. Definition

- a. *Sustainable Finance is a comprehensive support from the financial services sector to create sustainable economic growth by aligning economic, social and environmental interests.*
- b. *The environment is the unity of space with all objects, forces, conditions and living things, including humans and their behaviour, which affect nature itself, the continuity of life and the welfare of humans and other living creatures.*
- c. *Sustainable Financial Products and/or Services are financial products and/or services that integrate economic, social and environmental aspects, as well as governance in their features.*

III.18.2. Financing/granting credit based on the type of use of credit can be distinguished as follows:

- a. *Retail banking financing/crediting:*
 - i. *Environmentally sound housing financing;*
 - ii. *Financing for car ownership of the type of Low Cost Green Car (LCGC), Hybrid type car, Electric car.*
- b. *Working Capital and Investment Financing:*
The financing business activities of CCB Indonesia which are categorized in the sustainable finance portfolio are 11 Environmentally Sound Business Activities (KUBL) + 1 Micro, Small and Medium Enterprises (MSMEs), with the following details:

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- i. Renewable energy business activities such as power plants: water/ solar/ wind/ geothermal/ biomass, and others.
- ii. Energy efficiency business activities such as environmentally sound development projects, energy storage, district heating, smart grids, LED lighting, building renovations with the concept of Excellence in Design for Greater Efficiency (EDGE).
- iii. Pollution prevention and control business activities such as factory waste treatment, industrial recycling, air emission reduction, greenhouse gas control, soil remediation, waste reconditioning, and environmental monitoring analysis.
- iv. Activities for managing biological natural resources (SDA) and sustainable land use.
- v. Land and water biodiversity conservation business activities.
- vi. Environmentally sound transportation business activities such as Mass Rapid Transportation (MRT), Light Rail Transit (LRT), Bus Rapid Transit (BRT), electric trains, toll roads, airports, stations, terminals with solar power.
- vii. Sustainable water and wastewater management activities such as wastewater installations (WWTP), water recycling installations, integrated water resource management.
- viii. Climate change adaptation activities such as abrasion-resistant houses, high-yielding varieties, forest fire tools, coral reef conservation, mangrove conservation.
- ix. Product procurement activities that can reduce the use of resources and produce less pollution (eco-efficient).
- x. Environmentally sound buildings that meet nationally, regionally or internationally recognized standards or certifications.
- xi. Other business activities that are environmentally sound other than the 10 (ten) business activities above.
- xii. All financing for MSME activities.

III.18.3. Social and Environmental Risk Management in the process of granting loan at CCB Indonesia

Step	Loan Process	Risk Management Process	Tools
1	Loan application	Identification	Debtor form and activity list related to social and environmental risks
2	Loan analysis	Measurement	Industry sub-sector guideline, environmental overview sheet, site visit questions list
3	Loan Disbursement Decision	Control	Environmental Covenant
4	Disbursement and Post Loan Monitoring	Monitoring and reporting	Social and environmental risk report in post loan monitoring report

III.18.4. Conditions for granting credit related to the Integration of Environment and Social Risk Management (ESRM)

- a. Availability of document regarding the environmental impact analysis (AMDAL).
- b. If the (prospective) debtor has been included in the company's environmental performance rating program (PROPER) from the Ministry of Environment (KLH), only gold, green and blue ratings are recommended.
- c. For (prospective) mining debtors, it is required to carry out rehabilitation and conservation on ex-mining land.
- d. For (prospective) debtors who manage palm oil, if they are included in the corporate segment, they are required to have an RSPO (Roundtable Sustainable Palm Oil) certificate.

Financing/granting credit related to the implementation of sustainable finance implementation in each business segment will be regulated in more detail in the respective Guidelines and/or SOPs for each credit segment, and also regulated in the Guidelines/SOPs that are relevant/ related to the implementation of sustainable finance.

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b. Economic Performance

- 1) Comparison of targets and performance, portfolio, financing targets, income and profit and loss
Complete information on targets and performance, portfolio, financing targets, income and profit and loss can be seen in Financial Review: Management Analysis and Discussion (page 117).
- 2) Comparison of targets and performance of portfolios, financing targets, or projects that are in line with the implementation of Sustainable Finance.
In the preparation of the 2023 Sustainable Finance Action Plan, the financing target for environmentally sound business activities has not yet been determined.

The following is the realization of financing for environmentally sound business activities (KUBL)

Environmentally sound business activities category (exclude MSMEs)	Realization as of Dec 2023 (in million IDR)
Renewable energy	89,870
Pollution Prevention and Control	350,772
Sustainable Water and Wastewater Management	84,892
Other Environmentally Sound Business Activities	575,050

During 2023, loan disbursement for environmentally sound business activities, namely to a number of companies that have concern and support for the environment (green companies), which have been realized include:

- State Electricity Company (Persero), with specific financing for green financing projects amounting to USD150 million;
- PT Aruna Cahaya Pratama, engaged in the procurement, installation and operation of solar panel systems (photovoltaicPV) and/or solar power plants with a total capacity of up to 200MW, with total financing of IDR400 billion;
- PT Air Bersih Jakarta (ABJ), a company that supports PAM Jaya in increasing the reach of clean water supply services throughout Jakarta. This financing is to build, operate and maintain the new drinking water supply system Jatiluhur SPAM and Buaran SPAM, then distributed to customers throughout

the Jakarta area, with a syndicated financing amount of IDR700 billion;

- PT Sarana Multi Infrastruktur (SMI), a catalyst agent company for Indonesian infrastructure development which is directly supervised by the Minister of Finance. CCB Indonesia collaborates with CCB Asia (Hong Kong) to participate in a syndicated loan facility to provide working capital facilities in line with CCB Indonesia's commitment to infrastructure progress in Indonesia. This financing is provided to support PT SMI's infrastructure development financing portfolio in Indonesia, especially for projects in the 'green project' and 'social project' categories, and there are KPIs and assessments carried out by third party sustainability consultants. Total financing from CCB Asia (Hong Kong) and CCB Indonesia for this project is USD18 million;
- PT PP Semarang Demak (Persero), is engaged in the toll road construction business, in this case financing for environmentally sound transportation business activities with total financing of IDR400 billion;
- PT Manha Daya Mandiri, engaged in mini hydro power generation (renewable energy) with total financing of IDR30 billion;
- PT Culletprima Setia, engaged in the manufacturing sector of household equipment (plates, glasses, etc.) using recycled glass/shard as raw material (pollution prevention and control), total financing of IDR75 billion;
- PT Sarana Inti Pertiwi, engaged in the contractor business for processing raw water in shopping centers (malls), apartments, water dams, etc., total financing of IDR1.25 billion; as well as
- The number of loans to the MSME sector as on 31 December 2023 was IDR1,703 billion with the ratio of MSMEs to total loans of 8.79%.

To support financing of green development projects (which pay attention to the environment), the Bank also encourages customers engaged in the oil palm plantation and mining business sectors to comply with environmental regulations. Palm oil debtors are expected to have Indonesian Sustainable Palm Oil (ISPO) or Roundtable Sustainable Palm Oil certification (RSPO).

In addition, the Bank is also gradually developing an inclusive sustainable Priority Economic Sector by increasing funding activities, especially in the industrial, energy, agriculture (in a broad sense), infrastructure and MSME sectors by balancing economic, environmental and social aspects.

c. Environmental Performance

1) General Aspect

- Environmental Cost
CCB Indonesia continues the Sustainable Greening Program, in 2023 entered Phase VII of Tree Planting by coordinating the planting of 700 high-yielding petai seedlings on farms owned by farming communities, hamlet roads and hillsides prone to landslides running in 3 (three) villages, namely Sumberharjo Village, Sindukarto Village and Puloharjo Village, Eromoko District, Wonogiri Regency, Central Java, as part of a social humanitarian activity (Corporate Social Responsibility). The implementation of a sustainable reforestation program that previously carried out planting of longan, sapodilla, jackfruit and petai tree seedlings in Phases I-VI during 2014-2022. The fruits from this planting can be utilized by the local community, which is expected to improve the economy of the surrounding community, while protecting the environment.

During March – October 2023 CCB Indonesia assisted watering trees during the dry season around Sumberharjo and Sindukarto Villages, Eromoko District, Wonogiri Regency, Central Java. In the dry season in Wonogiri area it is very dry and the air temperature can reach up to 40 degrees Celsius during the day, so the plants can wither if not assisted by intensive watering. During 2023, the greening costs incurred by CCB Indonesia amounted to IDR189,300,000 which was used to plant 700 petai tree seedlings and the cost of watering the seeds during the dry season in Wonogiri.

2) Material Aspect

- Use of Environmentally Sound Materials
CCB Indonesia always strives to reduce the use of resources including printed materials and photocopies, both for the needs of daily banking operations, as well as for the needs of customers in financial transactions at the bank. In general, in the last 5 (five) years it has shown a downward trend, although a slight increase in 2022 in paper usage.

(in million IDR)

Cost	2023	2022	2021	2020	2019
Printing	495.01	579.85	543.06	876.58	1,732.50

3) Energy Aspect

- Amount and Intensity of Energy used
- Efforts and Achievements of Energy Efficiency and Use of Renewable Energy

CCB Indonesia is engaged in the banking sector in the use of energy, especially fuel, namely for transportation purposes for bank operations, which consists of 72 offices owned throughout Indonesia.

CCB Indonesia always strives to reduce the use of fuel resources in bank activities, including: meetings and discussions using teleconference media, as well as organizing virtual training (e-training), to holding the General Meeting of Shareholders electronically. In addition, CCB Indonesia also encourages customers to make financial transactions using digital banking, so that customers do not need to come to the bank and reduce the use of transportation.

Transportation costs have shown a consistent decline in the last 5 (five) years, namely IDR341 million (2019), IDR149 million (2020), IDR144 million (2021), IDR129 million (2022), and to IDR119 million (2023).

Likewise, Printing Costs show a decreasing trend from IDR1.73 billion (in 2019), to IDR876 million (2020), to IDR543 million (2021), IDR579 million (2022), and to IDR495 million (in 2023).

Gas Electric Water costs have also decreased from IDR5.70 billion (in 2022) to IDR5.62 billion (in 2023).

However, since the pandemic period has ended in 2023 and office operational activities have returned to normal, which is marked by the level of traffic congestion which tends to increase along with the end of activity restrictions regulated through the previous PPKM status, fuel consumption increased in 2023, namely IDR3.20 billion (320,354 litres of fuel) from IDR2.93 billion (292,840 litres of fuel) in 2022.

Efforts and Achievements of Energy Efficiency and Use of Renewable Energy

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CCB Indonesia always strives for energy efficiency of the resources used, including encouraging the use of refillable tumblers (drink bottles / mineral water) to reduce the use of mineral water in plastic bottles; also encourages efficiency in electricity consumption by providing instructions to turn off lights, computers and others when leaving the room.

4) Water Aspect

- Water usage
CCB Indonesia in an effort to save energy resources is carried out, among other things, by encouraging the use of bottled drinks (re-fill) for each employee to reduce the use of bottled water.

d. Social Performance

1) Commitment to provide services for equal products and services to consumers

In order to maintain public trust and consumer protection, CCB Indonesia always pays attention to creating a sense of security for its customers. CCB Indonesia's products and services are in accordance with applicable regulations, standards and best practices.

Every product launched by CCB Indonesia is directed to provide maximum benefits and benefits to customers. CCB Indonesia through frontliners ensures that customers can understand the advantages of CCB Indonesia products, according to their needs.

Transparency of CCB Indonesia products includes all information regarding products, including product benefits and uses, terms and conditions, rights and obligations of each party, when the agreement ends and how it is resolved, information on administrative fees charged, including the risks. Information is conveyed to the public through promotional media such as brochures, leaflets, websites, and bulletin boards throughout the CCB Indonesia office network.

Each CCB Indonesia office provides a special unit / officer to handle complaints from customers, so that problems with customers can be immediately followed up with a target completion time according to the provisions of the Financial Services Authority.

2) Employment Aspect

CCB Indonesia places employees, called CCB Indonesia's human capital, as the company's capital. The sustainability of the Company is highly dependent on the management

of human resources that are reliable and able to create work comfort for employees. CCB Indonesia's human capital has received attention from companies, such as in terms of providing remuneration, increasing competence and professionalism through training, creating a comfortable workplace, health insurance coverage for employees and their dependents, respecting and protecting human rights, and recognizing diversity, equality and equal opportunities regardless of race, ethnicity, religion and gender.

- Equal Employment Opportunity
The Bank is committed to always providing a decent and safe work environment for employees without discrimination. So far, there have been no complaints from employees related to discrimination cases because the Bank believes that transparent equal employment opportunities will increase the sense of comfort and security for employees thereby increasing productivity.
- Child Labor and Forced Labor
CCB Indonesia is committed to upholding equal employment opportunities and not employing forced labor and child labor.
- Regional Minimum Wage 2023
Percentage of remuneration for permanent employees at the lowest level to the UMP (Provincial Minimum Wage) and UMK (Regency or City Minimum Wage)

	Number of Employees	2023 MSE Remuneration Presentation
Jakarta	54	100.20%
Bogor	7	100.22%
Semarang	5	101.94%
Bandung	4	105.52%
Solo	1	125.11%
Tangerang	1	100.22%
Surabaya	3	100.22%
Tanjung Pinang	2	100.30%
Batam	6	100.22%
Sukabumi	2	100.30%
Malang	1	100.31%
NTB/Mataram	2	109.30%
Tangerang Selatan	1	100.22%
	89	103.39%

- Decent and Safe Working Environment
CCB Indonesia is committed to preserving the environment in the company's daily operational activities/activities, including by keeping the environment around the office clean.

In creating a comfortable working environment, CCB Indonesia fulfils employee rights by providing a decent and safe working environment for all employees. CCB Indonesia believes that respect for diversity and equal opportunities can create a comfortable and safe work atmosphere thereby increasing employee productivity and engagement. This cannot be separated from the facilities, infrastructure and work procedures that have been prepared. CCB Indonesia's commitment to diversity and equal opportunities throughout 2023.

- Employee Training and Capability Development
Employee training and development programs will be of particular concern in 2023, and will continue to be improved according to needs to support the Bank's business development. During 2023, the Bank has held 310 training programs with a total of 8,567 participants. Compared to 2022, 179 training programs will be implemented with a total of 6,602 participants. The training program in 2023 will be carried out online and offline, adjusted to needs at the time of carrying out activities. Online training can involve more employees from various locations, but face-to-face training can increase interaction between trainers and trainees. The Bank has consistently carried out training programs and increased employee competency, both within and outside the bank.

The Bank has consistently conducted training programs and increased employee competence, both carried out inside and outside of the bank. The number of participants in education and training programs during 2023 and 2022 are as follows:

Types of Education and Training	Total Participants	
	2023	2022
• Internal Education	8,290	6,248
• External Training	277	354
Total	8,567	6,602

Education and training programs held during 2023 with materials covering technical skills and soft skills include: Risk Management Certification, Payment Systems and Rupiah Currency Management (SPPUR), credit analysis, Bank Operations / Standard Operating Procedures (SOP), Customer Service Complaints, AML CFT Training, Sustainable Finance, Compliance, Induction Program, Training related to system development, Product Knowledge, Training related to Cyber Security, Training related to personal data protection, Training related to Cyber Crime, Digital Banking, IT hardware, work safety, as well as various other Seminars and Workshops.

3) Community Aspect

- Impact of Operations on Surrounding Communities including financial literacy and inclusion

The educational program strategy of CCB Indonesia is directed at school-age children, so that they can acquire general financial/banking knowledge early, and later produce people who are financially literate and able to manage finances intelligently. This educational program is carried out by visiting schools by providing basic banking knowledge, in particular encouraging children to be diligent in saving. The provision of education for elementary school children is more towards audio-visual and simple demonstrations that make it easier to understand and receive financial knowledge.

CCB Indonesia also participates in providing banking education by helping small entrepreneurs by providing banking education, in order to gain knowledge and financial literacy, for the progress and success of their business. In providing banking education, socialization of sustainable finance was also carried out regarding the importance of environmental and social care for small entrepreneurs in conducting business.

Banking education training for small entrepreneurs has been carried out 1 (one) time, namely CCB Indonesia in collaboration with Bank Indonesia and Yogyakarta Special Region Cooperative & SME Service, held Financial Literacy related to the use of digital finance and the introduction of sustainable finance, which was attended by 50 small entrepreneurs at CCB Indonesia branch office in Yogyakarta.

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CCB Indonesia participates in supporting inclusion programs, to increase public access to financial institutions, products and services; improve the provision of financial products and/or services in accordance with the needs and capabilities of the community; and quality of financial products and/or services.

- Public Complaint
CCB Indonesia already has a General Policy and Guidelines for Customer Protection as well as Standard Operating Procedures for Service and Settlement of Customer Complaints. The Bank is transparent about the procedures for customer

complaints and dispute resolution to customers in accordance with the provisions of the Financial Services Authority and Bank Indonesia, and establishes a unit/function for Handling and Settlement of Customer Complaints.

Every customer complaint received is handled and resolved within a period of time in accordance with applicable regulations. Mediation in the context of resolving Bank customer complaints is carried out properly. Reports on the handling and settlement of customer complaints are reported to the Financial Services Authority and Bank Indonesia on a quarterly basis.

No	Types of Financial Transactions	Completed		On Process		Incompleted		Number of Complaints Total
		Total	Percentage	Total	Percentage	Total	Percentage	
1	Transaction failure at ATM machine	153	76.12%	1	0.50%	-	-	154
2	Transaction Failure in Electronic Banking	44	21.89%	2	0.99	-	-	46
3	Settlement of Non Performing Loans	1	0.50%	-	-	-	-	1
Number of Consumer Complaints Handled during 2023		198	98.51%	3	1.49%	-	-	201



Environmental Social Responsibility Activities



The Sustainable Development Goals (SDGs) in general are as follows:

- Our planet earth faces enormous economic, social and environmental challenges.
- To address this, the SDGs define global priorities and aspirations for 2030. They represent an unprecedented opportunity to eliminate extreme poverty and put the world on a sustainable path.
- Governments around the world including the Government of Indonesia have agreed to these goals.
- The Sustainable Development Goals (SDGs) define global sustainable development priorities and aspirations for 2030 and seek to mobilize global efforts around a common set of goals and objectives. The SDGs call for worldwide action among governments, business and civil society to end poverty and create lives of dignity and opportunity for all, within the boundaries of the planet.

CCB Indonesia as a Financial Services Institution engaged in banking, also has social and environmental responsibilities.

As a form of social responsibility and concern for others, the community and the surrounding environment, CCB Indonesia regularly holds various humanitarian social activities. During the COVID-19 pandemic, the implementation of social activities follows safe health protocols.

CCB Indonesia always strives to provide benefits to the community as part of its Social Responsibility. As a form of social responsibility and concern for others, the community and the surrounding environment, CCB Indonesia regularly holds various humanitarian social activities. CCB Indonesia is committed to participating in sustainable economic development in order to improve the quality of life and the environment.

CCB Indonesia formulates its Corporate Social Responsibility (CSR) policy based on Law No. 40 of 2007 concerning Limited Liability Companies article 1 paragraph 3, that Social and Environmental Responsibility is CCB Indonesia's commitment to participate in sustainable economic development in order to improve the quality of life and a beneficial environment, both for the Company itself, the local community, and society in general.

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The CSR program developed by CCB Indonesia is directed to provide positive benefits including for:

1. Improving the quality of life of the local community who are underprivileged, especially for orphans, disabilities and special needs. Included in the Sustainable Development Goals / SDGs No. 3 is to ensure healthy lives and promote well-being for all.
2. Sustainable greening program that benefits others and the environment, especially overcoming arid, barren lands that are prone to landslides to stop and rehabilitate land damage. Included in the Sustainable Development Goals / SDGs No. 13 namely taking action to combat climate change and its impacts, as well as SDGs No. 15 namely protecting, restoring and supporting sustainable use of terrestrial ecosystems, managing forests sustainably, combating desertification, and preventing and reversing land degradation and halting biodiversity loss.
3. Providing needs for people affected by natural disasters. Included in the Sustainable Development Goals / SDGs No. 3 is to ensure healthy lives and promote well-being for all.
4. Increasing the understanding of the small community towards banking, to encourage the creation of an independent society. Included in the Sustainable Development Goals / SDGs No. 4, namely to ensure inclusive and equitable quality education, while also supporting learning opportunities for all.

CCB Indonesia continues the Sustainable Greening Program (including SDGs No. 13 and SDGs No. 15), in 2023 it entered Phase VII of Tree Planting by coordinating the planting of 700 high-yielding petai seedlings in farmer-owned fields, Village roads and hillsides which are prone to landslides in Sumberharjo Village, Sindukarto Village and Sinduharjo Village, Eromoko District, Wonogiri, Central Java, as part of social humanitarian activities (Corporate Social Responsibility). The implementation of a sustainable reforestation program that previously carried out planting of longan, sapodilla, jackfruit and petai tree seedlings in Phases I – VI during 2014 - 2022. The fruits from this planting can be utilized by the local community, which is expected to improve the economy of the surrounding community, while protecting the environment.

Beneficiaries of the Greening Program

1. The local villagers of Sumberharjo Village, Sindukarto Village and Puloharjo Village, Eromoko District, Wonogiri Regency, Central Java, are the direct beneficiaries of CCB Indonesia's sustainable reforestation program.
2. The farming community who received assistance to plant superior seeds in their respective fields, as well as assistance for watering the plants during the dry season. In addition, some of the plants planted can also provide economic benefits for farmers, such as longan, sawo, jackfruit and petai fruit plants.
3. The local government, by planting trees along the village road, the environment gradually becomes greener.

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As a form of CCB Indonesia's social responsibility and concern for others and the surrounding community, in 2023 CCB Indonesia held various humanitarian activities as follows:

No	Date	Type of Activity	SDGs	Donation Recipients	Cost Realisation	Description
1	3 Feb 23	Orphanage social contributions	SDGs No. 4	Hands of Love Social Foundation, Tangerang. This orphanage cares for 40 neglected children from toddlers to teenagers.	IDR11,560,260	Assistance for logistics needs, milk, food supplies and operational costs for orphanages.
2	18 Feb 23	Orphanage social contributions	SDGs No. 4	Jamrud Biru Foundation, Bekasi, Social Welfare Service Home for people with disabilities and mental health, with a total of 125 residents.	IDR7,500,000	Assistance for logistical needs, in the form of rice.
3	12 Apr 23	School Aid Donations	SDGs No. 4	Green Indonesia Foundation, for children assisted by underprivileged communities living in scavenger settlements in the South Jakarta area (Kebagusan, Ragunan, Jati Padang) Depok and Gunung Sindur Bogor, with a total of 243 assisted children under the Green Indonesia Foundation.	IDR25,000,000	Assistance in the form of educational funds for "Pursue School Packages" for underprivileged children, so that they can continue their education for a better life.
5	18 Apr 23	Social donations Humanitarian aid	SDGs No. 4	Residents and assisted children are underprivileged people who live in scavenger settlements in the South Jakarta area through the Green Indonesia Foundation, in the context of the holy month of Ramadan 1444 H in the Jl. Kebagusan 1 Gang Waru RT.06/01 Kebagusan Pasar Minggu South Jakarta.	IDR19,764,600	Assistance in the form of parcels of daily necessities and school supplies.
6	17 May 23	Sustainable Greening Program	SDGs No. 13 dan 15	Community of Sumberharjo Village and Sindukarto Village, District. Eromoko, Kab. Wonogiri, Central Java.	IDR15,500,000	Assistance for watering tree seedlings in two locations (Phase IV to VI) during the dry season for May-June 2023 in barren areas in Sumberharjo Village and Sindukarto Village, District. Eromoko, Kab. Wonogiri.
7	9 Jun 23	Humanitarian social contributions	SDGs No. 3	The general public through the Indonesian Red Cross.	IDR12,280,000	The general public in commemoration of World Blood Donor Day which was coordinated by the Sahid Sudirman Center Building, Jakarta.
8	19 Jun 23	Sustainable Greening Program	SDGs No. 13 dan 15	Community of Sumberharjo Village and Sindukarto Village, District. Eromoko, Kab. Wonogiri, Central Java.	IDR15,500,000	Assistance for watering tree seedlings in two locations (Phase IV to VI) during the dry season for June-July 2023 in barren areas in Sumberharjo Village and Sindukarto Village, Kec. Eromoko, Kab. Wonogiri.

Sustainability Report

No	Date	Type of Activity	SDGs	Donation Recipients	Cost Realisation	Description
9	29 Jul 23	Sustainable Greening Program	SDGs No. 13 dan 15	Community of Sumberharjo Village and Sindukarto Village, District. Eromoko, Kab. Wonogiri, Central Java.	IDR15,500,000	Assistance for watering tree seedlings in two locations (Phase IV to VI) during the dry season for July-August 2023 in barren areas in Sumberharjo Village and Sindukarto Village, Kec. Eromoko, Kab. Wonogiri.
10	30 Jul 23	Orphanage social contributions	SDGs No. 4	Brayat Pinguji Orphanage, Kulon Progo, Yogyakarta, which cares for 90 children from toddlers to teenagers	IDR19,977,048	Assistance for logistical needs, basic food supplies and cleaning equipment and school supplies
11	15 Aug 23	Sustainable Greening Program	SDGs No. 13 dan 15	Sindukarto Village Community, District. Eromoko, Kab. Wonogiri.	IDR15,500,000	Assistance for watering tree seedlings in two locations (Phase IV to VI) during the dry season August-Sep 2023 in barren areas in Sumberharjo Village and Sindukarto Village, Kec. Eromoko, Kab. Wonogiri.
12	18 Aug 23	Orphanage social contributions	SDGs No. 4	Bhakti Luhur Orphanage, Tangerang, which cares for 62 children with disabilities	IDR13,738,210	Assistance for school supplies in the form of computer equipment.
13	18 Aug 23	School Assistance	SDGs No. 4	Bhakti Luhur Orphanage, Tangerang, which cares for 62 children with disabilities	IDR12,555,841	Assistance for logistics needs, food supplies and cleaning equipment needs.
14	30 Aug 23	School Assistance	SDGs No. 4	Mekar Lestari Orphanage, Serpong, Tangerang, which cares for 38 children from toddlers to teenagers.	IDR15,000,000	Financial assistance for school education for children in orphanages.
15	2 Sep 23	Orphanage social contributions	SDGs No. 4	Mekar Lestari Orphanage, Serpong, Tangerang, which cares for 38 children from toddlers to teenagers.	IDR13,460,240	Assistance with daily food logistics needs and cleaning equipment for the orphanage.
16	21 Sep 23	Sustainable Greening Program	SDGs No. 13 dan 15	Community of Sumberharjo Village and Sindukarto Village, District. Eromoko, Kab. Wonogiri, Central Java.	IDR15,500,000	Assistance for watering tree seedlings in two locations (Phase IV to VI) during the dry season September-Oct 2023 in barren areas in Sumberharjo Village and Sindukarto Village, Kec. Eromoko, Kab. Wonogiri.
17	5 Oct 23	Sustainable Greening Program	SDGs No. 13 dan 15	Community of Sumberharjo Village and Sindukarto Village, District. Eromoko, Kab. Wonogiri, Central Java.	IDR15,500,000	Assistance for watering tree seedlings in two locations (Phase IV to VI) during the dry season October-Nov 2023 in barren areas in Sumberharjo Village and Sindukarto Village, Kec. Eromoko, Kab. Wonogiri.

Sustainability Report

No	Date	Type of Activity	SDGs	Donation Recipients	Cost Realisation	Description
18	11 Nov 23	Orphanage social contributions	SDGs No. 4	Guardian Holy Angel Orphanage, Jatiasih, Bekasi, which cares for 48 children from toddlers to teenagers	IDR19,998,440	Providing logistical and operational needs to the Guardian Holy Angel Orphanage
19	14 Nov 23	Sustainable Greening Program	SDGs No. 13 dan 15	The people of Sumberharjo Village, Sindukarto Village, and Puloharjo Village, District. Eromoko, Kab. Wonogiri, Central Java.	IDR19,900,000	The reforestation program takes the form of pre-planting preparations for Phase VII 2023 new tree seedlings for 700 trees, which will be planted in December 2023 in barren areas in Sumberharjo Village, Sindukarto Village, and Puloharjo Village, District. Eromoko, Kab. Wonogiri.
20	1 Dec 23	Free Medical Donations	SDGs No. 4	General public, underprivileged families in the Cakung area, East Jakarta	IDR38,000,000	100 packages of free medical treatment for underprivileged families in the Cakung area, East Jakarta in collaboration with the Benih Baik Foundation
21	6 Dec 23	Sustainable Greening Program	SDGs No. 13 dan 15	The people of Sumberharjo Village, Sindukarto Village, and Puloharjo Village, District. Eromoko, Kab. Wonogiri, Central Java.	IDR59,000,000	The reforestation program consists of purchasing 700 new petai tree seedlings for Phase VII in 2023 which will be planted in November 2023 in barren areas in Sumberharjo Village, Sindukarto Village, and Puloharjo Village, District. Eromoko, Kab. Wonogiri.
22	12 Dec 23	Sustainable Greening Program	SDGs No. 13 dan 15	The people of Sumberharjo Village, Sindukarto Village, and Puloharjo Village, District. Eromoko, Kab. Wonogiri, Central Java.	IDR17,400,000	The reforestation program consists of planting 700 new tree seedlings for Phase VII in 2023 in barren areas in Sumberharjo Village and Sindukarto Village, Puloharjo Village, District. Eromoko, Kab. Wonogiri.
23	7 Dec 23	Health Donations	SDGs No. 4	General public, especially for stunting (child malnutrition)	IDR5,000,000	The implementation of this activity was coordinated by the Indonesian Issuers Association with the Financial Services Authority and the Indonesian Stock Exchange, as well as Capital Market stakeholders seeking to help end stunting (child malnutrition) in Indonesia.
24	15 Dec 23	Orphanage social contributions	SDGs No. 4	Brayat Pinuji Orphanage, Kulon Progo, Yogyakarta, which cares for 90 children from toddlers to teenagers	IDR19,965,570	Providing logistical assistance and operational funds to the Brayat Pinuji Orphanage, Boro, Central Java

Sustainability Report

No	Date	Type of Activity	SDGs	Donation Recipients	Cost Realisation	Description
25	15 Dec 23	Elderly social contributions	SDGs No. 4	Hanna Nursing Home in Yogyakarta, which cares for 30 elderly women	IDR5,003,630	Logistical assistance and operational funds to the Hana Nursing Home in Yogyakarta
26	16 Dec 23	Banking Education	SDGs No. 4	Financial literacy for 50 Yogyakarta small entrepreneurs/UMKM assisted by Bank Indonesia and the Yogyakarta Special Region Cooperative & SME Service	IDR24,871,221	CCB Indonesia, in collaboration with Bank Indonesia and the Yogyakarta Special Region Cooperative & SME Service, held Financial Literacy related to the use of digital finance and the introduction of sustainable finance, which was attended by 50 small entrepreneurs at the CCB Indonesia Branch Office in Yogyakarta
Total					IDR452,975,060	

7. Responsibility for Sustainable Financial Products/ Services Development

a. Innovation and Development of Sustainable Financial Products/Services

CCB Indonesia is consistently developing technology-based products and services, initially developing internet banking for corporations, continuing for individuals, and mobile banking, and continuing with the development of further digital banking, such as QR payments, iDebit, virtual accounts, CCBI Win, foreign currency transfers, and others. As is well known, in the context of Sustainable Finance, the use of technology-based products will save the resources used, such as paper, fuel (because there is no need for transportation).

In order to maintain public trust and consumer protection, CCB Indonesia always pays attention to creating a sense of security for its customers. CCB Indonesia's products and services are in accordance with applicable regulations, standards and best practices.

Every product launched by CCB Indonesia is directed to provide maximum benefits to customers. CCB Indonesia through frontliners ensures that customers can understand and understand the advantages of CCB Indonesia products, according to their needs.

Transparency of CCB Indonesia products includes all information regarding products, including product benefits and uses, terms and conditions, rights and obligations of each party, when the agreement ends and how it is resolved,

information on administrative fees charged, including the risks. Each CCB Indonesia office provides a special unit / officer to handle complaints or complaints from customers, so that problems with customers can be immediately followed up with a target time of completion according to the provisions of the Financial Services Authority.

Promo Program of products and services of CCB Indonesia is carried out through optimal and transparent marketing communications, not violating applicable ethics and rules, to achieve targeted awareness and market positioning. CCB Indonesia seeks to develop and improve the quality of banking services by prioritizing customer satisfaction.

b. Products / Services that have been Evaluated for Safety for Customers

Regarding the development of sustainable financial products/ services, especially technology-based products and services, an IT System Security test has been carried out for the protection of customer data and CCB Indonesia banking applications as follows:

- CCB Indonesia has implemented the principles of confidentiality, integrity and availability on all communication networks, information and banking systems in accordance with the Risk Management Guidelines from the Financial Services Authority (POJK MRTI).
- Information security and banking systems are carried out on aspects of technology, human resources and processes in the use of Information Technology, including by:

- Using two layers of authentication for access to core-banking system, internet banking and mobile banking;
- Conduct regular security system audits by inviting IT Security vendors to conduct security assessments, penetration tests and infiltration tests on CCB Indonesia banking application systems;
- Conduct periodic evaluations of systems and procedures to improve system security and to always comply with the Risk Management Guidelines set by the Financial Services Authority.

c. Products/Services Impact

The development of environmentally sound products and services through digital banking, such as internet banking (business and individual), mobile banking, QR payments, iDebit, virtual accounts, CCBI Win, foreign currency transfers, and others, has a very positive impact on the environment, because it will save on resources used, such as paper, gasoline/diesel fuel because transportation is not required to go to the bank office, so it can be a solution for banking transactions more efficiently.

During the COVID-19 pandemic, especially when activity restrictions were imposed, this digital banking service became very important for customers to be able to carry out financial transactions without having to come to the bank office.

d. Number of Products Recall

During 2023 there were no recalled products by CCB Indonesia.

e. Customer Satisfaction Survey on Sustainable Financial Products/Services

During 2023, there has not yet carried out for customer satisfaction survey on the Products and/or Services.

8. Others

- Written verification from an independent party for 2023 is not yet available.
- Feedback sheet for readers for 2023 is not yet available.
- The Issuer's response to the previous year's report feedback is currently not available.
- Disclosure List



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This is an example of the results of CCB Indonesia's reforestation program: longan trees have grown along the Sumberharjo village road, which was previously barren and there were no plants. Last year, the local government awarded a plaque of appreciation to CCB Indonesia which was placed on this village road.

Corporate Governance



The extensive and thorough implementation of Good Corporate Governance will notably enhance profitability, create added value for stakeholders, and ensure the long-term sustainability of business growth for CCB Indonesia as a public company

According to the Decision of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-AH.01.10-0003777 dated November 30, 2016, and the Letter from the Financial Services Authority (OJK) No. S-400/PB.12/2016 dated November 30, 2016, it has been resolved to merge PT Bank Antar Daerah (Bank Anda) into PT Bank Windu Kentjana International, Tbk (Bank Windu). The resultant entity from this merger has been renamed PT Bank China Construction Bank Indonesia Tbk as per the Decision of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0003776.AH.01.10 Year 2016 dated November 30, 2016, Letter from the Financial Services Authority No. S-441/PB.12/2016 dated December 28, 2016, and a Copy of the Decree of the Board of Commissioners of Financial Services Authority No. 17/KDK.03/2016 dated 27 December regarding the Determination of the Use of Business Licenses on behalf of PT Bank Windu Kentjana International Tbk. into PT Bank China Construction Bank Indonesia Tbk ("CCB Indonesia").

The extensive and thorough implementation of Good Corporate Governance will notably enhance profitability, create added value for stakeholders, and ensure the long-term sustainability of business growth for CCB Indonesia as a public company.

The continuous effort to enhance the implementation of governance or Good Corporate Governance previously undertaken, and to ensure the fulfillment of Good Corporate Governance principles in all business activities at all levels or organizational levels, is crucial to gaining trust from stakeholders, including shareholders/investors, customers, correspondent banks, government/regulators, employees, suppliers, and the community within the working environment of CCB Indonesia. This is due to the fact that the evaluation outcomes of Good Corporate Governance will impact the assessment of the Risk-Based Bank Health Level (RBBR).

As an institution operating in the banking sector and as a public company, CCB Indonesia implements Good Corporate Governance guided by:

- Financial Services Authority Regulation No. 17 of 2023 dated September 14, 2023, and Financial Services Authority Circular Letter No. 13/SEOJK.03/2017 dated March 17, 2017, regarding the Implementation of Governance for Commercial Banks.
- Financial Services Authority Regulation No. 45/POJK.03/2015 dated December 23, 2015, concerning the Implementation of Governance in Providing Remuneration for Commercial Banks.
- Financial Services Authority Regulation No. 21/POJK.04/2015 and Financial Services Authority Circular Letter No. 32/SEOJK.04/2015 regarding the Implementation of Guidelines for Public Company Governance.
- Financial Services Authority Regulation No. 33/POJK.04/2014 dated December 8, 2014, concerning Board of Directors and Board of Commissioners of Issuers or Public Companies.
- Financial Services Authority Regulation No. 34/POJK.04/2014 dated December 8, 2014, concerning Nomination and Remuneration Committee of Issuers or Public Companies.
- Financial Services Authority Regulation No. 55/POJK.04/2015 dated December 23, 2015, regarding the Establishment and Guidelines for the Operation of Audit Committees.
- Decree of Board of Directors of the Indonesia Stock Exchange Kep-00101/BEI/12-2021 dated December 21, 2021, concerning Amendments to Regulation Number I-A regarding the Listing of Shares and Equity-like Securities Issued by Listed Companies.

The aforementioned provisions emphasize the necessity for the implementation of Good Corporate Governance principles to be manifest, at a minimum, in:

- The implementation of duties and responsibilities of Board of Commissioners and Board of Directors;
- The completeness and implementation of tasks of committees and units performing the functions of the bank's internal control;
- The application of compliance functions, internal auditors, and external auditors;
- The implementation of risk management, including internal control systems;
- Providing funds to related parties and large exposures;
- The Bank's strategic plan; and
- Transparency of financial and non-financial conditions of the Bank.

CCB Indonesia is committed to consistently implementing the principles of Good Corporate Governance in every business activity at all levels of the organization.

In 2023, CCB Indonesia persisted in its endeavor to enhance the execution of Good Corporate Governance, maintaining and augmenting the advancements achieved in previous years across three key dimensions of governance: Governance Structure, Governance Process, and Governance Outcome.

Principles of Corporate Governance

In implementing Good Corporate Governance, CCB Indonesia fosters a corporate culture by adhering to the principles of corporate governance, namely transparency, accountability, responsibility, independence, and fairness. These five principles are consistently applied in business activities and daily operations of the Bank at all levels of the organization.

Guidelines for Corporate Governance

Enhancing the quality of Good Corporate Governance implementation is a key endeavor aimed at bolstering the Bank's performance, safeguarding stakeholders' interests, and fostering adherence to legal regulations and ethical standards prevalent in the banking sector.

To ensure alignment with the principles of Good Corporate Governance across all organizational units, the Bank has established Policies and General Guidelines for its implementation. These guidelines have received approval from both the Board of Commissioners and the Board of Directors.

The Bank has developed the provisions for the implementation of its Policies and General Guidelines for Good Corporate Governance, which include:

- Self-Assessment Guidelines and Preparation of Good Corporate Governance Implementation Reports (Guidelines for Assessment and Preparation of Good Corporate Governance Reports), as a guide for conducting self-assessment and preparing reports on the implementation of Good Corporate Governance.
- Code of Ethics Guidelines, laying down the basic principles of behavior and professionalism expected from all CCB Indonesia personnel. This Code of Ethics guideline aims to foster a robust culture of risk awareness and establish a sound control environment within CCB Indonesia, ensuring that these values become deeply rooted in every member of CCB Indonesia personnel.
- Guidelines for Handling Conflict of Interest for all CCB Indonesia personnel:
 - to understand, prevent, and mitigate conflicts of interest, and
 - to take a firm stance against conflicts of interest within the Bank to achieve good company management.

Corporate Governance

In addition to adhering to the aforementioned Policies and Guidelines, the implementation of Good Corporate Governance is also based on other internal regulations established in accordance with applicable laws and regulations, while still adhering to the principles of Good Corporate Governance.

General Meeting of Shareholders (GMS)

The General Meeting of Shareholders (GMS) is the Company Organ with authority not delegated to the Board of Directors or Board of Commissioners within the limits specified in the Law and/or the Articles of Association.

GMS has the authority, among others, to appoint and dismiss members of the Board of Commissioners and Directors, evaluate the performance of the Board of Commissioners and Directors, approve changes to the Articles of Association, approve the Annual Report, and determine the form and amount of compensation, allowances, and facilities for members of the Board of Commissioners and Directors, as well as make important decisions in line with the direction and policies of the Bank.

In 2023, CCB Indonesia conducted its Annual General Meeting of Shareholders (RUPS), by adhering to the Financial Services Authority Regulation (POJK) No. 15/POJK.04/2020 dated April 20, 2020, regarding the Plan and Implementation of General Meetings of Shareholders of Public Companies and Financial Services Authority Regulation No. 16/POJK.04/2020 dated April 20, 2020, regarding the Implementation of General Meetings of Shareholders of Public Companies Electronically.

Based on OJK Regulation No. 7/POJK.04/2021 concerning Policies to Maintain Performance and Stability of the Capital Market Due to the Spread of Corona Virus Disease 2019 as amended by OJK Regulation No. 4/POJK.04/2022 and Financial Services Authority Circular Letter (SEOJK) No. 20/SEOJK.04/2021 concerning Stimulus Policies and Relaxation of Provisions Related to Issuers or Public Companies in Maintaining Performance and Stability of the Capital Market Due to the Spread of Corona Virus Disease 2019 as amended by OJK Circular Letter No. 4/SEOJK.04/2022, the provisions regarding the deadline for holding annual general meetings of shareholders by Public Companies were extended for 1 (one) month from the deadline for the obligation to hold annual general meetings of shareholders as regulated in Article 2 paragraph (2) of Financial Services Authority Regulation Number 15/POJK.04/2020 regarding the Plan and Implementation of General Meetings of Shareholders of Public Companies.

Referring to the provisions above, the Annual General Meeting of Shareholders (RUPS) for the fiscal year 2023 was held on June 6, 2023, in a hybrid manner, namely offline with restrictions on the number of physical attendees based on a first in first served method, and also online through the eASY.KSEI application specifically for local individual shareholders. In the implementation of the 2023 Annual RUPS, the vote counting was conducted by an Independent Party, PT. Sinartama Gunita, as the Company's Securities Administration Bureau, and verified by Notary Eliwati Tjitra, S.H., as an independent public official.



Annual General Meeting of Shareholders held on June 6, 2023.

During the meeting, the decisions were made as follows:

Agenda One

Accepted and approved the Company's Annual Report, including the Board of Commissioners Supervisory Task Report regarding the condition and running of the Company for fiscal year 2022 and the Company's Annual Financial Report 2022 which has been audited by Public Accountant Purwantono, Sungkoro & Surja (a member of Ernst & Young) and provide full discharge of responsibility (acquitted de charge) for members of the Board of Directors and members of the Board of Commissioners of the Company for their management and supervisory actions during the fiscal year ending December 31 2022, as long as these actions are stated in the Company's Financial Statements for the fiscal year ending December 31, 2022, insofar that matters are fully and adequately disclosed in the Annual Report and do not violate applicable laws or constitute fraud.

Agenda Two

Approved the determination of the use of net profit for the financial year ending on December 31, 2022 in the amount of IDR135,959,414,849 (one hundred thirty-five billion nine hundred fifty-nine million four hundred fourteen thousand eight hundred forty-nine rupiah) with details as follows:

- I. In the amount of IDR500,000,000 (five hundred million rupiah) will be used as Mandatory Reserves in accordance with the provisions of Article 70 of UUPT.
- II. The remaining of IDR135,459,414,849 (one hundred thirty-five billion four hundred fifty-nine million four hundred fourteen thousand eight hundred forty-nine rupiah) will be used as retained earnings with the aim of strengthening the Company's capital structure.

Agenda Three

Approved the Granting of Power of Attorney to the Board of Commissioners to determine the salaries, allowances and bonuses for members of Board of Directors for fiscal year 2023.

Agenda Four

Approved the Granting of Power of Attorney to the Majority Shareholder, taking into account the suggestions and recommendations of the Remuneration and Nomination Committee, to determine the salaries, allowances and bonuses for members of Board of Commissioners for fiscal year 2023.

Agenda Five

Approved the appointment of Public Accountant Purwantono, Sungkoro & Surja (a member of Ernst & Young) to audit the Company's financial statements for fiscal year 2023.

Board of Commissioners and Board of Directors

The Bank operates its management system through dual control, ensuring a distinct separation between the roles and duties of the Board of Directors, responsible for managing the Bank, and the Board of Commissioners, responsible for overseeing its operations.

1. Board of Commissioners

- 1) President Commissioner : Sun Jianzheng
- 2) Commissioner : Qi Jiangong
- 3) Commissioner (independent) : Mohamad Hasan
- 4) Commissioner (independent) : Yudo Sutanto

None of the Independent Commissioners have financial, management, ownership and family relationships with other members of the Board of Commissioners, Board of Directors and/or Controlling Shareholders or relationships with CCB Indonesia, which may affect their ability to act independently.

All members of the Board of Commissioners meet the requirements as stipulated in Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Bapepam Regulation IX.I.6), Financial Services Authority Regulation No. 27/POJK.03/2016, and Financial Services Authority Circular Letter No. 39/SEOJK.03/2016.

2. Board of Directors

- 1) President Director : You Wennan
- 2) Director : Zhu Yong
- 3) Director : Setiawati Samahita
- 4) Director : Junianto
- 5) Director : Chandra Nangkok Tua Siagian
- 6) Compliance Director : Agresius Robajanto Kadiaman

None of the members of the Board of Directors of CCB Indonesia have financial, management, ownership and family relationships with other members of the Board of Directors, the Board of Commissioners and/or Controlling Shareholders or relationships with CCB Indonesia, which may affect their ability to act independently.

All members of the Board of Directors meet the requirements as stipulated in Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Bapepam Regulation IX.I.6), Financial Services Authority Regulation No. 27 /POJK.03/2016, and Financial Services Authority Circular Letter No.39/SEOJK.03/2016.

The composition of the Board of Directors and Board of Commissioners of the Company has been recorded in the administrative supervision of the Financial Services Authority, most recently through Financial Services Authority letter No. S-45/PB.322/2019 dated April 23, 2019, regarding the Composition of the Board of Directors and Commissioners of the Bank.

Corporate Governance

Board of Commissioners

The composition of the Board of Commissioners and Board of Directors in 2023 remained unchanged compared to the previous period, which was based on the decision of the Annual General Meeting of Shareholders (RUPS) dated May 14, 2019. The reappointment of the Board of Directors and Board of Commissioners during the AGMS is intended for the term of office commencing from the closing of the AGMS on May 14, 2019, until the closure of the Company's AGMS for the year 2023, with the following members of the Board of Commissioners:

President Commissioner : Sun Jianzheng
 Commissioner : Qi Jiangong
 Commissioner (Independent) : Mohamad Hasan
 Commissioner (Independent) : Yudo Sutanto

In 2023, there were no appointments, terminations, and/or replacements of members of the Board of Commissioners, thus the composition as of early 2023 remained the same until the

end of 2023. The composition of the members of the Board of Commissioners and Directors is as follows:

President Commissioner : Sun Jianzheng
 Commissioner : Qi Jiangong
 Commissioner (Independent) : Mohamad Hasan
 Commissioner (Independent) : Yudo Sutanto

In 2023, the Board of Commissioners of the Bank consisted of no fewer than 3 (three) members and did not exceed the number of members of the Board of Directors.

Composition of the members of the Board of Commissioners.

In 2023, the members of the Board of Commissioners consist of Independent Commissioners and Non-Independent Commissioners, with a composition of 50% of the Board of Commissioners being Independent Commissioners.

Period	The number of		%
	Members of the Board of Commissioners	Independent Commissioner	
January 2023 to December 2023	4	2	50%

No	Name	Position	Approval Letter	OJK Approval	Reappointed through GMS
1	Sun Jianzheng	President Commissioner	OJK Letter No. KEP-11/D.03/2019 dated January 17, 2019	22 Jan 2019	14 May 2019
2	Qi Jiangong	Commissioner	OJK Letter No. KEP-94/D.03/2017 dated June 05, 2017	6 Jun 2017	14 May 2019
3	Mohamad Hasan	Independent Commissioner	BI Letter No.12/72/GBI/DPIP/ Secret dated June 07, 2010	7 Jun 2010	14 May 2019
4	Yudo Sutanto	Independent Commissioner	OJK Letter No. KEP-63/D.03/2016 dated October 27, 2016	27 Oct 2016	14 May 2019



Sun Jianzheng President Commissioner

Chinese citizen, born in Hebei, China in 1963. Obtained a Bachelor's degree in Law from Peking University, China in 1986 and a Master's degree in Law from Peking University, China in 1988, and a Doctoral degree in National Economics from Peking University, China in 2003.

He serves as President Commissioner of the Company since January 25, 2019. He started his career at China Investment Consulting Corporation from August 1988 to May 1990. Subsequently he joined China Construction Bank Corporation in May 1990 until now, holding various key and strategic positions, including Deputy General Manager of Institutional Reform Executive Office, Deputy General Manager of Asset & Liability Management Department, Deputy General Manager of International Business Department (equivalent to GM level at Head Office) and the latest position as General Manager of Strategic Investment and Management Department, responsible for domestic and foreign equity investment, shareholding management of subsidiaries and rural banks, strategic cooperation management with strategic investors, since June 2015 until now.

From October 2008 to August 2015, he held concurrent positions at China Construction Bank (London) Limited as Non-Executive Director, in addition to his main position at China Construction Bank Corporation, Head Office.

He serves the position of President Commissioner of the Company effectively on January 25, 2019, in addition to his main position as General Manager of Strategic Investment and Management Department of China Construction Bank Corporation.

As a Non-Independent (President) Commissioner, he carries out the functional duties of China Construction Bank Corporation (shareholder of the Bank as a legal entity).

Training attended in 2023: Online Training "Risk Management Refreshment - Commissioner Level (Foreign)" by RDS Consulting on August 2, 2023 in Jakarta.

As member of the Board of Commissioners, he fulfills the requirements as stipulated in the Financial Services Authority Regulation Number 33/POJK.04/2014 (formerly Bapepam Regulation IX.I.6), Number 27/POJK.03/2016, Circular Letter of the Financial Services Authority No.39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-11/D.03/2019 dated January 17, 2019.

Qi Jiangong Commissioner

Chinese citizen, born in Shanxi, China on June 11, 1970. Obtained a Bachelor's degree in Economics from Renmin University of China in 1992 and a Master's degree from the University of International Business and Economics, majoring in International Accounting Management graduated in 1997.

Appointed as Commissioner through the GMS on October 14, 2016, effective serving from June 6, 2017 until now.

He started his career at China Construction Bank Corporation in July 1997 as a Business Manager responsible for asset/liability management. From October 2000 to March 2001, he held various strategic positions in China Construction Bank Corporation. From March 2001 to July 2008, he was appointed as Chief Manager and Deputy Chief Manager in charge of Financial Market Department. From March 2008 to August 2, 2022, he was appointed Deputy General Manager and Chief Manager of the Strategic Investment and Management Department, responsible for the Bank's strategic investments.

On May 10, 2021, he was appointed as Chairman, Non-Executive Director of BlackRock CCB Wealth Management Limited until now.

From August 2, 2022 to present, he was appointed as General Manager of Financial Institutional Business Department of China Construction Bank Corporation responsible for the management of the financial institution business.

As a Non-Independent Commissioner, he performs the functional duties of China Construction Bank Corporation (the shareholder of the Bank which is a legal entity).

Training attended in 2023: Online Training "Risk Management Refreshment - Level 6 Commissioner" by IBI-BCC on December 4, 2023 in Jakarta.

As member of the Board of Commissioners, he meets the requirements as stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Bapepam Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of the Financial Services Authority No.39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-93/D.03/2017 dated June 5, 2017.

Special Assignment:

Member of Remuneration and Nomination Committee since September 27, 2017 until now.

Corporate Governance

Mohamad Hasan Independent Commissioner

Indonesian citizen, born in Palembang in 1944. He earned a Bachelor of Law degree in 1972 from Sriwijaya University, Palembang.

Appointed as Independent Commissioner since June 24, 2010, and continued after the merger between Bank Windu and Bank Anda on November 30, 2016, as approved by the Financial Services Authority No. SR-104/PB.12/2016.

He began his career at Citibank Jakarta from May 1974 to April 1977. He then worked at PT Multinational Finance Corporation (PT Multicor) starting in May 1977. From August 1985 to October 1991, he served as Executive Director, followed by the period from November 1991 to January 2003, when he was appointed President Director. Subsequently, at PT Bank Multicor, he served as an Independent Commissioner from June 2003 to June 2008. From October 2008 to 2009, he served as commissioner in several national private companies in Jakarta. In May 2010, he has been reappointed as Independent Commissioner in the Company.

Training "Refreshment of Risk Management Level Commissioner" by Asta Consulting on May 31, 2023 in Jakarta.

As member of the Board of Commissioners, he meets the requirements as stipulated in Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Bapepam Regulation IX.I.6), No. 27/POJK.03/2016, Financial Services Authority Circular Letter No. 39/SEOJK.03/2016, and has obtained approval from the Financial Services Authority No. KEP-101/D.03/2016 dated November 30, 2016.

Special Assignments:

Chairman of the Remuneration and Nomination Committee since October 22, 2010, to date.

Chairman of the Audit Committee since March 14, 2017, to date.

Yudo Sutanto Independent Commissioner

Indonesian citizen, born in Malang, East Java in 1954. He obtained a Bachelor of Finance degree in 1981 from California State University, Los Angeles, United States.

Appointed as Independent Commissioner on November 2, 2016, in accordance with the approval of the Financial Services Authority No. SR-173/PB.121/2016.

He began his career at PT Bank Antardaerah in 1982 in various important positions. In 1990, he was appointed as President Director, and in 1999 as Chairman of the Audit Committee of PT Bank Antardaerah. Since March 1999, he has served as a member of the Board of Commissioners.

Training "Refreshment of Risk Management Level Commissioner" by Asta Consulting on May 31, 2023 in Jakarta.

As member of the Board of Commissioners, he meets the requirements as stipulated in Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Bapepam Regulation IX.I.6), No. 27/POJK.03/2016, Financial Services Authority Circular Letter No. 39/SEOJK.03/2016, and has obtained approval from the Financial Services Authority No. KEP-63/D.03/2016 dated October 27, 2016.

Special Assignments:

Chairman of the Risk Monitoring Committee since February 21, 2017.

In 2023, the number, composition, criteria, and independence of the Board of Commissioners members have complied with the Financial Services Authority regulations governing the implementation of Governance Principles for Commercial Banks and Public Listed Companies.

a. Duties and Responsibilities of the Board of Commissioners

1. The Board of Commissioners shall conduct supervision of the implementation of the Board of Directors' tasks and responsibilities, as well as provide advice to the Board of Directors. In carrying out these tasks, several rules need to be taken into account, namely:
 - a. The Board of Commissioners is prohibited from being involved in the decision-making process of the Bank's operational activities, except:
 - Provision of funds to Related Parties and/or other transactions involving related parties as regulated in Bank Indonesia Regulation on Maximum Limits for Commercial Bank Credit Provision,
 - Other matters stipulated in the Bank's Articles of Association or applicable regulations.
 - b. The Board of Commissioners shall direct, monitor, and evaluate the implementation of the Bank's strategic policies, including evaluating the Bank's Business Plan.
 - c. The Board of Commissioners shall review, correct, and approve the Bank's Annual Report.
2. The Board of Commissioners shall ensure the implementation of Good Corporate Governance in all Bank business activities at all levels of the organization. In performing this function, several rules need to be taken into account, namely:
 - a. The Board of Commissioners shall notify the Financial Services Authority at least 7 (seven) working days from the discovery of:
 - Violations of financial and banking regulations,
 - Circumstances or estimated circumstances that may endanger the Bank's business continuity.

- b. The Board of Commissioners shall ensure that the Board of Directors has followed up on audit findings and recommendations from the Bank's Internal Audit Function and Public Accountants, as well as the results of Bank Indonesia's supervision and/or supervision from other authorities.
 - c. The Board of Commissioners has the right to appoint Public Accountant considering the recommendations of the Audit Committee.
3. The Board of Commissioners establishes Committees under it to support the effectiveness of its tasks and responsibilities, consisting of at least:
 - a. Audit Committee,
 - b. Risk Monitoring Committee, and
 - c. Remuneration and Nomination Committee.
 4. Members of the Committees under the Board of Commissioners are appointed by Board of Directors' Decree accompanied by confirmation by the Board of Commissioners.
 5. The Board of Commissioners shall ensure that the established Committees perform their tasks effectively.
 6. The Board of Commissioners coordinates with the Board of Directors in fostering, ensuring, and supervising the Bank's compliance with internal and external regulations.
 7. Members of the Board of Commissioners are prohibited from granting general authority to others that may result in the delegation of the Commissioners' duties and responsibilities.
 8. The Board of Commissioners may grant specific authority to 2 (two) members of the Board of Commissioners to take routine and non-strategic actions. Such actions shall be reported at the next Board of Commissioners meeting.

The Board of Commissioners has carried out its supervisory function over the implementation of the Board of Directors' duties and

responsibilities periodically and provided advice and recommendations to the Board of Directors.

b. Board of Commissioners Meetings

The Board of Commissioners has already have the guidelines for conducting Board of Commissioners meetings, based on the Financial Services Authority Regulation No. 33/POJK.04/2014 dated December 8, 2014 concerning Directors and Board of Commissioners of Issuers or Public Companies, the Financial Services Authority Regulation No. 17 of 2023 concerning the Implementation of Governance for Commercial Banks, and the Board of Commissioners' Working Procedures Guidelines, which include provisions on the Assessment and Evaluation of the Board of Commissioners' Performance.

The Board of Commissioners meetings during 2023 has been conducted well, as evidenced by the documentation of the meeting proceedings that have been carried out.

The Board of Commissioners' decision-making are based on the principle of consensus. The results of the Board of Commissioners meetings have been recorded in minutes of meeting and well-documented, and distributed to all members of the Board of Commissioners and relevant parties. The results of the meetings are recommendations and/or advice to the Board of Directors on the Bank's business activities.

During 2023, the Board of Commissioners held 6 (six) Board of Commissioners meetings, 5 (five) of which were attended by all members of the Board of Commissioners. Some of the Board of Commissioners meetings were conducted via teleconference.

No	Date	Agenda	Sun Jianzheng	Qi Jiangong	Mohamad Hasan	Yudo Sutanto
1.	Jan 30, 2023	Approve Plan and Budget of Internal Audit Assurance and Consulting Activities for the Year 2023	TC	TC	√	TC
2.	Mar 7, 2023	Approve the public accounting firm Paul Hadiwinata, Hidayat, Arsono, Retno, Palilingan & Partners (PKF Indonesia) to carry out review of the Internal Audit Division of PT Bank China Construction Bank Indonesia Tbk for period 2020-2023	-	TC	√	TC
3.	Apr 11, 2023	Recommendation of external auditor for financial audit fiscal year 2023.	√	√	√	√
4.	May 16, 2023	Approve of 2022 total bonus amount (exclude foreign directors) and BOD bonus amount (exclude foreign directors)	TC	TC	√	TC
5.	Jun 12, 2023	Approve Revised CCBI Bank Business Plan (BBP) for the year 2023-2025	TC	TC	√	TC
6.	Nov 17, 2023	Approve Bank Business Plan (BBP) for the year 2024 - 2026	TC	TC	√	√

√ : Present at the meeting, - : Not present at the meeting, TC : Via teleconference

Corporate Governance

Thus, the number of meetings held, as well as the number of meetings attended physically by all members of the Board of Commissioners have complied with the Financial Services Authority regulations governing Directors and Board of Commissioners of Issuers or Public Companies, and the Financial Services Authority regulations governing the implementation of Governance in Commercial Banks.

c. Recommendations of the Board of Commissioners

As a follow-up to the oversight of CCB Indonesia's performance during 2023, the Board of Commissioners, considering the recommendations of the Audit Committee, Remuneration and Nomination Committee, and Risk Monitoring Committee, conveyed recommendations that should be followed up by the Board of Directors.

d. Training attended by members of the Board of Commissioners

Members of the Board of Commissioners have the commitment and ability to engage in continuous learning to enhance their knowledge of banking and current developments in financial/other areas that support the performance of their duties and responsibilities.

The training attended by the Commissioners in 2023 are as follows:

Name	Training	Date	Organizer/Venue
Mohamad Hasan	Risk Management Refreshment Certificate for Commissioners Level	31 May 2023	ASTA Consultant/Jakarta
Yudo Sutanto	Risk Management Refreshment Certificate for Commissioners Level	31 May 2023	ASTA Consultant/Jakarta
Sun Jianzheng	Risk Management Refreshment Certificate Training for Foreign Commissioners Level	2 August 2023	PT Raharja Duta Solusindo
Qi Jiangong	Risk Management Refreshment Certificate Training Level 6 for Commissioners	4 December 2023	PT Raharja Duta Solusindo

e. The effectiveness and efficiency of supervision conducted by the Commissioners

Periodically, the Board of Commissioners oversees the Board of Directors and the Committees under the Board of Commissioners, among other things, through meetings between the Board of Commissioners and the Board of Directors or between the Board of Commissioners and the Committees.

f. Meetings of the Board of Commissioners with the Board of Directors

Throughout 2023, the Board of Commissioners convened with the Board of Directors 3 (three) times.

No	Date	Agenda	Attended by
1	11 Apr 2023	1. Oversee implementation of BBP as of March 2023 2. Any other business.	Sun Jianzheng Qi Jiangong Mohamad Hasan Yudo Sutanto You Wennan Zhu Yong Setiawati Samahita Junianto Chandra Siagian Agresius R. Kadiaman
2	12 Jun 2023	Discussion on Revised CCBI Bank Business Plan (BBP) 2023 – 2025	Sun Jianzheng Qi Jiangong Mohamad Hasan Yudo Sutanto You Wennan Zhu Yong Setiawati Samahita Junianto Chandra Siagian Agresius R. Kadiaman
3	17 Nov 2023	Discuss Bank Business Plan (BBP) for the year 2024 – 2026	Sun Jianzheng Qi Jiangong Mohamad Hasan Yudo Sutanto You Wennan Zhu Yong Junianto Chandra Siagian Agresius R. Kadiaman

The monitoring conducted by the Board of Commissioners over the Board of Directors and the Committees under the Board of Commissioners during 2023 has been effective and efficient.

g. Mechanisms of supervision by the Commissioners over the Directors and Committees under the Commissioners

The Board of Commissioners consistently supports efforts to enhance governance implementation at CCB Indonesia. Primary attention is given to improving the three aspects of governance: Governance Structure, Governance Process, and Governance Outcome, followed by addressing the findings of the Financial Services Authority (OJK), achieving targets as per the business plan while considering risk management, internal supervision, and compliance. Through its committees, the Board of Commissioners has provided recommendations and input on various aspects of the Company's business and supporting functions.

The mechanisms and focus of supervision conducted in 2023 include:

1. Analyzing, providing input, and jointly approving the Bank's Business Plan (RBB). The Board of Commissioners also monitors, analyzes, and provides guidance/input for the Company's future strategic plans.
2. Overseeing the implementation of the Bank's Business Plan, and regularly reporting the results to the Financial Services Authority.
3. Reviewing the financial performance of CCB Indonesia through the Audit Committee and Risk Monitoring Committee.
4. Assessing risk management through discussions on risk profiles covering credit risk; market risk; liquidity risk; operational risk; legal risk; reputational risk; strategic risk; and compliance risk.
5. Reviewing and discussing the annual work plan of External and Internal Audits, competence enhancement, and findings during the year. The Board of Commissioners also monitors improvements in the findings of external audit inspections, including those of the Financial Services Authority and Public Accounting Firm.
6. Proposing the appointment of a Public Accounting Firm to audit the Company's financial statements, at least for the audit of the annual historical financial information.
7. Through the Remuneration and Nomination Committee, the Board of Commissioners monitors HR strategies and policies, including education and training programs and their implementation. The Remuneration and Nomination Committee provides recommendations to the Board of Commissioners on HR policy proposals.
8. Receiving reports from the three committees at the Board of Commissioners level, which are then discussed in Board of Commissioners meetings. Inputs and recommendations deemed necessary will be conveyed by the Board of Commissioners to the Board of Directors.
9. Monitoring the implementation of Good Corporate Governance including but not limited to monitoring Governance Structure, Governance Process, Governance Outcome; Self-assessment of Good Corporate Governance implementation; Provision of funds to related parties and significant fund provision; Implementation of Compliance Functions; and the implementation of Anti-Money Laundering Programs, Terrorism Financing Prevention, and Prevention of Proliferation Financing of Weapons of Mass Destruction.
10. Actively monitoring the Compliance Function, by evaluating the implementation of the Bank's Compliance Function through Quarterly Reports on the Implementation of Duties by Directors responsible for the Compliance Function. Subsequently, the Board of Commissioners provides suggestions for improving the quality of the Bank's Compliance Function implementation.

The integrity, competence, and financial reputation of all members of the Board of Commissioners are considered adequate. Regarding risk management certification requirements, all members of the Board of Commissioners have fulfilled them. Members of the Bank's Board of Commissioners have clearly disclosed their share ownership, financial relationships and those of their families, as well as remuneration and other benefits received, and have never violated any applicable provisions/regulations.

Members of the Board of Commissioners do not exploit the Bank for personal, family, and/or other parties' interests that may harm or reduce the Bank's profit.

Independent Commissioners do not have financial, managerial, ownership, or family relationships with other members of the Board of Commissioners, the Board of Directors, and/or Controlling Shareholders, or relationships with CCB Indonesia, which could affect their ability to act independently.

Board of Commissioners has carried out its duties and responsibilities in decision-making independently. All members of the Board of Commissioners do not have family relationships up to the second degree with fellow members of the Board of Commissioners and/or the Board of Directors. The replacement and/or appointment of each candidate member of the Board of Commissioners and Directors have taken into account the recommendations of the Remuneration and Nomination Committee.

Board of Commissioners understands its obligation to report to the Financial Services Authority in the event of violations that could endanger the Bank's operations.

However, in 2023, there were no:

- Violations of financial and banking regulations; and circumstances or estimated circumstances that could endanger the Bank's continuity,
- Reporting on violations of financial and banking regulations; and circumstances or estimated circumstances that could endanger the Bank's continuity.

Corporate Governance

Board of Commissioners is not involved in the operational decision-making of the Bank, except in providing funds to related parties. The Board of Commissioners also plays a role in directing the preparation of the Bank's Business Plan, overseeing the implementation of the Bank's Business Plan, as well as monitoring and evaluating the implementation of the bank's strategic policies.

The Company's policy on the evaluation of the Board of Commissioners' performance and its implementation

- **Procedure for assessing the performance of the Board of Commissioners:**
 1. The performance of the Board of Commissioners will be evaluated based on specific criteria recommended by the Remuneration and Nomination Committee.
 2. The results of the assessment of the Board of Commissioners' performance are disclosed in the Annual Report and presented at the Annual General Meeting of Shareholders.
- **Criteria used**
 1. Achievement of the Board of Commissioners' meeting implementation,
 2. Attendance of Board of Commissioners members,
 3. Administrative order,
 4. Integrity and transparency of the Board of Commissioners members,
 5. Participation and contribution in the Bank's supervisory function.
- **Assessor**

The Board of Commissioners conducts a self-assessment of the Board of Commissioners' performance during 2023.

Subsequently, the Board of Commissioners and the Board of Directors will be held accountable for their performance achievements in 2023, including the implementation of the duties and responsibilities of the Board of Commissioners and the Board of Directors at the Annual General Meeting of Shareholders to be held in 2023.

Supporting Committees of the Board of Commissioners

Pursuant to the Financial Services Authority Regulation No. 17 of 2023 and Financial Services Authority Circular Letter No. 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Governance for Commercial Banks, Financial Services Authority Regulation No. 55/POJK.04/2015 dated December 23, 2015 concerning the Establishment and Guidelines for the Operation of the Audit Committee, and Financial Services Authority Regulation No. 34/POJK.04/2014 dated December 8, 2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies, CCB Indonesia has established supporting committees for the Board of Commissioners, namely the Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee. These committees are responsible to the Board of Commissioners in assisting the implementation of their duties and responsibilities, in accordance with the Working Guidelines prepared for each Committee.

The composition of committee members is in line with the size and complexity of CCB Indonesia's business. The performance of the committees assisting the Board of Commissioners has been running as expected.

The Board of Commissioners has 3 (three) committees to assist them in carrying out their duties and responsibilities, namely:

1. Audit Committee
2. Risk Monitoring Committee
3. Remuneration and Nomination Committee

In 2023, committee meetings were held regularly and ran quite effectively as needed by CCB Indonesia:

1. The Audit Committee held 12 (twelve) meetings, all of which were attended by more than 51% (fifty-one percent) of the total members of the Audit Committee, including Independent Commissioners and Independent Parties.
2. The Risk Monitoring Committee held 6 (six) meetings, all of which were attended by more than 51% (fifty-one percent) of the total members of the Risk Monitoring Committee, including Independent Commissioners and Independent Parties.
3. The Remuneration and Nomination Committee held 3 (three) meetings, all of which were attended by more than 51% (fifty-one percent) of the total members of the Remuneration and Nomination Committee, including an Independent Commissioner and an Executive Officer responsible for human resources or employee representatives.

The decisions of the Committee meetings are made based on consensus and/or majority vote. The outcomes of the Committee meetings have been recorded in meeting minutes and well-documented. The results of the Committee meetings are always sought to be considered and recommended to the Board of Commissioners for decision-making.

Audit Committee

The Audit Committee is chaired by an Independent Commissioner, and all members of the Committee are Independent Parties.

Structure and membership of the Audit Committee

- As per the latest changes in the membership of the Audit Committee, as stipulated in Board of Directors Decree No. 023/SK-DIR/KP-JKT/V/2021 dated May 4, 2021, the composition of the Audit Committee until May 3, 2023, is as follows:

Chairman:

Mohamad Hasan (Independent Commissioner)

Members:

1. Mulyadi (Independent Party)
2. Mohamad Hassan (Independent Party)

Expertise

Mohamad Hasan

Chairman of the Audit Committee/Independent Commissioner

Indonesian citizen born in Palembang in 1944.

Serving as Chairman of the Audit Committee since March 14, 2017.

Obtained a Bachelor of Law degree in 1972 from Sriwijaya University, Palembang.

Appointed as Independent Commissioner on June 24, 2010, and continued to serve following the merger between Bank Windu and Bank Anda on November 30, 2016, as per the approval from the Financial Services Authority No. SR-104/PB.12/2016.

Started his career at Citibank Jakarta from May 1974 to April 1977. Then pursued a career at PT Multinational Finance Corporation (PT Multicor) starting May 1977. From August 1985 to October 1991, served as Executive Director, then from November 1991 to January 2003 as President Director. Later, at PT Bank Multicor, served as an Independent Commissioner from June 2003 to June 2008. From October 2008 to 2009, served as a Commissioner in several national private companies in Jakarta. And since May 2010, reappointed as an Independent Commissioner in the Company.

Serving as Chairman of the Audit Committee since March 14, 2017.

Mulyadi

Member of the Audit Committee/Independent Party

Indonesian citizen born in Wonogiri in 1947.

Serving as member of the Audit Committee since March 26, 2013.

Earned a Master of Science in Management and Administrative Science from the University of Texas at Dallas, USA in 1983. Previously obtained a Bachelor of Economics in Accounting from the Faculty of Economics and Business, Gadjah Mada University in 1971.

A Postgraduate Lecturer at Gadjah Mada University since 1995 until now, he is also the Partner at the Public Accounting Firm S. Mannan, Ardiansyah and Partners. He serves as member of the Audit Committee in several companies. Obtained Certified Public Accountant (CPA) in 2010, Qualified Internal Auditor (QIA) in 2008, and Certification in Audit Committee Professional (CACP) in 2017.

Mohamad Hassan

Member of the Audit Committee/Independent Party

Indonesian citizen born in Jakarta in 1960.

Serving as a Member of the Audit Committee since May 4, 2021.

Obtained a Diploma IV in Accounting from STAN in 1991 and a Master of Accountancy & Financial Information Systems (MAFIS) majoring in internal audit from Cleveland State University, Ohio, United States, in 1993.

Started his career as an Auditor at the Financial and Development Supervisory Agency (BPKP), Jakarta (1983 - 1987). Since 2008 until now, also serves as an Audit Committee in several companies. Since July 2022, became an Independent Commissioner at PT Inti Bangun Sejahtera, Tbk. From April 2018 to May 2022, served as Academic Director at the Internal Audit Development Center YPIA and since June 2022 became Chief Risk Management & Quality Assurance Executive at YPIA.

Obtained Qualified Internal Auditor (QIA) in 2000, Certified Risk Management Professional (CRMP) in 2010, Certification in Risk Management Assurance (CRMA) in 2013, Chartered Accountant (CA) in 2014, Certification in Audit Committee Practices (CACP) in 2016, Certified Professional Management Accountant (CPMA) in 2018, Qualified Government Internal Auditor (QGIA) in 2020, Qualified Healthcare Internal Auditor (QHIA) in 2021, and Indonesia Internal Auditor Practitioner (IIAP) in 2022.

- According to the latest changes in the membership of the Audit Committee as stipulated in the Board of Directors Decree No. 039/SK-DIR/KP-JKT/V/2023 dated May 4, 2023, the composition of the Audit Committee is as follows:

Chairman:

Mohamad Hasan (Independent Commissioner)

Member:

Mohamad Hassan (Independent Party)

- With regard to the expiration of the term of office of Mr. Mulyadi on May 4, 2023 as a member of the Audit Committee of PT Bank China Construction Bank Indonesia Tbk as stated in the Board of Directors Decree No. 039/SK-DIR/KP-JKT/V/2023 and since the appointment of a new member of the Audit Committee has not been conducted, the composition of the Audit Committee in 2023 has not met the provisions of Governance Implementation as regulated in POJK No. 55/POJK.04/2015 concerning the Formation and Guidelines for the Implementation of the Audit Committee ("Audit Committee POJK") and Corporate Governance of OJK Regulation.

Corporate Governance

However, Audit Committee remains fully functional, and the mechanism for carrying out the tasks of the Audit Committee continues to operate normally. The Chairman of the Audit Committee is committed to ensuring the smooth operation of the Audit Committee and ensuring that the supervision and evaluation of accounting practices, internal controls, and bank financial reporting continue to be carried out in accordance with the Audit Committee Work Plan for 2023.

Independence

All members of the Audit Committee are not members of the Board of Directors of CCB Indonesia or any other bank.

There are Audit Committee members from independent parties who hold concurrent positions as Independent Party members of other committees in the same bank, other banks, and/or other companies, namely:

Mulyadi

(served as a member of the CCB Indonesia Audit Committee until May 3, 2023)

Serving as member of the Audit Committee in several other companies.

Mohamad Hassan

Serving as member of the Audit Committee (since May 4, 2023) and the Risk Monitoring Committee in the same bank.

These concurrent positions have taken into account competence, independence criteria, confidentiality, code of ethics, and the execution of duties and responsibilities.

All independent parties who are members of the Audit Committee do not have financial, managerial, share ownership, and/or family relationships with the Board of Commissioners, Board of Directors, and/or Controlling Shareholders of the Bank.

Duties and Responsibilities

The Audit Committee is tasked with aiding the Board of Commissioners in enhancing the efficiency of fulfilling its duties and obligations, including:

1. Overseeing and assessing the planning and execution of internal audits, as well as supervising the tracking of internal audit discoveries to guarantee the appropriateness and efficacy of operational internal controls, encompassing those related to financial reporting.
2. Monitoring and conducting evaluation, at least, on:
 - The performance of the Internal Audit Unit.
 - The adequacy of the audit conducted by public accounting firms in accordance with audit standards.
 - The conformity of financial statements with financial accounting standards.
 - The follow-up actions by the Board of Directors on the findings of the Internal Audit Division, public accountants, and supervisory findings of the Financial Services Authority in order to provide recommendations to the Board of Commissioners.

3. Providing recommendations regarding the appointment of public accountants and public accounting firms to the Board of Commissioners for recommendation to the General Meeting of Shareholders.
4. Reviewing the financial information to be published by the Bank to the public and/or regulatory authorities, including financial statements, projected financial statements, and other reports related to the Bank's financial information.
5. Reviewing complaints related to the Bank's accounting processes and financial reporting.
6. Reviewing the Bank's compliance with laws and regulations related to its activities.
7. Providing independent opinions in the event of differences of opinion between management and public accountants regarding the services provided.
8. Providing recommendations to the Board of Commissioners regarding the appointment of Public Accountants based on independence, engagement scope, and fees.
9. Reviewing the implementation of examinations by internal auditors and supervising the implementation of follow-up actions by the Board of Directors on internal auditor findings.
10. Reviewing and providing advice to the Board of Commissioners regarding potential conflicts of interest in the Bank.
11. Maintaining the confidentiality of documents, data, and information obtained by the Bank in carrying out its role.

Term of Office of the Member of the Audit Committee

The Audit Committee is appointed and directly accountable to the Board of Commissioners.

The term of office for Audit Committee members may not exceed the term of office for the Board of Commissioners and they may only be re-elected for one (1) subsequent term.

The membership, composition, and independence of the Audit Committee members mentioned above have complied with the Financial Services Authority regulations. The membership consists of one Independent Commissioner as the Chairman of the Committee and 2 (two) Independent Parties with expertise in finance or accounting and in law or banking, as members.

Mechanism of Supervision of the Audit Committee over the Company

In order to be able to provide recommendations to the Board of Commissioners, the Audit Committee monitors and evaluates the planning and implementation of audits as well as the follow-up on audit results to assess the adequacy of internal controls, including the adequacy of financial reporting processes.

The monitoring mechanism entails reviewing reports from the Internal Audit Division, Public Accounting Firms, and the Financial Services Authority's Supervision Results during Audit Committee meetings. If needed, relevant divisions or units could also be invited to these committee meetings as information sources to directly gather facts.

The supervision is conducted through monitoring and evaluation of:

- The performance of the Internal Audit Division
- The provision of services by Public Accounting Firms, including the adequacy of audit implementation by Public Accounting Firms in accordance with applicable audit standards
- The compliance of financial statements with applicable accounting standards
- The implementation of follow-up actions by the Board of Directors on findings from the Internal Audit Division, public accountants, and the Financial Services Authority's supervision results.
- The annual audit plan by the Internal Audit Division for the year 2023.

The Intensity of Reporting from the Audit Committee to the Board of Commissioners

The Audit Committee periodically presents reports on its duties to the Board of Commissioners through meetings between the Audit Committee and the Board of Commissioners. Subsequently, the Audit Committee provides recommendations to the Board of Commissioners.

Audit Committee Meetings

During the year 2023, the Audit Committee held a total of 12 (twelve) meetings and provided proposals to the Board of Commissioners. The meetings conducted were as follows:

No	Date	Meeting Agenda	Mohamad Hasan	Mulyadi	Mohamad Hassan
1	16 Jan 2023	1. Audit Committee Meeting with KAP PKF for Implementation of CCBI Bank IAU Audit 2. Progress of the audit of the 2022 CCBI Financial Report by KAP EY.	√	√	√
2	20 Jan 2023	Discussing IAU Audit Results Semester II 2022	√	√	√
3	14 Apr 2023	Discussing audit IAU Audit Results Q1 2023	√	√	√
4	26 Apr 2023	Review of the Q1 2023 financial report reported by the Finance Division to the OJK	√	√	√

No	Date	Meeting Agenda	Mohamad Hasan	Mohamad Hassan
5	15 May 2023	Kick Off Meeting of the Audit Committee & KAP PKF	√	√
6	19 Jun 2023	Progress of implementing the IAU audit by KAP PKF	√	√
7	17 Jul 2023	Exit Meeting of the Audit Committee & KAP PKF	√	√
8	20 Jul 2023	Report of the Implementation and the Key Audit Findings of IAU for semester 1 period	√	√
9	14 Aug 2023	Kick Off Meeting Audit Committee & KAP EY	√	√
10	20 Sep 2023	1. Follow up on KAP PKF findings; 2. SKAI Audit Findings that are still outstanding; 3. Q3 Audit Results; 4. Progress & Update SKAI work plan for 2023.	√	√
11	29 Nov 2023	1. Fraud cases and Cybercrime; 2. Internal control assessment & effectiveness.	√	√
12	14 Dec 2023	IAU Work Plan for 2024	√	√

Information :

√ : Present at the meeting, - : Not present at the meeting, TC : Via teleconference



Corporate Governance

Audit Committee Recommendations

No	Date	Memo Number	Subject
1	16 Jan 2023	001/MI/KA/I/2023	Explanation of the Legislative Regulations Underlying the Audit Committee in Formulating Items in the Audit Committee Charter Relating to the Authority of the Audit Committee in Carrying Out the Duties of the Compliance Director in Implementing Compliance with Processes, SOPs and Other Operational Compliance.
2	26 Jan 2023	002/MI/KA/I/2023	Audit Committee's Recommendation for Approving the Review of the Internal Audit Function of PT Bank China Construction Bank Indonesia, Tbk. for the Period 2020-2023 and Selecting the KAP for the Review of the Internal Audit Division for the Period 2020-2023.
3	27 Feb 2023	003/MI/KA/II/2023	Competency Test Results of Mr. Sheffik Arzie (Candidate for Head of IAU)
4	21 Mar 2023	006/MI/KA/III/2023	Audit Committee Recommendations regarding the Appointment of a Public Accounting Firm to audit the Financial Report of PT Bank China Construction Bank Indonesia, Tbk for the 2023 Financial Year.
5	18 Dec 2023	007/MI/KA/XII/2023	Audit Committee Recommendations for RKAT IAU 2024

By the conclusion of 2023, the Audit Committee's performance has been judged as satisfactory. The Audit Committee has fulfilled its duties and responsibilities, executed work programs, and provided recommendations to the Board of Commissioners in accordance with applicable regulations.

Audit Committee has been involved in various stages of the audit of the Company's financial statements by the Public Accountant Firm (KAP), namely:

- The Audit Committee provided recommendations for the appointment of Public Accountants and the Public Accountant Office to the General Meeting of Shareholders through the Board of Commissioners. The recommendations were communicated through Internal Memo No. 006/MI/KA/III/2023 dated March 21, 2023.
- The Audit Committee evaluated the Implementation of Audit Services for the Company's historical financial information for the fiscal year 2022 by the Public Accountant Office (KAP) Purwantono, Sungkoro, Surja. The evaluation results were reported to the Financial Services Authority (OJK) through letter No. 125/CCBI/DDIR-OJK/V/2023 dated May 26, 2023.

Work Programs and Their Realization

The Audit Committee has developed a Work Plan and Activity Schedule for the year 2023.

The planned work and activities were implemented in 2023.

Risk Monitoring Committee

Risk Monitoring Committee is chaired by an Independent Commissioner, and all members of the Committee are Independent Parties.

Structure and Membership

- In accordance with the latest changes in the membership of the Risk Monitoring Committee as stipulated in Board of Directors Decree No. 050/SK-DIR/KP-JKT/IX/2021 dated September 1, 2021, the composition of the Risk Monitoring Committee is as follows:

Chairman:

Yudo Sutanto (Independent Commissioner)

Expertise:

1. Mohamad Hassan (Pihak Independen)
2. Mohammad Sumarsono (Pihak Independen)

Expertise

Yudo Sutanto

Chairman of Risk Monitoring Committee/Independent Commissioner

Indonesian citizen, born in Malang in 1954.

He serves as Chairman of the Risk Monitoring Committee since February 21, 2017.

He earned his Bachelor of Finance degree in 1981 at California State University, Los Angeles, United States.

Serving as Independent Commissioner since November 2, 2016 in accordance with the approval of the Financial Services Authority No. SR-173/PB.121/2016.

Started his career at PT Bank Antardaerah since 1982 in various important positions. In 1986 was appointed as President Director, and in 1999 as Chairman of the Audit Board of PT Bank Antardaerah, and from March 1999 - November 2016 served as a member of the Board of Commissioners of PT Bank Antardaerah.

Mohamad Hassan

Member of Risk Monitoring Committee/Independent Party

Indonesian citizen, born in Jakarta in 1960.

Serving as Member of the Audit Committee since May 4, 2021.

He earned his Diploma IV Accounting STAN 1991 and Master of Accountancy & Financial Information Systems (MAFIS) with a concentration in internal audit from Cleveland State University, Ohio, United States in 1993.

He started his career as an Auditor at the Financial and Development Supervisory Agency (BPKP), Jakarta (1983 - 1987). Starting in 2008 until now also serving as Audit Committee in several companies. Since July 2022 serving as an Independent Commissioner at PT Inti Bangun Sejahtera, Tbk. In April 2018 - May 2022 served as the Academic Director at the YPIA Internal Audit Development Center and since June 2022 serving as the Chief Risk Management & Quality Assurance Executive at YPIA.

Obtained Qualified Internal Auditor (QIA) in 2000, Certified Risk Management Professional (CRMP) in 2010, Certification in Risk Management Assurance (CRMA) in 2013, Chartered Accountant (CA) in 2014, Certification in Audit Committee Practices (CACP) in 2016, Certified Professional Management Accountant (CPMA) in 2018, Qualified Government Internal Auditor (QGIA) in 2020, Qualified Healthcare Internal Auditor (QHIA) in 2021, and Indonesia Internal Auditor Practitioner (IIAP) in 2022.

Mohammad Sumarsono

Member of Risk Monitoring Committee / Independent Party

Indonesian citizen, born in Surabaya in 1962.

Serving as a member of the Risk Monitoring Committee since September 1, 2021.

Obtained his Master of Management degree in 1998 at the IPWI College of Economics, Jakarta.

In the banking sector, he started his career at PT Bank Bumi Daya, Persero from 1985 - 1999 (before the appointment, he received an Accounting Education for 18 months at the Management Institute of the Faculty of Economics, University of Indonesia, Jakarta) several assignments that have been given include overseeing the funds, credit, accounting and internal control sections, and in 1999 he was part of the Bank Mandiri Merger Team for accounting, as member of an independent committee in a national private bank in 2013 until now, either as a Risk Monitoring Committee or Audit Committee, as a trainer in the banking sector since 2005 until now both in government and private bank and non-bank financial institutions. In 2021, he obtained level 3 risk management certification.

Outside the banking sector, he started his career in several Public Accounting firms from 2003 - 2021 as Senior Consultant and Associate Director, in a heavy equipment rental company in 2010 as General Manager, in universities from 2012 - 2017 as Head of the Financial Accounting Bureau and Head of the Internal Audit Bureau, as a lecturer in several universities from 2002 - 2020 (National Lecturer Identification Number / NIDN No. 0304056202), especially for courses related to the banking sector. In 2017 obtained audit committee certification (Certification of Audit Committee Practices/ CACP).

Independence

All members of the Risk Monitoring Committee are not members of the Board of Directors of CCB Indonesia or other Banks.

There are members of the Risk Monitoring Committee from independent parties who have concurrent positions as Independent Party members of other Committees at the same Bank, namely:

Mohamad Hassan

Serves as a member of the Audit Committee (since May 4, 2023) and Risk Monitoring Committee at the same Bank.

The concurrent positions have taken into account competence, independence criteria, confidentiality, code of ethics and implementation of duties and responsibilities.

Independent parties who are members of the Risk Monitoring Committee do not have financial, management, share ownership and/or family relationships with the Board of Commissioners, Board of Directors and/or Controlling Shareholders of the Bank.

Corporate Governance

Duties and responsibilities

The duties and responsibilities of the Risk Monitoring Committee are to assist the Board of Commissioners in order to support the effectiveness of the implementation of its duties and responsibilities.

In order to provide recommendations to the Board of Commissioners, the Risk Monitoring Committee:

1. Provide recommendations to the Board of Commissioners by evaluating the suitability of risk management policies and the implementation of these policies.
2. Monitoring and evaluating the implementation of the duties of the Risk Management Committee and the Risk Management Division.

Term of Office of the Risk Monitoring Committee

The Risk Monitoring Committee is appointed and directly responsible to the Board of Commissioners.

The term of office of members of the Risk Monitoring Committee is adjusted to the term of office of members of the Board of Commissioners and can be reappointed for the next term.

Supervisory Mechanism of the Risk Monitoring Committee Towards the Company

Supervisory mechanism by evaluating the conformity between risk management policy and policy implementation through the Risk Profile Report prepared by the Risk Management Division as well as monitoring and evaluating the implementation of the duties of the Risk Management Committee. The evaluation results are discussed in the Risk Monitoring Committee meetings, and if necessary, the Committee invites the relevant Division or Work Unit as a resource person to obtain facts/information directly.

Intensity of the Reporting of the Risk Monitoring Committee to the Board of Commissioners during 2023

The Risk Monitoring Committee submits a report on the implementation of its duties to the Board of Commissioners through a meeting between the Risk Monitoring Committee and the Board of Commissioners. Furthermore, the Risk Monitoring Committee provides recommendations to the Board of Commissioners.

Risk Monitoring Committee Meeting

During 2023, the Risk Monitoring Committee held 6 (six) meetings, and provided proposals to the Board of Commissioners. The meetings that have been held are as follows:

No	Date	Agenda	Yudo Sutanto	Mohamad Hassan	Mohammad Sumarsono
1	22 Feb 2023	Review the Bank's Risk Highlights (Risk Management Division)	√	√	√
2	24 May 2023	1. Q1/2023 Risk Management Committee meeting results 2. Risk Highlights Q1/2023. 3. Q1/2023 NPL position	√	√	√
3	14 Jul 2023	1. Monitoring & updating of policies, guidelines and SOPs during Semester 1 of 2023. 2. Anticipation of USD increase and Bank strategy	√	√	√
4	27 Oct 2023	1. Review the results of the Risk Management Division's monitoring of the implementation of risk management strategies until August 2023; 2. Discussed the results of the last Risk Management Committee meeting (up to the second quarter of 2023) 3. Review the Bank's Risk Highlights: a. Credit risk, among others: credit development, outstanding large debtors, NPL, the latest condition of the Credit Restructuring Program - Covid 19 as of September 30, 2023. b. Operational Risk, among others: progress of reporting to regulators, implementation of risk mitigation c. Other risks. 4. Review the implementation of stress tests and the methods used. 5. Update on PT SRITEX; NPL position as of September 30, 2023	√	√	√
5	13 Dec 2023	The process of data input and determination of CKPN calculation and verification of the amount in the Financial Statements.	√	√	√
6	20 Dec 2023	1. Handling of customer complaints in Nov 2023; 2. Other matters that need to be submitted to the Committee Under the Board of Commissioners	√	√	√

Information :

√ : Present at the meeting, - : Not present at the meeting, TC : Via teleconference

Risk Monitoring Committee Recommendations

No	Date	Memo Number	Subject
1	20 Feb 2023	001/MI/KPR/II/2023	Results of the Risk Monitoring Committee Review of the Risk Management Implementation Report for the Fourth Quarter of 2022 PT Bank CCBI No: 004/CCBI/DDIR-INT/I/2023
2	16 May 2023	002/MI/KPR/V/2023	Results of the Risk Monitoring Committee's Review of the Compliance Report for the Fourth Quarter of 2022
3	13 Dec 2023	003/MI/KPR/XII/2023	Result of the Risk Monitoring Committee Review on Compliance Report of Q3/2023
4	19 Dec 2023	004/MI/KPR/XII/2023	Result of the Risk Monitoring Committee review on the Risk Management Implementation Report for the Third Quarter of 2023 PT Bank CCBI No: 016/CCBI/DDIRINT/X/2023 dated October 26, 2023
5	27 Dec 2023	006/MI/KPR/XII/2023	Results of the Risk Monitoring Committee Review on the realization of the RBB for the Third Quarter of 2023

Until the end of 2023, the Risk Monitoring Committee carried out its duties and responsibilities and provided recommendations to the Board of Commissioners.

Work Program and Its Realization

The Risk Monitoring Committee has prepared a Work Plan and Activity Schedule for the year 2023.

The planned work and activities were realized in 2023.

Remuneration and Nomination Committee

Remuneration and Nomination Committee is chaired by an Independent Commissioner, with members consisting of one Commissioner and one Executive Officer overseeing human resources.

Structure and Membership

According to the latest changes in the membership of the Remuneration and Nomination Committee as stipulated in Board of Directors Decree No. 027/SK-DIR/KP-JKT/II/2019 dated February 21, 2019, the composition of the Remuneration and Nomination Committee as of February 20, 2019, is as follows:

Chairman:

Mohamad Hasan (Independent Commissioner)

Members:

1. Qi Jiangong (Commissioner)
2. Irwan Bonto (Head of Human Capital Division)

Expertise

Mohamad Hasan

Chairman of Remuneration and Nomination/Independent Commissioner

Indonesian citizen, born in Palembang in 1944.

Serving as the Chairman of the Remuneration and Nomination Committee since October 22, 2010.

Obtained a Bachelor of Law degree in 1972 from Sriwijaya University, Palembang.

Began his career at Citibank Jakarta from May 1974 until April 1977. He then worked at PT Multinational Finance Corporation (PT Multicor) from May 1977. From the period of August 1985 until October 1991, he was appointed as Executive Director, then from November 1991 until January 2003, he was appointed as President Director. Then at PT Bank Multicor as Independent Commissioner from June 2003 until June 2008. Since October 2008 until 2009, he served as Commissioner in several national private companies in Jakarta. And since May 2010, he was reappointed as an Independent Commissioner in the Company.

Qi Jiangong

Member of the Remuneration and Nomination Committee/Commissioner

Chinese citizen, born in Shanxi, China on June 11th, 1970. He obtained his Bachelor of Economics from Renmin University of China in 1992 and his Master Degree from the University of International Business and Economics, majoring in International Accounting Management and graduated in 1997.

Appointed as Commissioner through GMS on October 14th, 2016, and declared effective since June 6th, 2017 until now.

Began his career at China Construction Bank Corporation since July 1997 as a Business Manager who is responsible for managing assets/liabilities. From October 2000 until March 2001, he held various strategic positions at China Construction Bank Corporation. Furthermore, from March 2001 until July 2008, he was appointed as Chief Manager and Deputy Chief Manager who is responsible for the financial market department. Then in March 2008 until 2 August 2022, he was appointed as Deputy General Manager and Chief Manager of Strategic Investment and Management Department, who was in charge of Bank's strategic investments.

Corporate Governance

He was appointed as Chairman, Non Executive Director of BlackRock CCB Wealth Management Limited on May 10, 2021 until now.

Starting August 2, 2022 until now, he was appointed as General Manager of Financial Institutional Business Department of China Construction Bank Corporation, who is responsible for the management of the financial institution business.

As a Non-Independent Commissioner, he undertakes the functional duties from the China Construction Bank Corporation (the Bank shareholders in the form of a legal entity).

Irwan Bonto

Member of the Remuneration and Nomination Committee/Executive Officer

Indonesian citizen, born in Makassar, South Sulawesi in 1965.

Executive Officer, Head of Human Capital Division, serving as a member of the Remuneration and Nomination Committee since February 21, 2019. Obtained a Bachelor of Law degree from Hasanuddin University, Makassar in 1989. Serving as Head of Human Capital Operation & Services Division at CCB Indonesia since January 2019, previously as Head of Credit Operation Division at CCB Indonesia (formerly Bank Windu) from June 2013 to December 2018. Started his career at Bank Universal (now Permata) from September 1991 to August 2005 in the Operations field. Then as Corporate Banking Credit Operation Head at Bank OCBC NISP until May 2013.

Independence

All members of the Remuneration and Nomination Committee are not members of the Board of Directors of CCB Indonesia or any other bank.

Duties and Responsibilities

In line with the scale and complexity of CCB Indonesia's business, the functions performed by the Remuneration and Nomination Committee are combined into one committee, namely the Remuneration and Nomination Committee.

The roles and responsibilities of the Remuneration and Nomination Committee are to assist the Board of Commissioners in supporting the effectiveness of their duties and responsibilities, including:

1. Regarding remuneration tasks, the Remuneration and Nomination Committee has the following tasks and responsibilities:
 - a. The Remuneration and Nomination Committee is obligated to evaluate remuneration policies and systems.
 - b. The Remuneration and Nomination Committee is required to provide recommendations to the Board of Commissioners regarding:
 - 1) Remuneration policies and systems for the Board of Commissioners and Directors, both local and foreign workers, to be presented to the General Meeting of Shareholders;
 - 2) Remuneration policies and systems for Executive Officers and employees, both local and foreign workers, as a whole, to be presented to the Board of Directors.
 - c. The Remuneration and Nomination Committee is required to ensure that remuneration policies are at least in line with:
 - 1) Financial performance and reserve fulfillment as regulated in applicable laws and regulations;
 - 2) Individual work performance;
 - 3) Fairness with peer groups;
 - 4) Considerations of the bank's long-term goals and strategies.
2. Regarding nomination tasks, the Remuneration and Nomination Committee has the following tasks and responsibilities:
 - a. The Remuneration and Nomination Committee is obliged to formulate and provide recommendations regarding the selection and/or replacement procedures for members of the Board of Commissioners and Directors, both local and foreign workers, to the Board of Commissioners to be presented to the General Meeting of Shareholders.
 - b. The Remuneration and Nomination Committee is required to provide recommendations:
 - 1) Regarding candidates for members of the Board of Commissioners and/or Directors, both local and foreign workers, to the Board of Commissioners to be presented to the General Meeting of Shareholders.
 - 2) Providing recommendations regarding Independent Parties who will become members of the Audit Committee or Risk Monitoring Committee to the Board of Commissioners.
 - c. The recommendation procedure for candidates for members of the Board of Commissioners, and/or Directors, both local and foreign workers, and/or Independent Parties as mentioned above is conducted as follows:
 - 1) The Remuneration and Nomination Committee assesses candidates for members of the Board of Commissioners, or Directors, both local and foreign workers, or Independent Parties.
 - a) Assessments are based on the competencies and track records of the candidates.
 - b) In addition, assessments can be conducted through interviews with candidates for members of the Board of Commissioners, or Directors, both local and foreign workers, or Independent Parties;
 - c) If necessary, the Remuneration and Nomination Committee may use independent Professional Institutions to conduct assessments.
 - 2) Based on the assessment results, the Remuneration and Nomination Committee:
 - a) Provides recommendations for candidates for Directors and/or Commissioners, both local and foreign workers, to the Board of Commissioners to be presented at the General Meeting of Shareholders.
 - b) Provides recommendations regarding Independent Parties who will become members of the Audit Committee or Risk Monitoring Committee to the Board of Commissioners.

Term of Office of the Member of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee is appointed and directly accountable to the Board of Commissioners.

Members of the Remuneration and Nomination Committee are appointed for a specific term.

After the term expires, members of the Remuneration and Nomination Committee may be reappointed for the next term.

The term of membership of the Remuneration and Nomination Committee shall not exceed the term of the Board of Commissioners as stipulated in the articles of association.

The membership, composition, and independence of the members of the Remuneration and Nomination Committee mentioned above comply with the regulations of the Financial Services Authority. The membership consists of an Independent Commissioner as the Chairman of the Committee, a Commissioner, and an Executive Officer overseeing human resources.

Mechanism of Oversight by the Remuneration and Nomination Committee towards the Company

In order to provide recommendations to the Board of Commissioners, the Remuneration and Nomination Committee ensures that the remuneration policy complies with applicable laws and regulations.

The oversight mechanism involves evaluating the alignment of the remuneration policy with financial performance and reserve fulfillment as regulated by applicable laws and regulations; individual work performance; fairness with peer groups; and considerations of the bank's long-term goals and strategies. Subsequently, the evaluation results are discussed in meetings of the Remuneration and Nomination Committee.

Intensity of Reporting of the Remuneration and Nomination Committee to the Board of Commissioners

Meetings of the Remuneration and Nomination Committee are held periodically, resulting in recommendations that are subsequently discussed in Board of Commissioners' meetings, serving as both a report on the implementation of the Remuneration and Nomination Committee's duties to the Board of Commissioners.

Meetings of the Remuneration and Nomination Committee

Throughout the year 2023, the Remuneration and Nomination Committee held a total of 4 (four) meetings and provided proposals to the Board of Commissioners. The meetings conducted were as follows:

No	Date	Meeting Agenda	Mohamad Hasan	Qi Jiangong	Irwan Bonto
1.	17 April 2023	Performance Bonus for 2022	√	-	√
2.	22 June 2023	Recommendations regarding members of the audit committee and risk monitoring committee.	√	-	√
3.	15 November 2023	Proposed Performance Bonus in 2022 for the Director of Foreign Workers CCB Indonesia	√	-	√
4.	27 December 2023	Standards of salary, directors' benefits, employee medical limits and retirement age for executive officers.	√	-	√

Information :

√ : Present at the meeting, - : Not present at the meeting, TC : Via teleconference

Remuneration and Nomination Committee Recommendations

No	Date	Letter No.	Subject
1	17 April 2023	001/KRN/MI/IV/2023	Recommendation regarding the performance bonus amount for the 2022 period
2	15 November 2023	003/KRN/MI/XI/2023	Proposed Performance Bonus in 2022 for the Director of Foreign Workers CCB Indonesia

As of the conclusion of 2023, the Remuneration and Nomination Committee's performance has been deemed satisfactory. The Remuneration and Nomination Committee has fulfilled its duties and responsibilities, and provided recommendations to the Board of Commissioners in accordance with applicable provisions.

Corporate Governance

Work Program and Its Realization

The Remuneration and Nomination Committee has formulated the Work Plan and Schedule of Activities for the year 2023. The planned work and activities have been implemented in 2023.

Assessment of the Performance of Committees Supporting the Board of Commissioners' duties

The performance of the Audit Committee, Risk Monitoring Committee, and Remuneration & Nomination Committee is assessed using the following procedures and criteria:

1. The performance of each committee supporting the Board of Commissioners' duties is periodically evaluated by the Board of Commissioners.
2. The criteria for evaluating the performance of each committee include, but are not limited to:
 - a. Achievement of committee meeting execution,
 - b. Attendance of each committee member,
 - c. Administrative order.



Board of Directors

No	Name	Position	BI / OJK Approval Letter	Date of BI / OJK Approval	Reappointed through GMS
1	You Wennan	President Director	Decision Letter of OJK Commissioner Member No. KEP-88/D.03/2017 dated April 27, 2018	27 Apr 2018	14 May 2019
2	Zhu Yong	Director	Decision Letter of OJK Commissioner Member No. KEP-4/D.03/2019 dated January 4, 2019	8 Jan 2019	14 May 2019
3	Setiawati Samahita	Director	Letter from the Governor of Bank Indonesia No. 12/16/GBI/DPIP/Confidential dated February 8, 2010.	8 Feb 2010	14 May 2019
4	Junianto	Director	Letter from the Governor of Bank Indonesia No. 15/45/GBI/DPIP/Confidential dated August 30, 2013	12 Aug 2013	14 May 2019
5	Chandra Nangkok Tua Siagian	Director	Decision Letter of OJK Commissioner Member No. KEP-188/D.03/2018 dated November 14, 2018	16 Nov 2018	14 May 2019
6	Agresius Robajanto Kadiaman	Compliance Director	Decision Letter of OJK Commissioner Member No. KEP-17/D.03/2019 dated January 31, 2019	1 Feb 2019	14 May 2019

The composition of the Board of Directors at the beginning of 2023 remained unchanged compared to the previous period based on the decision of the Annual General Meeting of Shareholders (AGM) dated May 14, 2019. The reappointment of the Board of Directors in the Annual General Meeting is intended for the term starting from the closing of the Annual General Meeting on May 14, 2019, until the closing of the company's annual general meeting for the year 2023, with the following composition of the Board of Directors:

President Director : You Wennan
 Director : Zhu Yong
 Director : Setiawati Samahita
 Director : Junianto
 Director : Chandra Nangkok Tua Siagian
 Compliance Director : Agresius Robajanto Kadiaman

In 2023, the number of members of the Board of Directors shall not be less than 3 (three) individuals.

You Wennan

President Director

Chinese citizen, born in Fujian, China in 1967. He obtained his Bachelor degree in Automatic Control from Northwestern Polytechnic University – China in 1991.

Appointed as President Director of Company since May 2, 2018 based on the approval from the Financial Services Authority No. KEP-88/D.03/2018. Previously served as Director of the Company since November 30, 2016.

Began his career in China Construction Bank ("CCB") at Fuzhou Branch in September 1991 as Business Manager. In June 1992 as Business Manager of CCB Fujian Province in IT Department, then in March 2000 – February 2007 he became a Deputy General Manager.

In February 2007, served at CCB Fujian Province Branch in Corporate Banking Department as Deputy General Manager. Then in February 2008 as General Manager at CCB Fujian Province Branch in Institution Clients Department. In March 2010, he became General Manager at CCB Longyan Branch. He then served at CCB Quanzhou Branch in January 2014 as General Manager.

In October 2014, he became Deputy Director of Agency Services Companies and Management Committee at CCB Fujian Branch.

Then from April 2016 worked in Indonesia as Deputy Head of the Preparatory Team until November 2016, effective as Director of the Company. Then starting May 2nd, 2018, he effectively became the President Director of the Company.

Training attended in 2023:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As President Director, he leads other Directors, and oversees Internal Audit, Credit Review, Information Technology (IT) Development and IT Operations Management, Strategic Transformation, Digital Banking and Anti-Fraud.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-88/D.03/2018 dated April 27th, 2018.

Corporate Governance

Zhu Yong

Director of Corporate & International Banking

Chinese citizen, born in Guizhou, China in 1975. He obtained his Bachelor of Economics from Shanghai Finance and Economics University, China in 1996 and his Master Degree in Accounting from Tsinghua University, China in 2008.

Appointed as Director of the Company since 29 March, 2019. Began his career in China Construction Bank Corporation (CCB) in July 1996 in various key and strategic positions. Started at CCB Guizhou Branch in Accounting Department until February 2001, continued to CCB Tongren Branch until July 2003 with his last position as General Manager of Finance & Accounting Department. Returned to CCB Guizhou Branch until October 2014, his last position was General Manager of Investment Banking Department.

In October 2014, he was appointed as Director of CCB Guiyang Jingrui Branch and then in November 2014 was appointed as President Director at CCB Guiyang Jingrui Branch, in this matter responsible for comprehensive management of CCB Guiyang Jingrui Branch, including business development, internal risk control, and others.

Training attended in 2023:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Workshop "Management Training" by CCB Corporation on June 25-30, 2023 in Beijing, China.
3. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As a Director, he oversees China Desk, Corporate Banking, Trade Finance, Trade Finance China Desk, Treasury dan Financial Institution.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-4/D.03/2019 dated January 4th, 2019.

Setiawati Samahita

Director of Commercial & Retail Banking

Indonesian citizen, born in Pekanbaru in 1961. She obtained her Bachelor of Agricultural Technology from the Faculty of Agricultural Technology majoring in Food Science and Nutrition with a predicate of Very Satisfactory from Bogor Agricultural University in 1984 and her Master degree in Management from PPM School of Management Jakarta in 2007 with a predicate of Cum Laude.

Appointed as Director of the Company since June 2010 and continued after the merger of Bank Windu and Bank Anda as of

November 30th, 2016 based on the approval from the Financial Services Authority No. SR-104/PB.12/2016.

Began her career at PT Sanmaru Food Manufacturing (PT Indofood S.M) as Assistant Manager of Snack Food Research & Development from March 1985 until March 1986. Then in April 1986 at FEBC Manila Jakarta (YASKI) Radio as Head of Recording Studio until December 1988. Began her banking career at Bank Bali in June 1990 as Development Program Officer until December 1990. Subsequently she held various positions as Account Officer from December 1990 until February 1995, as Team Leader of Commercial Loan Bogor from March 1995 until October 1995. Promoted as General Manager at PT Bank Bali Bogor from November 1995 until December 1995. At the same time, she served as Commissioner at BPR Bali Dayaupaya Mandiri from July 1995 until May 1998. Then as Chief General Manager from January 1996 until May 2000, and since June 2000 was promoted as General Manager Forex Trading Business until August 2000. Next, she served at PT Bank Lippo as Deputy Regional Head from September 2000 until February 2001. She served at PT Bank OCBC NISP as Head of Bogor Branch from March 2001 until January 2005. Continued as Branch Department Head of Reg.2 from February 2005 until June 2006 and was promoted as Region Head of Reg. 5 from July 2006 until January 2009. In January 2009, she served as Senior Corporate Executive concurrent as Region Head of Sumatra until November 2009.

Trainings attended in 2023:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Hybrid Training "Leadership Directorate of Commercial and Retail Banking" by Teen Talent Indonesia on February 13, 2023 in Jakarta.
3. Training "Personal Data Protection" by Ministry of Communication and Information on February 22, 2023 in Jakarta.
4. Health Talk Seminar "Heart Disease and Solutions" by ACA and Brawijaya Hospital on August 25, 2023 in Jakarta.
5. Online Training "Mandarin Language Training" by Jennie Sunarso on October 1, 2023–December 31, 2023 in Jakarta.
6. Seminar "Indonesia International Waste Treatment Technology 2023" by Nuswantara Adhidaya Perkasa on November 1-2, 2023 in Jakarta.
7. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As a Director, she oversees the areas of Commercial, Small & Medium Enterprise (SME), Consumer Assets, Liabilities & Branch Network, and Regions/Branches.

As a member of the Board of Directors, she fulfills the requirements as stipulated in Financial Services Authority Regulation Number 33/POJK.04/2014 (formerly Regulation of Bapepam IX.I.6), Number 27/POJK.03/2016, Financial Services Authority Circular Letter No.39/SEOJK.03/2016, and has obtained approval from the Financial Services Authority No. KEP-103/D.03/2016 dated November 30, 2016.

Junianto

Director of Operation

Indonesian citizen, born in Rembang in 1967. He obtained his Bachelor of Economics/Management from Satya Wacana Christian University-Salatiga (UKSW) in 1991 and his Master degree in Management (MM Executive) from Prasetya Mulya Graduate School-Jakarta in 2002.

Appointed as Director of the Company since August 2013 and continued after the merger of Bank Windu and Bank Anda as of November 30th, 2016 based on the approval from the Financial Services Authority No. SR 104/PB.12/2016.

Began his career at PT Bank Universal, Tbk (now is PT Bank Permata, Tbk) from May 1992 until March 1993 as Trainee of Management Development Program (MDP). In April 1993, he was appointed as Account Officer of Semarang Branch until May 1995. From June 1995, he served as Team Leader of Corporate Banking Jakarta until December 1997. Then from January 1998 until December 1999, he became the Head Caretaker of Bandung Branch.

Then from January 2000, he served as Account Manager, Jakarta until March 2003. In April 2003, he became Team Leader – Parts, Tools & Machinery. From May 2003, he started his career at PT Bank NISP Tbk as Credit Risk Section Head Jakarta until December 2004. From January 2005 until September 2005, he served as Commercial Credit Development Head. Then from September 2005, he was appointed as Corporate Business Head Jakarta until January 2006. Continued as Marketing Coordinator of Jakarta V until February 2006. Then served as Marketing Department Head of Regional V Jakarta and Branch Head of Bekasi concurrent as Area Coordinator from February 2006 until January 2009. Continued as Distribution Head of Metro Surabaya (Emerging Business and Commercial Head) in January 2009 until June 2010. From July 2010, he worked at PT Bank Windu Kentjana International, Tbk as Regional Head of Jabodetabek until December 2010. Then he was appointed as Regional Head Sumatera, Bali, Pontianak & Jatabek in January 2011 until August 2013.

The trainings attended in 2023 as follow:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Online Training "Risk Weighted Assets (RWA) Operational Risk Using the Standard Approach in calculating the Batch 1 KPMM ratio" by RMG on February 8, 2023 in Jakarta.
3. Training "Redefining Human Capital: Inspiring People to Take Action" by Indonesia HR Summit on June 19 - 20, 2023 in Nusa Dua, Bali.
4. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As a Director, he oversees Operation, Trade Operation, Credit Operation, General Affair & Infrastructure, Special Assets Management, Human Capital dan Operation Development.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-109/D.03/2016 dated November 30th, 2016.

Chandra NT Siagian

Director of Finance

Indonesian citizen, born in Medan in 1971. He obtained his Bachelor of Economics majoring in Economics and Accounting from the University of Indonesia in 1994.

Appointed as Director of the Company since November 2018.

Began his career in banking at Bank HSBC from September 1994 until September 2004 in various fields such as Financial Controller, IT Business Analyst, Customer Services and Treasury Services with various key positions including as the Head of Finance.

After that, he continued his career at Standard Chartered Bank since September 2004 until February 2007 as the Head of Business Finance and Strategic Customer Management for Consumer Banking. Then from March 2007 until April 2009, he had a career at Bank Permata as the Head of Change Management/ Strategic Performance Management.

In May 2009, as Head of Business Planning and Analytics in Barclays Bank until June 2010.

Furthermore, in July 2010 he continued his career in Bank Permata with a number of key positions, most recently as the Head of Performance Management & Corporate Planning until July 2018.

The trainings attended in 2023 as follow:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Workshop "Team Building Directorate of Finance" by Lennira Team on October 21-22, 2023 in Bogor.
3. Webinar "How to Drive Corporate Performance through Accounting Practices" by the OJK Institute on November 9, 2023 in Jakarta.
4. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

He has received "The Best Performance CFO 2023 in Revenue Optimization Through Business Segmentation Development" from Warta Ekonomi magazine on February 28, 2023.

He has also received "Indonesia Best CFO 2023 Award" from SWA magazine on September 7, 2023.

Corporate Governance

As a Director, he oversees Corporate Secretary & Communication, Financial Planning & Management, Accounting & Tax, and Customer Complaint Handling.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-188/D.03/2018 dated November 14th, 2018.

Agresius Robajanto Kadiaman

Director of Compliance

Indonesian citizen, born in Jakarta in 1967, He obtained his Bachelor of Economics majoring in Economics & management from the University of Indonesia in 1991 and his Master degree in Business Administration from Nanyang Technological University, Singapore in 2003.

Appointed as Director of the Company since February 6th, 2019.

He began his career in banking at Citibank N.A. in April 1991 until April 1997, including as Financial Control Staff, Relationship Manager and lastly served as Assistant Vice President, Financial Institutions and Custody.

After that, he continued his career at PT Bank Danamon Tbk since May 1997 until November 1999 with last position as Head of Treasury and International Division.

Since November 1999 until July 2002, he worked at the Indonesian Bank Restructuring Agency in various key positions such as the Head of Bank Restructuring and Head of Risk Management and Compliance Division. In the period of November 1999 until November 2000, he was appointed as Member of the Management Team at PT Bank Bali Tbk in the framework of the bank restructuring and recapitalization process.

After completing his Master degree at Nanyang Technological University, he restarted his career as an Advisor at PT Trans Pacific Petrochemical Indotama in September 2003 until February 2004. Then in February 2004, he was appointed as the Director of Finance at PT Tuban Petrochemical Industries until May 2004. In May 2004, he returned to PT Trans Pacific Petrochemical Indotama until August 2008 with last position as the Vice President Director and Chief Financial Officer.

He continued his career at PT Sampoerna Strategic in Micro Finance Business Unit in August 2008 as the Chief Financial Officer and Acting Chief Risk Officer until December 2011. In the period of January 2012 until April 2015, he was appointed as the Director of Finance at PT Bank Sahabat Sampoerna.

Subsequently became the Country Channel Partner at BIG APC Singapore in May 2015 until July 2016, and in almost the same period, he was appointed as the President Director of PT Karabha Digdaya in October 2015 until July 2016.

In July 2016, he was appointed as the Director of Finance at PT Sarana Multi Infrastruktur until July 2018. Meanwhile, in September 2016, he also became an Advisor to the Board of Directors at PT Karabha Digdaya until early February 2019.

In September 2018 until the beginning of February 2019, he also served as an Advisor to the Executive Management in Non-Government Budget Investment Financing (PINA), Ministry of National Development Planning.

The trainings attended in 2023 includes:

1. Seminar "Financial Services Industry Outlook in 2023" by Financial Services Authority (OJK) on January 10, 2023 in Jakarta.
2. Training "Refreshment of Risk Management Certificate: Digital Transformation and Its Implications on Risk Management" by Gagasan Risiko Manajemen on February 1, 2023 in Jakarta.
3. Online Training "Risk Weighted Assets (RWA) Operational Risk Using the Standard Approach in calculating the Batch 1 KPMM ratio" by RMG on February 8, 2023 in Jakarta.
4. Webinar "Anti Money Laundering in the Digital Era: Lessons Learned from Selected Countries" by OJK Institute on April 6, 2023 in Jakarta.
5. Webinar "Metaverse Opportunities in the Financial Services Industry" by OJK Institute on May 11, 2023 in Jakarta.
6. Webinar "Getting to Know More About the Regulations on the Financial Sector Development and Strengthening Law (UU P2SK) in the Context of Strengthening the Banking Sector" by OJK Institute on June 22, 2023 in Jakarta.
7. Online Training "Implementation of Personal Data Protection Laws and Challenges to Their Implementation" by FKDKP on July 12, 2023 in Jakarta.
Workshop "2023 Training Session for Compliance Officers of Overseas Institutions" by CCB Corporation on July 17–21, 2023 in Xiamen, China.
8. Webinar "Socialization of Financial Services Authority Regulations on the Implementation of Governance for Commercial Banks" by OJK Institute on September 19, 2023 in Jakarta.
9. Seminar "Socialization of the Resolution Plan and Premiums for the Banking Restructuring Program (PRP)" by Deposit Insurance Corporation (LPS) on November 1-2, 2023 in Bandung.
10. Workshop "Risk Management Training for Overseas Institutions" by CCB Corporation on November 13-14, 2023 in Qindao, China.
11. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As a Director, he oversees Compliance, Risk Management, Legal, and Corporate Policy Guidelines & Procedures.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No.27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-17/D.03/2019 dated January 31st, 2019.

Duties and Responsibilities of the Board of Directors:

1. Managing the Bank in accordance with its authority and responsibilities as regulated in the Articles of Association and applicable laws and regulations.
2. Formulating short-term and long-term Strategic Plans of the Bank.
3. Upholding and implementing the principles of Good Corporate Governance in all business activities of the Bank at all levels or stages of the organization.
4. Cultivating, ensuring, and supervising the Bank's compliance with internal and external regulations.
5. Following up on audit findings and recommendations from the Bank's Internal Audit Function and Public Accountants, as well as supervisory results from the Financial Services Authority and/or other authorities with the following provisions:
 - a. Directors are required to attend exit meetings for internal audits, external audits, or Financial Services Authority audits related to the functions they lead.
 - b. Directors who cannot attend the exit meeting must be aware of and sign the exit meeting report.
6. When necessary, the Board of Directors may establish special work units to ensure that audit follow-up actions have been properly implemented.
7. Establishing Working Functions to ensure the implementation of Good Corporate Governance principles, including but not limited to:
 - a. Risk Management Division,
 - b. Internal Audit Division,
 - c. Compliance Division,
 - d. Corporate Policy, Guidelines & Procedure Division,
 - e. Legal Division,
 - f. Anti-Fraud Unit.
8. Establishing Committees under its purview to support the effectiveness of the implementation of its duties and responsibilities, including:
 - a. Risk Management Committee,
 - b. Credit Policy Committee,
 - c. ALCO Committee (Asset Liability Committee),
 - d. Information Technology Steering Committee,
 - e. Credit Committee,
 - f. Human Capital Committee.
9. Ensuring that the established committees carry out their duties effectively.
10. Not granting general authority to other parties that result in the delegation of duties and responsibilities of the Board of Directors.

Scope of Work and Responsibilities of Each Member of the Board of Directors

The scope of responsibility and task division of each member of the Board of Directors of CCB Indonesia as of December 31, 2023, is as follows:

1. The organizational structure of the Bank is designed to support the fulfillment of the Bank's mission in line with the principles of Good Corporate Governance, taking into account the functions, areas of responsibility, and business requirements of the Bank as a commercial institution.
2. Each Director nurtures, leads, and oversees Divisions and/or Units according to the division of supervision as follows:
 - **President Director: You Wennan**, oversees and leads:
 - a. Corporate & International Banking Director
 - b. Commercial & Retail Banking Director
 - c. Finance Director
 - d. Operations Director
 - e. Compliance Director
 - f. Internal Audit Division
 - g. Credit Review Division
 - h. Information Technology Development Management Division
 - i. Information Technology Operation Management Division
 - j. Digital Banking Division
 - k. Strategic Transformation Division
 - l. Anti-Fraud Unit
 - **Corporate & International Banking Director: Zhu Yong**, oversees and leads:
 - a. Trade Finance Division
 - b. Trade Finance - China Desk Division
 - c. China Desk 1 Division
 - d. Corporate Banking 2 Division
 - e. Treasury & Financial Institution Division
 - **Commercial & Retail Banking Director: Setiawati Samahita**, oversees and leads:
 - a. Commercial Division
 - b. Small & Medium Enterprise (SME) Division
 - c. Consumer Asset Division
 - d. Liabilities & Branch Network Division
 - e. Regions/Branches
 - **Finance Director: Chandra N.T Siagian**, oversees and leads:
 - a. Corporate Secretary & Communication
 - b. Asset Liability Management Division
 - c. Accounting & Tax Division
 - d. Customer Complaint Handling Unit (UP3N)

Corporate Governance

- **Operations Director: Junianto**, oversees and leads:
 - a. Special Asset Management Division
 - b. Human Capital Division
 - c. Operation Development Division
 - d. Operation Division
 - e. Trade Operation Division
 - f. Credit Operation Division
 - g. General Affairs & Infrastructure Division
- **Compliance Director: Agresius Robajanto Kadiaman**, oversees and leads:
 - a. Legal Division
 - b. Compliance Division
 - c. Risk Management Division
 - d. Corporate Policy, Guidelines & Procedure Division

All members of the Board of Directors of CCB Indonesia do not have any financial, managerial, ownership, or familial relationships with other members of the Board of Directors, the Board of Commissioners, and/or the Controlling Shareholders that could affect their ability to act independently.

President Director comes from an independent party from the Controlling Shareholders because they do not have any financial, managerial, ownership, or family relationships with the Bank's Controlling Shareholders.

Board of Directors has disclosed the Bank's strategic policies in the field of human resources, through easily accessible means such as Work Meetings, Director's Decisions, Circular Letters, emails, or other media.

Board of Directors does not grant general authority to other parties that would result in the transfer of the Board of Directors' duties and functions.

Board of Directors has guidelines for conducting Board meetings and rules of procedure for the Board's work, which include provisions for assessing and evaluating the Board's performance, by referring to the Financial Services Authority regulations on Corporate Governance for Commercial Banks and regulations on Directors and Commissioners of Issuers or Public Companies.

All meetings are documented in Board Meeting minutes signed by all attending members and distributed to all Board members.

Board of Directors, individually or collectively, do not hold shares exceeding 25% of the bank's paid-up capital and/or in other companies. The integrity, competence, and financial reputation of all Board members are deemed adequate.

All Board members come from independent parties and do not have financial, managerial, ownership, or familial relationships with other members of the Board of Commissioners, other Directors, and/or Controlling Shareholders that could affect their ability to act independently. Board members have passed the fit and proper test and have obtained approval from the Financial Services Authority.

The Implementation of Board of Directors Meetings

During the year 2023, the Board of Directors held a total of 84 (eighty-four) meetings, as shown in the table below:



Corporate Governance

No	Date	Meeting Agenda	You Wennan	Zhu Yong	Setiawati Samahita	Junianto	Chandra Siagian	Agresius R Kadiaman
1	3 Jan 2023	1. Information on Termination of Implementation of Public Activities Restriction (PPKM) 2. Information on BOD's Assessment 3. Update on FTP Implementation Plan 4. Discussion on Financial Result as of December 31, 2022 5. Others	√	√	-	√	√	√
2	3 Jan 2023	Financial Updates – as of January 4, 2023	√	√	√	√	√	√
3	9 Jan 2023	1. Financial Updates – as of January 9, 2023 2. Request for the Summary of BOD Response Documents 3. Update on Online News of GWP Case	√	√	√	√	√	√
4	12 Jan 2023	1. Financial Updates – as of January 11, 2023 Information on the Law of Personal Data Protection	√	√	√	√	√	√
5	16 Jan 2023	1. Update on EY Audit Closing Meeting 2. Draft Material of RBB 2023 – 2025 (for OJK) 3. Update on Car Usage 4. Update on GWP Case	√	√	√	√	√	√
6	19 Jan 2023	1. Financial Updates – as of January 17, 2023 2. Discussion on How to Improve the Business Performance	√	√	√	√	-	-
7	26 Jan 2023	1. Financial Updates – as of January 25, 2023 2. Update on Risk Based Bank Rating for Semester II of 2022 3. Update on Data Protection Law Others	√	√	√	-	√	√
8	30 Jan 2023	1. Financial Updates – as of January 23, 2023 2. Introduction of CCBI e-Booklet 3. Business Performance Review – December 2022 4. Tax Update – December 2022 5. Update on GWP Case Scenario (Legal case No. 555)	√	√	√	√	√	√
9	2 Feb 2023	1. Financial Updates – as of January 31, 2023 2. Information on OJK Audit Schedule	√	√	√	√	√	√
10	6 Feb 2023	1. Financial Updates – as of January 31, 2023 2. Financial Updates – as of February 3, 2023 3. Preparation on OJK General Audit	√	√	√	√	-	√
11	7 Feb 2023	1. OJK Entry Meeting 2. Update on Legal Case No. 555 3. FX Transfer via e-Channel 4. Others	√	√	√	√	-	√
12	9 Feb 2023	1. Financial Updates – as of February 7, 2023 2. Discussion on Foreign Currency Transfer via Internet Banking Business 3. Others	√	√	√	√	-	√
13	16 Feb 2023	1. Financial Updates – as of February 14, 2023 2. Update on OJK Audit Findings 2023 - KC Sunset Road & KCP Bali Denpasar 3. Appointment of Collaborative Analysis Working Team related to Election 4. Update on Socialization of Personal Data Protection (PDP) Regulations 5. Update on Information Preparation of Legal Case No. 555 6. Others	√	√	-	√	√	√
14	23 Feb 2023	1. Financial Updates – as of February 21, 2023 2. Business Performance Review – January 2023 3. Tax Update – January 2023	-	√	√	√	√	-

Corporate Governance

No	Date	Meeting Agenda	You Wennan	Zhu Yong	Setiawati Samahita	Junianto	Chandra Siagian	Agresius R Kadiaman
15	2 Mar 2023	1. Financial Updates – as of February 28, 2023 2. Impact from Tax 'Benefit in kind' to Staff Cost & Staff Income Tax 3. Update on Customer's Complaint 4. Monthly AML report 5. OJK response on 2023-2025 CCBI Business Plan	-	√	√	√	√	√
16	6 Mar 2023	1. Financial Updates – as of March 3, 2023 2. Impact from Tax 'Benefit in kind' to 2022 Staff Income Tax/SPT & 2023 Staff Costs 3. Update on OJK Audit findings 4. Others	√	√	√	√	√	√
17	9 Mar 2023	1. Financial Updates – as of March 7, 2023 2. Discussion on Cars Sales Plan	√	√	√	√	√	√
18	13 Mar 2023	1. Financial Updates – as of March 10, 2023 2. Discussion on Cars Sales Plan 3. Others	√	√	√	-	√	√
19	16 Mar 2023	1. Financial Updates – as of March 15, 2023 2. Others	√	√	√	√	√	√
20	20 Mar 2023	1. Financial Updates – as of March 17, 2023 2. Update on OJK Audit Findings 3. Update on Legal Case 555 4. Others	√	√	√	-	√	√
21	24 Mar 2023	Financial Updates – as of March 21, 2023	√	√	√	-	-	√
22	27 Mar 2023	1. Financial Updates – as of March 24, 2023 2. Others	√	√	-	√	√	√
23	30 Mar 2023	1. Financial Updates – as of March 29, 2023 2. Update on Branch Relocation 3. Update on OJK Audit Findings	√	√	√	-	√	√
24	3 Apr 2023	1. Financial Updates – as of March 31, 2023 2. Business Performance Review – February 2023 3. Tax Update – February 2023 4. Update on Car Sales Progress	√	√	√	√	√	√
25	5 Apr 2023	1. Financial Updates – as of April 4, 2023 2. Update on OJK Letter 3. Others	√	√	√	√	√	√
26	10 Apr 2023	1. Financial Updates – as of April 6, 2023 2. Others	√	√	√	√	√	√
27	13 Apr 2023	1. Financial Updates – as of April 12, 2023 2. Update on OJK Audit Findings 3. Information on PPATK Audit	√	√	√	√	√	√
28	17 Apr 2023	1. Financial Updates – as of April 14, 2023 2. Others	√	√	√	√	√	√
29	27 Apr 2023	1. Financial Updates – as of April 26, 2023 2. Discussion on Legal Case No. 555	√	-	√	-	√	√
30	4 May 2023	1. Financial Updates – as of May 3, 2023 2. Update on Legal Case No. 555 3. Presentation on PP. No 10/2023 concerning Tariffs on Types of Non-Tax State Revenue	√	-	√	√	√	√
31	8 May 2023	1. Financial Updates – as of May 5, 2023 2. Information on Entry Meeting of Joint Audit 3. Update on Legal Case No. 555 4. Others	√	√	√	√	√	√
32	11 May 2023	1. Update on OJK Audit Findings 2. Update on Joint Audit 3. Financial Updates – as of May 5, 2023 4. Update on Legal Case No. 555	√	√	√	√	√	√
33	12 May 2023	Update on Legal Case No. 555	√	√	√	√	√	√

Corporate Governance

No	Date	Meeting Agenda	You Wennan	Zhu Yong	Setiawati Samahita	Junianto	Chandra Siagian	Agresius R Kadiaman
34	15 May 2023	1. Financial Updates – as of May 12, 2023 2. Business Performance Review – April 2023 3. Tax Update – April 2023 4. Discussion on Revised RBB 2023 – 2025 5. Others	√	√	√	-	√	√
35	22 May 2023	Financial Updates – as of May 19, 2023	√	√	√	√	√	√
36	29 May 2023	1. Financial Updates – as of May 19, 2023 2. Update on OJK Audit Findings 3. Update on Legal Case No. 555	√	√	√	√	√	√
37	5 Jun 2023	1. Financial Updates – as of May 31, 2023 2. Update on Legal Case No. 555 3. Others	√	√	√	√	√	-
38	8 Jun 2023	1. Financial Updates – as of June 7, 2023 2. Update on Revised RBB 2023 – 2025 3. Others	√	√	√	-	√	√
39	12 Jun 2023	1. Financial Updates – as of June 9, 2023 2. Monthly Performance Review – May 2023 3. Update on Joint Audit Progress 4. Update on Legal Case No. 555 5. Others	√	√	√	√	√	√
40	15 Jun 2023	1. Financial Updates – as of June 14, 2023 2. Update on Audit Findings Progress	√	√	-	√	√	√
41	22 Jun 2023	1. Update on Legal Case No. 555 2. Financial Updates – as of June 21, 2023 3. Tax Update – May 2023	-	√	-	√	√	√
42	26 Jun 2023	1. Financial Updates – as of June 23, 2023 2. Update on OJK Audit Findings 3. AML Periodic Training I / 2023 4. Others	√	-	-	√	√	√
43	3 Jul 2023	1. Financial Updates – as of June 30, 2023 2. Update on Exit Meeting of AML-CFT Audit 3. Others	-	√	-	√	√	√
44	6 Jul 2023	1. Update on Legal Case No. 555 2. Financial Updates – as of July 5, 2023	-	√	-	√	√	√
45	10 Jul 2023	Financial Updates – as of July 7, 2023	-	√	√	√	√	√
46	13 Jul 2023	Financial Updates – as of July 12, 2023	√	√	√	-	-	√
47	17 Jul 2023	1. Financial Updates – as of July 14, 2023 2. Monthly Performance Review – June 2023 3. Tax Updates – June 2023	-	√	√	√	√	-
48	20 Jul 2023	1. Financial Updates – as of July 18, 2023 2. Discussion on Fraud Case	-	√	√	√	√	-
49	24 Jul 2023	1. Financial Updates – as of July 21, 2023 2. Others	√	√	√	√	-	√
50	27 Jul 2023	1. Financial Updates – as of July 26, 2023 2. Information on OJK Invitation Letter 3. Update on Legal Case	√	√	√	√	-	√
51	31 Jul 2023	1. Financial Updates – as of July 28, 2023 2. Update on Legal Case	√	√	√	√	-	-
52	3 Aug 2023	1. Information on OJK Letter related to AML – CFT 2. Update on Audit Findings Progress 3. Financial Updates – as of July 31, 2023	√	√	√	-	√	√
53	7 Aug 2023	1. Financial Updates – as of August 4, 2023 2. Tax Updates	√	√	√	√	√	√
54	10 Aug 2023	1. Financial Updates – as of August 9, 2023 2. Update on OJK Audit	√	√	√	√	√	√

Corporate Governance

No	Date	Meeting Agenda	You Wennan	Zhu Yong	Setiawati Samahita	Junianto	Chandra Siagian	Agresius R Kadiaman
55	14 Aug 2023	1. Update on EY Kick Off Meeting 2. Financial Updates – as of August 11, 2023 3. IT Weekly Updates 4. Monthly Performance Review – July 2023	√	√	√	√	-	√
56	21 Aug 2023	1. Financial Updates – as of August 18, 2023 2. IT Weekly Updates 3. Others	√	√	√	-	-	√
57	24 Aug 2023	1. Financial Updates – as of August 23, 2023 2. Estimation on NPL Settlement 2023 3. Update on AML Assessment Consultant 4. Update on Legal Case 5. Others	√	√	√	√	-	√
58	31 Aug 2023	1. Financial Updates – as of August 30, 2023 2. Update on OJK Audit	√	-	√	√	-	√
59	4 Sep 2023	1. Financial Updates – as of August 31, 2023 2. IT Weekly Updates 3. Others	√	√	√	-	-	√
60	7 Sep 2023	1. Financial Updates – as of September 6, 2023 2. Others	√	√	√	-	√	√
61	11 Sep 2023	1. Financial Updates – as of September 8, 2023 2. Draft Financial Forecast for RBB 2024 – 2026	√	√	√	-	√	√
62	18 Sep 2023	1. Financial Updates – as of September 15, 2023 2. Discussion on RPIM 3. Update on OJK Audit at Solo Branch 4. IT Weekly Update 5. Update on Case in Rawamangun Branch 6. Others	√	√	√	√	-	√
63	21 Sep 2023	1. Financial Updates – as of September 20, 2023 2. Tax Update (2019 SP2DK) 3. Update on Legal Case	√	√	√	√	√	√
64	26 Sep 2023	1. OJK New Regulations of AML, CFT & CPF 2. Financial Forecast for RBB 2024 – 2026 3. Financial Updates – as of September 20, 2023 4. Monthly Performance Review – August 2023 5. Tax Update 6. IT Weekly Update 7. Others	√	-	√	√	√	√
65	2 Oct 2023	1. Draft RBB 2024 – 2026 2. Financial Updates – as of September 30, 2023 3. Others	√	-	√	√	√	-
66	9 Oct 2023	1. Financial Updates – as of September 30, 2023 2. Financial Updates – as of October 6 2023 3. Update on OJK Audit Findings 4. IT Weekly Update 5. Others	√	√	√	√	-	√
67	16 Oct 2023	1. Financial Updates – as of October 13, 2023 2. IT Weekly Update 3. Preparation of Additional Information for the Use of Foreign Workers Plan 4. Others	√	√	√	√	√	√
68	19 Oct 2023	1. Financial Updates – as of October 18, 2023 2. Discussion on RBB 2024 – 2026	√	√	√	-	√	√
69	23 Oct 2023	1. Financial Updates – as of October 13, 2023 2. Monthly Performance Review – September 2023 3. Tax Updates 4. Update on Fraud Case in Rawamangun Branch 5. IT Weekly Update	√	√	√	√	√	√
70	26 Oct 2023	1. Financial Updates – as of October 25, 2023	√	√	-	√	√	√

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No	Date	Meeting Agenda	You Wennan	Zhu Yong	Setiawati Samahita	Junianto	Chandra Siagian	Agresius R Kadiaman
71	30 Oct 2023	1. Financial Updates – as of October 27, 2023 2. Information from the results of OJK Focus Group Discussion (FGD) 3. Others	√	√	-	√	√	√
72	2 Nov 2023	1. Financial Updates – as of October 31, 2023 2. Update Progress on Tax ID	√	√	√	√	√	-
73	6 Nov 2023	1. Financial Updates (month end) – as of October 31, 2023 2. Financial Updates – as of November 3, 2023 3. IT Weekly Update 4. Update on Rawamangun Case 5. Discussion on Closure of Cirebon Branch	√	√	√	√	√	-
74	9 Nov 2023	1. Financial Updates – as of November 8, 2023 2. Update on Fraud Case at Melinda Hospital Branch 3. Update on Plaza Asia Case 4. Update on LPS New Regulations 5. Others	√	√	√	√	-	√
75	13 Nov 2023	1. Financial Updates – as of November 10, 2023 2. Information on CIPS 3. Others	√	-	√	√	√	-
76	16 Nov 2023	1. Financial Updates – as of November 15, 2023 2. IT Updates 3. Update on AML, CFT and CPF Report 4. Others	√	√	-	√	√	√
77	20 Nov 2023	1. Financial Updates – as of November 17, 2023 2. Business Performance Review – October 2023 3. Tax Updates 4. IT Weekly Update 5. Others	√	√	-	√	√	√
78	27 Nov 2023	1. Financial Updates – as of November 24, 2023 2. Discussion on New Organizational Structure 3. IT Weekly Update 4. Others	√	√	√	√	√	√
79	29 Nov 2023	1. Update on Capability Review Report by BDO (AML Consultant) 2. Update on Legal Case No. 428 3. Others	√	√	√	√	-	√
80	30 Nov 2023	1. Update on Risk Management Certification	√	√	√	√	√	-
81	4 Dec 2023	1. EY Audit Progress 2. 2023 Full Year Financial Projection 3. IT Weekly Update 4. Others	√	√	√	√	√	-
82	12 Dec 2023	1. Financial Updates – as of December 11, 2023 2. Update on Training from CCB Malaysia 3. Discussion on UBO Determination 4. Update on New Tax ID / NPWP 5. IT Weekly Update	√	√	√	√	√	-
83	18 Dec 2023	1. Financial Updates – as of December 15, 2023 2. Others	√	√	√	√	√	√
84	21 Dec 2023	1. Financial Updates – as of December 20, 2023 2. Business Performance Review – November 2023 3. Tax Updates 4. Plan of Annual Meeting in 2024	√	√	√	-	√	√

Information :

√ : Present at the meeting, - : Not present at the meeting, TC : Via teleconference

Corporate Governance

Meeting of the Board of Directors with the Board of Commissioners

During 2023, the Board of Directors held meetings with the Board of Commissioners 3 (three) times.

No	Date	Meeting Agenda	Attended by
1	18 January 2023	Discussion of Main Points from OJK regarding the Bank's Business Plan	Mohamad Hasan Yudo Sutanto You Wennan Setiawati Samahita Zhu Yong Junianto Agresius R. Kadiaman
2	11 April 2023	1. Bank Strategic Business Plan 2. Bank Strategic Actions 3. Update on Legal Case No. 555	Sun Jianzheng Qi Jiangong Mohamad Hasan Yudo Sutanto You Wennan Setiawati Samahita Zhu Yong Junianto Chandra N.T. Siagian Agresius R. Kadiaman
3	17 November 2023	1. Update on AML, CFT and CPF Regulation	Sun Jianzheng Qi Jiangong Mohamad Hasan Yudo Sutanto You Wennan Zhu Yong Junianto Chandra N.T. Siagian Agresius R. Kadiaman

Training attended by members of the Board of Directors during 2023, including:

Name	Training	Date	Organizer/Location
You Wennan	Online Training - Risk Management Refreshment Batch 1	1 February 2023	KOVIDA
	Risk Management Refreshment Level 7	27 December 2023	Bintang Solusi Laras - I Nyoman Duari
Zhu Yong	Online Training - Risk Management Refreshment Batch 1	1 February 2023	KOVIDA
	Workshop "Management Training"	25 – 30 June 2023	CCB Corporation
	Risk Management Refreshment Level 7	27 December 2023	Bintang Solusi Laras - I Nyoman Duari
Setiawati Samahita	Online Training - Risk Management Refreshment Batch 1	1 February 2023	KOVIDA
	Hybrid Training - Leadership Directorate of Commercial and Retail Banking	13 February 2023	Remaja Talenta Indonesia
	Offline Training - Personal Data Protection	22 February 2023	Kementerian Komunikasi dan Informasi
	Health Talk: Heart Disease and Solutions	25 August 2023	Asuransi ACA dan RS Brawijaya
	Risk Management Refreshment Level 7	27 December 2023	Bintang Solusi Laras - I Nyoman Duari
Junianto	Online Training - Risk Management Refreshment Batch 1	1 February 2023	KOVIDA
	Online Training - Risk Weighted Assets (RWA) Operational Risk using the Standard Approach in calculating the KPMM ratio, as an implementation of SEOJK Number 6/SEOJK.03/2020 Batch 1	8 February 2023	RMG
	Rederining Human Capital: Inspiring People to Take Action	19-20 June 2023	Indonesia HR Summit/Bali Nusa Dua Convention Center
	Risk Management Refreshment Level 7	27 December 2023	Bintang Solusi Laras - I Nyoman Duari

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Name	Training	Date	Organizer/Location
Chandra Siagian	Online Training - Risk Management Refreshment Batch 1	1 February 2023	KOVIDA
	Finance Directorate Team Building	21-22 October 2023	Lenirra Villa and Resto
	How to Drive Corporate Performance through Accounting Practices	9 November 2023	OJK Institute
	Risk Management Refreshment Level 7	27 December 2023	Bintang Solusi Laras - I Nyoman Duari
Agresius R. Kadiaman	Financial Services Industry Outlook in 2023.	10 January 2023	OJK
	Refreshment of Risk Management Certificate: Digital Transformation and Its Implications on Risk Management	1 February 2023	Risiko Manajemen Gagasan
	Risk Weighted Assets (RWA) Operational Risk Using the Standard Approach in calculating the Batch 1 KPMM ratio	8 February 2023	RMG
	Anti Money Laundering in the Digital Era: Lessons Learned from Selected Countries	6 April 2023	OJK
	Metaverse Opportunities in the Financial Services Industry	11 May 2023	OJK
	Getting to Know More About the Regulations on the Financial Sector Development and Strengthening Law (UU P2SK) in the Context of Strengthening the Banking Sector	22 June 2023	OJK
	Implementation of Personal Data Protection Laws and Challenges to Their Implementation	12 July 2023	FKDKP
	2023 Training Session for Compliance Officers of Overseas Institutions	17 – 21 July 2023	CCB Corporation
	Socialization of Financial Services Authority Regulations on the Implementation of Governance for Commercial Banks	19 September 2023	OJK
	Socialization of the Resolution Plan and Premiums for the Banking Restructuring Program (PRP)	1 – 2 November 2023	Lembaga Penjamin Simpanan (LPS) Deposit Insurance Agency (LPS)
	Risk Management Training for Overseas Institutions	13 – 14 November 2023	CCB Corporation
	Online Training - Refreshment Manajemen Risiko Level 7	27 December 2023	Bintang Solusi Laras

Company Policy on the Evaluation of Directors' Performance and Its Implementation

- **Procedure for Assessing the Performance of the Board of Directors**

1. The performance of the Board of Directors is assessed based on specific criteria recommended by the Remuneration and Nomination Committee.
2. The results of the Board of Directors' performance assessment is disclosed in the Annual Report and presented at the Annual General Meeting of Shareholders.

- **Criteria Used**

The criteria for evaluating the performance of the Board of Directors include, but are not limited to:

1. Achievement of business targets,
2. Achievement of short-term and long-term company plans,
3. Achievement of budgets and revenues,
4. Achievement of OJK Ratings targets related to Good Corporate Governance and the Bank's Health Level.

- **Assessing Parties**

The parties responsible for evaluating the performance of the Board of Directors are the Board of Commissioners and the Annual General Meeting of Shareholders (RUPS). Subsequently, the Board of Directors and the Board of Commissioners will be held accountable for their performance achievements in the 2023 period, including the implementation of duties and responsibilities of the Board of Commissioners and the Board of Directors at the Annual General Meeting of Shareholders held in 2023.

Corporate Governance

Subsidiary Committees under the Board of Directors

As of the end of 2023, there are 6 (six) committees in CCB Indonesia, consisting of:

Asset and Liability Committee (ALCO)

The Asset and Liability Committee is responsible for managing the Bank's assets and liabilities. More broadly, ALCO also has the task of managing liquidity, interest rate management, foreign exchange management, investment management, and gapping management.

Risk Management Committee

The Risk Management Committee assists the Board of Directors in reviewing policies and delegating responsibilities to determine policies and procedures, and ensuring that business units have properly implemented the strategies approved by the Board of Directors.

Credit Policy Committee

This Committee assists the Board of Directors in formulating policies, monitoring the development and condition of the credit portfolio, and providing improvement measures.

Information Technology Steering Committee

The Information Technology Steering Committee (IT) is tasked with managing and monitoring the Bank's use of Information Technology, including providing recommendations to the Board of Directors regarding the formulation of IT Strategic Plans aligned with the Bank's Strategic Plans, formulation of IT policies and procedures, IT risk management, and monitoring the compliance of approved IT projects with IT Strategic Plans and user needs to support Bank's business activities.

Credit Committee

The Credit Committee is responsible for approving credits or credit extensions up to the credit limits determined by the Board of Directors and maintaining the quality of the credits provided so that the determination of credit quality and the formation of provisions for productive assets are carried out in accordance with the bank's prudential principles.

Human Capital Committee

The Human Capital Committee is tasked with recommending improvements to HR policies, establishing a company code of ethics, proposing current year performance bonus budgets, mass employee salary adjustments, approving deviations from provisions related to HR.

All Committees formed under the Board of Directors have established Work Guidelines as references for each Committee in its role of assisting the Board of Directors.

Assessment of the Performance of Committees Supporting the Execution of the Board of Directors' Duties

The performance of the Risk Management Committee, Credit Policy Committee, ALCO Committee, Information Technology Steering Committee, Credit Committee, and Human Capital Committee is evaluated based on the following procedures and criteria:

1. The performance of each Committee supporting the execution of the Board of Directors' duties is periodically evaluated by the Board of Directors.
2. The criteria for evaluating the performance of each committee include, but are not limited to:
 - a. Achievement and conduct of committee meetings,
 - b. Attendance of each committee member,
 - c. Administrative orderliness,
 - d. Success of decisions made during committee meetings.

Implementation of Compliance Function

CCB Indonesia is committed to complying with applicable laws and regulations, both issued by Bank Indonesia and other authorities. The implementation of the Compliance Function at CCB Indonesia refers to Financial Services Authority Regulation No. 46/POJK.03/2017 dated July 12, 2017 concerning the Implementation of Compliance Functions for Commercial Banks.

The Compliance Function includes actions to achieve Compliance Culture at all levels of CCB Indonesia's organization and business activities; managing Compliance Risks faced; ensuring that policies, provisions, systems, procedures, and business activities conducted by the Bank has complied with Bank Indonesia regulations, as well as the applicable laws and regulations; ensuring the Bank's compliance with commitments made by CCB Indonesia to the Financial Services Authority, Bank Indonesia, and/or other relevant supervisory authorities.

CCB Indonesia has established Compliance Policy and General Guidelines as well as Compliance Function Implementation Guidelines.

In accordance with Article No. 46/POJK.03/2017 dated July 12, 2017 concerning the Implementation of Compliance Functions, the Bank is required to have a Director overseeing the Compliance Function and to establish a Compliance Work Unit.

The obligation to have a Director overseeing the Compliance Function has been fulfilled by appointing Mr. Agresius R. Kadiaman as Compliance Director through the Annual General Meeting of Shareholders dated January 7, 2019. Based on the Decree of OJK Commissioner No. KEP-17/D.03/2019 dated January 31, 2019, and OJK Letter No. SR-32/PB.12/2019 dated February 1, 2019, the appointment of Mr. Agresius R. Kadiaman as Compliance Director of CCB Indonesia has been approved by the OJK. The appointment became effective on February 6, 2019.

Furthermore, based on the Annual General Meeting of Shareholders (RUPS) dated May 14, 2019, it was decided that the RUPS approved the reappointment of members of the Board of Directors and members

of the Board of Commissioners of the Company for the term commencing from the close of the meeting until the closing of the Company's Annual General Meeting of Shareholders for the 2023 fiscal year.

The Appointment, and Resignation of the Director overseeing the Compliance Function have been in accordance with applicable provisions.

The Director overseeing the Compliance Function has submitted quarterly reports on the implementation of his duties and responsibilities to the President Director, with copies to the Board of Commissioners, and semi-annually to the Financial Services Authority, with copies to the President Director and the Board of Commissioners.

The Bank has established Compliance Division, which include the AML CFT Transaction Analysis & Reporting Section and the Compliance AML CFT Policy & Advisory Section, which are formed independently, meaning they are formed separately and free from the influence of other work functions, and have direct access to the Director overseeing the Compliance Function. The Compliance Division is established at the Bank's headquarters but implements Compliance Functions throughout the Bank's office network. Additionally, within the organizational structure of the Compliance Directorate, the Corporate Policy, Guidelines & Procedures Division has also been established.

The Bank has provided quality human resources in the Compliance Division to carry out tasks effectively.

The Compliance Director and Compliance Division have established policies and guidelines to ensure the compliance, adequacy, and effectiveness of the compliance function's role throughout the bank's organizational structure.

The Bank has made improvements by enhancing the implementation of the Anti-Money Laundering (APU), Prevention of Terrorism Financing (PPT), and Prevention of Funding for the Proliferation of Weapons of Mass Destruction (PPSPM) programs through the provision of AML System outside core banking, improvements and refinements to all Policies, Guidelines, and SOPs (KSOPs), as well as updating KSOPs in connection with the application of new regulatory provisions and the Bank's business developments.

The increased role of the compliance function is continuously carried out to assist the bank's compliance improvement process, reflected in efforts made, among others, through the issuance of compliance news, compliance opinions, compliance reviews, compliance checklists, compliance campaigns, bank regulation socialization, as well as acting as liaison officers to the Financial Services Authority, Bank Indonesia, and other regulators.

The level of compliance of the Bank with all applicable regulations and laws as well as the fulfillment of commitments with the relevant authorities

The Bank has ensured compliance with the regulations of the Financial Services Authority, Bank Indonesia, and applicable laws and regulations, including by:

- Establishing necessary measures while adhering to the principle of prudence
- Monitoring, maintaining, and ensuring that the Bank's activities do not deviate from regulations
- Monitoring and ensuring the Bank's compliance with all agreements and commitments made by the Bank to the Financial Services Authority and other authorized regulatory bodies.

Administrative Sanctions

• Administrative sanctions imposed on the Company

In 2023, there were still several reporting-related sanctions imposed by the Regulator on CCB Indonesia. In response to the non-compliance, the Bank has made corrections and established follow-up measures to ensure that similar non-compliance does not occur again.

• Administrative sanctions imposed on members of the Board of Commissioners

In 2023, no administrative sanctions were imposed on members of the Board of Commissioners of the Company.

• Administrative sanctions imposed on members of the Board of Directors

In 2023, no administrative sanctions were imposed on members of the Board of Directors of the Company.

Implementation of the Internal Audit Function

Based on Financial Services Authority Regulation No. 1/POJK.03/2019 dated January 28, 2019 regarding the Implementation of the Internal Audit Function in Commercial Banks, CCB Indonesia has established the Internal Audit Unit (SKAI), which is an independent functional unit from operational units and reports directly to the President Director.

The organizational structure of the Bank's Internal Audit Unit (SKAI) is in accordance with applicable regulations.

CCB Indonesia has established Policies and General Audit Guidelines, an Internal Audit Charter, and is equipped with several Standard Operating Procedures (SOPs), including Operational Audit SOPs, Credit Audit SOPs, Treasury Audit SOPs, Trade Financing Audit SOPs, and Information Technology Audit SOPs.

CCB Indonesia provides quality resources to the Internal Audit Division to effectively carry out its tasks.

- Mr. Erwin Ruchiawan has been led SKAI since September 23, 2022, as Acting Head. The appointment as the Acting Head of SKAI has been reported to the Financial Services Authority through letter No. 294/CCBI/DDIR-OJK/IX/2022 dated September 29, 2022.

Corporate Governance



Rita Fitria

Internal Audit Head (SKAI)

- Effective since May 24, 2023, SKAI is led by Ms. Rita Fitria.

Education:

- 2008-2009 Queensland University of Technology (QUT) Master of Business Advanced (International Business)
- 1996 – 2000 Syahkuala University Bachelor of Accounting

Certifications:

1. Brevet CAP (Credit Application Package)
2. Brevet Corporate Finance
3. Brevet Global Business
4. ISO 9001:2015 (Quality Management System)
5. ISO 30301:2019 (Record Management)
6. ISO 37001:2016 (SMAP)
7. Procurement Certification (LKPP)
8. Certified Banking Internal Audit (CBIA) Level Supervisor
9. Certified Banking Internal Audit (CBIA) Level Auditor
10. Compliance Certification
11. Risk Management Certification Level 1
12. Risk Management Certification Level 2

Experience:

1. Queensland University of Technology Indonesia Community (QUIC) (2017- 2021) Vice President QUIC
2. Prasetya Mulya University (July 2016 – present) Part-Time Lecturer of Business School (Treasury Management)
3. Ikatan Auditor Intern Bank (IAIB)
 - a. Manage Certification of Certified Banking Internal Auditor (CBIA) for Auditor Level and Supervisor Level.
 - b. Provide Certified Banking Internal Auditor (CBIA) Training of Auditor Level and Supervisor Level.
4. The Institute of Internal Auditors (IIA) Indonesia Provide training of Internal Audit Training for Financial Service Authority (OJK)
5. InfoBank Institute Provide training of Anti Money Laundering
6. PT Bank Negara Indonesia (Persero) Tbk
 - Internal Audit Manager of Business Banking (01/01/2020-May 2023)
 - Internal Audit Manager of Procurement and Fixed Asset (02/02/2017-30/12/2020)

- Internal Audit Manager of Treasury Division (02/11/2015-01/02/2017)
- Compliance Manager of Treasury Division (20/01/2014-01/11/2015)
- Compliance Manager of Business Banking and International Transaction (01/01/2012-19/01/2014)
- Compliance Development Manager (11/11/2011-31/12/2012)
- Manager of Business Banking, Treasury and International Policy (11/02/2010-10/11/2011)
- Internal Audit Division (03/09/2002-01/02/2008)
- The termination of Mr. Erwin as Acting Head of the Internal Audit Division has been reported to the Financial Services Authority through letter No.087/CCBI/DDIR-OJK/IV/2023 dated April 13, 2023.
- The appointment of Ms. Rita Fitria as Head of the Internal Audit Division has been reported to the Financial Services Authority through letter No. 126/CCBI/DDIR-OJK/V/2023 dated May 26, 2023.

Effectiveness and scope of internal audit in assessing all aspects and elements of the Bank's activities

The Internal Audit Division is responsible for conducting independent and effective examinations of all aspects and elements of activities that are directly expected to affect the interests of the Bank and the public.

The results of the Internal Audit Division's examination, along with its follow-up recommendations, are reported directly to the President Director and the Board of Commissioners represented by the Audit Committee, with a copy to the Director Overseeing Compliance Functions. Subsequently, the Board of Commissioners will oversee and confirm that management has taken necessary corrective actions based on the examination results.

CCB Indonesia maintains effective and efficient execution of internal control systems by closely monitoring the outcomes of follow-up actions implemented by the auditee. In the absence of follow-up actions, the Internal Audit Division will verify with the relevant party and issue an internal memo for further action. Supervisory procedures have been consistently applied, fostering a supportive atmosphere for internal control endeavors.

In addition to conducting auditing activities, the Internal Audit Division consistently acts as a consultant to internal parties at CCB Indonesia who require assistance, particularly regarding internal control systems.

The Board of Directors of CCB Indonesia is responsible for creating the internal control structure and ensuring the functioning of CCB Indonesia's internal audit function at every management level. Every Examination Result Report (LHP) reported to the President Director is circulated to all Directors with a copy to the Audit Committee. With this mechanism, every finding will be brought to the attention of management and promptly addressed according to their respective areas.

The internal oversight function by the Internal Audit Division is conducted using systematic audit methods and a risk-based audit approach, prioritizing supervision on processes or units with higher risks.

Overall, during 2023, the implementation of the internal oversight function has been satisfactory.

During the COVID-19 pandemic, audits of auditees were conducted in a hybrid manner, combining remote audits and on-site audits according to the Internal Audit Division's 2023 Audit Plan.

The Bank periodically reviews the effectiveness of the Internal Audit implementation and its compliance with the Standards for Implementing the Internal Audit Function of Commercial Banks by external parties every three years. The last report of the review results was reported to the Financial Services Authority through letter No. 210/CCBI/DDIR-OJK/VIII/2023 dated August 25, 2023.

Implementation of External Auditor Function

In accordance with the Financial Services Authority's regulations regarding the Use of Public Accountant and Public Accounting Firm Services in Financial Services Activities as stipulated in POJK No. 9 of 2023 and OJK Circular Letter No. 18/SEOJK.03/2023, the Bank appoints Public Accountants and Public Accounting Firms registered with the Financial Services Authority to audit the Annual Financial Statements.

The appointment of Public Accountants and Public Accounting Firms to audit the Company's financial statements for the 2023 fiscal year is made based on recommendations from the Audit Committee to the Board of Commissioners.

The Audit Committee has recommended the appointment of Public Accountants and Public Accounting Firms to the AGM through the Board of Commissioners. The recommendation was conveyed through Internal Memo No. 006/MI/KA/III/2023 dated March 21, 2023.

The Board of Commissioners has recommended the Public Accounting Firm "Purwanto, Sungkoro & Surja" (a member of Ernst & Young) to audit the CCB Indonesia's financial statements for the 2023 fiscal year, as stated in the Circular Decision Statement of the Board of Commissioners No. 010/DKOM/MI/IV/2023 dated April 11, 2023.

The Annual General Meeting held on June 6, 2023, approved the appointment of the Public Accounting Firm "Purwanto, Sungkoro & Surja" (a member of Ernst & Young) to audit the Company's financial statements for the 2023 fiscal year.

The appointment of the Public Accounting Firm has been reported to the OJK Banking Supervisory Authority through letter No. 143/CCBI/DDIR-OJK/VI/2023 dated June 15, 2023.

The appointed Public Accountant and Public Accounting Firm, namely "Purwanto, Sungkoro & Surja" (a member of Ernst & Young), is registered as the auditor of the Bank with the Financial Services Authority, with No. STTD.KAP-03/PM.22/2018 dated January 15, 2018.

The auditor performs its duties objectively. The Audit of the Financial Statements ending on December 31, 2023, was conducted based on employment agreement No. 0009/PSS/06/2023 dated June 7, 2023.

The Public Accountant conducts independent audits, complies with professional standards for public accountants and employment agreements, and the audit scope set, and has communicated with the Financial Services Authority regarding the audited Bank's conditions for audit preparation and implementation.

The implementation of the Audit Service Provision by the Public Accounting Firm "Purwanto, Sungkoro & Surja" (a member of Ernst & Young) to audit the CCB Indonesia's financial statements for the 2023 fiscal year will be evaluated by the Audit Committee, and the results will be reported to the OJK.

Implementation of Risk Management including Internal Control Systems

The Bank has an adequate organizational structure to support the implementation of risk management and internal control, including the establishment of the Internal Audit Division, Risk Management Division, Risk Management Committee, Risk Monitoring Committee, and Compliance Division.

a. Active Oversight by the Board of Commissioners and the Board of Directors

The Bank has defined clear authority and responsibilities at each level of position related to the implementation of Risk Management.

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The Board of Commissioners plays an active role in overseeing the implementation of risk management, including:

- Approving and evaluating Risk Management policies, including strategies and Risk Management frameworks.
- Evaluating the accountability of the Board of Directors and providing guidance for improvements in the periodic implementation of Risk Management policies.

In overseeing the implementation of risk management, the Board of Commissioners is assisted by the Risk Monitoring Committee.

The active role of the CCB Indonesia Board of Directors is demonstrated by:

- Developing, evaluating, and updating Risk Management policies, including strategies and Risk Management frameworks.
- Ensuring that the Risk Management function is applied independently.
- Developing, establishing, and updating procedures and tools for identifying, measuring, monitoring, and controlling risks.
- Being responsible for the implementation of Risk Management and evaluating and providing guidance based on reports submitted by the Risk Management Function, including risk profile reports.
- Ensuring the implementation of corrective measures for issues or deviations in the bank's operations identified by the Internal Audit Division.
- Cultivating a Risk Management culture, including risk awareness at all levels of the organization.

In ensuring the proper implementation of risk management, the Board of Directors is assisted by the Risk Management Committee.

Efforts to enhance the implementation of risk management are periodically discussed in Board of Commissioners Meetings, Committee Meetings, and/or Board Meetings.

b. Adequacy of Policies, Procedures, and Limit Setting

The Bank has adequate policies, procedures, and risk limit settings to support the implementation of risk management, including:

- Risk Management Policy and General Guidelines
- Risk Profile Guidelines
- Strategic Risk Guidelines
- Compliance Risk Guidelines
- Legal Risk Guidelines
- Reputation Risk Guidelines
- Liquidity Risk Guidelines
- Market Risk Guidelines
- Operational Risk Guidelines
- Credit Risk Guidelines

- Internal Capital Adequacy Assessment Process (ICAAP) Guidelines
- Risk-Based Bank Health Level Guidelines
- Asset & Liability Management (ALMA) Guidelines
- Business Continuity Management (BCM) and Business Continuity Plan (BCP) Guidelines
- New Product and Activity Guidelines
- CKPN Guidelines
- Implementation Guidelines for The Three Lines of Defense (3LD)
- Interest Rate Risk in The Banking Book Guidelines
- Information Technology Policy and General Guidelines

c. Adequacy of Risk Identification, Measurement, Monitoring, and Control Processes and Risk Management Information System

CCB Indonesia has implemented risk management policies aimed at ensuring that risks arising from its activities can be identified, measured, monitored, managed, and reported, ultimately benefiting shareholders and the public. To achieve this goal, the bank has formed a Risk Management Committee and a Risk Management Division tasked with establishing Risk Management Policies to address emerging risks, improve, and enhance the implementation of Risk Management.

Essentially, the risk management process is carried out by each unit, considering that the risks faced are individual risks inherent in the products, transactions, and processes of the respective units. To assist in managing risk management, CCB Indonesia has established a Risk Management Function responsible for monitoring the implementation of risk management policies approved by the Board of Directors and periodically reviewing the risk management process, including assessing any proposals for new products and activities.

The implementation of Risk Management at CCB Indonesia includes active management oversight, policy implementation, procedures, and limit setting. The bank has also identified, measured, monitored, and controlled risks and implemented risk control systems.

In the context of risk management processes, the Risk Management Division has prepared a Risk Profile Report using methods in accordance with the Financial Services Authority regulations on the Implementation of Risk Management for Commercial Banks as regulated in FSA Regulation No. 18/POJK.03/2016 and FSA Circular Letter No. 34/SEOJK.03/2016.

The mechanism for assessing risk profile reports involves determining risk levels and ratings referring to and aligned with the assessment of Bank Health Level based on risk or Risk-Based

Bank Rating (RBBR) and other relevant Financial Services Authority regulations. The risk profile report is prepared periodically and then reported to the Board of Directors for discussion in the Risk Management Committee.

Regarding the COVID-19 pandemic during 2021, the bank continuously monitored the debtors' repayment capabilities due to the impact of COVID-19 spread and committed to supporting economic growth stimuli as per the Financial Services Authority Regulation No.11/POJK.03/2020 dated March 16, 2020, regarding the National Economic Stimulus Policy as Countercyclical Policy Impacts of the Spread of Coronavirus Disease 2019 (COVID-19) as amended several times and most recently by Financial Services Authority Regulation No. 17/POJK.03/2021. The Bank conducts stress testing on the credit portfolio periodically to determine the impact of COVID-19 on the Bank's capital, profitability, and health level.

d. Comprehensive Internal Control System

As a manifestation of the Bank's commitment to implementing Good Corporate Governance and applying risk management in healthy and prudent banking practices, CCB Indonesia conducts comprehensive oversight functions that are independent and objective. In principle, the implementation of the internal control system is carried out through inherent control mechanisms within each work unit, including direct supervision by superiors over subordinates, compliance with standard operating procedures, and other internal control mechanisms. The oversight function ensures that the internal control system functions as intended, overseen by the Internal Audit Division reporting directly to the CEO.

Internal oversight functions by the Internal Audit Division are conducted using systematic audit methods and a risk-based audit approach, prioritizing oversight of processes or units with higher risks.

- Financial and operational controls, as well as compliance with other regulatory requirements

The Bank's Operational Risk Management primarily aims to minimize the negative impact of internal process failures, human errors, system failures, and/or external events.

Governance & Organization in managing operational risks, risk owners are responsible for the risks occurring in their respective departments. Risk control procedures are governed by the Bank's comprehensive policies and procedures in each department.

Risk Management Division oversees operational risk management in the Bank by coordinating with departments to address material operational risk issues so that these risks can be controlled early on.

The Bank's Policies and Procedures have been supplemented with Operational Risk Management Policies to support the implementation of operational risk management across all units. The Bank's Risk Management Process includes the identification, measurement, monitoring, control, and determination of operational risk limits. The Bank continuously identifies operational risks inherent in specific business lines. This is done by periodically assessing parameters that affect the exposure of operational risks. In measuring operational risks, the Bank has accurate risk assessment methodologies, competent human resources, and adequate infrastructure systems to identify and collect operational risk data. Some assessment models include the identification and measurement of operational risks already owned by the Bank, including:

- Operational Risk Self-Assessment
- Operational Key Risk Indicators
- Operational Risk Incident Form

Bank wide, risk identification and measurement are conducted on several key indicators that are considered to represent the operational risks of the bank. These indicators are grouped into five major categories: Business Characteristics and Complexity, Human Resources, Information Technology and Supporting Infrastructure, Fraud, and External Events. The ultimate result of this identification and measurement is the bank's operational risk profile, which is reported to the Financial Services Authority (OJK) every quarter.

Risk Management Division continuously monitors both overall and loss event occurrences in the bank's core activities, applying internal oversight and periodic reporting on the consequences of Operational Risk. Mechanisms for operational risk mitigation include internal control processes for information technology process security, regular reviews of operational activities, Business Continuity Management development to ensure sustainable operations, and loss limits in the event of business interruptions. The bank has developed an Emergency Plan (Business Continuity Plan) along with its security management. The bank consistently implements an Anti-Money Laundering (AML) program, including the Know Your Customer (KYC) principle, in line with operational risk exposure, outlined in written policies and procedures.

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Additionally, the bank has implemented an Anti-Fraud Strategy as a commitment to controlling fraud incidents through fraud risk management.

Internal controls in the bank's financial and operational activities are conducted from the initial process before engaging with customers and/or third parties, through recording processes, to report preparation.

The Bank operates based on the four-eyes principle, where the bank officer inspecting transactions is different from the one executing them.

Financial statements are prepared following Indonesian accounting standards, subsequently reported to regulators and disclosed to the public, adhering to regulatory requirements and applicable laws.

To ensure compliance with regulatory requirements, the compliance function documents the issuance of new regulatory provisions or revisions to previous ones by: (i) compiling compliance news and presenting it to the Board of Directors and related divisions, (ii) identifying obligations arising from the aforementioned regulatory provisions and communicating them to the relevant divisions to fulfill said obligations, (iii) assessing the impact on the bank's business activities and internal regulations, and determining whether adjustments to internal regulations are necessary, (iv) reviewing drafts of new internal regulations and/or revisions to internal regulations to ensure compliance with the latest regulatory provisions.

Furthermore, the bank's business activities, including but not limited to financial and operational areas, are conducted following the policies and procedures established by the bank based on applicable regulatory requirements.

- Review of the effectiveness of the internal control system

Overall, the quality of the internal control system has shown satisfactory results. CCB Indonesia strives to operate the internal control system effectively and efficiently, and oversight procedures have been consistently implemented, maintaining a supportive environment for internal control efforts. Significant internal auditor findings have been reported to the Financial Services Authority in accordance with applicable regulations. Additionally, issues related to the adequacy of internal controls have been reported to management, and follow-up measures have been taken to minimize risks.

In order to strengthen the internal control system and comply with the Bank's Governance Structure, there has

been a restructuring, improvement, and updating of the General Policies and Guidelines, Guidelines, and Standard Operating Procedures (SOP).

During 2023 the Bank has issued new and revised internal provisions with the following details:

No	Internal Provision Document	Number issued (new)	Number revised	Number of KSOP documents until the end of 2023
1	General Policies and Guidelines (KPU)	0	11	25
2	Guidelines	0	17	71
3	Standard Operating Procedure (SOP)	2	28	72
Total				171

Regarding the Coronavirus Disease 2019 (COVID-19) pandemic that occurred in 2020, the Bank implemented policies supporting economic growth stimulus in accordance with Financial Services Authority Regulation No. 11/POJK.03/2020 dated March 16, 2020, regarding National Economic Stimulus as a Countercyclical Policy Impacting the Spread of Coronavirus Disease 2019 (COVID-19), as amended several times and lastly with Financial Services Authority Regulation No. 17/POJK.03/2021. This was done by issuing several internal provisions as implementation guidelines, in the form of Director Circular Letters No. 005/SE-DIR/KP-JKT/III/2020 dated March 24, 2020, No. 007/SE-DIR/KP-JKT/IV/2020 dated April 6, 2020, regarding National Economic Stimulus by the OJK as a Countercyclical Policy Impacting the Spread of COVID-19, No. 005/SE-DIR/KP-JKT/III/2021 dated March 31, 2021, regarding National Economic Stimulus by the OJK as a Countercyclical Policy Impacting the Spread of Coronavirus Disease 2019 based on POJK No 48/POJK.03/2020 and POJK No 11/POJK.03/2020, and Director's Decision No. 044/SK-DIR/KP-JKT/IX/2020 dated September 8, 2020, Director's Decision No. 053/SK-DIR/KP-JKT/XI/2020 dated November 10, 2020, regarding the Formation of Task Force Teams and Information System Monitoring Team for Relaxation/Restructuring of Debtor Impacts of COVID-19, and Director's Decision No. 055/SK-DIR/KP-JKT/X/2021 dated October 12, 2021, regarding Extension of Task Force Team and Information System Monitoring Team Period for Relaxation/Restructuring of Debtor Impacts of Covid 19.

To ensure the optimal implementation of Standard Operating Procedures (KSOP), the Bank has distributed KSOP to all Bank Offices according to their respective portions and conducted KSOP socialization to all Bank Offices.

Corporate Secretary



Andreas Basuki
Corporate Secretary

Corporate Secretary plays a crucial role in enforcing Good Corporate Governance practices at CCB Indonesia, especially regarding transparency, while also ensuring adherence to current capital market regulations and guidelines. The appointment of Corporate Secretary is intended to uphold CCB Indonesia's reputation and safeguard its interests by nurturing effective communication and relationships with stakeholders through diverse public relations initiatives. Additionally, Corporate Secretary serves as the liaison between the Board of Directors and external parties, particularly investors, the capital market community, and shareholders, in all communication matters.

The Primary Functions of Corporate Secretary are as follows:

1. Acting on behalf of the Board of Directors in interactions with external entities, notably investors, the capital market community, pertinent institutions, and shareholders.
2. Monitoring the Company's compliance with capital market regulations and provisions.
3. Assisting the Board of Directors and Board of Commissioners in upholding adherence to the Articles of Association and other regulatory requirements to support the Company's operations.
4. Undertaking activities that support the implementation of transparency principles, especially concerning CCB Indonesia's performance through communication with interested parties.

Mr. Andreas Herman Basuki serves as Corporate Secretary of CCB Indonesia. He resides in Jakarta and was born in November 1964 in the same city.

He earned a Bachelor of Economics degree from Trisakti University Jakarta in 1990 and a Bachelor of Information Management from Binus University (formerly STMIK Bina Nusantara) Jakarta in 1988.

He began his career in the banking sector in 1990 at Mediabank (a Kompas Gramedia group company) until April 1994, holding the position of Assistant Manager in Corporate Banking Division, primarily handling syndicated loans.

Then, from June to December 1994, he worked at Mitsubishi Corporation (Representative Office in Jakarta) in Chemical Division, mainly dealing with imports and marketing.

In January 1995, he started working at Bank Windu Kentjana, where he held several positions, including Head of Credit Marketing Division, Head of the Director's Office, and concurrently served as Head of Risk Management and Compliance. Following the merger with PT Bank Multicor Tbk into PT Bank Windu Kentjana International Tbk ("Bank Windu"), he was appointed as Corporate Secretary in January 2008, primarily responsible for ensuring compliance with Capital Market and Indonesia Stock Exchange regulations, as well as managing effective communication between the Company and relevant authorities, investors, mass media, and the public.

He held the same position following the merger of Bank Windu with Bank Antar Daerah ("Bank Anda") in November 2016, which resulted in the formation of PT Bank China Construction Bank Indonesia Tbk ("CCB Indonesia"). He was appointed as project manager for the corporate merger and acquisition between Bank Windu and Bank Anda into CCB Indonesia in 2016.

Pursuant to the Financial Services Authority Regulation (formerly Bapepam LK) No. IX.I.4 on the Formation of Corporate Secretaries and No. 35/POJK.04/2014 on Corporate Secretaries of Issuers or Public Companies, he was appointed as Corporate Secretary through Appointment Decree No. 006/BM/SDM/SK-DIR/II/08 and Confirmation Letter No. 072/BW/SDM/KTP/XI/13.

Corporate Governance

In December 2013, he was also appointed as Chairman of the Supervisory Board of Bank Windu's Pension Fund until now, with the determination of fit and proper assessment approval through OJK Commissioner Board Decision No. KEP-1020/NB.1/2014.

Implementation of Corporate Secretary's duties during the year 2023 are as follows:

1. Coordinating and handling the preparation of the 2023 Annual Report and Sustainability Report in accordance with the new OJK Circular Letter No. 16/SEOJK.04/2021 format, completed on time by April 17, 2023, and according to Capital Market Supervisor regulations, including reporting to OJK, IDX, and other external parties.
2. Coordinating the preparation and reporting of the "Board of Commissioners' Management and Supervision Report" for Bank Indonesia (BI) to be completed and reported by April 14, 2023.
3. Handling the preparation of the 2022 Annual Report to Bappebti (Commodity Futures Trading Regulatory Agency) according to the new Bappebti regulations format on February 10, 2023.
4. Coordinating the organization of the Annual General Meeting of Shareholders (AGM) in a hybrid manner, with limited physical attendance and also electronically using the eASY.KSEI application for e-Proxy, e-Voting, and zoom meeting broadcast on June 6, 2023, at the CCB Indonesia headquarters, smoothly executed and meeting the AGM quorum. Reporting on the results of the AGM and Public Expose to OJK, IDX, Website, and other relevant institutions, and ensuring information disclosure to the public has been carried out in accordance with regulations.
5. Coordinating and attending Board of Directors meetings and ensuring meeting frequency compliance, as well as preparing and administrating meeting minutes throughout the year 2023, and coordinating with the Board of Commissioners regarding the execution of Board of Commissioners and Directors meetings, Board of Commissioners meetings, and Committee meetings.
6. Maintaining and updating the CCB Indonesia website throughout the year 2023.
7. Handling requests for data or information from external parties, shareholders, mass media, and stakeholders regarding CCB Indonesia throughout the year 2023.
8. Establishing communication and reporting to OJK (Capital Market Supervisor and Bank Supervisor), Bank Indonesia, IDX, KSEI, AEI, BAE, Perbanas, LPS, Website, and other supporting professions and relevant institutions as required throughout the year 2023.
9. Coordinating the administration of the Head Office Secretariat and numbering of correspondence letters/memos/Directors' Decrees.
10. Coordinating and supporting the preparation of the 2023-2025 RBB Revision and completing the submission to OJK by June 23, 2023.
11. Coordinating the implementation of corporate social responsibility "CCBI Care" during the year 2023, including providing assistance to Orphanages, School Aid, Sustainable Reforestation Programs, and others, ensuring proper execution.
12. Coordinating and supporting the preparation of the Bank's Business Plan (RBB) 2024-2026 and completing the submission to OJK by November 27, 2023.

Training attended by Corporate Secretary during the year 2023 includes:

1. Webinar on "Banking Trends in 2023" by the Financial Services Authority Institute (OJK Institute) on January 17, 2023, in Jakarta.
2. Webinar on "Exploring Opportunities through Enhanced ESG Rating" by PT Indonesia Stock Exchange ("IDX") and PricewaterhouseCoopers ("PwC") on January 19, 2023, in Jakarta.
3. Webinar on "Socialization of OJK Circular Letter No. 33/SEOJK.04/2022 regarding Guidelines for the Implementation of Securities Offerings that are not Public Offerings" by the Financial Services Authority and the Indonesian Issuers Association ("AEI") on January 31, 2023, in Jakarta.
4. Webinar on "IFC and IDX ESG Collaboration Launch Event and ESG Leadership Training" by PT Indonesia Stock Exchange ("IDX") and the International Finance Corporation ("IFC") on March 16, 2023, in Jakarta.
5. Webinar on "The Future of Sustainability Reporting: An Exclusive Forum for Regulators and Listed Companies in Indonesia" by PT Indonesia Stock Exchange ("IDX") in collaboration with the Global Reporting Initiative ("GRI") on June 13, 2023, in Jakarta.
6. Seminar on "Discussion of Strategies and Implementation of P2SK Law for Public Companies" by the Indonesian Issuers Association ("AEI") and Law Firm Assegaf Hamzah & Partners on June 13, 2023, in Jakarta.
7. Webinar on "Socialization of Changes to Regulations No. I-V regarding Special Provisions for Listing of Shares and Equity-Like Securities Other than Shares Issued by Listed Companies on the Acceleration Board" by PT Indonesia Stock Exchange ("IDX") on August 3, 2023, in Jakarta.
8. Seminar on "Creating Green Investment Opportunities and Potential in Jakarta" by Bank Indonesia and the Jakarta Investment Forum (JIF) of the Jakarta Provincial Government on August 3, 2023, in Jakarta.
9. Webinar on "Conference Catalyzing Green and Sustainable Finance Through Capital Market and Other Innovative Solutions" by the Asian Development Bank (ADB) on August 8, 2023, in Bangkok, Thailand.
10. Webinar on "OJK International Research Forum, Save the Planet: The Role of Financial Sector to Support Carbon Reduction and Electric Vehicles Development" by the Financial Services Authority Institute (OJK Institute) on September 25, 2023, in Jakarta.
11. Webinar on "Sustainable Finance and Capital Market: Investing in a Greener Future" by the Financial Services Authority (OJK), PT Indonesia Stock Exchange (IDX), The Indonesian Finance Association (IFA) on October 11, 2023, in Jakarta.
12. Webinar on "Socialization of Financial Services Authority Regulations (POJK) No. 14/POJK.04/2023 regarding Carbon Trading through Carbon Exchanges and Financial Services Authority Circular Letter (SEOJK) No. 12/SEOJK.04/2023 regarding Procedures for Conducting Carbon Trading through Carbon Exchanges" by the Financial Services Authority (OJK) on October 24, 2023, in Jakarta.

Note:

- Received the "Nusantara CSR Award 2023 Incorporating SDGs" in the Land Ecosystem category for Sustainable Reforestation Program by La Tofi School of Social Responsibility in Jakarta on July 5, 2023.
- Received the "Indonesia Best CSR Award 2023 with Outstanding Program in Sustainable Greening and Supporting the Fulfillment of Community Needs" by Warta Ekonomi Magazine in Jakarta on July 6, 2023.

The implementation of Corporate Secretary's duties generally achieved according to the planned work program during the year 2023.

Provision of funds to related parties and large exposure

In carrying out its activities, CCB Indonesia conducted several fund provision transactions with related parties and large exposure. Transactions with related parties and large exposure refer to Financial Services Authority Regulation No. 32/POJK.03/2018 dated December 26, 2018, regarding the Maximum Limits for Credit Provision and Large Fund Provision for Commercial Banks as amended by Financial Services Authority Regulation No. 38/POJK.03/2019 dated December 19, 2019.

The following is a report on fund provision to related parties and large exposure as of 31 December 2023:

No.	Provision of Funds	Total	
		Number of Debtors	Nominal (in million IDR)
1	To Related Parties	19	725,680
2	To Core Debtors		
	a. Individual	6	8,743,983
	b. Group	14	7,717,075

The Bank has Policies and General Guidelines for Credit Provision, Policies and General Guidelines for Providing Funds to Related Parties and Large Exposures. Providing funds to Related Parties requires approval from the Board of Commissioners. Additionally, to enhance and facilitate supervision over fund provision to related parties, CCB Indonesia has established and updated a detailed list of related parties, which includes entities having control relationships with the Bank, whether directly or indirectly, through ownership, management, and/or financial relationships.

During the year 2023, the implementation of fund provision by the Bank to related parties and/or large exposures has:

- Adhered to the provisions regarding Legal Lending Limit (LLL) and observed prudent principles as well as applicable regulations.
- Considered capital adequacy and portfolio diversification of fund provision.

Transparency of the Bank's financial and non-financial conditions not disclosed in other reports

CCB Indonesia transparently discloses its financial and non-financial conditions to stakeholders, including announcing quarterly Financial Publication Reports and reporting them to the Financial Services Authority (Bank Indonesia) or stakeholders according to applicable regulations.

Comprehensive financial conditions have been presented in the Financial Reports.

CCB Indonesia conducts self-assessment of Good Corporate Governance implementation semi-annually, namely in June and December, and prepares a Good Corporate Governance Implementation Report at the end of each fiscal year in accordance with applicable provisions.

CCB Indonesia has submitted the Good Corporate Governance Implementation Report to Shareholders, the Financial Services Authority, and relevant parties according to applicable provisions, and has timely published the Report on the bank's website.

CCB Indonesia transparently discloses information on Bank products according to Financial Services Authority and Bank Indonesia regulations regarding Bank Product Information Transparency and Use of Customer Personal Data. Information on products and services is disseminated to the public through various promotional means/media such as brochures, leaflets, websites, and notice boards across CCB Indonesia's network of branches.

CCB Indonesia has Policies and General Guidelines for Customer Protection as well as Standard Operating Procedures for Customer Service and Complaint Resolution. The Bank transparently communicates the procedures for customer complaints and dispute resolution to customers in accordance with Financial Services Authority and Bank Indonesia regulations and establishes a Customer Complaint Handling and Resolution unit/function.

Each customer complaint received is handled and resolved within the prescribed timeframe. Mediation for the resolution of customer complaints is conducted effectively. Reports on handling and resolution of customer complaints are periodically submitted to the Financial Services Authority and Bank Indonesia every quarter.

Corporate Governance

Press Releases/Publications 2023

No.	Date	Daily/Magazine/Website	News
1	09 January 2023	Web Bank	Prime Lending Rate
2	09 January 2023	Web Bank	Leverage Ratio
3	07 February 2023	Web Bank	Prime Lending Rate
4	13 February 2023	Web Bank	Publication Report
5	06 April 2023	Web bank	Leverage
6	10 April 2023	Web bank	Prime Lending Rate
7	28 April 2023	Web bank	Quarterly Financial Report Q1 March 2023
8	28 April 2023	Web bank	Quarterly Publication Report
9	28 April 2023	Web bank	Key Matric Report
10	28 April 2023	Web bank	Basel III Capital Disclosure Report
11	03 April 2023	Radar Bandung	Closure of KCP Bandung Sudirman and KCP Cibinong
12	03 April 2023	Koran Jakarta	Closure of KCP Melawai and KCP Bekasi A Yani
13	04 April 2023	Tribun Batam	Closure of KCP Tanjung Pinang Merdeka
14	08 May 2023	Web Bank	Prime Lending Rate
15	15 May 2023	Web Bank	Publication Report
16	24 May 2023	Radar Bali	Closure of KCP Bali Tabanan
17	23 May 2023	Metropolis	Closure of KCP Mataram Ampenan
18	23 May 2023	Metropolitan	Closure of KCP Ampenan
19	24 May 2023	Radar Bali	Closure of KCP Tabanan
20	09 June 2023	Web Bank	Prime Lending Rate
21	12 June 2023	Web Bank	Publication Report
22	07 July 2023	Web Bank	Prime Lending Rate
23	07 July 2023	Web Bank	Leverage Ratio Report
24	24 July 2023	Web Bank	Publication Report
25	25 July 2023	Web Bank	Interim Financial Report
26	31 July 2023	Web Bank	Quantitative Report
27	31 July 2023	Web Bank	Parent Entity Report
28	07 August 2023	Web Bank	Prime Lending Rate
29	10 August 2023	Web Bank	Publication Report
30	15 September 2023	Emiten news.com	https://www.emitennews.com/news/kualitas-aset-dan-indikator-profitabilitas-ccb-indonesia-mcor-di-bawah-rata-rata
31	07 September 2023	Web Bank	Prime Lending Rate
32	11 September 2023	Web Bank	Publication Report
33	06 October 2023	Web Bank	Leverage Ratio Report
34	09 October 2023	Web Bank	Prime Lending Rate
35	25 October 2023	Web Bank	Publication Report
36	25 October 2023	Web Bank	Key Metric Report
37	25 October 2023	Web Bank	Basel III Capital Disclosure Report
38	26 October 2023	Web Bank	Q3 Interim Financial Report
39	27 November 2023	Radar Cirebon	Closure of Cirebon Branch
40	07 November 2023	Web Bank	Prime Lending Rate
41	10 November 2023	Web Bank	Publication Report
42	15 December 2023	Koran Jakarta	Relocation of KCP Laguna Pluit
43	07 December 2023	Web Bank	Prime Lending Rate
44	08 December 2023	Web Bank	Publication Report

Bank's Strategic Plan

In line with the vision and mission, and considering the current business scale, CCB Indonesia in the short and medium term continues to direct its business policies towards the implementation of good corporate governance, Prudent business growth in the corporate banking, small and medium-sized enterprises (SMEs), and consumer banking segments, increasing the CASA (Current Account and Saving Account) ratio, optimizing and deepening business operations, IT system development, driving process effectiveness and cost efficiency, and enhancing the professionalism and competency of human capital.

The Bank's policy direction is aligned with the current government programs for infrastructure financing and supporting the development of the SME sector.

Short-term Policy Directions of the Bank

1. Prudent volume growth in the corporate banking segment, SMEs (including commercial) and consumer credit.
2. Optimization and deepening of business operations from existing branch networks.
3. Development of e-banking and forward-looking IT systems to support effective, fast, easily accessible, reliable, and convenient processes and services.
4. Achieving financial performance for greater efficiency and better margins.
5. Enhancing the overall quality, professionalism, and competency of human resources.

Medium-term Policy Directions of the Bank

1. Integrated implementation of good corporate governance, risk management, internal control systems, and compliance functions.
2. Continuing infrastructure enhancement programs (e-banking systems, organizational and human resources) to support business development.

Strategic Measures to be Implemented by the Bank

- **Developing business prudently and conservatively**
CCB Indonesia will prudently and conservatively seek business volume growth in the corporate banking sector, targeting support from corporate clients in Indonesia, both local and foreign, as well as infrastructure projects in line with the government's program. In this regard, to leverage CCB's expertise in infrastructure financing and trade finance.

CCB Indonesia will also continue to develop the SME and consumer banking sectors. Furthermore, with the broad scope of the CCB group, integrated products/services will be developed to enhance integrated services.

- **Ensuring adequate CAR for business development**
In business development, CCB Indonesia always ensures CAR sufficiency, especially in line with expanding business in the corporate banking sector, with large-scale credits, which require adequate capital support. The KPMM or CAR ratio position is maintained within safe limits, considering capital add-ons based on risk profile assessments, and capital buffers according to Basel III implementation. Organic capital addition is also achieved through the Bank's profit acquisition from 2024 to 2026. The Bank also seeks to increase revenue through fee-based income, in addition to interest income. Moreover, the Bank constantly monitors liquidity sufficiency and maintains the Loan to Deposits Ratio (LDR) at a safe level to uphold adequate liquidity positions.

- **Implementation of Good Corporate Governance and risk management system upgrading**
Consistent, continuous, comprehensive, and integrated implementation of Good Corporate Governance across all lines and task forces. Development of more advanced risk management systems, supported by three lines of defense. Integrating the Bank's risk management system with global risk management systems, designed to comprehensively identify, measure, monitor, and manage Bank risks enterprise-wide.

- **Optimization of existing branches**
The current branch network of 72 offices is optimized to drive healthy and effective business growth based on prudential principles.

- **Enhancement of human capital quality**
Improvement of human capital quality through increased scale of training programs and more diverse development opportunities, including sending employees for training abroad.

By strengthening focused and professional training, competent human capital will be produced, receiving competitive remuneration.

- **Strengthening IT system infrastructure**
IT System infrastructure is also developed to enhance service quality to a higher level. Effective, fast, reliable, and accessible services will increase customer satisfaction, making the Bank more competitive in services and gradually moving towards digital banking.

The Bank's Business Plan for the Year 2024-2026 was submitted to the Financial Services Authority on November 27, 2023, through letter No. 255/CCBI/DDIR-OJK/XI/2023.

Corporate Governance

Other Information related to Good Corporate Governance

During 2023, there were no other interventions from owners, internal disputes, or issues arising as a result of the Bank's remuneration policy.

Ownership of shares by members of the Board of Commissioners and Directors reaching 5%

As of 31 December 2023, there were members of the Board of Commissioners who owned shares in Other Companies in Indonesia reaching 5% or more, as follows:

No.	Name	Shares Ownership	Company Name	Type of Company (Bank/LKBB/Other)
1	Yudo Sutanto	25.00%	PT Hakim Sentausa	Others
		25.00%	PT Trio Indah Sentausa	Others
		27.50%	PT Sejahtera Inti Carbon Persada	Others
		20.00%	PT Oesowilangun	Others

All members of the Board of Commissioners do not have ownership of shares reaching 5% (five percent) or more in other companies domiciled abroad.

As of 31 December 2023, there were members of the Board of Directors who owned shares in Other Companies in Indonesia reaching 5% or more, as follows:

No.	Name	Shares Ownership	Company Name	Type of Company (Bank/LKBB/Other)
1	Agresius R. Kadiaman	25.00%	PT Agra Reswara Kayana	Others

All members of the Board of Directors do not hold shares reaching 5% (five percent) or more in other companies domiciled abroad.



Financial and Familial Relationships

In accordance with the Financial Services Authority and Bank Indonesia regulations regarding the implementation of Good Corporate Governance for Commercial Banks, all members of the Board of Commissioners, Directors, and Controlling Shareholders of CCB Indonesia do not have financial or familial relationships with other members of the Board of Commissioners, Directors, and Controlling Shareholders of CCB Indonesia.

Remuneration Policy Information

Process of Formulating the Remuneration Policy

The Bank has a Guideline for the Implementation of Governance in Remuneration Provision, Document No. 257/PEDO-CCBI/PPTR/X/2016, last revised on April 4, 2023.

Background of Formulating the Guideline:

1. In line with the implementation of Basel II, especially Pillar 3 (Market Discipline), banks are required to disclose more transparent information to the public and market participants, especially regarding remuneration, to encourage discipline and enable stakeholders to provide fair assessments.
2. Issuance of POJK No. 45/POJK.03/2015 regarding the Implementation of Governance in Remuneration Provision for Commercial Banks.
3. Issuance of OJK Circular Letter No. 40/SEOJK.03/2016 regarding the Implementation of Governance in Remuneration Provision for Commercial Banks.

The purpose of formulating the guideline is to provide guidance in remuneration provision in accordance with applicable regulations.

The Guideline for the Implementation of Governance in Remuneration Provision has been approved by the Board of Directors and the Board of Commissioners.

The review of the Remuneration Provision Guideline is conducted periodically at least once every 2 (two) years or whenever necessary according to the Bank's needs or changes in external regulations.

Scope of Remuneration Policy and Its Implementation

The Bank began implementing the Remuneration policy in 2019, which includes the remuneration scale based on level and position,

remuneration components, and methods and mechanisms for determining it, including but not limited to:

- Adjustment of Remuneration linked to Performance and Risk
 - 1) Policy on Deferred Variable Remuneration.
The Bank implements a Policy on Deferred Variable Remuneration for those categorized as Material Risk Takers (MRT) in accordance with the Governance Regulation on Remuneration, where the amount of Deferred Variable Remuneration is 10% of the Variable Remuneration.
 - 2) Bank's Policy on Deferred Variable Remuneration
The Bank chooses Malus, which allows the deferral of payment of Deferred Variable Remuneration if MRT is in certain conditions.
 - 3) Policy on vesting for deferred amounts.
Deferred Variable Remuneration lasts for 3 years.
- Positions and number of parties considered material risk takers (MRT):
 - Board of Directors : 6 persons
 - Independent Commissioners : 2 persons

External consultants and consultant tasks related to the Remuneration policy

In the year 2023, the Bank did not collaborate with consultants related to the Remuneration policy.

Performance measurement linked to Remuneration

The Bank sets a Remuneration policy linked to performance assessment.

Performance measurement of a quantitative nature for a work unit is done through Key Performance Indicators (KPIs), which have been standardized.

KPIs also serve as indicators of the extent to which the Work Unit has achieved the set work targets.

Number of Directors, Board of Commissioners, and Employees receiving Variable Remuneration over 1 (one) year and the total nominal amount

Variable Remuneration	Amount Received within 1 (One) Year					
	Board of Directors		Board of Commissioners		Employees	
	Persons	Amount (IDR)	Persons	Amount (IDR)	Persons	Amount (IDR)
Total	4	4,259,158,979	2	721,939,114	1,071	28,189,575,777

Corporate Governance

The number of recipients and the total amount of Guaranteed Unconditional Variable Remuneration to prospective Directors, prospective Board of Commissioners, and/or prospective Employees during the first 1 (one) year of employment: Nil

Total amount of Deferred Variable Remuneration, consisting of cash and/or shares or share-based instruments issued by the Bank: IDR498,109,809

Total amount of Deferred Variable Remuneration paid out during 1 (one) year: IDR363,815,388

Details of the amount of Remuneration provided within 1 (one) year include:

- 1) Fixed and Variable Remuneration;
- 2) Deferred and non-deferred Remuneration; and
- 3) Forms of Remuneration provided in cash and/or shares or share-based instruments issued by the Bank, as shown in the table below:

A. Fixed Remuneration*)		
1. Cash		IDR27,434,451,677
2. Shares/share-based instruments issued by the Bank		-
B. Variable Remuneration *)		
	Not Suspended	Suspended
1. Cash	IDR4,482,988,365	IDR285,151,860
2. Shares/share-based instruments issued by the Bank	-	IDR212,957,949

Notes: *) For MRT only and disclosed in million rupiahs

Quantitative information

Type of Remuneration that is Variable*)	Remaining Deferred	Total Deduction During the Reporting Period		
		Caused by Explicit Adjustment (A)	Caused by Implicit Adjustment (B)	Total (A)+(B)
1. Cash (in million rupiah)	578,896,841 (in full rupiah)	Nil	Nil	Nil
2. Shares/share-based instruments issued by the Bank (in shares and a nominal value of millions of rupiah which is a conversion of the shares)	158,152,062 (in full rupiah) dan 2,020,727 (shares)	Nil	Nil	Nil
	737,048,903	Nil	Nil	Nil

Note: *) MRT only

Remuneration Package and Other Facilities for Commissioners and Directors

The Annual General Meeting of Shareholders of CCB Indonesia has decided to authorize the Board of Commissioners to determine the amount of salary, allowances, and bonuses for members of the Board of Directors and to authorize the majority/main shareholders to determine the amount of salary, allowances, and bonuses for members of the Board of Commissioners.

Remuneration for the Board of Commissioners and Directors

Types of Remuneration and Other Facilities	Total Received in 1 year			
	Board of Directors		Board of Commissioners	
	person	Amount (IDR)	person	Amount (IDR)
a. Remuneration (salary, bonus, routine allowance, tantiem, and other facilities in kind)	6	30,010,360,020	2	2,848,283,427
b. Other facilities in kind (housing, transportation, health insurance and so on) that:	6	1,296,284,352	2	179,628,628
a. can be owned				
b. cannot be owned				
Total	6	31,306,644,372	2	3,027,912,055

Remuneration per person in 1 (one) year

Total Remuneration per Person in one year *)	Number of Directors	Number of Commissioners
above IDR2 billion	6	-
from IDR1 billion to IDR2 billion	-	2
From IDR500 million to IDR1 billion	-	-
Up to IDR500 million	-	-

*) received in cash

Remuneration for the Remuneration Committee

The remuneration paid to members of the Remuneration Committee during the 1 (one) year amounted to IDR3,025,864,537 (2 committee members).

Highest and Lowest Salary Ratios

Salary is the right of an employee received and expressed in the form of money as compensation from the company or employer to the employee as stipulated and paid according to an employment agreement, agreement, or legal regulations, including allowances for employees and their families for work and/or services rendered.

The salary compared in the salary ratio is the compensation received by members of the Board of Commissioners, Board of Directors, and permanent employees of the Bank up to the implementation limit, per month.

The term "employee" in this case refers to permanent employees of the Bank up to the level of executive staff.

Data on the highest and lowest salary ratios as of 31 December 2023

a. Ratio of highest and lowest employee salary	1 : 50.18
b. Ratio of highest and lowest Directors' salary	1 : 2
c. Ratio of highest and lowest Commissioners' salary	1 : 1
d. Ratio of highest Directors' and highest employees' salaries	1 : 2.85

Severance Pay

The number of employees affected by termination of employment and the total severance pay amount paid:

Nominal Amount of Severance Pay paid per Person in 1 (One) Year	Number of Employees
Above IDR1 billion	-
From IDR500 million to IDR1 billion	-
Up to IDR500 million	24

Corporate Governance

Share Option

The share options held by the Board of Directors, Board of Commissioners, and Executive Officers

Description/Name		Number of Shares Held	Total Option		Option Price (IDR)	Period
			Granted (shares)	have been exercised (shares)		
Commissioner	(name)	Nil	Nil	Nil	Nil	Nil
Directors	(name)	Nil	Nil	Nil	Nil	Nil
Executive Officer	(total)	Nil	Nil	Nil	Nil	Nil
Total		Nil	Nil	Nil	Nil	Nil

Internal Fraud

Internal fraud refers to fraudulent activities committed by executives, permanent and non-permanent employees (honorary and outsourcing) related to the Company's work processes and operational activities that significantly affect the financial condition of the Bank if the deviation's impact exceeds IDR100,000,000 (one hundred million Indonesian Rupiah).

During the period from January to December 2023, there were internal deviations in the operational activities of CCB Indonesia, namely:

Number of Internal Fraud in 1 year	Number of cases committed by					
	Member of the Board of Commissioners & Member of the Board of Directors		Permanent Employees		Non-Permanent Employees	
	2022	2023	2022	2023	2022	2023
Total Fraud	Nil	Nil	2	Nil	Nil	Nil
Settled	-	-	2	-	-	-
In the process of settlement within the internal bank	-	-	0	-	-	-
Not yet attempted for resolution	-	-	0	-	-	-
Has been followed up through legal proceedings	-	-	0	-	-	-



Legal Issues and Efforts to Resolve Them

Throughout the year 2023, the number of civil and criminal legal issues faced by CCB Indonesia and the efforts made to resolve them are as follows:

Legal Issues	Number of Cases	
	Civil	Crime
Have received a final and legally binding verdict or there are no further legal proceedings	4	0
In the process of settlement	7	0
Total	11	0

Regarding the number of legal issues, we provide brief information about 5 (five) ongoing cases and their material as follows:

1. Civil Case

- a. Case Number: 223/PDT.G/2018/PN.JKT.PST
- b. Date of Case: April 17, 2018
- c. Plaintiff: Tomy Winata
- d. CCB Indonesia's Position in the Case: Fourth Co-defendant/ Appellant IV
- e. Case Information and Developments:
 - 1) Tomy Winata ("TW"), as the holder of receivables from PT Geria Wijaya Prestige ("GWP") based on the Deed of Assignment (Cessie) of Receivables and the Deed of Agreement on the Price of Receivables made underhand between CCB Indonesia and TW dated February 12, 2018, filed a Breach of Contract Lawsuit against GWP in the Central Jakarta District Court as recorded in the Case Register Number: 223/PDT.G/2018/PN.JKT.PST on April 17, 2018, for unpaid debts by GWP.
 - 2) The case handling at the First Instance/Central Jakarta District Court was conducted internally by CCB Indonesia, the handling at the Appellate Level/High Court was carried out by Otto Hasibuan Law Office, and the handling at the cassation level/Supreme Court of the Republic of Indonesia was conducted by Simbolon & Partner Law Office.
 - 3) The Central Jakarta District Court rendered its decision on July 18, 2019, with the verdict as follows:

In the Objection:

- Rejects the objections from Defendant I, Defendant II, Defendant IV, and Defendant VI;

In the Substance of the Case:

- Dismisses the Plaintiff's lawsuit in its entirety;

In the Counterclaim:

- Rejects the counterclaim from Plaintiff I Counterclaim/ Defendant I Convention, Plaintiff II and IV Counterclaim/Defendant II and IV Convention, and Plaintiff VI Counterclaim/Defendant VI Convention;

In the Convention and Counterclaim:

- Orders the Plaintiff in Convention/Defendant in Counterclaim to pay court costs amounting to IDR4,721,000.00 (four million seven hundred twenty-one thousand rupiah).

- 4) TW appealed the decision to the Jakarta High Court on July 25, 2019, registered under number: 702/PDT/2019/PT.DKI, and upon the appeal, on December 26, 2019, the Jakarta High Court issued a decision affirming the Central Jakarta District Court's decision.
- 5) On January 27, 2020, TW's legal representative declared a cassation, registered under number: 2931 K/Pdt/2020.
- 6) The cassation efforts were decided by the Supreme Court of the Republic of Indonesia on October 19, 2020, with the decision to reject the cassation application submitted by the Appellant Cassation.
- 7) Based on the decision, the case has acquired legal force (Inkracht); however, CCB Indonesia received information that the Plaintiff would file a judicial review, but until the end of December 2023, CCB Indonesia had not received any notification regarding the application for a judicial review.

- Case Status:

The case at the cassation level has been decided by the Supreme Court of the Republic of Indonesia, and this case has acquired legal force. However, according to information from TW, a judicial review will be filed for this case.

2. Civil Case

- a. Number: 555/PDT.G/2018/PN.JKT.UTR
- b. Date of Case: October 25, 2018
- c. Plaintiff: Fireworks Ventures Limited
- d. CCB Indonesia's Position in the Case: Defendant I / Appellant/ Petitioner for Cassation / Petitioner for Judicial Review
- e. Case Information and Developments:
 - 1) Fireworks Ventures Limited filed a lawsuit against CCB Indonesia because CCB Indonesia transferred the rights to collect from GWP to TW, and Fireworks Ventures Limited claimed to be the sole syndicated creditor of GWP, thus deeming the transfer from CCB Indonesia to TW invalid.

Corporate Governance

- 2) The case handling at the First Instance/Central Jakarta District Court, Appellate Level/High Court, and Cassation/Supreme Court of the Republic of Indonesia was conducted by Otto Hasibuan Law Office, the handling at the Judicial Review level/Supreme Court of the Republic of Indonesia was conducted by Sendi Sanjaya & Partners, and the handling of the Second Judicial Review/Supreme Court of the Republic of Indonesia was conducted by Ary Zulfikar & Partners Law Firm.
- 3) The North Jakarta District Court rendered its decision on October 15, 2019, with the verdict as follows:

In the Convention:

- In the Objection:
 - Rejects the objections from Defendant I and Defendant II.
- In the Substance of the Case:
 - a) Partially grants the Plaintiff's lawsuit;
 - b) Declares that Defendant I and Defendant II have committed unlawful acts against the Plaintiff;
 - c) Declares the Plaintiff as a good-faith buyer of receivables (Credit Assets) in connection with the obligations of the Defendant Party arising from Deed of Loan Agreement No. 8, dated November 28, 1995, made before Hendra Karyadi, S.H., a Notary in Jakarta;
 - d) Declares that Defendant I and Defendant II have no rights to receivables (credit assets) arising from Deed of Loan Agreement No. 8 dated November 28, 1995, made before Hendra Karyadi, S.H., a Notary in Jakarta;
 - e) Orders Defendant I to surrender the certificates of land ownership (SHGB) No. 204, 205, and 207 registered under the name of the Defendant Party along with the Mortgage Certificates No. 286/1996 (First Rank) and Mortgage Certificates No. 962/1996 (Second Rank), both registered under the name of PT Bank PDFCI, PT Bank Dharmala, PT Multicor Bank, PT Bank Rama, PT Indovest Bank, PT Bank Finconesia, and PT Bank Artha Niaga Kencana to the Plaintiff effective from the final and binding decision in this case;
 - f) Orders Defendant I and Defendant II to jointly pay compensation for the material losses suffered by the Plaintiff due to the inability of the Plaintiff to freely enjoy all of its rights as a creditor against the Defendant Party, namely:

- Material Loss in IDR:

$$6\% \times \text{IDR}249,600,209.98 = \text{IDR}14,976,012.6\text{-}$$
 per year

- Material Loss in USD:

$$6\% \times \text{US}\$11,649,136.06 = \text{US}\$698,708.16\text{-}$$
 per year

- g) Declares the Deeds of Agreement on Receivables dated February 12, 2018, and the Deed of Assignment (Cessie) of Receivables dated February 12, 2018, made underhand by Defendant I and Defendant II invalid and without legal force;
- h) Orders the Defendant Party to comply with the Decision;
- i) Rejects the remaining Plaintiff's claims.

In the Counterclaim:

- Declares the counterclaim inadmissible.

In the Convention and Counterclaim:

- Orders the Plaintiff in Convention/Defendant in Counterclaim, and Defendant II in Convention/Defendant I in Counterclaim to jointly pay court costs amounting to IDR2,047,000,-

- 4) TW filed an appeal to the Jakarta High Court on October 22, 2019, and CCB Indonesia (Defendant I) filed an appeal to the Jakarta High Court on October 28, 2019, registered under number: 272/PDT/2020/PT DKI.
- 5) On May 18, 2020, the Jakarta High Court issued a decision affirming the North Jakarta District Court's decision dated October 15, 2019, Number: 555/Pdt.G/2018/PN.Jkt.Utr., which was the subject of the appeal.
- 6) On August 7, 2020, CCB Indonesia through its legal representative filed a cassation appeal to the Supreme Court of the Republic of Indonesia, registered under number: 3540 K/Pdt/2021.
- 7) On December 6, 2021, the Supreme Court of the Republic of Indonesia issued its decision to reject the cassation application filed by TW and CCB Indonesia.
- 8) On June 21, 2022, CCB Indonesia's Legal Representative filed a Second Judicial Review Petition to the Supreme Court of the Republic of Indonesia.
- 9) Based on information from the website of the Supreme Court of the Republic of Indonesia, the case was decided on December 13, 2022, with the decision to reject CCB Indonesia's request for a Second Judicial Review.

- 10) On April 14, 2023, CCB Indonesia received information from its legal representative regarding the receipt of the relas notification of the decision of the second judicial review received on March 28, 2023.
 - 11) On April 18, 2023, CCB Indonesia received a summons from the North Jakarta District Court regarding the execution of this case's decision, and CCB Indonesia was requested to attend the hearing on May 3, 2023.
 - 12) On May 12, 2023, CCB Indonesia applied for a postponement of the execution determination to the Chairman of the North Jakarta District Court.
 - 13) On May 16, 2023, CCB Indonesia received a second reminder summons for the parties from the North Jakarta District Court regarding the execution of this case's decision, and CCB Indonesia was requested to attend the reminder on May 24, 2023.
 - 14) On May 24, 2023, CCB Indonesia attended the second summons accompanied by its legal representatives, and then the Chairman of the North Jakarta District Court granted an 8-day calendar period for CCB Indonesia and TW to implement the decision.
 - 15) On July 28, 2023, CCB Indonesia received a notification letter regarding the execution of equal seizure No. 20/Eks.Putusan/2023/PN.Jkt.Utr. where the parties were expected to attend on July 31, 2023, at the Seizure Object location in Kuta Village, Kuta District, Badung Regency.
 - 16) On July 31, 2023, CCB Indonesia attended the execution of equal seizure summons, and the Denpasar District Court Bailiff prepared the Equal Seizure Implementation Minutes.
 - 17) On September 6, 2023, CCB Indonesia through its legal representative received a notification letter regarding the postponement of the execution of case 555 from the North Jakarta District Court as per letter No. W10.U4/6555/HK.02/9/2023 dated September 1, 2023, stating that the execution attempt is postponed until Case Number 428/Pdt.Plw/2023/PN.Jkt.Utr (Gaston case) is decided at the first instance (District Court).
 - 18) On September 22, 2023, CCB Indonesia filed a Second Judicial Review along with the Memorandum of Second Judicial Review, which was accepted by the North Jakarta District Court on September 25, 2023.
 - 19) On December 13, 2023, CCB Indonesia received the Counter Memorandum of the Second Judicial Review from the Respondent of the Second Judicial Review and Second Respondent of the Second Judicial Review.
 - 20) Until the end of December 2023, CCB Indonesia is still awaiting the case registration number for the Second Judicial Review request from the Supreme Court of the Republic of Indonesia.
- Case Status
- The case, at the Judicial Review level, has been decided by the Supreme Court of the Republic of Indonesia, where the Bank's application was rejected, and currently, Fireworks Venture Limited is filing for the execution of the court's decision. Furthermore, the Bank has lodged an objection letter against the execution, filed a resistance lawsuit, a letter requesting a postponement of execution, and a Second Judicial Review II.
3. Civil Case
 - a. Number: 305/Pdt.G/2022/PN.Jkt.Sel
 - b. Date of Case: April 4, 2022
 - c. Plaintiff: Fireworks Ventures Limited
 - d. CCB Indonesia's Position in the Case: Defendant II
 - e. Case Information and Developments:
 - 1) This case is a lawsuit for Unlawful Actions filed by Fireworks Ventures Limited to annul the replacement of the syndicate agent, originally PT Bank Danamon, which was later replaced by PT Bank Multicor (now CCB Indonesia);
 - 2) Case handling at the First Instance/Central Jakarta District Court and Appellate Level/High Court was conducted by Sendi Sanjaya & Partners;
 - 3) The Plaintiff filed its lawsuit with the South Jakarta District Court on April 4, 2022;
 - 4) On October 20, 2022, the South Jakarta District Court rendered its decision with the verdict as follows:

Adjudicate:

 - Accepts the Defendant II's objection regarding Relative Competence;
 - States that the South Jakarta District Court is not competent to adjudicate case Number 305/Pdt.G/2022/PN Jkt.Sel;
 - Orders the Plaintiff to pay court costs amounting to IDR2,367,000.00 (two million three hundred sixty-seven thousand rupiah).
- 5) On November 7, 2022, the Plaintiff filed an appeal, and on December 6, 2022, CCB Indonesia through its legal representative submitted a Counter Appeal Memorandum to the South Jakarta District Court.

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- 6) As of the end of July 2023, CCB Indonesia is still awaiting the official notification from the South Jakarta District Court regarding the appellate decision from the Jakarta High Court.
 - 7) On August 29, 2023, based on information from the case tracking information system of the South Jakarta District Court, there was an appellate decision with the verdict being to uphold the decision of the South Jakarta District Court.
 - 8) On November 7, 2023, the notification of the appellate decision was received through CCB Indonesia's legal representative.
 - 9) As of the end of December 2023, this case is still within the period for filing a cassation appeal, thus it does not yet have final legal force.
- Case Status:
The case is still ongoing.
4. Civil Case
 - a. Case Number: 306/Pdt.Plw/2023/PN.Jkt.Utr
 - b. Date of Case: May 12, 2023
 - c. Defendant: Fireworks Ventures Limited
 - d. CCB Indonesia's Position in the Case: Plaintiff
 - e. Case Information and Developments:
 - 1) This case is a legal action taken by CCB Indonesia filed based on the execution decree number: 20/Eks.Putusan/2023/PN.Jkt.utr filed by Firework Ventures Limited regarding the implementation of the verdict in case number 555/Pdt.G/2018/PN.Jkt.Utr;
 - 2) Case handling at the First Instance/Central Jakarta District Court was conducted by Sendi Sanjaya & partners, and at the Appellate Level/High Court was handled internally by CCB Indonesia;
 - 3) The first hearing for this opposition lawsuit is scheduled for June 12, 2023;
 - 4) On December 11, 2023, the North Jakarta District Court rendered its decision with the verdict as follows:

Adjudicate:

In the Provision:
- Rejects the defendant's provisional demands;

In the Substance of the Case:
- Declares that the opposition by the defendant is unfounded;
- Rejects the opposition by the defendant in its entirety;
- States that the Decree of the Chairman of the North Jakarta District Court Number: 20/Eks.Putusan/2023/PN.Jkt.Utr dated April 10, 2023, remains upheld;
- Sentences the Defendant to pay the court costs estimated at IDR730,000.00 (seven hundred and thirty thousand rupiah) up to this point.
5. Civil Case
 - a. Number: 428/Pdt.Plw/2023/PN.Jkt.Utr
 - b. Date of Case: June 26, 2023
 - c. Plaintiff: Gaston Investment Limited
 - d. CCB Indonesia's Position in the Case: Co-Defendant I
 - e. Case Information and Developments:
 - 1) This case is a legal action initiated by Gaston Investment Limited based on the execution decree number: 20/Eks.Putusan/2023/PN.Jkt.Utr filed by Fireworks Ventures Limited regarding the implementation of the verdict in case number 555/Pdt.G/2018/PN.Jkt.Utr;
 - 2) Case handling at the First Instance/Central Jakarta District Court was conducted by Sendi Sanjaya & Partners;
 - 3) According to information from the Case Handling Information System of the North Jakarta District Court, the first hearing is scheduled for July 24, 2023;
 - 4) On July 24, 2023, the agenda for the hearing of the parties was conducted, and the hearing resumed on August 7, 2023, with the same agenda;
 - 5) On August 7, 2023, the agenda for the hearing of the parties was conducted again, and the hearing was scheduled to resume on August 14, 2023, for Mediation;
 - 6) On August 14, 2023, the Mediation agenda was postponed, and the hearing was adjourned to be held again on August 23, 2023, for Mediation.
 - 7) On August 23, 2023, the first Mediation agenda was completed, and the hearing was adjourned to be held again on August 30, 2023, for the Second Mediation;
 - 8) On August 30, 2023, the second Mediation agenda was conducted, and the hearing was adjourned to be held again on September 7, 2023, for the Third Mediation;
 - 9) On September 7, 2023, the Third Mediation hearing agenda was conducted with a Deadlock outcome, and the case will proceed to trial;
 - 10) On September 15, 2023, CCB Indonesia, through its legal representative, received a summons for the hearing scheduled for September 20, 2023;
- 5) On December 21, 2023, following this case's verdict, CCB Indonesia filed an appeal to the North Jakarta District Court;
 - 6) On December 22, 2023, CCB Indonesia submitted the Appeal Memorandum to the Jakarta High Court through the North Jakarta District Court.
- Case Status:
The case is still ongoing.

- 11) On September 20, 2023, the agenda for the reading of the lawsuit was conducted, and the hearing was adjourned to resume on October 4, 2023, for the defendant's response to the lawsuit;
- 12) On October 4, 2023, the agenda for the defendant's response to the lawsuit was conducted. The hearing was adjourned to resume on October 18, 2023, for the plaintiff's Rejoinder;
- 13) On October 18, 2023, the plaintiff's Rejoinder agenda was conducted. The hearing was adjourned to resume on October 25, 2023, for the defendant's rejoinder;
- 14) On October 25, 2023, the defendant's rejoinder agenda was conducted. The hearing was adjourned to resume on November 1, 2023, for the presentation of additional documentary evidence by the plaintiff;
- 15) On November 1, 2023, the presentation of additional documentary evidence by the plaintiff was conducted. The hearing was adjourned to resume on November 8, 2023, for the presentation of additional documentary evidence by the plaintiff and documentary evidence by the defendant;
- 16) On November 8, 2023, the presentation of additional documentary evidence by the plaintiff and the defendant was conducted. The hearing was adjourned to resume on November 15, 2023, for the presentation of additional documentary evidence by the co-defendants;
- 17) On November 15, 2023, the presentation of additional documentary evidence by the co-defendants was conducted. The hearing was adjourned to resume on November 22, 2023, for the presentation of additional documentary evidence by the co-defendants;
- 18) On November 22, 2023, the presentation of additional documentary evidence by the co-defendants was conducted. The hearing was adjourned to resume on December 6, 2023, for the parties' conclusions;
- 19) On December 6, 2023, the conclusion hearing for the parties was conducted. The hearing was adjourned to resume on January 3, 2024, for the verdict.

- Case Status :
The case is still ongoing.

Affiliate Transactions

Pursuant to the Financial Services Authority Regulation No. 17 of 2023 regarding Governance Implementation for Commercial Banks, and the Chairman's Decision of the Capital Market and Financial Institutions Supervisory Agency No: KEP-412-BL/2009 - Regulation No. IX.E.1 concerning Affiliate Transactions and Certain Conflict of Interest Transactions as updated by Financial Services Authority Regulation No. 42/POJK.04/2020 dated October 21, 2020, Affiliate Transactions are defined as any activities and/or transactions conducted by a public company or controlled company with Affiliates of the public company or Affiliates of board members,

members of the board of commissioners, major shareholders, or Controllers, including any activities and/or transactions conducted by a public company or controlled company for the benefit of Affiliates of the public company or Affiliates of board members, members of the board of commissioners, major shareholders, or Controllers.

There were no transactions with Affiliates in the year 2023.

Conflict of Interest Transactions

In accordance with Financial Services Authority Regulation No. 17 of 2023 regarding Governance Implementation for Commercial Banks, and the Chairman's Decision of the Capital Market and Financial Institutions Supervisory Agency No: KEP-412-BL/2009 - Regulation No. IX.E.1 concerning Affiliate Transactions and Certain Conflict of Interest Transactions as updated by Financial Services Authority Regulation No. 42/POJK.04/2020 dated October 21, 2020, a conflict of interest is defined as the difference between the economic interests of the Company and the personal economic interests of the owner, members of the Board of Commissioners, members of the Board of Directors, Executive Officers, and/or related parties with the Bank which may harm the Company.

In carrying out their duties and obligations, the Board of Commissioners and Directors as well as the employees of the Bank always prioritize the interests of CCB Indonesia above personal or family interests or those of other parties.

Conflict of Interest is a situation or condition where CCB Indonesia personnel, by virtue of their position, have the authority that may potentially be abused either intentionally or unintentionally for other interests, thereby affecting the quality of their decisions, and the performance outcomes of these decisions which may be detrimental to the Bank.

CCB Indonesia has a Conflict of Interest Handling Guidelines as a guide for all CCB Indonesia personnel to understand, prevent, and mitigate Conflict of Interest, as well as a guide in taking firm action against Conflict of Interest in the Bank to achieve good corporate governance.

There were no transactions containing a conflict of interest in the year 2023.

Information and Material Facts

Issuers or Public Companies are required to submit reports on Information or Material Facts to the Financial Services Authority and announce Information or Material Facts to the public.

In the year 2023, there were no occurrences of information or Material Fact, consequently, no announcements regarding Information or Material Facts were issued.

Corporate Governance

Material Facts occurring after the accountant's report date

There were no material facts occurring after the accountant's report date.

Buyback of Shares and/or Bank Bonds Buyback

Buyback of shares and/or Bank bond buyback is an effort to reduce the number of shares or bonds issued by the Bank by repurchasing these shares or bonds, with payment terms conducted in accordance with applicable regulations.

During the year 2023, CCB Indonesia did not engage in share buyback transactions. Meanwhile, CCB Indonesia has not issued bonds, so there were no bond buyback transactions in the year 2023.

The number of shares and/or bonds repurchased	Nil
Repurchase price per share and/or bond	Nil
Increase in earnings per share and/or bond	Nil

Code of Ethics and Corporate Culture

CCB Indonesia has established provisions outlined in Policies, Guidelines, and Standard Operating Procedures (SOP) to bolster the implementation efforts of Good Corporate Governance (GCG) principles. Among these provisions are regulations governing the Code of Ethics and Corporate Culture that must be adhered to by every individual within CCB Indonesia in their daily behavior.

Company Manual

Company Manual is the highest structure of written provisions within CCB Indonesia, containing the document structure, hierarchy of document approval, as well as the duties and authorities of each job function related to the issuance of Bank documentation structure and serves as a reference/guideline for the provisions below it, thus the provisions from top to bottom are interconnected and related to each other. The issuance of this Company Manual is ratified by the Board of Commissioners and the Board of Directors of CCB Indonesia.

Code of Conduct of Board of Commissioners and Board of Directors

The purpose of creating these manual is to establish standards and work ethics for the Board of Commissioners and Board of Directors, thereby enhancing the effectiveness of the performance of the daily duties and responsibilities of the Board of Commissioners and Board of Directors.



These manuals include regulations on Work Ethics, Working Hours and Meetings, Duties and Responsibilities, Rights and Authorities, Working Relationships, Performance Assessment, and Evaluation.

The Guidelines for the Code of Conduct for the Board of Commissioners include regulations, among other things, on the Assessment and Evaluation of the Board of Commissioners' Performance. Similarly, the Guidelines for the Code of Conduct for the Board of Directors, which includes regulations on the Assessment and Evaluation of the Board of Directors' Performance.

Code of Ethics Guidelines

This code of conduct lays down the fundamental principles of behavior and professionalism expected from all individuals within CCB Indonesia.

Through these Code of Ethics Guidelines, it is hoped that a strong risk awareness culture and a good control environment at CCB Indonesia can be realized and embedded in each individual within CCB Indonesia.

a. Key Points of the Code of Ethics

The Code of Ethics Guidelines for CCB Indonesia govern relationships with fellow Employees, the Company, Customers, contractors, agents, agency staff, consultants, vendors and suppliers, Shareholders, Competitors, Authorities, the Press/Media, and other Stakeholders, as follows:

CCB Indonesia Employees

- Non-Discrimination

- o CCB Indonesia strives to provide a conducive work environment where every CCB Indonesia Employee is treated fairly and respectfully, encouraged to develop, and valued based on individual and team performance.
- o CCB Indonesia is committed to providing equal opportunities for all CCB Indonesia Employees based on merit.
- o CCB Indonesia will not tolerate or condone any form of discrimination including harassment based on gender, race, age, religion, disability, or any other classification that unjustly interferes with or affects an individual's job performance or creates a work environment that is intimidating, hostile, demeaning, or unpleasant.
- o CCB Indonesia prohibits workplace and cyber harassment.
- o CCB Indonesia also will not tolerate any form of discrimination by vendors, contractors, and other companies that may have business relationships with CCB Indonesia and/or represent CCB Indonesia.

- Conducive and Healthy Environment

CCB Indonesia is committed to maintaining a conducive and healthy environment in conducting its business so that the health and safety of customers, business partners, CCB Indonesia Employees, and the environment are not compromised.

Therefore, it is expected that CCB Indonesia employees and its business partners refrain from involvement in criminal or illegal activities and adhere strictly to legal regulations, namely:

- o Not using, selling, possessing, or being under the influence of illegal drugs/psychotropic substances or consuming alcohol inappropriately while conducting business for CCB Indonesia, whether consumed during working hours or not, and whether consumed within the premises of CCB Indonesia buildings or not.
- o Complying with all relevant laws and health and safety guidelines and promptly reporting any conditions that may pose a danger to health, safety, or the environment to their immediate supervisor and/or the Human Resources Division.
- o Not giving in to excessive gambling or involving CCB Indonesia customers in any form of gambling. Additionally, not engaging in betting and/or gambling in any form within the office or the premises of CCB Indonesia buildings.

- Personal Data Protection

CCB Indonesia is committed to safeguarding the confidentiality of customer's personal data and shall not, under any circumstances, use such data for their own benefit or for any third party while performing their duties.

- Training

- o All CCB Indonesia personnel are required to attend regular training sessions, particularly those related to Anti-Money Laundering and Terrorism Financing Prevention, Anti-Bribery, Risk Management, and other mandatory training programs as stipulated.
- o Such training is obligatory for newly joined CCB Indonesia personnel as part of the induction process.
- o To ensure the effectiveness of these training sessions, CCB Indonesia will monitor and assess these activities periodically.

- External and Internal Investigations

- o CCB Indonesia personnel and business partners are required to fully cooperate in any formal investigations, whether external or internal.

Corporate Governance

- o Providing false or misleading statements constitutes misconduct, resulting in the termination of employment or any other relationship with CCB Indonesia.
- **Data Confidentiality**
 - o Every CCB Indonesia personnel must maintain the confidentiality of business information both during and after their tenure with CCB Indonesia. This includes, but is not limited to, salary and strictly confidential information, business strategies and plans, as well as other proprietary information acquired during their employment.
 - o CCB Indonesia personnel must comply with banking confidentiality laws, privacy laws, data security laws, and contractual terms when handling customer information and business data acquired in the course of business operations.

Customers of CCB Indonesia

- **Treating Customers Fairly**
 - o Treating customers of CCB Indonesia fairly and respectfully, and providing high-quality customer service, is an integral and inseparable part of the behavior of CCB Indonesia personnel.
 - o CCB Indonesia implements the 5 principles of the Fair Dealing Guidelines, which must be adhered to, especially by CCB Indonesia personnel dealing with customers, as follows:
 - 1) CCB Indonesia personnel must treat all customers with respect and fairness.
 - 2) CCB Indonesia personnel may only offer products and services suitable for their target customer segments.
 - 3) CCB Indonesia personnel must provide quality and non-misleading information to customers.
 - 4) CCB Indonesia personnel must provide clear, relevant, and timely information so that customers can make necessary financial decisions.
 - 5) CCB Indonesia personnel must handle customer complaints independently, effectively, and promptly.
- **Protecting Customer Information**
 - o CCB Indonesia is committed to protecting customer information and using it appropriately. Safeguarding and maintaining the confidentiality of customer data are fundamental aspects of CCB Indonesia's relationship with its customers.

- o CCB Indonesia personnel must comply with applicable laws on banking data confidentiality, privacy, and security, as well as contractual requirements when handling customer information and business data collected during business operations.
- o The classification of information as customer or business data may vary depending on the laws applicable in the country or jurisdiction.

Company Owned Assets/CCB Indonesia

- **Company Information**
 - o CCB Indonesia personnel and business partners must maintain the confidentiality of business information both during and after their employment or engagement with CCB Indonesia.
- **Intellectual Property Rights**
 - o Intellectual property, including but not limited to patents, trademarks, and copyrights, developed or acquired by CCB Indonesia, is the property of CCB Indonesia.
 - o CCB Indonesia personnel must make every effort to safeguard CCB Indonesia's interests in intellectual property.
 - o CCB Indonesia personnel with access to such intellectual property must not disclose or use it without authorization, both during and after their employment with CCB Indonesia.
 - o CCB Indonesia personnel must not use intellectual property obtained during their employment with another company without prior written consent from that company.
 - o CCB Indonesia respects the restrictions placed on third-party software by developers and/or distributors.
 - o CCB Indonesia personnel must use such software in accordance with the terms of the licensing agreement.
- **Use of CCB Indonesia's Information Technology Assets**
 - o Computers, network resources, electronic communication systems including email, telephones, and voice systems, and other information processed using CCB Indonesia's computers (collectively referred to as "IT Assets") are the property of CCB Indonesia and must strictly be used only for the purpose of providing CCB Indonesia's services and products and not for any other purposes.
 - o The above equipment and facilities are provided to CCB Indonesia personnel for the benefit of CCB Indonesia; therefore, CCB Indonesia personnel must use and maintain these facilities to the best of their ability.

- o The use of IT Assets is governed by CCB Indonesia's IT Policy.

- Accurate Recording and Storage of Archives/Documents

- o CCB Indonesia's record-keeping must always be made accurately and reliably, with the aim of ensuring that business transactions are effectively documented and justified to reduce legal risks. No information on any records or documents may be destroyed or falsified.
- o Reasonable and accurate books must be available for audit and inspection purposes to ensure high standards in record keeping.
- o CCB Indonesia personnel must comply with all applicable laws and management policies regarding relevant records implemented by CCB Indonesia.
- o All "off the record" accounts or transactions related to improper payments are prohibited.
- o Records and data must be maintained and destroyed in accordance with relevant laws and CCB Indonesia's management policies regarding records.
- o Any documents, records, or data required or possibly required for litigation or investigation purposes must be notified and consulted with the Compliance Division, Legal Division, or Internal Audit Division beforehand.
- o Failure to comply with requests for required documents, records, or data may result in criminal or civil legal claims against CCB Indonesia and the relevant CCB Indonesia personnel.

Business Protection and External Activities

- Insider Trading

- o Insider Trading and the disclosure of sensitive information about non-public prices to external parties are not allowed and constitute criminal acts.
- o Providing (tipping) important non-public information to someone who may buy or sell securities is also a violation of applicable laws, whether by the person providing the information or the person receiving it.
- o All CCB Indonesia personnel should be aware that perpetrators of Insider Trading may be subject to fines, imprisonment, or both.
- o In addition to the above, all CCB Indonesia personnel must be vigilant against prohibited activities such as Prohibited Transactions, which are transactions currently prohibited by the Government or certain other international bodies such as the Office of Foreign

Assets Control (OFAC) of the US Department of the Treasury, United Nations Security Council Resolutions (UN), and the European Union (EU), as well as transactions involving the purchase of financial products or other investment products aimed at benefiting personal interests.

- Conflict of Interest

- o CCB Indonesia personnel must not intentionally allow themselves to be placed in a position where their interests could potentially or actually harm CCB Indonesia.
- o CCB Indonesia personnel must not allow any business decisions to be influenced by or perceived as influenced by interests unrelated to CCB Indonesia. Any decision to engage in business transactions with any party must be based solely on business considerations.
- o CCB Indonesia personnel are obligated to prioritize the interests of CCB Indonesia.
- o CCB Indonesia personnel are prohibited from personally benefiting (or directing to a third party) from a business opportunity through the use of company property, information, or position unless CCB Indonesia has been offered and declined the opportunity.
- o Any perceived/actual, potential, or actual conflicts of interest must be disclosed for the attention of CCB Indonesia personnel's superiors.

- Gifts and Entertainment

- o "Gifts" refers to money, goods, or services given simply as a gesture of friendship or appreciation. Gifts can also include souvenirs, benefits, and special treatments.
- o "Entertainment" may include trips abroad, watching movies, attending musical performances, and so on.
- o Giving gifts and entertainment used to unduly influence a business decision or result in unfair business benefits constitutes bribery.
- o Bribery and corruption are contrary to CCB Indonesia's policy, so any CCB Indonesia personnel found guilty of offering or accepting bribes or corruption must face severe disciplinary action/sanctions and may also be prosecuted under anti-corruption laws.

- External Communication

CCB Indonesia is committed to openness and transparency in communicating with external parties and endeavors to

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establish constructive relationships with key stakeholders (investors, regulators, government, media, society, and NGOs).

- Communication with Regulators

All communication with regulators must be conducted in accordance with the guidelines and/or procedures applicable at CCB Indonesia. Requests from regulators for information must be responded to with complete, factual, and accurate information.

- Communication with Press or Media

Any inquiries from the press or media must be promptly referred to the authorized spokesperson of CCB Indonesia.

- Procedures Regarding the Use of Social Media

- o Personal social media accounts must be separate from work-related matters.
- o Only authorized CCB Indonesia spokespersons are allowed to communicate online on behalf of CCB Indonesia.
- o It must be clear who is being represented in forums, blogs, and discussion forums.
- o There should be no selling or marketing of CCB Indonesia products, or giving financial advice on personal social media pages.
- o Adhere to confidentiality and privacy agreements.
- o Respect your colleagues and workplace, as well as other individuals and communities.
- o Non-compliance may result in disciplinary action, including termination of employment with CCB Indonesia. If breaking the law, one must be personally responsible.
- o When in doubt, please ask. Do not take risks with the reputation of CCB Indonesia or your own reputation.

- Legal Actions/Demands

- o Unless prohibited by local laws, CCB Indonesia personnel must promptly inform their immediate supervisor, the Human Capital Division, and the Legal Division if they are the subject of legal actions/demands or investigations anywhere.
- o Permission from the Human Capital Division must be obtained before accepting political positions or engaging in external employment, appointments, or assignments.

- Anti Money Laundering and Terrorism Financing Prevention

CCB Indonesia personnel must fully comply with applicable laws and policies related to financing to combat terrorist activities, anti-illegal drug trafficking, and anti-money laundering.

- Compliance with Laws and Regulations

Every CCB Indonesia personnel is responsible for knowing and complying with the laws and regulations of the Republic of Indonesia, including but not limited to those related to export and import business matters.

- Agent/Consultant/Third Party

- o CCB Indonesia personnel are required to carry out thorough business evaluations when choosing third-party as business partners including (but not limited to) contractors, agents, agency staff, consultants, vendors, and suppliers of goods and services. These business partners must not engage in anything indirectly that a CCB Indonesia personnel is prohibited from doing according to the Code of Conduct or applicable laws and regulations.
- o CCB Indonesia personnel must conduct suitable due diligence to ensure that business partners are fit for the tasks at hand, have a good track record, and do not exploit their relationship with CCB Indonesia or the use of CCB Indonesia's name in relation to any illegal activities, fraud, unethical or dishonest transactions, or any transactions that may tarnish the reputation of CCB Indonesia.
- o CCB Indonesia personnel must ensure that business partners are aware of and committed to the anti-fraud principles established in this Code of Ethics.
- o CCB Indonesia personnel are not allowed to allow or provide their personal facilities for use by customers/third parties in exploiting their transactions with CCB Indonesia.
- o CCB Indonesia personnel are not allowed to act as representatives for customers/third parties in conducting business transactions with CCB Indonesia.

b. Methods of Ethical Code Socialization and Enforcement Efforts

To foster understanding and instill a culture of compliance among every employee, the Company conducts periodic ethical code socialization sessions through training and/or workshops. After reading and comprehending the Code of Ethics, CCB Indonesia personnel are required to acknowledge the Code of Ethics on a designated form.

Any CCB Indonesia personnel who violate the provisions of the Code of Ethics/Code of Conduct may face disciplinary action, including but not limited to termination or dismissal from employment. If laws or regulations are also breached, an official report may need to be filed with relevant authorities, and CCB Indonesia personnel may face fines or criminal penalties.

c. Disclosure that the Code of Ethics Applies to the Board of Commissioners, Board of Directors, and Company Employees

CCB Indonesia, along with all its personnel, is committed and responsible for maintaining the highest level of integrity and honesty within the CCB Indonesia environment, thereby continuing to provide quality service to all of Indonesia with products and services that support the success of CCB Indonesia's customers.

In laying down the fundamental principles of behavior and professionalism expected from all CCB Indonesia personnel, a code of conduct is formulated in the form of an Ethical Code. The code of conduct/Ethical Code applies to the Board of Commissioners, Board of Directors, and all employees of CCB Indonesia, serving as the basis for ethical attitudes and actions while considering the company's core values.

Employee and/or Management Share Ownership Program implemented by the Company

CCB Indonesia implements an Employee and/or Management Share Ownership Program in alignment with the OJK regulations overseeing Governance Implementation in Remuneration for Commercial Banks.

Anti-Fraud Strategy

In order to prevent cases of operational deviations and violations of legal regulations, particularly fraud, CCB Indonesia enhances the effectiveness of internal controls as an effort to minimize fraud risks by implementing an Anti-Fraud Strategy.

The effectiveness of fraud control in business processes is the responsibility of the Board of Directors and the Board of Commissioners, thus requiring a proper and comprehensive understanding of fraud by the Board of Directors and the Board of Commissioners to provide guidance and raise awareness for fraud risk control at CCB Indonesia. The Anti-Fraud Strategy reflects the commitment of the Board of Directors and the Board of Commissioners to control fraud, implemented in the form of a fraud control system.

The anti-fraud strategy is part of the existing fraud policy. In its implementation, it consists of a fraud control system with 4 (four) pillars as follows:

1. Prevention
The prevention pillar is part of the fraud control system that includes measures to reduce the potential risk of fraud, at least comprising anti-fraud awareness, vulnerability identification, and employee recognition policies.
2. Detection
The detection pillar is part of the fraud control system that includes measures to identify and detect fraud in the Bank's business activities, at least comprising policies and mechanisms for whistleblowing, surprise audits, and supervision systems.
3. Investigation, Reporting, and Sanctions
The investigation, reporting, and sanctions pillar are part of the fraud control system that includes investigation, reporting, and imposition of sanctions for fraud in the Bank's business activities.
4. Monitoring, Evaluation, and Follow-Up
The monitoring, evaluation, and follow-up pillar are part of the fraud control system that includes measures for monitoring, evaluation, and follow-up.

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The Whistleblowing System

The demand to implement Good Corporate Governance serves as one of the foundations for this transparency, where the Bank is required to take preventive measures and combat practices that oppose Good Corporate Governance by reporting violations through the whistleblowing system. This system is expected to encourage all employees to report violations effectively.

To enhance the effectiveness of implementing the Fraud control system by emphasizing disclosure from complaints, CCB Indonesia implements a whistleblowing system based on clearly formulated General Whistleblower Policy and Guidelines that are easily understood and effectively implemented to encourage and raise awareness among employees and officials of the Bank to report occurring Frauds, including:

1. Protection for Whistleblowers

The Bank is committed to providing support and protection to every Fraud reporter and guaranteeing the confidentiality of the reporter's identity and the reported Fraud. Protection for the reporter benefits from the certainty of treatment for the reporter and guarantees the confidentiality of the reporter's identity, which will instill trust among Bank personnel or external parties who will report suspected violations to the Whistleblowing Manager and enhance the awareness of Bank personnel regarding company regulations and policies.

2. Regulations related to Fraud Complaints

The Bank prepares a specific telephone number and/or electronic mail address (email) that employees can use to report suspicions of Fraud cases.

The telephone number and email address have been published by the Anti-Fraud Unit/Function.

3. Reporting System and Follow-Up Mechanisms for Fraud Reports

The Fraud reporting system includes clarity in the reporting process, including reporting procedures, means, and responsible parties for handling reports. The reporting system must be supported by clear mechanisms for follow-up on reported Fraud incidents.

This reporting system is implemented transparently and consistently to instill trust among all Bank employees in the reliability and confidentiality of the whistleblowing mechanism.

Good Corporate Governance Self Assessment

During the year 2023, CCB Indonesia conducted Good Corporate Governance self-assessment in both June 2023 and December 2023, both rated: 2 (Good). The self-assessment in June 2023 is equivalent to the assessment conducted by the OJK.

General Conclusion of Good Corporate Governance Implementation

Based on the analysis of all criteria/indicators that are factors in assessing Governance implementation, it is concluded that:

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

The implementation of duties and responsibilities of the Board of Commissioners has fulfilled the governance structure in carrying out its supervisory functions, as reflected by:

- Fulfillment of the number of Board of Commissioners members
- Fulfillment of the composition of the Board of Commissioners
- Fulfillment of requirements from each member of the Board of Commissioners
- The Board of Commissioners has already had a Code of Conduct for the Board of Commissioners, as well as Guidelines for conducting Board of Commissioners meetings.

The duties and responsibilities of the Board of Commissioners have been carried out in accordance with the principles of good governance as outlined in meeting minutes and internal memos.

The Board of Commissioners is not involved in decision-making on Bank operational activities, except in providing funds to related parties and other matters stipulated in the Bank's Articles of Association and/or applicable regulations in carrying out supervisory functions.

The Board of Commissioners holds meetings with the Board of Directors to oversee the implementation of the Directors' duties and responsibilities and provide advice to the Directors.

The Board of Commissioners has held Board of Commissioners meetings and Joint Board of Commissioners and Directors meetings as required.

Commissioners participated with the Directors in the General Examination Exit Meeting and the Bank's Prudential Meeting in 2023, with the OJK.

The results of the Board of Commissioners' oversight are communicated to the Directors and serve as input for the Directors in carrying out their duties to achieve good performance.

Overall, the implementation of the duties and responsibilities of the Board of Commissioners has followed applicable regulations.

2. Implementation of Duties and Responsibilities of the Board of Directors

The implementation of duties and responsibilities of the Board of Directors has fulfilled the requirements of the governance structure, reflected by:

- Fulfillment of the number of Directors along with criteria, independence, and requirements of each Director;
- Fulfillment of the Composition of the Board of Directors
- Filling all Director positions with definitive Directors accompanied by task assignments according to the Bank's organizational structure.
- The Directors have a Code of Conduct for the Board of Directors, as well as Guidelines for conducting Directors' meetings.

The implementation of duties and responsibilities of the Board of Directors has been in accordance with the Company's Articles of Association and Guidelines for the Work Regulations of the Board of Directors. Bank management is continuously improved through improvements that have been made and maintained and continued until now.

The Board of Directors are fully responsible for the Bank's management, nurturing, leading, and overseeing Divisions according to their supervisory divisions, as well as implementing Governance principles in every Bank business activity at all organizational levels.

The Board of Directors have held meetings as required.

The duties and responsibilities of the Board of Directors have been executed well, evidenced by the continuous efforts and implementation of improvements.

The results of the Board of Directors' meetings have been recorded in meeting minutes and documented well.

Overall, the implementation of the duties and responsibilities of the Board of Directors has followed applicable regulations.

3. Completeness and Implementation of Committee Tasks

The Bank has established Committees to assist the Board of Commissioners, including the Audit Committee, Risk Monitoring Committee, and Remuneration & Nomination Committee, each equipped with Guidelines for the Implementation of Committee Tasks.

The composition and requirements of members of the Risk Monitoring Committee and Remuneration & Nomination Committee have complied with the provisions. However, due to the end of the term of one of the Audit Committee members of CCB Indonesia on May 4, 2023, and no new appointment of Audit Committee members has been made until the second semester of 2023, the composition of the Audit Committee does not meet the requirements of Governance Implementation as regulated in OJK Regulation No. 55/POJK.04/2015 concerning the Formation and Guidelines for the Implementation of Audit Committee Work ("Audit Committee POJK") and OJK Regulation of GCG. Nevertheless, the Audit Committee continues to function fully, and the mechanisms for implementing Audit Committee tasks continue to operate normally. The Chairperson of the Audit Committee is committed to ensuring the smooth operation of the Audit Committee and ensuring that oversight and evaluation of accounting practices, internal controls, and bank financial reporting continue according to the Audit Committee's Work Plan for 2023.

The implementation of committee tasks, in general, has been in accordance with the respective committee's rules of procedure, as reflected in activities and meeting minutes.

The Committees have fulfilled their functions according to applicable regulations, including providing recommendations within their mandate to the Board of Commissioners.

Minutes have been prepared for each Committee meeting and documented well. The performance achieved by each Committee can support the oversight of the Board of Commissioners.

Overall, the completeness and implementation of Committee tasks have followed applicable regulations.

4. Handling of Conflict of Interest

The handling of conflicts of interest has been internally regulated through the Conflict of Interest Handling Guidelines. However, during the year 2023, there were no issues containing conflicts of interest.

Overall, the handling of conflicts of interest by the Bank has followed applicable regulations.

5. Implementation of the Bank's Compliance Function

The Bank has appointed a Compliance Director and established a Compliance Division to carry out duties and responsibilities independently according to compliance policies and guidelines.

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The Bank has provided an adequate number of human resources and has sufficient competence to carry out compliance functions and effectively implement Anti-Money Laundering, Terrorism Financing Prevention & Mass Destruction Weapons Financing Prevention, including appointing Compliance Officers at each Bank office, and having a Division to ensure the availability and management of Policies, Guidelines, and SOPs (KSOP).

Additionally, the Bank has an adequate AML System to support the implementation of Anti-Money Laundering and Terrorism Financing Prevention.

The Compliance Function has established policies, developed guidelines, and taken steps to ensure the suitability, adequacy, and effectiveness of the compliance function's role throughout the bank's organizational structure.

The Bank has made efforts to increase Compliance awareness through socialization and issuing compliance culture posters.

The Bank's policies, guidelines, and SOPs are periodically reviewed.

The Bank periodically improves and reviews the parameters used in implementing the AML PPT program.

The Compliance Function has played a role in assisting the bank's compliance improvement process. This is reflected in efforts such as providing compliance opinions, compliance reviews, compliance news, compliance checklists, compliance campaigns, regulatory socialization, and acting as liaison officers to the Financial Services Authority and/or Bank Indonesia, and other regulators.

Areas for improvement related to the implementation of the Bank's Compliance Function include the need for capacity building and dual control processes in reporting to regulators, as there are still sanctions imposed for failure to comply with reporting obligations. Regarding these non-compliances, the Bank has corrected reporting, met payment obligations within the prescribed period, and sought to enhance compliance culture and risk awareness at all organizational levels.

Overall, the implementation of the Bank's Compliance Function has followed applicable regulations.

6. Implementation of the Internal Audit Function

The Bank has an Internal Audit Division (SKAI), an Audit Charter, and Policies/Guidelines/SOPs as working guidelines.

The organizational structure of the Internal Audit Division (SKAI) supports independence and objectivity in carrying out its tasks and functions in accordance with the Internal Audit Professional Standards.

SKAI, in performing its duties, has conducted risk-based audits, with extensive audit coverage, and audit results have been reported to relevant stakeholders.

The internal audit function has been adequately implemented, resulting in sufficient reports for the Board of Commissioners and the Board of Directors. The audit function has been supported by audit programs to facilitate the audit process.

The implementation report and key findings of internal audits have been periodically reported to the Financial Services Authority.

Areas of improvement related to the implementation of the Bank's Internal Audit Function include:

- The adequacy of Internal Audit Unit members' capacity still needs to be developed and improved, including through recruitment, training, and certification according to their levels.
- The preparation, scope, quality of financial performance analysis, follow-up monitoring, accuracy of audit implementation, and the substance of the Implementation Report and Key Findings of Internal Audit still need improvement.

Generally, the implementation of the Bank's Internal Audit Function has followed applicable regulations.

7. Implementation of the External Audit Function

The selection of Public Accounting Firms and Public Accountants with reputable backgrounds for external audits is determined through contractual agreements outlining audit scopes compliant with relevant regulations.

The process of appointing Public Accounting Firms and Public Accountants by the Bank has complied with applicable regulations. In conducting audits, Public Accounting Firms and Public Accountants have fulfilled specified aspects and carried out audits independently, meeting professional standards for public accountants, work agreements, and designated scopes as stipulated in the applicable regulations.

The provision of audit services for annual historical financial information has been performed by Public Accountants and/or Public Accounting Firms in accordance with the audit scope as regulated by applicable provisions and evaluated by the Audit Committee, with results reported to the Financial Services Authority.

Generally, the implementation of the Bank's External Audit Function has followed applicable regulations.

8. Implementation of Risk Management Including Internal Control Systems

The Bank has a sufficient organizational structure to support the implementation of risk management and internal controls, including the Internal Audit Division, Risk Management Division, Risk Management Committee, and Compliance Division. Additionally, the bank has adequate risk policies, procedures, and risk limit determinations.

In addition to forming the Risk Management Committee, the Bank has also established other committees to assist the Board of Directors in carrying out their duties, namely the Credit Policy Committee, ALCO Committee, Information Technology Steering Committee, Credit Committee, and Human Capital Committee.

The organizational structure has been fulfilled with all positions filled by definitive officers.

The Bank has adjusted its Policies/Guidelines/SOPs to align with the bank's vision and mission post-merger and acquisition, in accordance with applicable regulations.

The Board of Commissioners and Directors have fulfilled their duties and responsibilities related to the implementation of risk management.

The organizational structure, along with the committees assisting the duties of the Commissioners and Directors, coordinate to support the implementation of risk management and internal controls.

The Directors ensure that all material risks and the impacts caused by such risks have been addressed and report accountability to the Board of Commissioners.

The Directors have overseen risk management policies and strategies through discussions in various committee meetings. The bank has improved the Quality of Risk Management, reflected in the well-managed Bank Risk Profile.

An area of development related to the Implementation of Risk Management and Internal Control Systems is the internal controls in divisions that report to regulators (checker and maker, as well as Quality Assurance), which need further improvement.

Generally, the Implementation of Risk Management Including Internal Control Systems at the bank has followed applicable regulations.

9. Provision of Funds to Related Parties and Large Exposures

The Bank's Board of Directors has actively established policies, systems, and sufficiently effective procedures to regulate the provision of funds to related parties and large exposures, including monitoring and resolution of issues arising from such fund provisions.

The Bank has periodically monitored and evaluated large debtors and updated the list of related parties, as well as made improvements in policies and procedures. Decision-making is made without any intervention from any party.

Any provision of funds to Related Parties is made after obtaining approval from the Board of Commissioners.

There have been no violations or deviations from LLL during the assessment period, and all reports related to the provision of funds to related parties and large exposures have been submitted to the Financial Services Authority accurately and in a timely manner.

Overall, the Provision of Funds to Related Parties and Large Exposures has complied with applicable regulations.

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

Monthly, quarterly, annual, other publications, and internal governance implementation reports always adhere to Financial Services Authority regulations and applicable provisions.

The preparation of Monthly, Quarterly, Annual Publications, and Other Publications, as well as Governance Implementation Reports, has been carried out through good governance processes and in accordance with the coverage required by Financial Services Authority regulations and applicable laws.

Customer service is provided through transparent product explanations, responsive handling of customer complaints, and addressing weaknesses to follow up on customer complaints effectively.

Information regarding customer complaint procedures and dispute resolution is provided through the Bank's website.

The Bank has implemented transparency principles regarding financial and non-financial conditions presented in Monthly,

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Quarterly, Annual Publications, and Other Publications. In the Annual Publication Report, the bank has reported governance implementation in accordance with Financial Services Authority regulations and applicable laws.

Area of improvement for the Transparency of Financial and Non-Financial Conditions, Governance Implementation Reports, and Internal Reporting involves improving capacity and dual control processes in providing data for publication to minimize re-publication due to data corrections.

Overall, Transparency of Financial and Non-Financial Conditions, Governance Implementation Reports, and Internal Reporting has complied with applicable regulations.

11. Bank's Strategic Plan

The Bank's strategic plan has been formulated in the form of the Bank Business Plan, adjusted to the Bank's Vision and Mission, and fully supported by all stakeholders.

The Bank Business Plan (BBP) has been prepared based on Financial Services Authority Regulation No. 5 /POJK.03/2016 and Financial Services Authority Circular Letter No. 25 / SEOJK.03/2016 concerning Bank Business Plans, as well as a comprehensive study considering business opportunities and the bank's strengths while identifying weaknesses and threats.

The Bank Business Plan, along with its revisions and adjustments prepared by the Board of Directors, has been approved by the Board of Commissioners and communicated to the Financial Services Authority and all parties concerned. The Bank Business Plan has depicted sustainable growth targets that provide economic benefits to all stakeholders and has been aligned with the Bank's vision and mission.

The Bank Business Plan, including its revisions and adjustments related to the global and domestic economic conditions as a result of the COVID-19 pandemic, has been submitted to the regulators.

The implementation of the BBP is monitored and directed by the Board of Directors, overseen by the Board of Commissioners, and communicated to the Financial Services Authority, all Bank shareholders, and all functional units.

The area of improvement concerning the Bank's Strategic Plan involves enhancing the quality of risk management implementation and implementing efficiency measures to boost and sustain the Bank's profitability.

Generally, the Bank's Strategic Plan has complied with applicable regulations.

12. Remuneration Provision

The Bank has a Remuneration policy that includes at least:

- a. Remuneration structure that includes at least:
 - 1) Remuneration scale based on level and position; and
 - 2) Remuneration components
- b. Methods and mechanisms for determining Remuneration

Additionally, the Bank has established a Remuneration Committee.

In implementing the governance, the bank observes the principle of prudence in providing remuneration, both fixed and variable, in accordance with the principles of reasonableness and fairness.

13. Shareholder Aspect

Periodically (annually), CCB Indonesia holds Annual General Meetings (AGMs). The AGM for the year 2023 was conducted on June 6, 2023.

The amount of cash dividends (if any) will be linked to the profits earned by the Company in the respective fiscal year, without prejudice to the Company's AGM rights to determine otherwise in accordance with the provisions of the Company's Articles of Association and the applicable Banking regulations.

The Bank disseminates financial and non-financial reports to stakeholders through various means including letters, newspapers, and the bank's website, including but not limited to announcing Monthly, Quarterly, and Annual Publication Reports and reporting them to the Financial Services Authority (OJK) based on OJK Regulation No. 37/POJK.03/2019 issued on December 19, 2019 concerning Transparency and Publication of Bank Reports, and OJK Circular Letter No. 9/SEOJK.03/2020 dated June 30, 2020 concerning Transparency and Publication of Conventional Commercial Bank Reports.

Always adhere and support the interests and rights of shareholders in accordance with applicable regulations.

Bank shareholders also support the implementation of healthy business activities and the continuity of the bank's operations.

There is no owner intervention, internal disputes, or issues arising from the bank's remuneration policy that disrupt the bank's operational activities and/or provide undue benefits to the owners, resulting in reduced bank profits and/or causing bank losses, due to owner intervention in the composition and/or implementation of the Board of Commissioners' duties.

14. Implementation of Anti-Fraud Strategy, Including Anti-Bribery
CCB Indonesia has implemented risk management and internal control systems to minimize the occurrence of bank fraud. The bank has an independent Anti-Fraud Unit in place.

In order to prevent operational deviations and violations of legal regulations, especially fraud cases, the Bank has implemented a fraud detection system on June 6, 2023, to enhance the effectiveness of internal controls as part of efforts to minimize fraud risks by implementing Anti-Fraud and Whistleblowing strategies.

15. Implementation of Sustainable Finance, Including Social and Environmental Responsibility
During 2023, CCB Indonesia allocated part of its funds for social and environmental responsibility to support the implementation of sustainable finance.

CCB Indonesia has integrated sustainable finance into its business activities and developed a sustainable finance action plan.

CCB Indonesia has conducted business practices and investment strategies while considering, applying, and integrating environmental, social, and governance values.

16. Implementation of Governance Within the Bank's Business Group
CCB Indonesia is not a parent company or Executor of Holding Company which is included in the Bank Business Group.

As of December 31, 2023, CCB Indonesia does not have any subsidiaries or associated entities.

Hence, in 2023, CCB Indonesia has adopted governance measures that are generally **GOOD**, evidenced by satisfactory adherence to governance principles. Where weaknesses in governance principles exist, they are generally minor and can be rectified through standard management procedures by the Bank.



Committees Report



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In the effective and independent implementation of monitoring duties and responsibilities, the Board of Commissioners is supported by the Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee

In order to support an increase in the implementation of Good Corporate Governance (GCG) and optimize supervision attached to the Board of Commissioners, as well as to ensure the implementation of internal control system at all levels of operations, has been stated in the Audit Committee Charter in accordance with the provisions of the Financial Services Authority, Guidelines and Procedures of Risk Monitoring Committee, Remuneration and Nomination Committee, as well as changes to members of the Committees under the Board of Commissioners.

During 2023, the implementation of the duties of the committees that assist the Board of Commissioners can proceed according to the Work Plan and the schedule of the annual meeting.

Audit Committee Duties and Responsibilities

The duties and responsibilities of the Audit Committee are to assist the Board of Commissioners in order to support the effectiveness of the implementation of their duties and responsibilities, including:

1. Monitoring and evaluating the planning and implementation of internal audits as well as monitoring the follow-up of internal audit results in order to ensure the accuracy of the design and operational effectiveness of internal controls, including internal control over financial reporting.
2. Carrying out monitoring and evaluation of:
 - Implementation of the duties of the Internal Audit Work Unit.
 - Suitability of the audit by a public accounting firm with audit standards;
 - Suitability of financial statements with financial accounting standards;
 - Implementation of follow-up by the Board of Directors on the findings of the Internal Audit Division, public accountants, and the results of the supervision of the Financial Services Authority to provide recommendations to the Board of Commissioners.
3. Providing recommendations regarding the appointment of public accountants and public accounting firms to the Board of Commissioners to be recommended to the GMS.
4. Reviewing financial information to be issued by the Bank to the public and/or authorities, including financial statements, projected financial statements and other reports related to the Bank's financial information.
5. Reviewing complaints related to the Bank's accounting and financial reporting processes.
6. Reviewing the Bank's compliance with the laws and regulations relating to the Bank's activities.
7. Providing independent opinion in the event of disagreements between management and public accountants for the services they provide.
8. Providing recommendations to the Board of Commissioners regarding the appointment of a Public Accountant based on independence, the scope of the engagement and fees (compensation for services).
9. Reviewing the implementation of audits by internal auditors and overseeing the implementation of follow-up by the Directors on the findings of internal auditors.
10. Reviewing and providing advice to the Board of Commissioners regarding the potential conflict of interests of the Bank.
11. Maintaining the confidentiality of documents, data and information obtained by the Bank in the context of carrying out its role.

Risk Monitoring Committee Duties and Responsibilities

The duties and responsibilities of the Risk Monitoring Committee are to assist the Board of Commissioners in order to support the effectiveness of the implementation of their duties and responsibilities.

1. Providing recommendations to the Board of Commissioners by evaluating the suitability of the risk management policy and the implementation of the policy.

2. Conduct a review of the implementation of risk management which consists of a risk profile report and other reports related to the management of 8 (eight) types of risk.
3. Monitor the adequacy of the process of identification, measurement, monitoring, control and risk management information systems.
4. Monitoring and evaluating the implementation of the duties of the Risk Management Committee and the Risk Management Division.

Remuneration and Nomination Committee Duties and Responsibilities

The duties and responsibilities of the Remuneration and Nomination Committee are to assist the Board of Commissioners in order to support the effectiveness of the implementation of their duties and responsibilities, including:

1. Related to remuneration duties, the Remuneration and Nomination Committee has the following duties and responsibilities:
 - a. The Remuneration and Nomination Committee must evaluate the remuneration policy and system.
 - b. The Remuneration and Nomination Committee must provide recommendations to the Board of Commissioners regarding:
 - 1) Remuneration policies and systems for the Board of Commissioners and Board of Directors of both local and foreign workers, to be submitted to the General Meeting of Shareholders;
 - 2) Remuneration policies and systems for Executive Officers and employees both from local and foreign workers as a whole to be submitted to the Board of Directors.
 - c. The Remuneration and Nomination Committee must ensure that the remuneration policy is at least in accordance with:
 - 1) Financial performance and fulfilment of reserves as regulated in applicable laws and regulations;
 - 2) Individual work performance;
 - 3) Fairness with peer groups;
 - 4) Consideration of the Bank's long-term goals and strategies.
2. Related to the nomination duties, the Remuneration and Nomination Committee has the following duties and responsibilities:
 - a. The Remuneration and Nomination Committee must prepare and provide recommendations regarding the system and procedure for selecting and/or replacing members of the Board of Commissioners and Board of Directors from both local and foreign workers to the Board of Commissioners to be submitted to the General Meeting of Shareholders.
 - b. The Remuneration and Nomination Committee must provide recommendations:
 - 1) Regarding prospective members of the Board of Commissioners and/or Board of Directors of both local and foreign workers to the Board of Commissioners to be submitted to the General Meeting of Shareholders.
 - 2) Providing recommendations regarding Independent Parties who will become members of the Audit Committee or Risk Monitoring Committee to the Board of Commissioners.

Committees Report

- c. Recommendation procedures for prospective members of the Board of Commissioners, and/or Board of Directors of both local and foreign workers, and/or Independent Parties as referred to in item b) above are carried out as follows:
- 1) The Remuneration and Nomination Committee evaluates prospective members of the Board of Commissioners, or candidates for Board of Directors from both local and foreign workers, or candidates for Independent Parties.
 - a) Assessments are carried out based on competencies, and track records of the candidates.
 - b) In addition, the assessment can be done through interviews with prospective members of the Board of Commissioners, or Prospective Directors from both local and foreign workers, or candidates for Independent Parties;
 - c) If needed, the Remuneration and Nomination Committee can use an independent Professional Institution to conduct the assessment.
 - 2) Based on the results of the assessment, the Remuneration and Nomination Committee:
 - a) Providing recommendations for candidates for Directors and/or Commissioners from both local and foreign workers to the Board of Commissioners to be submitted at the GMS.
 - b) Providing recommendations regarding Independent Parties who will become members of the Audit Committee or the Risk Monitoring Committee to the Board of Commissioners.

To support the smooth running of their duties, each committee has had work guidelines and procedures.

Implementation of duties of the Committees throughout 2023 seen from the minutes of the committee meeting, notes contain recommendations to the Board of Commissioners, notes and/or working papers corresponding to monitoring and evaluation in accordance with the functions of each committee as follows:

1. Audit Committee Activities

During 2023 the Audit Committee has held 12 (twelve) meetings, all of which were attended by more than 51% (fifty one percent) of the total members of the Audit Committee including Independent Commissioners and Independent Parties. The Audit Committee has provided suggestions, input and recommendations to the Board of Commissioners.

The Audit Committee has participated in a series of stages regarding the implementation of the audit of the Company's Financial Statements by the Public Accounting Firm (KAP), namely the Audit Committee has provided recommendations for the appointment of a Public Accountant and a Public

Accounting Firm to the Board of Commissioners. In addition, the Audit Committee has evaluated the Implementation of the Provision of Audit Services on the Company's annual historical financial information for the 2022 financial year by the Public Accounting Firm (KAP) Purwantono, Sungkoro, Surja.

2. Risk Monitoring Committee Activities

During 2023 the Risk Monitoring Committee has held 6 (six) meetings, all of which were attended by more than 51% (fifty one percent) of the total members of the Risk Monitoring Committee including Independent Commissioners and Independent Parties. The Risk Monitoring Committee has provided suggestions, input and recommendations to the Board of Commissioners.

The Risk Monitoring Committee provides recommendations to the Board of Commissioners by evaluating the suitability between risk management policies and the implementation of these policies. The Risk Monitoring Committee monitors and evaluates the implementation of the tasks of the Risk Management Committee and the Risk Management Division.

3. Remuneration and Nomination Committee Activities

During 2023 the Remuneration and Nomination Committee held 4 (four) meetings, all of which were attended by more than 51% (fifty one percent) of the total members of the Remuneration and Nomination Committee including an Independent Commissioner and Executive Officer in charge of human resources or employee representatives. The Remuneration and Nomination Committee has provided suggestions, input and recommendations to the Board of Commissioners.

The supervisory mechanism by evaluating the suitability of the remuneration policy with financial performance and the fulfillment of reserves as regulated in the applicable laws and regulations; individual work performance; fairness with peer groups; and consideration of the Bank's long-term goals and strategies.

Composition of the committee members under the Board of Commissioners is in accordance with the size and complexity of CCB Indonesia. All members of the Committees under the Board of Commissioners have good track record of integrity, character, and good moral that are well maintained by each individual.

Committee meeting decisions are taken by deliberation and/or a majority vote. The results of the committee meeting have been stipulated in the minutes of meetings and are well documented. The results of the committee meetings are always sought to be taken into consideration and recommendation to the Board of Commissioners in decision making.



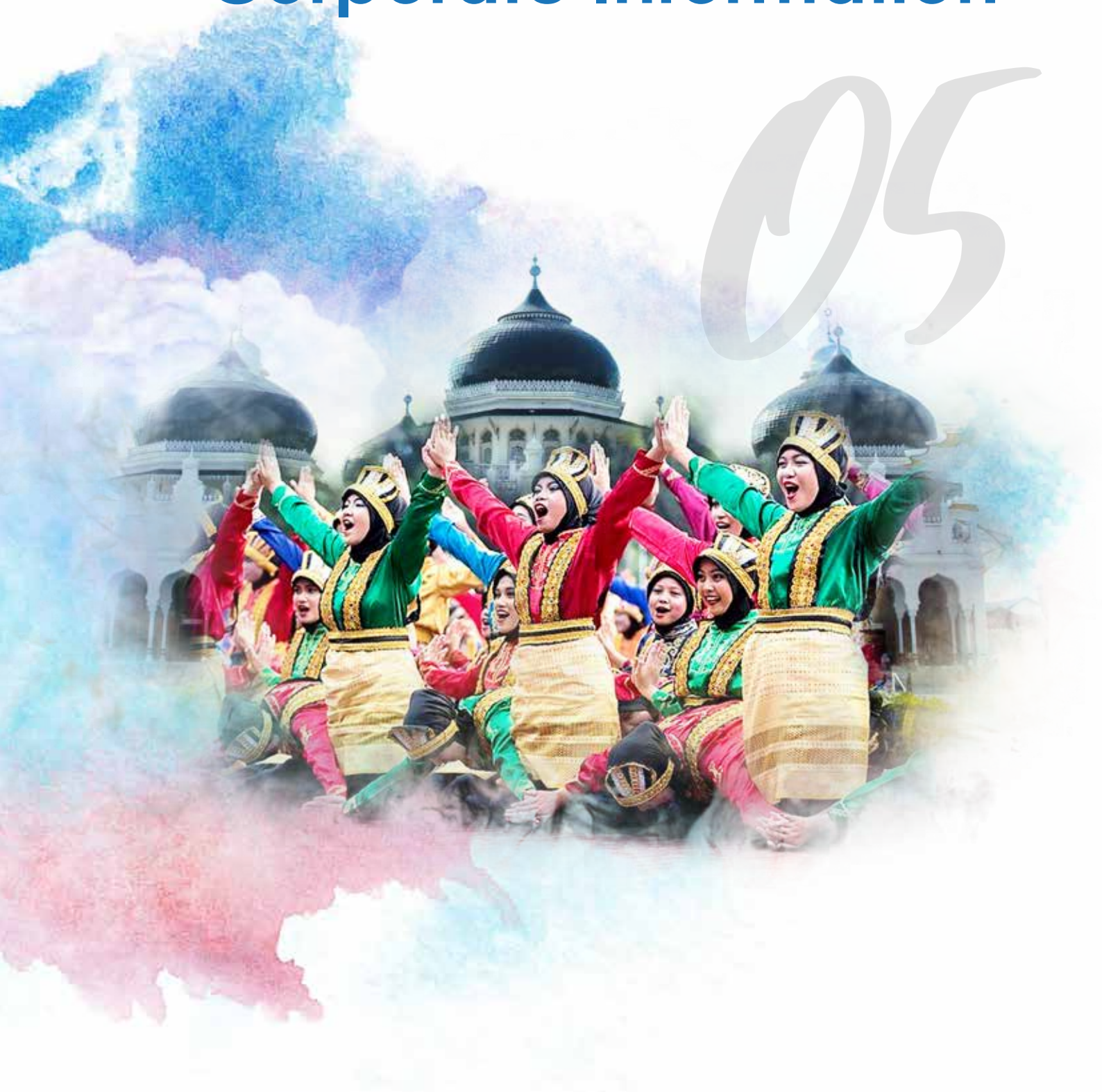
Tari Saman

Aceh

The Saman dance, which comes from the Gayo tribe, is typically performed at significant festivities at traditional ceremonies. Gayo languages additionally feature in the dance's lyricism. The Prophet Muhammad SAW's birthday is another occasion when this dance is frequently done.

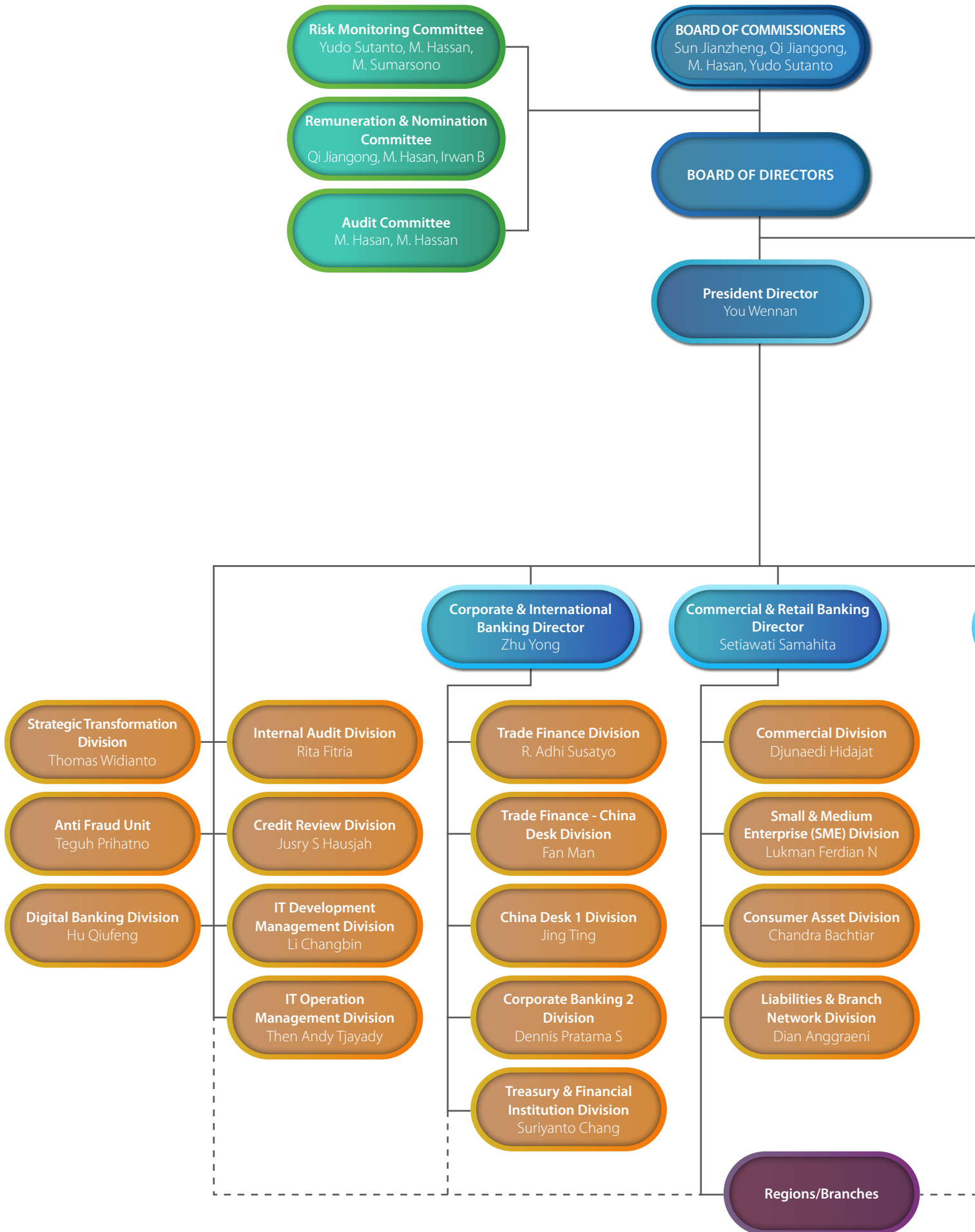
Corporate Information

05



Togetherness in Indonesian Traditional dance philosophy

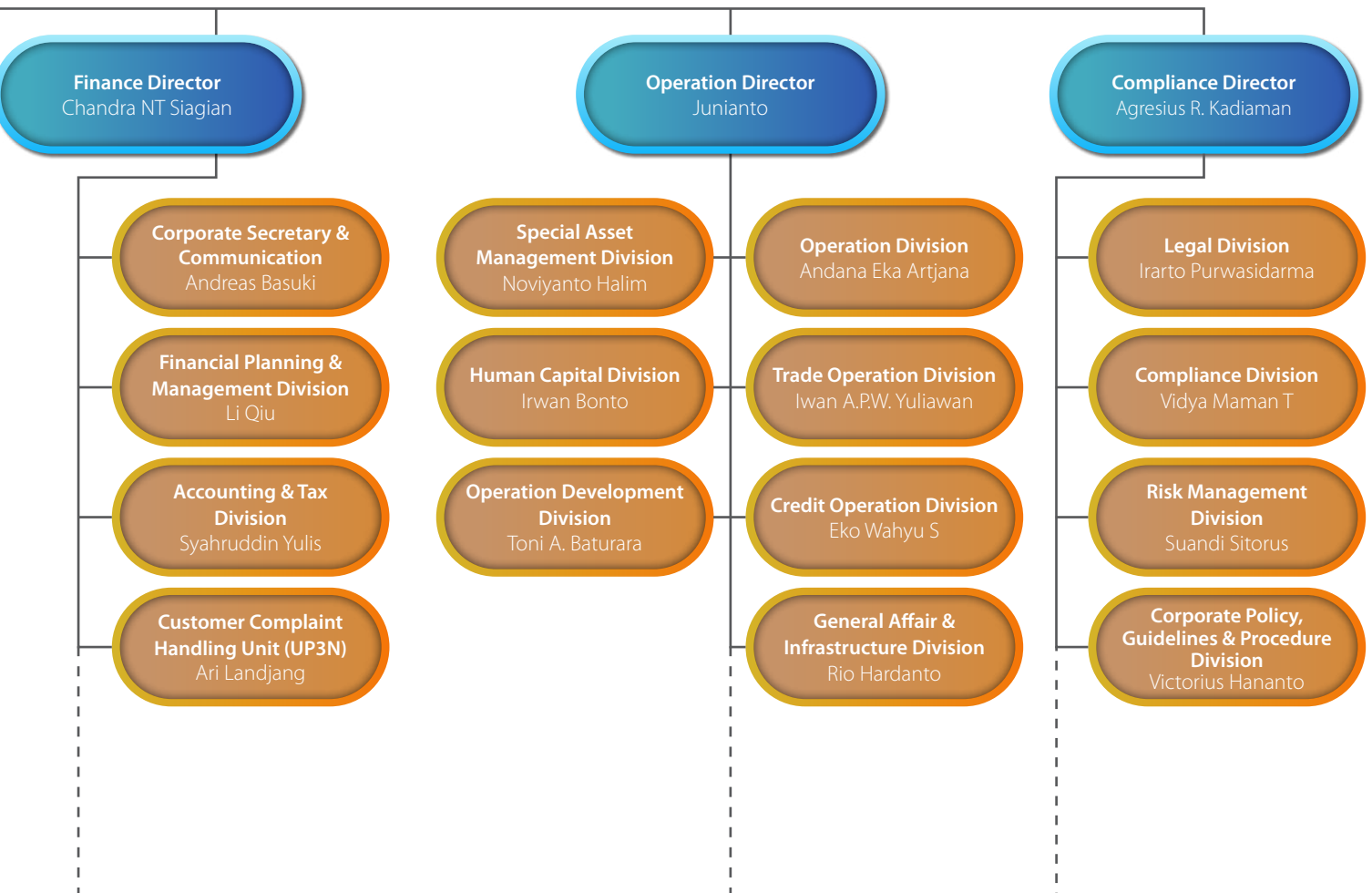
Organizational Structure



Organizational Structure



- Risk Management Committee** : Agresius R. Kadiaman, Junianto, Zhu Yong, You Wennan, Suandi Sitorus, Rita Fitria, Vidya Maman T
- Credit Committee** : You Wennan, Zhu Yong, Setiawati Samahita, Junianto
- Credit Policy Committee** : You Wennan, Agresius R. Kadiaman, Zhu Yong, Setiawati Samahita, Junianto, Suandi Sitorus, Jusry Hausjah, Fan Man, R Adhi Susatyo, Dennis Pratama, Jing Ting, Chandra Bachtiar, Djunaedi Hidajat, Lukman Ferdian N, Eko Wahyu S, Vidya Maman T, Rita Fitria
- ALCO** : You Wennan, Chandra NT Siagian, Junianto, Zhu Yong, Setiawati Samahita, Jusry Hausjah, Fan Man, R Adhi Susatyo, Chandra Bachtiar, Djunaedi Hidajat, Lukman Ferdian N, Dennis Pratama, Jing Ting, Dian Anggraeni, Suriyanto Chang, Li Qiu, Syahrudin Yulis, Agus Setiawan, Lilis Tanuwijaya, Ka Tjing, Christiana Hidayati, Tang Amir, Sui Seng, Liauw Tarsisius F, Herman Indra
- IT Committee** : You Wennan, Junianto, Agresius R. Kadiaman, Li Changbin, Then andy Tjayadi, Andana Eka A, Suandi Sitorus, Toni Batubara
- Human Capital Committee** : Junianto, You Wennan, Chandra NT Siagian, Agresius R. Kadiaman, Zhu Yong, Setiawati Samahita, Irwan Bonto



Board of Commissioners Profile



Sun Jianzheng, President Commissioner

Chinese citizen, born in Hebei, China in 1963. He obtained his Bachelor of Laws from Peking University, China in 1986 and his Master Degree in Laws from Peking University, China in 1988, as well as his PhD Degree in National Economics from Peking University, China in 2003.

Appointed as the Company's President Commissioner since January 25th, 2019. Began his career at the China Investment Consulting Corporation in August 1988 until May 1990.

Subsequently began his career at the China Construction Bank Corporation in May 1990 until now, occupying various key and strategic positions, including as Deputy General Manager of Institutional Reform Executive Office, Deputy General Manager of Asset & Liability Management Department, Deputy General Manager of International Business Department (equal to GM level at Head Office) and his last position as General Manager of Strategic Investment and Management Department, which is responsible for domestic and foreign equity investments, management of subsidiaries and rural banks shares ownership, management of strategic cooperation with strategic investors, since June 2015 until now.

In the period of October 2008 until August 2015, he held concurrent positions at China Construction Bank (London) Limited as a Non-Executive Director, in addition to the main position at China Construction Bank Corporation, Head Office.

Since January 25th, 2019, he became effective as the Company's President Commissioner, in addition to his main position as General Manager of Strategic Investment and Management Department of China Construction Bank Corporation.

As Non-Independent (President) Commissioner, he undertakes the functional duties from the China Construction Bank Corporation (the Bank shareholders in the form of a legal entity).

Training attended in 2023:

Online Training "Risk Management Refreshment - Commissioner Level (Foreigner)" by RDS Consulting on August 2, 2023 in Jakarta

As a member of Board of Commissioners, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-11/D.03/2019 dated January 17th, 2019.

Board of Commissioners Profile

Qi Jiangong, Commissioner

Chinese citizen, born in Shanxi, China on June 11th, 1970. He obtained his Bachelor of Economics from Renmin University of China in 1992 and his Master Degree from the University of International Business and Economics, majoring in International Accounting Management and graduated in 1997.

Appointed as Commissioner through GMS on October 14th, 2016, and declared effective since June 6th, 2017 until now.

Began his career at China Construction Bank Corporation since July 1997 as a Business Manager who is responsible for managing assets/ liabilities. From October 2000 until March 2001, he held various strategic positions at China Construction Bank Corporation. Furthermore, from March 2001 until July 2008, he was appointed as Chief Manager and Deputy Chief Manager who is responsible for the financial market department. Then in March 2008 until 2 August 2022, he was appointed as Deputy General Manager and Chief Manager of Strategic Investment and Management Department, who was in charge of Bank's strategic investments. He was appointed as Chairman, Non Executive Director of BlackRock CCB Wealth Management Limited on May 10, 2021 until now.

Starting August 2, 2022 until now, he was appointed as General Manager of Financial Institutional Business Department of China Construction Bank Corporation, who is responsible for the management of the financial institution business.

As a Non-Independent Commissioner, he undertakes the functional duties from the China Construction Bank Corporation (the Bank shareholders in the form of a legal entity).

Training attended in 2023:

Online Training "Risk Management Refreshment - Level 6 Commissioner" by IBI-BCC on December 4, 2023 in Jakarta

As a member of Board of Commissioners, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-93/D.03/2017 dated June 5th, 2017.

Special Assignment:

Member of Remuneration and Nomination Committee since September 27th, 2017 until now.



Board of Commissioners Profile



Mohamad Hasan, Independent Commissioner

Indonesian citizen, born in Palembang in 1944. He obtained his Bachelor of Laws in 1972 from Sriwijaya University, Palembang.

Appointed as Independent Commissioner since June 24th, 2010 and continued after the merger of Bank Windu and Bank Anda as of November 30th, 2016 based on the approval from the Financial Services Authority No. SR-104/PB.12/2016.

Began his career at Citibank Jakarta from May 1974 until April 1977. He then worked at PT Multinational Finance Corporation (PT Multicor) from May 1977. From the period of August 1985 until October 1991, he was appointed as Executive Director, then from November 1991 until January 2003, he was appointed as President Director. Then at PT Bank Multicor as Independent Commissioner from June 2003 until June 2008. Since October 2008 until 2009, he served as Commissioner in several national private companies in Jakarta. And since May 2010, he was reappointed as an Independent Commissioner in the Company.

Training attended in 2023:

Training "Refreshment of Risk Management Level Commissioner" by Asta Consulting on May 31, 2023 in Jakarta.

As a member of Board of Commissioners, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-101/D.03/2016 dated November 30th, 2016.

Special Assignment:

- Chairman of Remuneration and Nomination Committee since October 22nd, 2010 until now.
- Chairman of Audit Committee since March 14th, 2017 until now.

Board of Commissioners Profile

Yudo Sutanto, Independent Commissioner

Indonesian citizen, born in Malang, East Java in 1954. He obtained his Bachelor of Finance in 1981 from California State University, Los Angeles, United States of America.

Appointed as Independent Commissioner since November 2nd, 2016 based on the approval from the Financial Services Authority No. SR-173/PB.121/2016.

Began his career at PT Bank Antardaerah since 1982 in various important positions. In 1990, he was appointed as President Director, and in 1999 as Chairman of the Audit Board of PT Bank Antardaerah. Since March 1999, he served as a member of Board of Commissioners.

Training attended in 2023:

Training "Refreshment of Risk Management Level Commissioner" by Asta Consulting on May 31, 2023 in Jakarta.

As a member of Board of Commissioners, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-63/D.03/2016 dated October 27th, 2016.

Special Assignment:

Chairman of Risk Monitoring Committee since February 21st, 2017.



None of the Independent Commissioners has any financial, management, ownership, family relationship with other members of Board of Commissioners, Board of Directors and/or Controlling Shareholders or any relationship with the Company, which may affect their ability to act independently.

Board of Directors Profile



You Wennan, President Director

Chinese citizen, born in Fujian, China in 1967. He obtained his Bachelor degree in Automatic Control from Northwestern Polytechnic University – China in 1991.

Appointed as President Director of Company since May 2nd, 2018 based on the approval from the Financial Services Authority No. KEP-88/D.03/2018. Previously served as Director of the Company since November 30, 2016.

Began his career in China Construction Bank (“CCB”) at Fuzhou Branch in September 1991 as Business Manager. In June 1992 as Business Manager of CCB Fujian Province in IT Department, then in March 2000 – February 2007 he became a Deputy General Manager.

In February 2007, served at CCB Fujian Province Branch in Corporate Banking Department as Deputy General Manager. Then in February 2008 as General Manager at CCB Fujian Province Branch in Institution Clients Department. In March 2010, he became General Manager at CCB Longyan Branch. He then served at CCB Quanzhou Branch in January 2014 as General Manager.

In October 2014, he became Deputy Director of Agency Services Companies and Management Committee at CCB Fujian Branch.

Then from April 2016 worked in Indonesia as Deputy Head of the Preparatory Team until November 2016, effective as Director of the Company. Then starting May 2nd, 2018, he effectively became the President Director of the Company.

Training attended in 2023:

1. Online Training “Risk Management Refreshment Batch 1” by Kovida Training on February 1, 2023 in Jakarta.
2. Online Training “Risk Management Refreshment Level 7” by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As President Director, he leads other Directors, and oversees Internal Audit, Credit Review, Information Technology (IT) Development and IT Operation Management, Strategic Transformation, Digital Banking and Anti-Fraud.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-88/D.03/2018 dated April 27th, 2018.

Zhu Yong, Director of Corporate & International Banking

Chinese citizen, born in Guizhou, China in 1975. He obtained his Bachelor of Economics from Shanghai Finance and Economics University, China in 1996 and his Master Degree in Accounting from Tsinghua University, China in 2008.

Appointed as Director of the Company since March 29, 2019. Began his career in China Construction Bank Corporation (CCB) in July 1996 in various key and strategic positions. Started at CCB Guizhou Branch in Accounting Department until February 2001, continued to CCB Tongren Branch until July 2003 with his last position as General Manager of Finance & Accounting Department. Returned to CCB Guizhou Branch until October 2014, his last position was General Manager of Investment Banking Department. In October 2014, he was appointed as Director of CCB Guiyang Jingrui Branch and then in November 2014 was appointed as President Director at CCB Guiyang Jingrui Branch, in this matter responsible for comprehensive management of CCB Guiyang Jingrui Branch, including business development, internal risk control, and others.

Training attended in 2023:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Workshop "Management Training" by CCB Corporation on June 25-30, 2023 in Beijing, China.
3. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As a Director, he oversees China Desk, Corporate Banking, Trade Finance, Trade Finance China Desk, Treasury dan Financial Institution.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-4/D.03/2019 dated January 4th, 2019.



Board of Directors Profile



Setiwati Samahita, Director of Commercial & Retail Banking

Indonesian citizen, born in Pekanbaru in 1961. She obtained her Bachelor of Agricultural Technology from the Faculty of Agricultural Technology majoring in Food Science and Nutrition with a predicate of Very Satisfactory from Bogor Agricultural University in 1984 and her Master degree in Management from PPM School of Management Jakarta in 2007 with a predicate of Cum Laude.

Appointed as Director of the Company since June 2010 and continued after the merger of Bank Windu and Bank Anda as of November 30th, 2016 based on the approval from the Financial Services Authority No. SR-104/PB.12/2016.

Began her career at PT Sanmaru Food Manufacturing (PT Indofood S.M) as Assistant Manager of Snack Food Research & Development from March 1985 until March 1986. Then in April 1986 at FEBC Manila Jakarta (YASKI) Radio as Head of Recording Studio until December 1988. Began her banking career at Bank Bali in June 1990 as Development Program Officer until December 1990. Subsequently she held various positions as Account Officer from December 1990 until February 1995, as Team Leader of Commercial Loan Bogor from March 1995 until October 1995. Promoted as General Manager at PT Bank Bali Bogor from November 1995 until December 1995. At the same time, she served as Commissioner at BPR Bali Dayaupaya Mandiri from July 1995 until May 1998. Then as Chief General Manager from January 1996 until May 2000, and since June 2000 was promoted as General Manager Forex Trading Business until August 2000. Next, she served at PT Bank Lippo as Deputy Regional Head from September 2000 until February 2001. She served at PT Bank OCBC NISP as Head of Bogor Branch from March 2001 until January 2005. Continued as Branch Department Head of Reg.2 from February 2005 until June 2006 and was promoted as Region Head of Reg. 5 from July 2006 until January 2009. In January 2009, she served as Senior Corporate Executive concurrent as Region Head of Sumatra until November 2009.

Training attended in 2023:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Hybrid Training "Leadership Directorate of Commercial and Retail Banking" by Teen Talent Indonesia on February 13, 2023 in Jakarta.
3. Training "Personal Data Protection" by the Ministry of Communication and Information on February 22, 2023 in Jakarta.
4. Health Talk Seminar "Heart Disease and Solutions" by ACA and Brawijaya Hospital on August 25, 2023 in Jakarta.
5. Online Training "Mandarin Language Training" by Jennie Sunarso on October 1, 2023 - December 31, 2023 in Jakarta.
6. Seminar "Indonesia International Waste Treatment Technology 2023" by Nuswantara Adhidaya Perkasa on November 1-2, 2023 in Jakarta.
7. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As a Director, she oversees Commercial, Small & Medium Enterprise (SME), Consumer Assets, Liabilities & Branch Network and Regions/Branches.

As a member of the Board of Directors, she has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-103/D.03/2016 dated November 30th, 2016.

Junianto, Director of Operations

Indonesian citizen, born in Rembang in 1967. He obtained his Bachelor of Economics/Management from Satya Wacana Christian University – Salatiga (UKSW) in 1991 and his Master degree in Management (MM Executive) from Prasetya Mulya Graduate School – Jakarta in 2002.

Appointed as Director of the Company since August 2013 and continued after the merger of Bank Windu and Bank Anda as of November 30th, 2016 based on the approval from the Financial Services Authority No. SR 104/PB.12/2016.

Began his career at PT Bank Universal, Tbk (now is PT Bank Permata, Tbk) from May 1992 until March 1993 as Trainee of Management Development Program (MDP). In April 1993, he was appointed as Account Officer of Semarang Branch until May 1995. From June 1995, he served as Team Leader of Corporate Banking Jakarta until December 1997. Then from January 1998 until December 1999, he became the Head Caretaker of Bandung Branch.

Then from January 2000, he served as Account Manager, Jakarta until March 2003. In April 2003, he became Team Leader – Parts, Tools & Machinery. From May 2003, he started his career at PT Bank NISP Tbk as Credit Risk Section Head Jakarta until December 2004. From January 2005 until September 2005, he served as Commercial Credit Development Head. Then from September 2005, he was appointed as Corporate Business Head Jakarta until January 2006. Continued as Marketing Coordinator of Jakarta V until February 2006. Then served as Marketing Department Head of Regional V Jakarta and Branch Head of Bekasi concurrent as Area Coordinator from February 2006 until January 2009. Continued as Distribution Head of Metro Surabaya (Emerging Business and Commercial Head) in January 2009 until June 2010. From July 2010, he worked at PT Bank Windu Kentjana International, Tbk as Regional Head of Jabodetabek until December 2010. Then he was appointed as Regional Head Sumatera, Bali, Pontianak & Jatabek in January 2011 until August 2013.

The trainings attended in 2023 as follow:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Online Training "Risk Weighted Assets (RWA) Operational Risk Using the Standard Approach in calculating the Batch 1 KPMM ratio" by RMG on October 8, 2023 in Jakarta.
3. Training "Redefining Human Capital: Inspiring People to Take Action" by Indonesia HR Summit on June 19-20, 2023 in Nusa Dua, Bali.
4. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As a Director, he oversees Operation, Trade Operation, Credit Operation, General Affair & Infrastructure, Special Assets Management, Human Capital dan Operation Development.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-109/D.03/2016 dated November 30th, 2016.



Board of Directors Profile



Chandra N T Siagian, Director of Finance

Indonesian citizen, born in Medan in 1971. He obtained his Bachelor of Economics majoring in Economics and Accounting from the University of Indonesia in 1994.

Appointed as Director of the Company since November 2018.

Began his career in banking at Bank HSBC from September 1994 until September 2004 in various fields such as Financial Controller, IT Business Analyst, Customer Services and Treasury Services with various key positions including as the Head of Finance.

After that, he continued his career at Standard Chartered Bank since September 2004 until February 2007 as the Head of Business Finance and Strategic Customer Management for Consumer Banking. Then from March 2007 until April 2009, he had a career at Bank Permata as the Head of Change Management/Strategic Performance Management.

In May 2009, as Head of Business Planning and Analytics in Barclays Bank until June 2010. Furthermore, in July 2010 he continued his career in Bank Permata with a number of key positions, most recently as the Head of Performance Management & Corporate Planning until July 2018.

The trainings attended in 2023 as follow:

1. Online Training "Risk Management Refreshment Batch 1" by Kovida Training on February 1, 2023 in Jakarta.
2. Workshop "Team Building Directorate of Finance" by Lennira Team on October 21-22, 2023 in Bogor.
3. Webinar "How to Drive Corporate Performance through Accounting Practices" by the OJK Institute on November 9, 2023 in Jakarta.
4. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

He has received "The Best Performance CFO 2023 in Revenue Optimization Through Business Segmentation Development" from Warta Ekonomi magazine on February 28, 2023.

He has also received "Indonesia Best CFO 2023 Award" from SWA magazine on September 7, 2023.

As a Director, he oversees Corporate Secretary & Communication, Financial Planning & Management, Accounting & Tax, and Customer Complaint Handling.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No. 27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-188/D.03/2018 dated November 14th, 2018.

Agresius Robajanto Kadiaman, Director of Compliance

Indonesian citizen, born in Jakarta in 1967, He obtained his Bachelor of Economics majoring in Economics & management from the University of Indonesia in 1991 and his Master degree in Business Administration from Nanyang Technological University, Singapore in 2003.

Appointed as Director of the Company since February 6th, 2019.

He began his career in banking at Citibank N.A. in April 1991 until April 1997, including as Financial Control Staff, Relationship Manager and lastly served as Assistant Vice President, Financial Institutions and Custody.

After that, he continued his career at PT Bank Danamon Tbk since May 1997 until November 1999 with last position as Head of Treasury and International Division.

Since November 1999 until July 2002, he worked at the Indonesian Bank Restructuring Agency in various key positions such as the Head of Bank Restructuring and Head of Risk Management and Compliance Division. In the period of November 1999 until November 2000, he was appointed as Member of the Management Team at PT Bank Bali Tbk in the framework of the bank restructuring and recapitalization process.

After completing his Master degree at Nanyang Technological University, he restarted his career as an Advisor at PT Trans Pacific Petrochemical Indotama in September 2003 until February 2004. Then in February 2004, he was appointed as the Director of Finance at PT Tuban Petrochemical Industries until May 2004. In May 2004, he returned to PT Trans Pacific Petrochemical Indotama until August 2008 with last position as the Vice President Director and Chief Financial Officer.

He continued his career at PT Sampoerna Strategic in Micro Finance Business Unit in August 2008 as the Chief Financial Officer and Acting Chief Risk Officer until December 2011. In the period of January 2012 until April 2015, he was appointed as the Director of Finance at PT Bank Sahabat Sampoerna.

Subsequently became the Country Channel Partner at BIG APC Singapore in May 2015 until July 2016, and in almost the same period, he was appointed as the President Director of PT Karabha Digdaya in October 2015 until July 2016.

In July 2016, he was appointed as the Director of Finance at PT Sarana Multi Infrastruktur until July 2018. Meanwhile, in September 2016, he also became an Advisor to the Board of Directors at PT Karabha Digdaya until early February 2019.

In September 2018 until the beginning of February 2019, he also served as an Advisor to the Executive Management in Non-Government Budget Investment Financing (PINA), Ministry of National Development Planning.

The trainings attended in 2023 includes:

1. Seminar "Financial Services Industry Outlook in 2023" by Financial Services Authority (OJK) on January 10, 2023 in Jakarta.
2. Training "Refreshment of Risk Management Certificate: Digital Transformation and Its Implications on Risk Management" by Gagasan Risiko Manajemen on February 1, 2023 in Jakarta.



Board of Directors Profile

3. Online Training "Risk Weighted Assets (RWA) Operational Risk Using the Standard Approach in calculating the Batch 1 KPMM ratio" by RMG on February 8, 2023 in Jakarta
4. Webinar "Anti Money Laundering in the Digital Era: Lessons Learned from Selected Countries" by OJK Institute on April 6, 2023 in Jakarta.
5. Webinar "Metaverse Opportunities in the Financial Services Industry" by OJK Institute on May 11, 2023 in Jakarta.
6. Webinar "Getting to Know More About the Regulations on the Financial Sector Development and Strengthening Law (UU P2SK) in the Context of Strengthening the Banking Sector" by OJK Institute on June 22, 2023 in Jakarta.
7. Online Training "Implementation of Personal Data Protection Laws and Challenges to Their Implementation" by FKDKP on July 12, 2023 in Jakarta.
8. Workshop "2023 Training Session for Compliance Officers of Overseas Institutions" by CCB Corporation on July 17-21, 2023 in Xiamen, China.
9. Webinar "Socialization of Financial Services Authority Regulations on the Implementation of Governance for Commercial Banks" by OJK Institute on September 19, 2023 in Jakarta.
10. Seminar "Socialization of the Resolution Plan and Premiums for the Banking Restructuring Program (PRP)" by Deposit Insurance Corporation (LPS) on November 1-2, 2023 in Bandung.
11. Workshop "Risk Management Training for Overseas Institutions" by CCB Corporation on November 13-14, 2023 in Qindao, China.
12. Online Training "Risk Management Refreshment Level 7" by Bintang Solusi Laras on December 27, 2023 in Jakarta.

As a Director, he oversees Compliance, Risk Management, Legal, and Corporate Policy Guidelines & Procedures.

As a member of the Board of Directors, he has adhered to all the requirements stipulated in the Financial Services Authority Regulation No. 33/POJK.04/2014 (formerly Capital Market Authority Regulation IX.I.6), No.27/POJK.03/2016, Circular Letter of Financial Services Authority No. 39/SEOJK.03/2016 and has obtained approval from the Financial Services Authority No. KEP-17/D.03/2019 dated January 31st, 2019.

All members of the Company's Board of Directors do not have any financial, management, ownership, family relationship with other members of Board of Directors, Board of Commissioners and/or Controlling Shareholders or any relationship with the Company, which may affect their ability to act independently.





Executive Officers



No.	Name	Citizen	Last Position	Place and date of birth	Join Date	Education	Major	University
1.	Andreas Herman Basuki	WNI	Corporate Secretary	Jakarta 13-Nov-64	02-Jan-08	S1	Management	Universitas Trisakti
2.	Rio Hardanto	WNI	General Affair & Infrastructure Division Head	Jakarta 18-May-75	17-Jul-17	S1	Politic	Universitas Indonesia
3.	Andana Eka Artjana	WNI	Operation Division Head	Surabaya 30-Mar-67	11-Aug-08	S1	Accounting	UPN Veteran Surabaya
4.	Toni Azliyanto Batubara	WNI	Operation Development Division Head	Jakarta 19-May-73	09-Aug-10	S1	Banking Management	STIE Bhakti Pembangunan
5.	Syahruddin Yulis	WNI	Accounting & Tax Division Head	Jambi 17-Oct-73	20-Oct-20	S1	Accounting	STIE Malangkeucewara
6.	Irwan Ignatius Bonto	WNI	Human Capital Division Head	Makassar 19-Aug-65	03-Jun-13	S1	Law	Universitas Hasanuddin
7.	Li Changbin	China	Head of IT Development Management Division	Guangdong 01-Nov-88	27-Apr-21	S2	Electronic & Communication Engineering	South China University of Technology
8.	Then Andy Tjayady	WNI	IT Operation Management Division Head	Jakarta 27-Apr-79	06-Jan-23	S2	Computer	Universitas Bunda Mulia
9.	Irarto Purwasidarma	WNI	Legal Division Head	Surabaya 16-Jan-76	07-Jun-18	S2	Law	Monash University
10.	Chandra Bachtiar	WNI	Consumer Asset & E-Banking Division Head	Jakarta 10-Feb-69	03-Jan-11	S1	Management	Universitas Atmajaya
11.	Lukman Ferdian Nugraha	WNI	Small & Medium Enterprise (SME) Division Head	Bogor 06-Feb-87	11-Apr-16	S1	Information & Library Science	Universitas Padjadjaran
12.	Djunaedi Hidajat	WNI	Commercial Division Head	Karawang 26-Sep-70	18-Jan-10	S2	Management	Universitas Tarumanegara
13.	Suriyanto Chang	WNI	Treasury & Financial Institution Division Head	Medan 20-May-68	08-Aug-16	S1	Management	Universitas Tarumanegara
14.	R. Adhi Susatyo	WNI	Trade Finance Division Head	Bandung 09-Dec-70	17-Apr-17	S2	Business Administration	Strayer University
15.	Suandi Sitorus	WNI	Risk Management Division Head	Tapanuli 30-Nov-79	01-Aug-10	S1	Accounting	Universitas Negeri Medan
16.	Vidya Maman Timbowo	WNI	Compliance Division Head	Donggala 10-May-81	29-Nov-19	S1	Law	Universitas Sam Ratulangi
17.	Victorius Hananto	WNI	Corporate Policy, Guidelines & Procedure Division Head	Wonogiri 03-Jun-75	16-Sep-13	S1	Forest Management	Universitas Gadjah Mada
18.	Jusry Sandhi Hausjah	WNI	Credit Review Division Head	Jakarta 15-Jun-69	01-Dec-16	S1	Management	Universitas Trisakti
19.	Thomas Widiyanto	WNI	Strategic Transformation Division Head	Yogyakarta 07-Aug-71	18-Mar-10	S1	Management	Universitas Atma Jaya Yogyakarta
20.	Iwan Apw Yuliawan	WNI	Trade Operation Division Head	Palembang 23-Jul-65	21-May-07	S1	Management	Universitas Pancasila
21.	Jing Ting	China	China Desk 1 Division Head	Chongqing 19-Sep-86	13-Jun-22	S2	Finance	Sichuan University
22.	Fan Man	China	Trade Finance-China Desk Division Head	Guangxi 21-Nov-92	20-Feb-21	S1	Arts	Guangxi University
23.	Noviyanto Halim	WNI	Special Asset Management Unit Head	Teluk Betung 24-Nov-72	01-Jul-03	S1	Management	Universitas Kristen Krida Wacana
24.	Eko Wahyu Suprihatino	WNI	Credit Operation Division Head	Jakarta 22-Feb-72	10-Feb-10	S1	Finance & Banking Management	STIE PERBANAS
25.	Ari Landjang	WNI	Customer Complaints Handling Unit (UP3N)	Tanjung 05-Nov-68	05-Jan-11	S1	Oil Engineering	Universitas Veteran Jogyakarta
26.	Teguh Prihatno	WNI	Anti Fraud Unit Head	Jakarta 06-Jun-72	05-Jan-15	D3	Computer Technics	STMIK Gunadarma
27.	Hu Qiufeng	China	Digital Banking Division Head	Hunan 20-Dec-97	04-Dec-23	S1	Arts	Guangdong University
28.	Dian Anggraeni	WNI	Liabilities & Branch Network Division Head	Jakarta 05-Jun-80	28-Jul-16	S1	Mathematics and Natural Science	Universitas Indonesia
29.	Rita Fitria	WNI	Audit Internal Division Head	Bireun 05-Jul-78	22-May-23	S2	International Business	Queensland University Of Technology
30.	Dennis Pratama Setiawan	WNI	Corporate Banking 2 Division Head	Jakarta 02-Sep-89	25-Aug-16	S1	Economics	Universitas Jiangan, China

Executive Officers



No.	Name	Citizen	Last Position	Place and date of birth	Join Date	Education	Major	University
31.	Li Qiu	China	Asset Liability Management Division Head	Sichuan 20-Aug-83	05-Dec-20	S2	Finance	Chongqing University
32.	Sui Seng	WNI	Regional Head of Sumatra, Kalimantan and Sulawesi	Tanjungbatu 04-Mar-71	03-Jan-11	S1	Management	STIE Gotong Royong
33.	Tang Amir	WNI	Regional Head of Jawa Timur, Bali & Nusa Tenggara	Rantau Prapat 23-May-64	01-Dec-16	S2	Finance Management	Universitas Negeri Mataram
34.	Agus Setiawan Tjahjadi	WNI	Regional Head Jakarta I	Jakarta 24-Aug-70	03-May-10	D3	Informatics Management	STMIK Bina Nusantara
35.	Liau Tarsisius Fredy	WNI	Regional Head of Jawa Barat	Yogyakarta 21-May-69	02-Jun-21	S1	Management	Universitas Trisakti
36.	Lilis Tanuwijaya	WNI	Regional Head Jakarta II	Pontianak 30-Jun-66	16-Jan-06	S1	Accounting	Universitas Tanjungpura
37.	Ka Tjing	WNI	Regional Head Jakarta III & Karawang	Kep. Riau 26-Sep-65	02-Jan-08	S1	Accounting	STIE YKPN
38.	Christiana Hidayati W	WNI	Regional Head of Jawa Tengah & Yogyakarta	SURAKARTA 27-Dec-69	28-Jan-19	S2	Management	Universitas Gadjah Mada
39.	Herman Indra	WNI	Regional Head Tangerang & Sumatera	Palembang 24-Feb-83	07-Mar-16	S1	Informatic Technics	Universitas Bina Nusantara Jakarta
40.	Resdy	WNI	Branch Manager of Bogor - Pajajaran	Bogor 02-Jan-86	04-Oct-23	S1	Manajemen	Universitas Tarumanegara
41.	Tenny Rusmarwati	WNI	Branch Manager of Bandung - Abdurachman Saleh	Bandung 08-Jul-70	02-Jan-15	SMA	IPS	SMU Swasta Trinitas, Bandung
42.	Palguno Jatu Laksito Adi	WNI	Branch Manager of Solo-Veteran	Boyolali 07-Jan-86	02-Sep-19	S1	Economics	Universitas Islam Indonesia
43.	Grace Raynata	WNI	Branch Manager of Semarang - Pemuda merangkap Sub BM Semarang-Depok	Malang 21-Mar-87	17-Apr-18	S1	Management	Universitas Kristen Satya Wacana
44.	Henri	WNI	Branch Manager of Tanjung Pinang - Katamso	Tanjung Pinang 22-Jan-85	15-Sep-14	S1	Management	Universitas Terbuka
45.	Paulus Sin Kiang	WNI	Branch Manager of Pontianak - Ahmad Yani	Pontianak 15-May-67	01-Apr-10	S1	Management	Universitas Terbuka
46.	Indra Wijaya	WNI	Branch Manager of Batam-Nagoya	Sungailiat 19-Apr-88	03-Mar-14	S1	Sistem Informasi	Universitas Bina Nusantara, Jakarta
47.	Erwan Chandra	WNI	Branch Manager of Palembang - Kebumen	Palembang 27-Apr-84	10-Oct-22	S1	Business Administration	STMIK MDP Palembang
48.	Mikael Gutomo	WNI	Branch Manager of Jakarta, Sahid Sudirman	Balik Papan 11-Dec-85	09-May-11	S1	Social Politics	Universitas Atma Jaya Yogyakarta
49.	Budi Hermawan	WNI	Branch Manager of Yogyakarta - Diponegoro	Yogyakarta 04-Jan-72	01-Jun-11	S1	Economics	Universitas Atma Jaya Yogyakarta
50.	Andry Asali	WNI	Branch Manager of Pekanbaru - Jend. Sudirman	Pekanbaru 28-Aug-76	01-Mar-11	S2	Management	Universitas Atma Jaya Yogyakarta
51.	Henrij	WNI	Branch Manager of Lampung - Sudirman	Metro Lampung 29-Oct-68	24-Feb-11	S1	Management	Universitas Terbuka
52.	Eric Gandiwijaya	WNI	Branch Manager of Sukabumi - A Yani	Sukabumi 15-Jan-81	17-Sep-12	S1	Management	Universitas Kristen Maranatha
53.	David Yoesoef	WNI	Branch Manager of Makassar	Makassar 06-Aug-70	14-Nov-14	S1	Banking Financial Management	Sekolah Tinggi Ilmu Ekonomi Makassar
54.	Farida Andryani	WNI	Branch Manager of Pangkal Pinang	Pangkal Pinang 23-Apr-85	08-Oct-21	D3	Accounting Computer	STMIK AMIK Atma Luhur
55.	Riky Hariawan Saputro	WNI	Branch Manager of Denpasar - Bali Sunset Road	Denpasar 30-Jun-93	15-Sep-14	S1	economic	Universitas Pendidikan Nasional, Denpasar
56.	Linawati	WNI	Branch Manager of Malang - Basuki Rahmat	Pasuruan 29-May-87	27-Jun-22	S1	Economic management	Universitas Tritunggal
57.	Antonius Andrianto	WNI	Branch Manager of Surabaya - Pucang Anom	Jember 12-Apr-72	01-Aug-22	S1	Civil Engineering	Universitas Katolik Widya Mandala, Surabaya
58.	Sudjaja Suhanta	WNI	Branch Manager of Karawang	Karawang 01-May-66	01-Oct-18	D3	Economics	STIE Swadaya, Jakarta

Product, Services and Rate Information

Saving Products

1. Savings Account

- CCB Indonesia Saving
- CCB Indonesia Saving Plus
- CCB Indonesia Community Saving
- CCB Indonesia Business Saving IDR
- CCB Indonesia Foreign Business Saving (USD, SGD, CNY)
- CCB Indonesia SmartPlan Regular
- CCB Indonesia SmartPlan Special Gift
- CCB Indonesia Payroll Saving
- Student Savings (SimPel)
- CCB Indonesia Time Deposit (IDR, USD, SGD, CNY)
- CCB Indonesia Current Account (IDR, EUR, JPY, SGD, USD, CNY, AUD, HKD)

2. Bancassurance

- Inheritance Insurance
- SmartPension Insurance
- Carlink Pro Ultimate
- SiJi Smart Kid
- CLII Excellent Hospital Income Plan
- CLI Excellent Academic Assurance Plan

Loan Products

1. Working Capital Loan

a. Direct Loan:

- Overdraft Loan
- Fixed Loan (FL)
- Demand Loan (DL)
- Installment Loan (IL)
- Trust Receipt (TR)
- Export Loan

b. Indirect Facility (Trade Finance):

- Letter of Credit (L/C)
- Local L/C (SKBDN)
- Bank Guarantee
- Standby Letter of Credit (SBLC)
- Demand Guarantee

- Negotiation/Discounting under LC/SKBDN
- Documentary Collection under L/C or SKBDN
- Documentary Collection non L/C or SKBDN (D/A or D/P)
- Invoice Financing (A/P or A/R Financing)
- Trust Receipt

2. Investment Loan

3. Consumer Loan

- Mortgage Loan (Housing Loan/ Shophouses /Apartment/ Land/Renovation Loan/Construction Loan/Multi-purpose Loan/Top Up/Take Over)
- Vehicle Loan
- Unsecured Loan

Corporate Banking Products

- Investment Loan (KI)
- Installment Loan (IL)
- Fixed Loan
- Demand Loan (DL)
- Overdraft (PRK)
- Syndication Loan

Services

- ATM (All Prima ATM Network)
- Internet Banking (Corporate & Individual) & Mobile Banking
- Virtual Account
- CCBI Alerts (SMS & e-mail Notification)
- Domestic Transfer
- International Transfer
- Clearing
- Internasional Remittance
- Foreign Exchange Trading
- Export and Import (Trade Finance)
- Bank Settlement
- Safe Deposit Box (SDB)
- Payroll Service
- Bank Guarantee
- State Receipt Module (MPN) G3
- Reksus (Special Account Services) DHE SDA IDR, USD, CNY, SGD)
- Bilateral Payment between Indonesia and China (in IDR/CNY)
- Prefix (transfer to CCB China)

1. ATM / Debit Card

- Transactions on CCB Indonesia ATM network
 - Cash withdrawal, balance inquiry, overbooking, online transfer
 - Mobile phone top-up balance
 - Postpaid mobile phone bill payment, pay TV, BPJS, PDAM bills
- Transactions on Prima and ALTO networks
 - Cash withdrawals, balance inquiry, online transfers
 - ATM / Debit Card with the NPG (National Payment Gateway) logo

2. Internet Banking and Mobile Banking

- Corporate Internet Banking
 - Information of Transaction history, Overbooking, Online Transfer, SKN, RTGS and BI-FAST
 - Payroll
 - Virtual Account
 - Chinese Language Support
- Individual Internet Banking & Mobile Banking
 - Information of Transaction history, Overbooking, Online Transfer, SKN, RTGS and BI-FAST
 - Purchases: Mobile Phone top-up balance, Train Tickets, PLN prepaid
 - Payment: Mobile Phone postpaid bills, Pay TV, PDAM, Electricity bills, Credit Card bills
 - QRIS Payment
 - Chinese Language Support



Product, Services and Rate Information

Trade Finance Services

- Issuance of Letter of Credit (L/C) and Local L/C (SKBDN)
- Bank Guarantee
- Standby L/C
- Demand Guarantee
- L/C or SKBDN Discounting/Negotiation
- Non L/C or Non SKBDN Discounting (D/A, D/P)
- Bill of Exchange Avalization (non L/C)
- Supply Chain Financing
- Invoice Financing
 - a. A/P Financing
 - b. A/R Financing
- Pre Shipment Financing (LC/Local LC/PO/Sales Contract)
- Documentary Collection under L/C and Non L/C
- L/C advising
- Trust Receipt (T/R)

Treasury

- FX Today, Tomorrow and Spot
- FX Forward / Swap
- Bank Notes
- Deposit on Call
- Local Currency Settlement (LCS)
- Non – Delivery Forward (NFD)

Average Interest Rate

Average Interest Rate of Third Party Fund:

Third Party Fund	2023	2022
1. Current Account		
- Rupiah	2.73%	2.27%
- FX	0.79%	0.33%
2. Saving		
- Rupiah	1.65%	1.58%
- FX	0.84%	0.82%
3. Time Deposit		
- Rupiah	4.88%	3.60%
- FX	4.61%	2.62%

Average Interest Rate of Loan:

Loan	2023	2022
1. Loan		
- Rupiah	7.94%	7.94%
- FX		
> US\$	6.81%	4.30%
> Sin\$	6.64%	6.32%
2. Employee Loan	3%-13%	3%-13%






中国建设银行
China Construction Bank
印度尼西亚股份有限公司
CCB Indonesia



Offices Network

Office Network of PT Bank China Construction Bank Indonesia

No	Office	Address	Phone	Fax
1.	Head Office	Sahid Sudirman Centre Lantai 15 Jl. Jend. Sudirman Kav. 86, Central Jakarta 10220	021-50821000	021-50821010

CENTRAL JAKARTA, DKI JAKARTA PROVINCE

No	Office	Address	Phone	Fax
2.	Sub Branch Office Jakarta Tanah Abang	Jl. H. Fachrudin Blok C/47-48, Tanah Abang Bukit (AURI), Central Jakarta 10250.	021-3456412 / 3803124	021-3909693
3.	Sub Branch Office Jakarta Hasyim Ashari	Jl. KH. Hasyim Ashari No. 40, West Jakarta 10140	021-6323027	021-63857350
4.	Sub Branch Office Jakarta Pecenongan	Jl. Pecenongan No. 88, Central Jakarta 10170	021-3863328/ 3868450	021-3868504
5.	Sub Branch Office Jakarta Batavia	Menara Batavia Lt. 1, Jl. KH. Mas Mansyur Kav. 126, Central Jakarta 10220	021-57930045/48	021-57930046
6.	Sub Branch Office Jakarta Intiland	Intiland Tower Main Lower Ground Jl. Jend. Sudirman Kav. 32, Central Jakarta 10220	021-57953078-80	021-57950213
7.	Branch Office Jakarta Sahid Sudirman	Lantai Dasar Unit DB Gedung Perkantoran Sahid Sudirman Center Jl. Jend. Sudirman Kav 86, Central Jakarta, 10220	021 - 50821388	021 - 50821399

SOUTH JAKARTA, DKI JAKARTA PROVINCE

No	Office	Address	Phone	Fax
8.	Sub Branch Office Jakarta Radio Dalam	Jl. Radio Dalam A/1A (Komp. Yado) South Jakarta, 12140	021 - 27513213/14	021 - 27513211
9.	Sub Branch Office Jakarta Kebayoran Lama	Komplek Permata Kebayoran Plaza Jl. Raya Kebayoran Lama Blok A No. 3-4 South Jakarta 12220	021-2701104	021-7268763
10.	Sub Branch Office Jakarta Menara Dea	Ground Floor (Plaza) Suite GF-03 DEA Tower II, Kawasan Mega Kuningan Jl. Mega Kuningan Barat Kav. E4.3 No 1-2 South Jakarta 12950.	021-5762939	021-5761248
11.	Sub Branch Office Jakarta Plaza Asia	Plaza Asia Lt. Dasar, Jl. Jend. Sudirman Kav. 59, South Jakarta 12190	021-51401255	021-51401259
12.	Sub Branch Office Jakarta Indocement	Wisma Indocement Lt. Dasar Jl. Jend. Sudirman Kav. 70-71 South Jakarta 12910	021-51401255	021-5705853

Offices Network

WEST JAKARTA, DKI JAKARTA PROVINCE

No	Office	Address	Phone	Fax
13.	Sub Branch Office Jakarta Hayam Wuruk	Jl. Hayam Wuruk No. 106 B-C West Jakarta 11160	021-2601333 (hunting)	021-2601314
14.	Sub Branch Office Jakarta Asemka	Jl. Asemka No. 24, West Jakarta 11110	021-6901818	021-6906040
15.	Sub Branch Office Jakarta Slipi	Jl. Let. Jend. S. Parman Kav. 92 West Jakarta 11420	021-5668292	021-566185
16.	Sub Branch Office Jakarta Glodok	Jl. Pinangsia (Glodok Plaza) H.40 West Jakarta 11000	021-62200264	021-6245671
17.	Sub Branch Office Jakarta Pesanggrahan	Jl. Pesanggrahan Raya 3 C, West Jakarta 11620	021-58902433	021-5862906
18.	Sub Branch Office Jakarta Ketapang	Ruko Ketapang Business Centre Blok A-9, Jl. KH. Zainul Arifin No. 20, West Jakarta 11140	021-63866239-40	021-63866243

NORTH JAKARTA, DKI JAKARTA PROVINCE

No	Office	Address	Phone	Fax
19.	Sub Branch Office Jakarta Kelapa Gading Bukit Indah	Komplek Gading Bukit Indah Blok A No. 12 dan 15, Jl. Bukit Gading Raya, North Jakarta	021-22454101/ 22452019	021-22454252
20.	Sub Branch Office Jakarta Mangga Dua	Pusat Grosir Pasar Pagi Lt. 3 Blok D No. 8 Jl. Arteri Mangga Dua Raya North Jakarta 14430	021-6013630/ 6255647	021-6491466
21.	Sub Branch Office Jakarta Pluit	Jl. Pluit Sakti Raya 28 / A-5 North Jakarta 14450	021-6601236/ 6601256	021-6604293
22.	Sub Branch Office Jakarta Kelapa Gading Inkopal	Ruko Kantor (Kokan) Plaza Kelapa Gading Blok C No. 5, Jl. Raya Boulevard Barat North Jakarta 14240	021-45851477	021-45851543
23.	Sub Branch Office Jakarta Gold Coast PIK	Gold Coast Office, Pantai Indah Kapuk RT 06 RW 02, Kamal Muara, Penjaringan North Jakarta, 14470	021-39710800	-
24.	Sub Branch Office Jakarta Sunter	Komplek Rukan Puri Mutiara Blok D No. 7 Jl. Griya Utama – Sunter Agung North Jakarta 14350	021-6521295-96	021-6521307

EAST JAKARTA, DKI JAKARTA PROVINCE

No	Office	Address	Phone	Fax
25.	Sub Branch Office Jakarta Jatinegara	Bukit Duri Plaza, Jl. Jatinegara Barat No. 54 E East Jakarta 13650	021-2800082	021-8501833
26.	Sub Branch Office Jakarta Indomobil	Wisma Indomobil Lt. 2, Jl. MT. Haryono Kav.8 East Jakarta 13330	021-8583179	021-8583181
27.	Sub Branch Office Jakarta Rawamangun	Jl. Pemuda No. 33 A, Rawamangun East Jakarta 13220	021-47884980/ 47884982	021-47884981

Offices Network

TANGERANG, BANTEN PROVINCE

No	Office	Address	Phone	Fax
28.	Sub Branch Office Tangerang Merdeka	Jl. Merdeka No. 207 D, Tangerang 15113	021-55791905/ 55791907	021-55791906
29.	Sub Branch Office Tangerang Alam Sutera Prominence	The Prominence Tower GF Jl. Jalur Sutera Barat No. 15 Alam Sutera, Tangerang 15143	021-80600838	
30.	Sub Branch Office Tangerang Gading Serpong	Jl. Boulevard Gading Serpong Blok BA-02 No. 37, Tangerang 15810	021- 54203693	021- 54203762
31.	Sub Branch Office Tangerang ITC BSD	ITC BSD Blok R No. 39, BSD City Serpong, Tangerang Selatan 15320	021-53154836-38/ 53154839	021-53154840
32.	Sub Branch Office Tangerang City	Ruko Business Park Tangerang City Blok B No. 28, Tangerang 15117	021-55781813 / 55781814	021-55781816

BEKASI, WEST JAVA PROVINCE

No	Office	Address	Phone	Fax
33.	Sub Branch Office Bekasi Kalimalang	Komplek Duta Plaza Blok B II No. 3-4 Jl. KH. Noor Ali, Kalimalang, Bekasi 17145	021- 8843510/ 8843511	021 - 8843126
34.	Sub Branch Office Bekasi Harapan Indah	Ruko Boulevard Hijau Blok B 8 No. 52 Kota Harapan Indah, Bekasi 17131	021- 88387063-65	021 - 88387067
35.	Sub Branch Office Bekasi JABABEKA II Cikarang	Jl. Niaga Raya, Ruko Capitol Jababeka Cikarang Blok 2-I Kawasan Industri Jababeka II, Cikarang, Bekasi 17530	021- 8932 5888	021- 8932 6008

BOGOR, WEST JAVA PROVINCE

No	Office	Address	Phone	Fax
36.	Branch Office Bogor Pajajaran	Jl. Pajajaran No. 70 E, Bogor 16143	0251 - 8314963	0251 - 8315166
37.	Sub Branch Office Bogor Dewi Sartika	Jl. Dewi Sartika, Ruko Central Blok C No. 1 Bogor 16121	0251- 8312744/ 8312892	0251- 8314156
38.	Sub Branch Office Bogor Surya Kencana	Jl. Surya Kencana No. 83, Bogor 16000	0251- 8323443	0251-8312336

SUKABUMI, WEST JAVA PROVINCE

No	Office	Address	Phone	Fax
39.	Branch Office Sukabumi	Jl. Jend. Ahmad Yani No. 4, Sukabumi 43131	0266-246000	0266-243000

BANDUNG, WEST JAVA PROVINCE

No	Office	Address	Phone	Fax
40.	Branch Office Bandung Abdurachman Saleh	Jl. Abdurachman Saleh No. 1A Ruko E-F, Bandung 40174	022- 6030222	022- 6030378
41.	Sub Branch Office Bandung Braga	Jl. Braga No.100, Bandung 40111	022-4239677 (Hunting)	022-4239650
42.	Sub Branch Office Bandung Buah Batu	Jl. Buah Batu No 201 E, Bandung 40265	022-7302220 (Hunting)	022-87354333
43.	Sub Branch Office Bandung Naripan	Jl. Naripan No. 79-81, Bandung 40112	022-4207336/ 4207375	022-4219387
44.	Sub Branch Office Bandung RS. Melinda DR. Cipto	Rumah Sakit Bedah Melinda, Jl. Dr. Cipto No. 1, Bandung	022-4233777 ext. 7732-33	-
45.	Sub Branch Office Bandung RS. Melinda Pajajaran	Melinda Hospital Jl. Padjajaran No. 46, Bandung	022-4266482	-

Offices Network

KARAWANG, WEST JAVA PROVINCE

No	Office	Address	Phone	Fax
46.	Branch Office Karawang	Galuh Mas Blok IV No. 53 & 55 Karawang 41361	0267-408180	0267-400125

SEMARANG, CENTRAL JAVA PROVINCE

No	Office	Address	Phone	Fax
47.	Branch Office Semarang Pemuda	Jl. Pemuda No. 150, Komplek Ruko Pemuda Mas Blok A No. 14, Semarang 50132	024-3547893	024-3553045
48.	Sub Branch Office Semarang Depok	Jl. Depok No.26 C-D, Semarang 50133	024-3554676-79	024-3517481
49.	Sub Branch Office Semarang Beteng	Jl. Beteng No. 67, Semarang 50137	024-3513251/ 3513250	024-3549075

SOLO, CENTRAL JAVA PROVINCE

No	Office	Address	Phone	Fax
50.	Branch Office Solo Veteran	Jl. Veteran No. 68, Solo 57115	0271-644123	0271-666717

YOGYAKARTA, DIY PROVINCE

No	Office	Address	Phone	Fax
51.	Branch Office Yogyakarta	Jl. Pangeran Diponegoro No.11-13 Yogyakarta 55232	0274-555233	0274-550078

SURABAYA, EAST JAVA PROVINCE

No	Office	Address	Phone	Fax
52.	Sub Branch Office Surabaya Darmo	Komplek Darmo Square Blok D-8 Jl. Raya Darmo No. 54-56, Surabaya 60264	031-5680623	031-5665604
53.	Sub Branch Office Surabaya Bongkaran	Jl. Bongkaran No. 28 - 30, Surabaya 60161	031-3540909 (hunting)	031-3571730
54.	Branch Office Surabaya Puncang Anom	Jl. Puncang Anom Timur No.19, Surabaya 60282	031-5025337	031- 5025334
55.	Sub Branch Office Surabaya HR. Muhamad	Komp Pertokoan Surya inti Permata Blok C1-C2, Jl. HR Muhammad, Surabaya 60226	031-7345683, 7345659	031-7345685
56.	Sub Branch Office Sidoarjo	Jl. Jend A Yani No 40 D, Sidoarjo 61219	031 8924415-17	031 8921561

MALANG, EAST JAVA PROVINCE

No	Office	Address	Phone	Fax
57.	Branch Office Malang Basuki Rahmat	Jl. Jend Basuki Rahmat No. 16, Malang 65119	0341-327891-93	0341-328130
58.	Sub Branch Office Malang Lawang	Jl. M. H. Thamrin No. 19 C, Lawang, Malang 65111	0341-426715-16	0341-426715

RIAU ISLAND PROVINCE

No	Office	Address	Phone	Fax
59.	Branch Office Batam Nagoya	Komplek Pasar Nagoya Lama Blok A Jl. Imam Bonjol Blok E No. 9-10, Batam 29444	0778-457255	0778-457770
60.	Branch Office Tanjungpinang Katamso	Jl. Brigjen Katamso No. 88 Tanjungpinang 29111	0771-313999/ 29185	0771-315918
61.	Sub Branch Office Batam Penuin Centre	Jl. Pembangunan, Komplek Penuin Centre Blok E No.3, Batam 29441	0778-422718	0778-422719

Offices Network

RIAU PROVINCE

No	Office	Address	Phone	Fax
62.	Branch Office Pekanbaru Sudirman	Jl. Jendral Sudirman No. 408 - 410 Pekanbaru 28115	0761- 26288	0761- 26088
63.	Sub Branch Office Pekanbaru A.Yani	Jl.Jend. Ahmad Yani No. 2 J Pekanbaru 28155	0761-39877	0761-39787

BANGKA BELITUNG PROVINCE

No	Office	Address	Phone	Fax
64.	Branch Office Pangkalpinang Sudirman	Ruko Harmoni City, Blok C Nomor 7-8 Jl. Soekarno Hatta, Kota Pangkal Pinang 33141	0717-421213	0717-421995

LAMPUNG PROVINCE

No	Office	Address	Phone	Fax
65.	Branch Office Lampung	Jl. Jend. Sudirman No. 60 B - 60 C Bandar Lampung 35118	0721-258989	0721-241260

PALEMBANG, SOUTH SUMATRA PROVINCE

No	Office	Address	Phone	Fax
66.	Branch Office Palembang Kebumen	Jl. Kebumen Darat No. 913A,914, 914/787, Palembang 30122	0711-370980	0711-370983

PONTIANAK, WEST KALIMANTAN PROVINCE

No	Office	Address	Phone	Fax
67.	Branch Office Pontianak A.Yani Megamall	Jl. Ahmad Yani, Komp. Ruko Ahmad Yani Sentra Bisnis Blok B 8-9 (Komp. Mega Mall), Pontianak, West Kalimantan 78121	0561- 6655638	0561- 6655637
68.	Sub Branch Office Pontianak Juanda	Jl. Ir. H Juanda N0 67-68, Pontianak, West Kalimantan 78117	0561 - 744228	0561 - 744227

DENPASAR, BALI PROVINCE

No	Office	Address	Phone	Fax
69.	Sub Branch Office Bali Denpasar	JL. M. H. Thamrin No.43, Denpasar 80111	0361-427611	0361-423659
70.	Branch Office Bali Sunset Road	Jl. Sunset Road No.234, Kuta, Badung Bali 80361	0361-9346455 (hunting)	0361-9346456

MATARAM, WEST NUSA TENGGARA PROVINCE

No	Office	Address	Phone	Fax
78.	Branch Office Mataram	Jl. Pejanggik No.109, Mataram 83239	0370-621666 (hunting)	0370-622110

MAKASSAR, SOUTH SULAWESI PROVINCE

No	Office	Address	Phone	Fax
72.	Branch Office Makassar	Jl. Sulawesi No. 19 & 21, Kota Makassar, South Sulawesi 90174	0411-3632977/ 3632979	0411- 3632974



Tari Kipas Pakarena

Makassar

A regional dance form known as the Pakarena Fan Dance was developed in Gowa, South Sulawesi Province. This dance is known as the Pakarena Fan Dance in the Gowa region. According to history, the Pakarena Fan dancing is one of the dancing forms that the Gowa Kingdom left behind. Previously, the kingdom enjoyed a time of greatness and was able to maintain long-term dominance over the Sulawesi region in the south.

Financial Statement

06



Togetherness in Indonesian Traditional dance philosophy

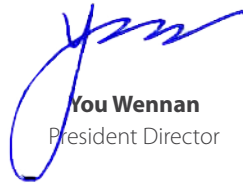
RESPONSIBILITY FOR FINANCIAL REPORTING

THE STATEMENT LETTER OF MEMBERS OF BOARD OF DIRECTORS AND MEMBERS OF BOARD OF COMMISSIONERS ON THE RESPONSIBILITY FOR THE 2023 ANNUAL REPORT OF PT BANK CHINA CONSTRUCTION BANK INDONESIA TBK.

We, the undersigned, declare that all information included in the 2023 Annual Report of PT Bank China Construction Bank Indonesia Tbk has been fully disclosed responsible for the accuracy of the contents of the Company's Annual Report.

We hereby certify the statement is made truthfully.
Jakarta, 15 April 2024

Members of Board of Directors,



You Wennan
President Director



Zhu Yong
Director




Setiawati Samahita
Director



Junianto
Director



Chandra NT Siagian
Director



Agresius R. Kadiaman
Compliance Director

Members of Board of Commissioners,



Sun Jianzheng
President Commissioner



Qi Jianguo
Commissioner



Mohamad Hasan
Independent Commissioner



Yudo Sutanto
Independent Commissioner

PT Bank China Construction Bank Indonesia Tbk

Laporan keuangan tanggal 31 Desember 2023
dan untuk tahun yang berakhir pada tanggal tersebut
beserta laporan auditor independen/
*Financial statements as of December 31, 2023
and for the year then ended
with independent auditor's report*

**SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN
TANGGAL 31 DESEMBER 2023
DAN UNTUK TAHUN YANG BERAKHIR
PADA TANGGAL TERSEBUT**

**PT BANK CHINA CONSTRUCTION BANK
INDONESIA TBK**

Kami yang bertanda tangan di bawah ini:

1. Nama/Name
Alamat Kantor/Office address

Alamat Rumah/Residential Address

Nomor Telepon/Telephone number
Jabatan/Title

2. Nama/Name
Alamat Kantor/Office address

Alamat Rumah/Residential Address

Nomor Telepon/Telephone number
Jabatan/Title

Menyatakan bahwa:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan PT Bank China Construction Bank Indonesia, Tbk ("Bank").
2. Laporan keuangan Bank telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia.
3. a. Semua informasi dalam laporan keuangan Bank tersebut telah dimuat secara lengkap dan benar.
b. Laporan keuangan Bank tidak mengandung Informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material.
4. Kami bertanggung jawab atas sistem pengendalian intern Bank.

Demikian pernyataan ini dibuat dengan sebenarnya

**DIRECTORS' STATEMENT
REGARDING THE RESPONSIBILITY FOR
THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2023
AND FOR THE YEAR THEN ENDED**

**PT BANK CHINA CONSTRUCTION BANK INDONESIA
TBK**

We, the undersigned:

: You Wennan
: Sahid Sudirman Center Lt.15
: Jl.Jendral Sudirman Kav 86
: Jakarta 10220
: Jl.Sekolah Duta II Blok PC No.4 RT. 002 RW. 014
: Kel.Pondok Pinang Kec.Kebayoran Lama Jakarta Selatan
: 021-50821000
: Direktur Utama / Presiden Director

: Chandra NT Siagian
: Sahid Sudirman Center Lt.15
: Jl.Jendral Sudirman Kav 86
: Jakarta 10220
: Jl.Sawo No 15 Kavling 6 Perum Sawo Residence
: RT 007 RW 005 Kel.Cipete Kec.Kebayoran Baru
: Jakarta Selatan
: 021-50821000
: Direktur / Director


Declare that:

1. *We are responsible for the preparation and presentation of financial statements of PT Bank China Construction Bank Indonesia, Tbk ("Bank").*
2. *The financial statements of the Bank have been prepared and presented in accordance with Indonesian Financial Accounting Standards.*
3. a. *All information has been fully and correctly disclosed in the financial statements of the Bank.*
b. *The financial statements of the Bank do not contain materially misleading information or facts, and do not conceal any information or facts.*
4. *We are responsible for the Bank's internal control system.*

This statement has been made truthfully

2 Februari 2024/February 2, 2024


You Wennan
Direktur Utama / Presiden Director


Chandra NT Siagian
Direktur / Director

The original financial statements included herein are in Indonesian language.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
LAPORAN KEUANGAN
TANGGAL 31 DESEMBER 2023
DAN UNTUK TAHUN YANG BERAKHIR
PADA TANGGAL TERSEBUT
BESERTA LAPORAN AUDITOR INDEPENDEN**

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2023
AND FOR THE YEAR THEN ENDED
WITH INDEPENDENT AUDITOR'S REPORT**

Daftar Isi	Halaman/ Pages	Table of Contents
Laporan Auditor Independen		<i>Independent Auditor's Report</i>
Laporan Posisi Keuangan	1 - 3	<i>Statement of Financial Position</i>
Laporan Laba Rugi dan Penghasilan Komprehensif Lain.....	4 - 5	<i>Statement of Profit or Loss and Other Comprehensive Income</i>
Laporan Perubahan Ekuitas.....	6	<i>Statement of Changes in Equity</i>
Laporan Arus Kas.....	7 - 8	<i>Statement of Cash Flows</i>
Catatan atas Laporan Keuangan.....	9 - 154	<i>Notes to the Financial Statements</i>

*The original report included herein is in
the Indonesian language.*

Laporan Auditor Independen

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024

Pemegang Saham, Dewan Komisaris,
dan Direksi
PT Bank China Construction Bank Indonesia Tbk

Opini

Kami telah mengaudit laporan keuangan PT Bank China Construction Bank Indonesia Tbk ("Bank") terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2023, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, serta catatan atas laporan keuangan, termasuk informasi kebijakan akuntansi material.

Menurut opini kami, laporan keuangan terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan Bank tanggal 31 Desember 2023, serta kinerja keuangan dan arus kasnya 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 ("IAPI"). Tanggung jawab kami menurut standar tersebut diuraikan lebih lanjut dalam paragraf Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan pada laporan kami. Kami independen terhadap Bank berdasarkan ketentuan etika yang relevan dalam audit kami atas laporan keuangan 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 kami.

Independent Auditor's Report

Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024

*The Shareholders and the Board of
Commissioners and Directors
PT Bank China Construction Bank Indonesia Tbk*

Opinion

We have audited the accompanying financial statements of PT Bank China Construction Bank Indonesia Tbk (the "Bank"), which comprise the statement of financial position as of December 31, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2023, and its financial performance and 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 ("IICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the 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.

Laporan Auditor Independen (lanjutan)

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (lanjutan)

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 periode kini. Hal tersebut disampaikan dalam konteks audit kami atas laporan keuangan secara keseluruhan, dan dalam merumuskan opini kami atas laporan keuangan terkait, dan kami tidak menyatakan suatu opini terpisah atas hal audit utama tersebut. Untuk hal audit utama di bawah ini, penjelasan kami tentang bagaimana audit kami merespons hal tersebut disampaikan dalam konteks tersebut.

Kami telah memenuhi tanggung jawab yang diuraikan dalam paragraf Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan pada laporan kami, termasuk sehubungan dengan hal audit utama yang dikomunikasikan di bawah ini. Oleh karena itu, audit kami mencakup pelaksanaan prosedur yang didesain untuk merespons penilaian kami atas risiko kesalahan penyajian material dalam laporan keuangan terlampir. Hasil prosedur audit kami, termasuk prosedur yang dilakukan untuk merespons hal audit utama di bawah ini, menyediakan basis bagi opini kami atas laporan keuangan terlampir.

Cadangan kerugian penurunan nilai atas kredit yang diberikan

Pada tanggal 31 Desember 2023, Bank memiliki kredit yang diberikan dan cadangan kerugian penurunan nilai atas kredit yang diberikan masing-masing sebesar Rp 19.359.978 dan Rp513.561 juta. Kebijakan akuntansi signifikan untuk cadangan kerugian penurunan nilai atas kredit yang diberikan diungkapkan dalam Catatan 2e atas laporan keuangan terlampir. Kami fokus pada area ini karena nilai tercatat atas kredit yang diberikan dan cadangan kerugian penurunan nilai atas kredit yang diberikan adalah signifikan terhadap laporan keuangan terlampir.

Independent Auditor's Report (continued)

*Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (continued)*

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Such key audit matters were addressed in the context of our audit of the financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on such key audit matters. For the key audit matter below, our description of how our audit addressed such matter is provided in such context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report, including in relation to key audit matter communicated below. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the accompanying financial statements. The results of our audit procedures, including the procedures performed to address the key audit matter below, provide the basis for our opinion on the accompanying financial statements.

Allowance for impairment losses on loans

As of December 31, 2023, the Bank has loans and the allowance for impairment losses on loans amounting to Rp19,359,978 and Rp513,561 million, respectively. The significant accounting policies of allowance for impairment losses on loans are disclosed in Note 2e to the accompanying financial statements. We focused on this area because the carrying value of loans and the allowance for impairment losses on loans are significant to the accompanying financial statements.

Laporan Auditor Independen (lanjutan)

Independent Auditor's Report (continued)

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (lanjutan)

*Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (continued)*

Hal audit utama (lanjutan)

Key audit matter (continued)

Cadangan kerugian penurunan nilai atas kredit
yang diberikan (lanjutan)

*Allowance for impairment losses on loans
(continued)*

Penentuan cadangan kerugian penurunan nilai memerlukan pertimbangan dan memiliki ketidakpastian estimasi termasuk dalam penentuan model untuk menghitung cadangan kerugian penurunan nilai, identifikasi eksposur kredit yang mengalami penurunan kualitas kredit yang signifikan, penentuan asumsi yang digunakan dalam model perhitungan cadangan kerugian penurunan nilai (untuk eksposur yang dinilai secara individu atau kolektif), termasuk faktor ekonomi makro masa depan.

Determination of allowance for impairment losses requires significant judgement and is subject to estimation uncertainty which includes determining the model to calculate allowance for impairment losses, identification of credit exposures with significant deterioration in credit quality, and determining assumptions used in the allowance for impairment losses calculation models (for exposures assessed on an individual or collective basis), including forward-looking macroeconomics factors.

Pengungkapan cadangan kerugian penurunan nilai atas yang kredit diberikan diungkapkan pada Catatan 10, terhadap laporan keuangan.

The allowance for impairment losses on loans are disclosed in Note 10, to the financial statements.

Respons audit:

Audit response:

Prosedur audit kami dalam merespons hal audit utama tersebut di atas mencakup, menguji pengendalian utama atas pemberian kredit, penilaian kualitas kredit internal secara regular, pencatatan dan pengawasan kredit yang diberikan, memperoleh pemahaman dan menilai metodologi pengukuran penurunan nilai, validasi model cadangan kerugian penurunan nilai, data masukan, dasar, dan asumsi yang digunakan oleh Bank dalam menghitung cadangan kerugian penurunan nilai, serta menguji tiga tahapan kualitas kredit portfolio sesuai dengan kriteria tingkatan (*staging*) yang disusun oleh Bank untuk kredit yang diberikan, menguji apakah pengalaman historis mewakili keadaan saat ini dan kerugian terkini yang terjadi dalam portfolio, serta menilai kewajaran atas penyesuaian asumsi masa depan, analisis faktor ekonomi makro, dan beberapa skenario probabilitas tertimbang untuk kredit yang diberikan.

Our audit procedures address the key audit matter mentioned above including, test of key controls over the origination, regular internal credit quality assessments, recording and monitoring of the loans, obtained understanding and assessed impairment measurement methodologies, validation of allowance for impairment losses models, inputs, bases and assumptions used by the Bank in calculating the allowance for impairment losses, and tested the classification into three stage credit quality of loan portfolios in accordance with staging criteria developed by the Bank for loans, tested whether historical experience is representative of current circumstances and of the recent losses incurred in the portfolios, and assessed reasonableness of forward-looking adjustments, macroeconomic factor analysis, and probability-weighted multiple scenarios for loans.

Laporan Auditor Independen (lanjutan)

Independent Auditor's Report (continued)

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (lanjutan)

*Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (continued)*

Hal audit utama (lanjutan)

Key audit matter (continued)

Cadangan kerugian penurunan nilai atas kredit
yang diberikan (lanjutan)

*Allowance for impairment losses on loans
(continued)*

Respons audit: (lanjutan)

Audit response: (continued)

Untuk cadangan kerugian penurunan nilai yang dinilai secara individual, kami menguji sampel kredit yang diberikan untuk mengevaluasi ketepatan waktu Bank dalam melakukan identifikasi eksposur kredit yang mengalami penurunan kualitas kredit yang signifikan atau yang telah mengalami penurunan nilai; untuk kasus-kasus di mana penurunan nilai telah diidentifikasi, kami menilai asumsi Bank atas arus kas masa depan yang akan diterima, termasuk nilai agunan yang dapat direalisasikan berdasarkan informasi pasar yang tersedia atau penilaian yang dilakukan oleh penilai independen.

With respect to individually assessed allowance for impairment losses, tested a sample of loans to evaluate the timely identification by the Bank of exposures with significant deterioration in credit quality or those which have been impaired; for cases where impairment has been identified, assessed the Bank's assumptions on the expected future cash flows, including the value of realizable collateral based on available market information or valuation prepared by independent valuer.

Kami juga memeriksa keakurasian perhitungan jumlah cadangan kerugian penurunan nilai dengan melakukan perhitungan ulang atas keseluruhan portfolio yang penuruan nilainya dilakukan secara kolektif dan melakukan perhitungan ulang atas penurunan nilai yang dinilai secara individual berdasarkan sampel, menilai apakah laporan keuangan cukup dan secara memadai mencerminkan eksposur Bank terhadap risiko kredit. Kami menguji kelengkapan dan ketepatan, termasuk asumsi dan pertimbangan, dan melibatkan pakar auditor internal kami untuk membantu kami dalam melakukan prosedur-prosedur di atas ketika keahlian spesifik mereka diperlukan.

We checked the accuracy of the calculation of the allowance for impairment losses amount by recalculating the collective impairment assessment for the entire portfolio and recalculating the individual impairment assessment on a sample basis, assessed whether the financial statement disclosures are adequately and appropriately reflecting the Bank's exposures to credit risk. We tested the completeness and appropriateness, including the assumptions and judgments, and involved our auditor's internal expert to assist us in the performance of the above procedures where their specific expertise was required.

Informasi lain

Other information

Manajemen bertanggung jawab atas informasi lain. Informasi lain terdiri dari informasi yang tercantum dalam Laporan Tahunan 2023 ("Laporan Tahunan") selain laporan keuangan terlampir dan laporan auditor independen kami. Laporan Tahunan diharapkan akan tersedia bagi kami setelah tanggal laporan auditor independen ini.

Management is responsible for the other information. Other information comprises the information included in the Annual Report 2023 (the "Annual Report") other than the accompanying financial statements and our independent auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Independent Auditor's report.

Laporan Auditor Independen (lanjutan)

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (lanjutan)

Informasi lain (lanjutan)

Opini kami atas laporan keuangan terlampir tidak mencakup Laporan Tahunan, dan oleh karena itu, kami tidak menyatakan bentuk keyakinan apapun atas Laporan Tahunan tersebut.

Sehubungan dengan audit kami atas laporan keuangan terlampir, tanggung jawab kami adalah untuk membaca Laporan Tahunan ketika tersedia dan, dalam melaksanakannya, mempertimbangkan apakah Laporan Tahunan mengandung ketidakkonsistensian material dengan laporan keuangan terlampir atau pemahaman yang kami peroleh selama audit, atau mengandung kesalahan penyajian material.

Ketika kami membaca Laporan Tahunan, jika kami menyimpulkan bahwa terdapat suatu kesalahan penyajian material di dalamnya, kami diharuskan untuk mengkomunikasikan hal tersebut kepada pihak yang bertanggung jawab atas tata kelola dan melakukan tindakan yang tepat berdasarkan pertauran perundang-undangan yang berlaku.

Tanggung jawab manajemen dan pihak yang bertanggung jawab atas tata kelola terhadap laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Independent Auditor's Report (continued)

*Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (continued)*

Other information (continued)

Our opinion on the accompanying financial statements does not cover the Annual Report, and accordingly, we do not express any form of assurance on the Annual Report.

In connection with our audit of the accompanying financial statements, our responsibility is to read the Annual Report when it becomes available and, in doing so, consider whether the Annual Report is materially inconsistent with the accompanying financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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 based on the applicable laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Laporan Auditor Independen (lanjutan)

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (lanjutan)

Tanggung jawab manajemen dan pihak yang bertanggung jawab atas tata kelola terhadap laporan keuangan (lanjutan)

Dalam penyusunan laporan keuangan, manajemen bertanggung jawab untuk menilai kemampuan Bank 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 Bank 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 Bank.

Tanggung jawab auditor terhadap audit atas laporan keuangan

Tujuan kami adalah untuk memperoleh keyakinan memadai tentang apakah laporan keuangan secara keseluruhan bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan, dan untuk menerbitkan laporan auditor independen yang mencakup opini kami. Keyakinan memadai merupakan suatu tingkat keyakinan tinggi, namun bukan merupakan suatu jaminan bahwa audit yang dilaksanakan berdasarkan Standar Audit yang ditetapkan oleh IAPI 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 agregat, dapat diekspektasikan secara wajar akan memengaruhi keputusan ekonomi yang diambil oleh pengguna berdasarkan laporan keuangan tersebut.

Independent Auditor's Report (continued)

*Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (continued)*

Responsibilities of management and those charged with governance for the financial statements (continued)

In preparing the financial statements, management is responsible for assessing the Bank'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 Bank or to cease its operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an Independent Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing established by the IICPA 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 financial statements.

Laporan Auditor Independen (lanjutan)

Independent Auditor's Report (continued)

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (lanjutan)

*Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (continued)*

Tanggung jawab auditor terhadap audit atas
laporan keuangan (lanjutan)

*Auditor's responsibilities for the audit of the
financial statements (continued)*

Sebagai bagian dari suatu audit berdasarkan
Standar Audit yang ditetapkan oleh IAPI, kami
menerapkan pertimbangan profesional dan
mempertahankan skeptisisme profesional selama
audit. Kami juga:

*As part of an audit in accordance with Standards
on Auditing established by the IICPA, we exercise
professional judgment and maintain professional
skepticism throughout the audit. We also:*

- Mengidentifikasi dan menilai risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan, mendesain dan melaksanakan prosedur audit yang responsif terhadap risiko tersebut, serta memperoleh bukti audit yang cukup dan tepat untuk menyediakan basis bagi opini kami. Risiko tidak terdeteksinya suatu kesalahan penyajian material yang disebabkan oleh kecurangan lebih tinggi daripada 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 keefektifitasan pengendalian internal Bank.
 - Mengevaluasi ketepatan kebijakan akuntansi yang digunakan serta kewajaran estimasi akuntansi dan pengungkapan terkait yang dibuat oleh manajemen.
- *Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to such 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 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 Bank's internal control.*
 - *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.*

Laporan Auditor Independen (lanjutan)

Independent Auditor's Report (continued)

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (lanjutan)

*Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (continued)*

Tanggung jawab auditor terhadap audit atas
laporan keuangan (lanjutan)

*Auditor's responsibilities for the audit of the
financial statements (continued)*

Sebagai bagian dari suatu audit berdasarkan
Standar Audit yang ditetapkan oleh IAPI, kami
menerapkan pertimbangan profesional dan
mempertahankan skeptisisme profesional selama
audit. Kami juga: (lanjutan)

*As part of an audit in accordance with Standards
on Auditing established by the IICPA, we exercise
professional judgment and maintain professional
skepticism throughout the audit. We also:
(continued)*

- 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 Bank untuk mempertahankan
kelangsungan usahanya. Ketika kami
menyimpulkan bahwa terdapat suatu
ketidakpastian material, kami diharuskan
untuk menarik perhatian dalam laporan
auditor independen kami ke pengungkapan
terkait dalam laporan keuangan atau, jika
pengungkapan tersebut tidak memadai,
memodifikasi opini kami. Kesimpulan kami
didasarkan pada bukti audit yang diperoleh
hingga tanggal laporan auditor independen
kami. Namun, peristiwa atau kondisi masa
depan dapat menyebabkan Bank tidak dapat
mempertahankan kelangsungan usahanya.
- Mengevaluasi penyajian, struktur, dan isi
laporan keuangan secara keseluruhan,
termasuk pengungkapannya, dan apakah
laporan keuangan mencerminkan transaksi
dan peristiwa yang mendasarinya dengan
suatu cara yang mencapai penyajian wajar.

- *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 Bank's ability to continue as a
going concern. If we conclude that a
material uncertainty exists, we are
required to draw attention in our
independent auditor's report to the related
disclosures in the financial statements or,
if such disclosures are inadequate, to
modify our opinion. Our conclusions is
based on the audit evidence obtained up
to the date of our independent auditor's
report. However, future events or
conditions may cause the Bank to cease
to continue as a going concern.*

- *Evaluate the overall presentation, structure,
and content of the financial statements,
including the disclosures, and whether the
financial statements represent the
underlying transactions and events in a
manner that achieves fair presentation.*

Kami mengomunikasikan kepada pihak yang
bertanggung jawab atas tata kelola mengenai,
antara lain, ruang lingkup dan saat yang
direncanakan atas 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.*

Laporan Auditor Independen (lanjutan)

Laporan No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (lanjutan)

Tanggung jawab auditor terhadap audit atas laporan keuangan (lanjutan)

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 kepada pihak tersebut seluruh hubungan, serta hal-hal lain yang dianggap secara wajar berpengaruh terhadap independensi kami, dan, jika relevan, pengamanan terkait.

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 periode kini dan oleh karenanya menjadi hal audit utama. Kami menguraikan hal audit utama tersebut dalam laporan auditor independen kami kecuali peraturan perundang-undangan melarang pengungkapan publik tentang hal audit utama tersebut atau ketika, dalam kondisi yang sangat jarang terjadi, kami menentukan bahwa suatu hal audit utama tidak boleh dikomunikasikan dalam laporan auditor independen kami karena konsekuensi yang merugikan dari mengomunikasikan hal tersebut akan diekspektasikan secara wajar melebihi manfaat kepentingan publik atas komunikasi tersebut.

Independent Auditor's Report (continued)

Report No. 00036/2.1032/AU.1/07/1681-
2/1/II/2024 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe such key audit matters in our independent auditor's report unless laws or regulations preclude public disclosure about such key audit matters or when, in extremely rare circumstances, we determine that a key audit matter should not be communicated in our independent auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

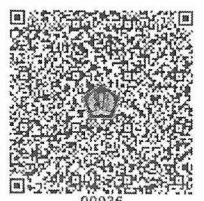
KAP Purwantono, Sungkoro & Surja



Christophorus Alvin Kossim

Registrasi Akuntan Publik No. AP.1681/Public Accountant Registration No. AP.1681

2 Februari 2024/February 2, 2024



The original financial statements included herein are in Indonesian language.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
LAPORAN POSISI KEUANGAN
Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
STATEMENT OF FINANCIAL POSITION
As of December 31, 2023
(Expressed in millions of Rupiah,
unless otherwise stated)**

	Catatan/ Notes	31 Desember/December 31		
		2023	2022	
ASET				ASSETS
Kas	2d,2w,4,34 2d,2f,2w,5	212.839	217.290	Cash
Giro pada Bank Indonesia	33,34,39	1.552.681	1.481.410	Current accounts with Bank Indonesia
Giro pada bank lain	2d,2f,2w			Current accounts with other banks
Pihak berelasi	6,33,34,39	30.695	10.188	Related parties
Pihak ketiga	2ad,32	108.447	269.248	Third parties
		139.142	279.436	
Dikurangi: cadangan kerugian penurunan nilai		(126)	(282)	Less: allowance for impairment losses
Neto		139.016	279.154	Net
Penempatan pada Bank Indonesia dan bank lain	2d,2g,2w			Placements with Bank Indonesia and other banks
Pihak ketiga	33,7,34,39	45.000	624.216	Third parties
Dikurangi: cadangan kerugian penurunan nilai		(1)	-	Less: allowance for impairment losses
Neto		44.999	624.216	Net
Tagihan derivatif	2d,33,39	12.832	12.738	Derivative receivables
Efek-efek				Marketable securities
Pihak ketiga	2d,2h,8,39	4.506.619	893.950	Third parties
Dikurangi: cadangan kerugian penurunan nilai		(152)	-	Less: allowance for impairment losses
Neto		4.506.467	893.950	Net
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	2d,2i,9 34,39	1.069.249	3.947.168	Receivables on securities purchased under agreements to resale
Biaya dibayar di muka	2n,14	2.906	5.264	Prepaid expenses
Kredit yang diberikan	2c,2d,2e,2j			Loans
Pihak berelasi	2w,10,33,34,39	6.569	7.676	Related parties
Pihak ketiga	2ad,32	19.353.409	16.679.609	Third parties
		19.359.978	16.687.285	
Dikurangi: cadangan kerugian penurunan nilai		(513.561)	(454.746)	Less: allowance for impairment losses
Neto		18.846.417	16.232.539	Net
Pendapatan bunga yang masih akan diterima				Interest receivables
Pihak berelasi	2d,2t,2w,2ad	15	18	Related parties
Pihak ketiga	11,32,34,39	98.429	57.290	Third parties
		98.444	57.300	
Agunan yang diambil alih	2o,15	108.306	139.306	Foreclosed assets

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in Indonesian language.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
LAPORAN POSISI KEUANGAN
(lanjutan)
Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
STATEMENT OF FINANCIAL POSITION
(continued)
As of December 31, 2023
(Expressed in millions of Rupiah,
unless otherwise stated)**

	Catatan/ Notes	31 Desember/December 31		
		2023	2022	
ASET (lanjutan)				ASSETS (continued)
Aset tetap dan aset hak guna, setelah dikurangi akumulasi penyusutan masing-masing sebesar Rp404.098 dan Rp378.443 pada tanggal 31 Desember 2023 dan 2022	2k,2y,12,28	802.325	733.485	<i>Fixed assets and right-of-use assets, net of accumulated depreciation of Rp404,098 and Rp378,443 as of December 31, 2023 and 2022, respectively</i>
<i>Goodwill</i>	2l,13	190.075	190.075	<i>Goodwill</i>
Aset pajak tangguhan	2x,20f	124.587	73.849	<i>Deferred tax assets</i>
Aset lain-lain	2d,2l,2w 16	140.803	135.201	<i>Other assets</i>
JUMLAH ASET		27.851.946	25.022.953	TOTAL ASSETS

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

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The original financial statements included herein are in Indonesian language.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
LAPORAN POSISI KEUANGAN
(lanjutan)
Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
STATEMENT OF FINANCIAL POSITION
(continued)
As of December 31, 2022
(Expressed in millions of Rupiah,
unless otherwise stated)**

	Catatan/ Notes	31 Desember/December 31		
		2023	2022	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS				LIABILITIES
Liabilitas segera	2d,2p,2w,17,33	20.501	16.495	Obligation due immediately
Liabilitas Derivatif	2d,34,39	2.023	1.764	Derivative payables
Simpanan dari nasabah	2d,2q,2w			Deposits from customers
Pihak berelasi	18,33,34,39	16.788	14.924	Related parties
Pihak ketiga	2ad,32	19.970.024	17.931.654	Third parties
Simpanan dari bank lain				Deposits from other banks
Pihak berelasi	2d,2r,2w,19,33	70	229	Related parties
Pihak ketiga	2ad,32,34,39	324.580	67.782	Third parties
Bunga yang masih harus dibayar				Interest payables
Pihak berelasi	2d,2w,2ad	3.149	2.852	Related parties
Pihak ketiga	22,32,34,39	43.804	24.201	Third parties
Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali	2d,2i,21 33,39	94.295	-	Liabilities on securities sold under repurchase agreement
Utang pajak	2x,20	74.693	50.232	Taxes payable
Provisi	2ab,36	54.956	44.588	Provisions
Surat berharga subordinasi	2ad,23,32,33,38	461.910	467.025	Subordinated securities
Liabilitas imbalan kerja karyawan	2v,35 2d,2w,24	168.500	139.261	Employment benefits obligation
Liabilitas lain-lain	33,34,39	76.096	62.709	Other liabilities
JUMLAH LIABILITAS		21.311.389	18.823.716	TOTAL LIABILITIES
EKUITAS				EQUITY
Modal saham - nilai nominal per saham Rp100 (nilai penuh)				Share capital - par value per share of Rp100 (full amount)
Modal dasar - Sebesar 60.000.000.000 saham masing-masing pada 31 Desember 2023 dan 2022				Authorised capital - 60,000,000,000 shares as of December 31, 2023 and 2022, respectively
Modal ditempatkan dan disetor penuh 37.919.730.514 saham masing-masing pada 31 Desember 2023 dan 2022	25	3.791.973	3.791.973	Issued and fully paid-up capital - 37,919,730,514 shares as of December 31, 2023 and 2022, respectively
Tambahan modal disetor	25	1.267.378	1.267.378	Additional paid-in capital
Komponen ekuitas lain	2d,2h,2k,2v	355.519	255.490	Other equity component
Saldo laba				Retained earnings
Telah ditentukan penggunaannya		5.000	4.500	Appropriated
Belum ditentukan penggunaannya		1.120.687	879.896	Unappropriated
JUMLAH EKUITAS		6.540.557	6.199.237	TOTAL EQUITY
JUMLAH LIABILITAS DAN EKUITAS		27.851.946	25.022.953	TOTAL LIABILITIES AND EQUITY

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in Indonesian language.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN
Untuk Tahun ffyang Berakhir pada Tanggal
31 Desember 2023
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For the Year Ended
December 31, 2023
(Expressed in millions of Rupiah,
unless otherwise stated)**

		Tahun yang Berakhir pada Tanggal 31 Desember/ Year Ended December, 31		
		2023	2022	
PENDAPATAN DAN BEBAN OPERASIONAL				OPERATING INCOME AND EXPENSES
	2t,2ad			
Pendapatan bunga	26,32,37	1.690.178	1.322.606	Interest income
	2t,2ad			
Beban bunga	27,32,37	(733.299)	(518.652)	Interest expense
PENDAPATAN BUNGA BERSIH		956.879	803.954	NET INTEREST INCOME
PENDAPATAN OPERASIONAL LAINNYA				OTHER OPERATING INCOME
Pendapatan provisi dan komisi	2u	45.782	71.640	Fee and commission income
Kerugian transaksi mata uang asing - neto		(4.090)	(256)	Loss on foreign exchange transactions - net
Keuntungan/(kerugian) yang belum direalisasi dari perubahan nilai wajar efek-efek - neto	2i	1.802	(2.419)	Unrealized gain/(loss) from changes in fair value of marketable securities - net
JUMLAH PENDAPATAN OPERASIONAL LAINNYA		43.494	68.965	TOTAL OTHER OPERATING INCOME
Penyisihan cadangan kerugian penurunan nilai aset produktif	2e,2j,6f,7e,8g,10i	(128.803)	(170.846)	Provision for impairment losses on earning assets
Penyisihan cadangan kerugian penurunan nilai aset non produktif	2m	(25.077)	(2.018)	Provision for impairment losses on non-earning assets
BEBAN OPERASIONAL LAINNYA				OTHER OPERATING EXPENSES
Beban umum dan administrasi	2ad,28,32	(236.309)	(239.385)	General and administrative expenses
Beban tenaga kerja	2ad,29,32	(307.482)	(290.016)	Personnel expenses
JUMLAH BEBAN OPERASIONAL LAINNYA		(543.791)	(529.401)	TOTAL OTHER OPERATING EXPENSES
PENDAPATAN OPERASIONAL - BERSIH		302.702	170.654	NET OPERATING INCOME
Pendapatan bukan operasional		8.083	6.475	Non-operating income
Beban bukan operasional		(984)	(1.387)	Non-operating expense
PENDAPATAN BUKAN OPERASIONAL - BERSIH		7.099	5.088	NON-OPERATING INCOME - NET

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in Indonesian language.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2023
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
(continued)
For the Year Ended
December 31, 2023
(Expressed in millions of Rupiah,
unless otherwise stated)**

		Tahun yang Berakhir pada Tanggal 31 Desember/ Year Ended December, 31		
	Catatan/ Notes	2023	2022	
LABA SEBELUM PAJAK PENGHASILAN		309.801	175.742	INCOME BEFORE INCOME TAX
BEBAN PAJAK PENGHASILAN	2x,20b	(68.510)	(39.783)	INCOME TAX EXPENSE
LABA BERSIH TAHUN BERJALAN		241.291	135.959	NET INCOME 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:
Surplus revaluasi aset tetap		105.127	-	Revaluation surplus on fixed assets
Pengukuran kembali atas imbalan kerja karyawan	35b	(6.518)	(2.373)	Remeasurement of employment benefits obligation
Pajak penghasilan terkait	20f	1.434	522	Related income tax
		(5.084)	(1.851)	
Pos-pos yang akan direklasifikasi ke laba rugi:				Items that will be reclassified to profit or loss:
Rugi neto yang belum direalisasi atas perubahan nilai efek-efek dan obligasi pemerintah yang diukur pada nilai wajar melalui penghasilan komprehensif lain		(18)	(20.610)	Unrealized net loss on changes in value of fair value through other comprehensive income securities
Pajak penghasilan terkait	20f	4	4.534	Related income tax
		(14)	(16.076)	
LABA/(RUGI) KOMPREHENSIF LAIN TAHUN BERJALAN SETELAH PAJAK		100.029	(17.927)	OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR NET OF TAX
JUMLAH PENGHASILAN KOMPREHENSIF TAHUN BERJALAN		341.320	118.032	TOTAL COMPREHENSIVE INCOME FOR THE YEAR
LABA BERSIH PER SAHAM				EARNINGS PER SHARE
Dasar dan dilusian (dalam Rupiah penuh)	2ac,31	6,36	3,59	Basic and diluted (in full Rupiah)

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK CHINA CONSTRUCTION BANK INDONESIA Tbk
LAPORAN PERUBAHAN EKUITAS
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK CHINA CONSTRUCTION BANK INDONESIA Tbk
STATEMENT OF CHANGES IN EQUITY
For the Year Ended December 31, 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Note	Modal saham/ Share capital	Tambahkan modal disetor/Additional paid-in capital	Penghasilan/(kerugian) komprehensif lain/ Other comprehensive income/(loss)			Saldo laba/Retained earnings		Jumlah ekuitas Total equity	
				Laba/(rugi) yang belum direalisasi atas efek-efek dalam nilai nilai wajar melalui penghasilan komprehensif lain- neto/ Unrealized - net gain/ (loss) on fair value through other comprehensive income securities	Pengukuran kembali atas imbalan kerja karyawan/ Remeasurement of employment benefits obligation	Surplus revaluasi aset tetap/ Revaluation surplus on fixed assets	Belum ditentukan penggunaannya/ Unappropriated	Telah ditentukan penggunaannya/ Appropriated		
Saldo tanggal 31 Desember 2021		3.791.973	1.267.378	11.796	8.502	253.119	744.437	4.000	6.081.205	Balance as of December 31, 2021
Laba bersih tahun berjalan		-	-	-	-	-	135.959	-	135.959	Net income for the year
Alokasi saldo laba yang telah Ditentukan penggunaannya		-	-	-	-	-	(500)	500	-	Allocation to appropriated retained earning
Perubahan nilai wajar atas efek-efek dalam kelompok nilai wajar melalui penghasilan komprehensif lain - bersih		-	-	(16.076)	-	-	-	-	(16.076)	Changes in fair value of fair value through other comprehensive income of securities - net
Pengukuran kembali atas imbalan kerja karyawan - bersih	20f,35b	-	-	-	(1.851)	-	-	-	(1.851)	Remeasurement of employment benefits obligation - net
Saldo tanggal 31 Desember 2022		3.791.973	1.267.378	(4.280)	6.651	253.119	879.896	4.500	6.199.237	Balance as of December 31, 2022
Laba bersih tahun berjalan		-	-	-	-	-	241.291	-	241.291	Net income for the year
Alokasi saldo laba yang telah Ditentukan penggunaannya		-	-	-	-	-	(500)	500	-	Allocation to appropriated retained earning
Perubahan nilai wajar atas efek-efek dalam kelompok nilai wajar melalui penghasilan komprehensif lain - bersih		-	-	(14)	-	-	-	-	(14)	Changes in fair value of fair value through other comprehensive income of securities - net
Pengukuran kembali atas imbalan kerja karyawan - bersih	20f,35b	-	-	-	(5.084)	-	-	-	(5.084)	Remeasurement of employment benefits obligation - net
Surplus revaluasi aset tetap	12	-	-	-	-	105.127	-	-	105.127	Revaluation surplus on fixed assets
Saldo tanggal 31 Desember 2023		3.791.973	1.267.378	(4.294)	1.567	358.246	1.120.687	5.000	6.540.557	Balance as of December 31, 2023

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
LAPORAN ARUS KAS
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2023
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
STATEMENT OF CASH FLOWS
For the Year Ended
December 31, 2023
(Expressed in millions of Rupiah,
unless otherwise stated)**

		Tahun yang Berakhir pada Tanggal 31 Desember/ Year Ended December, 31		
	Catatan/ Notes	2023	2022	
ARUS KAS DARI AKTIVITAS OPERASI				CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan bunga, provisi dan komisi		1.705.192	1.389.576	Interest, fees and commissions receipt
Beban bunga dan beban keuangan lainnya		(713.189)	(516.727)	Payment of interest and other financial charges
Beban umum dan administrasi		(183.223)	(165.773)	Payment of general and administrative expenses
Beban tenaga kerja		(284.759)	(280.769)	Payment of personnel expenses
Pendapatan lainnya		5.740	1.564	Other operating income received
Pembayaran beban operasi lainnya		(16)	(3.677)	Other operating expense paid
Pembayaran pajak penghasilan	20	(99.413)	(61.155)	Payment of income tax
Arus kas sebelum perubahan dalam aset dan liabilitas operasi		430.332	363.039	Cash flows before changes in operating assets and liabilities
Penurunan/(kenaikan) aset operasi:				Decrease/(increase) in operating assets:
Kredit yang diberikan		(2.740.490)	(2.943.906)	Loans
Tagihan derivatif		(94)	(5.693)	Derivative receivables
Tagihan atas efek-efek yang dibeli dengan janji janji dijual kembali	9	2.877.919	2.489.485	Receivables on securities purchased under agreements to resale
Aset lain-lain		7.693	6.142	Other assets
(Penurunan)/kenaikan liabilitas operasi:				(Decrease)/increase in operating liabilities:
Liabilitas segera	17	4.005	6.475	Obligation due immediately
Simpanan dari nasabah dan simpanan dari bank lain	18,19	2.296.873	(1.333.541)	Deposits from customers and deposits from other banks
Liabilitas derivatif		259	1.375	Derivative payables
Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali	9	94.085	-	Liabilities on securities sold under repurchase agreement
Utang pajak	20	6.066	1.717	Taxes payable
Liabilitas lain-lain		12.100	(8.863)	Other liabilities
Arus kas bersih (digunakan untuk)/ diperoleh dari aktivitas operasi		2.988.748	(1.423.770)	Net cash flows (used in)/ provided by operating activities

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in Indonesian language.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
LAPORAN ARUS KAS (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2023
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
STATEMENT OF CASH FLOWS (continued)
For the Year Ended
December 31, 2023
(Expressed in millions of Rupiah,
unless otherwise stated)**

		Tahun yang Berakhir pada Tanggal 31 Desember/ Year Ended December, 31			
		Catatan/ Notes	2023	2022	
ARUS KAS DARI AKTIVITAS INVESTASI					CASH FLOWS FROM INVESTING ACTIVITIES
(Pembelian)/penjualan efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain			(3.162.058)	193.550	(Purchases)/proceeds of fair value through other comprehensive income securities
Pembelian efek-efek yang diukur pada biaya yang diamortisasi			(450.630)	-	Purchases of amortized cost securities
Hasil penjualan aset tetap	12		3.775	659	Proceeds from sale of fixed assets
Hasil penjualan agunan yang diambil alih	15		6.175	1.800	Proceeds from sale of foreclosed assets
Hasil penjualan aset terbengkalai	16		-	2.100	Proceeds from sale of abandoned properties
Perolehan aset tetap	12		(16.366)	(26.790)	Acquisition of fixed assets
Arus kas bersih diperoleh dari/ (digunakan untuk) aktivitas investasi			(3.619.104)	171.319	Net cash flows provided by/ (used in) investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN					CASH FLOWS FROM FINANCING ACTIVITIES
Pembayaran liabilitas sewa	38		(10.629)	(12.924)	Payment lease liabilities
Arus kas bersih digunakan untuk aktivitas pendanaan			(10.629)	(12.924)	Net cash flows used in financing activities
PENURUNAN BERSIH KAS DAN SETARA KAS			(640.985)	(1.265.375)	NET DECREASE IN CASH AND CASH EQUIVALENTS
KAS DAN SETARA KAS PADA AWAL TAHUN			2.602.352	3.799.349	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR
Pengaruh perubahan kurs mata uang asing			(11.705)	68.378	The effect of changes in foreign exchange rates
KAS DAN SETARA KAS PADA AKHIR TAHUN			1.949.662	2.602.352	CASH AND CASH EQUIVALENTS AT THE END OF YEAR
Kas dan setara kas terdiri dari:					Cash and cash equivalents consist of:
Kas	4		212.839	217.290	Cash
Giro pada Bank Indonesia	5		1.552.681	1.481.410	Current accounts with Bank Indonesia
Giro pada bank lain	6		139.142	279.436	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	7		45.000	624.216	Placements with Bank Indonesia and other banks
Jumlah kas dan setara kas			1.949.662	2.602.352	Total cash and cash equivalents

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

**PT BANK CHINA CONSTRUCTION
BANK INDONESIA Tbk
CATATAN ATAS LAPORAN KEUANGAN
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BANK INDONESIA Tbk
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1. UMUM

a. Pendirian dan informasi umum

PT Bank China Construction Bank Indonesia Tbk ("Bank") didirikan dengan nama PT Bank Multicor pada tanggal 2 April 1974 berdasarkan Akta No. 4 dari Notaris Bagjjo, S.H. di Jakarta. Akta pendirian ini disahkan oleh Menteri Kehakiman Republik Indonesia dengan Surat Keputusannya No.Y.A. 5/369/19 tanggal 12 Oktober 1974, dan diumumkan dalam Berita Negara Republik Indonesia No. 93 tanggal 19 November 1974. Tambahan No. 719. Pada tahun 2007, berdasarkan Akta No. 172 tanggal 28 November 2007, dibuat di hadapan Notaris Eliwaty Tjitra, S.H., di Jakarta yang diumumkan dalam Berita Negara Republik Indonesia No. 58 tanggal 18 Juli 2008, Tambahan No.12219, nama Bank diubah menjadi PT Bank Windu Kentjana International Tbk. Perubahan nama ini telah disetujui melalui Surat Keputusan Gubernur Bank Indonesia No. 10/9/KEP.GBI/2008 tanggal 8 Februari 2008.

Melalui Rapat Umum Pemegang Saham Luar Biasa tanggal 11 November 2016, telah disetujui perubahan nama Bank dari PT Bank Windu Kentjana International Tbk menjadi PT Bank China Construction Bank Indonesia Tbk. Perubahan nama Bank ini telah mendapat persetujuan melalui Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-0003776.AH.01.10 tahun 2016 tanggal 30 November 2016 tentang Persetujuan Perubahan Anggaran Dasar Bank dan melalui Akta No. 58 tanggal 11 November 2016, dibuat di hadapan Eliwaty Tjitra, S.H., notaris di Jakarta.

Bank dimiliki oleh China Construction Bank Corporation (CCB Corp.) selaku *ultimate shareholder*.

Sejak tanggal 16 Juli 2018, Bank berdomisili di Jakarta dengan kantor pusat di Gedung Sahid Sudirman Center lantai 15, Jl. Jend. Sudirman Kav. 86, Jakarta Pusat 10220 (sebelumnya berdomisili di Equity Tower lantai 9, SCBD Lot. 9, Jl. Jend. Sudirman Kav. 52-53, Jakarta Selatan 12190). Sebaran cabang Bank meliputi daerah Jawa, Bali, Sumatra, Kepulauan Riau, Kalimantan Barat, Sulawesi Selatan, Bangka Belitung, dan Nusa Tenggara Barat.

1. GENERAL

a. Establishment and general information

PT Bank China Construction Bank Indonesia Tbk (the "Bank") was established under the name of PT Bank Multicor on April 2, 1974 based on Notarial Deed No. 4 of Bagjjo, S.H., public notary in Jakarta. The Deed of Establishment was approved by the Minister of Justice of the Republic of Indonesia in its Decision Letter No. Y.A. 5/369/19 dated October 12, 1974, and was published in State Gazette of the Republic of Indonesia No. 93 dated November 19, 1974, Supplement No. 719. In 2007, based on Notarial Deed No. 172 dated November 28, 2007 of Eliwaty Tjitra, S.H., public notary in Jakarta and published in the State Gazette of the Republic of Indonesia No. 58 dated July 18, 2008, Supplement No. 12219, the Bank's name was changed to PT Bank Windu Kentjana International Tbk. The name change had been approved through the Decision Letter of the Governor of Bank Indonesia No.10/9/KEP.GBI/2008 dated February 8, 2008.

Through the Extraordinary General Shareholders' Meeting on November 11, 2016, the change of the Bank's name from PT Bank Windu Kentjana International Tbk to PT Bank China Construction Bank Indonesia Tbk has been approved. The change of the Bank's name had been approved through Minister of Law and Human Rights of the Republic of Indonesia Decision No. AHU-0003776.AH.01.10 year 2016 dated November 30, 2016 regarding the Approval of the Bank's Articles of Association Change and based on Notarial Deed No. 58 dated November 11, 2016 of Eliwaty Tjitra, S.H., public notary in Jakarta.

The Bank is owned by China Constuction Bank Corporation (CCB Corp.) as the ultimate shareholder.

Since July 16, 2018, the Bank is domiciled in Jakarta with head office located at Sahid Sudirman Center Building 15th floor, Jl. Jend. Sudirman Kav. 86, Central Jakarta 10220 (previously was domiciled in Equity Tower 9th floor, SCBD Lot. 9, Jl. Jend. Sudirman Kav. 52-53, Jakarta Selatan 12190). The Bank's branches are distributed in Java, Bali, Sumatra, Kepulauan Riau, West Kalimantan, South Sulawesi, Bangka Belitung, and West Nusa Tenggara.

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BANK INDONESIA Tbk
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(Expressed in millions of Rupiah,
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1. UMUM (lanjutan)

a. Pendirian dan informasi umum (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, jumlah jaringan cabang-cabang dan kantor-kantor pembantu Bank adalah sebagai berikut (tidak diaudit):

	31 Desember/December 31	
	2023	2022
Kantor cabang	20	21
Kantor cabang pembantu	51	58

Sesuai dengan pasal 3 Anggaran Dasar Bank, ruang lingkup kegiatan Bank adalah menjalankan kegiatan umum perbankan. Bank adalah sebuah bank devisa nasional. Bank telah beroperasi secara komersial sejak tahun 1974 dan mulai menjadi bank umum pada tahun 1993 berdasarkan Surat Bank Indonesia No.25/637/UPSD/PBAL tanggal 17 Maret 1993.

b. Kombinasi bisnis

Tahun 2007

Untuk memperkuat struktur permodalan terkait dengan implementasi arsitektur Perbankan Indonesia, para pemegang saham PT Bank Multicor Tbk dan PT Bank Windu Kentjana telah menyetujui untuk melakukan penggabungan usaha (*merger*). Dalam penggabungan ini PT Bank Windu Kentjana menjadi "Perusahaan Yang Menerima Penggabungan" dan PT Bank Multicor Tbk sebagai "Perusahaan yang akan Bergabung".

Bank telah mendapat pernyataan efektif sehubungan dengan *merger* di atas berdasarkan surat Ketua Bapepam-LK No. S-5968/BL/2007 tanggal 26 November 2007 dan izin Bank Indonesia berdasarkan Keputusan Gubernur Bank Indonesia No. 9/67/KEP.GBI/2007 mengenai pernyataan *merger* pada tanggal 18 Desember 2007. Keputusan Gubernur Bank Indonesia tersebut mulai berlaku sejak tanggal persetujuan perubahan Anggaran Dasar PT Multicor Tbk oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan surat keputusan No. AHU-00982.AH.01.02 tanggal 8 Januari 2008.

1. GENERAL (continued)

a. Establishment and general information (continued)

As of December 31, 2023 and 2022, the number of the Bank's branches and representative offices are as follows (unaudited):

Branch offices
Sub-branch offices

In accordance with article 3 of the Bank's Articles of Association, the scope of its activities is to engage in general banking. The Bank is a foreign exchange national bank. The Bank had started the operation commercially since 1974 and started becoming a general bank since 1993 based on Bank Indonesia Letter No. 25/637/UPSD/PBAL dated March 17, 1993.

b. Business combination

Year 2007

The shareholders of PT Bank Multicor Tbk and PT Bank Windu Kentjana agreed to merge in order to strengthen the capital structure in relation with the implementation of the Indonesian Banking Architecture. In this merger, PT Bank Windu Kentjana is "the Surviving Company" and PT Bank Multicor Tbk is "the Merged Company".

The Bank has received the notice of effectivity of the merger based on the letter of the Chairman of Bapepam-LK No. S-5968/BL/2007 dated November 26, 2007 and the merger license from Bank Indonesia based on the Decision of the Governor of Bank Indonesia No. 9/67/KEP.GBI/2007 regarding merger statement dated December 18, 2007. The effective date of the merger is based on approval for the changes in Articles of Association of PT Bank Multicor Tbk by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-00982.AH.01.02 dated January 8, 2008.

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1. UMUM (lanjutan)

b. Kombinasi bisnis (lanjutan)

Tahun 2016

Pada tanggal 24 Juni 2016, Bank telah menandatangani Perjanjian Jual Beli ("SPA") untuk mengakuisisi PT Bank Antardaerah. Akuisisi ini diselesaikan pada tanggal 24 Juni 2016, yang mana Bank mengakuisisi 100% dari jumlah saham yang diterbitkan oleh PT Bank Antardaerah dengan harga perolehan Rp517.913 dan terdapat *goodwill* sebesar Rp190.075 (Catatan 13).

Berdasarkan SPA tersebut, Bank memperoleh kendali atas PT Bank Antardaerah. Oleh karena itu, laporan keuangan PT Bank Antardaerah dikonsolidasikan ke dalam laporan keuangan Bank sejak tanggal penyelesaian akuisisi tersebut.

Melalui surat Otoritas Jasa Keuangan ("OJK") No. SR-100/D.03/2016 tanggal 13 Juni 2016, Bank telah mendapatkan persetujuan atas akuisisi PT Bank Antardaerah dari OJK.

Seiring dengan perkembangan dan strategi bisnis dalam kaitannya dengan perubahan pemegang saham pengendali Bank, para pemegang saham PT Bank Windu Kentjana International Tbk dan PT Bank Antardaerah telah menyetujui untuk melakukan penggabungan usaha (*merger*). Dalam penggabungan ini, PT Bank Windu Kentjana International Tbk menjadi selaku "Perusahaan Yang Menerima Penggabungan" dan PT Bank Antardaerah sebagai "Perusahaan yang akan Bergabung".

Bank telah mendapat pernyataan efektif sehubungan dengan *merger* di atas berdasarkan persetujuan OJK melalui surat No. S-587/D.04/2016 tanggal 14 Oktober 2016. Keputusan tersebut mulai berlaku sejak tanggal persetujuan perubahan Anggaran Dasar PT Bank Windu Kentjana International Tbk oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan surat keputusan No. AHU-0143387.AH.01.11 tanggal 30 November 2016.

Setelah *merger*, susunan kepemilikan permodalan Bank tidak mengalami perubahan.

1. GENERAL (continued)

b. Business combination (continued)

Year 2016

On June 24, 2016, the Bank signed a Sale and Purchase Agreement ("SPA") to acquire PT Bank Antardaerah. The acquisition was completed on June 24, 2016, with the Bank acquiring 100% of the issued shares of PT Bank Antardaerah at a purchase price of Rp517,913 resulting in goodwill amounting to Rp190,075 (Note 13).

Based on the SPA, the Bank has control over PT Bank Antardaerah. Thus, since the completion date of the acquisition, PT Bank Antardaerah's financial statements have been consolidated into the Bank's financial statements.

Based on Financial Service Authority ("OJK") letter No. SR-100/D.03/2016 dated June 13, 2016, the Bank has obtained approval from OJK for the acquisition of PT Bank Antardaerah.

Along with the development and strategy business in relation to the changes in Bank's controlling shareholders, the shareholders of PT Bank Windu Kentjana International Tbk and PT Bank Antardaerah agreed to merge. In this merger, PT Bank Windu Kentjana International Tbk is "the Surviving Company" and PT Bank Antardaerah as "the Merged Company".

The Bank has received the notice of effectivity of the merger based on the approval of OJK through letter No. S-587/D.04/2016 dated October 14, 2016. The approval date for the changes in Articles of Association of PT Bank Windu Kentjana International Tbk by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0143387.AH.01.11 dated November 30, 2016.

After the merger, the Bank's composition of shares ownership did not change.

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1. UMUM (lanjutan)

b. Kombinasi bisnis (lanjutan)

Tahun 2016 (lanjutan)

Penggabungan usaha tersebut dicatat dengan metode penyatuan kepemilikan (*pooling of interest*) berdasarkan nilai buku masing-masing Perusahaan.

c. Penawaran umum efek

Pada tanggal 20 Juni 2007, Bank memperoleh pernyataan efektif dari Ketua Badan Pengawas Pasar Modal dan Lembaga Keuangan (Bapepam-LK) melalui surat No. S-3023/BL/2007 untuk penawaran umum perdana atas 300.000.000 lembar saham dengan nilai nominal Rp100 (nilai penuh) per saham dengan harga penawaran sebesar Rp200 per saham. Saham-saham Bank telah tercatat di Bursa Efek Indonesia pada tanggal 3 Juli 2007.

Pada tanggal 24 Juni 2010, Bank mengadakan Rapat Umum Pemegang Saham Luar Biasa untuk mengesahkan rencana Bank untuk melaksanakan Penawaran Umum Terbatas I dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu sejumlah 1.014.630.713 lembar saham yang bernilai nominal Rp100 (nilai penuh) per saham dengan harga pelaksanaan sebesar Rp200 (nilai penuh) per saham. Risalah Rapat Umum Pemegang Saham Luar Biasa ini didokumentasikan dalam Akta No. 187 tanggal 24 Juni 2010 dari Eliwaty Tjitra, S.H., notaris di Jakarta.

Penawaran Umum Terbatas I ini telah mendapat pernyataan efektif dari Ketua Bapepam-LK pada tanggal 24 Juni 2010 melalui Surat Keputusan No. S-5684/BL/2010. Jumlah dana yang diperoleh dari hasil Penawaran Umum Terbatas I ini adalah sebesar Rp202.926.

Sesuai dengan Keputusan Rapat Umum Pemegang Saham Luar Biasa yang diselenggarakan pada tanggal 28 Juni 2012 yang dibuat di hadapan akta Notaris Eliwaty Tjitra, S.H., No. 171, Bank telah melakukan Penawaran Umum Terbatas II dengan hak Memesan Efek Terlebih Dahulu sejumlah 525.962.624 lembar saham dengan nilai nominal Rp100 (nilai penuh) per saham dan harga pelaksanaan sebesar Rp200 (nilai penuh) per saham.

1. GENERAL (continued)

b. Business combination (continued)

Year 2016 (continued)

The merger will be performed using the pooling of interest method based on each entity's book value.

c. Public offering of the shares

On June 20, 2007, the Bank obtained the notice of effectivity from the Chairman of the Capital Market and Financial Institutions Supervisory Agency (Bapepam-LK) in his letter No. S-3023/BL/2007 for the initial public offering of 300,000,000 shares with a par value of Rp100 (full amount) per share and offering price of Rp200 per share. On July 3, 2007, the Bank's shares were listed in the Indonesia Stock Exchange.

On June 24, 2010, the Bank held an Extraordinary General Shareholders' Meeting to ratify the plan of the Bank to issue additional 1,014,630,713 shares with a par value of Rp100 (full amount) per share through Limited Public Offering I at an exercise price of Rp200 (full amount) per share. The minutes of the Extraordinary Shareholders' Meeting were documented in Notarial Deed No. 187 dated June 24, 2010 of Eliwaty Tjitra, S.H., public notary in Jakarta.

The Limited Public Offering I took effect upon receipt from the Chairman of Bapepam-LK of the notice of effectivity in his Decision Letter No. S-5684/BL/2010 on June 24, 2010. The proceeds from this Limited Public Offering I amounted to Rp202,926.

Based on the Decision of Extraordinary General Shareholders Meeting held on June 28, 2012 which was notarised under notarial deed No. 171 of Eliwaty Tjitra, S.H., the Bank offered Limited Public Offering II with Pre-emptive Rights of 525,962,624 shares at par value of Rp100 (full amount) per share at exercise price of Rp200 (full amount) per share.

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1. UMUM (lanjutan)

c. Penawaran umum efek (lanjutan)

Dengan Penawaran Umum Terbatas II ini, modal saham ditempatkan dan disetor penuh menjadi sebesar Rp428.284 yang terdiri dari 4.282.838.507 lembar saham. Penawaran Umum Terbatas II Dengan Hak Memesan Efek Terlebih Dahulu tersebut telah memperoleh pernyataan efektif dari ketua Bapepam-LK pada tanggal 27 Juni 2012 melalui surat No. S-8057/BL/2012.

Bank juga menerbitkan Waran Seri I sebanyak 525.962.624 lembar dengan nilai nominal Rp100 (nilai penuh) per saham dan harga penawaran sebesar Rp225 (nilai penuh) per saham, yang seluruhnya berjumlah Rp118.342 atas setiap saham baru yang diterbitkan Bank sehubungan dengan Penawaran Umum Terbatas II.

Nilai wajar Waran Seri I pada saat waran tersebut diterbitkan adalah sebesar Rp566 yang disajikan sebagai bagian dari tambahan modal disetor. Pada tanggal 18 Juli 2013, 2 Oktober 2013, dan 25 November 2013, masing-masing sebesar 3 Waran Seri I, 5.000 Waran Seri I dan 280 Waran Seri I dikonversikan menjadi saham Bank yang dilaksanakan dengan harga pelaksanaan sebesar Rp225 (nilai penuh) per saham, nilai nominal Rp100 (nilai penuh) per saham.

Jumlah dana yang diperoleh dari hasil Penawaran Umum Terbatas ini sebesar Rp105.192 dengan biaya emisi sebesar Rp1.242.

Sesuai dengan Keputusan Rapat Umum Pemegang Saham Luar Biasa yang diselenggarakan pada tanggal 19 November 2013 yang diaktakan dengan akta notaris Eliwaty Tjitra, S.H., No. 121, Bank telah melakukan Penawaran Umum Terbatas III dengan Hak Memesan Efek Terlebih Dahulu seluruhnya 1.627.480.640 lembar saham dengan nilai nominal Rp100 (nilai penuh) per saham dan harga penawaran sebesar Rp125 (nilai penuh) per saham.

1. GENERAL (continued)

c. Public offering of the shares (continued)

With this Limited Public Offering II, the issued and fully paid-up share capital of the Bank became Rp428,284 representing 4,282,838,507 shares. The Limited Public Offering II with Pre-emptive Rights became effective through the chairman of Bapepam-LK's letter No. S-8057/BL/2012 dated June 27, 2012.

The Bank also issued Warrant Series I amounting to 525,962,624 warrants at par value of Rp100 (full amount) per share at offering price of Rp225 (full amount) per share, which in total amounting to Rp118,342 at every new share issued by the Bank related to the Limited Public Offering II.

The fair value of the Warrant Series I when issued is Rp566 and presented as part of the additional paid-in capital. On July 18, 2013, October 2, 2013 and November 25, 2013, 3 (three) Warrant Series I, 5,000 Warrant Series I and 280 Warrant Series I, respectively were converted into the Bank's shares which exercised using an exercise price of Rp225 (full amount) per share, par value of Rp100 (full amount) per share.

The proceeds from this Limited Public Offering amounted to Rp105,192 with the issuance cost amounting to Rp1,242.

Based on the Decision of Extraordinary General Shareholders' Meeting held on November 19, 2013 which was notarised under notarial deed No. 121 of Eliwaty Tjitra, S.H., the Bank offered Limited Public Offering III with Pre-emptive Rights of 1,627,480,640 shares at par value of Rp100 (full amount) per share at offering price of Rp125 (full amount) per share.

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1. UMUM (lanjutan)

c. Penawaran umum efek (lanjutan)

Dengan Penawaran Umum Terbatas ini, modal saham ditempatkan dan disetor penuh menjadi sebesar Rp519.032 yang terdiri dari 5.910.324.430 lembar saham. Penawaran Umum Terbatas III Dengan Hak Memesan Efek Terlebih Dahulu tersebut telah memperoleh pernyataan efektif dari Dewan Komisiner OJK pada tanggal 19 November 2013 melalui surat No. S-368/D.04/2013.

Bank juga menerbitkan Waran Seri II sebanyak 813.740.320 lembar dengan nilai nominal Rp100 (nilai penuh) per saham dan harga penawaran sebesar Rp190 (nilai penuh) per saham, yang seluruhnya berjumlah Rp154.611, atas setiap saham baru yang diterbitkan Bank sehubungan dengan Penawaran Umum Terbatas III. Nilai wajar Waran Seri II pada saat waran tersebut diterbitkan adalah sebesar Rp1.094 yang disajikan sebagai bagian dari tambahan modal disetor.

Jumlah dana yang diperoleh dari hasil Penawaran Umum Terbatas ini sebesar Rp203.435, dengan biaya emisi sebesar Rp2.027.

Sehubungan dengan penerbitan saham baru melalui Penawaran Umum Terbatas III, maka terdapat penyesuaian jumlah dan harga konversi Waran Seri I sebagai berikut:

- i. Jumlah Waran Seri I yang beredar mengalami penyesuaian dari 525.962.624 menjadi 592.580.297 lembar.
- ii. Harga Pelaksanaan Waran Seri I mengalami penyesuaian dari Rp225 menjadi Rp200 (nilai penuh) per saham.

Pada tanggal 21 Mei dan 9 Juni 2014, masing-masing sebesar 60.000 Waran Seri I dan 510.000 Waran Seri I dikonversikan menjadi saham Bank yang dilaksanakan dengan harga pelaksanaan sebesar Rp200 (nilai penuh) per saham, atau nilai nominal Rp100 (nilai penuh) per saham.

1. GENERAL (continued)

c. Public offering of the shares (continued)

With this Limited Public Offering, the issued and fully paid-up share capital of the Bank became Rp519,032 representing 5,910,324,430 shares. The Limited Public Offering III with Pre-emptive Rights became effective through the OJK Commissioner Board's letter No. S-368/D.04/2013 dated November 19, 2013.

Bank also issued Warrant Series II with total number of 813,740,320 warrants at par value of Rp100 (full amount) per share at offering price of Rp190 (full amount) per share, which in total amounted to Rp154,611, for every new share issued by the Bank related to the Limited Public Offering III. The fair value of the Warrant Series II when issued amounted to Rp1,094 and presented as part of the additional paid-in capital.

The proceeds from this Limited Public Offering amounted to Rp203,435, with issuance cost of Rp2,027.

With this issuance of new shares through Limited Public Offering III, there is an adjustment of amount and offering price of Warrant Series I:

- i. Changes in amount of Warrant Series I from the amount of 525,962,624 to the amount of 592,580,297 warrants.*
- ii. Changes in offering price of Warrant Series I from offering price of Rp225 to the offering price of Rp200 (full amount) per share.*

On May 21 and June 9, 2014, 60,000 Warrants Series I and 510,000 Warrants Series I, respectively were converted into the Bank's shares which were exercised using an exercise price of Rp200 (full amount) per share, or par value of Rp100 (full amount) per share.

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1. UMUM (lanjutan)

c. Penawaran umum efek (lanjutan)

Pada periode 1 Januari hingga 31 Desember 2015, masing-masing 587.404.171 Waran Seri I dan 37.987.934 Waran Seri II dikonversikan menjadi saham Bank yang dilaksanakan dengan harga pelaksanaan masing-masing sebesar Rp200 (nilai penuh) per saham untuk Waran Seri I dan Rp190 (nilai penuh) per saham untuk Waran Seri II. Keduanya menggunakan nilai nominal Rp100 (nilai penuh per saham).

Pada periode 1 Januari hingga 31 Desember 2016, 11.654.379 Waran Seri II dikonversikan menjadi saham Bank yang dilaksanakan dengan harga pelaksanaan sebesar Rp190 (nilai penuh) per saham untuk Waran Seri II menggunakan nilai nominal Rp100 (nilai penuh) per saham.

Sesuai dengan Keputusan Rapat Umum Pemegang Saham Luar Biasa yang diselenggarakan pada tanggal 24 Februari 2016 dan tertuang dalam Akta Pernyataan Keputusan Rapat PT Bank Windu Kentjana International Tbk No. 69 tanggal 25 Agustus 2016 yang dibuat di hadapan notaris Eliwaty Tjitra, S.H., Bank telah melakukan Penawaran Umum Terbatas IV dengan Hak Memesan Efek Terlebih Dahulu seluruhnya 10.083.519.837 lembar saham dengan nilai nominal sebesar Rp100 (nilai penuh) per saham dan harga penawaran sebesar Rp100 (nilai penuh) per saham.

Setiap pemegang saham yang memiliki 100 lembar saham, yang namanya tercatat dalam Daftar Pemegang Saham Bank mempunyai 154 Hak Memesan Efek Terlebih Dahulu (HMETD), dimana setiap 1 (satu) HMETD memberikan hak kepada pemegangnya untuk membeli sebanyak 1 (satu) lembar saham biasa yang baru diterbitkan, harus membayar penuh pada saat mengajukan pemesanan pelaksanaan HMETD pada harga yang sama dengan harga pelaksanaan sebesar Rp100 (nilai penuh) setiap saham.

1. GENERAL (continued)

c. Public offering of the shares (continued)

In the period between January 1 to December 31, 2015, 587,404,171 Warrants Series I and 37,987,934 Warrants Series II, respectively are converted into the Bank's shares which were exercised using exercise price of Rp200 (full amount) per share for Warrant Series I and Rp190 (full amount) per share for Warrant Series II. Both warrants were using par value of Rp100 (full amount) per share.

In the period between January 1 to December 31, 2016, 11,654,379 Warrants Series II, respectively were converted into the Bank's shares which were exercised using exercise price of Rp190 (full amount) per share for Warrant Series II using par value of Rp100 (full amount) per share.

Based on the Decision of Extraordinary General Shareholders Meeting held on February 24, 2016 which was notarised under notarial deed No. 69 dated August 25, 2016 of Eliwaty Tjitra, S.H., the Bank offered Limited Public Offering IV with Pre-emptive Rights of 10,083,519,837 shares at par value of Rp100 (full amount) per share at offering price of Rp100 (full amount) per share.

Every shareholder which holds 100 shares, whose name was recorded in List of Bank's Shareholders that has Pre-emptive Right of 154 shares in which 1 Pre-emptive Right enables the holder to buy 1 newly issued ordinary share, has to pay fully on reservation of Pre-emptive Right at the same price with exercise price amounting to Rp100 (full amount) for every ordinary share.

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1. UMUM (lanjutan)

c. Penawaran umum efek (lanjutan)

Sehubungan dengan Penawaran Umum Terbatas IV ini, telah ditandatangani perjanjian jual beli (SPA) dimana Johnny Wiraatmadja sebagai pemegang saham pengendali Bank akan menyerahkan HMETD yang menjadi haknya dalam Penawaran Umum Terbatas IV ini kepada China Construction Bank (CCB) untuk kemudian HMETD akan dilaksanakan oleh CCB untuk menjadi saham baru Bank. Selanjutnya, CCB akan memiliki saham Bank tidak kurang dari 51% dari jumlah seluruh saham yang ditempatkan dan disetor penuh setelah Penawaran Umum Terbatas IV dilaksanakan.

Dengan Penawaran Umum Terbatas ini, modal saham ditempatkan dan disetor penuh menjadi sebesar Rp1.663.126 yang terdiri dari 16.631.260.145 lembar saham. Penawaran Umum Terbatas IV Dengan Hak Memesan Efek Terlebih Dahulu tersebut telah memperoleh pernyataan efektif dari Dewan Komisiner OJK pada tanggal 22 Juni 2016 melalui surat No. S-311/D.04/2016.

Jumlah dana yang diperoleh dari hasil Penawaran Umum Terbatas ini sebesar Rp1.663.126 dengan biaya emisi sebesar Rp42.351.

Pada periode 1 Januari hingga 31 Desember 2016, 11.654.379 Waran Seri II dikonversikan menjadi saham Bank yang dilaksanakan dengan harga pelaksanaan sebesar Rp190 (nilai penuh) per saham untuk Waran Seri II menggunakan nilai nominal sebesar Rp100 (nilai penuh) per saham.

1. GENERAL (continued)

c. Public offering of the shares (continued)

Related to Limited Public Offering IV, the Sale Purchase Agreement has been signed in which Johnny Wiraatmadja as the Bank's majority shareholder will hand over his Pre-emptive Right in Limited Public Offering IV to China Construction Bank (CCB) to eventually be converted by CCB as newly issued shares. CCB will then own not less than 51% of the Bank's authorised and issued shares after Limited Public Offering IV has been held.

With this Limited Public Offering, the issued and fully paid-up share capital of the Bank became Rp1,663,126 representing 16,631,260,145 shares. The Limited Public Offering IV with Pre-emptive Rights became effective through the OJK Commissioner Board's letter No. S-311/D.04/2016 dated June 22, 2016.

The proceeds from this Limited Public Offering amounted to Rp1,663,126, with issuance cost of Rp42,351.

In the period between January 1 to December 31, 2016, 11,654,379 Warrants Series II were converted into the Bank's shares which were exercised using exercise price of Rp190 (full amount) per share for Warrant Series II using par value of Rp100 (full amount) per share.

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1. UMUM (lanjutan)

c. Penawaran umum efek (lanjutan)

Pada tanggal 11 Oktober 2019, Bank telah memperoleh persetujuan pemegang saham Bank atas rencana Penawaran Umum Terbatas V sebagaimana ternyata dalam Akta Berita Acara Rapat Umum Pemegang Saham Luar Biasa no.35 tanggal 11 Oktober 2019 yang telah dilaporkan kepada OJK sebagaimana dibuktikan berdasarkan tanda terima OJK No.081322 tertanggal 18 Oktober 2019 dibuat di hadapan Eliwaty Tjitra S.H, Notaris di Jakarta di mana pada poin b para pemegang saham Bank memutuskan untuk menyetujui rencana Bank untuk melakukan Penawaran Umum Terbatas dengan mengeluarkan sebanyak-banyaknya 32.000.000.000 (tiga puluh dua miliar) saham baru kepada para pemegang saham Bank dengan menerbitkan Hak Memesan Efek Terlebih Dahulu (HMETD).

Sehubungan dengan Penawaran Umum Terbatas V ini, Bank menawarkan sebanyak 21.288.269.763 (dua puluh satu miliar dua ratus delapan puluh delapan juta dua ratus enam puluh sembilan ribu tujuh ratus enam puluh tiga) Saham Baru atas nama dengan nilai nominal Rp100 (seratus Rupiah) setiap saham yang merupakan 56,14% dari jumlah saham Bank yang telah beredar setelah PUT V.

Setiap pemegang 100 (seratus) Saham Lama Bank berhak atas 128 (seratus dua puluh delapan) HMETD dimana 1 (satu) HMETD berhak untuk membeli 1 (satu) Saham Baru dengan Harga Pelaksanaan sebesar Rp150 (seratus lima puluh Rupiah) per saham.

1. GENERAL (continued)

c. Public offering of the shares (continued)

On October 11, 2019, the Bank has obtained the approval of the Bank's shareholders for the Limited Public Offering V plan as evidenced in the Deed of Minutes of Extraordinary General Meeting of Shareholders no.35 dated October 11, 2019 which has been reported to OJK as evidenced by OJK's receipt No. dated October 18, 2019 made before Eliwaty Tjitra SH, Notary in Jakarta where at point b the shareholders of the Bank decided to approve the Bank's plan to conduct a Limited Public Offering by issuing a maximum of 32,000,000,000 (thirty two billion) new shares to the shareholders of the Bank by issuing Pre-emptive Rights (HMETD).

In connection with this Limited Public Offering V, the Bank offers 21,288,269,763 (twenty-one billion two hundred and eighty-eight million two hundred and sixty-nine thousand seven hundred and sixty-three) New Shares on behalf of a par value of Rp100 (one hundred Rupiah) per share which represents 56.14% of the total shares of the Bank that have been outstanding after Limited Public Offering V.

Each holder of 100 (one hundred) Old Bank Shares is entitled to 128 (one hundred and twenty eight) Pre-emptive Rights in which 1 (one) HMETD is entitled to purchase 1 (one) New Share at an Exercise Price of Rp150 (one hundred and fifty Rupiah) per share.

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1. UMUM (lanjutan)

c. Penawaran umum efek (lanjutan)

Dengan Penawaran Umum Terbatas ini, modal saham ditempatkan dan disetor penuh menjadi sebesar Rp3.791.973 yang terdiri dari 37.919.730.514 lembar saham. Penawaran Umum Terbatas V dengan Hak Memesan Efek Terlebih Dahulu tersebut telah memperoleh pernyataan efektif dari Dewan Komisiner OJK pada tanggal 16 Juni 2020 melalui surat No. S-162/D.04/2020.

China Construction Bank Corporation (CCB Corp) adalah Pemegang Saham Utama Bank. Pada saat Penawaran Umum Terbatas V dilaksanakan, CCB Corp memiliki 9.978.756.012 (sembilan miliar sembilan ratus tujuh puluh delapan juta tujuh ratus lima puluh enam ribu dua belas) saham dalam Bank. CCB Corp telah melaksanakan seluruh haknya sesuai dengan porsi kepemilikan sahamnya dalam Bank.

Jumlah dana yang diperoleh dari hasil Penawaran Umum Terbatas ini sebesar Rp3.193.240 dengan biaya emisi sebesar Rp35.383. Hasil emisi Penawaran Umum Terbatas V mencapai 100% (seratus persen) dari target dana yang direncanakan.

Setelah pelaksanaan Penawaran Umum Terbatas V, jumlah saham yang telah ditempatkan dan disetor penuh Bank adalah sebanyak 37.919.730.514 (tiga puluh tujuh miliar sembilan ratus sembilan belas juta tujuh ratus tiga puluh ribu lima ratus empat belas) saham, telah dicatatkan pada Bursa Efek Indonesia.

Pada tanggal 31 Desember 2023 dan 2022, masing-masing total saham yang telah ditempatkan dan disetor penuh Bank adalah sebanyak 37.919.730.514 dan 37.919.730.514 lembar saham, telah dicatatkan pada Bursa Efek Indonesia (Catatan 25).

1. GENERAL (continued)

c. Public offering of the shares (continued)

With this Limited Public Offering, the issued and fully paid-up share capital amounted to Rp3,791,973 consisting of 37,919,730,514 shares. Limited Public Offering V with Pre-emptive Rights has obtained an effective statement from the OJK Board of Commissioners on June 16, 2020 through letter No. S-162/D.04/2020.

China Construction Bank Corporation (CCB Corp) is the Bank's Main Shareholder. At the time PUT V was implemented, CCB Corp. owned 9,978,756,012 (nine billion nine hundred and seventy-eight million seven hundred and fifty-six thousand twelve) shares in the Bank. CCB Corp. has exercised all of its rights in accordance with its shareholding in the Bank.

The amount of funds obtained from the Limited Public Offering amounted to Rp3,193,240 with an emission fee of Rp35,383. Limited Public Offering V emissions reached 100% (one hundred percent) of the planned fund target.

After the implementation of Limited Public Offering V, the number of fully issued and paid-up shares is 37,919,730,514 (thirty-seven billion nine hundred and nineteen million seven hundred and thirty thousand five hundred and fourteen) shares, which were listed on the Indonesia Stock Exchange.

As of December 31, 2023 and 2022, the Bank's fully issued and paid-up shares is 37,919,730,514 and 37,919,730,514, respectively, which were listed on the Indonesia Stock Exchange (Note 25).

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1. UMUM (lanjutan)

d. Dewan Komisaris, Direksi, dan karyawan

Susunan Dewan Komisaris dan Direksi Bank pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

	31 Desember/December 31	
	2023	2022
Dewan Komisaris		
Komisaris Utama	Sun Jianzheng	Sun Jianzheng
Komisaris	Qi Jiangong	Qi Jiangong
Komisaris Independen	Mohamad Hasan	Mohamad Hasan
Komisaris Independen	Yudo Sutanto, Nyoo	Yudo Sutanto, Nyoo
Direksi		
Direktur Utama	You Wennan	You Wennan
Direktur <i>Corporate and International Banking</i>	Zhu Yong	Zhu Yong
Direktur Keuangan	Chandra N.T. Siagian	Chandra N.T. Siagian
Direktur Operasional	Junianto	Junianto
Direktur <i>Commercial and Retail Banking</i>	Setiawati Samahita	Setiawati Samahita
Direktur Kepatuhan	Agresius R. Kadiaman	Agresius R. Kadiaman

Pada tanggal 31 Desember 2023 dan 2022, jumlah karyawan Bank (termasuk karyawan kontrak) masing-masing sebanyak 1.183 dan 1.203 orang (tidak diaudit).

e. Komite Audit

Pada tanggal 31 Desember 2023 dan 2022, susunan Komite Audit adalah sebagai berikut:

	31 Desember/December 31	
	2023	2022
Ketua	Mohamad Hasan	Mohamad Hasan
Anggota	Mohamad Hassan	Mohamad Hassan
Anggota	-	Mulyadi

Pembentukan Komite Audit Bank telah sesuai dengan Peraturan Otoritas Jasa Keuangan ("POJK") No. 55/POJK.04/2015.

1. GENERAL (continued)

d. The Board of Commissioners, the Board of Directors, and employees

The composition of the Bank's Board of Commissioners and the board of Directors as of December 31, 2023 and 2022 are as follows:

	31 Desember/December 31	
	2023	2022
Board of Commissioners		
President Commissioner	Sun Jianzheng	Sun Jianzheng
Commissioner	Qi Jiangong	Qi Jiangong
Independent Commissioner	Mohamad Hasan	Mohamad Hasan
Independent Commissioner	Yudo Sutanto, Nyoo	Yudo Sutanto, Nyoo
Board of Directors		
President Director	You Wennan	You Wennan
Corporate and International Banking Director	Zhu Yong	Zhu Yong
Finance Director	Chandra N.T. Siagian	Chandra N.T. Siagian
Operational Director	Junianto	Junianto
Commercial and Retail Banking Director	Setiawati Samahita	Setiawati Samahita
Compliance Director	Agresius R. Kadiaman	Agresius R. Kadiaman

As of December 31, 2023 and 2022, the total number of the Bank's employees (including contract employees) are 1,183 and 1,203 employees, respectively (unaudited).

e. Audit Committee

As of December 31, 2023 and 2022, the composition of the Audit Committee are as follows:

	31 Desember/December 31	
	2023	2022
Chairman	Mohamad Hasan	Mohamad Hasan
Member	Mohamad Hassan	Mohamad Hassan
Member	-	Mulyadi

The establishment of the Bank's Audit Committee is in compliance Regulation of Financial Services Authority ("POJK") No. 55/POJK.04/2015.

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1. UMUM (lanjutan)

f. Sekretaris Perusahaan

Sekretaris Perusahaan Bank pada tanggal 31 Desember 2023 dan 2022 adalah Andreas Herman Basuki.

g. Satuan Kerja Audit Internal

31 Desember/December 31

	2023	2022	
Kepala Satuan Kerja Audit Internal	Rita Fitria	Erwin Ruchiawan	Head of Internal Audit

Pada tanggal 31 Desember 2023 Kepala Satuan Kerja Audit Internal adalah Rita Fitria menggantikan posisi Pejabat Sementara Erwin Ruchiawan.

The Bank's Corporate Secretary as of December 31, 2023 and 2022 is Andreas Herman Basuki.

g. Internal Audit

As of December 31, 2023 The Head of Internal Audit, Rita Fitria replace the position of previous temporary Head of Internal Audit Erwin Ruchiawan.

h. Komite Pemantau Risiko

Pada tanggal 31 Desember 2023 dan 2022, susunan Komite Pemantau Risiko adalah sebagai berikut:

31 Desember/December 31

	2023	2022	
Ketua	Yudo Sutanto, Nyoo	Yudo Sutanto, Nyoo	Chairman
Anggota	Mohamad Hassan	Mohamad Hassan	Member
Anggota	Mohammad Sumarsono	Mohammad Sumarsono	Member

h. Risk Monitoring Committee

As of December 31, 2023 and 2022, the composition of the Risk Monitoring Committee are as follows:

i. Komite Remunerasi dan Nominasi

Pada tanggal 31 Desember 2023 dan 2022, susunan Komite Remunerasi dan Nominasi adalah sebagai berikut:

31 Desember/December 31

	2023	2022	
Ketua	Mohamad Hasan	Mohamad Hasan	Chairman
Anggota	Qi Jiangong	Qi Jiangong	Member
Anggota	Irwan Ignatius Bonto	Irwan Ignatius Bonto	Member

i. Remuneration and Nomination Committee

As of December 31, 2023 and 2022, the composition of the Remuneration and Nomination Committee are as follows:

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL

Manajemen Bank bertanggung jawab penuh terhadap penyajian laporan keuangan terlampir yang diselesaikan dan disetujui untuk diterbitkan oleh Direksi pada tanggal 2 Februari 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The management of the Bank is fully responsible for the preparation of the accompanying financial statements which were completed and authorised for issuance by the Board of Directors on February 2, 2024.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

Kebijakan akuntansi material yang diterapkan secara konsisten untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 dalam penyusunan laporan keuangan Bank adalah sebagai berikut:

a. Dasar penyusunan laporan keuangan

Laporan keuangan 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 ("DSAK-IAI") dan peraturan Bapepam-LK No. VIII.G.7, Lampiran Keputusan Ketua Bapepam-LK No. KEP-347/BL/2012 tanggal 25 Juni 2012 tentang "Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik".

Laporan keuangan disusun berdasarkan basis akrual dengan menggunakan konsep nilai historis, kecuali untuk revaluasi aset tetap dan jika standar akuntansi mensyaratkan pengukuran nilai wajar.

Laporan arus kas disusun dengan menggunakan metode langsung yang dimodifikasi dengan mengelompokkan arus kas ke dalam aktivitas operasi, investasi dan pendanaan.

Untuk tujuan penyajian laporan arus kas, kas dan setara kas meliputi kas, giro pada Bank Indonesia, giro pada bank lain, penempatan pada Bank Indonesia dan bank lain yang jatuh tempo dalam waktu tiga bulan sejak tanggal perolehan, sepanjang tidak digunakan sebagai jaminan serta tidak dibatasi penggunaannya.

Bank telah menetapkan mata uang fungsional dan penyajian adalah mata uang Rupiah. Seluruh angka dalam laporan keuangan ini dibulatkan menjadi dan dinyatakan dalam jutaan Rupiah, kecuali dinyatakan lain.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The material accounting policies applied consistently in preparing the financial statements of the Bank for the year ended December 31, 2023 and 2022 are as follows:

a. Basis of preparation of the financial statements

The financial statements have been prepared and presented in accordance with the Indonesian Financial Accounting Standards including Statements and Interpretations issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants ("DSAK-IAI") and Bapepam-LK's regulation No. VIII G.7, Appendix of the Decision of the Chairman of Bapepam-LK No. KEP-347/BL/2012 dated June 25, 2012 regarding "Guidelines on Financial Statements Presentations and Disclosures for Issuers or Public Companies".

The financial statements have been prepared on accrual basis under the historical cost convention, except for the revaluation of fixed assets and where accounting standards require fair value measurement.

The statements of cash flows are prepared based on the modified direct method by classifying cash flows on the basis of operating, investing and financing activities.

For the purpose of presentation of the statements of cash flows, cash and cash equivalents consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks that mature within three months from the date of acquisition, as long as they are neither being pledged as collateral nor restricted.

The Bank has determined that its functional and presentation currency is Rupiah. Figures in the financial statements are rounded to and stated in millions of Rupiah, unless otherwise specified.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

a. Dasar penyusunan laporan keuangan (lanjutan)

Penyusunan laporan keuangan sesuai dengan Standar Akuntansi Keuangan di Indonesia mengharuskan penggunaan estimasi dan asumsi. Hal tersebut juga mengharuskan manajemen untuk membuat pertimbangan dalam proses penerapan kebijakan akuntansi Bank. Area yang kompleks atau memerlukan tingkat pertimbangan yang lebih tinggi, atau area di mana asumsi dan estimasi dapat berdampak signifikan terhadap laporan keuangan diungkapkan di Catatan 3, kecuali dinyatakan dibawah ini. Kebijakan akuntansi telah diterapkan secara konsisten pada laporan keuangan tahunan untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022, sesuai dengan Pernyataan Standar Akuntansi Keuangan di Indonesia (PSAK).

b. Perubahan pada pernyataan standar akuntansi keuangan dan interpretasi pernyataan standar akuntansi keuangan

Penerapan dari standar dan interpretasi baru berikut sejak 1 Januari 2023, tidak menimbulkan perubahan substansial terhadap kebijakan akuntansi Bank dan tidak berdampak material terhadap jumlah yang dilaporkan pada periode berjalan atau tahun 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. 1, "Penyajian Laporan Keuangan" tentang klasifikasi liabilitas
- Amendemen PSAK No. 25 "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan" tentang definisi "estimasi akuntansi" dan penjelasannya
- Amendemen PSAK No. 16, "Aset Tetap" tentang hasil sebelum penggunaan yang diintensikan

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

a. Basis of preparation of the financial statements (continued)

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Bank's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3, except as described below. The accounting policies applied are consistent with the annual financial statements for the years ended December 31, 2023 and 2022, which confirm to the Statements of Financial Accounting Standards (SFAS).

b. Changes to the statements of financial accounting standards and interpretations of statement of financial accounting standards

The adoption of these new and revised standards and interpretation since January 1, 2023 did not result in substansial changes to Bank's accounting policies and had no material effect on the amounts reported for the current or prior financial period/years:

- Amendment of 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 of SFAS No. 1 "Presentation of Financial Statements" regarding classification of liabilities
- Amendments of SFAS No. 25, "Accounting Policies, Changes in Accounting Estimates and Errors" regarding definition of "accounting estimates" and their explanations
- Amendment of SFAS No. 16, "Fixed Assets" regarding proceeds before intended use

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

b. Perubahan pada pernyataan standar akuntansi keuangan dan interpretasi pernyataan standar akuntansi keuangan (lanjutan)

- Amandemen PSAK No. 46, "Pajak Penghasilan" tentang Pajak Tangguhan terkait Aset dan Liabilitas yang timbul dari Transaksi Tunggal yang diadopsi dari Amandemen IAS 12 *Income Taxes* tentang *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amandemen PSAK No. 73, "Sewa" terkait liabilitas sewa pada transaksi jual dan sewa-balik

c. Kombinasi bisnis

Metode akuisisi

Bank menerapkan metode akuisisi untuk mencatat kombinasi bisnis. Imbalan yang dialihkan untuk akuisisi suatu entitas anak adalah sebesar nilai wajar aset yang dialihkan, liabilitas yang diakui terhadap pemilik pihak yang diakuisi sebelumnya, dan kepentingan ekuitas yang diterbitkan oleh Bank. Imbalan yang dialihkan termasuk nilai wajar aset atau liabilitas yang timbul dari kesepakatan imbalan kontinjensi. Aset teridentifikasi yang diperoleh dan liabilitas serta liabilitas kontinjensi yang diambil alih dalam suatu kombinasi bisnis diukur pada awalnya sebesar nilai wajar pada tanggal akuisisi.

Imbalan kontinjensi yang dialihkan oleh pihak pengakuisisi diakui pada nilai wajar tanggal akuisisi. Perubahan nilai wajar atas imbalan kontinjensi setelah tanggal akuisisi yang diklasifikasikan sebagai aset atau liabilitas akan diakui sebagai laba rugi sesuai dengan PSAK 55. Jika diklasifikasikan sebagai ekuitas, imbalan kontinjensi tidak diukur kembali dan penyelesaian selanjutnya diperhitungkan dalam ekuitas.

Pada tanggal akuisisi, *goodwill* awalnya diukur pada harga perolehan yang merupakan selisih lebih nilai agregat dari imbalan yang dialihkan dan total setiap Kepentingan Non-pengendali (KNP) atas selisih total dari aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih. Jika imbalan tersebut kurang dari nilai wajar aset neto entitas anak yang diakuisisi, selisih tersebut diakui sebagai laba rugi.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

b. Changes to the statements of financial accounting standards and interpretations of statement of financial accounting standards (continued)

- Amendment of SFAS No. 46, "Income Tax" on 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*
- Amendments of SFAS No. 73, "Leases" regarding lease liabilities in sale-and-lease back transaction

c. Business combination

Acquisition method

The Bank applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Bank. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with SFAS 55 either in profit or loss. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

At acquisition date, *goodwill* is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for Non-controlling Interest (NCI) over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

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c. Kombinasi bisnis (lanjutan)

Peninjauan atas penurunan nilai pada *goodwill* dilakukan setahun sekali atau dapat lebih sering apabila terdapat peristiwa atau perubahan keadaan yang mengindikasikan adanya potensi penurunan nilai. *Goodwill* dinyatakan sebesar nilai perolehan dikurangi kerugian penurunan nilai.

Untuk pengujian penurunan nilai, *goodwill* yang diperoleh dalam kombinasi bisnis dialokasikan pada setiap unit penghasil kas atau kelompok unit penghasil kas, yang diharapkan dapat memberikan manfaat dari sinergi kombinasi bisnis tersebut. Setiap unit atau kelompok unit yang memperoleh alokasi *goodwill* merupakan tingkat terendah dalam entitas yang *goodwill*-nya dipantau untuk tujuan manajemen internal. *Goodwill* dipantau pada level segmen operasi.

Metode penyatuan kepemilikan

Transaksi integrasi usaha dan operasi antara PT Bank Windu Kentjana International Tbk dan PT Bank Antardaerah (Catatan 1b) merupakan transaksi kombinasi bisnis entitas sependengali. Transaksi kombinasi bisnis antar entitas sependengali berupa pengalihan bisnis termasuk aset maupun liabilitas terkait dalam rangka reorganisasi entitas-entitas yang berada dalam suatu kelompok yang sama bukan merupakan perubahan kepemilikan dalam arti substansi ekonomi. Berdasarkan PSAK 38 "Kombinasi Bisnis Entitas Sependengali", transaksi tersebut diakui pada jumlah tercatat berdasarkan metode penyatuan kepemilikan.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c. Business combination (continued)

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. Goodwill is carried at cost less impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGU") or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Pooling of interest method

Business integration transaction and operation between PT Bank Windu Kentjana International Tbk and PT Bank Antardaerah (Note 1b) is a business combination under common control transaction. Business combination transaction between entities under common control in form of business transfer including the related assets and liabilities in the event of reorganisation of entities under the same group does not constitute change in ownership by economic substance definition. According to SFAS 38 "Business Combination of Entities Under Common Control", such transaction is recognised at carrying value under pooling of interest method.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

d. Aset dan liabilitas keuangan

Bank menerapkan PSAK No. 71 "Instrumen Keuangan", PSAK No. 60, "Instrumen Keuangan: Pengungkapan", dan PSAK 68, "Pengukuran Nilai Wajar".

(i) Klasifikasi

Aset keuangan Bank terdiri dari kas, giro pada Bank Indonesia, giro pada bank lain, penempatan pada Bank Indonesia dan bank lain. Efek-efek terdiri dari efek-efek yang dibeli dengan janji dijual kembali (*reverse repo*), tagihan derivatif, kredit yang diberikan, efek-efek yang dijual dengan janji dibeli kembali, pendapatan bunga yang masih akan diterima, dan aset lain-lain.

Liabilitas keuangan Bank terdiri dari liabilitas segera, simpanan dari nasabah, simpanan dari bank lain, liabilitas atas efek-efek yang dijual dengan janji dibeli kembali, liabilitas derivatif, liabilitas akseptasi, bunga yang masih harus dibayar, surat berharga subordinasi dan liabilitas lain-lain.

Bank mengklasifikasikan aset keuangannya berdasarkan kategori sebagai berikut pada saat pengakuan awal:

- Aset keuangan yang diukur pada nilai wajar melalui laba rugi;
- Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain;
- Aset keuangan yang diukur pada biaya perolehan diamortisasi.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities

The Bank has applied SFAS No. 71 "Financial Instruments" SFAS No. 60, "Financial Instruments: Disclosures", and SFAS No. 68, "Fair Value Measurement".

(i) Classification

The Bank's financial assets consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, marketable securities, securities purchased under agreements to resale (*reverse repo*), derivative receivables, loans, securities sold under repurchase agreements, interest receivables and other assets.

The Bank's financial liabilities consist of obligation due immediately, deposits from customers, deposits from other banks, liabilities on securities sold under agreements to repurchase, derivative payables, acceptance payables, interest payables, subordinated securities and other liabilities.

The Bank classifies its financial assets according to the following categories at initial recognition:

- Financial assets measured at fair value through profit or loss;
- Financial assets that are measured at fair value through other comprehensive income;
- Financial assets measured at amortized cost.

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d. Aset dan liabilitas keuangan (lanjutan)

(i) Klasifikasi (lanjutan)

Aset keuangan diukur pada biaya perolehan diamortisasi jika memenuhi kondisi sebagai berikut:

- Aset keuangan dikelola dalam model bisnis yang bertujuan untuk memiliki aset keuangan dalam rangka mendapatkan arus kas kontraktual ("hold to collect"); dan
- Persyaratan kontraktual dari aset keuangan tersebut memberikan hak pada tanggal tertentu atas arus kas yang diperoleh semata dari pembayaran pokok dan bunga (SPPI) dari jumlah pokok terutang.

Aset keuangan diukur pada nilai wajar melalui penghasilan komprehensif lain jika memenuhi kondisi sebagai berikut:

- Aset keuangan dikelola dalam model bisnis yang bertujuan untuk mendapatkan arus kas kontraktual dan menjual aset keuangan ("hold to collect and sell"); dan
- Persyaratan kontraktual dari aset keuangan tersebut memenuhi kriteria SPPI.

Pada saat pengakuan awal, Bank dapat membuat pilihan yang tidak dapat dibatalkan untuk menyajikan instrumen ekuitas yang bukan dimiliki untuk diperdagangkan pada nilai wajar melalui penghasilan komprehensif lain.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(i) Classification (continued)

Financial assets are measured at amortized cost if they meet the following conditions:

- Financial assets are managed in a business model that aims to have financial assets in order to obtain contractual cash flow ("hold to collect"); and
- The contractual terms of the financial assets provide rights on a certain date for cash flow obtained solely from payment of principal and interest (SPPI) on the principal amount owed.

Financial assets are measured at fair value through other comprehensive income if they meet the following conditions:

- Financial assets are managed in a business model that aims to obtain contractual cash flow and sell financial assets ("hold to collect and sell"); and
- The contractual requirements of the financial assets meet the SPPI criteria.

At initial recognition, the Bank may make an irrevocable choice to present equity instruments that are not held for trading at fair value through other comprehensive income.

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d. Aset dan liabilitas keuangan (lanjutan)

(i) Klasifikasi (lanjutan)

Aset keuangan lainnya yang tidak memenuhi persyaratan untuk diklasifikasikan sebagai aset keuangan diukur pada biaya perolehan diamortisasi atau nilai wajar melalui penghasilan komprehensif lain diklasifikasikan sebagai diukur pada nilai wajar melalui laba rugi.

Saat pengakuan awal Bank dapat membuat penetapan yang tidak dapat dibatalkan untuk mengukur aset yang memenuhi persyaratan untuk diukur pada biaya perolehan diamortisasi atau nilai wajar melalui penghasilan komprehensif lain pada nilai wajar melalui laba rugi, apabila penetapan tersebut mengeliminasi atau secara material mengurangi inkonsistensi pengukuran atau pengakuan (kadang disebut sebagai "accounting mismatch").

Penilaian model bisnis

Model bisnis ditentukan pada level yang mencerminkan bagaimana kelompok aset keuangan dikelola bersama-sama untuk mencapai tujuan bisnis tertentu.

Penilaian model bisnis dilakukan dengan mempertimbangkan, tetapi tidak terbatas pada hal-hal berikut:

- Bagaimana kinerja dari model bisnis dan aset keuangan yang dimiliki dalam model bisnis dievaluasi dan dilaporkan kepada personil manajemen kunci Bank;

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(i) Classification (continued)

Other financial assets that do not meet the requirements to be classified as financial assets measured at amortized cost or fair value through other comprehensive income are classified as measured at fair value through profit or loss.

At initial recognition, the Bank can make an irrevocable determination to measure assets that meet the requirements to be measured at amortized cost or fair value through other comprehensive income at fair value through profit or loss, if the determination eliminates or materially reduces the measurement or recognition inconsistencies (sometimes referred to as "accounting mismatch").

Business models evaluation

The business model is determined at a level that reflects how groups of financial assets are managed together to achieve certain business objectives.

The evaluation of the business model is carried out by considering, but not limited to the following:

- *How the performance of the business model and financial assets held in the business model are evaluated and reported to the Bank's key management personnel;*

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d. Aset dan liabilitas keuangan (lanjutan)

(i) Klasifikasi (lanjutan)

Penilaian model bisnis (lanjutan)

Penilaian model bisnis dilakukan dengan mempertimbangkan, tetapi tidak terbatas pada hal-hal berikut: (lanjutan)

- Apakah risiko yang memengaruhi kinerja dari model bisnis (termasuk aset keuangan yang dimiliki dalam model bisnis) dan khususnya bagaimana cara aset keuangan tersebut dikelola; dan
- Bagaimana penilaian kinerja pengelola aset keuangan (sebagai contoh, apakah penilaian kinerja berdasarkan nilai wajar dari aset yang dikelola atau arus kas kontraktual yang diperoleh).

Aset keuangan yang dimiliki untuk diperdagangkan dan penilaian kinerja berdasarkan nilai wajar diukur pada nilai wajar melalui laba rugi.

Derivatif juga dikategorikan dalam kelompok ini, kecuali derivatif yang ditetapkan sebagai instrumen lindung nilai efektif.

Penilaian mengenai arus kas kontraktual yang diperoleh semata-mata dari pembayaran pokok dan bunga (SPPI)

Untuk tujuan penilaian ini, pokok didefinisikan sebagai nilai wajar dari aset keuangan pada saat pengakuan awal. Bunga didefinisikan sebagai imbalan untuk nilai waktu atas uang dan risiko kredit terkait jumlah pokok terutang pada periode waktu tertentu dan juga risiko dan biaya peminjaman standar, serta marjin laba.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(i) Classification (continued)

Business models evaluation (continued)

The evaluation of the business model is carried out by considering, but not limited to the following: (continued)

- What risks affect the performance of the business model (including financial assets held in the business model) and specifically how the financial assets are managed; and
- How to evaluate the performance of managers of financial assets (for example, whether performance appraisals are based on the fair value of the assets being managed or the contractual cash flows obtained).

Financial assets held for trading and which performance appraisals based on fair value are measured at fair value through profit or loss.

Derivatives are also categorized under this classification, unless they are designated as effective hedging instruments.

Evaluation of contractual cash flows obtained solely from payment of principal and interest (SPPI)

For the purpose of this evaluation, principal is defined as the fair value of financial assets at initial recognition. Interest is defined as compensation for the time value of money and credit risk in relation to the principal amount owed over a certain period of time and also the risk and standard borrowing costs, as well as profit margins.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

d. Aset dan liabilitas keuangan (lanjutan)

(i) Klasifikasi (lanjutan)

Penilaian mengenai arus kas kontraktual yang diperoleh semata-mata dari pembayaran pokok dan bunga (SPPI) (lanjutan)

Penilaian mengenai arus kas kontraktual yang diperoleh semata dari pembayaran pokok dan bunga dilakukan dengan mempertimbangkan persyaratan kontraktual, termasuk apakah aset keuangan mengandung persyaratan kontraktual yang dapat mengubah waktu atau jumlah arus kas kontraktual. Dalam melakukan penilaian, Bank mempertimbangkan:

- Peristiwa kontinjensi yang akan mengubah waktu atau jumlah arus kas kontraktual;
- Fitur *leverage*;
- Persyaratan pembayaran di muka dan perpanjangan kontraktual;
- Persyaratan mengenai klaim yang terbatas atas arus kas yang berasal dari aset spesifik; dan
- Fitur yang dapat mengubah nilai waktu dari elemen uang.

Liabilitas keuangan diklasifikasikan ke dalam kategori sebagai berikut pada saat pengakuan awal:

- Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi, yang memiliki 2 (dua) sub-klasifikasi, yaitu liabilitas keuangan yang ditetapkan demikian pada saat pengakuan awal dan liabilitas keuangan yang telah diklasifikasikan dalam kelompok diperdagangkan;
- Liabilitas keuangan lain yang tidak diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi dikategorikan dan diukur dengan biaya perolehan diamortisasi.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(i) Classification (continued)

Evaluation of contractual cash flows obtained solely from payment of principal and interest (SPPI) (continued)

An assessment of contractual cash flows obtained solely from principal and interest payments is made by considering contractual terms, including whether financial assets contain contractual terms that can change the timing or amount of contractual cash flows. In assessing, the Bank considers:

- *Contingency events that will change the timing or amount of contractual cash flow;*
- *Leverage feature;*
- *Terms of advance payment and contractual extension;*
- *Requirements regarding limited claims for cash flows from specific assets; and*
- *Features that can change the time value of the money element.*

Financial liabilities are classified into the following categories at initial recognition:

- *Financial liabilities at fair value through profit or loss, which has 2 (two) sub-classifications, i.e., those designated as such upon initial recognition and those classified as held for trading;*
- *Other financial liabilities that are not classified as financial liabilities at fair value through profit or loss are categorized and measured at amortized cost.*

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d. Aset dan liabilitas keuangan (lanjutan)

(i) Klasifikasi (lanjutan)

Berikut klasifikasi instrumen keuangan Bank berdasarkan PSAK No. 71:

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(i) Classification (continued)

Below are financial instruments classification of the Bank based on SFAS No. 71:

Instrumen keuangan/ Financial instruments	Kategori yang didefinisikan oleh PSAK No. 71/ Category as defined by SFAS No. 71
Kas/Cash	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Giro pada Bank Indonesia/ Current accounts with Bank Indonesia	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Giro pada bank lain/ Current accounts with other banks	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Penempatan pada Bank Indonesia dan bank lain/ Placements with Bank Indonesia and other banks	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Efek-efek/Marketable securities	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain/Financial assets at fair value through other comprehensive income
Tagihan akseptasi/Acceptance receivables	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali/Receivables on securities purchased with agreements to resell	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Kredit yang diberikan/ Loans	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Pendapatan bunga yang masih akan diterima/Interest receivables	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Aset lain-lain/ Other assets	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost

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(i) Klasifikasi (lanjutan)

Berikut klasifikasi instrumen keuangan Bank berdasarkan PSAK No. 71: (lanjutan)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(i) Classification (continued)

Below are financial instruments classification of the Bank based on SFAS No. 71: (continued)

Instrumen keuangan/ Financial instruments	Kategori yang didefinisikan oleh PSAK No. 71/ Category as defined by SFAS No. 71
Liabilitas segera/ <i>Obligation due immediately</i>	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/ <i>Financial liabilities at amortized cost</i>
Liabilitas derivatif/ <i>Derivative payables</i>	Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi/ <i>Financial liabilities at fair value through profit or loss</i>
Liabilitas akseptasi/ <i>Acceptance payables</i>	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/ <i>Financial liabilities at amortized cost</i>
Simpanan dari nasabah/ <i>Deposits from customers</i>	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/ <i>Financial liabilities at amortized cost</i>
Simpanan dari bank lain/ <i>Deposits from other banks</i>	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/ <i>Financial liabilities at amortized cost</i>
Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali/ <i>Liabilities on securities sold under repurchase agreements</i>	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/ <i>Financial liabilities at amortized cost</i>
Bunga yang masih harus dibayar/ <i>Interest payables</i>	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/ <i>Financial liabilities at amortized cost</i>
Surat berharga subordinasi/ <i>Subordinated securities</i>	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/ <i>Financial liabilities at amortized cost</i>
Liabilitas lain-lain/ <i>Other liabilities</i>	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/ <i>Financial liabilities at amortized cost</i>

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d. Aset dan liabilitas keuangan (lanjutan)

(ii) Pengakuan awal

Aset dan liabilitas keuangan pada awalnya diukur pada nilai wajarnya. Dalam hal aset atau liabilitas keuangan tidak diklasifikasikan sebagai nilai wajar melalui laba rugi, nilai wajar tersebut ditambah/dikurangi biaya transaksi yang dapat diatribusikan secara langsung dengan perolehan atau penerbitan aset atau liabilitas keuangan.

Bank pada pengakuan awal dapat menetapkan aset dan keuangan liabilitas tertentu sebagai nilai wajar melalui laba rugi (opsi nilai wajar). Opsi nilai wajar dapat digunakan hanya bila memenuhi ketentuan sebagai berikut:

- Penetapan sebagai opsi nilai wajar mengurangi atau mengeliminasi inkonsistensi pengukuran dan pengakuan (*accounting mismatch*) yang dapat timbul; atau
- Aset dan liabilitas keuangan merupakan bagian dari portofolio instrumen keuangan yang risikonya dikelola dan dilaporkan kepada manajemen kunci berdasarkan nilai wajar; atau
- Aset 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

Aset keuangan dalam kelompok aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain dan aset dan liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi diukur pada nilai wajarnya.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(ii) Initial recognition

Financial assets and liabilities are initially recognized at fair value. For those financial assets or liabilities not classified as fair value through profit or loss, the fair value is added/deducted with directly attributable transaction costs to the issuance of financial assets or liabilities.

The Bank 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 are unable to measure the embedded derivative separately.*

(iii) Subsequent measurement

Financial assets at fair value through other comprehensive income and financial assets and liabilities at fair value through profit or loss are measured at fair value.

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d. Aset dan liabilitas keuangan (lanjutan)

(iii) Pengukuran setelah pengakuan awal (lanjutan)

Aset keuangan kelompok biaya perolehan diamortisasi dan liabilitas keuangan lainnya 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
- Bank telah mentransfer haknya untuk menerima arus kas yang berasal dari aset keuangan atau menanggung kewajiban untuk membayarkan arus kas yang diterima tersebut secara penuh tanpa penundaan berarti kepada pihak ketiga di bawah kesepakatan pelepasan (*pass through arrangement*); dan

b. Liabilitas keuangan dihentikan pengakuannya jika liabilitas keuangan tersebut berakhir, yaitu ketika liabilitas yang ditetapkan dalam kontrak dilepaskan, dibatalkan atau kadaluwarsa.

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.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(iii) Subsequent measurement (continued)

Financial assets classified as amortized cost and other financial liabilities are measured at amortized cost using the effective interest rate method.

(iv) Derecognition

a. *Financial assets are derecognised when:*

- *The contractual rights to receive cash flows from the financial assets have expired; or*
- *The Bank has transferred its rights to receive cash flows from the financial assets or have assumed an obligation to pay the cash flows in full without material delay to a third party under a "pass through arrangement"; and*

b. *Financial liabilities are derecognised when they are extinguished i.e., when the liabilities stated in the contract are discharged, cancelled or has expired.*

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 recognised in the statement of profit or loss and other comprehensive income.

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d. Aset dan liabilitas keuangan (lanjutan)

(v) Pengakuan pendapatan dan beban

- a. Pendapatan dan beban bunga atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain, serta aset dan liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi diakui pada laporan laba rugi 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 suku bunga efektif diterapkan pada jumlah tercatat bruto aset (ketika aset tersebut bukan aset keuangan yang memburuk) atau terhadap biaya perolehan diamortisasi dari liabilitas.

Untuk aset keuangan yang memburuk setelah pengakuan awal, pendapatan bunga dihitung dengan menerapkan tingkat suku 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 suku bunga efektif terhadap nilai tercatat bruto dari aset keuangan tersebut.

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. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(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 liabilities measured at amortized cost are recognized in the statement of profit or loss using the effective interest rate 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 is no longer deteriorating, the calculation of interest income will be calculated by applying an effective interest rate to the gross carrying amount of the financial asset.

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.

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d. Aset dan liabilitas keuangan (lanjutan)

(v) Pengakuan pendapatan dan beban (lanjutan)

- b. Keuntungan dan kerugian yang timbul dari perubahan nilai wajar aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain selain keuntungan atau kerugian selisih kurs atas instrumen utang diakui secara langsung dalam penghasilan komprehensif lain (sebagai bagian dari ekuitas) hingga aset keuangan tersebut dihentikan pengakuannya atau terdapat penurunan nilai.

Pada saat aset keuangan dihentikan pengakuannya atau mengalami penurunan nilai, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas harus diakui pada laporan laba rugi.

Dalam menghitung pendapatan dan beban bunga, tingkat suku bunga efektif diterapkan pada jumlah tercatat bruto aset (ketika aset tersebut bukan aset keuangan yang memburuk) atau terhadap biaya perolehan diamortisasi dari liabilitas.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(v) Income and expense recognition (continued)

- b. Gains and losses arising from changes in the fair value of financial asset measured at fair value through other comprehensive income other than foreign exchange gains or losses on debt instruments are recognized directly in other comprehensive income (as part of equity) until the financial asset is derecognized or impaired.

When a financial asset is derecognized or impaired, the cumulative gains or losses previously recognized in equity are recognized in statement of profit or loss.

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.

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(vi) Reklasifikasi aset keuangan

Bank mereklasifikasi aset keuangan jika dan hanya jika, model bisnis untuk pengelolaan aset keuangan berubah.

Tidak terdapat reklasifikasi untuk liabilitas keuangan.

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 dalam laporan laba rugi dan penghasilan komprehensif lainnya.

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 wajar. Keuntungan atau kerugian yang belum direalisasi direklasifikasi ke laba rugi.

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui penghasilan komprehensif lain ke klasifikasi biaya perolehan yang diamortisasi dicatat pada nilai tercatat. 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.

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui laba rugi ke klasifikasi biaya perolehan yang diamortisasi dicatat pada wajar.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(vi) Reclassification of financial assets

The Bank reclassifies financial assets if and only if, the business model for managing financial assets changes.

There is no reclassification of financial liabilities.

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.

Reclassification of financial assets from fair value classifications through other comprehensive income to the amortized cost classification is recorded at carrying value. Unrealized gains or losses are removed from equity and adjusted against the fair value.

Reclassifications on financial assets from fair value classification through profit or loss to fair value classification through other comprehensive income are recorded at fair value.

Reclassification of financial assets from fair value classification through profit or loss to amortized cost classification is recorded at fair value.

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(vii) Saling hapus

Aset keuangan dan liabilitas keuangan saling hapus dan nilai netonya dilaporkan di laporan posisi keuangan jika dan hanya jika, saat ini terdapat hak yang berkekuatan hukum untuk saling hapus jumlah keduanya dan terdapat intensi untuk diselesaikan secara neto, atau untuk merealisasikan aset dan menyelesaikan liabilitas secara bersamaan. Hak saling hapus tidak kontinjen atas peristiwa di masa depan dan dapat dipaksakan secara hukum dalam situasi bisnis yang normal dan dalam peristiwa gagal bayar atau peristiwa kepailitan atau kebangkrutan Bank atau pihak lawan.

Pendapatan dan beban disajikan dalam jumlah bersih hanya jika diperkenankan oleh standar akuntansi.

(viii) Pengukuran biaya diamortisasi

Biaya perolehan diamortisasi dari aset atau liabilitas keuangan adalah jumlah aset 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.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(vii) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if and only if, there is currently an enforceable legal rights to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on the future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Bank or the counterparty.

Income and expenses are presented on a net basis only when permitted by accounting standards.

(viii) Amortized cost measurement

The amortized cost of a financial assets or liabilities are the amount at which the financial assets or liabilities are measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

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d. Aset dan liabilitas keuangan (lanjutan)

(ix) Pengukuran nilai wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran.

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, di pasar yang paling menguntungkan untuk aset atau liabilitas tersebut.

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.

Bank menggunakan teknik penilaian yang sesuai dalam keadaan dan dimana data yang memadai tersedia untuk mengukur nilai wajar, memaksimalkan penggunaan *input* yang dapat diobservasi yang relevan dan meminimalkan penggunaan *input* yang tidak dapat diobservasi.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(ix) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- *In the principal market for the asset or liability; or*
- *In the absence of a principal market, in the most advantageous market for the asset or liability.*

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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d. Aset dan liabilitas keuangan (lanjutan)

(ix) Pengukuran nilai wajar (lanjutan)

Semua aset dan liabilitas dimana nilai wajar diukur atau diungkapkan dalam laporan keuangan dapat dikategorikan pada level hierarki nilai wajar, berdasarkan tingkatan *input* terendah yang material atas pengukuran nilai wajar secara keseluruhan, sebagai berikut:

Tingkat 1

Harga kuotasian (tanpa penyesuaian) di pasar aktif untuk aset atau liabilitas yang identik. Suatu pasar dianggap aktif apabila informasi mengenai harga kuotasi dapat dengan mudah dan secara berkala tersedia dari suatu bursa pedagang efek atau broker, kelompok penilai harga pasar industri tertentu, atau regulator dimana harga-harga tersebut mencerminkan transaksi pasar yang aktual dan reguler pada tingkat yang wajar. Harga pasar yang dikutip untuk aset keuangan yang dimiliki Bank adalah harga tengah sekarang.

Tingkat 2

Input selain harga yang dikutip dari pasar yang disertakan pada Tingkat 1 yang dapat diobservasi untuk aset dan liabilitas, baik secara langsung (yaitu sebagai sebuah harga) atau secara tidak langsung (yaitu sebagai turunan dari harga).

Tingkat 3

Input untuk aset atau liabilitas yang tidak didasarkan pada data pasar yang dapat diobservasi (yaitu informasi yang tidak dapat diobservasi).

Untuk aset dan liabilitas yang diakui pada laporan keuangan secara berulang, Bank menentukan apakah terjadi transfer antara level di dalam hierarki dengan cara mengevaluasi kategori (berdasarkan input level terendah yang material dalam pengukuran nilai wajar) setiap akhir periode pelaporan.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(ix) Fair value measurement (continued)

All assets and liabilities for which fair value which are measured or disclosed in the financial statements are categorised within the fair value hierarchy, described based on the lowest level input that is material to the fair value measurement as a whole, as follows:

Level 1

Quoted prices (unadjusted) in active markets for identical asset and liability. A market is regarded as active if quoted prices are readily and regularly available from an exchange dealer or broker, industry group pricing service, or regulatory agency, in which those prices represent actual and regularly occurring market transaction on an arm's length basis. The quoted market price used for financial assets held by the Bank is the current mid price.

Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3

Inputs for the assets or liabilities that are not based on observable market data (i.e., unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is material to the fair value measurement as a whole) at the end of each reporting period.

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d. Aset dan liabilitas keuangan (lanjutan)

(ix) Pengukuran nilai wajar (lanjutan)

Untuk tujuan pengungkapan nilai wajar, Bank telah menentukan kelas aset dan liabilitas berdasarkan sifat, karakteristik risiko aset dan liabilitas, dan level hierarki nilai wajar (Catatan 34).

e. Cadangan kerugian penurunan nilai atas aset keuangan

Pada setiap tanggal pelaporan, Bank menghitung kerugian kredit ekspektasian berdasarkan estimasi 12 bulan. Jika terjadi kenaikan risiko kredit yang signifikan sejak pengakuan awal maka estimasi kerugian kredit ekspektasian akan dihitung sepanjang umur kontrak.

Kerugian kredit ekspektasian merupakan estimasi probabilitas tertimbang dari kerugian kredit (yaitu nilai kini dari seluruh kekurangan kas) selama perkiraan umur instrumen keuangan. Kekurangan kas adalah selisih antara arus kas yang terutang kepada Bank sesuai dengan kontrak dan arus kas yang diperkirakan akan diterima oleh Bank.

Bank menetapkan definisi peningkatan risiko kredit instrumen keuangan secara material sejak pengakuan awal sebagai berikut:

- sesuai dengan praduga (*rebuttable presumption*) PSAK 71, yaitu ketika pembayaran kontraktual tertunggak lebih dari 30 hari; atau
- ketika terjadi restrukturisasi aset keuangan yang disebabkan oleh peningkatan risiko kredit.

Bank menerapkan definisi gagal bayar (*stage 3*) yang konsisten dengan definisi yang digunakan untuk tujuan manajemen risiko kredit internal untuk instrumen keuangan yang relevan, yaitu:

- ketika instrumen keuangan telah menunggak 90 hari; atau
- telah berada pada kolektibilitas BI 3, 4, atau 5.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

d. Financial assets and liabilities (continued)

(ix) Fair value measurement (continued)

For the purpose of fair value disclosures, the Bank has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability, and the level of the fair value hierarchy (Note 34).

e. Allowance for impairment losses on financial assets

At reporting date, the Bank calculates expected credit loss based on estimated 12 months. If there is a significant increase in credit risk since initial recognition, the estimated expected credit loss will be calculated throughout the life of the contract.

Expected credit losses are estimated weighted probabilities of credit losses (is the present value of all cash shortages) over the estimated life of the financial instrument. Cash shortages are the difference between the cash flows owed to the Bank in accordance with the contract and the cash flows that are expected to be received by the Bank.

The Bank has determined the definition of a material increase in credit risk of financial instruments since initial recognition as follows:

- in accordance with presumption (*rebuttable presumption*) SFAS 71, i.e. when contractual payments are overdue for more than 30 days; or
- when there is a restructuring of financial assets caused by increased credit risk.

The Bank applies a definition of default (*stage 3*) that is consistent with the definition used for internal credit risk management for relevant financial instruments, namely:

- when financial instruments are in 90 days in arrears; or
- is in BI collectibility 3, 4, or 5.

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e. Cadangan kerugian penurunan nilai atas aset keuangan (lanjutan)

Bank mengelompokkan aset keuangan dibeli dari aset keuangan memburuk apabila:

- hilangnya pasar aktif dari aset keuangan; dan
- pembelian dengan diskon sangat besar.
- pihak peminjam dinyatakan pailit;
- terdapat perubahan dari bentuk penyediaan dana, atau
- debitur telah berada pada *stage* 3 dan memenuhi salah satu kondisi berikut:
 - telah dilakukan restrukturisasi secara berulang-ulang dan terjadi pelanggaran kontrak secara signifikan; atau
 - atas restrukturisasi yang terjadi, terdapat selisih negatif lebih dari 20% atas nilai kini arus kas masa depan (yang didiskontokan menggunakan suku bunga efektif awal) antara persyaratan awal dan persyaratan restrukturisasi.

Bank melakukan penurunan nilai secara individu atau kolektif dengan mempertimbangkan semua informasi yang wajar dan terdukung, termasuk informasi yang bersifat perkiraan masa depan (*forward-looking*).

Perhitungan cadangan kerugian penurunan nilai atas aset keuangan yang dinilai secara kolektif berdasarkan karakteristik risiko kredit yang sama dengan mempertimbangkan segmentasi kredit berdasarkan permodelan kerugian masa depan.

Bank menggunakan metode statistik, *credit rating* dan perkiraan makroekonomi untuk menilai cadangan kerugian penurunan nilai atas kredit yang diberikan.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets (continued)

The bank classifies a debt financial asset as purchased or originated credit-impaired financial asset if:

- there is a loss of an active market from financial assets; and
- purchases with very large discounts
- the borrower is declared bankrupt;
- there is a change in the form of provision of funds, or
- the debtor is at stage 3 and meets one of the following conditions:
 - repeated restructuring and significant breach of contract; or
 - for the restructuring that occurs, there is a negative difference of more than 20% of the present value of future cash flows (discounted using the original effective interest rate) between the initial terms and the terms of the restructuring

The bank is impaired individually or collectively by considering all reasonable and supported information, including forward looking information.

Calculation of allowance for impairment losses on financial assets assessed collectively grouped based on similar credit risk characteristics and taking into account the loan segmentation based on future loss model.

The Bank uses statistical method, *credit rating* and macroeconomy forecast to assess allowance for impairment losses on loans.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

f. Giro pada Bank Indonesia dan bank lain

Giro pada Bank Indonesia dan bank lain dinyatakan sebesar biaya perolehan diamortisasi menggunakan metode suku bunga efektif dikurangi cadangan kerugian penurunan nilai.

g. Penempatan pada Bank Indonesia dan bank lain

Penempatan pada Bank Indonesia dan bank lain berupa deposito berjangka dan *interbank call money*.

Penempatan pada Bank Indonesia dan bank lain dinyatakan sebesar biaya perolehan diamortisasi menggunakan metode suku bunga efektif dikurangi cadangan kerugian penurunan nilai.

h. Efek-efek

Efek-efek terdiri dari surat berharga yang diperdagangkan dalam pasar modal dan pasar uang seperti obligasi pemerintah, dan obligasi yang diperdagangkan di bursa efek.

Obligasi pemerintah adalah obligasi yang diterbitkan oleh Pemerintah Indonesia termasuk obligasi rekapitalisasi yang merupakan obligasi yang diterbitkan oleh Pemerintah dalam rangka rekapitalisasi bank umum.

Klasifikasi efek-efek diungkapkan di catatan 2d.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

f. Current accounts with Bank Indonesia and other banks

Current accounts with Bank Indonesia and other banks are stated at amortised cost using the effective interest rate method less allowance for impairment losses.

g. Placements with Bank Indonesia and other banks

Placements with Bank Indonesia and other banks are in the form of time deposits and interbank call money.

Placements with Bank Indonesia and other banks are stated at amortised cost using the effective interest rate method less allowance for impairment losses.

h. Marketable securities

Marketable securities consist of securities traded in the capital market and money market such as government bonds, and bonds which are traded in the stock exchange.

Government bonds are bonds issued by the Indonesian Government including recapitalisation bonds that are issued by the Government for general bank recapitalisation.

The classification of marketable securities are disclosed in note 2d.

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i. Tagihan/Liabilitas atas efek-efek yang dibeli/dijual dengan janji dijual/dibeli kembali

Efek-efek yang dibeli dengan janji untuk dijual kembali disajikan sebagai aset dalam laporan posisi keuangan sebesar harga beli ditambah dengan pendapatan bunga yang sudah diakui tapi belum diterima, dikurangi dengan cadangan kerugian penurunan nilai, jika diperlukan.

Pada pengukuran awal, efek-efek yang dibeli dengan janji dijual kembali disajikan sebesar nilai wajar ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung.

Efek-efek yang dibeli dengan janji dijual kembali diklasifikasikan sebagai biaya perolehan diamortisasi. Lihat Catatan 2d untuk kebijakan akuntansi tersebut.

Efek-efek yang dijual dengan janji untuk dibeli kembali disajikan sebagai liabilitas dalam laporan posisi keuangan sebesar jumlah pembelian kembali, dikurangi dengan bunga dibayar di muka yang belum diamortisasi. Selisih antara harga jual dan harga beli kembali diperlakukan sebagai bunga dibayar di muka dan diakui sebagai beban bunga selama jangka waktu sejak efek-efek tersebut dijual hingga dibeli kembali menggunakan metode suku bunga efektif.

j. Kredit yang diberikan

Kredit yang diberikan merupakan penyediaan uang atau tagihan yang dapat disamakan dengan itu, berdasarkan kesepakatan dengan pihak penerima kredit dan mewajibkan pihak penerima kredit untuk melunasi setelah jangka waktu tertentu dengan imbalan bunga.

Kredit yang diberikan (termasuk kredit yang diberikan dalam pinjaman sindikasi) pada awalnya diukur pada nilai wajar ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung dan biaya tambahan untuk memperoleh aset keuangan tersebut. Setelah pengakuan awal, kredit yang diberikan diukur pada biaya perolehan diamortisasi menggunakan metode suku bunga efektif dikurangi dengan cadangan kerugian penurunan nilai.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

i. Receivables/Liabilities on securities purchased/sold under agreements to resale/repurchase

Securities purchased under agreements to resale are presented as an asset in the statement of financial position at the purchase price added with interest income recognised but not yet received, less allowance for impairment losses, where appropriate.

Securities purchased under agreements to resale are initially measured at fair value plus directly attributable transaction costs.

Securities purchased under agreements to resale are classified as amortized cost. Refer to Note 2d for the accounting policy of loans.

Securities sold under repurchase agreements are presented as liabilities in the statement of financial position, at the repurchase price, net of unamortized prepaid interest. The difference between the selling price and the repurchase price is treated as prepaid interest and recognized as interest expense over the period starting from when those securities are sold until they are repurchased using effective interest rate method.

j. Loans

Loans represent the lending of money or equivalent receivables under contracts with borrowers, where the borrowers are required to repay their debts with interest after a specified period of time.

Loans (including loans under syndication) are initially measured at fair value plus transaction costs that are directly attributable to obtaining the financial asset. After initial recognition, loans are measured at amortised cost using the effective interest rate method, net of allowance for impairment losses.

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j. Kredit yang diberikan (lanjutan)

Kredit yang diberikan diklasifikasikan sebagai diukur pada biaya perolehan amortisasi.

Kredit yang diberikan dalam pinjaman sindikasi ataupun penerusan kredit dinyatakan sebesar pokok kredit sesuai dengan porsi risiko yang ditanggung oleh Bank.

Restrukturisasi kredit

Restrukturisasi kredit meliputi adanya penjadwalan ulang pembayaran pokok kredit dan bunga, perpanjangan jangka waktu pembayaran dan ketentuan kredit yang baru.

Kerugian yang timbul dari restrukturisasi kredit yang berkaitan dengan modifikasi persyaratan kredit hanya diakui bila nilai tunai penerimaan kas masa depan yang telah ditentukan dalam persyaratan kredit yang baru, termasuk penerimaan yang diperuntukkan sebagai bunga maupun pokok lebih kecil dari nilai kredit yang diberikan yang tercatat sebelum restrukturisasi.

Saat persyaratan kredit telah dinegosiasi ulang atau dimodifikasi (kredit restrukturisasi), penurunan nilai yang ada diukur dengan menggunakan suku bunga efektif awal yang digunakan sebelum persyaratan diubah dan kredit tidak lagi diperhitungkan sebagai menunggak. Manajemen secara berkelanjutan meninjau kredit yang dinegosiasi ulang untuk meyakinkan terpenuhinya seluruh kriteria dan pembayaran di masa depan. Kredit yang terus menjadi subjek penilaian penurunan nilai individual atau kolektif, dihitung dengan menggunakan suku bunga efektif awal.

Kredit yang direstrukturisasi dinyatakan sebesar nilai yang lebih rendah antara nilai tercatat kredit yang diberikan pada tanggal restrukturisasi atau nilai tunai penerimaan kas masa depan setelah restrukturisasi.

Kerugian yang timbul dari restrukturisasi kredit yang berkaitan dengan modifikasi persyaratan kredit hanya diakui bila nilai tunai penerimaan kas masa depan yang telah ditentukan dalam persyaratan kredit yang baru, termasuk penerimaan yang diperuntukkan sebagai bunga maupun pokok, adalah lebih kecil dari nilai kredit yang diberikan yang tercatat sebelum restrukturisasi.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j. Loans (continued)

Loans are classified as amortized costs.

Loans under syndication or channelling are stated at the principal amount according to the risk portion assumed by the Bank.

Loan restructuring

Loan restructuring may involve modified through loans principal and interest rescheduling, extending the payment arrangements and new loan conditions.

Losses on loan restructuring in respect of modification of the terms of the loans are recognised only if the cash value of total future cash receipts specified in the new terms of the loans, including both receipts designated as interest and those designated as loan principal are less than the recorded amounts of loans before restructuring.

Once the terms of the loans have been renegotiated or modified (restructured loans), 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 the future payments are likely to occur. The loans which continue to be subject to an individual or collective impairment assessment are calculated using the loan original effective interest rate.

Restructured loans are presented at the lower of the carrying value of the loan at the time of restructuring or the net present value of the total future cash receipts after restructuring.

Losses on loan restructuring in respect of modification of the terms of the loans are recognised only if the cash value of total future cash receipts specified in the new terms of the loans, including both receipts designated as interest and those designated as loan principal, are less than the recorded amounts of loans before restructuring.

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j. Kredit yang diberikan (lanjutan)

Saat persyaratan kredit telah dinegosiasi ulang atau dimodifikasi (kredit restrukturisasi), penurunan nilai yang ada diukur dengan menggunakan suku bunga efektif awal yang digunakan sebelum persyaratan diubah dan kredit tidak lagi diperhitungkan sebagai menunggak. Manajemen secara berkelanjutan meninjau kredit yang dinegosiasi ulang untuk meyakinkan terpenuhinya seluruh kriteria dan pembayaran di masa depan. Kredit terus menjadi subjek penilaian penurunan nilai individual atau kolektif, dihitung dengan menggunakan suku bunga efektif awal.

Kredit yang direstrukturisasi dinyatakan sebesar nilai yang lebih rendah antara nilai tercatat kredit yang diberikan pada tanggal restrukturisasi atau nilai tunai penerimaan kas masa depan setelah restrukturisasi.

Kredit yang diberikan atau aset keuangan lain dihapusbukukan ketika tidak terdapat prospek yang realistis mengenai pengembalian kredit dalam waktu dekat atau hubungan normal antara Bank dan debitur telah berakhir. Kredit yang tidak dapat dilunasi dihapusbukukan dengan mendebit cadangan kerugian penurunan nilai. Penerimaan kemudian atas kredit yang telah dihapusbukukan sebelumnya, jika dihapusbukukan pada tahun berjalan dikreditkan ke dalam akun cadangan kerugian penurunan nilai atas kredit yang diberikan di laporan posisi keuangan, sedangkan jika dihapusbukukan di tahun sebelumnya, dikreditkan sebagai pendapatan operasional lainnya dalam laporan laba rugi dan penghasilan komprehensif lain.

k. Aset tetap

Bank menggunakan model revaluasi untuk aset tetap dimana aset tetap dinyatakan sebesar nilai wajar dikurangi akumulasi penyusutan dan rugi penurunan nilai yang terjadi setelah tanggal revaluasi. Revaluasi akan dilakukan dengan keteraturan yang cukup regular untuk memastikan bahwa jumlah tercatat tidak berbeda secara material dari jumlah yang ditentukan dengan menggunakan nilai wajar pada akhir periode pelaporan. Jika perubahan nilai wajar tidak berbeda secara material, aset tersebut akan direvaluasi paling kurang setiap 3 (tiga) atau 5 (lima) tahun sekali.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

j. Loans (continued)

Once the terms of the loans have been renegotiated or modified (restructured loans), 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 the future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, calculated using the loan original effective interest rate.

Restructured loans are presented at the lower of the carrying value of the loan at the time of restructuring or the net present value of the total future cash receipts after restructuring.

Loans and receivables or other financial assets are written off when there is no realistic prospect of collection in the near future or the normal relationship between the Bank and the borrowers have ceased to exist. When a loan is deemed uncollectible, it is written off against the related allowance for impairment losses. Subsequent recoveries of loans previously written off, if written off in the current year are credited to the allowance for impairment losses account in the statements of financial position, if written off in the prior years are recognised in the statement of profit or loss and other comprehensive income as other operational income, if recovered after the statements of financial position date.

k. Fixed assets

The Bank uses the revaluation model for fixed asset where fixed assets are measured at fair value less accumulated depreciation and impairment losses recognised after the date of the revaluation. Revaluation is carried out fairly regularly to ensure that the carrying amount does not differ materially from the amount determined using the fair value at the end of the reporting period. If the changes in fair value are immaterial, the asset will be revaluated between 3 (three) or 5 (five) years.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

k. Aset tetap (lanjutan)

Kenaikan nilai tercatat yang timbul dari revaluasi tanah dan bangunan dikreditkan pada "surplus revaluasi aset" sebagai bagian dari penghasilan komprehensif lainnya. Penurunan yang menghapus nilai kenaikan yang sebelumnya atas aset yang sama dibebankan terhadap "surplus revaluasi aset" sebagai bagian dari laba komprehensif; penurunan lainnya dibebankan pada laporan laba rugi.

Akumulasi penyusutan pada tanggal revaluasi dieliminasi terhadap jumlah tercatat bruto dari aset dan jumlah tercatat neto setelah eliminasi disajikan kembali sebesar jumlah revaluasi dari aset tersebut. Pada saat penghentian aset, surplus revaluasi untuk aset tetap yang dijual dipindahkan ke saldo laba.

Penyusutan aset tetap dihitung dengan menggunakan metode garis lurus (*straight-line method*) berdasarkan taksiran masa manfaat aset tetap sebagai berikut:

	Tahun/ Years	Tarif penyusutan/ Depreciation rate	
Bangunan dan prasarana Inventaris kantor dan kendaraan	10 - 20	5% - 20%	<i>Buildings and leasehold improvements Office equipment and vehicles</i>
	3 - 10	3% - 5%	

Pada setiap akhir tahun buku, manajemen melakukan pengkajian ulang atas nilai residu, masa manfaat dan metode penyusutan yang 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 pada periode aset tersebut dihentikan pengakuannya.

Bila nilai tercatat suatu aset melebihi taksiran jumlah yang dapat diperoleh kembali, maka nilai tersebut diturunkan ke jumlah yang dapat diperoleh kembali tersebut, yang ditentukan sebagai nilai tertinggi antara harga jual neto dan nilai pakai.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k. Fixed assets (continued)

Increases in the carrying amount arising on revaluation of land and buildings are credited to "asset revaluation surplus" as part of other comprehensive income. Decreases that offset previous increases of the same asset are debited against "asset revaluation surplus" as part of other comprehensive income; while all other decreases are charged to the profit or loss.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net asset amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation of fixed assets is computed using the straight-line method based on the estimated useful lives of the assets as follows:

The residual values, useful lives and methods of depreciation of fixed assets are reviewed by the management and adjusted prospectively, if appropriate, at the end of each year.

An item of fixed assets is derecognised 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 statement of profit or loss and other comprehensive income in the period such asset is derecognised.

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 the fair value less cost to sell or value in use.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

k. Aset tetap (lanjutan)

Aset dalam penyelesaian merupakan akumulasi biaya bahan dan biaya lainnya sampai dengan tanggal dimana aset tersebut telah selesai dan siap untuk digunakan. Biaya-biaya tersebut direklasifikasi ke aset tetap yang bersangkutan ketika aset tersebut telah siap dipakai.

l. Aset tidak berwujud

Aset tidak berwujud terdiri dari *goodwill* dan *Core Deposits Intangible*.

Aset tidak berwujud diakui jika, dan hanya jika, biaya perolehan aset tersebut dapat diukur secara andal dan kemungkinan besar Bank akan memperoleh manfaat ekonomis masa depan dari aset tersebut.

Goodwill

Goodwill yang timbul dari kombinasi bisnis diakui sebagai aset pada tanggal diperolehnya pengendalian (tanggal akuisisi). *Goodwill* diukur sebagai selisih dari imbalan yang dialihkan, jumlah setiap kepentingan non pengendali pada pihak yang diakuisisi dan nilai wajar dari kepentingan ekuitas yang sebelumnya dimiliki pihak pengakuisisi pada pihak yang diakuisisi (jika ada) atas jumlah selisih bersih dari aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih pada tanggal akuisisi.

Untuk tujuan uji penurunan nilai, *goodwill* dialokasikan pada setiap unit penghasil kas dari Bank yang diharapkan memberikan manfaat dari sinergi kombinasi bisnis tersebut. Unit penghasil kas yang telah memperoleh alokasi *goodwill* diuji penurunan nilainya secara tahunan dan ketika terdapat indikasi bahwa unit tersebut mengalami penurunan nilai. Jika jumlah terpulihkan dari unit penghasil kas kurang dari jumlah tercatatnya, rugi penurunan nilai dialokasikan pertama untuk mengurangi jumlah tercatat aset atas setiap *goodwill* yang dialokasikan pada unit, dan selanjutnya ke aset lainnya dari unit dibagi prorata atas dasar jumlah tercatat setiap aset dalam unit tersebut. Setiap kerugian penurunan nilai *goodwill* diakui secara langsung dalam laba/rugi pada laporan laba rugi komprehensif. Rugi penurunan nilai yang diakui atas *goodwill* tidak dapat dipulihkan pada periode berikutnya.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

k. Fixed assets (continued)

Construction in progress represents the accumulated costs of materials and other relevant costs up to the date when the asset is complete and ready for use. These costs are reclassified to the respective fixed assets accounts when the asset has been made ready for use.

l. Intangible assets

Intangible assets consist of *goodwill* and *Core Deposits Intangible*.

Intangible assets are recognised if, and only if its cost can be measured reliably and it is probable that expected future benefits that are attributable to it will flow to the Bank.

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). *Goodwill* is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the acquiree over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

For the purpose of impairment testing, *goodwill* is allocated to each of the Bank's cash-generating units expected to benefit from the synergies of the combination. A cash-generating unit to which *goodwill* has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any *goodwill* allocated to the unit, and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for *goodwill* is recognised directly in profit or loss in the statement of comprehensive income. An impairment loss recognised for *goodwill* is not reversed in subsequent period.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

l. Aset tidak berwujud (lanjutan)

Core Deposits Intangible

Core Deposits Intangible ("CDI") adalah aset tidak berwujud yang timbul dari akuisisi suatu bank. Aset ini merupakan nilai sekarang dari pendapatan yang akan diterima dari dana pihak ketiga, yang diakui sebagai aset pada tanggal diperolehnya pengendalian (tanggal akuisisi).

CDI diamortisasi dengan menggunakan metode garis lurus selama estimasi umur manfaatnya, yaitu 10 (sepuluh) tahun.

m. Penurunan nilai aset non keuangan

Pada setiap tanggal pelaporan, Bank melakukan penilaian apakah terdapat indikasi bahwa aset non keuangan mungkin mengalami penurunan nilai sesuai dengan PSAK No. 48 tentang "Penurunan Nilai Aset". Jika indikasi tersebut ada, maka nilai yang dapat dipulihkan dari aset tersebut akan diestimasi.

Nilai yang dapat dipulihkan adalah sebesar jumlah yang lebih tinggi dari nilai wajar aset (atau unit penghasil kas) dikurangi besarnya biaya untuk menjual dibandingkan dengan nilai pakai yang ditentukan untuk aset individu, kecuali aset tersebut menghasilkan arus kas masuk yang tidak tergantung lagi dari aset yang lain atau kumpulan aset, yang dalam hal jumlah terpulihkan dinilai sebagai bagian dari unit penghasil kas. Apabila nilai tercatat suatu aset (atau unit penghasil kas) melebihi jumlah terpulihkan, maka aset (atau unit penghasil kas) tersebut dianggap mengalami penurunan nilai dan diturunkan menjadi sebesar nilai yang dapat dipulihkan.

Dalam menilai nilai pakai suatu aset, estimasi terhadap arus kas dipulihkan di masa depan akan didiskontokan menjadi nilai kini dengan menggunakan tingkat suku bunga diskonto sebelum pajak yang mencerminkan penilaian pasar terhadap nilai waktu dari kas dan risiko spesifik aset (atau unit penghasil kas) tersebut.

Kerugian penurunan nilai atas aset yang tidak direvaluasi diakui pada laba/rugi. Namun, kerugian penurunan nilai atas aset yang direvaluasi diakui pada penghasilan komprehensif lainnya sebatas penurunan nilai tersebut tidak melebihi jumlah surplus revaluasi untuk aset yang sama. Kerugian penurunan nilai untuk aset yang direvaluasi mengurangi surplus revaluasi untuk aset tersebut.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

l. Intangible assets (continued)

Core Deposits Intangible

Core Deposits Intangible ("CDI") is an intangible asset that arise from acquisition of a bank. This asset is the present value of future income from third party fund, recognised as an asset at the date that control is acquired (the acquisition date).

CDI is amortised by using straight-line method over its estimated useful life of 10 (ten) years.

m. Impairment of non-financial assets

At each reporting date, the Bank assesses whether there is any indication that its non-financial assets may be impaired in accordance with SFAS No. 48 "Impairment of Assets". If any such indication exists, then asset's recoverable amount will be estimated.

Recoverable amount is the higher of an asset's (or cash-generating unit's) fair value less cost to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash generating unit to which it belongs. If the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount.

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 assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

An impairment loss on a non-revalued asset is recognised in profit or loss. However, an impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

m. Penurunan nilai aset non keuangan (lanjutan)

Bank melakukan penelaahan pada setiap tanggal pelaporan apakah terdapat indikasi bahwa pengakuan kerugian penurunan nilai sebelumnya mungkin tidak lagi ada atau telah menurun. Bila terdapat indikasi tersebut, maka jumlah terpulihkan akan diestimasi.

Kerugian penurunan nilai, kecuali untuk *goodwill* yang sebelumnya telah diakui akan dibalik hanya jika telah terjadi perubahan dalam estimasi yang digunakan untuk menentukan jumlah terpulihkan aset sejak kerugian penurunan nilai terakhir diakui. Jika demikian, nilai tercatat aset akan ditingkatkan sejumlah nilai terpulihkan.

Peningkatan nilai tercatat aset selain *goodwill* yang disebabkan oleh pembalikan kerugian penurunan nilai tidak dapat melebihi nilai tercatat yang telah ditetapkan (setelah dikurangi amortisasi atau penyusutan) jika diasumsikan tidak terdapat penurunan nilai pada tahun sebelumnya. Pembalikan tersebut diakui di dalam laporan laba rugi dan penghasilan komprehensif lain kecuali jika aset tersebut dicatat sebesar nilai yang dipulihkan, dimana pembalikannya akan diakui sebagai peningkatan revaluasi. Setelah pembalikan tersebut dicatat, beban penyusutan akan disesuaikan ke depan untuk mengalokasikan nilai tercatat aset yang telah direvaluasi setelah dikurangi nilai sisa yang diperhitungkan secara sistematis sepanjang masa manfaat aset tersebut.

n. Biaya dibayar di muka

Biaya dibayar di muka diamortisasi selama masa manfaat dengan menggunakan metode garis lurus (*straight-line method*). Termasuk dalam biaya dibayar di muka antara lain sewa, pemeliharaan informasi teknologi dan asuransi.

o. Agunan yang diambil alih

Agunan yang diambil alih merupakan jaminan kredit yang diberikan yang telah diambil alih sebagai bagian dari penyelesaian kredit yang diberikan.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m. Impairment of non-financial assets (continued)

The Bank assesses at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated.

A previously recognised impairment loss, except for goodwill is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such reversal, the depreciation expense is adjusted in the future years to allocate the asset's revised carrying amount less any residual value on a systematic basis over its remaining life.

n. Prepaid expenses

Prepaid expenses are amortised over the expected period of benefits using the straight-line method. Included in prepaid expenses are rent, information technology maintenance and insurance.

o. Foreclosed assets

Foreclosed assets represent loan collateral acquired in settlement of loans.

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o. Agunan yang diambil alih (lanjutan)

Pada saat pengakuan awal, agunan yang diambil alih sehubungan dengan penyelesaian kredit dicatat sebesar nilai wajar setelah dikurangi biaya untuk menjualnya tetapi tidak melebihi nilai tercatat kredit yang diberikan. Bank tidak mengakui keuntungan pada saat pengambilalihan agunan. Selisih lebih antara saldo kredit yang tidak dapat ditagih dengan nilai bersih agunan yang diambil alih yang dapat direalisasikan dibebankan pada penyisihan penghapusan.

Setelah pengakuan awal, agunan yang diambil alih dicatat pada nilai yang lebih rendah antara nilai tercatat dan nilai wajar setelah dikurangi biaya untuk menjual. Selisih antara nilai agunan yang diambil alih dengan sisa pokok pinjaman yang diberikan, jika ada, dibebankan ke laporan laba rugi tahun berjalan. Selisih antara nilai agunan yang diambil alih dan hasil penjualannya diakui sebagai keuntungan atau kerugian pada saat penjualan agunan yang bersangkutan.

Beban-beban sehubungan dengan perolehan dan pemeliharaan agunan yang diambil alih dibebankan pada laba/rugi tahun berjalan pada saat terjadinya.

p. Liabilitas segera

Liabilitas segera dicatat pada saat timbulnya kewajiban atau diterima perintah dari pemberi amanat, baik dari masyarakat maupun dari bank lain. Termasuk dalam liabilitas segera adalah liabilitas sehubungan dengan transaksi kliring dan transfer.

Liabilitas segera dicatat berdasarkan biaya perolehan diamortisasi dan diklasifikasikan sebagai liabilitas keuangan lainnya.

q. Simpanan dari nasabah

Giro merupakan simpanan nasabah yang dapat digunakan sebagai alat pembayaran dan penarikannya dapat dilakukan setiap saat melalui cek atau pemindahbukuan dengan bilyet giro dan sarana perintah pembayaran lainnya. Giro dinyatakan sebesar nilai titipan pemegang giro di Bank.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

o. Foreclosed assets (continued)

Foreclosed assets acquired in conjunction with settlement of loans are initially recorded at their fair value less cost to sell but not exceeding the carrying value of the loans. The Bank does not recognise any gains relating to the acquisition of foreclosed assets. The excess between uncollectible loans balance and net realisable value of foreclosed assets is charged to allowance for losses.

Subsequent to initial recognition, foreclosed assets are stated at the lower of carrying amount and fair value less cost to sell. The difference between the value of the foreclosed assets and the outstanding loan principal, if any, is charged to the current year statement of profit or loss. Any difference between the value of the foreclosed assets and the proceeds from its sale is recognised as a gain or loss on sale of the foreclosed assets.

Expenses in relation with the acquisition and maintenance of foreclosed assets are charged in the current year profit or loss as incurred.

p. Obligation due immediately

This account is recorded at the time the obligations occur or upon receipt of transfer orders from customers or other banks. Included in this account is related to clearing transactions and transfers.

Obligation due immediately is stated at amortised cost and classified as other financial liabilities.

q. Deposits from customers

Current accounts represent customer funds which can be used as payment instruments, and can be withdrawn at any time through cheque, or transferred through current account drafts and other transfer instruction media. Current accounts are stated at the amounts entrusted to the Bank by the depositors.

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q. Simpanan dari nasabah (lanjutan)

Tabungan merupakan simpanan nasabah yang penarikannya hanya dapat dilakukan nasabah sesuai dengan persyaratan tertentu yang disepakati. Tabungan dinyatakan sebesar nilai liabilitas pada pemilik tabungan.

Deposito berjangka merupakan simpanan nasabah yang penarikannya hanya dapat dilakukan nasabah pada waktu tertentu sesuai dengan perjanjian antara pemegang deposito berjangka dengan Bank. Deposito berjangka dinyatakan sebesar nilai nominal yang tercantum dalam sertifikat yang diterbitkan oleh Bank sesuai dengan perjanjian antara pemegang deposito berjangka dengan Bank.

Simpanan nasabah diklasifikasikan sebagai liabilitas keuangan lainnya dan diukur pada biaya perolehan diamortisasi menggunakan suku bunga efektif.

r. Simpanan dari bank lain

Simpanan dari bank lain merupakan kewajiban kepada bank lain dalam bentuk tabungan, giro, deposito berjangka, dan *inter-bank call money*.

Simpanan dari bank lain diklasifikasikan sebagai liabilitas keuangan lain dan diukur pada biaya perolehan diamortisasi menggunakan suku bunga efektif. Biaya tambahan yang dapat diatribusikan secara langsung dengan perolehan simpanan dari bank lain dikurangkan dari jumlah simpanan yang diterima.

s. Surat berharga subordinasi

Surat berharga subordinasi diakui sebesar nilai wajar pada awalnya dan selanjutnya diukur 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 subordinasi dan biaya transaksi yang merupakan bagian yang tidak terpisahkan dari suku bunga efektif.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

q. Deposits from customers (continued)

Savings accounts represent customer funds which can be withdrawn by the depositors only under certain conditions. Savings accounts are stated at the agreed amounts due to the depositors.

Time deposits represent customers' funds which can be withdrawn by the depositors only on specific maturity dates based on the agreements between the depositors and the Bank. Time deposits are stated at the nominal amounts stated in the certificate issued by the Bank in accordance with the agreements between the depositors and the Bank.

Deposits from customers are classified as other financial liabilities and measured at amortised cost using the effective interest rate method.

r. Deposits from other banks

Deposits from other banks represent liabilities to other banks in the form of savings accounts, current accounts, time deposits, and inter-bank call money.

Deposits from other banks are classified as other financial liabilities and measured at amortised cost using the effective interest rate method. Incremental costs that can be attributed directly to the acquisition of deposits from other banks are deducted from the total deposits received.

s. Subordinated securities

Subordinated securities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Amortised cost is calculated by taking into account any discount or premium on subordinated securities and transaction costs that are an integral part of the effective interest rate.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

t. Pendapatan dan beban bunga

Pendapatan dan beban bunga diakui pada laba/rugi dengan menggunakan metode suku bunga efektif. Suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas di masa datang selama perkiraan umur dari aset keuangan atau liabilitas keuangan (atau jika lebih tepat, digunakan periode yang lebih singkat) untuk memperoleh nilai tercatat neto dari aset keuangan atau liabilitas keuangan.

Pada saat menghitung suku bunga efektif, Bank mengestimasi arus kas di masa datang dengan mempertimbangkan seluruh persyaratan kontraktual dalam instrumen keuangan tersebut tetapi tidak mempertimbangkan kerugian kredit di masa mendatang. Perhitungan ini mencakup seluruh komisi, provisi, dan bentuk lain yang diterima oleh para pihak dalam kontrak yang merupakan bagian tidak terpisahkan dari suku bunga efektif.

Jika aset keuangan atau nilai kelompok aset keuangan serupa telah diturunkan sebagai akibat kerugian penurunan nilai, maka pendapatan bunga yang diperoleh setelahnya diakui berdasarkan suku bunga yang digunakan untuk mendiskonto arus kas masa datang dalam menghitung kerugian penurunan nilai.

Kredit yang pembayaran angsuran pokok atau bunganya telah lewat 90 (sembilan puluh) hari atau lebih setelah jatuh tempo, atau kredit yang pembayarannya secara tepat waktu diragukan secara umum diklasifikasikan sebagai kredit yang mengalami penurunan nilai (*impairment*). Bunga yang telah diakui tetapi belum tertagih akan dibatalkan pada saat kredit diklasifikasikan sebagai kredit yang mengalami penurunan nilai.

u. Pendapatan provisi dan komisi

Pendapatan provisi dan komisi yang merupakan bagian tak terpisahkan dari suku bunga efektif atas instrumen keuangan, contohnya kegiatan pinjaman atau pendapatan provisi dan komisi yang berhubungan dengan jangka waktu tertentu, diperlakukan sebagai penyesuaian terhadap suku bunga efektif dan diklasifikasikan sebagai bagian dari pendapatan bunga pada laporan laba rugi dan penghasilan komprehensif lain.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

t. Interest income and expenses

Interest income and expenses are recognised in the profit or loss using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument (or where appropriate, a shorter period) to obtain the carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument but not future credit losses. This calculation includes all commissions, fees and other forms received by the parties in the contract that are an integral part of the effective interest rate.

If a financial asset or group of similar financial assets' value has diminished as a result of impairment losses, interest income subsequently obtained is recognised based on the interest rate used to discount future cash flows in calculating impairment losses.

Loans for which the principal or interest has been past due for 90 (ninety) days or more, or when reasonable doubt exists as to the timely collection are generally classified as impaired loans. Interest accrued but not yet collected is reversed when a loan is classified as impaired loan.

u. Fees and commissions

Fees and commissions that are an integral part of the effective of interest rate of a financial instrument, for examples loans or fee and commission income which relates to a specific period are treated as an adjustment to the effective interest rate and classified as part of interest income in the statement of profit or loss and other comprehensive income.

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u. Pendapatan provisi dan komisi (lanjutan)

Pendapatan provisi dan komisi lainnya termasuk provisi yang terkait dengan kegiatan perkreditan, kegiatan ekspor-impor, provisi sebagai pengatur sindikasi, dan provisi atas jasa diakui pada saat jasa tersebut dilakukan. Beban provisi dan komisi lainnya sehubungan dengan transaksi antar-bank diakui sebagai beban pada saat jasa tersebut diterima.

v. Imbalan kerja

Bank mencatat estimasi liabilitas imbalan kerja karyawan sesuai dengan Undang-undang Cipta Kerja No. 11 tahun 2020 tanggal 2 November 2020 ("Undang-undang") dan diakui sesuai dengan PSAK No. 24 tentang "Imbalan Kerja Karyawan".

Liabilitas imbalan pasca kerja dihitung sebesar nilai kini dari estimasi jumlah liabilitas imbalan pasca kerja di masa depan yang timbul dari jasa yang telah diberikan oleh karyawan pada masa kini dan masa lalu dikurangi dengan nilai wajar aset program, jika ada. Perhitungan dilakukan oleh aktuaris independen dengan metode *projected unit credit*.

Nilai kini liabilitas imbalan pasti ditentukan dengan mendiskontokan estimasi arus kas keluar masa depan dengan menggunakan tingkat bunga obligasi Pemerintah (dengan pertimbangan bahwa saat ini tidak ada pasar untuk obligasi korporasi berkualitas tinggi) dalam mata uang yang sama dengan mata uang imbalan yang akan dibayarkan dan waktu jatuh tempo yang kurang lebih sama dengan waktu jatuh tempo imbalan yang bersangkutan.

Beban pensiun berdasarkan program dana pensiun manfaat pasti ditentukan melalui perhitungan aktuarial secara periodik dengan menggunakan metode *projected unit credit* dan menerapkan asumsi atas tingkat diskonto, hasil yang diharapkan atas aset dana pensiun dan tingkat kenaikan manfaat pasti pensiun tahunan.

Keuntungan dan kerugian atas pengukuran kembali yang timbul dari penyesuaian dan perubahan dalam asumsi-asumsi aktuarial dan hasil atas aset dana pensiun (tidak termasuk bunga bersih) langsung diakui seluruhnya melalui penghasilan komprehensif lainnya pada saat terjadinya.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

u. Fees and commissions (continued)

Other fees and commission income including credit related fees, export-import related fees, syndication lead arranger fees and service fees are recognised as the related services are performed. Other fees and commission expenses related mainly to interbank transaction fees are expensed as the service are received.

v. Employee benefits

The Bank records employee benefits liabilities in accordance with Job Creation No. 11 year 2020 dated November 2, 2020 ("the Law") as accounted for under SFAS No. 24 "Employee Benefits".

Post-employment benefits liability is calculated at present value of estimated future benefits that the employees have earned in return for their services in the current and past periods deducted by plan assets, if any. Calculation is performed by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Government bonds (considering currently there is no deep market for high quality corporate bonds) that are denominated in the currency in which the benefits will be paid and have terms to maturity approximately the same as the terms of the related pension liability.

Pension costs defined benefit pension plans are determined by periodic actuarial calculation using the projected unit credit method and applying the assumptions on discount rate, expected return on plan assets and annual rate of increase in compensation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions and the return of plan assets (excluding net interest) are charged or credited to equity in other comprehensive income in the period in which they arise.

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v. Imbalan kerja (lanjutan)

Seluruh biaya jasa lalu diakui pada saat yang lebih dulu antara ketika amendemen/kurtailmen terjadi atau ketika biaya restrukturisasi atau pemutusan hubungan kerja diakui. Akibatnya, biaya jasa lalu yang belum vested tidak lagi dapat ditangguhkan dan diakui selama periode vesting masa depan.

Imbalan kerja jangka pendek

Imbalan kerja jangka pendek seperti upah, iuran jaminan sosial, cuti jangka pendek, bonus, dan imbalan non-moneter lainnya diakui selama periode jasa diberikan. Imbalan kerja jangka pendek dihitung sebesar jumlah yang tidak didiskontokan.

Pada bulan April 2022, DSAK-IAI menerbitkan materi penjelasan melalui siaran pers atas persyaratan pengatribusian imbalan pada periode jasa sesuai dengan PSAK No. 24: Imbalan Kerja yang diadopsi dari IAS 19 *Employee Benefits*. Materi penjelasan tersebut menyampaikan informasi bahwa pola fakta umum dari program pensiun berbasis Undang-Undang Ketenagakerjaan yang berlaku di Indonesia saat ini memiliki pola fakta serupa dengan yang ditanggapi dan disimpulkan dalam IFRS *Interpretation Committee* ("IFRIC") *Agenda Decision Attributing Benefit to Periods of Service* (IAS 19). Bank telah menerapkan materi penjelasan tersebut dan dengan demikian merubah kebijakan akuntansi menyangkut atribusi imbalan kerja pada periode jasa dari kebijakan yang diterapkan sebelumnya pada laporan keuangan Bank pada tanggal 31 Desember 2021 dan untuk tahun yang berakhir pada tanggal tersebut. Dampak perubahan perhitungan tersebut adalah tidak material terhadap Bank, sehingga dibukukan seluruhnya pada laporan keuangan untuk tahun yang berakhir 31 Desember 2022 (Catatan 35).

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

v. Employee benefits (continued)

All past service costs are recognised at the earlier of when the amendment/curtailment occurs and when the related restructuring or termination costs are recognised. As a result, unvested past service costs can no longer be deferred and recognised over the future vesting period.

Short-term employee benefits

Short-term employee benefits such as wages, social security contributions, short-term compensated leaves, bonuses, and other non-monetary benefits are recognised during the period when services are rendered. Short-term employee benefits are measured using undiscounted amounts

In April 2022, DSAK-IAI issued an explanatory material through a press release regarding attribution of benefits to periods of service in accordance with SFAS No. 24: Imbalan Kerja which was adopted from IAS 19 *Employee Benefits*. The explanatory material conveyed the information that the fact pattern of the pension program based on the Labor Law currently enacted in Indonesia is similar to those responded and concluded in the IFRS *Interpretation Committee* (IFRIC) *Agenda Decision Attributing Benefit to Periods of Service* (IAS 19). The Bank has adopted the said explanatory material and accordingly changed its accounting policy regarding attribution of benefits to periods of service previously applied in the financial statements of the Bank as of December 31, 2021 and for the year then ended. The impact of the change in calculation is immaterial to the Bank, therefore the impact of the changes is recorded entirety in the financial statements for the year ended December 31, 2022 (Note 35).

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w. Transaksi dan saldo dalam mata uang asing

Transaksi dalam mata uang asing dicatat berdasarkan kurs yang berlaku pada saat transaksi dilakukan. Pada tanggal laporan posisi keuangan, aset dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam mata uang Rupiah menggunakan kurs laporan (penutupan) yang ditetapkan oleh Bank Indonesia yaitu kurs tengah yang merupakan rata-rata kurs beli dan kurs jual berdasarkan Reuters pada pukul 16.00 WIB setiap hari. Laba atau rugi kurs yang terjadi diakui di dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

Kurs yang digunakan Bank untuk menjabarkan aset dan liabilitas dalam mata uang asing pada tanggal 31 Desember 2023 dan 2022 sebesar:

31 Desember/December 31

	2023	2022	
1 Poundsterling Britania Raya	19.626,56	18.786,09	Great Britain Poundsterling 1
1 Euro Eropa	17.038,32	16.581,72	European Euro 1
1 Dolar Amerika Serikat	15.397,00	15.567,50	United States Dollar 1
1 Dolar Singapura	11.676,34	11.592,88	Singapore Dollar 1
1 Dolar Australia	10.520,77	10.557,88	Australian Dollar 1
1 Yuan Renminbi Cina	2.169,50	2.234,50	Chinese Yuan Renminbi 1
1 Dolar Hong Kong	1.970,73	1.996,55	Hong Kong Dollar 1
1 Yen Jepang	108,88	117,81	Japanese Yen 1

x. Pajak penghasilan

Beban pajak terdiri dari pajak kini dan pajak tangguhan. Pajak diakui dalam laporan laba rugi kecuali jika pajak tersebut terkait dengan transaksi atau kejadian yang diakui ke penghasilan komprehensif lain atau langsung diakui ke ekuitas. Dalam hal ini, pajak tersebut masing-masing diakui dalam penghasilan komprehensif lain atau ekuitas.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

w. Foreign currency transactions and balances

Transactions involving foreign currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At statement of financial position date, monetary assets and liabilities denominated in foreign currencies are translated into Rupiah using the reporting (closing) rate determined by Bank of Indonesia which is middle rate from the average of bid and ask rate based on Reuters at 16.00 WIB (Western Indonesia local time) everyday. The resulting gains or losses are recognised in the statement of profit or loss and other comprehensive income for the current year.

The exchange rates used by the Bank as of December 31, 2023 and 2022, amounted to:

x. Income tax

The tax expense comprises current and deferred tax. Tax is recognised in the statement of income except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

x. Pajak penghasilan (lanjutan)

Bank mengevaluasi secara periodik implementasi terhadap peraturan perpajakan yang berlaku terutama yang memerlukan interpretasi lebih lanjut mengenai pelaksanaannya termasuk juga evaluasi terhadap surat ketetapan pajak yang diterima dari kantor pajak. Jika perlu, manajemen menentukan provisi berdasarkan jumlah yang diharapkan akan dibayar kepada otoritas pajak.

Pajak penghasilan tangguhan disajikan dengan menggunakan metode *balance sheet* liabilitas. Pajak penghasilan tangguhan timbul akibat perbedaan temporer antara aset dan liabilitas menurut ketentuan-ketentuan pajak dengan nilai tercatat aset dan liabilitas dalam laporan keuangan. Tarif pajak yang berlaku atau yang secara substansial telah berlaku digunakan dalam menentukan besarnya jumlah pajak penghasilan tangguhan.

Aset pajak tangguhan diakui apabila terdapat kemungkinan besar bahwa jumlah laba fiskal di masa mendatang akan memadai untuk mengkompensasi perbedaan temporer yang menimbulkan aset pajak tangguhan tersebut.

Jumlah tercatat aset pajak tangguhan ditelaah pada setiap tanggal neraca dan nilai tercatat aset pajak tangguhan tersebut diturunkan apabila tidak lagi terdapat kemungkinan besar bahwa laba fiskal yang memadai akan tersedia untuk mengkompensasi sebagian atau semua manfaat aset pajak tangguhan.

Pengaruh pajak terkait dengan penyisihan untuk dan/atau pembalikan seluruh perbedaan temporer selama tahun berjalan termasuk pengaruh perubahan tarif pajak, diakui sebagai "Manfaat/(Beban) Pajak Penghasilan - Tangguhan" dan termasuk dalam laba atau rugi neto tahun berjalan, kecuali untuk transaksi - transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

x. Income tax (continued)

The Bank periodically evaluates the implementation of prevailing tax regulations especially those that are subject to further interpretation on its implementation including evaluation on tax assessment letters received from tax authorities. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided using the balance sheet liability method. Deferred income tax on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Currently enacted or substantially enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to compensate all or part of the benefit of the deferred tax assets.

The related tax effects of the provisions for and/or reversals of all temporary differences during the year including the effect of change in tax rates, are recognised as "Income Tax Benefit/(Expense) - Deferred" and included in the determination of net profit or loss for the year, except to the extent that they relate to items previously charged or credited to equity.

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x. Pajak penghasilan (lanjutan)

Aset dan liabilitas pajak penghasilan 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 tangguhan terkait 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.

Perubahan terhadap kewajiban perpajakan dicatat pada saat diterimanya surat ketetapan atau apabila dilakukan banding, ketika hasil banding diterima.

y. Aset hak guna dan liabilitas sewa

Bank telah mengadopsi PSAK No. 73 mengenai "Sewa". Identifikasi dan pengukuran atas aset hak guna dan liabilitas sewa diterapkan secara *modified retrospective* tanpa penyajian kembali periode komparatif.

Bank mengakui aset hak guna untuk sewa yang memenuhi kriteria PSAK No. 73 sebagai berikut:

- Terdapat aset identifikasian;
- Bank secara substansial menikmati manfaat ekonomis dari penggunaan aset identifikasian;
- Bank memiliki hak untuk mengendalikan aset identifikasian dimaksud.

Bank menerapkan pengecualian atas sewa sebagai berikut:

- Dengan jangka waktu kurang atau sama dengan 12 bulan dan tidak terdapat opsi beli;
 - Dengan nilai pendasar rendah, yaitu kurang atau sama dengan USD5.000 (nilai penuh);
- Untuk sewa yang tidak memenuhi kriteria PSAK No. 73, maka diperlakukan sebagai sewa operasi biasa.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

x. Income tax (continued)

Deferred income 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 income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Amendments to taxation obligations are recorded when an assessment is received or if appeal is applied, when the results of the appeal are received.

y. Right-of-use assets and lease liabilities

The Bank has adopted SFAS No. 73 regarding "Leases". Identification and measurement of the rights-of-use assets and lease liabilities are applied on a modified retrospective basis without a comparative period representation.

The Bank recognised the right-of-use assets for lease that meet the criteria of SFAS No. 73 as follows:

- *There are identified assets;*
- *The Banks substantially enjoy the economic benefits of using identifying assets;*
- *The Bank has the right to control the identified assets in question.*

The Bank applies exceptions to the lease as follows:

- *With a term less than or equal to 12 months and no purchase options;*
- *With low base value, i.e., less or equal to USD5,000 (full amount).*

For lease that does not meet the criteria of SFAS No. 73, then it is treated as a regular operating lease.

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y. Aset hak guna dan liabilitas sewa (lanjutan)

Bank 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. 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 Bank pada akhir masa sewa atau pembayaran sewa mencerminkan pelaksanaan opsi pembelian, maka penyusutan dihitung menggunakan estimasi masa manfaat ekonomis aset. Aset hak guna diuji penurunan nilainya sesuai dengan PSAK No. 48 tentang "Penurunan Nilai Aset".

Pada tanggal dimulainya sewa, Bank mengakui liabilitas sewa yang diukur pada nilai kini dari pembayaran sewa masa depan yang akan dibayarkan selama masa sewa. Pembayaran sewa termasuk pembayaran tetap (termasuk pembayaran tetap secara substansi) dikurangi piutang insentif sewa, pembayaran sewa variabel yang bergantung pada indeks atau suku bunga dan jumlah yang diharapkan akan dibayar dalam jaminan nilai residu. Pembayaran sewa juga termasuk harga eksekusi opsi pembelian yang wajar jika dipastikan akan dilakukan oleh Bank dan pembayaran penalti untuk mengakhiri sewa, jika jangka waktu sewa mencerminkan Bank 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. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

y. Right-of-use assets and lease liabilities (continued)

The Bank recognised lease liabilities at the amount of lease payments accrued to the end of the lease term which discounted using the incremental borrowing rate. The right-of-use assets includes the amount of lease liabilities recognised, initial direct costs paid, restoration costs and lease payments on or before the start date of the lease, less lease incentives received. Right-of-use assets 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 Bank at the end of the lease term or the lease payments reflect the exercise of the purchase option, then depreciation is calculated using the estimated useful life of the assets. Right-of-use assets are tested for impairment in accordance with SFAS No. 48 regarding "Impairment".

On the initial of lease date, the Bank recognised lease liabilities which measured at the present value of future lease payments that will be paid over the lease term. Lease payments include fixed payments (including substantially fixed payments), less lease incentive receivables, variable lease payments that depends on index or interest rate and the expected amount to be paid in a residual value guarantee. Lease payments also include the reasonable exercise price for the purchase option if it is determined to be made by the Bank and the payment of a penalty to terminate the lease, if the lease term reflects the Bank exercising the lease termination option.

Variable lease payments that are not depends on an index or interest rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

y. Aset hak guna dan liabilitas sewa (lanjutan)

Dalam menghitung nilai kini dari pembayaran sewa, Bank 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 No. 73 akan diperlakukan sama dengan sewa operasi pada PSAK No. 30. Bank akan mengakui pembayaran sewa tersebut dengan dasar garis lurus selama masa sewa dalam laporan laba rugi dan penghasilan komprehensif lain. Beban ini dicatat pada beban umum dan administrasi dalam laporan laba rugi.

Penerapan pencatatan PSAK No. 73 berlaku untuk seluruh sewa (kecuali sebagaimana yang disebutkan sebelumnya) sebagai berikut:

- Menyajikan aset hak guna sebagai bagian dari aset tetap dan liabilitas sewa disajikan sebagai bagian dari liabilitas lain-lain dalam laporan posisi keuangan, yang diukur pada nilai kini dari pembayaran sewa masa depan;
- Mencatat penyusutan aset hak guna dan bunga atas liabilitas sewa dalam laporan laba rugi dan penghasilan komprehensif; dan
- Memisahkan jumlah total pembayaran ke bagian pokok (disajikan dalam kegiatan pendanaan) dan bunga (disajikan dalam kegiatan operasional) dalam laporan arus kas.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

y. Right-of-use assets and lease liabilities (continued)

In calculating the present value of lease payments, the Bank uses the lessee 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 interest increase and less 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 No. 73 will be treated the same as operating leases in SFAS No. 30. The Bank will recognize these lease payments on a straight-line basis during the lease period on the statement of profit or loss and other comprehensive income. This expense is recorded under general and administrative expenses in profit or loss.

The recording implementation of SFAS No. 73 is applied for all leases (except as stated earlier) as follows:

- *Presents right-of-use assets as part of fixed assets and lease liabilities presented as part of other liabilities in the statement of financial position which measured at the present value of the future lease payments;*
- *Records depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss and other comprehensive income; and*
- *Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the statement of cash flows.*

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

z. Pelaporan segmen

Informasi segmen diungkapkan untuk memungkinkan pengguna laporan keuangan untuk mengevaluasi sifat dan dampak keuangan dari aktivitas bisnis yang mana Bank terlibat dalam lingkungan ekonomi dimana Bank beroperasi.

Segmen operasi adalah komponen dari Bank yang terlibat dalam aktivitas bisnis yang menghasilkan pendapatan dan menimbulkan beban termasuk pendapatan dan beban yang terkait dengan transaksi dengan komponen lain Bank dimana hasil operasinya dikaji ulang secara berkala oleh manajemen kunci untuk membuat keputusan mengenai sumber daya yang akan dialokasikan pada segmen tersebut dan menilai kinerjanya, serta tersedia informasi keuangan yang dapat dipisahkan. Hasil segmen yang dilaporkan kepada manajemen kunci meliputi komponen-komponen yang dapat diatribusikan secara langsung kepada suatu segmen dan komponen-komponen yang dapat dialokasikan dengan dasar yang wajar.

Bank telah mengidentifikasi dan mengungkapkan informasi keuangan berdasarkan kegiatan bisnis dimana Bank terlibat (segmen usaha). Segmen pendapatan, biaya, hasil aset dan liabilitas, termasuk bagian yang dapat diatribusikan langsung kepada segmen, serta yang dapat dialokasikan dengan dasar yang memadai untuk segmen tersebut.

aa. Laba per saham

Laba per saham dasar dihitung dengan membagi laba tahun berjalan dengan rata-rata tertimbang jumlah saham yang ditempatkan dan disetor penuh selama tahun berjalan.

Laba per saham dilusian dihitung setelah dilakukan penyesuaian terhadap jumlah rata-rata tertimbang saham biasa yang beredar dengan asumsi bahwa seluruh waran saham dieksekusi pada harga yang telah ditentukan pada periode dimana harga pasar rata-rata saham selama periode tersebut melebihi harga eksekusi waran.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

z. Segment reporting

Segment information is disclosed to enable users of financial statements to evaluate the nature and financial effects of the business activities in which the Bank are involved in and the economic environment where the Bank operates.

An operating segment is a component of the Bank that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Bank's other components whose operating results are reviewed regularly by the Bank's key managements to make decision about resources allocated to the segment and assess its performance, and for which discrete financial information is available. Segment's results that are reported to the Bank's key managements include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Bank has identified and disclosed financial information based on the business activities (business segments) in which the Bank engages. The segments of revenues, expenses, income from assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment.

aa. Earnings per share

Basic earnings per share is computed by dividing income for the year with the weighted average number of outstanding issued and fully paid-up common shares during the year.

Diluted earning per share is computed after making the necessary adjustments to the weighted average number of common shares outstanding assuming full exercise of stock warrant at the time of the issuance using the determined exercise price on the period where the average market price of the share is exceeding the warrant exercise price.

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG MATERIAL (lanjutan)

ab. Provisi

Provisi diakui jika Bank memiliki liabilitas kini (baik bersifat hukum maupun bersifat konstruktif), dimana akibat peristiwa masa lalu, besar kemungkinan bahwa penyelesaian kewajiban tersebut mengakibatkan arus keluar sumber daya yang mengandung manfaat ekonomi dan estimasi yang andal mengenai jumlah kewajiban tersebut dapat dibuat.

Provisi ditelaah pada setiap tanggal pelaporan dan disesuaikan untuk mencerminkan estimasi terbaik yang paling kini. Jika arus keluar sumber daya untuk menyelesaikan kewajiban kemungkinan besar tidak terjadi, maka provisi dibatalkan.

ac. Biaya emisi penerbitan saham

Biaya emisi saham yang terjadi sehubungan dengan penawaran saham umum kepada masyarakat dikurangkan langsung dari hasil emisi dan disajikan sebagai pengurang pada akun "Tambahkan Modal Disetor" sebagai bagian dari ekuitas pada laporan posisi keuangan.

ad. Transaksi dan saldo dengan pihak-pihak berelasi

Bank melakukan transaksi dengan pihak-pihak berelasi. Dalam laporan keuangan ini, istilah pihak berelasi sesuai dengan PSAK No. 7 tentang "Pengungkapan Pihak-pihak Berelasi".

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 material dengan pihak berelasi, baik yang dilakukan dengan syarat normal sebagaimana dilakukan dengan pihak ketiga maupun tidak telah diungkapkan pada catatan atas laporan keuangan.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

ab. Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive), that as a result of a past event, it is probable that the settlement of obligation cause an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

ac. Shares issuance costs

Shares issuance costs related to the public offering of shares are deducted from the proceeds and presented as a deduction in the "Additional Paid-in-Capital" account under equity section in the statement of financial position.

ad. Transactions and balances with related parties

The Bank enters into transactions with related parties. In these financial statements, the term related parties are defined under SFAS No. 7 on "Related Party Disclosures".

The transactions are made based on terms agreed by the parties, in which such terms may not be the same as those transactions with non-related parties.

All material 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 financial statements.

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3. PENILAIAN, ESTIMASI, DAN ASUMSI AKUNTANSI YANG MATERIAL

Penyusunan laporan keuangan Bank mengharuskan manajemen untuk membuat pertimbangan, estimasi, dan asumsi yang mempengaruhi jumlah yang dilaporkan dari pendapatan, beban, aset dan liabilitas, dan pengungkapan atas liabilitas kontinjensi pada akhir periode pelaporan. Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat aset dan liabilitas dalam periode pelaporan berikutnya.

Penentuan nilai wajar

Kebijakan akuntansi Bank untuk pengukuran nilai wajar dibahas di Catatan 2d (ix).

Dalam menentukan nilai wajar atas aset keuangan dan liabilitas keuangan dimana tidak terdapat harga pasar yang dapat diobservasi. Bank harus menggunakan teknik penilaian. Untuk instrumen keuangan yang jarang diperdagangkan dan tidak memiliki harga yang transparan, nilai wajarnya menjadi kurang objektif sehingga membutuhkan tingkat pertimbangan yang beragam. Hal tersebut bergantung pada likuiditas, konsentrasi, ketidakpastian faktor pasar, asumsi penentuan harga, dan risiko lainnya yang mempengaruhi instrumen tertentu.

Bila nilai wajar aset keuangan dan liabilitas keuangan yang tercatat pada laporan posisi keuangan tidak tersedia di pasar aktif, nilainya ditentukan dengan menggunakan berbagai teknik penilaian termasuk penggunaan 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 manajemen 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.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The preparation of the Bank financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimations could result in outcomes that require a material adjustment to the carrying amounts of the asset and liability affected in future periods.

Determination of fair values

The Bank's accounting policy on fair value measurements is detailed in Note 2d (ix).

In determining the fair value for financial assets and liabilities for which there is no observable market price, the Bank should use the valuation techniques. For financial instruments that are traded infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

When the fair values of financial assets and financial liabilities recorded in the 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 models. The inputs to these models are derived from observable market data where possible.

When observable market data are not available, management's judgment is required to establish fair values. The management's judgments include considerations of liquidity and model inputs such as volatility for long-term derivatives and discount rates, early payment rates, and default rate assumptions.

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**3. PENILAIAN, ESTIMASI, DAN ASUMSI
AKUNTANSI YANG MATERIAL (lanjutan)**

Kontinjensi

Bank sedang terlibat dalam proses hukum. Perkiraan biaya kemungkinan bagi penyelesaian klaim telah dikembangkan melalui konsultasi dengan bantuan konsultan hukum Bank didasarkan pada analisis hasil yang potensial. Manajemen tidak berkeyakinan bahwa hasil dari hal ini akan mempengaruhi hasil usaha. Besar kemungkinan, bagaimanapun, bahwa hasil operasi di masa depan dapat secara material terpengaruh oleh perubahan dalam estimasi atau efektivitas dari strategi yang terkait dengan hal tersebut.

Cadangan kerugian penurunan nilai atas aset keuangan

Evaluasi atas kerugian penurunan nilai aset keuangan yang dicatat pada biaya perolehan diamortisasi dijelaskan di Catatan 2e.

Cadangan kerugian penurunan nilai terkait dengan pihak lawan spesifik dalam seluruh cadangan kerugian penurunan nilai dibentuk atas tagihan yang penurunan nilainya dievaluasi secara individual berdasarkan estimasi terbaik manajemen atas nilai tunai arus kas yang diharapkan akan diterima.

Dalam mengestimasi arus kas ini, manajemen membuat pertimbangan mengenai kondisi keuangan dari pihak lawan dan nilai neto yang dapat direalisasi dari agunan yang diterima. Setiap aset yang mengalami penurunan nilai dievaluasi dan strategi penyelesaiannya serta estimasi arus kas yang dinilai dapat diperoleh kembali secara independen disetujui oleh Bagian Risiko Kredit.

Evaluasi cadangan kerugian penurunan nilai secara kolektif meliputi kerugian kredit yang melekat pada portofolio tagihan dengan karakteristik ekonomi yang serupa ketika terdapat bukti objektif bahwa telah terjadi penurunan nilai tagihan dalam portofolio tersebut namun penurunan nilai secara individu belum dapat diidentifikasi.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS,
ESTIMATES, AND ASSUMPTIONS (continued)**

Contingencies

The Bank is currently involved in legal proceedings. The estimate of the probable cost for the resolution of claims has been developed in consultation with the aid of the external legal counsel handling the Bank's defense in this matter and is based upon an analysis of potential results. Management does not believe that the outcome of this matter will affect the results of operations. It is probable, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

Allowance for impairment losses on financial assets

Financial assets accounted for at amortised cost are evaluated for impairment on a basis described in Note 2e.

The specific counterparty component of the total allowances for impairment applies to claims evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received.

In estimating these cash flows, the management makes judgments about the counterparty's financial situation and the net realisable value of any underlying collateral. Each impaired asset is assessed on its merits and the workout strategy and estimated cash flows considered recoverable are independently approved by the Credit Risk Unit.

Allowance for impairment collectively assessed cover credit losses inherent in portfolios of claims with similar economic characteristics when there is an objective evidence to suggest that they contain impaired receivables but the individual impaired items cannot yet be identified.

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3. PENILAIAN, ESTIMASI, DAN ASUMSI AKUNTANSI YANG MATERIAL (lanjutan)

Cadangan kerugian penurunan nilai atas aset keuangan (lanjutan)

Dalam menentukan perlunya membentuk cadangan kerugian penurunan nilai kredit secara kolektif, manajemen mempertimbangkan faktor-faktor seperti kualitas kredit, besarnya portofolio, konsentrasi kredit, dan faktor-faktor ekonomi ekonomi saat ini. Ketepatan dari cadangan ini bergantung pada seberapa tepat estimasi arus kas masa depan untuk menentukan cadangan individual, serta asumsi model dan parameter yang digunakan dalam menentukan cadangan kolektif.

Revaluasi aset tetap

Revaluasi aset tetap Bank bergantung pada pemilihan asumsi yang digunakan oleh penilai independen dalam menghitung jumlah-jumlah tersebut. Asumsi untuk tersebut termasuk harga pasar tingkat diskonto, tingkat kenaikan pendapatan dan biaya, dan ekspektasi masa manfaat. Bank berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai. Perbedaan signifikan dalam asumsi yang ditetapkan Bank dapat mempengaruhi secara material nilai aset tetap yang direvaluasi.

Penurunan nilai aset non keuangan

Bank mengakui kerugian penurunan nilai apabila nilai tercatat aset melebihi nilai yang dapat dipulihkan. Jumlah terpulihkan adalah nilai yang lebih tinggi antara nilai wajar dikurang biaya untuk menjual dengan nilai pakai aset (atau unit penghasil kas). Jumlah terpulihkan diestimasi untuk aset individual atau jika tidak memungkinkan, untuk unit penghasil kas yang mana aset tersebut merupakan bagian daripada unit tersebut.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS (continued)

Allowance for impairment losses on financial assets (continued)

In assessing the need for collective loan loss allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modeled and to determine the required input parameters based on historical experience and current economic conditions. The accuracy of the allowances depends on how well these estimates on future cash flows for specific counterparty's allowances and the model assumptions and parameters are used in determining collective allowances.

Revaluation of fixed assets

The Bank's fixed assets revaluation depend on the selection of certain assumptions used by the independent appraiser in calculating such amounts. Those assumptions include market value, discount rate, revenue and cost increase rate, and expected useful life. The Bank believes that the assumptions are reasonable and appropriate. Significant differences in the Bank's assumptions may materially affect the valuation of its fixed assets.

Impairment of non-financial assets

The Bank recognises an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or cash-generating units) fair value less cost to sell and its value in use. Recoverable amounts are estimated for individual assets or if it is not possible, for the cash-generating unit to which the asset belongs.

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**3. PENILAIAN, ESTIMASI, DAN ASUMSI
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Imbalan kerja karyawan

Nilai kini atas imbalan kerja karyawan tergantung dari banyaknya faktor yang dipertimbangkan oleh aktuaris berdasarkan beberapa asumsi. Perubahan atas asumsi-asumsi tersebut akan mempengaruhi nilai tercatat atas imbalan kerja karyawan.

Asumsi yang digunakan dalam menentukan biaya atau pendapatan untuk imbalan kerja termasuk tingkat diskonto dan tingkat kenaikan gaji masa datang. Bank menentukan tingkat diskonto yang tepat pada setiap akhir periode pelaporan. Tingkat diskonto adalah tingkat suku bunga yang harus digunakan untuk menentukan nilai kini atas estimasi arus kas keluar masa depan yang diharapkan untuk menyelesaikan kewajiban pensiun. Dalam menentukan tingkat suku bunga yang sesuai, Bank mempertimbangkan tingkat suku bunga obligasi pemerintah yang didenominasikan dalam mata uang imbalan akan dibayar dan memiliki jangka waktu yang serupa dengan jangka waktu kewajiban pensiun yang terkait. Untuk tingkat kenaikan gaji masa datang, Bank mengumpulkan data historis mengenai perubahan gaji dasar pekerja dan menyesuaikannya dengan perencanaan bisnis masa datang. Asumsi kunci kewajiban pensiun lainnya sebagian ditentukan berdasarkan kondisi pasar saat ini. Informasi tambahan diungkapkan pada Catatan 35.

Alokasi harga beli dan penurunan nilai goodwill

Akuntansi akuisisi mensyaratkan penggunaan estimasi akuntansi secara ekstensif dalam mengalokasikan harga beli kepada nilai pasar wajar yang dapat diandalkan atas aset dan liabilitas yang diperoleh termasuk goodwill. Akuisisi bisnis tertentu oleh Grup menimbulkan goodwill. Sesuai dengan PSAK No. 22 "Kombinasi Bisnis", goodwill tidak diamortisasi dan diuji bagi penurunan nilai setiap tahunnya. Penjelasan lebih rinci diungkapkan dalam Catatan 13.

Uji penurunan nilai dilakukan apabila terdapat indikasi penurunan nilai. Dalam hal goodwill, aset diuji untuk penurunan nilai setiap tahunnya. Jika terdapat indikasi penurunan nilai, manajemen harus menggunakan pertimbangan dalam mengestimasi nilai terpulihkan dan menentukan jumlah penurunan nilai.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS,
ESTIMATES, AND ASSUMPTIONS (continued)**

Employee benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

The assumptions used in determining the net cost or income for employee benefits include the discount rate and rate of future salary increase. The Bank determines the appropriate discount rate at the end of each reporting period. The discount rate is interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Bank considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. For the rate of future salary increases, the Bank collects all historical data relating to changes in base salaries and adjusts it for future business plans. Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 35.

Purchase price allocation and goodwill impairment

Acquisition accounting requires extensive use of accounting estimates to allocate the purchase price to the reliable fair market values of the assets and liabilities purchased including intangible assets. Certain business acquisitions of the Group have resulted in goodwill. Under SFAS No. 22 "Business Combinations", such goodwill is not amortised and subject to an annual impairment testing. Further details are disclosed in Note 13.

Impairment testing is performed when certain impairment indicators are present. In the case of goodwill, such assets are subject to annual impairment testing and whenever there is an indication that such asset may be impaired, management has to use its judgment in estimating the recoverable value and determining the amount of impairment.

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3. PENILAIAN, ESTIMASI, DAN ASUMSI AKUNTANSI YANG MATERIAL (lanjutan)

Aset pajak tangguhan

Aset pajak tangguhan diakui atas jumlah pajak penghasilan terpulihkan pada periode mendatang sebagai akibat dari perbedaan temporer. Justifikasi manajemen diperlukan untuk menentukan jumlah aset pajak tangguhan yang dapat diakui sesuai dengan perkiraan waktu dan tingkat laba fiskal di masa mendatang sejalan dengan strategi rencana perpajakan ke depan.

Pajak penghasilan

Bank mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan.

4. KAS

	31 Desember/December 31				
	2023		2022		
	Jumlah nosional mata uang asing (nilai penuh)/ <i>Notional amount in foreign currencies (full amount)</i>	Ekuivalen Rupiah/ <i>Rupiah equivalent</i>	Jumlah nosional mata uang asing (nilai penuh)/ <i>Notional amount in foreign currencies (full amount)</i>	Ekuivalen Rupiah/ <i>Rupiah equivalent</i>	
Rupiah		154.507		184.318	<i>Rupiah</i>
Mata uang asing					<i>Foreign currencies</i>
Dolar Singapura	4.154.150	48.505	2.041.260	23.664	<i>Singapore Dollar</i>
Dolar Amerika Serikat	477.654	7.354	431.645	6.719	<i>United States Dollar</i>
Yuan Renminbi Cina	1.139.950	2.473	1.158.470	2.589	<i>Chinese Yuan Renminbi</i>
Jumlah		212.839		217.290	Total

Pada tanggal 31 Desember 2023 dan 2022, saldo kas dalam mata uang Rupiah termasuk kas pada ATM, masing-masing sebesar Rp1.477 dan Rp1.213.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS (continued)

Deferred tax assets

Deferred tax assets are recognised for the future recoverable taxable income arising from temporary difference. Management's judgment is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and level of future taxable profits together with future tax strategy.

Income tax

The Bank recognised liabilities for corporate income tax based on estimation of whether additional corporate income tax will be due.

4. Cash

As of December 31, 2023 and 2022, the balance of cash in Rupiah include cash in ATM amounting to Rp1,477 and Rp1,213, respectively.

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5. GIRO PADA BANK INDONESIA

5. CURRENT ACCOUNTS WITH BANK INDONESIA

	31 Desember/December 31		
	2023	2022	
Rupiah	1.314.035	1.294.608	Rupiah
Dolar Amerika Serikat	238.646	186.802	United States Dollar
Jumlah	1.552.681	1.481.410	Total

Bank dipersyaratkan untuk memiliki Giro Wajib Minimum (GWM) dalam mata uang Rupiah dalam kegiatannya sebagai bank umum dan GWM dalam mata uang asing dalam kegiatannya melakukan transaksi mata uang asing.

Pada tanggal 31 Desember 2022 dan 2023, Giro Wajib Minimum (GWM) Bank telah sesuai dengan Peraturan Bank Indonesia (PBI) No.15/15/PBI/2013 tanggal 24 Desember 2013 tentang Giro Wajib Minimum Bank Umum Dalam Rupiah dan Valuta Asing Bagi Bank Umum Konvensional sebagaimana telah diubah beberapa kali dengan PBI No.18/3/PBI/2016 tanggal 10 Maret 2016, PBI No.18/14/PBI/2016 tanggal 18 Agustus 2016, PBI No. 19/6/PBI/2017 tanggal 17 April 2017, PBI No. 20/3/PBI/2018 tanggal 29 Maret 2018, PBI No. 23/16/PBI/2021 tanggal 21 Desember 2021, PBI No. 24/4/PBI/2022 tanggal 25 Februari 2022 dan Peraturan Anggota Dewan Gubernur (PADG) No. 20/30/PADG/2018 tanggal 30 November 2018, No.21/14/PADG/2019 tanggal 26 Juni 2019, No. 21/27/PADG/2019 tanggal 26 Desember 2019, No. 22/2/PADG/2020 tanggal 13 Maret 2020, No. 22/10/PADG/2020 tanggal 30 April 2020, PADG 22/19/PADG/2020 tanggal 29 Juli 2020, 24/3/PADG/2022 tanggal 1 Maret 2022, 24/8/PADG/2022 tanggal 30 Juni 2022, 24/14/PADG/2022 tanggal 31 Oktober 2022, dan PADG No. 12 Tahun 2023 tanggal 27 September 2023 perubahan terakhir tentang "Giro Wajib Minimum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional, Bank Umum Syariah, dan Unit Usaha Syariah" yang masing-masing sebesar:

	31 Desember/December 31		
	2023	2022	
Rupiah			Rupiah
- GWM Primer Harian*)	0,00%	0,00%	Primary Minimum Statutory Reserve - Daily*)
- Rata-rata**)	4,00%	9,00%	Average**)
- PLM***)	5,00%	6,00%	PLM***) -
Mata uang asing	4,00%	4,00%	Foreign Currencies

*) Mulai berlaku per 1 September 2022

***) Berdasarkan Peraturan Anggota Dewan Gubernur (PADG) Nomor 18 Tahun 2023 tentang Rasio Intermediasi Makroprudensial dan Penyangga Likuiditas Makroprudensial bagi Bank Umum Konvensional, Bank Umum Syariah, dan Unit Usaha Syariah, PLM ditetapkan 5% mulai berlaku tanggal 1 Desember 2023.

The Bank is required to maintain minimum statutory reserves (GWM) in Rupiah for conventional banking and statutory reserves in foreign currencies for foreign exchange transactions.

As of December 31, 2022 and 2023, the Bank's Minimum Statutory Reserve complies with Bank Indonesia (BI) Regulation No. 15/15/PBI/2013 dated December 24, 2013 which have been further amended with PBI No. 18/3/PBI/2016 dated March 10, 2016, PBI No. 18/14/PBI/2016 dated August 18, 2016, PBI No. 19/6/PBI/2017 dated April 17, 2017, PBI No. 20/3/PBI/2018 dated March 29, 2018, PBI No. 23/16/PBI/2021 dated December 21, 2021, PBI No. 24/4/PBI/2022 dated February 25, 2022 and Regulation of Members of The Board of Governors (PADG) No.20/30/PADG/2018 dated November 30, 2018, No. 21/14/PADG/2019 dated June 26, 2019, No. 21/27/PADG/2019 dated December 26, 2019, No. 22/2/PADG/2020 dated March 13, 2020, No. 22/10/PADG/2020 dated April 30, 2020, 22/19/PADG/2020 dated July 29, 2020, No. 24/3/PADG/2022 dated March 1, 2022, 24/8/PADG/2022 dated June 30, 2022, 24/14/PADG/2022 dated October 31, 2022, and the latest PADG No. 12 year 2023 dated September 27, 2023 "Minimum Statutory Reserve Requirements in Rupiah and Foreign Currencies of Conventional Commercial Banking, Sharia Commercial Banking and Sharia Business Units" concerning Minimum Statutory Reserve of Commercial Banks with BI in Rupiah and foreign currency, which are as follows:

*) Effective on September 1, 2022

***) Based on PADG No. 12 year 2023 dated September 27, 2023. Adjusting Minimum Statutory Reserve to 4% (four percent) effective on October 1, 2023.

****) Based on Regulation of Members of The Board of Governors (PADG) No 18 2023 concerning Macroprudential Liquidity Buffer (PLM) for Conventional Commercial Banks, Sharia Banks and Sharia Business Unit, PLM is 5% (five percent) effective on December 1, 2023.

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5. GIRO PADA BANK INDONESIA (lanjutan)

GWM Primer adalah simpanan minimum yang wajib dipelihara oleh Bank dalam bentuk saldo Rekening Giro pada Bank Indonesia. GWM Sekunder dan Penyangga Likuiditas Makroprudensial (PLM) adalah cadangan minimum yang wajib dipelihara oleh Bank berupa SBI, Surat Utang Negara (SUN), Surat Berharga Syariah Negara (SBSN) dan/atau excess reserve yang merupakan kelebihan saldo Rekening Giro Rupiah Bank dari GWM Primer, GWM LFR dan Rasio Intermediasi Makroprudensial (RIM).

GWM LFR dan RIM adalah tambahan simpanan minimum yang wajib dipelihara oleh Bank dalam bentuk saldo Rekening Giro pada Bank Indonesia, jika LFR dan RIM Bank dibawah minimum LFR dan RIM target Bank Indonesia (84%) atau jika di atas maksimum LFR dan RIM target BI (94%) dan Kewajiban Penyediaan Modal Minimum (KPMM) Bank lebih kecil dari KPMM Insentif BI sebesar 14%.

Rasio Giro Wajib Minimum untuk rekening Rupiah dan mata uang asing Bank pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar:

	31 Desember/December 31	
	2023	2022
Rupiah		
- GWM Primer		
Harian	8,95%	9,62%
Rata-rata	8,83%	9,46%
- PLM	29,32%	6,87%
Mata uang asing	4,38%	4,58%

Bank telah memenuhi ketentuan Bank Indonesia yang berlaku tentang Giro Wajib Minimum Bank Umum pada tanggal 31 Desember 2023 dan 2022.

5. CURRENT ACCOUNTS WITH BANK INDONESIA (continued)

Primary Minimum Statutory Reserve is a minimum reserve that should be maintained by the Bank in Current Accounts with Bank Indonesia. Secondary Minimum Statutory Reserve and Macroprudential Liquidity Buffer are the minimum reserves that should be maintained by the Bank which comprised of Certificates of Bank Indonesia (SBI), Government Debenture Debt (SUN), Sharia Government Securities (SBSN), and/or excess reserve which represent the excess reserve of the Bank's Current Accounts in Rupiah over the Primary Minimum Statutory Reserve, Minimum Statutory Reserve on LFR and Macroprudential Intermediation Ratio (RIM).

Minimum Statutory Reserve on LFR and RIM is the additional reserve that should be maintained by the Bank in the form of Current Accounts with Bank Indonesia, if the Bank's LFR and RIM is below the minimum of LFR and RIM targeted by Bank Indonesia (84%) or if the Bank's LFR and RIM is above the maximum of LFR and RIM targeted by BI (94%) and the Capital Adequacy Ratio (CAR) is below BI requirement of 14%.

The ratios of the Bank's Minimum Statutory Reserve requirement for its Rupiah and foreign currencies accounts as of December 31, 2023 and 2022, respectively, are as follows:

	Rupiah
Primary Minimum Statutory Reserve -	
Daily	
Average	
PLM -	
Foreign currencies	

The Bank has fulfilled Bank Indonesia regulation regarding Statutory Reserves Requirement on Commercial Banks as of December 31, 2023 and 2022.

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6. GIRO PADA BANK LAIN

a. Berdasarkan mata uang:

	31 Desember/December 31				
	2023		2022		
	Jumlah nosional mata uang asing (nilai penuh)/ <i>Notional amount in foreign currencies (full amount)</i>	Ekuivalen Rupiah/ <i>Rupiah equivalent</i>	Jumlah nosional mata uang asing (nilai penuh)/ <i>Notional amount in foreign currencies (full amount)</i>	Ekuivalen Rupiah/ <i>Rupiah equivalent</i>	
Rupiah	-	39.990	-	34.781	Rupiah
Mata uang asing					Foreign currencies
Dolar Amerika Serikat	2.720.846	41.893	11.508.627	179.161	United States Dollar
Yuan Renminbi Cina	13.587.353	29.478	6.729.140	15.036	Chinese Yuan Renminbi
Dolar Singapura	1.679.205	19.607	3.096.418	35.896	Singapore Dollar
Poundsterling					
Britania Raya	189.384	3.717	6.590	124	Great Britain Poundsterling
Dolar Australia	156.687	1.647	58.192	615	Australian Dollar
Yen Jepang	14.978.638	1.631	702.165	83	Japanese Yen
Euro Eropa	66.609	1.135	818.269	13.568	European Euro
Dolar Hong Kong	22.211	44	85.934	172	Hong Kong Dollar
		99.152		244.655	
Jumlah		139.142		279.436	Total
Cadangan kerugian penurunan nilai		(126)		(282)	Allowance for impairment losses
Neto		139.016		279.154	Net

b. Berdasarkan kolektibilitas:

Seluruh giro pada bank lain pada tanggal 31 Desember 2023 dan 2022 digolongkan sebagai "lancar".

b. By collectability:

All current accounts with other banks as of December 31, 2023 and 2022 were classified as "current".

c. Berdasarkan transaksi dengan pihak berelasi dan pihak ketiga:

c. By related parties and third parties:

	31 Desember/December 31		
	2023	2022	
Pihak berelasi			Related parties
Mata uang asing			Foreign currencies
China Construction Bank Corporation, Cabang Shenzhen	17.877	7.302	China Construction Bank Corporation, Shenzhen Branch
China Construction Bank Corporation, Cabang Zhejiang	7.470	2.679	China Construction Bank Corporation, Zhejiang Branch
China Construction Bank Corporation, Cabang London	3.717	124	China Construction Bank Corporation, London Branch
China Construction Bank Corporation, Cabang Tokyo	1.631	83	China Construction Bank Corporation, Tokyo Branch
	30.695	10.188	

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6. GIRO PADA BANK LAIN (lanjutan)

- c. Berdasarkan transaksi dengan pihak berelasi dan pihak ketiga: (lanjutan)

	31 Desember/December 31	
	2023	2022
Pihak ketiga		
Rupiah		
PT Bank Central Asia Tbk	24.953	23.629
PT Bank Maybank Indonesia Tbk	12.832	11.072
PT Bank Mandiri (Persero) Tbk	2.166	34
PT Bank CIMB Niaga Tbk	39	47
Mata uang asing		
J.P Morgan Chase Bank, New York	22.802	-
United Overseas Bank Ltd. Singapura	19.607	35.896
Citibank N.A., New York	8.861	159.816
PT Bank Central Asia Tbk	6.188	7.782
PT Bank ICBC Indonesia	4.130	5.055
PT Bank Mandiri (Persero) Tbk	3.086	3.127
ANZ Australia	1.648	614
Citibank N.A., London	1.135	13.568
Standard Chartered Bank, Amerika Serikat	956	8.436
Standard Chartered Bank, Hong Kong	44	172
	108.447	269.248
Jumlah	139.142	279.436
Cadangan kerugian penurunan nilai	(126)	(282)
Neto	139.016	279.154

**6. CURRENT ACCOUNTS WITH OTHER BANKS
(continued)**

- c. By related parties and third parties: (continued)

	Third parties
	Rupiah
	PT Bank Central Asia Tbk
	PT Bank Maybank Indonesia Tbk
	PT Bank Mandiri (Persero) Tbk
	PT Bank CIMB Niaga Tbk
	Foreign currencies
	J.P. Morgan Chase Bank, New York
	United Overseas Bank Ltd. Singapore
	Citibank N.A., New York
	PT Bank Central Asia Tbk
	PT Bank ICBC Indonesia
	PT Bank Mandiri (Persero) Tbk
	ANZ Australia
	Citibank N.A., London
	Standard Chartered Bank, United States
	Standard Chartered Bank, Hong Kong
	Total
	Allowance for impairment losses
	Net

- d. Tingkat suku bunga efektif rata-rata setahun:

- d. Average effective interest rates per annum:

	31 Desember/December 31	
	2023	2022
Rupiah	0,69%	0,19%
Mata uang asing	1,40%	0,37%
		Rupiah
		Foreign currencies

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6. GIRO PADA BANK LAIN (lanjutan)

- e. Perubahan nilai tercatat bruto atas giro pada bank lain adalah sebagai berikut:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Nilai tercatat bruto awal 1 Januari 2022	659.148	-	-	659.148	Initial gross carrying amount January 1, 2022
Aset baru	2.723	-	-	2.723	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(475)	-	-	(475)	Assets derecognized or repaid (excluding write-offs)
Pengukuran kembali	(381.960)	-	-	(381.960)	Remeasurement
31 Desember 2022	279.436	-	-	279.436	December 31, 2022
Aset baru	22.802	-	-	22.802	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(3)	-	-	(3)	Assets derecognized or repaid (excluding write-offs)
Pengukuran kembali	(163.093)	-	-	(163.093)	Remeasurement
31 Desember 2023	139.142	-	-	139.142	December 31, 2023

- f. Perubahan cadangan kerugian penurunan nilai atas giro pada bank lain adalah sebagai berikut:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Saldo awal 1 Januari 2022	925	-	-	925	Beginning balance January 1, 2022
Aset baru	3	-	-	3	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(1)	-	-	(1)	Assets derecognized or repaid (excluding write-offs)
Pengukuran kembali	(645)	-	-	(645)	Remeasurement
31 Desember 2022	282	-	-	282	December 31, 2022
Aset baru	19	-	-	19	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	-	-	-	-	Assets derecognized or repaid (excluding write-offs)
Pengukuran kembali	(175)	-	-	(175)	Remeasurement
31 Desember 2023	126	-	-	126	December 31, 2023

- g. Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas tidak tertagihnya giro pada bank lain.

**6. CURRENT ACCOUNTS WITH OTHER BANKS
(continued)**

- e. Movements in the gross carrying amount of current accounts with other banks are as follows:

- f. Movements in the allowance for impairment losses amount of current accounts with other banks are as follows:

- g. The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from uncollectible current accounts with other banks.

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7. PENEMPATAN PADA BANK INDONESIA DAN BANK LAIN

a. Berdasarkan jenis dan mata uang:

	31 Desember/December 31	
	2023	2022
Rupiah		
Pihak ketiga		
Bank Indonesia	-	234.935
PT. Bank DBS Indonesia	45.000	-
	45.000	234.935
Mata uang asing		
Pihak ketiga		
Bank Indonesia	-	389.281
	-	389.281
Jumlah	45.000	624.216
Cadangan kerugian penurunan nilai	(1)	-
Jumlah	44.999	624.216

7. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS

a. By type and currency:

Rupiah
Third parties
Bank Indonesia
PT. Bank DBS Indonesia
Foreign currencies
Third parties
Bank Indonesia
Total
Allowance for impairment losses
Total

b. Tingkat suku bunga efektif setahun:

	31 Desember/December 31	
	2023	2022
Rupiah	2,87% - 5,88%	3,16% - 5,19%
Mata uang asing	1,60% - 4,34%	0,14% - 1,62%

b. Effective interest rates per annum:

Rupiah
Foreign currencies

c. Sisa umur hingga jatuh tempo atas penempatan pada Bank Indonesia dan bank lain adalah di bawah 3 bulan.

c. The remaining period until maturity on placements with Bank Indonesia and other banks is under 3 months.

d. Perubahan nilai tercatat bruto atas penempatan pada Bank Indonesia dan bank lain adalah sebagai berikut:

d. Movements in the gross carrying amount of placement with Bank Indonesia and other banks are as follows:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Nilai tercatat bruto awal 1 Januari 2022	1.771.492	-	-	1.771.492	Initial gross carrying amount January 1, 2022
Aset baru	624.216	-	-	624.216	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(1.771.492)	-	-	(1.771.492)	Assets derecognized or repaid (excluding write-offs)
31 Desember 2022	624.216	-	-	624.216	December 31, 2022
Aset baru	45.000	-	-	45.000	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(624.216)	-	-	(624.216)	Assets derecognized or repaid (excluding write-offs)
31 Desember 2023	45.000	-	-	45.000	December 31, 2023

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7. PENEMPATAN PADA BANK INDONESIA DAN BANK LAIN (lanjutan)

- e. Perubahan cadangan kerugian penurunan nilai atas penempatan pada Bank Indonesia dan bank lain adalah sebagai berikut:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Saldo awal 1 Januari 2022	-	-	-	-	Beginning balance January 1, 2022
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	-	-	-	-	Assets derecognized or repaid (excluding write-offs)
31 Desember 2022	-	-	-	-	December 31, 2022
Aset baru	1	-	-	1	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	-	-	-	-	Assets derecognized or repaid (excluding write-offs)
31 Desember 2023	1	-	-	1	December 31, 2023

- f. Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas tidak tertagihnya penempatan pada Bank Indonesia dan bank lain.

7. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (continued)

- e. The movements in the allowance for impairment losses of placement with Bank Indonesia and other banks are as follows:

- f. The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from uncollectible placement with Bank Indonesia and other banks.

8. EFEK-EFEK

- a. Berdasarkan tujuan, jenis, dan mata uang:

31 Desember/December 31

	2023	2022	
Diukur pada nilai wajar melalui penghasilan komprehensif lain Pihak ketiga			Measured at fair value through other comprehensive income Third parties
Efek-efek pemerintah			Government Securities
Obligasi Negara IDSR180924364S	498.299	-	Government bonds IDSR180924364S
Obligasi Negara IDSR081124364S	300.068	-	Government bonds IDSR081124364S
Obligasi Negara PBS031	226.224	222.491	Government bonds PBS031
Obligasi Negara IDSR190624273S	199.519	-	Government bonds IDSR190624273S
Obligasi Negara SR015	181.588	181.132	Government bonds SR015
Obligasi Negara IDSR111024364S	149.454	-	Government bonds IDSR111024364S
Obligasi Pemerintah 017	131.942	134.089	Government bonds 017
Obligasi Pemerintah 033	129.826	129.727	Government bonds 033
Obligasi Negara PBS036	129.221	-	Government bonds PBS036
Obligasi Negara IDSR131224364S	109.996	-	Government bonds IDSR131224364S
Obligasi Negara IDSR301024364S	105.076	-	Government bonds IDSR301024364S
Obligasi Negara IDSR181024364S	104.790	-	Government bonds IDSR181024364S
Obligasi Negara IDSR070824273S	100.058	-	Government bonds IDSR070824273S
Obligasi Negara IDSR131124364S	100.053	-	Government bonds IDSR131124364S
Obligasi Negara IDSR041224364S	100.019	-	Government bonds IDSR041224364S
Obligasi Negara IDSR170524182S	99.994	-	Government bonds IDSR170524182S
Obligasi Negara IDSR210824273S	99.972	-	Government bonds IDSR210824273S
Obligasi Negara IDSR220524182S	99.963	-	Government bonds IDSR220524182S
Obligasi Negara IDSR030724273S	99.787	-	Government bonds IDSR030724273S

8. MARKETABLE SECURITIES

- a. By purpose, type and currency:

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8. EFEK-EFEK (lanjutan)

a. Berdasarkan tujuan, jenis, dan mata uang:
(lanjutan)

	31 Desember/December 31	
	2023	2022
Diukur pada nilai wajar melalui penghasilan komprehensif lain Pihak ketiga		
Efek-efek pemerintah		
Obligasi Negara IDSR041024364S	99.663	
Obligasi Negara IDSR090824273S	90.020	
Obligasi Negara IDSR061224364S	80.030	
Obligasi Negara IDSR161024364S	79.734	
Obligasi Negara IDSR030524182S	70.017	
Obligasi Negara IDSR020824273S	60.034	
Obligasi Negara IDSR020524183S	59.988	
Obligasi Negara IDSR271124364S	51.566	
Obligasi Negara IDSR011124364S	50.049	
Obligasi Negara IDSR070624182S	50.021	
Obligasi Negara IDSR050624182S	50.019	
Obligasi Negara IDSR251024364S	50.017	
Obligasi Negara IDSR280824273S	49.994	
Obligasi Negara IDSR270524185S	49.977	
Obligasi Negara IDSR201124364S	49.972	
Obligasi Negara IDSR290524182S	49.971	
Obligasi Negara IDSR230824273S	49.968	
Obligasi Negara SPN12240201	49.956	
Obligasi Negara IDSR231024364S	49.910	
Obligasi Negara IDSR310724273S	45.005	
Obligasi Negara FR0077	29.761	29.449
Obligasi Negara ORI019	19.947	19.822
Obligasi Negara IDSR140824273S	6.685	-
Obligasi Negara SPN12231207	-	100.034
Obligasi Negara SPN12230105	-	46.737
Obligasi Negara FR0063	-	39.752
Total efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain	4.208.153	903.233
Diskonto yang belum diamortisasi	(152.164)	(9.283)
Jumlah	4.055.989	893.950
Diukur pada biaya perolehan di amortisasi Pihak ketiga		
Rupiah		
Efek-efek pemerintah		
Obligasi Negara PMSG001	250.000	-
Obligasi korporasi PT Bank Rakyat Indonesia (Persero) Tbk	200.000	-
Total efek-efek yang diukur pada biaya perolehan di amortisasi	450.000	-
Premi yang belum diamortisasi	630	-
Jumlah	450.630	-
Jumlah efek-efek	4.506.619	893.950
Cadangan kerugian penurunan nilai	(152)	-
Neto	4.506.467	893.950

8. MARKETABLE SECURITIES (continued)

a. By purpose, type and currency: (continued)

	Measured at fair value through other comprehensive income Third parties
	Government Securities
-	Government bonds IDSR041024364S
-	Government bonds IDSR090824273S
-	Government bonds IDSR061224364S
-	Government bonds IDSR161024364S
-	Government bonds IDSR030524182S
-	Government bonds IDSR020824273S
-	Government bonds IDSR020524183S
-	Government bonds IDSR271124364S
-	Government bonds IDSR011124364S
-	Government bonds IDSR070624182S
-	Government bonds IDSR050624182S
-	Government bonds IDSR251024364S
-	Government bonds IDSR280824273S
-	Government bonds IDSR270524185S
-	Government bonds IDSR201124364S
-	Government bonds IDSR290524182S
-	Government bonds IDSR230824273S
-	Government bonds SPN12240201
-	Government bonds IDSR231024364S
-	Government bonds IDSR310724273S
-	Government bonds FR0077
-	Government bonds ORI019
-	Government bonds IDSR140824273S
-	Government Bonds SPN12231207
-	Government bonds SPN12230105
-	Government bonds FR0063
Total marketable securities measured at fair value through other comprehensive income	Unamortised discount
	Total
	Measured at amortized cost
	Third parties
	Rupiah
	Government securities
-	Government Bonds PMSG001
-	Corporate bonds PT Bank Rakyat Indonesia (Persero) Tbk
Total marketable securities measured at fair value amortized cost	
	Unamortised premium
	Total
	Total marketable securities
	Allowance for impairment losses
	Net

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8. EFEK-EFEK (lanjutan)

b. Berdasarkan penerbit:

	31 Desember/December 31		
	2023	2022	
Pemerintah	4.458.153	903.233	Government
Korporasi	200.000	-	Corporate
Jumlah	4.658.153	903.233	Total
Diskonto yang belum diamortisasi	(151.534)	(9.283)	Unamortised discount
Cadangan kerugian penurunan nilai	(152)	-	Allowance for impairment losses
Jumlah	4.506.467	893.950	Total

c. Berdasarkan kolektibilitas:

Seluruh efek-efek milik Bank pada tanggal 31 Desember 2023 dan 2022 diklasifikasikan sebagai "lancar".

d. Berdasarkan peringkat:

Peringkat obligasi korporasi yang dimiliki oleh Bank dari PT Pemeringkat Efek Indonesia dan PT Fitch Ratings Indonesia, pihak ketiga, adalah sebagai berikut:

	Pemeringkat/ Rated by	31 Desember/ December 31, 2023	31 Desember/ December 31, 2022	31 Desember/ December 31, 2023	31 Desember/ December 31, 2022	
PT Bank Rakyat Indonesia (Persero) Tbk	Fitch Ratings Indonesia	BBB-	-	200.000	-	PT Bank Rakyat Indonesia (Persero) Tbk
	PT Pemeringkat Efek Indonesia	idAAA	-	200.000	-	
Jumlah				200.000	-	Total

e. Tingkat suku bunga efektif setahun:

	31 Desember/December 31		
	2023	2022	
Rupiah			Rupiah
Obligasi korporasi	4,75% - 5,59%	-	Corporate bonds
Efek-efek pemerintah	2,06% - 6,10%	3,04% - 5,93%	Government securities

f. Perubahan nilai tercatat bruto atas efek-efek adalah sebagai berikut:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
	Nilai tercatat bruto awal 1 Januari 2022	1.108.110	-	-	
Aset baru	634.925	-	-	634.925	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(842.897)	-	-	(842.897)	Assets derecognized or repaid (excluding write-offs)
Pengukuran kembali	(6.188)	-	-	(6.188)	Remeasurement
31 Desember 2022	893.950	-	-	893.950	December 31, 2022
Aset baru	3.791.073	-	-	3.791.073	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(186.523)	-	-	(186.523)	Assets derecognized or repaid (excluding write-offs)
Pengukuran kembali	8.119	-	-	8.119	Remeasurement
31 Desember 2023	4.506.619	-	-	4.506.619	December 31, 2023

8. MARKETABLE SECURITIES (continued)

b. By issuer:

c. By collectability:

All of the marketable securities owned by the Bank as of December 31, 2023 and 2022 are classified as "current".

d. By rating:

The rating of corporate bonds owned by the Bank is rated by PT Pemeringkat Efek Indonesia and PT Fitch Ratings Indonesia, third parties, as follows:

e. Effective interest rates per annum:

f. Movements in the gross carrying amount of securities are as follows:

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8. EFEK-EFEK (lanjutan)

- g. Perubahan cadangan kerugian penurunan nilai atas efek-efek adalah sebagai berikut:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Saldo awal 1 Januari 2022	-	-	-	-	Beginning balance January 1, 2022
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	-	-	-	-	Assets derecognized or repaid (excluding write-offs)
31 Desember 2022	-	-	-	-	December 31, 2022
Aset baru	152	-	-	152	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	-	-	-	-	Assets derecognized or repaid (excluding write-offs)
31 Desember 2023	152	-	-	152	December 31, 2023

- h. Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas tidak tertagihnya efek-efek.

8. MARKETABLE SECURITIES (continued)

- g. The movements in the allowance for impairment losses of securities are as follows:

- h. The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from uncollectible securities.

9. TAGIHAN ATAS EFEK-EFEK YANG DIBELI DENGAN JANJI DIJUAL KEMBALI

- a. Berdasarkan jenis

Tagihan atas efek-efek yang dibeli dengan janji dijual kembali (*reverse repo*) adalah dalam mata uang Rupiah dan ditempatkan pada Bank Indonesia pada tanggal 31 Desember 2023 dan 2022 terdiri dari:

9. RECEIVABLES ON SECURITIES PURCHASED UNDER AGREEMENTS TO RESALE

- a. By type

Receivables on securities purchased under agreements to resale (*reverse repo*) were denominated in Rupiah and are placed at Bank Indonesia as of December 31, 2023 and 2022 consist of:

31 Desember 2023/December 31, 2023

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai beli/ Purchase amount	Nilai penjualan kembali/ Resale amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest	Nilai tercatat/ Carrying value
Bank Indonesia/ Bank Indonesia	VR0052	300.000	11 Okt 2023/ Oct 11, 2023	10 Jan 2024/ Jan 10, 2024	288.862	293.353	444	292.909
Bank Indonesia/ Bank Indonesia	VR0052	300.000	04 Okt 2023/ Oct 04, 2023	3 Jan 2024/ Jan 3, 2024	287.648	292.119	98	292.021
Bank Indonesia/ Bank Indonesia	VR0063	180.000	25 Okt 2023/ Oct 25, 2023	24 Jan 2024/ Jan 24, 2024	172.074	174.850	701	174.149
Bank Indonesia/ Bank Indonesia	VR0063	120.000	25 Okt 2023/ Oct 25, 2023	24 Jan 2024/ Jan 24, 2024	114.716	116.572	470	116.102
Bank Indonesia/ Bank Indonesia	VR0056	100.000	18 Okt 2023/ Oct 18, 2023	17 Jan 2024/ Jan 17, 2024	96.031	97.524	262	97.262
Bank Indonesia/ Bank Indonesia	VR0064	100.000	15 Nov 2023/ Nov 15, 2023	15 Feb 2024/ Feb 15, 2024	96.004	97.574	768	96.806
		1.100.000			1.055.335	1.071.992	2.743	1.069.249

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**9. TAGIHAN ATAS EFEK-EFEK YANG DIBELI
DENGAN JANJI DIJUAL KEMBALI (lanjutan)**

a. Berdasarkan jenis (lanjutan)

Tagihan atas efek-efek yang dibeli dengan janji dijual kembali (*reverse repo*) adalah dalam mata uang Rupiah dan ditempatkan pada Bank Indonesia pada tanggal 31 Desember 2023 dan 2022 terdiri dari: (lanjutan)

**9. RECEIVABLES ON SECURITIES PURCHASED
UNDER AGREEMENTS TO RESELL
(continued)**

a. *By type (continued)*

Receivables on securities purchased under agreements to resale (reverse repo) were denominated in Rupiah and are placed at Bank Indonesia as of December 31, 2023 and 2022 consist of: (continued)

31 Desember 2022/December 31, 2022

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai beli/ Purchase amount	Nilai penjualan kembali/ Resale amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest	Nilai tercatat/ Carrying value
Bank Indonesia/ Bank Indonesia	VR0074	300.000	5 Des 2022/ Dec 5, 2022	2 Jan 2023/ Jan 2, 2023	287.452	288.746	46	288.700
Bank Indonesia/ Bank Indonesia	VR0069	290.000	4 Feb 2022/ Feb 4, 2022	3 Feb 2023/ Feb 3, 2023	269.741	278.633	806	277.827
Bank Indonesia/ Bank Indonesia	VR0041	280.000	20 Des 2022/ Dec 20, 2022	17 Jan 2023/ Jan 17, 2023	259.857	261.027	669	260.358
Bank Indonesia/ Bank Indonesia	VR0056	250.000	16 Des 2022/ Dec 16, 2022	13 Jan 2023/ Jan 13, 2023	238.311	239.384	460	238.924
Bank Indonesia/ Bank Indonesia	VR0084	250.000	06 Des 2022/ Dec 06, 2022	3 Jan 2023/ Jan 3, 2023	231.561	232.604	74	232.530
Bank Indonesia/ Bank Indonesia	VR0037	230.000	27 Des 2022/ Dec 27, 2022	24 Jan 2023/ Jan 24, 2023	214.125	215.127	824	214.303
Bank Indonesia/ Bank Indonesia	VR0064	220.000	28 Des 2022/ Dec 28, 2022	25 Jan 2023/ Jan 25, 2023	209.261	210.241	840	209.401
Bank Indonesia/ Bank Indonesia	VR0073	220.000	12 Des 2022/ Dec 12, 2022	09 Jan 2023/ Jan 09, 2023	205.639	206.565	265	206.300
Bank Indonesia/ Bank Indonesia	FR0096	210.000	23 Des 2022/ Dec 23, 2022	20 Jan 2023/ Jan 20, 2023	200.432	201.370	637	200.733
Bank Indonesia/ Bank Indonesia	VR0045	210.000	21 Des 2022/ Dec 21, 2022	04 Jan 2023/ Jan 04, 2023	196.689	197.111	90	197.021
Bank Indonesia/ Bank Indonesia	VR0044	200.000	26 Des 2022/ Dec 26, 2022	23 Jan 2023/ Jan 23, 2023	192.465	193.366	708	192.658
Bank Indonesia/ Bank Indonesia	FR0096	200.000	23 Des 2022/ Dec 23, 2022	20 Jan 2023/ Jan 20, 2023	190.888	191.780	605	191.175
Bank Indonesia/ Bank Indonesia	VR0068	200.000	7 Des 2022/ Dec 7, 2022	04 Jan 2023/ Jan 04, 2023	185.082	185.915	89	185.826
Bank Indonesia/ Bank Indonesia	VR0080	180.000	14 Des 2022/ Dec 14, 2022	11 Jan 2023/ Jan 11, 2023	166.929	167.681	268	167.413
Bank Indonesia/ Bank Indonesia	FR0088	150.000	7 Jan 2022/ Jan 7, 2022	6 Jan 2023/ Jan 6, 2023	138.855	143.447	63	143.384
Bank Indonesia/ Bank Indonesia	VR0078	150.000	9 Des 2022/ Dec 9, 2022	6 Jan 2023/ Jan 6, 2023	142.752	143.395	115	143.280
Bank Indonesia/ Bank Indonesia	VR0072	140.000	19 Des 2022/ Dec 19, 2022	16 Jan 2023/ Jan 16, 2023	131.029	131.619	316	131.303
Bank Indonesia/ Bank Indonesia	VR0072	150.000	29 Des 2022/ Dec 29, 2022	26 Jan 2023/ Jan 26, 2023	138.729	139.380	581	138.799
Bank Indonesia/ Bank Indonesia	VR0065	130.000	30 Des 2022/ Dec 30, 2022	27 Jan 2023/ Jan 27, 2023	120.452	121.017	525	120.492
Bank Indonesia/ Bank Indonesia	VR0048	100.000	27 Des 2022/ Dec 27, 2022	10 Jan 2023/ Jan 10, 2023	96.007	96.222	138	96.084
Bank Indonesia/ Bank Indonesia	VR0075	80.000	28 Des 2022/ Dec 28, 2022	11 Jan 2023/ Jan 11, 2023	74.964	75.132	120	75.012
Bank Indonesia/ Bank Indonesia	FR0065	37.500	08 Apr 2022/ Apr 08, 2022	6 Jan 2023/ Jan 6, 2023	34.814	35.661	16	35.645
		4.177.500			3.926.034	3.955.423	8.255	3.947.168

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**9. TAGIHAN ATAS EFEK-EFEK YANG DIBELI
DENGAN JANJI DIJUAL KEMBALI (lanjutan)**

b. Berdasarkan periode jatuh tempo

Efek-efek yang dibeli dengan janji dijual kembali akan diselesaikan dalam waktu tidak lebih dari 12 bulan setelah tanggal laporan posisi keuangan.

c. Tingkat suku bunga efektif rata-rata setahun

31 Desember/December 31

	2023	2022
Rupiah	6,02%	3,79%

Rupiah

d. Berdasarkan kolektibilitas

Efek-efek yang dibeli dengan janji dijual kembali (*reverse repo*) milik Bank pada tanggal 31 Desember 2023 dan 2022 diklasifikasikan sebagai "lancar".

e. Manajemen berpendapat bahwa cadangan kerugian penurunan nilai tidak diperlukan.

**9. RECEIVABLES ON SECURITIES PURCHASED
UNDER AGREEMENTS TO RESALE
(continued)**

b. By maturity period

Securities purchased under resale agreements will be settled no more than 12 months after the date of financial positions.

c. Average effective interest rate per annum

d. By collectability

All of the securities purchased under resale agreements (*reverse repo*) owned by the Bank as of December 31, 2023 and 2022 are classified as "current".

e. Management believes that no allowance for impairment losses is necessary.

10. KREDIT YANG DIBERIKAN

a. Berdasarkan jenis kredit

31 Desember/December 31

	2023	2022
Pihak berelasi		
Rupiah		
Konsumer	5.567	6.302
Karyawan	1.002	1.374
	<u>6.569</u>	<u>7.676</u>
Pihak ketiga		
Rupiah		
Modal kerja	7.850.352	6.368.535
Investasi	3.809.276	3.532.969
Konsumer	1.467.634	1.492.931
Karyawan	2.185	3.456
	<u>13.129.447</u>	<u>11.397.891</u>
Mata uang asing		
Investasi	5.237.672	3.461.785
Modal Kerja	986.290	1.819.933
	<u>6.223.962</u>	<u>5.281.718</u>
Jumlah	<u>19.359.978</u>	<u>16.687.285</u>
Cadangan kerugian penurunan nilai	(513.561)	(454.746)
Neto	<u>18.846.417</u>	<u>16.232.539</u>

Related parties
Rupiah
Consumer
Employee

Third parties
Rupiah
Working capital
Investment
Consumer
Employee

Foreign currencies
Investment
Working capital

Total

Allowance for impairment losses

Net

10. LOANS

a. By type of loans

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10. KREDIT YANG DIBERIKAN (lanjutan)

10. LOANS (continued)

b. Berdasarkan sektor ekonomi

b. By economic sectors

	31 Desember/December 31		
	2023	2022	
Rupiah			Rupiah
Perantara keuangan	3.078.621	2.528.658	Financial intermediary
Industri pengolahan	1.961.844	1.817.249	Manufacturing
Perdagangan besar dan eceran	1.768.553	1.202.719	Wholesale and retail
Rumah tangga	1.476.387	1.504.064	Household
Real estate, usaha persewaan, dan jasa perusahaan	1.436.608	1.024.700	Real estate, leasing and services
Konstruksi	1.234.578	1.210.305	Construction
Transportasi, pergudangan, dan komunikasi	871.094	684.254	Transportation, warehousing and communication
Penyediaan akomodasi dan penyediaan makan minum	540.177	721.527	Accommodation, food and beverages
Listrik, gas, dan air	398.635	319.230	Electricity, gas and water
Pertambangan	142.879	214.223	Mining
Jasa kesehatan dan kegiatan sosial	122.916	110.084	Health and social services
Pertanian, perburuan, dan kehutanan	42.408	40.388	Agriculture, hunting and forestry
Jasa pendidikan	35.230	5.995	Education services
Perikanan	17.585	7.693	Fishing
Jasa kemasyarakatan, sosial budaya, hiburan, dan jasa lainnya	7.654	13.630	Social, art, culture, recreation and other services
Lain-lain	847	848	Others
	13.136.016	11.405.567	
Mata uang asing			Foreign currencies
Listrik, gas, dan air	2.901.778	2.311.861	Electricity, gas and water
Industri pengolahan	2.242.691	1.300.689	Manufacturing
Pertambangan dan penggalian	591.223	879.522	Mining and excavation
Real estate, usaha persewaan, dan jasa perusahaan	416.544	382.548	Real estate, leasing and services
Perantara keuangan	37.352	-	Financial intermediary
Transportasi, pergudangan, dan komunikasi	32.624	-	Transportation, warehousing and communication
Perdagangan besar dan eceran	1.750	81.624	Wholesale and retail
Pertanian Perburuan dan Kehutanan	-	325.474	Agriculture and Forestry
	6.223.962	5.281.718	
Jumlah	19.359.978	16.687.285	Total
Cadangan kerugian penurunan nilai	(513.561)	(454.746)	Allowance for impairment losses
Neto	18.846.417	16.232.539	Net

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10. KREDIT YANG DIBERIKAN (lanjutan)

10. LOANS (continued)

c. Berdasarkan jatuh tempo perjanjian kredit

c. By maturity based on loan agreement

	31 Desember/December 31		
	2023	2022	
Rupiah			Rupiah
≤ 1 tahun	5.084.037	4.169.341	≤ 1 year
> 1 - 2 tahun	980.170	406.412	> 1 - 2 years
> 2 - 5 tahun	3.673.694	3.036.324	> 2 - 5 years
> 5 tahun	3.398.115	3.793.490	> 5 years
	13.136.016	11.405.567	
Mata uang asing			Foreign currencies
≤ 1 tahun	601.887	865.928	≤ 1 year
> 1 - 2 tahun	187.105	453.550	> 1 - 2 years
> 2 - 5 tahun	1.012.715	655.622	> 2 - 5 years
> 5 tahun	4.422.255	3.306.618	> 5 years
	6.223.962	5.281.718	
Jumlah	19.359.978	16.687.285	Total
Cadangan kerugian penurunan nilai	(513.561)	(454.746)	Allowance for impairment losses
Neto	18.846.417	16.232.539	Net

d. Berdasarkan kolektibilitas

d. By collectability

	31 Desember/December 31		
	2023	2022	
Lancar	18.266.779	15.991.257	Current
Dalam perhatian khusus	536.786	128.820	Special mention
Kurang lancar	245.676	4.356	Substandard
Diragukan	38.171	233.779	Doubtful
Macet	272.566	329.073	Loss
	19.359.978	16.687.285	
Cadangan kerugian penurunan nilai	(513.561)	(454.746)	Allowance for impairment losses
Neto	18.846.417	16.232.539	Net

e. Kredit restrukturisasi

e. Restructured loans

Pada tanggal 31 Desember 2023 dan 2022 saldo kredit yang direstrukturisasi Bank adalah sebesar:

As of December 31, 2023 and 2022 the Bank's restructured loans are as follows:

Jenis/Type	Kolektibilitas/ Collectability	31 Desember/December 31	
		2023	2022
Modal kerja/Working capital	Lancar/Current	724.674	1.738.823
	Dalam perhatian khusus/ Special mention	326.694	27.969
	Kurang lancar/ Substandard	230.868	2.426
	Diragukan/Doubtful	17.042	233.513
	Macet/Loss	89.856	133.674
		1.389.134	2.136.405

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10. KREDIT YANG DIBERIKAN (lanjutan)

e. Kredit restrukturisasi (lanjutan)

Investasi/ <i>Investment</i>	Lancar/ <i>Current</i>	2.209.500	1.942.529
	Dalam perhatian khusus/ <i>Special mention</i>	139.814	18.185
	Diragukan/ <i>Doubtful</i>	5.968	-
	Macet/ <i>Loss</i>	32.311	35.797
		2.387.593	1.996.511
Konsumer/ <i>Consumer</i>	Lancar/ <i>Current</i>	65.625	116.862
	Dalam perhatian khusus/ <i>Special mention</i>	8.384	12.297
	Kurang lancar/ <i>Substandard</i>	8.581	836
	Diragukan/ <i>Doubtful</i>	1.853	266
	Macet/ <i>Loss</i>	14.406	6.791
		98.849	137.052
Jumlah/<i>Total</i>		3.875.576	4.269.968
Cadangan kerugian penurunan nilai/ <i>Allowance for impairment losses</i>		(375.316)	(334.557)
Neto/<i>Net</i>		3.500.260	3.935.411

Seluruh restrukturisasi kredit dilakukan melalui penjadwalan ulang pembayaran pokok kredit dan bunga, penambahan jangka waktu kredit dan penyesuaian suku bunga.

Termasuk dalam kredit restrukturisasi diatas adalah restrukturisasi untuk debitur yang terdampak pandemi COVID-19 sesuai dengan POJK No. 11/POJK.03/2020 "Stimulus Perekonomian Nasional sebagai kebijakan *countercyclical* dampak penyebaran *Corona Virus Disease 2019*" tertanggal 13 Maret 2020 yang telah diperbaharui beberapa kali dengan POJK No. 48/POJK.03/2020 "Perubahan Pertama Atas POJK No.11/POJK.03/2020" tertanggal 1 Desember 2020 dan POJK No. 17/POJK.03/2021 "Perubahan Kedua Atas POJK No.11/POJK.03/2020" tertanggal 10 September 2021 serta Siaran Pers OJK No. SP 85/DHMS/OJK/XI/2022 tertanggal 28 November 2022 tentang Perpanjangan Kebijakan Restrukturisasi Kredit dan Pembiayaan Secara Targeted dan Sektorial Atasi Dampak Lanjutan Pandemi COVID. Per tanggal 31 Desember 2023 total saldo kredit restrukturisasi COVID-19 adalah sebesar Rp2.460.964 (2022: Rp3.615.484).

10. LOANS (continued)

e. Restructured loans (continued)

	Lancar/ <i>Current</i>	2.209.500	1.942.529
	Dalam perhatian khusus/ <i>Special mention</i>	139.814	18.185
	Diragukan/ <i>Doubtful</i>	5.968	-
	Macet/ <i>Loss</i>	32.311	35.797
		2.387.593	1.996.511
	Lancar/ <i>Current</i>	65.625	116.862
	Dalam perhatian khusus/ <i>Special mention</i>	8.384	12.297
	Kurang lancar/ <i>Substandard</i>	8.581	836
	Diragukan/ <i>Doubtful</i>	1.853	266
	Macet/ <i>Loss</i>	14.406	6.791
		98.849	137.052
Jumlah/<i>Total</i>		3.875.576	4.269.968
Cadangan kerugian penurunan nilai/ <i>Allowance for impairment losses</i>		(375.316)	(334.557)
Neto/<i>Net</i>		3.500.260	3.935.411

All restructured loans were modified through loans principal and interest rescheduling, extension of loan maturity period and interest rate adjustment.

Included in the above restructured loan are restructured for debtors affected by COVID-19 pandemic in accordance with SFAS No. 11/POJK.03/2020 "National Economic stimulus as *countercyclical* policy in the impact of the spread of *Coronavirus Disease 2019* dated March 13, 2020 which was updated by SFAS No. 48/POJK.03/2020 "First Changes in POJK No. 11/POJK.03/2020" dated December, 1 2020 and SFAS No. 17/POJK.03/2021 "Second Changes in POJK No. 11/POJK.03/2020" dated September 10, 2021, also Press Release OJK No. SP 85/DHMS/OJK/XI/2022 dated November 28, 2022 as of December 31, 2023 the balance of COVID-19 restructured loans amounted to Rp2,460,964 (2022: Rp3,615,484).

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10. KREDIT YANG DIBERIKAN (lanjutan)

f. Kredit yang diberikan kepada karyawan

Kredit yang diberikan kepada karyawan terdiri dari kredit untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022, untuk membeli rumah, kendaraan bermotor, dan keperluan pribadi lainnya, dengan suku bunga per tahun masing-masing sebesar 3%-13%. Kredit ini berjangka waktu antara 1 tahun sampai dengan 13 tahun dan dilunasi melalui pemotongan gaji karyawan setiap bulan.

Kredit yang diberikan kepada pihak-pihak berelasi pada tanggal 31 Desember 2023 dan 2022 masing-masing berjumlah Rp6.569 dan Rp7.676 (Catatan 32) yang diberikan kepada dewan komisaris, direksi, dan pejabat eksekutif dan diklasifikasikan lancar.

Rasio kredit usaha kecil terhadap jumlah kredit yang diberikan adalah sebesar 8,79% dan 13,04% masing-masing pada tanggal 31 Desember 2023 dan 2022.

g. Tingkat suku bunga efektif rata-rata setahun:

	31 Desember/December 31	
	2023	2022
Rupiah	7,94%	7,94%
Mata uang asing	6,81%	4,30%

Rupiah
Mata uang asing

10. LOANS (continued)

f. Employee loans

Loans to employees consist of loans with annual interest ranging from 3%-13% for the years ended December 31, 2023 and 2022, respectively, which are intended for acquisition of houses, motor vehicles and other personal needs of the employees. These loans will mature within 1 year to 13 years and are collected through monthly payroll deductions.

Loans to related parties as of December 31, 2023 and 2022 amounted to Rp6,569 and Rp7,676, (Note 32) respectively, which are given to Board of Commissioners, Board of Directors and executive officers, and are classified as current.

The ratio of loans to small-scale businesses to total loans are 8.79% and 13.04% as of December 31, 2023 and 2022, respectively.

g. Average effective interest rates per annum:

h. Perubahan nilai tercatat bruto atas kredit yang diberikan adalah sebagai berikut:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Nilai tercatat bruto awal 1 Januari 2022	13.114.374	7.358	650.931	13.772.663	Initial gross carrying amount January 1, 2022
Aset baru	3.568.197	4.841	-	3.573.038	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(1.057.553)	(2.094)	(81.178)	(1.140.825)	Assets derecognized or repaid (excluding write-offs)
Transfer ke Tahap 1	10.207	(3.156)	(7.051)	-	Transfers to Stage 1
Transfer ke Tahap 2	(76.935)	77.077	(142)	-	Transfers to Stage 2
Transfer ke Tahap 3	(22.062)	(850)	22.912	-	Transfers to Stage 3
Pengukuran kembali	498.847	1.826	(8.951)	491.722	Remeasurement
Penghapusbukuan	-	-	(9.313)	(9.313)	Bad debts written-off
31 Desember 2022	16.035.075	85.002	567.208	16.687.285	December 31, 2022
Aset baru	3.297.345	16.177	3.253	3.316.775	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(3.772.572)	(19.320)	(58.081)	(3.849.973)	Assets derecognized or repaid (excluding write-offs)
Transfer ke Tahap 1	2.879	(2.879)	-	-	Transfers to Stage 1
Transfer ke Tahap 2	(309.032)	310.632	(1.600)	-	Transfers to Stage 2
Transfer ke Tahap 3	(58.664)	(64.531)	123.195	-	Transfers to Stage 3
Pengukuran kembali	3.274.586	4.528	(5.426)	3.273.688	Remeasurement
Penghapusbukuan	-	-	(67.797)	(67.797)	Bad debts written-off
31 Desember 2023	18.469.617	329.609	560.752	19.359.978	December 31, 2023

h. Movements in the gross carrying amount of loans are as follows:

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10. KREDIT YANG DIBERIKAN (lanjutan)

- i. Perubahan cadangan kerugian penurunan nilai atas kredit yang diberikan adalah sebagai berikut:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total
Saldo awal 1 Januari 2022	18.798	492	272.671	291.961
Aset baru	5.321	405	-	5.726
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(564)	(171)	(19.236)	(19.971)
Transfer ke Tahap 1	1.399	(208)	(1.191)	-
Transfer ke Tahap 2	(65)	651	(586)	-
Transfer ke Tahap 3	(32)	(17)	49	-
Pengukuran kembali	7.866	8.701	164.590	181.157
Penghapusbukuan	-	-	(9.313)	(9.313)
Perubahan valuta asing	-	-	5.186	5.186
31 Desember 2022	32.723	9.853	412.170	454.746
Aset baru	3.257	2.481	919	6.657
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(9.070)	(2.549)	(17.538)	(29.157)
Transfer ke Tahap 1	6	(6)	-	-
Transfer ke Tahap 2	(71.650)	72.016	(366)	-
Transfer ke Tahap 3	(24.537)	(43.842)	68.379	-
Pengukuran kembali	99.716	36.969	14.663	151.348
Penghapusbukuan	-	-	(67.797)	(67.797)
Perubahan valuta asing	-	-	(2.236)	(2.236)
31 Desember 2023	30.445	74.922	408.194	513.561

Manajemen berpendapat bahwa jumlah cadangan kerugian penurunan nilai yang dibentuk telah memadai.

- j. Rasio kredit bermasalah bruto (rasio NPL - bruto) Bank terhadap total kredit yang diberikan adalah sebesar 2,87% dan 3,40%, masing-masing pada tanggal 31 Desember 2023 dan 2022, sedangkan rasio kredit bermasalah neto terhadap total kredit (rasio NPL - neto) adalah sebesar 0,77% dan 0,93%, masing-masing pada tanggal 31 Desember 2023 dan 2022.

10. LOANS (continued)

- i. The movements in the allowance for impairment losses of loans are as follows:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Saldo awal 1 Januari 2022	18.798	492	272.671	291.961	Beginning balance January 1, 2022
Aset baru	5.321	405	-	5.726	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(564)	(171)	(19.236)	(19.971)	Assets derecognized or repaid (excluding write-offs)
Transfer ke Tahap 1	1.399	(208)	(1.191)	-	Transfers to Stage 1
Transfer ke Tahap 2	(65)	651	(586)	-	Transfers to Stage 2
Transfer ke Tahap 3	(32)	(17)	49	-	Transfers to Stage 3
Pengukuran kembali	7.866	8.701	164.590	181.157	Remeasurement
Penghapusbukuan	-	-	(9.313)	(9.313)	Bad debts written-off
Perubahan valuta asing	-	-	5.186	5.186	Currency exchanges
31 Desember 2022	32.723	9.853	412.170	454.746	December 31, 2022
Aset baru	3.257	2.481	919	6.657	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(9.070)	(2.549)	(17.538)	(29.157)	Assets derecognized or repaid (excluding write-offs)
Transfer ke Tahap 1	6	(6)	-	-	Transfers to Stage 1
Transfer ke Tahap 2	(71.650)	72.016	(366)	-	Transfers to Stage 2
Transfer ke Tahap 3	(24.537)	(43.842)	68.379	-	Transfers to Stage 3
Pengukuran kembali	99.716	36.969	14.663	151.348	Remeasurement
Penghapusbukuan	-	-	(67.797)	(67.797)	Bad debts written-off
Perubahan valuta asing	-	-	(2.236)	(2.236)	Currency exchanges
31 Desember 2023	30.445	74.922	408.194	513.561	December 31, 2023

Management believes that the allowance for impairment losses is adequate.

- j. The ratio of gross non-performing loans (gross NPL ratio) of the Bank to total loans are 2.87% and 3.40% as of December 31, 2023 and 2022, respectively, while the net non-performing loans to total loans (net NPL ratio) are 0.77%, and 0.93% as of December 31, 2023 and 2022, respectively.

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11. PENDAPATAN BUNGA YANG MASIH AKAN DITERIMA

11. INTEREST RECEIVABLES

	31 Desember/December 31		
	2023	2022	
Bunga atas:			Interest on:
Kredit yang diberikan	79.960	49.007	Loans
Efek-efek	18.462	8.301	Marketable securities
Interbank Call Money	22	-	Interbank Call Money
Jumlah	98.444	57.308	Total

Pendapatan bunga yang masih akan diterima dari pihak berelasi adalah sebesar Rp15 dan Rp18 masing-masing pada tanggal 31 Desember 2023 dan 2022 (Catatan 32).

Interest receivables from related parties as of December 31, 2023 and 2022, amounted to Rp15 and Rp18, respectively (Note 32).

Pendapatan bunga yang masih akan diterima dalam mata uang asing adalah sebesar Rp34.058 dan Rp19.032 masing-masing pada tanggal 31 Desember 2023 dan 2022.

Interest receivables in foreign currencies as of December 31, 2023 and 2022, amounted to Rp34,058 and Rp19,032, respectively.

12. ASET TETAP DAN ASET HAK GUNA

12. FIXED ASSETS AND RIGHT-OF-USE ASSETS

Akun ini terdiri dari:

This account consists of:

31 Desember 2023/December 31, 2023							
	1 Januari/ January 1, 2023	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	Revaluasi/ Revaluation	31 Desember/ December 31, 2023	
Kepemilikan langsung							Direct ownership
Harga penilaian kembali							Revalued amount
Tanah	385.144	-	(11.661)	21.963	37.544	432.990	Land
Bangunan	414.251	515	(7.280)	4.571	67.583	479.640	Buildings
Prasarana	49.685	134	(116)	(24.629)	-	25.074	Leasehold improvements
Inventaris kantor	118.136	8.003	(1.267)	1.637	-	126.509	Office equipment
Kendaraan	77.119	79	(10.131)	-	-	67.067	Vehicles
	1.044.335	8.731	(30.455)	3.542	105.127	1.131.280	
Aset dalam penyelesaian	422	7.635	(204)	(3.542)	-	4.311	Construction in progress
Total biaya perolehan aset tetap	1.044.757	16.366	(30.659)	-	105.127	1.135.591	Total cost of fixed assets
Aset hak guna	67.171	12.895	(9.234)	-	-	70.832	Right-of-use assets
Total biaya perolehan aset tetap dan aset hak guna	1.111.928	29.261	(39.893)	-	105.127	1.206.423	Total cost of fixed assets and right-of-use of assets
Akumulasi penyusutan							Accumulated depreciation
Bangunan	(123.127)	(22.660)	5.387	(16.361)	-	(156.761)	Buildings
Prasarana	(38.080)	(2.764)	42	16.361	-	(24.441)	Leasehold improvements
Inventaris kantor	(108.756)	(5.935)	1.260	-	-	(113.431)	Office equipment
Kendaraan	(75.678)	(720)	10.131	-	-	(66.267)	Vehicles
	(345.641)	(32.079)	16.820	-	-	(360.900)	
Aset hak guna	(32.802)	(18.650)	8.254	-	-	(43.198)	Right-of-use assets
Total biaya perolehan aset tetap dan aset hak guna	(378.443)	(50.729)	25.074	-	-	(404.098)	Total accumulated depreciation of fixed assets and right-of-use of assets
Nilai buku neto	733.485					802.325	Net book value

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12. ASET TETAP DAN ASET HAK GUNA (lanjutan)

**12. FIXED ASSETS AND RIGHT-OF-USE ASSETS
(continued)**

Akun ini terdiri dari: (lanjutan)

This account consists of: (continued)

	31 Desember/December 31, 2022					
	1 Januari/ January 1, 2022	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	31 Desember/ December 31, 2022	
Kepemilikan langsung						Direct ownership
Harga penilaian kembali						Revalued amount
Tanah	392.190	-	(7.046)	-	385.144	Land
Bangunan	414.337	302	(388)	-	414.251	Buildings
Prasarana	48.765	976	(166)	110	49.685	Leasehold improvements
Inventaris kantor	111.339	3.917	(119)	2.999	118.136	Office equipment
Kendaraan	79.050	-	(1.931)	-	77.119	Vehicles
	1.045.681	5.195	(9.650)	3.109	1.044.335	
Aset dalam penyelesaian	1.051	3.575	(1.095)	(3.109)	422	Construction in progress
Total biaya perolehan aset tetap	1.046.732	8.770	(10.745)	-	1.044.757	Total cost of fixed assets
Aset hak guna	75.920	19.418	(28.167)	-	67.171	Right-of-use of assets
Total biaya perolehan aset tetap dan aset hak guna	1.122.652	28.188	(38.912)	-	1.111.928	Total cost of fixed assets and right-of-use of assets
Akumulasi penyusutan						Accumulated depreciation
Bangunan	(101.553)	(21.957)	383	-	(123.127)	Buildings
Prasarana	(35.452)	(2.757)	129	-	(38.080)	Leasehold improvements
Inventaris kantor	(94.375)	(14.468)	87	-	(108.756)	Office equipment
Kendaraan	(66.030)	(11.403)	1.755	-	(75.678)	Vehicles
	(297.410)	(50.585)	2.354	-	(345.641)	
Aset hak guna	(28.155)	(21.252)	16.605	-	(32.802)	Right-of-use of assets
Total akumulasi penyusutan aset tetap dan aset hak guna	(325.565)	(71.837)	18.959	-	(378.443)	Total accumulated depreciation of fixed assets and right-of-use of assets
Nilai buku neto	797.087				733.485	Net book value

Aset tetap Bank, kecuali tanah, prasarana, dan inventaris kantor diasuransikan pada perusahaan asuransi yaitu, PT Asuransi Bina Dana Arta, pihak ketiga dengan nilai pertanggungan sebesar Rp268.579 dan Rp252.581 pada tanggal 31 Desember 2023 dan 2022. Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas aset yang dipertanggungkan.

All fixed assets, except for land, leasehold improvements, and office equipment are insured with insurance company PT Asuransi Bina Dana Arta, a third party for coverage amounting to Rp268,579 and Rp252,581 as of December 31, 2023 and 2022. All the insurance companies above are third parties. Management believes that the insurance coverages are adequate to cover possible losses on the assets insured.

Rincian laba penjualan aset tetap untuk tahun-tahun yang berakhir 31 Desember 2023 dan 2022 adalah sebagai berikut:

The details of gain on sale of fixed assets for the years ended December 31, 2023 and 2022 are as follows:

	31 Desember/December 31		
	2023	2022	
Hasil penjualan aset tetap	3.775	659	Proceeds from sale of fixed assets
Nilai buku bersih aset tetap	-	(152)	Net book value of fixed assets
Laba penjualan aset tetap	3.775	507	Gain on sale of fixed assets

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12. ASET TETAP DAN ASET HAK GUNA (lanjutan)

Nilai tercatat bruto dari aset tetap yang telah didepresiasi penuh oleh Bank namun masih digunakan adalah sebesar Rp524.590 dan Rp173.929 masing-masing pada tanggal 31 Desember 2023 dan 2022 (tidak diaudit).

Sejak tahun 2014, Bank menerapkan model revaluasi untuk semua aset tetap, sehingga nilai tercatat pada tanggal 31 Desember 2023 dan 2022 mencerminkan nilai wajar. Penilaian kembali atas aset tetap selain inventaris kantor dan kendaraan per tanggal 31 Desember 2023 dilakukan oleh penilai independen eksternal, Kantor Jasa Penilai Publik ("KJPP") Hari Utomo & Rekan dalam Laporan Penilaian tertanggal 3 Januari 2024. Penilaian dilakukan berdasarkan Standar Penilaian Indonesia, ditentukan berdasarkan transaksi pasar terkini dan dilakukan dengan ketentuan-ketentuan yang lazim. Pendekatan penilaian yang dipakai adalah pendekatan data pasar dan pendekatan biaya.

Nilai wajar dari aset tetap dihitung dengan menggunakan pendekatan perbandingan harga pasar dan estimasi biaya reproduksi baru atau biaya pengganti baru. Harga pasar dari aset tetap yang paling mendekati disesuaikan dengan perbedaan atribut utama seperti ukuran aset, lokasi, kondisi fisik, faktor depresiasi, dan biaya penggantian. Pengukuran nilai wajar juga mempertimbangkan penggunaan tertinggi dan terbaik (*highest and best use*) dari aset yang dinilai.

Informasi mengenai penilaian kembali aset tetap pada tanggal 31 Desember 2023 yang dilakukan oleh Bank adalah sebagai berikut:

	Nilai buku sebelum revaluasi/ Carrying amount before revaluation	Nilai buku setelah revaluasi/ Carrying amount after revaluation	Kenaikan nilai revaluasi/ Increase in revaluation value	
Tanah	395.446	432.990	37.544	Land
Bangunan	255.296	322.879	67.583	Buildings
Jumlah	650.742	755.869	105.127	Total

Kenaikan nilai revaluasi sebesar Rp105.127 dicatat di penghasilan komprehensif lain di ekuitas, tidak ada penurunan nilai revaluasi untuk tahun yang berakhir 31 Desember 2023.

**12. FIXED ASSETS AND RIGHT-OF-USE ASSETS
(continued)**

The gross carrying amount of the Bank fully depreciated fixed assets that are still in use amounted to Rp524,590 and Rp173,929 as of December 31, 2023 and 2022 (unaudited), respectively.

Since 2014, the Bank has applied revaluation model for all fixed assets thus, the carrying values as of December 31, 2023 and 2022 reflect the fair values. The revaluations of fixed assets except for office equipment and vehicles using cut-off December 31, 2023 are performed by external independent appraiser, Public Appraiser Firm ("KJPP") Hari Utomo & Rekan as stated in the Valuation Report dated January 3, 2024. Valuations were performed based on Indonesian Valuation Standards which are appropriate with recent market transactions done on arm's length terms. The valuation method used is market data approach and cost approach.

Fair values of fixed assets are calculated using the comparable market data approach and cost reproduction or cost replacement approach. The approximate market prices of comparable fixed assets is adjusted for differences in key attributes such as size, location, physical conditions, depreciation factor, and replacement costs. The fair value measurement also considers highest and best use of the asset being valued.

Information of the revaluation of fixed assets as at December 31, 2023 performed by the Bank are as follows:

Increase in revaluation value of Rp105,127 is recorded as part of other comprehensive income in equity, there is no decrease in the revaluation value for the year ended December 31, 2023.

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12. ASET TETAP DAN ASET HAK GUNA (lanjutan)

Jumlah tercatat aset tetap apabila aset tersebut dicatat dengan model biaya adalah sebagai berikut:

12. FIXED ASSETS AND RIGHT-OF-USE ASSETS (continued)

The amount of fixed assets if recorded using cost method are the following:

	31 Desember/December 31		
	2023	2022	
Tanah	229.943	233.889	Land
Bangunan	255.721	254.646	Buildings
Prasarana	634	10.268	Leasehold improvements
Inventaris kantor	10.757	8.715	Office equipment
Kendaraan	292	819	Vehicles
Jumlah	497.347	508.337	Total

Rincian aset dalam penyelesaian beserta persentase penyelesaian dan nilai kontrak adalah sebagai berikut:

The details of the construction in progress with percentage of completion and contract value are as follows:

	31 Desember/December 31, 2023			
	Persentase penyelesaian/ Percentage of completion	Akumulasi biaya/ Accumulated cost	Estimasi penyelesaian/ Estimated timing of completion	
Renovasi Bangunan	80%	2.823	2024	Leasehold improvements
Software	80%	1.488	2024	Software

	31 Desember/December 31, 2022			
	Persentase penyelesaian/ Percentage of completion	Akumulasi biaya/ Accumulated cost	Estimasi penyelesaian/ Estimated timing of completion	
Prasarana dan inventaris kantor	49%	422	2023	Leasehold improvements and office equipment

Manajemen juga berpendapat bahwa tidak terdapat penurunan nilai lainnya atas aset tersebut pada tanggal 31 Desember 2023 dan 2022.

Management believes that as of December 31, 2023 and 2022, no other impairment in value for fixed assets.

Aset hak guna per 31 Desember 2023 dan 2022 adalah sebagai berikut:

Rights of use assets as of December 31, 2023 and 2022 as follows:

	1 Januari/ January 1, 2023	Penambahan dan reklasifikasi/ Additions and reclassification	Pengurangan dan reklasifikasi/ Deductions and reclassification	31 Desember/ December 31, 2023	
Biaya perolehan					Cost
Bangunan	47.392	12.478	(8.583)	51.287	Buildings
Kendaraan	5.272	-	(448)	4.824	Vehicles
Lain-lain	14.507	417	(203)	14.721	Others
Total biaya perolehan	67.171	12.895	(9.234)	70.832	Total cost
Akumulasi penyusutan					Accumulated depreciation
Bangunan	(26.713)	(10.681)	7.752	(29.642)	Buildings
Kendaraan	(2.870)	(1.587)	427	(4.030)	Vehicles
Lain-lain	(3.219)	(6.382)	75	(9.526)	Others
Total Akumulasi penyusutan	(32.802)	(18.650)	8.254	(43.198)	Total Accumulated depreciation
Nilai buku - neto	34.369			27.634	Book value - net

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12. ASET TETAP DAN ASET HAK GUNA (lanjutan)

Aset hak guna per 31 Desember 2023 dan 2022 adalah sebagai berikut: (lanjutan)

	1 Januari/ January 1, 2022	Penambahan dan reklasifikasi/ Additions and reclassification	Pengurangan dan reklasifikasi/ Deductions and reclassification	31 Desember/ December 31, 2022	
Biaya perolehan					Cost
Bangunan	48.415	8.089	(9.112)	47.392	Buildings
Kendaraan	5.720	1.230	(1.678)	5.272	Vehicles
Lain-lain	21.785	10.099	(17.377)	14.507	Others
Total biaya perolehan	75.920	19.418	(28.167)	67.171	Total cost
Akumulasi penyusutan					Accumulated depreciation
Bangunan	(23.484)	(12.376)	9.147	(26.713)	Buildings
Kendaraan	(2.768)	(1.780)	1.678	(2.870)	Vehicles
Lain-lain	(1.903)	(7.096)	5.780	(3.219)	Others
Total Akumulasi penyusutan	(28.155)	(21.252)	16.605	(32.802)	Total Accumulated depreciation
Nilai buku - neto	47.765			34.369	Book value - net

Bank menyewa beberapa aset termasuk gedung kantor, rumah dinas, kendaraan dan lain-lain.

Rights of use assets as of December 31, 2023 and 2022 as follows:

The Bank rent a number of assets including offices, official houses, vehicles and others.

13. GOODWILL

Seperti diungkapkan pada Catatan 1b, Bank melakukan akuisisi atas 100% kepemilikan saham pada PT Bank Antardaerah. Nilai wajar dari aset dan liabilitas teridentifikasi PT Bank Antardaerah pada tanggal akuisisi (24 Juni 2016) adalah:

	Nilai wajar/ Fair value
Imbalan yang dialihkan	517.913
Nilai wajar aset bersih teridentifikasi	(271.755)
<i>Goodwill</i> atas akuisisi	246.158
<i>Core Deposits Intangible</i>	(55.428)
Teknologi perangkat lunak dan teknologi pendukung lainnya	(655)
Residual goodwill	190.075

Tujuan dilakukannya akuisisi adalah meningkatkan potensi skala usaha Bank menjadi lebih besar serta meningkatnya jangkauan operasional Bank terutama pada area yang sebelumnya merupakan basis kekuatan utama yang dimiliki oleh PT Bank Antardaerah, baik itu untuk pemberian pinjaman maupun sebagai sumber perolehan dana pihak ketiga.

13. GOODWILL

As disclosed in Note 1b, the Bank acquired 100% equity interests in PT Bank Antardaerah. The fair values of the identifiable assets and liabilities of PT Bank Antardaerah as at the date of acquisition (June 24, 2016) were:

Consideration transferred	517.913
Total identifiable net assets at fair value	(271.755)
<i>Goodwill arising on acquisition</i>	246.158
<i>Core Deposits Intangible</i>	(55.428)
<i>Software technology and other supporting technologies</i>	(655)
Residual goodwill	190.075

The purpose of the acquisition is to increase the potential scale of the Bank business as well as increased in operational range of the Bank especially in the areas that were previously the main power base owned by PT Bank Antardaerah, both for lending as well as source of third party funds.

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13. GOODWILL (lanjutan)

Pengujian penurunan nilai atas *goodwill* dilakukan setiap tahun dan ketika terdapat suatu indikasi bahwa nilai tercatatnya mengalami penurunan nilai. Nilai terpulihkan ditentukan berdasarkan perhitungan nilai pakai yang menggunakan metode *discounted cash flow* 5 tahun. Bank menentukan unit penghasil kas sejalan dengan segmen operasi, yaitu kredit. Tidak terdapat pergerakan atas nilai tercatat *goodwill* selama tahun 2023.

Nilai terpulihkan tersebut dikategorikan sebagai tingkat 3 dalam hierarki nilai wajar. Asumsi kunci yang digunakan dalam perhitungan nilai pakai pada tanggal 31 Desember 2023 dan 2022 adalah tingkat diskonto. Bank telah memilih untuk menggunakan *weighted average cost of capital* (WACC) sebagai tingkat diskonto untuk arus kas yang didiskontokan. WACC yang ditentukan berdasarkan sumber eksternal adalah 9,40% dan 13,20% masing-masing pada tanggal 31 Desember 2023 dan 2022.

Tidak ada kerugian penurunan nilai *goodwill* yang diidentifikasi selama tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022.

14. BIAYA DIBAYAR DI MUKA

	31 Desember/December 31	
	2023	2022
Asuransi	964	634
Pemeliharaan informasi teknologi	709	2.300
Sewa	547	101
Lain-lain	686	2.229
Jumlah	2.906	5.264

13. GOODWILL (continued)

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. The recoverable amount was determined based on value in use that uses 5 years discounted cash flow method. The Bank determined the cash generating unit aligned with the operating segment of loans. There were no movements on carrying amount of goodwill for the year 2023.

The recoverable amount is categorised as level 3 in fair value hierarchy. Certain key assumptions used in the value in use calculation at December 31, 2023 and 2022 is discount rate. The Bank has chosen to use the weighted average cost of capital (WACC) as discount rate for the discounted cash flow. The WACC determined based on external source are 9.40% and 13.20% for the years ended December 31, 2023 and 2022, respectively.

There is no impairment of the goodwill identified for the years ended December 31, 2023 and 2022.

14. PREPAID EXPENSES

<i>Insurance</i>
<i>Information technology maintenance</i>
<i>Rent</i>
<i>Others</i>
Total

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15. AGUNAN YANG DIAMBIL ALIH

Agunan Yang Diambil Alih ("AYDA") merupakan agunan pinjaman berupa tanah dan bangunan yang telah diambil alih oleh Bank. Rincian dalam akun ini sebagai berikut:

	31 Desember/December 31	
	2023	2022
Agunan yang diambil alih	135.580	141.740
Dikurangi: Cadangan kerugian penurunan nilai	(27.274)	(2.434)
	108.306	139.306

Berdasarkan Peraturan Otoritas Jasa Keuangan Republik Indonesia ("POJK") No. 40/POJK.03/2019 tentang "Penilaian Kualitas Aset Bank Umum", khususnya AYDA, Bank diwajibkan untuk melakukan upaya penyelesaian terhadap AYDA yang dimiliki.

Rincian rugi penjualan AYDA untuk tahun-tahun yang berakhir 31 Desember 2023 dan 2022 adalah sebagai berikut:

	31 Desember/December 31	
	2023	2022
Hasil penjualan	6.175	1.800
Nilai buku bersih	(6.160)	(1.834)
Laba/(Rugi) penjualan	15	(34)

Mutasi cadangan kerugian penurunan nilai atas AYDA adalah:

	31 Desember/December 31	
	2023	2022
Saldo awal	2.434	2.139
Penambahan selama tahun berjalan	24.840	295
Saldo akhir	27.274	2.434

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas agunan yang diambil alih.

15. FORECLOSED ASSETS

Foreclosed assets represent loan collaterals taken over by the Bank in the form of land and buildings. The details in this account are as follows:

31 Desember/December 31	
Foreclosed assets	141.740
Less: Allowance for impairment losses	(2.434)
	139.306

Based on Financial Services Authority Republic of Indonesia ("POJK") No. 40/POJK.03/2019 regarding "Asset Quality Ratings for Commercial Banks" and particularly on the foreclosed assets, the Bank is required to have an action plan for settlement for its foreclosed assets.

The details of on sale of foreclosed assets for the years ended December 31, 2023 and 2022 are as follows:

31 Desember/December 31	
Proceeds from sale	1.800
Net book value	(1.834)
Profit/(Loss) on sale	(34)

The changes in allowance for impairment losses of foreclosed assets are as follows:

31 Desember/December 31	
Beginning balance	2.139
Addition during the year	295
Ending balance	2.434

The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from foreclosed assets.

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16. ASET LAIN-LAIN

16. OTHER ASSETS

	31 Desember/December 31		
	2023	2022	
Properti terbengkalai - neto <i>Core deposits intangible</i> (setelah dikurangi akumulasi amortisasi masing-masing sebesar Rp36.028 dan Rp30.485 pada 31 Desember 2023 dan 2022)	107.608	94.310	<i>Abandoned properties - net Core deposits intangible (net of accumulated amortization of Rp36,028 and Rp30,485 as of December 31, 2023 and 2022, respectively)</i>
Persediaan	19.399	24.942	<i>Inventories</i>
Uang jaminan	5.595	5.061	<i>Refundable deposits</i>
Tagihan transaksi ATM Prima	3.714	3.375	<i>ATM Prima billing transaction</i>
Lain-lain	2.543	2.730	<i>Others</i>
	1.944	4.783	
Jumlah - neto	140.803	135.201	Total - net

Properti terbengkalai merupakan aset tetap yang dimiliki Bank tetapi tidak digunakan untuk kegiatan usaha perbankan yang lazim. Manajemen secara aktif berusaha untuk menjual properti terbengkalai tersebut.

The abandoned properties are fixed assets held by the Bank but not used for its customary banking business. Management is actively trying to sell these abandoned properties.

Rincian laba penjualan properti terbengkalai untuk tahun-tahun yang berakhir 31 Desember 2023 dan 2022 adalah sebagai berikut:

The details of gain on sale of abandoned properties for the years ended December 31, 2023 and 2022 are as follows:

	31 Desember/December 31		
	2023	2022	
Hasil penjualan	-	2.100	<i>Proceeds from sale</i>
Nilai buku bersih	-	(1.583)	<i>Net book value</i>
Laba penjualan	-	517	Gain on sale

Mutasi cadangan kerugian penurunan nilai properti terbengkalai adalah:

The changes in allowance for impairment losses of abandoned properties are as in follows:

	31 Desember/December 31		
	2023	2022	
Saldo awal	4.037	2.316	<i>Beginning balance</i>
Penambahan selama tahun berjalan	71	1.721	<i>Addition during the year</i>
Saldo akhir	4.108	4.037	Ending balance

Manajemen berpendapat bahwa cadangan kerugian penurunan nilai yang telah dibentuk cukup untuk menutup kemungkinan kerugian atas properti terbengkalai.

Management believes that the above allowance for impairment losses is adequate to cover possible losses on abandoned properties.

Aset lain-lain dalam mata uang asing pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah sebesar Rp154 dan Rp2.126.

Other assets denominated in foreign currency as of December 31, 2023 and 2022 amounted to Rp154 and Rp2,126, respectively.

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17. LIABILITAS SEGERA

Pada tanggal 31 Desember 2023 dan 2022 liabilitas segera merupakan liabilitas sehubungan dengan transaksi kliring dan transfer.

Liabilitas segera dalam mata uang asing pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah sebesar Rp1.037 dan Rp96.

17. OBLIGATION DUE IMMEDIATELY

As of December 31, 2023 and 2022, obligation due immediately are related to clearing transactions and transfers.

Obligation due immediately denominated in foreign currencies as of December 31, 2023 and 2022 amounted to Rp1,037 and Rp96.

18. SIMPANAN DARI NASABAH

18. DEPOSITS FROM CUSTOMERS

	31 Desember/December 31		
	2023	2022	
Rupiah			Rupiah
Deposito berjangka	11.517.998	10.463.797	Time deposits
Giro	2.122.979	1.968.584	Current accounts
Tabungan	1.004.153	996.635	Saving accounts
	<u>14.645.130</u>	<u>13.429.016</u>	
Mata uang asing			Foreign currencies
Deposito berjangka	4.254.442	3.434.766	Time deposits
Giro	1.003.978	1.021.569	Current accounts
Tabungan	83.262	61.227	Saving accounts
	<u>5.341.682</u>	<u>4.517.562</u>	
Jumlah	<u>19.986.812</u>	<u>17.946.578</u>	Total

Berdasarkan Undang-Undang No. 24 tanggal 22 September 2004, efektif sejak tanggal 22 September 2005, Lembaga Penjamin Simpanan ("LPS") dibentuk untuk menjamin kewajiban tertentu bank-bank umum berdasarkan program penjaminan yang berlaku dan saat ini Bank adalah peserta dari program tersebut.

Suku bunga penjaminan LPS pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah 4,25% dan 3,75% untuk simpanan dalam mata uang Rupiah. Untuk simpanan dalam mata uang asing pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah sebesar 2,25% dan 1,75%.

Berdasarkan Peraturan Pemerintah No. 66 Tahun 2008 tanggal 13 Oktober 2008 tentang Besaran Nilai Simpanan yang Dijamin LPS yang disempurnakan melalui PLPS No. 1 Tahun 2023 tentang Program Penjaminan Simpanan, bahwa saldo yang dijamin untuk satu nasabah pada satu Bank adalah paling tinggi Rp2.000.000.000 (nilai penuh).

Based on the Law No. 24, dated September 22, 2004, effective September 22, 2005, the Indonesian Deposit Insurance Corporation ("IDIC") was formed to guarantee certain liabilities of commercial banks under the applicable guarantee program and currently, the Bank is the participant of the program.

LPS guarantee interest rate as of December 31, 2023 and 2022 were 4.25% and 3.75%, respectively, for deposits in Rupiah. For deposits in foreign currency as of December 31, 2023 and 2022 were 2.25% and 1.75%, respectively.

Based on Government Regulation No. 66 Year 2008 dated October 13, 2008 regarding The Amount of Deposit Value Guaranteed by IDIC amended through IDIC Regulation No. 1 Year 2023 regarding Deposit Insurance Program, which stated the guaranteed balance for each customer in each bank is at most Rp2,000,000,000 (full amount).

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18. SIMPANAN DARI NASABAH (lanjutan)

a. Giro

	31 Desember/December 31		
	2023	2022	
Pihak berelasi (Catatan 32)			Related parties (Note 32)
Rupiah	3.046	755	Rupiah
Mata uang asing	549	20	Foreign currencies
	3.595	775	
Pihak ketiga			Third parties
Rupiah	2.119.933	1.967.829	Rupiah
Mata uang asing	1.003.429	1.021.549	Foreign currencies
	3.123.362	2.989.378	
Jumlah	3.126.957	2.990.153	Total

Suku bunga efektif rata-rata per tahun:

Average effective interest rate per annum:

	31 Desember/December 31		
	2023	2022	
Rupiah	2,73%	2,27%	Rupiah
Mata uang asing	0,79%	0,33%	Foreign currencies

Giro yang dijadikan jaminan kredit yang diberikan pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah RpNihil.

Total current accounts amounting to RpNil as of December 31, 2023 and 2022, respectively, were pledged and used as credit guarantee.

b. Tabungan

b. Saving accounts

	31 Desember/December 31		
	2023	2022	
Pihak berelasi (Catatan 32)			Related parties (Note 32)
Rupiah	4.185	4.483	Rupiah
Mata uang asing	64	39	Foreign currencies
	4.249	4.522	
Pihak ketiga			Third parties
Rupiah	999.968	992.152	Rupiah
Mata uang asing	83.198	61.188	Foreign currencies
	1.083.166	1.053.340	
Jumlah	1.087.415	1.057.862	Total

Tabungan yang dijadikan jaminan kredit yang diberikan pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah RpNihil.

Total saving accounts amounting to RpNil as of December 31, 2023 and 2022, respectively, were pledged and used as credit guarantee.

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18. SIMPANAN DARI NASABAH (lanjutan)

b. Tabungan (lanjutan)

Suku bunga efektif rata-rata per tahun:

	31 Desember/December 31	
	2023	2022
Rupiah	1,65%	1,58%
Mata uang asing	0,84%	0,82%

Rupiah
Foreign currencies

c. Deposito berjangka

	31 Desember/December 31	
	2023	2022
Pihak berelasi (Catatan 32)		
Rupiah	8.752	9.466
Mata uang asing	192	161
	8.944	9.627
Pihak ketiga		
Rupiah	11.509.246	10.454.331
Mata uang asing	4.254.250	3.434.605
	15.763.496	13.888.936
Jumlah	15.772.440	13.898.563

Related parties (Note 32)
Rupiah
Foreign currencies

Third parties
Rupiah
Foreign currencies

Total

Suku bunga efektif rata-rata per tahun:

	31 Desember/December 31	
	2023	2022
Rupiah	4,88%	3,60%
Mata uang asing	4,61%	2,62%

Rupiah
Foreign currencies

Berdasarkan tanggal jatuh tempo:

	31 Desember/December 31	
	2023	2022
≤ 1 bulan	9.601.332	10.777.484
> 1 - 3 bulan	3.947.673	2.664.066
> 3 - 6 bulan	1.946.337	360.377
> 6 - 12 bulan	277.098	96.636
Jumlah	15.772.440	13.898.563

≤ 1 month
> 1 - 3 months
> 3 - 6 months
> 6 - 12 months

Total

Jumlah deposito berjangka yang dijadikan jaminan kredit, bank garansi, dan *letters of credit* yang diterbitkan Bank pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah sebesar Rp648.391 dan Rp410.904

Total time deposits amounting to Rp648,391 and Rp410,904 as of December 31, 2023 and 2022, respectively, are pledged as collateral by the debtors on the credit facilities, bank guarantees and letters of credit issued by the Bank.

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19. SIMPANAN DARI BANK LAIN

19. DEPOSITS FROM OTHER BANKS

	31 Desember/December 31		
	2023	2022	
Pihak berelasi			<i>Related Parties</i>
Rupiah			<i>Rupiah</i>
Giro	70	229	<i>Current accounts</i>
Pihak ketiga			<i>Third parties</i>
Rupiah			<i>Rupiah</i>
Giro	20.887	37.375	<i>Current accounts</i>
Tabungan	26.547	29.407	<i>Saving accounts</i>
Deposito berjangka	-	1.000	<i>Time deposits</i>
Mata uang asing			<i>Foreign currencies</i>
Inter-bank Call Money	277.146	-	<i>Inter-bank Call Money</i>
	324.580	67.782	
Jumlah	324.650	68.011	Total

Suku bunga efektif rata-rata per tahun:

Average effective interest rates per annum:

	31 Desember/December 31		
	2023	2022	
Rupiah	3,96%	2,89%	<i>Rupiah</i>
Mata uang asing	3,37%	-	<i>Foreign currencies</i>

Berdasarkan tanggal jatuh tempo:

By maturity date:

	31 Desember/December 31		
	2023	2022	
≤ 1 bulan	47.504	67.011	<i>≤ 1 month</i>
> 1 - 3 bulan	277.146	1.000	<i>> 1 - 3 months</i>
Jumlah	324.650	68.011	Total

Pada tanggal 31 Desember 2023 dan 2022 tidak ada simpanan dari bank lain yang dijadikan jaminan.

As of December 31, 2023 and 2022 there is no deposit from other banks which was pledged as collateral.

20. PERPAJAKAN

20. TAXATION

a. Utang pajak

a. *Taxes payable*

	31 Desember/December 31		
	2023	2022	
Pajak penghasilan badan			<i>Corporate income tax</i>
PPh pasal 25	3.935	7.134	<i>Income tax article 25</i>
PPh pasal 29	49.590	27.994	<i>Income tax article 29</i>
	53.525	35.128	
Pajak lain-lain			<i>Other income taxes</i>
PPh pasal 4 (2)	13.425	8.193	<i>Income tax article 4 (2)</i>
PPh pasal 21	7.527	6.557	<i>Income tax article 21</i>
PPh pasal 23 dan 26	182	322	<i>Income tax article 23 and 26</i>
PPN	31	31	<i>Value-added tax</i>
Rekening Khusus Persepsi	2	-	<i>Special Account of Perception</i>
Bea materai	1	1	<i>Stamp duties</i>
	21.168	15.104	
Jumlah	74.693	50.232	Total

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20. PERPAJAKAN (lanjutan)

20. TAXATION (continued)

b. Beban pajak penghasilan

b. Income tax expense

	31 Desember/December 31		
	2023	2022	
Beban pajak kini	117.810	66.503	Current tax expense
Manfaat pajak tangguhan	(49.300)	(26.720)	Deferred tax benefit
Jumlah	68.510	39.783	Total

c. Rekonsiliasi antara laba sebelum pajak penghasilan menurut laporan laba rugi dengan laba kena pajak adalah sebagai berikut:

c. Reconciliation between income before income tax as shown in the statements of profit or loss and taxable income are as follows:

	31 Desember/December 31		
	2023	2022	
Laba sebelum pajak penghasilan	309.801	175.742	Income before income tax
Perbedaan temporer:			Temporary differences:
Cadangan kerugian penurunan nilai atas aset produktif	171.518	88.600	Provision for impairment losses on earning assets
Cadangan kerugian penurunan nilai atas aset non-produktif	24.911	2.017	Provision for impairment losses on non-earning assets
Provisi imbalan kerja karyawan	10.895	3.566	Provision for employee benefit liabilities
Penyusutan aset tetap	(2.766)	13.493	Depreciation of fixed assets
Cadangan bonus dan tunjangan hari raya	4.848	5.682	Bonus and festives provision
Lain-lain	16.152	10.810	Others
Jumlah perbedaan temporer	225.558	124.168	Total temporary differences
Perbedaan permanen:			Permanent differences:
Penyusutan aset tetap	(2.485)	(842)	Depreciation of Fixed Asset
Lain-lain	2.628	3.217	Others
Jumlah perbedaan permanen	143	2.375	Total permanent differences
Laba kena pajak	535.502	302.285	Taxable income
Beban pajak penghasilan sesuai dengan tarif pajak yang berlaku (22%)	117.810	66.503	Current income tax expense at statutory tax rate (22%)
Dikurangi: pajak penghasilan yang dibayar di muka - Pasal 25	(68.220)	(38.509)	Less: prepayment of income tax - Article 25
Utang pajak penghasilan	49.590	27.994	Income tax payable

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20. PERPAJAKAN (lanjutan)

- d. Perhitungan pajak penghasilan badan untuk tahun yang berakhir tanggal 31 Desember 2023 adalah estimasi untuk pengisian SPT 2023 dan perhitungan pajak penghasilan badan 2022 adalah sesuai dengan SPT Bank.
- e. Rekonsiliasi antara beban pajak

Rekonsiliasi antara beban pajak penghasilan dan hasil perhitungan teoritis laba sebelum pajak penghasilan adalah sebagai berikut:

	31 Desember/December 31		
	2023	2022	
Laba sebelum beban pajak penghasilan sebagaimana disajikan dalam laporan laba rugi dan penghasilan komprehensif lain	309.801	175.742	Income before income tax expense as shown in the statement of profit or loss and other comprehensive income
Pajak penghasilan dengan tarif pajak yang berlaku	68.156	38.663	Income tax expense at effective tax rates
Pengaruh pajak atas perbedaan permanen	32	522	Tax effect of permanent differences
Penyesuaian	322	598	Adjustments
Jumlah beban pajak	68.510	39.783	Total tax expense

- f. Aset pajak tangguhan

Rincian dari aset pajak tangguhan Bank adalah sebagai berikut:

	31 Desember/December 31, 2023				
	31 Desember/December 31, 2022	Dikreditkan/ (dibebankan) ke laporan laporan laba rugi Credited/(charged) to statement of profit or loss and other income	Dibebankan ke ekuitas/ Charged to equity	31 Desember/ December 31, 2023	
Cadangan kerugian penurunan nilai aset produktif	1.423	37.734	-	39.157	Allowance for impairment losses on earning assets
Cadangan kerugian penurunan nilai aset non-produktif	25.986	5.480	-	31.466	Allowance for impairment losses on non-earning assets
Provisi imbalan kerja karyawan	18.230	2.397	1.103	21.730	Provisions for employee benefits obligation
Penyusutan aset tetap	7.312	(609)	-	6.703	Depreciation of fixed assets
Cadangan bonus dan tunjangan hari raya	8.298	1.067	-	9.365	Bonus allowance and festives provision
Lain-lain	12.600	3.231	335	16.166	Others
Jumlah	73.849	49.300	1.438	124.587	Total

20. TAXATION (continued)

- d. The calculations of corporate income tax for the year ended December 31, 2023 are estimated numbers for 2023 annual tax return and 2022 corporate income tax which conform to the Bank's Annual Tax Return.
- e. Reconciliation of tax expense

The reconciliation between income tax expense and the theoretical tax amount on profit before income tax is as follows:

- f. Deferred tax assets

The details of the Bank's deferred tax assets are as follows:

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20. PERPAJAKAN (lanjutan)

f. Aset pajak tangguhan (lanjutan)

Rincian dari aset pajak tangguhan Bank adalah sebagai berikut: (lanjutan)

31 Desember/December 31, 2022

	31 Desember/ December 31, 2021	Dikreditkan/ (dibebankan) ke laporan laporan laba rugi Credited/(charged) to statement of profit or loss and other income	Dibebankan ke ekuitas/ Charged to equity	31 Desember/ December 31, 2022	
Cadangan kerugian penurunan nilai aset produktif	979	444	-	1.423	Allowance for impairment losses on earning assets
Cadangan kerugian penurunan nilai aset non-produktif	6.494	19.492	-	25.986	Allowance for impairment losses on non-earning assets
Provisi imbalan kerja karyawan	17.811	222	197	18.230	Provisions for employee benefits obligation
Penyusutan aset tetap	4.344	2.968	-	7.312	Depreciation of fixed assets
Cadangan bonus	7.048	1.250	-	8.298	Bonus allowance
Lain-lain	5.397	2.344	4.859	12.600	Others
Jumlah	42.073	26.720	5.056	73.849	Total

20. TAXATION (continued)

f. Deferred tax assets (continued)

The details of the Bank's deferred tax assets are as follows: (continued)

g. Administrasi

Berdasarkan Undang-Undang Perpajakan yang berlaku di Indonesia, Bank menghitung, menetapkan dan membayar sendiri besarnya jumlah pajak yang terutang. Direktur Jendral Pajak (DJP) dapat menetapkan atau mengubah liabilitas pajak dalam waktu 5 (lima) tahun sejak saat terutangnya pajak.

g. Administration

Under the Taxation Laws of Indonesia, the Bank calculates, determines and submits tax returns on the basis of self assessments. The Director General of Tax (DGT) may assess or amend taxes within 5 (five) years since the tax becomes due.

21. LIABILITAS ATAS EFEK-EFEK YANG DIJUAL DENGAN JANJI DIBELI KEMBALI

Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali pada tanggal 31 Desember 2023, terdiri dari :

21. LIABILITAS ON SECURITIES SOLD UNDER REPURCHASE AGREEMENTS

Liabilities on securities sold under repurchase agreements as of December 31, 2023 consists of :

31 Desember 2023/December 31, 2023

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai jual/ Sale amount	Nilai pembelian kembali/ Repurchase amount	Beban bunga yang belum direalisasi/ Unrealized interest expense	Nilai tercatat/ Carrying value
PT. Bank Rakyat Indonesia Tbk/ PT. Bank Rakyat Indonesia Tbk	IDSR08112436	100.000	20 Des 2023/ Dec 20, 2023	19 Jan 2024/ Jan 19, 2024	94.085	94.610	315	94.295
		100.000			94.085	94.610	315	94.295

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22. BUNGA YANG MASIH HARUS DIBAYAR

22. INTEREST PAYABLES

	31 Desember/December 31		
	2023	2022	
Simpanan dari nasabah			Deposits from customers
Deposito berjangka	42.306	23.250	Time deposits
Giro	983	920	Current accounts
Tabungan	30	27	Saving accounts
Simpanan dari bank lain			Deposits from other banks
Deposito berjangka	3	5	Time deposits
Giro	10	20	Current accounts
Call Money	472	-	Call Money
Surat berharga subordinasi	3.149	2.831	Subordinated securities
Jumlah	46.953	27.053	Total

Termasuk dalam bunga yang masih harus dibayar dari simpanan dari nasabah dan surat berharga subordinasi adalah bunga yang masih harus dibayar kepada pihak berelasi sebesar Rp3.149 dan Rp2.852 masing-masing pada tanggal 31 Desember 2023 dan 2022 (Catatan 32).

Included in interest payables from deposits from customers and subordinated securities are interest payables to related parties amounting to Rp3,149 and Rp2,852, respectively as of December 31, 2023 and 2022 (Note 32).

Bunga yang masih harus dibayar dalam mata uang asing pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah sebesar Rp16.057 dan Rp7.343.

Interest payables denominated in foreign currencies as of December 31, 2023 and 2022 amounted to Rp16,057 and Rp7,343.

23. SURAT BERHARGA SUBORDINASI

23. SUBORDINATED SECURITIES

Pada tanggal 26 Februari 2019, Bank menerbitkan surat berharga subordinasi sebesar USD30.000.000 (nilai penuh) dengan plafon sebesar USD50.000.000 (nilai penuh) yang diambil oleh pemegang saham akhir, China Construction Bank Corporation dalam rangka menambah modal pelengkap (Tier-2). Suku bunga pinjaman ditetapkan sebesar 3 (tiga) bulan LIBOR sampai dengan 30 Juni 2023 dan selanjutnya menggunakan Secured Overnight Financing Rate (SOFR) ditambah 1,5% (150 bps) per tahun. Surat berharga subordinasi akan jatuh tempo pada tahun ke 5 (lima) sejak tanggal efektif surat berharga yaitu pada tanggal 26 Februari 2024. Pengakuan surat berharga subordinasi sebagai tambahan komponen modal pelengkap (Tier-2) telah mendapat persetujuan OJK melalui surat No. SR-80/PB.32/2019 tanggal 28 Juni 2019.

On February 26, 2019, the Bank issued subordinated securities of USD30,000,000 (full amount) with plafond of USD50,000,000 (full amount) that was subscribed by the ultimate shareholder, China Construction Bank Corporation to increase the Bank's supplementary capital (Tier-2). Interest rate of subordinated securities is 3 (three) months LIBOR up to June 30, 2023 and Secured Overnight Financing Rate (SOFR) onwards plus 1.5% (150 bps) per annum. The subordinated securities will mature on the fifth year after the securities' effective date which is on February 26, 2024. Recognition of the subordinated securities as part of the Bank's additional supplementary capital (Tier-2) was approved by OJK in its letter No. SR-80/PB.32/2019 dated June 28, 2019.

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24. LIABILITAS LAIN-LAIN

24. OTHER LIABILITIES

	31 Desember/December 31		
	2023	2022	
Provisi kredit diterima di muka	33.286	33.131	Advances on loan provision
Setoran jaminan	9.992	4.226	Security deposits
Kewajiban <i>trade</i> dan treasuri operasional	7.652	3.179	Trade and treasury operation liability
Cadangan kerugian penurunan nilai atas komitmen dan kontinjensi	7.354	7.051	Allowance for impairment losses of commitments and contingencies
Biaya yang masih harus dibayar	5.102	2.540	Accrued expenses
Liabilitas sewa	2.808	8.690	Lease Liabilities
Titipan nasabah	2.767	1.211	Customers deposits
Liabilitas kepada notaris	190	210	Liability to notary
Lain-lain	6.945	2.471	Others
Jumlah	76.096	62.709	Total

Lain-lain merupakan akrual biaya promosi, broker, jasa profesional, dan lainnya.

Others represent accruals for promotion, brokerage, professional expenses and others.

Liabilitas lain-lain dalam mata uang asing pada tanggal 31 Desember 2023 dan 2022 masing-masing adalah sebesar Rp31.393 dan Rp29.389. Pengungkapan liabilitas sewa pada tanggal 31 Desember 2023 dan 2022 sebagai berikut:

Other liabilities denominated in foreign currencies as of December 31, 2023 and 2022 amounted to Rp31,393 and Rp29,389. Lease liabilities disclosed as of December 31, 2023 and 2022 are as follows:

	31 Desember/December 31, 2023					Kategori aset pendasar	Category of underlying asset
	Saldo awal 1 Januari 2022/ Beginning balance January 1, 2023	Penambahan liabilitas sewa neto/ Addition of lease liabilities net	Beban bunga atas liabilitas sewa/ Interest payable on lease liabilities	Liabilitas sewa yang telah dibayarkan/ Lease liabilities paid	Saldo akhir 31 Desember 2022/ Ending balance December 31, 2023		
Bangunan	123	3.823	182	(2.175)	1.953	Building	
Kendaraan	2.509	-	115	(1.789)	835	Vehicle	
Lainnya	6.058	47	580	(6.665)	20	Others	
Jumlah	8.690	3.870	877	(10.629)	2.808	Total	

	31 Desember/December 31, 2022					Kategori aset pendasar	Category of underlying asset
	Saldo awal 1 Januari 2022/ Beginning balance January 1, 2022	Penambahan liabilitas sewa neto/ Addition of lease liabilities net	Beban bunga atas liabilitas sewa/ Interest payable on lease liabilities	Liabilitas sewa yang telah dibayarkan/ Lease liabilities paid	Saldo akhir 31 Desember 2022/ Ending balance December 31, 2022		
Bangunan	2.115	-	57	(2.049)	123	Building	
Kendaraan	3.067	1.230	188	(1.976)	2.509	Vehicle	
Lainnya	13.745	168	1.044	(8.899)	6.058	Others	
Jumlah	18.927	1.398	1.289	(12.924)	8.690	Total	

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25. MODAL SAHAM

Pada tanggal 11 Oktober 2019, Bank mendapatkan persetujuan Rapat Umum Pemegang Saham Luar Biasa sebagaimana termuat dalam Akta Berita Acara Rapat Umum Pemegang Saham Luar Biasa No. 35 tanggal 11 Oktober 2019 yang dibuat di hadapan Notaris Eliwaty Tjitra, S.H, Notaris di Jakarta yang menyetujui peningkatan modal ditempatkan dan disetor Bank dengan cara mengeluarkan saham baru sebanyak-banyaknya 32.000.000.000 lembar saham dengan nilai nominal masing-masing Rp100 (nilai penuh) per saham dengan harga penawaran Rp150 (nilai penuh) per saham. Melalui Penawaran Umum Terbatas (PUT) V di 2020, Bank menawarkan dan menerbitkan sebanyak 21.288.269.763 (dua puluh satu miliar dua ratus delapan puluh delapan juta dua ratus enam puluh sembilan ribu tujuh ratus enam puluh tiga) Saham Baru.

Hasil penerbitan saham tersebut telah diterima oleh Bank sehingga dengan demikian jumlah seluruh saham ditempatkan dan disetor penuh Bank meningkat menjadi 37.919.730.514 lembar saham atau sebesar Rp3.791.973 dan terdapat penambahan nilai tambahan modal disetor sebanyak Rp1.029.030 menjadi Rp1.267.378 sebagaimana termuat dalam Akta Pernyataan Keputusan Rapat No. 87 tanggal 16 Desember 2020 yang dibuat di hadapan Notaris Eliwaty Tjitra, SH Notaris di Jakarta, yang telah mendapat persetujuan Menteri Hukum dan Hak Asasi Manusia No. AHU-AH.0221010 Tahun 2020 tanggal 30 Desember 2020 dan pemberitahuan perubahan anggaran dasarnya telah diterima dan dicatat dalam Sistem Administrasi Badan Hukum Menkumham No. AHU-AH.01.03-0425446 tanggal 30 Desember 2020.

25. SHARE CAPITAL

On October 11, 2019, the Bank has received approval from the Extraordinary General Meeting of Shareholders as stated in Deed of Minutes of Extraordinary General Meeting of Shareholders No. 35 dated October 11, 2019 made by Notary Eliwaty Tjitra SH, Notary in Jakarta, which approved to increase the Bank's issued and paid-up capital by issuing new shares maximum of 32,000,000,000 shares with nominal amount of Rp100 (full amount) per share with offering price Rp150 (full amount) per share. Through Limited Public Offering (PUT) V in 2020, the Bank offers and issued 21,288,269,763 (twenty-one billion two hundred and eighty-eight million two hundred and sixty-nine thousand seven hundred and sixty-three) New Shares.

The proceed of shares issuance has been received by the Bank so therefore the total number of issued and fully paid-up shares of the Bank increases to 37,919,730,514 shares or Rp3,791,973 and increase the additional paid in capital amounted to Rp1,029,030 to be Rp1,267,378 as stated in Deed of Resolutions Statement No. 87 dated December 16, 2020 by Notary Eliwaty Tjitra SH, Notary in Jakarta, which has been approved by Ministry of Laws and Human Rights No. AHU-AH.0221010. Year 2020 dated December 30, 2020 and notice of the amendment has been received and recorded by Ministry of Laws and Human Rights of the Republic of Indonesia as stated in the Letter AH.01.03-0425446 dated December 30, 2020.

The original financial statements included herein are in Indonesian language.

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25. MODAL SAHAM (lanjutan)

25. SHARE CAPITAL (continued)

31 Desember 2023/December 31, 2023					
	Jumlah lembar saham/ Number of shares	Nilai nominal per lembar saham (nilai penuh)/ Par value per share (full amount)	Jumlah nilai saham/ Total shares value	Persentase kepemilikan/ Percentage of ownership	
Pemegang saham					Shareholders
China Construction Bank Corporation	22.751.563.707	100	2.275.157	60,00%	China Construction Bank Corporation
UOB Kay Hian	3.112.882.656	100	311.288	8,21%	UOB Kay Hian
Johnny Wiraatmadja	2.631.113.705	100	263.111	6,94%	Johnny Wiraatmadja
Masyarakat (masing-masing di bawah 5%)	9.424.170.446	100	942.417	24,85%	Public (each below 5%)
Jumlah	37.919.730.514	100	3.791.973	100,00%	Total
31 Desember 2022/December 31, 2022					
	Jumlah lembar saham/ Number of shares	Nilai nominal per lembar saham (nilai penuh)/ Par value per share (full amount)	Jumlah nilai saham/ Total shares value	Persentase kepemilikan/ Percentage of ownership	
Pemegang saham					Shareholders
China Construction Bank Corporation	22.751.563.707	100	2.275.157	60,00%	China Construction Bank Corporation
UOB Kay Hian	3.112.882.656	100	311.288	8,21%	UOB Kay Hian
Johnny Wiraatmadja	2.613.613.705	100	261.361	6,89%	Johnny Wiraatmadja
Masyarakat (masing-masing di bawah 5%)	9.441.670.446	100	944.167	24,90%	Public (each below 5%)
Jumlah	37.919.730.514	100	3.791.973	100,00%	Total

26. PENDAPATAN BUNGA

26. INTEREST INCOME

	Untuk Tahun yang berakhir 31 Desember/ For the year ended December, 31		
	2023	2022	
Kredit yang diberikan	1.325.422	1.024.885	Loans
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	222.504	223.097	Receivables on securities under agreements to resale
Efek-efek	90.564	48.841	Marketable securities
Penempatan pada Bank Indonesia dan bank lain	40.168	17.521	Placements with Bank Indonesia and other banks
Giro pada Bank Indonesia dan bank lain	11.520	8.262	Current accounts with Bank Indonesia and other banks
Jumlah	1.690.178	1.322.606	Total

Pendapatan bunga yang berasal dari pihak berelasi sebesar Rp485 dan Rp648 masing-masing pada tanggal 31 Desember 2023 dan 2022 (Catatan 32).

Interest income from related parties amounted to Rp485 and Rp648 as of December 31, 2023 and 2022, respectively (Note 32).

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27. BEBAN BUNGA

27. INTEREST EXPENSES

Untuk Tahun yang berakhir 31 Desember/
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	2023	2022	
Deposito berjangka	587.476	401.874	Time deposits
Giro	45.939	40.805	Current accounts
Surat berharga subordinasi	34.153	16.111	Subordinated securities
Premi penjaminan pemerintah	32.366	40.077	Premium on government guarantee
Tabungan	17.405	15.924	Saving accounts
Simpanan dari bank lain	15.334	3.825	Deposits from other banks
Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali	626	36	Liabilities on securities sold under repurchase agreements
Jumlah	733.299	518.652	Total

Beban bunga kepada pihak berelasi sebesar Rp34.607 dan Rp31.409 masing-masing pada tanggal 31 Desember 2023 dan 2022 (Catatan 32).

Interest expenses to related parties amounted to Rp34,607 and Rp31,409 as of December 31, 2023 and 2022, respectively (Note 32).

28. BEBAN UMUM DAN ADMINISTRASI

28. GENERAL AND ADMINISTRATIVE EXPENSES

Untuk Tahun yang berakhir 31 Desember/
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	2023	2022	
Biaya penyusutan aset tetap dan aset hak guna (Catatan 12)	50.729	71.837	Depreciation of fixed assets and right-of-uses (Note 12)
Teknologi sistem informasi	26.491	20.391	IT system
Jasa profesional	22.643	23.547	Professional fees
Outsourcing	21.970	21.164	Outsourcing
Pungutan OJK	12.417	11.915	OJK levy
Biaya barang dan jasa	8.968	9.006	Cost of goods and services
Perjalanan dan transportasi	7.826	6.055	Travel and transportation
Administrasi bank	7.632	7.710	Bank charges
Latihan dan pendidikan	7.352	3.243	Training and education
Perbaikan dan pemeliharaan	6.847	6.931	Repairs and maintenance
Jasa transaksi ATM	6.686	5.957	ATM transaction fees
Sewa kantor	6.271	5.862	Rental
Core Deposits Intangible	5.543	5.543	Core Deposits Intangible
Biaya keanggotaan dan representasi	3.489	3.980	Membership and representation
Alat-alat tulis dan perlengkapan kantor	3.200	2.998	Stationery and office supplies
Publikasi	2.610	3.696	Publications
Pajak dan perizinan	2.307	3.057	Tax & license
Iuran dana pensiun (Catatan 35)	1.321	1.011	Contribution pension plan (Note 35)
Biaya premi asuransi	1.016	1.454	Insurance Premi
Lain-lain	30.991	24.028	Others
Jumlah	236.309	239.385	Total

29. BEBAN TENAGA KERJA

29. PERSONNEL EXPENSES

Untuk Tahun yang berakhir 31 Desember/
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	2023	2022	
Gaji dan tunjangan lainnya	245.060	237.900	Salaries and other benefits
Tunjangan hari raya dan akhir tahun	30.022	28.116	Festives and year-end allowances
Bonus	32.400	24.000	Bonus
Jumlah	307.482	290.016	Total

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30. KOMITMEN DAN KONTINJENSI

Bank memiliki tagihan dan liabilitas komitmen dan kontinjensi dengan rincian sebagai berikut:

	31 Desember/December, 31	
	2023	2022
Komitmen		
Tagihan komitmen		
Transaksi mata uang asing yang belum diselesaikan	1.317.853	1.688.891
<i>Irrevocable letters of credit</i>	22.354	2.335
Liabilitas komitmen		
Fasilitas kredit kepada nasabah yang belum digunakan	(6.861.882)	(4.248.150)
<i>Irrevocable letters of credit</i>	(22.354)	(2.335)
Transaksi mata uang asing yang belum diselesaikan	(1.307.554)	(1.675.011)
Liabilitas komitmen - neto	(6.851.583)	(4.234.270)
Kontinjensi		
Tagihan kontinjensi		
Pendapatan bunga dalam penyelesaian	187.811	158.719
Garansi yang diterima	4.776.848	3.315.885
Liabilitas kontinjensi		
Garansi yang diterbitkan	(966.878)	(652.918)
Liabilitas kontinjensi - neto	3.997.781	2.821.686

30. COMMITMENTS AND CONTINGENCIES

The Bank has commitments and contingent receivables and liabilities as follows:

Commitments
Commitment receivables
Unsettled foreign currencies transactions
Irrevocable letters of credit
Commitment liabilities
Unused loan facilities
Irrevocable letters of credit
Unsettled foreign currencies transactions
Commitment liabilities - net
Contingencies
Contingent receivables
Past due interest revenues
Guarantee received
Contingent liabilities
Guarantee issued
Contingent liabilities - net

Saldo transaksi komitmen dan kontinjensi dengan pihak berelasi sebesar RpNihil masing-masing pada tanggal 31 Desember 2023 dan 2022.

Commitments and contingencies transactions with related parties amounted to RpNil as of December 31, 2023 and 2022, respectively.

Perubahan nilai tercatat bruto atas tagihan dan liabilitas komitmen dan kontinjensi adalah sebagai berikut:

Movements in the gross carrying amount of commitments and contingencies are as follows:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Nilai tercatat bruto awal 1 Januari 2022	3.721.754	-	-	3.721.754	Initial gross carrying amount January 1, 2022
Aset baru	2.037.692	-	-	2.037.692	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(539.151)	-	-	(539.151)	Assets derecognized or repaid (excluding write-offs)
Pengukuran kembali	(316.892)	-	-	(316.892)	Remeasurement
31 Desember 2022	4.903.403	-	-	4.903.403	December 31, 2022
Aset baru	3.153.554	-	-	3.153.554	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(205.843)	-	-	(205.843)	Assets derecognized or repaid (excluding write-offs)
Transfer ke tahap 2	(3.463)	3.463	-	-	Transfer to stage 2
Pengukuran kembali	-	-	-	-	Remeasurement
31 Desember 2023	7.851.114	-	-	7.851.114	December 31, 2023

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30. KOMITMEN DAN KONTINJENSI (lanjutan)

Perubahan cadangan kerugian penurunan nilai atas komitmen dan kontinjensi adalah sebagai berikut:

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Total	
Saldo awal					Beginning balance
1 Januari 2022	2.452	-	-	2.452	1 January 2022
Aset baru	2.648	-	-	2.648	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(311)	-	-	(311)	Assets derecognized or repaid (excluding write-offs)
Pengukuran kembali	2.262	-	-	2.262	Remeasurement
31 Desember 2022	7.051	-	-	7.051	December 31, 2022
Aset baru	173	-	-	173	New assets originated
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	-	-	-	-	Assets derecognized or repaid (excluding write-offs)
Transfer ke tahap 2	(150)	150	-	-	Transfer to stage 2
Pengukuran kembali	130	-	-	130	Remeasurement
31 Desember 2023	7.332	-	-	7.354	December 31, 2023

30. COMMITMENTS AND CONTINGENCIES (continued)

The movements in the allowance for impairment losses of commitments and contingencies are as follows:

31. LABA BERSIH PER SAHAM

Laba bersih per saham dasar dihitung dengan membagi laba bersih tahun berjalan dengan rata-rata tertimbang jumlah saham yang beredar pada tahun yang bersangkutan.

Pada tanggal 31 Desember 2023 dan 2022, tidak ada efek yang berpotensi menjadi saham biasa. Oleh karena ini, laba per saham dilusian sama dengan laba per saham dasar.

31. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income by the weighted average number of outstanding shares during the related years.

As of December 31, 2023 and 2022, there were no securities which can be converted into common shares. Therefore, diluted earnings per share is equivalent to basic earnings per share.

	Untuk Tahun yang berakhir 31 Desember/ For the year ended December, 31		
	2023	2022	
Laba bersih tahun berjalan	241.291	135.959	Net income for the year Weighted average number of shares for the computation of basic earnings per share
Jumlah rata-rata tertimbang saham untuk perhitungan laba per saham	37.919.730.514	37.919.730.514	
Laba bersih per saham dasar dan dilusian (dalam Rupiah penuh)	6,36	3,59	Basic and diluted earnings per share (in full Rupiah)

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32. SIFAT DAN TRANSAKSI PIHAK BERELASI

Sifat hubungan berelasi

Rincian sifat hubungan dan jenis transaksi yang signifikan dengan pihak berelasi pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

32. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES

Nature of relationship

The details of the relationship and type of significant transactions with related parties as of December 31, 2023 and 2022 are as follows:

Pihak berelasi/ Related parties	Sifat dari hubungan/ Nature of relationship	Sifat dari transaksi/ Nature of transactions
China Construction Bank Corporation/ <i>China Construction Bank Corporation</i>	Pemegang saham akhir/ <i>Ultimate shareholder</i>	Surat berharga subordinasi, Simpanan dari bank lain/ <i>Subordinated securities, Deposits from other banks</i>
China Construction Bank Corporation, Cabang Tokyo/ <i>China Construction Bank Corporation, Tokyo Branch</i>	Kantor cabang dari pemegang saham akhir/ <i>Branch office of the ultimate shareholder</i>	Giro pada bank lain/ <i>Current accounts with other banks</i>
China Construction Bank Corporation, Cabang Shenzhen/ <i>China Construction Bank Corporation, Shenzhen Branch</i>	Kantor cabang dari pemegang saham akhir/ <i>Branch office of the ultimate shareholder</i>	Giro pada bank lain/ <i>Current accounts with other banks</i>
China Construction Bank Corporation, Cabang London/ <i>China Construction Bank Corporation, London Branch</i>	Kantor cabang dari pemegang saham akhir/ <i>Branch office of the ultimate shareholder</i>	Giro pada bank lain/ <i>Current accounts with other banks</i>
<i>China Construction Bank Corporation, Zhejiang Branch</i>	Kantor cabang dari pemegang saham akhir/ <i>Branch office of the ultimate shareholder</i>	Giro pada bank lain/ <i>Current accounts with other banks</i>
Dana Pensiun Bank Windu/ <i>Bank Windu Pension Fund</i>	Dikelola oleh pejabat eksekutif Bank/ <i>Controlled by Bank's executive officers</i>	Simpanan dari nasabah/ <i>Deposits from customers</i>
Dewan Komisaris, Direksi dan karyawan kunci/ <i>Board of Commissioners, Board of Directors and the Bank's key personnel</i>	Manajemen Bank/ <i>The Bank's Management</i>	Kredit yang diberikan, Simpanan dari nasabah / <i>Loans, Deposits from customers</i>

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**32. SIFAT DAN TRANSAKSI PIHAK BERELASI
(lanjutan)**

Transaksi-transaksi dengan pihak berelasi

Dalam kegiatan usaha normal, Bank melakukan transaksi-transaksi tertentu dengan pihak-pihak berelasi, dimana dilaksanakan dengan syarat dan kondisi yang sama sebagaimana dilakukan dengan pihak yang tidak berelasi, kecuali untuk kredit yang diberikan kepada karyawan.

- a. Transaksi aset dengan pihak berelasi adalah sebagai berikut:

	31 Desember/December 31	
	2023	2022
Aset		
Kredit yang diberikan	6.569	7.676
Giro pada bank lain:		
China Construction Bank Corporation, Cabang Shenzhen	17.877	7.302
China Construction Bank Corporation, Cabang Zhejiang	7.470	2.679
China Construction Bank Corporation, Cabang London	3.717	124
China Construction Bank Corporation, Cabang Tokyo	1.631	83
Pendapatan bunga yang masih akan diterima	15	18
Jumlah aset dari pihak-pihak berelasi	37.279	17.882
Jumlah aset	27.851.946	25.022.953

Persentase atas saldo aset dari pihak-pihak berelasi terhadap jumlah aset adalah sebagai berikut:

	31 Desember/December 31	
	2023	2022
Kredit yang diberikan	0,02%	0,03%
Giro pada bank lain	0,11%	0,04%
Pendapatan bunga yang masih akan diterima	0,00%	0,00%
Persentase aset dari pihak-pihak berelasi terhadap jumlah aset	0,13%	0,07%

**32. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES
(continued)**

Transactions with related parties

In the normal course of business, the Bank entered into certain transactions with related parties, whereby it was conducted under terms and conditions similar to those granted to third parties, with the exception of loans granted to the Bank's employees.

- a. Asset account balances of transactions with related parties are as follows:

31 Desember/December 31	
2023	2022
Assets	
Loans	
Current accounts with other banks:	
China Construction Bank Corporation, Shenzhen Branch	
China Construction Bank Corporation, Zhejiang Branch	
China Construction Bank Corporation, London Branch	
China Construction Bank Corporation, Tokyo Branch	
Interest receivables	
Total assets with related parties	
Total assets	

The percentages of asset balances with related parties compared to total assets are as follows:

31 Desember/December 31	
2023	2022
Loans	
Current accounts with other banks	
Interest receivables	
Total percentage of assets with related parties to total assets	

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**32. SIFAT DAN TRANSAKSI PIHAK BERELASI
(lanjutan)**

**Transaksi-transaksi dengan pihak berelasi
(lanjutan)**

b. Transaksi liabilitas dengan pihak berelasi adalah sebagai berikut:

	31 Desember/December 31	
	2023	2022
Liabilitas		
Surat berharga subordinasi	461.910	467.025
Simpanan dari nasabah	16.788	14.924
Simpanan dari bank lain	70	229
Bunga yang masih harus dibayar	3.149	2.852
Jumlah liabilitas dari pihak-pihak berelasi	481.917	485.030
Jumlah liabilitas	21.311.389	18.823.716

Persentase atas saldo liabilitas dari pihak-pihak berelasi terhadap jumlah liabilitas adalah sebagai berikut:

	31 Desember/December 31	
	2023	2022
Surat berharga subordinasi	2,17%	2,48%
Simpanan dari nasabah	0,08%	0,08%
Simpanan dari bank lain	0,00%	0,00%
Bunga yang masih harus dibayar	0,01%	0,02%
Persentase liabilitas dari pihak-pihak berelasi terhadap jumlah liabilitas	2,26%	2,58%

c. Transaksi laba rugi dengan pihak berelasi adalah sebagai berikut:

**Untuk Tahun yang berakhir 31 Desember/
For the year ended December, 31**

	2023	2022
	Laporan laba rugi	
Pendapatan bunga	485	648
Beban bunga	34.607	31.409

Persentase atas saldo laporan laba rugi dari pihak-pihak berelasi terhadap jumlah masing-masing adalah sebagai berikut:

**Untuk Tahun yang berakhir 31 Desember/
For the year ended December, 31**

	2023	2022
	Pendapatan bunga	0,03%
Beban bunga	0,05%	0,06%

**32. NATURE OF RELATIONSHIP AND
TRANSACTIONS WITH RELATED PARTIES
(continued)**

Transactions with related parties (continued)

b. Liabilities account balances of transactions with related parties are as follows:

	Liabilities
Subordinated securities	
Deposits from customers	
Deposits from other banks	
Interest payables	
Total liabilities with related parties	Total liabilities

The percentages of liability balances with related parties compared to total liabilities are as follows:

	Liabilities
Subordinated securities	
Deposits from customers	
Deposits from other banks	
Interest payables	
Total percentage of liabilities with related parties to total liabilities	

c. Statements of profit or loss transactions with related parties are as follows:

	Statements of profit or loss
Interest income	
Interest expenses	

The percentages of statements of profit and loss balance with related parties compared to respective totals are as follows:

	Statements of profit or loss
Interest income	
Interest expenses	

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**32. SIFAT DAN TRANSAKSI PIHAK BERELASI
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**Transaksi-transaksi dengan pihak berelasi
(lanjutan)**

d. Kompensasi manajemen kunci:

Jumlah agregat dari kompensasi terhadap manajemen kunci Bank pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut (tidak diaudit):

	31 Desember/December 31	
	2023	2022
Imbalan jangka pendek		
Direksi	31.698	29.541
Dewan Komisaris	2.872	2.772
Komite Audit	622	851
Karyawan kunci	63.471	55.994
Imbalan jangka panjang		
Direksi	-	1.508
Karyawan kunci	91	271
Jumlah	98.754	90.937

**32. NATURE OF RELATIONSHIP AND
TRANSACTIONS WITH RELATED PARTIES
(continued)**

Transactions with related parties (continued)

d. *Compensation of key management
personnels:*

The aggregate compensation of key management personnel of the Bank as of December 31, 2023 and 2022 are as follows (unaudited):

	2023	2022	
Imbalan jangka pendek			<i>Short-term employee benefits</i>
Direksi	31.698	29.541	<i>Board of Directors</i>
Dewan Komisaris	2.872	2.772	<i>Board of Commissioners</i>
Komite Audit	622	851	<i>Audit Committee</i>
Karyawan kunci	63.471	55.994	<i>Key management personnel</i>
Imbalan jangka panjang			<i>Post-employment benefits</i>
Direksi	-	1.508	<i>Board of Directors</i>
Karyawan kunci	91	271	<i>Key management personnels</i>
Jumlah	98.754	90.937	Total

33. POSISI DEvisa NETO

Perhitungan Posisi Devisa Neto ("PDN") didasarkan pada Peraturan Bank Indonesia No. 5/13/PBI/2003 tanggal 17 Juli 2003 sebagaimana telah diubah terakhir dengan Peraturan Bank Indonesia No. 17/5/PBI/2015 tanggal 29 Mei 2015 tentang Posisi Devisa Neto Bank Umum. Berdasarkan peraturan tersebut, Bank diwajibkan untuk menjaga rasio PDN laporan posisi keuangan dan secara keseluruhan maksimum 20% dari jumlah modal. PDN adalah penjumlahan nilai absolut yang dinyatakan dalam Rupiah dari selisih neto antara aset dan liabilitas dalam mata uang asing dan selisih neto dari tagihan dan liabilitas komitmen dan kontinjensi yang dicatat dalam rekening administratif yang didenominasi dalam setiap mata uang asing. Perhitungan Posisi Devisa Neto ("PDN") didasarkan Peraturan Bank Indonesia No. 15 Tahun 2023 Perubahan Ketiga Atas Peraturan Bank Indonesia Nomor 22/14/PBI/2020 Tentang Operasi Moneter.

33. NET OPEN POSITION

The Net Open Position ("NOP") is calculated based on Bank Indonesia Regulation No. 5/13/PBI/2003 dated July 17, 2003 which was last amended by Bank Indonesia Regulation No. 17/5/PBI/2015 dated May 29, 2015 regarding Net Open Position for Commercial Bank. Based on this regulation, the Bank is required to maintain Net Open Position ratio of the overall statements of financial position at a maximum of 20% of the total capital. The NOP is the sum of the absolute values, which are stated in Rupiah, 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. The Net Open Position ("NOP") is calculated based on Bank Indonesia Regulation No. 15 dated 2023 which was third amendment to Bank Indonesia regulation No 22/14/PBI/2020 regarding Monetary Operation.

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33. POSISI DEVISA NETO (lanjutan)

Posisi Devisa Neto Bank pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

33. NET OPEN POSITION (continued)

The Bank's Net Open Position as of December 31, 2023 and 2022 are as follows:

		31 Desember/December 31, 2023			
		Aset/ Assets	Liabilitas/ Liabilities	Posisi Devisa Neto/ Net Open Position	
Mata Uang					Currencies
Keseluruhan (laporan posisi keuangan dan rekening administratif)					Aggregate (statement of financial position and administrative accounts)
Dolar Amerika Serikat	6.283.503	6.280.086	3.417		United States Dollar
Dolar Singapura	794.272	796.900	2.628		Singapore Dollar
Yuan Renminbi Cina	266.925	264.115	2.810		Chinese Yuan Renminbi
Dolar Australia	1.122	746	376		Australian Dollar
Yen Jepang	1.631	1.323	308		Japanese Yen
Euro Eropa	1.136	552	584		European Euro
Dolar Hong Kong	44	-	44		Hong Kong Dollar
Poundsterling Britania Raya	3.717	3.913	196		Great Britain Poundsterling
Jumlah	7.352.350	7.347.635	10.363		Total
Jumlah Modal Tier I dan Tier II pada tanggal 31 Desember 2023			6.209.630		Total Capital Tier I and Tier II December 31, 2023
Rasio PDN pada tanggal 31 Desember 2023			0,17%		NOP Ratio as of December 31, 2023
Jumlah Modal Tier I dan Tier II pada tanggal 30 November 2023			6.147.957		Total Capital Tier I and Tier II November 30, 2023
Rasio PDN pada tanggal 30 November 2023			0,17%		NOP Ratio as of November 30, 2023
		31 Desember/December 31, 2022			
		Aset/ Assets	Liabilitas/ Liabilities	Posisi Devisa Neto/ Net Open Position	
Mata Uang					Currencies
Keseluruhan (laporan posisi keuangan dan rekening administratif)					Aggregate (statement of financial position and administrative accounts)
Dolar Amerika Serikat	5.646.290	5.628.236	18.054		United States Dollar
Dolar Singapura	704.587	708.629	4.042		Singapore Dollar
Yuan Renminbi Cina	320.402	321.262	860		Chinese Yuan Renminbi
Dolar Australia	614	645	31		Australian Dollar
Yen Jepang	708	525	183		Japanese Yen
Euro Eropa	13.508	13.965	457		European Euro
Dolar Hong Kong	172	-	172		Hong Kong Dollar
Poundsterling Britania Raya	124	-	124		Great Britain Poundsterling
Jumlah	6.686.405	6.673.262	23.923		Total
Jumlah Modal Tier I dan Tier II pada tanggal 31 Desember 2022			5.992.483		Total Capital Tier I and Tier II December 31, 2022
Rasio PDN pada tanggal 31 Desember 2022			0,40%		NOP Ratio as of December 31, 2022
Jumlah Modal Tier I dan Tier II pada tanggal 30 November 2022			5.997.850		Total Capital Tier I and Tier II November 30, 2022
Rasio PDN pada tanggal 30 November 2022			0,40%		NOP Ratio as of November 30, 2022

The original financial statements included herein are in Indonesian language.

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34. NILAI WAJAR ASET DAN LIABILITAS KEUANGAN

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.

Tabel berikut menunjukkan nilai tercatat dan estimasi nilai wajar aset dan liabilitas keuangan Bank pada tanggal 31 Desember 2023 dan 2022:

34. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

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.

The following table sets forth the carrying amounts and estimated fair values of Bank financial assets and liabilities as of December 31, 2023 and 2022:

	31 Desember/December 31				
	2023		2022		
	Nilai tercatat/ Carrying value	Nilai wajar/ Fair value	Nilai tercatat/ Carrying value	Nilai wajar/ Fair value	
Aset keuangan					Financial assets
Nilai wajar melalui laba atau rugi					<i>Fair value through profit or loss</i>
Tagihan derivatif	12.832	12.832	12.738	12.738	<i>Derivative receivables</i>
Nilai wajar melalui penghasilan komprehensif lain					Fair value through other comprehensive income
Efek-efek	4.208.153	4.208.153	903.233	903.233	<i>Marketable securities</i>
Diukur pada biaya perolehan diamortisasi					Measured at amortized cost
Efek-efek	450.630	452.866	-	-	<i>Marketable securities</i>
Kas	212.839	212.839	217.290	217.290	<i>Cash</i>
Giro pada Bank Indonesia	1.552.681	1.552.681	1.481.410	1.481.410	<i>Current accounts with Bank Indonesia</i>
Giro pada bank lain - neto	139.016	139.016	279.154	279.154	<i>Current accounts with other banks - net</i>
Penempatan pada Bank Indonesia dan bank lain - neto	44.999	44.999	624.216	624.216	<i>Placements with Bank Indonesia and other banks - net</i>
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	1.069.249	1.069.249	3.947.168	3.947.168	<i>Receivables on securities purchased under agreements to resale</i>
Kredit yang diberikan - neto	18.846.417	18.846.417	16.232.539	16.232.539	<i>Loans - net</i>
Pendapatan bunga yang masih akan diterima	98.444	98.444	57.308	57.308	<i>Interest receivables</i>
Aset lain-lain*	6.257	6.257	6.105	6.105	<i>Other assets*</i>
Jumlah aset keuangan	26.641.517	26.643.753	23.761.161	23.761.161	Total financial assets
Liabilitas keuangan					Financial liabilities
Liabilitas segera	20.501	20.501	16.495	16.495	<i>Obligation due immediately</i>
Liabilitas derivatif	2.023	2.023	1.764	1.764	<i>Derivative payables</i>
Simpanan dari nasabah:					<i>Deposits from customers:</i>
Giro	3.126.957	3.126.957	2.990.153	2.990.153	<i>Current accounts</i>
Tabungan	1.087.415	1.087.415	1.057.862	1.057.862	<i>Saving account</i>
Deposito berjangka	15.772.440	15.772.440	13.898.563	13.898.563	<i>Time deposits</i>
Simpanan dari bank lain	324.650	324.650	68.011	68.011	<i>Deposits from other banks</i>
Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali	94.295	94.295	-	-	<i>Deposits from other banks</i>
Surat berharga subordinasi	461.910	461.910	467.025	467.025	<i>Subordinated securities</i>
Bunga yang masih harus dibayar	46.953	46.953	27.053	27.053	<i>Interest payables</i>
Liabilitas lain-lain**	10.182	10.182	4.436	4.436	<i>Other liabilities**</i>
Jumlah liabilitas keuangan	20.947.326	20.947.326	18.531.362	18.531.362	Total financial liabilities

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan
**) Liabilitas lain-lain terdiri dari setoran jaminan dan liabilitas kepada notaris

*)Other assets consist of ATM Prima billing transaction and deposit guarantee
**)Other liabilities consist of deposits and liability to notary

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34. NILAI WAJAR ASET DAN LIABILITAS KEUANGAN (lanjutan)

Instrumen keuangan Bank diakui pada nilai wajar berdasarkan hierarki sebagai berikut:

- (i) Tingkat 1: dikutip dari harga pasar aktif untuk aset atau liabilitas keuangan yang identik;
- (ii) Tingkat 2: yang melibatkan input selain dari harga pasar aktif yang dikutip yang termasuk dalam tingkat 1 yang dapat diobservasi untuk aset dan liabilitas, baik secara langsung (seperti harga) atau tidak langsung (turunan dari harga);
- (iii) Tingkat 3: input untuk aset dan liabilitas yang tidak didasarkan pada data yang dapat diobservasi di pasar (input yang tidak dapat diobservasi).

Instrumen keuangan yang diukur pada nilai wajar

Tabel di bawah ini menunjukkan instrumen keuangan yang diukur pada nilai wajar yang dikelompokkan berdasarkan hierarki nilai wajar:

31 Desember/December 31, 2023				
	Tingkat/ Level 1	Tingkat/ Level 2	Tingkat/ Level 3	Jumlah/ Total
Aset keuangan				
Nilai wajar melalui laba rugi				
Tagihan derivatif	-	12.832	-	12.832
Diukur pada nilai wajar melalui penghasilan komprehensif lain				
Efek-efek	4.208.153	-	-	4.208.153
	4.208.153	12.832	-	4.220.985

Financial assets
Fair value through profit or loss
Derivative receivables
Measured at fair value through other comprehensive income
Marketable securities

31 Desember/December 31, 2022				
	Tingkat/ Level 1	Tingkat/ Level 2	Tingkat/ Level 3	Jumlah/ Total
Aset keuangan				
Nilai wajar melalui laba rugi				
Tagihan derivatif	-	12.738	-	12.738
Diukur pada nilai wajar melalui penghasilan komprehensif lain				
Efek-efek	903.233	-	-	903.233
	903.233	12.738	-	915.971

Financial assets
Fair value through profit or loss
Derivative receivables
Measured at fair value through other comprehensive income
Marketable securities

34. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The Bank's financial instruments recognised at fair value based on the hierarchy described below:

- (i) Level 1: quoted (unadjusted) prices in active markets for identical financial assets or liabilities;
- (ii) 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);
- (iii) Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments measured at fair value

The tables below show the financial instruments measured at fair value grouped according to the fair value hierarchy:

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34. NILAI WAJAR ASET DAN LIABILITAS KEUANGAN (lanjutan)

Instrumen keuangan yang tidak diukur pada nilai wajar

Kredit yang diberikan dan surat berharga subordinasi yang merupakan instrumen keuangan yang tidak diukur pada nilai wajarnya dikelompokkan sebagai Tingkat 3 dalam hierarki nilai wajar.

Nilai wajar aset dan liabilitas keuangan selain efek-efek yang dimiliki hingga jatuh tempo, kredit yang diberikan dan surat berharga subordinasi mendekati nilai tercatat karena instrumen keuangan tersebut memiliki jangka waktu jatuh tempo jangka pendek (level 2) dan/atau suku bunganya sering ditinjau ulang.

Nilai wajar dari kredit yang diberikan dengan suku bunga mengambang dan nilai tercatat atas kredit jangka pendek dengan suku bunga tetap adalah perkiraan yang layak atas nilai wajar. Nilai wajar dari kredit jangka panjang yang diberikan dengan suku bunga tetap menunjukkan nilai diskon dari perkiraan arus kas masa depan yang diharapkan akan diterima oleh Bank. Perkiraan arus kas ini didiskontokan dengan menggunakan suku bunga pasar untuk menentukan nilai wajar. Termasuk di dalam kredit yang diberikan adalah cadangan kerugian penurunan nilai yang telah diperhitungkan dengan metode yang disajikan pada Catatan 2.

Surat berharga subordinasi memiliki tingkat suku bunga mengambang (level 2). Oleh karena itu, nilai tercatat mencerminkan nilai wajar.

35. LIABILITAS IMBALAN KERJA KARYAWAN

Liabilitas imbalan kerja karyawan terdiri dari:

	31 Desember/December 31	
	2023	2022
Liabilitas imbalan kerja - jangka panjang	98.769	82.861
Liabilitas imbalan kerja - lainnya	69.731	56.400
Jumlah	168.500	139.261

34. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

Financial instruments not measured at fair value

Loans and subordinated securities which are financial instruments that are not measured at fair value are classified as Level 3 in the fair value hierarchy.

Fair values of certain financial assets and liabilities other than held-to-maturity securities, loans and subordinated securities are approximately the same with their carrying amounts due to the short-term maturities of these financial instruments and/or repriced frequently (level 2).

The carrying amounts of variable rate loans and short-term fixed rate loans are the reasonable approximation of their fair values. The carrying amount of long term fixed rate loans shows the discounted estimated future cash flows. The cash flows estimation is discounted at the market interest rate to determine fair value. Included in loans are allowance for impairment losses which are calculated using the method as disclosed in Note 2.

The subordinated securities bear variable rate. Therefore (level 2), the amortized cost represent reasonable approximation of the fair value.

35. EMPLOYMENT BENEFITS OBLIGATION

Employment benefits obligation consists of:

Long-term employee benefits
Long-term employee benefits - other
Total

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**35. LIABILITAS IMBALAN KERJA KARYAWAN
(lanjutan)**

Imbalan kerja lainnya

Imbalan kerja lainnya termasuk imbalan kerja jangka pendek untuk bonus dan imbalan kerja jangka panjang untuk manajemen. Bank mengakui liabilitas dan beban imbalan kerja jangka pendek untuk bonus berdasarkan rumusan yang mempertimbangkan kinerja karyawan dan laba sebelum pajak Bank setelah penyesuaian tertentu yang menyebabkan kewajiban konstruktif. Bank mengakui liabilitas dan beban imbalan kerja jangka panjang untuk manajemen berdasarkan rumusan yang mempertimbangkan masa kerja manajemen pada akhir periode pelaporan.

Program pensiun manfaat pasti

Bank mempunyai imbalan pasca-kerja manfaat pasti yang terdiri atas program pensiun imbalan pasti dan imbalan pasca-kerja per tanggal 31 Desember 2023 dan 2022 sesuai dengan Undang-Undang Nomor 11 tahun 2020, PP Nomor 35 tahun 2021 tentang Cipta Kerja dan Peraturan Perusahaan periode 2021-2023.

Bank membentuk liabilitas atas imbalan pasca-kerja manfaat pasti dan imbalan kerja jangka panjang untuk Pejabat dan karyawan yang memenuhi kriteria berdasarkan perhitungan aktuarial oleh PT Biro Pusat Aktuarial, pihak ketiga dalam laporannya tertanggal 17 Januari 2024 dan 10 Januari 2023 untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022.

Program pensiun imbalan pasti didanai, dikelola oleh Dana Pensiun Bank Windu, pihak berelasi, untuk karyawan Bank yang telah diangkat dan mendaftarkan diri sebagai peserta. Kontribusi pegawai adalah sebesar 5,00% dari penghasilan dasar karyawan dan sisa jumlah yang diperlukan untuk mendanai program tersebut dikontribusi oleh Bank. Kontribusi pemberi kerja pada program ini yang dilaporkan dalam laporan laba rugi dan penghasilan komprehensif lain untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp1.321 dan Rp1.011.

**35. EMPLOYMENT BENEFITS OBLIGATION
(continued)**

Other employee benefits

Other employee benefits include short-term employee benefits for bonuses and long-term employee benefits for management. The Bank recognises liabilities and expenses for short-term employee benefits for bonuses based on a formula that takes into consideration the employee's performance and the Bank's income before tax expense after certain adjustments has created a constructive obligation. The Bank recognises liabilities and expenses for long-term employee benefits for management based on a formula that takes into consideration the management's service periods at the end of reporting period.

Defined benefits pension plan

As of December 31, 2023 and 2022 the Bank provides post-employment defined benefits which consist of a defined benefits pension plan and post-employment benefits in accordance with Law No. 11 of 2020, PP No. 35 of 2021 on Job Creation and the Bank's Regulation period 2021-2023.

The Bank calculates the employee defined benefits liabilities and long-term employee benefits for eligible Board level and employee based on the actuarial calculations of PT Biro Pusat Aktuarial, a third party in their report dated January 17, 2024 and January 10, 2023 for the years ended on December 31, 2023 and 2022.

The defined benefits pension plan is funded and managed by Dana Pensiun Bank Windu, a related party, for registered employees. The employee's contribution is 5.00% of the employee's base salary and the remaining amounts required to fund the plan are contributed by the Bank. Employer's contribution to this program recognised in the statements of profit or loss and other comprehensive income for the years ended December 31, 2023 and 2022 amounted to Rp1,321 and Rp1,011, respectively.

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**35. LIABILITAS IMBALAN KERJA KARYAWAN
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**35. EMPLOYMENT BENEFITS OBLIGATION
(continued)**

Berikut ini adalah asumsi utama yang digunakan dalam laporan aktuarial:

The following are the key assumptions used in the actuarial reports:

	31 Desember/December 31		
	2023	2022	
Tingkat diskonto imbalan kerja jangka panjang karyawan	6,37%-7,10%	5,77% - 7,30%	Long term employee benefit discount rate
Tingkat pengembalian aset program	6,63%	6,94%	Expected return on plan assets
Tingkat kenaikan gaji per tahun	3,00%	3,00%	Annual salary increase rates
Tingkat kematian	TMI_2019*)	TMI_2019*)	Mortality rate
Usia pensiun (tahun)	55	55	Retirement age (years old)

*) Tabel Mortalita Indonesia/Mortality Table of Indonesia 2019

a. Liabilitas imbalan kerja

a. Employee benefits liabilities

	31 Desember/December 31, 2023			
	Program pensiun imbalan pasti didanai/ Defined benefits pension plan - funded	Program pensiun imbalan pasti tidak didanai/ Defined benefits pension plan - unfunded	Program pensiun imbalan pasti tidak didanai lainnya/ Other defined benefits pension - unfunded	
Nilai kini liabilitas imbalan kerja	19.287	98.769	19.287	Present value of benefits obligation
Nilai wajar aset program	(23.994)	-	-	Fair value of plan assets
Pengaruh aset plafon	4.707	-	-	The effect of assets ceiling
Liabilitas - neto	-	98.769	19.287	Liabilities - net

	31 Desember/December 31, 2022			
	Program pensiun imbalan pasti didanai/ Defined benefits pension plan - funded	Program pensiun imbalan pasti tidak didanai/ Defined benefits pension plan - unfunded	Program pensiun imbalan pasti tidak didanai lainnya/ Other defined benefits pension - unfunded	
Nilai kini liabilitas imbalan kerja	17.833	82.861	16.196	Present value of benefits obligation
Nilai wajar aset program	(23.500)	-	-	Fair value of plan assets
Pengaruh aset plafon	5.667	-	-	The effect of assets ceiling
Liabilitas - neto	-	82.861	16.196	Liabilities - net

The original financial statements included herein are in Indonesian language.

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**35. EMPLOYMENT BENEFITS OBLIGATION
(continued)**

b. Nilai kini liabilitas imbalan kerja

b. Present value of benefits obligation

31 Desember/December 31, 2023

	Program pensiun imbalan pasti didanai/ Defined benefits pension plan - funded	Program pensiun imbalan pasti tidak didanai/ Defined benefits pension plan - unfunded	Program pensiun imbalan pasti tidak didanai lainnya/ Other defined benefits pension - unfunded	
Nilai kini liabilitas imbalan kerja, awal tahun	17.833	82.861	16.196	Present value of benefits obligation, beginning of the year
Biaya jasa kini	1.514	10.149	10.959	Current service cost
Beban bunga	1.237	5.360	-	Interest cost
Pengukuran kembali manfaat jangka panjang lainnya	-	-	-	Remeasurement of other long-term employee benefits
Kontribusi karyawan	464	-	-	Contribution by plan participants
Manfaat yang dibayarkan	(1.469)	(4.614)	-	Benefits paid
Kerugian (keuntungan) aktuarial	(292)	5.013	-	Actuarial loss (gain)
Nilai kini liabilitas imbalan kerja, akhir tahun	19.287	98.769	27.155	Present value of benefits obligation, end of year

31 Desember/December 31, 2022

	Program pensiun imbalan pasti didanai/ Defined benefits pension plan - funded	Program pensiun imbalan pasti tidak didanai/ Defined benefits pension plan - unfunded	Program pensiun imbalan pasti tidak didanai lainnya/ Other defined benefits pension - unfunded	
Nilai kini liabilitas imbalan kerja, awal tahun	27.128	80.956	14.638	Present value of benefits obligation, beginning of the year
Biaya jasa kini	1.589	9.348	3.252	Current service cost
Biaya jasa lalu*)	(642)	(2.876)	-	Past service cost*)
Beban bunga	1.643	4.064	661	Interest cost
Pengukuran kembali manfaat jangka panjang lainnya	-	-	-	Remeasurement of other long-term employee benefits
Kontribusi karyawan	556	-	-	Contribution by plan participants
Manfaat yang dibayarkan	(9.705)	(9.525)	(3.834)	Benefits paid
Kerugian (keuntungan) aktuarial	(2.736)	894	1.479	Actuarial loss (gain)
Nilai kini liabilitas imbalan kerja, akhir tahun	17.833	82.861	16.196	Present value of benefits obligation, end of year

*) Dampak siaran pers Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia (DSAK-IAI) atas persyaratan pengatribusian imbalan pada periode jasa sesuai PSAK no. 24

*) Impact of the press release Institute of Indonesia Chartered Accountants' Accounting Standard Board (DSAK-IAI) on the requirements for attributing benefits to the period of service in accordance with PSAK no. 24

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**35. EMPLOYMENT BENEFITS OBLIGATION
(continued)**

c. Biaya imbalan kerja

c. Employee benefits expense

31 Desember/December 31, 2023

	Program pensiun imbalan pasti didanai/ Defined benefits pension plan - funded	Program pensiun imbalan pasti tidak didanai/ Defined benefits pension plan - unfunded	Program pensiun imbalan pasti tidak didanai lainnya/ Other defined benefits pension - unfunded	
Biaya jasa kini	1.514	10.149	10.959	Current service cost
Bunga atas kewajiban	1.237	5.360	-	Interest on obligation
Beban atas aset	(1.630)	-	-	Interest on assets
Bunga dari plafon aset	393	-	-	Interest of assets ceiling
Jumlah	1.514	15.509	10.959	Total

31 Desember/December 31, 2022

	Program pensiun imbalan pasti didanai/ Defined benefits pension plan - funded	Program pensiun imbalan pasti tidak didanai/ Defined benefits pension plan - unfunded	Program pensiun imbalan pasti tidak didanai lainnya/ Other defined benefits pension - unfunded	
Biaya jasa kini	1.589	9.348	3.252	Current service cost
Biaya jasa lalu*)	(642)	(2.876)	-	Past service cost*)
Bunga atas kewajiban	1.643	4.064	661	Interest on obligation
Beban atas aset	(1.918)	-	-	Interest on assets
Bunga dari plafon aset	275	-	-	Interest of assets ceiling
Jumlah	947	10.536	3.913	Total

d. Mutasi nilai wajar aset program adalah sebagai berikut:

d. The movements in the fair value of plan assets are as follow:

31 Desember/December 31

	2023	2022	
Saldo pada awal tahun	23.500	31.663	Balance at beginning of year
Tingkat pengembalian aset program	1.630	1.918	Return on plan assets
Kontribusi pemberi kerja	1.321	1.011	Contribution by employer
Kontribusi karyawan	464	556	Contribution by employee
Manfaat program pensiun yang dibayarkan	(1.469)	(9.705)	Program pension benefits paid
Kerugian aktuarial	(1.452)	(1.943)	Actuarial loss
Saldo pada akhir tahun	23.994	23.500	Balance at end of year

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**35. EMPLOYMENT BENEFITS OBLIGATION
(continued)**

- e. Tabel berikut menunjukkan analisis sensitivitas nilai kini kewajiban imbalan kerja diasumsikan terdapat perubahan atas asumsi aktuarial utama (tidak diaudit):

- e. The tables below show the sensitivity analysis of the present value of employee benefits obligation in the assumed changes in the key actuarial assumption (unaudited):

Imbalan kerja karyawan

Define employee benefits

31 Desember/December 31, 2023

	Perubahan persentase/ Percentage change	Pengaruh terhadap Nilai kini kewajiban/ Impact to present value of employee benefit obligation	
Tingkat diskonto	+1%	(3.437)	Discount rate
	-1%	3.811	
Tingkat kenaikan gaji	+1%	3.508	Salary increase rate
	-1%	(3.214)	

31 Desember/December 31, 2022

	Perubahan persentase/ Percentage change	Pengaruh terhadap Nilai kini kewajiban/ Impact to present value of employee benefit obligation	
Tingkat diskonto	+1%	(2.747)	Discount rate
	-1%	3.033	
Tingkat kenaikan gaji	+1%	3.131	Salary increase rate
	-1%	(2.879)	

Imbalan kerja jangka panjang untuk manajemen

Long term employee benefits for management

31 Desember/December 31, 2022

	Perubahan persentase/ Percentage change	Pengaruh terhadap Nilai kini kewajiban/ Impact to present value of employee benefit obligation	
Tingkat diskonto	+1%	(174)	Discount rate
	-1%	179	
Tingkat kenaikan gaji	+1%	183	Salary increase rate
	-1%	(182)	

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- f. Tabel berikut menyajikan kajian dari portofolio investasi aset program yang ditempatkan dalam bentuk instrumen keuangan:

	31 Desember/December 31		
	2023	2022	
Deposito	7,08%	11,62%	Time deposits
Efek-efek	92,92%	88,38%	Marketable Securities

- g. Analisa profil jatuh tempo pembayaran imbalan kerja karyawan pada tanggal 31 Desember 2023 dan 2022 (tidak diaudit) adalah sebagai berikut:

	31 Desember/December 31		
	2023	2022	
Dalam waktu 12 bulan berikutnya	41.932	25.949	Within the next 12 months
Antara 1 dan 5 tahun	42.259	47.243	Between 1 and 5 years
Di atas 5 tahun	211.910	163.825	Beyond 5 years
Jumlah	296.101	237.017	Total

Durasi rata-rata liabilitas imbalan kerja karyawan pada tanggal 31 Desember 2023 dan 2022 adalah 9,38 dan 9,03 tahun, serta Durasi rata-rata liabilitas imbalan kerja manajemen pada tanggal 31 Desember 2022 adalah 1,16 tahun (tidak diaudit).

**35. EMPLOYMENT BENEFITS OBLIGATION
(continued)**

- f. The following tables show the portfolio of the plan assets invested in financial instrument:

- g. The maturity profile analysis of the employee benefits payments as of December 31, 2023 and 2022 (unaudited) are as follows:

The average duration of employees' benefits liability as of December 31, 2023 and 2022 9.38 and 9.03 years, The average duration of management's benefits liability as of December 31, 2022 is 1.16 years (unaudited).

36. MASALAH HUKUM

- a. Bank (dahulu Bank Multicor) dan anggota bank sindikasi lainnya ("Sindikasi") digugat oleh PT Geria Wijaya Prestige ("GWP") sehubungan dengan penyitaan dan/atau pelelangan tanah dan bangunan GWP, di Pengadilan Negeri Jakarta Pusat pada tanggal 27 September 1998 yang teregister dengan nomor perkara No. 490/Pdt.G/1998.Jkt.Pst. Pada tanggal 29 April 1999 Pengadilan Negeri Jakarta Pusat telah mengeluarkan keputusan No. 880/Pdt/1999/PT.DKI yang berisi sebagai berikut:

- a. Sindikasi telah dinyatakan kalah karena melakukan pengambilalihan dan/atau pelelangan tanah dan bangunan GWP yang berlokasi di Denpasar, Bali ("Hotel Sol Elite Paradiso"); dan
- b. Sindikasi mempunyai liabilitas untuk membayar denda sebesar Rp20.000 kepada GWP, dimana porsi Bank adalah sebesar Rp2.353.

36. LEGAL MATTERS

- a. The Bank (formerly Multicor Bank) and other bank members of the syndication ("the Syndicate") was sued by PT Geria Wijaya Prestige ("GWP") regarding the confiscation and/or auction of the GWP's land, in Jakarta Distric Court on September 27, 1998 and building as stated in case No. 490/Pdt.G/1998.Jkt.Pst. On April 29, 1999 the Jakarta Distric Court issued verdict No. 880/Pdt/1999/PT.DKI indicating the following:

- a. The Syndicate has lost the case of confiscation and/or auction of the property of GWP in Denpasar, Bali ("Hotel Sol Elite Paradiso"); and
- b. The Syndicate has an obligation to pay a penalty of Rp20,000 to GWP in which the Bank's share is Rp2,353.

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36. MASALAH HUKUM (lanjutan)

- b. Bank (dahulu Bank Multicor) dan anggota bank sindikasi lainnya ("Sindikasi") digugat oleh PT Geria Wijaya Prestige ("GWP") sehubungan dengan penyitaan dan/atau pelelangan tanah dan bangunan GWP, di Pengadilan Negeri Jakarta Pusat pada tanggal 27 September 1998 yang teregister dengan nomor perkara No. 490/Pdt.G/1998.Jkt.Pst. Pada tanggal 29 April 1999 Pengadilan Negeri Jakarta Pusat telah mengeluarkan keputusan No. 880/Pdt/1999/PT.DKI yang berisi sebagai berikut: (lanjutan)

Atas putusan tersebut Sindikasi mengajukan upaya hukum Banding melalui Pengadilan Tinggi DKI Jakarta dengan register No. 880/Pdt/1999/PT.DKI yang pada tanggal 16 Mei 2000 diterbitkan putusan menguatkan putusan Pengadilan Negeri Jakarta Pusat. Berkaitan dengan keputusan Pengadilan Tinggi tersebut, Sindikasi telah mengajukan upaya hukum Kasasi kepada Mahkamah Agung Republik Indonesia (RI) dengan register No. 3140K/Pdt/2001 yang pada tanggal 11 Juni 2002 diterbitkan putusan menyatakan menolak permohonan kasasi Sindikasi. Sehubungan dengan Keputusan Mahkamah Agung RI tersebut Sindikasi telah mengajukan Upaya Hukum Peninjauan Kembali kepada Mahkamah Agung RI yang terdaftar dengan register No. 292PK/Pdt/2003, yang pada tanggal 18 April 2006 diterbitkan putusan bahwa yang mengikat adalah amar putusan PT.DKI Nomor 880/Pdt/1999/PT.DKI tanggal 16 Mei 2000. Berdasarkan putusan tersebut GWP dimenangkan atas kasus ini.

Manajemen masih menunggu perintah dari Pengadilan Negeri Jakarta Pusat atas pelaksanaan eksekusi putusan tersebut. Perkara hukum tersebut tidak secara material dapat mempengaruhi keadaan keuangan, harta kekayaan dan kelangsungan usaha Bank. Sampai dengan tanggal penyelesaian laporan keuangan, belum terdapat penyelesaian terhadap permasalahan di atas.

36. LEGAL MATTERS (continued)

- b. *The Bank (formerly Multicor Bank) and other bank members of the syndication ("the Syndicate") was sued by PT Geria Wijaya Prestige ("GWP") regarding the confiscation and/or auction of the GWP's land, in Jakarta Distric Court on September 27, 1998 and building as stated in case No. 490/Pdt.G/1998.Jkt.Pst. On April 29, 1999 the Jakarta Distric Court issued verdict No. 880/Pdt/1999/PT.DKI indicating the following: (continued)*

In relation with the verdict mentioned above, the Syndicate submitted an appeal to the DKI Jakarta High Court registered by Number 880/Pdt/1999/PT.DKI, then on May 16, 2000 the decision which strengthening the decision of the Central Jakarta District Court. In relation to the said decree the Syndicate declare cassation to the Supreme Court registered by number 3140K/Pdt/2001, then on June 11, 2002 the decision issued which rejecting the appeal cassation of the Syndication. Based on that decree the Syndicate submitted Judicial Review to the Supreme Court registered by number 292PK/Pdt/2003, then on April 18, 2006 the decision issued which stated the legally binding verdict is the verdict of the DKI Jakarta High Court Number 880 / Pdt / 1999 / PT.DKI dated May 16, 2000. Based on that decision GWP has won the case.

Management is still waiting for an order from the Central Jakarta Distric Court for the execution of the verdict. This legal case would not give any material impact to financial, wealth and going concern of the Bank. As of the date of completion of these financial statements, no settlement has been made on the said case.

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36. MASALAH HUKUM (lanjutan)

- c. Bank (Tergugat I) digugat oleh Fireworks Ventures Limited ("Penggugat") sehubungan penjualan piutang PT Geria Wijaya Prestige ("GWP") dari Bank kepada Tommy Winata (Tergugat II), di Pengadilan Negeri Jakarta Utara pada tanggal 28 September 2018 yang teregister dengan nomor perkara No. 555/Pdt.G/2018/PN.Jkt.Utr. Pada tanggal 15 Oktober 2019 Pengadilan Negeri Jakarta Utara telah mengeluarkan keputusan yang berisi sebagai berikut:
- Menyatakan Tergugat I dan Tergugat II telah melakukan perbuatan melawan hukum kepada penggugat.
 - Menyatakan Penggugat sebagai Pembeli yang beritikad baik atas piutang (aset kredit) yang timbul dari Akta Perjanjian Pemberian Kredit Nomor 8 tanggal 28 November 1995.
 - Menyatakan Tergugat I dan Tergugat II tidak mempunyai hak atas piutang (aset kreditur) yang timbul dari Akta Perjanjian Pemberian Kredit Nomor 8 tanggal 28 November 1995.
 - Menghukum Tergugat I menyerahkan Sertifikat Hak Guna Bangunan Nomor 204, 205 dan 207 dan Sertifikat Hak Tanggungan Nomor 286/1996 dan Nomor 962/1996 kepada Penggugat sejak adanya Putusan yang berkekuatan hukum tetap.
 - Menghukum Tergugat I dan Tergugat II untuk membayar secara tanggung renteng atas kerugian material yang dialami Penggugat, terdiri atas :
 - Kerugian material dalam Rupiah 6% (enam persen) kali 249.600.209,98 sen per tahun;
 - Kerugian material dalam Dollar Amerika Serikat 6% kali USD11.649.136,06 (angka penuh) per tahun dihitung dan dibayar sejak gugatan itu didaftarkan di Pengadilan Negeri Jakarta Utara.
 - Menyatakan tidak sah dan tidak mempunyai kekuatan mengikat Akta Kesepakatan Piutang tanggal 12 Februari 2018 dan Akta Perjanjian Pengalihan Piutang tanggal 12 Februari 2018 yang dibuat dibawah tangan oleh Tergugat I dan Tergugat II.

36. LEGAL MATTERS (continued)

- c. The Bank (Defendant I) was sued by Fireworks Ventures Limited (Plaintiff) regarding the sale of the loan of PT Geria Wijaya Prestige ("GWP") by the Bank to Tommy Winata (Defendant II) on September 28, 2018 at the North Jakarta District Court with register number 555/Pdt.G/2018/PN.Jkt.Utr. On October 15, 2019 the North Jakarta District Court issued the decision indicating the following:
- Declare the Defendant I and the Defendant II have done Unlawful Act to the Plaintiff.
 - Declare the Plaintiff as a Buyer in good faith for receivables (credit assets) arising from the Loan Agreement Number 8 dated November 28, 1995.
 - Declare the Defendant I and the Defendant II have no right to the receivables (credit assets) arising from the Loan Agreement Deed Number 8 dated November 28, 1995.
 - Order the Defendant I to submit certificates of Right to Building Numbers 204, 205 and 207 and Mortgage Certificate Number 286/1996 and 962/1996 to the Plaintiff since the existence of a decision that has permanent legal force.
 - Punish the Defendant I and the Defendant II to pay jointly for material losses suffered by the Plaintiff, which are consist of;
 - Material losses in Rupiah 6% (six percent) times 249,600,209.98 cents per year;
 - Material losses in the United States Dollar 6% (six percent) times USD11,649,136.06 (full amount) per year; calculated and paid since the lawsuit was registered at the North Jakarta District Court.
 - Declare illegitimate and having no legal binding force, the Private Deed of Receivable Agreement dated February 12, 2018 and Private Deed of Transfer Receivable Agreement dated February 12, 2018 signed by Defendant I and Defendant II.

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36. MASALAH HUKUM (lanjutan)

Atas putusan tersebut Bank mengajukan upaya hukum Banding melalui Pengadilan Tinggi DKI Jakarta dengan register No. 272/PDT/2020/PT.DKI yang pada tanggal 6 Mei 2020 diterbitkan putusan menguatkan putusan Pengadilan Negeri Jakarta Utara. Berkaitan dengan keputusan Pengadilan Tinggi tersebut, Bank telah mengajukan upaya hukum Kasasi kepada Mahkamah Agung Republik Indonesia (RI) pada tanggal 7 Agustus 2020 dengan register No. 3540K/Pdt/2001 yang kemudian dikeluarkan putusan tertanggal 6 Desember 2021 yang menyatakan menolak permohonan kasasi dari Pemohon kasasi I dan II.

Atas putusan Kasasi tersebut Bank mengajukan upaya hukum Peninjauan Kembali kepada Mahkamah Agung Republik Indonesia melalui Pengadilan Negeri Jakarta Utara sebagaimana Akta Pernyataan Permohonan Peninjauan Kembali tanggal 21 Juni 2022 sebagai upaya maksimal Bank dalam menyelesaikan perkara tersebut.

Bahwa sesuai relaas pemberitahuan putusan Peninjauan Kembali yang diterima pada tanggal 28 Maret 2023 oleh Kuasa Hukum Bank diketahui atas perkara Peninjauan Kembali telah diputus pada tanggal 13 Desember 2022 dengan amar putusan menolak permohonan Peninjauan Kembali dari Bank;

Bahwa pada tanggal 18 April 2023 CCB Indonesia telah menerima relaas panggilan aanmaning dari pengadilan Negeri Jakarta Utara terkait dengan eksekusi putusan perkara ini. Bahwa untuk menghadapi eksekusi tersebut Bank pada tanggal 12 Mei 2023 telah mengajukan permohonan penundaan eksekusi kepada Ketua Pengadilan Negeri Jakarta Utara dan mengajukan gugatan perlawanan eksekusi yang teregister dengan Nomor 306/Pdt.Plw/2023/PN.Jkt.Utr. ("**Perkara 306**") di Pengadilan Negeri Jakarta Utara.

Bahwa selanjutnya Gaston selaku kreditor telah mengajukan gugatan perlawanan eksekusi 555 pada tanggal 22 Juni 2023 di Pengadilan Negeri Jakarta Utara yang teregister dengan No. 428/Pdt.Plw/2023/PN.Jkt.Utr ("**Perkara 428**") yang saat ini masih dalam proses persidangan.

36. LEGAL MATTERS (continued)

In relation with the decision mentioned above, the Bank submitted an appeal to the DKI Jakarta High Court registered by Number 272/PDT/2020/PT.DKI, then on May 6, 2020 the decision which strengthening the decision of the North Jakarta District Court was issued. In relation to the said decree the Bank declared cassation to the Supreme Court on August 7, 2020 registered by Number 3540K/Pdt/2001 then on December 6, 2021 the decision which rejecting the appeal cassation of the Cassation Petitioner I and II issued.

Based on the Cassation decision, the Bank submitted Judicial Review to the Supreme Court of the Republic of Indonesia through the North Jakarta District Court as stated in the Deed of Statement of Application for Judicial Review dated June 21, 2022 as for the maximum effort of the Bank to solve the case.

Whereas based on notification letter of the Judicial Review decision that received on March 28, 2023 by the Legal Counsel of the Bank it is known that the Judicial Review case had been decided on December 13, 2022 with the decision rejecting the application for Judicial Review from the Bank;

*Whereas on April 18, 2023 CCB Indonesia has received the aanmaning summons from the North Jakarta District Court related to the execution of the decision of this case. That in order to face the execution, the Bank on May 12, 2023 submitted an application for postponement of execution to the Chairman of North Jakarta District Court and filed a lawsuit against the execution registered with Number 306/Pdt.Plw/2023/PN.Jkt.Utr. ("**Case 306**") at the North Jakarta District Court.*

*Furthermore, Gaston as a creditor has filed a lawsuit against the execution 555 on June 22, 2023 to North Jakarta District Court registered with Number 428/Pdt.Plw/2023/PN.Jkt.Utr ("**Case 428**") which is currently still in litigation.*

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36. MASALAH HUKUM (lanjutan)

Bahwa CCBI menerima Surat No. W10.U4/6555/HK.02/9/2023 tanggal 1 September 2023, perihal penundaan eksekusi perkara 555 yang menyatakan bahwa eksekusi ditunda sampai dengan adanya putusan Perkara 428 di Pengadilan Negeri Jakarta Utara.

Bahwa atas putusan Peninjauan Kembali tanggal 13 Desember 2022, CCBI mengajukan Peninjauan Kembali ke II kepada Mahkamah Agung Republik Indonesia melalui Pengadilan Negeri Jakarta Utara sebagaimana Akta Pernyataan Permohonan Peninjauan Kembali Kedua tanggal 25 September 2023, sebagai upaya maksimal bank untuk menyelesaikan perkara tersebut. Saat ini bank masih menunggu putusan atas upaya hukum tersebut.

Bahwa perkara 306 telah diputus pada tanggal 11 Desember 2023 dengan amar putusan menolak gugatan Pelawan untuk seluruhnya. Selanjutnya pada tanggal 21 Desember 2023, CCB Indonesia telah mengajukan upaya hukum Banding ke Pengadilan Tinggi DKI Jakarta.

37. SEGMENT OPERASI

Segmen operasi dilaporkan sesuai dengan laporan internal Bank yang disiapkan untuk mengambil keputusan operasional, yaitu Direksi yang bertanggung jawab untuk mengalokasikan sumber daya ke segmen tertentu dan penilaian atas performanya.

Untuk tahun yang berakhir 31 Desember 2023 dan 2022, Bank diorganisasikan kedalam empat segmen operasi berdasarkan produk dan jasa sebagai berikut:

- Segmen kredit
- Segmen treasuri
- Segmen ekspor-impor
- Tidak dapat dialokasikan

Tidak ada pendapatan dari satu konsumen eksternal atau pihak lain yang mencapai 10% atau lebih dari total pendapatan Bank untuk tahun yang berakhir 31 Desember 2023 dan 2022.

36. LEGAL MATTERS (continued)

Whereas CCBI received Letter No. W10.U4/6555/HK.02/9/2023 dated September 1, 2023, regarding the postponement of the execution of case 555 which stated that the execution will be postponed until the decision of Case 428 at the North Jakarta District Court.

Whereas based on the Judicial Review decision dated December 13, 2022, CCBI filed a Second Judicial Review to the Supreme Court of the Republic of Indonesia through the North Jakarta District Court as stated in the Deed of Statement of Application for Second Judicial Review dated September 25, 2023, as for the maximum effort of the Bank to solve the case. Currently, the bank still waiting for a decision from the Supreme Court on this legal action.

Whereas the case 306 was decided on December 11, 2023 with the decision rejecting the Plaintiff's lawsuit in its entirety. Furthermore, on December 21, 2023, CCB Indonesia has filed an appeal to the DKI Jakarta High Court.

37. OPERATING SEGMENT

Operating segments are reported in accordance with the internal reporting provided to the chief operating decision maker which is the Board of Directors who is responsible for allocating resources to certain segments and performance assessments.

For the years ended December 31, 2023 and 2022, the Bank is organised into four operating segments based on products and services as follows:

- Loans segment
- Treasury segment
- Trade finance segment
- Unallocated

There is no revenue from transactions with a single external customer or counterparty amounting to 10% or more of the Bank's total revenue for the years ended December 31, 2023 and 2022.

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37. SEGMENT OPERASI (lanjutan)

Berikut ini adalah informasi keuangan Bank berdasarkan segmen operasi:

- a. Laporan laba dan rugi dan posisi keuangan

37. OPERATING SEGMENT (continued)

Following is the financial information of the Bank based on operating segment:

- a. Statement of profit or loss and financial position

Untuk Tahun yang berakhir 31 Desember 2023/
For the year ended December 31, 2023

	Kredit/ Loans	Treasuri/ Treasury	Ekspor- impor/ Trade finance	Aset, liabilitas, pendapatan dan beban yang tidak dapat dialokasi/ Unallocated assets, liabilities, income and expenses	Total	
Pendapatan						
Pendapatan bunga	1.325.422	364.756	-	-	1.690.178	Income Interest income
Pendapatan lainnya	-	-	4.813	53.865	58.678	Other income
Jumlah pendapatan	1.325.422	364.756	4.813	53.865	1.748.856	Total income
Beban						
Beban bunga	-	(34.153)	-	(699.146)	(733.299)	Expenses Interest expense
Beban lainnya	-	(1.802)	-	(703.954)	(705.756)	Other expenses
Jumlah beban	-	(35.955)	-	(1.403.100)	(1.439.055)	Total expenses
Segmen - neto	1.325.422	328.801	4.813	(1.349.235)		Segment - net
Laba sebelum beban pajak penghasilan					309.801	Income before income tax expense
Beban pajak penghasilan					(68.510)	Income tax expense
Laba bersih tahun berjalan					241.291	Net income for the year
Aset segmen	18.846.417	7.312.413	-	1.693.116	27.851.946	Segment assets
Liabilitas segmen	(461.910)	(324.650)	(9.992)	(20.514.837)	(21.311.389)	Segment liabilities
Segmen - neto	18.384.507	6.987.763	(9.992)	(18.821.721)	6.540.557	Segment - net

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37. SEGMENT OPERASI (lanjutan)

Berikut ini adalah informasi keuangan Bank berdasarkan segmen operasi: (lanjutan)

- a. Laporan laba dan rugi dan posisi keuangan (lanjutan)

37. OPERATING SEGMENT (continued)

Following is the financial information of the Bank based on operating segment: (continued)

- a. Statement of profit or loss and financial position (continued)

Untuk Tahun yang berakhir 31 Desember 2022/
For the year ended December 31, 2022

	Kredit/ Loans	Treasuri/ Treasury	Ekspor- impor/ Trade finance	Aset, liabilitas, pendapatan dan beban yang tidak dapat dialokasi/ Unallocated assets, liabilities, income and expenses	Total	
Pendapatan						Income
Pendapatan bunga	1.024.885	297.721	-	-	1.322.606	Interest income
Pendapatan lainnya	-	-	2.529	76.482	79.011	Other income
Jumlah pendapatan	1.024.885	297.721	2.529	76.482	1.401.617	Total income
Beban						Expenses
Beban bunga	-	(16.111)	-	(502.541)	(518.652)	Interest expense
Beban lainnya	-	(2.419)	-	(704.804)	(707.223)	Other expenses
Jumlah beban	-	(18.530)	-	(1.207.345)	(1.225.875)	Total expenses
Segmen - neto	1.024.885	279.191	2.529	(1.130.863)		Segment - net
Laba sebelum beban pajak penghasilan					175.742	Income before income tax expense
Beban pajak penghasilan					(39.783)	Income tax expense
Laba bersih tahun berjalan					135.959	Net income for the year
Aset segmen	16.232.539	7.225.898	-	1.564.516	25.022.953	Segment assets
Liabilitas segmen	(467.025)	(68.011)	(4.226)	(18.284.454)	(18.823.716)	Segment liabilities
Segmen - neto	15.765.514	7.157.887	(4.226)	(16.719.938)	6.199.237	Segment - net

38. REKONSILIASI AKTIVITAS PENDANAAN BERSIH

Rekonsiliasi dari aktivitas pendanaan adalah sebagai berikut:

38. NET FINANCING ACTIVITIES RECONCILIATION

Reconciliation from financing activities are as follows:

31 Desember/December 31, 2023

	1 Januari/ 1 January 2023	Arus kas/Cash flows		Perubahan non-kas/ Non-cash changes	Selisih kurs/ Foreign exchange	31 Desember/ 31 December 2023	
		Penerimaan/ Proceeds	Pembayaran/ Payment				
Surat berharga subordinasi	467.025	-	-	-	(5.115)	461.910	Subordinated securities
Liabilitas sewa	8.690	-	(10.629)	4.747	-	2.808	Lease liabilities
Total	475.715	-	(10.629)	4.747	(5.115)	464.718	Total

31 Desember/December 31, 2022

	1 Januari/ 1 January 2022	Arus kas/Cash flows		Perubahan non-kas/ Non-cash changes	Selisih kurs/ Foreign exchange	31 Desember/ 31 December 2022	
		Penerimaan/ Proceeds	Pembayaran/ Payment				
Surat berharga subordinasi	427.575	-	-	-	39.450	467.025	Subordinated securities
Liabilitas sewa	18.927	-	(12.924)	2.687	-	8.690	Lease liabilities
Total	446.502	-	(12.924)	2.687	39.450	475.715	Total

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39. MANAJEMEN RISIKO

Kegiatan usaha Bank senantiasa dihadapkan pada risiko-risiko yang berkaitan erat dengan fungsinya sebagai lembaga intermediasi keuangan. Oleh karena itu, kegiatan operasional Bank dikelola dengan baik agar tidak menimbulkan kerugian bagi Bank.

Berdasarkan POJK No. 18/POJK.03/2016 tanggal 16 Maret 2016, tentang Penerapan Manajemen Risiko Bagi Bank Umum, maka Bank menerapkan manajemen risiko sesuai dengan kompleksitasnya. Kebijakan Penerapan Manajemen Risiko mengacu pada ketentuan dan Peraturan Otoritas Jasa Keuangan antara lain Nomor: 18/POJK.03/2016 tanggal 16 Maret 2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum dan Surat Edaran Otoritas Jasa Keuangan Nomor: 34/SEOJK.03/2016 tanggal 01 September 2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum (beserta lampiran), Peraturan Otoritas Jasa Keuangan Nomor 55/POJK.03/2016 tertanggal 7 Desember 2016 tentang Penerapan Tata Kelola Bagi Bank Umum, Surat Edaran Otoritas Jasa Keuangan Nomor 13/SEOJK.03/2017 tanggal 17 Maret 2017 tentang Penerapan Tata Kelola Bagi Bank Umum dan 13/POJK.03/2021 tentang Penyelenggaraan Produk Bank Umum. Bank memiliki kebijakan internal berupa Kebijakan Umum dan Pedoman- Pedoman Umum Manajemen Risiko yang bertujuan untuk memastikan risiko-risiko yang dihadapi Bank dapat diidentifikasi, diukur, dikendalikan, dan dilaporkan dengan baik.

Berdasarkan POJK No. 18/POJK.03/2016 tanggal 16 Maret 2016, tentang Penerapan Manajemen Risiko Bagi Bank Umum, bank umum konvensional diwajibkan untuk menerapkan delapan (8) jenis risiko dan lima (5) peringkat penetapan penilaian peringkat risiko.

Sebagaimana diamanatkan ketentuan peraturan Otoritas Jasa Keuangan (POJK) terkait penerapan manajemen risiko, Bank menyusun laporan profil risiko triwulanan secara *self assessment*. Dari hasil *self assessment* profil risiko triwulanan yang disampaikan kepada Otoritas Jasa Keuangan (OJK) posisi Desember 2023, predikat risiko Bank secara keseluruhan berada pada tingkat risiko komposit *low to moderate*.

39. RISK MANAGEMENT

The Bank's activities deal with risks associated with its function as financial intermediary institution. Thus, the operations are organised carefully to prevent loss from operations of the Bank.

Based on POJK No. 18/POJK.03/2016 dated March 16, 2016, the Bank's application of its risk management policies is implementation based on its complexity. The Risk Management Implementation Policy refers to the provisions and regulations of the Financial Services Authority, No.18/POJK.03/2016 dated March 16, 2016 concerning the Implementation of Risk Management for Commercial Banks and Circular Letter of the Financial Services Authority Number: 34/SEOJK.03/2016 dated September 01, 2016 concerning Implementation of Risk Management for Commercial Banks (along with attachments), Financial Services Authority Regulation No.55/POJK.03/2016 dated December 07, 2016 concerning Implementation of Governance for Commercial Banks, Financial Services Authority Circular Letter Number 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Good Corporate Governance for Commercial Banks and 13/POJK.03/2021 concerning the Operation of Commercial Bank Products. The Bank has internal policies in the form of General Policies and General Guidelines for Risk Management which aim to ensure that the risks faced by the Bank can be identified, measured, controlled, and reported properly.

Based on POJK Regulation No. 18/POJK.03/2016 dated March 16, 2016 regarding, the risk management implementation for commercial bank, conventional banks are required to apply eight (8) type of risks and five (5) grades to value risks.

In relation to the implementation of risk management as required by Financial Services Authority (OJK), the Bank prepares quarterly risk profile report on self assesment basis. Based on the self assessment results of the quarterly risk profile report submitted to Financial Services Authority (OJK) as of December 2023, the Bank's overall risk profile is at the low to moderate composite risk level.

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39. MANAJEMEN RISIKO (lanjutan)

Susunan Manajemen Risiko

Dari sudut pandang manajemen risiko, struktur organisasi Bank dapat dibagi menjadi:

- a. Dewan Komisaris merupakan badan manajemen terpenting yang mempunyai wewenang dan tanggung jawab;
 - Mengevaluasi kebijakan Manajemen Risiko dan strategi Manajemen Risiko secara periodik atau dalam frekuensi tertentu yang lebih sering dalam hal terdapat perubahan faktor yang mempengaruhi kegiatan bisnis Bank secara signifikan.
 - Mengevaluasi pertanggungjawaban Direksi dan memberikan arahan perbaikan atas pelaksanaan kebijakan Manajemen Risiko secara berkala.
 - Memastikan kebijakan dan proses manajemen Risiko dilaksanakan secara efektif dan terintegrasi dalam proses manajemen risiko secara keseluruhan. Dewan Komisaris dibantu oleh Komite Pemantau Risiko.
- b. Direksi dan komite-komite manajemen sebagai struktur strategis. Direksi menjalankan fungsi kebijakan risiko (risk policy) melalui komite-komite Direksi seperti Komite Manajemen Risiko (KMR), Komite Asset & Liability (ALCO), Komite Kebijakan Perkreditan (KKP). Fungsi utamanya antara lain:
 - Bertanggung jawab atas pelaksanaan kebijakan Manajemen Risiko dan eksposur Risiko yang diambil oleh Bank secara keseluruhan, sesuai dengan tingkat Risiko yang akan diambil (*risk appetite*) dan toleransi Risiko (*risk tolerance*) Bank.
 - Mengevaluasi dan memutuskan transaksi yang memerlukan persetujuan Direksi.
 - Mengembangkan budaya Manajemen Risiko pada seluruh jenjang organisasi.
 - Memastikan peningkatan kompetensi sumber daya manusia yang terkait dengan Manajemen Risiko.
 - Memastikan bahwa fungsi Manajemen Risiko telah beroperasi secara independen. Komite Manajemen Risiko akan memantau penerapan manajemen risiko antara lain berdasarkan laporan yang dipersiapkan oleh Divisi Manajemen Risiko.

39. RISK MANAGEMENT (continued)

Risk Management Structure

From the point of view of risk management, the Bank organisational structure can be divided into:

- a. The Board of Commissioners is the most important management agency having authority and responsibility;
 - Evaluating Risk Management policies and Risk Management strategies periodically or in a certain frequency more frequently in the event that there are changes in factors that significantly affect the Bank's business activities.
 - Evaluating the accountability of the Board of Directors and providing directions for improvement of the implementation of Risk Management policies on a regular basis.
 - Ensuring that Risk management policies and processes are implemented effectively and integrated into the overall risk management process. the Board of Commissioners is assisted by the Risk Monitoring Committee.
- b. The board of Directors and management committees as strategic structure. The Board of Directors carries out the function of risk policy (risk policy) through the Board of Directors committees such as the Risk Management Committee (RMC), Asset & Liability Committee (ALCO), Credit Policy Committee (CPC). Its main function, among others:
 - Responsible for the implementation of Risk Management policies and Risk exposures taken by the Bank as a whole, in accordance with the level of Risk to be taken (*risk appetite*) and the Bank's risk tolerance.
 - Evaluate and decide on transactions that require the approval of the Board of Directors.
 - Develop a Risk Management culture at all levels of the organization.
 - Ensuring the improvement of human resource competencies related to Risk Management.
 - Ensure that the Risk Management function operates independently. The Risk Management Committee will monitor the implementation of risk management among others, according to a report prepared by the Risk Management Division.

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39. MANAJEMEN RISIKO (lanjutan)

Susunan Manajemen Risiko (lanjutan)

- c. Komite Pemantau Risiko, merupakan fungsi pengawasan manajemen risiko pada level Komisaris dan Pihak Independen. Adapun kewenangan dan tugas dari Komite Pemantau Risiko antara lain;
- Evaluasi tentang kesesuaian antara kebijakan manajemen risiko dengan pelaksanaan kebijakan Bank,
 - Pemantauan dan evaluasi pelaksanaan tugas komite manajemen risiko dan Divisi Manajemen Risiko, guna memberikan rekomendasi kepada Dewan Komisaris.
- d. Divisi Manajemen Risiko merupakan fungsi pengelolaan penerapan manajemen risiko pada Bank CCB Indonesia yang independen terhadap aktivitas operasional Bank, bertanggung jawab secara berkelanjutan terhadap pemantauan dan analisis eksposur risiko yang dihadapi oleh Bank.
- e. *Risk Taking Unit*, merupakan unit bisnis dan operasional, serta unit lain yang termasuk dalam first line of defense yang bertanggung jawab atas masing-masing risiko pada aktivitas bisnis dan operasional bank.
- f. *Internal Control*, merupakan sistem Pengendalian Internal Bank di masing-masing Divisi dan Kantor didukung oleh fungsi pengawasan dari Divisi Audit Internal, pengawasan dari Divisi Kepatuhan, serta Satuan Kerja *Anti-Fraud*.

39. RISK MANAGEMENT (continued)

Risk Management Structure (continued)

- c. *Risk Monitoring Committee*, is a risk management supervisory function at the level of Commissioners and Independent Parties. The authorities and duties of the Risk Monitoring Committee include;
- Evaluation of conformity between risk management policies and the implementation of Bank policies,
 - Monitoring and evaluating the implementation of the duties of the risk management committee and the Risk Management Division, in order to provide recommendations to the Board of Commissioners.
- d. *Risk Management Division* is a function of managing the implementation of risk management at Bank CCB Indonesia which is independent of the Bank's operational activities, responsible for the monitoring and analysis of continuous exposure to the risks faced by the Bank.
- e. *Risk Taking Unit*, is a business and operational unit, as well as other units included in the first line of defense which are responsible for each risk in the bank's business activities and operations.
- f. *Internal Control*, has the function to control system in each Division and Office supported by a supervisory function from the Internal Audit Division, supervision from the Compliance Division, and the Anti-Fraud Work Unit

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39. MANAJEMEN RISIKO (lanjutan)

Manajemen Risiko Kredit dalam kondisi Pandemi COVID-19

Dalam rangka mendukung upaya pemerintah dalam mempertahankan stabilitas ekonomi, Bank telah menyiapkan kebijakan dan prosedur restrukturisasi kredit bagi debitur yang terdampak COVID-19 melalui Ketentuan Internal baik berupa Surat Edaran maupun Surat Keputusan Direksi sebagai Kebijakan *Countercyclical* Dampak Penyebaran COVID-19 yang diberlakukan sejak tanggal 24 Maret 2020. Dalam kebijakan tersebut, telah diatur kriteria debitur dan sektor usaha terdampak COVID-19 yang dapat dilakukan restrukturisasi. Relaksasi dilakukan khusus untuk debitur dan sektor yang terdampak COVID-19 dengan mengacu pada POJK No. 11/POJK.03/2020 yang diperbaharui POJK No. 48/POJK.03/2020, dan kemudian diperbaharui POJK No.17/POJK.03/2021 Peraturan Menko Perekonomian No. 6/2020 yang telah diubah dengan Permenko Perekonomian No. 3 Tahun 2021 tentang Perubahan Keempat atas Peraturan Menteri Koordinator Bidang Perekonomian Nomor 6 Tahun 2020 tentang Perlakuan Khusus bagi Penerima Kredit Usaha Rakyat Terdampak Pandemi *Corona Virus Disease* 2019 dan ketentuan internal Bank.

Dalam upaya mitigasi terjadi risiko kredit, Bank melakukan analisa kredit yang memadai bagi debitur yang mengajukan permohonan restrukturisasi dan meminimalisasi risiko pemberian restrukturisasi yang tidak tepat sasaran serta untuk menghindari adanya *free rider (moral hazard)*. Pemberian stimulus hanya diberikan kepada debitur yang memenuhi kriteria yang ditetapkan oleh Bank.

39. RISK MANAGEMENT (continued)

Credit Risk Management during the COVID-19 Pandemic

In order to support the government's efforts to maintain economic stability, the Bank has prepared policies and procedures for credit restructuring for debtors affected by COVID-19 through Internal Regulations in the form of Circular and Directors Decree as a Countercyclical Policy on the Impact of the Spread of COVID-19 which was effective on March 24, 2020. In this policy, criteria for debtors and business sectors affected by COVID-19 that can be restructured have been regulated. Relaxation is carried out specifically for debtors and sectors affected by COVID-19 with reference to POJK No. 11/POJK.03/2020 which was updated by POJK No. 48/POJK.03/2020, then was updated by POJK No.17/POJK.03/2021 Regulation of the Coordinating Minister for the Economy No. 6/2020 and the Bank's internal regulations which has been amended by the Coordinating Minister for the Economy No. 3 of 2021 concerning the Fourth Amendment to the Regulation of the Coordinating Minister for the Economy Number 6 of 2020 concerning Special Treatment for People's Business Credit Recipients Affected by the 2019 Corona Virus Disease Pandemic and the Bank's internal provisions.

In an effort to mitigate credit risk, the Bank conducted adequate credit analysis for debtors who apply for restructuring and minimizes the risk of restructuring that is not well targeted and to avoid free riders (moral hazard). The stimulus is only given to debtors who meet the criteria set by the Bank.

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39. MANAJEMEN RISIKO (lanjutan)

Manajemen Risiko Kredit dalam kondisi Pandemi COVID-19 (lanjutan)

Dengan diterapkannya kebijakan tersebut, diharapkan debitur-debitur Bank yang terdampak pandemi COVID-19 dapat terbantu, dan kualitas portfolio Bank dapat tetap terjaga dengan baik. Dalam kaitan dengan kondisi Pandemi COVID-19 yang tengah berlangsung, Bank lebih mengintensifkan pelaksanaan dari kerangka kerja pengawasan kredit yang telah dimiliki oleh Bank dan sudah berjalan secara efektif dalam memonitor kinerja debitur, baik secara individual maupun portfolio. Monitoring yang lebih intensif ini dilakukan agar dapat memberikan *early warning signal* dan memastikan mitigasi risiko yang ditetapkan dapat tepat guna dalam menjaga kualitas kredit selama masa pandemi. Mekanisme monitoring kredit dilakukan melalui analisa *watchlist* atau *health check* terhadap seluruh debitur terutama entitas debitur yang terdampak atau berada pada sektor usaha terdampak COVID-19 dengan mengacu pada POJK No. 11/POJK.03/2020 yang diperbaharui POJK No. 48/POJK.03/2020 dan kemudian diperbaharui POJK No.17/POJK.03/2021 serta ketentuan internal Bank. Debitur yang berpotensi mengalami penurunan kinerja wajib dipantau dengan *action plan* yang dipantau pelaksanaannya secara berkelanjutan.

a. Risiko kredit

Penyaluran kredit oleh Bank berlandaskan pada prinsip kehati-hatian, peraturan Otoritas Jasa Keuangan (POJK), dan kebijakan perkreditan yang disusun oleh manajemen. Komite Kredit merupakan komite tertinggi yang membantu Direksi dalam pengawasan pengelolaan risiko kredit melalui keputusan dan rekomendasi yang dikeluarkannya. Secara periodik, Komite Kredit melakukan rapat antara lain untuk memantau Batas Maksimum Pemberian Kredit dan kualitas kredit, serta kecukupan cadangan kerugian penurunan nilai aset. Bank selalu memonitor penyebaran risiko yang timbul sejalan dengan pertumbuhan sektor ekonomi dimana Bank melakukan kegiatan bisnisnya. Batasan ditetapkan secara spesifik berdasarkan nasabah dan sektor industri untuk menghindari konsentrasi risiko kredit yang berlebihan. Batasan tersebut juga diterapkan bagi nasabah individu atau korporasi.

39. RISK MANAGEMENT (continued)

Credit Risk Management during the COVID-19 Pandemic (continued)

With the implementation of this policy, it is expected that Bank debtors who are affected by the COVID-19 pandemic can be helped, and the quality of the Bank's portfolio can be maintained properly. In connection with the ongoing condition of the COVID-19 Pandemic, the Bank is intensifying the implementation of its credit monitoring framework that the Bank has in place and has been running effectively in monitoring the performance of debtors, both individually as well as on portfolio basis. The more intensive monitoring is carried out in order to provide early warning signals and ensure the designed risk mitigation will be effective in maintaining credit quality during the pandemic period. The credit monitoring mechanism is carried out through a watchlist or health check analysis of all debtors, especially debtor entities that are affected or are in the business sector affected by COVID-19 with reference to POJK No. 11/POJK.03/2020 which was updated by POJK No. 48/POJK.03/2020 then was updated by POJK No.17/POJK.03/2021 as well as the Bank's internal regulations. Debtors that have the potential to experience a decline in performance must be monitored with an action plan whose implementation is monitored on an ongoing basis.

a. Credit risk

The loans are distributed by the Bank prudently in accordance with Financial Services Authority (POJK) regulations, and loan policies which were prepared by the management. The Credit Committee is the highest committee who helps the Directors in monitoring the management of credit risk through its decisions and recommendations. The Credit Committee holds a meeting regularly to monitor Legal Lending Limit and loan quality, and the adequacy of allowance for impairment losses on assets. The Bank monitors the spread of risk in relation with the growth of economic sectors where the Bank business focuses. The limit is applied specifically based on customers and industrial sectors to avoid the high credit risk. The limit is also applied to individual or corporate customers.

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39. MANAJEMEN RISIKO (lanjutan)

a. Risiko kredit (lanjutan)

- (i) Eksposur maksimum risiko kredit tanpa memperhitungkan agunan pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

	31 Desember/December 31	
	2023	2022
Nilai wajar melalui laba rugi		
Tagihan derivatif	12.832	12.738
Nilai wajar melalui penghasilan komprehensif lain		
Efek-efek - neto	4.055.989	893.950
Diukur pada biaya perolehan diamortisasi		
Efek-efek - neto	450.478	-
Giro pada Bank Indonesia	1.552.681	1.481.410
Giro pada bank lain - neto	139.016	279.154
Penempatan pada Bank Indonesia dan bank lain - neto	44.999	624.216
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	1.069.249	3.947.168
Kredit yang diberikan - neto	18.846.417	16.232.539
Pendapatan bunga yang masih akan diterima	98.444	57.308
Aset lain-lain*	6.257	6.105
Jumlah	26.276.362	23.534.588

*Fair value through profit or loss
Derivative receivables*

*Fair value through
other comprehensive income
Marketable securities - net*

*Measured at amortized cost
Marketable securities - net*

*Current accounts with
Bank Indonesia*

*Current accounts with
other banks - net*

*Placements with Bank Indonesia
and other banks – net*

*Receivables on securities
purchased under*

*agreements to resale
Loans - net*

*Interest receivables
Other assets**

Total

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

*) Other asset consist of ATM Prima billing transaction and refundable deposits

	31 Desember/December 31	
	2023	2022
Rekening administratif		
Fasilitas kredit yang belum digunakan	6.861.882	4.248.150
Garansi yang diterbitkan	966.878	652.918
Irrevocable letters of credit	22.354	2.335
Jumlah	7.851.114	4.903.403

Administrative accounts

Unused loan facilities

Guarantees issued

Irrevocable letters of credit

Total

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39. MANAJEMEN RISIKO (lanjutan)

a. Risiko kredit (lanjutan)

- (i) Eksposur maksimum risiko kredit tanpa memperhitungkan agunan pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut: (lanjutan)

Untuk kredit yang diberikan, Bank menggunakan agunan untuk meminimalkan risiko kredit. Berdasarkan klasifikasi, kredit Bank dapat dibedakan menjadi dua kelompok besar, yaitu:

- *Secured loans*
- *Unsecured loans*

Untuk *secured loans*, Bank menetapkan jenis dan nilai agunan yang dijamin sesuai skema kredit. Jenis dari agunan terdiri dari:

- a. Agunan fisik antara lain tanah, bangunan, dan BPKB kendaraan bermotor.
- b. *Financial collateral* antara lain simpanan dari nasabah (tabungan, giro, dan deposito berjangka), surat berharga, dan emas.
- c. Lainnya antara lain garansi, jaminan pemerintah, dan lembaga penjamin.

Apabila terjadi default (gagal bayar), Bank akan menggunakan agunan tersebut sebagai pilihan terakhir untuk pemenuhan kewajiban *counterparty*.

Unsecured loans terdiri dari *fully unsecured loans* dan *partially secured loans* seperti kredit untuk karyawan golongan berpenghasilan tetap dan kredit konsumen lainnya. Dalam pembayaran kewajibannya, *partially secured loans* umumnya dilakukan melalui pemotongan penghasilan secara otomatis.

Dengan demikian, meskipun kredit tersebut termasuk dalam kategori *unsecured loans* namun tingkat risiko dari *partially secured loans* tidak sebesar nilai tercatat kredit. Sedangkan untuk *fully unsecured loans*, tingkat risiko adalah sebesar nilai tercatat kredit.

39. RISK MANAGEMENT (continued)

a. *Credit risk (continued)*

- (i) *The maximum exposure to credit risk without taking into account collateral held as of December 31, 2023 and 2022 are presented below: (continued)*

For the loans, the Bank uses collateral to minimise the credit risk. The Bank's loans are classified into two major categories, which are:

- *Secured loans*
- *Unsecured loans*

For secured loans, the Bank determines 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. *Financial collateral, such as deposits from customers (time deposit, savings, current accounts), securities, and gold.*
- c. *Others, such as guarantees, government guarantees and guarantee institution.*

In times of default, Bank will use the collateral as the last resort in recovering the counterparty's obligation.

Unsecured loans consist of fully unsecured loans and partially secured loans such as loans for fixed income employees and other consumer loans. In their payment obligations, partially secured loans are generally made through automatic payroll deduction.

Although it is included in the unsecured loans category, the risk level of partially secured loans is lower than the carrying value. As for fully unsecured loan, the risk level is equal to the carrying value.

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39. MANAJEMEN RISIKO (lanjutan)

a. Risiko kredit (lanjutan)

- (i) Eksposur maksimum risiko kredit tanpa memperhitungkan agunan pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut: (lanjutan)

Proses penentuan peringkat kredit Bank membedakan eksposur untuk menentukan eksposur mana yang memiliki faktor risiko lebih besar dan tingkat kerugian potensial yang lebih tinggi. Peringkat kredit setiap debitur ditelaah secara berkala dan perubahannya diimplementasikan secepatnya. Peringkat kredit yang diterapkan atas setiap debitur juga mempertimbangkan kualitas kredit dari debitur tersebut yang telah ditentukan oleh bank-bank lain.

Peringkat kredit Bank sesuai dengan peringkat kredit dari Otoritas Jasa Keuangan (OJK) sebagaimana diatur dalam peraturan Otoritas Jasa Keuangan (OJK) yang berlaku.

- (ii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit berdasarkan:

a. Sektor geografis

Tabel berikut menggambarkan rincian eksposur kredit Bank (tanpa memperhitungkan agunan atau pendukung kredit lainnya), yang dikategorikan berdasarkan area geografis pada tanggal 31 Desember 2023 dan 2022:

	31 Desember/December 31, 2023						
	Kantor pusat/ Head office	Jawa	Sumatera	Kalimantan	Lain-lain/ Others	Total	
Nilai wajar melalui laba atau rugi							Fair value through profit or loss
Tagihan derivatif	12.832	-	-	-	-	12.832	Derivative receivables
Nilai wajar melalui penghasilan komprehensif lain							Fair value through other comprehensive income
Efek-efek - neto	4.055.989	-	-	-	-	4.055.989	Marketable securities - net
Diukur pada biaya perolehan diamortisasi							Measured at amortized cost
Efek-efek - neto	450.478	-	-	-	-	450.478	Marketable securities - net
Giro pada							Current accounts with
Bank Indonesia	1.552.681	-	-	-	-	1.552.681	Bank Indonesia
Giro pada bank lain - neto	139.016	-	-	-	-	139.016	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan bank lain - neto	44.999	-	-	-	-	44.999	Placements with Bank Indonesia and other banks - net
Tagihan atas efek-efek dibeli dengan janji dijual kembali	1.069.249	-	-	-	-	1.069.249	Receivables on securities purchased under agreements to resale
Kredit yang diberikan - neto	10.341.065	4.439.779	1.201.140	371.982	2.492.451	18.846.417	Loans - net
Pendapatan bunga yang masih akan diterima	66.832	11.674	6.156	1.057	12.725	98.444	Interest receivables
Aset lain-lain*	6.257	-	-	-	-	6.257	Other assets*
Jumlah	17.739.398	4.451.453	1.207.296	373.039	2.505.176	26.276.362	Total

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

*) Other asset consist of ATM Prima billing transaction and refundable deposits

39. RISK MANAGEMENT (continued)

a. Credit risk (continued)

- (i) The maximum exposure to credit risk without taking into account collateral held as of December 31, 2023 and 2022 are presented below: (continued)

The Bank's credit rating determination processes differentiate exposures in order to highlight those with greater risk factors and higher potential severity of loss. The credit rating for each debtor is reviewed regularly and any amendments are implemented promptly. The credit rating applied for each debtor also considered credit quality of the respective debtor as determined by other banks.

The Bank's credit rating follows Financial Services Authority (OJK) credit rating as stipulated in the prevailing Financial Services Authority (OJK) regulation.

- (ii) Concentration of risks of financial assets with credit risk exposure as categorised by:

a. Geographical region

The following tables provide details of the Bank credit exposures at their carrying amounts (without taking into account any collateral held or other credit enhancements), as categorised by geographical region as of December 31, 2023 and 2022:

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39. MANAJEMEN RISIKO (lanjutan)

- a. Risiko kredit (lanjutan)
- (ii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit berdasarkan: (lanjutan)
- a. Sektor geografis (lanjutan)
Tabel berikut menggambarkan rincian eksposur kredit Bank (tanpa memperhitungkan agunan atau pendukung kredit lainnya), yang dikategorikan berdasarkan area geografis pada tanggal 31 Desember 2023 dan 2022: (lanjutan)

39. RISK MANAGEMENT (continued)

- a. Credit risk (continued)
- (ii) Concentration of risks of financial assets with credit risk exposure as categorised by: (continued)
- a. Geographical region (continued)
The following tables provide details of the Bank credit exposures at their carrying amounts (without taking into account any collateral held or other credit enhancements), as categorised by geographical region as of December 31, 2023 and 2022: (continued)

	31 Desember/December 31, 2022						
	Kantor pusat/ Head office	Jawa	Sumatera	Kalimantan	Lain-lain/ Others	Total	
Nilai wajar melalui laba atau rugi Tagihan derivatif	12.738	-	-	-	-	12.738	Fair value through profit or loss Derivative receivables
Nilai wajar melalui penghasilan komprehensif lain Efek-efek - neto	893.950	-	-	-	-	893.950	Fair value through other comprehensive income Marketable securities - net
Diukur pada biaya perolehan diamortisasi							Measured at amortized cost
Giro pada Bank Indonesia	1.481.410	-	-	-	-	1.481.410	Current accounts with Bank Indonesia
Giro pada bank lain - neto	279.154	-	-	-	-	279.154	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan bank lain - neto	624.216	-	-	-	-	624.216	Placements with Bank Indonesia and other banks - net
Tagihan atas efek-efek dibeli dengan janji dijual kembali	3.947.168	-	-	-	-	3.947.168	Receivables on securities purchased under agreements to resale
Kredit yang diberikan - neto	12.185.113	3.192.888	370.484	156.262	327.792	16.232.539	Loans - net
Pendapatan bunga yang masih akan diterima	46.395	8.944	965.	389	615	57.308	Interest receivables
Aset lain-lain*	6.105	-	-	-	-	6.105	Other assets*
Jumlah	19.476.249	3.201.832	371.449	156.651	328.407	23.534.588	Total

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

*) Other asset consist of ATM Prima billing transaction and refundable deposits

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39. MANAJEMEN RISIKO (lanjutan)

a. Risiko kredit (lanjutan)

(ii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit berdasarkan: (lanjutan)

a. Sektor geografis (lanjutan)

Tabel di bawah ini menunjukkan eksposur maksimum risiko kredit bank untuk komitmen dan kontinjensi tanpa memperhitungkan agunan atau pendukung kredit lainnya:

31 Desember/December 31, 2023							
	Kantor pusat/ Head office	Jawa	Sumatera	Kalimantan	Lain-lain/ Others	Total	
Fasilitas kredit yang belum digunakan	2.495.057	1.766.349	1.386.625	766.659	447.192	6.861.882	Unused loans facilities Guarantees issued Irrevocable letters of credit
Garansi yang diterbitkan	898.271	3.762	42.495	-	22.350	966.878	
Irrevocable letters of credit	22.354	-	-	-	-	22.354	
Jumlah	3.415.682	1.770.111	1.429.120	766.659	469.542	7.851.114	Total

31 Desember/December 31, 2022							
	Kantor pusat/ Head office	Jawa	Sumatera	Kalimantan	Lain-lain/ Others	Total	
Fasilitas kredit yang belum digunakan	3.617.872	408.774	79.849	35.937	105.718	4.248.150	Unused loans facilities Guarantees issued Irrevocable letters of credit
Garansi yang diterbitkan	624.159	2.680	7.528	-	18.551	652.918	
Irrevocable letters of credit	2.335	-	-	-	-	2.335	
Jumlah	4.244.366	411.454	87.377	35.937	124.269	4.903.403	Total

b. Jenis counterparty

Tabel berikut menggambarkan rincian eksposur kredit Bank pada nilai tercatat (tanpa memperhitungkan agunan atau pendukung kredit lainnya) yang dikategorikan berdasarkan jenis counterparty pada tanggal 31 Desember 2023 dan 2022:

31 Desember/December 31, 2023							
	Pemerintah RI (termasuk Bank Indonesia)/ Government of Republic of Indonesia (including Bank Indonesia)	Bank/ Banks	Lembaga keuangan bukan bank/ Non-bank financial institutions	Perusahaan lainnya/ Other companies	Perseorangan/ Individuals	Total	
Nilai wajar melalui laporan laba rugi	-	12.832	-	-	-	12.832	Fair value through profit or loss
Tagihan derivatif	-	-	-	-	-	-	Derivative receivables
Nilai wajar melalui penghasilan komprehensif lain	4.055.989	-	-	-	-	4.055.989	Fair value through other comprehensive income
Efek-efek - neto	-	-	-	-	-	-	Marketable securities - net

39. RISK MANAGEMENT (continued)

a. Credit risk (continued)

(ii) Concentration of risks of financial assets with credit risk exposure as categorised by: (continued)

a. Geographical region (continued)

The tables below show the bank's maximum credit risk exposure for commitment and contingencies without taking into account any collateral held or other credit enhancements:

b. Counterparty type

The following tables provide details of the Bank credit exposures at their carrying amounts (without taking into account any collateral held or other credit enhancements) as categorised by counterparty type as of December 31, 2023 and 2022:

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39. MANAJEMEN RISIKO (lanjutan)

- a. Risiko kredit (lanjutan)
- (ii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit berdasarkan: (lanjutan)
- b. Jenis *counterparty* (lanjutan)

Tabel berikut menggambarkan rincian eksposur kredit Bank pada nilai tercatat (tanpa memperhitungkan agunan atau pendukung kredit lainnya) yang dikategorikan berdasarkan jenis *counterparty* pada tanggal 31 Desember 2023 dan 2022: (lanjutan)

39. RISK MANAGEMENT (continued)

- a. Credit risk (continued)
- (ii) Concentration of risks of financial assets with credit risk exposure as categorised by: (continued)
- b. Counterparty type (continued)

The following tables provide details of the Bank credit exposures at their carrying amounts (without taking into account any collateral held or other credit enhancements), as categorised by counterparty type as of December 31, 2023 and 2022: (continued)

31 Desember/December 31, 2023						
	Pemerintah RI (termasuk Bank Indonesia)/ Government of Republic of Indonesia (including Bank Indonesia)	Bank/ Banks	Lembaga keuangan bukan bank/ Non-bank financial institutions	Perusahaan lainnya/ Other companies	Perseorangan/ Individuals	Total
Diukur pada biaya perolehan diamortisasi						
Efek-efek - neto	250.630	199.848	-	-	-	450.478
Giro pada						
Bank Indonesia	1.552.681	-	-	-	-	1.552.681
Giro pada						
bank lain - neto	-	139.016	-	-	-	139.016
Penempatan pada						
Bank Indonesia dan						
bank lain - neto	-	44.999	-	-	-	44.999
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	1.069.249	-	-	-	-	1.069.249
Kredit yang diberikan - neto	845	-	3.113.141	14.278.221	1.454.210	18.846.417
Pendapatan bunga yang masih harus diterima	2	-	6.864	86.691	4.887	98.444
Aset lain-lain*	6.257	-	-	-	-	6.257
Jumlah	6.935.653	396.695	3.120.005	14.364.912	1.459.097	26.276.362

Measured at amortized cost
Marketable securities - net
Current accounts with Bank Indonesia
Current accounts with other banks - net
Placements with Bank Indonesia and other banks
Receivables on securities purchased under agreements to resale
Loans - net
Interest receivables
Other assets*

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

*) Other asset consist of ATM Prima billing transaction and refundable deposits

31 Desember/December 31, 2022						
	Pemerintah RI (termasuk Bank Indonesia)/ Government of Republic of Indonesia (including Bank Indonesia)	Bank/ Banks	Lembaga keuangan bukan bank/ Non-bank financial institutions	Perusahaan lainnya/ Other companies	Perseorangan/ Individuals	Total
Nilai wajar melalui laporan laba rugi						
Tagihan derivatif	-	12.738	-	-	-	12.738
Nilai wajar melalui penghasilan komprehensif lain						
Efek-efek - neto	893.950	-	-	-	-	893.950

Fair value through profit or loss
Derivative receivables
Fair value through other comprehensive income
Marketable securities - net

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39. MANAJEMEN RISIKO (lanjutan)

- a. Risiko kredit (lanjutan)
- (ii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit berdasarkan: (lanjutan)
- b. Jenis *counterparty* (lanjutan)

Tabel berikut menggambarkan rincian eksposur kredit Bank pada nilai tercatat (tanpa memperhitungkan agunan atau pendukung kredit lainnya) yang dikategorikan berdasarkan jenis *counterparty* pada tanggal 31 Desember 2023 dan 2022: (lanjutan)

39. RISK MANAGEMENT (continued)

- a. Credit risk (continued)
- (ii) Concentration of risks of financial assets with credit risk exposure as categorised by: (continued)
- b. Counterparty type (continued)

The following tables provide details of the Bank credit exposures at their carrying amounts (without taking into account any collateral held or other credit enhancements), as categorised by counterparty type as of December 31, 2023 and 2022: (continued)

31 Desember/December 31, 2022

	Pemerintah RI (termasuk Bank Indonesia)/ Government of Republic of Indonesia (including Bank Indonesia)	Bank/ Banks	Lembaga keuangan bukan bank/ Non-bank financial institutions	Perusahaan lainnya/ Other companies	Perseorangan/ Individuals	Total	
Diukur pada biaya perolehan diamortisasi							Measured at amortized cost
Giro pada							Current accounts with
Bank Indonesia	1.481.410	-	-	-	-	1.481.410	Bank Indonesia
Giro pada							Current accounts with
bank lain - neto	-	279.154	-	-	-	279.154	other banks - net
Penempatan pada							Placements with
Bank Indonesia dan	624.216	-	-	-	-	624.216	Bank Indonesia and
bank lain - neto							other banks
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	3.947.168	-	-	-	-	3.947.168	Receivables on securities purchased under agreements to resale
Kredit yang diberikan - neto	847	-	2.524.778	12.213.775	1.493.139	16.232.539	Loans - net
Pendapatan bunga yang masih harus diterima	2	-	5.327	47.442	4.537	57.308	Interest receivables
Aset lain-lain*	6.105	-	-	-	-	6.105	Other assets*
Jumlah	6.953.698	291.892	2.530.105	12.261.217	1.497.676	23.534.588	Total

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

*) Other asset consist of ATM Prima billing transaction and refundable deposits

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39. MANAJEMEN RISIKO (lanjutan)

- a. Risiko kredit (lanjutan)
- (ii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit berdasarkan: (lanjutan)
- b. Jenis *counterparty* (lanjutan)

Tabel di bawah ini menunjukkan eksposur maksimum risiko kredit bank untuk komitmen dan kontinjensi tanpa memperhitungkan agunan atau pendukung kredit lainnya:

31 Desember/December 31, 2023

	Pemerintah RI (termasuk Bank Indonesia)/ Government of Republic of Indonesia (including Bank Indonesia)	Bank/ Banks	Lembaga keuangan bukan bank/ Non-bank financial institutions	Perusahaan lainnya/ Other companies	Perseorangan/ Individuals	Total	
Fasilitas kredit yang belum digunakan	-	-	325.058	6.534.224	2.600	6.861.882	Unused loans facilities
Garansi yang diterbitkan	-	-	-	966.878	-	966.878	Guarantees issued
<i>Irrevocable letters of credit</i>	-	-	-	22.354	-	22.354	<i>Irrevocable letters of credit</i>
Jumlah	-	-	325.058	7.523.456	2.600	7.851.114	Total

31 Desember/December 31, 2022

	Pemerintah RI (termasuk Bank Indonesia)/ Government of Republic of Indonesia (including Bank Indonesia)	Bank/ Banks	Lembaga keuangan bukan bank/ Non-bank financial institutions	Perusahaan lainnya/ Other companies	Perseorangan/ Individuals	Total	
Fasilitas kredit yang belum digunakan	-	-	287.355	3.958.195	2.600	4.248.150	Unused loans facilities
Garansi yang diterbitkan	-	-	-	652.918	-	652.918	Guarantees issued
<i>Irrevocable letters of credit</i>	-	-	-	2.335	-	2.335	<i>Irrevocable letters of credit</i>
Jumlah	-	-	287.355	4.613.448	2.600	4.903.403	Total

- (iii) Evaluasi cadangan kerugian penurunan nilai

Pada tanggal 31 Desember 2023 dan 2022, giro pada Bank Indonesia, giro pada bank lain, penempatan pada Bank Indonesia dan bank lain, efek-efek, efek-efek yang dibeli dengan janji dijual kembali, tagihan derivatif, tagihan akseptasi, dan aset lain-lain berupa uang jaminan dan tagihan transaksi ATM Prima tidak memiliki bukti objektif atas penurunan nilai secara individual dan kolektif.

39. RISK MANAGEMENT (continued)

- a. Credit risk (continued)
- (ii) Concentration of risks of financial assets with credit risk exposure as categorised by: (continued)
- b. Counterparty type (continued)

The tables below show the bank's maximum credit risk exposure for commitment and contingencies without taking into account any collateral held or other credit enhancements:

- (iii) Assessment of allowance for impairment losses

As of December 31, 2023 and 2022, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, securities, securities purchased under resale agreements, derivative receivables, acceptance receivables and other assets in form of refundable deposits and ATM Prima billing transaction have no objective evidence of impairment individually as well as collectively.

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39. MANAJEMEN RISIKO (lanjutan)

a. Risiko kredit (lanjutan)

(iii) Evaluasi cadangan kerugian penurunan nilai (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, penurunan nilai secara individu dan kolektif terhadap kredit yang diberikan sebagai berikut: (lanjutan)

31 Desember/December 31, 2023				
	Individual/ Individual	Kolektif/ Collective	Total	
Modal kerja	721.852	8.114.790	8.836.642	Working capital
Investasi	255.235	8.791.713	9.046.948	Investment
Konsumen	15.080	1.458.121	1.473.201	Consumer
Karyawan	-	3.187	3.187	Employees
Jumlah	992.167	18.367.811	19.359.978	Total
Cadangan kerugian penurunan nilai	(459.591)	(53.970)	(513.561)	Allowance for impairment losses
Neto	532.576	18.313.841	18.846.417	Net
31 Desember/December 31, 2022				
	Individual/ Individual	Kolektif/ Collective	Total	
Modal kerja	470.114	7.718.354	8.188.468	Working capital
Investasi	70.531	6.924.222	6.994.753	Investment
Konsumen	26.563	1.472.671	1.499.234	Consumer
Karyawan	-	4.830	4.830	Employees
Jumlah	567.208	16.120.077	16.687.285	Total
Cadangan kerugian penurunan nilai	(382.550)	(72.196)	(454.746)	Allowance for impairment losses
Neto	184.658	16.047.881	16.232.539	Net

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39. MANAJEMEN RISIKO (lanjutan)

39. RISK MANAGEMENT (continued)

a. Risiko kredit (lanjutan)

a. Credit risk (continued)

(iv) Tabel di bawah menunjukkan kualitas kredit per jenis aset keuangan (diluar cadangan kerugian penurunan nilai):

(iv) The tables below show credit quality per class of financial assets (gross of allowance for impairment losses):

		31 Desember/December 31, 2023					
		Belum jatuh tempo dan tidak mengalami penurunan nilai/Neither past due nor impaired		Jatuh tempo dan tidak mengalami penurunan nilai/Past-due but not impaired	Mengalami penurunan nilai/Impaired	Total	
		Tingkat tinggi/High grade	Tingkat standar/Standard grade				
Nilai wajar melalui laporan laba rugi		12.832	-	-	-	12.832	Fair value through profit or loss
Tagihan derivatif							Derivative receivables
Nilai wajar melalui penghasilan komprehensif lain		4.055.989	-	-	-	4.055.989	Fair value through other comprehensive income
Efek-efek							Marketable securities
Diukur pada biaya perolehan diamortisasi							Measured at amortized cost
Efek-efek		450.630	-	-	-	450.630	Marketable securities
Giro pada							Current accounts with
Bank Indonesia		1.552.681	-	-	-	1.552.681	Bank Indonesia
Giro pada bank lain - gross		139.142	-	-	-	139.142	Current accounts with other banks - gross
Penempatan pada							Placements with
Bank Indonesia dan bank lain - gross		45.000	-	-	-	45.000	Bank Indonesia and other banks - gross
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali		1.069.249	-	-	-	1.069.249	Receivables on securities purchased under agreements to resale
Kredit yang diberikan		18.165.933	279.284	358.348	556.413	19.359.978	Loans
Pendapatan bunga yang masih akan diterima		82.416	2.327	13.701	-	98.444	Interest receivables
Aset lain-lain*		6.257	-	-	-	6.257	Other assets*
Jumlah		25.580.129	281.611	372.049	556.413	26.790.202	Total
Cadangan kerugian penurunan nilai		(24.529)	(5.464)	(77.230)	(406.617)	(513.840)	Allowance for impairment losses
Neto		25.555.600	276.147	294.819	149.796	26.276.362	Net
		31 Desember/December 31, 2022					
		Belum jatuh tempo dan tidak mengalami penurunan nilai/Neither past due nor impaired		Jatuh tempo dan tidak mengalami penurunan nilai/Past-due but not impaired	Mengalami penurunan nilai/Impaired	Total	
		Tingkat tinggi/High grade	Tingkat standar/Standard grade				
Nilai wajar melalui laporan laba rugi		12.738	-	-	-	12.738	Fair value through profit or loss
Tagihan derivatif							Derivative receivables
Nilai wajar melalui penghasilan komprehensif lain		893.950	-	-	-	893.950	Fair value through other comprehensive income
Efek-efek							Marketable securities
Diukur pada biaya perolehan diamortisasi							Measured at amortized cost
Giro pada							Current accounts with
Bank Indonesia		1.481.410	-	-	-	1.481.410	Bank Indonesia
Giro pada bank lain - gross		279.436	-	-	-	279.436	Current accounts with other banks - gross
Penempatan pada							Placements with
Bank Indonesia dan bank lain - gross		624.216	-	-	-	624.216	Bank Indonesia and other banks - gross
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali		3.947.168	-	-	-	3.947.168	Receivables on securities purchased under agreements to resale
Kredit yang diberikan		15.459.067	540.862	120.148	567.208	16.687.285	Loans
Pendapatan bunga yang masih akan diterima		44.731	10.775	1.802	-	57.308	Interest receivables
Aset lain-lain*		6.105	-	-	-	6.105	Other assets*
Jumlah		22.748.821	551.637	121.950	567.208	23.989.616	Total
Cadangan kerugian penurunan nilai		(28.547)	(3.294)	(11.017)	(412.170)	(455.028)	Allowance for impairment losses
Neto		22.720.274	548.343	110.933	155.038	23.534.588	Net

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

*) Other asset consist of ATM Prima billing transaction and refundable deposits

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39. MANAJEMEN RISIKO (lanjutan)

a. Risiko kredit (lanjutan)

- (iv) Tabel di bawah menunjukkan kualitas kredit per jenis aset keuangan (diluar cadangan kerugian penurunan nilai): (lanjutan)

Kualitas kredit didefinisikan sebagai berikut:

Tingkat tinggi

Ini berkaitan dengan rekening debitur pada segmen korporasi dan komersial dimana kemampuan membayar pokok dan bunga debitur sangat kuat.

Tingkat standar

Ini berkaitan dengan rekening debitur dengan potensi melemah. Debitur dianggap memiliki tingkat spekulasi yang tinggi dalam hal kapasitasnya untuk membayar bunga dan pokok sesuai dengan ketentuan kredit yang ada.

- (v) Analisis umur pinjaman yang jatuh tempo tetapi tidak mengalami penurunan nilai pada tanggal 31 Desember 2023 dan 2022, sebagai berikut:

31 Desember/December 31, 2023					
	1 sampai 30 hari/ 1 to 30 days	31 sampai 60 hari/ 31 to 60 days	61 sampai 90 hari/ 61 to 90 days	Total	
Modal kerja	265.696	1.989	24.371	292.056	Working capital
Investasi	-	719	9.576	10.295	Investment
Konsumen	20.423	16.385	19.189	55.997	Consumer
Jumlah	286.119	19.093	53.136	358.348	Total
Cadangan kerugian penurunan nilai	(66.674)	(1.437)	(9.119)	(77.230)	Allowance for impairment losses
Neto	219.445	17.656	44.017	281.118	Net

31 Desember/December 31, 2022					
	1 sampai 30 hari/ 1 to 30 days	31 sampai 60 hari/ 31 to 60 days	61 sampai 90 hari/ 61 to 90 days	Total	
Modal kerja	14.462	10.369	4.083	28.914	Working capital
Investasi	1.683	6.664	5.370	13.717	Investment
Konsumen	19.001	45.069	13.447	77.517	Consumer
Jumlah	35.146	62.102	22.900	120.148	Total
Cadangan kerugian penurunan nilai	(1.164)	(6.291)	(3.562)	(11.017)	Allowance for impairment losses
Neto	33.982	55.811	19.338	109.131	Net

39. RISK MANAGEMENT (continued)

a. Credit risk (continued)

- (v) The tables below show credit quality per class of financial assets (gross of allowance for impairment losses): (continued)

The credit quality are defined as follows:

High grade

This pertains to those accounts in corporate and commercial segment where the debtors ability to pay the principal and interest is very strong.

Standard grade

This pertains to those accounts that display potential weakness. The debtors are considered highly speculative in terms of capacity to pay interest and repay principal in accordance with the credit terms.

- (v) The aging analysis of past due but not impaired loans as of December 31, 2023 and 2022, are as follows:

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39. MANAJEMEN RISIKO (lanjutan)

b. Manajemen risiko pasar

Risiko ini disebabkan oleh pergerakan variabel pasar yang dapat merugikan portofolio yang dimiliki Bank yaitu suku bunga dan nilai tukar. Ruang lingkup manajemen risiko pasar antara lain meliputi aktivitas fungsional kegiatan treasuri dan investasi dalam bentuk efek-efek. penyediaan dana dan kegiatan pendanaan. *Asset and Liability Committee* ("ALCO") merupakan komite yang membantu Direksi dalam mengawasi dan mengelola risiko pasar.

Bank juga menetapkan kebijakan limit terhadap aktivitas treasuri untuk menghindari terjadinya konsentrasi portofolio pada suatu instrumen ataupun *counterparty* tertentu. sehingga terjadi diversifikasi pengelolaan aset dan liabilitas.

i. Risiko tingkat suku bunga

Tabel di bawah ini mengikhtisarkan eksposur Bank terhadap risiko tingkat suku bunga atas instrumen keuangan pada tanggal 31 Desember 2023 dan 2022:

31 Desember/December 31, 2023						
	Suku bunga mengambang/ Variable interest rate		Suku bunga tetap/ Fixed interest rate	Tidak dikenakan bunga/ Non-interest bearing	Total	
	Tidak lebih dari 3 bulan/ Up to 3 months	Lebih dari 3 bulan/ More than 3 months				
Aset keuangan						
Kas	-	-	-	212.839	212.839	Financial assets Cash
Giro pada Bank Indonesia	1.552.681	-	-	-	1.552.681	Current accounts with Bank Indonesia
Giro pada bank lain - neto	139.016	-	-	-	139.016	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan Bank lain - neto	-	-	44.999	-	44.999	Placements with Bank Indonesia and other banks
Tagihan derivatif	12.832	-	-	-	12.832	Derivative receivables
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	-	1.069.249	-	-	1.069.249	Receivables on securities purchased under agreements to resale
Efek-efek - neto	-	4.476.706	29.761	-	4.506.467	Marketable securities - net
Kredit yang diberikan - neto	564.705	16.833.084	1.448.628	-	18.846.417	Loans - net
Pendapatan bunga yang masih akan diterima	805	92.837	4.802	-	98.444	Interest receivables
Aset lain-lain*	6.257	-	-	-	6.257	Other assets*
Jumlah aset keuangan	2.276.296	22.471.876	1.528.190	212.839	26.489.201	Total financial assets

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

*) Other asset consist of ATM Prima billing transaction and refundable deposits

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39. MANAJEMEN RISIKO (lanjutan)

b. Manajemen risiko pasar (lanjutan)

i. Risiko tingkat suku bunga (lanjutan)

Tabel di bawah ini mengikhtisarkan eksposur Bank terhadap risiko tingkat suku bunga atas instrumen keuangan pada tanggal 31 Desember 2023 dan 2022: (lanjutan)

39. RISK MANAGEMENT (continued)

b. Market risk management (continued)

i. Interest rate risk (continued)

The tables below summarise the Bank exposure to interest rate risk on financial instrument as of December 31, 2023 and 2022: (continued)

31 Desember/December 31, 2023

	Suku bunga mengambang/ Variable interest rate		Suku bunga tetap/ Fixed interest rate	Tidak dikenakan bunga/ Non-interest bearing	Total	
	Tidak lebih dari 3 bulan/ Up to 3 months	Lebih dari 3 bulan/ More than 3 months				
Liabilitas segera	-	-	-	20.501	20.501	Obligation due immediately
Liabilitas derivatif	2.023	-	-	-	2.023	Derivative payables
Liabilitas Akseptasi	-	-	-	-	-	Acceptance payables
Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali	94.295	-	-	-	94.295	Liabilities on securities sold under repurchase agreements
Simpanan dari nasabah Giro	3.126.957	-	-	-	3.126.957	Deposits from customers Current accounts
Tabungan	1.087.415	-	-	-	1.087.415	Saving accounts
Deposito berjangka	-	-	15.772.440	-	15.772.440	Time deposits
Simpanan dari bank lain	324.650	-	-	-	324.650	Deposits from other banks
Bunga yang masih harus dibayar	46.953	-	-	-	46.953	Interest payables
Surat berharga subordinasi	-	461.910	-	-	461.910	Subordinated securities
Liabilitas lain-lain**	10.182	-	-	-	10.182	Other liabilities**
Jumlah liabilitas keuangan	4.692.475	461.910	15.772.440	20.501	20.947.326	Total financial liabilities
Gap repricing suku bunga-kotor	(2.416.179)	22.009.966	(14.244.250)	192.338	5.541.875	Gross interest repricing gap

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	Suku bunga mengambang/ Variable interest rate		Suku bunga tetap/ Fixed interest rate	Tidak dikenakan bunga/ Non-interest bearing	Total	
	Tidak lebih dari 3 bulan/ Up to 3 months	Lebih dari 3 bulan/ More than 3 months				
Aset keuangan Kas	-	-	-	217.290	217.290	Financial assets Cash
Giro pada Bank Indonesia	1.481.410	-	-	-	1.481.410	Current accounts with Bank Indonesia
Giro pada bank lain - neto	279.154	-	-	-	279.154	Current accounts with other banks - net
Penempatan pada Bank Indonesia dan Bank lain - neto	-	-	624.216	-	624.216	Placements with Bank Indonesia and other banks
Tagihan derivatif	12.738	-	-	-	12.738	Derivative receivables
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	-	3.947.168	-	-	3.947.168	Receivables on securities purchased under agreements to resale
Efek-efek - neto	-	893.950	-	-	893.950	Marketable securities - net
Kredit yang diberikan - neto	1.442.290	13.318.373	1.471.876	-	16.232.539	Loans - net
Pendapatan bunga yang masih akan diterima	1.424	51.503	4.381	-	57.308	Interest receivables
Aset lain-lain*	6.105	-	-	-	6.105	Other assets*
Jumlah aset keuangan	3.223.121	18.210.994	2.100.473	217.290	23.751.878	Total financial assets

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

***) Liabilitas lain-lain terdiri dari setoran jaminan dan liabilitas kepada notaris

*) Other asset consist of ATM Prima billing transaction and refundable deposits

***) Other liabilities consist of security deposits and liability to notary

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39. MANAJEMEN RISIKO (lanjutan)

- b. Manajemen risiko pasar (lanjutan)
i. Risiko tingkat suku bunga (lanjutan)

39. RISK MANAGEMENT (continued)

- b. Market risk management (continued)
i. Interest rate risk (continued)

31 Desember/December 31, 2022

	Suku bunga mengambang/ Variable interest rate		Suku bunga tetap/ Fixed interest rate	Tidak dikenakan bunga/ Non-interest bearing	Total	
	Tidak lebih dari 3 bulan/ Up to 3 months	Lebih dari 3 bulan/ More than 3 months				
Liabilitas segera	-	-	-	16.495	16.495	Obligation due immediately
Liabilitas derivatif	1.764	-	-	-	1.764	Derivative payables
Liabilitas Akseptasi	-	-	-	-	-	Acceptance payables
Simpanan dari nasabah						Deposits from customers
Giro	2.990.153	-	-	-	2.990.153	Current accounts
Tabungan	1.057.862	-	-	-	1.057.862	Saving accounts
Deposito berjangka	-	-	13.898.563	-	13.898.563	Time deposits
Simpanan dari bank lain	68.011	-	-	-	68.011	Deposits from other banks
Bunga yang masih harus dibayar	27.053	-	-	-	27.053	Interest payables
Surat berharga subordinasi	-	467.025	-	-	467.025	Subordinated securities
Liabilitas lain-lain**	4.436	-	-	-	4.436	Other liabilities**
Jumlah liabilitas keuangan	4.149.279	467.025	13.898.563	16.495	18.531.362	Total financial liabilities
Gap repricing suku bunga-kotor	(926.158)	17.743.969	(11.798.090)	200.795	5.220.516	Gross interest repricing gap

***) Liabilitas lain-lain terdiri dari setoran jaminan dan liabilitas kepada notaris

**) Other liabilities consist of security deposits and liability to notary

Analisis sensitivitas untuk beberapa faktor pasar menunjukkan bagaimana laba atau rugi dapat dipengaruhi oleh perubahan dari beberapa faktor risiko sesuai dengan tabel di bawah ini. Secara umum, sensitivitas diestimasi dengan membandingkan suatu nilai awal ke nilai tertentu setelah perubahan tertentu dari faktor pasar, dengan mengasumsikan seluruh variabel lainnya tetap. Total sensitivitas atas laporan laba rugi didasarkan pada asumsi bahwa terdapat perubahan paralel dalam kurva penghasilan.

Tabel di bawah ini menunjukkan sensitivitas dari laporan laba rugi Bank terhadap kemungkinan perubahan suku bunga untuk aset dan liabilitas keuangan untuk tahun yang berakhir 31 Desember 2023 dan 2022:

Sensitivity analysis for several market factors showing how profit or loss could be affected by changes in the relevant risk factor are in the following tables below. In general, sensitivity is estimated by comparing an initial value to the value derived after a specified change in the market factor, assuming all other variables are constant. The total sensitivity of statement of profit or loss is based on the assumption that there are parallel shifts in the yield curve.

The tables below demonstrates the sensitivity of the Bank's statement of profit or loss to reasonably possible changes in interest rates for financial assets and liabilities for the years ended December 31, 2023 and 2022:

31 Desember/December 31, 2023

	Perubahan basis poin/ Change in basis point	Dampak ke laporan laba rugi/ Impact to the statement of profit or loss	
Rupiah	+100	23.512	Rupiah
	-100	(23.512)	
Mata uang asing	+100	11.287	Foreign currencies
	-100	(11.287)	

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39. MANAJEMEN RISIKO (lanjutan)

b. Manajemen risiko pasar (lanjutan)

i. Risiko tingkat suku bunga (lanjutan)

Tabel di bawah ini menunjukkan sensitivitas dari laporan laba rugi Bank terhadap kemungkinan perubahan suku bunga untuk aset dan liabilitas keuangan untuk tahun yang berakhir 31 Desember 2023 dan 2022: (lanjutan)

31 Desember/December 31, 2022	
Perubahan basis poin/ Change in basis point	Dampak ke laporan laba rugi/ Impact to the statement of profit or loss
Rupiah	+100 19.278
	-100 (19.278)
Mata uang asing	+100 25.624
	-100 (25.624)

ii. Risiko mata uang

Risiko mata uang adalah kemungkinan kerugian pendapatan yang timbul dari perubahan kurs valuta asing. Bank mengelola paparan terhadap pengaruh fluktuasi nilai tukar mata uang asing dengan mempertahankan risiko mata uang asing dalam pedoman peraturan yang ada (yakni menjaga Posisi Devisa Neto sesuai dengan peraturan Bank Indonesia).

31 Desember/December 31, 2023	
Perubahan persentase nilai tukar mata uang asing/ Percentage change in foreign currency rate	Pengaruh ke laporan laba rugi/ Impact to the statement of profit or loss
Mata uang asing	+10% 264
	-10% (264)

39. RISK MANAGEMENT (continued)

b. Market risk management (continued)

i. Interest rate risk (continued)

The tables below demonstrates the sensitivity of the Bank's statement of profit or loss to reasonably possible changes in interest rates for financial assets and liabilities for the years ended December 31, 2023 and 2022: (continued)

ii. Foreign currency risk

Foreign currency risk is the probability of loss to earnings arising from changes in foreign exchange rates. The Bank manage exposure to effects of fluctuations in foreign currency exchange rates by maintaining foreign currency exposure within the existing regulatory guidelines (maintaining the Net Open Position based on Bank Indonesia regulations).

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- b. Manajemen risiko pasar (lanjutan)
- ii. Risiko mata uang (lanjutan)

39. RISK MANAGEMENT (continued)

- b. Market risk management (continued)
- ii. Foreign currency risk

31 Desember/December 31, 2022

	Perubahan persentase nilai tukar mata uang asing/ Percentage change in foreign currency rate	Pengaruh ke laporan laba rugi/ Impact to the statement of profit or loss	
Mata uang asing	+10% -10%	324 (324)	Foreign currencies

Sensitivitas atas laporan laba rugi merupakan dampak yang diestimasi atas perubahan yang diasumsikan atas perubahan nilai tukar berdasarkan aset dan liabilitas keuangan yang dalam mata uang asing.

The sensitivity of the statement of profit or loss is the estimated effect of the assumed change in foreign exchange rates on income based on foreign currency denominated assets and liabilities.

- c. Risiko likuiditas

Risiko likuiditas merupakan risiko yang timbul dari kemungkinan kerugian disebabkan oleh ketidakmampuan Bank memenuhi liabilitas yang telah jatuh waktu. Pengelolaan risiko likuiditas dilakukan melalui suatu strategi likuiditas antara lain mencakup penetapan *pricing* dan *gapping* terhadap sumber dana dan kredit, analisis kecukupan modal serta investasi dalam portofolio dan efek-efek. Bank akan senantiasa memelihara kemampuan likuiditasnya untuk melakukan akses pasar uang dengan memelihara hubungan dengan bank-bank koresponden.

- c. Liquidity risk

Liquidity risk arises from possible losses due to the inability of Bank to fulfill their obligation as it falls due. Liquidity risk is being managed through application of liquidity strategies such as the decision of pricing and gapping of fund resources and loans, analysis of sufficient capital and investments in portfolio and securities. The Bank maintains their liquidity to access financial market through their relationships with the other correspondent banks.

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39. MANAJEMEN RISIKO (lanjutan)

c. Risiko likuiditas (lanjutan)

Tabel jatuh tempo berikut menyajikan informasi mengenai perkiraan sisa jatuh tempo dari aset dan liabilitas keuangan pada tanggal 31 Desember 2023 dan 2022:

31 Desember/December 31, 2023

	Sampai dengan 1 bulan/ Up to 1 month	> 1 bulan s.d. 3 bulan/ > 1 month up to 3 months	> 3 bulan s.d. 6 bulan/ > 3 months up to 6 months	> 6 bulan s.d. 12 bulan/ > 6 months up to 12 months	> 1 tahun s.d. 5 tahun/ > 1 year up to 5 years	> 5 tahun/ > 5 years	Nilai tercatat/ Carrying value	
Aset								Assets
Kas	212.839	-	-	-	-	-	212.839	Cash
Giro pada Bank Indonesia	1.552.681	-	-	-	-	-	1.552.681	Current accounts with Bank Indonesia
Giro pada bank lain	139.142	-	-	-	-	-	139.142	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	45.000	-	-	-	-	-	45.000	Placements with Bank Indonesia and other banks
Tagihan derivatif	12.832	-	-	-	-	-	12.832	Derivative receivables
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	972.443	96.806	-	-	-	-	1.069.249	Receivables on securities purchased under agreements to resale
Efek-efek	4.506.619	-	-	-	-	-	4.506.619	Marketable securities
Kredit yang diberikan	343.634	503.185	1.164.581	2.972.045	2.234.107	12.142.426	19.359.978	Loans
Pendapatan bunga yang masih akan diterima	450	729	2.051	4.717	6.268	84.229	98.444	Interest receivables
Aset lain-lain*	6.257	-	-	-	-	-	6.257	Other assets*
Jumlah	7.791.897	600.720	1.166.632	2.976.762	2.240.375	12.226.655	27.003.041	Total
Liabilitas								Liabilities
Liabilitas segera	20.501	-	-	-	-	-	20.501	Obligation due immediately
Liabilitas derivatif	2.023	-	-	-	-	-	2.023	Derivative payable
Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali	94.295	-	-	-	-	-	94.295	Liabilities on securities under repurchase agreements
Simpanan dari nasabah	13.815.704	3.947.673	1.946.337	277.098	-	-	19.986.812	Deposits from customers
Simpanan dari bank lain	324.650	-	-	-	-	-	324.650	Deposits from other banks
Bunga yang masih harus dibayar	46.953	-	-	-	-	-	46.953	Interest payables
Surat berharga subordinasi	-	461.910	-	-	-	-	461.910	Subordinated securities
Liabilitas lain-lain**	10.182	-	-	-	-	-	10.182	Other liabilities**
Jumlah	14.314.308	4.409.583	1.946.337	277.098	-	-	20.947.326	Total
Aset/(liabilitas) - neto	(6.522.411)	(3.808.863)	(779.705)	2.699.664	2.240.375	12.226.655	6.055.715	Assets/(liabilities) - net

39. RISK MANAGEMENT (continued)

c. Liquidity risk (continued)

The following maturity tables provide information about the expected maturities of financial assets and liabilities as of December 31, 2023 and 2022:

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39. MANAJEMEN RISIKO (lanjutan)

39. RISK MANAGEMENT (continued)

c. Risiko likuiditas (lanjutan)

c. Liquidity risk (continued)

Tabel jatuh tempo berikut menyajikan informasi mengenai perkiraan sisa jatuh tempo dari aset dan liabilitas keuangan pada tanggal 31 Desember 2023 dan 2022: (lanjutan)

The following maturity tables provide information about the expected maturities of financial assets and liabilities as of December 31, 2023 and 2022: (continued)

	31 Desember/December 31, 2022						
	Sampai dengan 1 bulan/ Up to 1 month	> 1 bulan s.d. 3 bulan/ > 1 month up to 3 months	> 3 bulan s.d. 6 bulan/ > 3 months up to 6 months	> 6 bulan s.d. 12 bulan/ > 6 months up to 12 months	> 1 tahun s.d. 5 tahun/ > 1 year up to 5 years	> 5 tahun/ > 5 years	Nilai tercatat/ Carrying value
Aset							Assets
Kas	217.290	-	-	-	-	-	Cash
Giro pada Bank Indonesia	1.481.410	-	-	-	-	-	Current accounts with Bank Indonesia
Giro pada bank lain	279.436	-	-	-	-	-	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	624.216	-	-	-	-	-	Placements with Bank Indonesia and other banks
Tagihan derivatif	12.738	-	-	-	-	-	Derivative receivables
Tagihan atas efek-efek yang dibeli dengan janji dijual kembali	3.947.168	-	-	-	-	-	Receivables on securities purchased under agreements to resale
Efek-efek	46.737	-	39.752	100.034	707.427	-	Marketable securities
Kredit yang diberikan	527.204	1.225.271	947.981	2.647.876	5.709.847	5.629.106	Loans
Pendapatan bunga yang masih akan diterima	197	1.769	1.781	4.735	17.531	31.295	Interest receivables
Aset lain-lain*	6.105	-	-	-	-	-	Other assets*
Jumlah	7.142.501	1.227.040	989.514	2.752.645	6.434.805	5.660.401	24.206.906
Liabilitas							Total
Liabilitas segera	16.495	-	-	-	-	-	Obligation due immediately
Liabilitas derivatif	1.764	-	-	-	-	-	Derivative payable
Simpanan dari nasabah	14.825.499	2.664.066	360.377	96.636	-	-	Deposits from customers
Simpanan dari bank lain	68.011	-	-	-	-	-	Deposits from other banks
Bunga yang masih harus dibayar	27.053	-	-	-	-	-	Interest payables
Surat berharga subordinasi	-	-	-	-	467.025	-	Subordinated securities
Liabilitas lain-lain**	4.436	-	-	-	-	-	Other liabilities**
Jumlah	14.943.258	2.664.066	360.377	96.636	467.025	-	18.531.362
Aset/(liabilitas) - neto	(7.801.039)	(1.437.026)	629.137	2.656.009	5.967.780	5.660.401	5.675.544

Tabel di bawah ini menunjukkan sisa jatuh tempo kontraktual dari liabilitas keuangan berdasarkan pada undiscounted cash flows pada tanggal 31 Desember 2023 dan 2022:

The table below shows the remaining contractual maturities of financial liabilities based on undiscounted cash flows as of December 31, 2023 and 2022:

	31 Desember/December 31, 2023						
	Sampai dengan 1 bulan/ Up to 1 month	> 1 bulan s.d. 3 bulan/ > 1 month up to 3 months	> 3 bulan s.d. 6 bulan/ > 3 months up to 6 months	> 6 bulan s.d. 12 bulan/ > 6 months up to 12 months	> 1 tahun/ > 1 year	Jumlah/ Total	
Liabilitas keuangan							Financial liabilities
Liabilitas segera	20.501	-	-	-	-	20.501	Obligation due immediately
Liabilitas derivatif	2.023	-	-	-	-	2.023	Derivative payables
Liabilitas atas efek-efek yang dijual dengan janji dibeli kembali	94.295	-	-	-	-	94.295	Liabilities on securities sold under repurchase agreements
Simpanan dari nasabah	14.752.208	3.134.743	1.982.627	278.224	-	20.147.802	Deposits from customers
Simpanan dari bank lain	324.650	-	-	-	-	324.650	Deposits from other banks
Surat berharga subordinasi	-	461.940	-	-	-	461.940	Subordinated securities
Liabilitas lain-lain**	10.182	-	-	-	-	10.182	Other liabilities**
Jumlah	15.203.859	3.596.683	1.982.627	278.224	-	21.061.393	Total

*) Aset lain-lain terdiri dari tagihan transaksi ATM Prima dan uang jaminan

*) Other asset consist of ATM Prima billing transaction and refundable deposits

***) Liabilitas lain-lain terdiri dari setoran jaminan dan liabilitas kepada notaris

**) Other liabilities consist of security deposits and liability to notary

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39. MANAJEMEN RISIKO (lanjutan)

c. Risiko likuiditas (lanjutan)

Tabel di bawah ini menunjukkan sisa jatuh tempo kontraktual dari liabilitas keuangan berdasarkan pada *undiscounted cash flows* pada tanggal 31 Desember 2023 dan 2022: (lanjutan)

	31 Desember/December 31, 2022					Jumlah/ Total	
	Sampai dengan 1 bulan/ Up to 1 month	> 1 bulan s.d 3 bulan/ > 1 month up to 3 months	> 3 bulan s.d 6 bulan/ > 3 months up to 6 months	> 6 bulan s.d 12 bulan/ > 6 months up to 12 months	> 1 tahun/ > 1 year		
Liabilitas keuangan							Financial liabilities
Liabilitas segera	16.495	-	-	-	-	16.495	Obligation due immediately
Liabilitas derivatif	1.764	-	-	-	-	1.764	Derivative payables
Simpanan dari nasabah	14.419.061	1.895.074	1.613.554	104.079	-	18.031.768	Deposits from customers
Simpanan dari bank lain	68.011	-	-	-	-	68.011	Deposits from other banks
Surat berharga subordinasi	10.261	13.149	14.100	12.050	471.635	521.195	Subordinated securities
Liabilitas lain-lain**	4.436	-	-	-	-	4.436	Other liabilities**
Jumlah	14.520.028	1.908.223	1.627.654	116.129	471.635	18.643.669	Total

***) Liabilitas lain-lain terdiri dari setoran jaminan dan liabilitas kepada notaris

**) Other liabilities consist of security deposits and liability to notary

d. Risiko operasional

Bank terus meningkatkan tata kelola risiko operasional dengan kolaborasi aktif antara perspektif *bottom-up* dari *risk taking unit* dan Divisi Manajemen Risiko dan pengawasan aktif dari Manajemen secara *top-down*. Implementasi internal control *bottom-up* dilakukan melalui peningkatan pemahaman dan keterampilan karyawan dalam mengidentifikasi dan memitigasi risiko bisnis utama melalui proses *Operational Risk Self-Assessment (ORSA)*, pemantauan *Key Operational Risk Indicator (KORI)*, serta kaji ulang dan pembaruan kebijakan dan prosedur secara berkala.

Bank secara berkala, melakukan pemantauan dan tindak lanjut oleh Direksi secara komprehensif, dan pelaksanaan forum Komite Manajemen Risiko (KMR) minimal 4 kali dalam setahun yang membahas mengenai isu strategis terkait dengan pengelolaan risiko Bank.

39. RISK MANAGEMENT (continued)

c. Liquidity risk (continued)

The table below shows the remaining contractual maturities of financial liabilities based on *undiscounted cash flows* as of December 31, 2023 and 2022: (continued)

d. Operational risk

The Bank continues to improve operational risk with an active collaboration between *bottom-up* perspective from *risk taking unit* and Risk Management Division and active supervision from *top-down* Management. Internal control of *bottom-up* is implemented by increasing employee understanding and skills in identifying and mitigating key business risks through the *Operational Risk Self-Assessment (ORSA)* process, monitoring *Key Operational Risk Indicators (KORI)*, as well as periodic review and updating of policies and procedures.

From *top-down* perspective, the Bank regularly conducted monitoring follow-up from the Board of Directors comprehensively, and the implementation of Risk Management Committee (RMC) forums that discuss strategic issues related to corporate risk management at minimum 4 times a year.

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39. MANAJEMEN RISIKO (lanjutan)

e. Risiko hukum

Bank memastikan setiap produk dan transaksi baik yang baru maupun yang sudah ada telah sesuai dengan peraturan dan perundangan yang berlaku. Bank mengelola risiko hukum dengan meminimalisasi potensi terjadinya gugatan dari para pihak yang menyebabkan kerugian terhadap Bank. Seluruh perjanjian diproses dan dikembangkan dengan kerangka perjanjian sesuai dengan peraturan perundangan yang berlaku di Indonesia. Bank mengelola setiap kasus hukum dan menangani kasus litigasi yang dihadapi sesuai dengan ketentuan dan peraturan perundang-undangan yang berlaku.

f. Risiko kepatuhan

Bank melakukan berbagai upaya preventif dengan mematuhi kaidah-kaidah perbankan yang berlaku untuk memastikan bahwa kebijakan, ketentuan, sistem dan prosedur, serta kegiatan usaha yang dilakukan oleh Bank telah sesuai dengan ketentuan OJK dan ketentuan peraturan perundang-undangan serta memastikan kepatuhan Bank terhadap komitmen yang dibuat oleh Bank kepada OJK dan/atau otoritas pengawas lain yang berwenang.

Peran dan fungsi kepatuhan sangat dibutuhkan dalam mengelola risiko kepatuhan agar sejalan dengan penerapan manajemen risiko Bank secara keseluruhan dalam rangka menjaga harmonisasi antara kepentingan komersial Bank dengan ketaatan terhadap ketentuan peraturan perundang-undangan yang berlaku.

g. Risiko reputasi

Bank memiliki sistem untuk menangani pengaduan nasabah dan didukung kebijakan serta prosedur penanganan dan penyelesaian pengaduan nasabah yang memadai.

Pelaporan secara rutin kepada manajemen dilakukan melalui laporan bulanan dan triwulanan Manajemen Risiko kepada jajaran Direksi yaitu terkait data pengaduan dan penyelesaian pengaduan.

39. RISK MANAGEMENT (continued)

e. Legal risk

The Bank ensures that all new and existing products and transactions are in accordance with the applicable laws and regulations. The Bank manages legal risk by minimizing the potential for claims from parties that cause losses to the Bank. All agreements are processed and developed within the framework of the agreement in accordance with applicable laws and regulations in Indonesia. The Bank manages every legal case and handles litigation cases that are faced in accordance with the applicable laws and regulations.

f. Compliance risk

The Bank carries out various preventive measures by complying with applicable banking rules to ensure that the policies, regulations, systems and procedures, as well as business activities carried out by the Bank are in accordance with the provisions of the OJK and the provisions of the legislation and ensure the Bank's compliance with commitments made by the Bank to the OJK and/or other authorised supervisory authorities.

The role and function of compliance is needed in managing compliance risk so that it is in line with the implementation of the Bank's overall risk management in order to maintain harmonisation between the Bank's commercial interests and compliance with applicable laws and regulations.

g. Reputation risk

The Bank has a system to handle customer complaints and is supported by policies and procedures for handling and resolving customer complaints adequately.

Reporting on a regular basis to management is done through monthly and quarterly reports on Risk Management to the Board of Directors regarding data of value of the complaint.

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39. MANAJEMEN RISIKO (lanjutan)

- g. Risiko reputasi (lanjutan)
Bank melakukan monitoring secara sistematis dan mencakup media secara keseluruhan termasuk yang bersumber secara *online* maupun *offline*. Setiap potensi risiko reputasi dikelola dengan jalur eskalasi masalah yang telah ditentukan berdasarkan signifikansi masalah kepada anggota Direksi terkait. Jalur komunikasi yang jelas juga telah disiapkan untuk memastikan keseragaman pesan komunikasi kepada karyawan lini depan terkait dengan pemberitaan media atau isu reputasi

h. Risiko strategis

Risiko strategis timbul antara lain disebabkan adanya penetapan dan pelaksanaan strategi yang tidak tepat, pengambilan keputusan bisnis yang tidak tepat atau kurang responsifnya Bank terhadap perubahan eksternal. Dalam mengelola risiko strategis, Bank melakukan identifikasi pada aktivitas fungsional tertentu seperti perkreditan, treasury dan investasi, serta operasional dan jasa. Bank melakukan pencatatan perubahan kinerja akibat tidak terealisasinya pelaksanaan strategi dan melakukan pengendalian keuangan untuk melakukan pemantauan realisasi target Bank.

Bank memperkuat implementasi strategi dengan pemantauan secara berkala, diiringi dengan pengelolaan struktur biaya yang baik. Inisiatif dari Bank dalam mendorong implementasi strategi untuk mendukung misi dan tujuan Bank diikuti dengan pengawasan yang kuat dan berkelanjutan. Pengawasan tujuan strategis yang ketat dari Direksi akan memastikan Bank bergerak ke arah yang tepat.

Penilaian risiko Bank yang disampaikan kepada Otoritas Jasa Keuangan (OJK) yang disusun melalui proses *self-assessment* untuk menghasilkan profil risiko yang terdiri dari *inherent risk* yaitu risiko yang melekat pada aktivitas bank dan *risk control system* yaitu pengendalian terhadap risiko inheren. Sesuai dengan kriteria ukuran dan kompleksitas usaha Bank berdasarkan peraturan Otoritas Jasa Keuangan (POJK) yang berlaku, penilaian risiko dilakukan terhadap delapan jenis risiko yaitu risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko kepatuhan, risiko hukum, risiko reputasi, dan risiko strategis.

39. RISK MANAGEMENT (continued)

- g. Reputation risk (continued)
The Bank does systematic media monitoring including online and offline media. Each potential reputation risk is managed by escalating a predetermined problem based on the significance of the problem for the relevant members of the Board of Directors. Clean-cut lines of communication have also been prepared to ensure uniformity of communication messages to front-line employees related to media reporting or the issue that has potential reputation risk.

h. Strategic risk

Strategic risk is caused by decision and application of improper strategy, improper business decisions and unresponsive bank action against external changes. In addressing strategic risk, the Bank identifies functional activities from loan, treasury, investment, operation and services. The Bank record the change of performance as result of unrealized strategic application and the control of financial position by monitoring the realisation of the Bank's goal.

The Bank strengthens strategy implementation by periodic monitoring, accompanied by adequate cost structure management. The initiative of the Bank in encouraging the implementation of strategies to support the mission and objectives of the Bank is followed by strong and ongoing supervision. Supervision of the strict strategic objectives of the Board of Directors will ensure the Bank moves in the right direction.

The Bank risks assessment which is submitted to Financial Services Authority (OJK) is evaluated through self-assessment process by making a risk profile which consists of inherent risks to the bank industry as well as the corresponding controls to address those risks. According to Financial Services Authority (OJK) regulation, on the basis of Bank measurement and business complexity, the risks are evaluated on the basis of eight types of risk namely credit risk, market risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, and strategic risk.

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39. MANAJEMEN RISIKO (lanjutan)

h. Risiko strategik (lanjutan)

Hasil penilaian profil risiko Bank yang disampaikan kepada Otoritas Jasa Keuangan (POJK) pada periode Desember 2023 menunjukkan bahwa peringkat risiko secara keseluruhan bisnis Bank dinilai "Low to Moderate" dengan kecenderungan tren stabil.

i. Manajemen 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 digunakan untuk pengukuran tersebut terutama berdasarkan pengawasan atas hubungan antara kecukupan modal dengan ketersediaan modal.

Bank telah mematuhi semua persyaratan modal yang ditetapkan sepanjang tahun pelaporan.

39. RISK MANAGEMENT (continued)

h. Strategic risk (continued)

The results of the evaluation of risk profile of the Bank which has been submitted to Financial Services Authority (OJK) in December 2023 indicated that the aggregate risk of the Bank's business is "Low to Moderate" with tendency of a stable trend.

i. Capital management

The primary objectives of the Bank's capital management policy is to ensure that the Bank complies with applicable external capital requirements to maintain healthy capital ratios in order to support their business and to maximise shareholder value.

The Bank manages their capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of their 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 new shares.

Management uses regulatory capital ratios in order to monitor its capital. OJK's approach is used to measure it which is primarily based on monitoring the relationship of the capital adequacy to availability of capital resources.

The Bank has complied with all applicable external capital requirements throughout the reporting year.

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39. MANAJEMEN RISIKO (lanjutan)

i. Manajemen permodalan (lanjutan)

Rasio Kewajiban Penyediaan Modal Minimum ("KPMM") adalah rasio modal Bank terhadap Aset Tertimbang Menurut Risiko (*Risk Weighted Assets/RWA*). Kewajiban Penyediaan Modal Minimum ("KPMM") Bank berdasarkan POJK No. 11/POJK.03/2016, POJK No. 34/POJK.03/2016, POJK No. 27 tahun 2022 yang berlaku adalah sebagai berikut:

	31 Desember/December 31		
	2023	2022	
Modal inti (<i>Tier 1</i>)	6.014.355	5.729.759	Core capital (<i>Tier 1</i>)
Modal pelengkap (<i>Tier 2</i>)	195.275	262.724	Supplementary capital (<i>Tier 2</i>)
Jumlah modal	6.209.630	5.992.483	Total capital
Aset tertimbang menurut risiko			Risk weighted assets
Risiko kredit	15.235.593	16.844.943	Credit risk
Risiko pasar	382.744	161.667	Market risk
Risiko operasional	962.994	1.303.999	Operational risk
Jumlah aset tertimbang menurut risiko	16.581.331	18.310.609	Total risk weighted assets
Rasio KPMM			Capital adequacy ratio
Rasio <i>Common Equity Tier 1</i>	36,27%	31,29%	<i>Common Equity Tier 1 ratio</i>
Rasio <i>Tier 1</i>	36,27%	31,29%	<i>Tier 1 ratio</i>
Rasio <i>Tier 2</i>	1,18%	1,43%	<i>Tier 2 ratio</i>
Rasio total	37,45%	32,73%	Total ratio
Rasio KPMM yang diwajibkan menurut profil risiko	9,00% - < 10,00%	9,00% - < 10,00%	Required CAR based on risk profile

40. PERNYATAAN STANDAR AKUNTANSI KEUANGAN (PSAK) YANG TELAH DISAHKAN NAMUN BELUM BERLAKU EFEKTIF

Standar akuntansi dan interpretasi yang telah disahkan oleh DSAK-IAI, tetapi belum berlaku efektif untuk laporan keuangan tahun berjalan diungkapkan di bawah ini.

- Amendemen PSAK 1: "Penyajian Laporan Keuangan" terkait liabilitas jangka panjang dengan kovenan. Penerapan amendemen tersebut berlaku efektif sejak 1 Januari 2024 sesuai dengan perubahan tanggal berlaku efektifnya Amendemen PSAK No. 1 tentang "Penyajian Laporan Keuangan" terkait "Klasifikasi Liabilitas sebagai Jangka Pendek atau Jangka Panjang" yang sebelumnya berlaku efektif sejak 1 Januari 2023 menjadi 1 Januari 2024.

39. RISK MANAGEMENT (continued)

i. Capital management (continued)

The Capital Adequacy Ratio ("CAR") is the ratio of Bank's capital over its Risk Weighted Assets ("RWA"). The Bank's Capital Adequacy Ratio ("CAR") in accordance to POJK No.11/POJK.03/2016, No. 34/POJK.03/2016 and POJK No. 27 year 2022 is as follows:

40. STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued by the DSAK-IAI, but not yet effective for current year financial statements are disclosed below.

- Amendment of SFAS 1: "Presentation of Financial Statements" insurance contract regarding long-term liabilities with the covenant. The application of the amendment is effective from January 1, 2024, in accordance with the change in the effective date of Amendment of SFAS No. 1 regarding "Presentation of Financial Statements" related to "Classification of Liabilities as Short Term or Long Term" which was previously became effective from January 1, 2023, will become January 1, 2024.

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**40. PERNYATAAN STANDAR AKUNTANSI
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**Efektif berlaku pada atau setelah tanggal
1 Januari 2024 (lanjutan)**

- Amendemen PSAK 73: "Sewa" terkait liabilitas sewa pada transaksi jual dan sewa-balik. Amendemen tersebut mengadopsi seluruh pengaturan dalam Amendemen IFRS 16 tentang "Lease" terkait "Lease Liability in a Sale and Leaseback". Penerapan amendemen ini dimulai untuk periode tahun buku yang dimulai pada atau setelah tanggal 1 Januari 2024 dan penerapan lebih dini diperkenankan.

Pada saat penerbitan laporan keuangan, Bank masih mempelajari dampak yang mungkin timbul dari penerapan standar akuntansi baru dan revisi tersebut serta pengaruhnya pada laporan keuangan Bank.

41. PENYELESAIAN LAPORAN KEUANGAN

Manajemen bertanggung jawab atas penyajian laporan keuangan yang telah diselesaikan dan diotorisasi untuk diterbitkan oleh Direksi Bank pada tanggal 2 Februari 2024.

**40. STATEMENTS OF FINANCIAL ACCOUNTING
STANDARDS ISSUED BUT NOT YET EFFECTIVE
(continued)**

**Effective on or after January 1, 2024
(continued)**

- Amendment of SFAS 73: "Leases" regarding lease liabilities in sale-and-lease back transactions. The amendment adopts the entire provision in IFRS Amendment 16 on "Lease" regarding "Lease Liability in Sale and Leaseback" Application of this amendment commences for the period of the financial year beginning on or after January 1, 2024, and early adoption is permitted.

As at the authorisation date of this financial statements, the Bank is still evaluating the potential impact of these new and revised accounting standards to the financial statements of the Bank.

**41. COMPLETION OF THE FINANCIAL
STATEMENTS**

The management is responsible for the preparation of financial statements which were completed and authorized for issuance by the Bank's Board of Directors on February 2, 2024.

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China Construction Bank
印度尼西亚股份有限公司
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