



06

TATA KELOLA PERUSAHAAN

Good Corporate
Governance

Komitmen Perseroan **The Company Commitment**

Bank BKE berkomitmen untuk berupaya mencapai standar tertinggi dalam penerapan Tata Kelola Perusahaan yang Baik (kemudian disebut “GCG”), sesuai dengan standar industri perbankan dengan mengacu pada peraturan perundang-undangan yang berlaku dan praktik terbaik industri. Selain itu, Bank BKE juga menjunjung tinggi etika dan standar profesionalisme di seluruh jenjang organisasi.

Sepanjang tahun 2020, sesuai komitmennya, Bank BKE terus menyempurnakan dan menerapkan kebijakan dan prosedur GCG yang relevan dengan bisnis dan kondisi terkini Perusahaan. Bank BKE juga berupaya melakukan edukasi dan sosialisasi aspek-aspek GCG untuk meningkatkan pemahaman dan efektivitas penerapannya.

Bank BKE is committed on striving to achieve the highest standards in the implementation of Good Corporate Governance (GCG), in accordance with banking industry standards by referring to applicable laws and regulations as well as to industry best practices. In addition, Bank BKE also upholds ethics and standards of professionalism at all levels of the organization.

Throughout the year 2020, true to its commitment, Bank BKE continues to improve and implement GCG policies and procedures that are relevant to the business and current conditions of the company. Bank BKE also seeks to educate and socialize GCG aspects to increase understanding and effectiveness of its implementation.

Prinsip GCG **GCG Principles**

Seiring dengan semakin kompleksnya kegiatan usaha perbankan yang mengakibatkan meningkatnya eksposur risiko yang dihadapi Bank, pelaksanaan prinsip kehati-hatian melalui penerapan tata kelola menjadi hal yang penting dalam pengelolaan usaha Bank. Pelaksanaan kegiatan usaha dengan berpedoman pada GCG akan meningkatkan kinerja Bank, menjaga transparansi dan akuntabilitas pengelolaannya kepada pemangku kepentingan, dan meningkatkan kepatuhan terhadap peraturan perundang-undangan yang berlaku serta nilai-nilai etika yang berlaku umum pada industri perbankan.

Bank BKE menerapkan GCG dengan berlandaskan pada 5 (lima) prinsip, yaitu:

Align with the increase in complexity of banking business activities which led to the increase in risk exposure faced by the Bank, implementation of prudential banking principles through the implementation of corporate governance becomes important in managing the Bank’s business. Implementation of business activities with reference to GCG will improve the Bank’s performance, maintain transparency and accountability of its management to stakeholders, and increase compliance with applicable laws and regulations as well as ethical values which are generally accepted in the banking industry.

Bank BKE promotes GCG based on 5 (five) basic principles that are:

Prinsip GCG GCG Principles	Pengertian Explanation	Komitmen Bank BKE Bank BKE’s Commitment
Transparansi (Transparency)	Keterbukaan dalam mengemukakan informasi yang material dan relevan serta keterbukaan dalam melaksanakan proses pengambilan keputusan. Openness in presenting material and relevant information, as well as in carrying out the decision-making process.	Penyediaan informasi secara tepat waktu, memadai, jelas, akurat dan tepat dan dapat diperbandingkan yang dapat diakses oleh seluruh pemangku kepentingan melalui <i>website</i> Bank BKE (www.bankbke.co.id). Provision of information in a timely, adequate, clear, and accurate manner, as well as comparable that can be accessed by all stakeholders through Bank BKE’s website (www.bankbke.co.id).

Prinsip GCG GCG Principles	Pengertian Explanation	Komitmen Bank BKE Bank BKE's Commitment
Akuntabilitas (Accountability)	Kejelasan fungsi dan pelaksanaan pertanggungjawaban jajaran organisasi Bank sehingga pengelolaannya berjalan secara efektif. Clarity of functions and implementation of accountability of each level within Bank's organization so that the Bank's management can be run effectively.	Penetapan fungsi dan tanggung jawab dari setiap jajaran organisasi diselaraskan dengan visi, misi, sasaran dan strategi Bank BKE dan setiap jajaran organisasi memiliki kompetensi sesuai dengan tugas dan tanggung jawabnya masing-masing. Determining the functions and responsibilities of each level of the organization, in line with the vision, mission, goals and strategies of Bank BKE and each level of the organization has the competency needed in accordance with their respective duties and responsibilities.
Pertanggungjawaban (Responsibility)	Kesesuaian pengelolaan Bank dengan peraturan perundang-undangan dan prinsip pengelolaan Bank yang sehat. The compliance of the Bank's management with laws and regulations and the principles of sound bank management.	Pelaksanaan aktivitas Bank BKE berpegang pada prinsip kehati-hatian dan dilakukan dengan mengacu kepada ketentuan dan perundang-undangan yang berlaku. Disamping itu Bank BKE juga bertindak sebagai <i>good corporate citizen</i> dengan melaksanakan program tanggung jawab sosial. The implementation of Bank BKE activities adheres to the principle of prudential banking and is carried out in compliance with the prevailing laws and regulations. In addition, Bank BKE also acts as a good corporate citizen by conducting social responsibility programs.
Independensi (Independence)	Pengelolaan Bank secara profesional tanpa pengaruh atau tekanan dari pihak manapun. Managing the Bank in a professional manner without any influence or pressure from any party.	Pengelolaan Bank BKE dilakukan secara profesional, menghindari dominasi yang tidak wajar dan intervensi dari pihak lain yang menimbulkan benturan kepentingan. The management of Bank BKE is carried out in a professional manner, and by avoiding unreasonable domination and intervention from other parties that might create conflict of interest.
Kewajaran (Fairness)	Keadilan dan kesetaraan dalam memenuhi hak-hak Pemangku Kepentingan yang timbul berdasarkan perjanjian dan peraturan perundang-undangan. Fairness and equality in the fulfillment of the stakeholders' rights under any agreement and the prevailing laws and regulations.	Pemenuhan hak-hak pemangku kepentingan yang timbul atas dasar perjanjian dan peraturan perundang-undangan dilakukan dengan azas kesetaraan dan kewajaran (<i>equal treatment</i>). Bank BKE juga memberikan kesempatan yang sama kepada pemangku kepentingan untuk menyampaikan pendapat bagi kepentingan Bank dan memberikan kemudahan dalam mengakses informasi yang berkaitan dengan Bank. Fulfillment of the rights of stakeholders arising under any agreement and the prevailing laws and regulations is carried out on the principle of equality and fairness (equal treatment). Bank BKE also provides equal opportunities for stakeholders to express opinions for the interests of the Bank and provides convenience in accessing information related to the Bank.



Landasan Pelaksanaan GCG Legal Basis of GCG Implementation

Bank BKE senantiasa menerapkan GCG dengan mengacu pada ketentuan regulasi, ketentuan internal, dan praktik terbaik yang berlaku dan dicontohkan. Selain itu, kebijakan dan ketentuan internal terkait penerapan GCG juga mengacu pada Anggaran Dasar Bank BKE agar pengembangan kebijakan tidak hanya sesuai dengan peraturan perundang-undangan namun juga sejalan dengan tujuan bisnis Bank BKE.

Penerapan GCG di Bank BKE didasarkan atas peraturan perundang-undangan yang berlaku, sebagai berikut:

- Undang-Undang No.7 tahun 1992 tentang Perbankan sebagaimana telah diubah dengan Undang-Undang No. 10 tahun 1998;
- Undang-Undang No.40 tahun 2007 tentang Perseroan Terbatas;
- Peraturan OJK No.55/POJK.03/2016 tentang Penerapan Tata Kelola Bagi Bank Umum;
- Surat Edaran OJK No.13/SEOJK.03/2017 tentang Penerapan Tata Kelola Bagi Bank Umum;
- Peraturan OJK No.45/POJK.03/2015 tentang Penerapan Tata Kelola dalam Pemberian Remunerasi Bagi Bank Umum;
- Surat Edaran OJK No.40/SEOJK.03/2016 tentang Penerapan Tata Kelola dalam Pemberian Remunerasi Bagi Bank Umum;
- Peraturan OJK No.32/POJK.03/2018 tentang Batas Maksimum Pemberian Kredit dan Penyediaan Dana Besar bagi Bank Umum;
- Peraturan OJK No.13/POJK.03/2017 tentang Penggunaan Jasa Akuntan Publik dan Kantor Akuntan Publik dalam Kegiatan Jasa Keuangan;
- Peraturan OJK No.46/POJK.03/2017 tentang Pelaksanaan Fungsi Kepatuhan Bank Umum;
- Peraturan OJK No.18/POJK.03/2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum;
- Surat Edaran OJK No.34/SEOJK.03/2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum;
- Anggaran Dasar Perusahaan.

Bank BKE always implements GCG with reference to regulatory provisions, internal provisions, and best practices that are applicable and exemplified. In addition, policies and internal provisions related to the implementation of GCG also refer to Bank BKE's Articles of Association, in order to develop policies that not only comply with laws and regulations, but also in line with Bank BKE's business objectives.

GCG implementation in Bank BKE is based on the existing applicable regulations, as follows:

- Law No.7 of 1992 on Banking as amended by Law No. 10 of 1998;
- Law No.40 of 2007 on Limited Liability Companies;
- OJK Regulation No.55/POJK.03/2016 on Implementation of Corporate Governance for Commercial Banks;
- OJK Circular Letter No.13/SEOJK.03/2017 on Implementation of Corporate Governance for Commercial Banks;
- OJK Regulation No.45/POJK.03/2015 regarding Implementation of Corporate Governance in Providing Remuneration for Commercial Banks;
- OJK Circular Letter No.40/SEOJK.03/2016 on Implementation of Corporate Governance in Providing Remuneration for Commercial Banks;
- OJK Regulation No.32/POJK.03/2018 on Legal Lending Limit and Provision of Large Funds for Commercial Banks;
- OJK Regulation No.13/POJK.03/2017 on The Use of Public Accountant Services and Public Accounting Firms in Financial Service Activities;
- OJK Regulation No.46/POJK.03/2017 on Implementation of Compliance Functions for Commercial Banks;
- OJK Regulation No.18/POJK.03/2016 on Implementation of Risk Management for Commercial Banks;
- OJK Circular Letter No.34/SEOJK.03/2016 on Implementation of Risk Management for Commercial Banks;
- Articles of Association.

Penilaian Penerapan GCG Assessment of GCG Implementation

Dalam rangka memastikan penerapan prinsip-prinsip GCG, Bank BKE secara berkala melakukan penilaian sendiri yang mencakup 3 (tiga) aspek tata kelola, yaitu struktur tata kelola, proses tata kelola, dan hasil tata kelola pada masing-masing dari 11 (sebelas) faktor penilaian, yaitu:

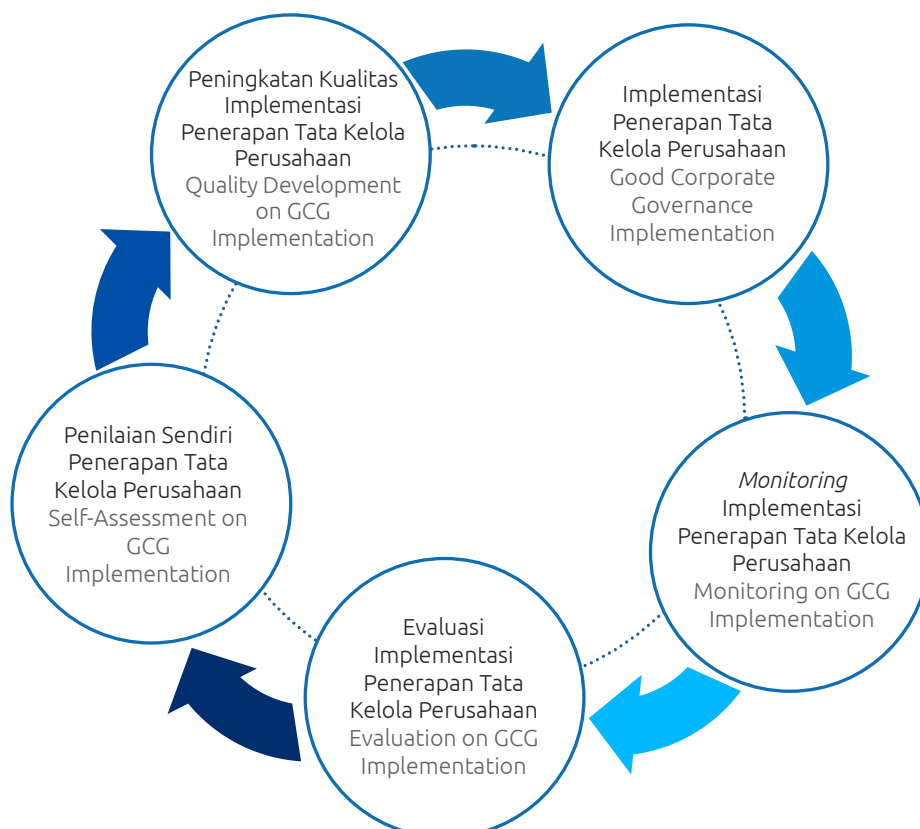
- Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris;
- Pelaksanaan Tugas dan Tanggung Jawab Dewan Direksi;
- Kelengkapan dan Pelaksanaan Tugas Komite;
- Penanganan Benturan Kepentingan;
- Penerapan Fungsi Kepatuhan;
- Penerapan Fungsi Audit Intern;
- Penerapan Fungsi Audit Ekstern;
- Penerapan Manajemen Risiko termasuk Sistem Pengendalian Intern;
- Penyediaan Dana kepada Pihak Terkait dan Penyediaan Dana Besar;
- Transparansi Kondisi Keuangan dan Non Keuangan Bank;
- Rencana Strategis Bank.

Mekanisme implementasi penerapan tata kelola perusahaan dapat digambarkan dalam siklus implementasi sebagai berikut:

In order to ensure the implementation of the principles of GCG, Bank BKE periodically conducts self-assessments covering 3 (three) governance aspects, namely governance structure, governance process, and governance outcome for each of 11 (eleven) assessment factors, such as:

- Implementation of Duties and Responsibilities of the Board of Commissioners;
- Implementation of Duties and Responsibilities of the Board of Directors;
- Completeness and Implementation of Committee Duties;
- Conflict of Interest Management;
- Implementation of Compliance Function;
- Implementation of Internal Audit Function;
- Implementation of External Audit Function;
- Implementation of Risk Management, including the Internal Control System;
- Provision of Funds to Related Parties and Provision of Large Funds;
- Transparency of Bank's Financial and Non-Financial Conditions;
- Bank's Strategic Plan.

The implementation mechanism of the implementation of corporate governance can be described in the implementation cycle as follows:



Implementasi GCG tahun 2020 di Bank BKE Implementation of GCG at Bank BKE in 2020

Hasil Penilaian Sendiri Pelaksanaan GCG Perusahaan Results of the Company's Self-Assessment of GCG Implementation

	Peringkat Rank	Definisi Peringkat Rank Definitions
Individual	2	<p>Menunjukkan Manajemen Bank telah melakukan penerapan GCG dengan baik. Hal ini tercermin dari pemenuhan yang memadai atas prinsip tata kelola perusahaan. Dalam hal terdapat kelemahan, secara umum kelemahan tersebut akan dapat diselesaikan dengan tindakan spesifik oleh Manajemen Bank. Saat ini Bank berkomitmen untuk terus meningkatkan penguatan GCG di segenap lini operasional Bank serta melakukan upaya-upaya penyempurnaan agar pelaksanaan tata kelola dapat sejalan dengan perkembangan bisnis Bank.</p> <p>It shows that the Bank's Management has implemented GCG as reflected in the adequate compliance with the principles of corporate governance. If there are weaknesses, in general, these weaknesses can be resolved by specific actions by the Bank Management. Currently, the Bank is committed to continuing to strengthen GCG in all of its operation and to make improvements so that the implementation of governance can be in line with the development of the Bank's business.</p>

Penetapan *score* di atas didasari pada 3 (tiga) aspek, yaitu struktur tata kelola, proses tata kelola dan hasil tata kelola sebagai berikut:

The scoring above is based on 3 (three) aspects, namely governance structure, governance process and governance outcome as follows:

Aspek / Aspect	Analisis	Analysis
<p>Pelaksanaan Tugas dan Tanggung Jawab Dewan Direksi</p> <p>Implementation of Duties and Responsibilities of the Board of Directors</p>	<p>Struktur tata kelola:</p> <ul style="list-style-type: none"> Jumlah anggota Dewan Direksi yaitu 4 (empat) orang telah sesuai dengan ketentuan OJK. Pengunduran diri Direktur Kepatuhan & Manajemen Risiko dan penunjukan sementara Direktur Keuangan sebagai Pejabat Pengganti Direktur Kepatuhan & Manajemen Risiko telah dilakukan sesuai dengan ketentuan OJK; Seluruh anggota Dewan Direksi tidak memiliki rangkap jabatan sebagai Komisaris, Dewan Direksi atau Pejabat Eksekutif pada Bank, perusahaan dan atau lembaga lain; Seluruh anggota Dewan Direksi tidak saling memiliki hubungan keluarga dengan sesama anggota Dewan Direksi lainnya dan/ atau dengan seluruh anggota Dewan Komisaris; Seluruh anggota Dewan Direksi telah lulus penilaian kemampuan dan kepatutan, serta telah memperoleh surat persetujuan dari OJK. 	<p>Governance Structure:</p> <ul style="list-style-type: none"> The number of members of the Board of Directors, namely 4 (four) persons, is in accordance with the provisions of OJK. The resignation of the Director of Compliance & Risk Management and the appointment of the Director of Finance as the Acting Director of Compliance and Risk Management have been carried out in accordance with the provisions of OJK; None of the Board of Directors member hold concurrent positions as Commissioner, Director or Executive Officer at other bank, company and/or institution; None of the Board of Directors member have family relationships with fellow member of the Board of Directors and / or with all members of the Board of Commissioners; All members of the Board of Directors have passed the fit and proper test and have obtained a letter of approval from OJK.

Aspek / Aspect	Analisis	Analysis
	<p>Proses tata kelola:</p> <ul style="list-style-type: none"> Dewan Direksi telah melaksanakan tugas dan tanggung jawab sesuai dengan kewenangan dan pembagian tugas anggota Direksi berdasarkan keahlian masing-masing; Dewan Direksi telah menyampaikan informasi secara lengkap, akurat, terkini kepada Dewan Komisaris melalui mekanisme rapat bersama dan memperhatikan arahan yang diberikan oleh Dewan Komisaris; Dewan Direksi telah melaksanakan prinsip-prinsip GCG; Dewan Direksi telah menetapkan kebijakan dan keputusan strategis melalui mekanisme rapat Dewan Direksi dan Komite-Komite di bawah Dewan Direksi. <p>Hasil tata kelola:</p> <ul style="list-style-type: none"> Dewan Direksi telah mempertanggungjawabkan pelaksanaan tugasnya tahun 2019 kepada pemegang saham dan telah diterima oleh pemegang saham melalui pelaksanaan RUPS tanggal 24 April 2020; Dewan Direksi telah menyampaikan kebijakan Bank yang bersifat strategis dan arah bisnis bank kepada pegawai; Kegiatan operasional Bank telah berjalan dengan baik. 	<p>Governance Process:</p> <ul style="list-style-type: none"> The Board of Directors has carried out the duties and responsibilities in accordance with the authority and the division of duties of the members of the Board of Directors based on their respective expertise; The Board of Directors has submitted complete, accurate, up-to-date information to the Board of Commissioners through a joint meeting mechanism and by taking into account the directions given by the Board of Commissioners; The Board of Directors has implemented GCG principles; The Board of Directors has set strategic policies and decisions through the mechanism of the Board of Directors meeting and the Committees under the Board of Directors. <p>Governance Outcome:</p> <ul style="list-style-type: none"> The Board of Directors has been accountable for the implementation of its duties in 2019 to shareholders and has been accepted by shareholders through the implementation of the GMS on April 24, 2020; The Board of Directors has conveyed the Bank's strategic policies and the direction of the bank's business to employees; The Bank's operational activities have been running well.
<p>Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris</p> <p>Implementation of Duties and Responsibilities of the Board of Commissioners</p>	<p>Struktur tata kelola:</p> <ul style="list-style-type: none"> Jumlah anggota Dewan Komisaris yaitu 3 (tiga) orang telah memenuhi ketentuan dan tidak melampaui jumlah anggota Dewan Direksi; Komposisi, kriteria dan independensi anggota Dewan Komisaris telah memenuhi ketentuan OJK; 2 (dua) orang anggota Komisaris Independen tidak ada yang memiliki hubungan keuangan, kepengurusan, kepemilikan dan hubungan keluarga dengan anggota Dewan Komisaris lainnya, Dewan Direksi dan/atau Pemegang Saham Pengendali atau hubungan dengan Bank; 	<p>Governance Structure:</p> <ul style="list-style-type: none"> The number of members of the Board of Commissioners, namely 3 (three) people, has met the requirements and does not exceed the number of members of the Board of Directors; The composition, criteria and independence of the members of the Board of Commissioners have met the provisions of OJK; There are no 2 (two) members of the Independent Commissioner who have financial, management, ownership and family relationships with other members of the Board of Commissioners, the Board of Directors and / or Controlling Shareholders or relationship with the Bank;

Aspek / Aspect	Analisis	Analysis
	<ul style="list-style-type: none"> • Anggota Dewan Komisaris tidak memiliki rangkap jabatan sebagai anggota Dewan Komisaris, Dewan Direksi atau Pejabat Eksekutif pada lembaga keuangan lain kecuali terhadap hal-hal yang telah ditetapkan dalam Peraturan OJK. <p>Proses tata kelola:</p> <ul style="list-style-type: none"> • Dewan Komisaris telah melakukan pengawasan terhadap pelaksanaan tugas dan tanggung jawab Dewan Direksi melalui mekanisme pelaksanaan rapat bersama; • Dewan Komisaris telah melaksanakan tugas untuk memastikan terselenggaranya penerapan prinsip GCG; • Dewan Komisaris telah memberikan arahan terhadap kebijakan strategis Bank kepada Dewan Direksi; • Dalam melakukan tugasnya, Dewan Komisaris dibantu oleh Komite-Komite yang berada di bawah Dewan Komisaris. <p>Hasil tata kelola:</p> <ul style="list-style-type: none"> • Arahan atau nasihat dari Dewan Komisaris dalam rapat telah dituangkan dalam risalah rapat; • Rekomendasi dan arahan Dewan Komisaris dapat diimplementasikan oleh Dewan Direksi; • Anggota Dewan Komisaris telah diikutsertakan dalam pelaksanaan pembelajaran secara berkelanjutan dalam rangka peningkatan pengetahuan, keahlian, dan kemampuan tentang perbankan. 	<ul style="list-style-type: none"> • Members of the Board of Commissioners do not have concurrent positions as members of the Board of Commissioners, the Board of Directors or Executive Officers at other financial institutions except for positions stipulated in the OJK Regulations. <p>Governance Process:</p> <ul style="list-style-type: none"> • The Board of Commissioners has supervised the implementation of the duties and responsibilities of the Board of Directors through joint meetings; • The Board of Commissioners has carried out its duties to ensure the implementation of GCG principles; • The Board of Commissioners has provided direction on the Bank's strategic policies to the Board of Directors; • In performing its duties, the Board of Commissioners is assisted by Committees under the Board of Commissioners. <p>Governance Outcome:</p> <ul style="list-style-type: none"> • The direction or advice from the Board of Commissioners in the meeting has been outlined in the minutes of the meeting; • Recommendations and directives from the Board of Commissioners can be implemented by the Board of Directors; • Members of the Board of Commissioners have been involved in the implementation of continuous learning in order to increase knowledge, expertise and abilities regarding banking.
<p>Kelengkapan dan Pelaksanaan Tugas Komite</p> <p>Completeness and Implementation of Committee Duties.</p>	<p>Struktur tata kelola:</p> <ul style="list-style-type: none"> • Komposisi dan kompetensi anggota Komite telah sesuai dengan ukuran dan kompleksitas usaha Bank serta telah memenuhi ketentuan OJK; • Seluruh anggota Komite yang berasal dari pihak independen tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan Dewan Komisaris, Dewan Direksi dan/atau Pemegang Saham Pengendali atau hubungan dengan Bank. 	<p>Governance Structure:</p> <ul style="list-style-type: none"> • The composition and competence of the Committee members are in accordance with the size and complexity of the Bank's business and have met the provisions of OJK; • All Committee members who are independent parties have no financial, management, share ownership and/or family relationship with the Board of Commissioners, the Board of Directors and/or Controlling Shareholders or relationship with the Bank.

Aspek / Aspect	Analisis	Analysis
	<p>Proses tata kelola:</p> <ul style="list-style-type: none"> Dalam pelaksanaan tugasnya Komite telah melakukan evaluasi dan memberikan rekomendasi kepada Dewan Komisaris; Komite-komite telah melakukan rapat dengan unit-unit terkait untuk melakukan pembahasan berbagai hal dan hasilnya disampaikan kepada Dewan Komisaris. <p>Hasil tata kelola:</p> <ul style="list-style-type: none"> Hasil Rapat telah dituangkan dalam risalah rapat termasuk pengungkapan apabila terdapat perbedaan pendapat (<i>dissenting opinions</i>) dan didokumentasikan dengan baik; Komite-komite telah menjalankan fungsinya sesuai dengan koridor dan melaksanakan fungsinya sesuai ketentuan berlaku. 	<p>Governance Process:</p> <ul style="list-style-type: none"> In carrying out its duties, the Committee has evaluated and provided recommendations to the Board of Commissioners; The committees have held meetings with related units to discuss various matters and the results are submitted to the Board of Commissioners. <p>Governance Outcome:</p> <ul style="list-style-type: none"> Meeting results have been recorded in minutes of meeting including disclosures if there are dissenting opinions and are well documented; The Committees have carried out their functions according to the corridors and carried out their functions according to applicable regulations.
<p>Penanganan Benturan Kepentingan</p> <p>Handling of Conflicts of Interest.</p>	<p>Struktur tata kelola: Bank telah memiliki kebijakan, sistem dan prosedur penyelesaian benturan kepentingan.</p> <p>Proses tata kelola: Anggota Dewan Direksi, anggota Dewan Komisaris dan Pejabat Eksekutif tidak mengambil tindakan yang dapat merugikan atau mengurangi keuntungan Bank.</p> <p>Hasil tata kelola: Tidak terdapat benturan kepentingan yang dapat merugikan atau mengurangi keuntungan bagi Bank.</p>	<p>Governance Structure: The Bank has policies, systems and procedures for resolving conflicts of interest.</p> <p>Governance Process: Members of the Board of Directors, members of the Board of Commissioners and Executive Officers do not take actions that may harm or reduce the Bank's profits.</p> <p>Governance Outcome: There is no conflict of interest that may harm or reduce profits for the Bank.</p>
<p>Penerapan Fungsi Kepatuhan</p> <p>Implementation of Compliance Function.</p>	<p>Struktur tata kelola:</p> <ul style="list-style-type: none"> Satuan Kerja Kepatuhan Independen terhadap Satuan Kerja Operasional; Proses pengangkatan, pemberhentian dan/ atau pengunduran diri Direktur yang membawahi kepatuhan telah sesuai dengan ketentuan OJK; Sumber Daya Manusia di Satuan Kerja Kepatuhan telah didukung dengan kompetensi yang memadai dan diikuti dalam Sertifikasi Manajemen Risiko dan Sertifikasi Kepatuhan. 	<p>Governance Structure:</p> <ul style="list-style-type: none"> The Compliance Unit is Independent from the Operational Work Unit; The process of appointment, dismissal and/ or resignation of the Director in charge of compliance is in accordance with the provisions of OJK; Human Resources in the Compliance Unit have adequate competence and have participated in Risk Management Certification and Compliance Certification.

Aspek / Aspect	Analisis	Analysis
	<p>Proses tata kelola:</p> <ul style="list-style-type: none"> • Dalam pelaksanaan tugasnya, Direktur yang membawahi kepatuhan telah memastikan kepatuhan Bank terhadap ketentuan yang berlaku; • Dewan Direksi yang membawahi kepatuhan, dibantu oleh Satuan Kerja Kepatuhan, telah melakukan pemantauan untuk menjaga agar kegiatan usaha Bank tidak menyimpang; • Dewan Direksi yang membawahi kepatuhan, dibantu Satuan Kerja Kepatuhan, telah menetapkan langkah-langkah konstruktif dalam mencegah atau memitigasi risiko kepatuhan yang timbul. <p>Hasil tata kelola:</p> <ul style="list-style-type: none"> • Laporan pelaksanaan tugas dan tanggung jawab Direktur yang membawahi kepatuhan telah disampaikan ke OJK secara tepat waktu; • Dampak atas pelanggaran yang terjadi menjadi pembelajaran dalam pengambilan keputusan kegiatan operasional Bank sehingga terbentuk budaya patuh pada seluruh jenjang organisasi. 	<p>Governance Process:</p> <ul style="list-style-type: none"> • In discharging duties, the Director in charge of compliance has ensured the Bank's compliance with applicable regulations; • The Board of Directors in charge of compliance, assisted by the Compliance Unit, has conducted monitoring to ensure that the Bank's business activities do not deviate; • The Board of Directors in charge of compliance, assisted by the Compliance Unit, has established constructive steps in preventing or mitigating compliance risks that arise. <p>Governance Outcome:</p> <ul style="list-style-type: none"> • The report on the implementation of the duties and responsibilities of the Director in charge of compliance has been submitted to OJK in a timely manner; • The impact of the violations that occurred became lessons learned in decision making for the Bank's operational activities so that a culture of obedience was formed at all levels of the organization.
<p>Penerapan Fungsi Audit Intern Implementation of the Internal Audit Function</p>	<p>Struktur tata kelola:</p> <ul style="list-style-type: none"> • Struktur Satuan Kerja Audit Intern telah sesuai dengan ketentuan yang berlaku; • Satuan Kerja Audit Intern independen terhadap satuan kerja operasional; • Telah memiliki pedoman dan Piagam Audit Intern yang mengacu pada ketentuan yang berlaku. <p>Proses tata kelola:</p> <ul style="list-style-type: none"> • Pelaksanaan fungsi audit intern telah berjalan secara efektif pada seluruh aspek kegiatan sebagaimana diatur dalam Internal Audit Manual; • Satuan Kerja Audit Intern telah melakukan fungsi pengawasan secara independen dengan cakupan tugas yang memadai dan sesuai rencana pemeriksaan; • Satuan Kerja Audit Intern telah melaporkan seluruh temuan hasil pemeriksaan sesuai ketentuan dan telah memantau dan melaporkan perkembangan tindak lanjut perbaikan yang dilakukan auditee. <p>Hasil tata kelola:</p> <ul style="list-style-type: none"> • Satuan Kerja Audit Intern telah obyektif dalam melakukan audit; • Program audit telah mencakup seluruh unit kerja dan tidak ada pembatasan dalam cakupan dan ruang lingkup audit. 	<p>Governance Structure:</p> <ul style="list-style-type: none"> • The structure of the Internal Audit Unit is in accordance with applicable regulations; • The Internal Audit Unit is independent of the operational work unit; • Have an Internal Audit Charter and guidelines that refer to the prevailing regulations. <p>Governance Process:</p> <ul style="list-style-type: none"> • The implementation of the internal audit function has been running effectively in all aspects of activities as stipulated in the Internal Audit Manual; • The Internal Audit Unit has carried out its supervisory function independently with an adequate scope of duties and is in accordance with the inspection plan; • The Internal Audit Unit has reported all audit findings in accordance with the provisions and has monitored and reported the progress of the follow-up improvements made by the auditee. <p>Governance Outcome:</p> <ul style="list-style-type: none"> • The Internal Audit Unit has been objective in conducting audits; • The audit program covers all work units and there are no restrictions on the scope and scope of the audit.

Aspek / Aspect	Analisis	Analysis
<p>Penerapan Fungsi Audit Ekstern</p> <p>Implementation of the External Audit Function</p>	<p>Struktur tata kelola: Penunjukan Akuntan Publik dan Kantor Akuntan Publik telah memenuhi aspek-aspek yang telah ditetapkan oleh OJK.</p> <p>Proses tata kelola:</p> <ul style="list-style-type: none"> • Penunjukan Akuntan Publik dan Kantor Akuntan Publik telah dilakukan melalui mekanisme sesuai ketentuan OJK; • Penunjukan Akuntan Publik dan Kantor Akuntan Publik telah sesuai rekomendasi dari Komite Audit melalui Dewan Komisaris; • Akuntan Publik telah melaksanakan audit secara independen, dan professional. <p>Hasil tata kelola:</p> <ul style="list-style-type: none"> • Hasil audit telah menggambarkan obyektivitas dan independensi auditor dalam melakukan audit dan telah mencakup ruang lingkup audit sesuai dengan ketentuan; • Hasil audit telah disampaikan secara tepat waktu kepada OJK oleh Kantor Akuntan Publik. 	<p>Governance Structure: The appointment of a Public Accountant and Public Accounting Firm has fulfilled the aspects stipulated by the Financial Services Authority.</p> <p>Governance Process:</p> <ul style="list-style-type: none"> • The appointment of a Public Accountant and Public Accounting Firm has been made through a mechanism in accordance with the provisions of the Financial Services Authority; • The appointment of a Public Accountant and Public Accounting Firm is in accordance with the recommendations of the Audit Committee through the Board of Commissioners; • Public Accountants have conducted audits independently and professionally. <p>Governance Outcome:</p> <ul style="list-style-type: none"> • The results of the audit have illustrated the objectivity and independence of the auditor in conducting the audit and have covered the audit scope in accordance with the provisions; • The audit results have been submitted in a timely manner to the OJK by the Public Accounting Firm.
<p>Penerapan Manajemen Risiko termasuk Sistem Pengendalian Intern</p> <p>Implementation of Risk Management, including the Internal Control System</p>	<p>Struktur tata kelola:</p> <ul style="list-style-type: none"> • Bank telah memiliki struktur organisasi yang memadai untuk mendukung penerapan manajemen risiko dan pengendalian intern meliputi Satuan Kerja Audit Intern, Satuan Kerja Manajemen Risiko, Komite Manajemen Risiko, dan Satuan Kerja Kepatuhan; • Bank telah memiliki kebijakan dan pedoman manajemen risiko. <p>Proses tata kelola:</p> <ul style="list-style-type: none"> • Dewan Komisaris dan Dewan Direksi telah menyetujui dan mengevaluasi kebijakan Manajemen Risiko; • Dalam rangka peningkatan budaya sadar risiko, Dewan Direksi dan Dewan Komisaris senantiasa memberikan arahan atas penerapan manajemen risiko Bank. <p>Hasil tata kelola:</p> <ul style="list-style-type: none"> • Bank telah menerapkan manajemen risiko secara efektif, yang disesuaikan dengan tujuan, kebijakan, ukuran dan kompleksitas usaha serta kemampuan Bank; • Bank senantiasa melakukan aktivitas bisnis dengan memperhatikan kemampuan permodalan Bank. 	<p>Governance Structure:</p> <ul style="list-style-type: none"> • The Bank has an adequate organizational structure to support the implementation of risk management and internal control including the Internal Audit Work Unit, the Risk Management Unit, the Risk Management Committee and the Compliance Work Unit; • The Bank has risk management policies and guidelines. <p>Governance Process:</p> <ul style="list-style-type: none"> • The Board of Commissioners and Directors have approved and evaluated the Risk Management policy; • In order to increase the risk awareness culture, the Board of Directors and the Board of Commissioners always provide direction on the implementation of the Bank's risk management. <p>Governance Outcome:</p> <ul style="list-style-type: none"> • The Bank has implemented risk management effectively, which is tailored to the objectives, policies, size and complexity of the business as well as the Bank's capabilities; • The Bank continues to carry out business activities with due observance of the Bank's capital capacity.

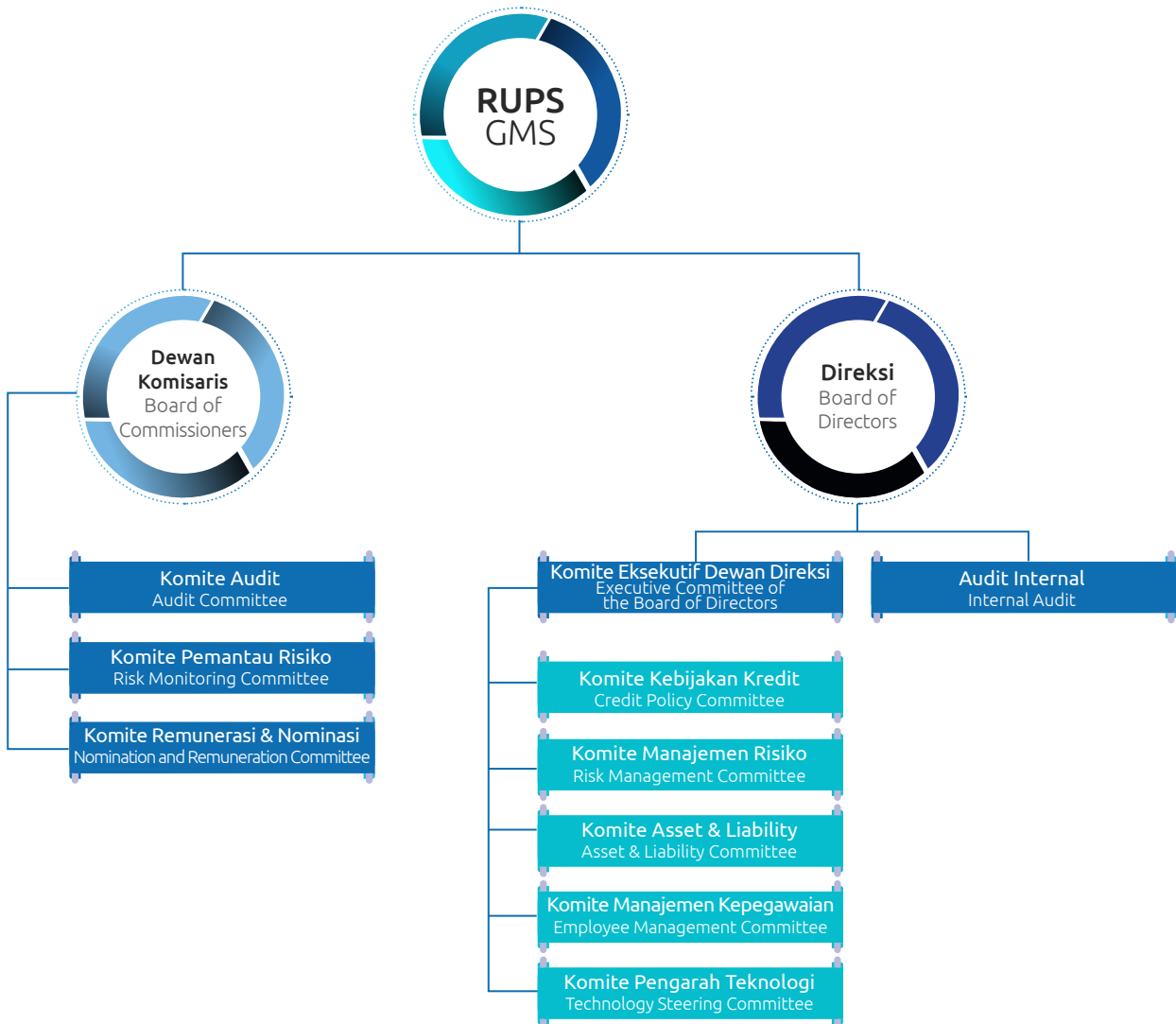
Aspek / Aspect	Analisis	Analysis
<p>Penyediaan Dana kepada Pihak Terkait dan Penyediaan Dana Besar</p> <p>Provision of Funds to Related Parties and Provision of Large Funds (Large Exposure)</p>	<p>Struktur tata kelola: Bank telah memiliki kebijakan dan prosedur untuk penyediaan dana kepada pihak terkait dan penyediaan dana besar.</p> <p>Proses tata kelola: Proses penyediaan dana kepada pihak terkait dan penyediaan dana besar telah dikaji dan dilakukan sesuai prinsip kehati-hatian.</p> <p>Hasil tata kelola: Penyediaan dana kepada pihak terkait telah sesuai prinsip kehati-hatian dengan memperhatikan kemampuan permodalan.</p>	<p>Governance Structure: The Bank has policies and procedures for the provision of funds to related parties and the provision of large funds.</p> <p>Governance Process: The process of providing funds to related parties and the provision of large funds has been reviewed and carried out in accordance with the precautionary principle.</p> <p>Governance Outcome: Provision of funds to Related Parties is in accordance with the principle of prudence with due observance of the capital capacity.</p>
<p>Transparansi Kondisi Keuangan dan Non Keuangan Bank</p> <p>Transparency of Bank's Financial and Non-Financial Conditions</p>	<p>Struktur tata kelola:</p> <ul style="list-style-type: none"> Bank telah memiliki kebijakan dan prosedur mengenai tata cara pelaksanaan transparansi kondisi keuangan dan non keuangan; Bank telah menyusun Laporan Pelaksanaan Tata Kelola (GCC) dengan cakupan sesuai dengan ketentuan OJK. <p>Proses tata kelola:</p> <ul style="list-style-type: none"> Bank menyusun dan menyajikan laporan dengan tata cara, jenis dan cakupan sesuai ketentuan OJK; Informasi produk Bank telah disampaikan secara transparan oleh Bank. <p>Hasil tata kelola: Bank telah menyampaikan laporan tahunan secara transparan dan disampaikan secara lengkap dan tepat waktu kepada OJK dan dimuat ke situs web Bank.</p>	<p>Governance Structure</p> <ul style="list-style-type: none"> The Bank has policies and procedures for implementing transparency in financial and non-financial conditions; The Bank has prepared a Governance Implementation Report (GCC) with the scope in accordance with the provisions of OJK. <p>Governance Process:</p> <ul style="list-style-type: none"> The Bank prepares and presents reports in the manner, type and scope in accordance with the provisions of the Financial Services Authority; Bank product information has been submitted in a transparent manner by the Bank. <p>Governance Outcome: The Bank has submitted annual reports in a transparent and timely manner to the Financial Services Authority and posted on the Bank's website.</p>

Aspek / Aspect	Analisis	Analysis
Rencana Strategis Bank Bank's Strategic Plan.	<p>Struktur tata kelola: Rencana Bisnis Bank (RBB) telah disusun sesuai dengan visi dan misi Bank</p> <p>Proses tata kelola:</p> <ul style="list-style-type: none"> RBB disusun secara realistis, komprehensif dengan memperhatikan prinsip kehati-hatian dan berbagai faktor internal dan eksternal; RBB telah dikomunikasikan kepada pemegang saham dan seluruh jenjang organisasi yang ada di Bank; Dewan Direksi telah melaksanakan RBB secara optimal; Dewan Komisaris telah melaksanakan pengawasan terhadap pelaksanaan RBB dalam rapat Dewan Komisaris dan Dewan Direksi. <p>Hasil tata kelola:</p> <ul style="list-style-type: none"> RBB telah disusun oleh Dewan Direksi dan disetujui oleh Dewan Komisaris; RBB telah menggambarkan pertumbuhan Bank yang berkesinambungan, dan disajikan dengan proyeksi pertumbuhan Bank 3 (tiga) tahun ke depan; Rencana strategis Bank telah disusun atas dasar kajian yang komprehensif dengan memperhatikan peluang bisnis dan kekuatan yang dimiliki Bank serta mengidentifikasi kelemahan dan ancaman bagi Bank (menggunakan <i>SWOT Analysis</i>). 	<p>Governance Structure: The Bank's Business Plan (RBB) has been prepared in accordance with the vision and mission of the Bank.</p> <p>Governance Process:</p> <ul style="list-style-type: none"> RBB is prepared in a realistic, comprehensive manner by taking into account the precautionary principle and various internal and external factors; The RBB has been communicated to shareholders and all organizational levels in the Bank; The Board of Directors has implemented the RBB optimally; The Board of Commissioners has supervised the implementation of the RBB in the meetings of the Board of Commissioners and the Board of Directors. <p>Governance Outcome:</p> <ul style="list-style-type: none"> The RBB has been prepared by the Board of Directors and approved by the Board of Commissioners; The RBB has described the Bank's sustainable growth, and is presented with the Bank's growth projection for the next 3 (three) years; The bank's strategic plan has been prepared on the basis of a comprehensive study by taking into account the business opportunities and strengths of the bank as well as identifying weaknesses and threats to the Bank (using SWOT Analysis).

Struktur Tata Kelola Perseroan Corporate Governance Structure

Bank BKE telah memiliki struktur tata kelola perusahaan untuk menerapkan prinsip *check and balance* dalam penerapan GCG.

Bank BKE has a corporate governance structure to apply the check and balance principles in the implementation of GCG.



Struktur tata kelola Bank BKE terdiri dari:

- Rapat Umum Pemegang Saham (RUPS);
- Dewan Komisaris;
- Dewan Direksi;
- Komite di bawah Dewan Komisaris yakni Komite Audit, Komite Pemantau Risiko dan Komite Remunerasi & Nominasi;
- Komite Eksekutif Dewan Direksi yakni Komite Kebijakan Kredit, Komite Manajemen Risiko, Komite *Asset & Liability*, Komite Manajemen Kepegawaian dan Komite Pengarah Teknologi;
- Audit Internal.

Bank BKE's governance structure consists of:

- General Meeting of Shareholders (GMS);
- Board of Commissioners;
- Board of Directors;
- Committees under Board of Commissioner, namely Audit Committee, Risk Monitoring Committee, and Nomination & Remuneration Committee;
- Board of Directors' Executive Committees, Credit Policy Committee, Risk Management Committee, Assets & Liabilities Committee (ALCO), Employment Management Committee, and Technology Steering Committee;
- Internal Audit.



RUPS merupakan organ yang paling utama dan tertinggi dalam struktur tata kelola perusahaan. RUPS memiliki peranan yang sangat penting untuk menentukan arah dan tujuan perseroan sebagaimana dituangkan dalam Anggaran Dasar perusahaan serta memiliki wewenang mengangkat dan memberhentikan anggota Dewan Komisaris dan Dewan Direksi, mengevaluasi kinerja Dewan Komisaris dan Dewan Direksi, menyetujui perubahan Anggaran Dasar, menentukan bentuk dan jumlah imbalan, tunjangan dan fasilitas bagi anggota Dewan Komisaris dan Dewan Direksi, serta menetapkan penggunaan laba dan penunjukan akuntan publik.

Sepanjang tahun 2020, Bank BKE telah menyelenggarakan RUPS sebanyak 8 (delapan) kali dengan hasil sebagai berikut:

GMS is the most important and highest organ in a corporate governance structure. GMS has a very important role in determining the direction and goals of the Company as stipulated in the Company's Articles of Association and has the authority to appoint and dismiss members of the Board of Commissioners and Board of Directors, evaluate the performance of Board of Commissioners and Board of Directors, approve amendments to the Articles of Association, determine the form and amount of compensation, allowances and facilities for Board of Commissioners and Board of Directors' members, and determine the use of profits and appointment of public accountant.

Throughout 2020, Bank BKE held 8 (eight) GMSs which resulted in the following resolutions:

Pelaksanaan RUPS sepanjang tahun 2020

Implementation of the GMS throughout 2020

Pelaksanaan RUPS Tahun 2020 Implementation of the GMS in 2020	Keputusan RUPS	Resolution of the GMS
<p>28 Januari 2020 (RUPS Luar Biasa)</p> <p>January 28, 2020 (Extraordinary GMS)</p>	<ul style="list-style-type: none"> • Persetujuan pengambilalihan Perseroan oleh PT Danadipa Artha Indonesia; • Persetujuan rencana akuisisi tanggal 11 Desember 2019; • Persetujuan konsep Akta Pengambilalihan Perseroan yang telah disetujui oleh Dewan Komisaris Perseroan dan Dewan Komisaris PT Danadipa Artha Indonesia; • Persetujuan perubahan dan pernyataan kembali Anggaran Dasar Perseroan, yang termasuk namun tidak terbatas pada peningkatan modal dasar, modal yang ditempatkan dan modal disetor Perseroan; • Persetujuan penunjukan Danadipa sebagai penyetor modal sebesar Rp1.000 miliar; • Persetujuan pengalihan seluruh saham Perseroan milik PT Recapital Advisor dan IKP-RI kepada PT Danadipa Artha; • Persetujuan penerbitan 100.000.000 lembar saham Perseroan dengan nilai keseluruhan Rp1.000 miliar yang seluruhnya akan diambil dan disetor oleh PT Danadipa Artha Indonesia; • Persetujuan pengalihan seluruh saham Perseroan milik PT Taspen; • Persetujuan pengalihan seluruh saham Perseroan yang saat ini dimiliki dan yang akan dimiliki oleh PT Mitra Lintas Persada kepada PT Koin Investama Nusantara; • Persetujuan pengalihan seluruh Saham Perseroan milik Dana Pensiun PT Asuransi Jasa Indonesia (DP Jasindo). 	<ul style="list-style-type: none"> • Approval of the takeover of the Company by PT Danadipa Artha Indonesia; • Approval of the Proposed Acquisition on December 11, 2019; • Approval of the Concept of the Company's Acquisition Deed which has been approved by the Company's Board of Commissioners and the Board of Commissioners of PT Danadipa Artha Indonesia; • Approval of amendments and restatement of the Company's Articles of Association, which include but are not limited to increasing the authorized capital, issued and paid-up capital of the Company; • Approval for the appointment of Danadipa as a depositor of capital amounting to Rp1,000 billion; • Approval of the transfer of all shares of the Company owned by PT. Recapital Advisor and IKP-RI to PT Danadipa Artha; • Approval of the issuance of 100,000,000 shares of the Company with a total value of Rp1,000 billion, all of which will be subscribed and paid up by PT Danadipa Artha Indonesia; • Approval of the transfer of all the Company's shares owned by PT Taspen; • Approval of the transfer of all shares of the Company currently owned and which will be owned by PT Mitra Lintas Persada to PT Koin Investama Nusantara; • Approval of the transfer of all Company Shares belonging to the Pension Fund of PT Asuransi Jasa Indonesia (DP Jasindo).

Pelaksanaan RUPS Tahun 2020 Implementation of the GMS in 2020	Keputusan RUPS	Resolution of the GMS
<p>7 Februari 2020 (RUPS Luar Biasa)</p> <p>February 7, 2020 (Extraordinary GMS)</p>	<ul style="list-style-type: none"> • Persetujuan pengambilalihan Perseroan oleh PT Danadipa Artha Indonesia; • Persetujuan Rencana Akuisisi tanggal 11 Desember 2019; • Persetujuan konsep Akta Pengambilalihan Perseroan yang telah disetujui oleh Dewan Komisaris Perseroan dan Dewan Komisaris PT Danadipa Artha Indonesia; • Persetujuan perubahan dan pernyataan kembali Anggaran Dasar Perseroan, yang termasuk namun tidak terbatas pada peningkatan modal dasar, modal yang ditempatkan dan modal disetor Perseroan; • Persetujuan penunjukan Danadipa sebagai penyetor modal sebesar Rp1.000 miliar dengan harga pembelian per lembar saham sebesar nilai nominal Rp10.000; • Persetujuan pengalihan seluruh saham Perseroan milik PT Recapital Advisor dan IKP-RI kepada PT Danadipa Artha; • Persetujuan penerbitan 100.000.000 lembar saham Perseroan dengan nilai keseluruhan Rp1.000 miliar yang seluruhnya akan diambil bagian dan disetor oleh PT Danadipa Artha Indonesia; • Persetujuan pengalihan seluruh saham Perseroan milik PT Taspen; • Persetujuan pengalihan seluruh saham Perseroan yang saat ini dimiliki dan yang akan dimiliki oleh PT Mitra Lintas Persada kepada PT Koin Investama Nusantara; • Persetujuan pengalihan seluruh saham Perseroan milik Dana Pensiun PT Asuransi Jasa Indonesia (DP Jasindo). 	<ul style="list-style-type: none"> • Approval of the takeover of the Company by PT. Danadipa Artha Indonesia; • Approval of the Plan for Acquisition on December 11, 2019; • Approval of the concept of Deed of Acquisition of the Company which has been approved by the Board of Commissioners of Bank BKE and the Board of Commissioners of PT Danadipa Artha Indonesia; • Approval of amendments and restatement of the Company's Articles of Association, which include but are not limited to increasing the authorized capital, issued and paid-up capital of the Company; • Approval for the appointment of Danadipa as a depositor of capital amounting to Rp1,000 billion with a purchase price per share of a nominal value of Rp10,000; • Approval of the transfer of all shares of the Company owned by PT Recapital Advisor and IKP-RI to PT Danadipa Artha; • Approval of the issuance of 100,000,000 shares of the Company with a total value of Rp1,000 billion, all of which will be subscribed and paid up by PT Danadipa Artha Indonesia; • Approval of the transfer of all of the Company's shares belonging to PT Taspen; • Approval of the transfer of all shares of the Company currently owned and which will be owned by PT Mitra Lintas Persada to PT Koin Investama Nusantara; • Approval of the transfer of all Company shares belonging to the Pension Fund of PT Asuransi Jasa Indonesia (DP Jasindo).
<p>16 Maret 2020 (RUPS Luar Biasa)</p> <p>March 16, 2020 (Extraordinary GMS)</p>	<ul style="list-style-type: none"> • Menyetujui pengangkatan Sdr. Novie Gunawan sebagai Direksi Keuangan, Sdr. Dono Boestami sebagai Komisaris Utama/ Komisaris Independen dan Sdr. Hans Kurniadi Saleh sebagai Komisaris; • Menyetujui untuk memberikan kuasa dan wewenang kepada Dewan Direksi Perseroan dengan hak substitusi, baik bersama-sama maupun masing-masing untuk melakukan segala tindakan yang diperlukan sehubungan dengan/atau dalam rangka pelaksanaan keputusan-keputusan sebagaimana tercantum dalam RUPS LB ini, termasuk tetapi tidak terbatas pada menghadap di hadapan Notaris, pejabat/instansi pemerintah terkait/berwenang serta pihak manapun; dan melakukan segala tindakan lainnya yang diperlukan dan/atau yang dianggap baik atau layak oleh Dewan Direksi Perseroan tanpa ada yang dikecualikan. 	<ul style="list-style-type: none"> • Approved the appointment of Ms. Novie Gunawan as Director of Finance, Mr. Dono Boestami as President Commissioner/ Independent Commissioner and Mr. Hans Kurniadi Saleh as Commissioner; • Approved to grant power and authority to the Board of Directors of the Company with substitution rights, either jointly or individually to take all necessary actions in connection with/or in the context of implementing decisions as stated in this EGMS, including but not limited to appear before the Notary, government officials/ agencies related/authorized as well as any party; and take all other actions that are necessary and/or deemed good or appropriate by the Board of Directors of the Company without exception.

Pelaksanaan RUPS Tahun 2020 Implementation of the GMS in 2020	Keputusan RUPS	Resolution of the GMS
<p>24 April 2020 (RUPS Tahunan)</p> <p>April 24, 2020 (Annual GMS)</p>	<ul style="list-style-type: none"> • Persetujuan Penjualan Saham Perseroan milik PT Reliance Sekuritas Indonesia Tbk. kepada PT Koin Investama Nusantara; • Persetujuan Laporan Tahunan untuk tahun buku yang berakhir pada tanggal 31 Desember 2019; • Persetujuan Penggunaan Laba Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2019; • Persetujuan menunjukan Kantor Akuntan Publik Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2020; • Rencana penjualan portofolio KDS Channelling NPL dan hapus buku; • Pemberhentian dan pengangkatan anggota Dewan Direksi Perseroan; • Penetapan remunerasi anggota Dewan Direksi dan Dewan Komisaris Perseroan; • Penjualan Saham Perseroan milik Dana Pensiun Jasa Raharja, Dana Pensiun Jasindo, dan Koppeg BKE; • Penambahan Modal Perseroan. 	<ul style="list-style-type: none"> • Approval for the Sale of Company Shares owned by PT. Reliance Sekuritas Indonesia Tbk. to PT Koin Investama Nusantara; • Approval of the Annual Report for the financial year ended December 31, 2019; • Approval for the Use of Company Profits for the financial year ended December 31, 2019; • Approval of the appointment of the Company's Public Accounting Firm for the financial year ended December 31, 2020; • KDS Channelling Portfolio Sales Plan for NPL and write-offs; • Dismissal and appointment of members of the Company's Board of Directors; • Determination of the remuneration of the members of the Board of Directors and the Board of Commissioners of the Company; • Sale of the Company's shares belonging to Jasa Raharja Pension Fund, Jasindo Pension Fund, and Koppeg BKE; • Increase in the Company's Capital.
<p>14 September 2020 (Akta Pernyataan Keputusan Para Pemegang Saham)</p> <p>September 14, 2020 (Deed of Shareholders Resolution Statement)</p>	<ul style="list-style-type: none"> • Memutuskan untuk menegaskan kembali keputusan yang telah diambil oleh pemegang saham Perseroan yang tertuang pada Akta RUPS Tahunan Nomor 11 tanggal 24 April 2020, atas penjualan dan pengalihan saham perseroan yang dimiliki oleh Dapen Jasa Jaharja kepada PT Danadipa Artha Indonesia; • Menyetujui penjualan dan pengalihan Saham Perseroan yang dimiliki oleh PT Mitra Lintas Persada kepada PT Koin Investama Nusantara; • Memutuskan susunan dan komposisi kepemilikan saham sebagaimana berikut: <ol style="list-style-type: none"> 1. PT Danadipa Artha Indonesia sebanyak 159.337.630 lembar saham atau Rp1.593.376.300.000; 2. PT Koin Investama Nusantara sebanyak 8.475.319 lembar saham, atau Rp84.753.190.000. <p>Sehingga seluruhnya berjumlah 167.812.949 lembar saham atau sebanyak Rp1.678.129.490.000.</p> <ul style="list-style-type: none"> • Menyetujui serta menerima pengunduran diri Sdri. Dhini Laswita sebagai Direktur Kepatuhan dan Manajemen Risiko yang berlaku efektif sejak tanggal 30 Oktober 2020. 	<ul style="list-style-type: none"> • Decided to confirm the decisions made by the Company's shareholders as stated in the Deed of the Annual GMS Number 11 dated April 24, 2020, on the sale and transfer of the Company's shares owned by Dapen Jasa Jaharja to PT Danadipa Artha Indonesia; • Approved the sale and transfer of the Company's shares previously owned by PT Mitra Lintas Persada to PT Koin Investama Nusantara; • Decide on the composition of share ownership as follows: <ol style="list-style-type: none"> 1. PT Danadipa Artha Indonesia, totaling 159,337,630 shares or Rp1,593,376,300,000; 2. PT Koin Investama Nusantara, amounting to 8,475,319 shares, or Rp84,753,190,000. <p>So that all shares totaled 167,812,949 shares or Rp1,678,129,490,000.</p> <ul style="list-style-type: none"> • Approved and accepted the resignation of Ny. Dhini Laswita as Director of Compliance and Risk Management which is effective since October 30, 2020.

Pelaksanaan RUPS Tahun 2020 Implementation of the GMS in 2020	Keputusan RUPS	Resolution of the GMS
06 Oktober 2020 (Akta Pernyataan Keputusan Para Pemegang Saham) October 06, 2020 (Deed of Shareholders Decision Statement)	Menyetujui untuk mengubah ketentuan ayat (3) dan (5) Pasal 12 Anggaran Dasar Perseroan mengenai Tugas dan Wewenang Dewan Direksi .	Agree to amend the provisions of paragraphs (3) and (5) Article 12 of the Company's Articles of Association regarding the Duties and Authorities of the Board of Directors.
26 November 2020 (Pernyataan Keputusan pemegang Saham – Perubahan AD) November 26, 2020 (Shareholders Decision Statement - Amendment to Articles of Association)	<ul style="list-style-type: none"> Menyetujui modal ditempatkan dan disetor Perseroan yang semula berjumlah Rp1.678.129.490.000 menjadi berjumlah Rp2.078.129.490.000; Menyetujui peningkatan saham modal ditempatkan dan disetornya semula 167.812.949 saham menjadi 207.812.949 saham dengan menerbitkan 40.000.000 saham baru; Menyetujui penyertaan saham baru oleh PT Danadipa Artha Indonesia; Melepaskan hak mengambil bagian saham terlebih dahulu PT Koin Investama Nusantara sebagai pemegang saham saat ini atas saham baru yang dikeluarkan oleh Perseroan, sesuai dengan Anggaran Dasar Perseroan. Sehubungan dengan tiga poin pertama di atas, struktur komposisi pemegang saham akan berubah menjadi: <ol style="list-style-type: none"> PT Danadipa Artha Indonesia, sebanyak 199.337.630 saham dengan nilai nominal Rp1.993.376.300.000; PT Koin Investama Nusantara, sebanyak 8.475.319 saham dengan nilai nominal Rp84.753.190.000; 	<ul style="list-style-type: none"> Approved the issued and paid-up capital of the Company which originally amounted to Rp1,678,129,490,000 increase to Rp2,078,129,490,000; Approved the increase in issued and paid-up capital shares from 167,812,949 shares to 207,812,949 shares by issuing 40,000,000 new shares; Approved the participation of New Shares by PT Danadipa Artha Indonesia; Releasing the right to pre-empt shares of PT Koin Investama Nusantara as the current shareholder of new shares issued by the Company, in accordance with the Company's Articles of Association. In relation to numbers (1), (2) and (3) above, the shareholder composition structure will change to: <ol style="list-style-type: none"> PT Danadipa Artha Indonesia, as many as 199,337,630 shares with a nominal value of Rp1,993,376,300,000; PT Koin Investama Nusantara, as many as 8,475,319 shares with a nominal value of Rp84,753,190,000;
02 Desember 2020 (Pernyataan Keputusan pemegang Saham – Perubahan AD) December 02, 2020 (Shareholders Decision Statement - Amendment to Articles of Association)	<ul style="list-style-type: none"> Mengubah ketentuan ayat (3) dan (5) Pasal 12 – Anggaran Dasar Perseroan mengenai Tugas dan Wewenang Dewan Direksi; Mengubah nomenklatur jabatan Sdri. Novie Gunawan sebagai anggota Direksi Perseroan yang tercantum dalam Akta No.02 tanggal 04 Juni 2020 yang dibuat oleh Notaris Arry Supratno, S.H., sebagaimana telah tercatat di Kemenkumham dengan No. AHU-AH.01.03-0237076 tanggal 05 Juni 2020 dari "Direktur Finance" menjadi "Direktur Keuangan". 	<ul style="list-style-type: none"> Amend the provisions of paragraphs (3) and (5) Article 12 - The Company's Articles of Association regarding the Duties and Authorities of the Board of Directors; Changing the nomenclature of Ms. Novie Gunawan as a member of the Company's Board of Directors as stated in Deed No.02 dated June 4, 2020 made by Notary Arry Supratno, S.H., as recorded in the Ministry of Law and Human Rights with No. AHU-AH.01.03-0237076 dated June 5, 2020, from "Direktur Finance" to "Direktur Keuangan".

Dewan Komisaris Board of Commissioners

Dewan Komisaris adalah organ perseroan yang memiliki tugas pokok melakukan pengawasan terhadap kebijakan Bank sesuai dengan Anggaran Dasar Perusahaan serta memberikan nasihat kepada Dewan Direksi. Dewan Komisaris juga bertugas untuk memastikan penerapan tata kelola perusahaan dalam setiap kegiatan usaha Bank BKE pada seluruh jenjang organisasi.

Dewan Komisaris telah melaksanakan tugas dan tanggung jawab secara independen.

Board of Commissioners is the organ with main duties to supervise Bank's policy according to the Articles of Association and provide advices to Board of Directors. Board of Commissioners is also responsible to ensure the implementation of corporate governance in every business activity of Bank BKE at all levels of the organization.

Board of Commissioners has carried out its duties and responsibilities independently.

Susunan Dewan Komisaris Board of Commissioners' Composition

Anggota Dewan Komisaris Bank BKE pada tahun 2020 berjumlah 3 (tiga) orang yang di ketuai oleh Komisaris Utama. Komposisi Dewan Komisaris terdiri dari 2 (dua) orang anggota Komisaris Independen (termasuk Komisaris Utama) dan 1 (satu) orang Komisaris yang berasal dari perwakilan pemegang saham.

Susunan Dewan Komisaris yang menjabat per 31 Desember 2020 adalah sebagai berikut:

Bank BKE's Board of Commissioners in 2020 consists of 3 (three) members, led by President Commissioner. In terms of composition, the Board of Commissioners consists of 2 (two) Independent Commissioner (including the President Commissioner) and 1 (one) Commissioner who is a representative of the shareholders.

Board of Commissioners' composition who served as of December 31, 2020 is as follows:

Nama Name	Jabatan Position
Dono Boestami	Komisaris Utama/Komisaris Independen President Commissioner/Independent Commissioner
Hans Kurniadi Saleh	Komisaris/Commissioner
I Nyoman Sidia	Komisaris Independen/Independent Commissioner

Komposisi keanggotaan Dewan Komisaris Bank BKE telah memenuhi ketentuan Peraturan OJK No.55/POJK.03/2016 dan Surat Edaran OJK No.13/SEOJK.03/2017 tentang Penerapan Tata Kelola Bagi Bank Umum, yaitu paling sedikit 3 (tiga) orang dengan komposisi Komisaris Independen tidak kurang dari 50% dari jumlah anggota Dewan Komisaris.

Penetapan anggota Dewan Komisaris dilakukan berdasarkan kompetensi yang relevan dengan jabatannya sehingga mereka dapat menjalankan tugas dan tanggung jawabnya dengan baik. Penggantian dan/atau pengangkatan anggota Dewan Komisaris telah memperhatikan rekomendasi Komite Remunerasi dan Nominasi dan memperoleh persetujuan dari RUPS.

Bank BKE's Board of Commissioners composition has been in accordance with the provisions of OJK Regulation No.55/POJK.03/2016 and OJK Circular Letter No.13/SEOJK.03/2017 on Implementation of Corporate Governance for Commercial Banks, which requires a minimum of 3 (three) members with number of Independent Commissioners not less than 50% of total members of the Board of Commissioners.

The appointment of Board of Commissioners' members is based on competencies relevant to their positions, so that they can carry out their duties and responsibilities properly. Replacement and/or appointment of members of the Board of Commissioners has taken into account recommendations given by the Remuneration and Nomination Committee and has obtained approval from GMS.

Seluruh anggota Dewan Komisaris Bank BKE telah lulus uji kelayakan dan kepatutan dan telah memperoleh surat persetujuan dari OJK. Seluruh anggota Dewan Komisaris Bank BKE tidak memiliki rangkap jabatan sebagai Komisaris, Dewan Direksi atau Pejabat Eksekutif pada bank, perusahaan, dan/atau lembaga lainnya yang tidak diperbolehkan berdasarkan peraturan perundang-undangan.

All members of Bank BKE's Board of Commissioners have passed the fit and proper test and have received a letter of approval from OJK. All members of Bank BKE's Board of Commissioners do not have concurrent positions as Commissioners, Directors or Executive Officers at other banks, companies, and/or institutions that are not allowed according to the laws and regulations.

Independensi Dewan Komisaris Board of Commissioners' Independence

Dalam pelaksanaan tugas dan tanggung jawabnya, Dewan Komisaris bertindak secara profesional dan independen tanpa intervensi dari pihak manapun yang dapat menimbulkan konflik kepentingan. Dalam hal terjadi benturan kepentingan, anggota Dewan Komisaris dilarang mengambil tindakan yang dapat merugikan Bank atau mengurangi keuntungan Bank.

Board of Commissioners performed their duties and responsibilities professionally and independently without any intervention from other parties that may cause a conflict of interest. In the event of a conflict of interest, members of the Board of Commissioners are prohibited from taking actions that may harm the Bank or reduce the Bank's profits.

Seluruh anggota Dewan Komisaris tidak memiliki hubungan keluarga satu dengan yang lain sampai dengan derajat kedua dengan sesama anggota Dewan Komisaris dan/atau Dewan Direksi.

All members of the Board of Commissioners have no family ties up to the second generation with fellow members of the Board of Commissioners and/or the Board of Directors.

Tugas dan Tanggung Jawab Dewan Komisaris Board of Commissioners' Duties and Responsibilities

Tugas dan tanggung jawab Dewan Komisaris antara lain:

- Memastikan penerapan GCG dalam setiap kegiatan usaha Bank pada seluruh jenjang organisasi;
- Melaksanakan pengawasan terhadap pelaksanaan tugas dan tanggung jawab Dewan Direksi serta memberikan nasihat kepada Dewan Direksi;
- Mengarahkan, memantau dan mengevaluasi pelaksanaan kebijakan strategis Bank;
- Dalam melaksanakan pengawasan, Dewan Komisaris dilarang ikut serta dalam pengambilan keputusan kegiatan operasional Bank, kecuali:
 1. Penyediaan dana kepada pihak terkait sebagaimana diatur dalam peraturan mengenai batas maksimum pemberian kredit Bank Umum;
 2. Hal-hal lain yang ditetapkan dalam anggaran dasar Bank atau peraturan perundang-undangan;
- Dalam hal Dewan Komisaris mengambil keputusan atas kegiatan operasional Bank yang sesuai dengan ketentuan

Commissioners' duties and responsibilities include:

- Ensuring that the implementation of GCG is carried out in every business activity of the Bank at all levels of the organization;
- Supervising the performance of duties and responsibilities of the Board of Directors and providing advice to the Board of Directors;
- Directing, monitoring and evaluating the implementation of Bank's strategic policies;
- In carrying out their supervision duties, Board of Commissioners is prohibited from participating in Bank's operational decisions making, except:
 1. Provision of funds to related parties as stipulated in the regulation on legal lending limit for Commercial Banks;
 2. Other matters stipulated in the Bank's Articles of Association or other prevailing laws and regulations;
- In the event that Board of Commissioners make a decision on Bank's operational activities in accordance with the

yang berlaku dan merupakan bagian dari tugas pengawasan, maka keputusan tersebut tidak dijadikan bagian dari tanggung jawab Dewan Direksi atas pelaksanaan kepengurusan Bank;

- Memastikan bahwa Dewan Direksi telah menindaklanjuti temuan audit dan rekomendasi Satuan Kerja Audit Intern Bank, auditor ekstern, hasil pengawasan OJK dan/atau hasil pengawasan otoritas lain;
- Melaporkan kepada OJK paling lambat 7 (tujuh) hari kerja sejak ditemukan:
 1. Pelanggaran hukum/peraturan perundang-undangan di bidang keuangan dan perbankan;
 2. Keadaan atau perkiraan keadaan yang dapat membahayakan kelangsungan usaha Bank;
- Dalam rangka mendukung efektivitas pelaksanaan tugas dan tanggung jawab, Dewan Komisaris wajib membentuk paling sedikit Komite Audit, Komite Pemantau Risiko, dan Komite Remunerasi dan Nominasi;
- Pengangkatan anggota komite di atas wajib dilakukan oleh Dewan Direksi berdasarkan keputusan rapat Dewan Komisaris;
- Memastikan bahwa komite yang telah dibentuk menjalankan tugas secara efektif;
- Memiliki pedoman dan tata tertib kerja yang bersifat mengikat bagi setiap anggota Dewan Komisaris;
- Dalam laporan pelaksanaan tata kelola, anggota Dewan Komisaris wajib mengungkapkan:
 1. Kepemilikan saham yang mencapai 5% (lima persen) atau lebih, baik pada Bank yang bersangkutan maupun pada bank dan perusahaan lain, yang berkedudukan di dalam dan di luar negeri;
 2. Hubungan keuangan dan hubungan keluarga dengan anggota Dewan Komisaris lain, anggota Dewan Direksi dan/atau pemegang saham pengendali Bank;
 3. Remunerasi dan fasilitas lain yang ditetapkan RUPS.

applicable regulations and as part of its supervisory duties, this decision does not become part of the Board of Directors' responsibility for the implementation of management of the Bank;

- Ensuring that Board of Directors has followed up on audit findings and recommendations from Bank's Internal Audit Working Unit, external auditors, findings from OJK and/or other authorities;
- Reporting to OJK no later than 7 (seven) working days upon the finding of:
 1. Violation of laws/regulations in the financial and banking sector;
 2. Conditions or estimated conditions that may endanger the continuity of Bank's business;
- In order to support the effectiveness of their duties and responsibilities, Board of Commissioners is required to form at least an Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee;
- Members of the above committees must be appointed by Board of Directors based on decision of the Board of Commissioners' meeting;
- Ensuring that the committees carry out their duties effectively;
- Establishing work guideline and code of conduct which applies for each member of the Board of Commissioners;
- In the corporate governance implementation report, Board of Commissioners' members must disclose:
 1. Share ownership that reaches 5% (five percent) or more, both in the Bank and in other banks and companies, which are domiciled local and abroad;
 2. Financial relationships and family relationships with other members of the Board of Commissioners, members of the Board of Directors and/or the controlling shareholder of the Bank;
 3. Remuneration and other facilities determined by GMS.

Rapat Dewan Komisaris Board of Commissioners Meetings

Penyelenggaraan rapat Dewan Komisaris Bank BKE telah memenuhi ketentuan OJK yaitu paling sedikit 4 (empat) kali dalam setahun, serta dihadiri secara fisik paling sedikit 2 (dua) kali dalam setahun.

Frekuensi rapat Dewan Komisaris dan tingkat kehadiran anggota Dewan Komisaris selama tahun 2020, sebagai berikut:

Bank BKE's Board of Commissioners meeting was held in compliance with OJK regulations, that is at least 4 (four) times a year, and at least 2 (two) physical meetings a year.

The frequency of Board of Commissioners meeting and the attendance level during 2020, are as follows:

Nama Name	Jumlah Rapat Number of Meeting	Jumlah Kehadiran Attendance	% Kehadiran % of Attendance
Dono Boestami	6	6	100 %
Hans Kurniadi Saleh	6	6	100 %
I Nyoman Sidia	6	6	100 %

Pelaksanaan Rapat Dewan Komisaris dijelaskan pada tabel di bawah ini.

The execution of Board of Commissioners meeting is described in the table below.

No	Tanggal Rapat Date of Meeting	Agenda Rapat Agenda	Peserta Rapat Participant
1.	16 Juni 2020 June 16, 2020	<ul style="list-style-type: none"> • Kesepakatan waktu rapat Dewan Komisaris, Komite, dan Dewan Direksi; • Rekomendasi-rekomendasi hasil pemantauan Komite Audit dan Komite Pemantau Risiko; • Keputusan Dewan Komisaris perihal Penunjukan Anggota Komite. <ul style="list-style-type: none"> • Agreement on the time for meeting of the Board of Commissioners, Committees and Board of Directors; • Recommendations on the results of monitoring by the Audit Committee and Risk Monitoring Committee; • Decision of the Board of Commissioners regarding the Appointment of Committee Members. 	<ul style="list-style-type: none"> • Dono Boestami • Hans Kurniadi Saleh • I Nyoman Sidia
2.	16 Juli 2020 July 16, 2020	<ul style="list-style-type: none"> • Hasil Rapat Komite Pemantau Risiko; • Hasil Rapat Komite Audit. <ul style="list-style-type: none"> • Results of the Risk Monitoring Committee Meeting; • Results of the Audit Committee Meeting. 	<ul style="list-style-type: none"> • Dono Boestami • Hans Kurniadi Saleh • I Nyoman Sidia
3.	27 Agustus 2020 August 27, 2020	<ul style="list-style-type: none"> • Hasil Rapat Komite Pemantau Risiko; • Hasil Rapat Komite Audit. <ul style="list-style-type: none"> • Results of the Risk Monitoring Committee Meeting; • Results of the Audit Committee Meetings. 	<ul style="list-style-type: none"> • Dono Boestami • Hans Kurniadi Saleh • I Nyoman Sidia
4.	24 September 2020 September 24, 2020	<ul style="list-style-type: none"> • Hasil Rapat Komite Pemantau Risiko; • Hasil Rapat Komite Audit. <ul style="list-style-type: none"> • Results of the Risk Monitoring Committee Meeting; • Results of the Audit Committee Meeting. 	<ul style="list-style-type: none"> • Dono Boestami • Hans Kurniadi Saleh • I Nyoman Sidia
5.	21 Oktober 2020 October 21, 2020	<ul style="list-style-type: none"> • Hasil Rapat Komite Pemantau Risiko; • Hasil Rapat Komite Audit. <ul style="list-style-type: none"> • Results of the Risk Monitoring Committee Meeting; • Results of the Audit Committee Meeting. 	<ul style="list-style-type: none"> • Dono Boestami • Hans Kurniadi Saleh • I Nyoman Sidia
6.	7 Desember 2020 December 7, 2020	<ul style="list-style-type: none"> • Paparan Komite Pemantauan Risiko; • Paparan Komite Nominasi dan Remunerasi; • Paparan Komite Audit. <ul style="list-style-type: none"> • Presentation from the Risk Monitoring Committee; • Presentation from the Nomination and Remuneration Committee; • Presentation from the Audit Committee. 	<ul style="list-style-type: none"> • Dono Boestami • Hans Kurniadi Saleh • I Nyoman Sidia

Dalam rangka pengawasan terhadap pelaksanaan tugas dan tanggung jawab Dewan Direksi, Dewan Komisaris menyelenggarakan rapat gabungan Dewan Komisaris dan Dewan Direksi untuk mengevaluasi dan membahas kinerja Bank, pelaksanaan fungsi kepatuhan, pemantauan profil risiko dan laporan Komite Audit serta hal-hal lain yang membutuhkan perhatian dan penjelasan dari Dewan Direksi.

Pada tahun 2020, telah dilakukan 2 (dua) kali rapat dengan tingkat kehadiran anggota Dewan Komisaris sebagai berikut:

Nama Name	Jumlah Rapat Number of Meeting	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
Dono Boestami	2	2	100 %
Hans Kurniadi Saleh	2	2	100 %
I Nyoman Sidia	2	2	100 %

Pengambilan keputusan dalam rapat internal Dewan Komisaris maupun rapat gabungan Dewan Komisaris dengan Dewan Direksi telah dilakukan berdasarkan musyawarah mufakat atau melalui pemungutan suara terbanyak dalam hal tidak terjadi musyawarah mufakat.

Hasil rapat tersebut telah dituangkan dalam risalah rapat yang ditandatangani oleh seluruh Dewan Komisaris yang hadir dan didistribusikan kepada semua anggota Dewan Komisaris serta didokumentasikan dengan baik.

Hasil rapat Dewan Komisaris maupun rapat Gabungan Dewan Komisaris dengan Dewan Direksi merupakan rekomendasi atau nasihat yang dapat diimplementasikan Dewan Direksi atau untuk bahan RUPS.

Pelaksanaan rapat gabungan Dewan Komisaris dengan Dewan Direksi dijelaskan pada tabel dibawah ini.

In order to supervise the implementation of Board of Directors' duties and responsibilities, the Board of Commissioners holds joint meetings with Board of Directors to evaluate and discuss the Bank's performance, implementation of compliance function, risk profile monitoring and Audit Committee's reports, as well as other issues requiring attention and explanation from Board of Directors.

In 2020, 2 (two) meetings were held with Board of Commissioners' members attendance levels of as follows:

Resolutions of the Board of Commissioners meeting and / or the joint meeting of Board of Commissioners and Board of Directors are made based on deliberation to reach consensus or through majority voting in the event where consensus are not reached.

The resolutions of the meeting have been described in the minutes of the meeting which were signed by all the Board of Commissioners present and distributed to all members of the Board of Commissioners and well documented.

The resolutions of both Board of Commissioners meeting and joint meeting of Board of Commissioners and Board of Directors constitute a recommendation or advice that the Board of Directors can implement or for GMS's materials.

Implementation of the joint meetings of Board of Commissioners and Board of Directors is described in the table below.

No	Tanggal Rapat Date of Meeting	Agenda Rapat Meeting Agenda	Peserta Rapat Meeting Participant
1.	23 Juli 2020 July 23, 2020	<ul style="list-style-type: none"> Evaluasi Kinerja Keuangan Juni 2020; Laporan Direktur Kepatuhan dan Manajemen Risiko; Evaluation on Financial Performance of June 2020; Report from Director of Compliance and Risk Management; 	<ul style="list-style-type: none"> Dono Boestami Hans Kurniadi Saleh I Nyoman Sidia Sasmaya Tuhuleley Zainal Riffandi Dhini Laswita Joice Rosandi Novie Gunawan

No	Tanggal Rapat Date of Meeting	Agenda Rapat Meeting Agenda	Peserta Rapat Meeting Participant
2.	26 Oktober 2020 October 26, 2020	<ul style="list-style-type: none"> Evaluasi Kinerja Keuangan Juli 2020 – September 2020; Laporan Direktur Kepatuhan dan Manajemen Risiko; Evaluation on Financial Performance of July 2020 - September 2020; Report from the Director of Compliance and Risk Management; 	<ul style="list-style-type: none"> Dono Boestami Hans Kurniadi Saleh I Nyoman Sidia Sasmaya Tuhuleley Zainal Riffandi Dhini Laswita Joice Rosandi Novie Gunawan

Penilaian Kinerja Dewan Komisaris Appraisal of the Board of Commissioners' Performance

Penilaian kinerja Dewan Komisaris dilakukan oleh pemegang saham dalam RUPS Tahunan pada saat penyampaian laporan tugas pengawasan Dewan Komisaris kepada RUPS.

Appraisal of Board of Commissioners' performance is carried out by shareholders at the Annual GMS, when Board of Commissioners present their supervisory report to the GMS.

Peningkatan Kompetensi Dewan Komisaris Board of Commissioners' Competency Development

Sepanjang tahun 2020, anggota Dewan Komisaris telah mengikuti peningkatan kompetensi berupa pelatihan, *workshop* dan seminar, sebagaimana tabel berikut ini:

Throughout 2020, members of the Board of Commissioners have participated in competency enhancement program in the form of trainings, workshops and seminars, as described in the following table:

Nama Name	Materi Pengembangan Kompetensi / Pelatihan Materials for Competency Development / Training	Waktu dan Tempat Pelaksanaan Date and Place	Jenis Pelatihan dan Penyelenggara Type of Training and Organizer
Dono Boestami	Pembekalan Uji Sertifikasi BSMR Level I	Jakarta, 09-10 Maret 2020	Pemenuhan Kompetensi Teknis & Sertifikasi
	Briefing for Level I BSMR Certification Test	Jakarta, March 09-10, 2020	Fulfillment of Technical Competence & Certification
	Pembekalan Uji Sertifikasi BSMR Level II Komisaris	Jakarta, 30-31 Maret 2020	Pemenuhan Kompetensi Teknis & Sertifikasi
	Briefing for Level II BSMR Commissioner Certification Test	Jakarta, March 30-31, 2020	Fulfillment of Technical Competence & Certification
	Antisipasi Resesi Ekonomi : New Business Model Perbankan & Dunia Usaha di Tengah Pemulihan Ekonomi Sosial	Zoom, 24 September 2020	Infobank
	Anticipating Economic Recession: New Business Model of Banking & Business in the Middle of Social Economic Recovery	Zoom, September 24, 2020	

Nama Name	Materi Pengembangan Kompetensi / Pelatihan Materials for Competency Development / Training	Waktu dan Tempat Pelaksanaan Date and Place	Jenis Pelatihan dan Penyelenggara Type of Training and Organizer
Hans Kurniadi Saleh	Pembekalan Uji Sertifikasi Manajemen Risiko Level 1	Jakarta, 26-27 Februari 2020	Pemenuhan Kompetensi Teknis & Sertifikasi
	Briefing for Level 1 Risk Management Certification Test	Jakarta, February 26-27, 2020	Fulfillment of Technical Competence & Certification
	Antisipasi Resesi Ekonomi : <i>New Business</i> Model Perbankan & Dunia Usaha di Tengah Pemulihan Ekonomi Sosial	Zoom, 24 September 2020	Infobank
	Anticipating Economic Recession: <i>New Business</i> Model of Banking & Business in the Middle of Social Economic Recovery	Zoom, September 24, 2020	
	Profiling Kejahatan dan Kerentanan Pencucian Uang serta Pendanaan Terorisme sebagai Dampak Krisis Covid 19	Zoom, 19 Agustus 2020	FKDKP
	<i>Profiling</i> Crime and Vulnerability of Money Laundering and Terrorism Funding as the Impact of the Covid Crisis 19	Zoom, August 19, 2020	
I Nyoman Sidia	<i>Refreshment</i> BSMR Level 4	Jakarta, 25 Februari 2020	BSME
	Refreshment of Level 4 BSMR	Jakarta, February 25, 2020	

Komisaris Independen Independent Commissioner

Per tanggal 31 Desember 2020, 2 (dua) dari 3 (tiga) anggota Dewan Komisaris Bank BKE merupakan Komisaris Independen, atau mewakili sekitar 66% (enam puluh enam persen) dari jumlah anggota Dewan. Dengan demikian, komposisi anggota Dewan Komisaris telah memenuhi Peraturan OJK No. 55/POJK.03/2016 dan Surat Edaran OJK No.13/SEOJK.03/2017 tentang Penerapan Tata Kelola Bank Umum, yang menyatakan bahwa jumlah Komisaris Independen paling sedikit 50% (lima puluh persen) dari jumlah anggota Dewan Komisaris.

As of December 31, 2020, 2 (two) out of 3 (three) members of Board Commissioners of Bank BKE are Independent Commissioners, or representing around 66% (sixty six percent) of total members of the Board. Hence, the composition of the members has complied with OJK Regulation No. 55/POJK.03/2016 and and OJK Circular Letter No. 13/SEOJK.03/2017 on Implementation of Corporate Governance for Commercial Banks, which states that the number of Independent Commissioners is at least 50% (fifty percent) of the total members of the Board of Commissioners.

Dewan Direksi Board of Directors

Dewan Direksi adalah organ perseroan yang berwenang dan bertanggung jawab penuh atas pengurusan perusahaan untuk kepentingan perusahaan sesuai dengan maksud dan tujuan perusahaan serta mewakili perusahaan, baik di dalam maupun di luar pengadilan sesuai dengan ketentuan Anggaran Dasar.

Board of Directors is the corporate organ that is authorized and fully responsible for the management of the Company, for the benefit of the Company, in accordance with the Company's goals and objectives and represents the Company, both inside and outside the court in accordance with the Articles of Association.

Susunan Dewan Direksi Board of Directors' Composition

Susunan keanggotaan Dewan Direksi pada tahun 2020 adalah sebagai berikut:

Composition of Board of Directors in 2020 is as follows:

Nama Name	Jabatan Position
Sasmaya Tuhuleley	Direktur Utama/President Director
Dhini Laswita *)	Direktur/Director
Zainal Riffandi	Direktur/Director
Joice Farida Rosandi	Direktur/Director
Novie Gunawan **)	Direktur/Director

*) Berhenti menjabat sebagai Direktur Kepatuhan dan Manajemen Risiko berdasarkan hasil RUPS tanggal 14 September 2020.

***) Direktur Keuangan sebagai Pejabat Sementara (Pjs) Direktur Kepatuhan & Manajemen Risiko berdasarkan surat nomor 198/DIR/2020 tanggal 14 Oktober 2020.

*) Resigned from the position of Director of Compliance and Risk Management based on the results of the GMS on September 14, 2020.

***) Director of Finance serves Acting Director of Compliance and Risk Management based on letter number 198 / DIR / 2020 dated October 14, 2020.

Dewan Direksi dipilih atas dasar integritas, kompetensi, dan reputasi keuangan yang memadai sesuai dengan persyaratan penilaian kemampuan dan kepatutan yang telah ditetapkan oleh OJK. Penggantian dan/atau pengangkatan anggota Dewan Direksi telah memperhatikan rekomendasi Komite Remunerasi dan Nominasi dan memperoleh persetujuan dari RUPS.

Board of Directors are selected on the basis of integrity, competence and adequate financial reputation in accordance with the fit and proper test requirements set by the OJK. Replacement and/or appointment of members of Board of Directors has taken into account the recommendations from Remuneration and Nomination Committee and obtained approval from GMS.

Seluruh anggota Dewan Direksi telah lulus uji kelayakan dan kepatutan dan telah memperoleh surat persetujuan dari OJK. Seluruh anggota Dewan Direksi berdomisili di Indonesia dan tidak memiliki rangkap jabatan sebagai Komisaris, Dewan Direksi atau Pejabat Eksekutif pada bank, perusahaan dan/atau lembaga lain.

All members of the Board of Directors have passed the fit and proper test and have obtained a letter of approval from OJK. All members of Board of Directors are domiciled in Indonesia and do not have concurrent positions as Commissioners, Board of Directors or Executive Officers at other banks, companies and/or institutions.

Seluruh anggota Dewan Direksi tidak saling memiliki hubungan keuangan dan hubungan keluarga sampai dengan derajat kedua dengan sesama anggota Dewan Direksi dan/atau dengan anggota Dewan Komisaris.

All members of the Board of Directors do not have financial and family relations up to the second generation with fellow members of Board of Directors and/or members of Board of Commissioners.

Direktur Utama berasal dari pihak yang independen, yang tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan hubungan keluarga terhadap pemegang saham pengendali.

President Director comes from an independent party, who has no financial, management, share ownership and family relationship with the controlling shareholders.

Tugas dan Tanggung Jawab Dewan Direksi Board of Directors' Duties and Responsibilities

Tugas dan tanggung jawab Dewan Direksi, antara lain :

- Memimpin dan mengurus Bank sesuai dengan visi dan misinya;
- Mengelola Bank sesuai kewenangan dan tanggung jawabnya sebagaimana diatur dalam Anggaran Dasar dan peraturan perundang-undangan yang berlaku;
- Melaksanakan prinsip-prinsip GCG dalam setiap kegiatan usaha Bank pada seluruh jenjang organisasi;
- Menindaklanjuti temuan audit dan rekomendasi dari Sub Direktorat Internal Audit, auditor eksternal dan hasil pengawasan OJK dan/atau hasil pengawasan otoritas lain;
- Menyediakan data dan informasi yang lengkap, akurat, kini dan tepat waktu kepada Dewan Komisaris;
- Mengungkapkan kebijakan-kebijakan strategis di bidang kepegawaian kepada seluruh pegawai, melalui media yang mudah diakses;
- Mengkomunikasikan kepada pegawai mengenai arah bisnis Bank BKE dalam rangka pencapaian visi dan misi Bank;
- Mempertanggungjawabkan pelaksanaan tugasnya kepada pemegang saham melalui RUPS.

Board of Directors' duties and responsibilities include:

- Leading and managing the Bank in accordance with its vision and mission;
- Managing the Bank in accordance with their authorities and responsibilities as stipulated in the Articles of Association and the prevailing laws and regulations;
- Implementing GCG principles in every business activity of the Bank at all organization levels;
- Follow up on audit findings and recommendations from Sub Directorate of Internal Audit, external auditors and findings from OJK and / or other authorities;
- Providing complete, accurate, relevant and timely data and information to Board of Commissioners;
- Disclosing strategic policies on employment to all employees, through media that are easily accessible;
- Communicating to employees on Bank BKE's business direction in order to achieve the Bank's vision and mission;
- Be accountable for the implementation of their duties to shareholders through the GMS.

Rapat Dewan Direksi Board of Directors Meetings

Penetapan kebijakan dan keputusan yang strategis oleh Dewan Direksi dilakukan melalui mekanisme Rapat Dewan Direksi. Pengambilan keputusan dilakukan secara musyawarah untuk mufakat atau melalui suara terbanyak dalam hal keputusan tidak dapat diperoleh secara musyawarah mufakat.

Board of Directors determine strategic policies and decisions through the mechanism of the Board of Directors Meeting. Decisions are made based on deliberation to reach consensus or through majority voting in the event where consensus are not reached.

Setiap keputusan rapat Dewan Direksi diimplementasikan sesuai dengan kebijakan pedoman serta tata tertib kerja yang berlaku.

Every resolutions of the Board of Directors meeting are implemented in accordance with the applicable guidelines and work procedures.

Selama tahun 2020, Rapat Dewan Direksi, termasuk rapat gabungan Dewan Komisaris dan Dewan Direksi, telah dilakukan sebanyak 10 (sepuluh) kali.

Throughout 2020, the Board of Directors held 10 (ten) meetings, including joint meetings of Board of Commissioners and Board of Directors.

Frekuensi rapat Dewan Direksi dan tingkat kehadiran anggotanya selama tahun 2020, sebagai berikut:

The frequency of Board of Directors meetings and attendance levels of the members during 2020, are as follows:

Nama Name	Jumlah Rapat Number of Meeting	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
Sasmaya Tuhuleley	8	8	100%
Dhini Laswita	8	8	100%
Zainal Riffandi	8	8	100%
Joice Farida Rosandi	8	8	100%
Novie Gunawan	8	3	38%

Frekuensi rapat gabungan Dewan Komisaris dan Dewan Direksi dan tingkat kehadiran anggota Dewan Direksi selama tahun 2020, sebagai berikut:

The frequency of joint meetings of Board of Commissioners and Board of Directors and attendance level of Board of Directors' members, are as follows:

Nama Name	Jumlah Rapat Number of Meeting	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
Sasmaya Tuhuleley	2	2	100%
Dhini Laswita	2	2	100%
Zainal Riffandi	2	2	100%
Joice Farida Rosandi	2	2	100%
Novie Gunawan	2	2	100%

Peningkatan Kompetensi Dewan Direksi

Board of Directors' Competency Development

Nama Name	Materi Pengembangan Kompetensi / Pelatihan Materials for Competency Development / Training	Waktu dan Tempat Pelaksanaan Date and Place	Jenis Pelatihan dan Penyelenggara Types of Training and Organizer
Sasmaya Tuhuleley	The Importance of Mental Health in The Workplace	Zoom, 12 Agustus 2020 Zoom, August 12, 2020	Internal Bank
	Coach It further: Improving Team Performance	Zoom, 13 Agustus 2020 Zoom, August 13, 2020	Internal Bank
	Radical Candor for Frontline Leadership	Zoom, 17 September 2020 Zoom, September 17, 2020	Internal Bank
	Sustainable Finance Awareness Training	Zoom, 20-21 Oktober 2020 Zoom, October 20-21, 2020	LPPI

Nama Name	Materi Pengembangan Kompetensi / Pelatihan Materials for Competency Development / Training	Waktu dan Tempat Pelaksanaan Date and Place	Jenis Pelatihan dan Penyelenggara Types of Training and Organizer
Dhini Laswita	<i>Refreshment</i> Sertifikasi Kepatuhan <i>Level Executive</i> Refreshment of Compliance Certification for Executive Level	Jakarta, 12 Maret 2020 Jakarta, March 12, 2020	LSPP
	Pembekalan Pelatihan Calon Pemimpin Cabang & Pemimpin Cabang Pembantu Training for Prospective Branch Managers & Sub-Branch Leaders	Jakarta, 28 Mei 2020 Jakarta, May 28, 2020	Internal Bank
	Sertifikasi Seminar membangun ekonomi dan keuangan digital Indonesia 2025 Certification of Seminar on building Indonesia's digital economy and finance 2025	Zoom, 02 Juli 2020 Zoom, July 02, 2020	FKDKP
	<i>Workshop on Digital Signature and Electronic Certificate for Financial Service Industry</i>	Zoom, 16 Juli 2020 Zoom, July 16, 2020	Infobank
	<i>Coach it further : Improving Team Performance Through Coaching</i>	Zoom, 13 Agustus 2020 Zoom, August 13, 2020	Internal Bank
	Seminar FKDKP	Zoom, 19 Agustus 2020 Zoom, August 19, 2020	FKDKP
	<i>Radical Candor for Frontline Leadership</i>	Zoom, 17 September 2020 Zoom, September 17, 2020	Internal Bank
	Pemahaman ketentuan terkait pelaporan data penjamin simpanan berbasis nasabah (<i>single customer view</i>)- PLPS No 05 tahun 2019 Understanding of the provisions related to customer-based deposit insurance data reporting (<i>single customer view</i>) - PLPS No. 05 of 2019	Zoom, 23 September 2020 Zoom, September 23, 2020	FKDKP
	Rapat Koordinasi dengan PPAK Coordination Meeting with PPAK	Zoom, 13 Oktober 2020 Zoom, October 13, 2020	PPATK

Nama Name	Materi Pengembangan Kompetensi / Pelatihan Materials for Competency Development / Training	Waktu dan Tempat Pelaksanaan Date and Place	Jenis Pelatihan dan Penyelenggara Types of Training and Organizer
Zainal Riffandi	<i>The Importance of Mental Health in The Workplace</i>	Zoom, 12 Agustus 2020 Zoom, August 12, 2020	Internal Bank
	<i>Coach it further : Improving Team Performance Through Coaching</i>	Zoom, 13 Agustus 2020 Zoom, August 13, 2020	Internal Bank
	<i>Radical Candor for Frontline Leadership</i>	Zoom, 17 September 2020 Zoom, September 17, 2020	Internal Bank
	<i>Sustainable Finance Awareness Training</i>	Zoom, 20-21 Oktober 2020 Zoom, October 20-21, 2020	LPPI
	Undangan Pertemuan <i>User Group</i> SPBI (BI RTGS, BI SSSS, BI ETP dan SKNBI)	Zoom, 21 Desember 2020	BI
	Invitation to SPBI User Group Meeting (BI RTGS, BI SSSS, BI ETP and SKNBI)	Zoom, December 21 2020	
Joice Farida Rosandi	<i>The Importance of Mental Health in The Workplace</i>	Zoom, 12 Agustus 2020 Zoom, August 12, 2020	Internal Bank
	<i>Coach it further : Improving Team Performance Through Coaching</i>	Zoom, 13 Agustus 2020 Zoom, August 13, 2020	Internal Bank
	<i>Radical Candor for Frontline Leadership</i>	Zoom, 17 September 2020 Zoom, September 17, 2020	Internal Bank
	<i>Sustainable Finance Awareness Training</i>	Zoom, 20-21 Oktober 2020 Zoom, October 20-21, 2020	LPPI
	<i>Indonesia Fintech Summit 2020</i>	Zoom, 11-25 November 2020 Zoom, November 11-25, 2020	Otoritas Jasa Keuangan (OJK)
	Sosialisasi Peluncuran <i>Blueprint</i> Pengembangan Pasar Uang 2025	Zoom, 11-25 November 2020	BI
Socialization of the Launch of the 2025 Money Market Development Blueprint	Zoom, November 11-25, 2020		

Nama Name	Materi Pengembangan Kompetensi / Pelatihan Materials for Competency Development / Training	Waktu dan Tempat Pelaksanaan Date and Place	Jenis Pelatihan dan Penyelenggara Types of Training and Organizer
Novie Gunawan	Pembekalan Uji Sertifikasi BSMR <i>Level IV</i>	Jakarta, 16-17 Maret 2020	Lentera Mulia Persada
	Briefing for Level IV BSMR Certification Test	Jakarta, March 16-17, 2020	
	<i>The Importance of Mental Health in The Workplace</i>	Zoom, 12 Agustus 2020 Zoom, August 12, 2020	Internal Bank
	<i>Coach it further : Improving Team Performance Through Coaching</i>	Zoom, 13 Agustus 2020 Zoom, August 13, 2020	Internal Bank
	<i>Radical Candor for Frontline Leadership</i>	Zoom, 17 September 2020 Zoom, September 17, 2020	Internal Bank
	<i>IT Security Awareness for Leaders Socialization</i>	Zoom, 19 Oktober 2020 Zoom, October 19, 2020	Internal Bank
	<i>Sustainable Finance Awareness Training</i>	Zoom, 20-21 Oktober 2020 Zoom, October 20-21, 2020	LPPI

Penilaian Kinerja Dewan Direksi Board of Directors' Appraisal

Penilaian kinerja Dewan Direksi dilakukan oleh Dewan Komisaris dan disampaikan kepada pemegang saham dalam RUPS Tahunan saat penyampaian laporan tugas pengawasannya.

Board of Directors' performance appraisal is carried out by the Board of Commissioners and will be reported to shareholders in Annual GMS, upon presentation over their supervisory functions.



Kebijakan Remunerasi Dewan Komisaris dan Dewan Direksi Remuneration Policy of the Board of Commissioners and the Board of Directors

Kebijakan remunerasi Dewan Komisaris dan Dewan Direksi Bank BKE ditetapkan berdasarkan prosedur, struktur dan indikator yang diatur dalam Anggaran Dasar Bank.

Remuneration policy of Bank BKE's Board of Commissioners and Board of Directors is made based on procedures, structures, and indicators which are stipulated in the Bank's Articles of Association.

Jenis Remunerasi dan Fasilitas Lainnya Type of Remuneration and Other Facilities	Jumlah Diterima dalam Setahun Amount Received in a Year	
	BOC	BOD
1. Remunerasi (gaji, bonus, tunjangan rutin, tantieme dan fasilitas non natura lainnya) Remuneration (salary, bonuses, routine allowances, tantieme and other non-natura facilities)	Rp2,2 miliar Rp2.2 billion	Rp10,1 miliar Rp10.1 billion
2. Fasilitas lain dalam bentuk natura a. dapat dimiliki b. tidak dapat dimiliki Other facilities in kind a. can be owned b. cannot be owned	(nihil) (nihil) (nil) (nil)	Rp0,2 miliar Rp2,3 miliar Rp0.2 billion Rp2.3 billion
Total	Rp2,2 miliar	Rp12,6 miliar
Total	Rp2.2 billion	Rp12.6 billion



Rasio Gaji Tertinggi ke Terendah Highest and Lowest Salary Ratios

Gaji pegawai, termasuk tunjangan, diberikan Bank untuk pekerjaan dan/atau jasa yang telah dilakukan. Besarannya dan cara pembayarannya dilakukan dengan mengacu pada kontrak kerja, perjanjian atau undang-undang tertentu, serta dengan mempertimbangkan kewajaran kisaran gaji kelompok sebaya. Bank BKE melakukan kajian terhadap kebijakan remunerasi secara berkala dengan menyesuaikan kebijakan terhadap perundang-undangan yang berlaku.

Employee salaries, including benefits, are given by the Bank for the work and/or services performed. The amount and method of payment are made in reference to employment contract, agreement or certain law, as well as taking into account the reasonableness of the peer group salary range. Bank BKE conducts a regular review over remuneration policy by adhering it to the prevailing laws and regulations.

Perbandingan gaji tertinggi dan terendah di Bank BKE dapat dilihat pada table berikut:

Ratio of the highest and lowest salaries at Bank BKE can be seen in the following table:

Perbandingan gaji pegawai tertinggi dan terendah Ratio of the highest and lowest employee salaries	37,94 : 1
Perbandingan gaji Dewan Direksi tertinggi dan terendah Ratio of the highest and lowest Board of Director salaries	1,25 : 1
Perbandingan gaji Komisaris tertinggi dengan gaji terendah Ratio of the highest and lowest Commissioner salaries	2,23 : 1
Perbandingan gaji Dewan Direksi tertinggi dengan gaji pegawai tertinggi Ratio of the highest Board of Director to the highest employee salaries	1,11 : 1



Komite Audit Audit Committee

Komite Audit dibentuk oleh dan bertanggung jawab kepada Dewan Komisaris untuk mendukung efektivitas tugas dan fungsi pengawasan Dewan Komisaris terhadap pelaksanaan tugas dan tanggung jawab Dewan Direksi yang berkaitan dengan kualitas informasi keuangan, sistem pengendalian internal, kinerja fungsi audit internal dan eksternal, penerapan tata kelola dan kepatuhan terhadap hukum dan peraturan yang berlaku.

Saat ini, Komite Audit Bank BKE terdiri dari 1 (satu) orang Komisaris Utama (independen) dan 2 (dua) orang pihak independen dengan keahlian masing-masing di bidang keuangan dan akuntansi serta hukum dan perbankan. Komite Audit telah memenuhi ketentuan OJK tentang penetapan Komite Audit.

Audit Committee is formed by and is responsible to Board of Commissioners in order to support the effectiveness of their supervisory duties and functions over Board of Directors' implementation of duties and responsibilities related with the quality of financial information, internal control systems, performance of internal and external audit functions, implementation of governance and compliance with applicable laws and regulations.

Currently, Bank BKE's Audit Committee consisted of 1 (one) President Commissioner (independent) and 2 (two) independent parties with their respective expertise in finance and accounting as well as law and banking. The Audit Committee has complied with the OJK provisions on establishment of an Audit Committee.

Susunan Anggota Komite Audit per 31 Desember 2020:

Composition of Audit Committee as of December 31, 2020:

Nama Name	Jabatan Position
Dono Boestami	Ketua - Komisaris Utama (independen) Chairman - President Commissioner (independent)
Arif Hidayat	Anggota (pihak independen) Member (independent party)
Arizal Anas	Anggota (pihak independen) Member (independent party)

Penunjukan pihak independen sebagai anggota Komite Audit telah memperhatikan kompetensi yang dibutuhkan untuk pelaksanaan tugas dan tanggung jawab komite, serta sesuai dengan kriteria independensi dan kode etik.

Seluruh pihak independen anggota Komite Audit tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan Dewan Komisaris, Dewan Direksi dan/atau pemegang saham pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemampuannya dalam bertindak secara independen.

The appointment of an independent parties as Audit Committee member has taken into account the competencies needed to carry out the duties and responsibilities of the committee, as well as in accordance with the independence criteria and code of ethics.

All independent parties who are members of the Audit Committee have no financial, management, share ownership and/or family relationship with the Board of Commissioners, Board of Directors and/or controlling shareholders or relationship with the Bank, which may affect their ability to act independently.

Profil Komite Audit Audit Committee Profile

- **Arif Hidayat**
Lahir tahun 1963, Sarjana Akuntansi lulusan Universitas Diponegoro tahun 1988. Sebelumnya, beliau pernah bekerja di Bank BKE dari tahun 1992 - 2014 dengan jabatan terakhir Direktur Kepatuhan. Selain itu pada tahun 2014 - 2017 bergabung di STMIK-Akademi Bina Insani, Bekasi dengan jabatan sebagai Wakil Direktur.
- **Arif Hidayat**
Born in 1963, graduated with a Bachelor's Degree in Accounting from Diponegoro University in 1988. Previously, he worked at Bank BKE from 1992 - 2014 with the last position as Director of Compliance. In addition, in 2014 - 2017, he served at STMIK-Akademi Bina Insani, Bekasi as Deputy Director.
- **Arizal Anas**
Lahir tahun 1951, lulusan Fakultas Ekonomi Universitas Andalas tahun 1977 dan Fakultas Bisnis Colorado State University tahun 1986. Sebelumnya, beliau pernah bekerja di Bank BNI dari tahun 1979-2007 dengan jabatan terakhir sebagai Staff Khusus Dewan Direksi. Selain itu, pada tahun 2010- 2016 pernah menjadi anggota Komite Pemantau Risiko di PT Bank DKI.
- **Arizal Anas**
Born in 1951, graduated from Andalas University, Faculty of Economics, in 1977, and from Colorado State University, Faculty of Business in 1986. Previously, he worked at Bank BNI from 1979-2007 with the last position as Special Staff of the Board of Directors. In addition, in 2010-2016 he was a member of the Risk Monitoring Committee at PT Bank DKI.

Tugas dan Tanggung Jawab Komite Audit Audit Committee's Duties and Responsibilities

Dalam menjalankan tugasnya, Komite Audit telah memiliki pedoman dan tata tertib kerja sebagaimana diatur dalam Surat Keputusan Dewan Komisaris No. 02/2020/SK tanggal 16 Juni 2020.

In carrying out their duties, Audit Committee has guidelines and work rules as stipulated in the Board of Commissioners' Decree No. 02/2020/SK dated June 16, 2020.

Tugas dan tanggung jawab Komite Audit, antara lain:

- Melakukan pemantauan dan evaluasi atas perencanaan dan pelaksanaan audit serta pemantauan atas tindak lanjut hasil audit dalam rangka menilai kecukupan pengendalian internal, termasuk kecukupan proses pelaporan keuangan;
- Melakukan pemantauan dan evaluasi paling sedikit terhadap:
 1. Pelaksanaan tugas Satuan Kerja Audit Internal;
 2. Kesesuaian pelaksanaan audit oleh kantor akuntan publik dengan standar audit;
 3. Kesesuaian laporan keuangan dengan standar akuntansi keuangan;

Duties and responsibilities of the Audit Committee, among others:

- Monitoring and evaluating the planning and implementation of audits, as well as monitoring follow-up to audit results in order to assess the adequacy of internal control, including the adequacy of the financial reporting process;
- Monitoring and evaluating of, at least:
 1. The implementation of duties of the Internal Audit Working Unit;
 2. The conformity of audit implementation performed by public accounting firm with the auditing standards;
 3. The conformity of financial reports with financial accounting standards;

- 4. Pelaksanaan tindak lanjut oleh Dewan Direksi atas hasil temuan Satuan Kerja Audit Internal, akuntan publik, dan hasil pengawasan OJK, guna memberikan rekomendasi kepada Dewan Komisaris;
- Memberikan rekomendasi mengenai penunjukan akuntan publik dan kantor akuntan publik kepada Dewan Komisaris untuk disampaikan kepada RUPS.

- 4. Follow-up actions by the Board of Directors on findings from Internal Audit Working Unit, public accountants, OJK, in order to provide recommendations to the Board of Commissioners;
- Providing recommendations regarding the appointment of public accountant and public accounting firm to the Board of Commissioners to be submitted to the GMS.

Rapat Komite Audit Audit Committee Meetings

Rapat Komite Audit dilakukan sesuai dengan kebutuhan. Selama tahun 2020, Komite Audit telah melakukan 19 (sembilan belas) rapat.

Audit Committee meetings are held as needed. Throughout 2020, Audit Committee held 19 (nineteen) meetings.

Frekuensi rapat Komite Audit dan tingkat kehadiran anggota Komite Audit selama tahun 2020, sebagai berikut:

The frequency of Audit Committee meetings and attendance levels of the members during 2020, are as follows:

Nama Name	Jumlah Rapat Number of Meeting	Jumlah Kehadiran Number of Attendance	% Kehadiran % Attendance
Dono Boestami	19	13	68%
Arizal Anas	19	19	100%
Arif Hidayat	19	19	100%

Keputusan dalam rapat Komite Audit diambil berdasarkan musyawarah mufakat atau suara terbanyak dalam hal tidak terjadi musyawarah mufakat. Hasil rapat Komite Audit merupakan rekomendasi yang dapat dimanfaatkan secara optimal oleh Dewan Komisaris. Risalah rapat harus dibuat secara jelas dan didokumentasikan dengan baik.

Resolutions of the Audit Committee meeting shall be taken based on deliberation to reach a consensus or by majority voting in the event where consensus are not reached. Results of Audit Committee meetings are recommendations that might be used optimally by the Board of Commissioners. Minutes of meeting must be clearly made and well documented.

Laporan Pelaksanaan Program Kerja Komite Audit Report on the Implementation of Audit Committee Work Program

- Mengadakan rapat internal secara rutin;
- Mengadakan pertemuan berkala dengan Satuan Kerja Audit Internal untuk melakukan pemantauan dan evaluasi perencanaan dan pelaksanaan audit serta memantau tindak lanjut hasil audit;
- Membuat laporan yang berisikan hasil pemantauan dan rekomendasi dalam rangka perbaikan untuk disampaikan kepada Dewan Komisaris.

- Hold regular internal meetings;
- Hold regular meetings with the Sub Internal Audit Working Unit to monitor and evaluate the planning and implementation of audits as well as monitor follow-up actions on audit findings;
- Prepare a report that contains monitoring results and recommendations for improvement to be submitted to Board of Commissioners.



Komite Nominasi dan Remunerasi Nomination and Remuneration Committee

Komite Remunerasi dan Nominasi dibentuk oleh Dewan Komisaris untuk mengevaluasi kebijakan remunerasi dan nominasi di Bank BKE.

Remuneration and Nomination Committee is formed by Board of Commissioners to assess Bank BKE's remuneration and nomination policy.

Susunan Anggota Komite Remunerasi dan Nominasi

Susunan anggota Komite Remunerasi dan Nominasi per 31 Desember 2020:

Composition of Remuneration and Nomination Committee

Composition of Remuneration and Nomination Committee as of December 31, 2020:

Nama Name	Jabatan Position
Dono Boestami	Ketua (merangkap selaku Komisaris Utama (Independen)) Chairman (concurrently as President Commissioner (Independent))
Hans Kurniadi Saleh	Anggota (merangkap selaku Komisaris) Member (concurrently as Commissioner)
Taor Geovanny Siahaan	Anggota (merangkap selaku Kepala Sub Direktorat SDM & <i>Facility Management</i>) Member (concurrently as Head of Sub Directorate of Human Resources & Facility Management)

Komite Remunerasi dan Nominasi terdiri dari 1 (satu) orang Komisaris Independen, 1 (satu) orang Komisaris dan 1 (satu) orang Pejabat Eksekutif yang membawahi sumber daya manusia. Komite Remunerasi dan Nominasi telah memenuhi ketentuan OJK tentang penetapan Komite Remunerasi dan Nominasi.

Remuneration and Nomination Committee consisted of 1 (one) Independent Commissioner, 1 (one) Commissioner and 1 (one) Executive Officer in charge of human resources. Remuneration and Nomination Committee has complied with OJK provisions on establishment of Remuneration and Nomination Committee.

Pejabat Eksekutif anggota Komite Remunerasi dan Nominasi memiliki pengetahuan tentang ketentuan sistem remunerasi dan/atau nominasi serta *succession plan* Bank.

Executive Officers who are members of the Remuneration and Nomination Committee possess knowledge regarding the provisions of remuneration and/or nomination system as well as the succession plan of the Bank.

Seluruh anggota Komite Remunerasi dan Nominasi tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan Dewan Komisaris, Dewan Direksi dan/atau pemegang saham pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemampuannya untuk bertindak secara independen.

All members of the Remuneration and Nomination Committee have no financial, management, share ownership and/or family relationship with the Board of Commissioners, Board of Directors and/or controlling shareholders or relationship with the Bank, which may affect their ability to act independently.

Tugas dan Tanggung Jawab Komite Remunerasi dan Nominasi Remuneration and Nomination Committee's Duties and Responsibilities

Dalam menjalankan tugasnya, Komite Remunerasi dan Nominasi telah memiliki pedoman dan tata tertib kerja sebagaimana diatur dalam Surat Keputusan Dewan Komisaris No.04/2020/SK tanggal 7 September 2020 tentang Penunjukan Komite Nominasi dan Remunerasi.

In carrying out their duties, members of the Remuneration and Nomination Committee follow guidelines and work procedures as stipulated in Board of Commissioners Decree No.04/2020/SK dated September 7, 2020 on Appointment of the Nomination and Remuneration Committee.

Tugas dan tanggung jawab Komite Nominasi dan Remunerasi, antara lain:

- Terkait dengan kebijakan remunerasi
 1. Melakukan evaluasi terhadap kebijakan remunerasi yang didasarkan atas kinerja, risiko, kewajaran dengan kelompok sebaya, sasaran dan strategi jangka panjang Bank, kepatuhan, cadangan sebagaimana diatur dalam peraturan perundang-undangan dan potensi pendapatan Bank pada masa yang akan datang;
 2. Menyampaikan hasil evaluasi dan rekomendasi kepada Dewan Komisaris mengenai:
 - a. Kebijakan remunerasi bagi Dewan Direksi dan Dewan Komisaris untuk disampaikan kepada RUPS;
 - b. Kebijakan remunerasi bagi pegawai secara keseluruhan untuk disampaikan kepada Dewan Direksi;
 3. Memastikan bahwa kebijakan remunerasi telah sesuai dengan ketentuan;
 4. Melakukan evaluasi secara berkala terhadap penerapan kebijakan remunerasi.
- Terkait dengan kebijakan nominasi:
 1. Menyusun dan memberikan rekomendasi mengenai sistem serta prosedur pemilihan dan/atau penggantian anggota Dewan Direksi dan anggota Dewan Komisaris kepada Dewan Komisaris untuk disampaikan kepada RUPS;
 2. Memberikan rekomendasi mengenai calon anggota Dewan Direksi dan/atau calon anggota Dewan Komisaris kepada Dewan Komisaris untuk disampaikan kepada RUPS;
 3. Memberikan rekomendasi mengenai pihak independen yang akan menjadi anggota Komite Audit serta anggota Komite Pemantau Risiko.

Nomination and Remuneration Committee's duties and responsibilities include:

- Related to remuneration policy
 1. Assessing the remuneration policy based on performance, risk, fairness with peer groups, targets and long-term strategies of the Bank, compliance, reserves as stipulated in laws and the Bank's potential earnings in the future;
 2. Submitting evaluation results and recommendations to Board of Commissioners regarding:
 - a. Remuneration policy for Board of Directors and Board of Commissioners to be presented to the GMS;
 - b. Remuneration policy for the whole employees to be presented to the Board of Directors;
 3. Ensuring that remuneration policy is in accordance with the regulations;
 4. Conducting periodic evaluations over implementation of the remuneration policy.
- Regarding the nomination policy:
 1. Formulate and provide recommendations on systems and procedures for selecting and/or replacing members of Board of Directors and members of Board of Commissioners to the Board of Commissioners to be presented to the GMS;
 2. Provide recommendations regarding candidates for Board of Directors and/or Board of Commissioners to the Board of Commissioners to be presented to the GMS;
 3. Provide recommendations regarding independent parties who will become members of the Audit Committee as well as members of the Risk Monitoring Committee.

Rapat Komite Remunerasi dan Nominasi Remuneration and Nomination Committee Meetings

Rapat Komite Remunerasi dan Nominasi dilakukan sesuai dengan kebutuhan. Selama tahun 2020, Komite Remunerasi dan Nominasi telah melakukan 2 (dua) rapat.

Frekuensi rapat Komite Remunerasi dan Nominasi dan tingkat kehadiran anggota Komite Remunerasi dan Nominasi selama tahun 2020, sebagai berikut:

Remuneration and Nomination Committee meetings are held as needed. Throughout 2020, the Remuneration and Nomination Committee held 2 (two) meetings.

The frequency of Remuneration and Nomination Committee meetings and attendance levels of the members during 2020, are as follows:

Nama Name	Jumlah Rapat Number of Meetings	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
Dono Boestami	2	2	100%
Hans Kurniadi Saleh	2	2	100%
Taor Geovanny Siahaan	2	2	100%

Keputusan rapat Komite Remunerasi dan Nominasi diambil berdasarkan musyawarah mufakat atau suara terbanyak dalam hal tidak terjadi musyawarah mufakat. Hasil rapat Komite Remunerasi dan Nominasi merupakan rekomendasi yang dapat dimanfaatkan secara optimal oleh Dewan Komisaris. Hasil risalah rapat telah dibuat secara jelas dan di dokumentasikan dengan baik.

Resolutions of Remuneration and Nomination Committee meetings are taken based on deliberation to reach consensus or by majority voting in the event where consensus are not reached. The results of the Remuneration and Nomination Committee meeting are recommendations that might be used optimally by the Board of Commissioners. The results of the minutes of meetings have been clearly prepared and well documented.

Pelaksanaan Program Kerja Komite Remunerasi dan Nominasi Implementation of the Remuneration and Nomination Committee Work Program

Dalam tahun 2020, Komite Remunerasi dan Nominasi telah menjalankan fungsi, tugas, dan tanggung jawab dengan baik yang terlihat dari terlaksananya seluruh program kerja komite yang telah ditetapkan pada awal tahun serta pelaksanaan rapat komite dengan tingkat kehadiran anggota komite yang baik.

In 2020, Remuneration and Nomination Committee has carried out its functions, duties and responsibilities properly as seen from the execution of all of its work programs set at the beginning of the year and the execution of the Committee's meetings which has high level of attendance.



Komite Pemantau Risiko Risk Monitoring Committee

Komite Pemantau Risiko dibentuk oleh Dewan Komisaris untuk mengevaluasi kebijakan dan pelaksanaan manajemen risiko di Bank BKE.

Risk Monitoring Committee is formed by Board of Commissioners to evaluate policies and implementation of risk management at Bank BKE.

Susunan Anggota Komite Pemantau Risiko

Susunan anggota Komite Pemantau Risiko per 31 Desember 2020:

Composition of the Risk Monitoring Committee

Composition of the Risk Monitoring Committee as of December 31, 2020:

Nama Name	Jabatan Position
I Nyoman Sidia	Ketua (Komisaris Independen) Chairman (Independent Commissioner)
Rahmat Prayoga	Anggota (pihak independen) Member (independent party)
M. Didiek Madinendar	Anggota (pihak independen) Member (independent party)

Komite Pemantau Risiko terdiri dari 1 (satu) orang Komisaris Independen dan 2 (dua) orang pihak independen, yang memiliki keahlian di bidang keuangan dan seorang dari pihak independen yang memiliki keahlian di bidang manajemen risiko. Komite Pemantau Risiko telah memenuhi ketentuan OJK tentang penetapan Komite Pemantau Risiko.

Risk Monitoring Committee consists of 1 (one) Independent Commissioner and 2 (two) independent parties with expertise in finance and one from an independent party with expertise in risk management. The Risk Monitoring Committee has complied with the provisions of the OJK regarding the establishment of the Risk Monitoring Committee.

Rangkap jabatan pihak independen pada bank dan/atau perusahaan lain telah memperhatikan kompetensi, kriteria independensi, kerahasiaan, kode etik dan pelaksanaan tugas dan tanggung jawab. Seluruh pihak independen anggota Komite Pemantau Risiko tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan Dewan Komisaris, Dewan Direksi dan/atau pemegang saham pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemampuannya untuk bertindak secara independen.

Concurrent positions of independent party at other banks and/or companies have taken into account the competency, independence criteria, confidentiality, code of ethics and implementation of duties and responsibilities. All independent members of the Risk Monitoring Committee have no financial, management, share ownership and/or family relationship with the Board of Commissioners, Board of Directors and/or controlling shareholders or relationship with the Bank, which may affect their ability to act independently.

Profil Komite Pemantau Risiko Risk Monitoring Committee Profile

- **Rahmat Prayoga**

Lahir tahun 1963, lulusan Manajemen Universitas Diponegoro, Magister Manajemen Universitas Gajah Mada dan Pendidikan Doktor Perbankan dan Keuangan Universitas Indonesia.

- **Rahmat Prayoga**

Born in 1963, graduated with a Bachelor's Degree in Management from Diponegoro University, Master's Degree in Management from Gajah Mada University and Doctor in Banking and Finance from University of Indonesia.

Sebelumnya pernah bekerja di PT Bank Agris sebagai *Risk Management Division Head* periode 2013 - 2015, *Chief Business Analyst* di PT Ventura Cakrawala Investama pada tahun 2015, PT Uriel Strategi Investama sebagai salah satu pendiri dan direktur pelaksana perusahaan periode 2015-2017, serta menjadi anggota Komite Pemantau Risiko dan Komite Audit di PT Rabobank International Indonesia 2016-2018.

- **M. Didiek Madinendar**

Lahir tahun 1957, lulusan Ekonomi Manajemen dan Magister Manajemen Internasional Universitas Indonesia. Saat ini merangkap jabatan sebagai anggota Komite Pemantau Risiko Bank BKE dan China Construction Bank Indonesia.

Sebelumnya pernah bekerja sebagai staf pengajar Perbankan Syariah di UIN Syarif Hidayatullah periode 2010 - 2013 dan staf pengajar Hubungan Keuangan dan Investasi di jurusan komunikasi - FISIP Universitas Indonesia periode 2014 - 2017 serta berkarir selama 28 tahun di Bank Indonesia dengan jabatan terakhir sebagai Pengawas Bank Madya (Asisten Direktur), Direktorat Pengawasan Bank (DPB-2).

Previously, he worked at PT Bank Agris as Risk Management Division Head for period 2013 - 2015, Chief Business Analyst at PT Ventura Cakrawala Investama in 2015, PT Uriel Strategi Investama as Co-Founder and Operational Director for period 2015-2017, also as member of Risk Monitoring and Audit Committee at PT Rabobank International Indonesia for period 2016-2018.

- **M. Didiek Madinendar**

Born in 1957, graduated with Bachelor's Degree in Management Economics and Master's Degree in International Management from University of Indonesia. He currently serves as a member of Risk Monitoring Committee at Bank BKE and China Construction Bank Indonesia.

Previously, he worked as lecturer on Islamic Banking at UIN Syarif Hidayatullah in 2010 - 2013 period and lecturer on Financial and Investment Relations in communication department - Faculty of Social and Political Sciences, University of Indonesia in 2014 - 2017 and had a career for 28 years at Bank Indonesia with last position as Bank Supervisor (Assistant Director), Bank Supervision Directorate (DPB-2).

Tugas dan Tanggung Jawab Komite Pemantau Risiko Risk Monitoring Committee's Duties and Responsibilities

Dalam menjalankan tugasnya, Komite Pemantau Risiko telah memiliki pedoman dan tata tertib kerja sebagaimana diatur dalam Surat Keputusan Dewan Komisaris No.03/2020/SK tanggal 16 Juni 2020 tentang Penunjukan Komite Pemantau Risiko

Tugas dan tanggung jawab Komite Pemantau Risiko, antara lain:

- Evaluasi tentang kesesuaian antara kebijakan manajemen risiko dengan pelaksanaan kebijakan tersebut;
- Pemantauan dan evaluasi pelaksanaan tugas Komite Manajemen Risiko dan Satuan Kerja Manajemen Risiko guna memberikan rekomendasi kepada Dewan Komisaris.

In carrying out their duties, Risk Monitoring Committee has guidelines and work procedures stipulated in Board of Commissioners Decree No.03/2020/SK dated June 16, 2020 on Appointment of Risk Monitoring Committee.

Duties and responsibilities of the Risk Monitoring Committee include:

- Assessing the conformity between risk management policies and its actual implementation;
- Monitoring and evaluating execution of duties of Risk Management Committee and Risk Management Working Unit in order to provide recommendations to the Board of Commissioners.

Rapat Komite Pemantau Risiko

Risk Monitoring Committee Meetings

Rapat Komite Pemantau Risiko dilakukan sesuai dengan kebutuhan. Selama tahun 2020, Komite Pemantau Risiko telah melakukan 25 (dua puluh lima) kali rapat.

Risk Monitoring Committee meetings are held as needed. There were 25 (twenty five) meetings held during 2020.

Frekuensi rapat Komite Pemantau Risiko dan tingkat kehadiran anggota Komite Pemantau Risiko selama tahun 2020, sebagai berikut :

The frequency of Risk Monitoring Committee meetings and attendance level of the members in 2020, are as follows:

Nama Name	Jumlah Rapat Number of Meetings	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
I Nyoman Sidia	25	25	100%
Rahmat Prayoga	25	25	100%
M. Didiek Madinendar	25	25	100%

Keputusan rapat Komite Pemantau Risiko diambil berdasarkan musyawarah mufakat atau suara terbanyak dalam hal tidak terjadi musyawarah mufakat. Hasil rapat Komite Pemantau Risiko merupakan rekomendasi yang dapat dimanfaatkan secara optimal oleh Dewan Komisaris. Hasil risalah rapat telah dibuat, secara jelas dan didokumentasikan dengan baik.

Resolutions of the Risk Monitoring Committee meeting are made based on deliberation to reach consensus, or by majority voting in the event where consensus are not reached. The results of Risk Monitoring Committee meetings are recommendations that might be used optimally by the Board of Commissioners. Minutes of meeting have been clearly prepared and well documented.

Laporan Pelaksanaan Program Kerja Komite Pemantau Risiko

Report on the Implementation of the Risk Monitoring Committee Work Program

- Secara berkala mengadakan rapat Komite Pemantau Risiko;
- Secara berkala mengadakan pertemuan dengan seluruh pimpinan unit kerja, dalam rangka melakukan pemantauan dan evaluasi pelaksanaan manajemen risiko dan pelaksanaan tugas Komite Manajemen Risiko;
- Membuat laporan dalam bentuk memo yang berisikan hasil pemantauan dan rekomendasi perbaikan untuk disampaikan kepada Dewan Komisaris.
- Conduct Risk Monitoring Committee meetings on regular basis;
- Conduct meetings with all heads of working unit on regular basis, in order to monitor and evaluate the implementation of risk management and duties of the Risk Management Committee;
- Prepare memo containing the results of monitoring and improvement recommendations to be submitted to the Board of Commissioners.



Komite - Komite di Bawah Dewan Direksi Committees Under the Board of Directors

Dalam rangka meningkatkan efektivitas penerapan kebijakan, strategi dan pengelolaan risiko Bank, Dewan Direksi dibantu oleh komite-komite eksekutif. Rekomendasi dari masing-masing komite dijadikan acuan oleh Dewan Direksi dalam mengambil keputusan.

In order to improve the effectiveness of the policies, strategies and risk management implementation of the Bank, Board of Directors are assisted by executive committees. Recommendations from each committee are used as a decision making references by Board of Directors.



Assets and Liability Committee (ALCO) Assets and Liability Committee (ALCO)

Struktur dan Keanggotaan ALCO Structure and Membership of the ALCO

Nama Name	Jabatan Position
Ketua Chairman	Direktur Utama President Director
Sekretaris Secretary	Kepala Sub Direktorat Tresuri (merangkap sebagai anggota) Head of Sub Directorate of Treasury (concurrently as member)
Anggota Member	Direktur Operasional Director of Operations
	Direktur Bisnis Director of Business
	Direktur Kepatuhan dan Manajemen Risiko Director of Compliance and Risk Management
	Direktur Keuangan Director of Finance
	Seluruh Kepala Sub Direktorat (kecuali Kepala Sub Direktorat Internal Audit) All Heads of Sub Directorate (except Head of Sub Directorate of Internal Audit)
	Kepala Sub Direktorat Internal Audit ("no voting right") Head of Sub Directorate of Internal Audit ("no voting right")
	Seluruh Kepala Divisi All Division Heads

Uraian Tugas dan Tanggung Jawab ALCO Description of Duties and Responsibilities of ALCO

ALCO dibentuk berdasarkan Surat Keputusan Dewan Direksi No 50B/2020/SK tanggal 05 Juni 2020 tentang Komite Asset & Liability (ALCO) yang memiliki wewenang dan tanggung jawab antara lain:

- Pengembangan, kaji ulang dan modifikasi strategi manajemen aset dan liabilitas;

ALCO was formed based on Board of Directors Decree No 50B/2020/SK dated June 5, 2020 regarding the Asset & Liability Committee (ALCO) which has the following authorities and responsibilities:

- Development, review and modification of asset & liability management strategy;

- Evaluasi posisi risiko suku bunga dan strategi manajemen aset dan liabilitas guna memastikan bahwa *taking position* Bank telah sesuai dengan tujuan pengelolaan dan risiko suku bunga;
- Kaji ulang penetapan harga aset dan liabilitas untuk mengoptimalkan hasil penempatan dana, meminimumkan biaya dana, dan memelihara struktur neraca Bank sesuai dengan strategi manajemen aset dan liabilitas;
- Kaji ulang deviasi antara Rencana Bisnis Bank dan realisasinya;
- Memberikan informasi atas setiap perkembangan dan kondisi pasar, serta ketentuan yang mempengaruhi strategi dan kebijakan manajemen aset dan liabilitas.
- Evaluate the interest rate risk position and asset & liability management strategy to ensure that the Bank's taking position is in accordance with its objectives;
- Review the pricing of assets and liabilities to optimize the results of funds placements, minimize cost of funds, and maintain the Bank's balance sheet structure in accordance with asset & liability management strategy;
- Review deviation between Bank's Business Plan and its realization;
- Provide information on market developments and conditions, as well as provisions that affect asset & liability management strategy and policies.

Pelaksanaan Tugas dan Frekuensi Rapat

Implementation of Duties and Meeting Frequency

No.	Tanggal Rapat Date of Meeting	Agenda Rapat Meeting Agenda
1.	24 Januari 2020 January 24, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Peraturan <i>Update</i> <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Updated regulations
2.	21 Februari 2020 February 21, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • <i>Repricing</i> Suku Bunga <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Interest Rate Repricing
3.	06 Maret 2020 March 6, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • <i>Repricing</i> Suku Bunga dan Perubahan Nama Produk <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Interest Rate Repricing and Product Name Change

No.	Tanggal Rapat Date of Meeting	Agenda Rapat Meeting Agenda
4.	07 April 2020 April 7, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Strategi Menghadapi Pandemi Covid 19 <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Strategies for Facing the Covid Pandemic 19
5.	11 Mei 2020 May 11, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions
6.	11 Juni 2020 June 11, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Strategi Penurunan Rasio Deposn Inti <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Strategy to reduce the Core Deposit Ratio
7.	14 Juli 2020 July 14, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Strategi Menghadapi Pemburukan Kolektibilitas Akibat Pandemi Covid 19 • <i>Repricing</i> Suku Bunga <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Strategies to deal with deteriorating collectability due to the Covid 19 pandemic • Interest Rate Repricing
8.	11 Agustus 2020 August 11, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Strategi dan <i>Profitability</i> <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Strategy and Profitability

No.	Tanggal Rapat Date of Meeting	Agenda Rapat Meeting Agenda
9.	10 September 2020 September 10, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Strategi Portofolio dalam Menghadapi Pandemi <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Portfolio Strategy in Facing the Pandemic
10.	12 Oktober 2020 October 12, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Perbaikan Struktur Pendanaan <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Improved Funding Structure
11.	10 November 2020 November 10, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Strategi Penurunan Biaya Bunga <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Interest Cost Reduction Strategy
12.	18 Desember 2020 December 18, 2020	<ul style="list-style-type: none"> • Kondisi Makro Ekonomi • Evaluasi Kinerja Bank • Kondisi Likuiditas Bank • Klasifikasi Produk • Strategi Penempatan Pada Surat Berharga <ul style="list-style-type: none"> • Macroeconomic Conditions • Bank Performance Evaluation • Bank Liquidity Conditions • Product Classification • Placement Strategy in Securities

Komite Manajemen Risiko Risk Management Committee

Struktur dan Keanggotaan Komite Manajemen Risiko

Structure and Membership of the Risk Management Committee

Nama Name	Jabatan Position
Ketua Chairman	Direktur Kepatuhan dan Manajemen Risiko Director of Compliance and Risk Management
Sekretaris Secretary	Kepala Divisi Manajemen Risiko (merangkap sebagai anggota) Head of the Risk Management Division (concurrently as a member)
Anggota Member	Direktur Bisnis Director of Business
	Direktur Operasional Director of Operations
	Direktur Keuangan Director of Finance
	Seluruh Kepala Sub Direktorat (kecuali Kepala Sub Direktorat Internal Audit) All Heads of Sub Directorate (except Head of Sub Directorate of Internal Audit)
	Kepala Sub Direktorat Internal Audit (<i>No Voting Right</i>) Head of Sub Directorate of Internal Audit (<i>No Voting Right</i>)
	Seluruh Kepala Divisi All Division Heads

Uraian Tugas dan Tanggung Jawab Komite Manajemen Risiko Description of Duties and Responsibilities of Risk Management Committee

Komite Manajemen Risiko dibentuk berdasarkan Surat Keputusan Dewan Direksi No.50C/2020/SK tanggal 05 Juni 2020 tentang Komite Manajemen Risiko yang memiliki wewenang dan tanggung jawab antara lain:

- Penyusunan kebijakan manajemen risiko serta perubahannya, termasuk strategi manajemen risiko, tingkat risiko yang diambil dan toleransi risiko, kerangka manajemen risiko serta rencana kontinjensi untuk mengantisipasi terjadinya kondisi tidak normal;
- Penyempurnaan proses manajemen risiko secara berkala maupun bersifat insidental, sebagai akibat dari suatu perubahan kondisi eksternal dan internal Bank yang mempengaruhi kecukupan permodalan, profil risiko Bank, dan tidak efektifnya penerapan manajemen risiko berdasarkan hasil evaluasi;
- Penetapan kebijakan dan/atau keputusan bisnis yang menyimpang dari prosedur normal, seperti pelampauan ekspansi usaha yang signifikan dibandingkan dengan rencana bisnis Bank yang telah ditetapkan sebelumnya atau pengambilan posisi atau eksposur risiko yang melampaui limit yang telah ditetapkan.

The Risk Management Committee was formed based on Board of Directors Decree No.50C/2020/SK dated June 5, 2020 on Risk Management Committee which has the following authorities and responsibilities:

- Formulation of risk management policies and their amendments, including risk management strategies, risk appetite and risk tolerance, risk management framework and contingency plans to anticipate abnormal conditions;
- Improvement of risk management process periodically or incidentally, as a result of changes in the Bank's external and internal conditions that affect capital adequacy, the Bank's risk profile, and the ineffective implementation of risk management based on evaluation results;
- Determination of policies and/or business decisions that deviate from normal procedures, such as significant excesses of business expansion compared to the Bank's predetermined business plan or position or risk exposures taking that exceeds the predetermined limits;

- Menetapkan dan menyesuaikan batasan terhadap masing-masing jenis risiko dan mengalokasikannya kepada unit-unit operasional yang mengelola risiko;
 - Melakukan penilaian terhadap hasil pengukuran tingkat risiko yang dihadapi oleh Bank termasuk kajian terhadap usulan produk dan aktivitas baru yang akan diterbitkan oleh Bank;
 - Mengevaluasi adanya pengecualian setiap jenis risiko yang dikelola termasuk unit yang bertanggungjawab dan kewenangannya;
 - Memantau secara berkala dampak implementasi kebijakan dan strategi bisnis Bank dan besaran risiko yang mungkin terjadi;
 - Melakukan penilaian tingkat risiko atas rencana produk dan aktivitas baru.
- Establish and adjust limits for each type of risk and allocate them to operational units that manage the respective risk;
 - Conduct an assessment of risk level measurement, including review of the newly proposed products and activities to be issued by the Bank;
 - Evaluate any exceptions for each type of risks being managed, including the responsible unit and their authority;
 - Regularly monitor the implementation impact of Bank's business policies and strategies and magnitude of the risks that may occur;
 - Assessing risk level for new products and activities.

Pelaksanaan Tugas dan Frekuensi Rapat

Implementation of Duties and Meeting Frequency

No.	Tanggal Rapat No Meeting Date	Agenda Rapat Meeting Agenda
1.	2 Maret 2020 March 2, 2020	<ul style="list-style-type: none"> • Perubahan Pedoman Kredit Koperasi Simpan Pinjam (Pola <i>Executing</i>) • Changes in Credit Guidelines for Savings and Loans Cooperatives (Credit Executing Pattern)
2.	30 Mei 2020 May 30, 2020	<ul style="list-style-type: none"> • Perubahan Parameter <i>Risk-Based Bank Rating</i> (RBBR) • Change of Risk-Based Bank Rating (RBBR) Parameters



Komite Manajemen Kepegawaian Employee Management Committee

Struktur dan Keanggotaan Komite Manajemen Kepegawaian

Structure and Membership of the Personnel Management Committee

Nama Name	Jabatan Position
Ketua Chairman	Kepala Sub Direktorat SDM & <i>Facility Management</i> Head of Sub Directorate of Human Resources & Facility Management
Sekretaris Secretary	Kepala Divisi HRIS & Manfaat Head of HRIS & Benefits Division
Anggota Members	Seluruh Kepala Sub Direktorat dan Kepala Divisi All Heads of Sub-Directorates and Divisions
	Kepala Regional Regional Heads

Uraian Tugas dan Tanggung Jawab Komite Manajemen Kepegawaian Description of Duties and Responsibilities of the Employee Management Committee

Komite Manajemen Kepegawaian dibentuk berdasarkan Surat Keputusan Dewan Direksi No.50A/2020/SK tanggal 05 Juni 2020 dengan wewenang dan tanggung jawab, antara lain:

- Mengevaluasi dan mengkaji kedisiplinan, tata tertib dan peraturan perusahaan;
- Implementasi budaya kerja Bank;
- Mengusulkan hukuman/sanksi kepada pegawai yang melakukan pelanggaran berat.

Employee Management Committee was formed based on Board of Directors Decree No.50A/2020/SK dated June 5, 2020 with authorities and responsibilities including:

- Evaluating and assessing discipline, code of conduct and company regulations;
- Implementing Bank's work culture;
- Proposing penalties/sanctions to employees who commit serious violations.

Pelaksanaan Tugas dan Frekuensi Rapat

Implementation of Duties and Meeting Frequency

No.	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
1.	24 Juni 2020 June 24, 2020	<ul style="list-style-type: none"> • Struktur Organisasi • Sertifikasi Manajemen Risiko • Sosialisasi <i>New Normal</i> & Protokol Kesehatan • <i>Benefit & Compensation</i>
2.	8 Oktober 2020 October 8, 2020	<ul style="list-style-type: none"> • <i>Benefit & Compensation</i> • Panduan <i>Business Trip</i> Baru • Sistem Kepangkatan Baru • Sertifikasi di Oktober & November 2020 • <i>2020 Year End Performance Appraisal</i> • <i>User Access Review & Update Reporting Line</i>



Komite Pengarah Teknologi Informasi Information Technology Steering Committee

Struktur dan Keanggotaan Komite Pengarah Teknologi Informasi

Structure and Membership of the Information Technology Steering Committee

Nama Name	Jabatan Position
Ketua Chairman	Direktur Utama President Director
Sekretaris Secretary	Kepala Sub Direktorat Teknologi Head of Sub Directorate of Technology
Anggota Member	Direktur Kepatuhan dan Manajemen Risiko Director of Compliance and Risk Management
	Direktur Operasional Director of Operations
	Direktur Bisnis Director of Business
	Direktur Keuangan Director of Finance
	Seluruh Kepala Sub Direktorat dan Kepala Divisi All Heads of Sub Directorates and Heads of Divisions

Uraian Tugas dan Tanggung Jawab Komite Pengarah Teknologi Informasi Description of Duties and Responsibilities of Information Technology Steering Committee

Komite Pengarah Teknologi Informasi (*IT Steer Co*) dibentuk berdasarkan Surat Keputusan Dewan Direksi No. 50D/2020/SK tanggal 05 Juni 2020 tentang Komite Pengarah Teknologi Informasi dengan wewenang dan tanggung jawab antara lain:

- Memberikan rekomendasi kepada Dewan Direksi berupa:
 1. Rencana Strategis Teknologi Informasi (ITSP) yang searah dengan rencana strategis kegiatan usaha Bank serta memperhatikan faktor efisiensi, efektivitas, dan hal-hal lain yaitu:
 - a. *Roadmap* yang berisi identifikasi atas kondisi saat ini, kondisi yang ingin dicapai, dan langkah-langkah yang akan dilakukan untuk mencapai kondisi yang diinginkan;
 - b. Sumber daya yang dibutuhkan;
 - c. Manfaat yang akan diperoleh; dan
 - d. Kendala yang mungkin timbul dalam penerapan ITSP.

Information Technology Steering Committee (IT Steer Co) was formed based on Board of Directors Decree No. 50D/2020/SK dated June 5, 2020 on Information Technology Steering Committee with the following authorities and responsibilities:

- Provide recommendations to the Board of Directors in the form of:
 1. Information Technology Strategic Plan (ITSP) that is in line with Bank's strategic business plan while considering efficiency, effectiveness, and other issues, such as:
 - a. Roadmap that identifies current conditions, conditions to be achieved, and the steps that will be taken to achieve the expected conditions;
 - b. Resources required;
 - c. Benefits that will be gained; and
 - d. Constraints that may arise in implementing ITSP.

2. Kesesuaian antara proyek TI yang disetujui dengan ITSP dan juga menetapkan status prioritas pada proyek TI yang bersifat kritikal dan berdampak signifikan terhadap kegiatan operasional Bank, misalnya pergantian aplikasi *core banking*, aplikasi *switching* atau *payment gateway*, sistem *server production* dan topologi infrastruktur jaringan;
 3. Kesesuaian antara pelaksanaan proyek TI dengan rencana proyek yang disepakati dan melengkapi rekomendasi dengan hasil analisis dari proyek TI yang utama, sehingga memungkinkan Dewan Direksi mengambil keputusan secara efisien.
 4. Pemantauan atas kinerja Teknologi Informasi dan upaya peningkatannya.
 5. Upaya penyelesaian berbagai masalah terkait Teknologi Informasi, yang tidak dapat diselesaikan oleh Unit Kerja pengguna dan penyelenggara Teknologi Informasi secara efektif, efisien dan tepat waktu.
 6. Kecukupan dan alokasi sumber daya yang dimiliki Bank, manfaat yang akan diperoleh Bank saat rencana ditetapkan.
- Merumuskan kebijakan, standar, dan prosedur utama TI yang bersifat kritikal dan berdampak signifikan bagi operasional, bisnis dan reputasi Bank;
 - Melakukan evaluasi atas efektivitas prosedur mitigasi risiko yang dilakukan untuk meningkatkan keamanan TI Bank, serta meminimalisasi risiko atas investasi Bank pada sektor TI; agar investasi Bank pada sektor TI memberikan kontribusi terhadap pencapaian tujuan bisnis.
 - Melakukan evaluasi atas efektivitas pelaksanaan implementasi kebijakan pengamanan TI dan proyek TI yang sedang berjalan dan memberikan laporannya kepada Dewan Direksi;
 - Melakukan pembahasan dan menetapkan solusi terhadap permasalahan yang telah dan akan muncul dalam kaitannya dengan TI;
 - Melakukan rapat *IT Steer Co* secara berkala sekurang-kurangnya dilaksanakan 4 (empat) kali dalam 1 (satu) tahun.
2. Conformity between approved information technology projects with ITSP and also establish priority status for critical IT projects that have a significant impact to the Bank's operational activities, such as changing core banking applications, switching or payment gateway applications, server production systems and topology Network infrastructure.
 3. The conformity between the actual execution of the Information Technology project with the agreed project plan and fulfilling the recommendations with analysis results for the main IT project, to enable the Board of Directors to make decisions efficiently.
 4. Monitoring the performance of Information Technology and efforts to improve it.
 5. Efforts to resolve various problems related to Information Technology, which can not be resolved by the Work Unit users and administrators of Information Technology in an effective, efficient and timely manner.
 6. Adequacy and allocation of resources owned by the Bank, the benefits that will be obtained by the Bank when the plan is determined
- Formulate policies, standards, and key IT procedures that are critical and have significant impacts to Bank's operation, business and reputation;
 - Evaluate the effectiveness of risk mitigation procedures in place to improve the Bank's IT security, as well as minimize the risk of Bank's investment in IT sector; so that Bank's investment in the IT sector will contribute to achievement of business goals.
 - Evaluate the effectiveness of IT security policy implementation and ongoing IT projects and submit the reports to Board of Directors;
 - Discuss and determine solutions to problems that have and will arise in relation to IT;
 - Conduct periodic IT Steer Co meetings at least 4 (four) times in 1 (one) year.

Pelaksanaan Tugas dan Frekuensi Rapat

Implementation of Duties and Meeting Frequency

No.	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
1.	13 Mei 2020 May 13, 2020	<ul style="list-style-type: none"> • Pembahasan RSTI Tahun 2020 Triwulan ke -1 • Perubahan RSTI tahun 2020 • Discussion on the RSTI of 2020, 1st Quarter • RSTI changes in 2020
2.	3 Agustus 2020 August 3, 2020	<ul style="list-style-type: none"> • Pembahasan RSTI tahun 2020 Triwulan ke -2 • Discussion on the RSTI of 2020, 2nd Quarter
3.	22 Oktober 2020 October 22, 2020	<ul style="list-style-type: none"> • Pembahasan RSTI tahun 2020 Triwulan ke -3 • Rencana Pelaksanaan DRP • Pengkinian Anggota BCP • Discussion on the RSTI of 2020, 3rd Quarter • Plans for Implementation of DRP • Updates of BCP Members
4.	8 Desember 2020 December 8, 2020	<ul style="list-style-type: none"> • Pembahasan RSTI tahun 2020 Triwulan ke -4 • Pembahasan RSTI tahun 2021 • Discussion on the RSTI of 2020, 4th Quarter • Discussion on the RSTI of 2021

Komite Kebijakan Perkreditan Credit Policy Committee

Struktur dan Keanggotaan Komite Kebijakan Perkreditan

Structure and Membership of the Credit Policy Committee

Nama Name	Jabatan Position
Ketua Chairman	Direktur Utama President Director
Sekretaris Secretary	Kepala Divisi Manajemen Risiko Head of the Risk Management Division
Anggota Member	Direktur Bisnis Director of Business
	Direktur Kepatuhan dan Manajemen Risiko Director of Compliance and Risk Management
	Kepala Divisi Kredit Head of Credit Division
	Kepala Divisi Administrasi Kredit Head of Credit Administration Division
	Kepala Sub Direktorat Internal Audit Head of Sub Directorate of Internal Audit
	Kepala Divisi Penagihan & Pemulihan Aset Head of the Billing & Asset Recovery Division
	Kepala Divisi Kepatuhan (tidak memiliki hak suara) Head of Compliance Division (not having voting rights)

Uraian Tugas dan Tanggung Jawab Komite Kebijakan Perkreditan Description of Duties and Responsibilities of Credit Policy Committee

Komite Kebijakan Perkreditan dibentuk berdasarkan Surat Keputusan Dewan Direksi No.98/2017/SK tanggal 30 Oktober 2017 tentang Komite Kebijakan Perkreditan (KKP) yang memiliki wewenang dan tanggung jawab antara lain:

- Memberikan masukan kepada Dewan Direksi dalam rangka penyusunan kebijakan umum perkreditan, terutama yang berkaitan dengan perumusan prinsip kehati-hatian dalam perkreditan;
- Memastikan kebijakan umum perkreditan dapat diterapkan dan dilaksanakan secara konsisten, serta merumuskan pemecahan apabila terdapat kendala dalam penerapan kebijakan umum perkreditan;
- Melakukan kajian berkala terhadap kebijakan umum perkreditan dan memberikan saran perubahan/perbaikan kepada Dewan Direksi apabila diperlukan;

Credit Policy Committee was formed based on Board of Directors Decree No.98/2017/SK dated October 30, 2017 regarding the Credit Policy Committee (KKP) which has the following authorities and responsibilities:

- Provide input to Board of Directors regarding the formulation of general credit policy, particularly in relation to the formulation of prudential principles in credit;
- Ensure that general credit policy can be applied and implemented consistently, as well as formulate solutions if there are obstacles in the application of the general credit policy;
- Conduct periodic review on the general credit policy and provide advice to Board of Directors if changes/improvements are required;

- Divisi Kredit dan Divisi Administrasi Kredit memantau dan mengevaluasi:
 1. Perkembangan dan kualitas portofolio kredit secara keseluruhan;
 2. Ketepatan pelaksanaan kewenangan memutus kredit;
 3. Ketepatan proses pemberian, perkembangan dan kualitas kredit yang diberikan kepada pihak yang terkait dengan Bank dan debitur-debitur besar tertentu;
 4. Pelaksanaan ketentuan BMPK;
 5. Ketaatan terhadap ketentuan perundang-undangan dan peraturan lainnya dalam proses pemberian kredit;
 - Divisi Penagihan & Pemulihan Aset memantau dan mengevaluasi:
 1. Penyelesaian kredit bermasalah sesuai dengan yang ditetapkan dalam kebijakan umum perkreditan;
 2. Upaya Bank dalam memenuhi kecukupan jumlah Cadangan Kerugian Penurunan Nilai;
 - Bertanggung jawab menyampaikan usulan bahan rapat dan/atau hasil pemantauan dan evaluasi di atas serta hal-hal lainnya terkait dengan aktivitas dan kebijakan perkreditan Bank, yang akan dibahas dalam rapat pra-KKP dan/atau rapat KKP kepada sekretaris KKP;
 - Menghadiri rapat pra-KKP dan KKP sesuai jadwal yang ditetapkan oleh sekretaris KKP;
 - Menindaklanjuti hasil keputusan rapat Pra-KKP dan KKP.
- Credit Division and Credit Administration Division monitor and evaluate:
 1. Development and quality of loan portfolio as a whole;
 2. Appropriateness of credit approval exercise;
 3. Appropriateness on the process of granting, development and loan quality provided to Bank's related parties and certain large debtors;
 4. Implementation of LLL provisions
 5. Compliance with laws and other regulations during loan approval process;
 - Collection & Asset Recovery Division monitors and evaluates:
 1. Settlement of non-performing loans as stipulated in the general credit policy;
 2. The Bank's efforts to meet the adequacy of the Allowance for Impairment Losses;
 - Responsible in submitting meeting materials proposal and/or monitoring and evaluation results mentioned above as well as other issues related to the Bank's credit activities and policies, which will be discussed in pre-KKP meetings and/or KKP meetings, to KKP secretary;
 - Attend pre-KKP and KKP meetings according to the schedule set by KKP secretary;
 - Follow up the decisions made on the Pre-KKP and KKP meetings.

Pelaksanaan Tugas dan Frekuensi Rapat

Implementation of Duties and Meeting Frequency

No.	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
1.	24 Januari 2020	<ul style="list-style-type: none"> • DSR end user KPRI • Blokir 1x angsuran dan pelepasan blokir untuk Kredit Properti • Pengelolaan Kredit Komersil • Pelaksanaan verifikasi (<i>sampling</i>) kepada <i>end user</i>
	January 24, 2020	<ul style="list-style-type: none"> • DSR end user KPRI • Block 1x installment and unblocking for Property Loans • Commercial Credit Management • Implementation of verification (<i>sampling</i>) to end users

No.	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
2.	4 Maret 2020	<ul style="list-style-type: none"> • Penetapan denda atas sisa plafon PRK yang tidak digunakan • Penetapan format kertas kerja verifikasi RAB • Penambahan ketentuan bahwa Divisi Administrasi Kredit akan melakukan validasi dan verifikasi terhadap perhitungan kebutuhan modal kerja dan progress pembangunan unit
	March 4, 2020	<ul style="list-style-type: none"> • Determination of fines for remaining unused CRP ceilings • Determination of the format for the RAB verification working paper • Added provisions that the Credit Administration Division will carry out validation and verification of the calculation of working capital requirements and unit development progress
3.	26 Maret 2020	<ul style="list-style-type: none"> • Penetapan ketentuan verifikasi <i>call</i> kepada <i>end user</i> • Penetapan <i>checklist credit covenant</i>
	March 26, 2020	<ul style="list-style-type: none"> • Determination of call verification provisions for end users • Establishment of a credit covenant checklist
4.	4 April 2020	<ul style="list-style-type: none"> • Penyesuaian hari tunggakan dalam proses <i>monitoring</i> kredit
	April 4, 2020	<ul style="list-style-type: none"> • Adjustment of arrears days in the credit monitoring process



Fungsi Kepatuhan Compliance Function

Sejalan dengan kemajuan teknologi dan perkembangan usaha, fungsi kepatuhan dalam organisasi perbankan berperan penting dalam memastikan Bank menjalankan prinsip kehati-hatian dan memastikan kegiatan usaha Bank sesuai dengan ketentuan dan perundang-undangan yang berlaku.

Dalam melaksanakan fungsinya, fungsi kepatuhan berpedoman pada Peraturan OJK No.46/POJK.03/2017 tanggal 12 Juli 2017 tentang Pelaksanaan Fungsi Kepatuhan Bank Umum, yang selanjutnya diatur dalam ketentuan internal melalui Surat Keputusan Dewan Direksi No.87/2017/SK tanggal 26 September 2017 tentang Kebijakan Kepatuhan dan Surat Keputusan Dewan Direksi No.61/2018/SK tanggal 15 Oktober 2018 tentang Pedoman Kepatuhan.

Direktur Kepatuhan dan Manajemen Risiko dan Satuan Kerja Kepatuhan bertanggung jawab atas pelaksanaan fungsi kepatuhan di Bank BKE, sementara Dewan Komisaris melakukan pengawasan atas pelaksanaan fungsi kepatuhan.

Peran dan tugas tanggung jawab masing-masing pihak sebagai berikut:

- Dewan Komisaris
Dewan Komisaris wajib melakukan pengawasan aktif terhadap fungsi kepatuhan antara lain dengan:
 1. mengevaluasi pelaksanaan fungsi kepatuhan Bank paling sedikit 2 (dua) kali dalam satu tahun; dan
 2. memberikan saran untuk meningkatkan kualitas pelaksanaan fungsi kepatuhan Bank;
- Direktur Kepatuhan dan Manajemen Risiko
Fungsi kepatuhan Bank BKE berada dalam pengawasan Direktur Kepatuhan dan Manajemen Risiko yang memiliki tugas dan tanggung jawab sebagai berikut:
 1. Merumuskan strategi guna mendorong terciptanya budaya kepatuhan Bank;
 2. Mengusulkan kebijakan kepatuhan atau prinsip-prinsip kepatuhan yang akan ditetapkan oleh Dewan Direksi;
 3. Menetapkan sistem dan prosedur kepatuhan yang digunakan untuk menyusun ketentuan dan pedoman internal Bank;
 4. Memastikan bahwa seluruh ketentuan, kebijakan, sistem dan prosedur serta kegiatan usaha yang dilakukan Bank telah sesuai dengan ketentuan OJK dan ketentuan peraturan perundang-undangan yang berlaku;
 5. Meminimalisir risiko kepatuhan Bank;
 6. Melakukan tindakan pencegahan agar kebijakan dan/atau keputusan yang diambil oleh Dewan Direksi tidak menyimpang dari ketentuan OJK dan ketentuan peraturan perundang-undangan yang berlaku;

In line with technology and business developments, compliance function within banking organization plays important role in ensuring that Bank implements prudential banking principles and ensures that the Bank's business activities are in accordance with the prevailing laws and regulations.

In carrying out its functions, compliance function refers to OJK Regulation No.46/POJK.03/2017 dated July 12, 2017 on Implementation of Compliance Function for Commercial Banks, which is further regulated in internal provisions through the Board of Directors Decree No.87/2017/SK dated September 26, 2017 on Compliance Policy and Board of Directors Decree No.61/2018/Decree dated October 15, 2018 on Compliance Guidelines.

Director of Compliance and Risk Management and the Compliance Unit is in charge of the implementation of compliance function in Bank BKE, while Board of Commissioners who supervise the implementation of the compliance function.

Roles and responsibilities of each party are as follows:

- Board of Commissioners
Board of Commissioners are obliged to carry out active supervision over compliance function, as follows:
 1. evaluating the implementation of Bank's compliance function at least 2 (two) times a year; and
 2. providing suggestions to improve the quality of the implementation of the Bank's compliance function;
- Director of Compliance and Risk Management
Bank BKE's compliance function is under the supervision of Director of Compliance and Risk Management who has the following duties and responsibilities:
 1. Formulating strategies to encourage the creation of Bank's compliance culture;
 2. Proposing compliance policy or compliance principles to be determined by the Board of Directors;
 3. Establishing compliance systems and procedures to be used in formulating Bank's internal policies and guidelines;
 4. Ensuring that all policies, regulations, systems and procedures, as well as business activities carried out by the Bank are in accordance with OJK provisions and prevailing laws and regulations;
 5. Minimizing Bank's compliance risk;
 6. Taking preventive actions so that policies and/or decisions made by Board of Directors do not deviate from OJK provisions and prevailing laws and regulations;

7. Melakukan tugas lain yang terkait dengan fungsi kepatuhan seperti memantau dan menjaga kepatuhan Bank terhadap komitmen yang telah dibuat Bank kepada *regulator* yang berwenang.

• Satuan Kerja Kepatuhan

Pelaksanaan fungsi kepatuhan di Bank BKE menjadi tanggung jawab Divisi Kepatuhan yang memiliki tugas dan tanggung jawab sebagai berikut:

1. Menyiapkan langkah untuk mendukung penerapan budaya kepatuhan pada seluruh kegiatan usaha Bank pada setiap jenjang organisasi;
2. Melakukan identifikasi, pengukuran, pemantauan dan pengendalian risiko kepatuhan dengan mengacu pada ketentuan OJK;
3. Menilai dan mengevaluasi efektivitas, kecukupan dan kesesuaian kebijakan, ketentuan, sistem dan prosedur yang dimiliki Bank dengan ketentuan peraturan perundang-undangan;
4. Melakukan kaji ulang dan/atau merekomendasikan pengkinian dan penyempurnaan kebijakan, ketentuan, sistem maupun prosedur yang dimiliki oleh Bank agar sesuai dengan ketentuan OJK dan ketentuan peraturan perundang-undangan;
5. Melakukan upaya untuk memastikan bahwa kebijakan, ketentuan, sistem dan prosedur, serta kegiatan usaha Bank telah sesuai dengan ketentuan OJK dan ketentuan peraturan perundang-undangan;
6. Melakukan tugas lain yang terkait dengan fungsi kepatuhan, antara lain memastikan kepatuhan Bank terhadap komitmen, melakukan sosialisasi terkait dengan ketentuan yang berlaku dan sebagai narahubung (*contact person*) untuk permasalahan kepatuhan Bank.

Dalam melaksanakan fungsinya tersebut, Divisi Kepatuhan melaporkan seluruh aktivitasnya langsung kepada Direktur Kepatuhan dan Manajemen Risiko.

Secara umum, di tahun 2020, Bank BKE telah melaksanakan fungsi kepatuhan dengan Baik, antara lain dilakukan melalui:

- Kajian dan analisis terhadap fungsi, kinerja dan struktur organisasi kepatuhan guna memperkuat fungsi dan struktur organisasi kepatuhan melalui pengembangan sumber daya manusia;
- Pemantauan, analisis dampak serta penyusunan tindak lanjut atas peraturan baru yang diterbitkan oleh OJK, Bank Indonesia dan regulator lainnya;
- Pemantauan secara berkala dan berkesinambungan terhadap risiko kepatuhan termasuk pemenuhan *regulatory parameter*

7. Performing other duties related to compliance function, such as monitoring and maintaining Bank's compliance with the commitments made by the Bank to the authorized regulators.

• Compliance Unit

Implementation of compliance function at Bank BKE is the responsibility of Compliance Division which has the following duties and responsibilities:

1. Preparing procedures to support the implementation of compliance culture in all business activities of the Bank at every organization levels;
2. Identifying, measuring, monitoring and controlling compliance risk by referring to OJK provision;
3. Assessing and evaluating the effectiveness, adequacy and conformity of the Bank's policies, regulations, systems and procedures with laws and regulations;
4. Reviewing and/or recommending updates and revision of policies, regulations, systems and procedures applied by the Bank to comply with OJK provisions and laws and regulations;
5. Ensuring that Bank's policies, regulations, systems and procedures, as well as its business activities, have complied with OJK provisions and laws and regulations;
6. Performing other duties related to the compliance function, includes but not limited to ensuring Bank's compliance with commitments, conducting socializations related to applicable regulations and acting as a contact person for Bank's compliance issues.

In carrying out these functions, Compliance Division reports to Compliance and Risk Management.

Generally, in 2020, Bank BKE has performed its compliance function well, through implementation of the below:

- Review and analysis over compliance functions, performance and organizational structure in order to strengthen compliance function and organization structure through human resources development;
- Perform monitoring, impact analysis as well as designing follow-up actions on new regulations issued by OJK, Bank Indonesia and other regulators;
- Regular and continuous monitoring of compliance risks including compliance with regulatory parameters, includes

antara lain sanksi dari *regulator*, rasio Kecukupan Penyediaan Modal Minimum, rasio *Non-Performing Loan*, rasio Batas Maksimum Pemberian Kredit dan Penyediaan Dana Besar;

- Peningkatan budaya kepatuhan melalui program kampanye kepatuhan yang dilakukan ke seluruh jajaran organisasi Bank termasuk jaringan cabang melalui media komunikasi internal;
- Sinergi dan koordinasi dengan unit kerja Bank lainnya dalam memantau pemenuhan tindak lanjut atas peraturan pemerintah, pemenuhan *regulatory projects*, pemenuhan komitmen Bank terhadap *regulator* termasuk pelaksanaan audit oleh *regulator* serta tindak lanjutnya, serta penerapan kepatuhan Bank pada umumnya;
- Kajian terhadap struktur dan penerapan GCG, antara lain pengembangan struktur dan fungsi Dewan Komisaris serta komite-komite yang ada pada Bank dalam melakukan pengawasan dan memberikan masukan terhadap aktivitas operasional Bank.

but not limited to sanctions from regulators, Capital Adequacy Ratio, Non-Performing Loan ratio, Legal Lending Limit ratio and Large Funds Provision;

- Enhance compliance culture through a compliance campaign program carried out at all levels of the Bank's organization including the branch network through internal communication media;
- Synergy and coordination with other working units within the Bank in monitoring follow up actions regarding compliance to regulations, fulfillment of regulatory projects, fulfillment of Bank's commitments to regulators, including implementation of regulatory audits and the related follow-up actions, and implementation of Bank's compliance in general;
- Review over GCG structure and implementation, such as development of Board of Commissioners' structure and functions including committees within the Bank in supervising and providing inputs towards Bank's operational activities.

Penyediaan Dana Kepada Pihak Terkait (*Related Party*) dan Penyediaan Dana Besar (*Large Exposure*) Provision of Funds to Related Party and Provision of Large Exposure

Penyediaan dana kepada pihak terkait dan penyediaan dana besar dilakukan dengan berpegang pada prinsip kehati-hatian sebagaimana tertuang dalam Surat Keputusan Dewan Direksi No.44/2019/SK tanggal 28 Mei 2019 yang selaras dengan Peraturan OJK No.32/POJK.03/2018 dan Peraturan OJK No.38/POJK.03/2019 tentang Batas Maksimum Pemberian Kredit dan Penyediaan Dana Besar Bagi Bank Umum.

Penyediaan dana kepada pihak terkait dan penyediaan dana besar untuk posisi 31 Desember 2020 adalah sebagai berikut:

Provision of funds to related parties and provision of large funds is carried out by adhering to prudence principle as stated in Board of Directors Decree No.44/2019/SK dated May 28, 2019 which is in line with OJK Regulation No.32/POJK.03/2018 and OJK Regulation No.38/POJK.03/2019 on Legal Lending Limit and Provision of Large Funds for Commercial Banks.

Provision of funds to related parties and provision of large funds as of December 31, 2020 are as follows:

No.	Penyediaan Dana Provision of Funds	Jumlah Baki Debet Total Debt Balance	
		Debitur Debtor	Nominal
1.	Kepada Pihak Terkait To Related Parties	9	Rp106 Miliar Rp106 Billion
2.	Kepada debitur inti: Individu Grup	-	
	To core debtors: Individual Group	-	



Transparansi Kondisi Keuangan dan Non Keuangan Transparency of Financial and Non-Financial Condition

Bank BKE telah melakukan transparansi kondisi keuangan dan non keuangan kepada publik melalui Laporan Tahunan, Laporan Publikasi Triwulanan dan Laporan Publikasi Bulanan. Penyajian laporan dilakukan secara tepat waktu melalui media *website* Bank yang dapat diakses oleh seluruh masyarakat.

Bank BKE carried out transparency of its financial and non-financial conditions to the public through Annual Reports, Quarterly Published Reports and Monthly Published Reports, presented in a timely manner through the Bank's website which could be accessed by everyone.



Rencana Strategis Bank The Bank's Strategic Plan

Rencana strategis Bank telah disusun sesuai dengan visi dan misi Bank dan diungkapkan dalam Rencana Korporasi dan RBB. Rencana tersebut juga telah didukung sepenuhnya oleh pemegang saham.

The Bank's strategic plan has been prepared in accordance with the Bank's vision and mission and is disclosed in its Corporate Plan and RBB. The plan is also fully supported by shareholders.

RBB Bank BKE disusun atas dasar kajian yang komprehensif dengan memperhatikan peluang bisnis dan kekuatan yang dimiliki Bank serta dengan menganalisa kelemahan dan ancaman (*SWOT Analysis*). Selain itu, RBB juga disusun dengan memperhatikan berbagai faktor baik eksternal (seperti pertumbuhan PDB, inflasi, dan suku bunga acuan) maupun internal (seperti pertumbuhan kredit dan DPK serta tingkat bunga pinjaman dan simpanan) yang dapat mempengaruhi kelangsungan usaha Bank, termasuk pengelolaan risikonya.

Bank BKE's RBB is prepared based on comprehensive study by taking into account business opportunities and the Bank's strengths and by analyzing weaknesses and threats to the Bank (*SWOT Analysis*). In addition, RBB is also prepared by taking into account various factors, both external (e.g. GDP growth, inflation, and benchmark interest rate) as well as internal (e.g. credit and third party fund's growth, lending and deposit interest rate) that may affect the sustainability of the Bank's business, including its risk management.



Kepemilikan Saham dan *Shares Option* Share Ownership and Shares Option

Hingga posisi 31 Desember 2020, Dewan Komisaris, Dewan Direksi, dan Pejabat Eksekutif Bank BKE tidak memiliki saham Bank serta *shares option*.

As of December 31, 2020, Board of Commissioners, Board of Directors and Executive Officers of Bank BKE do not own the Bank's shares and share options.



Keterbukaan Informasi Information Disclosure

Dalam rangka keterbukaan informasi, Bank BKE telah menyebarluaskan informasi material kepada masyarakat selama tahun 2020 melalui berbagai media massa dan pada *website* Bank BKE, baik dalam Bahasa Indonesia maupun Bahasa Inggris.

Bank juga telah memenuhi kewajiban transparansi dan publikasi kondisi keuangan dan non-keuangan sesuai dengan ketentuan yang berlaku, melalui penyampaian dan publikasi informasi melalui media cetak dan *website* Bank sebagai berikut:

- Laporan Keuangan Bulanan kepada *regulator* yang juga dipublikasikan melalui situs Bank Indonesia;
- Laporan Keuangan Triwulanan dan Tahunan kepada *regulator*, yang juga disampaikan melalui sistem pelaporan OJK;
- Laporan Tahunan Bank, yang disusun dan disajikan sesuai dengan ketentuan OJK tentang Transparansi dan Ketentuan Publikasi Laporan Bank, yang disampaikan kepada *regulator*;
- Informasi produk dan layanan Bank, termasuk jaringan kantor cabang;
- Informasi lain yang disyaratkan oleh peraturan.

In relate with information disclosure, Bank BKE has disseminated material information to public during 2020, through various mass media and on Bank BKE's website, both in Indonesian and English.

Bank has also fulfilled the obligation of transparency and publication of financial and non-financial conditions in accordance with applicable regulations, through the delivery and publication of information via printed-media and Bank's website as follows:

- Monthly Financial Reports to regulators, which are also published through Bank Indonesia's website;
- Quarterly and Annual Financial Reports to regulators, which are also submitted through OJK reporting system;
- Bank's Annual Report which is prepared and presented in accordance with OJK regulations on Transparency and Publication of Bank Reports, are submitted to regulators;
- Information on Bank's products and services, including branch office network;
- Other information as required by regulations.



Satuan Kerja Audit Internal Internal Audit Working Unit

Satuan Kerja Audit Internal adalah unit yang bertugas memberikan keyakinan yang memadai atas efektivitas dan kecukupan proses manajemen risiko Bank, kegiatan pengendalian internal, dan tata kelola. Satuan Kerja Audit Internal juga bertanggung jawab untuk memberikan pendapat dan rekomendasi kepada Manajemen Bank terkait dengan inisiatif dan produk baru Bank.

Satuan Kerja Audit Internal dipimpin oleh Kepala Satuan Kerja Audit Internal yang bertanggung jawab secara langsung ke President Direktur Bank serta memiliki akses untuk berkomunikasi dengan Komite Audit dan Dewan Komisaris.

Kegiatan Audit Internal dilakukan berdasarkan Piagam Audit Internal dan Manual Audit Internal, yang ditetapkan sesuai dengan POJK No.1/POJK.03/2019 dan prinsip-prinsip inti dari *International Professional Practices Framework* (IPPF).

Satuan Kerja Audit Internal terus berupaya meningkatkan kualitas dan metodologinya seiring dengan pertumbuhan yang dinamis dan risiko yang muncul di industri perbankan untuk dapat memberikan *good quality assurance* dan menjalankan fungsi konsultasi yang baik untuk membantu Bank mencapai tujuannya.

Internal Audit Working Unit is the unit in charge with providing reasonable assurance over the effectiveness and adequacy of Bank's risk management process, internal control activities and governance. Internal Audit Working Unit is also responsible to provide opinions and recommendations to Bank's Management in relation with Bank's initiatives and new products.

Internal Audit Working Unit is led by a Head of Internal Audit and is directly responsible to the President Director of the Bank with communication access to the Audit Committee and Board of Commissioners.

Internal Audit activity is performed based on the Internal Audit Charter and Internal Audit Manual, which are established in accordance with POJK No. 1/POJK.03/2019 and the core principles of International Professional Practices Framework (IPPF).

Internal Audit Working Unit keeps on improving its quality and methodologies along with the dynamic growth and emerging risks of the Banking Industry to continuously provide a good quality assurance and consulting works to help the Bank achieves its objective.

Sesuai dengan ketentuan OJK dan sebagai bagian dari program peningkatan Audit Internal, telah dilakukan penilaian kualitas eksternal oleh Nexia KPS (Kanaka Puradiredja, Suhartono) pada tahun berjalan yang menyatakan bahwa kegiatan Audit Internal telah sesuai dengan ketentuan regulasi.

Audit Internal berwenang untuk meninjau semua kebijakan, rencana, prosedur, operasi, system dan aplikasi serta memiliki akses tak terbatas ke catatan, *property* dan personel Bank untuk tujuan melakukan audit, pemeriksaan, tinjauan dan investigasi.

In accordance with OJK regulations and as part of Internal Audit improvement program, an external quality assessment was carried out by Nexia KPS (Kanaka Puradiredja, Suhartono) in current year with opinion that the Internal Audit activities were in conformity with the regulatory requirements.

Internal Audit is authorized to review all policies, plans, procedures, operations, systems and applications and has unlimited access to Bank records, properties and personnel for the purpose of performing audits, examinations, reviews and investigations.

Akuntan Publik Public Accountant

Bank BKE menunjuk Kantor Akuntan Publik ternama yang berafiliasi dengan Kantor Akuntan Publik Internasional untuk melakukan audit atas laporan keuangannya.

Legalitas perjanjian kerja dan ruang lingkup audit dituangkan dalam Surat Penugasan yang ditandatangani oleh Bank dan Kantor Akuntan Publik sebelum audit tahunan dimulai. Kantor Akuntan Publik yang dipekerjakan oleh Bank melakukan komunikasi langsung dengan OJK mengenai kondisi Bank, termasuk mengenai pelaksanaan proses audit (perencanaan, pelingkupan, metodologi, prosedur dan temuan).

Berdasarkan kewenangan yang diberikan Rapat Umum Pemegang Saham untuk menunjuk Kantor Akuntan Publik yang terdaftar di OJK, Dewan Komisaris telah menunjuk KAP Purwantono, Sungkoro & Surja sebagai Kantor Akuntan Publik independen Bank untuk mengaudit laporan keuangan Bank tahun 2020 menggantikan KAP Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Rekan sebagai auditor di tahun 2019. Penunjukan Kantor Akuntan Publik telah sesuai dengan ketentuan peraturan perundang-undangan yang berlaku.

KAP Purwantono, Sungkoro & Surja telah menyelesaikan auditnya atas laporan keuangan Bank tahun 2020 dan melaporkan hasil audit tersebut kepada Bank pada tanggal 12 Maret 2021 dan mampu bekerja secara independen, memenuhi standar profesional akuntan publik dan perjanjian penugasan serta ruang lingkup audit yang telah ditetapkan.

Bank BKE engaged with reputable Public Accounting Firm which affiliated with an International Public Accountant Firm to perform audit of its financial statements.

Legality of work agreement and scope of audit are stipulated in Engagement Letter signed by the Bank and the Public Accounting Firm before commencement of the annual audit. Public Accounting Firm engaged by the Bank communicates directly to OJK about the condition of the Bank, including on the implementation of audit process (planning, scoping, methodology, procedures and findings).

Based on authority granted by General Meeting of Shareholders to engage Public Accounting Firm registered in OJK, Board of Commissioners has engaged KAP Purwantono, Sungkoro & Surja as the Bank's independent Public Accounting Firm to audit the Bank's financial statements for 2020, replacing KAP Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Rekan as 2019 year auditor. The appointment of Public Accounting Firm has been in accordance with the prevailing law and regulations.

KAP Purwantono, Sungkoro & Surja has completed their audit on Bank's 2020 financial statements and reported the audit results to the Bank on March 12, 2021 and was capable to work independently, fulfilled the public accountant professional standards and the engagement agreement as well as the determined audit scope.



Manajemen Risiko Risk Management

Ketentuan Eksternal yang Menjadi Acuan Manajemen Risiko External Reference for Risk Management

- Peraturan OJK No.18/POJK.03/2016 tanggal 16 Maret 2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum;
- Peraturan OJK No.46/POJK.03/2017 tanggal 12 Juli 2017 tentang Fungsi Kepatuhan Bank Umum;
- Peraturan OJK No.55/POJK.03/2016 tanggal 07 Desember 2016 tentang Penerapan Tata Kelola Bagi Bank Umum;
- Surat Edaran OJK No.34/SEOJK.03/2016 tanggal 01 September 2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum;
- Surat Edaran OJK No.26/SEOJK.03/2016 tanggal 14 Juli 2016 tentang Kewajiban Penyediaan Modal Minimum sesuai Profil Risiko dan Pemenuhan *Capital Equivalency Maintained Assets*.
- OJK Regulation No.18/POJK.03/2016 dated March 16, 2016 regarding Implementation of Risk Management for Commercial Banks;
- OJK Regulation No.46/POJK.03/2017 dated July 12, 2017 regarding Compliance Function of Commercial Banks;
- OJK Regulation No.55/POJK.03/2016 dated December 07, 2016 regarding Implementation of Governance for Commercial Banks;
- OJK Circular Letter No.34/SEOJK.03/2016 dated September 01, 2016 regarding Application of Risk Management for Commercial Banks;
- OJK Circular Letter No.26/SEOJK.03/2016 dated July 14, 2016 regarding Minimum Capital Requirements in accordance with Risk Profiles and Fulfillment of Capital Equivalency Maintained Assets.

Struktur Organisasi dan Tata Kelola Manajemen Risiko Risk Management Organization Structure and Governance

Bank BKE menerapkan manajemen risiko dengan kesadaran risiko yang utuh dan kemampuan teknis yang memadai sebagai tanggung jawab dari seluruh unit kerja untuk melakukan pengelolaan risiko dari setiap aktivitas bisnis dan operasional yang dijalankan.

Bank BKE telah memisahkan fungsi antara satuan kerja pengambil risiko yang melekat pada seluruh unit bisnis, satuan kerja pendukung dan satuan kerja manajemen risiko. Pemisahan tersebut dimaksudkan untuk memastikan setiap bentuk pengambilan keputusan dilakukan dengan meminimalisir kemungkinan munculnya benturan kepentingan di antara beberapa unit kerja.

Bank BKE menempatkan Divisi Manajemen Risiko selaku unit pengelola risiko yang melaksanakan tugas dan tanggung jawabnya secara independen serta ikut berperan dalam memberikan pertimbangan bagi manajemen Bank BKE, yang diperkirakan dapat berdampak risiko bagi Bank BKE di masa mendatang, sekaligus penguatan kerangka organisasi manajemen risiko yang terdiri dari Dewan Komisaris yang menjalankan fungsi pengawasan risiko beserta komite-komite dibawahnya dan Dewan Direksi yang merumuskan kebijakan risiko dengan komite-komite di bawahnya.

Bank BKE implements risk management with full risk awareness and adequate technical capabilities as the responsibility of all working units in managing risk for every business and operational activities they carry out.

Bank BKE has separated functions between the risk-taking working unit which refer to all business units, the supporting working unit, and the risk management unit. Such separation is made to ensure that every form of decision making will be carried out by minimizing the possibility of conflict of interest among several working units.

Bank BKE places the Risk Management Division as a risk management unit that carries out its duties and responsibilities independently and plays role in providing consideration for Bank BKE's management, which is expected to have risk impacts for Bank BKE in the future, as well as strengthening the risk management organizational framework which consists of Board of Commissioners and its committees which carries out the risk oversight functions and Board of Directors and its committees who formulate the risk policies.

Pada tingkat eksekutif, masalah-masalah risiko di Bank BKE dikelola melalui komite-komite:

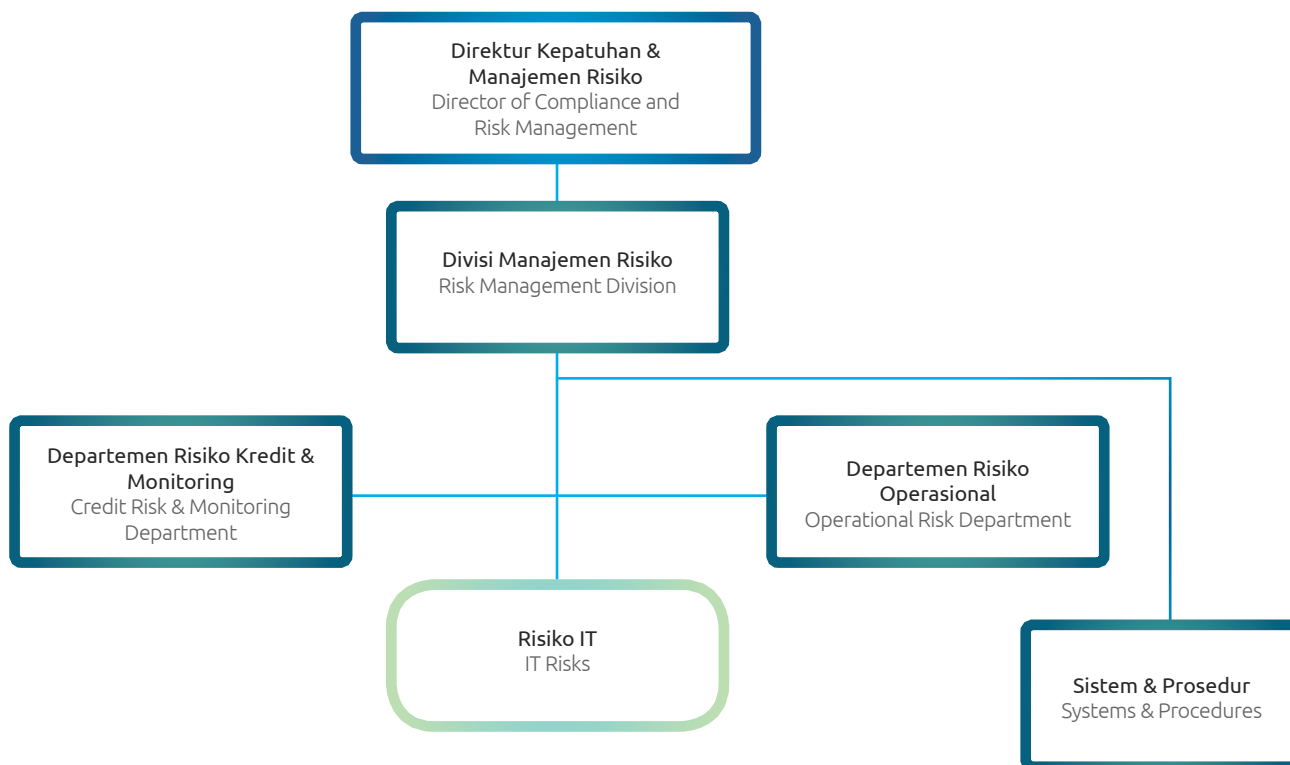
- Komite Manajemen Risiko
- Komite Aset dan Liability
- Komite Pengarah Teknologi Informasi
- Komite Kebijakan Perkreditan
- Komite Manajemen Kepegawaian

At the executive level, risk issues at Bank BKE are managed through the following committees:

- Risk Management Committee
- Asset and Liability Committee
- Information Technology Steering Committee
- Credit Policy Committee
- Personnel Management Committee

Sesuai dengan Surat Keputusan Dewan Direksi Bank BKE tentang Struktur Organisasi PT Bank Kesejahteraan Ekonomi Tahun 2020 Revisi 3, struktur organisasi di Divisi Manajemen Risiko digambarkan sebagai berikut:

In accordance with Board of Directors Decree of Bank BKE on Organizational Structure of PT Bank Kesejahteraan Ekonomi Year 2020 Revision 3, the organizational structure of Risk Management Division is described as follows:



Proses Manajemen Risiko Risk Management Process

Sistem manajemen risiko di Bank BKE dikembangkan secara berkesinambungan untuk mendukung proses bisnis dan operasional yang lebih efisien dalam rangka pengambilan keputusan yang lebih cepat, namun dengan tetap mengacu pada prinsip kehati-hatian.

The risk management system at Bank BKE is continuously developed to support more efficient business and operational processes in order to make faster decisions, but still adhering to the principle of prudence.

Selain itu, Bank BKE juga telah menggunakan *Risk & Control Self Assessment* secara *web-based* untuk mempercepat akses dan mempermudah kontrol dalam penilaian risiko operasional.

Dengan demikian, melalui penerapan manajemen risiko yang mengoptimalkan penggunaan penilaian bisnis dan ditunjang dengan analisa berdasarkan kondisi historis, proses bisnis Bank BKE dapat dilakukan lebih cepat tanpa mengabaikan prinsip kehati-hatian dalam perbankan.

Bank BKE telah menyediakan sistem informasi yang memadai terkait Sistem Manajemen Risiko secara umum, yang terdiri dari:

- Pengawasan Aktif Dewan Komisaris dan Dewan Direksi
Pelaksanaan fungsi pengawasan oleh Dewan Komisaris terhadap aktivitas bank dilakukan melalui rapat gabungan bersama Dewan Direksi, setelah terlebih dahulu melakukan pertemuan antara Dewan Komisaris dengan seluruh anggota Komite Audit dan Komite Pemantau Risiko. Pengawasan yang diberikan oleh Dewan Komisaris dilakukan dalam rangka memberikan persetujuan kebijakan manajemen risiko Bank BKE sekaligus memantau efektifitas penerapan kebijakan manajemen risiko yang telah ditetapkan.

Sedangkan pengawasan aktif yang dilakukan di tingkat Dewan Direksi dilakukan dengan penyusunan dan implementasi kebijakan terkait dengan kondisi risiko Bank BKE dan strategi pengendalian risiko yang dilakukan dalam rapat Dewan Direksi. Dewan Direksi juga memperoleh rekomendasi-rekomendasi dari Komite-Komite Dewan Direksi.

- Kecukupan Kebijakan, Prosedur, dan Penetapan Limit

Untuk melengkapi pelaksanaan unsur pengawasan aktif yang dilakukan terhadap jalannya pengelolaan manajemen risiko di Bank BKE, Dewan Direksi telah menerbitkan kebijakan dan prosedur sebagai pedoman dan pendukung pelaksanaan aktivitas internal Bank BKE dan penerapan proses kontrol yang terarah sesuai dengan visi dan misi, serta rencana bisnis yang telah ditetapkan.

Pemenuhan serta pengkinian atas kecukupan kebijakan dan prosedur menjadi fokus utama Dewan Direksi dalam rangka memenuhi persyaratan kepatuhan dan memastikan kesesuaiannya terhadap kebijakan dan peraturan serta perundang-undangan yang berlaku, selain sebagai fungsi kontrol terhadap penerapan tingkat kepatuhan di seluruh unit kerja.

In addition, Bank BKE has also used a web-based Risk & Control Self Assessment to speed up access and simplify control in operational risk assessments.

Thus, through the implementation of risk management that optimizes the use of business judgement and supported by analysis based on historical conditions, Bank BKE's business processes can be carried out faster without neglecting prudential banking principles.

Bank BKE has provided an adequate information system related to the Risk Management System in general, which consisted of:

- Active Oversight by Board of Commissioners and Directors.
The implementation of the supervisory function by the Board of Commissioners on bank activities is carried out through joint meeting with the Board of Directors, after first conducting a meeting between the Board of Commissioners and all members of the Audit Committee and Risk Monitoring Committee. Supervision by the Board of Commissioners is carried out in order to provide approval on the risk management policies of Bank BKE, as well as monitoring the implementation effectiveness of established risk management policies.

Meanwhile, active supervision is carried out in Board of Directors level by formulating and implementing policies related to the risk conditions of Bank BKE and risk control strategies which are carried out in Board of Directors meetings. Board of Directors also obtain recommendations from the Committees of the Board of Directors.

- Adequacy of Policies, Procedures, and Determination of Limits

To complement the active oversight of implementation of risk management at Bank BKE, the Board of Directors issues policies and procedures to serve as guidelines and support for the implementation of Bank BKE's internal activities and directed control processes in accordance with the vision and mission, as well as the established business plans.

Fulfillment and update of the adequacy of policies and procedures are the main focus of the Board of Directors in order to meet compliance requirements and ensure compliance with prevailing policies and regulations and laws, in addition as control function on implementation of compliance levels in all work units.

- Kecukupan Proses Identifikasi, Pengukuran, Pemantauan, dan Pengendalian Risiko serta Sistem Informasi Manajemen Risiko
Bank BKE telah melakukan identifikasi, pengukuran, pemantauan, dan pengendalian risiko yang merupakan bagian utama dari proses penerapan manajemen risiko.

Divisi Manajemen risiko melakukan penilaian profil risiko yang merupakan penilaian terhadap risiko inheren dan kualitas penerapan manajemen risiko yang mencakup 8 (delapan) risiko yaitu risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko hukum, risiko reputasi, risiko strategik, dan risiko kepatuhan.

Hasil pengukuran dan penilaian terhadap pengelolaan sistem manajemen risiko telah ditetapkan dalam profil risiko Bank BKE untuk dilaporkan kepada Dewan Direksi, Komite Manajemen Risiko, dan Dewan Komisaris melalui Komite Pemantau Risiko.

Agar penerapan manajemen risiko dapat berjalan dengan efektif dan optimal, Dewan Komisaris dan Dewan Direksi mengevaluasi dan memberikan arahan perbaikan atas pelaksanaan kebijakan manajemen risiko secara berkala berdasarkan laporan-laporan yang disampaikan Divisi Manajemen Risiko termasuk laporan penilaian profil risiko.

- Sistem pengendalian intern yang menyeluruh
Langkah-langkah pengendalian intern yang dilakukan oleh Bank BKE telah tertuang dalam struktur organisasi melalui pemisahan fungsi bisnis, fungsi pengendali dan fungsi support. Penerapan sistem pengendalian intern yang efektif membantu Bank BKE dalam menjaga aset, menyediakan pelaporan keuangan dan manajerial yang dapat dipercaya, meningkatkan kepatuhan terhadap ketentuan dan peraturan perundang-undangan yang berlaku, serta mengurangi risiko terjadinya kerugian, penyimpangan dan pelanggaran aspek kehati-hatian.

Bank BKE melalui Sub Direktorat Internal Audit melakukan pengawasan terhadap seluruh kegiatan usaha Bank BKE dengan ruang lingkup pemeriksaan meliputi kecukupan sistem pengendalian intern, efektivitas sistem pengendalian intern dan kualitas kinerja. Setiap kelemahan dalam pengendalian intern yang diidentifikasi oleh Sub Direktorat Internal Audit maupun pihak lainnya segera dilaporkan dan menjadi perhatian pejabat atau Dewan Direksi yang berwenang.

- Adequacy of the Identification, Measurement, Monitoring, and Risk Control process as well as the Risk Management Information System
Bank BKE has identified, measured, monitored and controlled risks which were the main part of the process of implementing risk management.

The Risk Management Division conducts risk profile assessment, an assessment of inherent risk and the quality of risk management implementation which includes 8 (eight) risks, namely credit risk, market risk, liquidity risk, operational risk, legal risk, reputation risk, strategic risk and compliance risk.

The results of measurement and assessment of risk management system management have been stipulated in the risk profile of Bank BKE to be reported to Board of Directors, Risk Management Committee and Board of Commissioners through the Risk Monitoring Committee.

In order to implement an effective and optimal risk management, Board of Commissioners and Board of Directors evaluate and provide direction for improvement on the implementation of risk management policies on a regular basis based on reports submitted by the Risk Management Division including risk profile assessment reports.

- Comprehensive internal control system
Internal control measures carried out by Bank BKE have been reflected in the organizational structure through the separation of business functions, control functions and support functions. The implementation of an effective internal control system assists Bank BKE in safeguarding its assets, providing reliable financial and managerial reporting, increasing compliance with applicable laws and regulations, and reducing the risk of loss, deviation and violation of prudential aspects.

Bank BKE through Sub Directorate of Internal Audit supervises all business activities of Bank BKE with the scope of examination covering the adequacy of the internal control system, the effectiveness of the internal control system and work performance quality. Any weaknesses in internal control identified by Sub Directorate of Internal Audit and other parties are immediately reported and come to the attention of the authorized officer or Board of Directors.

Bank BKE telah memiliki pedoman standar sistem pengendalian intern yang mencakup 5 (lima) elemen pokok, yaitu:

1. Pengawasan oleh manajemen dan budaya pengendalian;
2. Identifikasi dan penilaian risiko;
3. Kegiatan pengendalian dan pemisahan fungsi;
4. Sistem akuntansi, informasi, dan komunikasi;
5. Kegiatan pemantauan dan tindakan koreksi penyimpangan.

- **Penetapan Limit**

Sebagai salah satu upaya yang telah diterapkan dalam mengelola risiko dan menjaga rasio kecukupan permodalan, Bank BKE telah menerbitkan kebijakan tentang penetapan limit untuk memudahkan dalam melakukan pemantauan risiko yang mencakup:

1. Limit dan kewenangan terkait manajemen kredit;
2. Limit dan kewenangan terkait pendanaan dan treasury;
3. Limit dan kewenangan terkait operasional;
4. Limit dan kewenangan terkait sumber daya manusia.

Bank BKE has standard guideline for internal control system which includes 5 (five) main elements, such as:

1. Supervision by management and control culture;
2. Risk identification and assessment;
3. Control activities and segregation of duties;
4. Accounting, information and communication systems;
5. Monitoring activities and deviation correction actions.

- **Limit Determination**

One of the efforts implemented by Bank BKE to manage risk and maintain the capital adequacy ratio is to issue a policy on limits setting, to facilitate risk monitoring which includes:

1. Limits and authorities related to credit management;
2. Limits and authorities related to funding and treasury;
3. Limit and authorities related to operational;
4. Limit and authorities related to human resources.

Penerapan Struktur dan Sistem Manajemen Risiko Implementation of Risk Management Structure and System

Proses penerapan manajemen risiko yang efektif didukung dengan Sistem Pengendalian Intern yang andal. Hal ini membantu Bank BKE dalam menjaga aset, menyediakan pelaporan keuangan dan manajerial yang dapat dipercaya, meningkatkan kepatuhan terhadap ketentuan dan peraturan perundang-undangan yang berlaku, serta mengurangi risiko terjadinya kerugian, penyimpangan dan pelanggaran aspek kehati-hatian.

Bank BKE telah memiliki elemen dan mekanisme pengawasan yang berkesinambungan dalam rangka mendukung pengelolaan operasional Bank BKE yang sehat sesuai praktik Tata Kelola Perusahaan. Mekanisme tersebut meliputi pengawasan oleh manajemen dan kultur pengendalian, identifikasi dan penilaian risiko, kegiatan pengendalian dan pemisahan fungsi, sistem akuntansi informasi dan komunikasi serta kegiatan pemantauan dan tindakan koreksi, sebagai dukungan dari manajemen dengan elemen dari Sistem Pengendalian Internal yang tercermin sebagai berikut:

- Pelaksanaan tugas dan tanggung jawab Dewan Komisaris dan Dewan Direksi dalam menciptakan budaya dan menekankan pentingnya pengendalian internal melalui

The process of implementing effective risk management is supported by a reliable Internal Control System. This helps Bank BKE in safeguarding assets, providing reliable financial and managerial reporting, increasing compliance with applicable laws and regulations, and reducing the risk of loss, deviation and violations of prudential aspects.

Bank BKE has elements and a continuous monitoring mechanism in order to well support operational management of Bank BKE in accordance with Corporate Governance practices. These mechanisms include supervision by management and control culture, risk identification and assessment, control activities and segregation of duties, accounting information and communication systems as well as monitoring activities and corrective actions, as support from management to Internal Control System which are reflected as follows:

- Executing duties and responsibilities of Board of Commissioners and Directors in creating a culture and emphasizing the importance of internal control through a

fungsi pengawasan yang dilakukan secara berkala untuk melakukan evaluasi kinerja manajemen sesuai rencana strategis Bank BKE yang tertuang dalam RBB;

- Memiliki pedoman yang senantiasa di-*review* secara berkesinambungan sebagai wujud pelaksanaan budaya pengendalian dari segenap jajaran manajemen dan pegawai;
- Adanya kegiatan pengendalian berupa penetapan kebijakan dan prosedur yang diterapkan pada semua tingkatan fungsional dalam struktur organisasi serta dilakukan kaji ulang secara periodik;
- Memiliki Sistem Akuntansi yang diterapkan secara konsisten, sistem informasi dan sistem komunikasi yang mampu memberikan informasi kepada semua pihak, baik Internal maupun eksternal seperti pengawas Bank BKE, auditor ekstern, pemegang saham dan nasabah Bank BKE. Sistem akuntansi Bank telah disesuaikan dengan standar akuntansi keuangan yang berlaku;
- Tindak lanjut Audit Internal terhadap indikasi adanya penyimpangan yang mengarah terjadinya *fraud* internal maupun eksternal yang diwujudkan dalam bentuk Audit Investigasi;
- Pemantauan terhadap penerapan *Zero Defect* melalui pemeriksaan transaksi serta kelengkapan dokumen pendukung guna memastikan transaksi harian yang telah dibukukan telah sesuai dengan ketentuan internal maupun eksternal;
- Menyusun eksposur risiko berdasarkan hasil audit dan melakukan pembinaan terhadap unit-unit kerja terkait.

Dewan Komisaris dan Dewan Direksi senantiasa melakukan pengawasan aktif dalam setiap pelaksanaan kegiatan usaha Bank BKE, bertanggung jawab dalam meningkatkan etika kerja dan integritas yang tinggi serta menciptakan suatu kultur organisasi yang menekankan kepada seluruh pegawai mengenai pentingnya pengendalian intern di Bank BKE.

Agar setiap orang dalam jabatannya tidak memiliki peluang untuk melakukan dan menyembunyikan kesalahan atau penyimpangan dalam pelaksanaan tugasnya pada seluruh jenjang organisasi dan seluruh langkah kegiatan operasional, Bank BKE menerapkan prinsip pemisahan fungsi dalam setiap kegiatan usaha dan transaksinya serta menetapkan prosedur kewenangan pada seluruh aktivitas.

Bank BKE telah memiliki sistem akuntansi, informasi, dan komunikasi yang memadai agar dapat mengidentifikasi masalah yang mungkin timbul serta digunakan sebagai sarana tukar menukar informasi dalam rangka pelaksanaan tugas sesuai dengan tanggung jawab masing-masing.

supervisory function which is carried out periodically to evaluate management performance according to Bank BKE strategic plan stipulated in RBB;

- Have guidelines that are continuously reviewed as a form of the implementation control culture by all levels of management and employees;
- Control activities are in the form of establishing policies and procedures that are applied at all functional levels in the organizational structure as well as periodic reviews;
- Having an accounting system that is applied consistently, an information and communication system that is able to provide information to all parties, both internal and external, such as Bank BKE supervisors, external auditors, shareholders and customers of Bank BKE. Bank's accounting system has been adjusted to the prevailing financial accounting standards;
- Internal Audit's follow-up on indications of irregularities that lead to internal and external fraud which are reflected in the form of an Investigative Audit;
- Monitoring of Zero Defect implementation through transaction and supporting document completeness inspection to ensure that daily transactions have been recorded in accordance with internal and external regulations;
- Formulating risk exposures based on audit results and providing guidance to related working units.

Board of Commissioners and Directors always perform active supervision in every execution of Bank BKE's business activities, responsible for improving work ethics and high integrity and creating an organizational culture that emphasizes to all employees the importance of internal control at Bank BKE.

To avoid opportunities to commit and hide mistakes, or deviations in the performance of duties by everyone in their positions, at all levels of the organization and all operational activities, Bank BKE applies segregation of functions principle in every business activity and its transactions and establishes authorization procedures in all activities.

Bank BKE already has adequate accounting, information and communication systems in order to identify problems that may arise and are used for exchanging information in order to carry out tasks in accordance with their respective responsibilities.

Divisi Kepatuhan membuat ringkasan terhadap peraturan baru yang dikeluarkan oleh *regulator* dan menginformasikannya kepada unit terkait. Terhadap ketentuan internal yang dikeluarkan oleh Bank BKE, Divisi Kepatuhan membuat sebuah kajian kepatuhan yang memuat apakah peraturan yang akan dikeluarkan oleh Bank BKE tersebut bertentangan dengan peraturan yang dikeluarkan oleh *Regulator*. Selain terkait peraturan dan ketentuan, Divisi Kepatuhan juga membuat sebuah daftar pemenuhan laporan dan komitmen penyelesaian terkait hasil audit oleh *regulator* maupun Internal Audit.

Bank BKE melalui Sub Direktorat Internal Audit Internal melakukan pengawasan terhadap seluruh kegiatan bisnis yang dijalankan dengan ruang lingkup pemeriksaan meliputi, kecukupan sistem pengendalian internal, efektivitas sistem pengendalian internal dan kualitas kinerja. Sedangkan untuk pemeriksaan aktivitas operasional telah dilakukan oleh Divisi Operasional Cabang. Setiap kelemahan dalam pengendalian intern, yang diidentifikasi oleh Sub Direktorat Internal Audit maupun pihak lainnya segera dilaporkan dan menjadi perhatian pejabat atau Dewan Direksi yang berwenang.

Compliance Division summarizes new regulations issued by regulators and informs related units. Regarding the internal provisions issued by Bank BKE, the Compliance Division makes a compliance review which assess whether the internal provisions are contrary to the regulations issued by the Regulator. In addition to the rules and regulations, the Compliance Division also prepares a list of compliance report and action plan commitments related to audit results by regulators and / or Internal Audit.

Bank BKE through Sub Directorate of Internal Audit supervises all of the Bank's business activities, with the audit scope covering the adequacy of the internal control system, the effectiveness of the internal control system and work performance quality. Meanwhile, the examination of operational activities has been carried out by the Branch Operations Division. Any weaknesses in internal control, identified by Sub and other parties, are immediately reported and come to the attention of the authorized official or Board of Directors.

Realisasi Program Kerja Manajemen Risiko Tahun 2020 Realization of the Risk Management Work Program in 2020

Secara khusus, Bank BKE menyadari pentingnya penanganan potensi risiko yang mungkin muncul dari aktivitas bisnis Bank BKE. Melalui Divisi Manajemen Risiko, Bank BKE telah melakukan serangkaian *stress testing* secara komprehensif untuk melindungi Bank BKE dari kerugian yang berdampak baik secara finansial maupun non finansial. Oleh karena itu, penerapan manajemen risiko Bank BKE menitikberatkan pada perbaikan kualitas proses dengan didukung perbaikan struktur dalam rangka meminimalkan risiko yang akan dihadapi. Seluruh risiko yang ada selalu dinilai dan diukur secara periodik untuk dilaporkan kepada manajemen Bank BKE maupun kepada OJK dengan implementasi pengelolaan manajemen risiko melalui:

- Kajian atas kebijakan dan revisi ketentuan yang belum sejalan dengan kondisi Bank dan regulasi Bank Indonesia dan OJK;
- *Early Warning* di tingkat internal maupun eksternal melalui informasi tertulis;
- Sosialisasi ketentuan internal kepada unit kerja terkait;
- Pelaksanaan rapat kinerja dalam rangka evaluasi terhadap pencapaian sasaran;
- Melakukan kajian risiko untuk keputusan kredit atas kewenangan Direktur Utama dan/atau Dewan Direksi diluar Direktur Kepatuhan & Manajemen Risiko.

In particular, Bank BKE realizes the importance of handling potential risks that may arise from the business activities of Bank BKE. Through Risk Management Division, Bank BKE has carried out a series of comprehensive stress testing to protect Bank BKE from losses that have both financial and non-financial impact. Therefore, implementation of Bank BKE's risk management focuses on improving the quality of the process supported by structural improvements in order to minimize the risks that will be faced. All existing risks are always assessed and measured periodically to be reported to Bank BKE's management and OJK by implementing risk management through:

- Review over policies and revise provisions that are not in line with the Bank's conditions and regulations of Bank Indonesia and OJK;
- Internal and external Early Warning through written information;
- Socialization of internal provisions to related working units;
- Conduct performance meetings to evaluate the achievement of targets;
- Conduct risk studies for credit decisions on the authority of the President Director and/or Board of Directors other than Director of Compliance and Risk Management.

Jenis Risiko yang Dihadapi Bank BKE

Types of Risks Faced by Bank BKE

Risiko Kredit

Bagian terbesar dari aset yang dimiliki Bank BKE sebagai suatu bank adalah berupa pembiayaan yang diberikan kepada nasabah. Risiko kredit timbul apabila terjadi ketidakmampuan nasabah dalam memenuhi kewajibannya baik berupa pokok pembiayaan maupun marginnya. Apabila jumlah pembiayaan yang tidak dapat dikembalikan cukup material, termasuk eksekusi terhadap jaminan pembiayaan yang bersangkutan (jika ada), maka pembiayaan tersebut menjadi pembiayaan bermasalah dan mempengaruhi tingkat NPL yang akhirnya akan mempengaruhi likuiditas dan kondisi keuangan Bank BKE.

Bank BKE menggunakan pendekatan standar dalam melakukan pengelolaan risiko pada aktivitas perkreditan yang bertujuan untuk mengukur, mengantisipasi, dan meminimalisir kemungkinan kerugian yang muncul karena berbagai faktor yang timbul dari aktivitas nasabah terhadap kemampuannya untuk memenuhi kewajiban. Proses kredit di Bank BKE dilakukan dengan didasari kebijakan kredit yang dijelaskan secara lebih detail pada Kebijakan dan Pedoman Perkreditan.

Pengukuran terhadap permodalan Bank BKE menjadi satu rangkaian dalam rangka untuk mengukur tingkat kemampuan bank dalam menyerap potensi kegagalan sebagai langkah dalam mengantisipasi risiko kredit yang dilakukan sejak dini.

Penghitungan ATMR Risiko Kredit yang dilakukan oleh Bank BKE dapat memperhitungkan keberadaan agunan, penjaminan, asuransi kredit, maupun bentuk garansi sebagai teknik mitigasi risiko kredit. Bank BKE telah menetapkan kebijakan terhadap jenis agunan yang dapat diterima oleh Bank antara lain berupa:

- Agunan kebendaan berupa benda bergerak berwujud maupun benda bergerak tidak berwujud yang memenuhi kriteria yang dapat diterima sesuai ketentuan yang berlaku, antara lain, memiliki nilai ekonomis, *marketable*, *transferable* dan memiliki nilai yuridis;
- Agunan non kebendaan berupa *personel guarantee* dan *company guarantee*, yang hanya merupakan dan diterima sebagai agunan tambahan yang tidak mempengaruhi rasio nilai agunan terhadap plafon kredit.

Barang agunan diasuransikan dengan "*Banker's Clause*" Bank BKE dengan nilai pertanggungan asuransi minimal senilai barang agunan dengan jangka waktu pertanggungan asuransi sampai

Credit Risk

The largest part of the assets owned by Bank BKE as a bank is in the form of loan provided to customers. Credit risk arises if a customer fails to fulfill his/her obligations, both the principal and/or the margin. If the amount of non-performing loan is material, including the execution of the financial collateral (if any), then the loan will become non performing loan and will affect the Bank's level of Non-Performing Loan (NPL) which will ultimately affect the liquidity and financial condition of Bank BKE.

Bank BKE uses a standardized approach in managing risk in lending activities which aims to measure, anticipate and minimize possible losses arising from various factors arising from customer activities on their ability to meet their obligations. The credit process at Bank BKE is carried out based on the credit policy which is described more detail in the Credit Policy and Guidelines.

Measurement of Bank BKE capital is done in a series in order to measure the level of the bank's ability to absorb potential failures as a step in anticipating credit risk earlier.

The calculation of RWA for Credit Risk carried out by Bank BKE can take into account the existence of collateral, guarantees, credit insurance, as well as guarantees as credit risk mitigation techniques. Bank BKE has set a policy on the types of collateral that can be accepted by the Bank, including:

- Collateral for property in the form of tangible movable objects and intangible movable objects that meet the criteria for acceptance in accordance with applicable regulations, among others, have economic value, are marketable, transferable and have juridical value;
- Non-material collateral in the form of personnel guarantee and company guarantee, which only and are accepted as additional collateral which will not affect the ratio of the collateral value to the credit limit.

Collateral is insured with Bank BKE's "*Banker's Clause*" with a minimum insurance coverage value equal to the collateral value with insurance period coverage until the credit is paid off/

dengan kredit lunas / selesai. Perusahaan asuransi rekanan yang ditunjuk akan senantiasa dievaluasi oleh bank sekurang-kurangnya sekali dalam setahun.

Risiko Operasional

Risiko Operasional adalah risiko akibat ketidakcukupan dan/atau tidak berfungsinya proses internal, kesalahan manusia, kegagalan sistem, dan/atau adanya kejadian-kejadian eksternal yang mempengaruhi operasional Bank BKE.

Apabila penyimpangan-penyimpangan yang terjadi dalam kegiatan operasional Bank BKE tidak dikelola dengan baik, maka dapat mengganggu kelancaran operasional dan mengganggu pelayanan kepada nasabah. Salah satu potensi risiko operasional yang paling besar adalah kegagalan sistem komputerisasi dalam memberikan pelayanan dan penanganan transaksi. Potensi risiko kegagalan ini akan dapat mengakibatkan terganggunya tingkat pelayanan kepada nasabah, terhentinya proses operasional penanganan transaksi dan tidak akuratnya sistem pencatatan pembukuan Bank BKE. Penyimpangan tersebut juga dapat menurunkan kepercayaan nasabah terhadap Bank BKE sehingga dapat mengganggu kelangsungan usaha Bank BKE dan pada akhirnya dapat menurunkan kinerja usaha Bank BKE. Di samping itu, potensi risiko operasional juga mencakup terjadinya kasus *fraud* ataupun *human error* di berbagai unit kerja. Potensi risiko *fraud* ataupun *human error* sangat ditentukan oleh sistem pengendalian internal perusahaan, sistem otomasi dan komputerisasi Bank BKE, serta faktor kapabilitas dan integritas sumber daya manusia yang dimiliki Bank BKE. Apabila Bank BKE tidak dapat mengelola kapabilitas dan integritas sumber daya manusia, maka potensi risiko terjadinya *fraud* ataupun *human error* akan dapat meningkat dan dapat menghambat perkembangan bisnis Bank BKE.

Potensi risiko operasional juga mencakup sentralisasi sistem komputer yang ada di jaringan cabang seluruh Indonesia dan luar negeri. Apabila terjadi gangguan di pusat sistem komputer, maka dapat mengganggu proses operasional cabang maupun jaringan distribusi elektronik (ATM dan *SMS Banking*) secara keseluruhan. Eksposur potensi risiko operasional tersebut juga meningkat seiring dengan penambahan jumlah cabang, jumlah ATM, fitur produk maupun pengembangan jaringan pelayanan lainnya.

Selain faktor internal Bank BKE, faktor eksternal seperti kejadian *force majeure* yang meliputi antara lain bencana alam, banjir, gempa bumi, huru hara dan lainnya juga berpotensi menimbulkan

settled. The designated insurance company partner will always be evaluated by the bank at least once a year.

Operational Risk

Operational Risk is the risk due to inadequacy and/or malfunctioning of internal processes, human error, system failure and/or external events that affect Bank BKE's operations.

If irregularities that occur in the operational activities of Bank BKE are not properly managed, they can disrupt the smooth operation and service to customers. One of the biggest potential operational risks is the failure of computerized system in providing services and handling transactions. This potential risk of failure will result in disruption of the level of service to customers, the interruption of the operational process for handling transactions and the inaccurate bookkeeping system of Bank BKE. This deviation can also reduce customer's trust in Bank BKE, then it could interfere with the business continuity of Bank BKE and in the end can reduce the business performance of Bank BKE. In addition, potential operational risk also includes cases of fraud or human error in various work units. The potential for fraud risks or human error is largely determined by the Bank's internal control system, the automation and computerization system of Bank BKE, as well as the capability and integrity factors of Bank BKE's human resources. If Bank BKE is unable to manage the capability and integrity of its human resources, the potential fraud risk or human error will increase and may hinder the development of Bank BKE's business.

Potential operational risks also include the centralization of existing computer systems in branch networks throughout Indonesia and abroad. If there is disturbance in the central computer system, it can interfere with the operational processes of the branch and the electronic distribution network (ATM and *SMS Banking*). The exposure to potential operational risks also increases in line with increase in the number of branches, number of ATMs, product features and the development of other service networks.

Apart from internal factors of Bank BKE, external factors such as force majeure events which include natural disasters, floods, earthquakes, riots, etc. also potentially create operational risks

risiko operasional bagi Bank BKE. Faktor eksternal tersebut dapat mengganggu kelangsungan usaha Bank BKE dan pada akhirnya dapat menurunkan kinerja usaha dan reputasi Bank BKE.

Bank BKE telah melakukan kajian secara berkala terhadap faktor-faktor penyebab timbulnya risiko operasional, dampak kerugian dan langkah-langkah mitigasi untuk mengendalikan eksposur risiko yang terjadi. Hasil pemantauan risiko dilaporkan kepada Dewan Direksi untuk dilakukan mitigasi meliputi tingkatan kebijakan, pendelegasian wewenang, pendidikan dan pelatihan, dokumentasi data, manajemen sistem informasi, kontrol fisik sampai kepada pemangku kepentingan.

Risiko Likuiditas

Risiko likuiditas adalah potensi kerugian yang timbul akibat ketidakmampuan Bank BKE untuk memenuhi liabilitas pada saat jatuh tempo dari sumber pendanaan arus kas dan/atau dari aset likuid berkualitas tinggi yang dapat diagunkan tanpa mengganggu aktivitas dan kondisi keuangan Bank BKE. Likuiditas Bank BKE dipengaruhi oleh struktur pendanaan, likuiditas aset, liabilitas kepada *counterparty* dan komitmen kredit kepada debitur. Risiko likuiditas juga disebabkan oleh ketidakmampuan Bank BKE untuk menyediakan likuiditas dengan harga wajar yang akan berdampak kepada profitabilitas dan modal Bank BKE.

Untuk mengukur besarnya risiko likuiditas, Bank BKE menggunakan beberapa indikator, antara lain adalah rasio Giro Wajib Minimum pada Bank Indonesia dan Kas, cadangan likuiditas, *Loan to Funding Ratio* (LFR), kecukupan aset yang likuid dan ketergantungan terhadap pendanaan nasabah besar. Giro Wajib Minimum (GWM) adalah simpanan minimum yang wajib dipelihara oleh bank dalam bentuk saldo rekening giro pada Bank Indonesia atau surat berharga yang besarnya ditetapkan oleh Bank Indonesia sebesar persentase tertentu dari Dana Pihak Ketiga (DPK).

Bank BKE telah memiliki kebijakan yang memadai agar setiap saat dapat memenuhi semua kewajiban yang jatuh tempo, baik jangka pendek maupun jangka menengah. Fokus Bank BKE untuk memastikan tingkat kebutuhan arus kas menjadi prioritas utama agar tidak terdapat kendala dalam pemenuhan kewajiban jangka pendek melalui aset likuid yang terkelola dengan baik.

Pengelolaan risiko likuiditas senantiasa dimonitor secara proaktif dengan memperhatikan indikator baik internal maupun eksternal

for Bank BKE. These external factors can disrupt the business continuity of Bank BKE and in the end can reduce the business performance and reputation of Bank BKE.

Bank BKE has periodically reviewed the factors that cause operational risk, the impact of losses and mitigation measures to control risk exposures that occur. The results of risk monitoring are reported to the Board of Directors for mitigation including policy levels, delegation of authority, education and training, data documentation, information system management, physical control to stakeholders.

Liquidity Risk

Liquidity risk is the potential loss arising from the inability of Bank BKE to meet its liabilities at maturity from cash flows and/or high quality liquid assets that can be pledged without disrupting the activities and financial condition of Bank BKE. Bank BKE's liquidity is influenced by the funding structure, asset liquidity, liabilities to counterparties and credit commitment to debtors. Liquidity risk is also caused by the inability of Bank BKE to provide liquidity at a fair price which will have impacts on the profitability and capital of Bank BKE.

To measure the amount of liquidity risk, Bank BKE uses several indicators, including the ratio of Statutory Reserves at Bank Indonesia and Cash, Liquidity Reserves, Loan to Funding Ratio (LFR), adequacy of liquid assets and dependency on large customer funding. Statutory Reserves (GWM) are minimum deposits that must be maintained by banks in the form of current account at Bank Indonesia or marketable securities, where the amount is determined by Bank Indonesia at certain percentage of Third Party Funds (TPF).

Bank BKE has an adequate policy so that at any time it could meet all maturing obligations, both for short and medium term obligations. Bank BKE's focus to ensure level of cash flow needed is a top priority so that there are no obstacles in fulfilling short-term liabilities through properly managed liquid assets.

Liquidity risk management is constantly monitored proactively by taking into account both internal and external indicators

yang menjadi sistem peringatan dini permasalahan likuiditas Bank BKE, antara lain:

- Peningkatan konsentrasi pada beberapa aset dan sumber dana tertentu;
- Terjadinya pelampauan limit;
- Peningkatan biaya dana secara keseluruhan, dan/atau posisi arus kas yang memburuk sebagai akibat *maturity mismatch* yang besar terutama pada skala waktu jangka pendek.

Dalam rangka memperoleh gambaran mengenai kondisi likuiditas Bank BKE, maka Bank BKE melakukan pembahasan atas permasalahan dalam rapat ALCO yang dilaksanakan minimal 1 (satu) kali dalam sebulan.

Risiko Kepatuhan

Risiko kepatuhan adalah risiko yang disebabkan Bank BKE tidak mematuhi atau tidak melaksanakan peraturan perundang-undangan dan ketentuan lain yang berlaku. Dalam menjalankan kegiatan usahanya, Bank BKE harus selalu tunduk terhadap peraturan perbankan yang dari waktu ke waktu terus diperbaharui sesuai dengan perkembangan kondisi perbankan nasional. Di samping itu, Bank BKE juga tunduk kepada peraturan yang mengatur Perseroan Terbatas.

Bank BKE senantiasa konsisten dalam melaksanakan kaji ulang ketentuan-ketentuan internal dan ketentuan yang belum dievaluasi untuk dapat diselaraskan dengan ketentuan *regulator*, sejalan dengan program kerja kedepan yang berkelanjutan. Untuk memastikan terwujudnya budaya kepatuhan, Bank BKE melalui Divisi Kepatuhan melakukan kajian dan sosialisasi peraturan yang dikeluarkan oleh *regulator*.

Risiko Strategis

Risiko strategis merupakan risiko akibat dari ketidaktepatan dalam pengambilan dan/atau pelaksanaan suatu keputusan strategis serta kegagalan dalam mengantisipasi perubahan lingkungan bisnis. Dalam pengelolaan risiko strategis, Bank BKE melakukan *review* kinerja dan evaluasi kebijakan penyusunan target bisnis dan apabila diperlukan, mengambil langkah-langkah perbaikan dalam rencana strategi dan target bisnis dengan mempertimbangkan kondisi internal dan eksternal. Bank BKE juga terus mengupayakan penguatan kontrol terhadap pengelolaan kinerja keuangan.

that serve as an early warning system for Bank BKE's liquidity problems, including:

- Increased concentration on certain assets and sources of funds;
- Exceedance of limit;
- An increase in the overall cost of funds, and/or worsening cash flow position as a result of a high maturity mismatch, especially on a short-term time scale.

In order to obtain an overview of Bank BKE's liquidity condition, Bank BKE conducts discussions on liquidity problems in ALCO meetings which are held at least 1 (once) a month.

Compliance Risk

Compliance risk is the risk that Bank BKE does not comply with or does not implement laws and regulations and other applicable provisions. In carrying out its business activities, Bank BKE must always comply with banking regulations which from time to time are continuously updated in accordance with developments in national banking conditions. In addition, Bank BKE is also subject to the regulations governing Limited Liability Companies.

Bank BKE is always consistent in reviewing internal regulations and provisions that have not been evaluated so that they can be aligned with regulatory provisions, in line with a sustainable future work program. To ensure the realization of compliance culture, Bank BKE through the Compliance Division reviews and socializes regulations issued by regulators.

Strategic Risk

Strategic risk is the risk resulting from inaccuracy in making and/or implementing a strategic decision and failure to anticipate changes in the business environment. In strategic risk management, Bank BKE conducts performance reviews and evaluates policies for preparing business targets and if necessary, takes corrective actions in the strategic plan and business targets by taking into account internal and external conditions. Bank BKE also continues to strengthen controls over financial performance management.

Risiko Reputasi

Risiko Reputasi adalah risiko akibat menurunnya tingkat kepercayaan pemangku kepentingan yang bersumber dari persepsi negatif terhadap Bank BKE. Persepsi tersebut bisa disebabkan oleh pemberitaan maupun pengalaman negatif pemangku kepentingan, khususnya nasabah, atas produk dan layanan Bank BKE serta kelemahan penerapan tata kelola perusahaan. Oleh karena itu, Bank BKE perlu mengelola risiko reputasi ini dengan baik, terutama dalam kaitannya dengan usaha mempertahankan dan menjaring nasabah. Dalam konteks tersebut, Bank BKE membutuhkan citra positif yang berasal dari publikasi yang optimal dan pengalaman yang baik terhadap seluruh aspek kegiatan usaha dan sosial Bank BKE, termasuk kinerja Bank BKE. Langkah ini bisa dicapai melalui serangkaian kegiatan publikasi yang terfokus dan saling terkait satu dengan lainnya serta upaya peningkatan kualitas produk dan layanan Bank BKE secara berkelanjutan.

Selain itu, Bank BKE juga memiliki *contact center* yang berfungsi untuk menerima keluhan dan pertanyaan-pertanyaan terkait produk dan/atau jasa Bank BKE serta berperan aktif dalam melakukan kegiatan *Corporate Social Responsibility* sebagai bentuk kepedulian Bank BKE terhadap masyarakat yang diwujudkan antara lain dalam program-program yang ditetapkan Bank BKE.

Risiko Pasar

Risiko Pasar adalah risiko pada posisi neraca dan rekening administratif termasuk transaksi derivatif, akibat perubahan secara keseluruhan dari kondisi pasar, termasuk risiko perubahan harga *option*. Yang termasuk dalam variabel pasar adalah suku bunga dan nilai tukar, termasuk turunan dari kedua jenis risiko pasar tersebut, seperti misalnya perubahan harga *options*.

Bank BKE sampai dengan saat ini masih tercatat sebagai salah satu Bank Umum Swasta Nasional (BUSN) Non Devisa yang tidak memiliki transaksi dengan menggunakan mata uang asing, sehingga dalam proses bisnis yang dilakukan Bank BKE tidak melakukan aktivitas lindung nilai dan sesuai dengan ketentuan OJK.

Risiko Hukum

Risiko hukum adalah risiko yang melekat pada setiap produk dan aktivitas Bank BKE dan timbul sebagai akibat dari adanya tuntutan hukum dan/atau kelemahan aspek yuridis diantaranya ketiadaan atau kekurangan dokumen hukum dan peraturan

Reputation Risk

Reputation risk is a risk arising from a decrease in the level of stakeholder trust that comes from negative perceptions of Bank BKE. These perceptions can be caused by negative news and stakeholders' bad experience, especially customers, with Bank BKE products and services as well as weaknesses in the implementation of corporate governance. Therefore, Bank BKE needs to manage this reputation risk well, especially as efforts to retain and attract customers. In this context, Bank BKE needs to build a positive image that comes from optimal publication and pleasant experiences in all business and social activities of Bank BKE, including the performance of Bank BKE. This step can be achieved through a series of focused and interrelated publication activities as well as efforts to continuously improve the quality of Bank BKE products and services.

In addition, Bank BKE also has a contact center that serves to receive complaints and questions related to Bank BKE products and/or services and plays an active role in carrying out Corporate Social Responsibility activities as a form of Bank BKE's concern for the community which is reflected in programs determined by Bank BKE.

Market Risk

Market risk is the risk on balance sheet and off-balance sheet positions, including derivative transactions, due to changes in overall market conditions, including the risk of changes in option prices. Market variables include interest rates and exchange rates, including derivatives of both types of market risk, such as changes in the price of options.

Bank BKE is still listed as one of the National Private Commercial Banks (BUSN) Non-Foreign Exchange which does not have transactions using foreign currency, and therefore Bank BKE does not carry out hedging activities and is in accordance with the provisions of the OJK.

Legal Risk

Legal risk is the inherent risk in every product and activity of Bank BKE and arises as a result of legal claims and/or weaknesses in juridical aspects, including the absence or lack of legal and regulatory documents or weaknesses in the engagement

ataupun adanya kelemahan dalam dokumen perikatan dengan pihak ketiga. Bank BKE senantiasa meningkatkan pengendalian risiko hukum yang dilakukan oleh Subdirektorat Legal yang berkewajiban untuk memastikan setiap kegiatan atau transaksi yang akan atau telah dijalankan Bank BKE telah mendapatkan pengamanan dari sisi yuridis.

documents with third parties. Bank BKE always improves legal risk control carried out by the Legal Sub-directorate which is obliged to ensure that every activity or transaction that will be or have been carried out by Bank BKE has received juridical security.

Pengelolaan Budaya Sadar Risiko Management of Risk Awareness Culture

Menanamkan budaya sadar risiko melalui keterlibatan langsung pemimpin unit kerja terkait dengan pelaksanaan fungsi dan tugas di seluruh lini organisasi melalui sosialisasi kebijakan dan prosedur Bank serta pemahaman tentang aktivitas-aktivitas yang dapat terekspose risiko (reputasi, operasional dan hukum) melalui komunikasi dengan pegawai baik secara langsung maupun tidak langsung.

Nurturing a risk awareness culture through direct involvement of work unit leaders in relation to the implementation of functions and duties at all lines of the organization through socialization of Bank policies and procedures as well as an understanding of activities that are exposed to risk (reputation, operations and law) through direct or indirect communication with employees.

Upaya Peningkatan Kualitas Implementasi Manajemen Risiko Efforts to Improve the Quality of Risk Management Implementation

Pengendalian risiko yang memadai diperlukan dalam rangka menyeimbangkan peningkatan risiko yang terjadi. Untuk mengendalikan risiko dimaksud, diperlukan peningkatan kualitas penerapan manajemen risiko.

Adequate risk control is needed in order to balance the increased risk that occurs. To control this risk, it is necessary to improve the quality of risk management implementation.

Dalam rangka mendukung penerapan manajemen risiko dan sistem pengendalian internal yang baik, Bank BKE telah memiliki struktur organisasi yang memadai, dengan pemisahan fungsi bisnis/operasional, *monitoring*, serta fungsi yang melakukan pengendalian risiko.

In order to support the implementation of risk management and sufficient internal control system, Bank BKE has an adequate organizational structure, with separate business/operational functions, monitoring, and functions that carry out risk control.

Pengisian kekosongan jabatan juga dilakukan manajemen agar aktivitas bisnis maupun operasional tidak terhambat serta proses manajemen risiko dapat berjalan dengan baik.

Filling vacancies position is also carried out by management so that business and operational activities are not interrupted and the risk management process could proceed well.

Penyusunan serta pengkinian terhadap kebijakan dan prosedur Bank juga terus dilakukan secara konsisten dan berkesinambungan yang diselaraskan dengan regulasi serta perkembangan aktivitas bisnis dan operasional.

The preparation and update of the Bank's policies and procedures are also carried out consistently and continuously in line with regulations as well as developments in business and operational activities.

Pengembangan SDM di Bidang Manajemen Risiko Human Resource Development in The Field of Risk Management

Pengembangan SDM yang telah dilakukan selama tahun 2020 antara lain dengan mengikutkan pegawai-pegawai di unit manajemen risiko ke dalam pelatihan-pelatihan ataupun *refreshment* antara lain sebagai berikut:

- Rapat Dengar Pendapat RPOJK (Rancangan Peraturan OJK) mengenai Redefinisi Konglomerasi Keuangan dari Rancangan Surat Edaran OJK (RSEOJK) Perhitungan ATMR;
- *The Importance of Mental Health in The Workplace*;
- *Radical Candor for Frontline Leadership*;
- *Cyber Security Awareness*;
- Sosialisasi *IT Security Awareness for Leaders*;
- Pelatihan *Sustainable Finance Awareness*;
- *Art of Self Leadership Training for Individual Contributor*;
- *Refreshment* Sertifikasi Manajemen Risiko;
- *IT Security Awareness*;
- Mitigasi Risiko *Fraud* dengan implementasi *Integrated Key Indicator* (Studi Kasus di Perbankan);
- *Art of Self Leadership Training for Individual Contributor*;
- Pelatihan Bahasa Inggris;
- Sosialisasi *IT Security Awareness For HO Individual*;
- Diskusi dengan Bank Mengenai Manajemen Likuiditas;
- Sosialisasi *IT Security Awareness For HO Individual*;
- *Greenhouse Training for Hiring Managers*;
- *Radical Candor for Frontline Leadership*;
- Sosialisasi *IT Security Awareness* untuk pegawai di Kantor Pusat;
- *Induction Training* untuk pegawai baru "*Customer Service*";
- *Induction* APU PPT.

Various human resources development that have been carried out throughout 2020, includes but not limited to, involving employees in risk management unit in trainings or refreshments, as follows:

- Meeting and Discussion on RPOJK (Draft of OJK Regulation) Redefinition of Financial Conglomerates from Circular Draft OJK (RSEOJK) Calculation of RWA;
- *The Importance of Mental Health in The Workplace*;
- *Radical Candor for Frontline Leadership*;
- *Cyber Security Awareness*;
- Socialization of *IT Security Awareness for Leaders*;
- *Sustainable Finance Awareness* training
- *Art of Self Leadership Training for Individual Contributor*;
- *Refreshment* of Risk Management Certification;
- *IT Security Awareness*;
- *Fraud Risk Mitigation* by implementing *Integrated Key Indicator* (Case Study in Banking) ;
- *Art of Self Leadership Training for Individual Contributor*;
- *English Training*;
- Socialization of *IT Security Awareness For HO Individuals*;
- *Discussions with Banks Regarding Liquidity Management*;
- Socialization of *IT Security Awareness For HO Individuals*;
- *Greenhouse Training for Hiring Managers*;
- *Radical Candor for Frontline Leadership*;
- Socialization of *IT Security Awareness for HO Individuals*;
- *Induction Training* for new employees "*Customer Service*";
- *APU PPT Induction*.

Rencana Strategis Manajemen Risiko Tahun 2021 Risk Management Strategic Plan for 2021

Bank senantiasa melakukan evaluasi atas efektivitas sistem manajemen risiko. Evaluasi meliputi penyesuaian strategi dan kerangka risiko sebagai bagian dari kebijakan manajemen risiko, kecukupan sistem informasi manajemen risiko serta kecukupan proses identifikasi, pengukuran, pemantauan dan pengendalian risiko. Pada tahun 2021, rencana kerja manajemen risiko telah disusun dengan prioritas strategis sebagai berikut:

The Bank continuously evaluates the effectiveness of the risk management system. Evaluation includes adjustments to the risk strategy and framework as part of the risk management policy, the adequacy of the risk management information system as well as the adequacy of the process of identification, measurement, monitoring and risk control. In 2021, a risk management work plan has been prepared with the following strategic priorities:

- Penguatan pengelolaan risiko-risiko terkait IT ;
- Pementapan pelaksanaan penilaian risiko operasional;
- Melakukan identifikasi dan pengendalian seluruh risiko termasuk yang berasal dari produk baru dan aktivitas baru;
- Pengkinian *Credit Scoring Model*;
- Pengkinian terhadap kebijakan serta prosedur internal;
- Menyusun laporan profil risiko setiap triwulan dan tingkat kesehatan Bank secara semesteran.
- Strengthening risk management related to IT ;
- Strengthening the implementation of operational risk assessment;
- Identify and control all risks including those from new products and new activities;
- Update the Credit Scoring Model;
- Update of internal policies and procedures;
- Prepare quarterly risk profile reports and semi-annually risk-based bank rating assessment.

Profil Risiko

Risk Profile

Hasil penilaian profil risiko per Desember 2020:

- Risiko kredit berada pada peringkat 2 (*low to moderate risk level*)
- Risiko likuiditas berada pada peringkat 1 (*low risk level*)
- Risiko operasional berada pada peringkat 2 (*low to moderate risk level*)
- Risiko pasar berada pada peringkat 1 (*low risk level*)
- Risiko hukum berada pada peringkat 1 (*low risk level*)
- Risiko strategis berada pada peringkat 2 (*low to moderate risk level*)
- Risiko kepatuhan berada pada peringkat 1 (*low risk level*)
- Risiko reputasi berada pada peringkat 1 (*low risk level*)

Secara komposit profil risiko Bank berada pada peringkat 2 (*low to moderate risk level*).

The results of the risk profile assessment as of December 2020

- Credit risk is ranked 2 (low to moderate risk level)
- Liquidity risk is ranked 1 (low risk level)
- Operational risk is ranked 2 (low to moderate risk level)
- Market risk is ranked 1 (low risk level)
- Legal risk is ranked 1 (low risk level)
- Strategic risk is ranked 2 (low to moderate risk level)
- Compliance risk is ranked 1 (low risk level)
- Reputation risk is in rank 1 (low risk level)

In a composite manner, the Bank's risk profile is ranked 2 (low to moderate risk level).



Sistem Pengendalian Internal Internal Control System

Bank BKE menerapkan sistem pengendalian internal sebagai salah satu faktor dasar dan esensial untuk pengelolaan Bank secara efisien dan efektif.

Diterapkan secara berkelanjutan, sistem pengendalian internal yang efektif merupakan elemen kunci dan landasan yang kokoh untuk operasional perbankan yang aman dan sehat, yang memungkinkan Dewan Komisaris dan Dewan Direksi menjaga aset Bank, memastikan pengelolaan yang andal dan laporan keuangan, meningkatkan kepatuhan Bank terhadap peraturan perundang-undangan yang berlaku, serta mengurangi risiko kerugian, penipuan, atau pelanggaran aspek kehati-hatian, sekaligus meningkatkan efektivitas organisasi dan efisiensi biaya.

Diterapkan oleh seluruh unit kerja, sistem pengendalian Internal dirancang untuk mengidentifikasi kemungkinan terjadinya peristiwa yang dapat berdampak pada Bank, dan untuk memitigasi risiko agar tetap dalam *risk appetite* Bank yang dapat ditoleransi, agar dapat memberikan jaminan yang wajar bagi Bank untuk mencapai tujuannya.

Bank BKE applies internal control system as one of the basic and essential factors for efficient and effective bank management.

Applied on a continuous basis, an effective internal control system is the key element and the firm foundation for a safe and sound banking operations, enabling the Board of Commissioners and the Board of Directors to safeguard the Bank's assets, ensuring reliable management and financial reports, enhancing the Bank's compliance to prevailing laws and regulations, as well as reducing the risk of loss, fraud or violation of the prudential aspects, while also increasing the effectiveness of the organization as well cost efficiency.

Applied by all working units, Internal control system is designed to identify the possibilities of any event that may have an effect on the Bank, and to mitigate risks to remain within the Bank's tolerable risk appetite, in order to provide reasonable assurances for the Bank to achieve its objectives.

Pencegahan Kecurangan oleh Pihak Internal Bank Internal Fraud Prevention

Sebagai komitmen Bank dalam pencegahan *Fraud*, Bank telah membentuk Unit Anti *Fraud* dan menerbitkan Program Anti *Fraud*. Satuan Anti-*Fraud* melaporkan kejadian yang signifikan kepada *regulator*, Komite Audit, Dewan Direksi dan Dewan Komisaris untuk mendukung Tata Kelola Perusahaan yang Baik.

Untuk menjalankan tugas dengan integritas tinggi dalam rangka menciptakan sistem perbankan yang sehat dan dipercaya oleh nasabah, Bank telah membentuk sistem *whistleblowing* sebagai saluran bagi pemangku kepentingan Bank untuk melaporkan potensi terjadinya *fraud*.

As Bank's commitment in fraud prevention, the Bank has established an Anti-Fraud Unit and issued an Anti Fraud Program. The Anti-Fraud Unit reported significant incident to regulator, Audit Committee, Board of Directors and Board of Commissionaire to support Good Corporate Governance.

To operate with integrity with the purpose of establishing a healthy banking system that is trusted by its customer, the Bank has established a whistleblowing system as a channel for the Bank's stakeholders to report any potential fraudulent incident.

Penerapan Fungsi Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme Implementation of Anti-Money Laundering and Counter-Terrorism Financing Functions

Bank BKE menjalankan Program Anti Pencucian Uang (APU) dan Program Pencegahan Terorisme (PPT) yang merupakan bagian dari penerapan manajemen risiko Bank secara keseluruhan.

Bank BKE runs Anti Money Laundering (AML) and Counter-Terrorism Financing (CFT) program as part of the Bank's risk management in general.

Dalam mengelola dan memitigasi risiko yang telah diidentifikasi, Bank telah memiliki kebijakan, pengawasan, dan prosedur pengelolaan dan mitigasi risiko Pencucian Uang dan Pendanaan Terorisme, yang disetujui oleh Dewan Direksi dan Dewan Komisaris.

Kebijakan APU & PPT tercantum dalam SK Dewan Direksi No.85/2017/SK tanggal 20 September 2017 tentang Kebijakan Penerapan Program Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme dan Buku Pedoman Perusahaan No.31/2020/SK tanggal 18 Maret 2020 tentang Pedoman Penerapan Program Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme.

Selain adanya pengawasan aktif Dewan Direksi dan Dewan Komisaris Bank atas penerapan program APU dan PPT, Bank juga membentuk unit kerja khusus dan pejabat sebagai penanggung jawab memastikan penerapan program APU dan PPT.

Dalam pelaksanaan program APU dan PPT, Bank telah menerapkan:

- *Know Your Employee* (KYE) terhadap pegawai baru;
- Pengkinian data nasabah yang dilakukan oleh masing-masing Kantor Cabang dan/atau Kantor Cabang Pembantu;
- Pelaksanaan *Customer Due Diligence* (CDD) untuk nasabah baru dan *Enhanced Due Diligence* (EDD) untuk nasabah yang diklasifikasikan sebagai *Politically Exposed Person* (PEP);
- Pengelompokan nasabah berdasarkan risiko;
- Pemantauan terhadap transaksi keuangan nasabah berbasis risiko;
- Pemeriksaan nasabah terhadap Daftar Terduga Teroris dan Organisasi Teroris (DTTOT) dan Daftar Pendanaan Proliferasi Senjata Pemusnah Massal (DPPSP) yang diterbitkan oleh otoritas berwenang;
- Pemenuhan kewajiban pelaporan Bank ke Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK) yaitu Transaksi Keuangan Mencurigakan, Transaksi Keuangan Tunai ≥ Rp500 juta dan laporan Sistem Informasi Pengguna Jasa Terpadu (SIPESAT).

Sepanjang tahun 2020, dalam rangka penerapan program APU dan PPT, Bank telah melakukan beberapa kegiatan antara lain:

- Melakukan kajian dan penyesuaian ketentuan internal Bank terhadap peraturan yang berlaku dan perkembangan bisnis Bank terkait penerapan program APU dan PPT di sektor jasa keuangan;
- Pengembangan aplikasi sistem APU dan PPT untuk memenuhi kebutuhan bisnis Bank antara lain terkait dengan sistem CDD dan sistem pemantauan transaksi;

In managing and mitigating identified risks, the Bank has policies, supervision, and risk management and mitigation procedures for Money Laundering and Terrorism Financing, which are approved by the Board of Directors and the Board of Commissioners.

AML & CFT policies are stated in Board of Directors Decree No.85/2017/SK dated September 20, 2017 on Policy on the Implementation of Anti-Money Laundering Program and Prevention of Terrorism Financing and Company Manual No.31/2020/SK dated March 18, 2020 on Guidelines for the Implementation of Anti-Money Laundering and Prevention of Terrorism Financing Programs.

In addition to active supervision from the Bank's Board of Directors and Board of Commissioners on implementation of AML and CFT programs, the Bank has also formed a special working unit and officers in charge of ensuring the implementation of the AML and CFT programs.

In implementing the AML and CFT programs, the Bank has implemented:

- Know Your Employee (KYE) for new employees;
- Update of customer data by each branch office and/or sub-branch office;
- Implementation of Customer Due Diligence (CDD) for new customers and Enhanced Due Diligence (EDD) for customers classified as Politically Exposed Person (PEP);
- Classification of customers using risk-based approach;
- Monitor of customer's financial transactions using risk-based approach;
- Customer checking to List of Suspected Terrorists and Terrorist Organizations (DTTOT) and List of Funding for the Proliferation of Weapons of Mass Destruction (DPPSP) issued by authorities;
- Fulfillment of Bank's reporting obligations to Financial Transaction Reporting and Analysis Center (PPATK), such as Suspicious Financial Transactions, Cash Financial Transactions ≥ Rp500 million and Integrated Service User Information System (SIPESAT) reports.

Throughout 2020, in the context of implementing the AML and CTF programs, the Bank has carried out several activities, including:

- Reviewing and adjusting the Bank's internal provisions against applicable regulations and the development of the Bank's business related to the implementation of AML and CFT program in financial services sector;
- Development of AML and CFT application system to meet the Bank's business needs, related to the CDD and transaction monitoring system;

- Mengadakan program pelatihan APU dan PPT bagi pegawai baru dan program *refreshment* bagi pegawai yang berhubungan langsung dengan nasabah;
- Melakukan sosialisasi terkait APU dan PPT kepada seluruh pegawai melalui *email blast* sebagai program peningkatan kesadaran terkait penerapan program APU dan PPT;
- Melakukan pengkajian serta menjalankan fungsi *advisory* atas ketentuan internal, proses, transaksi, aktivitas, sistem teknologi informasi, serta produk dan layanan Bank, guna memastikan kepatuhan terhadap ketentuan APU dan PPT yang berlaku.
- Conduct AML and CFT training programs for new employees and refreshment programs for employees who have direct contact with customers;
- Conduct socialization regarding AML and CFT to all employees via email blast as a program to increase awareness regarding the implementation of AML and CFT programs;
- Conduct studies and carry out advisory functions on internal regulations, processes, transactions, activities, information technology systems, as well as Bank's products and services, to ensure compliance with applicable AML and CFT regulations.

Kasus dan Perkara Penting Important Cases and Conditions

Permasalahan Hukum Legal Case	Jumlah Kasus Number of Case	
	Perdata Civil	Pidana Crime
Telah mendapatkan putusan yang mempunyai kekuatan hukum tetap Granted judicial decision	4	-
Dalam proses penyelesaian in settlement process	5	-
Total	9	-



Akses Informasi dan Data Perusahaan Access to Company Information and Data

Call Center Layanan 24 jam

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Kode Etik Code of Ethics

Bank BKE mewajibkan seluruh pegawainya untuk menjunjung tinggi nilai-nilai positif sesuai standar etika yang diterapkan di Bank. Kode Etik adalah penjabaran dalam penerapan GCG dan pencapaian visi dan misi, dengan memberikan pedoman tentang apa yang diharapkan dari pegawai Bank BKE selama mereka berhubungan dengan pelanggan, pemegang saham, pemasok/mitra, pemerintah dan masyarakat tempat Bank beroperasi.

Kode Etik Bank BKE secara umum mensyaratkan pegawai:

- Mematuhi dan menaati hukum dan peraturan yang berlaku;
- Melindungi reputasi Bank;
- Mengamankan aset Bank;
- Menjaga kerahasiaan bank dan data nasabah;
- Memastikan tidak ada benturan kepentingan antara kepentingan pribadi pegawai, bank dan nasabah;
- Mencatat semua transaksi secara akurat;
- Membina lingkungan kerja yang harmonis dan persaingan yang sehat.

Bank BKE requires its employees to uphold positive values according to the ethical standards applied at the Bank. Code of Ethics is the elaboration in implementing GCG and achieving vision and mission, by providing the guidelines on what is expected from Bank BKE's employees when they interact with their customers, shareholders, suppliers/partners, government and the communities where the Bank operates.

In general, Bank BKE's Code of Ethics requires employees to:

- Comply and adhere to the prevailing laws and regulations;
- Protect the Bank's reputation;
- Safeguard the Bank's assets;
- Protect the confidentiality of the Bank and customer data;
- Ensure no conflict amongst employee's, Bank's and customer's interest;
- Record all transactions accurately;
- Fostering harmonious working environment and fair competition.

Sistem Pelaporan Pelanggaran Whistleblowing System

Dalam hal terjadi kecurangan atau pelanggaran yang diduga telah dilakukan oleh siapapun di Bank BKE, pelaporan dapat dilakukan baik oleh pihak internal maupun eksternal.

Penerapan sistem pelaporan pelanggaran bertujuan untuk:

- Meningkatkan kesadaran pemangku kepentingan dalam melaporkan kegiatan penipuan atau pelanggaran;
- Mendeteksi penipuan atau pelanggaran sedini mungkin melalui informasi yang diungkapkan oleh pelapor.

Jenis pelanggaran yang dapat dilaporkan antara lain:

- Penipuan;
- Pelanggaran Kode Etik;
- Pelanggaran Benturan Kepentingan;
- Pelanggaran Hukum.

Bank BKE akan memberikan perlindungan kepada pelapor dan menjamin kerahasiaan identitasnya.

In the event of fraud or violations presumed to have been committed by anyone at Bank BKE, reporting of such incidents can be done by both internal and external parties.

The implementation of whistleblowing system aims to:

- Raise stakeholders' awareness in reporting the fraud or violations activities;
- Detect fraud or violations at the earliest stage possible through the information disclosed by the whistleblower.

Type of violations that can be reported, among others:

- Fraud;
- Code of Conduct Violation;
- Conflict of Interest Violation;
- Laws Violation.

Bank BKE will provide the protection to the whistleblowers and guarantee the confidentiality of their identity.