PT Bank UOB Indonesia
Annual Report 2023

Building the Future of ASEAN

Build and Rebuild
Farhan Siki

About this Report

PT Bank UOB Indonesia (UOB Indonesia or Bank) has been committed to creating long-term value for our customers, our colleagues and the community since 1956. We aim to provide continuous product and services excellence while generating positive contributions to the development of enterprise and economic growth, and returns to our stakeholders.

The format of this report follows the requirements of Indonesian Financial Services Authority/*Otoritas Jasa Keuangan* (OJK) and is in line with UOB Group's reporting practices.

This report and more information on UOB Indonesia can be found at www.uob.co.id.

Please scan the QR codes to view:

https://www.uob.co.id/about-us/investor-relations/laporan-keuangan/annual-report.page

Build and Rebuild

Farhan Siki
Synthetic enamel on canvas
140 x 110 cm

Build and Rebuild, the top winner of the 2022 UOB Painting of the Year (Indonesia) competition, Established Artist Category, is the design inspiration for this year's Annual Report. The artwork depicts the scene of reconstruction work to advance a nation despite the uncertain future.

Through the images of people laying bricks, working on cement mixers and climbing up and down the scaffolding, we see the building of homes, places of work and public facilities. This is a reflection of the fast development of our home region, where UOB strives to build a brighter future for the people and businesses in ASEAN.

As the leading patron of the arts in Asia, UOB believes in the vital role of art in connecting communities. The UOB Painting of the Year competition, the Bank's flagship art programme now in its 42nd year, is currently held across five Southeast Asian markets where UOB has a deep presence.

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2023 UOB Indonesia Financial Highlights

Net Profit
IDR675 billion
-29.0%

Operating Profit
IDR917 billion
-19.3%

Gross Customer Loans
IDR84,023 billion
-1.8%

Customer Deposits
IDR119,283 billion
+4.7%

Non-Performing Loans Ratio - net
1.39%
-0.34% pt

Total Assets
IDR162,546 billion
+17.6%

Non-Performing Loans Ratio - gross
2.58%
-0.40% pt

Net Stable Funding Ratio
131.55%
+0.18% pt

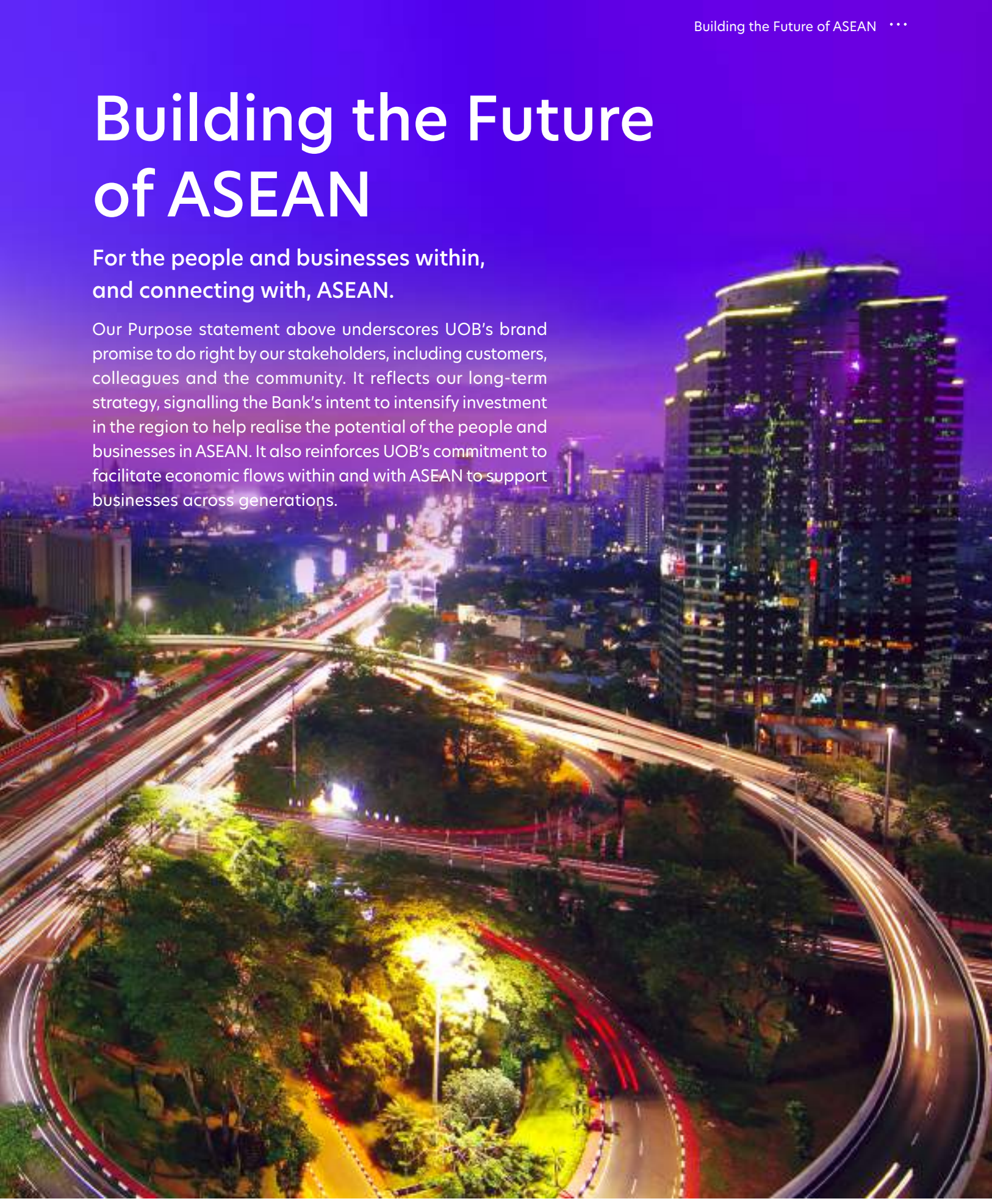
Non-Performing Loans
IDR2,149 billion
-13.4%

Jakarta, Indonesia

Building the Future of ASEAN

For the people and businesses within, and connecting with, ASEAN.

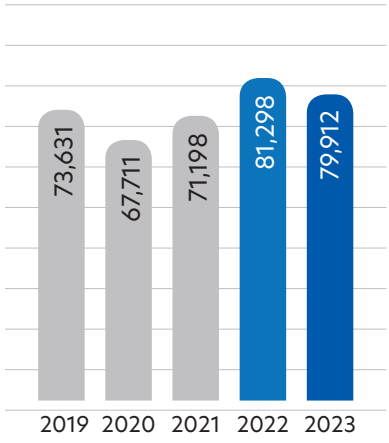
Our Purpose statement above underscores UOB's brand promise to do right by our stakeholders, including customers, colleagues and the community. It reflects our long-term strategy, signalling the Bank's intent to intensify investment in the region to help realise the potential of the people and businesses in ASEAN. It also reinforces UOB's commitment to facilitate economic flows within and with ASEAN to support businesses across generations.



Key Financial Graphics

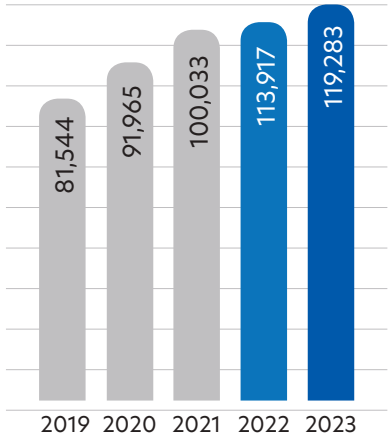
Loans - net

(in Billion Rupiah)



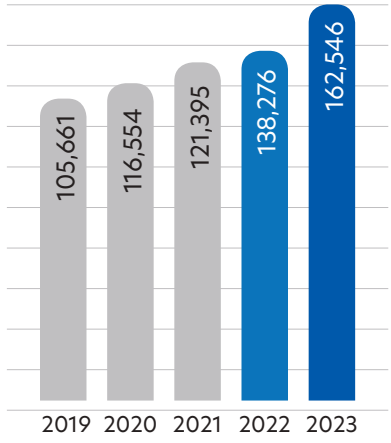
Customer Deposits

(in Billion Rupiah)



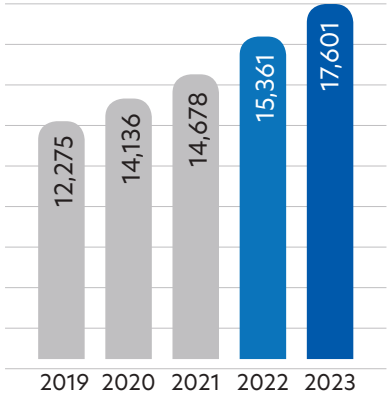
Total Assets

(in Billion Rupiah)



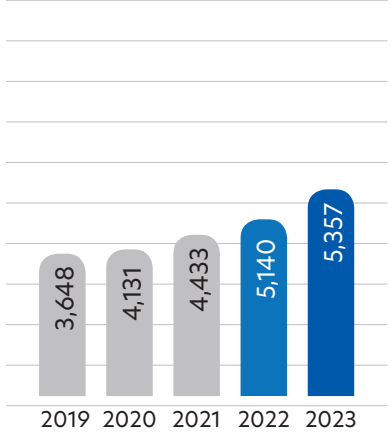
Total Equity

(in Billion Rupiah)



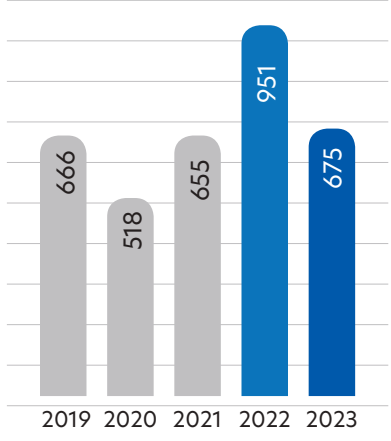
Net Interest Income

(in Billion Rupiah)



Income for the Year

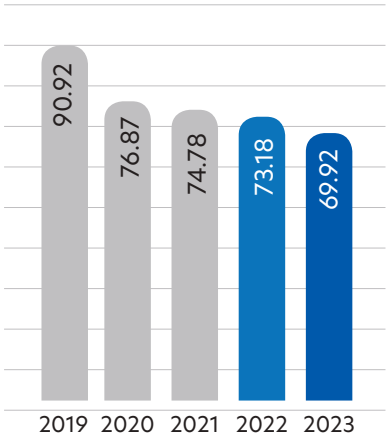
(in Billion Rupiah)



Key Financial Graphics

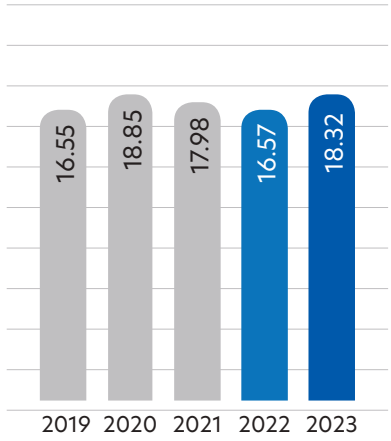
Loan to Deposit Ratio (LDR)

(in Percentage)



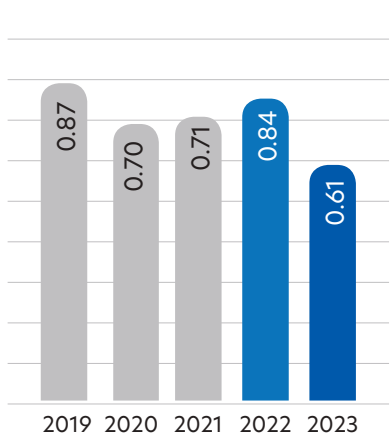
Capital Adequacy Ratio (CAR)

(in Percentage)



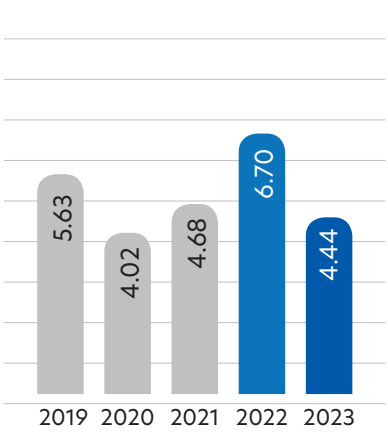
Return on Assets (ROA)

(in Percentage)



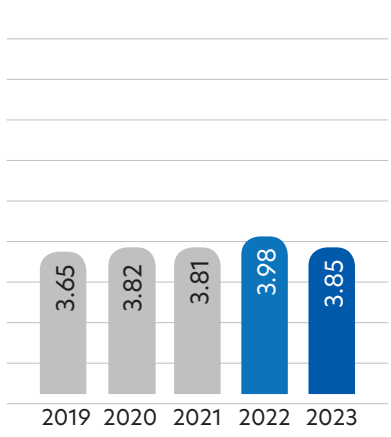
Return on Equity (ROE)

(in Percentage)



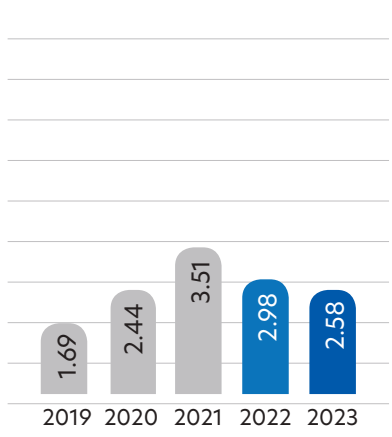
Net Interest Margin (NIM)

(in Percentage)



Non-Performing Loans (NPL) Ratio-gross

(in Percentage)



Five-Year Financial Summary

Statement of Financial Position
(in Billion Rupiah)

Description	as of 31 December				
	2023	2022	2021	2020	2019
Assets					
Cash	604	717	632	594	589
Current accounts with Bank Indonesia	9,901	8,870	4,315	3,374	5,362
Current accounts with other banks - net	982	1,094	1,879	1,412	2,095
Placements with Bank Indonesia and other banks - net	2,136	5,856	2,995	7,914	2,076
Trading securities and financial investments – net	35,795	28,547	18,054	19,710	15,122
Receivables on securities purchased with agreements to resell - net	22,678	2,870	15,540	9,194	1,418
Derivatives receivable	841	1,321	727	1,325	704
Loans – net	79,912	81,298	71,198	67,711	73,631
Acceptances receivable – net	2,499	3,683	2,753	2,061	2,332
Deferred tax assets – net	734	747	553	378	84
Fixed assets and right-of-use assets - book value	2,685	1,408	1,233	1,297	1,189
Intangible assets - net	1,130	-	-	-	-
Other assets – net	2,649	1,865	1,516	1,584	1,059
Total Assets	**162,546**	**138,276**	**121,395**	**116,554**	**105,661**
Liabilities and Equity					
Current liabilities	475	193	176	205	193
Demand deposits	23,702	24,166	21,583	17,666	10,999
Saving deposits	37,486	38,648	31,727	24,076	18,215
Time deposits	58,095	51,103	46,724	50,223	52,330
Customer Deposits	119,283	113,917	100,034	91,965	81,544
Deposits from other banks	1,399	206	74	178	895
Interests payable	199	132	126	153	265
Taxes payable	171	196	241	244	129
Derivatives payable	1,223	1,401	725	1,682	553
Liabilities on securities sold under repurchase agreements	13,296	-	13	-	424
Acceptances payable	2,412	3,252	2,311	2,009	2,166
Borrowings	-	-	-	2,037	3,100
Liabilities for employees' benefits	344	258	279	301	248
Debt securities issued – net	1,443	1,596	1,498	2,582	3,179
Other liabilities	4,700	1,764	1,241	1,062	690
Total Liabilities	**144,945**	**122,915**	**106,717**	**102,418**	**93,386**
Total Equity	**17,601**	**15,361**	**14,678**	**14,136**	**12,275**
Total Liabilities and Equity	**162,546**	**138,276**	**121,395**	**116,554**	**105,661**

Five-Year Financial Summary

Statement of Profit or Loss and Other Comprehensive Income
(in Billion Rupiah)

Description	for the years ended 31 December				
	2023	2022	2021	2020	2019
Interest income	**9,945**	**7,571**	**6,941**	**7,697**	**8,003**
Interest expense	**(4,588)**	**(2,431)**	**(2,508)**	**(3,566)**	**(4,355)**
Interest income - net	5,357	5,140	4,433	4,131	3,648
Total other operating income - net	1,374	1,396	1,339	1,520	1,152*
Total provision for impairment losses	(797)	(1,599)	(1,478)	(1,513)	(496)
Total other operating expenses	(5,017)	(3,801)	(3,464)	(3,360)	(3,409)*
Operating income - net	917	1,136	830	778	895*
Total non-operating income	(5)	12	19	5	17*
Income before tax expense	912	1,148	849	783	912
Tax expense	**(237)**	**(197)**	**(194)**	**(265)**	**(246)**
Income for the year	**675**	**951**	**655**	**518**	**666**
Other comprehensive income/(loss) for the year - net of tax	**65**	**(268)**	**(113)**	**135**	**232**
Total comprehensive income for the year	**740**	**683**	**542**	**653**	**898**
Net profit attributable to:					
Owner's equity	**675**	**951**	**655**	**518**	**666**
Total comprehensive income for the year attributable to:					
Owner's equity	**740**	**683**	**542**	**653**	**898**
Earnings per share (in Rupiah, full amount)	**60**	**85**	**59**	**49**	**70**

Statement of Cash Flow
(in Billion Rupiah)

Description	for the years ended 31 December				
	2023	2022	2021	2020	2019
Cash and cash equivalents at beginning of year	16,543	9,826	13,308	11,085	9,699
Net cash (used in)/provided by operating activities	(730)	18,585	(1,044)	6,935*	(44)
Net cash (used in)/provided by investing activities	(3,121)	(12,223)	704	(4,590)	2,319
Net cash (used in)/provided by financing activities	1,285	29	(3,164)	(189)*	(783)
Net effect on exchange rate on cash and cash equivalents	(31)	326	22	67	(106)
Cash and cash equivalents at the end of year	**13,946**	**16,543**	**9,826**	**13,308**	**11,085**

*Reclassification in connection with the implementation of PSAK 73 which is effective starting 1 January 2020.

Five-Year Financial Summary

Financial Ratios

(in percentage)

Description	as of 31 December				
	2023	2022	2021	2020	2019
Capital					
Capital Adequacy Ratio (CAR)	18.32	16.57	17.98	18.85	16.55
Tier 1 ratio	16.73	14.74	15.88	16.41	13.79
Tier 2 ratio	1.58	1.83	2.10	2.44	2.76
Gross fixed assets to capital	28.55	20.42	19.88	19.08	18.45
Assets Quality					
Non-performing earning assets to total earning assets	0.73	1.01	1.28	0.89	0.71
Non-performing loans (NPL) – gross	2.58	2.98	3.51	2.44	1.69
Non-performing loans (NPL) – net	1.39	1.73	2.22	1.51	1.19
Earnings					
Return on assets (ROA)	0.61	0.84	0.71	0.70	0.87
Return on equity (ROE)	4.44	6.70	4.68	4.02	5.63
Net interest margin (NIM)	3.85	3.98	3.81	3.82	3.65
Operating expense to operating income (BOPO)	92.31	87.74	90.19	92.26	90.37
Liquidity					
Loan to deposit ratio (LDR)	69.92	73.18	74.78	76.87	90.92
Low-cost funding ratio (CASA)	51.30	55.14	53.29	45.39	35.83
Compliance					
Violation of Legal Lending Limit (LLL)	0.00	0.00	0.00	0.00	0.00
Lending in excess of the Legal Lending Limit (LLL)	0.00	0.00	0.00	0.00	0.00
Minimum statutory reserves (GWM): Rupiah					
- daily	9.42	9.47	3.92	3.25	5.63
- average	10.34	10.57	4.24	3.12	6.10
Minimum statutory reserves (GWM): Foreign currencies					
- daily	4.67	4.10	4.13	4.20	8.25
- average	4.22	4.12	4.12	4.14	8.17
Net open positions (NOP) aggregate	4.16	1.52	0.97	4.04	12.33
Others					

Five-Year Financial Summary

(in percentage)

Description	as of 31 December				
	2023	2022	2021	2020	2019
Liabilities to equity ratio	823.50	800.18	727.05	724.52	760.79
Liabilities to assets ratio	89.17	88.89	87.91	87.87	88.38
Total issued and fully paid shares capital (in IDR, full amount)	12,227,591,633	11,186,644,888	11,186,644,888	11,186,644,888	9,553,885,804

* Calculated in accordance with the regulations of Bank Indonesia/Financial Services Authority (OJK).

Highlights of Shares in The Last Two Years

For the period 2022 to 2023, UOB Indonesia did not issue or trade shares on Indonesia Stock Exchange and stock exchanges of other countries. Therefore, information related to the Bank's shares is not applicable to be disclosed.

Information on Corporate Action in The Last Two Years

In 2022, UOB Indonesia issued IDR100 billion Subordinated Debts through a public offering to strengthen our capital position. In 2023, the Bank issued 1,040,946,745 new ordinary shares at total amount of IDR1,500 billion to our existing shareholders. This increased the Bank's ordinary share capital to 12,227,591,633 shares or IDR3,056 billion as at 31 December 2023.

Information on Company Ratings

No	Rating Agency	Rating	Rating Description	Validity Period
1	Fitch Ratings Indonesia	AAA(idn)	Senior Debt	2024
2	Fitch Ratings Indonesia	AA(idn)	Subordinated Debt	2024

2023 Event Highlights

The Completion of Citigroup Consumer Banking Acquisition

2023 was a historic milestone year for UOB Indonesia. We have completed the acquisition of Citigroup's consumer banking business in Indonesia, adding significant number of customers which strengthen our Retail base, as well as welcoming larger employee force to the UOB family.

In the press conference, UOB Indonesia announced a capital injection, enabling the Bank to expand its business scale to ensure long-term stability.

November 2023

2023 Event Highlights

Cultivating a wellness culture for the people of UOB

UOB believes people are our greatest asset. Our people philosophy of Care, Growth, and Trust are continuously embedded in our everyday culture, uniting colleagues for a common and shared purpose.

10 February 2023

UOB Indonesia CEO Awards 2023

UOB Indonesia awarded the most prestigious recognition, CEO Awards, to Dicky Handaya, PV Team Head, as a form of appreciation for his persistence and grit to achieve the Bank's collective purpose.

Along with the award, UOB Indonesia held the Start of the Year (SOTY) under the theme 'Growing in Unity.' The SOTY event series comprised of SOTY Workshop, Service Convention, Sales Convention, Sales and Service Awards, and UOBI Got Talent.

11 May 2023

Eid al-Fitr Celebration

Throughout the month of Ramadan, UOB Indonesia hosted a series of events under the theme 'Creating good in the beauty of togetherness', aimed to strengthen collaboration among colleagues through Ramadan activities.

19 June 2023

The Inauguration of U-Clinic

In alignment with UOB's Employee Value Proposition (EVP), consists of Care, Growth and Trust, UOB Indonesia officiates U-Clinic, the first in-house health clinic in UOB Plaza where employees are able to receive a thorough medical attention from the office.

24 August 2023

UOB Indonesia picks up top honours in Bisnis Indonesia Financial Award 2023

Mr Hendra Gunawan, President Director, UOB Indonesia, garnered the prestigious title of 'Best CEO' in the banking sector. UOB Indonesia also received 'Best Performance Bank' in *Kelompok Bank berdasarkan Modal Inti* (KBMI) 3 category, a banking classification based on core capital from The Financial Services Authority (OJK).

2023 Event Highlights

Connecting businesses, in ASEAN and beyond

Through our deep understanding of ASEAN, we provide strategic expertise to local businesses and markets. As the One Bank for ASEAN, UOB aims to seize the region's immense opportunities and connects key stakeholders for better expansion.

17 January 2023

Digital banking transformation for businesses through UOB Infinity
UOB Indonesia launched UOB Infinity, a digital platform for businesses to manage banking necessities in simpler and smarter manner. The platform was first launched in Singapore and is now available in 10 Southeast Asian countries.

26 January 2023

Uncovering ways to seize opportunities in 2023
UOB Indonesia Global Markets shared 2023 economic forecast to assets and securities management firms presented by UOB Economist. The event expressed the appreciation for clients' support.

24 May 2023

UOB Media Circle: The Role of Banking Industry in Leveraging the Economy of Indonesia through Capital Markets
UOB Indonesia held the second Editors' Circle series under the theme 'The Role of Banking Industry in Leveraging the Economy of Indonesia through Capital Markets Sector.' The event aims to increase financial inclusion and literacy as the key to sustainable economic growth in Indonesia.

12 September 2023

UOB Editors' Circle: Creating Investment Opportunities in Indonesia
UOB Indonesia held the UOB Editors' Circle session, focusing on 'Creating Investment Opportunities in Indonesia' with the Ministry of Investment / BKPM. The session also elaborated the highlights of UOB Business Study Outlook, involving 530 corporations and SMEs from various sectors in major Indonesian cities.

2023 Event Highlights

19 September 2023

UOB FinLab

UOB Indonesia launched The FinLab, a flagship programme from UOB Group, designed as an accelerator of business innovations to help businesses grow and digitalise their business.

25 September 2023

UOB Infinity FSCM

UOB Indonesia launched a new feature in UOB Infinity, financial supply chain management (FSCM) capability for corporate clients with the latest features and sets of comprehensive solutions.

11 October 2023

UOB Gateway to ASEAN Conference 2023

As one of the leading banks in Southeast Asia, UOB Group is committed in serving the needs of the region. Through UOB Gateway to ASEAN Conference: 'ASEAN Forging Ahead', held for the first time in Indonesia, UOB shared perspectives on unlocking new opportunities in ASEAN to 600 participants comprising of business leaders, government officials, clients, and partners from across Indonesia, ASEAN, and Greater China.

2023 Event Highlights

Personalising banking for every customer's needs

At UOB, we aspire to become the bank of choice for individuals at every life stages. We serve the financial and lifestyle needs of our customers by offering a suite of personalised solutions.

February 2023

Lunar New Year celebration with customers

UOB Indonesia held a Lunar New Year celebration with customers of Commercial Banking, Business Banking, Consumer Banking, and Privilege Banking to welcome the Year of Water Rabbit which symbolises longevity, peace, and prosperity in the Chinese culture.

21 March 2023

UOB Indonesia, Visa, and Volopay launched corporate credit card solution

Through the collaboration between UOB Indonesia, Visa, and Volopay, businesses are able to link UOB corporate credit card and Volopay platform, aimed to accelerate innovation, enhance market penetration and drive sustainable growth.

28 March 2023

UOB Editors' Circle: Digital Ecosystem Inclusion for Sustainable Economic Growth

UOB Indonesia organised Editors' Circle which discussed the latest technological developments and digital-based industry players. The session showcased how the industry players collectively transformed the banking ecosystem while accelerating Indonesia's economic growth. The event was attended by representatives from Bank Indonesia, business partners, and Senior Editors from media.

30 March 2023

UOB Media Literacy: Preserve and Grow Your Wealth Through a Risk-First Approach

As part of UOB Indonesia's commitment to strengthen financial literacy for the community, UOB Indonesia held a media literacy session titled 'Preserve and Grow Your Wealth Through a Risk-First Approach.' This session aimed to expand financial literacy by understanding the risks suitable with one's financial goals.

2023 Event Highlights

Building a sustainable future for ASEAN

Our CSR committments focus on art, children and education. UOB has also made a commitment to net zero in 2050 and we play a role as an enabler for our corporate customers' transition efforts.

29 March 2023

Earth and Ocean Sustainability Literacy Through Art

As part of UOB Indonesia's commitment to actualise a sustainable community, UOB Indonesia colleagues taught the importance of ocean ecosystem to underprivileged children in Bali.

16 May 2023

Celebrating Ramadan more closely with TMRW by UOB

TMRW by UOB donated digital devices and writing tools to 500 children across eight orphanages in Jakarta. This event is intended to bridge the digital gap for less privileged children, enhancing digital literacy and promoting digital inclusion in Indonesia.

19 May 2023

Dialogue on Indonesia's Art Development

UOB Indonesia held a talk show on the development of art in Indonesia in Bandung to reflect UOB's commitment in supporting local artists through UOB Painting of the Year competition.

16 June 2023

Sustainability Town Hall

UOB Indonesia held the first Sustainability Town Hall, attended by more than 100 senior leaders. The Town Hall marks the start of Sustainability Office in UOB Indonesia, a dedicated function to reflect UOB's commitment in forging a sustainable future for businesses and people of ASEAN.

23 June 2023

Building Art Ecosystem in Indonesia

UOB Indonesia partnered with Indonesian Institute of Art in Denpasar and held a talk show themed 'Building Art Ecosystem in Indonesia'. The talk show discussed the development of art in Indonesia, and UOB's role in supporting artists through UOB Painting of the Year competition.

2023 Event Highlights

6 July 2023

Public Lecture in Indonesian Institute of Art Yogyakarta (ISI) 'Art Governance in Indonesia'

UOB Indonesia participated in Public Lecture in Indonesian Institute of Art Yogyakarta titled 'Art Governance in Indonesia.' The session delivered the importance of building a comprehensive art ecosystem and UOBI's role in supporting Indonesian local artists to university students and art enthusiasts.

12 July 2023

UOB and South Pole - Climate Journey: Steering Change in the Palm Oil Sector in Asia

As a form of UOB's commitment realising a sustainable business, UOB Indonesia collaborated with South Pole in seminar 'Climate Journey: Steering Change in the Palm Oil Sector in Asia.' The seminar discussed about ways companies in palm oil supply chain may adopt sustainability practices and ways to access to sustainable financing.

25 July 2023

U-Solar 2.0 Launch

UOB Indonesia launched U-Solar 2.0, an expansion from U-Solar programme, which aims to connect the solar panel ecosystem by simplifying access to sustainable financing for local solar Engineering, Procurement, Construction and Commissioning (EPCC) contractors as well as project developers.

July 2023

Elevating inclusivity through sign language class

Together with Bahasa Isyarat Indonesia (BISINDO), UOB Indonesia held sign language classes for colleagues' volunteerism. The classes are part of the UOB Heartbeat event series, aimed to build inclusivity and communication with deaf children.

5-6 July 2023

Introducing Sustainable Development Goals (SDG) through Child Education and Play

UOB Indonesia arranged Child Education and Play Programme for children of UOBI colleagues. The event was followed by 154 children ranging from 4 to 11 years old, intended to introduce the importance of savings and Sustainable Development Goals (SDG), as a call-to-action to protect our planet.

2023 Event Highlights

16 May 2023

2023 UOB Heartbeat Run/Walk

More than 2,000 colleagues attended the UOB Heartbeat Run/Walk 2023 and raised funds amounted to IDR240 million. The event was collectively celebrated in Jakarta, Bandung, Medan, Semarang, and Surabaya on 12 August 2023, in collaboration with five local foundations to improve standard of living for disadvantaged children and families.

25 October 2023

13th UOB Painting of the Year

UOB Indonesia held the awarding of 13th UOB Painting of the Year (POY) (Indonesia) to Ni Nyoman Sani for her artwork titled 'Tranquility.' The award was presented by the Director General of Culture, Ministry of Education, Culture, Research, and Technology of the Republic of Indonesia.

Seven other artists were also awarded based on the category of Emerging Artist and Established Artist.

17-19 November 2023

UOB Artspace and Play by UOB at Art Jakarta

UOB Indonesia continues its sixth year as lead partner of Art Jakarta as part of UOB Indonesia's commitment in supporting the development of art, children, and education. UOB Art Space featured 25 artworks from the UOB Painting of the Year alumni along with Play by UOB to develop children's creativity and imagination.

27-28 November 2023

Extending creative and financial literacy to communities

UOB Indonesia collaborated with Socfindo Conservation, sustainability flagship project from Socfin Indonesia, to teach children about sustainability through Botanical Cyanotype Print workshop by recycling fallen leaves.

In addition to the workshop, UOBI shared about financial literacy to the local communities residing in Dolok Masihul, Medan.

Chapter .02

Management Report

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Raja Ampat, Papua, Indonesia

Board of Commissioners Report

"UOB operates from a position of strength in ASEAN. It is an exciting region with much potential to grow. In 2023, we developed a three-year plan that will help us reach our goal to become the most preferred bank in Southeast Asia."

"Build and Rebuild" is the title of the painting on the cover of this year's Annual Report. It depicts construction, reconstruction and rebuilding following unprecedented changes. It is a reminder that while the world has gone through an intense period of change in the past few years, we also have the capacity to transform and regenerate.

This has been the case for UOB. We have emerged better and stronger since the pandemic. Amid the sea of changes, we remain steadfast in our commitment to do right by our customers. We are progressively building our scale and franchise in ASEAN as we build a brighter future together.

A dynamic ASEAN

In 2023, the global economy faced uncertainties and challenges. Global economic activity moderated on the back of slower demand in the Eurozone and China. The US economy was unexpectedly resilient and averted a slowdown. Closer to home, the ASEAN economies recovered well from the ravage of the pandemic.

Looking ahead, uncertainties about US inflation and China's growth will continue to linger while geopolitical tensions and political transitions could lead to another bumpy year globally. Growth in the ASEAN region is expected to remain strong due to domestic demand, moderating inflation and increased trade and investment flows.

UOB operates from a position of strength in ASEAN. It is an exciting region with much potential to grow. Supply chain diversification, the digital revolution, the massive investments for transition to net zero and a rising middle-class are some of the megatrends driving the dynamism of the region. As a leading ASEAN bank, we are confident that UOB's strong balance sheet and diversified revenue drivers will enable us to ride on these favourable megatrends to grow with the people and businesses across the region.

As the largest economy in ASEAN, Indonesia continues to show its resilience with promising prospects. Rising domestic consumption, increased exports, a large trade balance surplus, strong government spending, and more resilient gross fixed capital formation have continued to sustain Indonesia's economy. UOB Indonesia remains committed to supporting economic growth and advancing businesses and individuals' ambitions and aspirations by providing the best banking products and solutions.

Transforming ourselves to deliver on our ambition

UOB is here for the long term. And we stand by our commitment to balancing growth with stability, we expect the operating environment in the next decade to differ vastly from today. The banking industry of the future is likely to see regionalisation of economic flows, new industries emerging due to the sustainability push, artificial intelligence taking service and productivity to a new level, and the rise of regulated digital currencies and tokens.

In 2023, Group developed a three-year plan that will help us reach our goal to become the most preferred bank in Southeast Asia. After several years of building product capabilities across our diverse revenue engines, the Bank will now focus on harnessing the capabilities for our next stage of growth.

Board of Commissioners Report

We will transform ourselves to deliver our ambition by:

- reshaping our business to drive ASEAN connectivity and cross-border trade;
- leveraging the enlarged customer base and synergies from the acquisition of Citigroup's consumer business in four ASEAN countries to fulfil customer needs and lifestyle aspirations;
- developing new initiatives to target emerging industries such as those related to sustainability and innovation; and
- doubling down on productivity efforts by digitalising our processes, enhancing customer experience, deepening employee engagement and streamlining costs.

Resilient financial performance

In 2023, UOB Indonesia's net profit before tax stood at IDR912 billion. The resilient performance was supported by net interest income of IDR5,357 billion, driven by net interest margin expansion of 3.9 per cent.

Loans reached IDR79,912 billion, mainly driven by loans growth in Consumer Banking and Commercial Banking. Customer deposits also grew 4.7 per cent to IDR119.3 trillion.

We remained prudent in managing credit risk. Gross non-performing loan ratio as of 31 December 2023, stood at 2.6 per cent, declining 0.4 percentage points from a year ago. Total assets as of 31 December 2023, increased to IDR162.5 trillion, with total equity reaching IDR17,601 billion from a year ago. The Bank's Capital Adequacy Ratio remained strong at 18.3 per cent, well-above the regulatory requirement.

UOB Indonesia strives to maintain sound liquidity and healthy capital positions to support our customers through the business cycles, while maximising shareholder value.

In recognition of our strong balance sheet and sound business model and profile, UOB Indonesia was rated AAA (idn) National Long-Term Rating by Fitch Ratings Indonesia, making us one of the most highly rated banks in Indonesia.

With a strong regional franchise, we continue to drive sustainable economic growth in ASEAN. Collaborating with the Indonesian Ministry of Investment, business associations and partners, we facilitated companies' entries into markets across the region. Since 2011, our Foreign Direct Investment Advisory team has supported close to 4,000 companies in their cross-border expansion across Asia. In the past two years, we have supported approximately 100 companies in their expansion into Indonesia. These companies have pledged to invest about S$12 billion in the country over a three-year period and these investments would create 15,000 jobs.

Enlarged scale and stronger capabilities

In 2023, we grew our retail customer base to more than eight million across the region as we completed the acquisition of Citigroup's consumer banking businesses in four ASEAN markets – Indonesia, Malaysia, Thailand and Vietnam.

In the year, we integrated the new businesses in Malaysia and Indonesia with the UOB platforms, while integration in Thailand is slated for the first half of 2024 and Vietnam will follow suit in 2025. This transformational deal has accelerated UOB's growth in the region by five years.

Despite challenging macroeconomic conditions in 2023, the Group's net credit card fees almost doubled compared with the year before, with a corresponding doubling of total income from unsecured business. The Group's total assets under management (AUM) rose 11 per cent in 2023, while in UOB Indonesia, we doubled our assets under management and the number of wealth customers grew 58.6 per cent, reflecting customers' confidence and trust in us.

Supported by stronger capabilities and an enlarged scale, we are in a sweet spot to foster strategic partnerships across multiple markets. In 2023, we announced mega lifestyle offerings as the presenting sponsors for the Taylor Swift The Eras Tour in Singapore and the Ed Sheeran +-=÷x Tour in four of our key markets, including Indonesia. We will do more to extend lifestyle offerings that meet the needs and aspirations of our customers in Indonesia and across the region with unparalleled customer experience.

Enhanced digital solutions for customers

We want to do right by our customers. That includes providing them banking services anytime, anywhere and through any channel they prefer – at our branches, or online, or a combination of both.

Board of Commissioners Report

To enhance our omni-channel strategy, we have strengthened digital solutions to provide customers with a seamless offline to online experience.

For our corporate customers, UOB Infinity, our digital banking platform for businesses, is now available in 10 markets across ASEAN, including Indonesia, and Greater China. For the smaller businesses, our UOB BizSmart, an integrated suite of digital business solutions, can help enhance operational efficiency via greater transparency in payroll management, e-commerce, and managing taxation requirements.

As our retail customer base continues to expand, we are ramping up to serve our regional customers. With a unified UOB TMRW in Singapore, Malaysia, Indonesia and Thailand, we now offer unified rewards and digital wealth capabilities to deepen engagement with our customers across these markets.

Regional platforms powering connectivity

Through our extensive regional footprint, UOB supports businesses as they expand domestically and across the region. Our unique combination of strong sector expertise and local market knowledge enables us to help businesses navigate market complexities and seize growth opportunities in ASEAN.

Forging a sustainable future for ASEAN

UOB supports an orderly and just transition to net zero so that economies continue to grow, and people's lives and livelihoods continue to improve. We aim to catalyse funding and to support our customers on their transition journey. We are transforming our operating processes and deepening our collaboration with the larger ecosystem of stakeholders, including across all levels of government, economy and society.

As of the end of 2023, the Group had extended S$44.5 billion in sustainable financing. UOB has developed a holistic programme to operationalise our net zero commitment through:

- developing sectoral plans to set targets and measure progress;
- supporting customers on their decarbonisation journey;
- embedding net zero in the Bank's operating model; and
- driving effective stakeholder engagement.

UOB released its first net zero progress report on its commitment to reach net zero by 2050. We made positive headway in meeting the targets set for our five focus sectors in power, automotive, real estate, construction and steel. We achieved reductions in emissions intensities across all five sectors in 2022. Our commitment also includes no new financing for upstream oil and gas projects approved for development after 2022. Together, the six sectors make up about 60 per cent of our corporate lending portfolio.

For UOB Indonesia, we established a Country Sustainability Office in 2023, tasked to develop the Bank's sustainability portfolio and to support the Group's advancement towards our net zero targets. In 2023, we launched two energy-related initiatives in Indonesia to support businesses and individuals in going green. One was U-Energy - the first integrated financing platform in Indonesia and in Asia - to encourage the development and adoption of energy efficiency projects for buildings and homes in Indonesia. The other was U-Solar, Asia's first solar industry ecosystem that offers businesses and consumers a suite of financial solutions to encourage the development and adoption of solar power. We remain committed in partnering our customers to achieving the sustainability goals of the United Nations Sustainability Development Goals (SDGs) and the National SDGs, for a better future.

Supporting our community as a catalyst for change

UOB believes in doing our part to strengthen social bonds and enrich lives as a catalyst for change. We do this through a variety of ways, including fundraising, volunteering and supporting various social causes related to art, children and education. Through our efforts in various corporate social responsibility initiatives, we aim to keep the good going and to do right by our communities.

Our annual UOB Global Heartbeat Run/Walk event in Indonesia raised more than IDR250 million under the UOB Heartbeat Fund to improve the lives of hearing impaired children and support special needs schools.

We believe that art is a powerful source of inspiration and connection. In its 42nd year, UOB Painting of the Year (POY) competition is the longest running annual art competition in Singapore and one of the most

recognised in Southeast Asia. In Indonesia, through our 13th UOB POY Indonesia competition, we continued to uncover and nurture talents across the country, while building a thriving ecosystem for regional artists to scale greater heights. The expansion of this flagship competition to Vietnam in 2023 also reinforces our long-term commitment to supporting visual art in Southeast Asia.

Strengthening our people culture the UOB Way

Culture is a key differentiator for UOB. Just like strong roots providing foundation and anchor to a tree, our culture of care, growth and trust help our UOB family stay grounded and shapes how we grow.

In the past few years, we have introduced programmes that cater to our people's welfare and we will continue to build on that. We believe in growing our own timber and supporting our people to realise their full potential. Building trust in the workplace also continues to be a focus area so that we can empower our people to make a difference in their work.

We introduced The UOB Way to codify our unique culture and belief system among our people in 2022. This is built upon our core values of Honourable, United, Committed and Enterprising. In the year, we extended The UOB Way beyond our people – to include their families and the community.

In 2023, The UOB Way was formally introduced to UOB Indonesia's employees. It was embedded in all training programmes attended by our colleagues. In the year, we organised some 1,200 training programmes clocking nearly 190,000 training hours collectively for all our colleagues. We have also continued to implement training programmes to optimise growth for colleagues, fostering optimal development.

Our people are our greatest asset. We will continue to invest to create a conducive environment where our people are engaged and energised. This ensures that we have the right culture and talent pool to deliver value to our customers and stakeholders.

Performance evaluation of the Board of Directors

In 2023, the Board of Commissioners and the Board of Directors met quarterly to discuss and evaluate business performance as well as compliance with Indonesian laws and regulations. The Board of Commissioners worked closely with the Board of Directors to ensure that strategies were in line with the Bank's interests and ambition.

We reviewed and provided advice on the Bank's three-year strategic plan. The plan called for ambitious targets to be achieved in 2024. It included action plans to advance the Bank's growth in three strategic areas - personalisation, connectivity and sustainability, while ensuring our long-term philosophy and our commitment to deliver value to stakeholders.

The Board of Commissioners are confident that the Board of Directors has carried out its roles and responsibilities in accordance with the Bank's priorities and will continue to drive growth in 2024.

Improving Corporate Governance

The Board of Commissioners provides guidance to the Board of Directors on Good Corporate Governance (GCG), advises on risk management and ensures the Bank's compliance with regulatory requirements. Our strong commitment to upholding GCG is critical for the Bank to achieve our mission of safeguarding the interests of all stakeholders, enhance the value of the Bank and achieve sustainable growth.

The GCG principles of Transparency, Accountability, Responsibility, Independence and Fairness serve as a guide for all our business activities, and we regularly monitor its implementation. In 2023, we further strengthened our risk management framework through the anti-fraud policy. A UOB Fraud Hotline was established, providing a safe channel for reporting suspected fraud and ensuring independent fraud investigations by the investigation unit. We also set up an Integrated Fraud Management function that works closely with business and support units to strengthen existing practices in the six pillars of the anti-fraud strategy - prevention, detection, handling, resolution, remediation and reporting.

We continue to put in place a whistleblowing policy and process, supported by the Internal Audit department and the Audit Committee. We have completed the Violation Reporting System to protect

Board of Commissioners Report

the confidentiality of whistle-blowers so that they can report alleged violations of the Code of Ethics, including acts of fraud, with greater peace of mind.

In accordance with the regulatory requirements, we regularly carry out self-assessments of the Bank's GCG implementation. A rating of "2" was accorded for the self-assessment conducted in 2023, which placed us in the "Good" classification.

Assessment of the performance of the Board of Commissioners Committees

In performing its supervisory duties and providing direction and advice to the Bank's management, the Board of Commissioners is assisted by the Remuneration and Nomination Committee, Risk Monitoring Committee, Audit Committee, and Integrated Corporate Governance Committee. Each committee is chaired by an Independent Commissioner. In 2023, these committees performed their functions well and provided inputs to the Board of Commissioners to ensure the Bank's sustainable growth.

Implementation of supervisory role

In accordance with our supervisory role, the Board of Commissioners actively provides advice and recommendations to the Board of Directors through formal, informal and periodic joint meetings to ensure that the Bank's strategic policies and initiatives are implemented properly.

In 2023, we organised six internal meetings and four joint meetings with the Board of Directors. The number of meetings met the regulatory requirement and is in line with the Board of Commissioners' commitment to improving the Bank's performance.

Composition of the Board of Commissioners

An Extraordinary General Meeting (EGM) was held with shareholders on 26 October 2023 to approve the resignation of Mr Aswin Wirjadi as Independent Commissioner and the appointment of Mr Johanes Susilo as Independent Commissioner with effect from 30 January 2024. I continue to serve as the President Commissioner, along with my fellow Commissioners – Mr Chin Voon Fat (Frederick Chin), Mr Chan Kok Seong, Mr Wayan Alit Antara, Mr Johanes Susilo and Mr VJH Boentaran Lesmana.

Acknowledgment

On behalf of the Board of Commissioners, I would like to thank our customers for their unwavering support, and working with us to ride through dynamic business conditions. I would also like to express my greatest appreciation to the Board of Directors, the Management and all UOB Indonesia colleagues for their contribution and steadfast dedication to apply UOB values in the daily operations of the Bank.

Finally, to our shareholders, thank you for your trust in UOB. I look forward to your continued support as we focus on building a sustainable future for all.

Wee Ee Cheong
President Commissioner
PT Bank UOB Indonesia

April 2024

Board of Directors Report

[GRI 2-22] [OJK-D.1]

"UOB Indonesia remains committed to supporting the country's economic recovery by playing our role as a financial intermediary, offering progressive and customised banking products and solutions to our customers to satisfy their business and personal needs, as well as advancing their financial ambitions."

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to issue the Annual Report of PT Bank UOB Indonesia (UOB Indonesia), along with the Sustainability Report, for the financial year ended 31 December 2023.

2023 economic condition

The post-pandemic economic recovery was bumpy due to the ongoing geopolitical tensions around the world, including the prolonged Russian-Ukrainian war, the Israeli-Palestinian conflict and the rivalry between China and the United States and its allies. These have led to disruptions in global energy and supply chains and elevated global inflation, while developed countries held on to tight monetary and fiscal policies.

Despite the economic growth in the United States outperforming consensus, the global economy remained sluggish. Particularly for developed countries in Europe and Asia, including China, growth remained under pressure. Global financial institutions, such as the IMF, lowered their projections for global economic growth in 2023. Amid less favourable global economic conditions, and the price declines of Indonesia's primary commodities in the global market, such as coal, tin and crude palm oil, the Indonesian economy showed resilience. Gross Domestic Product is projected at range of 4.9 per cent to 5.1 per cent, supported by the continued strong domestic demand and contribution from net exports. Inflation also remained stable at 2.6 per cent, down from 5.5 per cent in the previous year.

The banking industry recorded a 10.38 per cent growth in credit in 2023, attributed to both the corporate and retail segments. The rising demand for lending across all sectors showed strong resilience of the Indonesian economy despite various headwinds. Investment loans and working capital loans grew 12.26 per cent and 10.05 per cent respectively. Asset quality stayed benign, with nationwide non-performing loans shrinking to 2.19 per cent as of 31 December 2023 from 2.65 per cent a year ago.

The government's policies and macro prudential approach succeeded in driving a strong and sustainable recovery. As a catalyst for economic growth, we are committed to supporting our stakeholders to build a better future together.

2023 financial performance

Amid the dynamic and challenging global macro environment, UOB Indonesia registered a credible financial performance, riding on the strength of the domestic economy and the Bank's strong market position. Our total assets grew 17.5 per cent to IDR162.5 trillion while our net loans stood at IDR79.9 trillion, with loan to deposit ratio at 69.9 per cent.

We continued to strengthen the Bank's capital position through a rights issue of IDR1.5 trillion during the year, strengthening the Bank's minimum capital adequacy ratio to 18.3 per cent, well above the regulatory requirement.

Board of Directors Report

Operating income decreased from IDR1,136 billion in 2022 to IDR917 billion in 2023, while net profit fell by 29.0 per cent to IDR675 billion, mainly due to one-off integration costs related to the acquisition of Citigroup's consumer business in Indonesia. Net interest income grew 4.1 per cent from IDR5.1 trillion in 2022 to IDR5.3 trillion in 2023, due to interest income from loans as result from higher yield in 2023 from Citi consumer business.

Net interest margin (NIM) in 2023 and 2022 were 3.9 per cent and 4.0 per cent respectively, decreased by 0.1 percentage point. The decrease in NIM was due to higher cost of fund.

Asset quality improved alongside the recovery of the Indonesian economy. Non-performing loan ratio decreased from 3.0 per cent in 2022 to 2.6 per cent in 2023, below the industry's average of 3.0 per cent.

While we continue to support the implementation of the Financial Services Authority lending restructuring programme by providing credit relief programme to debtors until March 2024, we exercise great prudence in risk management and monitor our portfolio closely.

2023 strategic priorities

To navigate the uncertain business environment, the Board of Directors remained agile to implement the Bank's strategy through a combination of top-down and bottom-up approaches. Monthly committee meetings were held to monitor the progress of strategic projects, to ensure that the Bank's goals were achieved. We evaluated internal and external factors in the current and future environment, including macroeconomic conditions, industry dynamics and the evolving needs of customers to derive a holistic evaluation which enabled us to make the well-informed decisions to achieve our strategic goals.

UOB Indonesia remains committed to supporting the country's economic recovery by playing our role as a financial intermediary, offering progressive and customised banking products and solutions to our customers to satisfy their business and personal needs, and advancing their financial ambitions. Our Purpose is to build the future of ASEAN with the long term in mind. We strive to develop our business responsibly and sustainably, anchored upon our three strategic pillars of Connectivity, Personalisation and Sustainability. We have outlined a strategic roadmap to ensure sustainable growth including developing new and improved solutions for businesses and individuals, and leveraging our extensive network to help our customers capture the opportunities in the region.

We held the Gateway to ASEAN conference in Jakarta in October 2023 for the first time. This second edition of the regional conference brought together business leaders and key decision makers from both the private and public sectors, to explore the growth and investment potential in ASEAN and areas for collaboration.

In November 2023, we completed the acquisition and integration of Citigroup's consumer banking business, expanding our retail customer base.

We continually supported the adoption of new digital banking solutions for businesses to prepare them for the digital future. We are focused on supporting our clients to build digital-ready businesses and to foster digital transformation. In 2023, we rolled out UOB Infinity, our digital banking platform for businesses in Indonesia. Equipped with Financial Supply Chain Management capabilities, it offers a comprehensive suite of cash management and trade services to improve our clients' cash flow and working capital.

We continue to drive the success of UOB TMRW, the Bank's main digital channel to engage our retail customers, by expanding our suite of intelligent and personalised insights to enable them to be in control of their money, and enhancing its features to improve customers' digital experience, making banking, investing and enjoying rewards simpler and smarter. In 2023, we re-branded TMRW by UOB to UOB TMRW, to unify with the rest of the region. We also launched the new Rewards+ functionality, enabling customers to browse and redeem their rewards from credit card transactions.

The increasing demand for sustainable financing and investments had prompted UOB Indonesia to establish a Country Sustainability Office, tasked to develop our sustainability portfolio and provide green loans and other sustainable financing options, including U-Solar and U-Energy financing solutions. We are also committed to achieving net zero by 2050 to support the Indonesian government's sustainability targets.

Board of Directors Report

Upholding Good Corporate Governance

In 2023, we implemented several initiatives to improve our corporate governance processes and practices, including the development of stronger controls for early detection and risk management. We also established dedicated risk control management units for business segments that require stricter risk control.

To reinforce a strong risk management culture, the Bank conducted a series of training programmes ranging from fraud awareness, anti-money laundering, anti-bribery, to IT security.

The result of our self-assessment conducted on the implementation of good corporate governance was a composite score of 2 with a "good" classification, reflecting adequate compliance with governance principles.

These initiatives, along with clear accountability and effective supervision from the Board of Commissioners, Board of Directors, Committees, Internal Audit Unit and Corporate Secretary, had contributed to improvement in the overall quality of corporate governance practices.

No change in composition of the Board of Directors

There was no change to the composition of the Board of Directors in 2023. Members of the UOB Indonesia Board of Directors as of 31 December 2023 are as follows:

- President Director: Hendra Gunawan
- Director: Teh Han Yi
- Director: Harapman Kasan
- Director: Sonny Samuel
- Director: Choi Yau Chi (Henry Choi)
- Director: Henry Santoso
- Director: Paul Rafiuly
- Compliance Director: Ardhi Wibowo

Performance of Committees under the Board of Directors

In performing their duties, UOB Indonesia's Board of Directors was assisted by several committees, including the Executive Committee, Risk Management Committee (including Anti Money Laundering Committee and Business Continuity Management Committee), Credit Committee, Asset and Liabilities Committee, Information Technology Committee, Human Resources Committee, Credit Policy Committee, and Integrated Risk Management Committee.

In 2023, the Committees under the Board of Directors performed their duties and responsibilities adequately by providing guidance, constructive suggestions and recommendations to support the implementation of the Board of Directors' duties and responsibilities and encouraging sustainable business growth.

By implementing Good Corporate Governance (GCG) and applicable governance guidelines and standards, we are confident that we can achieve our long-term goals of creating value for all our stakeholders.

2024 prospects and strategies

The macroeconomic environment is expected to remain bumpy in the year ahead. Against a backdrop of growth uncertainties and moderating inflation, financial market participants are anticipating global interest rates to start easing after rising for two years.

Global growth is expected to moderate amid weaker consumer demand and tighter monetary policies to control inflation. China's economic situation remains challenging with growth likely to stay soft in 2024. A further escalation of geopolitical tensions in Eastern Europe and the Middle East may drive up energy and food prices, as well as shipping costs worldwide, putting pressure on consumer prices and central banks.

Despite these challenges, we continue to be optimistic about ASEAN's potential on the back of improved domestic demand and rebounding exports. Indonesia, in particular, is predicted to continue its recovery trajectory fuelled by the continued strength of domestic consumption, high trade balance surplus, and the realisation of various downstream investment plans. The elections have also sparked positive sentiments, leading to higher economic growth projections for 2024 by global financial institutions such as the International Monetary Fund (IMF), Asian Development Bank (ADB) and World Bank. The government, along with Bank Indonesia, has predicted a growth of 5.2 per cent, with controlled inflation rate of around 2.8 per cent.

Bank Indonesia has stated that it will continue to implement prudential and accommodative macro policies to maintain growth momentum. The government's commitment to expand credit distribution for Micro, Small and Medium Enterprise (MSMEs),

Board of Directors Report

People's Business Credit and green financing, are expected to bring credit growth to the range of 10.0 to 12.0 per cent in 2024. Meanwhile, with the well-controlled inflation rate, the strength of Rupiah is expected to remain stable. Bank Indonesia also has capacity to maintain the reference interest rate at the current 6.00 per cent level.

Responding to the more optimistic outlook, UOB Indonesia will embark on a more aggressive growth strategy, while maintaining the strength of our balance sheet and sound business model. We will also continue to innovate and provide tailored financial products and services catered to different customer preferences and needs.

The completion of the acquisition of Citigroup's consumer banking business in Indonesia has not only expanded our customer base, but also added depth and breadth to our product mix, solution offerings and ecosystem of partners. UOB is well-placed to serve the needs of aspirational Indonesians, domestically as well as regionally. We will intensify the enhancement of UOB TMRW platform, to acquire and serve customers digitally.

The Bank is committed to increasing profitability by expanding its presence in the Retail sector, while also diligently maintaining post-acquisition portfolio synergies to foster sustainable growth.

The Bank also aims to strengthen funding and support customers in business development through credit distribution, financial solutions and services in trade, cash management, and treasury and investment products. The Bank is aligned with its strategic vision, continuing to invest in technology and human resources to bolster capabilities and ensure sustainable business growth in the future.

Our support towards achieving sustainability goals

We are committed to contributing to the long-term economic, social, and environmental prosperity of the country. Asia has been identified as one of the world's most vulnerable regions to global warming and we will play our part in supporting climate change mitigation and adaptation efforts.

Our Country Sustainability Office will focus on fostering a sustainability culture and coordinate the sustainability programmes to grow the sustainability portfolio.

Built upon our values of Honourable, United, Committed and Enterprising, our sustainability culture will be focused on four pillars, namely promoting sustainable development, prioritising customers, developing principled professional individuals; and carrying out corporate responsibility.

From the economic aspect, we continue to increase our sustainability portfolio by increasing the distribution of Sustainable Business Activity Category financing, particularly to the MSME segment which contributes up to 60 per cent of Indonesia's total Gross Domestic Product.

On sustainability, we are committed to achieve net zero by 2050. We will intensify the offering of sustainable financing. As at the end of 2023, we have extended IDR 14.7 trillion in sustainable financing. We have also significantly reduced our use of paper and electricity since the environmentally friendly banking campaign was launched and have successfully implementing a 100 per cent waste recycling programme at the UOB Indonesia Head Office in collaboration with third party.

On the social front, we implemented various community empowerment programmes, such as financial literacy across educational institutions. As part of the Bank Indonesia Working Group "Pokja BI", we conducted a series of financial literacy programmes to high school and college students and low-wage workers, to improve their understanding of financial management and increase their access to financial products.

Board of Directors Report

Giving back to the communities

We believe in empowering the communities where the Bank operates. Therefore, we always strive to support social development, opening minds and hearts through social causes related to children, education, and arts.

Our annual flagship UOB Painting of the Year (POY) competition continues to discover and nurture artists across the country, providing an avenue for them to share their passion and creativity through art. We also held a series of exhibitions last year to promote the winners of the UOB POY Indonesia, and collaborated with Art Jakarta to provide visual arts education, promote digital literacy and environmental awareness through initiatives such as "Play by UOB" art space for children.

We held our UOB Heartbeat Run/Walk, with more than 2,000 colleagues taking part. Collectively, we raised more than IDR250 million in donations to foundations supporting special needs schools and hearing-impaired children.

Appreciation

On behalf of the Board of Directors, I would like to express my gratitude and appreciation to the Board of Commissioners for their advice and direction throughout 2023. We also thank our shareholders, customers and business partners for their support and trust in the Bank.

I would also like to express my appreciation to all UOB Indonesia employees for their hard work throughout 2023. With their support, I hope to maintain our momentum and enthusiasm in the coming year and jointly drive UOB Indonesia for sustainable growth.

Hendra Gunawan
President Director
PT Bank UOB Indonesia

April 2024

Board of Directors of UOB Indonesia

Left to right: Paul Rafiuly, Harapman Kasan, Ardhi Wibowo, Hendra Gunawan

Left to right: Henry Santoso, Teh Han Yi, Choi Yau Chi (Henry Choi), Sonny Samuel

Chapter .03
Company Profile

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Jakarta, Indonesia

UOB

Corporate Identity

[GRI 2-1] [GRI 2-28] [C.2] [C.3] [C.5]

Company Name
PT Bank UOB Indonesia

Commercial Name
UOB Indonesia (UOBI)

Line of Business
Banking Industry

Entity Status
Limited Liability Company

Date of Establishment
24 October 1956

Date of Operations
1 November 1956

Legal Basis of Establishment
- Deed of Company Establishment No. 150 drawn up by Eliza Pondaag S.H., Notary in Jakarta, dated 31 August 1956
- Decree of Minister of Justice of the Republic of Indonesia (currently Minister of Law and Human Rights) No. J.A.5/78/4 dated 24 October 1956
- State Gazette No. 96 dated 30 November 1956
- Supplement to State Gazette No. 1234/1956

Share Ownership
- UOB International Investment Private Limited, Singapore (68.943%)
- United Overseas Bank Limited, Singapore (30.056%)
- Yayasan Kesejahteraan Nusantara (1.000%)
- Others (0.001%)

Authorized Capital
IDR9,000,000,000,000, comprising of 36,000,000,000 shares with nominal value of IDR250 per share

Issued and Fully Paid Capital
12,227,591,633 shares or equivalent to IDR3,056,897,908,250

Business Scale

Number of Offices
1 Head Office
4 Regional Offices
42 Branch Offices
89 Sub-Branch Offices

ATM Network
142 ATMs

Operational Area
44 cities in 16 provinces in Indonesia

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UOB Plaza Jl. M.H.Thamrin No. 10
DKI Jakarta 10230, Indonesia

Telephone Number
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Social Media
Facebook:
UOB Indonesia, TMRW Indonesia
Instagram:
uob.id, uobcards.id, TMRWIndonesia
YouTube:
UOB Indonesia, TMRW Indonesia

Corporate Identity

[GRI 2-1] [GRI 2-28] [C.2] [C.3] [C.5]

Operating Income in 2023
IDR917 billion

Net Interest Income in 2023
IDR5,357 billion

Total Assets in 2023
IDR162,546 billion

Total Liabilities in 2023
IDR144,945 billion

Total Equity in 2023
IDR17,601 billion

Number of Products and Services Provided

- 5 (five) main products, comprising Lending Products, Funding Products, Investment Products, Bancassurance Products, and Treasury Products
- 23 (twenty three) types of banking services

Number of Employees as of 31 December 2023
4,252 employees

Association Membership

- Association of National Banks (PERBANAS)
- Indonesian Association of International Banks (PERBINA)
- Indonesian Payment System Association (ASPI)
- Banking Compliance Director Communication Forum (FKDKP)
- Indonesian Credit Card Association (AKKI)

Remembering Dr Wee Cho Yaw, Founder of UOB Indonesia

In recognition of the tremendous efforts that Dr Wee Cho Yaw made in growing UOB Indonesia to be a responsible and trusted member of the Indonesian banking community, the Bank had proudly conferred upon Dr Wee the title of Founder of UOB Indonesia in perpetuity upon his retirement in 2019.

Dr Wee Cho Yaw
Founder of UOB Indonesia

Dr Wee Cho Yaw, founder of UOB Indonesia and its President Commissioner from 2005 until his retirement in 2019, passed away on 3 February 2024 at the age of 95.

Under his leadership as President Commissioner, Dr Wee was instrumental in steering UOB Indonesia's solid performance. His active support drove the Bank's transformation and strategic investments in people and capabilities for the benefit of the Bank's customers and stakeholders.

In recognition of the tremendous efforts that Dr Wee made in growing UOB Indonesia to be a responsible and trusted member of the Indonesian banking community, the Bank had proudly conferred on Dr Wee the title of Founder of UOB Indonesia in perpetuity upon his retirement in 2019.

Dr Wee was Chairman Emeritus and Honorary Adviser of the UOB Group. Dr Wee has received many accolades for his business achievements and his support of education, community welfare, and the business community. Among the awards conferred on him are the Distinguished Service Order, one of the Singapore's highest National Day Awards, ASEAN Business Advisory Council Legacy Award for Singapore and Honorary Degrees of Doctor Letters from the National University of Singapore and Nanyang Technological University.

UOB Indonesia is deeply grateful to Dr Wee for his wise counsel, leadership and guidance throughout his term as President Commissioner.

UOB Indonesia in Brief

History of UOB Indonesia's Name

- **1956** — PT Bank Buana Indonesia
- **2007** — PT Bank UOB Buana Tbk
- **2011** — PT Bank UOB Indonesia

UOB Indonesia was founded on 31 August 1956 under the name PT Bank Buana Indonesia. In May 2011, the Bank changed its name to PT Bank UOB Indonesia.

UOB Indonesia's service network consisted of 42 branch offices, 89 sub-branch offices, and 142 ATMs across 44 cities in 16 provinces in Indonesia. UOB Indonesia's banking services are accessible through its regional ATM network, the ATM Prima and Bersama networks and the Visa network.

UOB Indonesia is rated AAA(idn) by the Fitch Ratings Indonesia, an independent rating agency. UOB Indonesia also won the Platinum Award for Exceptional Financial Performance from Infobank Magazine for 10 consecutive years.

UOB Indonesia is well known for its focus on small and medium enterprises, and strong retail customer base. The Bank has built a consumer as well as corporate banking business which offer treasury and cash management products and services.

With its extensive network of services, information technology systems, sound capital structure and highly qualified staff, UOB Indonesia aims to create sustainable long-term value for its stakeholders. UOB Indonesia's focus remains on transforming UOB Indonesia into a significant bank through disciplined growth and stability.

Company Logo

UOB's logo comprises the iconic red five-bar logo mark and the abbreviated name "UOB" in a modern and simple logo type. Derived from the traditional Chinese 'five-bar gate' system of counting in fives, the logo mark symbolises security and unity. The simplicity of the logo type reflects the Bank's focus and clarity.

Milestones

1950s - 1990s

1956
Established under the name PT Bank Buana Indonesia, the Bank commenced its commercial operations.

1972
Acquisition of PT Bank Pembinaan Nasional, Bandung.

1974
Acquisition of PT Bank Kesejahteraan Masyarakat, Semarang.

1975
Acquisition of PT Bank Aman Makmur, Jakarta.

1976
Obtained a license as a Foreign Exchange Bank.

1998
Ranked as an "A" category bank by Bank Indonesia.

2000s

2000
Initial Public Offering and share listing at the Jakarta Stock Exchange and the Surabaya Stock Exchange.

2000s

2003
The entry of International Finance Corporation (IFC) as the first overseas shareholder through the Right Issue II.

2004
- UOB International Investment Private Limited (UOBII) became the second largest shareholder after PT Sari Desa Karsa.
- Issuance of Subordinated Bonds I.

2005
- IFC divested its entire shareholding in the Bank.
- UOBII became the majority shareholder with 61.11 per cent shareholding.

2007
- Changed its name from PT Bank Buana Indonesia Tbk to PT Bank UOB Buana Tbk.
- United Overseas Bank Limited (UOB), through UOBII, became the majority shareholder of the Bank.

2008
- The Extraordinary General Meeting of Shareholders approved the change of status to a privately-held entity.
- The UOB share ownership rose to 98.997 per cent following a tender offer for the publicly-held shares.
- Delisting of the Bank's shares from the Indonesia Stock Exchange.

2009
Call option for the debt principal of Subordinated Bonds I.

2010s - 2020s

2010
The former PT Bank UOB Indonesia merged with PT Bank UOB Buana Tbk.

2011
Changed its name to PT Bank UOB Indonesia.

2012
The Bank, together with the UOB Group, introduced a new regional-wide uniform for front-liners conveying an impression of professionalism, confidence, and outlook for the UOB Group.

2013
Implementation of Core Banking Standardisation project, covering infrastructure systems development to improve services.

2016
- Issuance of Shelf Registration Senior Bonds I and Subordinated Bonds I Bank UOB Indonesia Phase I Year 2016.
- Launch of Business Internet Banking (BIB) and Personal Internet Banking (PIB) service platforms was launched to improve the Bank's competitiveness and customer service quality.

Milestones

2010s – 2020s

2020

- Launch of TMRW, the first digital bank for ASEAN's digital generation.
- Right Issue of 1,632,759,084 shares with nominal value of IDR250 per share offered at IDR1,225 per share.

2021

Held Economic Outlook 2022 attended virtually by President of the Republic of Indonesia.

2022

- The signing of an Asset and Liability Transfer Agreement with Citibank, N.A, the Indonesia branch.
- Launch of TMRW Pay, an e-commerce loan that enables consumers to manage their budgeting needs conveniently.
- Launch of U-Energy, Asia's first integrated financing platform to drive energy efficiency.
- UOB has partnered with PT Chandra Asri Petrochemical, Tbk (Chandra Asri) to launch the bank's first-ever Sustainability-Linked Trade financing facility in Indonesia.
- UOB Indonesia announced its collaboration with PT Sompo Insurance Indonesia (Sompo Insurance) to offer SME Digital Insurance, a comprehensive insurance protection for Indonesia's small- and medium-sized enterprises (SMEs).

2010s – 2020s

- UOB Indonesia has partnered PT Prudential Life Assurance (Prudential Indonesia) to launch PRUTect Care, a Sharia-compliant life insurance product, on TMRW platform.
- UOB Indonesia held UOB Economic Outlook 2023 with the theme *"Emerging Stronger in Unity and Sustainably".* Mr Joko Widodo, President of the Republic of Indonesia, opened the event with special remarks. Followed by Ms Sri Mulyani, Minister of Finance of the Republic of Indonesia, delivered a keynote speech.
- UOB announced its commitments to reach net zero by 2050. This underlines its goal to support a just transition that advances sustainable socioeconomic development in tandem with decarbonisation in Southeast Asia.

2023

- Launch of UOB Infinity, a digital platform which allows businesses to manage their banking needs in a simpler, smarter and more personalised manner.
- UOB Indonesia, Visa, and Volopay launch corporate credit card solution to help businesses with efficient expense management.
- Launch of UOB FinLab, UOB's flagship innovation accelerator to help local businesses grow and

2010s – 2020s

transform digitally. In Indonesia kick-started its inaugural digitalisation programme entitled UKM SUKSES *(Sistem Usaha Kreatif dan Solusi Ekonomi Sejahtera).*
- UOB Indonesia launches new financial supply chain management capabilities in UOB Infinity to enable clients digitalise their supply chain financing. FSCM capabilities will enable clients to connect buyers, suppliers, and distributors within their supply chain ecosystem in Indonesia, across ASEAN and Greater China.
- UOB Indonesia held the first UOB Gateway to ASEAN Conference 2023, the first event outside Singapore. The event gathered business leaders, clients, and partners from Indonesia, ASEAN and Greater China, along with government officials.
- UOB completes acquisition and integration of Citigroup's consumer banking business in Indonesia. Entire acquisition successfully completed in all four ASEAN markets – Indonesia, Malaysia, Thailand, and Vietnam.
- Right Issue of 1,040,946,745 shares with nominal value of IDR250 per share offered at IDR1,441 per share.

Vision, Mission, Sustainability Objective and Values

[GRI 2-23] [C.1]

UOB Indonesia has set its vision, mission, sustainability objectives & values as follows:

Vision

To be a significant bank in Indonesia, a key part of the UOB Group, valued by our customers, colleagues, shareholders, and regulators and admired by the public, as a trusted long-term banking institution.

Mission

To create sustainable economic value for all our stakeholders through a team of loyal, dedicated and professional bankers, committed to meeting and exceeding the needs and expectations of our stakeholders; with the highest quality products and services for our desired customer segments in retail and wholesale banking, and superior financial and prudential outcomes for our colleagues, shareholders, and regulators.

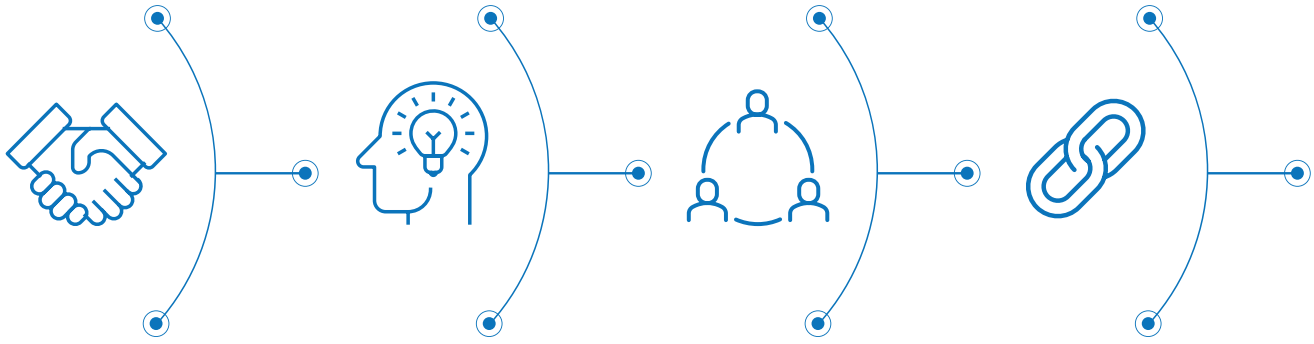
Sustainability Objective

We believe that as a part of Indonesia's financial services industry, we have a duty to contribute to and to ensure the nation's long-term economic, social and environmental well-being. We also recognise that good corporate governance is essential for embedding sustainable business practices across the Bank.

Vision, Mission, Sustainability Objective and Values

[GRI 2-23] [C.1]

Our Values



Honourable

We act prudently to fuel our customer's success, maintaining the highest professional and moral standards. We do what is right for you through discipline, clarity, and courage.

Enterprising

We were built with an enterprising spirit, demonstrated through thought leadership, keen insight and a forward-looking mindset.

United

We work as a team to achieve individual and corporate goals with cooperation, mutual respect and loyalty.

Committed

We are committed to build a better tomorrow. We are accountable for ensuring that UOB is a trusted source of stability, security and strength.

Business Activities

[GRI 2-6] [C.4]

Business Activities According to the Articles of Association

Pursuant to Article 3 of the Bank's Articles of Association, the Bank's purpose and objectives are to conduct business activities in the following fields:

a. collect funds from the public in the form of deposit such as current account, time deposit, certificate of deposit, savings, and/or other equivalent forms;
b. provide credit;
c. issue a Debt Acknowledgement Letter;
d. buy, sell or warrant at their own risk or for the benefit of and on the orders of the customers for the following items:
    1. bills of exchange, including money orders accepted by bank whose validity period is not longer than the general practice in trading of the bills of exchange;
    2. debt acknowledgment letters and other trading papers whose validity period is not longer than the general practice in trading of the debt acknowledgment;
    3. State treasury papers and Government letter of guarantee;
    4. Bank Indonesia Certificates (SBI);
    5. bonds;
    6. Trade Certificates; and
    7. other securities instruments.
e. transfer money for their own interest and for the benefit of customers;
f. placing funds in, borrowing funds from, or lending funds to other banks, either by using letters, telecommunication facilities or by money orders, checks or other means;
g. receive payments from bills on securities and carry out calculations with or between third parties;
h. provide a place to store valuables and securities;
i. carry out custody activities for the benefit of other parties based on a contract;
j. carry out placement of funds from customers to other customers in the form of securities that are not listed on the stock exchange;
k. provide financing and/or carry out other activities based on sharia principles, in accordance with the provisions stipulated by Bank Indonesia, the Financial Services Authority, and the National Sharia Council;
l. carry out factoring activities, credit card business and Trustee activities;
m. carry out activities in Foreign Exchange, in compliance with the provisions stipulated by Bank Indonesia and Financial Services Authority;
n. carry out capital investment activities in banks or other companies in the field of finance, such as capital lease, venture capital, securities company, insurance, clearing and underwriting institutions, as well as depository and settlement agencies, in accordance with the prevailing laws and regulations and in compliance with the provisions stipulated by the Bank Indonesia and Financial Services Authority;
o. carry out temporary capital investment activities to overcome the consequence of credit failure, including the financing failure under the Sharia Principles provided that such participation must be withdrawn in due time, in accordance with the prevailing laws and regulations and in compliance with the provision stipulated by the Bank Indonesia and Financial Services Authority;
p. act as the founder of the Pension Fund and the Pension Fund Manager in accordance with the prevailing laws and regulations;
q. carry out other businesses that are generally performed by a Commercial Bank, both conventionally and based on Sharia Principles within or outside the country.

Actual Business Activities

As of 31 December 2023, UOB Indonesia conducted the business activities as mentioned above.

Globally, UOB has 3 (three) core business segments comprising of retail, wholesale banking, and global markets. In Indonesia, UOB Indonesia's banking activities are segmented into commercial banking, corporate banking, personal financial services, business banking, and financial institution.

Business Activities

[GRI 2-6] [C.4]

Products and Services

Following tables contain a wide variety of the Bank's products and services:

1. Investment and Bancassurance Products

a. Investment Products

- Mutual Fund Selling Agent
- Secondary Government Bonds
- UOBI Maxi Yield
- Retail Online Government
- Bonds (E-SBN)
- Corporate Bonds

b. Bancassurance Products

UOB Indonesia teams up with insurance companies to provide financial solution for customers by offering life and health insurance products with single or periodic premium payments.

- Builder Assurance Account (BAA)
- Builder Assurance Account Max (BAA Max)
- Builder Investor Account (BIA)
- Builder Investor Account Max (BIA Max)
- PRUCinta
- Smart Level Term
- PRU Life Extra Return
- Extra Care Plus
- Builder Critical Protection
- Hospital Cash Plan
- Pru Accident Cover
- PRUWealth Extra
- PRUWealth Extra Neo
- Usave PRUStar
- Lady's Account Critical Cover (integrated with Tabungan UOB Lady's Account)
- PRULevel Term
- PRUcorporate Life
- PRUcorporate Medical
- Credit Protection
- Credit Protection Max
- PRU Accident Guard Plus
- PRUHospital Advantage
- PRUHospital Protection
- Optima
- PRULife Harvest Plan
- PRULife Guard
- PRUcorporate Personal
- Accident
- Manulife Group Life Health
- Manulife DPLK *(Dana Pensiun Lembaga Keuangan)*

2. Lending Products

a. Lending Products

- Business Property Loan
- Business Solution Loan
- Business Express Loan
- Current Account Loan (Rupiah and FX)
- Revolving Credit Facility
- Fixed Loan
- Fixed Asset Investment Loan
- Business Vehicle Financing
- Construction Investment Loan
- Heavy Equipment Financing
- Property Business Financing
- Installment Loan (Rupiah and FX)
- Micro Business Loan
- Import-Export Credit
- Corporate Credit Card, such as Corporate Card, Purchasing/D-Card and Business
- Letter of Credit (LC)
- Shipping Guarantee
- Bank Guarantee – Standby Letter of Credit
- Import Invoice Financing
- Export Invoice Financing
- Trust Receipt
- Pre Shipment Financing
- Early Payment Discount
- Credit Bills Purchased
- Bill of Exchange Purchase
- Distributor/Dealer Financing

Business Activities

[GRI 2-6] [C.4]

- Supplier Financing
- Account Receivable Purchase
- Contract Financing
- Secured Back to Back
- Home Loan
- Equity Loan

b. Cards and Payments Products

- Privimiles Credit Card (Visa)
- Preferred Platinum Credit Card (MasterCard & Visa)
- YOLO Credit Card (Visa)
- UOB Debit Card Visa Regular
- UOB Debit Card Visa Privilege Banking
- Lady's Credit Card (MasterCard)
- ONE Credit Card (Visa)
- TMRW Credit Card (MasterCard)
- UOB Debit Card GPN
- TMRW Debit Card GPN
- Personal Loan

3. Funding Products

a. Saving Account

- Privilege Account
- One Account
- Stash Account
- Lady's Account
- UOB Gold Saving Account
- Rekening Valas Produktif
- U-Save
- U-Plan
- Tabungan Biz88
- U-BIZ88
- Tabunganku
- Simpanan Pelajar
- TMRW Everyday Account
- TMRW Savings Account
- Tabungan Non Interest

b. Current Account

- Giro Rupiah
- Giro Valas
- Giro 88
- U-Biz88
- Giro Threshold
- Giro Non Interest

c. Deposit

- Deposito Rupiah
- Deposito Valas
- TMRW Power Saver

Business Activities

[GRI 2-6] [C.4]

4. Treasury Products

a. Foreign Exchange (FX) Products:

Value Today, Value Tomorrow and Value Spot, Forward, Swap, Par Forward, Domestic Non-Deliverable Forward (DNDF)

b. Derivative Products:

Interest Rate Swap (IRS), Cross Currency Swap (CCS), Plain Vanilla FX Options, Interest Rate Caps and Floors

c. Money Market (MM) Products:

Placement, Borrowing

d. Structured Product:

Premium Forward Deposit (PFD), UOB MaxiYield, and Call Spread Option (CSO)

e. Securities instruments:

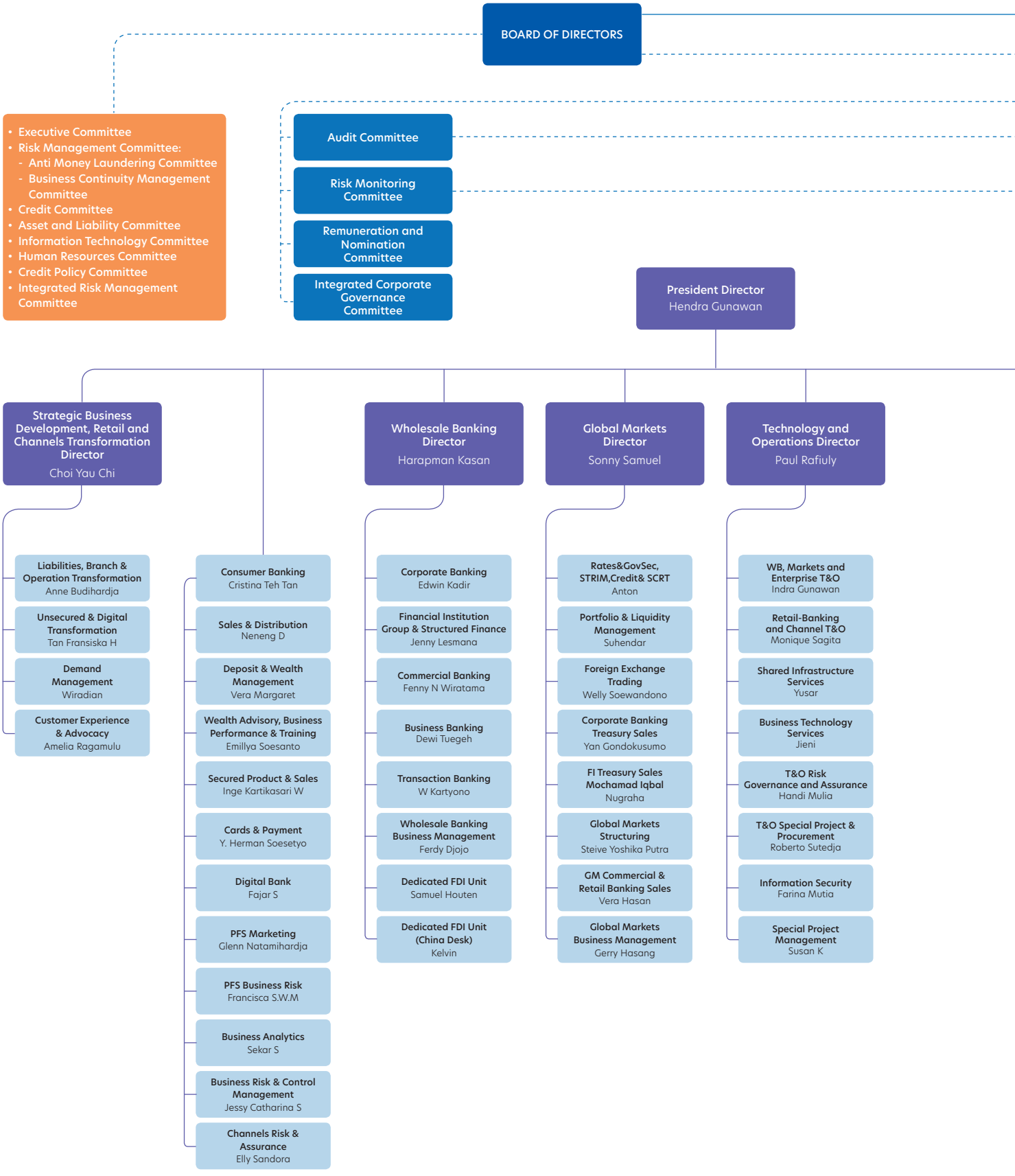
Indonesian Government Bonds/Retail Bonds (Primary Market and Secondary Market Transactions), Indonesian Corporate Bonds, Repo and Reverse Repo

5. Services

- UOB Lady's Account
- Simpanan Pelajar
- Safe Deposit Box
- Wesel and Inkaso Facility (FX)
- Bills Collection Facility (FX)
- Bank Draft (FX)
- Inward and Outward Transfer (Rupiah and Foreign Currency)
- Inward and Outward Collection
- Transfer LC
- Documentary Collections
- Clearing
- UOB Bill Pay: PLN, Telkom, Telkomsel, Indosat, XL and Indovision
- Bills Payment Autodebit
- 24 Hours Call Centre (14008)
- Cash Pick-up and delivery
- Liquidity Management Solution (Domestic & Global LMS)
- UOB Virtual Account
- Tax Payment/State Acceptance
- Domestic payment (SKN/LLG, RTGS, transfer online/RTOL, BI-FAST)
- Remittance (Telegraphic Transfer)
- Business E-Channels:
  - UOB Infinity (new business internet banking web including Trade and FSCM and mobile platform)
  - H2H File Transfer (FTS/RFTS)
  - Application Programming Interface (API)

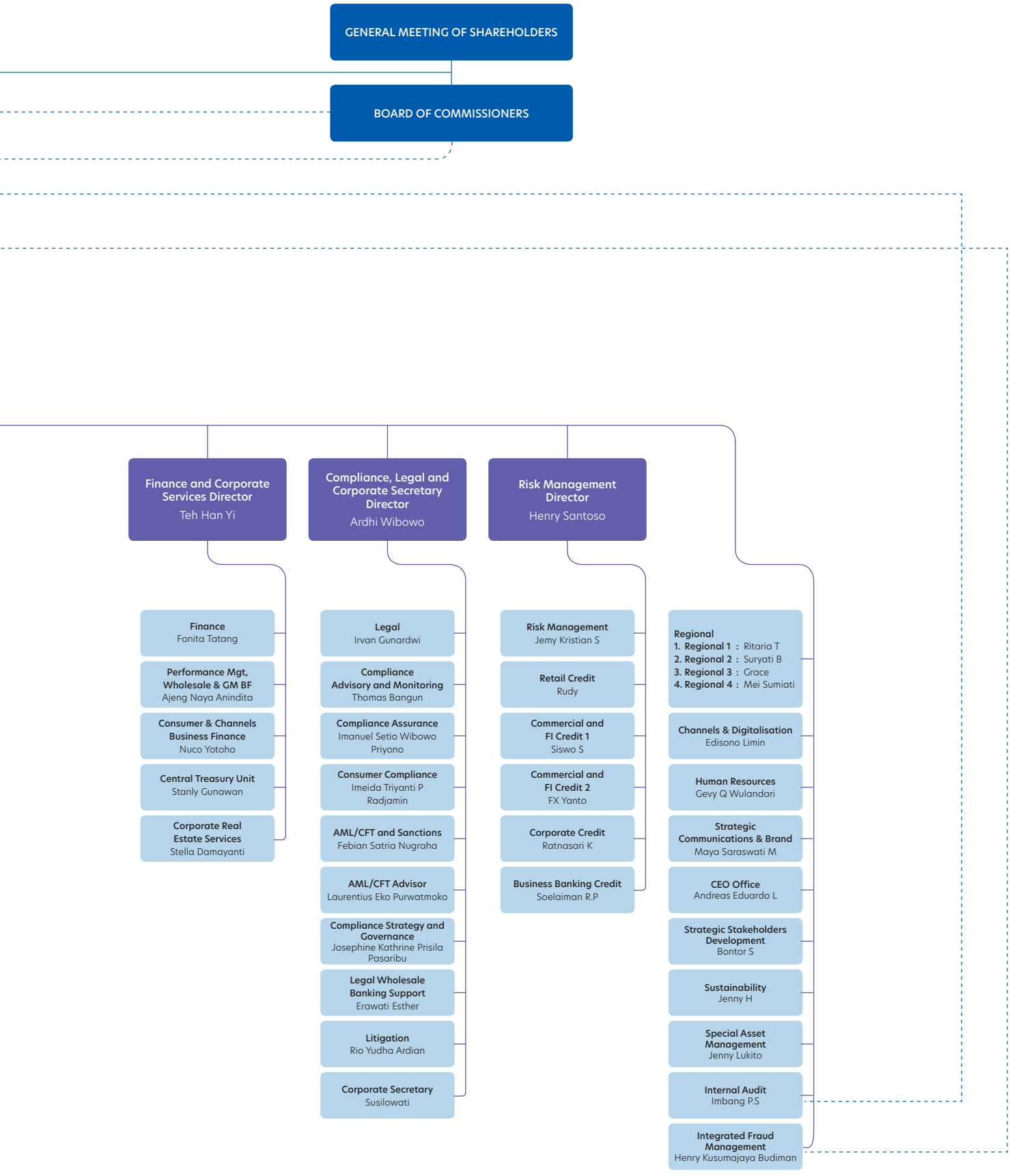
Organisational Structure

As of 31 December 2023



Note: Committees under BOC and BOD can be found in Good Corporate Governance section of this Annual Report on page No. 151-185.

Organisational Structure



Profile of the Board of Commissioners

WEE EE CHEONG
President Commissioner

Age 71 years old
Citizenship Singaporean
Domicile Singapore

Legal Basis of Appointment
- Annual General Meeting of Shareholder (AGM) Resolutions dated 22 June 2007 as Commissioner
- Extraordinary General Meeting of Shareholders (EGM) Resolutions dated 18 January 2011 as Deputy President Commissioner
- AGM Resolutions dated 29 April 2019 as President Commissioner
- Recent reappointment based on the AGM Resolutions dated 3 May 2023

Work Experience
Joined United Overseas Bank Limited (UOBS) in 1979 and has been a Director of UOBS since 1990

Educational Background
Bachelor of Science (Business Administration) and a Master of Arts (Applied Economics) from American University, Washington, DC, USA

Concurrent Positions
- Deputy Chairman and Chief Executive Officer at UOBS
- Chairman at United Overseas Insurance
- Chairman at United Overseas Bank (China)
- Chairman at United Overseas Bank (Thai)
- Director at United Overseas Bank (Malaysia)
- Council member of the Association of Banks in Singapore
- Council member of the Institute of Banking & Finance
- Member of the Board of Governors of the Singapore-China Foundation
- Honorary Council Member of the Singapore Chinese Chamber of Commerce & Industry

Affiliated Relationship
He has no affiliation with fellow members of the Board of Commissioners nor with the Board of Directors. However, he has an affiliation with the Controlling Shareholders

CHIN VOON FAT (FREDERICK CHIN)
Deputy President Commissioner

Age 63 years old
Citizenship Singaporean
Domicile Singapore

Legal Basis of Appointment
- AGM Resolutions dated 29 April 2019 as Commissioner and Deputy President Commissioner
- Recent reappointment based on the AGM Resolutions dated 3 May 2023

Work Experience
- Country Executive for Greater China, Thailand, Indonesia and Malaysia
- Executive Asia Pacific Committee Bank of America Merrill Lynch (2010-2013)
- Bank of America Merrill Lynch (1984-2013)

Educational Background
Bachelor Degree in Commerce (Accounting and Econometrics) from University of Melbourne, Australia

Concurrent Positions
Head of Group Wholesale Banking and Markets at UOBS

Affiliated Relationship
He has no affiliation with fellow members of the Board of Commissioners nor with the Board of Directors. However, he has an affiliation with the Controlling Shareholders

Profile of the Board of Commissioners

CHAN KOK SEONG
Commissioner

Age 61 years old
Citizenship Singaporean
Domicile Singapore

Legal Basis of Appointment
- AGM Resolutions dated 29 April 2019
- Recent reappointment based on the AGM Resolutions dated 3 May 2023

Work Experience
- UOB Malaysia (1998-2012) with his last position as Chief Executive Officer
- Head of Risk Management at Arab-Malaysian Merchant Bank (1995-1998)
- Assistant Manager at Central Bank of Malaysia (1986-1995)

Educational Background
Bachelor Degree in Accounting from University of Malaya, Malaysia

Concurrent Positions
Group Chief Risk Officer at UOBS

Affiliated Relationship
He has no affiliation with fellow members of the Board of Commissioners nor with the Board of Directors. However, he has an affiliation with the Controlling Shareholders

WAYAN ALIT ANTARA
Independent Commissioner

Age 75 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
- AGM Resolutions dated 20 June 2008
- Recent reappointment based on the AGM Resolutions dated 3 May 2023

Work Experience
- Commissioner at PT Sumber Abadi Tirtasentosa (2008-2015)
- Independent Commissioner at PT Bhakti Securities (2007-2008)
- Deputy President Director at PT Bank Rakyat Indonesia (Persero) Tbk (1976-2006)

Educational Background
Bachelor Degree in Agricultural Economics from the Faculty of Agriculture at Gadjah Mada University, Yogyakarta

Concurrent Positions
Chairman of Integrated Corporate Governance Committee UOB Indonesia (2015-present)

Statement of Independence
He has declared his independence statement on 29 March 2023

Affiliated Relationship
He has no affiliation with fellow members of the Board of Commissioners, members of the Board of Directors, nor with the Controlling Shareholders

VJH BOENTARAN LESMANA
Independent Commissioner

Age 76 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
- AGM Resolutions dated 9 May 2018
- Recent reappointment based on the AGM Resolutions dated 3 May 2023

Work Experience
Having been at the Public Accountant Firm (KAP) Tanudiredja, Wibisana, Rintis and Rekan (formerly KAP Drs. Hadi Sutanto and Partners) PricewaterhouseCoopers Indonesia in 1972 and was promoted as a Partner from 1 July 1990 until his retirement on 1 January 2010

Educational Background
Bachelor Degree in Economics from the Faculty of Economics, University of Indonesia, Jakarta

Concurrent Positions
-

Statement of Independence
He has declared his independence statement on 29 March 2023

Affiliated Relationship
He has no affiliation with fellow members of the Board of Commissioners, members of the Board of Directors, nor with the Controlling Shareholders

Profile of the Board of Commissioners

JOHANES SUSILO
Independent Commissioner

Age 67 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
EGM Resolutions dated 26 October 2023, with an effective term of office from 30 January 2024

Work Experience
- President Commissioner at PT Sucorinvest Asset Management (2013-January 2024)
- Independent Commissioner at PT Trias Sentosa Tbk (2022-2023; 2003-2017)
- Independent Commissioner at PT Colorpak Indonesia Tbk (2013-2023)
- President Director at PT Jayatama Prima Distribusi (2018-2023)
- Commissioner at PT Gulf Mangan Grup (2018-2023)
- Independent Commissioner at PT Sucor Sekuritas (d/h PT Sucorinvest Central Gani) (2000-2013)
- President Director at PT Asia Kapitalindo Securities Tbk (1994-2000)
- President Director at PT Asia Kapitalindo Finance (1994-1999)
- President Director at PT Danamon GT Management (d/h PT Jakarta Assetama Management) (1990-1994)
- President Director at PT Danamon Securities (1990-1994)
- President Commissioner at PT Prima Alloy Steel Universal Tbk (1989-2012)
- Senior Vice President - Corporate Secretary at PT Bank Danamon Indonesia Tbk (1989-1994)
- Vice President at Chase Manhattan Bank, Jakarta (1986-1989)
- Assistant Vice President at PT Chase Leasing Indonesia (1982-1986)

Educational Background
- Bachelor of Accounting from Universitas Advent Indonesia, Bandung, Indonesia
- Master of Business Administration from Andrews University, Berrien Spring, Michigan, USA

Concurrent Positions
-

Affiliated Relationship
He has no affiliation with fellow members of the Board of Commissioners, members of the Board of Directors, nor with the Controlling Shareholders

Information on Changes to The Members of The Board of Commissioners After The Financial Year 2023

In 2023, there has been a change in members of the Board of Commissioners, i.e., the resignation of Mr Aswin Wirjadi as Independent Commissioner effective on 26 October 2023 and the appointment of Mr Johanes Susilo as Independent Commissioner effective as of 30 January 2024 based on Deed dated 1 February 2024 No. 5 made by Notary Aryanti Artisari, S.H., M.Kn, and notification of data changes has been received and recorded in Legal Entity Administration System the Ministry of Law and Human Rights of the Republic of Indonesia dated 5 February 2024 Number AHU-AH.01.09-0052206.

Profile of the Board of Directors

In 2023, the composition of the Board of Directors has not changed. Profile of each member as follows:

HENDRA GUNAWAN
President Director

Age 53 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
- AGM Resolutions dated 28 April 2019 as Deputy President Director
- EGM Resolutions dated 21 October 2020 as President Director
- Recent reappointment based on the AGM Resolutions dated 28 April 2021

Work Experience
- Deputy President Director at UOB Indonesia (2019-2020)
- Deputy Chief Executive Officer at UOB Malaysia (2017-2019)
- Managing Director Centre of Excellence, Head of Agribusiness and Consumer Goods (2011-2017)
- PT Bank DBS Indonesia with last position as President Director (2003-2011)
- Senior Vice President, Corporate Planning at DBS Bank Pte Ltd, Singapore (2003)
- Vice President at Deutsche Bank Global Corporate Finance, Singapore (2000-2002)
- Investment Analyst and Head of Indonesia Investment Research at Schroders Investment Management Pte Ltd, Singapore (1999-2000)
- Head of Investment Research at PT Schroders Investment Management Indonesia (1995-1999)

Educational Background
- Bachelor Degree in Finance from The Wharton School of Finance and Commerce of the University of Pennsylvania, Philadelphia, USA
- Bachelor Degree in Electrical Engineering from The Moore School of Electrical Engineering, at the University of Pennsylvania, Philadelphia, USA

Concurrent Positions
-

Affiliated Relationship
He has no affiliation with fellow members of the Board of Directors and members of the Board of Commissioners, nor with the Controlling Shareholders

TEH HAN YI
Finance and Corporate Services Director

Age 53 years old
Citizenship Singaporean
Domicile Jakarta

Legal Basis of Appointment
- EGM Resolutions dated 21 June 2019
- Recent reappointment based on the AGM Resolutions dated 28 April 2021

Work Experience
- Executive Directors at Group Human Resources at UOB Singapore (2017-2019)
- Chief Financial Officer at UOB China (2012-2017)
- Financial Management Solution Leader at IBM China (2009-2012)
- Head, Financial Planning & Analysis, AsiaPasific at Citi Global Wealth Management Asia Pasific (2007-2008)
- UOB Singapore with last position as Head of Group Financial Reporting (1999-2007)
- Assistance Vice President at Overseas Union Bank Limited Singapore (1995-1999)
- Auditor at the Auditor-General's Office of Singapore (1992-1995)

Educational Background
Bachelor Degree of Accounting from Nanyang Technological University, Singapore, and is a Certified Public Accountant (CPA)

Concurrent Positions
-

Affiliated Relationship
She has no affiliation with fellow members of the Board of Directors and members of the Board of Commissioners, nor with the Controlling Shareholders

Profile of the Board of Directors

PAUL RAFIULY
Technology and Operations Director

Age 47 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
- EGM Resolutions dated 11 October 2018
- Recent reappointment based on the AGM Resolutions dated 28 April 2021

Work Experience
- Chief Operating Officer at PT Trimegah Securities Tbk, Indonesia (2014-2018)
- OCBC Bank Singapore with his last position as the Head of (Enterprise) Technology Architecture (2010-2014)
- Engagement Manager at McKinsey & Company, Singapore (2006-2010)

Educational Background
- Master of Science in Electrical Engineering and Computer Science, and the Master of Science in Building Technology from the Massachusetts Institute of Technology in Cambridge, United States
- Bachelor of Architecture and Diploma in Business Administration from University of Texas in Austin, United States
- Chartered Financial Analyst (CFA)
- Financial Risk Manager (FRM)
- Information System Security Professional (CISSP)

Concurrent Positions
-

Affiliated Relationship
He has no affiliation with fellow members of the Board of Directors and members of the Board of Commissioners, nor with the Controlling Shareholders

HARAPMAN KASAN
Wholesale Banking Director

Age 55 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
- EGM Resolutions dated 21 June 2019
- Recent reappointment based on the AGM Resolutions dated 28 April 2021

Work Experience
- Citibank, N.A. Indonesia with last position as Managing Director, Head of Citi Commercial Bank (2015-2018)
- PT Bank Danamon, Tbk and served his last position as EVP Wholesale Business Head (2010-2015)
- Citibank, N.A. Indonesia with last position as Head for Commercial Bank (2001-2010)
- PT Bank Niaga, Tbk with his last position as Regional Marketing Head (1990-1997)

Educational Background
- Master of Business Administration from Kennedy-Western University – Lembaga Manajemen Internasional Indonesia
- Bachelor of Accounting Degree from University of HKBP Nommensen, Medan

Concurrent Positions
-

Affiliated Relationship
He has no affiliation with fellow members of the Board of Commissioners, members of the Board of Directors, nor with the Controlling Shareholders

Profile of the Board of Directors

SONNY SAMUEL
Global Markets Director

Age 54 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
- AGM Resolutions dated 30 April 2020
- Recent reappointment based on the AGM Resolutions dated 28 April 2021

Work Experience
- Director, Head of Global Markets PT Bank ANZ Indonesia (2014-2018)
- Head of Sales and Marketing at PT Standard Chartered Bank and Head of Global Marketing at PT Bank CIMB Niaga Tbk (2011-2014)
- Treasury Director at The Royal Bank of Scotland and PT Rabobank International Indonesia (2009-2011)
- Associate Director at Barclays Capital Singapore (1997-1998)
- Head of Treasury Marketing at Bank of America Corporation (1994-1997)
- Treasury Dealer at Deutsche Bank AG (1990-1994)

Educational Background
Master of Strategic Management degree from BINUS Business School, Jakarta.

Concurrent Positions
-

Affiliated Relationship
He has no affiliation with fellow members of the Board of Directors and members of the Board of Commissioners, nor with the Controlling Shareholders

ARDHI WIBOWO
Compliance, Legal, and Corporate Secretary Director

Age 48 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
- AGM Resolutions dated 30 April 2020
- Recent reappointment based on the AGM Resolutions dated 28 April 2021

Work Experience
- Citibank, N.A. Indonesia with last position as Compliance Director (2012-2020)
- Wholesale, Auto and Subsidiary Audit Head at PT Bank CIMB Niaga, Tbk (2010-2012)
- Audit Internal Manager at The Royal Bank of Scotland and Barclays Indonesia (2006-2009)
- Expense Analyst at Citibank, N.A. Indonesia (2006-2006)
- Associate Manager at Ernst & Young Indonesia (2002-2006)
- Program Coordinator at PT GE Finance Indonesia (2000-2001)

Educational Background
- Master of Business Administration degree from the University of Birmingham, England
- Bachelor Degree in Economics from the Faculty of Economics, University of Indonesia, Jakarta

Concurrent Positions
-

Affiliated Relationship
He has no affiliation with fellow members of the Board of Directors and members of the Board of Commissioners, nor with the Controlling Shareholders

Profile of The Board of Directors

CHOI YAU CHI (HENRY CHOI)
Strategic Business Development, Retail & Channels Transformation Director

Age 44 years old
Citizenship Chinese
Domicile Jakarta

Legal Basis of Appointment
AGM Resolutions dated 28 April 2021

Work Experience
- Consumer Banking Director at UOB Indonesia (2021–November 2023)
- Executive Director, Country Head of Risk Management at UOB Thailand (2019-2021)
- Executive Director, Country Head of Retail Credit at UOB Thailand (2013-2019)
- Head of Credit, Retail Lending and MIS at Standard Chartered Bank Thailand (2012 -2013)
- Head of Retail Risk at HSBC, Thailand (2010-2012)
- Manager Policy and Acquisition Risk, Retail Risk at HSBC Asia-Pacific, Hong Kong (2003-2010)
- Management Trainee at Standard Chartered Bank, Hong Kong (2001-2003)

Educational Background
- Master of Science degree from The Chinese University of Hong Kong
- Bachelor of Engineering Degree from The Chinese University of Hong Kong

Concurrent Positions
-

Affiliated Relationship
He has no affiliation with fellow members of the Board of Directors and members of the Board of Commissioners, nor with the Controlling Shareholders

HENRY SANTOSO
Risk Management Director

Age 54 years old
Citizenship Indonesian
Domicile Jakarta

Legal Basis of Appointment
EGM Resolutions dated 29 November 2022

Work Experience
- Regional Credit Officer, Priority Countries ASP WPB Risk at HSBC, Hong Kong (2018-August 2022)
- Commissioner at PT Astra Sedaya Finance, Indonesia (2014-2017)
- Executive Vice President, Head of Risk Retail & SME Banking at PT Bank Permata Tbk, Indonesia (2013-2017)
- Consumer Credit Director, Senior Credit Officer at Citibank, Russian Federation (2012-2013)
- Consumer Credit Director, Czech Republic and Cluster Credit Head at Citibank, Czech Republic and Romania (2010-2012)
- Senior Vice President, Country Consumer Credit Head, Senior Credit Officer at Citibank, Romania (2008-2010)
- Senior Vice President, Deputy Country Risk Manager, Unsecured Products & Citi Business at Citibank, Singapore (2006-2008)
- Vice President, Risk Management Head, Secured Products & Citi Business at Citibank, Singapore (2003-2006)
- Senior Risk Analyst at Citibank, Singapore (2000-2003)
- Senior Consultant at Ernst & Young FSI, Singapore (1999-2000)
- Senior Product Manager at PT Bank BII Commonwealth, Indonesia (1997-1999)
- Deputy Head of Credit Division, Perdana Multi Finance, Indonesia (1997-1997)
- Management Associate to Risk Analyst at Citibank, N.A., Indonesia (1994-1997)

Educational Background
- Master of Business Administration from University of Illinois Urbana- Champaign, USA.
- Bachelor of Business Administration from Iowa State University, USA

Concurrent Positions
-

Affiliated Relationship
He has no affiliation with fellow members of the Board of Directors and members of the Board of Commissioners, nor with the Controlling Shareholders

Information on Changes to The Members of The Board of Directors After The Financial Year 2023

There were no changes to the members of the Board of Directors of the Bank in 2023 and after the financial year 2023 ended until the publication date of this Annual Report.

Employee Demography

As at 31 December 2023, total employees of the Bank is 4,252 employees. For the Employees Demographics please refer to section Management Discussion and Analysis - Human Resources on page 105.

United Overseas Bank Limited as a Controlling Shareholder

UOB is a leading bank in Asia. Operating through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand, and Vietnam. UOB has a global network of around 500 offices in 19 countries and territories in Asia Pacific, Europe and North America.

Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. Today, UOB is rated among the world's top banks: Aa1 by Moody's Investors Service and AA- by both S&P Global Ratings and Fitch Ratings.

For nearly nine decades, UOB has adopted a customer-centric approach to create long-term value by staying relevant through its enterprising spirit and doing right by its customers. UOB is focused on building the future of ASEAN – for the people and businesses within, and connecting with ASEAN.

The Bank connect businesses to opportunities in the region with its unparalleled regional footprint, and leverages data and insights to innovate and create personalised banking experiences and solutions catering to each customer's unique needs and evolving preferences.

UOB is also committed to help businesses forge a sustainable future, by fostering social inclusiveness, creating positive environmental impact and pursuing economic progress. UOB believes in being a responsible financial services provider and is steadfast in its support of art, social development of children and education, doing right by its communities and stakeholders.

What We Do

UOB provides a wide range of financial services globally through three core business segments – Group Retail, Group Wholesale Banking and Group Global Markets. Our offering includes consumer banking, private banking, commercial banking, transaction banking, investment banking and treasury services. Through our subsidiaries, we also provide asset management, private equity fund management and insurance services among others.

Where We Operate

~500 **branches and offices in Asia Pacific, Europe and North America.**

Asia

Brunei	2	Myanmar	2
Hong Kong	2	Philippines	1
India	2	Singapore	65
Indonesia	133	South Korea	1
Japan	2	Taiwan	2
Mainland China	20	Thailand	194
Malaysia	58	Vietnam	7

Australia	2
Canada	3
France	1
United Kingdom	1
USA	3

Five-Year Financial Summary of United Overseas Bank Limited

Description	2023	2022	2021	2020	2019
Selected income statement items ($ million)					
Total income	13,932	11,575	9,789	9,176	10,030
Total expenses[a]	5,778	5,016	4,313	4,184	4,472
Operating profit[a]	8,154	6,559	5,476	4,992	5,558
Net profit after tax[a,b]	6,060	4,819	4,075	2,915	4,343
Selected balance sheet items ($ billion)					
Gross customer loans	321	320	311	281	269
Customer deposits	385	369	353	325	311
Total assets	524	504	459	432	404
Shareholders' equity[b]	46	43	43	41	40
Financial indicators (%)					
Cost/income ratio[a]	41.5	43.3	44.1	45.6	44.6
Non-performing loans ratio	1.5	1.6	1.6	1.6	1.0
Return on average ordinary shareholders' equity[a]	14.2	11.9	10.2	7.4	11.6
Return on average total assets[a]	1.19	0.99	0.92	0.69	1.08
Return on average risk-weighted assets[a]	2.29	1.83	1.68	1.27	1.90
Capital adequacy ratio (%)					
Common equity tier 1	13.4	13.3	13.5	14.7	14.3
Tier 1	14.4	14.4	14.4	15.8	15.4
Total	16.6	16.7	16.6	18.4	17.4
Per ordinary share					
Basic earnings ($)	3.34	2.69	2.39	1.69	2.55
Net asset value ($)	26.00	24.24	24.08	23.03	22.33
Net dividend (cents)[c]	170	135	120	78	130

a Excluding one-off expenses.
b Relates to the amount attributable to equity holders of the Bank.
c Included a special dividend of 20 cents in 2019.

Structure and Composition of Shareholders

The Company's Ownership Structure

Shareholders	As of 1 January 2023			As of 31 December 2023		
	Number of Shares	Percentage of Ownership (%)	Total Issued and Fully Paid-Up Capital (in million IDR)	Number of Shares	Percentage of Ownership (%)	Total Issued and Fully Paid Up Capital (in million IDR)
UOB International Investment Private Limited, Singapore	7,712,375,083	68.943	1,928,094	8,430,031,879	68.943	2,107,508
United Overseas Bank Limited, Singapore	3,362,266,880	30.056	840,567	3,675,134,661	30.056	918,784
Yayasan Kesejahteraan Nusantara	111,886,756	1.000	27,971	122,308,897	1.000	30,577
Other shareholders	116,169	0.001	29	116,196	0.001	29
Total	**11,186,644,888**	**100.000**	**2,796,661**	**12,227,591,633**	**100.000**	**3,056,898**

Composition of Share Ownership with an Ownership of 5% or More

As of 1 January 2023

Shareholders	Number of Shares	Percentage of Ownership (%)	Total Issued and Fully Paid Up Capital (in million IDR)
UOB International Investment Private Limited, Singapore	7,712,375,083	68.943	1,928,094
United Overseas Bank Limited, Singapore	3,362,266,880	30.056	840,567

As of 31 December 2023

Shareholders	Number of Shares	Percentage of Ownership (%)	Total Issued and Fully Paid Up Capital (in million IDR)
UOB International Investment Private Limited, Singapore	8,430,031,879	68.943	2,107,508
United Overseas Bank Limited, Singapore	3,675,134,661	30.056	918,784

Classification of Share Ownership Based on Ownership Status

As of 1 January 2023

Shareholders	Status	Number of Shares	Percentage of Ownership (%)
UOB International Investment Private Limited, Singapore	Ownership of Foreign Institutions	7,712,375,083	68.943
United Overseas Bank Limited, Singapore	Ownership of Foreign Institutions	3,362,266,880	30.056
Yayasan Kesejahteraan Nusantara	Ownership of Local Institutions	111,886,756	1.000
Other shareholders	Ownership of Foreign and Local Institution	116,169	0.001
Total		**11,186,644,888**	**100.000**

Structure and Composition of Shareholders

As of 31 December 2023

Shareholders	Status	Number of Shares	Percentage of Ownership (%)
UOB International Investment Private Limited, Singapore	Ownership of Foreign Institutions	8,430,031,879	68.943
United Overseas Bank Limited, Singapore	Ownership of Foreign Institutions	3,675,134,661	30.056
Yayasan Kesejahteraan Nusantara	Ownership of Local Institutions	122,308,897	1.000
Other shareholders	Ownership of Foreign and Local Institution	116,196	0.001
Total		**12,227,591,633**	**100.000**

Classification of Local and Foreign Shareholders

As of 31 December 2023

Group of Shareholders	Number of Shareholders	Number of Shares	Percentage of Ownership (%)
Institutions			
Local	3	122,309,280	1.000
Foreign	6	12,105,166,978	98.999
Individuals			
Local	20	114,145	0.001
Foreign	1	1,230	0.000
Total	**30**	**12,227,591,633**	**100.000**

Shareholding Ownership by the Board of Commissioners and Board of Directors

In 2023, the Board of Commissioners and the Board of Directors Members did not hold the Company's shares.

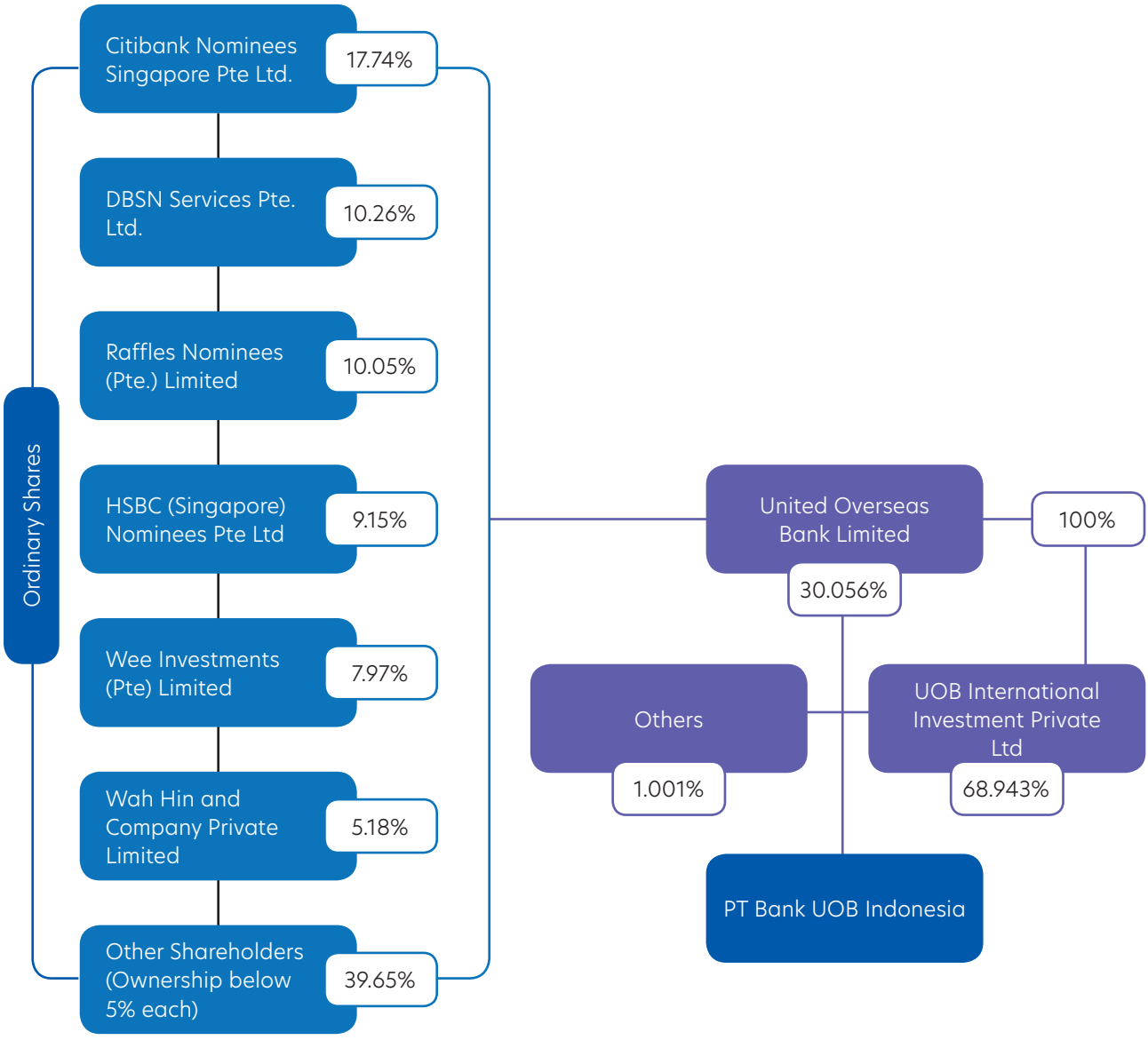
Significant Changes

[GRI 2-6] [C.6]

In 2023, the Bank issued 1,040,946,745 new shares with nominal amount of IDR250 (full amount) per share with offering price IDR1,441 (full amount) per share. This additional of new shares did not change the structure and composition of shareholders.

Company Group Structure

as of 31 December 2023



Information:

Based on the structure above, United Overseas Bank Limited is a Controlling Shareholder of the Bank. United Overseas Bank Limited is a public listed company at Singapore Exchange (SGX) and has no individual beneficial owner.

Subsidiaries and Affiliates

As of 31 December 2023, UOB Indonesia did not have subsidiaries and affiliates as mentioned in the aforementioned group structure chart.

Share Listing Chronology

Corporate Actions	Distribution Dates	Nominal Value (IDR)	Additional/ Reduction in Total Shares	Total Listed Shares
Initial Public Offering of Shares	20 July 2000	500	194,000,000	970,000,000
Share Dividend	17 May 2002	500	223,689,754	1,193,689,754
Bonus Share	17 May 2002	500	47,133,917	1,240,823,671
Limited Public Offering	20-27 September 2002	500	248,164,734	1,488,988,405
Share Nominal Value	23 December 2002	250	1,488,988,405	2,977,976,810
Limited Public Offering II	28 May-5 June 2003	250	744,494,202	3,722,471,012
Share Dividend	4 November 2003	250	306,091,338	4,028,562,350
Bonus Share	4 November 2003	250	959,549,650	4,988,112,000
Share Dividend	12 May 2005	250	410,821,132	5,398,922,132
Bonus Share	12 May 2005	250	367,309,605	5,766,242,737
Limited Public Offering III	9-19 June 2006	250	887,114,267	6,653,357,004
Tender Offer	22 September-21 October 2008	250	-	6,653,357,004
Delisting of Shares on Stock Exchange	20 November 2008	250	-	6,653,357,004
Business Merger	30 June 2010	250	2,900,528,800	9,553,885,804
Right Issue	27 May 2020	250	1,632,759,084	11,186,644,888
Right Issue	20 November 2023	250	1,040,946,745	12,227,591,633

Bond Listing Chronology

As of 31 December 2023, the outstanding of Senior Debt and Subordinated Debt was IDR1,450 billion. The bond ratings were ranked by Fitch Ratings, AAA(idn) for Senior Debt and AA(idn) for Subordinated Debt.

In 2023, there were maturing Subordinated Debt amounted to IDR100 billion and maturing Senior Debt amounted to IDR55 billion.

The following table presents the data of outstanding and matured bonds of UOB Indonesia:

Type of Bonds	Date of Emission	Maturity	Value (IDR)	Maturity Date	Coupon	Rating	Listing
Outstanding Bonds							
Bank UOB Indonesia Senior Debt Shelf Offering III Phase I 2021	2 September 2021	3 years	100 billion	2 September 2024	5.65% p.a.	AAA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering I Phase II 2017	17 October 2017	7 years	500 billion	17 October 2024	9.25% p.a	AA (idn) Fitch Ratings)	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering II Phase I 2019	5 July 2019	7 years	100 billion	5 July 2026	9.85% p.a.	AA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering II Phase II 2019	13 November 2019	7 years	650 billion	13 November 2026	9.25% p.a.	AA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering III Phase I 2022	8 March 2022	7 years	100 billion	8 March 2029	8.00% p.a.	AA (idn) Fitch Ratings	Indonesia Stock Exchange
Matured Bonds							
Bank UOB Indonesia Senior Debt Shelf Offering I Phase II 2018 Series C	23 May 2018	5 years	55 billion	23 May 2023	7.65% p.a	AAA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering I Phase I 2016	25 November 2016	7 years	100 billion	25 November 2023	9.40%p.a	AA (idn) Fitch Ratings	Indonesia Stock Exchange

Supporting Institutions and/or Professions

Public Accounting Firm	Trustee	Legal Consultant
Purwantono, Sungkoro & Surja (Ernst & Young Indonesia) Indonesia Stock Exchange Tower 2, Lt.7 Jl. Jenderal Sudirman Kav. 52-53 Jakarta Selatan, DKI Jakarta 12190 Indonesia Telp. (021) 52895000 Faks. (021) 52894100	**PT Bank Mandiri (Persero) Tbk** Plaza Mandiri, Lantai 22 Jl. Jenderal Gatot Subroto Kav. 36-38 Jakarta Selatan, DKI Jakarta, 12190 Indonesia Telp. (021) 5245161, 5268216 Faks. (021) 5268201	**Hiswara Bunjamin & Tandjung** Gedung BRI II Lantai 23 Jl. Jenderal Sudirman Kav. 44-46 Jakarta Selatan, DKI Jakarta 10210 Indonesia Telp. (021) 574 4010 Faks. (021) 5744670
Share Registrar	**Notary**	**Rating Agency**
PT Raya Saham Registra Gedung Plaza Sentral Lantai 2 Jl. Jendral Sudirman Kav. 47-48 Jakarta 12930 Telp. (021) 2525666 Faks. (021) 2525028	**Kantor Notaris Aulia Taufani S.H** Menara Sudirman Lantai 17D Jl. Jenderal Sudirman Kav. 60 Jakarta Selatan 12190 Telp. (021) 52892365 Faks. (021) 5204780	**PT Fitch Ratings Indonesia** DBS Bank Tower Lt.24 Suite 2403 Jl. Prof Dr. Satrio Kav 3-5 Jakarta Selatan, DKI Jakarta, 12940 Indonesia Telp. (021) 29886800 Faks. (021) 29886822

Public Accountant and Public Accounting Firm

Type of Professionals	Service	Fee	Assignment Period
Public Accounting Firm	- Audit service for 2023 Financial Statements - Audit of Citibank's Consumer Banking business There were not any non-audit services rendered by the Public Accounting Firm for the Bank.	IDR6,747 billion	2023 Fiscal year

Information on The Company Website

All of the Bank's Stakeholders are given a wide access to the Bank's official website, www.uob.co.id, containing a wide-ranging public information required by the regulators, such as:

- Information on the shareholders;
- The code of conduct;
- Summaries of the minutes of Annual and Extraordinary General Meetings of Shareholders as well as all related notices and invitations, dating back to 2016;
- The Company's annual reports dating from 2010, financial statements dating from 2013, and quarterly financial statements dating from 2011;
- Profiles of the Board of Commissioners and Board of Directors; and
- Charters of the Board of Commissioners, Board of Directors, Committees and Internal Audit Unit.

Awards and Certifications

February 2023

Issuing Agency
PR Indonesia

Award Name
PR Indonesia Awards

Business Unit
Strategic Communications and Brand

Types of Awards
CSR Program - Sustainability Business - UOB Painting of the Year

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Issuing Agency
The Asset

Award Name
Triple A Country Awards for Sustainable Finance

Business Unit
Wholesale Banking

Types of Awards
Best sustainability-linked loan: PT Bank Rakyat Indonesia US$1 billion sustainability-linked loan

Best green loan: Perusahaan Listrik Negara US$750 million syndicated green loan facility

March 2023

Issuing Agency
Minister of Health of the Republic of Indonesia

Award Name
PPKM Award 2023

Business Unit
UOB Indonesia

Types of Awards
PPKM Award for its contribution to handling COVID-19 in Indonesia

April 2023

Issuing Agency
Forbes and Statista

Award Name
The World's Best Banks 2023

Business Unit
UOB Indonesia

Types of Awards
The World's Best Banks 2023 - Ranked 5th in Indonesia

Issuing Agency
Infobank

Award Name
Infobank 12th Digital Brand Awards 2023

Business Unit
TMRW

Types of Awards
The Best Bank with Digital Service (KBMI) 3

Issuing Agency
Infobank

Award Name
Infobank 12th Digital Brand Awards 2023

Business Unit
UOB Indonesia

Types of Awards
2nd Best Bank Saving Account KBMI 3
2nd Best Wealth Management Conventional KBMI 3
2nd Best Debit Card Conventional Bank KBMI 3
2nd Best Deposito Conventional Bank KBMI 3
3rd Best Bank Conventional KBMI 3
3rd Best Credit Card Conventional Bank KBMI 3

May 2023

Issuing Agency
The Asset

Award Name
Triple A Treasury, Trade, Supply Chain and Risk Management Awards 2023

Business Unit
Transaction Banking

Types of Awards
Best Services Providers – Transaction Bank Indonesia

Best Services Providers - Trade Finance Indonesia

Best Treasury and Working Capital – LLCS Indonesia

Best Payments and Collections Solution Awards - PT Cipta Piranti Sejahtera (CPS Soft)

Best Payments and Collections Solution Awards - PT Indotruck Utama

Best Payments and Collections Solution Awards - PT Sany Heavy Industry Indonesia

Best Payments and Collections Solution Awards - PT Visi Telekomunikasi Infrastruktur and PT Permata Karya Perdana

Best Payments and Collections Solution Awards - PT Astrindo Senayasa

Best Payments and Collections Solution Awards - PT Bhumyamca Sekawan

Best Structured Trade Finance Solution - PT Wahana Citra Nabati

Best Structured Trade Finance Solution - PT Merdeka Tsingshan Indonesia

Best Supply Chain Solution - PT Tiga Jaya

Awards and Certifications

June 2023

Issuing Agency
HR Asia Magazine

Award Name
HR Asia Awards

Business Unit
Human Resource

Types of Awards
HR Asia Best Companies to Work for in Asia 2023 - Indonesia Region

HR Asia Diversity, Equity, and Inclusion Awards 2023

July 2023

Issuing Agency
Chief of Staff Asia

Award Name
HR Stars Awards

Business Unit
Human Resource

Types of Awards
Best CEO with an HR Focus

Best Covid Management Strategies

August 2023

Issuing Agency
Human Resources Online (Publication of Lighthouse Independent Media)

Award Name
HR Excellence Awards Indonesia 2023

Business Unit
Human Resource

Types of Awards
Bronze Awards for Excellence in Crisis Management Planning

Bronze Awards for Excellence in Workplace Culture

Gold Awards for Excellence in Work-Life Harmony

Issuing Agency
Indonesian Business

Award Name
Bisnis Indonesia Financial Awards (BIFA) 2023

Business Unit
Hendra Gunawan

Best CEO Bank - Hendra Gunawan - PT Bank UOB Indonesia

Award Name
Bisnis Indonesia Financial Awards (BIFA) 2023

Business Unit
Wholesale Banking

Types of Awards
Best Performance Bank in KBMI 3 category

September 2023

Issuing Agency
PR Indonesia

Award Name
Sewindu PR Indonesia

Business Unit
Strategic Communications and Brand

Types of Awards
Top 106 Influential Companies and Institution in Communications

December 2023

Issuing Agency
Investortrust

Award Name
Digital Banking Awards 2023

Business Unit
TMRW

Types of Awards
Winner in Data Dimension in KBMI 3 Category

Issuing Agency
CNBC Indonesia

Award Name
CNBC Indonesia Awards

Business Unit
Wholesale Banking

Types of Awards
Best Regional Bank for Foreign Direct Investment

Operational Area and Market Served [C.3]

As of 31 December 2023, the Company's service network consisted of 42 branch offices, 89 sub-branch offices, and 142 ATMs across 44 cities in 16 provinces in Indonesia. The Company's banking services are accessible through its regional ATM network, the ATM Prima and Bersama networks and the Visa network.

Office Networks

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
HEAD OFFICE						
1	Head Office	-	Jl. M.H. Thamrin No. 10, Kel. Kebon Melati, Kec. Tanah Abang 10230	0391 - Jakarta Pusat	(021) 23506000	(021) 29936632
REGIONAL OFFICES						
1	Region 1 Office	Region 1 Office	Gedung UOB Plaza Lantai 18, Jl. M.H. Thamrin No. 10, Kel. Kebon Melati, Kec. Tanah Abang 10230	0391 - Jakarta Pusat	(021) 23506000	(021) 29936647
2	Region 2 Office	Region 2 Office	Gedung UOB Plaza Lantai 11, Jl. M.H. Thamrin No. 10, Kel. Kebon Melati, Kec. Tanah Abang 10230	0391 - Jakarta Pusat	(021) 23506000	(021) 29936632
3	Region 3 Office	Region 3 Office	Jl. Palang Merah No. 30, Lantai 3, Kel. Kesawan, Kec. Medan Barat, Medan 20231	3396 - Kota Medan	(061) 4156574	(061) 4148556, (061) 4154793, (061) 4560116
4	Region 4 Office	Region 4 Office	Jl. Panglima Sudirman No. 53, Lantai 3, Kel. Embong Kaliasan, Kec. Genteng Surabaya 60271	1291 - Kota Surabaya	(031) 5471772, (031) 5481888	(031) 5345026, (031) 5345136, (031) 5345146
BRANCH OFFICES						
1	Juanda	Juanda	Jl. Ir. H. Juanda No. 15, Kel. Kebon Kelapa, Kec. Gambir 10120	0391 - Jakarta Pusat	(021) 22035055	(021) 22035056 – 58
2	UOB Plaza	UOB Plaza	Jl. M.H. Thamrin No. 10, Kel. Kebon Melati, Kec. Tanah Abang 10230	0391 - Jakarta Pusat	(021) 23506000	(021) 29936680 - 82
3	Kelapa Gading	Kelapa Gading	Jl. Raya Barat Boulevard Blok LC 7 No. 1-2, Kelapa Gading Permai 14240	0392 - Jakarta Utara	(021) 4529171	(021) 4529179
4	Green Garden	Green Garden	Komplek Perumahan Green Garden, Blok A.7 No. 47-50, Kel. Kedoya Utara, Kec. Kebon Jeruk 11520	0393 - Jakarta Barat	(021) 5819005, (021) 5802814	(021) 5802776
5	Gajah Mada	Gajah Mada (d/h: (Asemka)	Jl. Gajah Mada No.87-87A, Kel. Krukut, Kec. Taman Sari, Jakarta Barat	0393 - Jakarta Barat	(021) 6329779	(021) 6329696, (021) 6329766, (021) 6329966, (021) 6329906
6	Radio Dalam	Radio Dalam	Jl. Radio Dalam No. 9 A, Kel. Gandaria Utara, Kec. Kebayoran Baru 12140	0394 - Jakarta Selatan	(021) 7252647	(021) 7252648
7	Pacific Century Place	Pacific Century Place	Pacific Century Place SCBD lot 10 Jl. Jend Sudirman kav 52-53 Jakarta Selatan	0394 - Jakarta Selatan	(021) 72888788	

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
8	Pantai Indah Kapuk Metro	Pantai Indah Kapuk Metro	Pantai Indah Kapuk Metro Broadway The Gallery No.8 Unit ES, ET, & FA Jl. Pantai Indah Utara II, Pantai Indah Kapuk Jakarta Utara	0392 - Jakarta Utara	(021) 30010566	
9	Kebon Jeruk AKR	Kebon Jeruk AKR	AKR Gallery West Jl Panjang No. 5, Kebon Jeruk, Jakarta Barat	0393 - Jakarta Barat	(021) 38782033	
10	Serang	Serang	Jl. M. Hasanuddin, Serang Plaza Blok II No. 3-7, Serang, Banten 42112	0203 - Kota Serang	(0254) 200153, (0254) 201566	(0254) 200692
11	Bandar Lampung	Bandar Lampung	Jl. Ikan Tenggiri No. 17/A, Teluk Betung, Bandar Lampung 35223	3991 - Kota Bandar Lampung	(0721) 482982	(0721) 482951
12	Bogor	Bogor	Jl. Suryakencana No. 260 F, Kel. Gudang, Kec. Bogor Tengah, Kota Bogor 16151	0192 - Kota Bogor	(0251) 8325256	(0251) 8325307
13	Medan	Medan	Jl. Palang Merah No. 30, Kel. Kesawan, Kec. Medan Barat, Medan 20231	3396 - Kota Medan	(061) 4156574	(061) 4148556, (061) 4154793, (061) 4560116
14	Tomang Elok	Tomang Elok	Jl. Jend. Gatot Subroto, Kompleks Tomang Elok Blok A No. 55, Sei Sikambing, Medan 11520	3396 - Kota Medan	(061) 8455405, (061) 8455785, (061) 8455635	(061) 8455656
15	Palembang	Palembang	Jl. Mesjid Lama No. 48-50, Palembang, Sumatera Selatan 30125	3691 - Kota Palembang	(0711) 310965	(0711) 313216, (0711) 316663, (0711) 361150, (0711) 357816
16	Pekanbaru	Pekanbaru	Jl. Jend. Sudirman No. 442, Wonorejo, Marpoyan Damai, Kota Pekanbaru, Riau 28126	3591 - Kota Pekanbaru	(0761) 21168, (0761) 21116 (0761) 20879 (0761) 848053	(0761) 848052
17	Batam	Batam	Komplek Batam Plaza Blok E No. 1-3, Jl. Imam Bonjol, Batam 29444	3892 - Kota Batam	(0778) 459691	(0778) 458601
18	Batam Centre	Batam Centre	Komplek Mahkota Raya Blok D No. 7 & No. 8, Jl. Engku Putri, Kel. Teluk Tering, Kec. Batam Kota, Kota Batam, Kepulauan Riau 29461	3892 - Kota Batam	(0778) 7486000	(0778) 7486025
19	Solo	Solo	Jl. Jend. Urip Sumoharjo No. 13- 17, Kepatihan Wetan, Jebres, Kota Surakarta, Jawa Tengah 57129	0996 - Kota Surakarta/Solo	(0271) 646348	(0271) 668758, (0271) 630620, (0271) 646947
20	Bandung	Bandung	Jl. Jend. Sudirman No. 55 A, Bandung 40241	0191 - Kota Bandung	(022) 4204491	(022) 4238906
21	Bandung Rivai	Bandung Rivai	Jl. Abdul Rivai No. 2 A, Tamansari, Bandung Wetan, Kota Bandung, Jawa Barat 40116	0191 - Kota Bandung	(022) 4209980	(022) 4209970

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
22	Semarang	Semarang	Menara Suara Merdeka (Ground Floor, Mezzanine Floor, Lantai 2) Jl. Pandanaran No.30, Kel. Pekunden, Kec. Semarang Tengah, Semarang 50137	0991 - Kota Semarang	(024) 86448000	(024) 86446066
23	Cirebon	Cirebon	Jl. Yos Sudarso No. 29, Lemahwungkuk, Kota Cirebon, Jawa Barat 45111	0194 - Kota Cirebon	(0231) 205040, (0231) 206959, (0231) 206396, (0231) 221541	(0231) 201989, (0231) 248340
24	Tasikmalaya	Tasikmalaya	Jl. Empang No. 50, Empangsari, Tawang, Tasikmalaya, Jawa Barat 46113	0195 - Kota Tasikmalaya	(0265) 310300	(0265) 332007
25	Purwokerto	Purwokerto	Jl. Jend. Sudirman No. 330, Purwokerto 53116	0914 - Kab. Banyumas	(0281) 631464, (0281) 623466, (0281) 635996, (0281) 630942, (0281) 630259, (0281) 635950	(0281) 636747, (0281) 640945
26	Magelang	Magelang	Jl. Tidar No. 17, Magelang, Jawa Tengah 56126	0995 - Kota Magelang	(0293) 362181, (0293) 364344, (0293) 365261, (0293) 364405-06	(0293) 364271
27	Yogyakarta	Yogyakarta	Jl. Jend. Sudirman No. 62, Kotabaru, Gondokusuman, Kota Yogyakarta, Daerah Istimewa Yogyakarta 55224	0591 - Kota Yogyakarta	(0274) 562000, (0274) 517410	(0274) 563433
28	Tegal	Tegal	Jl. Kolonel Sugiono No. 56, RT.003/ RW.05, Kel. Pekauman, Kec. Tegal Barat, Tegal	0994 - Kota Tegal	(0283) 325001, (0283) 325005	(0283) 325008
29	Surabaya	Surabaya	Jl. Panglima Sudirman No. 53, Embong Kaliasin, Genteng, Kota Surabaya 60271	1291 - Kota Surabaya	(031) 5471772, (031) 5481888	(031) 5345026, (031) 5345136, (031) 5345146
30	Surabaya Bukit Darmo	Surabaya Bukit Darmo	Jl. Raya Bukit Darmo Golf, Blok R No. 28 – 30, Kel. Pradah Kalikendal, Kec. Dukuh Pakis 60226	1291 – Kota Surabaya	(031) 7343949 (Hunting), (031) 7326000 (Privilege Banking), (031) 5486008 (Call Centre 24 hours)	(031) 7343910
31	Surabaya Manyar Kertoarjo	Surabaya Manyar Kertoarjo	Jl. Manyar Kertoarjo No. 50, Kel. Manyar Sabrangan, Kec. Sukolilo	1291 – Kota Surabaya	(031) 5991168 (031) 5991428	(031) 5991411 (031) 5991412
32	Jember	Jember	Jl. Gajah Mada No. 68, Kel. Jember Kidul, Kec. Kaliwates, Kabupaten Jember 68131	1212 - Kab. Jember	(0331) 484545, (0331) 424759, (0331) 424859	(0331) 484980
33	Denpasar	Denpasar	Jl. Dr. Wahidin No. 39, Kel. Pemecutan, Kec. Denpasar Barat, Kota Denpasar	7291 - Kota Denpasar	(0361) 433014	(0361) 424245

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
34	Denpasar Bali Renon	Denpasar Bali Renon	Jl. Raya Puputan Komplek Pertokoan Niti Mandala Raya No.17, Renon, Dangin Puri Klod, Denpasar Timur, Kota Denpasar 80235	7291 - Kota Denpasar	(0361) 241888	(0361) 245978
35	Banyuwangi	Banyuwangi	Jl. Jend. Sudirman No. 16, Kel. Penganjuran, Kec. Banyuwangi, Kabupaten Banyuwangi 68416	1211 - Kab. Banyuwangi	(0333) 426500 (0333) 424705 (0333) 423061-62 (0333) 422270-71 (0333) 424070	(0333) 424260
36	Jombang	Jombang	Jl. Gus Dur (d/h. Jl Merdeka) No. 133, Candi Mulyo, Kec. Jombang, Kabupaten Jombang 61413	1204 - Kab. Jombang	(0321) 862500-01 (0321) 862337 (0321) 874857-58	(0321) 862171
37	Malang	Malang	Jl. Basuki Rahmat No. 63, Kauman, Klojen, Kota Malang 60261	1293 - Kota Malang	(0341) 342333	(0341) 342572
38	Makassar	Makassar	Jl. Sulawesi No. 83, Pattunuang, Wajo, Kota Makassar 90174	6191 - Kota Makassar	(0411) 321421	(0411) 315702 (0411) 319457
39	Pontianak	Pontianak	Jl. HOS Cokroaminoto No. 266/A, Darat Sekip, Pontianak Kota, Kota Pontianak 78117	5391 - Kota Pontianak	(0561) 732600 (0561) 734656	(0561) 736282
40	Balikpapan	Balikpapan	Kavling 8 Square Blok A6 & A7, RT 28 Jl. M.T. Haryono, Kel. Damai, Kec. Balikpapan Selatan 76114	5492 - Kota Balikpapan	(0542) 7208888 (0542) 7209999	(0542) 765477
41	Samarinda	Samarinda	Jl. Pangeran Diponegoro No. 68-70, Pelabuhan, Samarinda Kota, Kota Samarinda 75112	5491 - Kota Samarinda	(0541) 732492-95-97 (0541) 749516-17-18	(0541) 732490
42	Banjarmasin	Banjarmasin	Jl. Lambung Mangkurat No. 17, Banjarmasin, Kertak Baru Ulu, Banjarmasin Tengah, Kota Banjarmasin 70111	5191 - Kota Banjarmasin	(0511) 3357172 (0511) 3353754 (0551) 3365312	(0511) 3353305
SUB-BRANCH OFFICES						
1	Glodok Plaza	Gajah Mada	Komp. Glodok Plaza Blok F No. 1-2, Jl. Pinangsia Raya, Kota Tua, Pinangsia, Tamansari, Kota Jakarta Barat 11110	0393 - Jakarta Barat	(021) 6595026 (021) 6596745 (021) 6280943-44	(021) 6280944
2	Pluit	Gajah Mada	Jl. Pluit Kencana Raya No. 76, Pluit, Penjaringan, Kota Jakarta Utara 14450	0392 - Jakarta Utara	(021) 6611770–71	(021) 6691163
3	Petak Baru	Gajah Mada	Jl. Petak Baru No. 25-26, Roa Malaka, Tambora, Kota Jakarta 11230	0393 - Jakarta Barat	(021) 6922115 (021) 6922432 (021) 6912224 (021) 6924069 (021) 6901756-57 (021) 6917410-11	(021) 6928086
4	Mangga Dua Plaza	Gajah Mada	Mangga Dua Plaza Blok F, No. 5 Jl. Mangga Dua Raya 11110	0392 - Jakarta Utara	(021) 6120086 (021) 6120912 (021) 6129128 (021) 6129129	(021) 6129130

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
5	Jembatan Dua	Gajah Mada	Jl. Jembatan Dua No. 139 A, Pejagalan, Penjaringan, Kota Jakarta Utara 14450	0392 - Jakarta Utara	(021) 6631760 (021) 6631761-62	(021) 6610615
6	Muara Karang	Gajah Mada	Jl. Muara Karang No. 1, RT. 019/RW. 02, Kav. Blok Y3 Barat No. 10, Pluit, Penjaringan, Kota Jakarta Utara 14450	0392 - Jakarta Utara	(021) 6625967-69 (021) 6601048	(021) 6606171
7	Pantai Indah Kapuk	Gajah Mada	Rukan Exclusive Blok A No.27, Jl. Marina Raya, Kel. Kamal Muara, Kec. Penjaringan 14470	0392 - Jakarta Utara	(021) 56946227	(021) 56946227
8	Petojo	Juanda	Jl. A.M Sangaji No. 25 E, Petojo Utara, Gambir, Kota Jakarta Pusat 10130	0391 - Jakarta Pusat	(021) 6324562-63	(021) 6324562 (021) 63855187
9	Roxy Mas	Juanda	Gedung Yusen, Lantai Dasar, Jl. Biak No.56, Kel. Cideng, Kec. Gambir, Jakarta Pusat 10150	0391 - Jakarta Pusat	(021) 22638455	(021) 22635587
10	Sawah Besar	Juanda	Jl. Sukarjo Wiryopranoto No. 26, Kebon Kelapa, Gambir, Jakarta Utara 10120	0391 - Jakarta Pusat	(021) 3853677 (021) 231368 (021) 2313479 (021) 3453336 (021) 3453337	(021) 3860602
11	Pasar Baru	Juanda	Jl. K. H. Samanhudi 40 A, RT. 006/RW. 02, Pasar Baru, Sawah Besar 10710	0391 - Jakarta Pusat	(021) 3500523 (021) 3850468 (021) 3866520 (021) 3510587 (021) 3510588	(021) 3510589
12	Central Park	Juanda	Central Park Mall, Lantai 3, Shop Unit No. L3 - 203 A, Jl. Let. Jend. S. Parman Kav. 28, Kel. Tanjung Duren, Kec. Grogol, Petamburan, Jakarta Barat 11470	0393 - Jakarta Barat	(021) 29201015 (Hunting) (021) 29201013 (021) 29201014 (021) 29201016	(021) 29201017
13	Mangga Besar	Juanda	Jl. Mangga Besar No. 68 - 68 A 10730	0393 - Jakarta Barat	(021) 6594677 (021) 6292150 (021) 6292349	(021) 6293113
14	Pangeran Jayakarta	Juanda	Jl. Pangeran Jayakarta No. 126-129 Blok A/5, Kel. Mangga Dua Selatan, Kec. Sawah Besar 10730	0391 - Jakarta Pusat	(021) 62201905 (021) 62201906 (021) 62201907 (021) 6016574	(021) 62201904
15	Palmerah	UOB Plaza	Jl. Palmerah Barat No. 39 B, Palmerah, Tanah Abang, Jakarta Pusat 10270	0391 - Jakarta Pusat	(021) 5325479 (021) 5308785	(021) 5329249
16	Tanah Abang	UOB Plaza	Pusat Perdagangan Tanah Abang Bukit Blok F No. 6-8, Jl. K.H. Fahruddin, Jakarta Pusat 10250	0391 - Jakarta Pusat	(021) 3803320 (021) 3846171	(021) 3151787 (021) 38903406
17	Wahid Hasyim	UOB Plaza	Jl. K.H. Wahid Hasyim No. 89, Gondangdia, Menteng, Kota Jakarta Pusat 10350	0391 - Jakarta Pusat	(021) 29276200	(021) 29276400
18	Metro Tanah Abang	UOB Plaza	Pusat Grosir Metro Tanah Abang Banking Center Lantai 7 Unit No.1, Jl. K.H. Wahid Hasyim No. 187-189, Tanah Abang, Jakarta Pusat 10250	0391 - Jakarta Pusat	(021) 30036023 (021) 30036024 (021) 30036025	(021) 30036026

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
19	Setiabudi JKT	UOB Plaza	Setiabudi Atrium Building Lantai 1 Suite 101 AA, Jl. H.R. Rasuna Said Kav.62, Kel. Karet Kuningan, Kec. Setiabudi, Jakarta Selatan 12920	0394 - Jakarta Selatan	(021) 5210035	(021) 521 0036
20	PIK Boulevard	Kelapa Gading	Graha Indochem, Lantai Basement & Lantai Dasar, Jl. Pantai Indah Kapuk Boulevard Kav. SSB/E, Kel. Kamal Muara, Kec. Penjaringan, Jakarta Utara, 14470	0392 - Jakarta Utara	(021) 29210600	(021) 29210601
21	Kelapa Gading Boulevard	Kelapa Gading	Jl. Raya Boulevard Blok FW I No. 18, Kelapa Gading Boulevard, Kelapa Gading, Jakarta Utara 14240	0392 - Jakarta Utara	(021) 4531069-70	(021) 45841059
22	Sunter Agung	Kelapa Gading	Jl. Danau Sunter Agung Utara Blok D 1 No. 6 B, Sunter Agung, Jakarta Utara 14350	0392 - Jakarta Utara	(021) 6451120-21 (021) 65833281-82	(021) 6453821
23	Bekasi Selatan	Kelapa Gading	Jl. Achmad Yani Kav. A4 No. 7, Ruko Kalimalang Commercial Centre, Desa Kayuringin, Bekasi 17144	Bekasi	(021) 88965891-93 (021) 8853521	(021) 88965890
24	Cikarang	Kelapa Gading	Komplek Ruko Cikarang Commercial Center, Blok B1 No. 23, Jl. Raya Cikarang Cibarusah Km. 40 No.1, Kel. Pasir Sari, Kec. Cikarang Selatan, Bekasi 17550	0198 - Kota Bekasi	(021) 89835725 (021) 89835726 (021) 89835727	(021) 89835724
25	Kelapa Gading Boulevard Raya	Kelapa Gading	Jl. Boulevard Raya Blok DG No. 2, Kel. Kelapa Gading Timur, Kelapa Gading 14240	0392 - Jakarta Utara	(021) 4527582	(021) 4527583
26	Green Ville	Green Garden	Komplek Pertokoan Green Ville Blok BG No. 14-15, Kel. Duri Kepa, Kec. Kebon Jeruk, Jakarta Barat 11510	0393 - Jakarta Barat	(021) 56957883-84 (021) 56957895 (021) 56957897	(021) 56957902
27	Cengkareng	Green Garden	Komplek Taman Palem Lestari Blok D 10 No.1, Cengkareng Barat, Jakarta Barat 11730	0393 - Jakarta Barat	(021) 55957447 (021) 55957448 (021) 55957449	(021) 55957446
28	Tangerang	Green Garden	Jl. Ki Asnawi No. 64 C-D, Kel. Sukasari, Kec. Tangerang, Kota Tangerang 15111	0292 - Kota Tangerang	(021) 5523081-83-84 (021) 55799082-83	(021) 5523082
29	Duta Mas	Green Garden	Komplek Perumahan Taman Duta Mas, Blok D8 No. 1, Kec. Grogol Petamburan, Jakarta Barat 11460	0393 - Jakarta Barat	(021) 5648262 (021) 5649550	(021) 5649464
30	Teluk Gong	Green Garden	Kompleks Duta Harapan Indah Blok G No. 10, Jl. Kapuk Muara, Kel. Kapuk Muara, Kec. Penjaringan, Jakarta Utara 14460	0392 - Jakarta Utara	(021) 6617577 - 78 (021) 6622957	(021) 6612279

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
31	BSD Golden	Green Garden	Ruko BSD Golden Boulevard, Blok C No. 6, Jl. Pahlawan Seribu, Kel. Buaran Lengkong Karya, Kec. Serpong, Tangerang, Banten 15322	0292 - Tangerang Selatan	(021) 53160680 (021) 53160681 (021) 53153168 (021) 53153169	(021) 53153087
32	Tanjung Duren	Green Garden	Jl. Tanjung Duren Raya Blok N No. 352 RT.007/RW.03, Kel. Tanjung Duren Utara, Kec. Grogol Petamburan 11470	0393 - Jakarta Barat	(021) 5642027 (021) 5673950 (021) 56969082	(021) 5685079
33	Puri Kencana	Green Garden	Grand Puri Kencana, Jl. Puri Kencana Blok K7/2A, Kel. Kembangan Selatan, Kec. Kembangan 11610	0393 - Jakarta Barat	(021) 5823602 (021) 5823603 (021) 5823604 (021) 5823605	(021) 5819222
34	Citra Garden 2	Green Garden	Komplek Rukan Citra Niaga, Blok A No. 3, Jl. Utan Jati, Kel. Pegadungan, Kec. Kalideres 10750	0393 - Jakarta Barat	(021) 54377025-31	(021) 54374621
35	Kebon Jeruk	Green Garden	Gedung Graha Kencana, Lantai 1, Jl. Raya Pejuangan No.88, Kebon Jeruk 11530	0393 - Jakarta Barat	(021) 5350638	(021) 5350639
36	Gading Serpong	Green Garden	Ruko Graha Boulevard Blok GBVC / 002, Jl. Boulevard Gading Serpong, Kel. Curug, Kec. Kelapa Dua, Tangerang, Banten 15810	0292 - Kota Tangerang	(021) 29001081	(021) 29001071
37	Permata Hijau	Radio Dalam	Grand ITC Permata Hijau – Emerald No. 10, Letjen Soepeno (Arteri Permata Hijau), Kel. Grogol Utara, Kec. Kebayoran Lama, Jakarta Selatan 12210	0394 – Jakarta Selatan	(021) 53663111 (021) 53664376	(021) 53663222
38	Pondok Indah	Radio Dalam	Jl. Metro Pondok Indah Sektor II, Blok UA Kav.46-47, Jakarta Selatan 12310	0394 - Jakarta Selatan	(021) 75906165 (021) 75900178	(021) 75900185
39	Pondok Indah 2	Radio Dalam	Jl. Metro Pondok Indah Kav. II/BA No.1 Pondok Indah Jakarta Selatan	0394 - Jakarta Selatan	(021) 7662933	
40	Fatmawati	Radio Dalam	Jl. Fatmawati Raya No. 1, RT.001/RW.04, Kel. Gandaria Selatan, Kec. Cilandak, Jakarta Selatan 12410	0394 - Jakarta Selatan	(021) 7504770 (021) 7664823 (021) 7661367	(021) 7661333
41	Panglima Polim	Radio Dalam	Jl. Panglima Polim Raya No. 18A, B, C, Kel. Pulo, Kec. Kebayoran Baru, Jakarta Selatan 12160	0394 - Jakarta Selatan	(021) 7251603 (021) 7202668 (021) 7251655	(021) 7222187
42	Wolter Monginsidi	Radio Dalam	Gedung One Wolter Place, Jl. Wolter Monginsidi No. 63 B, Kel. Rawa Barat, Kec. Kebayoran Baru, Jakarta Selatan 12180	0394 - Jakarta Selatan	(021) 72786262	(021) 7394880
43	Bintaro Sektor 3A	Radio Dalam	Rukan Bintaro Blok A.6 (Rukan depan Bintaro Plaza), Sektor 3A, Kel. Pondok Karya, Kec. Pondok Aren, Kota Tangerang Selatan 15225	0204 - Tangerang Selatan	(021) 7362898	(021) 7362897
44	Kemang	Radio Dalam	Jl. Kemang Raya No. 24 A, Kel. Bangka, Kec. Mampang Prapatan 12730	0394 - Jakarta Selatan	(021) 71794084 (021) 71794085 (021) 71794086	(021) 71794083

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
45	Cilegon	Serang	Jl. Jend. Ahmad Yani No. 6, Sukmajaya, Kec. Jombang, Cilegon 42411	0291 - Kota Cilegon	(0254) 391033 (0254) 391034 (0254) 392057	(0254) 391151
46	Plaza Oleos	Radio Dalam	Gedung Plaza Oleos, Lantai Dasar Unit B1 & B2, Jl. TB. Simatupang Kav. 53 A, Kel. Kebagusan, Kec. Pasar Minggu 12520	0394 - Jakarta Selatan	(021) 22780125	(021) 22780117
47	Cibubur	Bogor	Ruko Cibubur Times Square Blok B-1 No.11 & 12, Jl. Alternatif Cibubur KM 3, Kel. Jatikarya, Kec. Jatisampurna, Kota Bekasi 17435	0198 - Kota Bekasi	(021) 84592489 (021) 84302667	(021) 84597922
48	Asia	Medan	Jl. Asia No. 132/172, Medan, Kel. Sei Rengas I, Kec. Medan Kota, Medan 20214	3396 - Kota Medan	(061) 7368623 (061) 7368653	(061) 7368932
49	Cemara Asri	Medan	Jl. Cemara Asri Boulevard, Blok A No.58, Kec. Percut Sei Tuan, Kab. Deli Serdan 20371	3396 - Kota Medan	(061) 66936911	(061) 66933132
50	Medan Djuanda	Medan	Jl. Ir. H. Djuanda No. 20i, Kel. Sukadamai, Kec. Medan Polonia, Medan, 20157	3396 - Kota Medan	(061) 88815959	(061) 42003822
51	Medan Imam Bonjol	Medan	Jl. Imam Bonjol No. 23 Medan	3396 - Kota Medan	(061) 44025018	
52	Dempo	Palembang	Jl. Mayor HM Rasyad Nawawi, Ruko Blok A1 No. 500 dan Blok A2 No. 501, Palembang	3691 - Kota Palembang	(0711) 5734695	(0711) 369657
53	Bayfront	Batam	Menara Aria Harbour Bay, Lantai Dasar, Jl. Duyung, Kel. Sungai Jodoh, Kec. Batu Ampar, Kota Batam 29453	3892 - Kota Batam	(0778) 4883120	(0778) 4883379
54	Grand Niaga Mas	Batam	Komplek Grand Niaga Mas Blok A No. 3, Batam Centre, Kelurahan Belian, Kec. Batam Kota, Kota Batam 29464	3892 - Kota Batam	(0778) 4161676	(0778) 4170105
55	Achmad Yani	Bandung	Jl. Jend. Achmad Yani No. 235, Bandung	0191 - Kota Bandung	(022) 7204952	(022) 7205551
56	Kopo	Bandung	Jl. Kopo No. 91, Situsaeur, Bojongloa Kidul, Kota Bandung	0191 - Kota Bandung	(022) 5230030 (022) 5204784	(022) 5204784 (022) 5227177
57	Buah Batu	Bandung	Ruko Buah Batu No.146 A, Jl. Buah Batu No.1, Kel. Cijagra, Kec. Lengkong	0191 - Kota Bandung	(022) 7315139	(022) 7315193
58	Pasir Kaliki	Bandung	Jl. Pasir Kaliki No. 161, Pamoyanan, Cicendo, Kota Bandung	0191 - Kota Bandung	(022) 6017027	(022) 3044520
59	Asia Afrika	Bandung	Jl. Asia Afrika No. 137 Bandung	0191 - Kota Bandung	(022) 63196022	
60	Dago	Bandung	Jl. Ir. H. Juanda No.43 (Dago), Tamansari, Bandung Wetan, Kota Bandung	0191 - Kota Bandung	(022) 4261175 (022) 4261191	(022) 4267885

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
61	Siliwangi	Semarang	Jl. Jend. Sudirman No. 131, Salamanmloyo, Semarang Barat, Kota Semarang	0991 - Kota Semarang	(024) 7608791	(024) 7608623
62	Majapahit	Semarang	Jl. Brigjend. Sudirato 106, Pandean Lamper, Gayamsari, Kota Semarang	0991 - Kota Semarang	(024) 6723762	(024) 6723761
63	Salatiga	Semarang	Jl. Jend. Sudirman No.188, Kalicacing, Sidomukti, Kota Salatiga	0992 - Kota Salatiga	(0298) 322027	(0298) 326032
64	Gang Tengah	Semarang	Jl. Gang Tengah No. 16, Kranggan, Semarang Tengah, Kota Semarang	0991 - Kota Semarang	(024) 3561800	(024) 3561700
65	Mataram	Semarang	Ruko Plaza Blok A No. 8 A, Jl. MT Haryono, Dadapsari, Semarang Utara, Kota Semarang	0991 - Kota Semarang	(024) 3560033 (024) 3560461 (024) 3584007	(024) 3560462
66	Pahlawan	Semarang	Jl. Pahlawan No. 5 Semarang	0991 - Kota Semarang	(024) 35318000	
67	Kratonan	Solo	Jl. Yos Sudarso No. 246	0996 - Kota Surakarta/Solo	(0271) 652626 (0271) 654343	(0271) 655622
68	Pasar Legi	Solo	Jl. Letjen. S. Parman No.83, Kel. Kestalan, Kec. Banjarsari, Kotamadya Surakarta, Jawa Tengah	0996 - Kota Surakarta/Solo	(0271) 666536	(0271) 641177
69	Sragen	Solo	Jl. Raya Sukowati No. 194, Sragen, Kel. Sragen Kulon, Kec. Sragen, Kab. Sragen, Jawa Tengah	0996 - Kab. Sragen	(0271) 891276 (0271) 891250	(0271) 891276
70	Temanggung	Magelang	JL. KS. Tubun No. 1, Kel. Temanggung I, Kec. Temanggung	0919 - Kab. Temanggung	(0293) 491555	(0293) 491155
71	Brigjend Katamso	Yogyakarta	Jl. Brigjend. Katamso No. 278 (lama 280), Keparakan, Mergangsan, Kota Yogyakarta	0591 - Kota Yogyakarta	(0274) 384193 (0274) 415732	(0274) 378569
72	Kricak	Yogyakarta	Jl. Magelang No. 81, Kricak, Tegalrejo, Kota Yogyakarta	0591 - Kota Yogyakarta	(0274) 553385	(0274) 563672
73	Coklat	Surabaya	Jl. Coklat No. 12 – 14, Bongkaran, Pabean Cantian, Surabaya	1291 - Kota Surabaya	(031) 3526784 (031) 3530966	(031) 3523332
74	Perak Timur	Surabaya	Ruko Tanjung Perak, Jl. Perak Timur No. 42, Kel. Perak Timur, Kec. Pabean Cantian	1291 - Kota Surabaya	(031) 3550318	(031) 3550314
75	Kedungdoro	Surabaya	Jl. Kedungdoro 155 D, Tegalsari, Surabaya	1291 - Kota Surabaya	(031) 5321365 (031) 5322451	(031) 5471442
76	Kapas Krampung	Surabaya	Jl. Kapas Krampung 55 B, Rangkah, Tambaksari, Surabaya	1291 - Kota Surabaya	(031) 3727910 (031) 3718281 (031) 3769292	(031) 3715633
77	Rungkut	Surabaya	Jl. Rungkut Kidul Industri No. 62, Rungkut Kidul, Rungkut, Surabaya	1291 - Kota Surabaya	(031) 8418271 (031) 8419272	(031) 8414517

Operational Area and Market Served [C.3]

No.	Office Name	Main Branch	Address	Dati II	Telephone	Facsimile
78	Raden Saleh	Surabaya	Jl. Raden Saleh No. 8-A, Kel. Bubutan, Kec. Bubutan, Kota Surabaya	1291 - Kota Surabaya	(031) 5359970 (031) 5359971 (031) 5359974 (031) 5359963	(031) 5355964
79	MERR	Surabaya	Jl. Dr. Ir. H. Soekarno Kav.R-3, Komp. Ruko Icon 21, MERR, Kel. Klampis Ngasem, Kec. Sukolilo, Surabaya	1291 - Kota Surabaya	(031) 5925585	(031) 5929072
80	Margorejo	Surabaya	Jl. Raya Margorejo Indah A-802 Kav. 01, RT 001 RW 008 Kel. Margorejo, Kec. Wonocolo, Surabaya	1291 - Kota Surabaya	(031) 99847388	(031) 99847393
81	Bumi Mandiri	Surabaya	Gedung Bumi Mandiri Tower II Jl. Panglima Sudirman No.66 – 68 Surabaya	1291 - Kota Surabaya	(031) 35979018	
82	Teuku Umar	Denpasar	Kompleks Graha Mahkota, Blok B-1, B-2, B-3 Jl. Teuku Umar 208-210, Denpasar, Bali	7291 - Kota Denpasar	(0361) 2108022	
83	Gatot Subroto	Denpasar	Jl. Gatot Subroto No. 100 X, Kav. 10, Denpasar Utara, Denpasar	7291 - Kota Denpasar	(0361) 7450714 (0361) 7450175 (0361) 7427697	(0361) 248826
84	Mojokerto	Jombang	Jl. Mojopahit 55-57, Mergelo, Sentanan, Magersari, Kota Mojokerto	1292 - Kota Mojokerto	(0321) 322291 (0321) 322816	(0321) 322719
85	Sidoarjo	Surabaya Bukit Darmo	Jl. Jend. Achmad Yani 40 J, Sidoarjo	1202 - Kab. Sidoarjo	(031) 8941836 (031) 8941046	(031) 8941047
86	Mayjend. Sungkono	Surabaya Bukit Darmo	Jl. Mayjend. Sungkono No.142-143, Blok A16, Kel. Gunungsari, Kec. Dukuh Pakis, Surabaya	1291 - Kota Surabaya	(031) 99531299	(031) 99535250
87	Gresik	Surabaya Bukit Darmo	Jl. Usman Sadar No. 84, Sukorame, Kemuteran, Kec. Gresik, Kabupaten Gresik	1201 - Kab. Gresik	(031) 3990053 (031) 3972145	(031) 3990054
88	Panakkukang	Makassar	Jl. Pengayoman No. 48, Pandang, Panakkukang, Kota Makassar	6191 - Kota Makassar	(0411) 421921 (0411) 433017	(0411) 458260
89	Pakuwon City	Surabaya Manyar Kertoarjo	Jl. Pakuwon Boulevard II, East Coast Ruko Patoz AA2 No. 52, Pakuwon City, Kel. Kejawan Putih Tambak, Kec. Mulyorejo, Kota Surabaya	1291 - Kota Surabaya	(031) 5957279 (031) 59175614 (031) 59175179 (031) 59172654	(031) 59175371

Chapter .04

Management Discussion and Analysis

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2023 Macroeconomic Review

Global Economy

The global economy was still mired by multi-dimensional challenges as 2023 drew to an end. After supply-side constraints relatively eased in 2022, rising geopolitical tensions once again created upside risks to inflation. This derailed the declining course of interest rates and weighed down on global economic prospects. As such, sustained tightening in monetary policy coupled with subsiding impacts from expansionary fiscal stimulus post-pandemic led to stagnating growth in many economies.

Global economic growth dropped from 3.4 per cent in 2022 to 2.9 per cent in 2023 and is forecast to remain in the sub-three per cent growth this year. This slowdown was mainly driven by muted growth in developed countries. The European economies grew by 0.5 per cent in 2023, a significant decline from the 3.5 per cent growth in 2022.

China's economy in 2023 remained under pressure due to the property sector correction and weaker domestic demand, as reflected in its annual core inflation at 0.7 per cent. Nonetheless, China's economy surpassed consensus and China government's target, and grew by 5.2 per cent in 2023, exceeding the growth of 3 per cent in 2022, on the back of accelerated government spending.

Separately, some encouraging developments were seen in the US economy, where it registered 2.5 per cent growth in 2023, an improvement from 2.1 per cent in 2022 on the back of strong domestic consumption, higher inventories, exports, investment, and government spending.

Global economic uncertainty and rising geopolitical tensions, along with China's economic slowdown, have weakened international trade activities. Meanwhile, persistent high inflation of 6.8 per cent in 2023 also triggered interest rate hikes to the highest levels in major economies. These factors have contributed to the slower growth in 2023.

Indonesian Economy

Indonesia's economy maintained its strong growth amid various challenges during 2023. Indonesia's economy in 2023 grew by 5.1 per cent, lower as compared to 5.3 per cent growth in 2022. The slowdown was attributed to the weakening of private consumption due to high inflationary pressures that also pushed interest rates upward. In addition, the normalisation of commodity prices also affected export performance, which grew slower at 1.3 per cent in 2023 compared to 16.2 per cent in 2022.

Nonetheless, the government's consistency in improving the investment climate, supported by deregulation to improve competitiveness and licensing efficiency succeeded in encouraging higher investments in 2023. In addition, the government's fiscal stimulus measures, especially to encourage investments in priority sectors, also supported economic growth in 2023.

The government's efforts to expand downstream industries also succeeded in attracting investments in the manufacturing, transportation, energy, construction and telecommunications sectors, creating more than 1.8 million jobs in 2023. The improvement in investment and employment resulted in the expansion of upper middle class and strong domestic consumption. Meanwhile, the lower middle class was under pressure due to high inflation in food prices.

Bank Indonesia's (BI) monetary policy tightening in 2023 managed to keep the rupiah stable. As a result of high interest rates, household consumption experienced slower growth. However, the government's fiscal stimulus through the acceleration of the social safety budget and pre-election impact offset the weakening domestic consumption and sustained a positive trajectory for economic growth in 2023.

2023 Banking Industry Review

The national banking industry continued to record relatively stable growth in lending activities, total assets, third party funds and capital adequacy ratio (CAR) despite the challenging macroenvironment. Total banking loans for retail and corporate segments grew by a healthy 10.4 per cent, albeit slower growth compared to 11.4 per cent in 2022. This was due to price normalisation of several primary commodities, particularly coal and palm oil, as well as higher interest rates that triggered weaker consumption.

Third-party funds increased by 3.7 per cent to IDR8,458 trillion from IDR8,154 trillion in 2022. Liquidity remained healthy despite loan to deposit ratio rising to 83.8 per cent from 78.7 per cent in 2022. Capital profile remained robust with a capital adequacy ratio of 27.7 per cent, up from 25.7 per cent in 2022. Non-performing loan ratio remained benign at around 2.2 per cent, down from 2.4 per cent in 2022. The data pointed to a resilient Indonesian banking industry amid a globally

2023 Macroeconomic Review

challenging economic environment and less conducive domestic economic conditions.

The banking industry registered a return on assets ratio of 2.7 per cent as of December 2023, supported by NIM at around 4.8 per cent, an improvement from 4.7 per cent in the previous year. This resulted in national banks recording higher pre-tax profits of IDR304.4 trillion, up 20.6 per cent from IDR252.5 trillion in 2022. With operational costs under control, the ratio of operational costs to operational income also improved from 78.7 per cent to 78.9 per cent in December 2023.

One area that showed significant progress is digital transactions, where transaction volumes grew rapidly in line with increasing consumer preferences for e-commerce, as well as digital payments and digital banking. The value of digital banking transactions in 2023 grew 13.5 per cent year on year, reaching IDR58,478.2 trillion, from IDR52,545.8 trillion in 2022. Correspondingly, the value of transactions through electronic money increased 43.5 per cent year on year with a value of IDR835.8 trillion.

2024 Prospect

In 2024, the global and domestic economy is expected to remain plagued by the risk of a deceleration driven by higher-for-longer monetary policy tightness in many countries amid still-uncertain and volatile inflationary pressures. Other factors include continued geopolitical tensions in the Middle East that trigger global supply chain disruptions, the hosting of elections in more than 50 countries in the world that may bring about new policies, and other challenges from geopolitical condition between the United States and China. The IMF in its January 2024 report forecasts global economic growth in 2024 at around 3.1 per cent, around the same level as the projected economic growth in 2023.

The resilience of the Indonesian economy will likely remain intact despite global challenges. 2024 should offer bright spots for the country on the back of improving domestic consumption, higher demand and commodity prices, as well as higher investment targets in light of political stability after the February 2024 general elections. The government and BI forecast domestic economic growth in 2024 to be in the range of 5.1 to 5.2 per cent, relatively stable compared to growth in 2023.

Indonesia's banking industry is expected to remain resilient in terms of capital, lending, and liquidity. The digital economy is also predicted to continue to post a strong growth with the value of digital banking transactions projected to increase by 9.1 per cent in 2024, while electronic money transactions are projected to increase by 25.8 per cent year on year.

BI is expected to continue embarking on sound monetary and macroprudential policies in 2024 to support the steady prospects of the Indonesian economy. To anchor stability, BI is expected to maintain policy rates at 6.0 per cent in 2024 for several reasons. Firstly, uncertainty remained over monetary policy in developed countries, especially the Fed, on the timing of interest rate cuts in the United States this year. Secondly, pressure in Indonesia's financial markets due to global uncertainty and rising geopolitical tensions have sparked some flight to quality assets, which have partially contributed to the recent depreciation in the rupiah.

Supported by policy synergy between the authorities, the financial sector, and the business world, lending growth in 2024 is projected at 10 to 12 per cent, higher than 2023 growth at 10.4 per cent year on year.

Business Overview

Consumer Banking

The Bank successfully completed the integration process of Citibank's consumer banking business, increasing the number of our wealth and mass market customers. With our omni-channel approach, UOB Indonesia aims to assist retail banking customers in reaching their financial goals. Our solutions encompass a wide range of needs, lifestyles, and life stages, and include deposit, insurance, loan (secured and unsecured), treasury, investment, and wealth advisory services.

Income and Profitability

In 2023, Consumer Banking recorded a total income of IDR2,098 billion, an increase of 22 per cent from IDR1,718 billion in 2022. This was due to our strategy in strengthening deposits, loans, credit cards and wealth advisory capabilities, while staying focused on delivering our personalisation proposition, providing financial solutions and experiences suited to each customer.

Personal Financial Services

Wealth Management Solutions

We serve an extensive range of products to meet the needs of our customers in growing their wealth. These products comprise mutual funds, in both open-end and closed-end funds, structured products, and bonds, which include primary retail bonds, government bonds, and corporate secondary bonds. Our retail customers have access to a variety of bancassurance products, including unit links and other forms of life insurance, such as endowment.

Our Wealth Management Advisory team, comprised of product specialists and research analysts, provides comprehensive investment insights and up-to-date market information to our customers. Our strategy prioritises a Risk-First Approach by assessing and communicating the risks associated with an investment product to customers. This enables them to make informed decisions about seizing market opportunities based on their risk tolerance and financial capacity. Furthermore, we analyse the potential risks associated with investment instruments and recommend a combination of balanced, long-term investments and short-term, strategic ones that ensure the achievement of customers' financial goals.

We managed to book 100.6 per cent growth in assets under management (AUM) in 2023, while the number of wealth customers increased 58.6 per cent compared to 2022.

Deposit Products

Our deposit products range from simple savings accounts to higher interest-yielding products, such one-account that accrues bonus interest when combined with other banking transactions.

The Bank's Current Accounts and Savings Accounts (CASA) reached IDR60.8 trillion with total deposits of IDR 118.9 trillion. To further strengthen our funding, we will continue to expand our deposit product offering and roll out more programmes and initiatives.

Home Ownership Credit and Loans with Collateral or Secured Product & Sales (SPS)

We provide competitive and affordable housing loan solutions for customers via a simple process. Our UOB HOME solution offers Housing Loan/Apartment Ownership Loan, featuring low down payments, competitive rates, and repayment tenure of up to 360 months installments, with an easy approval processes.

Strategies and Performance in 2023

In 2023, amid intense market competition, we supported our customers by providing competitive pricing on our products. We also beefed up our policies and partnerships to enhance the quality of our portfolio, focusing on housing loans for:

1. Primary and secondary property within the well established residential area (WERA); and
2. Salaried customer segment.

We achieved our priorities of growing our portfolio and improving the asset quality by:

- increasing new loans for primary and secondary homes from developers and property agents;
- expanding partnerships with developers to open more primary businesses;
- enhancing sales teams' productivity through:
  - training programmes to improve capabilities; and
  - performance management system to monitor sales team achievements;

- reducing NPL with a prudent risk management applied on acquiring new credit, credit guarantees, portfolio monitoring, and collection/settlement of problem loans and debts sales; and
- achieving better credit monitoring in 2023 compared to 2022.

Our net interest margin decreased year-to-year, attributed to rising interest rates at both macro and microeconomic levels. These increases which were not aligned with the stable mortgage market conditions.

Priorities for 2024

In 2024, we will:

- continue our focus on providing housing loans for WERA's primary and secondary properties as well as the salaried customer segment which showed better loan performance;
- explore new product ownership and cross-sell to customers from the Bank's other segments; and
- improve the digital ecosystem and our presence through online brokers, aggregators, and property portals, and strengthening business relationships with leading property developers and agents to provide relevant digital solutions for customers; and
- stay relevant in market terms of pricing, policies, products, and partnerships.

Business Overview

Credit Cards and Payments

With the wide selection of credit cards we offer, we have a credit card for everyone, providing each customer with benefits and rewards that are tailored to their different needs and lifestyles.

UOB INFINITE CARD

#Experience Privileges That Are Infinitely Yours

High Net Worth Individuals

- One airline mile for every IDR7,500 spent (local and overseas spend)
- One complimentary night for four-night stays up to five times per year
- Complimentary airport transfers up to 5 times per year
- Complimentary airport lounge access up to 5 times per year
- Travel insurance up to IDR25 billion

PRIVIMILES CARD

#Your PRIVI Partner in Miles

Affluent Travellers

- One airline mile for every local spend of IDR8,750 or overseas spend of IDR5,000
- Complimentary Visa Signature concierge service
- Complimentary travel insurance of up to IDR25 billion

UOB PREFERRED CARD

#Your Preferred Rewards, Unlocked

Mass Affluent

- Three times reward points for fashion purchases or purchases at department stores, restaurants, both at home and abroad
- One reward point for every retail purchase worth IDR1,000

UOB LADY'S CARD

#Lady Wants, Lady Gets

Ladies

- **Lady's Day**
  Discounts of up to 50 per cent at selected hairdressers (on Wednesdays)
- **Lady's Reward**
  Three times reward points for shopping at supermarkets, online shopping, department stores, and fashion boutiques
- **0% Luxe Pay**
  Zero per cent installments for three and six months for purchases at fashion boutiques
- **Lady's Moment**
  Exclusive access to special events such as designer fashion shows, masterclasses with celebrity chefs, beauty classes and more

Business Overview

UOB ONE CARD

#It takes ONE for your loved ones

Young Families

- Cashback of up to five per cent
- Zero per cent installments for education up to six months
- Complimentary accident insurance of up to IDR600 million, valid for cardholder and immediate family (spouse and two children)

TMRW Credit Card

#It takes ONE for your loved ones

The Digital Generation

- Up to six per cent cashback for selected categories
- Flexible installment payments
- Credit card limit control
- Online card service

UOB YOLO CARD

#Better YOLO than LATER

Millennials

- Yoloyalty balance awarded for every five transactions, with minimum spend of IDR100,000 per month. Redeem e-vouchers, e-money top-up and cinema tickets with Yoloyalty balance
- Yolo-travelling - Zero per cent installments for three and six months for hotel and travel transactions
-

GARUDA INDONESIA UOB CARD

#From Shops to Skies

Affluent Travellers

- Complimentary additional baggage limit of up to 20kg
- Dedicated check-in counter
- 10 per cent discount awards on miles
- 12,500 Garuda Miles bonus + cashback worth IDR500,000
- Zero per cent installments for three months
- Three times miles per IDR20,000 spend with Garuda Indonesia
- Two times miles per IDR20,000 spend for transactions at other retail stores

UOB TELKOMSEL

#Lifestyle Connected

Mass Market

- Buy one get two promo at Cinema XXI theaters
- Complimentary roaming package to ASEAN countries, Asia, United States and United Kingdom
- One UOB point for every retail spend of IDR2,000
- Three times UOB points for Telkomsel Halo, dining, fashion, department stores, foreign transactions and Cinema XXI bill payment transactions

Business Overview

Credit Cards and Payments

UOB GPN Debit Card

Mass Market

- Cash withdrawal at all Automated Teller Machine (ATM) with the Visa/Plus, Prima, ATM Bersama logos throughout the world
- Retail transactions at domestic merchants

UOB Visa Debit Card Reguler

Mass Market

- Cash withdrawal at all ATMs with the Visa/Plus, Prima, ATM Bersama logos throughout the world
- Cash withdrawals at UOB's ATMs across the region free of charge
- Payment of credit card bills, electricity bills, and other necessities via UOB ATM
- Safe and easy transactions with contactless features all over the world

UOB Visa Debit Card Wealth Banking

Wealth Banking customers

- Cash withdrawals at all ATMs with the Visa/Plus, Prima, ATM Bersama logo throughout the world
- Cash withdrawals at UOB's ATMs across the region free of charge
- Payment of credit card bills, electricity bills, and other necessities via UOB ATM
- Safe and easy transactions with contactless features all over the world
- Safe deposit box facility at special rates
- Educational consulting services with partner educational consultant

UOB Visa Debit Card Privilege Banking

Privilege Banking Customers

- Cash withdrawals at all ATMs with the Visa/Plus, Prima, ATM Bersama logo throughout the world
- Payment of credit card bills, electricity bills, and other necessities via UOB ATM
- Safe and easy transactions with Contactless Features worldwide
- Access to Privilege Banking Centre with executive services
- Free reserved parking at UOB Indonesia branches

Strategies and performance in 2023

1. Strengthened value propositions for nine main credit cards – UOB Infinite Card, UOB PRIVI Miles Card, UOB Preferred Card, UOB Lady's Card, UOB One Card, UOB YOLO Card, TMRW Credit Card, contactless co-brand UOB Telkomsel, and contactless co-brand Garuda Indonesia UOB Card.
2. Sustained marketing for debit and credit cards by providing attractive programmes such as cashback, discounts, and interest deductions to increase card activation, transactions, and customer loyalty.
3. Strengthened collaboration with various partners to enhance the value propositions for our debit and credit cards, offering benefits and rewards in areas such as e-commerce, restaurants, health, groceries, ride-hailing, travel, and hotels.

With the enhanced value we brought to customers, total credit card transaction value increased 4.4 per cent in 2023 to IDR2,280 trillion.

Our strong performance also won us the Highest Commercial Credit Card Volume for Regional Banks award at the VISA Indonesia Client Forum 2023.

Personal Loan and CashPlus Strategy in 2024

Complementing basic bank products with personal loans and CashPlus.

Wealth Banking and Privilege Banking

Our Wealth Banking and Privilege Banking business teams are committed to helping emerging and affluent customers in planning, saving, spending and investing wisely. We offer a wide range of banking, investment and protection products, including time deposits, current and savings accounts, and insurance.

Wealth Banking

Wealth Banking services are tailored for individuals classified in the emerging affluent category with a total managed funds of minimum IDR100 million. An emerging affluent customer typically has a stable income, sizable savings, and is in the early stages of wealth accumulation. These individuals diligently seek out opportunities to grow their wealth through informed investment choices.

With our unique Risk-First Approach assisted by dedicated Relationship Managers, we want to ensure that investment strategies recommended are aligned with our customers' financial goals, priorities, and risk tolerance. This approach not only facilitates the growth of their wealth, but also ensure banking solutions are tailored to their needs and aspirations.

Strategies in 2023

To achieve optimised growth in 2023, we implemented the following strategic initiatives:

- focused on growing customer base through referral and acquisition programmes, partnerships, marketing activities, as well as upgrading Con sumer Banking customers with total managed funds that meet the Wealth Banking segment criteria;
- improved portfolio quality by emphasising on balance top-ups and cross-sell products aligned with customer needs and risk tolerance through various banking programmes;
- increased customer engagement through product penetration in the Wealth Banking segment via cross-sell and synergy programmes; and
- enhanced customer value proposition of our products to be more relevant, comprehensive, and competitive.

Privilege banking

The Privilege Banking business serves individuals with asset-under-management of minimum of IDR1 billion. This segment caters to high-net-worth individuals requiring advanced financial management services and exclusive privileges beyond conventional banking experience.

Privilege Banking customers are served by dedicated Client Advisor who adopts UOB's unique Risk-First Approach to investments, ensuring strategies are aligned with their financial needs, priorities, and risk tolerance.

Apart from financial advice services, Privilege Banking customers can also enjoy various exclusive privileges such as access to medical concierge service, limo transfer service, medical check-up, safe deposit box facility, gifts on birthdays and festivities, as well as access to UOB Privilege Banking Centre across the regions. Privilege Banking provides a banking experience that harmoniously integrates financial advisory services with lifestyle benefits as our commitment to meet customers' unique needs and preferences, aligned with their success and status in life.

Business Overview

Strategies in 2023

In 2023, we implemented the following strategic initiatives:

- focused on growing customer base by increasing new-to-bank customers through referral and acquisition programmes, partners or marketing events, as well as by upgrading existing customers who meet the Privilege Banking criteria;
- improved portfolio quality by intensifying balance top-up and cross-selling products based on customers' needs and risk tolerance through various banking programmes;
- enhanced customer stickiness to the Bank by increasing product penetration in the Privilege Banking segment through cross sell and synergy programmes; and
- elevated the customer value proposition of our products to be more relevant, comprehensive and competitive.

2024 Priorities

The strategy priorities for 2024 include:

- intensifying the brand awareness and strengthening the customer communications through strategic and consistent messaging via various internal and external platforms (e.g. eDMs, SMS, account reports, advertisements etc);
- streamlining the onboarding process for new-to-bank Privilege Banking customers and cross-segment customers, including customers who have migrated from Citigroup's Consumer Banking business; and
- strengthening engagement with Privilege Banking customers via various meaningful client events.

UOB TMRW Digital Bank

UOB TMRW app is the Bank's all-in-one mobile app built around the needs of individual consumers to serve their banking, financial and lifestyle needs. Leveraging the latest technologies, including proprietary in-house and external Artificial Intelligence (AI)/machine learning models, we developed and rolled out new capabilities to enhance our customers' digital experience, making banking, investing and enjoying rewards simpler and smarter:

a. TMRW Everyday Account - A savings account for everyday payments and transfers. Customers get to enjoy attractive interest per annum, no bank administration fees for bill payments and transfers, and no minimum balance requirement. Customers can easily deposit funds via bank transfer or UOB TMRW app. Customers can also pay digtially at merchants by scanning with the QRIS logo. Customers can also send and receive money easily using their mobile number or through e-mail.

b. TMRW Savings Account - Customers can transfer savings daily from the TMRW Everyday Account to the TMRW Savings Account to get attractive interest per annum. The account offers features such as autodebit, City of TMRW, a unique and gamified saving account which customers will be able to build up their own virtual city as they increase their savings, no minimum balance requirement, and no monthly fees.

c. TMRW Credit Card - Customers can get cashback for selected spending categories. TMRW Credit Card holders also enjoy the flexibility to limit spending and cash withdrawals at ATMs. TMRW Credit Card also offers flexi repayment that allows customers to convert their outstanding credit spending into three, six or 12-month installments at attractive interest rates.

d. TMRW Power Saver – A term deposit product that gives customers higher interest with a minimum one-month placement. Customers can start with a minimum deposit of IDR8 million – just by opening an account and making a deposit via the UOB TMRW app. Customers can choose deposit terms ranging from one, three, four, five, nine, and 12 months. There is no penalty for early withdrawal.

e. TMRW Pay - A new way to pay on customers' favourite online sites. Customers can convert spend into installment repayments, with instant approval, zero per cent interest and no fees for up to 90 days. The last installment is waived for the first purchase by downloading UOB TMRW app. Installment exemption is limited to IDR300,000. It comes with a TMRW account and a debit card for easy bill payments and banking needs.

f. Tomorrow Intelligent Assistant (TIA) - Customers can interact with UOB 24/7 via a chatbot called TIA available on the UOB TMRW app. Built on Artificial Intelligence and Machine learning, TIA has learned more than 60 thousand common phrases and has successfully resolved 70 per cent of customer enquiries without human intervention. For more complex customer enquries, UOB TMRW can seamlessly transition to a customer service executive to assist the customer within the existing conversation.

Business Overview

g. TMRW Auto Save - The Auto-Save feature is an additional feature in City of TMRW that helps customers grow their savings easily. This feature analyses customer spending and savings patterns in the TMRW Everyday Account to help them save "excess" money above customer's average spending level into the City of TMRW automatically.
h. UOB EZ Pay - TMRW EZ Pay by UOB is an internet banking service from UOB that can be used by UOB customers via the website and UOB TMRW app.
i. Smart Insights – We leverage personalised insight cards generated by AI to anticipate and provide through timely reminders, alerts and notifications catered to each customer's unique needs and proactively prompt them towards smarter spending and saving habits. For instance, UOB TMRW offers insight cards to remind customers of overdue bills or predict upcoming bills, while also alerting customers if there are double charges.

Other services that UOB TMRW offers:
- Online account opening
- Account maintenance and display
- Debit card and credit card services
- Fund transfer (BI-FAST, Real Time Online, Real-Time Gross Settlement) and bill payments (including e-wallet top-up)
- QR payment capability
- 24/7 Chatbot service for customers service

Strategy for 2023:

In 2023, we:
- refreshed the look and name of our app to align with the Group's UOB TMRW app. The refresh expanded the app's funcationality and aims to eventually sync up the offering and capabilities across the entire region. UOB TMRW is also the main initiator of UOB's omni-channel approach to drive sustainable business growth, deepen customer relationships, and acquire individual customers.
- continued to improve and expand the scope of its omni-channel capabilities. This has two functions: as a digital bank that provides the necessary services by providing important products, and as an Omni-channel that provides services that mean customers do not need to come to a branch office or contact a contact center to get maximum, efficient digitalisation, as well as a lower cost structure.
- provided Wealth Portfolio view, a comprehensive overview of customers' financial health and ongoing investments, as well as UI/UX enhancements to meet required improvements in line with UOB's new branding.
- launched Rewards+ on the UOB TMRW app as an easy way for customers to view ongoing promotions and rewards. Customers can also redeem available rewards easily via the app.
- Increased engagement to attract more usage through various marketing campaigns both regular and seasonal.
- The acquisition of Citigroup's consumer banking business in Indonesia offered new opportunities to expand our suite of offerings and explore new features suited to these customers via the UOB TMRW app. We focused on features relating to cards and wealth management, which matched closely with the product holding of majority of ex-Citi Indonesia customers who are credit card holders and wealth management clients.

Performance in 2023

We acquired new customers via UOB TMRW, which is a 40 per cent growth from 2022. In terms of third party funds, total deposits grow by 22 per cent year on year. We also acquired new credit cards, bringing the total credit cards, an increase of 54 per cent compared to 2022, while total cards grew by 13 per cent.

UOB TMRW clocked in a stellar revenue growth of 145 per cent in 2023, and generated good feedback from customers with a Net Promoter Score (NPS)* of +41.

[1] The NPS is an independent metric used by the industry to measure customer satisfaction level and the likelihood that customers will recommend our products and services to others.

Business Overview

UOB TMRW Digital Roadmap for 2024

For 2024, UOB TMRW has the following development roadmap:

- continually enhance UOB TMRW UI/UX;
- Offer digital insurance and wealth services through the app, which allows customers to carry out unit trust self-service (buy, sell, transfer);
- improve features and services for credit cards and loans, namely CashPlus Digital;
- offer foreign exchange and bond;
- onboard Personal Financial Services (PFS) products;
- improve payment, billing, and transaction capabilities;
- enhance state revenue/payment service features;
- enhance features and services through collaboration with third party APIs;
- improve fraud detection capabilities;
- enhance QRIS payment capabilities including cross-border QR services, QRIS that uses credit card as source of fund, and QRIS serving mode;
- enable E-statement for PFS and consolidation products;
- improve of foreign products; and
- improve foreign currency functionality.

Wholesale Banking

Wholesale Banking is committed to contributing to Indonesia's economic growth by connecting businesses across the region, as well as supporting investment flows along trade corridors and foreign direct investment (FDI) into Indonesia. Working closely with various trading partners globally, we also help to facilitate the country's export and import activities.

We offer tailored products and services to companies and institutions, enabling them to manage their business operations, cash flow, market expansion and capital needs better. In addition, we also provide solutions to help our clients mitigate trade and commodity risks.

Our Business Banking focuses on supporting small and medium-sized enterprises' (SME) business growth, providing financial solutions to help businesses grow their revenue. Through strengthening our ecosystem by collaboration with partners, we aim to continuously innovate to provide better financial and advisory services to our customers.

Our client coverage teams in Commercial Banking and Corporate Banking focus on serving medium and large corporations across seven sectors:

- industrials, which consist of metal and minerals, textiles, machinery, equipment and components and automotive;
- consumer goods, which include agriculture, livestock and fishery, food and beverage, household and personal care, consumer discretionary and retail and wholesale channels;
- oil and gas;
- construction and infrastructure;
- telecommunications, media and technology;
- real estate and hospitality; and
- healthcare.

Wholesale Banking Income and Profitability

In 2023, Wholesale Banking recorded an income of IDR4.39 trillion, representing 63.3 per cent per cent of UOB Indonesia's total income. It was higher than the previous year's income of IDR4.24 trillion.

Income before tax expense stood at IDR2.05 trillion, an increase of 3.3 per cent from IDR1.99 trillion in 2022.

Corporate Banking

In Corporate Banking, we offer comprehensive financial solutions, including cash management, short-term financing, and trade solutions. Our services support both domestic and international trade activities, cater to customers' working capital needs, and to provide long-term financing for capital expenditure and business expansion. Additionaly, we offer hedging facilities to help customers mitigate risks from volatility in foreign exchange rates and interest rates.

Corporate Banking serves large corporate customers, including public companies, private companies, and State-Owned Enterprises (SOEs). We focus on seven industrial sectors that align with the national Nawacita vision, namely:

1. Industrial that include metals and minerals, agribusiness, textiles, machinery, equipment and components, and automotive subsectors;
2. Consumer goods that include agriculture, livestock and fisheries, food and beverage, household appliances and consumer goods sub-sectors.

Business Overview

3. Energy and chemicals
4. Construction and Infrastructure
5. Telecommunications, media, and technology
6. Real Estate, hospitality (selectively) and
7. Healthcare

The outstanding credit recorded a 10 per cent drop due to reduced utilisation and repayment of working capital loans, attributed to excess cash inflow from corporate customer operations and competitive market conditions.

The CASA balance exhibit a downward trend, posing the challenge of maintaining third-party funds from corporate customers amid increasing corporate actions during economic recovery and rising interest rates.

However, the NPL ratio improved to zero as of December 2023.

To enhance Corporate Banking performance, we aim to expedite the deal pipeline closing of prospective customers, increase the credit portfolio, focus on industrial sectors with strong growth potential, and approach customers with low utilisation of existing credit facilities prudently.

2024 Priorities

For 2024, our priorities include:

- New-to-bank (NTB) onboarding (exploring industrial park, electric vehicle supply chain ecosystem)
- encourage green loans (syndication/club deals), sustainability-linked loans, transition financing
- leverage ecosystems and cross-border connectivity

Commercial Banking

Commercial banking provides solutions and services to support the growth of medium-sized corporate customers by addressing their local and regional operating and liquidity needs.

Our range of offerings span cash management and financial supply chain management (FSCM), to financing and investment banking services. To ensure stable supply chains, the FSCM programme is aligned with customers' needs for end-to-end working capital management and comprehensive trade facilities.

We also collaborate with Transaction Banking and Global Markets to provide trade financing, global markets products, and current accounts and savings (CASA) offerings to help customers manage their working capital and liquidity.

In terms of loan balances, the market segment encompasses banking industry players and business groups with a total credit portfolio of above 50 per cent. Our customers include consolidated companies/groups, business groups, family-owned businesses, public companies, multinational companies, and group relationship managers/field relationship Manager accounts.

We provide lending in several sectors, including:

Types of Industry	
1.	Automotive and Spare Parts
2.	Chemical
3.	Construction
4.	Crude palm oil and Processing
5.	Non-Steel Metal
6.	Petrochemical and Plastic
7.	Pulp, Paper and Paper Packaging
8.	Food and Beverage
9.	Pharmaceutical

While portfolio growth in other sectors will still be considered, we focus on these nine industries as we possess strong sector expertise in these sectors. Notably, in the petrochemical and plastic as well as pulp, paper and paper packaging industries, lending is prioritised towards businesses supporting food and beverage products.

In the construction industry, we will focus on firms that have strong relationships with large (or anchor-based) construction companies. We will also focus on providing lending to automotive and spare part companies with electric vehicle development plans in the future, given the ongoing transition from combusion engines to electric ones.

Business Overview

2023 Strategies and Performance

In 2023, we:

- focused on financing industries that posted strong recoveries following the COVID-19 pandemic, such as food and beverage, distribution (wholesale and retail), agriculture, and manufacturing and pharmaceuticals;
- focused on increasing third-party funds through growth of stable and low-cost CASA;
- focused on cross-selling with trade and global market segment products to increase fee-based income;
- expanded our customer base through new customer acquisitions;
- collaborated with business segments and branches to obtain cross-references in acquiring customers and developing new business opportunities;
- increased collaboration with customers to get referrals, open relationships with business partners, their suppliers, and customers; and
- provided sustainable lending to customers through the marketing of green financing products.

In 2023, Commercial Banking recorded an increase of 5.0 per cent in total loans compared to the previous year, contributing around 35.2 per cent to the Bank's total loan portfolio. Commercial Banking also recorded a 21.0 per cent increase in third party funds compared to last year.

2024 Priorities

For 2024, we will:

- leverage connectivity;
- explore financing potentials for the nine targeted industries;
- emphasise FSCM – One for All;
- collaborate with other banks to obtain referrals to their business partners, suppliers and customers; and
- strengthen our customer base, through new customers acquisitions.

Financial Institutions Group

Financial Institutions Group (FIG) customers comprise both local and foreign financial institutions including banks and non-banks, various financial institutions (i.e. securities companies, finance companies, insurance companies, asset management companies, pension funds, and the public sector), as well as global funds and financial sponsors (GFFS) that are based domestically and abroad.

We support these clients with our comprehensive knowledge of the Indonesian market and in-depth regional expertise, and fulfill their business needs by offering various credit facilities and services, including conventional credit and capital market related credit facilities. We also collaborate with non-bank financial institutions, raising third party funds.

We work closely with our Global Markets and Transaction Banking teams to provide treasury, cash management, remittance, and trade products to support all our customers' business needs, locally and across the region. These are in addition to the insurance products, asset management, pension funds, current account savings account, virtual account services, e-tax, and internet banking services that we offer. Collectively, these solutions drive the significant bulk of the Bank's commission-based income.

FIG also plays a pivotal role in maintaining good relationships with all correspondent banks across the region, as well as in promoting the UOB franchise through active engagement in international transactions with banks around the world.

2023 Strategies and Performance

In 2023, we:

- Intensified business relations with debtors from leading finance, securities and GFFS companies. We distributed credit facilities prudently based on priority customer identification.
- Maintained steady funding growth driven by our diversified client base in the insurance, fund and asset management and pension fund sectors. We also developed the Bank's funding portfolio by bundling credit facilities, back-to-back loans, virtual account services, e-tax, BIBPlus, UOB Infinity and recipient bank services, as well as initial share offering payments for securities company clients.

In 2023, FIG's total third-party funding decrease 39.2 per cent from 2022 NPBT a 21.4 per cent growth year on year.

2024 Priorities

For 2024, FIG plans to:

- continue increasing the funding portfolio by amassing stable funding, promoting cooperation with securities, insurance, asset management and pension fund customers, as well as reducing cost of funds by increasing CASA balances;

Business Overview

- deepen relationships through cross-selling and exploring new opportunities with existing customers;
- increase short-term and long-term loan portfolio for reputable finance companies, securities companies and GFFS customers through bilateral loan and loan syndications; and
- maintain a stable profit margin in line with interest rate conditions and banking system liquidity.

Business Banking

Business Banking's long-term goal is to become the bank of choice for SMEs in Indonesia by supporting and advancing their business growth. To help customers run their business efficiently, Business Banking provides banking and beyond banking products and solutions for small and medium enterprises (SME) customers in various sectors such as trade, manufacturing, food and beverages, etc.

Our goal is to foster and support the growth of customer businesses by providing funding, loan products, investment options, and digital banking solutions tailored to their needs to customer needs. Products and services we provide are as follows:

Category	Product Type	Description
Funding Product	• Current and Savings Accounts (CASA) • Infinity (Internet Banking) • Transaction service	• Current and Business Savings Accounts for customers in Rupiah and foreign currencies with competitive interest rates • Infinity, which is UOB's internet banking platform that enables customers to manage business transactions effectively • Providing various foreign exchange products, structured products, bancassurance, trade and cash management products and services, cash management
Lending products	• Working capital lending	• Financing facilities to help customers meet working capital needs In addition, foreign currency hedging and trading facilities to support customers in export-import activities and trading business
	• Investment lending	• Financing facilities for investment, purchase or refinancing of commercial property with a term of up to 20 years
Beyond Banking	• UOB BizSmart	• Digitisation of business processes that allows customers to manage their business comprehensively starting from sales, inventory management, accounting, payroll and digital payments anywhere and anytime

Business Overview

2023 Strategies and Performance

In 2023, many business sectors were back to their normal operation just like before the pandemic hit. The adoption of hybrid meetings with customers has emerged as a new trend, aiding us in expanding the reach of our product marketing efforts. The strategies we have implemented in 2023 include:

- Establishing 'core, sustainable, and satellite cities' to improve the quality of our on boarding, including increasing loan productivity, attrition, monitoring and NPL management;
- Taking proactive measures for customer businesses affected by the pandemic to enhance portfolio quality and reduce NPL ratio;
- Offering new life insurance and general insurance products;
- Expanding the reach of our working capital credit, including for digital platform traders and sellers;
- Collaborating with existing partners to obtain NTB References aand collaborating with our ecosystem partners to offer comprehensive solutions for SMEs.

Business Banking recorded an increase of 7.6 per cent in total income compare to last year. Business Banking achievements contributed contributed 13.5 per cent, 13.2 per cent and 12.1 per cent to the Bank's total income, loan and deposit portfolios respectively.

Business Banking's funding grew considerably, increase by 8.3 per cent from 2022.

Business Banking's loan portfolio fell 18.5 per cent year-on-year, due to the prolonged economic downturn in the country. We were also more selective on credit growth, focusing on quality customers which further slowed down loan growth.

2024 Priorities

For 2024, we are set to:

- offer a beyond banking solutions 'BizSmart' experience in the form of digital Business banking ecosystem to all customers in all segments;
- collaborate with ecosystem partners to introduce our products to their users and acquire NTB customers unfamiliar with UOB for their business transactions;
- collaborate with developers and property agents to attract their customers and promote business property credit products;
- increase the number of potential lending and funding partners to increase CASA balance growth and loan referrals.

Transaction Banking

Transaction Banking has established a solid foundation in cash management, trade finance, and financial supply chain management solutions to assist corporate clients in enhancing cash flow and optimising working capital.

Leveraging UOB Group's regional network and capabilities, we provide market-leading advisory and solutions to serve our clients' value chain partners, from suppliers to customers.

Cash Management

Our cash management services are designed to provide products and services for efficient cash administration, payment, and fund collection to support growing business activities. These offerings cater to diverse client segments, ensuring convenience and enhancing competitiveness.

In 2023, we continued to invest in our digital delivery channels and product capabilities. The newly-launched UOB Infinity mobile app and digital token provide greater convenience for our customers, especially those who travel frequently. We also processed all domestic transfer bulk transactions via Bank Indonesia's BI FAST payment method, improving transaction speed and efficiency.

Trade Finance

We provide a wide range of trade products and services backed by our expertise in trade finance. We also manage risks and share insights with our clients on international and domestic trade as we support their business growth. On top of that, we offer our clients continuous trade service by providing a faster experience for Letter of Credit (LC) and Domestic Documentary Letter of Credit (*Surat Kredit Berdokumen Dalam Negeri*/SKBDN).

As part of our trade digitalisation strategy, our guarantee validation system, allows multiple beneficiaries to conveniently validate guarantees issued by the bank and streamlining the reconciliation process.

UOB Indonesia is committed to providing digital solutions for businesses, enabling them to focus on revenue growth. In 2023, Transaction Banking strengthened product and service capabilities, leveraging technology and UOB Group's regional network for integrated and efficient solutions.

Business Overview

a. UOB Infinity

UOB Infinity, launched in November 2022, is now fully onboarded by our business customers, with all active transacting customers successfully converted from BIBPlus to UOB Infinity by July 2023. The platform incorporates BI-FAST, offering real-time domestic payments at lower fees. UOB Infinity addresses customer concerns about real-time tracking for cross-border payments by providing transparency via a simple and intuitive interface.

For both cross-border and domestic transactions, the platform offers shortcuts and widgets to assist customers in completing their transactions faster. Guidance is provided at each menu to ensure that users can successfully execute their transactions.

In February 2023, UOB Infinity introduced the UOB Infinity Indonesia Mobile app and digital token, offering clients a mobile, secure, simple yet powerful tool to manage their banking needs, on top of the web version. Customers can use their digital tokens to activate their accounts and start initiating transactions the day after they complete registration.

On 23 July 2023, the Bank launched one single point of entry to UOB Infinity for logins and transactions. With the smooth conversion to UOB Infintiy, we also increased our registered client count by 26 per cent in 2023.

UOB Infinity's BI-FAST feature has led to a significant increase in such transactions. As such, we plan to add a Bulk BI-FAST menu in UOB Infinity in the first half of 2024 to help customers process real-time payment for payments and payroll.

b. UOB Infinity Financial Supply Chain Management (FSCM)

UOB Indonesia launched new FSCM capabilities in UOB Infinity in September 2023, enabling clients to digitalise their supply chain financing. FSCM capabilities will enable clients to connect buyers, suppliers, and distributors within their supply chain ecosystem, whether they be in Indonesia, across ASEAN, and even Greater China.

The FSCM feature on UOB Infinity will help improve business efficiency by enabling secure digital transmission and verification of trade documents. Customers can also request financing on a single platform, and gain full visibility and control of cash, trade and FSCM transactions with a single login.

UOB Infinity's new FSCM capabilities will also enhance and complement current cash management solutions to make it easier for businesses to view, plan, and manage their working capital throughout their trade cycles. Our corporate clients can also have quick access to financing at different stages of the supply chain ranging from pre-shipment to post-shipment supplier finance, distributor finance and accounts receivable purchase.

UOB Infinity's FSCM enables our clients to connect digitally with their upstream and downstream ecosystem trade partners, simplify management of trade document exchanges, unlock trapped cash to ease working capital, and manage the risk of collection under one platform. With the progressive launch of these regionally consistent capabilities across our core markets, we will be able to give our regional clients greater oversight of their suppliers' and distributors' interactions, FSCM financing requirements and control of both their domestic and regional FSCM programs with us.

c. Special Account For Forex Export Proceeds From Business Management And/Or Processing Activities Of Natural Resources (DHE SDA)

The issuance of the new Government Regulation Number 36 of 2023, which aims to ensure and regulate the transfer of forex export proceeds (DHE SDA) to the Indonesian financial system, requires natural resource exporters to report their export proceeds via a system provided by Bank Indonesia (called Simodis) through special accounts (Rekening Khusus or Reksus) that must be opened in approved banks. Affected natural resources sectors include mining, plantation, forestry, and fishery.

Business Overview

Government Regulation No. 36 of 2023 also stipulates that exporters with export values that are higher than USD250,000 have to make mandatory DHE SDA placements into Reksus. If the export value is lower than USD250,000, the placement is voluntarily. The mandatory DHE SDA placement criteria is a minimum of 30 per cent with a holding period of minimum three months and it can be placed in Reksus, banking instruments, financial instruments from LPEI (a financial institution owned by government to provide export financing) and/or instruments issued by Bank Indonesia. Following this government regulation, Bank Indonesia has issued Regulation of Bank Indonesia No. 7 of 2023, Regulation for Members of the Board of Governors No. 4 of 2023 and Regulation for Members of the Board of Governors No. 5 Year 2023 to support the operationalization of Government Regulation No. 36 of 2023.

To help our exporter customers comply with the new regulations, UOB Indonesia organised a Transaction Banking Experience forum where we explained the details of the new regulations, and answered any questions they had. We are also committed to operationalising these provisions from the Indonesian government.

UOB Indonesia provides instruments to accept exporters' compulsory placement through our products such as Reksus, Deposito DHE and TD Valas DHE BI. Reksus is available in both foreign currencies and Rupiah, while our Deposito DHE customers can receive tax incentives from the Ministry of Finance.

UOB Indonesia is one of a few selected banks to receive deposit placement through TD Valas DHE BI. Customers can open Rekum (Rekening Umum) in UOB Indonesia as their operational account. Both Reksus and Rekum can be accessed via our internet banking platform, UOB Infinity, to ensure ease of transactions and monitoring.

As the implementation of this regulation could impact exporters' short-term cash flow, UOB Indonesia has designed a trade financing program to mitigate this issue. Customers can request for back-to-back IDR trade financing, using the placed export proceeds as cash collateral and source of repayment. In addition, UOB Indonesia also provides foreign exchange forwards that can be paired with the credit facility granted.

d. UOB API Services

UOB Indonesia launched UOB API services based on SNAP (Standard Nasional Open API Pembayaran) in 2023, in response to the dynamic operating environment, the evolution of instant payment landscape and industry regulatory standardisation requirements. UOB API provides a secure channel for them to conduct real-time banking services such as accessing account information or making instant payments without having to log in. Our range of UOB API services have also been specially curated to focus on the product and service requirements that matter most to our clients by adding value to their day-to-day operations.

Our Payment API services enable near-instant BI-FAST and in-house transfer payments to facilitate a range of transactions, including refunds, claims reimbursements, payroll, cash-outs for drivers or riders operating in the ride hailing or food delivery service sectors, vendor payment settlement etc. Through our payment API, clients can initiate payments to their payees in real-time via BI-FAST to any account held with participating BI-FAST banks, allowing for more timely payment processing compared to batch payments. Payment statuses and fund availability will also be updated on a near-instant basis via our Account Service API and Credit Notification API.

Our Account Service API services enables various informational service such as Balance Enquiry, Bank Statement, and Notifications. Through Credit Notification API, client enable immediate alerts on incoming credits as soon as transactions are posted into client's account allowing them to incorporate immediate reconciliation of those incomings in client's end-to-end collection process.

With the deployment of UOB API services, we continue to develop solutions and platforms that will help our clients transition seamlessly and quickly to a cashless and paperless ecosystem, leveraging process efficient and cost-effective pay-and-receive channels, as well as automating manual processes.

Business Overview

e. **Green Trade Finance/Sustainable Trade Finance**

UOB Indonesia is committed to supporting customers in incorporating environmental, social and governance (ESG) considerations into their supply chain management. This commitment resulted in our Green and Sustainable Trade Finance framework, which sets out a dynamic selection criterion on the eligible themes, activities, and sustainability certifications to qualify green or sustainable financing customers may be eligible for.

This framework guides the development of sustainable finance products (SFPs) that covers documentary trade, and import and export financing. In addition to a more competitive pricing, sustainable trade finance enhances the ESG governance of our customers, enabling them to gain recognition from consumers for aligning with sustainable practices.

Transaction Banking's accolades in 2023 include:
Triple A Treasury, Trade, Supply Chain and Risk Management Awards 2023
Triple A Best Bank Awards:

1. Best Service Provider – Transaction Bank Indonesia
2. Best Service Provider - Trade Finance Indonesia
3. Best Treasury and Working Capital – LLCS Indonesia

Triple A Solution Awards - Best Payments and Collections Solution Awards

1. PT Cipta Piranti Sejahtera (CPS Soft)
2. PT Indotruck Utama
3. PT Sany Heavy Industry Indonesia
4. PT Visi Telekomunikasi Infrastruktur and PT Permata Karya Perdana
5. PT Astrindo Senayasa
6. PT Bhumyamca Sekawan

Triple A Solution Awards - Best Structured Trade Finance Solution Awards

1. PT Wahana Citra Nabati
2. PT Merdeka Tsingshan Indonesia

Triple A Solution Awards - Best Supply Chain Solution

1. PT Tiga Jaya

The Asian Banker – The Bankers' Choice Awards 2023

1. Banker's Choice Awards - Best Financial Supply Chain Management in Indonesia, UOB Indonesia and Lenovo

Global Markets

Our Global Markets business provides foreign exchange (FX) and interest rate products and services that are tailored to meet customers' needs such as FX transactions, derivatives, structured products, securities investment and money market transaction services. In addition, we also offer hedging, investment solutions and currency conversion services. To ensure stability in funding and a strong balance sheet, we provide support in managing the Bank's liquidity by ensuring prudent risk management.

Global Markets comprises market making (trading), portfolio and liquidity management, structuring, and business management teams, alongside the sales team at the frontline serving and engaging with customers. We have dedicated sales desk to assist Corporate Banking and FIG customers, and separate commercial and retail sales desks to serve customers in the Commercial Banking, Business Banking and Retail functions.

Global Markets Products

1. FX products not only enable customers to fulfill their foreign currency needs but also act as a hedging tool for the future. These products include FX today, tomorrow, spot, forward, swap, par forward, and domestic non-deliverable forwards.
2. Derivative products offer optimal flexibility for customers to protect their asset portfolio, manage exposure to interest rate risk with interest rate swaps, hedge against currency needs in the future with different FX options, and protect cash flows from exchange rate and interest rate fluctuations with cross currency swaps. In addition, customers can be insured against rising or falling interest rates with interest rate caps and floors.
3. Structured products are designed to allow customers to enjoy higher profit potential than deposit products, including premium forward deposit,UOB MaxiYield, and call spread option to protect against exchange rate fluctuations.
4. Securities instruments include government bonds, corporate bonds, repo and reverse repo, which are alternative investment instruments to diversify customer portfolios by offering regular coupon payments until maturity with potential for capital gains.
5. Money market instruments which include interbank placements and borrowing for funding and liquidity purposes.

Business Overview

Strategies, Performance, and Activities in 2023

Global Markets' ambition is to become the solution provider of choice by creating greater value for customers by deepening capabilities and expertise to offer a larger suite of products and solutions, including:

- Euro-denominated Government Bonds, to expand investment options for customers;
- Bonds Futures, as a hedging instrument to offset future market movements that may impact the Bank's portfolio, and to protect the Bank's portfolio in both bullish and bearish market conditions; and
- Appointment by the Central Bank of Indonesia, Bank Indonesia as one of the agent banks to accommodate foreign exchange proceeds from exports in the form of time deposits.

We are committed to do right by our customers through market cycles.

1. We actively manage customers' risk exposures amid market volatility through portfolio hedging. We also offer various types of government bonds as alternative investment products for customers with lower risk appetite.
2. We provide structured investment products for customers who want higher returns than term deposits.
3. To maximise efficiency in fulfilling the needs of more diverse customers, we continue to improve our products and capabilities by capitalising on the MUREX treasury system. We also take on a long-term approach in enhancing our risk management and productivity for customers.

Our client franchise continues to expand through intensified efforts in maximising cross-selling and cross-referral activities, resulting in enhanced cost efficiency and increased fee based income. In 2023, Global Markets' contribution to the Bank's overall fee-based income decreased to 33.3 per cent from 36.7 per cent in 2022. Meanwhile, total revenue down 16.0 per cent compared to 2022 due to less favorable market conditions.

2024 Priorities

Global Markets is committed to becoming the solution provider of choice for customers, helping them achieve higher returns on investment, benefit from diversification, and utilise alternative investment products and derivatives for hedging purposes.

In 2023, we showed resilience amid unfavourable economic conditions. In 2024, we will continue to focus on growing our customer base and revenue, developing and offering more products and services to meet our customers' evolving needs, while effectively managing risk exposure. The expansion of our product suite will cover the launch of new investment and hedging products. Following the completion of the acquisition and integration of Citigroup's consumer banking business into UOB Indonesia, Global Markets will capitalise on the opportunities and potential available to provide relevant solutions and develop our retail customer base.

This will be carried out in line with the Bank's overall strategy to produce sustainable performance improvements through increased productivity and enhanced product capabilities. We also consistently make efforts to capture business opportunities that arise from the ongoing market volatility under a prudently implemented risk management framework.

To support customers' businesses, we will continue the good work of our "Centre of Excellence" and increase collaboration between our market making, portfolio and liquidity management, as well as sales and structuring teams. Strengthening and maintaining positive partnerships with other business teams within the Bank to enhance cross-selling activities will remain imperative to our strategy. Collectively, these will enable the Bank to boost its competitiveness in derivative and investment products, as well as strengthen its position as one of the main players in Indonesia's financial market.

Customers

At UOB Indonesia, we place our customers at the heart of everything we do. We aim to help customers meet their business, financial and lifestyle goals with solutions and services personalised to them, while ensuring that every customer's experience with us is safe, reliable and wrapped in human touch.

Keeping Customers at the Centre

We strive to understand our customers' different needs and preferences, and offer solutions that customised to them to help them achieve their financial ambitions. Every decision we make is guided by our promise to do right by our customers. To deliver that, we are focusing on three strategic priorities - personalisation, connectivity, and sustainability.

We are committed to cultivate long-term deep relationships with our customers through understanding their needs, addressing their concerns and caring for them in both good and trying times. This culture of trust is what sets UOB apart from the rest of the industry.

The decisions we make and actions we take to support our customers are testament that we live the Bank's values of being Honourable, Enterprising, United, and Committed.

Equal Treatment for Our Customers

Customers are our top priority and we always maintain the highest professional and ethical standards in all aspects of our engagement with them. We ensure that Fair Dealing remains central to our corporate culture by:

- offering products and services that are suitable for our customers;
- ensuring the competency of our colleagues so as to provide quality advice and appropriate recommendations;
- providing clear, relevant and timely information so that our customers can make informed financial decisions; and
- acting upon feedback in an independent, effective and prompt manner.

Effective Response to Our Customer Needs

We take our customers' feedback seriously and have robust procedures in place to ensure that their concerns are addressed promptly and fairly. Our colleagues are equipped with relevant skills through a series of trainings and workshops in order to maintain the quality of our customer service.

For instance, our Service Development training helps to deepen our front office colleagues' soft skills so that they can better understand customers' needs and preferences, and be equipped to offer suitable products and services to help them achieve their financial ambitions. In 2023, we held an online learning course for leaders on the topic of executive presence and mass personalisation, which attracted more than 200 participants.

Improving Customer Satisfaction and Advocacy

We believe that keeping customers happy and satisfied is key to a long-lasting relationship with the Bank. We continually seek feedback from customers through surveys to improve the quality and standard of our products and services while identifying any potential gaps in our service standards. These surveys were conducted as part of our efforts to nurture a service culture across departments in the Bank, by providing constructive feedback on areas for improvement.

In addition, we conducted in-depth interviews with selected long-time UOB customers to review our service performance against industry best practices and to identify areas for improvement.

Last year, we conducted an in-depth interview with housing loan customers with the aim of improving our customer experience by exploring customer perceptions and feedback about UOB and/or other bank housing loan services. We also conducted in-depth interviews with TMRW customers with the aim of finding out customers' expectations and perceptions of their journey when opening a TMRW account.

Separately, colleagues from different business segments are encouraged to share their opinions and views on industry best practices through surveys. With these insights, we can better address the gaps in our customer service to provide a better banking experience for our customers.

[1] The NPS is an independent metric used by the industry to measure customer satisfaction level and the likelihood that customers will recommend our products and services to others.

Business Overview

We also use the net promoter score[1] (NPS), as a more objective and quantitative measure, to benchmark ourselves in the areas of customer experience and satisfaction within the banking industry. In 2023, we continue conducting at the six touch points, including problem resolution, brand product features, fees and rates, people, services, ease and speed.

Daily morning huddles are held at all our branches to ensure that branch staff are updated on the Bank's latest products, services and ongoing programmes. Huddles are also carried out at the head office every week, with the aim to improve sales productivity and customer service, especially based on detractors' feedback from the Internal NPS survey. We also have a Service Excellence Council chaired by the CEO of UOBI, to discuss and provide solutions on various service issues encountered at our branches.

Setting Standards for Excellent Customer Experience

We strive to continually improve the quality of our customer service. The Bank holds its annual UOB Customer Commitments Awards to recognise our colleagues with good customer service and serve as a constant reminder of our responsibility to customers. In addition, we conduct our Signature Experience Competition Idea programme yearly. The programme aims to express appreciation to business units and branches who implement Breakthrough Service such as those that can eliminate or reduce customer pain points, or improve service quality and customer loyalty. This annual campaign culminated in the Service and Sales Awards 2023 ceremony, which celebrated individuals and teams who have demonstrated outstanding customer service in the past year, and accorded awards to teams that have displayed improvements in their services standard. In 2023, we recognised four colleagues and three teams who have gone the extra mile in serving our customers with the Customer Commitments Award and also three teams under the Signature Experience Competition Idea programme.

Human Resources

Effective Human Resources (HR) management is the key for us to build a competent, customer-centric and sustainable workforce to ensure the Bank's success in seizing opportunities, overcoming challenges and maintaining focus on customers' best interests. UOB Indonesia's Code of Ethics and corporate values are in line with the Bank's strategy and commitment to remain disciplined and prudent as well as to implement good corporate governance and best practices in the industry.

To ensure balance between performance achievements and employee goals, we are revitalising our People programme through "The UOB Way". It is a manifestation of our aim to create a work environment where employees feel recognised and appreciated. Based on the Bank's key pillars of Care, Growth and Trust, we are committed to doing the best for our employees. To that end, the Bank has set several short-term strategies and initiatives in 2023.

Colleagues

One of our main priorities is the development of our colleagues' professional and personal competencies. Guided by our values of Honourable, Enterprising, United, and Committed, we want to build a culture where our colleagues are empowered to contribute positively to our workplace, customers, and society. We continue to develop a work environment that is driven by high performance, oriented towards achieving targets, and consists of professional and principled individuals.

Our Employee Commitments

Our values provide an identity and a sense of belonging, and our commitment to our employees encourages us to continue improving our standards of our behaviour and performance in serving our stakeholders.

- **Honourable - Doing What's Right**
  We do what is right for all our stakeholders and make decisions that best serve the interests of our organisation, colleagues, and customers.

- **United - Making a Real Difference**
  Our unwavering commitment to uphold UOB's values is reflected in the way we passionately serve our customers and communities. We strive to create a positive impact and add value to lives.

- **Enterprising - Building a Meaningful Career**
  We promote persistence and ambition at all levels. We believe in bringing out the best in everyone through professional development and empowering our colleagues to take ownership of their career development.

- **Committed - Leading by example**
  Our leaders act as role models, guiding individuals and teams to overcome challenges and take responsibility for their actions. Together, we focus on supporting the success and progress of all our colleagues.

Our People Philosophy: Care, Growth and Trust

Our people are our greatest asset. At UOB, our people philosophy is centered on three key pillars of Care, Growth and Trust.

Care

We prioritise our colleagues' well-being by developing a supportive and nurturing culture so that employees can be their best.

- UOB focuses on fair total compensation that is competitive and differentiated by performance.
- Additionally, we offer flexible benefits to address our colleagues' holistic wellness:
  - Physical wellness (U-Fit Programme): In 2023, the Bank enhanced the health insurance benefits for employees and their dependents. An internal clinic was also set up to provide employees with easy and convenient access to health consultations with general practitioners. UOB Plaza is also equipped with fitness equipment and facilities so that employees can exercise during their free time.
  - Mental Wellness: We facilitate consultation sessions with professional experts, such as psychologists and psychiatrists, to support employees' mental health.
  - Financial Wellness: UOB has been driving greater employee awareness on UOB TMRW, the Bank's digital platform for banking transactions and providing payment gateway. The Bank also encourages closer family relationships through the Kids Edu Play programme, which allowed our colleagues' children to visit their offices in July to learn about basic banking knowledge through

Human Resources

a variety of fun activities. We also introduced a Flexible Pension Contribution programme, to enable our employees manage their pension funds.

- Social Wellness: UOB's flagship Heartbeat event is held annually in August, which combines physical wellness activities and CSR programmes. Employees are encouraged to participate in the Heartbeat Walk/Run and donate generously to help those in need. Raised funds from UOB Heartbeat are channelled to non-profit organisations such as the Rosa Foundation and Cicendo Special School, to provide support for the hearing-impaired children.

Growth [OJK F.22]

We offer diverse opportunities for our colleagues to progress in their careers through various initiatives:

- Besides upwards progression, we provide lateral mobility opportunities through internal placements, rotations, and regional project assignments.
- We implemented a new future-oriented competency training programme under the "Better U Programme", which focuses on five core competencies, including growth mindset, problem-solving, digital awareness, human-centered design, and data storytelling, as well as two other essential skills – data analytics and project management.
- We also have a variety of online and onsite training sessions and podcasts focused on induction programmes, personal productivity, professional development, technical knowledge development, and people manager and leadership development.
- Our Graduate Development Programme for Management Associates (MA) has been a consistent part of our efforts to build the bench strengths of the Bank's workforce and to nurture future leaders. In 2023, we successfully inaugurated the 14th batch of the MA programme with nine MAs. The six MAs from class of 2022 graduated in December 2023 and have been placed permanently in various functions across the Bank in January 2024.
- We launched GO-1 in 2023, an online learning platform that offer personal and professional development courses which can be accessed by employees 24 hours a day and 7 days a week anywhere.

Trust

Trust is at the core of everything we do. We continue to foster a culture of empowering our people to make a positive difference.

- We have a systematic performance management process that begins with setting clear goals and objectives at the beginning of the year; mid-year dialogues to review progress; and end-of-year performance appraisals and 360-degree assessments, to support the holistic assessment for our staff.
- We support employees' development through 360-degree feedback, incorporating inputs not only from managers, but also from other colleagues, stakeholders and team members. The evaluation results are discussed at the Performance Development Committee (PDC), along with performance records and employee development plans.
- We build a coaching culture by investing in regular coaching refresher trainings for the senior management team, so they can apply it in their day-to-day management to drive target achievement. This coaching initiative will be extended to all staff levels.
- We received several accolades and awards from various international media in 2023, a testament to the successes of our strategic initiatives and investments in the HR space.
  - HR Asia: 2023 Best Companies to Work for in Asia
  - HR Asia: 2023 Diversity & Inclusion Award
  - HR Stars Awards: 2023 Best in Covid Management Strategies
  - HR Stars Awards: 2023 Best CEO with HR Focus
  - HR Excellence Awards: 2023 Gold Awards for Excellence in Work-Life Harmony
  - HR Excellence Awards: 2023 Bronze Awards for Excellence in Workplace Culture
  - HR Excellence Awards: 2023 *Bronze Awards for Excellence in Crisis Management Planning*

Do What Is Right

Nurturing a diverse and inclusive workplace

[OJK F.18]

We are committed to building a safe, nurturing, and inclusive workplace where all employees are treated with respect by upholding internationally accepted human rights principles and complying with all prevailing relevant regulations in Indonesia. We believe that diversity and equality should be applied to all employees to promote their development, productivity, and engagement.

Human Resources

Our recruitment process and decisions are carried out in accordance with our recruitment policy. We practice non-discriminatory recruitment, and all recruitment decisions are made based on merit and suitability for the role. UOB's Code of Conduct prohibits all forms of discrimination, intimidation, or harassment, regardless of background. All employees are also encouraged to raise their concerns without fear of repercussions through our whistleblowing mechanism.

Maintaining a risk-focused organisational culture

We continually review and enhance our prudent and risk-focused approach to business development. We focus on helping our colleagues broaden their business and macro perspectives, so they can make considered long-term decisions for customers, communities, and the environment. This is the foundation of UOB's risk culture, which constantly balances current and future opportunities and responsibilities.

Every employee is expected to understand our values-based and risk-focused culture through our risk management framework and policies. Their performance is assessed based on audit results, compliance, and risk management practices to ensure they meet effective risk management and corporate governance standards. Apart from our Code of Ethics, we also have mandatory learning modules for employees covering topics including anti-money laundering, insider trading and abuse in capital markets, risk culture and operational risk management, fair transactions, fraud prevention, information technology security, cybersecurity risks, as well as the UK Bribery Act and Risk Management Certification. This is done to ensure compliance with all applicable regulations from local financial services authorities. All employees recruited in 2023 have completed these training modules. Meanwhile, existing employees have undergone annual refresher training.

In terms of remuneration governance, we comply with Regulation of the OJK Number POJK No.45/POJK/03/2015 on the Implementation of Remuneration Governance for Commercial Banks. Our strong governance, which is based on prudent and transparent risk management, ensures the resilience and sustainability of our business.

Ensuring freedom of association

[GRI 2-30] [OJK F. 20)

We support the establishment of open and transparent communication and industrial relations between management, colleagues, and the Labour Union. To foster constructive and harmonious industrial relations, the Bank held two constructive dialogues with labour union representatives during the year. The 2023-2025 Collective Labour Agreement (CLA) signed on 11 May 2023 comprise six major changes, including paternity leave, long service awards, sympathy allowances (grief and miscarriage), employee engagement budget adjustments, retirement appreciation gift, and adjustments to comply with the prevailing government regulations.

In October 2023, the UOB Indonesia Labour Union held a National Assembly in a democratic and transparent manner, resulting in the establishment of a new management structure for the Union from 2023-2025. Relations between UOB Management and the Labour Union remains conducive, built on mutual trust and respect, demonstrated through regular discussions on employment issues and policies that produce good results.

In 2023, there were several employee complaints through various communication channels and they were resolved properly through the mechanisms regulated in the CLA. In this case, any potential disputes could be anticipated and resolved by involving the participatory role of related parties, including employees, managers, HR, and the Labour Union. The parameters that were used in this case are the absence of industrial relations disputes involving third parties (the Labour Department) or the resolution of cases/disputes in court.

The right talent for the right role [GRI 404-3]

Our recruitment process for is carried out fairly, with the efficiency and experience improved via eRecruit - Applicant Tracking System (ATS) which all data is entered into the system to track each stage of the recruitment process.

We have strengthened our Talent Acquisition (TA) team to assist hiring managers in recruiting the most suitable candidates for available positions. The selection process is carried out with the aim of meeting business needs. The Bank provides equal opportunities for internal and external candidates for all job vacancies without discrimination and intimidation. The 'Know

Human Resources

Your Employee' principle is integral to our recruitment process, ensuring candidates align with our values and high-performance culture.

Nurturing future leaders [OJK F.22] [GRI 404-2]

To ensure business continuity, it is important for the Bank to identify critical roles and ensure these roles have been filled, while planning for contingencies and successions. We conduct regular succession planning reviews and in 2023, we identified 62 critical positions and 80 key talents as potential replacements or successors. Results were reported to the Human Resources Committee.

To develop the competency and leadership capabilities of these key talents, we invested in numerous HR development initiatives:

- *Leadership Acceleration Program* (LAP)
  A comprehensive leadership development programme that provides identified high performers with opportunities to accelerate them towards taking on leadership roles with the Bank. These include international assignments/rotations in various countries to broaden their experience in leadership across cultures, along with opportunities to be involved in various strategic projects. In 2023, the Bank recruited 12 talents into the LAP programme.

- *UOB Leadership Academy*
  A three-month programme for high performers in collaboration with global business schools. Designed for Manager to Executive Director levels, the programme aims to equip talents with the skills, tools, and techniques needed to drive innovation-based growth. Participants in this programme take part in a series of activities ranging from webinars, simulation exercises, e-learning, assignments, and projects that focus on:
  - Business skills: setting strategic, entrepreneurship, operational decision-making;
  - Leadership skills: coaching and developing others, leading change, driving execution; and
  - Interpersonal skills: developing networks and partnerships, strategic influence, executive presence, emotional intelligence

  A total of 36 talents were selected to join this programme in 2023.

Building young talents through Professional and Future Bankers Academy [OJK F.22]

To nurture talents, the Bank established the Professional and Future Bankers Academy to develop graduates who want to build a banking career. We offer two different career paths:

- Customer facing roles with sales and/or service focus – a 6-to-12-month development programme to provide basic to intermediate banking knowledge including services, banking operations, products, marketing and sales. In 2023, 74 Consumer Banking and 25 Wholesale Banking participants took part in this programme.
- Professional roles with a focus on specific areas such as compliance, finance, audit, risk management – 10 participants took part in this development programme in 2023.

Nurturing junior talents through internship

As part of our commitment to nurturing the next generation of talent, we collaborate with various universities to offer final semester students an internship programme with the Bank to learn about the banking industry and gain practical work experience. In 2023, the Bank provided internship opportunities to 67 students.

Employee Scholarship Programme

We offer scholarships to employees who meet the requirements, both for undergraduate and postgraduate programmes, in addition to employees who excel. In 2023, 17 employees received scholarships to pursue their master's degrees.

Professional qualifications and certifications [OJK F.22] [GRI 404-2]

The Bank sponsors professional qualification and certification programmes for our employees, not only to comply with regulatory requirements, but also to equip employees with the necessary knowledge and competencies needed for them to deliver their responsibilities.

We are proud to report that in 2023, the following progress was made in terms of professional qualifications and certifications:

- Risk Management Certification
- *Sistem Pembayaran & Pengelolaan Uang Rupiah* Certification
- *Wakil Perantara Perdagangan Efek* Certification
- *Wakil Agen Penjual Reksa Dana* Certification
- *Asosiasi Asuransi Jiwa Indonesia* Certification
- Treasury Certification

The following table shows the number of employees who participated in various development programmes, including certification.

Types of Programme	2023
Online Course	4,434
Certification	2,814
Sosialisation	2,860
Workshop	2,987
Virtual Training	2,647
Conference	49

Human Resources management system

We currently use a non-cloud HRIS-SAP system as our HR management system. The Bank plans to implement the cloud-based HR system "Workday" in the second quarter of 2024 subject to regulatory approval.

Through Project One, the Bank plans to introduce employee self-service and manager self-service capabilities. We invested in automating HR processes with the aim of creating a better experience for employees and managers in handling all processes related to an employee's life cycle. This automation is also intended to boost efficiency, by having smooth and consistent HR processes complete with reliable reporting using One Data as a single data source for employees.

Employment engagement

We have in place our Employee Engagement programme to strengthen relations between employees and their line managers, other colleagues, and all other functions within the Bank. It aims to also foster a sense of togetherness and trust among employees to support collaboration in improving employee and organisational performance. Activities carried out include festive celebrations, team building, sports, and arts activities. Our annual Employee Engagement score improved from 92 per cent to 93 per cent in 2023.

Acquisition of Citigroup's consumer banking business

We completed the acquisition of Citigroup's consumer banking business in Indonesia in November 2023. We established 17 workstreams covering areas of products and solutions, people, processes and systems, to ensure a seamless integration. As of end 2023, close to 900 employees Citigroup consumer bank employees in Indonesia have joined us.

To ensure our a smooth transition for the ex-Citi employees, we held a series of interaction sessions to allow them to network and get familiar with UOB colleagues and our culture. A comprehensive induction programme was also conducted to support their assimilation into UOB's organisation structure and work processes, including a series of communication, change management initiatives, training, and welcoming and bonding activities:

- Town Hall sessions to convey important messages regarding the integration process and the next steps for all existing employees and new colleagues from Citi;
- induction and orientation programmes for new colleagues to learn about the Bank's vision, mission and values, business overview, systems, policies, and procedures;
- mini town halls held in five ex-Citi branches, which have been converted into UOB Indonesia branches;
- "concierge" services and employee newsletters and eDMs to address any queries and concerns for new colleagues during the first four weeks post the completion of acquisition and integration of the business;
- a pulse survey as checkpoints and cadences to assess employee sentiment;
- meetings to build understanding of the Bank and share challenges and changes during the integration and transition; and
- meetings and events to strengthen team engagement.

2024 Strategic Priorities

Our focus is to continue to ensure a smooth integration especially from the people and culture perspective, to lay a strong foundation for implementation of future business plans and strategies.

Human Resources

Building the desired culture

We want to continue instilling a culture where employees, managers and leaders practise the Bank's values and our People philosophy in their daily duties – when serving customers, managing and leading teams, decision-making, and fulfilling our promise to our stakeholders.

With the addition of nearly 900 new colleagues from Citi, it is critical for us to ensure that everyone understands, aligns, and adopts our values, people philosophy and culture. A series of The UOB Way sessions are will be conducted to achieve that from March 2024 onwards for all employees.

Continuous process improvement culture for sustainable growth

As a progressive bank, we will continue to transform to remain relevant to current and future needs. To realise our ambition to be among the top five foreign banks, we continue to instil a culture of innovation to drive continuous business process improvements that increase the effectiveness and efficiency to enable us to provide better services to our customers. We will equip our people with the knowledge and tools to support the simplification of business processes, automation, and digitalisation.

Building synergy

We identified several differences between Citi's and UOB Indonesia's employment practices. We want to address and harmonise these practices with the following initiatives, to be implemented in stages over the next two to three years:

- career development framework, catered to employees, both permanent and contract staff, in contact centres, collections, telesales and direct sales;
- syncing up of employee benefits; and
- regular communication and dialogues through various communication channels – including town halls and meetings facilitating two-way communication between staff and the senior management team.

Building capabilities for long-term success

We strive to build and improve sustainable HR capabilities. Our HR development strategy is based on the Bank's HR values and philosophy, and implemented via the 70:20:10 model for learning and development. The Bank believes that learning is most effective via hands-on experience, such as on-the-job training, real projects, or challenging and extensive assignments, and hence 70 per cent of the development model will focus on this component.

20 per cent of the development model is dedicated to providing learning and development opportunities for employees through human interactions. This is achieved via mentoring, coaching programmes, or learning from others. Coaching programmes will be implemented from 2024, and with proper coaching techniques, people managers will be able to lead teams more effectively by asking the right questions that enable their teams to think critically, have a sense of ownership, and to be responsible in achieving goals.

The remaining 10 per cent of the development model will be focused on virtual and classroom training programmes and/or formal education programmes.

Employee Demographics - Diversity of Our Colleagues [GRI 2-7, 405-1]

Employees by Gender

Gender	2023	2022	2021
Male	1,990	1,566	1,581
Female	2,262	1,707	1,701
Total	4,252	3,273	3,282

Employees by Age

Age	2023	2022	2021
< 25 years old	110	46	21
25-29 years old	488	311	362
30-34 years old	782	594	623
35-39 years old	879	709	731
40-45 years old	907	715	694
>45 years old	1,086	898	851
Total	4,252	3,273	3,282

Employees by Position

Status	2023	2022	2021
Senior Management	237	175	174
Middle Management	536	466	427
Junior Management	1,910	1,569	1,554
Staff	1,569	1,063	1,127
Total	4,252	3,273	3,282

Employees by Education Level

Education Level	2023	2022	2021
Doctorate	349	272	261
Bachelor	3,283	2,509	2,495
Diploma	367	270	271
Miscellaneous	253	270	271
Total	4,252	3,273	3,282

Employees by Tenure

Tenure	2023	2022	2021
<1 years old	1,444	518	311
1-4 years old	849	915	1,153
5-9 years old	774	678	646
10-14 years old	414	430	462
15-19 years old	291	264	233
>20 years old	480	468	477
Total	4,252	3,273	3,282

Employees by Function

Directorate	2023	2022	2021
Channels	925	1,060	1,298
Corporate Support	739	552	599
Global Market	48	51	52
Retail Segment	1,123	756	809
Technology And Operations	814	557	577
Wholesale Segment	603	306	316
Total	4,252	3,282	3,651

Employees by Status [GRI 2-8]

Status	2023	2022	2021
Permanent	3,954	3,183	3,199
Contract	298	90	83
Total	4,252	3,273	3,282

Information Technology and Operations

UOB Indonesia continues to invest in our technological capabilities to achieve innovation at scale and contribute to the progress of Indonesia's digital economy. We believe that technology is a critical supporting element for business growth as we continue to enhance the banking experience for our customers.

Our ongoing investments include building and maintaining strong and secured technology systems, automating more business processes, and developing better products and services for our growing customer base.

2023 Strategy and Development

The Bank has five technological and operations pillars, including:

1. Best-in-Class Risk Management
2. Strengthening Financial Management
3. Service Excellence in Customer Experience
4. Building a Talent Pool
5. Strategic leap: Technology, Marketing and Branding

To fulfill the five pillars, we focused on implementing the following strategies:

1. Continues system enhancement to provide better and more comprehensive information.
2. Advancement of finance system to boost productivity and data accuracy.
3. Continue to develop the system through the following initiatives:
   - Customer Acquisition
   - Mobility and Alternative Delivery Channels
   - UOB TMRW, our all-in-one digital banking platform
   - Improved system resilience, customer experience, system performance and system security
   - Digital partnership
   - Loyalty and Rewards
4. New HR system implementation to further improve the employees management as the essential asset for the bank.
5. Completion of the acquisition and integration of Citibank's consumer business in Indonesia. The Bank will also continue to provide the best service flow and uninterrupted transaction experience for all customers. We have increased infrastructure capacity, branch offices, networks and increased security to support our business activities.

IT Project Governance

Every initiative proposed by business units must comply with the Bank's IT project governance. This includes fulfilling compliance with the arm's length principle in accordance with the Bank's policy in assessing and procuring IT solutions and services from related parties, as well as business analysis document requirements.

Each business unit must prepare and present a business analysis to the Bank's IT Committee. Business analysis should include relevant background information such as background, benefits, return on investment analysis, implementation and operational costs, required resources, and the ways these benefits can be realised.

Documents such as the Business Requirement Definition, the High Level Solution, and the Investment Approval, which identify the business requirements and relevant technology solutions, should also be included in the report before being submitted for approval.

The project management process consists of initiation, execution (control and supervision), closure, and guarantee. The goal of the project management is to ensure that the project can meet functional and operational requirements while remaining within the approved budget and schedule. Differences must be communicated immediately to obtain re-approval.

IT Implementation Oversight Board

The implementation of the Bank's IT strategy is monitored by the IT Committee consisting of the President Director as Chair of the Committee, the Director of Technology and Operations as Deputy Chair, along with other members of the Board of Directors and senior management. This committee is responsible for providing advice and oversight in the following areas:

- IT development priorities;
- IT development plans and budget; and
- Policies related to IT strategy and optimisation

Information Technology and Operational

Operations Process Improvement

With the increasing volume of transactions and number of projects, adjustments are needed to meet the Bank's needs. We continue to boost productivity by reducing manual processes, conducting regular reviews to enhance productivity, efficiency and scalability of these processes, as well as ensuring stronger operational management and risk control.

The Bank implemented continuous automation in the reporting process to reduce manual intervention and to increase reporting accuracy. Improvements for online service registration (e-service), trade document process flow, remittance transaction processes and other operations systems will also be able to support a faster launch of new consumer products.

To strengthen resilience, the Bank also carried out activities such as split-site operations and implemented a business continuity plan.

2023 Achievements

In 2023, we clocked the following achievements:

1. Completed the integration of Citibank's consumer banking portfolio;
2. Maintained high NPS and Employee Engagement Survey (EES) above 90 per cent in 2023 for 3 consecutive years;
3. Awarded First and Second places in the Bank's Signature Idea Competion;
4. Awarded "2023 Customer Commitments" from Customer Experience Award (CEA), received by Contact Centre;
5. Improved customer experience by:
   a. implementing BI Fast-Single Credit Transfer and BI SNAP (*Standar Nasional Open API Pembayaran*);
   b. enhancing Cards loyalty program for credit cards;
   c. implementing co-brands for credit cards with Garuda and Telkomsel;
   d. enhancing digital banking both for Wholesale (UOB Infinity) and Retail Banking (UOB TMRW)
   e. reducing account opening process completion time for Corporate, Financial Institutions and Commercial customers;
   f. participating in environmental sustainability goal by implementing daily paperless money transfer reports and paperless trade windows;
   g. improving a new unified communications system for Contact Centre auto dialler; and
6. Improved infrastructure capability to support service improvements through:
   a. implementation of internal monitoring tools to monitor devices related to network devices, applications and infrastructures which have a direct impact on customers;
   b. implementation of infrastructure improvements Call Centre for the Collection and Contact Centre Team;
   c. implementation of a system to automate registration related to centralised inventory of assets in the Data Centre;
   d. increasing network bandwidth for branch offices, international bandwidth and better networking between data centres; and
   e. refreshing technology and capacity upgrade for existing systems and infrastructure.
7. Maintained ISO27001 certification in the provision of Information Security Management Systems (ISMS) for UOB TMRW, personal internet banking and Infinity platforms;
8. Continuously achieving high percentage of on-time project completion;
9. Increased awareness of management risks; and
10. Business Continuity Management (BCM), including call tree exercise.

Accolades and Awards

Our performance achievements have won us a number of awards:

1. Business Continuity Management (BCM) received 3 awards for the achievement in managing the bank' operation resiliencies during the Covid-19 pandemic:
   - Accolades from Minister of Health to "*Perusahaan Swasta Dalam Negeri Pendukung Pemerintah Dalam Penanganan Pandemi Terbaik*"
   - Best in Covid Management Crisis from The HR Stars Awards by Chief of Staff Asia
   - Bronze Awards For Excellence in Crisis Management Planning by HR Excellence.
2. 2023 US Dollar Clearing Elite Quality Recognition Award from JP Morgan Outstanding Achievement with the following values:
   a. MT103 STP rate at 99.80
   b. MT202 STP rate at 100
3. Awarded "Top 200 The Next Leaders 2023" by InfoBank Magazine, received by T&O Director.
4. Receiving the IndoSec Cyber Woman of the Year 2023 Award.
5. Ranked number one as the market leader for Net Promotor Score (NPS) Contact Centre by Bain & Co.

Information Technology and Operational

2024 IT Development Plan

In 2024, aligned with the Bank strategy and initiatives, the Technology and Operations focus as follow:

a. Strengthening identity and brand awareness through brand campaigns.
b. Making changes to the organisational structure to facilitate improved customer experience and increase cross selling capabilities through the formation of a National Funding Team.
c. Acquiring conventional and digital banking customers.
d. Using financial advisory services to increase the number of customers who invest in wealth management products.
e. Creating the right partnership platform to provide attractive value propositions for customers.
f. Improving service quality at all customer touch points and committing to monitoring and consulting all services provided, both to internal and external customers, to obtain valuable feedback to improve services.
g. To comply with the provisions of Law on Data Protection that will come into effect in October 2024, the Bank plans to to update our processes including carrying out identification as outlined in the Record of Processing Activities and developing applications to consolidate and manage approvals received from customers.
h. To increase contact centre capability for retail operations by increasing the utilisation of unified communication features, increasing the quality of regulatory reporting submission, and focusing on stabilisation phase of Citibank's portfolio acquisitions.

Financial Review

Comprehensive Analysis of Financial Performance

This financial review is prepared based on the financial statements of UOB Indonesia that have been prepared and presented in accordance with the Indonesian Financial Accounting Standard issued by the Indonesian Financial Accounting Standards Board (DSAK). All information in the financial statements have been presented in a complete and truthful manner.

The financial statements of UOB Indonesia was audited by Public Accountant Office Purwantono, Sungkoro, and Surja (member firms of Ernst & Young Global Limited), with unmodified opinion, which stated that the financial statements present fairly, in all material respects, in accordance with Indonesian Financial Accounting Standards.

Statement of Profit or Loss and other Comprehensive Income

(expressed in billions of Rupiah, unless otherwise stated)

Statement of Profit or Loss and Other Comprehensive Income	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
OPERATING INCOME AND EXPENSES				
Interest income	9,945	7,571	2,374	31.36
Interest expenses	(4,588)	(2,431)	2,157	88.73
INTEREST INCOME - NET	5,357	5,140	217	4.22
Other operating income				
Administration fees and commissions - net	265	409	(144)	(35.21)
Realised and unrealised gain on securities sold and from changes in fair value of trading securities - net	282	155	127	81.94
Gain from foreign currency transactions	317	374	(57)	(15.24)
Others - net	510	458	52	11.35
Total other operating income - net	1,374	1,396	(22)	(1.58)
Provision for impairment losses				
Financial assets	(796)	(1,600)	804	(50.25)
Foreclosed assets	(1)	1	(2)	(200.00)
Total provision for impairment losses	(797)	(1,599)	802	(50.16)
Other operating expenses				
Salaries and employees' benefits	(2,386)	(2,038)	348	17.08
General and administrative expenses	(2,631)	(1,763)	868	49.23
Total other operating expenses	(5,017)	(3,801)	1,216	31.99
OPERATING INCOME	917	1,136	(219)	(19.28)
Non-operating income				
(Loss)/gain on sale of fixed assets, foreclosed assets, and abandoned property - net	(5)	12	(17)	(141.67)
Total non-operating income	(5)	12	(17)	(141.67)
INCOME BEFORE TAX EXPENSE	912	1,148	(236)	(20.56)
Tax expense	(237)	(197)	40	20.30
INCOME FOR THE YEAR	675	951	(276)	(29.02)

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Statement of Profit or Loss and Other Comprehensive Income	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Remeasurement of post-employment benefits	4	4	-	0.00
Income tax related to components of other comprehensive income	(1)	(1)	-	0.00
	3	3	-	0.00
Items that will be reclassified to profit or loss				
Movement in respect of fair value changes of financial investment at fair value through other comprehensive income	80	(348)	428	122.99
Income tax related to component of other comprehensive income	(18)	77	95	(123.38)
	62	**(271)**	**333**	**122.88**
Other comprehensive income/(loss) for the year - net of tax	65	(268)	333	124.25
Total Comprehensive Income for the Year	**740**	**683**	**57**	**8.35**
Basic earnings per share (full amount)	60	85	(25)	(29.41)

Interest Income

Interest income was derived from loans, financial investments and trading securities, receivables on securities purchased with agreements to resell, placements with Bank Indonesia and other banks, as well as current accounts with Bank Indonesia and other banks.

Interest Income	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Loans	6,532	5,778	754	13.05
Financial investments and trading securities	1,613	1,122	491	43.76
Receivables on securities purchased with agreements to resell	1,377	470	907	192.98
Placements with Bank Indonesia and other banks	304	142	162	114.08
Current accounts with Bank Indonesia and other banks	119	59	60	101.69
Total Interest Income	**9,945**	**7,571**	**2,374**	**31.36**

Interest income in 2023 increased by 31.4 per cent or to IDR9,945 billion.

The increase in interest income mainly due to:

a. Interest income from receivables on securities purchased with agreements to resell increased 193.0 per cent to IDR1,377 billion. This is in-line with the increase on the average balance and higher yield in 2023.
b. Interest income from loans increased by 13.0 per cent to IDR6,532 billion as result from higher yield in 2023.

Interest Expense

Interest expense was derived from time deposits, demand deposits, saving deposits, debt securities issued, deposits and borrowings from other banks, liabilities on securities sold under repurchase agreements, premium on Government guarantee, and margin deposits.

Interest Expenses	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Time deposits	2,233	1,277	956	74.86
Saving deposits	756	254	502	197.64
Demand deposits	732	519	213	41.04
Premium on Government guarantee	246	220	26	11.82
Liabilities on securities sold under repurchase agreements	223	3	220	7333.33
Deposits and borrowings from other banks	219	14	205	1464.29
Debt securities issued	140	142	(2)	(1.41)
Margin deposits	39	2	37	1850.00
Total Interest Expenses	**4,588**	**2,431**	**2,157**	**88.73**

Interest expense in 2023 increased by 88.7 per cent to IDR4,588 billion. The increase derived from higher interest expense from third party fund (time deposits and CASA) by 81.5 per cent to IDR3,721 billion due to increase in both cost of fund and average balance.

Other Operating Income

Other operating income	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Administration fees and commissions - net	265	409	(144)	(35.21)
Realised and unrealised gain on securities sold and from changes in fair value of trading securities - net	282	155	127	81.94
Gain from foreign currency transactions	317	374	(57)	(15.24)
Others - net	510	458	52	11.35
Total other operating income - net	**1,374**	**1,396**	**(22)**	**(1.58)**

The operating income in 2023 of IDR1,374 billion, relatively flat compared to 2022. Income from administrations fees and commission decreased by 35.21 per cent to IDR265 billion in 2023 mainly from unit trusts/mutual fund income. This was partially offset by higher realised and unrealised gain on securities sold and from changes in fair value of trading securities – net.

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Operating Expenses

Operating expenses consists of provision for impairment losses, salaries and employees' benefits, and general and administrative expenses.

Operating expenses	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Provision for impairment losses				
Financial assets	796	1,600	(804)	(50.25)
Foreclosed assets	1	(1)	2	(200.00)
Total provision for impairment losses	**797**	**1,599**	**(802)**	**(50.16)**
Other operating expenses				
Salaries and employees' benefits	2,386	2,038	348	17.08
General and administrative expenses	2,631	1,763	868	49.23
Total other operating expenses	**5,017**	**3,801**	**1,216**	**31.99**
Total operating expenses	**5,814**	**5,400**	**414**	**7.67**

Operating expenses in 2023 increased by 7.7 per cent to IDR5,814 billion. The incremental were mainly derived from:

a. Increased in the general and administrative expenses by 49.2 per cent to IDR2,631 billion, where approximately IDR630 billion is one-off transactional cost relating to the acquisition of consumer business from Citi in 2023.
b. Increased in salaries and employees' expense by 17.1 per cent to IDR2,386 billion.
c. The above was partially off-set with lower provision expense for financial assets by 50.2 per cent to IDR796 billion due to decrease on loans balance and better macroeconomic assumptions used in the loans allowance calculation while still managing the NPL coverage adequacy.

Income Before Tax Expense

In 2023 the income before tax decreased by 20.6 per cent to IDR912 billion. This was derived from higher cost in 2023 related to the acquisition of consumer business from Citi in 2023.

Tax Expense

Tax expense in 2023 increased by 20.3 per cent to IDR237 billion.

Tax Expenses	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Current Tax	204	315	(111)	(35.24)
Deffered Tax	33	(118)	151	(127.97)
Total	**237**	**197**	**40**	**20.30**

Income for the Year

Income for the year of UOB Indonesia in 2023 decreased by 29.0 per cent to IDR675 billion.

Comprehensive Income for the Year

Comprehensive income for the year in 2023 increased by 8.3 per cent to IDR740 billion.

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Statement of Financial Position

Total assets of UOB Indonesia in 2023 of IDR162,546 billion increased by 17.6 per cent or IDR24,270 billion from 2022. The incremental mainly derived from increased on the marketable securities and receivables on securities purchased with agreements to resell.

Assets	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Cash	604	717	(113)	(15.76)
Current accounts with Bank Indonesia	9,901	8,870	1,031	11.62
Current accounts with other banks Net	982	1,094	(112)	(10.24)
Placements with Bank Indonesia and other banks Net	2,136	5,856	(3,720)	(63.52)
Trading securities	2,758	594	2,164	364.31
Financial investments Net	33,037	27,953	5,084	18.19
Derivative receivables	841	1,321	(480)	(36.34)
Loans Net	79,912	81,298	(1,386)	(1.70)
Receivables on securities purchased with agreements to resell	22,678	2,870	19,808	690.17
Acceptance receivables Net	2,499	3,683	(1,184)	(32.15)
Deferred tax assets Net	734	747	(13)	(1.74)
Fixed assets and right-of-use assets Book value	2,685	1,408	1,277	90.70
Intangible assets Net	1,130	-	1,130	100.00
Other assets Net	2,649	1,865	784	42.04
Total Assets	**162,546**	**138,276**	**24,270**	**17.55**

Current Assets

Current assets consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, trading securities, financial investments, derivative receivables, loans, receivables on securities purchased with agreements to resell, and acceptances receivable.

The current assets increased by 15.7 per cent to IDR155,348 billion. The higher financial investments and receivable on securities purchased with agreements to resell are the main reason of growth in current assets.

Marketable Securities

By type, gross marketable securities consisted of securities measured at fair value through profit or loss, at fair value through other comprehensive income and at amortized cost. As of the end of 2023, each respectively amounted to IDR2,758 billion, IDR20,401 billion; and IDR12,650 billion, composing of 7.7 per cent; 57.0 per cent, and 35.3 per cent respectively, to the total gross marketable securities. The composition on the marketable securities holding is the part of Bank's strategy to manage the excess liquidity of the Bank.

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Marketable Securities	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Trading Securities				
Government Bonds	1,769	408	1,361	333.58
Bank Indonesia Rupiah Securities	677	-	677	100.00
Corporate Bonds	196	141	55	39.01
Sukuk	116	45	71	157.78
	2,758	**594**	**2,164**	**364.31**
Financial Investments				
At Fair Value through Other Comprehensive Income				
Government Bonds	11,598	10,703	895	8.36
Bank Indonesia Rupiah Securities	6,505	-	6,505	100.00
Sukuk	1,510	4,769	(3,259)	(68.34)
Corporate Bonds	684	454	230	50.66
Negotiable Certificate Deposit	104	-	104	100.00
	20,401	**15,926**	**4,475**	**28.10**
At Amortized Cost				
Government Bonds	7,630	7,431	199	2.68
Export bills	4,707	4,107	600	14.61
Sukuk	313	509	(196)	(38.51)
	12,650	**12,047**	**603**	**5.01**
Total	**35,809**	**28,567**	**7,242**	**25.35**
Allowance for impairment losses	(14)	(20)	6	(30.00)
Total - net	**35,795**	**28,547**	**7,248**	**25.39**

Receivables on Securities Purchased with Agreements to Resell

Receivables on securities purchased with agreements to resell increased 690.17 per cent to IDR22,678 billion. The growth in this account derived from Management's strategy to manage Bank's liquidity.

Loans

Net loans of UOB Indonesia in 2023 decreased by 1.7 per cent to IDR79,912 billion. UOB Indonesia run the business with prudent principle strictly applied in loans distribution in anticipation of global uncertainty.

Loans by Currency

The majority of the loans were derived from loans denominated in Rupiah which contribute 75.9 per cent of the total loans portfolio in 2023 amounting IDR63,379 billion. Loans denominated in foreign currencies is 24.1 per cent of total loans amounting IDR20,283 billion in 2023.

Loans by Currency	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Rupiah	63,739	64,455	(716)	(1.11)
Foreign currencies	20,283	21,080	(797)	(3.78)
Total Loans	**84,023**	**85,535**	**(1,512)**	**(1.77)**

Loans by Type

By loans type, the largest contributor to the total loans was working capital loans, representing 68.9 per cent of total loans, followed by credit card, investment loans and housing loans. Working capital loans contributed 68.9 per cent or IDR57,904 billion, decreased by of 13.1 per cent.

Loans by Type	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Working capital	57,904	66,634	(8,730)	(13.10)
Investment	8,495	8,351	144	1.72
Housing	6,747	7,066	(319)	(4.51)
Credit card	9,869	2,374	7,495	315.71
Multi-purpose	972	1,058	(86)	(8.13)
Motor vehicles	36	52	(16)	(30.77)
Total Loans	**84,023**	**85,535**	**(1,512)**	**(1.77)**

Loans by Business Segment

By business segment, the Commercial Banking segment contribute 34.8 per cent of total loans of UOB Indonesia in 2023, followed by Corporate Banking segment that contribute 25.3 per cent of total loans and Personal Financial Services segment of 21.3 per cent. Commercial Banking segment loans contributed 34.8 per cent or IDR29,246 billion, increased by 7.0 per cent.

Loans by Business Segmentation	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Commercial Banking	29,246	27,327	1,919	7.02
Corporate Banking	21,277	23,474	(2,197)	(9.36)
Business Banking	11,124	13,650	(2,526)	(18.51)
Personal Financial Services	17,911	10,558	7,353	69.64
Financial Institution	4,465	10,526	(6,061)	(57.58)
Total Loans	**84,023**	**85,535**	**(1,512)**	**(1.77)**

Loans by Economic Sector [FN-CB-410a.1]

By economic sector, the largest contributor to the total loans was the processing industry with 25.4 per cent or equivalent to IDR21,319 billion. The wholesale and retail trading was the second largest with 22.3 per cent or equivalent to IDR18,720 billion.

Loans by Economic Sector	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Processing industry	21,319	23,357	(2,038)	(8.73)
Wholesale and retail trading	18,720	18,760	(40)	(0.21)
Household	17,625	10,553	7,072	67.01
Mining and excavation	7,249	3,578	3,671	102.60
Real estate	4,502	4,655	(153)	(3.29)
Financial and insurance activities	3,455	9,633	(6,178)	(64.13)
Information and communication	2,634	2,999	(365)	(12.17)

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Loans by Economic Sector (continued)	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Accommodation and food and beverages provider	2,096	2,227	(131)	(5.88)
Building construction	2,024	2,521	(497)	(19.71)
Agriculture, forestry and fisheries	1,854	2,344	(490)	(20.90)
Transportation and warehousing	661	891	(230)	(25.81)
Electricity, gas and air procurement	614	3,339	(2,725)	(81.61)
Others	1,270	678	592	87.32
Total Loans	**84,023**	**85,535**	**(1,512)**	**(1.77)**
Allowance for impairment losses	(4,111)	(4,237)	126	(2.97)
Total Loans - net	**79,912**	**81,298**	**(1,386)**	**(1.70)**

Non-Performing Loans (NPL)

Non-Performing Loans in 2023 decreased by 1.8 per cent to IDR2,149 billion. Decreased on NPL is the result of Bank's strategy to manage the credit risk appetite and prudent risk principle. Loans by collectability as of 31 December 2022 and 2023 were as follows:

Loans by Collectability	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Current	77,486	79,397	(1,911)	(2.41)
Special mention	4,388	3,657	731	19.99
Sub-standard	427	415	12	2.89
Doubtful	370	187	183	97.86
Loss	1,352	1,879	(527)	(28.05)
Total Loans	**84,023**	**85,535**	**(1,512)**	**(1.77)**
Non-Performing Loans	2,149	2,481	(332)	(13.38)
Gross NPL (%)	2.58	2.98		
Net NPL (%)	1.39	1.73		

In 2023, the gross NPL ratio decreased by 0.4 per cent to 2.6 per cent. The net NPL ratio also decreased by 0.3 per cent point to 1.4 per cent. The Bank was able to maintain its asset quality as reflected in the NPL ratio which far below the maximum of 5.00 per cent set by the Regulator.

Allowance for Impairment Losses on Loans

Allowance for impairment losses on loans in 2023 decreased by 3.0 per cent to IDR4,111 billion. The impairment loss allowance provided was sufficient to cover potential losses arising from uncollectible loans.

Non-Current Assets

Non-current assets consist of deferred tax assets, fixed assets and right-of-use assets, intangible assets, and other assets.

In 2023, the non-current assets increased by 79.1 per cent to IDR7,199 billion. This was mostly derived from acquisition of consumer business from Citi.

Intangible Assets

As of 2023, UOB Indonesia has balance of intangible assets – net, amounting IDR1,130 billion. The intangible assets just occurred during this year due to acquisition of consumer business from Citi in 2023. The intangible assets consist of goodwill and other intangible assets related to the above transaction.

Liabilities

The majority of UOB Indonesia's liabilities were derived from deposits from non-bank customers which contribute 82.3 per cent of total liabilities in 2023.

Total liabilities of UOB Indonesia increased by 17.9 per cent to IDR144,945 billion. The increase was mainly from liabilities on securities sold under repurchase agreements of IDR13,296 billion.

Liabilities	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Current liabilities	475	193	282	146.11
Deposits from customers	119,283	113,917	5,366	4.71
Deposits from other banks	1,399	206	1,193	579.13
Interest payables	199	132	67	50.76
Tax payables	171	196	(25)	(12.76)
Derivative payables	1,223	1,401	(178)	(12.71)
Acceptance payables	2,412	3,252	(840)	(25.83)
Liabilities on securities sold under repurchase agreements	13,296	-	13,296	100.00
Liabilities for employee's benefits	344	258	86	33.33
Debt securities issued Net	1,443	1,596	(153)	(9.59)
Other liabilities	4,700	1,764	2,936	166.44
Total Liabilities	**144,945**	**122,915**	**22,030**	**17.92**

Customer Deposits

Customer deposits consist of demand deposits, saving deposits, and time deposits. In 2023, customer deposits increased by 4.7 per cent to IDR119,283 billion. The increase was influenced by more liquidity in the market and customers' tendency to place their liquidity in deposits with banks.

The increase in customer deposits was mainly due to increase in time deposits. The time deposits increased by 13.7 per cent to IDR58,095 billion while the demand deposits and saving deposits declined by 1.9 per cent to IDR23,702 billion and 3.0 per cent to IDR37,486 billion, respectively.

Customer Deposits	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Demand deposits	23,702	24,166	(464)	(1.92)
Saving deposits	37,486	38,648	(1,162)	(3.01)
Time deposits	58,095	51,103	6,992	13.68
Total Customer Deposits	**119,283**	**113,917**	**5,366**	**4.71**

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Customer Deposits by Currency

The composition of customer deposits in Rupiah and foreign currencies in 2023 was 65.8 per cent and 34.2 per cent, respectively. Customer deposits in Rupiah in 2023, increased by 11.1 per cent to IDR78,478 billion. Foreign currency-denominated third-party funds in 2023 decreased by 5.7 per cent to IDR40,805 billion from the previous year.

Customer Deposits by Currency	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Rupiah	78,478	70,630	7,848	11.11
Foreign currencies	40,805	43,287	(2,482)	(5.73)
Total	**119,283**	**113,917**	**5,366**	**4.71**

Deposits from Other Banks

Deposits from other banks in 2023 increased by 579.1 per cent to IDR1,399 billion. The increase in deposits from other banks was mainly from call money of IDR1,265 billion.

Deposits from Other Banks	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Call money	1,265	-	1,265	100.00
Demand deposits	107	179	(72)	(40.22)
Saving deposits	17	20	(3)	(15.00)
Time deposits	10	7	3	42.86
Total Deposits from Other Banks	**1,399**	**206**	**1,193**	**579.13**

Deposits from Other Banks by Currency

Deposits from other banks denominated in Rupiah in 2023 increased by 621.2 per cent to IDR1,392 billion. The composition of deposits in Rupiah and foreign currencies was 99.5 per cent and 0.5 per cent respectively in 2023.

Deposits from Other Banks by Currency	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Percentage (%)
Rupiah	1,392	193	1,199	621.24
Foreign currencies	7	13	(6)	(46.15)
Total Deposits from Other Banks	**1,399**	**206**	**1,193**	**579.13**

Debt Securities Issued

Debt securities issued in 2023 decreased by 9.6 per cent to IDR1,443 billion. The decrease derived from amortization of expense related to the bonds issued in the previous years. There are no additional debt securities issued by UOB Indonesia in 2023.

Equity

Total equity of UOB Indonesia in 2023 increased by 14.6 per cent to IDR17,601 billion. The increase derived from right issues done in 2023 resulting in additional capital for the Bank of IDR1,500 billion.

Equity	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Billion Rupiah
Share capital	3,057	2,797	260	9.30
Additional paid-in capital Net	4,939	3,699	1,240	33.52
Other comprehensive income	(108)	(174)	66	(37.93)
Retained earnings				
Appropriated	145	136	9	6.62
Unappropriated	9,568	8,903	665	7.47
Total Equity	**17,601**	**15,361**	**2,240**	**14.58%**

In 2023, there was no dividend payment.
The Bank's policy is to maintain adequate and efficient capital structure to support business growth.

Statement of Cash Flows

The Statement of Cash Flows is classified on the basis of operating, investing, and financing activities.

Cash and cash equivalents consists of cash, current accounts with Bank Indonesia, current accounts with other banks, and placements with Bank Indonesia and other banks maturing within 3 months or less from the acquisition date provided they are not used as collateral for borrowings nor restricted.

Cash Flows	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Billion Rupiah
Net Cash (Used in) Provided by Operating Activities	(730)	18,585	(19,315)	(103.93)
Net Cash Used in Investing Activities	(3,121)	(12,223)	9,102	(74.47)
Net Cash Provided by Financing Activities	1,285	29	1,256	4331.03
Net (decrease)/increase in Cash and Cash Equivalents	(2,566)	6,391	(8,957)	(140.15)
Net effect on exchange rate on Cash and Cash Equivalents	(31)	326	(357)	(109.51)
Cash and Cash Equivalents At Beginning of Year	16,543	9,826	6,717	68.36
Cash and Cash Equivalents At The End Of Year	13,946	16,543	(2,597)	(15.70)

Net Cash (Used in)/Provided by Operating Activities

In 2023, the Bank record cash flow used in operating activities of IDR730 billion, decreased by 103.9 per cent.

The decrease derived from higher interest and operating expenses paid in 2023. In addition, the decreased in the movement of trading securities, securities purchased with agreements to resell and the saving deposit also support the decline on the cash used in operating activities.

Net Cash (Used in)/Provided by Investing Activities

In 2023, the Bank record cash flow used in investing activities of IDR3,121 billion, decreased by 74.5 per cent.

The decreased was mainly due to purchase of financial investments decreased by IDR7,130 billion, from IDR11,806 billion in 2022 to IDR4,676 billion in 2023.

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Net Cash (Used in)/Provided by Financing Activities

In 2023, the Bank record cash flow provided by financing activities of IDR1,285 billion, increased by 4331.0 per cent.

Higher cash provided by financing activities derived from the rights issue done by UOB Indonesia on November 2023 which brought additional capital of IDR1,500 billion to the Bank. This right issue did not change the composition of shareholders of UOB Indonesia in 2023.

In 2023, UOB Indonesia has done repayment of matured debt securities of IDR155 billion.

Financial Ratios

(in percentage)

Financial Ratios	2023	2022
Capital Adequacy Ratio (CAR)	18.32	16.57
Gross NPL	2.58	2.98
Net NPL	1.39	1.73
Return on Assets (ROA)	0.61	0.84
Return on Equity (ROE)	4.44	6.70
Net Interest Margin (NIM)	3.85	3.98
Operating Expense to Operating Income (BOPO)	92.31	87.74
Loans to Deposit Ratio (LDR)	69.92	73.18
Minimum Statutory Reserves (GWM)		
GWM Rupiah		
Daily GWM	9.42	9.47
Average GWM	10.34	10.57
Macroprudential Liquidity Buffer	34.36	31.25
Macroprudential Intermediation Ratio	67.84	69.69
GWM Foreign currencies		
Daily GWM	4.67	4.10
Average GWM	4.22	4.12
Net Open Positions (NOP)	4.16	1.52

Capital Adequacy Ratio (CAR)

In 2023, Capital Adequacy Ratio (CAR) increased by 1.8 per cent point to 18.3 per cent due to incremental in the capital.

In 2023 and 2022, the Bank is complied with the capital adequacy requirement regulations.

Non-Performing Loans (NPL)

In 2023, the gross NPL ratio decreased by 0.4 per cent to 2.6 per cent in 2023. The net NPL ratio also decreased by 0.3 per cent point to 1.4 per cent in 2023. Non-Performing Loans (NPL) amounted to IDR2,149 billion and IDR2,481 billion in 2023 and 2022, respectively.

Financial Review

Return on Assets (ROA)

In 2023, Return on Assets (ROA) decreased by 0.2 per cent point to 0.6 per cent in 2023.

The decrement in ROA due to lower income before tax expense by 20.6 per cent. This also supported by incremental on total assets by 17.6 per cent.

Return on Equity (ROE)

In 2023, Return on Equity (ROE) decreased by 2.3 per cent point to 4.4 per cent in 2023.

The decreased in ROE was due to lower income for the year by 29.0 per cent and increase in total equity by 14.6 per cent.

Net Interest Margin (NIM)

Net Interest Margin (NIM) in 2023 decreased by 0.1 per cent point to 3.9 per cent.

The decrement in NIM was due to higher interest rate during 2023 resulting in higher cost of fund.

Operating Expense to Operating Income (BOPO)

BOPO ratio increased by 4.6 per cent point to 92.3 per cent point in 2023.

Loans to Deposit Ratio (LDR)

Loans to Deposit Ratio (LDR), which identifies the extent to which the Bank's loans are funded by customer's deposits decreased by 3.3 per cent point to 69.9 per cent.

Minimum Statutory Reserves (GWM)

The Bank is required to maintain Minimum Statutory Reserves (GWM) in Rupiah for conventional banking and statutory reserves in foreign currencies for foreign exchange transactions.

In 2023 and 2022, the Bank is in compliance with the statutory reserve requirement regulations.

Net Open Position (NOP)

In 2023 and 2022, the Bank is in compliance with the net open position regulations and there was no breach.

Legal Lending Limit (LLL)

In 2023 and 2022, the Bank is in compliance with the legal lending limit (LLL) regulations, both for the related and non-related party borrowers.

Capital Expenditure

Material Bonds and Investment on Capital Goods

Total capital expenditure increased by IDR195.4 per cent to IDR1,941 billion in 2023. This increase was due to purchase of fixed assets of IDR1,032 billion.

Investment in capital expenditure is used to develop information technology infrastructure, in addition to office equipment's for Bank's operational needs.

Capital Expenditure	2023	2022	Increase/(Decrease)	
	Billion Rupiah	Billion Rupiah	Billion Rupiah	Billion Rupiah
Addition through purchase of fixed assets	1,465	433	1,032	238.34
Addition through consumer banking business acquisition of Citi	71	-	71	100.00
Addition of fixed assets through reclassification of construction in progress	232	152	80	52.63
Addition of right-of-use assets	173	72	101	140.28
Total Capital Expenditure	**1,941**	**657**	**1,284**	**195.43**

Financial Review

Capital Policy

Capital Structure

The Bank seeks to maintain adequate capital level to support the businesses and growth, meet regulatory capital requirements at all times and maintain a good credit rating.

The Bank also seeks to maintain an efficient capital structure, optimise the cost of overall cost of capital, and to deliver sustainable dividend returns to our shareholders.

We achieve these objectives through the Bank's Capital Management Framework which set forth the capital targets and risk appetite, Internal Capital Adequacy Assessment Process (ICAAP). The annual capital risk appetite limits are endorsed by the Risk Management Committee (RMC) and approved by Board of Commissioners.

As of the end of 2023, the Bank's total capital was IDR17,118 billion and CAR at 18.3 per cent. The Bank's core capital (Tier 1) accounted for 91.4 per cent of the Bank's total capital and Tier 1 capital adequacy ratio at 16.7 per cent.

Please refer to "GCG – Risk Exposure table #4 Capital Composition" for more information.

Target Achievement (Projection versus Realisation) of 2023

The Bank delivered credible financial performance amid the dynamic and challenging global macro economy. With focus on credit quality, net loans stood at IDR79.9 trillion and loan to deposit ratio at 69.9 per cent which was within our target range. Healthy asset quality is reflected in the improvement of NPL ratio from 3.0 per cent in 2022 to 2.6 per cent in 2023, well above the target alongside the recovery of Indonesian economy. The integration of Citigroup's consumer business portfolio has scaled up the retail customer base. In 2023, customer deposits increased by 4.7 per cent to IDR119.3 trillion (86.1 per cent of target), mainly due to increase in time deposits.

Income before tax at IDR912 billion exceeded the target. The decrease of income before tax from IDR1,148 billion in 2022 was mainly due to one-off integration costs related to the acquisition of Citigroup's consumer business.

During the year, Bank's capital adequacy ratio was well above the regulatory requirement, increased by 1.8 per cent point to 18.3 per cent through right issuance of 1,040,946,745 new ordinary shares at total amount of IDR1,500 billion.

Financial Projection of 2024

The Bank expects to continue its trajectory, alongside the nation's economic growth pace. Robust business confidence and domestic consumption are expected to boost loans and deposits growth, with LDR target ranging at 69.0 per cent to 72.0 per cent.

The Bank will continue to support our Wholesale customers through the delivery of sector-specific solutions, offering a holistic suite of Trade, Cash Management and Treasury platforms. Our deep expertise in ASEAN connectivity remains as our value proposition.

The successful acquisition and integration of Citibank consumer business portfolio in 2023 has significantly scaled up our retail customer base. The Bank is looking forward to delivering personalised experiences to our customers through both digital and traditional channels, and enhancing our products offerings tailored to the unique personal lifestyles of Indonesia's affluent. The Bank will also continue to maintain its healthy CAR at 17 per cent to 19 per cent and NPL ranging at 2.9 per cent to 3.2 per cent.

These key focus areas, along with prudent risk management and continued investments in our people and capabilities, are expected to deliver sustainable returns in 2024 with ROA and NIM target ranging at 0.4 per cent to 0.6 per cent and 3.9 per cent to 4.2 per cent, respectively.

Realisation of the Use of Proceeds from Public Offering

In 2023, the Bank did not conduct any Senior Debt or Subordinated Debt issuance considering the Bank's adequate capital and strong liquidity ratios. The public offering proceeds from past issuances have been fully utilised aligning with the fund utilisation plan as stated in the Prospectus and Additional Information and already reported to OJK in the Realisation Report of Funds Utilisation. Therefore, the Bank did not submit the Realisation Report of Funds Utilisation in the subsequent period.

Material Information on Investment, Expansion, Divestment, Acquisition or Debt/Capital Restructuring

The Bank has completed the Sale and Purchase of Assets and Liabilities for the consumer business from Citi on 18 November 2023. Goodwill of IDR914 billion has been recognised on a provisional basis, pending the finalization of the completion accounts, purchase price allocation and intangible asset valuations.

Impact of Change of Laws on Bank Performance

The change of laws do not have any significant impact to the Bank's performance.

Accounting Standards Issued but not yet Effective

The standards and interpretations that are issued by the Indonesian Financial Accounting Standards Board (DSAK), but not yet effective for current year financial statements are disclosed below.

Effective on or after 1 January 2024

- Amendment of SFAS No. 1: "Presentation of Financial Statements" regarding disclosure of accounting policies that change the term "significant" to "material" and provide explanations of material accounting policies".
- Amendment of SFAS No. 1: "Presentation of Financial Statements" regarding classification of liabilities.
- Amendment of SFAS No. 25: "Accounting Policies, Changes in Accounting Estimates, and Errors" regarding the definition of "accounting estimates" and their explanations.
- Amendment of SFAS No. 16: "Fixed Assets" regarding proceeds before intended use.
- Amendment of SFAS No. 46: "Income Tax" on Deferred Tax related to Assets and Liabilities arising from a Single Transaction which adopted from Amended IAS 12 Income Taxes on Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The above standards will be effective on 1 January 2023 and early adoption is permitted.

Effective on or after 1 January 2025

- Amendment of SFAS No. 1 "Non-Current Liabilities with Covenants".
- Amendment of SFAS No. 73 "Lease liability in a Sale and leaseback".
- SFAS No. 10 "The Effect of Changes in Foreign Exchange Rates on the Lack of Convertibility".

The above standards will be effective on 1 January 2024 and early adoption is permitted.

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

Financial Information on Extraordinary Events

UOB Indonesia did not experience any extraordinary events that has a material impact to the financial performance in 2023.

Material Information on Transaction with Conflict of Interest and/or Material Transaction with Related Parties

Throughout 2023, there were no transactions that can be categorized as transactions with conflict of interest.

In 2023, in carrying out its business activities, UOB Indonesia conducted several transactions with related parties, including loans and deposits from customers. For details, please refer to Notes No. 37 in Notes to the Financial Statements.

Dividend Policy and Net Profit Usage

Dividend distribution is conducted based on decision taken in Annual General Meeting of Shareholders, by considering financial condition and UOB Indonesia's capital needs attributed with business development, especially loans growth, as well as taking into account other relevant factors for shareholders.

Chapter .05

Good Corporate Governance

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Good Corporate Governance

PT Bank UOB Indonesia (the Bank or Company) believes that Good Corporate Governance (GCG) is fundamental to safeguarding the interests of stakeholders, protecting and enhancing the value of the Bank and achieving sustainable growth. The Bank implements GCG according to the principles of Transparency, Accountability, Responsibility, Independence and Fairness, and monitors the execution of GCG practices according to prevailing laws and regulations.

I. Good Corporate Governance Structurev [GRI 2-9]

A. General Meeting of Shareholders

The General Meeting of Shareholders (GMS) is the forum where shareholders make key decisions pertaining to the Bank. At the GMS, shareholders are authorised to evaluate the performance of the Board of Commissioners and the Board of Directors, approve the annual report, appointment and/or resignation of members of the Board of Commissioners and Board of Directors, determine the amount and type of compensation/remuneration and other benefits for members of the Board of Commissioners and the Board of Directors; and appoint an Independent Auditor. The Annual General Meeting of Shareholders (AGM) is held once in a year. The Bank may also convene an Extraordinary General Meeting of Shareholders (EGM) when required.

General Meeting of Shareholders 2023

In 2023, the Bank convened 1 (one) AGM and 1 (one) EGM.

AGM 2023	
Resolution Date: 3 May 2023	**Quorum:** The AGM was attended by shareholders and/or their proxies representing 11,074,641,963 shares or 98.999% of 11,186,644,888 shares with voting rights issued by the Bank.
Venue: UOB Plaza 45th Floor, Jalan M.H. Thamrin No. 10, Central Jakarta 10230	

Attendance of the Board of Commissioners:

Name	Position
VJH Boentaran Lesmana	Independent Commissioner
Aswin Wirjadi	Independent Commissioner
Wayan Alit Antara	Independent Commissioner

Attendance of the Board of Directors:

Name	Position
Hendra Gunawan	President Director
Teh Han Yi	Director
Paul Rafiuly	Director
Harapman Kasan	Director
Sonny Samuel	Director
Ardhi Wibowo	Compliance Director

Summary of Resolution

AGM Resolution First Agenda	1. Approved the Company's Annual Report for the financial year ended 31 December 2022, including the Board of Directors's Report and Board of Commissioners' Supervisory Task Report for the year ended 31 December 2022, which had audited by Public Accounting Firm of Purwantono, Sungkoro & Surja, who had provided an unmodified opinion, as stated on the report dated 24 February 2023.

General Meeting of Shareholders

AGM 2023	
	2. Granted the release and discharge *(acquit et de charge)* to the members of the Board of Directors for the management actions and members of the Board of Commissioners for the supervision performed during the year of 2022, insofar reflected in the Company's Annual Report and Financial Report of the Company for year 2022.
AGM Resolution Second Agenda	1. The amount of IDR9,515,611,619 was booked as general reserve to comply with the provisions under Article 70 of the Company Law and Article 20 of the Articles of Association of the Company. 2. Recorded the entire net profit earned in financial year 2022 after deducting the general reserve as Retained Earnings amounting IDR942,045,550,322.- to strengthen the Company's capital position. The Company did not distribute any dividend for the financial year of 2022.
AGM Resolution Third Agenda	1. Approved the delegation of authority to the Board of Commissioners to appoint a Public Accountant and Public Accounting Firm registered with the Financial Services Authority to audit the Company's financial statements for the financial year of 2023, and the determination of the audit service fee and other requirements in relation to such appointment, in observance of the recommendations of the Audit Committee. 2. Approved to the delegation of authority to the Board of Directors to sign the engagement contract and other requirements in relation to the appointment of Public Accountant and Public Accounting Firm.
AGM Resolution Fourth Agenda	1. Approved the re-appointment of the members of the Board of Commissioners of the Company with the composition, as follows: • Mr Wee Ee Cheong as the President Commissioner; • Mr Chin Voon Fat as the Deputy Commissioner; • Mr Chan Kok Seong as the Commissioner; • Mr Wayan Alit Antara, Mr Aswin Wirjadi, and Mr VJH Boentaran Lesmana as Independent Commissioners, respectively, Each re-appointment will be effective from the adjournment of this AGM until the adjournment of the Company's AGM which will be convened in 2025. The composition of the members of the Board of Directors and Board of Commissioners after the closing of the AGM as follows:

Board of Commissioners		
President Commissioner	:	Mr Wee Ee Cheong
Deputy President Commissioner	:	Mr Chin Voon Fat
Commissioner	:	Mr Chan Kok Seong
Independent Commissioner	:	Mr Wayan Alit Antara
Independent Commissioner	:	Mr Aswin Wirjadi
Independent Commissioner	:	Mr VJH Boentaran Lesmana

General Meeting of Shareholders

AGM 2023	
	Effective from the adjournment of the AGM until the adjournment of the Company's AGM to be convened in 2025. 2. Approved the delegation of authority to the Board of Directors to restate changes of the members of the Board of Commissioners in a separate deed drawn up before a Notary (where necessary) and to arrange the notification report to the Ministry of Law and Human Rights of the Republic of Indonesia.
AGM Resolution Fifth Agenda	1. Approved the delegation of authority to the major shareholder of the Company, namely UOB International Investment Private Limited (UOBII) to determine the amount of honorarium, facilities, allowances and bonuses/tantiem for the financial years 2023 to 2025 for all members of the Board of Commissioners of the Company, taking into account the recommendations given by Remuneration and Nomination Committee. 2. Approved the delegation of authority to the Board of Commissioners of the Company to determine the amount of salary, facilities, allowances and bonuses/tantiem for financial years 2023 to 2025 for all members of the Board of Directors of the Company; taking into account the recommendations given by Remuneration and Nomination Committee.

EGM 2023

Resolution Date:
26 October 2023

Venue:
UOB Plaza 45th Floor, Jalan M.H. Thamrin No. 10, Central Jakarta 10230

Quorum:
The EGM was attended by shareholders and/or their proxies representing 11,186,528,719 shares or 99.999% of 11,186,644,888 shares with voting rights issued by the Bank.

Attendance of the Board of Commissioners:

Name	Position
Wayan Alit Antara	Independent Commissioner

Attendance of the Board of Directors:

Name	Position
Hendra Gunawan	President Director
Teh Han Yi	Director
Paul Rafiuly	Director
Harapman Kasan	Director
Sonny Samuel	Director
Ardhi Wibowo	Compliance Director
Henry Santoso	Director

General Meeting of Shareholders

EGM 2023	
	Summary of Resolution
EGM Resolution First Agenda	1. Approved the issued and paid-up capital of the Company by issuing shares with total of 1,040,946,745 (one billion forty million nine hundred forty six thousand and seven hundred forty five) new shares with nominal amount of each shares of IDR250,- (two hundred and fifty Rupiah) or with a total nominal value of IDR260,236,686,250.- (two hundred and sixty billion two hundred thirty six million six hundred eighty six thousand and two hundred and fifty Rupiah) ("New Shares"), therefore issued and paid-up capital increased of the Company will increase from IDR2,796,661,222,000.- (two trillion and seven hundred ninety six billion six hundred sixty one million and two hundred twenty two thousand Rupiah) to at the most of IDR3,056,897,908,250.- (three trillion and fifty six billion eight hundred ninety seven million nine hundred eight thousand and two hundred fifty Rupiah), which consist of 12,227,591,633 (twelve billion two hundred twenty seven million and five hundred ninety one thousand six hundred thirty three) shares with nominal value of IDR250.- (two hundred and fifty Rupiah) per share. 2. All New Shares shall pre-emptively be offered to the shareholders in proportion to their shareholdings. The shareholders are also entitled to subscribe for the remaining unsubscribed shares from other shareholders who do not exercise their rights, in proportion to their shareholding, and this offering will not be offered to other parties except existing shareholders. The New Shares are offered at the price of IDR1,441.- (one thousand four hundred forty one Rupiah) per share and the ratio of each 19,000 (nineteen thousand) per shares ownership are entitled for 1,768 (one thousand seven hundred and sixty eight) New Shares, with the stipulated provisions that the amount will be rounded down if there are fractional shares. The remaining unsubscribed New Shares (including the accumulated fractions of the New Shares) will be subscribed by the Standby Buyer. 3. Approved the amendment to the Article 4 paragraph (2) of the Articles of Association of the Company and the composition of the Company's shareholders to be adjusted in line with the results of the right issue of New Shares as described in point 1 and 2 above. 4. Approved the delegation of authority to the Board of Commissioners of the Company in the event that the re-approval or confirmation of an increase in the issued and paid-up capital of the Company is required. 5. Approved to the delegation of authority to the Board of Directors of the Company to take all actions deemed necessary in conjunction with the issuance of the New Shares as mentioned above, including to submit an Offering Letter to each shareholder, to determine the payment schedule and to determine other requirements in order to achieve the Company's capital increase objectives and to state the resolutions to the amendment of Article 4 of the Articles of Association and the composition of shareholders in the Notarial deed, to notify the competent authority and to take all other necessary actions in connection with such resolutions in accordance with applicable laws and regulations, without any exception.

General Meeting of Shareholders

EGM 2023

EGM Resolution Second Agenda

1. Accepted the resignation of Mr Aswin Wirjadi as Independent Commissioner of the Company in accordance with his resignation letter dated 10 October 2023 effective from the closing of this AGM, further granted Mr Aswin Wirjadi a full release and discharge from his responsibilities in carrying out the management of the Company in his position as Independent Commissioner of the Company from 1 January 2023 to 26 October 2023, so long as these actions are reflected in the Annual Report and Financial Report for the Financial Year of 2023 which will be approved and ratified during the Company's AGM for the Financial Year of 2023, in accordance with the provisions of the Articles of Association of the Company.

2. Approved the appointment of Mr Johanes Susilo as Independent Commissioner of the Company effective from the effective date of relinquishment of the relevant position at another company based on receipt from the Ministry of Law and Human Rights of the Republic of Indonesia ("MoLHR") regarding receipt of notification to the MoLHR regarding the relinquishment of the said position ("Effective Date") until the closing of of the Company's AGM which will be held in 2025.

   Thus, the composition of the members of the Board of Commissioners after the Effective Date until the closing of the Company's AGM which will be held in 2025, would be as follows:

Board of Commissioners		
President Commissioner	:	Mr Wee Ee Cheong
Deputy President Commissioner	:	Mr Chin Voon Fat
Commissioner	:	Mr Chan Kok Seong
Independent Commissioner	:	Mr Insinyur Wayan Alit Antara
Independent Commissioner	:	Mr VJH Boentaran Lesmana
Independent Commissioner	:	Mr Johanes Susilo*

   *Provided that the appointment of Mr Johanes Susilo will be effective as of the Effective Date mentioned above.

3. Granted the authority to the Board of Directors to restate the changes in membership of the Board of Commissioners of the Company in a separate deed drawn up before a Notary (if necessary) and to arrange the notification report to the Ministry of Law and Human Rights of the Republic of Indonesia.

AGM 2022

Resolution Date:
28 April 2022

Venue:
UOB Plaza 45th Floor, Jalan M.H. Thamrin No. 10, Central Jakarta 10230

Quorum:
The AGM was attended by shareholders and/or their proxies representing 11,074,641,963 shares or 98.999% of 11,186,644,888 shares with voting rights issued by the Bank.

General Meeting of Shareholders

AGM 2022			
Attendance of the Board of Commissioners:		**Attendance of the Board of Directors:**	
Name	Position	Name	Position
VJH Boentaran Lesmana	Independent Commissioner	Hendra Gunawan	President Director
Aswin Wirjadi	Independent Commissioner	Teh Han Yi	Director
Wayan Alit Antara	Independent Commissioner	Paul Rafiuly	Director
		Harapman Kasan	Director
		Sonny Samuel	Director
		Ardhi Wibowo	Compliance Director

	Summary of Resolution
AGM Resolution First Agenda	1. Approved the Annual Report of the Company for the financial year ended 31 December 2021, including the Oversight Report of the Board of Commissioners of the Company, and the Financial Statements of the Company for the financial year ended 31 December 2021, as audited by Public Accounting Firm of Purwantono, Sungkoro & Surja, which provided an unmodified opinion in its report dated 1 March 2022. 2. Granted the release and discharge of responsibilities (acquit et decharge) to members of the Board of Directors over their management duties and to members of Board of Commissioners of the Company over their oversight duties during financial year 2021, provided such actions are reflected in the Annual Report and Financial Statement of the Company for financial year 2021.
AGM Resolution Second Agenda	1. A sum of IDR6,551,597,777 was booked as general reserve to comply with the provision under Article 70 of the Limited Liability Company Law and Article 20 of the Articles of Association of the Company. 2. Booked the entire net profit earned in financial year 2021 after general reserve as Retained Earnings amounting IDR648,608,179,926 to strengthen the Company's capital structure. The Company did not distribute any dividend for financial year 2021.
AGM Resolution Third Agenda	1. Approved the delegation of authority to the Board of Commissioners of the Company for the appointment of a Public Accountant and Public Accounting Firm registered with the Financial Services Authority (OJK) to audit the Financial Statements of the Company for financial year 2022, and the determination of the audit service fee and other requirements, in observance of the recommendations of the Audit Committee. 2. Approved the delegation of authority to the Board of Directors to sign the engagement contract and other requirements in relation to the appointment of Public Accountant and Public Accounting Firm.
AGM Resolution Fourth Agenda	Since the resolution of this AGM Resolution Agenda 4 had been resolved during the Annual General Meeting of Shareholders conducted in 28 April 2021 and there is no changes on such resolved resolution, Resolution Agenda 4 was not discussed and no resolution was made.

General Meeting of Shareholders

EGM 2022	
Resolution Date: 29 November 2022	**Quorum:** The EGM was attended by shareholders and/or their proxies representing 11,074,641,963 shares or 98.999% of 11,186,644,888 shares with voting rights issued by the Bank.
Venue: UOB Plaza 45th Floor, Jalan M.H. Thamrin No. 10, Central Jakarta 10230	

Attendance of the Board of Commissioners:

Name	Position
Aswin Wirjadi	Independent Commissioner
Wayan Alit Antara	Independent Commissioner

Attendance of the Board of Directors:

Name	Position
Hendra Gunawan	President Director
Teh Han Yi	Director
Sonny Samuel	Director
Ardhi Wibowo	Compliance Director
Choi Yau Chi	Director

Summary of Resolution

EGM Resolution First Agenda	1. Approved the restatement of Article 3 of the Company's Articles of Association in order to comply with Standard Classification of Indonesian Business Fields (*Klasifikasi Baku Lapangan Usaha Indonesia*/KBLI) 2020. 2. Approved the granting of the power and authority to the Board of Directors of the Company to rewrite Article 3 of the Company's Articles of Association, as well as any other necessary actions pursuant to the amendment of the Articles of Association, including but not limited to the making of changes and amendments, the requesting of approval, as well as the taking of all necessary registration with regards to the decision, in accordance with the prevailing laws and regulations.
EGM Resolution Second Agenda	1. Approved the amendment of the Company's Articles of Association i.e. amendment of Article 12 paragraph (1) regarding Number of the Board of Directors. 2. Approved the granting of the power and authority to the Board of Directors of the Company to rewrite Article 12 paragraph (1) of the Company's Articles of Association, as well as any other necessary actions pursuant to the amendment of the Articles of Association, including but not limited to the making of changes and amendments, the requesting of approval, as well as the taking of all necessary registration with regards to the decision, in accordance with the prevailing laws and regulations.

General Meeting of Shareholders

EGM 2022	
EGM Resolution Third Agenda	1. Approved the appointment of Mr Henry Santoso as Director of the Company. The appointment will be effective upon obtaining approval from Financial Services Authority until the closing of the Company's Annual General Meeting of Shareholders that will be conducted in 2025. So that the composition of the member of the Board of Directors after the closing of this Meeting until the closing of the Company's Annual General Meeting of Shareholders that to be conducted in 2025, would be as follows:

Board of Directors		
President Director	:	Mr Hendra Gunawan
Director	:	Ms Teh Han Yi
Director	:	Mr Paul Rafiuly
Director	:	Mr Harapman Kasan
Director	:	Mr Sonny Samuel
Compliance Director	:	Mr Ardhi Wibowo
Director	:	Mr Choi Yau Chi
Director	:	Mr Henry Santoso*

* Provided that the appointment of Mr Henry Santoso will be effective upon obtaining approval from Financial Services Authority.

2. Granted the authority to the Board of Directors to declare changes in the composition of the Company's management in a separate deed before a Notary if necessary and to arrange notifications to the Ministry of Law and Human Rights of the Republic of Indonesia.

Statement Concerning Unrealised 2023 GMS Resolutions

- 2023 AGM resolutions have been realised and there were no resolutions that had not been realised or delayed.
- There was 1 (one) 2023 EGM Resolution whose realisation has been delayed, i.e., approval for the appointment of Mr Johanes Susilo as Independent Commissioner of the Company, until the closing of the Company's AGM which will be held in 2025. The postponement of the realisation of the EGM Resolution was due to the non-fulfillment of the requirements of his appointment as Independent Commissioner of the Company. The realisation of the EGM Resolution was carried out on 30 January 2024.

Statement Concerning Unrealised 2022 GMS Resolutions

All 2022 AGM and EGM resolutions have been realised and there were no resolutions that had not been realised or delayed.

Board of Commissioners

In accordance with the Articles of Association, the Board of Commissioners must perform supervision of management policies and the general conduct of the management, both regarding the Company and its businesses, and to advise the Board of Directors. In addition, every member of the Board of Commissioners shall not act independently, but only by virtue of a decision of the Board of Commissioners.

1. Work Guidelines and Regulations of Board of Commissioners

In performing their duties and responsibilities, members of the Board of Commissioners are guided by the Work Guidelines and Regulations of the Board of Commissioners which are in accordance with Bank of Indonesia/Financial Services Authority (OJK) regulations. The Work Guidelines and Regulations of the Board of Commissioners are reviewed periodically. The last update was performed in 2023 to be in accordance with the latest OJK regulation concerning Implementation of Governance in Commercial Banks, resulting in the Decree of the Board of Commissioners of PT Bank UOB Indonesia No. 23/COM/0006 dated 27 December 2023 regarding Work Guidelines and Regulations of Board of Commissioners of PT Bank UOB Indonesia.

2. Duties and Responsibilities of the Board of Commissioners [GRI 2-12]

The Board of Commissioners assumes the following duties and responsibilities pursuant to the Board of Commissioners' Work Guidelines and Regulations:

a. Ensure the implementation of GCG in each of the Bank's business activity on all organisational levels or hierarcy.
b. Perform supervision for the interest of the Bank over the policies and management of the Board of Directors, providing advice to the Board of Directors, and responsible for such supervision, laws and regulations, articles of association and GMS resolutions in good faith, full responsibility and utmost prudential principles.
c. Direct, monitor, and evaluate the implementation of governance, risk management, and compliance integratedly as well as the Bank's strategic policies, in accordance to the prevailing laws and regulations, Bank's articles of association, and/or GMS decree.
d. Ensure that the Board of Directors had taken follow up actions on audit findings and recommendations from the Bank's Internal Audit Work Unit, external auditor, and OJK's result and/or other authorities supervision result.
e. Approve and/or supervise, either directly or through the committees under BOC, the implementation of Business Plan, review and approve the annual report, approve several Bank's policies in accordance with applicable regulations.
f. Evaluate, direct, and monitor the strategic plan and implementation of the Bank's Information Technology (IT) governance in accordance with applicable regulations.
g. Report to the OJK no later than 5 (five) business days upon the finding of the following:
   - Violation of financial and banking laws and regulations; and
   - Condition or anticipated of a condition that may endanger the Bank's business continuity.
h. To support the effectiveness of the implementation of its tasks and responsibilities, the Board of Commissioners must establish at least:
   - Audit Committee;
   - Risk Monitoring Committee;
   - Remuneration and Nomination Committee; and
   - Integrated Corporate Governance Committee, in order to support the implementation of integrated corporate governance.

   and ensure that the established Committees perform their duties effectively.
i. Monitor the Bank's Soundness Level and take necessary actions to maintain and/or improve the Bank's soundness.
j. Conduct active supervision on the implementation of Compliance Function.
k. Convene meetings of the Board of Commissioners on a regular basis, at least once in 2 (two) months, at which all members of the Board of Commissioners must be physically present at least 2 (two) times a year. In the event that a non-Independent Commissioner is unable to attend the meeting physically, he may attend the meeting through teleconference.
l. Convene joint meetings with the Board of Directors at least once in 4 (four) months.

Board of Commissioners

3. Nomination and Criteria for Candidate of the Board of Commissioners [GRI 2-10, 2-17]

The Bank has Policies and Procedures for the Nomination, Replacement and/or Dismissal of Members of the Board of Commissioners, Board of Directors, Senior Executive Officers and Committees Reporting to the Board of Commissioner of PT Bank UOB Indonesia as stated in Board of Directors' Decree No. 23/SKDIR/0138, stipulated the nomination process and criteria of member of the Board of Commissioners, as follows:

1. Members of the Board of Directors, the Board of Commissioners and/or Majority Shareholders of the Bank may propose nominations for candidate members of the Board of Commissioners, if necessary.
2. Nomination of candidates for appointment to the Board of Commissioners shall be submitted to the Bank's Remuneration and Nomination Committee.
3. The nominated candidates must at least meet the following criteria:
   a. Indonesian Nationals and/or Foreign Nationals meeting the requirements of the prevailing laws and regulations.
   b. Have integrity, competence and good financial reputation as required in the applicable laws and regulations.
   c. Independent Commissioner candidates must also meet the requirements determined by the laws and regulations.
4. Any nomination for the appointment of any Member of the Board of Commissioners to the General Meeting of Shareholders must take into account the recommendation of the Remuneration and Nomination Committee. In the event that any member of the Remuneration and Nomination Committee has any conflict of interest with any recommended candidate, such conflict of interest must be declared in the nomination.
5. Independent Commissioner who has served for 2 (two) terms of service consecutively may be reappointed for another term. The following would be considered:
   a. Assessment result of the performance of Independent Commissioner;
   b. Assessment result in the BOC Meeting which states that the said Independent Commissioner has remained able to perform independently;
   c. Assessment result from the Internal Audit Head and Executive Officer who is in charge of the human resources function which states that the Independent Commissioner can still act independently;
   d. The declaration by the Independent Commissioner of his independency during the GMS.
6. Recommendations for the Remuneration and Nomination Committee are at least based on the requirements for the criteria for members of the Board of Commissioners as stipulated in the applicable laws and regulations.

4. Composition, Criteria and Independence of the Board of Commissioners [GRI 2-11]

The following are the members of the Board of Commissioners of the Bank as of 31 December 2023:

Name	Position	Basis of Appointment		Re-Appointment	Term of Office
		Regulator Approval	GMS		
Wee Ee Cheong	President Commissioner	22 October 2019	29 April 2019	3 May 2023	2023 - 2025
Chin Voon Fat	Deputy President Commissioner	20 September 2019	29 April 2019		
Chan Kok Seong	Commissioner	20 September 2019	29 April 2019		
Wayan Alit Antara	Independent Commissioner	8 January 2009	20 June 2008		
VJH Boentaran Lesmana	Independent Commissioner	22 December 2017	9 May 2018		

Members of the Board of Commissioners have a term of 2 (two) years. The term of office of the existing member of Board Commissioners is up to the closing of the AGM of the Bank to be held in 2025.

Board of Commissioners

Article 2 paragraph (5) of the Decree of the Board of Commissioners of PT Bank UOB Indonesia No.23/COM/0006 regarding Guidelines and Work Rules for the Board of Commissioners of the Bank reads as follows: *"At least 50 per cent of the total members of the Board of Commissioners is Independent Commissioners"*. However, as of 31 December 2023, 2 (two) members of a total of 5 (five) members of the Board of Commissioners are Independent Commissioners. To comply with these provisions, the Bank had appointed 1 (one) Independent Commissioner candidate who has received OJK approval based on Decree of Members of the OJK Board of Commissioners No. KEPR-113/D.03/2023 dated 20 September 2023 concerning the Results of the Fit and Proper Assessment of Mr Johanes Susilo as Candidate for Independent Commissioner of PT Bank UOB Indonesia, and has been appointed based on the Resolutions of the Extraordinary General Meeting of Shareholders on 26 October 2023. His appointment as Independent Commissioner has been effective as of 30 January 2024.

Independence of the Board of Commissioners

Article 8 paragraph (5) of the Work Guidelines and Regulations of the Bank's Board of Commissioners states that *"More than 51% (fifty one per cent) of members of the Board of Commissioners shall not be permitted to have familial relations up to the second degree with other members of the Board of Commissioners and/or the member of Board of Directors"*. All members of the Board of Commissioners do not have up to the second-degree familial relationships with fellow members of the Board of Commissioners and/or members of the Board of Directors.

None of the Independent Commissioners of the Bank has financial, management, shareholding, and/or up to second-degree familial relationships with fellow members of the Board of Commissioners, members of the Board of Directors and/or majority shareholders that may affect his ability to act independently.

In accordance with Financial Services Authority (OJK) Regulation No. 17 Year 2023 concerning Implementation of Governance for Commercial Banks, members of the Board of Commissioners are prohibited from holding concurrent positions as Commissioner, Director or Executive Officer (a) in any bank/non-bank financial institution or non-financial institution/company; (b) in more than 1 (one) non-financial institution/company either domiciled domestically or overseas; (c) in the functional duties of banks and/or non-bank financial institutions; (d) in other positions that may give rise to a conflict of interest in carrying out their duties as a member of the Board of Commissioners; and/or (e) in other positions based on prevailing laws and regulations.

This excludes concurrent positions held by (a) a member of the Board of Commissioners as a director, commissioner or executive officer performing supervision in 1 (one) non-bank subsidiary controlled by the Bank; (b) a non-independent Commissioner performing his functional duties assigned by the Bank's shareholders for a legal entity in the Bank's business group; and/or (c) a member of the Board of Commissioners in a non-profit organisation or institution.

In addition to that, Independent Commissioners are prohibited from holding concurrent positions as public officials in executive, legislative, judicial and other bodies whose main functions and duties are related to the administration of the State.

All members of the Board of Commissioners are in compliance with the aforementioned regulations.

Terms of Office of Independent Commissioners

The term of office of Independent Commissioners follow the general terms of the Board of Commissioners where Independent Commissioners who have served for 2 (two) consecutive terms may be reappointed as Independent Commissioners in the next period, after considering:

- Assessment result of the performance of Independent Commissioner;
- Assessment result in the BOC Meeting which states that the said Independent Commissioner has remained able to perform independently;
- Assessment result from the Internal Audit Head and Executive Officer who is in charge of the human resources function which states that the Independent Commissioner can still act independently; and
- The declaration of the Independent Commissioner declared his independency in the GMS.

Board of Commissioners

5. Board of Commissioners Recommendations [GRI 2-13]

In 2023, in performing its supervision function, the Board of Commissioners has provided recommendations to Board of Directors, which included:

I. Bank's Business Plan:
- Approved the Bank's revised 2023 – 2025 Business Plan and 2024 – 2025 Business Plan.
- Approved the Bank's 2024 – 2028 Sustainable Financial Action Plan.
- Approved the Supervisory Report of Bank Business Plan for the 2nd Half of 2022 and the 1st Half of 2023.

II. Recommendations from Audit Committee (AUC), Risk Monitoring Committee (ROC), and Remuneration and Nomination Committee (RNC):
- Approved the appointment of Purwantono, Sungkoro & Surja (EY Indonesia), a Public Accounting Firm and Yovita as a Public Accountant, to conduct audits for financial year 2023.
- Approved the recommendations relating to the amount of remuneration for Directors and total remuneration for Senior Executive Officers and other employees in 2023.
- Recommended the re-appointment of member of the Board of Commissioners for 2023 – 2025.
- Recommended the appointment of members of committees reporting to BOC.
- Provided the recommendation for appointment of new Independent Commissioner.
- Approved the recommendation and extention of term of office of Senior Executive Officers (Member of Senior Management Group/SMG).
- Approved the annual review of the respective Work Guidelines and Regulations of Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee.

III. Framework, Risk Management Policies and Risk Appetite Statement:
- Approved the CDL Framework (Financial Institutions segment – Banks & Sovereign).
- Approved the Technology Risk Management Framework.
- Approved the 2024 Risk Appetite Framework and Statement.
- Approved the Credit Policy Committee (CPC) Governance Structure.
- Approved the update of 2024 Risk Appetite Statements.
- Approved the update of Credit Risk Management (CRM) Policy.

IV. Others:
- Approved the Annual Report of the Bank including the Financial Statements of the Bank, Report from Board of Directors, and Oversight Report of the Board of Commissioners for the financial year ended 31 December 2022.
- Approved the schedule and agenda of the Annual General Meeting of Shareholders dated 3 May 2023 and Extraordinary General Meeting of Shareholders dated 26 October 2023.
- Approved proposals for projects submitted by Management including transaction with related party in adherence with the prevailing provisions.
- Appoved the Work Guidelines and Regulations of the Board of Commissioners, and Nomination Policy Annual Review.
- Approved the revision Information Technology Strategic Plan (RSTI) for 2022 – 2026 and its revision.
- Approved the Capital Management Framework.
- Approved the Sustainability Framework.

6. Fit and Proper Test Information Disclosure

Members of the Board of Commissioners, as listed in the table on page 135, were all appointed at the General Meeting of Shareholders after due consideration to the key criteria including integrity, competency, professionalism, and financial reputation, according to the "fit and proper" test requirements prescribed by regulators.

7. Board of Commissioners Meeting Policy [GRI 2-13]

The Board of Commissioners Meeting Policy is regulated through the Bank's Board of Commissioners' Charter which sets out the following:

a. Meetings are held at least once in 2 (two) months or when deemed necessary by a member of the Board of Commissioners or upon written request from the Board of Directors or upon the request of 1 (one) or more shareholders holding 1/10 (one tenth) of the total number of shares issued by the Company with valid voting rights.

Board of Commissioners

b. Board of Commissioners Meetings may be held via teleconference but at least 2 (two) Board of Commissioners meetings are to be attended in person by all the members of Board of Commissioners. In the event that a Non-Independent Commissioner is unable to attend the meeting physically, he may attend the meeting via teleconference.
c. The Board of Commissioners shall schedule joint meetings with the Board of Directors periodically, at least once in 4 (four) months.
d. The Board of Commissioners shall schedule Board of Commissioners meetings for the subsequent year before the financial year ends.

8. Frequency of the Board of Commissioners Meetings

During 2023, the Board of Commissioners convened a meeting once every 2 (two) months, during which the Board of Commissioners sought updates from the Directors regarding their duties and responsibilities in the previous 2 (two) months, and discussed the Bank's performance in general.

As of 31 December 2023, the Board of Commissioners held 6 (six) Board of Commissioners meetings and 4 (four) Joint Meetings with the Board of Directors. Therefore, the Bank has fulfilled the provisions of the OJK Regulation on the meeting requirement of the Board of Commissioners' meeting.

The results of the meeting as mentioned above, including dissenting opinions (if any), were well documented in minutes of meetings which are properly maintained by the Corporate Secretary.

Based on the aforementioned matters, the Bank has fulfilled the prevailing regulations related to the Board of Commissioners Meetings.

The following is the Commissioners' attendance at meetings held in 2023:

Name	Position	Number of Meetings	Frequency of Attendance	Percentage
Wee Ee Cheong	President Commissioner	6	6	100%
Chin Voon Fat	Deputy President Commissioner	6	6	100%
Chan Kok Seong	Commissioner	6	6	100%
Wayan Alit Antara	Independent Commissioner	6	6	100%
Aswin Wirjadi*	Independent Commissioner	5	5	100%
VJH Boentaran Lesmana	Independent Commissioner	6	6	100%

* Mr Aswin Wirjadi has effectively retired pursuant to the resolution made during the Extraordinary General Meeting of Shareholders on 26 October 2023.

The table below sets out the attendance at Board of Commissioners Joint Meetings with Board of Directors in 2023:

Name	Position	Number of Meetings	Frequency of Attendance	Percentage
Wee Ee Cheong	President Commissione	4	4	100%
Chin Voon Fat	Deputy President Commissioner	4	4	100%
Chan Kok Seong	Commissioner	4	4	100%
Wayan Alit Antara	Independent Commissioner	4	4	100%
Aswin Wirjadi*	Independent Commissioner	3	3	100%
VJH Boentaran Lesmana	Independent Commissioner	4	4	100%
Hendra Gunawan	President Director	4	4	100%

Board of Commissioners

Name	Position	Number of Meetings	Frequency of Attendance	Percentage
Teh Han Yi	Finance & Corporate Services Director	4	4	100%
Harapman Kasan	Wholesale Banking Director	4	4	100%
Paul Rafiuly	Technology & Operations Director	4	4	100%
Sonny Samuel	Global Markets Director	4	3	75%
Ardhi Wibowo	Compliance, Legal & Corporate Secretary Director	4	4	100%
Choi Yau Chi	Strategic Business Development, Retail & Channels Transformation Director	4	4	100%
Henry Santoso	Risk Management Director	4	4	100%

* Mr Aswin Wirjadi has effectively retired pursuant to the resolution made during the Extraordinary General Meeting of Shareholders on 26 October 2023.

9. Performance Appraisals for the Board of Commissioners [GRI 2-18]

Procedure of Performance Appraisal

The Bank has a policy regarding Guidelines on Commissioners' Evaluation and Directors' Performance Appraisals which provides technical guidance to Commissioners in conducting appraisals and standardises the performance criteria to be applied. The policy governs the following:

Performance Evaluation

Each member of the Board of Commissioners will conduct a self-assessment of his performance 1 (one) time a year.

Performance Criteria

Members of the Board of Commissioners are appraised based on the following:

i. Independence of the Commissioner;
ii. Fit and proper criteria which comprise honesty, integrity, reputation, competency and financial soundness; and
iii. Performance of Commissioners.

Evaluation Result

The result of the self-assessments is reported to the Remuneration and Nomination Committee.

Throughout 2023, the Board of Commissioners has carried out its duties and functions properly in ensuring the Bank's performance achievement can meet the expectations of shareholders and all stakeholders.

10. Orientation Programme for New Commissioners

A newly-appointed member of the Board of Commissioners is required to join an orientation programme which aims to provide knowledge and information for him/her to gain an understanding of the Bank, so as to perform his/her duties effectively and efficiently.

The orientation programme for new Commissioner in the form of documents prepared by the Corporate Secretary Unit, among others include:

1. Vision and Mission;
2. Code of Ethics;
3. Organisational Structure;
4. Articles of Association;
5. Good Corporate Governance Implementation Guidelines;
6. Work Guidelines and Regulations of the Board of Commissioners/Board of Directors;
7. Relevant Committee's Charter;
8. Regulations related to the Banking and Capital Markets;
9. Financial Report and Annual Report; and
10. Business Plan.

Board of Commissioners

11. Workshop/Training/Seminar Attended by the Board of Commissioners

Training of the Board of Commissioners			
No.	Name	Position	Name of Workshop/Training/Dissemination
1	Wee Ee Cheong	President Commissioner	• 2023 ASEAN Conference – Forging a Digital and Sustainable ASEAN Towards Prosperity, Resilience and Sustainable Growth • Blockchain and Digital Assets - Accenture • Cybersecurity Threats & Challenges in Asia Pacific – Ensign Infosecurity • Insight into ISSB and Sustainability Reporting Landscape – Ernst & Young • Risk Management Certification Refreshment Programme "Operational Risk in Digital Banking" – PT Arfaidhams Secret
2	Chin Voon Fat	Deputy President Commissioner	• 2023 ASEAN Conference - Forging a Digital and Sustainable ASEAN Towards Prosperity, Resilience and Sustainable Growth • 2023 GIC Insight – Unlocking New Horizons • Cybersecurity Threats & Challenges in Asia Pacific - Ensign Infosecurity • Insights into ISSB and Sustainability Reporting Landscape - Ernst & Young • New Monetary Order - Oliver Wyman • Risk Management Certification Refreshment Programme "Managing Operational Risk in the Digital Banking Era" – PT Arfaidhams Secret
3	Chan Kok Seong	Commissioner	• 2023 APAC Financial, Real Estate Equity and Credit Conference • 2023 ASEAN Conference - Forging a Digital and Sustainable ASEAN Towards Prosperity, Resilience and Sustainable Growth • Blockchain and Digital Assets by Accenture • Cybersecurity Threats & Challenges in Asia Pacific - Ensign Infosecurity • Insights into ISSB and Sustainability Reporting Landscape - Ernst & Young • Risk Management Certification Refreshment Programme "Operational Risk in Digital Banking" – PT Arfaidhams Secret
4	Wayan Alit Antara	Independent Commissioner	• Risk Management Certification Refreshment Programme "Operational Risk in Digital Banking" – PT Arfaidhams Secret • UOB Gateway to ASEAN Conference 2023 – ASEAN Forging Ahead
5	VJH Boentaran Lesmana	Independent Commissioner	• Risk Management Certification Refreshment Programme "Operational Risk in Digital Banking" – PT Arfaidhams Secret • UOB Gateway to ASEAN Conference 2023 – ASEAN Forging Ahead

Board of Directors

The Board of Directors is the organ of the Company with the authority and full responsibility for carrying out its duties in the interests of the Bank in achieving the Bank's intent and purposes and to represent the Bank both inside and outside of court. Each member of the Board of Directors shall carry out his duties in good faith and responsibly in accordance with prevailing laws and regulations and Articles of Association of the Bank.

1. Work Guidelines and Regulations of the Board of Directors

In performing its duties and responsibilities, the Board of Directors are guided by the Work Guidelines and Regulations of the Board of Directors, the provisions of which are in accordance with the prevailing laws and regulations. The Work Guidelines and Regulations of the Board of Directors are reviewed periodically. The latest update took into account the Decree of the Board of Directors of PT Bank UOB Indonesia No. 20/SKDIR/0098 dated 14 December 2020.

2. Duties and Responsibilities of the Board of Directors [GRI 2-12]

The principal duties of the Board of Directors include, among others:

a. Managing the Bank pursuant to its authority and responsibilities as stated in the Articles of Association and prevailing laws and regulations;
b. Taking full responsibility of the Bank's management;
c. Implementing Good Corporate Governance principles in every business activity of the Bank at all stages or levels of the organisation;
d. Implementing business strategies under the supervision of the Board of Commissioners;
e. Following up on audit findings and recommendations from Internal Audit unit, External Auditors, supervisory report from Financial Services Authority (OJK) and other competent authorities;
f. Performing internal monitoring in an effective and efficient manner;
g. Performing oversight and managing the risks faced by the Bank;
h. Maintaining conducive working environment to improve productivity and professionalism;
i. Managing and conducting employee development, and also maintaining organisational sustainability;
j. Taking accountability for the fulfillment of the duties to the Shareholders at the Annual General Meeting of the Shareholders;
k. Disclosing to employees the Bank's strategic policies in the field of personnel, as long as the policies are not confidential; and
l. Providing accurate, relevant and timely data and information to the Board of Commissioners.

Furthermore, in performing his duties and responsibilities, each member of the Board of Directors shall refer to the distribution of work, responsibility and authority which is based on the Board of Directors Decree No. 23/SKDIR/0110 on the Duties and Authorities of members of the Board of Directors, with the following details:

President Director

- Act on behalf of the Board of Directors and to represent the Bank.
- Coordinate the implementation of the Bank's management.
- Determine the Bank's strategy.
- Ensure the implementation of the compliance function, and the implementation of the principles of good corporate governance as well as prudent banking practices.
- Develop strategy and provide direction to the Regional General Manager.

Finance & Corporate Services Director

- Responsible for the financial statements of the Bank as well as the formulation of the Bank's financial management strategy to support Bank's performance.
- Ensure the integrity of financial data and provide financial report analysis on the performance of the Bank to support the decisions taken by the Management of the Bank.
- Develop financial system and procedure as well as lead, direct and monitor the implementation of corporate actions conducted by the Bank.

Compliance, Legal & Corporate Secretary Director

- Formulate a strategy to encourage the creation of Compliance Culture in the Bank;
- Propose a compliance policy or principles of compliance to be stipulated by the Board of Directors;
- Establish compliance systems and procedures that will be used to develop the internal policies and guidelines of the Bank;
- Ensure that all policies, rules, systems and procedures, as well as business activities of the Bank are in accordance with the provisions of regulator and other prevailing regulations;

Board of Directors

- Perform oversight over the implementation of Anti Money Laundering and Countering the Financing of Terrorism;
- Minimise the Bank's compliance risk and provide recommendations on compliance-related issues;
- Perform preventive measures so that the policies and/or decisions taken by the Board of Directors of the Bank do not violate the provisions of regulator as well as other prevailing regulations;
- Perform oversight and provide direction to Officers who are in charge of the Legal Unit, Litigation Unit and Corporate Secretary Unit in performing their duties and responsibilities.

Director of Technology and Operations

- Responsible for formulating long-term Blueprint for Technology and Operation.
- Responsible for formulating, evaluating and determining strategies for infrastructure, systems and information technology security so that operational activities can be carried out effectively and efficiently.
- Responsible for formulating, evaluating and determining the Bank's Operational strategies that can drive business units towards profit.
- Ensure application development, and that technology and communication infrastructure networks are in place to support high security and confidentiality of the Bank and customer data.
- Ensure the mechanisms for identification and mitigation of risks to the infrastructure system, technological security and operational processes are available and implemented in accordance with the provisions.
- Collaborate with other working units to ensure technology cost effectiveness and determine priority scale according to the Bank's capabilities.

Wholesale Banking Director

- Provide strategic directions for growing the Wholesale Banking segment to support Bank's business.
- Ensure proper implementation of the compliance function, good corporate governance, prudent banking practices, and implement any directions that were given from the regulators regarding risk management on Wholesale Banking.
- Responsible for managing the budget for the Wholesale Banking segment.
- Carry out continuous process development and improvement for functions in the Wholesale Banking.

Global Markets Director

- Coordinate, provide strategic direction, and monitor activities in Global Markets, as well as be responsible for the achievement of revenues derived from transaction and activities in Global Markets.
- Responsible for the new product/activity launch process handled by Global Markets and provide direction and input to streamline processes and improve the quality of products/activities.
- Provide information to the Board of Directors and Board of Commissioners on financial market conditions covering the development of foreign exchange markets, money markets, financial institutions and securities markets.
- Responsible for all Global Markets good governance in risk management and ensuring compliance with policies and procedures.
- Responsible for any limit given to Global Markets either Market Risk Limit or Counterparty Limit.

Consumer Banking Director

- Responsible for providing strategic directions for the growth of Consumer Banking in order to support the Bank's business;
- Responsible for developing competitive and innovative products and services of consumer banking and digital bank which are in line with the customer needs, market development and technology demands in order to achieve the market and business target;
- Responsible for supporting businesses and branches in the implementation of prudential principle by conducting due diligence in onboarding customers, monitoring business and operational activities, monitoring the adherence with internal policies and external regulations as well as implementing middle office activities;
- Responsible for establishing the decision management capabilities focusing on providing support and insights to grow healthy retail business through developing, maintaining and enhancing retail risk scorecards, marketing, predictive and IFRS9 modelling. Develop portfolio segmentation/profiling and supporting the development, maintenance and enhancement of the infrastructure performance to support effective portfolio management.

Board of Directors

Risk Management Director

- Provide strategic directions on risk management by always paying attention on the principles of prudence and compliance with, and implement any directions that were given from the regulators regarding risk management of the Bank.
- Develop and evaluate the system and risk management process to identify, measure, monitor, mitigate and report risks.
- Facilitate the Bank's Senior Management's understanding of the various types of risk and jointly develop risk control and risk mitigation as well enchance a culture of risk awareness.
- Provide recommendation in relation to the Bank's risk management covering operational risk, market, liquidity and credit risk.
- Ensure the management and development of human resources development on functions related to risk management.

Strategic Business Development, Retail & Channels Transformation Director

- Responsible for managing the delivery of the Consumer Banking and Channels initiatives under the Transformation Office and Accelerated Build Programme;
- Responsible for working through conflicting priorities and interdependencies of the above programme and other organisational priorities and risks including to report the progress to relevant party, as necessary;
- Partnership with key stakeholders to drive closer collaboration across business and technology teams to execute transformation and integration projects. Work closely with cross-functional leaders to lead and support organisational buy-in;
- Responsible in meeting project deadlines, proactively identify project obstacles, and mitigate risks so they can be addressed in a timely manner to meet business objectives and support business growth.

3. Nomination and Criteria for Candidate of the Board of Directors [GRI 2-10, 2-17]

The Bank has Policies and Procedures for the Nomination, Replacement and/or Dismissal of Members of the Board of Commissioners, Board of Directors, Senior Executive Officers and Committees Reporting to the Board of Commissioner of PT Bank UOB Indonesia as stated in Board of Directors' Decree No.23/SKDIR/0138, stipulating the nomination process and criteria of member of the Board of Directors, as follows:

1. Members of the Board of Directors, the Board of Commissioners and/or Majority Shareholders of the Bank may propose nominations for candidate members of the Board of Directors, if necessary.
2. Nomination of candidate members of the Board of Directors shall be submitted to the Bank's Remuneration and Nomination Committee.
3. The candidate members of the Board of Directors nominated must at least meet the following criteria:
   a. Indonesian citizens and/or Foreign citizens meeting the requirements of the prevailing laws and regulations.
   b. Majority of members of the Board of Directors must have a minimum of 5 (five) years experience in the operational fields as an Executive Officer at commercial bank.
   c. Have integrity, competence and good financial reputation as required in the applicable laws and regulations.
4. Any nomination for the appointment of any Member of the Board of Directors to the General Meeting of Shareholders must consider the recommendation of the Remuneration and Nomination Committee. In the event that any member of the Remuneration and Nomination Committee has any conflict of interest with any nomination recommended, such conflict of interest must be declared in the nomination.
5. Recommendations provided by the Remuneration and Nomination Committee shall be based on the criteria requirements to be a member of the Board of Directors.

Board of Directors

4. Composition, Criteria and Independence of the Board of Directors [GRI 2-11]

Members of the Board of Directors of the Bank as of 31 December 2023 were:

Name	Position	Basis of Appointment		Re-appointment	Term of Office
		Regulator Approval	GMS		
Hendra Gunawan	President Director	17 September 2020	21 October 2020	28 April 2021	2021 - 2025
Teh Han Yi	Finance & Corporate Services Director	22 August 2019	21 June 2019		
Paul Rafiuly	Technology & Operations Director	27 August 2018	11 October 2018		
Harapman Kasan	Wholesale Banking Director	22 August 2019	21 June 2019		
Sonny Samuel	Global Markets Director	14 May 2020	30 April 2020		
Ardhi Wibowo	Compliance, Legal & Corporate Secretary Director	14 May 2020	30 May 2020		
Choi Yau Chi	Strategic Business Development, Retail & Channels Transformation Director	10 March 2021	28 April 2021	-	
Henry Santoso	Risk Management Director	8 December 2022	29 November 2022	-	2022 - 2025

In accordance with Articles of Association, the term of office of members of Directors are 4 (four) years. The term of office of above mentioned is until to the closing of the AGM of the Bank to be held in 2025.

5. Independence of the Board of Directors

In carrying out their duties and responsibilities, the Board of Directors of the Bank upholds the principle of independence as stipulated in the Decree of the Board of Directors No. 20/SKDIR/0098 concerning Work Guidelines and Regulations of the Board of Directors, as follows:

a. None of the members of the Board of Directors of the Bank have mutual financial and up to second-degree family relationships with fellow members of the Board of Directors and/or members of the Board of Commissioners and majority shareholder.
b. None of the members of the Board of Directors, either individually or collectively, own shares amounting to more than 25 per cent of the issued share capital at the Bank or any other company.
c. None of the members of the Board of Directors hold a concurrent position as a Commissioner, Director or an Executive Officer at any other bank, company and/or institution.
d. The President Director of the Bank is a party independent of the majority shareholder of the Bank and does not have any financial, management, shareholding and/or family relationship with the majority shareholder of the Bank.

Board of Directors

6. Fit and Proper Test

The appointment of members of the Board of Directors by the GMS as outlined in the table above was based on followed criteria that was approved by the Board of Commissioners i.e., integrity, competence, professionalism and financial reputation, in accordance with the requirements of the "fit and proper" test prescribed by the Regulator.

7. Board of Directors Meeting Policy [GRI 2-13]

The Board of Directors meeting policies are regulated in the Articles of Association and the Work Guidelines of the Board of Directors, the Board of Directors meeting rules and regulations include:

a. Meetings are to be held at least once a month, and when deemed necessary by one of the members of the Board of Directors, or upon the written request from one or more members of the Board of Commissioners, or upon the written request from 1 (one) or more of the shareholders representing 1/10 (one tenth) of the total shares allocated by the Company with valid voting rights.
b. The Board of Directors holds a joint meeting with the Board of Commissioners on a periodic basis at least once in 4 (four) months.
c. The Board of Directors is to schedule the meeting of the subsequent year prior to the conclusion of a financial year.
d. The Board of Directors' meeting is valid and decisions held at such meetings are binding, provided more than ½ (half) of the total number of members of the Board of Directors are present at the meeting.
e. The decisions at the Board of Directors' meetings shall be based on deliberation to reach consensus. If a decision could not be reached through deliberation, the decision will be made through voting based on supporting votes of more than ½ (half) of the total valid votes of members of the Board of Directors present at the meeting.
f. In the event of an equality of votes, the chairman of the Board of Directors meeting has the deciding vote.
g. The results of the Board of Directors meeting are recorded in minutes of meeting and properly maintained.

8. Meetings and Attendance of Board of Directors in Board of Directors Meeting and Joint Meeting of Board of Directors and Board of Commissioners

The following were the meetings and attendance of the Board of Directors in the Board of Directors Meeting and Joint Meeting of Board of Directors and Board of Commissioners in 2023:

Name	Board of Directors' Meetings			Joint Meetings of Board of Directors and Board of Commissioners		
	Number of Meetings	Frequency of Attendance	Percentage	Number of Meetings	Frequency of Attendance	Percentage
Hendra Gunawan	12	12	100%	4	4	100%
Teh Han Yi	12	11	91.66%	4	4	100%
Paul Rafiuly	12	12	100%	4	4	100%
Harapman Kasan	12	12	100%	4	4	100%
Sonny Samuel	12	12	100%	4	3	75%
Ardhi Wibowo	12	11	91.66%	4	4	100%
Choi Yau Chi	12	11	91.66%	4	4	100%
Henry Santoso	12	12	100%	4	4	100%

Board of Directors

9. Performance Appraisal for the Board of Directors [GRI 2-18]

Procedure of Performance Appraisals

The Bank has a policy regarding Guidelines on Commissioners' Evaluation and Directors' performance appraisals which provides guidance to the members of Board of Directors in conducting the evaluation and a standardised set of performance criteria to be applied. The policy governs the following:

Performance Appraisal

Each member of the Board of Directors will conduct a self-assessment of his performance 1 (one) time a year.

Performance Criteria

Members of the Board of Directors are assessed based on the following:

1. Performance Target and Achievement Process;
2. Competency of Strategic, Engage, Execute and Develop (SEED) indicators; and
3. Exemplification of corporate values namely Honourable, Enterprising, United and Committed.

Appraisal Result

The result of the self-assessment will be submitted to the supervisor who will report to the Board of Commissioners on the recommendations of the Remuneration and Nomination Committee. Thereafter, the final result of the appraisal will be delivered to each Director.

Throughout 2023, the Board of Directors has carried out its duties and functions properly in ensuring the Bank's performance achievement was able to meet the expectations of shareholders and all stakeholders.

10. Orientation Programme for New Director

The newly appointed members of the Board of Directors must join the orientation programme which aims to provide knowledge and information to help them gain an understanding of the Bank, so that they are able to perform their duties effectively and efficiently. In 2023, there is no new member of the Board of Directors who attended the orientation programme.

The orientation programme for new Director in the form of documents prepared by the Corporate Secretary Unit, includes:

a. Vision and Mission;
b. Code of Ethics;
c. Organisational Structure;
d. Articles of Association;
e. Good Corporate Governance Implementation Guidelines;
f. Work Guidelines of Board of Commissioners Relevant Committee's Charter;
g. Regulations related to the Banking and Capital Markets;
i. Financial Report and Annual Report; and
j. Business Plan.

Board of Directors

11. Workshop/ Training/ Seminar Attended by the Board of Directors

No	Name	Position	Name of Workshop/Training/Dissemination
1	Hendra Gunawan	President Director	UOB Leadership Masterclass
			Indonesia Digital Economy and Finance Festival (FEKDI) 2023 "Synergy and Innovation of Digital Economy: Fostering Growth"
			Asian Financial Leaders Programme Training in USA, Jakarta, Switzerland, Singapore
			Refreshment Risk Management Certification 2023: Managing Operational Risk in the Digital Banking Era – 7 March 2023
			Refreshment Risk Management Certification 2023: Operational Risk (with Case Study in Indonesia) – 23 May 2023
			Foreign Policy Community of Indonesia (FPCI) CEO Forum: CEO Breakfast Meeting *dengan Menteri Koordinator Bidang Perekonomian Republik Indonesia,* Bapak H.E. Airlangga Hartarto
			Seminar Leading Through Global Turbulence
			ASEAN Indonesia 2023 – Chairmanship : ASEAN Finance and Central Bank Deputies' Meeting (AFCDM)
			Chief Executive Officer (CEO) Forum by KOMPAS
			Building Coaching Culture at UOB Indonesia - Coaching Techniques for Breakthrough
			UOB Gateway To Asean Conference 2023
			2023 Integrated Crisis Management (ICM) Exercise
			UOB Leadership Masterclass: Transforming Boldly – Bank 2030
			Pertemuan Tahunan Bank Indonesia (PBTI) 2023
			Workshop - Large Language Model
			Focus Group Discussion (FGD) *Kebijakan Insentif Likuiditas Makroprudensial* (KLM)
			High Level Jakarta Lunch Networking Session
			Sustainable Business Workshop
			Webinar - Ensuring Operational Resilience Amidst Uncertainty
2	Teh Han Yi	Finance & Corporate Services Director	Refreshment Risk Management Certification 2023: Operational Risk in Digital Banking
			Talent Plus Executive Coaching : Leadership
			In House Workshop – Sharing Session: Run Through Process Business As Usual (BAU) and Preparation of Integration Project
			Leadership Academy Level 3

Board of Directors

No	Name	Position	Name of Workshop/Training/Dissemination
3	Harapman Kasan	Wholesale Banking Director	Refreshment Risk Management Certification 2023: Operational Risk in Digital Banking
			Building Coaching Culture at UOB Indonesia - Coaching Techniques for Breakthrough
			CCMC – Executive Coaching for Profound Transformation
			CCMC - Life Coaching for Holistic Happiness
4	Paul Rafiuly	Technology & Operations Director	Executive Coaching – 23 Februari 2023
			Executive Coaching : Leadership – 27 April 2023
			Webinar : *Pakar Bicara "Ancaman Serius Serangan Siber Perbankan, Siapkah Antisipasi"*, GoodmoneyID
			Refreshment Risk Management Certification 2023: Operational Risk in Digital Banking
			UOB Leadership Masterclass - Understanding China: its relations with Asia, US and the World
			The Future of Data Protection Masterclass
			Ethical Hacking Essentials
			Webinar: Ensuring Operational Resilience Amidst Uncertainty
			Executive Coach
5	Sonny Samuel	Global Markets Director	Refreshment Risk Management Certification 2023: Operational Risk in Digital Banking
			Volcker Rule Essentials (US) 2023
			Sosialisasi Penerbitan Sekuritas Rupiah Bank Indonesia
			Behaviourally - Insights Training
			Foreign Exchange (FX) Code of Conduct: Global Edition
			Code of Conduct for Singapore Wholesale Financial Markets
			Global Market (GM) Training IT Security
			Refreshment FX/IDR
			UOBI Social Media Code of Conduct and UOBI Influencer Training
6	Ardhi Wibowo	Compliance, Legal & Corporate Secretary Director	*Rapat Koordinasi Tahun 2023 dengan Pusat Pelaporan Analisis Transaksi Keuangan (PPATK) Apresiasi Kerja Sama yang Baik tahun 2022 dan Pembahasan Program Kerja Strategis*
			Refreshment Risk Management Certification 2023: Operational Risk in Digital Banking – 5 June 2023
			Chief Executive Officer (CEO) Banking Forum *dengan Perhimpunan Bank Nasional, Ikatan Bankir Indonesia* & Banker Association for Risk Management
			"Synergy and Innovation to Enhance Regional Economy" *dengan Gubernur Bank Indonesia dan Menteri Koordinator Bidang Perekonomian*

Board of Directors

No	Name	Position	Name of Workshop/Training/Dissemination
			Pertemuan Koordinasi PPATK : Pelaksanaan Tim Kerja Analisis Kolaboratif terkait Pemilihan Umum dan Pemilihan Kepala Daerah
			GC Q1-2023 AML Dialogue : *Dialog Triwulanan terkait dengan Anti Pencucian Uang*
			Diskusi Salinan Peraturan Pemerintah No. 10 Tahun 2023 tentang Jenis dan Tarif atas Jenis Penerimaan Negara Bukan Pajak yang Berlaku pada Kementerian Dalam Negeri dengan Asosiasi Sistem Pembayaran Indonesia (ASPI) & Bank Fintech Payment Gateway
			Briefing on Central Bank Digital Currency (CBDC) & Speaker dari VISA, Nischint Sanghavi, Regional Crypto Lead, Asia Pasifik
			Rapat Compliance : *Undang-Undang Pelindungan Data Pribadi (UU PDP), Pengembangan dan Penguatan Sektor Keuangan, dan Validasi Nomor Identitas Kependudukan (NIK) sebagai Nomor Pokok Wajib Pajak (NPWP), PWC Indonesia*
			Focus Group Discussion (FGD) Implementation UU PDP
			Price WaterCoopers (PWC) Engagement for Personal Data Protection & Train the Trainer
			Perumusan Strategi Komunikasi dan Kebijakan Skema Harga QRIS serta Penyelenggaraan BI-FAST
			Diskusi Penerapan Kewajiban Pelaporan Transaksi Keuangan Tunai
			"Economic and Banking Industry Update" *pada Rapat dengan Bapak Raden Pardede - Tim Asistensi Menteri Koordinator Bidang Perekonomian*
			Pertemuan Tahunan Industri Jasa Keuangan 2023
			Focus Group Discussion : *Pendirian Financial Center di Ibu Kota Nusantara* (IKN)
			Pertemuan Tahunan Lembaga Penjamin Simpanan dan Stakeholders : Peran dan Kebijakan LPS Pasca Ditetapkannya Undang-Undang Nomor 4 Tahun 2023 tentang Pengembangan dan Penguatan Sektor Keuangan
			Building Coaching Culture at UOB Indonesia - Coaching Techniques for Breakthrough
			UOB Group Compliance Regional Meeting : Singapura
			UOB Group Compliance Summit 2023
			UOB Gateway To Asean Conference 2023
			Grand Sosialisasi Nasional Implementasi Kartu Kredit Indonesia (KKI) Segmen Pemerintah
			First Class Teamwork
			UOB Group Compliance Leadership Council
			Visa Indonesia Payment Security Forum

Board of Directors

No	Name	Position	Name of Workshop/Training/Dissemination
			Sosialisasi Penerbitan Peraturan Bank Indonesia No. 3 tanggal 27 Juni 2023 tentang Pelindungan Konsumen Bank Indonesia
			2023 Integrated Crisis Management (ICM) Exercise
			Undangan Sosialisasi SPRINT Modul Penilaian Kemampuan dan Kepatutan (PKK) Bank Umum Konvensional dan Kantor Perwakilan dari Bank yang Berkedudukan di Luar Negeri (Sosialisasi PKK BUK)
			Undangan Tatap Muka Menghadiri 4th Legal Forum "Urgensi Regulatory Technology dan Digital Evidence dalam Mendukung Efektifitas Penegakan Hukum TPPU".
			Invitation from The Ministry of Women's Empowerment and Child Protection: Public Dialogue Entitled "Leader Steps And Actions"
			Community Engagement Webinar
			UOB Leadership Masterclass: Transforming Boldly – Bank 2030
			Personal Data Protection Law - PDP Law No. 27
7	Choi Yau Chi	Strategic Business Development, Retail & Channels Transformation Director	Refreshment Risk Management Certification 2023 : *Stress Test Risiko Kredit dan Action Plan Penerapan Digital Banking*
8	Henry Santoso	Risk Management Director	Refreshment Risk Management Certification 2023: Operational Risk in Digital Banking
			Business Banking Product Workshop
			Responsible Financing – Risk and Business Opportunities
			Business Manager Review
			Risk & Governance Summit 2023
			UOB Gateway To Asean Conference 2023
			Integrated Crisis Management (ICM) Exercise
			Task Force Exercise on Liquidity Task Force, Capital Task Force and BCM Task Force
			Pembelajaran dan Pengembangan Berkelanjutan – Prioritas Utama, UOB Production

Completeness and Implementation of Committees' Duties

A. Committees Reporting to the Board of Commissioners

1. Audit Committee

Based on Board of Directors' Decree No. 23/SKDIR/0057 dated 3 May 2023 on the Appointment of Members of the Audit Committee, the Audit Committee consists of 3 (three) members, namely:

Audit Committee Members as of 31 December 2023

Name	Composition
VJH Boentaran Lesmana	Chairman (Independent Commissioner)
Burlita	Member (Independent Party)
Humbul Kristiawan	Member (Independent Party)

Term of Office

The term of office of the Audit Committee members must not exceed the term of office of the Board of Commissioners as regulated in the Articles of Association of the Bank and such members may be reappointed only for one other subsequent period.

Independent Commissioners serving as Audit Committee members may only be reappointed into the Audit Committee for 1 (one) other term of office of the Audit Committee. The term of office of the current Audit Committee will expire in 2025.

Independence of Audit Committee Members

All committee members have met the prevailing regulations on the independence requirements of integrity, morals, and ethics of each member of the Audit Committee.

To maintain its independence and objectivity, the Audit Committee consists of Independent Commissioners and Independent Parties. Board of Directors members may not sit on the Audit Committee.

All members of the Audit Committee have high integrity and good moral character, in keeping with the requirements of Audit Committee members as stated in Board of Directors' Decree No. 23/SKDIR/0138 on Policies and Procedures for the Nomination, Replacement and/or Dismissal of Members of the Board of Commissioners, Board of Directors, Senior Executive Officers, and Committees Reporting to the Board of Commissioners, and also have met the criteria set by the Regulator.

VJH Boentaran Lesmana
Independent Commissioner
Chairman of the Audit Committee

His profile can be found in the Profile of the Board of Commissioners section of this Annual Report on page 49.

Burlita
Member (Independent Party)
Age: 60 years old
Nationality: Indonesian

Legal Basis of Appointment
Board of Directors' Decree No.23/SKDIR/0057 dated 3 May 2023

Educational Background
- Bachelor Degree of Architecture from University of Indonesia
- Pre-Master Degree from Wijawiyata Manajemen IPPM

Work Experience
- Head of the Compliance Management Division at PT Bank Sahabat Sampoerna (2012-2021)
- PT Bank BRI Syariah with the last position as Financing Support Group Head (2008-2012)
- PT Bank Niaga Tbk with the last position as Head of Employee Education Division in the Compliance Management Group (1991-2008)

Training
- Risk Management Certification Refreshment Programme "Operational Risk in Digital Banking" – PT Arfaidhams Secret
- UOB Gateway to ASEAN Conference 2023 – ASEAN Forging Ahead

Concurrent Positions
-

Completeness and Implementation of Committees' Duties

Humbul Kristiawan
Member (Independent Party)
Age: 49 years old
Nationality: Indonesian

Legal Basis of Appointment
Board of Directors' Decree No.23/SKDIR/0057 dated 3 May 2023

Educational Background
- Bachelor of Accounting from University of Padjadjaran
- Master of Business Administration from the School of Business and Management-Bandung Institute of Technology

Work Experience
- Partner and Government Sector Leader at RSM AAJ (2017-2018)
- Founder and Executive Director at the Innovative Government Institute (2014-present)
- Guest Lecturer at Universitas Padjadjaran (2008-present)
- Consultant at Deloitte South East Asia with the last position as Equity Partner (2006-2016)
- Risk Management Manager at Citibank, N.A. (2005-2006)
- Consultant at Ernst & Young (2000-2005)

Training
- Risk Management Certification Refreshment Programme "Operational Risk in Digital Banking" – PT Arfaidhams Secret
- UOB Gateway to ASEAN Conference 2023 – ASEAN Forging Ahead

Concurrent Positions
- Integrated Governance Committtee Member, Bank BJB, Bandung (2022–present)
- Risk Monitoring Committee Member, PT Pegadaian, Jakarta (2020–present)

Duties and Reponsibilities
The Audit Committee performs the duties, responsibilities and authorities in accordance with the Audit Committee Charter, which include:

a. Reviewing the financial information to be issued by the Bank to the public and/or other authorities, financial statements, projections and other reports pertaining to the Bank's financial information.
b. Analysing the Bank's level of compliance towards laws and regulations pertaining to the Bank's activities.
c. Providing an independent opinion in the event of disagreement between the management and the Public Accountant for services rendered.
d. Performing evaluation on the audit services provided by the prior Public Accountant (AP) and/or Public Accounting Firm (KAP) in the last year, by assessing:
   i. Conformity of the audit services conducted by AP and KAP with the prevailing regulations;
   ii. Adequacy of fieldwork time;
   iii. Assessment on the adequacy of audit scope and the adequacy of the sampling testing; and
   iv. Recommendations for improvement by the AP and/or KAP.
e. Providing recommendations to the Board of Commissioners on the appointment of the AP and KAP taking into consideration the following:
   i. Independence of KAP, AP and persons in KAP;
   ii. Audit scope;
   iii. Audit fee;
   iv. The expertise and experience of AP KAP and audit team;
   v. Audit methodologies, techniques, and facilities used by KAP;
   vi. The benefits of fresh eye perspective that will be obtained through the change of AP, KAP and audit team from KAP;
   vii. The potential risk of using audit services by the same KAP in succession for a fairly long period of time; and/or
   viii. The results of evaluation on the audit services provided by the prior AP and KAP in the previous year, if any.
f. Monitoring, analysing and evaluating audit planning and implementation as well as monitoring follow-up actions on the internal audit results in order to assess the adequacy of internal control, including the adequacy of financial reporting process, and ensuring that Board of Directors takes required corrective actions quickly to overcome the control weaknesses, fraud, compliance issues relating to policies, laws and regulations or other problems identified and reported by the Internal Audit.

Completeness and Implementation of Committees' Duties

g. The Committee shall at least monitor and evaluate:
   i. The implementation of tasks of the Internal Audit;
   ii. Consistency between audit implementation by the KAP and the prevailing auditing standards;
   iii. Consistency between the financial reports and the prevailing accounting standards; and
   iv. Implementation of follow-up actions by the Board of Directors on findings made by the Internal Audit Unit, AP, and the results of supervision by Bank Indonesia and/or the Financial Services Authority, and provision of recommendations to the Board of Commissioners.
h. Recommending the appointment, resignation or dismissal of the Internal Audit Head and providing inputs on the annual assessment of his/her performance and remuneration.
i. Preparing the Annual Work Programme and reviewing the Committee's Scope of Functions and its own effectiveness as well as recommending any necessary change to the Board of Commissioners.
j. Analysing complaints received by the Audit Committee on the Bank's accounting and financial reporting processes, and ensuring the follow-up to such complaints.
k. Analysing and providing recommendations to the Board of Commissioners concerning the existence of potential conflicts of interest of the Bank.
l. Maintaining strict confidentiality of documents, data and information of the Bank.
m. Evaluating and providing recommendations to the Board of Commissioners on:
   i. Establishment (Revision) of Internal Audit Charter;
   ii. Annual Audit Plan, scope of work and budget allocation of Internal Audit;
   iii. Appointment of external Independent Quality Control reviewer to review the performance of Internal Audit (every 3 years);
   iv. Internal Audit's total annual Remuneration and performance rewards; and
   v. Effectiveness and efficiency of internal control system implementation.
n. Ensuring Internal Audit communicates with Board of Directors, Board of Commissioners, external auditor and the Financial Services Authority.

Attendance of Audit Committee Meetings

The meetings of the Audit Committee were convened based on the needs of the Bank. In 2023, the Audit Committee held 23 (twenty three) meetings, all of which were attended by all members of the Audit Committee.

Attendance of Audit Committee members in the meetings conducted throughout 2023 are as follows:

Name	Number of Meeting	Attendance	Percentage
Aswin Wirjadi*	9	9	100%
VJH Boentaran Lesmana**	14	14	100%
Burlita	23	22	95.6%
Humbul Kristiawan	23	23	100%

*) Mr Aswin Wirjadi held the position as Chairman of Audit Committee until 3 May 2023.
**) Mr VJH Boentaran Lesmana has held the position as Chairman of Audit Committee since 3 May 2023.

Meeting decisions are taken based on deliberation for consensus or based on a majority vote if there are differences of opinion. All the results of the meeting decisions are stated in the minutes of the meeting which are signed by all members of the Committee present and well documented, including differences of opinion that occurred in the Committee meetings.

The Audit Committee makes recommendation at meetings which can be used optimally by the Board of Commissioners to take decisions.

Completeness and Implementation of Committees' Duties

The Audit Committee's work programme and realisations in financial year 2023 included but were not limited to:

No.	Work Programme	Realisation
1.	Monitoring and evaluation on planning and implementation of audits as well as monitoring on the follow-ups to audit findings in order to assess the adequacy of internal control.	In 2023, Audit Committee convened 4 (four) meetings with representative from Internal Audit Division as invitee, to monitor and evaluate the planning and implementation of audits as well as monitoring of the follow-ups to audit findings in order to assess the adequacy of internal control.
2.	Evaluation on the implementation of the duties of Internal Audit.	A meeting was held and attended by representative from Internal Audit Division as invitee, to discuss on implementation of duties of Internal Audit throughout 2023, i.e., 2023 audit realisation and significant audit issues.
3.	Evaluation on appropriateness of financial report compared to prevailing accounting standards.	• A meeting was held with the Finance Division and the External Auditor of the Bank as invitees to review the draft audit report. • The meeting was held with Finance Division to discuss the monthly and quarterly publications of financial report and to evaluate their appropriateness to the prevailing accounting standards.
4.	Perform evaluation on the audit services provided by the prior AP and/or KAP in the previous year.	A meeting was held, with the representative from Finance and Internal Audit Division as invitees, to provide inputs on the evaluation of the audit of the financial statements for the year ended 31 December 2022, conducted by KAP Purwantono, Sungkoro & Surja (EY Indonesia) and Yovita as Public Accountant. The meeting had convened on 10 April 2023.
5.	Monitoring on the implementation of audit plan by external auditor.	A meeting was held, with representative from Finance Division and External Auditor of the Bank as invitees, to discuss audit progress.
6.	Evaluation on follow-up by the Board of Directors to findings of Internal Audit, external auditor and supervision result of Financial Services Authority (OJK).	A meeting was held with representative from Internal Audit and Compliance Division as invitees, to ensure the Board of Directors had followed up on audit findings and recommendations from the Internal Audit including improvements to findings from the external auditors and OJK.
7.	Analysis of the Bank's level of compliance towards laws and regulations pertaining to the Bank's activities.	A meeting was held, with representative from Compliance Division as invitee, to analyse the Bank's level of compliance towards laws and regulations pertaining to the Bank's activities.

Completeness and Implementation of Committees' Duties

No.	Work Programme	Realisation
8.	Recommendation on the appointment of Public Accountant and Public Accounting Firm pursuant to prevailing provisions	A meeting was held with representative from Finance Division, the Internal Audit Division and KAP Purwantono, Sungkoro & Surja (PSS – Ernst & Young Indonesia) to discuss the proposal from PSS related to the audit services for period 2023. The Audit Committee provides recommendation to the Board of Commissioners on the re-appointment of Public Accounting Firm PSS (member of Ernst & Young Global) and Yovita, as Public Accountant for the financial year of 2023, based on considerations in accordance with OJK Regulation and the evaluation result of audit services for previous year, including the constellation audit scope of work and its audit fee.
9.	Evaluation on audit implementation conducted by Public Accounting Firm in accordance with prevailing audit standards.	A meeting was held with representative from Division, Internal Auditor and External Auditor to discuss: • The final audit result of the financial year ended 2022 and its Management Letter; • Audit programme and methodologies and the audit progress of the financial year ended 2023.
10.	Preparing the Annual Work Programme and reviewing the Committee's scope of functions and its own effectiveness as well as recommending any necessary change to the Board of Commissioners.	Audit Committee has prepared the Annual Work Programme and conducted annual review of the Committee's scope of functions and its own effectiveness as well as providing recommendation on any necessary changes to the Board of Commissioners.
11.	Discussion with Compliance Division on the Compliance Function Implementation Report	A meeting was held with representative from Division to discuss the Compliance Function Implementation Report 2nd Half of 2022 and 1st Half of 2023, which includes compliance risk management, monitoring the Bank's Prudential Principles, fulfillment of commitments to regulators, implementation of compliance culture, and implementation of other compliance tasks.

2. Remuneration and Nomination Committee

Pursuant to the Board of Directors' Decree PT Bank UOB Indonesia No. 23/SKDIR/0111A dated 24 November 2023 on the Appointment of Members of the Remuneration and Nomination Commiittee, the composition of the Remuneration and Nomination Committee is 3 (three) members.

Remuneration and Nomination Committee Members as of 31 December 2023

Name	Composition
VJH Boentaran Lesmana	Chairman (Independent Commissioner)
Chin Voon Fat	Member (Commissioner)
Irene Wiryawan	Member (Executive Officer responsible for Human Resource)

Completeness and Implementation of Committees' Duties

Term of Office

The term of office of the Remuneration and Nomination Committee members is for 2 (two) years and will expire in 2025. Member of the Remuneration and Nomination Committee whose term of office has expired may be re-appointed.

Remuneration and Nomination Committee Guidelines

The Remuneration and Nomination Committee has established Work Guidelines and Regulation of Remuneration and Nomination Committee which is reviewed annually through the Decree of the Board of Commissioners No.23/COM/0007 dated 27 December 2023.

Independence of Remuneration and Nomination Committee Members

All members of the Remuneration and Nomination Committee have high integrity and good moral character, in keeping with the requirements of Remuneration and Nomination Committee members as stated in Board of Directors' Decree No. 23/SKDIR/0138 on Policies and Procedures for the Nomination, Replacement and/or Dismissal of Members of the Board of Commissioners, Board of Directors, Senior Executive Officers, and Committees Reporting to the Board of Commissioners, and have also met the criteria set by the Regulator.

VJH Boentaran Lesmana
Independent Commissioner
Chairman of the Remuneration and Nomination Committee

Profile can be found in the Profile of the Board of Commissioners section of this Annual Report on page 49.

Chin Voon Fat
Member (Commissioner)

Profile can be found in the Profile of the Board of Commissioners section of this Annual Report on page 48.

Irene Wiryawan
Rewards and Acquisition Strategic Head
Age: 43 years old
Nationality: Indonesian

Legal Basis of Appointment
Board of Directors' Decree No.23/SKDIR/0111A dated 24 November 2023

Educational Background
Bachelor of Accounting from Parahyangan Catholic University, Bandung

Work Experience
- Currently, held position as Rewards and Acquistion Strategic Head UOB Indonesia
- Head of Services and Rewards at PT Bank Rabobank International Indonesia (2013-2017)
- Compensation and Benefit Manager at PT Anugerah Pharmindo Lestari (APL) (2011-2013)
- HR Corporate Manager at Eka Hospital (2010-2011)
- HR Manager at The Nielsen Company Indonesia (2007-2010)

Training
HR Refreshment 2023

Concurrent Positions
-

Completeness and Implementation of Committees' Duties

Duties and Responsibilities

The Remuneration and Nomination Committee performs its duties, responsibilities and authorities in accordance with the Work Guidelines and Regulations of the Remuneration and Nomination Committee including:

a. On Remuneration Policy:

- Perform evaluation of remuneration policy by taking into consideration performance, risk, peer group, targets, and Bank's long-term strategy, fulfillment of general reserve obligations as stipulated in the regulations and the Bank's potential income in the future.
- Provide evaluation and recommendations to the Board of Commissioners in relation to the:
  i. Remuneration policy for the Board of Commissioners and Directors to be submitted to the General Meeting of Shareholders;
  ii. Remuneration policy for Senior Executive Officers, Executive Officers, and employees as a whole to be submitted to the Board of Directors;
  iii. Remuneration structure for members of the Board of Commissioners, the Board of Directors and Senior Executive Officer;
  iv. Amount of remuneration for members of the Board of Commissioners and the Board of Directors; and
  v. Assistance to the Board of Commissioners in conducting performance appraisal in accordance with remuneration received by each member of the Board of Directors and the Board of Commissioners.
- Provide evaluation and recommendation to the Board of Directors regarding the amount of remuneration for Senior Executive Officers.
- Ensuring that remuneration policy is in accordance with prevailing regulations.

b. On Nomination Policy

- Formulate and provide recommendations on the system and procedure for selection and/or replacement of:
  i. Board of Commissioners and Board of Directors to the Board of Commissioners for submission to the GMS; and
  ii. Senior Executive Officer to be submitted to Board of Commissioners.
- Analyse and provide recommendations to the Board of Commissioners on candidates to be appointed to the Board of Commissioners and/or the Board of Directors to be submitted to the AGM.
- A Committee member who has a conflict of interests with the recommendation shall disclose the condition in the recommended proposal.
- Provide recommendations regarding candidates for Senior Executive Officers including extension of service period for Senior Executive Officers who have passed the retirement age to be submitted to the Board of Commissioners.
- Make recommendations to the Board of Commissioner on the appointment of independent parties to be members to the Audit Committee, Remuneration and Nomination Committee, and Risk Monitoring Committee.
- Provide recommendations to the Board of Commissioners on:
  i. Composition of positions of members of the Board of Directors and/or the Board of Commissioners;
  ii. Policies and criteria required in the nomination of members of the Board of Directors, the Board of Commissioners and Senior Executive Officers; and
  iii. Performance policy and evaluation for members of the Board of Directors, members of the Board of Commissioners and/or Senior Executive Officers.
- Assist the Board of Commissioners in appraising the performance of members of the Board of Directors, members of the Board of Commissioners based on the evalution benchmarks determined.
- Provide recommendations to the Board of Commissioners on personal development programmes for members of the Board of Directors and/or members of the Board of Commissioners.

Attendance of Remuneration and Nomination Committee Meetings

Remuneration and Nomination Committee meetings are held regularly, at least 1 (one) time in 3 (three) months.

In 2023, the Remuneration and Nomination Committee held 5 (five) meetings, including via teleconference, which were attended by more than 51 per cent of the members including 1 (one) Independent Commissioner and executive officer overseeing Human Resources.

Completeness and Implementation of Committees' Duties

Attendance of Remuneration and Nomination Committee members in the meetings conducted throughout 2023 are as follows:

Name	Number of Meeting	Attendance	Percentage
VJH Boentaran Lesmana*	3	3	100%
Aswin Wirjadi**	2	2	100%
Chin Voon Fat	5	5	100%
Irene Wiryawan	5	5	100%

*) Mr VJH Boentaran Lesmana held the position as Chairman of Remuneration and Nomination Committee until 3 May 2023 and was re-appointed since 24 November 2023
**) Mr Aswin Wirjadi held the position as Chairman of Remuneration and Nomination Committee since 3 May 2023 until 26 October 2023

The decisions at the meetings were made through deliberations to reach consensus or by simple majority of votes in case of dissenting opinions. All decisions were recorded in the form of minutes of meeting signed by all members of the Committee present and were properly maintained, including any dissenting opinions.

The results of the Remuneration and Nomination Committee meetings are in the form of recommendations which can be used optimally by the Board of Commissioners.
The Work Programme of the Remuneration and Nomination Committee and its realisation in 2023 included but were not limited to:

No.	Work Programme	Realisation
1.	On Remuneration	a. Reviewed the performance evaluation form for the Board of Commissioners and the Board of Directors to be submitted to the Board of Commissioners. b. Provided recommendations on remuneration for the members of the Board of Directors to be approved by the Board of Commissioners and for the members of the Board of Commissioners to be approved by the ultimate shareholder, namely UOB International Investment Private Limited.
2.	On Nomination	a. Provided recommendations for the reappointment of members of the Board of Commissioners. b. Provided recommendations for the appointment of new Independent Commissioner and Consumer Banking Director. c. Provided recommendations for the appointment and extension of the term of office of Senior Executive Officer.
3.	Others	a. Prepared and discussed the realisation of the Remuneration and Nomination Committee Work Plan. b. Discussed and provided input on reports presented by Human Resources Function.

Completeness and Implementation of Committees' Duties

3. Risk Monitoring Committee

Based on Board of Directors' Decree No. 23/SKDIR/0058 dated 3 May 2023 on the Appointment of members of the Risk Monitoring Committee, the Risk Monitoring Committee consists of 3 (three) members, namely:

Risk Monitoring Committee Members as of 31 December 2023

Name	Composition
Wayan Alit Antara	Chairman (Independent Commissioner)
Hendry Patria Rosa	Member (Independent Party)
Nina Diyanti Anwar	Member (Independent Party)

Term of Office

The term of office of the Risk Monitoring Committee members is 2 (two) years and will expire in 2025. A member of the Risk Monitoring Committee whose term of office has expired may be reappointed.

All members of the Risk Monitoring Committee have high integrity and good moral character, in keeping with the requirements of Risk Monitoring Committee members as stated in Board of Directors' Decree No.23/SKDIR/0138 on Policies and Procedures for the Nomination, Replacement and/or Dismissal of Members of the Board of Commissioners, Board of Directors, Senior Executive Officers, and Committees Reporting to the Board of Commissioners, and also have met the criteria set by the Regulator.

Wayan Alit Antara
Independent Commissioner
Chairman of the Risk Monitoring Committee

His profile can be found in the Profile of the Board of Commissioners section of this Annual Report on page 49.

Hendry Patria Rosa
Member (Independent Party)
Age: 57 years old
Nationality: Indonesian

Legal Basis of Appointment
Board of Directors' Decree No.23/SKDIR/0058 dated 3 May 2023

Educational Background
Bachelor of Geodetic Engineering from Gadjah Mada University, Yogyakarta

Work Experience
- Member of Risk Monitoring Committee at PT Bank UOB Indonesia (2015-present)
- Banking Risk Management Trainer at PT Orbit Risk Management (2007-present)
- Branch Manager at PT Bank Artha Graha Internasional (1994-2007)
- Credit Auditor at PT Bank Bintang Manunggal (1993-1994)

Training
- Webinar Batch 3 2022 *"Perlindungan Konsumen Dalam Era Digitalisasi, Penerapan Pengawasan Market Conduct dan Dampaknya Bagi Perbankan"*
- UOB Indonesia Economic Outlook 2023 – Emerging Stronger in Unity and Sustainably

Concurrent Positions
Integrated Corporate Governance Committee Member, PT Bank UOB Indonesia, Jakarta (2015-present)

Completeness and Implementation of Committees' Duties

Nina Diyanti Anwar
Member (Independent Party)
Age: 62 years old
Nationality: Indonesian

Legal Basis of Appointment
Board of Directors' Decree No.23/SKDIR/0058 dated 3 May 2023

Educational Background
Bachelor of Economics in Accounting, University of Indonesia

Work Experience
- Member of Audit Committee at UOB Indonesia (2018–28 April 2021)
- Member of Audit Committee at PT Maybank Indonesia Tbk (2012-2018)
- Member of Audit Committee at PT GMF Aerosia (2006-2015)
- Member of Audit Committee at PT Semen Gresik Tbk (2004-2011)
- Group Head/Vice President Investor Relations Division/Treasury Group/Assets Management Divison in the Indonesian Bank Restructuring Agency (IBRA) (2000-2004)
- Account Officer/AVP at ABN Amro Bank (1999-2000)
- Senior Credit Analyst (1994-1995) and Account Manager/Assistant Vice President (AVP) (1995-1999) at Rabobank
- Account Manager at Bank Indovest (1989-1994)
- Financial analyst at USAID, Jakarta (1988-1989)
- Auditor at PricewaterhouseCoopers (1985-1988)

Training
- Webinar Batch 3 2022 *"Perlindungan Konsumen Dalam Era Digitalisasi, Penerapan Pengawasan Market Conduct dan Dampaknya Bagi Perbankan"*
- UOB Indonesia Economic Outlook 2023 – Emerging Stronger in Unity and Sustainably

Concurrent Positions
-

Duties and Reponsibilities
The Risk Monitoring Committee performs its duties, responsibilities and authorities in accordance with the Work Guideline and Regulations of the Risk Monitoring Committee, which cover:
a. Evaluation on the compatibility between risk management policy and the implementation of risk management policies;
b. Monitoring and evaluation on the implementation of duties of the Risk Management Committee;
c. Monitoring and evaluation on the implementation of duties of the Risk Management Function Unit; and
d. Providing governance oversight on fraud risk for the Bank.

Attendance of Risk Monitoring Committee Meetings
The meetings of the Risk Monitoring Committee were convened based on the needs of the Bank and were attended by members of the Committee and Risk Management Work Unit as invitees (if necessary). In 2023, the Risk Monitoring Committee held 16 (sixteen) meetings, which were attended by more than 51 per cent of members of the Risk Monitoring Committee.

Completeness and Implementation of Committees' Duties

The attendance of Risk Monitoring Committee members in the meetings conducted during 2023 was as follows:

Name	Number of Meeting	Attendance	Percentage
Wayan Alit Antara	16	16	100%
Hendry Patria Rosa	16	16	100%
Nina Diyanti Anwar	16	16	100%

The decisions of the meetings were made through deliberations to reach consensus. All decisions of the meetings, including any dissenting opinions, were recorded in the minutes of meeting and properly documented.

The Work Programme of the Risk Monitoring Committee and its realisation in 2023 included but was not limited to:

No.	Work Programme	Realisation
1.	Performing evaluation on the compatibility between risk management policy and the implementation of risk management policies.	Meetings were held periodically to evaluate on the compatibility between risk management policy and strategy as developed by management with the implementation of risk management policies as well as to discuss the Bank's risk profile on quarterly basis. The Risk Monitoring Committee also performed periodic reviews on soundness rating based on the Risk Based Bank Rating (RBBR), reviewed adherence to the set out Risk Appetite Statements (RAS) parameters, and conducted monthly review on risk profile specifically on credit risk, operational risk, market risk and liquidity risk.
2.	Monitoring and evaluating the implementation of duties and responsibilities of the Risk Management Committee and Risk Management Unit.	Meetings were held periodically to discuss the implementation of duties of the Risk Management Committee and Risk Management Unit. In addition, the Risk Monitoring Committee has attended Risk Management Committee's meeting to provide input regarding the implementation of risk management in the Bank. Furthermore, the Risk Monitoring Committee monitored the implementation of duties of the Risk Management Committee and the Risk Management Unit through evaluation and reviewed the Risk Management Framework. In addition, the Risk Monitoring Committee performed monitoring through meetings with the Risk Management Unit to discuss the risks related to capital, risk indicators to ensure compliance with the Bank's risk appetite.
3.	Providing governance oversight on fraud risk for the Bank.	Meetings were held periodically to discuss the implementation of Integrated Fraud Management (IFM). The Risk Monitoring Committee performed evaluation on the Fraud Risk Management Framework, monitored the effectiveness implementation of anti-fraud strategies and fraud incidents that occurred in the Bank and the follow-up actions.

Completeness and Implementation of Committees' Duties

Assessments of the Committee of the Board of Commissioners

The Board of Commissioners conducts an assessment of its committees annually. Areas include the structure and composition of the committee, the effectiveness of the implementation of the duties and responsibilities by the committees, as well as the effectiveness of the implementation of committee meetings.

During 2023, the committees under the Board of Commissioners have conducted self-assessment to evaluate their performance. All committees have performed their duties and responsibilities and provided recommendations that support the effectiveness of implementation of the duties and responsibilities of the Board of Commissioners.

B. Committees Reporting to the Board of Directors

1. Executive Committee (EXCO)

EXCO Duties and Reponsibilities Guideline

The guidelines supporting the implementation of EXCO's duties and responsibilities, are listed in the Board of Directors' Decree No. 20/SKDIR/0100 dated 16 December 2020 regarding Executive Committee (EXCO). The composition as well as the duties and responsibilities of the EXCO are as follows:

a. **Strategic Policies**
   i. Submitting proposals and recommendations to the Board of Commissioners regarding medium-term and long-term objectives, strategic directions, goals and priorities of the Bank.
   ii. Formulating and reviewing policy matters, with a view towards the overall planning and development of strategies to achieve medium-term and long-term objectives of the Bank.

b. **Expense for Properties Purchase/Other Capital Expense**
   Analysing and deciding or approving proposals or requests concerning:
   i. Purchase or sale of the Bank's Fixed Assets.
   ii. Purchase or sale of the Bank's inventory, including computer hardware and software.
   iii. Procurement of other goods and services conforming to prevailing regulations.

   EXCO approval is provided according to the prevailing authority limits.

c. **Treasury & Investment Activities**
   Determining relevant policies and guidelines for all dealers, officers and relevant committees involved in the Treasury and Investment activities of the Bank.

d. **Credit Decision**
   To make decisions on credit matters in accordance with its discretionary limit that includes all types of exposures, direct and/or contingent, such as exposures to counterparties and customers arising from lending/financing, underwriting/syndication, securities (loan replacement), derivative instruments, settlement risks, interbank limit, End Financing (EF) mortgages limit and other product programmes.

e. **Others**
   i. Deciding on urgent and important business of a confidential nature or requiring immediate and/or prudent decision, but this delegation to the EXCO must be endorsed by the Board of Directors.
   ii. Deciding on business matters which are of unusual or extraordinary nature or which have strategic or significant impact (financial or otherwise) on the Bank.
   iii. Performing such other functions as may be delegated to it from time to time by the Board of Directors.

The EXCO is required to report to the Board of Directors and Senior Executive Officers on meetings where major decisions were made.

Completeness and Implementation of Committees' Duties

Executive Committee Members as of 31 December 2023	
Chairman and acting Permanent Member	President Director
Vice Chairman and acting Permanent Member	Finance and Corporate Services Director*
Permanent Members	• Technology and Operations Director* • Wholesale Banking or Consumer Banking Director** • Risk Management Director** • Head of Related Credit**
Secretary	• Corporate Secretary Head* • Related Credit Approval Division**

* Non-Credit related
** Credit related

EXCO Meetings

EXCO meetings are held as necessary, depending on the volume and urgency of issues requiring follow up. EXCO meetings may be attended in person by EXCO members or via telephone/video conference. The quorum is at least the majority of EXCO members (>50 per cent), including the EXCO Chairman or EXCO Interim Chairman if the Committee's Chairman is unavailable.

Attendance of Executive Committee Non Credit Related members in the meetings conducted throughout 2023 are as follows:

Name	Number of Meeting	Attendance	Percentage
Hendra Gunawan	4	4	100%
Teh Han Yi	4	4	100%
Paul Rafiuly	4	4	100%

Decision Making

Decisions made at EXCO meetings shall be made through deliberation to achieve a consensus. In the event that a consensus cannot be reached, the Chairman of the Committee or Interim Chairman has the final casting vote. EXCO decisions may also be made by circulation, provided that EXCO members have been notified in writing of the proposal submitted. Decisions made in such manner shall be as valid as decisions made at any EXCO meeting.

All decisions of meetings are stated in the minutes of meeting signed by attending Committee members and properly maintained, including any dissenting opinions.

The Work Programmee of EXCO and its realisation in 2023 includes but was not limited to:

No.	Work Programme	Realisation
1	Formulating and reviewing any issue on policies by taking into consideration all planning and implementation of strategy to achieve the Bank's medium-term and long-term goals.	EXCO members have reviewed issues on policies by taking into consideration all planning and implementation of strategy to achieve the Bank's medium-term and long-term goals.

Completeness and Implementation of Committees' Duties

No.	Work Programme	Realisation
2	Analysing and making decisions for proposals or requests related to property and other capital expense to be in line with the prevailing regulation.	The EXCO has conducted meetings to discuss matters such as Network Strategic Plan, Workplace Strategy, non-operation assets divestment, and progress update on ongoing projects.
3	Providing credit decisions in accordance with its discretionary limit that includes on all types of exposures, direct and/or contingent, such as exposures to counterparties and customers arising from lending/financing, underwriting/ syndication, securities (loan replacement), derivative instruments, settlement risks, interbank limit, end financing mortgages limit, and other product programme.	The EXCO has provided credit decisions in accordance with its discretionary limit.

2. Assets and Liabilities Committee (ALCO)

Based on Board of Directors' Decree No. 23/SKDIR/0054 dated 18 April 2023, the composition of Asset & Liability Management Committee is as follows:

Assets and Liabilities Committee Members as of 31 December 2023	
Chairman	President Director
Deputy Chairman	Finance & Corporate Service Director
Secretary	Market & Balance Sheet Risk Management Head
Permanent Members	• Risk Management Director • Wholesale Banking Director • Consumer Banking Director • Global Markets Director • Head of Transaction Banking Head of Risk ManagementCentral Treasury Unit Head • Deposit & Wealth Management Head

The ALCO meeting shall be held based on the requirements of the Bank, or at least once a month.

Attendance of Assets and Liabilities Committee members in the meetings conducted throughout 2023 are as follows:

Name	Number of Meeting	Attendance	Percentage
Hendra Gunawan	14	13	93%
Teh Han Yi	14	13	93%
Henry Santoso	13	12	92%
Harapman Kasan	14	9	64%
Choi Yau Chi	14	3	21%

Completeness and Implementation of Committees' Duties

Name	Number of Meeting	Attendance	Percentage
Sonny Samuel	14	13	93%
W. Kartyono	14	14	100%
Jemy Kristian Soegiarto	14	14	100%
Stanly Gunawan	14	14	100%
Vera Margaret	14	12	86%

Duties and responsibilities of the ALCO are as follows:

a. Grant approval for the following:
   - Market Risk Management Policy, Interest Rate Risk in Banking Book Management Policy, Liquidity Risk Management Policy, and Fund Transfer Pricing Policy and related model/methodologies and assumptions used in the asset and liabilities management:
   - Delegation of risk appetite limits, risk control limits and risk limits relating to Market Risk, Interest Rate Risk in Banking Book and Liquidity Risk;
   - Ratification of limits excesses by businesses;
   - Granting of temporary limits by businesses;
   - Reviewed limits at least once a year;
   - Strategic Pricing, Fund Transfer Pricing, and Prime Lending Rate; and
   - Funding strategies (Target Balance Sheet Mix, debt issuance) and market risk valuation adjustment.

b. Provide endorsement for the following:
   - Framework relating to Balance Sheet Risk Management (Interest Rate Risk in Banking Book and Liquidity Risk); and
   - Review and recommend Internal Model related initiatives (when ready) used in regulatory reporting.

c. Monitoring and Reporting:
   - Monitor and highlight limits excesses of risk appetite limits, risk control limits and other risk limits concerning market risk, interest rate risk in banking book and liquidity risk; for escalation to Risk Management Committee and Board of Directors;
   - Monitor, assess and review critical market, market risk, interest rate risk in banking book and liquidity risk profiles and exposure, vulnerabilities, Profit & Loss, material issues and major transactions;
   - Monitor earnings spread, asset/liability distributions and maturity, liquidity risk, market risk, and capital allocations for market risk;
   - Provide forums for discussion and decisions related all aspects of market risk, interest rate risk on banking book and liquidity risk;
   - Ensure compliance with regulatory requirements that are relevant to market risk, interest rate risk in banking book and liquidity risk management;
   - Review current and prospective liquidity positions and monitor alternative funding sources; and
   - Monitor and ensure a sufficient liquidity is available for unanticipated contingencies.

Completeness and Implementation of Committees' Duties

The Work Programme of ALCO and its realisation in 2023 includes but were not limited to:

No.	Work Programme	Realisation
1	To conduct ALCO meeting at least once a month, or as necessary due to changes in national economic conditions, or the Bank's condition and risk profile, particularly market and liquidity risk.	During 2023, ALCO held 14 (fourteen) meetings. Several proposals approved by ALCO are as follow: • Monthly discussion of market condition and liquidity risk highlight; • Liquidity Risk Management Policy and Banking Book Interest Rate Risk Management Policy annual review; • Market Risk Management Policy annual review; • Market Risk Management Limits and Mandates 2024; • Balance Sheet Risk Management Limits and Mandates 2024. • Liquidity Early Warning Indicators annual review; • Liquidity Premium and Liquidity Charge Calibration; and • Monthly Prime Lending Rate publication.
		ALCO has also discussed other significant issues regarding market and liquidity risks, among others: • Simulation impact of interest rate changes on Bank's capital; • Liquidity Crisis Exercise; • IBOR transition to Alternative Reference Rates; • Hold to Collect portfolio size cap; • Prime Lending Rate methodology; and • Impact of CITI's portfolio to Bank's liquidity risk profile.

3. Risk Management Committee

Based on Board of Directors' Decree No. No.23/SKDIR/0088 dated 11 September 2023, the composition of Risk Management Committee (RMC) is as follows:

Risk Management Committee Members as of 31 December 2023	
Chairman	Risk Management Director
Deputy Chairman	Finance & Corporate Service Director
Secretary	Enterprise Risk Management Head
Permanent Members	• President Director • Wholesale Banking Director • Technology & Operations Director • Compliance, Legal & Corporate Secretary Director • Global Markets Director • Consumer Banking Director • Head of Risk Management • Head of Internal Audit • Head of Human Resources • Head of Channels and Digitalisation • Legal Head • CEO Office Head

RMC meetings are held on a regular basis, with a minimum of 10 (ten) meetings per year.

Completeness and Implementation of Committees' Duties

Attendance of Risk Management Committee members in the meetings conducted throughout 2023 are as follows:

Name	Number of Meeting	Attendance	Percentage
Henry Santoso	26	26	100%
Teh Han Yi	26	23	88%
Hendra Gunawan	26	25	96%
Paul Rafiuly	26	23	88%
Harapman Kasan	26	23	88%
Sonny Samuel	26	21	81%
Ardhi Wibowo	26	22	85%
Choi Yau Chi	26	17	65%
Gevy Q. Wulandari	19	15	79%
Jemy Kristian Soegiarto	26	25	96%
Imbang Perdana Satryawan	26	24	92%
Edisono Limin	26	21	81%
Irvan Gunardwi	26	23	88%
Andreas Eduardo Lazuardi	26	21	81%

The duties, authorities and responsibilities of the RMC are as follows:

a. Recommend or approve Bank-wide risk management strategies, model and methodologies, policies, frameworks, and guidelines.
b. Endorse or approve the improvement and development plans of risk management of the Bank based on the result of the risk management implementation evaluation.
c. Ensure an effective risk management implementation through proper risk measurement methodologies.
d. Recommend and/or approve the Risk Appetite and tolerable risk thresholds or limits, as well as monitor and manage risk portfolio of the Bank so that it remains within the prescribed risk limit.
e. Monitor and assess Risk Culture and Conduct Risk, among others through review of Risk Culture Dashboard, which sets out the metrics to track risk culture and conduct risk.
f. Evaluate and approve the result of self-assessment on the Bank soundness rating (Risk Based Bank Rating), including the self-assessment on the risk profile rating of the Bank.
g. Assess and evaluate the internal capital adequacy of the Bank, to ensure the Bank has an adequate capital based on its risk profile.
h. Provide a forum for discussion and decision on issues, matters, and Regulatory changes impacting the risk and capital of the Bank, including approval on exceptional business decisions from established risk management policy and procedures, among other taking position or risk exposure beyond tolerable risk thresholds or limits.
i. Review and approve Bank-wide stress test scenarios, assumptions, methodology, result, and risk mitigation actions to be taken, as well as contingent plans if needed.
j. Develop Bank-wide risk awareness culture and foster commitment in managing risk, including enforcement of consequence management through the performance appraisal and sanction, if needed.
k. Monitor and evaluate fraud investigation reports including follow up actions.

Completeness and Implementation of Committees' Duties

l. Review and decide resolution for un-resolved issues or matters from new product and activity review process escalated by new product and activity assessment parties through Operational Risk Management Division.
m. Review and approve new outsourcing activity, proposal of new Bank-wide insurance, and renewal of Bank-wide insurance.
n. Review and approve new Product Programme and its periodic review.

The Work Programme of RMC and its realisation in 2023 included but were not limited to:

No.	Work Programme	Realisation
1.	RMC meeting is held in a regular basis, with minimum of 10 (ten) meetings per year.	In 2023, RMC meetings were conducted 26 (twenty six) times, 20 (twenty) regular meetings and 6 (six) ad-hoc meetings.
2.	The topics discussed in RMC meeting are, but not limited to: a. Risk Profile; b. Bank Soundness Rating; c. Risk Appetite; d. Risk Management policy, guidance and procedure; e. Capital Adequacy assessment; f. Stress Test; g. Key Operational Risk Indicators (KORI) and potential or incident of Operational Risk which are deemed significant to the Bank's risk profile; h. Issues related to Fraud; i. Issues that are significant to the Bank's position; and j. Other matters, including discussion regarding the Bank's main risks that are not covered in other Committees such as Strategic, Compliance, Legal and Reputation Risk.	• The Bank's Risk Profile was discussed and approved every quarter, and Bank Soundness Rating every semester. • In 2023, frameworks, policies, and guidelines recommended and approved through RMC were Risk Appetite Framework & Statement, Business Unit Risk Appetite Statement, Technology Risk Management Framework, Third Party Non-Outsourcing Risk Management Policy, Technology Risk Management Policy, Risk Based KPI Guidelines, IT Security Management and Cyber Resiliency Policy, Reputational Risk Management Policy, Fraud Risk Management Framework, Anti-Fraud Policy, Recovery Plan Framework, Capital Management Framework, Environmental Risk Management Framework, Operational Risk Management Framework, Operational Risk Management Policy, Outsourcing Procedure, Business Continuity Management Policy, Outsourcing Policy, Policy on Staff Trading in Securities, Financial Advisory Services & Sales Investment of Product Policy, Guidelines on Implementation of Good Corporate Governance, Risk Management Framework, Personal Data Protection New Policy, Managing Legal Risk Policy, Stress Testing Policy, Model Risk Governance Policy, Banking Operations Policy, Product Programme/Service Policy, Insurance Management Policy, and Data Leakage Incident Management Guidelines. • The RMC also reviewed and approved Product Programmes (PP), i.e. PP Foreign Government Bond, Supplier Finance, Account Receivable Purchase, Dealer/Distributor Financing, Early Payment Discount, Target Redemption FX Structure, FX Bundle Umbrella, Supplier Finance, Risk Participation, Bond Futures, Interest Rate Futures, Callable Government Bonds, FX Digital Option, and FX Accrual Option. • Updates on other significant issues regarding the Bank's risk exposure, such as Legal, Compliance, Information Security were discussed regularly every quarter, also related to Operational and Technology risks were discussed every month in RMC.

Completeness and Implementation of Committees' Duties

RMC has sub-committees, as follows:

a. Anti-Money Laundering Committee

Based on Board of Directors' Decree No.23/SKDIR/0103 dated 24 October 2023 concerning Anti-Money Laundering Committee, the composition of Anti-Money Laundering Committee (AMLC) is as follows:

Anti-Money Laundering Committee Members as of 31 December 2023	
Chairman (also act as member)	Compliance, Legal & Corporate Secretary Director
Deputy Chairman	Risk Management Director
Member	• Wholesale Banking Director • Consumer Banking Director • Technology and Operations Director • Head of Channels & Digitalisation • Wholesale Banking Business Management Head • Consumer Banking Branch Governance & MDO Support Head • AML/CFT & Sanctions Head

AMLC shall meet once every two months and meetings may be conducted more often when a decision in line with its duty, authority and responsibility is required. In this case, the AMLC secretary will initiate a meeting/ request for approval via circulation.

The attendance of Anti-Money Laundering Committee members in the meetings conducted during 2023 was as follows:

Name	Number of Meeting	Attendance	Percentage
Ardhi Wibowo	8	8	100%
Henry Santoso	2	2	100%
Harapman Kasan	2	2	100%
Choi Yau Chi	8	2	25%
Paul Rafiuly	2	2	100%
Edisono Limin	8	7	88%
Ferdy Djojo	2	1	50%
Elly Sandora	8	7	88%
Febian Satria Nugraha	2	2	100%

Should there be urgent AML/Sanctions cases that require immediate attention, ad-hoc meetings will be called. In the event that such meetings cannot be convened, the cases will be circulated to the AMLC members via e-mail or members that participate via teleconference.

Duties, authorities and responsibilities of AMLC are to:

a. Approve and endorse the Bank's AML Business Management Tolerance metrics and monitor the Bank's risk profile against Bank's AML Business Management Tolerance (including oversight of any return-to-appetite plans).
b. Approve the Bank's AML/CFT/WMD/ Sanctions risk and control frameworks and policies.
c. Monitor material and emerging AML/CFT/WMD/Sanctions risk and oversee relevant action plans.

Completeness and Implementation of Committees' Duties

d. Oversee AML/CFT/WMD/Sanctions strategic initiatives.
e. Oversight of Bank's meeting of material AML/CFT/WMD/Sanctions related Regulatory commitments and adequacy of responses.
f. Provide oversight of material AML/CFT/WMD/Sanctions issues, internal and external, including business continuity preparedness and being notified of approved deviations from policies and procedures.
g. Oversee the effectiveness of AML/CFT/ WMD/Sanctions operations, and overall health of AML/CFT/ WMD/Sanctions control frameworks including assurance and audit outcomes.
h. Oversee outcomes and action plans from Bank's Enterprise-wide AML/CFT/WMD/Sanctions Risk Assessment.
i. Make decisions on customer cases escalated per policy/procedures.
j. Oversight of BU AMLF and CAMLF.

During 2023, AMLC held 8 (eight) direct meetings. During the AMLC meetings the implementation of AML/CFT programmes were reported, among others:

1. Report on the effectiveness and operations of APU-PPT implementation, which contains, among other things, Rejection of prospective customers due to TPPU/TPPT reasons, KYC Periodic Review Monitoring, Trigger Event, Transaction Monitoring, Name Screening, Termination of business relationships/account closure, Incomplete CDD;
2. Results of the AML/CFT Compliance Assurance and follow-up actions;
3. Data Quality Monitoring Implementation Report & APU/PPT e-learning Implementation Report for New Employees;
4. Submission of the amount of ODD (On-Going Due Diligence) overdue and OD1 (Operation Day One) preparation in the PFS (Personal Financial Services) segment;
5. Delivery of the AML Uplift Program, such as the structure of the AML Committee & AML Forum in each segment and related implementation;
6. Discussion regarding the AML Tuning schedule for the transaction monitoring system;
7. Discussion of the principles of Post STR Review in AML Uplift;
8. Discussion regarding plans for AML Data Quality and its impact on the AML Process in connection with Operation Day 1 (OD1); and
9. Adjustment of Policy & Procedure based on POJK No. 8th 2023.

In addition, the AMLC also conveyed the request for approval on AML/CFT Guidelines and Procedure, Bank's Anti-Money Laundering Committee; Submission of 2022 Enterprise Wide Risk Assessment (EWRA) results.

Completeness and Implementation of Committees' Duties

b. Business Continuity Management Committee

Based on Board of Director's Decree PT Bank UOB Indonesia No.23/SKDIR/0091 dated 20 September 2023, the composition of Business Continuity Management (BCM) Committee is as follows:

Business Continuity Management Committee Members as of 31 December 2023	
Chairman (Recovery Director)	Technology and Operations Director
Deputy Chairman (Alternate Recovery Director)	Finance and Corporate Services Director
Secretary	Business Continuity Management - T&O Risk Governance and Assurance
Permanent Members	• Compliance, Legal & Corporate Secretary Director • Global Markets Director • Head of Human Resources • Head of Risk Management • Head of Strategic Communications & Brand • Head of CEO Office • Head of WB, Markets and Enterprise T&O • Head of Channels & Digitalisation • Head of Corporate Real Estate Services • Head of Retail Operations • Head of Wholesale Operations • Head of Consumer Banking Branch Gov & MDO Support • Head of Credit Administration & Control • Head of Customer Experience & Advocacy

BCM Committee Meeting is held at least twice a year.

The attendance of Business Continuity Management Committee members in the meetings conducted during 2023 was as follows:

Name	Number of Meeting	Attendance	Percentage
Paul Rafiuly	2	2	100%
Teh Han Yi	2	2	100%
Sonny Samuel	2	2	100%
Ardhi Wibowo	2	2	100%
Gevy Q Wulandari	2	2	100%
Edisono Limin	2	2	100%
Maya Rizano	2	2	100%
Amelia Ragamulu	2	2	100%
Indra Gunawan	2	2	100%
Andreas Eduardo L	2	2	100%
Susan Kwanto	2	2	100%
Ali Budiman	2	2	100%
Alexander Husin	2	2	100%
Jemy Kristian	2	2	100%
Elly Sandora	2	2	100%
Stella Damayanti	2	2	100%

Completeness and Implementation of Committees' Duties

The duties and responsibilities of BCM Committee are:

a. Ensuring that the business continuity management (BCM) of the Bank is effective and comprehensive
b. Ensuring that potential business continuity disruptions are managed to meet its business needs and obligations
c. Endorsing BCM strategies
d. Approving the list of the Critical Business Functions and Critical Systems in the Bank
e. Approving the BCM Task Force (BCMTF) Crisis Management Plan in the Bank, and define clear decision making authority in the event of a crisis;
f. Providing direction for resolution on BCM issues of UOBI
g. Ensuring appropriate governance is in place for UOBI to evaluate risks, identify mitigating initiatives and exercise business continuity / IT Disaster Recovery plans;
h. Endorsing deviation from BCM Policy prior to approval by RMC
i. Approving the Business Continuity Risk Assessment for the Bank
j. Reviewing regular reports on the status of the BCM Programme in the Bank
k. Reviewing annual BCM attestation in the Bank

The Work Programme of BCM Committee and its realisation in 2023 included but were not limited to:

No.	Work Programme	Realisation
1	Ensuring that the business continuity management (BCM) of the Bank is effective and comprehensive	Ensuring the status update of the BCM programme had been reported to BCM Committee twice a year.
2	Ensuring that potential business continuity disruptions are managed to meet business needs and obligations	Business Continuity Risk Assessment had been reviewed in annual basis and reported to BCM Committee
3	Endorse BCM strategies	Governance and strategy BCM by ensuring all 7 BCM principles are fulfilled in Y2023
4	Approve the list of the Critical Business Functions and Critical Systems in the Bank	Approved the updated list of critical functions & systems 2023
5	Approve the BCM Task Force (BCMTF) Crisis Management Plan in the Bank, and define clear decision making authority in the event of a crisis;	BCM TOR and Task Force members had been reviewed and approved during the 1st BCMC on 26 July 2023
6	Provide direction for resolution on BCM issues of the Bank	Update on BCM Programme had been provided to BCMC in regular basis
7	Ensure appropriate governance is in place for the Bank to evaluate risks, identify mitigating initiatives and exercise business continuity / IT Disaster Recovery plans;	Endorsed regular reports on BCM programme activities including DR Exercise scope and result.
8	Endorse deviation from BCM Policy prior to approval by RMC	BCMC will provide an endorsement should there be any deviation from the BCM Policy
9	Approve the Business Continuity Risk Assessment for the Bank	Approved the business continuity risk assessment 2023
10	Review regular reports on the status of the BCM Programme in the Bank	Governance and strategy BCM by ensuring all 7 BCM principles were fulfilled in Y2023
11	Review annual BCM attestation for the Bank	BCM Committee has reviewed and approved the Y2023 BCM Attestation for the Bank

Completeness and Implementation of Committees' Duties

4. Credit Policy Committee

Based on Board of Directors' Decree No. 23/SKDIR/0105 dated 27 October 2023 the composition of Credit Policy Committee (CPC) is as follows:

Credit Policy Committee Members as of 31 December 2023	
Chairman	Risk Management Director
Deputy Chairman	Compliance, Legal & Corporate Secretary Director
Secretary	Credit Risk Management
Permanent Member	• Wholesale Banking Director • Consumer Banking Director • Technology and Operations Director • Head of Internal Audit • Head of Retail Credit • Head of Corporate Credit • Head of Commercial & FI Credit 1 • Head of Commercial & FI Credit 2 • Head of Risk Management

CPC meeting shall be held based on the necessity of the Bank.

Attendance of Credit Policy Committee members in the meetings conducted throughout 2023 are as follows:

Name	Number of Meeting	Attendance	Percentage
Henry Santoso	21	21	100%
Ardhi Wibowo	21	18	86%
Harapman Kasan	21	18	86%
Choi Yau Chi	21	12	57%
Paul Rafiuly	21	18	86%
Imbang Perdana	21	20	95%
Ratnasari Kartawiria	21	20	95%
Siswo Soebianto Iksan	21	20	95%
FX Yanto Edy Umar	21	21	100%
Rudy Widjaja	21	18	86%
Jemy Kristian Soegiarto	21	18	86%

Roles and responsibilities of the CPC are:

Roles

a. To provide recommendation and initial approval of Credit Policy that will be approved and enforced by the Board of Directors.
b. To oversee the proper application and execution of the Bank's Credit Policy.
c. To formulate solutions to address issues arising from the implementation of the Bank's Credit Policy.
d. To conduct regular review of the Bank's Credit Policy and give suggestions to Directors on changes or improvements to the Credit Policy, where necessary.
e. To monitor and evaluate the development and quality of the credit portfolio as a whole (including rating grade distribution, migration and exposure reports).
f. To monitor and evaluate the adherence to the prevailing Credit Policy, laws and other rules in the implementation of fund provision.
g. To monitor and evaluate the effectiveness of the credit risk management structure.
h. To monitor and evaluate if the credit discretionary limit had been implemented correctly.
i. To give input to the Board of Directors on the determination of the authority of credit discretionary limit.
j. To monitor and evaluate the correctness of fund provision process, development, and quality of given to Bank's related parties and large exposure obligors.
k. To monitor and evaluate the correctness of the implementation of Legal Lending Limit (LLL) regulation.
l. To monitor and evaluate the settlement of non-performing loans as set out in the Bank's Credit Policy.
m. To monitor and evaluate the Bank's efforts to fulfill the adequacy of General Provision.

Completeness and Implementation of Committees' Duties

n. To monitor and evaluate the adequacy of credit infrastructure owned by Bank.
o. To approve, monitor and evaluate the implementation and execution of Internal Rating Based (IRB) Credit Risk parameter, models and scorecard.

Responsibilities

a. Submit written report in a regular basis (at least once a year) to the Board of Directors with a copy to Commissioners, in relation to:
   - Supervision of Credit Policy implementation and execution; and
   - Monitoring and evaluation of items stated in the Duties of CPC.
b. Provision inputs on corrective actions to the Board of Directors with a copy to the Board of Commissioners in relation to the responsibilities of CPC on part (a) above.

The Work Programme of CPC and its realisation in 2023 included but were not limited to:

No.	Work Programme	Realisation
1.	Monitoring and evaluating credit portfolio quality, stress-testing and other significant issues related to credit business.	CPC held in total of 21 (twenty-one) meetings during the year of 2023. During 2023, CPC has also reviewed and endorsed/approved among others: • GM LLL Alert Trigger Review, Handling of Cash Collateral for FX & Derivative, Cash Collateral for FX & Derivative, Performance of Segment M4 dan M5 for Cash on Phone, Card Rescore Test Limit & Period (Avatec & Internal Machine Learning), Golden List Temporary Limit Increase, Portfolio Review Document renewal, CashPlus Product Review Document, Risk Discipline Framework (RDF) Validation, Revised Treatment of Stale Financials for Large Corporate and Small Medium Enterprise Models and Restructure Portfolio Stress Test/ Scenario Analysis, and General Insurance Partner Annual Review. • Annual review and update related to BB Credit Underwriting Engine Model Review & B-score Model Review, 2022 UOBI PFS Credit Card Application and Behavioral Scorecard Model Review, IPRE model review 2022, Application and Behavior Scores Model Validation for Retail Banking, Annual Industry Risk Review and SME Model Review. CPC periodically monitors: • The Bank's credit portfolio. The Bank's credit exposure is monitored for each business segment i.e, Corporate Banking, Commercial Banking and Financial Institutions, Business Banking, Housing Loan and Secured Lending (HLS) and Unsecured Business. • Concentration limit for both regulation and internal cap such as foreign currency loan concentration, LLL, and provision made by the Bank through Credit Risk Highlight updates. This action has supported CPC in giving the right direction for the Bank's credit portfolio. • Large exposure borrowers. • The covenant fulfillment of Wholesale Banking i.e Breach Letters Monitoring, TBO Update, etc including the related business process improvement.

Completeness and Implementation of Committees' Duties

No.	Work Programme	Realisation
2.	Review and provide recommendations on the credit policy as well as credit discretionary limit implementation.	During 2023, CPC reviewed, endorsed/approved and provide recommendations on the new and revised credit policies/product programmes, including: • The Bank's umbrella credit policy and credit risk management framework as outlined in the Credit Risk Management Policy. • Core Credit Policies that provide the general lending principles, process and minimum control requirement apply to certain business segment such as General Credit Policy for Corporates and Financial Institutions, as well as Consumer Credit Policy. • Specific credit policies as derived from the core credit policy that provide a more granular guidance to be implemented according to related business segments among others including: Securities Financing Trading (SFT) Framework, GM-PLM and MMD Framework, Fixed Income Credit Derivatives Framework, EF Framework for Housing Loans, EF Framework BUC Projects for Commercial & Industrial Property, Policy harmonisation Cards Portfolio and Cashplus, Business Banking Country Lending Programme Renewal, COVID-19 Credit Approach in a Downturn Cycle Transition, Roll Back to L1 Policy for Credit Card, Revamped BizSol Trade Test Programme & FSCM, BB Anti-Attrition Programme, Revamped BizSol Higher LTV Test Programme, Delegation of Authority Governance for Credit Risk Management of PFS Loans Portfolio, Covid19 General Credit Relief Policy & Guideline, Credit Concentration Risk Management Policy Annual Review 2023, and Credit Insurance Collateral Policy Annual Review 2023. • Credit Discretionary Limit Framework (CDL) update for FI segment (Banks & Sovereign) and CDL to credit officers. • Review and update Term of Reference related to CPC, CMWG, EXCO, and CC.

5. Human Resources Committee

Based on Board of Directors' Decree No. 23/SKDIR/0134 dated 19 December 2023 concerning Human Resources Committee in Head Office, the composition of Human Resources Committee (HRC) is as follows:

Human Resources Committee Members as of 31 December 2023	
Chairman	President Director
Members	• Finance & Corporate Services Director • Wholesale Banking Director • Strategic Business Development, Retail & Channels Transformation Director • Head of Human Resources
Secretary	HR Leadership Team or HR Business Partner Lead

HRC meetings are held as and when required, or at least once in every 3 (three) months.

Completeness and Implementation of Committees' Duties

Attendance of Human Resource Committee members in the meetings conducted throughout 2023 are as follows:

Name	Number of Meeting	Attendance	Percentage
Hendra Gunawan	15	15	100%
Teh Han Yi	15	13	87%
Harapman Kasan	15	14	93%
Jenny Hadikusuma / Gevy Q Wulandari*	5 / 10	5 / 10	100%
Choi Yau Chi	15	13	87%

*) Jenny Hadikusuma held the position as a member of HR Committee until 2 May 2023 and continued by Gevy Q Wulandari effective as of 3 May 2023.

The duties and authorities of HRC are to:

Duties

- Review and approve HR strategy to support the company's strategy and objectives.
- Review and approve HR policies which cover: Recruitment and Assessment, Organisation Development, Learning and Development, Talent Management, Employee Performance Management, Reward and Recognition.
- For non material changes, review and approval would be given by Head of Human Resources.
- To ensure the execution of HR strategy and HR policies.

Authorities

- Review and approve proposed key HR policies and programmes presented.
- Review HR strategies including resourcing, remuneration, retention, motivation, employee engagement and development.
- Review and approve HR policies and programs in talent management and succession planning.
- Review and approve identified talents for the Bank and regional level.
- Review and approve overall employee performance rating, compensation standard and performance bonus distribution.
- Review and approve promotion guidelines and employee promotions.
- Provide recommendations to the Remuneration and Nomination Committee regarding the appointment or replacement of Senior Executive Officers based on competencies, capabilities and experiences, HRC can also recommend the remuneration package.

Completeness and Implementation of Committees' Duties

The Work Programme of HRC and its realisation in 2023 included but were not limited to:

No.	Work Programme	Realisation
1.	HRC meetings are held as required, or at least once in every 3 (three) months.	HRC had fulfilled its work programme in having minimum one meeting every quarter and in 2023, HRC was conducted 15 (fifteen) times in a year.
2.	Issues or topics discussed at the HRC meetings include, but are not limited to: a. Recruitment and Assessment; b. Organisation Development; c. Learning and development; d. Talent Management; e. Employee Performance Management; and f. Reward and recognition.	a. HRC meeting conducted employee performance and promotion calibration. HRC endorsed the guidelines of employee salary increment 2023 and performance bonus distribution for 2022 that paid in February 2023. b. Discussed and decided on the follow-up on cases of violations of code of ethic and corporate values or fraud or employee disciplinary actions, which had been reviewed previously by the ethic panel. c. Endorsed the revision of HRC membership and terms of reference. d. Approved the redefinition of new Senior Executive Officers. e. Discussed the succession and talent pool to ensure the availability of successor for critical positions - Function Head, Regional Manager and Division Head. f. Approved the development programmes for certain successors and employees with potential. g. Approved the strategic framework for talent development, including regional assignment and monitoring of the execution of development plans for key talents in the Bank. h. Approved several benefit guidelines, such as tactical incentive programme and also reviewing benefit harmonisation. i. Approved the awardees of the UOB Recognition Programme for 2023.

6. Credit Committee

Based on Board of Directors' Decree No. 23/SKDIR/0010 dated 25 January 2023 concerning Executive Committee – Credit (EXCO) and Credit Committee (CC), the composition of the Credit Committee is as follows:

Credit Committee Members as of 31 December 2023	
Chairman	President Director
Permanent Member	• Risk Management Director • Wholesale Banking Director or Consumer Banking Director • Head of Related Credit - Head of Corporate Credit - Head of Commercial & FI Credit 1[a] - Head of Commercial & FI Credit 2[a] - Head of Retail Credit[b] - Head of Business Banking Credit[c]
Secretary	Related Credit Division

[a] For Commercial Banking & FI credit proposal
[b] For PFS credit proposal
[c] For Business Banking credit proposal

Completeness and Implementation of Committees' Duties

Discretionary Authority

1. To provide credit decision in accordance with its discretionary limit that includes on all types of exposures, direct and/or contingent, such as exposures to counterparties and customers arising from lending/financing, underwriting/syndication, securities (loan replacement), derivative instruments, settlement risks, interbank limit, End Financing (EF) property limit and other product programme.
2. To coordinate with the Assets and Liabilities Committee (ALCO) in the aspects of Credit Financing.

In 2023, 393 credit proposals were submitted to the Credit Committee, consisting of 24 proposals from Business Banking segment, 114 Corporate Banking segment, 271 proposals from the Commercial Banking segment, 30 proposals from Financial Institution segment, 28 proposals from Special Asset Management, 5 proposals from PFS Unsecured Credit segment.

7. Information Technology Committee

Based on Board of Directors' Decree No.23/SKDIR/0062 dated 4 May 2023 concerning PT Bank UOB Indonesia Information Technology Committee, the composition of Information Technology Committee (ITC) is as follows:

Information Technology Committee Members as of 31 December 2023	
Chairman	President Director
Deputy Chairman	Technology and Operations Director
Member	• Finance and Corporate Services Director • Risk Management Director • Compliance, Legal & Corporate Secretary Director • CEO Office Head

ITC meeting shall be held on regular basis, at least 4 (four) times a year.

Attendance of Information Technology Committee members in the meetings conducted throughout 2023 are as follows:

Name	Number of Meeting	Attendance	Percentage
Hendra Gunawan	15	15	100%
Paul Rafiuly	15	15	100%
Teh Han Yi	15	11	73%
Henry Santoso*	10	10	100%
Ardhi Wibowo	15	14	93%
Andreas Edo Lazuardi	15	15	100%

*) Mr Henry Santoso effectively served as ITC Member as per May 2023

Duties, authorities and responsibilities of ITC are as follows:

Duties and Responsibilities

- Assisting the Bank in deciding and supervising the Bank's investments in the field of IT, and also being responsible for developing infrastructure, IT security and strategic plans for information technology, while ensuring that everything is in line with the business strategy of the Bank.
- Discussing specifically about plans on information technology development, either currently applied by the Bank or new technology.
- Discussing a policy format in relation to the utilisation of information technology such as utilisation of software, hardware, and professional service to be engaged.
- Assisting the Bank in directing, overseeing and managing information technology security risk in accordance with technology security policies.
- Reviewing the progress of IT key activities on periodical basis, in order to ensure sufficient Bank resources to support the IT key activities and to resolve issue arising from those IT key activities.
- Assuming responsibility for duties and responsibilities delegated as established in this Decree.

Completeness and Implementation of Committees' Duties

Authorities

- Approving information technology development plans, either currently applied by the Bank or new technology.

  Note:

  Cost expense will still refer to the SOP for Requisition, Procurement and Payment through Procurement and Expense Management System (PEMS).
- Approving policies in relation to strategy or utilisation of information technology such as utilisation of software, hardware, and professional services to be engaged.
- Setting the priority for IT developments which are strategic, compliance, business or customer service in nature.
- Approving based on prevailing guideline of IT security, any risk deviation from standard policy in utilisation of technology as a result of security risk assessment report.

The Work Programme of ITC and its realisation in 2023 included but were not limited to:

No.	Work Programme	Realisation
1.	Conducted routine meetings to review and approve IT investment (for purchase of equipment and IT projects implementation), monitoring of IT strategic projects, and approve strategic IT policy.	ITC conducted 15 (fifteen) meetings in 2023 to review and approve IT investments, which cover: a. Ensuring IT infrastructure development is implemented in well-structured strategy • ITC consistently checked the proposed initiatives against the IT Strategic Planning, Bank's Business Plan and IT Development Plan, which is important to ensure ITC approved the right portfolio investment based on Bank's strategy. • Providing forum for case discussion and approval of projects pertaining to Bank's investment in IT field (hardware, software, professional services engagement), directed to support Bank's business, regulatory and compliance requirement.
		b. Ensuring IT Security Risk Management • ITC accommodates the IT Security Risk investment (but not limited to): • One Identity Solution by having capability and functionality to uplift operational efficiency and minimise manual processes with digital workflows, integration with HR system to automate provisioning and de provisioning employees access for corporate services, enhance role based access control (RBAC) for applications, self service for LAN ID activation/password reset and reporting for audit/compliance purposes. • Enhancement of the capabilities to perform data correlation and threat hunting with providing security posture awareness by security indicator and metrics (SIEM Refresh) • Technology Obsolescence and RTB (Run The Bank) Programme for maintaining security of critical applications owned by bank.

Completeness and Implementation of Committees' Duties

No.	Work Programme	Realisation
		c. Ensuring IT Key Activities • ITC consistently conducted pre-ITC meetings prior to the formal ITC meeting, to ensure the investment of proposed initiative(s) are validated by Finance (in terms of revenue, investment payback period). • Identified a list of Initiatives and cost impact that already carried out in 2023 to strengthen the strategic foundation and capabilities of the Bank, as well as to improve the Bank's risk management; approval on Project Governance Policy.
		d. Technology Obsolescence and RTB (Run The Bank) to improve recoverability system from outages and reduce the likelihood of unplanned system outages; IT Roadmap and IT Strategic Planning as a summary of overview on budget and projects that are being/will be implemented.

Assessments of the Committee of the Board of Directors

The Board of Directors conducts an assessment of its committees annually. Areas include the structure and composition of the committee, the effectiveness of the implementation of the duties and responsibilities by the committees, as well as the effectiveness of the implementation of committee meetings.

During 2023, the committees under the Board of Directors have conducted self-assessment to evaluate their performance. All committees have performed their duties and responsibilities and provided recommendations that support the effectiveness of the implementation of the duties and responsibilities of the Board of Directors.

Profile Committee Members under the Board of Directors

Pursuant to the regulation as stipulated in OJK Circular Letter No. 16/SEOJK.04/2021 dated 29 June 2021 regarding Annual Report Form and Content of the Issuer or Public Company, the followings are information of the members of committees under the Board of Directors as of 31 December 2023.

The profiles of Board of Directors who are members of committee(s) are presented in the Profiles of the Board of Directors in the Company Profile's section of this Annual Report.

Profile of Senior Executive Officers who are members of committee(s) are presented below.

Edisono Limin

Head of Channels and Digitalisation
Indonesian, 47 years old

Working Experience (with last held position)

- 2013-present, PT Bank UOB Indonesia as Head of Channels & Digitalisation
- 2008-2013, Commonwealth Bank, as SME Regional Manager (SVP)
- 2000-2008, PT Bank Central Asia Tbk., as Team Leader
- 1999-2000, Asuransi Central Asia, as Marketing Executive

Has more than 23 years of experience in banking industry.

Educational Background

1995, Bachelor, Tarumanagara University, Jakarta

Completeness and Implementation of Committees' Duties

FX Yanto Edy Umar
Head of Commercial & FI Credit 2
Indonesian, 52 years old

Working Experience (with last held position)
- 2017-present, PT Bank UOB Indonesia as Head of Commercial & FI Credit 2
- 2016-2017, PT Bank Permata Tbk., as Head of Business Credit Analyst & Portfolio Mgt
- 2009-2016, PT Bank Danamon Indonesia as Wholesale Business Head
- 2007-2009, PT Fitch Ratings Indonesia as Associate Director
- 2006-2007, PT Bank OCBC Indonesia as AVP Credit & Marketing Dept.
- 2001-2004, PT Bank Mizuho Indonesia as Officer Business Development
- 1999-2001, PT Bank Fuji Internasional Indonesia as Business Plan Supervisor

Has more than 21 years of experience in credit area of banking industry

Educational Background
1996, Bachelor Degree, Bandung Insitute of Technology, Bandung

Gevy Q Wulandari
Head of Human Resources
Indonesian, 55 years old

Working Experience (with last held position)
- 2023–present, PT Bank UOB Indonesia as Head of Human Resources
- 2012–2023, AIG Indonesia as Human Capital Director
- 2018–2023, Head of HR for VIP (Vietnam, Indonesia & Philippines cluster) AIG Insurance
- 2009–2012, PT Permata Bank as Head of HRBP, Retail Banking
- 2006–2009, Microsoft as HR Director
- 1997–2006, Citibank as Head of Staffing & Talent Management
- 1994–1997, GE Capital Indonesia as Human Resources Manager

Has more than 25 years of experience in Human Resources

Educational Background
1992, University of Indonesia, Faculty of Economy, Extension Program, majoring in Human Resources Management.

Imbang Perdana Satryawan
Head of Internal Audit
Indonesian, 45 years old

His profile can be found in the Profile of the Head of Internal Audit section of this Annual Report on page 192.

Indra Gunawan
Head of WB, Markets and Enterprise T&O
Indonesian, 44 years old

Working Experience (with last held position)
- 2023–present, PT Bank UOB Indonesia as Head of WB, Markets and Enterprise T&O
- 2021–2023, Canadia Bank Plc as Chief Technology Officer
- 2015–2021, Novus Technologies as Chief Executive Officer
- 2013-2015, Hitachi as Senior Project Manager
- 2011–2013, Accenture as System Integration Lead, Technology Consulting Workforce
- 2004–2011, PT Bank Mandiri as Technical Specialist, Prepaid Card Solutions Team
- 2003–2004, Schlumberger as Engineer
- 2003, Elnusa Rentrakom as Telecommunication Engineer

Has more than 20 years of experience in banking and other industries

Educational Background
- 2008, Master Degree, Universitas Indonesia
- 2003, Bachelor Degree, Institut Teknologi Bandung

Ratnasari Kartawira
Head of Corporate Credit
Indonesian, 59 years old

Working Experience (with last held position)
- 2011-present, PT Bank UOB Indonesia as Head of Corporate Credit
- 2008-2011, The Royal Bank of Scotland as Head of Transactional & Portfolio
- 1991-2008, ABN Amro Bank as Head of Credit Portfolio Mgt
- 1990, PT Nikko Securities as Corporate Finance Officer

Has more than 29 years of experience in banking industry

Educational Background
- 1989, Bachelor Degree, California State University, USA

Completeness and Implementation of Committees' Duties

Rudy Widjaja
Head of Retail Credit
Indonesian, 53 years old

Working Experience (with last held position)
- 2016-present, PT Bank UOB Indonesia as Head of Retail Credit
- 2014-2016, Citibank Indonesia as Credit Operations Director
- 2008-2014, Citibank Phillipines & Guam as Credit Operations Director
- 2006-2008, Citifinancial Japan as Collections Head
- 1996-2006, Citibank Indonesia as Country Collections Head
- 1995-1996, PT Indo Airo Sugih Indonesia as Business Development Manager
- 1992-1995, Seagate Technology Singapore as Industrial Engineer

Has more than 24 years of experience in banking industry

Educational Background
1992, Bachelor Degree, Iowa State University, USA

Siswo Soebianto Iksan
Head of Commercial & FI Credit 1
Indonesian, 58 years old

Working Experience (with last held position)
- 2017-present, PT Bank UOB Indonesia as Head of Commercial & FI Credit 1
- 2010-2017, PT Bank Danamon Indonesia as Senior Credit Officer
- 2000-2010, PT Bank Internasional Indonesia as Corporate Credit Portfolio Head
- 1994-2000, PT Bank Tiara Asia as Head of Treasury & Internal Division
- 1990-1994, PT Bank Danamon Indonesia as Account Officer
- 1988-1990, Universitas Kristen Satya Wacana as Lecturer

Has more than 31 years of experience in banking industry

Educational Background
- 1990, Bachelor Degree, Universitas Kristen Satya Wacana, Salatiga

W. Kartyono
Head of Transaction Banking
Indonesian, 46 years old

Working Experience (with last held position)
- 2010-present, PT Bank UOB Indonesia as Head of Transaction Banking
- 2010-2010, ANZ Panin Bank as Head of Trade & Supply Chain Sales
- 2005-2010, Bank DBS Indonesia as Head of Trade Finance Sales
- 1999-2005, Bank Central Asia as Trade & Payment Specialist at International Banking Division

Has more than 21 years of experience in banking industry

Educational Background
1999, Bachelor Degree, Tarumanagara University, Jakarta

Profile of Bank's Officers who are members of committee(s) are presented below.

Alexander Husin
Credit Administration & Control Head
Indonesian, 46 years old

Working Experience (with last held position)
- 2021–present, PT Bank UOB Indonesia as Credit Administration & Control Head
- 2015–2021, PT Bank HSBC Indonesia as Senior Vice President Wholesale Operation Lead Credit Operations
- 2011–2014, PT Bank Permata Tbk., as Vice President - Head Unit Operational Risk & Quality Assurance
- 2004–2011, Citibank, N. A., as Assistant Vice President - Control Unit - Credit Operations Consumer Banking
- 2000–2002, PT Mitrais (Mincom) as Software Engineer
- 1999–2000, PT Multipolar as Programmer

Has more than 23 years of experience in banking and other industries

Educational Background
- 2003, Master Degree, The University of New South Wales, Australia
- 1998, Bachelor Degree, Universitas Pelita Harapan, Jakarta

Completeness and Implementation of Committees' Duties

Ali Budiman
Wholesale Operations Head
Indonesian, 49 years old

Working Experience (with last held position)
- 2022-present, PT Bank UOB Indonesia as Wholesale Operations Head
- 2016-2022, PT Bank ANZ Indonesia as Head of Institutional Operations
- 2002-2016, Citibank as Head of Treasury Trade Solutions Operations
- 2001-2002, Westpac as Global Securities Investigation
- 1999-2001, PT Trinunggal Komara as Marketing/ Merchandising Manager
- 1996-1999, PT Bank UOB Indonesia as Treasury Dealer

Educational Background
- 1995, Master Degree, University of Notre Dame Australia
- 1995, Bachelor Degree, Curtin University

Amelia Ragamulu
Customer Advocacy Head
Indonesian, 53 years old

Working Experience (with last held position)
- 2016-present, PT Bank UOB Indonesia as Customer Experience and Advocacy Head
- 2010-2016, PT Bank Maybank Indonesia as Head of Centralized Customer Care
- 2009-2010, ABN Amro Bank as Head of Client Loyalty for Branch Banking, Wealth Management, Private Client and Credit Retention Unit
- 2004-2007, Standard Chartered Bank as Head Customer Contact Center
- 1994-2004, Citibank, N.A. as Service Manager

Has more than 27 years of experience in banking

Educational Background
1993, Bachelor Degree, Bogor Institute of Agriculture, Bogor

Andreas Eduardo Lazuardi
CEO Office Head
Indonesian, 37 years old

Working Experience (with last held position)
- 2020-present, PT Bank UOB Indonesia as CEO Office Head
- 2017-2020, PT Bank UOB Indonesia as Wholesale Portfolio Management Head
- 2015-2017, PT Bank UOB Indonesia as Credit Modeling Team Leader
- 2013-2015, PT Bank UOB Indonesia as PMU Reporting and Credit Stress Testing
- 2012-2013, PT Bank UOB Indonesia as IFS
- 2010-2011, PT Bank Panin Indonesia, Tbk., as Personal banker

Has more than 12 years of experience in banking.

Educational Background
- 2013, Master Degree, University of Indonesia, Jakarta
- 2010, Bachelor Degree, University of Surabaya, Surabaya

Elly Sandora
Business Branch Governance & Middle Office Support Head
Indonesian, 50 years old

Working Experience (with last held position)
- 2014-present, PT Bank UOB Indonesia as Business Branch Governance & Middle Office Support Head
- 2006-2014, PT Bank DBS Indonesia as Head of SME Channel & Network
- 2004-2006, PT Bank Permata Tbk. As Head of Consumer Banking

Has more than 19 years of experience in banking.

Educational Background
1996, Bachelor Degree, Andalas University, Padang

Completeness and Implementation of Committees' Duties

Febian Satria Nugraha
AML/CFT & Sanctions Head
Indonesian, 47 years old

Working Experiences (with last held position)
- 2000-present, PT Bank UOB Indonesia as AML/CFT & Sanctions, Anti Bribery & Corruption & Anti Tax Evasion Head
- 1995-1997, PT Hanoman Dharma as Marketing

Educational Background
- 1999, Bachelor Degree, Universitas Pasundan

Ferdy Djojo
Wholesale Banking Business Management Head
Indonesian, 43 years old

Working Experiences (with last held position)
- 2017-present, PT Bank UOB Indonesia as Wholesale Banking Business Management Head
- 2016-2017, Citibank as Relationship Manager Financial Institutions, Corporate and Investment Banking
- 2010-2016, Standard Chartered Bank as Director, Relationship Manager
- 2007-2010, PT Bank DBS Indonesia as Relationship Manager (Origination)

Educational Background
- 2003, Master Degree, Monash University
- 2002, Bachelor Degree, Monash University

Irvan Gunardwi
Legal Head
Indonesian, 52 years old

Working Experience (with last held position)
- 2014-present, PT Bank UOB Indonesia as Legal Head
- 2010-2014, PT Bank DBS Indonesia Tbk. as Head of Legal - CBG
- 2003-2010, PT BII Maybank Tbk as General Legal Counsel & Corporate Secretary Division Head
- 2000-2003, PT Bank Permata Tbk as Head of Advisory & Monitoring
- 1995-2003, PT Bank Bali Tbk. as Department Head in Corporate Legal & Compliance Department
- 1994-1995, Shipping Line Company, Export Dep Officer

Has more than 28 years of experience in banking and other industries

Educational Background
- 2005, Master Degree Magister, University of Indonesia, Jakarta
- 1993, Bachelor Degree, Brawijaya University, Malang

Maya Rizano
Strategic Communication & Brand Head
Indonesian, 58 years old

Working Experience (with last held position)
- 2015-present, PT Bank UOB Indonesia as Strategic Communications & Brand Head
- 2009-2011, PT Bank Barclays Indonesia as Head of Marketing and Corporate
- 2007-2009, PT Bank Internasional Indonesia Tbk. as Vice President, Head of Marketing
- 2001-2007, Citibank, N.A. as Vice President, Head of Integration
- 1997-2001, PT Excelcomindo Pratama as General Manager Marketing Comm
- 1996-1997, Danone International Brands as Marketing Manager
- 1988-1996, PT Unilever Indonesia as Marketing Manager

Has more than 35 years of experience in banking and other industries

Educational Background
1987, Bachelor Degree, University of Hartford, USA

Completeness and Implementation of Committees' Duties

Stanly Gunawan
Central Treasury Unit Head
Indonesian, 39 years old

Working Experience (with last held position)
- 2018-present, PT Bank UOB Indonesia as Central Treasury Unit Head
- 2016-2018, PT Bank Commonwealth as VP, Head of ALM & Portfolio Management
- 2014-2016, PT Bank ANZ Indonesia as AVP, ALM Financial & Governance (Finance)
- 2011-2014, PT Bank Commonwealth as Senior Manager, ALCO & Treasury Analytics (Global Market, Treasury)
- 2007-2011, Standard Chartered Bank as Senior Asistant Manager, ALCO Support (Country Finance)
- 2006-2007, Lufthansa Systems as Software/ System Developer

Has more than 17 years of experience in banking

Educational Background
- 2006, Bachelor of Science in Business Administration MIS & Finance, The University of Arizona, USA

Stella Damayanti
Corporate Real Estate Services Head
Indonesian, 48 years old

- 2018-present, PT Bank UOB Indonesia as Corporate Real Estate Services Head
- 2016-2018, PT Bank HSBC Indonesia as SVP, Head of Corporate Real Estate
- 2007-2016, PT Bank DBS Indonesia as VP, Capex, Portfolio and Lease/Transaction Head (CRE Dept)
- 2005-2007, Jones Lang Salle Indonesia as Senior Project Manager
- 2002-2005, PT Ahara Prima Design as Project Coordinator

Has more than 21 years of experience in banking and other industries

Educational Background
1999, Bachelor Degree, Parahyangan Catholic University, Bandung

Susan Kwanto
Retail Operations Head
Indonesian, 53 years old

Working Experience (with last held position)
- 2020-present, PT Bank UOB Indonesia as Retail Operations Head
- 2017-2020, PT Bank UOB Indonesia as Branch Ops Control & Development Head
- 2010-2017, PT Bank UOB Indonesia as TNO Services Management Head
- 1992-2010, PT Bank UOB Indonesia as Corporate Planning Division Head

Has more than 31 years of experience in banking industry

Educational Background
- 1992, Bachelor Degree, Sriwijaya University, Palembang

Vera Margaret
Wealth & Retail Liabilities Head
Indonesian, 44 years old

- 2021-present, PT Bank UOB Indonesia as Wealth & Retail Liabilities Product Head
- 2010-2021, PT Bank CIMB Niaga Tbk. as Wealth Management, Insurance & Deposit Product Head
- 2008-2010, PT Bank DBS Indonesia as Head of Investment, Insurance and Treasury
- 2002-2008, Manulife Financial as Mutual Fund Partnership Distribution Head

Has more than 30 years of experience in banking and other industries

Educational Background
2001, Bachelor Degree, Iowa State University, USA

Corporate Secretary

The Corporate Secretary is the officer responsible to the Board of Directors, and acts as the liaison between the Bank and the Bank internal parties, authorised institutions affiliated with the Bank, Bank's external parties and investors. The Bank appoints the Corporate Secretary to assist the Board of Commissioners and Board of Directors in performing the duties and responsibilities of each related to the implementation of GCG and to manage communications to interested parties (stakeholders), both internally and externally.

Appointment of Corporate Secretary

The Corporate Secretary is appointed by the Board of Directors. Currently, the office of the Corporate Secretary is held by Susilowati, who had officially served since 25 June 2015 by virtue of Board of Directors' Decree No.15/DIR/0021. In the organisational structure of the Bank, the Corporate Secretary reports directly to Compliance, Legal and Corporate Secretary Director.

Corporate Secretary Profile

Susilowati
Corporate Secretary

Susilowati is domiciled in Jakarta and graduated with a Bachelor Degree in Management from Tarumanagara University Jakarta in 2003. She received a Master Degree in Accounting from Trisakti University Jakarta in 2009. Susilowati started her career in 2004 at PT Bank Victoria International Tbk and last position as Corporate Secretary Division Head.

Development of Competencies of Corporate Secretary

Susilowati had participated in competency development programmes namely Risk Management Certification Levels 1, 2, and 3 from Indonesia's Risk Management Certification Agency.

In order to support implementation of duties, the Corporate Secretary has followed competency development and training programmes throughout 2023, as follows:

No.	Name of Workshop/Training/ Seminar and Organiser
1.	*UU Penguatan dan Pengembangan Sektor Keuangan di Indonesia: Implikasi dan Implementasinya*, organised by Hukumonline.com;
2.	*Sosialisasi Pedoman Umum Governansi Korporat Indonesia dan Penyelenggaraan Annual Report Award 2022, organised by Komite Nasional Kebijakan Governansi dan Indonesia Stock Exchange* (IDX);
3.	Ring The Bell for Gender Equality 2023 "Boosting Gender Equality through Innovation and Technology", organised by IDX, Indonesia Global Compact Network (IGCN), UN Women Indonesia, International Finance Corporation (IFC), dan Indonesia Business Coalition for Women Empowerment (IBCWE);
4.	Ring the Bell: Introduction - Gender Equality and Women Empowerment Principles: How to Implement in Business Sectors, organised by IDX, IGCN, UN Women Indonesia, IFC, dan IBCWE;
5.	Risk Management Certification Refreshment Programme "Operational Risk in Digital Banking", organised by PT Arfaidhams Secret;

Corporate Secretary

No.	Name of Workshop/Training/ Seminar and Organiser
6.	Seminar Master Class: "Reporting Gender Equality and Employment Practices for Sustainability and Annual Report", organised by IDX, Global Reporting Initiative (GRI), Indonesia Business Coalition for Women Empowerment (IBCWE);
7.	Stay Secure When Working Remotely, organised by United Overseas Bank Limited;
8.	*Webinar Compliance Refreshment Emiten dan Perusahaan Publik,* organised by Financial Services Authority (OJK);
9.	*Sosialisasi Kriteria dan Penilaian* ASEAN Corporate Governance Scorecard (ACGS) 2024, organised by OJK.
10.	Sosialisasi Peraturan Otoritas Jasa Keuangan tentang Penerapan Tata Kelola Bagi Bank Umum;
11.	Leadership Academy Programme Level 2, organised by UOB in collaboration with Columbia Business School;
12.	Creating a Positive and Productive Team, Daily Meaning;
13.	Fostering Impactful Collaboration at Work, Daily Meaning.

Duties and Responsibilities of Corporate Secretary

Corporate Secretary function of the Bank refers to Article 5 of OJK Regulation No. 35/POJK.04/2014 concerning Corporate Secretary of Issuers or Public Companies, as follows:

1. To stay abreast with the developments in the Capital Market, particularly the laws and regulations applicable in the field of Capital Market;
2. To provide inputs to the Board of Directors and Board of Commissioners of the Issuing Company or Public Company in order to comply with the provisions of laws and regulations in the field of Capital Market;
3. To assist the Board of Directors and the Board of Commissioners in implementing good corporate governance, which includes:
   i. Transparency of information to the public, including availability of information on the Website of the Issuing Company or Public Company;
   ii. Submission of reports to the Financial Services Authority in a timely manner;
   iii. Conduct and documentation of General Meeting of Shareholders;
   iv. Conduct and documentation of Board of Directors and/or Board of Commissioners meetings; and
   v. Implementation of corporate orientation programme for the Board of Directors and the Board of Commissioners.
4. Liaison between the Bank and the shareholders of the Issuing Company or Public Company, the Financial Services Authority and other stakeholders.

Realisation of Duties and Responsibilities of Corporate Secretary

In 2023, the Corporate Secretary has conducted the following duties and responsibilities:

1. Convening the Annual General Meeting of Shareholders on 3 May 2023 and Extraordinary General Meetings of Shareholders on 26 October 2023.
2. Submitting the Annual Report for financial year 2022 and Financial Statements for financial year 2022 to related stakeholders.
3. Attending and preparing minutes of Board of Commissioners meeting, Board of Directors meeting, as well as meetings of Committees reporting to the Board of Commissioners.
4. Preparing documentation on the Fit and Proper Assessment for the candidate member of Board of Commissioners and Board of Directors.
5. Updating the Internal Regulation of the Company regarding Board of Commissioners and Board of Directors as well as Committees reporting to the Board of Commissioners in order to comply with the prevailing regulations.
6. Assisting the Board of Directors and the Board of Commissioners in implementing good corporate governance among others by ensuring smooth communication between the company and the stakeholders, ensuring the availability of and access to information as reasonably required by stakeholders and conveying information about corporate action to the regulator concerned.
7. Coordinating with the Compliance Function in preparing self-assessments and implementation of the report on Good Corporate Governance related to the Board of Directors, Board of Commissioners and Committees reporting to the Board of Commissioners.

Corporate Communications

Strategic Communications and Brand function plays a key role in maintaining the corporate positive image. The communications strategy is well focused to gain public trust and maintain good reputation through year-long activities that are focused on internal and external communications. The function also takes part in supporting sustainable business for the long term.

Annual Report

Since 2016, Strategic Communications and Brand and Corporate Secretary have been jointly responsible for the preparation and publication of the Annual Report that discloses UOB Indonesia's business performance.

Press Release

The Bank recognises the importance of engagement with the public and aims to raise its profile and share pertinent information on its activities. These objectives are achieved through media activities in the form of distribution of press news documents, press conferences, media gathering, and one-on-one interviews.

In 2023, the news releases covered the Bank's new products and services, corporate social responsibility programmes and the outlook of the Indonesian economy.

The following is a list of news releases in 2023:

- UOB Indonesia transforms digital banking for business clients with the launch of UOB Infinity, 17 January 2023.
- UOB Indonesia, Visa, and Volopay launch corporate credit card solution to help businesses with efficient expense management, 21 March 2023.
- UOB Indonesia raises awareness on the importance of marine biodiversity to underprivileged children in Bali, 3 April 2023.
- UOB Indonesia equips underprivileged children with educational experience and learning kits for their future during Ramadan, 18 April 2023.
- 13th UOB Painting of the Year competition in Indonesia calls for artists to showcase their talents and broaden their perspectives of art, 4 May 2023.
- UOB Indonesia launches U-Solar 2.0 to support the value chain of Indonesia's solar industry, 25 July 2023.
- More than 2,000 UOB colleagues raised IDR250 million at 2023 UOB Heartbeat Run/Walk to promote inclusion of underprivileged children
- Indonesian companies have a positive outlook for 2023 despite economic challenges, 12 September 2023.
- UOB Indonesia launches innovation accelerator UOB FinLab to digitalise and grow local businesses, 19 September 2023.
- UOB Indonesia launches new financial supply chain management capabilities in UOB Infinity to enable clients digitalise their supply chain financing, 25 September 2023.
- UOB Indonesia: Downstream industry and green economy transition in Indonesia are key to unlocking opportunities, 11 October 2023.
- Artwork portraying the unity of human and nature wins the 13th UOB Painting of the Year (Indonesia) Award, 25 October 2023.
- UOB completes acquisition and integration of Citigroup's consumer banking business in Indonesia, 20 November 2023.
- Additional capital allows UOB Indonesia to scale its franchise and enhance long-term stability, 6 December 2023.

There was coverage in Indonesia's main media, such as Kompas, Bisnis Indonesia, Media Indonesia, Metrotvnews.com, Koran Kontan, Jawa Pos, Antara, Detik.com, InfoBank.com, Koran Sindo, and Okezone.com.

The Implementation of Compliance, Internal Audit, and External Audit Functions

A. Compliance Function [GRI 2-27]

1. The Role of Compliance Function

The implementation of Bank's Compliance Function refers to Financial Services Authority (OJK) Regulation No. 46/POJK.03/2017 and the Bank's Compliance Charter.

Following are the roles and responsibilities of the Compliance Function:

a. Takes steps to support the creation of compliance culture in all business activities of the Bank at every level of organisation;
b. Conducts the identification, measurement, monitoring, and control of compliance risk with reference to the regulation concerning the Implementation of Risk Management for Commercial Banks;
c. Assesses and evaluates strictly, in collaboration with the business/support units, the effectiveness, adequacy, and appropriateness of policies, provisions, systems and procedures that are owned by the Bank with prevailing regulations;
d. Conducts reviews and/or provides recommendation on updates and refinement of policies, regulations, systems and procedures of the Bank to comply with the applicable regulations and legislation;
e. Makes efforts to ensure that the policies, provisions, systems and procedures, as well as the Bank's business activities are in compliance with the applicable regulations and legislations;
f. Fulfils the role of an anti-money laundering function by ensuring the implementation of the entire monitoring systems of transactions conducted by customers are in line with prevailing guidelines, policies and procedures that have been stipulated so that the implementation of the AML/CFT programmes is able to run well and to prevent the Bank from regulatory sanctions;
g. Identifies, assesses and documents compliance risks associated with business activities of the Bank including new products, services, business practices and material changes to existing business and customer relationships, etc;
h. Provides advice and updates on developments related to applicable regulations and other provisions to business/support units, and the Board of Directors and Senior Executive Officers;
i. Facilitates business/support units in the development of compliance manuals and guidelines containing the applicable regulations, other provisions and key business conduct for use by all officers and staffs of the Bank, where applicable;
j. Identifies and maintains an inventory of all applicable regulations and legislations with the support of internal/external legal counsel when necessary;
k. Assists the Board of Directors and Senior Executive Officers in educating relevant employees on compliance related issues;
l. Provides advice, guidance and continual training to employees on the appropriate implementation of the compliance framework which includes policies, guidelines and procedures such as those contained in the Bank's Compliance Guidance, internal code of conduct and Bank's internal guidelines;
m. Advises business/support units in the Bank and/or Board of Directors and Senior Executive Officers on Regulatory Obligations (RO) that are listed in the Bank's regulatory risk assessments. This includes the provision of advice on the implications of regulatory changes;
n. Monitors, tests and reports on compliance implementation according to compliance risk management framework and internal policies or procedures to Senior Executive Officers and Board of Commissioners/ Board of Directors, and if required, to any regulatory authority. However, the responsibility for ensuring day-to-day compliance remains within each respective business/support units;
o. Makes enquiries into regulatory compliance incidents and complaints, and carries out further investigations as deemed appropriate;
p. Acts as the key liaison body with relevant internal and external parties, including regulators, regarding the Bank's compliance issues; and
q. Fulfils its responsibilities under the compliance plans developed in accordance with its compliance risk management framework including performing compliance reviews on a risk-based approach.

The Implementation of Compliance, Internal Audit, and External Audit Functions

2. Actions to Prevent Breaches to Prevailing Regulations

The Director of Compliance, Legal and Corporate Secretary, through the Compliance Function, monitors and controls the Bank's business activities so that they do not violate the prevailing regulations by ensuring the Bank's compliance to regulations, provisions and prevailing legislation.

This is reflected in measures that have been put in place, including:

a. Supporting the creation of a compliance culture in all Bank business activities at all levels of the organisation through the establishment of:
   - Compliance Organisational Structure;
   - Compliance Charter;
   - Compliance Guidance;
   - Compliance Standard Operational Procedures.
b. Identifying, measuring and monitoring Compliance Risk and implementing control processes through:
   - Compliance Review Procedure; and
   - Supervision of sanctions imposed by regulators.
c. Establishing the Compliance Assurance Division to manage compliance risk through the Compliance Review Programme, so that Bank can ensure conformity and adequacy of policy, guidelines, systems and procedures of the Bank with prevailing legislation through:
   - Reports of Compliance Review Results; and
   - Regulatory Risk Assessment Reports.
d. Providing opinions on Compliance.
e. Monitoring and reporting on follow-up actions to Regulator's Audit Inspection Results.
f. Disseminating regulatory provisions and provide information on compliance related matters, either through face-to-face socialisation activities or through Compliance News, email distribution, and providing information on matters related to regulatory compliance.
g. Evaluating the Marketing Material and Checklist.
h. Monitoring the follow-up of RBBR-GCG (Risk Based Bank Rating-Good Corporate Governance) improvement by RBBR-GCG Working Group.
i. Acting as liaison officer for compliance related issues between the Bank and regulators or internal Bank units.

3. The Implementation of Good Corporate Governance

The provisions related to the Implementation of Good Corporate Governance for Commercial Banks refer to OJK Regulation No. 17 of 2023 dated 14 September 2023 and OJK Circular Letter No.13/SEOJK.03/2017 dated 17 March 2017.

The Bank consistently ensures that the GCG principles of transparency, accountability, responsibility, independence and fairness are implemented in every business aspect and at all levels of the Bank. The five GCG Principles should be applied to at least 11 (eleven) GCG Implementation Factors, and each factor's effectiveness should be measurable with respect to 3 (three) governance aspects as a continuous process.

The three governance aspects are:

a. Governance Structure, refers to the Bank's governance structure and infrastructure, which must be adequate to ensure that the outcome of the implementation of the GCG principles are able to meet the expectations of the Bank's stakeholders.
b. Governance Process, refers to the effective implementation of the GCG principles, supported by adequate governance structure and infrastructure of the Bank in order to produce an outcome that meets the expectations of the Bank's stakeholders.
c. Governance Outcome, refers to the result of the implementation of the GCG principles that meets the expectations of the Bank's stakeholders with the support of adequate governance structure and infrastructure of the Bank.

The implementation of the GCG principles is evaluated periodically through GCG Self-Assessment and the result is submitted to Regulator and the Bank's Management as a part of the Bank's Soundness Rating Report (Risk-Based Bank Rating).

The Compliance Unit has also reviewed and updated the previous Compliance Charter which acts as an umbrella policy in the implementation of Compliance Function within the Bank through Board of Directors' Decree No. 23/SKDIR/0127 dated 12 December 2023.

The Implementation of Compliance, Internal Audit, and External Audit Functions

Moreover, in line with the OJK Regulation on the implementation of Integrated Corporate Governance for Financial Conglomerates as stipulated in OJK Regulation No.18/POJK.03/2014 and OJK Circular No. 15/SEOJK.03/2015, the Compliance Unit has established the following internal provisions:

1. Integrated Compliance Charter for Entities in the Financial Conglomerates of UOB in Indonesia as the umbrella policy for the implementation of the integrated compliance function, as stipulated in Board of Directors' Decree No. 23/SKDIR/0023 dated 8 February 2023.
2. Integrated Corporate Governance Policy as the principal guidelines for each entity in the Financial Conglomerates in implementing their duties and responsibilities as stipulated in Board of Directors' Decree No. 22/SKDIR/0080 dated 11 November 2022, which has been reviewed for updates and alignment in December 2023.

Pursuant to OJK Regulation No.45/POJK.03/2020 regarding Financial Conglomerates, PT Bank UOB Indonesia as the Main Entity in the Financial Conglomerates has established a Corporate Charter. The Charter act as an agreement between Main Entity and Member Entities within the UOB Financial Conglomerate to ensure that the process of monitoring, reporting, communication and exchanging of information in the context of implementing Integrated Corporate Governance, Integrated Risk Management and Integrated Capital Adequacy Requirement can run smoothly.

B. The Implementation of Internal Audit Function

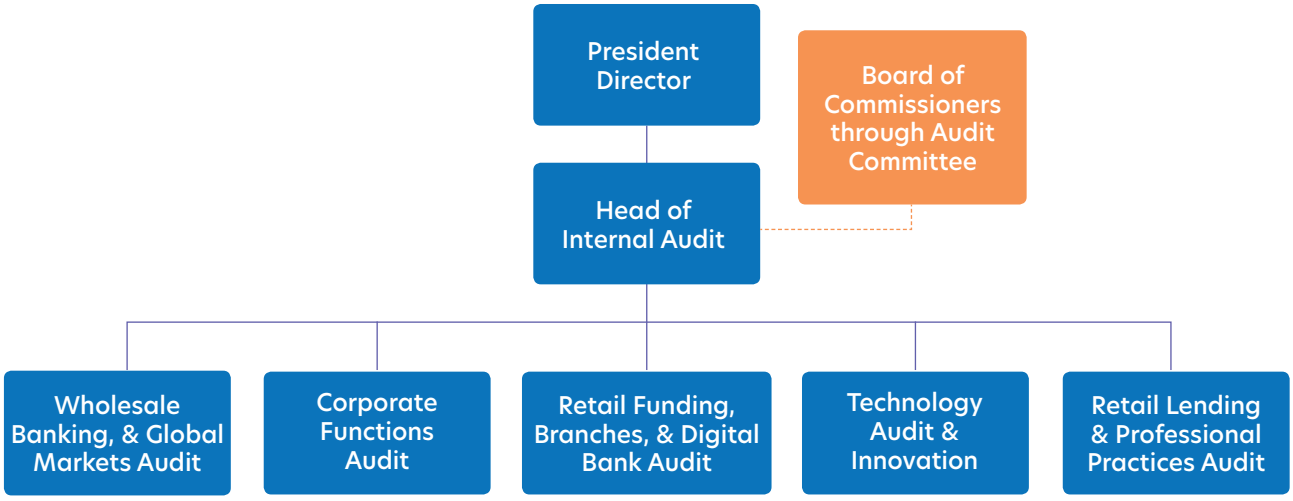
Pursuant to Financial Services Authority Regulation No.1/POJK.03/2019 dated 28 January 2019 on Implementation of Bank's Internal Audit Function, the Bank has implemented internal audit function that aim to support the Bank's country management in the risk management and governance oversight by providing an independent assurance to evaluate the adequacy, quality and effectiveness of governance, risk management, and internal controls. In the Bank's risk management framework, Internal Audit serves as the third line and works closely with the first line (Business and Support units) and the second line (Compliance and Risk Management functions).

Internal Audit has defined its vision and mission in Internal Audit Charter that also explained Internal Audit scope of activity, purpose, ethics, authority and accountability. To support its independent and objective role, the Internal Audit has unfettered access to any of the Bank's premises, assets and documentation, and can directly communicate with the Board of Commissioners or through the Audit Committee. In performing its operational activities, Internal Audit is guided by Internal Audit Policy, Procedures, and Methodology.

The Implementation of Compliance, Internal Audit, and External Audit Functions

Structure of Internal Audit Function

UOBI Internal Audit organisation structure is led by Internal Audit Head with oversight of 5 (five) divisions, namely Wholesale Banking and Global Markets Audit; Corporate Functions Audit; Retail Funding, Branches and Digital Bank Audit; Technology Audit and Innovation; and Retail Lending and Professional Practices Audit. Internal Audit Head reports directly to the President Director and functionally to Board of Commissioners through Audit Committee.



Head of Internal Audit

Imbang Perdana Satryawan
Head of Internal Audit

Imbang Perdana Satryawan, 45 years old, an Indonesian citizen. Appointed as Head of Internal Audit since January 2022 pursuant to the appointment letter No. 22/SKDIR/0007 dated 27 January 2022. He has more than 21 years of experience in financial industry. Prior to joining UOB Indonesia, He has worked in PT Bank BTPN as Deputy of Internal Audit Head and in PT Bank Sumitomo Mitsui Indonesia as Head of Internal Audit. He holds Master of Business Administration from Institut Teknologi Bandung, Bachelor's Degree in Accounting from Universitas Padjadjaran. He holds Certified Internal Auditor (CIA) and Certified Financial Crime Specialists (CFCS).

Duties and Responsibilities of Internal Audit Function

Internal Audit is responsible for performing risk-based audits covering all aspects in the first line and the second line including but not limited to structure, policy, framework, processes, system, products, and documentation, to provide independent assurance for the President Director, the Board of Commissioners, and the Audit Committee on the effectiveness governance oversight, risk management, and internal control implementation in the bank.

Internal Audit had applied a Risk-Based Approach in projecting annual Internal Audit plan and determining audit scope to prioritise areas with major concerns. On a periodic basis, Head ofInternal Audit meets with the Audit Committee, and discusses significant audit issues, audit project progress, audit issue status, and other significant matters. In order to maintain its work quality to adhere with the audit methodology and international standards for the professional practice of internal auditing, a quality assessment is conducted by Internal Audit Quality Assurance Function and independent quality assurance review by an external party once every 3 (three) years.

The Implementation of Compliance, Internal Audit, and External Audit Functions

Internal Audit Function Professional Qualification and Competency

As of December 2023, Internal Audit Team had 44 staffs with various educational background. The staff members hold Bachelor degrees and Master Degree mostly majoring in Economic, Management, Accounting, and Information Technology.

The majority of the Internal Audit staff also hold internal audit professional qualification and certification, including:

1. International Certification such as Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), Certified Public Accountant (CPA), Qualified Internal Auditor (QIA), Chartered Accountant (CA), Certified Bank Internal Auditor (CBIA), Certified Financial Crime Specialists (CFCS), Sertifikasi Information Technology Infrastructure Library (ITIL), Certified in Cybersecurity (CC), and ISO 27001.
2. Local Certification such as Bank's Internal Auditor from LSPP and Risk Management Certification.

Training of Internal Audit

In 2023, IA has initiated various programmes to develop auditor professional competency in relevant areas. The staff development programmes including Technology Trainings (Cyber Security Architecture, Digital Transformation, Web Design and Development), Data Analytics Trainings (SAS, Power BI, Machine Learning, Cyclone Robotic, Python), Operational and Business Trainings (ICAAP, Credit Modelling, Moodys Credit Risk Fundamentals, BlockChain, and Building Large Language Models for Business Application and multiple OJK Webinars), Audit Methodology and Process Audit Trainings (Report Writing, Effective Interviewing and Surprise Checking Techniques) and other relevant certifications programmes such as Certified Internal Auditor dan Certified Internal System Auditor.

Internal Audit Charter

In reference to OJK Regulation No. 1/POJK.03/2019 on the Implementation of Internal Audit Function in Commercial Banks and IIA (Institute of Internal Audit) Standard, Bank has established Internal Audit Charter No.22/SKDIR/0027, which contains the mission and scope, organisational structure and position, duties and responsibilities, authorities, code of ethics for Internal Audit, internal auditor requirements, SKAI accountability, and prohibition of assignments and positions of SKAI personnel from the implementation of the Bank's operational activities. The Internal Audit Charter also governs the criteria for use and coordination with external experts, SKAI requirements to maintain independence in carrying out consulting services or other special tasks, responsibilities and accountabilities of the Head of SKAI, SKAI's obligation to comply with the Professional Standards of Internal Auditing, restrictions on the use of external party services, restrictions on periodic assignments of SKAI personnel, and cooling-off periods for auditor and external parties. Latest update to Internal Audit Charter was conducted on 22 April 2022 and has been approved by President Director and the Board of Commissioners by considering Audit Committee's recommendation.

Disclosure of Internal Audit Practice in 2023

In 2023, Internal Audit (IA) has delivered its assigned roles and initiatives as follow:

a. IA has maintained its independence, objectivity, and professional due care during the course of audit plan implementation.
b. IA has effectively completed 28 audit projects under its annual strategic plan, covering Wholesale Banking and Global Markets, Corporate Functions, Retail Funding, Branches, Digital Bank, Retail Lending, Operations, IT and Support functions. IA also conducted evaluation on the six whistle-blowing cases reported through the whistle-blowing hotline.
c. IA continues to implement digital transformation plan through refined scripts and advanced Data Analytics ("DA") to automate some audit process and build risk dashboards. Use of DA automates the identification of control deficiencies for wider samples with greater speed, hence assisting IA to implement Continuous Auditing and perform regular Audit in more effective manner.

   Therefore, DA increases IA's ability to provide valuable insight to Country management and key stakeholders to assist in its risk management implementation.

The Implementation of Compliance, Internal Audit, and External Audit Functions

d. IA has established a monitoring process for audit issue resolution using a Governance, Risk and Compliance ("GRC") system. All Internal Audit findings have been conveyed to relevant management and rectification actions are completed timely and highlighted to the Board of Directors and the Audit Committee through audit reports and regular meetings. In 2023, Internal Audit attended monthly Board of Directors meetings and highlighted significant audit issues as well as the progress of corrective actions every quarter. In addition, Internal Audit held 4 (four) meetings with the Audit Committee in 2023 to discuss on the implementation of the internal audit function, including resources, audit processes and results.
e. IA reviewed and updated the Internal Audit procedures periodically to improve the efficiency and audit process.
f. Professional Practices Audit function conducted Quality Assurance on each Internal Audit project, to ensure that audit processes are conducted according to the established audit policy, procedure, and methodology. It also ensures the working papers are documented properly and supported with sufficient supporting evidence.
g. IA implemented the Competency Framework for Internal Audit staff to identify skill gaps within audit team and will continue to focus on training programme in areas of IT and Digitalisation skill, Data Analytics, Audit techniques skill, leadership skill, and other relevant soft skill.
h. IA has initiated the Internal Audit Development Programme aimed to help new graduates build a board spectrum of auditing skills through rotations in different audit divisions and to help IA identify and nurture talent within the function.

C. The Implementation of External Audit Function

With the approval of shareholders at the AGM and recommendation from the Audit Committee through the Board of Commissioners, the Bank had appointed a Public Accounting Firm registered with Financial Services Authority, namely Purwantono, Sungkoro & Surja, in which has "BIG 4" qualification and experience in conducting audits of several major banks in Indonesia. In addition, the legality of its appointment and agreement has complied with the applicable regulation.

Public Accounting Firm Purwantono, Sungkoro & Surja has met specified targets and performed the audit independently, and has also met the Public Accountant professional standards and audit scope as specified in prevailing regulations and as stated in the Engagement Letter between the Public Accounting Firm and the Bank.

Public Accounting Firm Purwantono, Sungkoro & Surja, according to Financial Services Authority (OJK) Regulation No.9 Year 2023 on Use of Public Accountant and Public Accounting Firm in Financial Services Activities, has engaged in communication with OJK to request information on the condition of the Bank, as well as provide information on the audit process from beginning to end.

The Implementation of Risk Management Including Internal Control System

For further details about the implementation of risk management including internal control system, please see on page 214-235.

In regards with Statement of the Board of Directors and/or Board of Commisionners regarding Adequacy of Internal Control System, please refer to section Internal Control System on page 217 also Statement of the Board of Directors and/or Board of Commisionners regarding Adequacy of Risk Management System please refer to section Risk Management System Implementation on page 234.

Lending to Related Party and Large Exposure

The Bank has policies on and procedures for Legal Lending Limits and lending to related parties and large exposures as part of its prudential principles.

The following are loans to related parties and large exposures as of 31 December 2023 described in the following table:

(in IDR million)

No.	Lending	Total	
		Debtor	Nominal
1	Individual		
	(1) Related Parties	151	2,091,198
	(2) 20 (twenty) Borrowers other than Related Parties	20	38,340,349
2	To Core Debtors		
	a). Individual	-	-
	b). Group *)	12	20,205,925

*) after implementing MRK technique

1. Individual Outstanding:
   (1) All Fund Provisions to Related Parties (whether taken into account or excluded in LLL calculations).
   (2) Provision of funds to 20 Group (twenty) Borrowers other than Related Parties who obtain the largest amount of Provision of Funds without taking into account the percentage of the amount of Provision of Funds to Core Capital (tier 1) of the Bank.
2. Large Exposure:
   Provision of Funds of 10% (ten per cent) or more of the Bank's Core Capital (tier 1) to other than Related Parties, before and after implementing MRK Techniques.

Bank's Strategic Plan

In order to improve Good Corporate Governance and to comply with regulator provisions, the Bank proposed a Business Plan detailing the Bank's business activities in the short-term, medium-term and long-term so that the direction of the Bank's policies and strategic objectives follow proper planning, are prudent and abide by sound banking principles.

The Business Plan took into consideration global and domestic economic development as well as the Bank's vision and values. The Bank further articulated its strategic plan into long, medium, and short-term plans with the overall aspiration to achieve sustainable growth.

The Bank has defined its long-term focus strategy:

1. **Personalisation**
   Solutions that are personalised to every retail segments, an app that is build around our customers and advisory centered on all that matters.

2. **Connectivity**
   Comprehensive network for doing business with, and within, ASEAN. Turn to the One Bank for ASEAN, and access growth opportunities in the region, and beyond.

3. **Sustainability**
   Supporting sustainable business to support Indonesia Government goal to reach Net Zero by 2060 through development and offering of sustainability product which include but not limited to Circular Economy, Green and Sustainable Trade Finance, Transition Finance and Smart City.

The Bank's Long-Term Plan will be focused on development and refinement of its key competitive advantages in the region.

1. Constant refinement of risk frameworks, policies, guidelines, and procedures aligned with the evolving industry landscape, and regularly communicating them to cultivate strong risk awareness culture across functions;
2. Strengthen the Bank's balance sheet and capital management through various corporate actions;
3. Remain on the course towards ESG values through promotion of sustainable financing and other corporate practices;
4. Explore various potential opportunities for commercial partnerships and synergy;
5. Develop People Engagement strategy to shape the right behavior and instill long-term pride to be part of UOB;
6. Develop future-ready talents through cross learning and knowledge transfer, leveraging UOB regional footprint;
7. Revitalise Brand positioning in the National and Regional space, followed by comprehensive improvement in customer value propositions across the Bank;
8. Continuous development of key Cash, Trade Finance, and Treasuries Capabilities to improve quality of revenue by delivering institutional customers' needs;
9. Develop deeper understanding and intricacies of the financial supply chain within each unique industry ecosystem to provide the best solution and service for customers;
10. Develop a variety of solutions in the Treasury space to answer increasing needs from the retail customers.
11. Continuous development for Centre of Excellence for Indonesian Rupiah;
12. Develop foundational capabilities to provide excellent customer experience for different customer segments: Mass Market, Wealth Banking, and Privilege Banking; and
13. Development of products and services suites around key focus demographic of Upwardly Mobile, Young Demographic.

Within the principles outline in the long-term plan, the Bank's short-to-medium-term plans will aim to sustainability grow return. The Bank will continue to maintain solid liquidity and balance sheet, robust asset quality, improved productivity, and take steps to remain well-capitalised in the execution of its business. Furthermore, bank will focus on stabilisation of Citi Branch Consumer Banking portfolio in Retail Banking post acquisition to accelerate business scalability.

Shareholders Aspect

The Bank already has a dividend policy as stipulated in the Bank's Articles of Association and internal Circular Letter. The summary of Bank's Articles of Association also available on the Bank's website accessible by public.

Transparency of Bank's Financial and Non Financial Condition Not Yet Disclosed in Other Reports

The Bank has fulfilled the principle of transparency in providing financial and non-financial information to the public in a timely, complete, accurate, up to date, and comprehensive manner.

Share Ownership and Financial and Family Relationships of Members of the Board of Commissioners and Board of Directors with Fellow Members of the Board of Commissioners, Board of Directors and/or the Controlling Shareholders of the Bank

A. Shares Ownership of Board of Commissioners and Board of Directors

No.	Name	Position in PT Bank UOB Indonesia	Company Name (domestic & overseas)	Ownership Persentage per 31 December 2023 (%)
Board of Commissioners				
1	Wee Ee Cheong	President Commissioner	C Y Wee & Company Pte Ltd	30.00
			E.C. Wee Pte Ltd	98.00
			Eastern Century Limited	10.40
			Kheng Leong Company Pte Ltd	23.67
			Phoebus Singapore Holdings Pte Ltd	27.67
			Portfolio Nominees Ltd	26.01
			Supreme Island Corporation	26.00
			UIP Holdings Ltd	10.00
			Wee Investments (Pte) Ltd	26.01
2	Chin Voon Fat	Deputy President Commissioner	NIL	
3	Chan Kok Seong	Commissioner	NIL	
4	Wayan Alit Antara	Independent Commissioner	NIL	
5	VJH Boentaran Lesmana	Independent Commissioner	NIL	
Board of Directors				
1	Hendra Gunawan	President Director	NIL	
2	Teh Han Yi	Finance & Corporate Services Director	NIL	
3	Paul Rafiuly	Technology & Operations Director	NIL	
4	Harapman Kasan	Wholesale Banking Director	NIL	
5	Sonny Samuel	Global Markets Director	NIL	
6	Ardhi Wibowo	Compliance, Legal & Corporate Secretary Director	NIL	
7	Choi Yau Chi	Strategic Business Development, Retail & Channels Transformation Director	NIL	
8	Henry Santoso	Risk Management Director	NIL	

B. Financial and Family Relationships of Members of the Board of Commissioners and Board of Directors with Fellow Members of the Board of Commissioners, Board of Directors and/or the Controlling Shareholders of the Bank

Board of Commissioners and Board of Directors	Family Relation With						Financial Relation With						Remarks
	Board of Commissioners		Board of Directors		Controlling Shareholders		Board of Commissioners		Board of Directors		Controlling Shareholders		
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	
Wee Ee Cheong	-	-	-	-	√	-	-	-	-	-	√	-	Deputy Chairman and CEO United Overseas Bank Limited, Singapore
Chin Voon Fat	-	-	-	-	-	-	-	-	-	-	√	-	Head of Group Wholesale and Markets United Overseas Bank Limited, Singapore
Chan Kok Seong	-	-	-	-	-	-	-	-	-	-	√	-	Group Chief Risk Officer United Overseas Bank Limited, Singapore
Wayan Alit Antara	-	-	-	-	-	-	-	-	-	-	-	-	None
VJH Boentaran Lesmana	-	-	-	-	-	-	-	-	-	-	-	-	None
Hendra Gunawan	-	-	-	-	-	-	-	-	-	-	-	-	None
Teh Han Yi	-	-	-	-	-	-	-	-	-	-	-	-	None
Paul Rafiuly	-	-	-	-	-	-	-	-	-	-	-	-	None
Harapman Kasan	-	-	-	-	-	-	-	-	-	-	-	-	None
Sonny Samuel	-	-	-	-	-	-	-	-	-	-	-	-	None
Ardhi Wibowo	-	-	-	-	-	-	-	-	-	-	-	-	None
Choi Yau Chi	-	-	-	-	-	-	-	-	-	-	-	-	None
Henry Santoso	-	-	-	-	-	-	-	-	-	-	-	-	None

Disclosure of Remuneration Policy

Remuneration Policy [GRI 2-19]

The Bank's Remuneration Policies and Structure (Remuneration Policy) were reviewed and approved by the Board of Commissioners, as stated in the Board of Directors' Decree No.22/SKDIR/0043 dated 14 June 2022. The Remuneration Policy was devised to support the development of organisational capability which takes into consideration of cultivation of an appropriate risk culture and providing flexibility to respond to dynamic business needs.

Scope of Remuneration Policy

The Remuneration Policy has taken effect and has been implemented in every business unit and region in Indonesia.

Determining the Variable Pay Pool [GRI 2-20]

The variable pay pool takes into account productivity and Country's performance which are based on financial and non-financial metrics as well as key risks that could have material impact to the business activities, which are aligned to OJK Regulation relating to the implementation of risk management for commercial banks. There are eight key risks – i.e., credit, market, liquidity, operational, legal, reputational, strategic and compliance risk.

Employees in control functions, currently comprising Risk Management, Audit, Credit and Compliance, are compensated independently from the performance of any business lines or business units that they oversee or audit. This is to avoid any potential conflict of interest.

Performance Measurement Associated with Remuneration

Business unit heads reward employees for their individual performance. Employees are assessed based on employee's performance objectives, competency behaviors and behaviors with respect to the UOB values. This balances the quantitative achievement of key performance indicators with the behaviors that employees are expected to uphold in achieving their objectives. In general, employees who have exceeded performance expectations would be awarded relatively higher Total Compensation. Conversely, employees who do not meet the performance expectations for the year may not receive variable pay. The overall performance rating and Total Compensation awards are also reviewed by HR Committee Panel.

Remuneration Adjustment Associated with Performance and Risk

The Bank's variable pay deferral applies to senior employees and Material Risk Takers (MRTs). MRTs are presently comprised of employees with significant organisational responsibilities that have a material impact on the Bank's performance and risk profile, and employees with high-risk mandates in the form of risk-weighted assets, trading limits and trading sales budgets and employees who receive certain threshold of Variable Remuneration. In 2023 Financial Year, 24 MRTs were identified, comprising Board of Directors of the Bank, some key positions and key appointment holders.

The objectives of the deferral policy are to:

- Align compensation payment schedules with the time horizon of risks;
- Align the interests of employees with the long-term interests of shareholders and the Bank;
- Retain employees of the Bank whose contributions are essential to the long-term growth and profitability of the Bank; and
- Deliver compensation in a manner that drives the long-term performance of the Bank.

Up to 40 per cent of variable pay is subject to deferral, with the proportion of deferral increasing with the amount of variable pay received. Deferral awards will vest over 3 (three) years.

Vesting of deferred compensation is subject to malus and clawback. Malus of unvested compensation and clawback of paid compensation will be triggered by conduct constituting, causing or contributing to, inter alia:

- Material violation of risk limits;
- Financial losses or adverse change in risk profile;
- Material restatement of financial results; or
- Misconduct, malfeasance or fraud.

Employees must refrain from using personal hedging strategies or compensation-and-liability-related insurance to protect against, and/or to compensate for:

- Any adjustments, reduction or loss in variable pay.
- The forfeiture of unvested and/or deferred variable pay awards.
- Potential clawback of vested awards.

External Consultant

In establishing the remuneration policy, the Bank did not engage any external consultant services.

Remuneration Package/Policy and Other Benefits for Board of Commissioners and Board of Directors

A. Type of Remuneration and Other Benefits for Board of Commissioners and Board of Directors

(in IDR million)

Type of Remuneration and Other Benefits	Total Received in 1 (one) Year			
	Board of Commissioners		Board of Directors	
	Person	Total	Person	Total
Remuneration (salary, bonus, routine allowance, tantiem, and other facilities in the form of cash)	6	6,185	8	37,406
Other benefits in kind (including housing, transportation, and health insurance) which:	-	-	-	-
• Can be owned	-	-	-	-
• Cannot be owned	-	-	8	1,681

B. Description of Remuneration Package for Receiver Group

Total Remuneration Per Person In 1 (One) Year*)	Board of Commissioners	Board of Directors
Above IDR2 Billion	2	8
Above IDR1 Billion up to IDR2 Billion	1	-
Above IDR500 million up to IDR1 Billion	-	-
Under IDR500 million	3	-

C. Variable Remuneration

Aligned with the Remuneration Policy and Structure established, variable remuneration for the Board of Commissioners and Board of Directors includes bonus in cash.

Number of Directors, Commissioners and employees who received variable remuneration in 1 (one) year and the total amount can be seen in the following table.

(in IDR million)

Variable Remuneration	Total Received in 1 (one) Year					
	Board of Commissioners		Board of Directors		Employee	
	Person	Total	Person	Total	Person	Total
Total	3	1,320	8	48,371	2,622	310,570

Remuneration Package/Policy and Other Benefits for Board of Commissioners and Board of Directors

D. Position and Number of Material Risk Takers

No.	Position	Number of Person
1	Board of Commissioners	-
2	Board of Directors	8
3	Employees	16

E. Share Options

During 2023, the Bank did not grant Share Options to Commissioners, Board of Directors or Employees.

F. Highest and Lowest Salary Ratio [GRI 2-21]

Description	Ratio	
	2022	2023
Ratio of the highest and lowest salary of the employees	1 : 105	1 : 137
Ratio of the highest and lowest salary of the Board of Directors	1 : 1.75	1 : 1.57
Ratio of the highest and lowest salary of the Board of Commissioners	1 : 1	1 : 1
Ratio of the highest salary of the Board of Directors and highest salary of the employee	1 : 1.37	1 : 1.38

G. Number of Recipient and Total Amount of Unconditional Variable Remuneration Provided by the Bank to Candidates of the Board of Directors, Candidates of the Board of Commissioners and/or Employee Candidates for the first 1 (one) Year of Work

(in IDR million)

Unconditional Variable Remuneration	Total Received in 1 (one) Year					
	Board of Commissioners		Board of Directors		Employee	
	Person	Total	Person	Total	Person	Total
Total	-	-	-	-	-	-

H. Service Terminationed and Total Amount of Severance Paid

Total Severance Paid per Person in 1 (one) Year	Number of Employee
Above IDR1 billion	-
Between IDR500 million until IDR1 billion	-
IDR500 million below	-
Nil	-

Remuneration Package/Policy and Other Benefits for Board of Commissioners and Board of Directors

I. Total Amount of Deferred Variable Remuneration which Consist of Cash

(in IDR million)

Deferred Variable Remuneration	Board of Commissioners		Board of Directors		Employee	
	Person	Total	Person	Total	Person	Total
Total	-	-	8	20,507	15	15,984

J. Number of Recipient and Total Variable Remuneration with Deferred Payment for 1 (one) Year

(in IDR million)

Deferred Variable Remuneration	Board of Commissioners		Board of Directors		Employee	
	Person	Total	Person	Total	Person	Total
Total	-	-	7	11,512	9	10,650

K. Detail Amount of Remuneration Provided in 1 (one) Year

(in IDR million)

Fixed Remuneration*)		
1. Cash	77,918	
2. Shares/Shares-based Instruments Issued by the Bank	-	
Variable Remuneration*)		
	Not Deferred	Deferred
1. Cash	55,599	36,491
2. Shares/Shares-based Instruments Issued by the Bank	-	-

*) Only for MRT in million Rupiah

L. Quantitative Information

Type of Variable Remuneration*)	Remaining Deferred Amount	Total Deductions during Reporting Period		
		Due to Explicit Adjustment (A)	Due to Implicit Adjustment (B)	Total (A)+(B)
Cash	56,014	-	-	-
Shares/Shares-based Instruments Issued by the Bank	-	-	-	-

*) Only for MRT in million Rupiah

Number of Internal Fraud Cases and Bank's Effort to Settle the Cases

The number of internal fraud cases in 2023 with financial impact higher than IDR100,000,000 (one hundred million Rupiah) is shown in the table below.

Internal Fraud within 1 (one) Year	Total Cases Conducted By					
	Board of Directors' Member & Board of Commisioners' Member		Permanent Employee		Non Permanent Employee and Outsourcing Staff	
	Previous year (2022)	Current year (2023)	Previous year (2022)	Current year (2023)	Previous year (2022)	Current year (2023)
Total number of fraud case	0	0	0	0	0	0
Has been settled	0	0	0	0	0	0
In settlement process in internal Bank	0	0	0	0	0	0
Settlement has not yet been attempted	0	0	0	0	0	0
Has been followed up through legal process	0	0	0	0	0	0

Number of Legal Cases and Bank's Effort to Settle the Cases

The legal cases involving the Bank as at 31 December 2023 are detailed in the table below:

Legal Cases	Number of Cases		
	Civil Law		Criminal Law
	Bank UOB Indonesia as plaintiff	Bank UOB Indonesia as defendant	
Settled (final and binding)	1	8	3
In settlement process	3	116	6
Total	4	124	9

Legal Cases Faced by the Bank, Board of Commissioners and Board of Directors

Throughout 2023, there was 1 legal case with material impact toward the Bank during 2023. The said legal case was a case between the Bank and a customer where the Customer sued the Bank with a nominal claim of compensation amounting to IDR61.9 billion on the counterfeit time deposit certificate, where in the court, it has a permanent legal force. It was proven that the Customer's claim was baseless and up to the cassation level, the Court has rejected the Customer's claim and win the Bank.

There were no important cases faced by the members of the Board of Commissioners and/or Board of Directors.

Administrative Penalties

In 2023, there was no significant administrative penalties. Most of the penalties imposed were caused by administrative errors. The Bank has followed up on improvement actions in reporting, as well as the risk mitigation such as by conducting training and improving systems and controls.

Transactions Involving Conflict of Interest

In 2023, there were no transactions within the Bank that can be classified as conflict-of-interest transactions.

Bank's Share and Bond Buybacks

In 2023, the Bank did not perform any share or bond buyback.

Donation for Social and Political Activities During the Period of 2023

The Bank believes in its ability to actively develop a better environment by participating in various activities to develop the community. Below are the Bank's community activities in 2023:

Category	Type of Activity	Description	Total Fund (in IDR million)
Social and Community Relations	UOB Heartbeat Virtual Run/Walk	UOB Indonesia employees raised funds by collecting kilometer through the UOB Heartbeat virtual run/walk programme and donated laptops, hearing aids and basic needs to 4 Special Needs School (SLB) for deaf students orphanages in 4 regions/cities and Rosa Foundation.	255.00
	Ramadhan Activity Celebration	To celebrate Idul Fitri 1444 H, UOB Indonesia held a series of Ramadhan events with employees such as takjil, Ramadhan studies, going home together and halal bi halal as well as donations to orphanage foundations.	48.32
	Christmas Celebration Perayaan Natal	UOB Indonesia celebrated Christmas with employees and donated to orphanage foundation	98.97
	Qurban	Religious activity (Qurban) distributions to the local community	156.37
Financial Literacy	BB Customer Engagement	Building relationships with customers to provide solutions for MSME business development and investment solutions.	411.00
	UOB Internship	Increased knowledge of internship participants on Banking products.	4.00
	UOB Gateway to ASEAN 2023	Provision of professional information related to the latest local and global economic situation and condition.	5,000.00
	Transaction Banking Experience Center (TBEX)	Increased knowledge of corporate customers on of UOB Internet Banking features and the use of internet banking.	0
Art	Painting Competition	Discovered and supported new generations of artists through the 13th UOB Painting of the Year competition, while connecting them to opportunities on the international art stage.	620.00
Total Contribution			6,593.66

Code of Conduct

Code of Conduct

The Code of Conduct is the basis of the Bank's corporate governance framework which reflects the Bank's commitment to act fairly, properly and does not break the law. Management and employees, without exception, are committed to continue and enhance the implementation of corporate governance practices that promote moral and ethical principles appropriate to the Bank's Code of Conduct.

Coverage of Code of Conduct Implementation

All parties including the Board of Commissioners, Board of Directors, employees both working on a full-time and part-time basis, temporary employees such as trainees and interns and, where relevant, third party independent contractors, agents, agency staff, consultants, vendors and suppliers of goods and services must understand, comply with and implement the Code.

Main Points of the Code of Conduct

The Bank periodically reviews the Code of Conduct and disseminates to all employees and management for compliance. The Bank's Code of Conduct is outlined in 6 (six) components, namely:

1. **Responsibilities at the Workplace**
   The Bank is responsible for creating a conducive, healthy and non-discriminatory working environment. The Bank also provides regular training to all employees and assesses the effectiveness of training activities regularly. Additionally, the Bank manages all employees' personal data according to the stipulated Law and guided by UOB Privacy Notice (Employee).

2. **Responsibilities to the Customers and Other External Parties**
   The Code of Conduct contains provisions to act independently, professionally, objectively, to treat Customers fairly, prohibits employees from accepting any gift and entertainment where it may appear to others that business judgement has been compromised or conflicts with employees' duty, prohibits employees from accepting a gift of cash in connection with work, and requires employees to exercise appropriate business judgement when selecting third-party business associates or vendors. An employee may participate in political activities if he or she has obtained prior approval from his/her respective Country Function Head and Human Resources function.

3. **Responsibilities to the Bank**
   Employees are obliged to cooperate with authorised external and internal investigators, to safeguard the interests of the Bank in terms of intellectual property rights and the use of information technology assets, to ensure accurate records, to ensure proper records retention and proper handling and disposal of records, and are prohibited to influence other employees to leave the employment of the Bank or draw customers away from the Bank (non-solicitation).

4. **Confidentiality**
   Every employee shall protect the privacy of customers as well as the confidentiality of customers' data.

5. **External Investment and Activities**
   The Bank prohibits insider trading, avoids involvement in transactions that contain conflict of interest and prohibits any activities outside the Bank which directly or indirectly interfere with the performance of that employee and/or Bank.

6. **Legal Provisions and Other Major Compliance**
   The Bank's provisions prohibit any violation of the prevailing anti-trust law and require employees to comply with all prevailing laws and regulations.

Dissemination of Enforcement and Sanctions of Code of Conduct

Socialisation for the Bank's Code of Conduct starts from the time an employee joins the Bank, when he/she is required to read, understand and declare to indicate his/her compliance with the Bank's Code of Conduct. To ensure that the employee reads, understood and adhered to the provisions in the Bank's Code of Conduct on a continuous basis, Bank requires each employee to undergo annual e-Learning and make a declaration of such through a platform created by HR as refresher. The Bank also regularly update Code of Conduct which can be accessed through platform provided by HR.

As part of its enforcement actions, the Bank monitors the transactions of employees' account, monitors employees' change of behavior and uses vendor services to screen candidate's data and profile and conducts Financial Information Service System (SLIK) checking.

Employees are expected to uphold the Bank's Code of Conduct and apply its principles to their everyday actions.

Corporate Culture

The Bank has a unique culture and belief system used as a guiding principle in everything we do. The decisions and actions taken by the Bank are based on the values of being Honourable, Enterprising, United and Committed.

The values of the Bank are as follows:

- **Honourable** – We act prudently to fuel our customers' success. We maintain the highest professional and moral standards. We do what is right for you through discipline, clarity, and courage.
- **Enterprising** – We were built with an enterprising spirit. We demonstrate this today through thought leadership, keen insight and a forward-looking mindset.
- **United** – We work as a team to achieve individual and corporate goals through cooperation, mutual respect and loyalty.
- **Committed** – We are committed to build a better tomorrow. We are accountable for ensuring that UOB is a trusted source of stability, security and strength.

These values are embedded together with Bank's Purpose in Building Future of ASEAN and supported by UOB people philosophy in the area Care, Growth and Trust.

The Bank empowers its employees to make positive and meaningful differences in the things they do for stakeholders. The Bank is committed to foster an organisational culture that is inclusive, prudent, progressive, and high performing for employee to achieve their best.

The Bank's values are aimed at encouraging employees to continue to improve their standard of behavior and performance in serving its customers and is the foundation for a robust risk culture.

Whistle-blowing [GRI 2-16, 2-26]

In line with the high commitment to implement Good Corporate Governance, especially the principle of transparency which is carried out in full responsibility by Board of Directors of the Bank, the management expects all of the Bank's employee and external parties who cooperate with UOBI to take an active role in implementing the Whistle-blowing Policy by reporting any irregularities or wrongdoing or violations on both internal and external regulations undertaken by any of the Bank's staff in all the business lines, including the Board of Directors as well as external parties, without hesitation and fear.

The Bank takes preventive measures to combat practices that are against good corporate governance by acting upon the violations reported through whistle-blowing system. The system is expected to increase the participation of all employees and external parties to report violations.

A. Whistle-blowing Procedure

Whistle-blowing reports must be made with certainty that what is reported is indeed true and the whistle-blowers must be able to provide information and evidence that can be traced and acted upon.

Whistle-blowing reports can be submitted to direct supervisor, Head of Internal Audit, President Director, or to the Audit Committee Chairman through designated Whistle-blowing hotline channels e.g., email and telephone.

If the Whistle-blower is uncomfortable with reporting to direct supervisor or has allegations involving direct supervisor and Board of Directors, he can make the report directly to the Internal Audit Head or Audit Committee Chairman.

Whistle-blowing

B. Protection for Whistle-blower and Reported Party

- Safety: Employee members (including those who are asked to assist in the investigations) are assured that they will be protected from repercussions or victimisation as long as they made the report in good faith. Employee members who treat a whistle-blower unfairly will face disciplinary actions. On the other hand, the Bank may take disciplinary actions against an employee member who makes a frivolous or malicious report as a vendetta or for personal gain.
- Confidentiality: While the whistle-blower has the right to have his/her identity kept confidential, the Bank encourages him/her to disclose his/her identities when raising a concern or providing information. The identity of the whistle-blower and the information provided by the whistle-blower will be kept strictly confidential.

Exceptional circumstances in which the identity or the information provided by whistle-blower could not or would not be treated as strictest confidentiality include:

a. Where the Bank is under a legal obligation to disclose information provided;
b. Where the information is already in the public domain;
c. Where the information is given, on a strictly confidential basis to unit Legal/ an appointed external solicitor or an external auditor to obtain professional advice; and
d. Where the information is given to the police for criminal investigation.

If the Bank is faced with an exceptional circumstance above and has disclosed the identity of the whistle-blower or any information that could reasonably be expected to reveal his/her identity, the Bank shall make every reasonable effort to inform the whistle-blower of the disclosure.

However, if the Bank is faced with a circumstance not covered by the above, and where the identity of the whistle-blower has to be revealed, the investigator will not proceed unless consent is given by the whistle-blower.

C. Result of Whistle-blowing

During 2023, there were 6 (six) cases reported through the whistle-blowing hotline channels. All cases had been followed up, acted upon, and closed.

Implementation of Prevention of Corruption, Kickbacks, Fraud, Bribery and/or Gratification

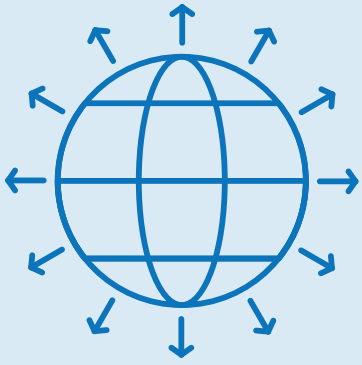
The Legal Function provides advisory support for compliance with anti-corruption and Integrated Fraud Management Function to support on Anti Fraud Strategy implementation. In order to prevent corrupt practices, kickbacks, fraud, bribery and/or gratification within the Bank, all Bank employees must sign Integrity Pact and Anti-Fraud Declaration as governed in the Bank's Anti-Fraud Policy. In addition, anti-corruption policies have been included as a part of the Code of Conduct and Code of Ethics for the Bank's employees. All of the Bank's employees must sign that code of ethics and within that code of ethics, the Bank's employees are prohibited from being involved in practices of bribery or corruption and the Bank also endeavours in communication and trainings via Fraud Awareness Programme e-learning and UK Bribery Act e-learning and with regards to cooperation with external third parties, it has been included in the cooperation agreements with them a clause on compliance with anti-corruption laws.

Internal Communications

The Bank uses various internal communications media to educate its employees about the banking industry, and to provide information on related business activities, policies, and the Bank's plan. The internal communications network consists of:

- **UOB Intranet Portal**
  An online intranet portal containing important information to support Bank's services and daily operations.
- **CEO's Message**
  Information about Bank's strategic plan and achievement, also congratulatory messages on religious and cultural activities presented by the President Director.
- **E-Learning**
  Conducted as a refreshment of implementing the Bank's policy information in which all UOB employees must participate in. The information provided includes policies on Know Your Customer, Anti-Money Laundering, IT Security Awareness, Fair Dealing, Insider Trading and other policies related to banking operations.
- **Daily News**
  Sent on a daily basis to all employees which containing news summaries associated to financial institution and UOB Indonesia coverage in various printed and online media.
- **HR News**
  Sent to all employees which containing information on policies related to human resources in the Bank's environment.
- **PFS News**
  Information related to promotional activities carried out by the Personal Financial Services (PFS) function on privilege banking, savings, time deposits, credit cards, housing loans and other internal events held by PFS.
- **TSB News**
  Information on activities conducted by Transaction Banking (TSB) Function.
- **Customer Experience & Advocacy (CEA) News**
  Routine publication featuring information associated to customers' service quality.
- **IT News**
  Information related to policies relating to the information and technology systems within the Bank's environment.
- **Risk Management**
  Information on risk management policies in the Bank.
- **Posters**
  Information related to the Bank's policies, and placed in staff's offices, both at head office and branches.
- **Screen Saver**
  The latest information about programmes related to the employees' personal development is provided in the form of a screen saver on the computers of employees.
- **Weekly Update**
  Summary of activites or information for one week.

Corporate Social Responsibility



UOB Indonesia is dedicated to helping customers to manage their personal and business financial, and in conducting the Bank's business activities, we are also committed in empowering the community where we operate. To this end, the Bank is actively participating in the community through Corporate Social Responsibility (CSR).

Our CSR programme under UOB Heartbeat focuses on arts, children, and education and continues to impact society. For more than 10 years in Indonesia, we have held various programmes that includes activities for the community ranging from education to children, such as learning through digital space in virtual learning spaces, education to teacher forums and appreciation of art through the UOB Painting the Year event, which has been running for more than 40 years in Asia and more than 10 years in Indonesia. UOB's contribution to the art stage encourages artists' spirit and creative thinking not only in Indonesia but also in Southeast Asia, along with empowering the next generation of talented Indonesian artists.

Our annual fundraising activity, the UOB Heartbeat Run/Walk, is held virtually with more than 2,500 colleagues participating. Collectively we raised more than IDR250 million in support of 4 Special Needs Schools for deaf students in 4 regions and Rosa Foundation.

Customer Protection

UOB Indonesia conducts its business in a responsible manner. We provide quality services to our customers and ensure their financial needs are met. Our Customer Service and Call Centre always supports every need relating to customer transactions. To ensure that the complaints and concerns of customers are well addressed, the Bank has implemented a policy for handling complaints and settling disputes with customers. Bank procedures in receiving customer complaints in a branch office or our business units and for the settlement of disputes are carried out in accordance with Indonesian laws and other regulations in accordance with Circular No. 23/CEA/0002 regarding Revised Guidelines for Acceptance and Settlement of Customer Complaints. Customers who want to give feedback on the services of the Bank can fill out a form at our branches. In addition, the Bank also provides information to customers about banking mediation through posters mounted on our branches and website UOB Indonesia (www.uob.co.id). The Bank's Call Centre is equipped with an automatic answering machine and call center agent service for 24 hours. The Call Centre handles customer questions regarding credit cards, savings and loans. We continually improve the quality of service, therefore the Bank regularly holds special development programme for the agents to increase their knowledge and ensure the delivery of accurate information to customers.

Table of Customer Complaint of 2023

No.	Types of Financial Transaction (Financial & Non Financial)	Resolved*)		In Progress*)		Unresolved*)		Number of Complaint
		Total	(%)	Total	(%)	Total	(%)	
1	Current Account	1	NA	0	NA	0	NA	1
2	Saving Account	6	NA	0	NA	0	NA	6
3	Time Deposits	3	100	0	0	0	0	3
4	Credit/Working Capital Financing	16	100	0	0	0	0	16
5	Home/Apartment Ownership Credit/ Financing	5	100	0	0	0	0	5
6	ATM/Debit Card	629	96.9	20	3.1	0	0	649
7	Credit Card	1,688	53.5	1,467	46.5	0	0	3,155
8	Direct Debit	0	NA	0	NA	0	NA	0
9	Standing Instruction	0	NA	0	NA	0	NA	0
10	Electronic Banking	4,770	97.9	104	2.1	0	0	4,874
11	Mutual Fund	0	NA	0	NA	0	NA	0
12	Bancassurance	1	100	0	0	0	0	1
13	Wealth Management	0	NA	0	NA	0	NA	0
14	Trade Finance	8	100	0	0.0	0	0	8
15	Derivative	0	NA	0	NA	0	NA	0
Total		7,127	81.8	1,591	18.2	0	0	8,718

*) As at 31 December 2023

General Conclusion of The Result of Self-Assessment of the Implementation of Good Corporate Governance at PT Bank UOB Indonesia

The Bank conducted a self-assessment of its implementation of Good Corporate Governance principles as of December 2023.

The Bank is rated by comparing its Good Corporate Governance implementation against the minimum criteria set by Financial Services Authority (OJK).

The Management is fully aware that the Bank should implement Good Corporate Governance to gain trust from customers as well as shareholders.

The Bank believes that Good Corporate Governance should be achieved based on with high standards in order to support business (for business growth, profitability, and value-added for all stakeholders) as well as to enhance its ability so that long-term business sustainability can be achieved.

In the GCG Self-Assessment in the 2nd Half of 2023, the Bank scored a composite rating of 2, which means that the Bank has achieved generally 'Good' GCG implementation. This is reflected through the adequate fulfilment of GCG principles.

Below is the result of GCG Self-Assessment viewed from the aspect of governance structure, governance process and governance outcome.

The Bank has conducted a self-assessment of the implementation of Good Corporate Governance principles for the period of January to December 2023. In general, the Good Corporate Governance principles have been applied to satisfy all assessment factors and has included aspects of governance structure, governance process and governance outcome adequately.

The Bank's organisational structure is made up of a Board of Commissioners, a Board of Directors and Committees, as well as work functions according to the Bank's needs and has complied with regulatory requirements. It is supported by a comprehensive set of policies and procedures, and management information system, as well as the provision of main duties and functions.

Aspects of the Governance Process has run well, which is reflected in:

- fulfillment of the duties and responsibilities of the Board of Commissioners, Board of Directors and Committees;
- the 3 lines mechanism which includes a risk taker unit (business/support unit) as the first line, a Risk Management Unit and a Compliance Unit as the second line, and an Internal Audit Unit as the third line; and
- implementation of periodic inspections by the Internal Audit and External Audit Units to ensure the effectiveness of the implementation of all policies, procedures and the Bank's management information system.

In general, the Bank has achieved good results in 2023, particularly in the aspect of:

- adequacy of report transparency;
- compliance with laws and regulations;
- customer protection;
- objectivity in performing assessment/audit;
- Bank performance (in earnings, efficiency, and capital); and
- improvement of compliance with prevailing provisions.

In terms of strategic plans, the Bank's performance by the end of 2023 is reflected in the following:

- Net Profit Before Tax (NPBT) reached IDR912 billion or 101.3 per cent from the target;
- Lending of IDR84,339 billion or 85.6 per cent of the target;
- Funding of IDR118,871 billion or 85.8 per cent from the target;
- Capital Adequacy Ratio (CAR) of 18.3 per cent, which is still above regulatory requirement; and
- Core capital ratio against Risk Weighted Asset (RWA) of 16.8 per cent.

Moreover, the Bank also supports the Government's initiative in realising economic independence by channeling credit to strategic domestic economic sectors such as: MSMEs, creative economy, tourism, infrastructure, maritime, agriculture, agribusiness, manufacturing and mining. Another government programme that the Bank has also implemented is the loan restructuring for customers affected by COVID-19.

General Conclusion of The Result of Self-Assessment of the Implementation of Good Corporate Governance at PT Bank UOB Indonesia

Based on the assessment results of the governance aspects, a few areas for enhancement have been identified as follows:

1) The composition of Independent Commissioners has not met the requirement 50 per cent of the total number of members of the Board of Commissioners due to the process of appointing replacement Independent Commissioner candidate has not been fully completed. The pending process is due to the resignation of the candidate as a Chairman of the Commissioner at the previous company which was a Non-Bank Financial Institution required approval from the OJK Capital Market Supervisory before holding a General Meeting of Shareholders.

   The appointment of new Independent Commissioner has been completed as of 30 January 2024.

2) Improvements are required in the Bank's internal control system, i.e., related to administrative sanctions imposed by regulators due to error in regulatory reporting, which was generally caused by human error and control function from supervisor that can be furtherly improved. In addition, based on results of Internal Audit inspection, there are still weaknesses in the operational processes that have potential violations of the Regulator's requirements.

   As a form of improvement and efforts to minimise regulatory penalties, the Bank has taken the following steps:

   - Imposed the Key Performance Indicator (KPI) deduction point penalty to reporting officer who makes the reporting error and related direct supervisor; and
   - Conducted regular socialisation and training, especially related to regulatory reporting to improve employee understanding.
   - Specifically, for SLIK reporting, the Bank has created a tool (script) to identify inaccurate data before the report is submitted, added fields in the system for certain mandatory information to reduce manual processes in preparing reports, created a metadata matrix as a guide in preparing reports, and improved coordinating with business units in submitting data to reporting units.

3) The consistency of control implementation in accordance with risk management policies and operational procedures needs to be improved. Thus, socialisation of policies related to risk management also needs to be continually carried out in line with business strategy developments, changes in internal and external factors, and employee turnover that occurs, so as to maintain consistency of implementation.

Risk Management

In UOB Indonesia, managing risk is an integral part of business strategy. The Bank's risk management approach focuses on ensuring continued financial soundness and safeguarding the interests of our stakeholders, while remaining nimble to seize value creating business opportunities in a fast-changing environment. The Bank continually strengthening risk management practices in support of Bank's strategic objectives. The Bank's aims to have risk management embedded as a culture to support sustainable, trustworthy and sound business growth.

UOB Indonesia believes that a strong risk culture is vital to the long-term sustainability of the Bank's business. Specifically, risk culture refers to the norms, attitudes and behaviours related to risk awareness, risk-taking and risk management, and controls that shape decisions on risks. At UOB Indonesia, risk culture is based on corporate's values. A strong risk culture ensures that decisions and actions consider and are focused on stakeholders, and that we are not distracted by unsustainable short-term gains.

The Bank's risk culture is built on 4 (four) principles, which are enforcing robust risk governance; balancing growth with stability; ensuring accountability for all risk-based decisions and actions; and encouraging awareness, engagement and consistent behavior in every employee. Each of these principles is based on Bank's distinctive set of values that guides every action the Bank takes. In entrenching risk culture further, the Bank upholds its commitment to financial safety and soundness; fair outcomes and appropriate support for Bank's customers; sustainable and prudent business approach and performance based on integrity, ethics and discipline.

Risk management is the responsibility of every employee within the Bank. Risk awareness and accountability are embedded in Bank's culture through an established framework that ensures appropriate oversight and accountability for the effective management of risk throughout the Bank and across risk types. This is executed through an organisational control structure according to "Three Lines Model" as follows:

1. First Line – The Risk Owner. The business and support functions own and have the primary responsibility for implementing and executing effective controls for the management of risks arising from their business activities. This includes establishing adequate managerial and supervisory controls to ensure compliance with approved risk policies, appetites, limits and controls and to highlight control breakdowns, inadequacy of processes and unexpected risk events.

2. Second Line – Risk Oversight. The risk and control oversight functions (Risk Management, Compliance, and Integrated Fraud Management) support Bank's strategy of balancing growth with stability by establishing risk frameworks, policies, appetites and limits within which the business functions must adhere to comply with in their operations. The risk and control oversight functions are also responsible for the independent review and monitoring of the Bank's risk profile and highlighting any significant vulnerabilities and risk issues to the respective management committees. The independence of risk and control oversight functions from business functions ensures the necessary checks and balances are in place.

3. Third Line – Independent Audit. The Bank's internal auditors conduct risk-based audits covering all aspects of the First and Second Lines to provide independent assurance to the President Director and Board of Commissioners through Audit Committee on the adequacy and effectiveness of our system of risk management and internal controls.

As governed in the regulatory provision, UOB Indonesia established an independent Risk Management Function, which reports to Risk Management Director.

Risk Management Function, actively reviews the overall risk appetite and risk limits for each type of risk, develops Risk Management policies and procedures in accordance with the business strategy of the Bank, and emphasises that the risk management process should also involve all relevant parties in the business lines. Hence, the Bank seeks to build a strong Risk Management culture through the implementation of various risk awareness campaigns coordinated by Risk Management Function.

Risk Management aims to improve the quality of managing UOB Indonesia through two aspects, which are to maintain capital and optimise returns in

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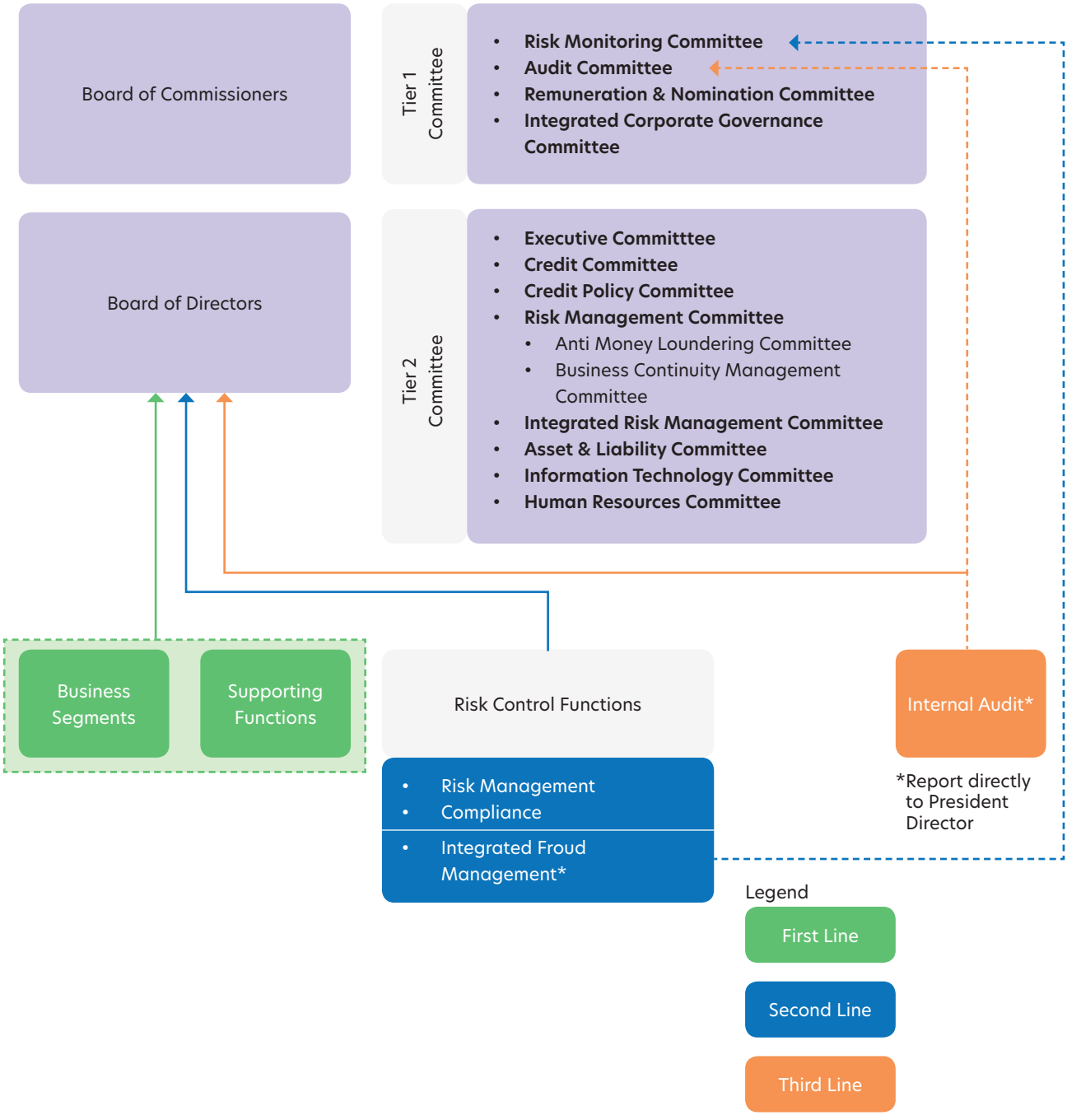
accordance with the risk appetite. Given the wide scale of operation and increase of business volume, UOB Indonesia continues to improve the quality of risk management in a comprehensive and integrated manner (Enterprise-wide Risk Management) through process of identification, measurement, monitoring and controlling risk exposures across all organisational lines promptly and accurately.

Risk Management Chart



Risk Management

A. General Risk Management Implementation

UOB Indonesia implements Risk Management framework which covered the implementation of four pillars of Risk Management in accordance with OJK Regulation No. 18/POJK.03/2016 regarding Risk Management Implementation for Commercial Banks which consists of:

1. Active supervision of the Board of Commissioners and Board of Directors;
2. Adequacy of policies, procedures, and limits;
3. Risk Management processes and Risk Management information system; and
4. Internal control system.

The brief explanations are as follows:

A.1 Active Supervision by Board of Commissioners and Board of Directors

Board of Commissioners and Board of Directors are responsible to ensure the adequacy of Risk Management implementation aligned with the characteristics, complexity, and risk profile of the Bank, and to have a good understanding of the types and levels of risks inherent in the business activities of UOB Indonesia.

UOB Indonesia has several committees at the Board of Commissioners level which consist of the Risk Monitoring Committee, the Remuneration and Nomination Committee, and the Audit Committee. In the process of supervision, the Risk Monitoring Committee conducts regular meetings with the Risk Management Function to oversee the implementation of the Risk Management Framework in UOB Indonesia.

Meanwhile at the Board of Directors level, UOB Indonesia has various committees such as the Risk Management Committee (RMC), the Asset and Liability Committee (ALCO), the Credit Policy Committee (CPC), and others. The duties and responsibilities of these committees are to review the adequacy of the Risk Management methodologies, policies, procedures and authorization of limits. These duties and responsibilities are documented in the Terms of Reference of each committee.

To support the Risk Management implementation, the Board of Directors determines clear qualification criteria for risk management personnel and ensures sufficiency of competent staff through recruitment and various programmes including continuous development and training, succession planning and job rotations. These ensure that officers and staff understand and manage risks in accordance with the Risk Management Framework.

A.2 Adequacy of Policy, Procedure, and Limit

UOB Indonesia establishes various Risk Management Frameworks, Policies and Procedures to identify measure, monitor and control risks. The Risk Management Function continues to develop and update these frameworks, policies, and procedures to align with the changes in UOB Indonesia's business activities and any regulatory requirements. The Bank also establishes Code of Conduct to convey to employees the expected standards of professional and ethical behaviour, and the implications of poor conduct.

UOB Indonesia reviews the risk appetite regularly in order to align with the changes of internal and external conditions of the Bank, management expectations, as well as the regulatory provisions. Risk limits have been in place for various risk types and in line with the Bank's risk appetite. All excess limits and any significant changes are escalated to the related Directors and officers for further action plans.

A.3 Risk Management Process and Risk Management Information System

UOB Indonesia implements Risk Management through 4 (four) stages which consist of:

1. Risk identification: conducted pro-actively, by analysing all sources of risk on the products and activities of the Bank, including ensuring the adequate process of identification and assessment of the inherent risks on new products and activities prior to its launch;

2. Risk measurement: conducted in regular basis to measure overall and individual risk factors and exposures on all products and business activities of Bank. Stress testing is conducted in regular basis to the overall Bank's portfolio to complement the risk measurement system through the estimation of Bank's potential loss under stress condition using certain scenarios that may adversely affect the Bank's exposure;
3. Risk monitoring: covers monitoring the level of risk exposure, risk tolerance, internal limit compliance, stress testing result, and consistency between the implementation and the established policies and procedures; and
4. Risk controlling: conducted through a framework of policies, processes, and procedures which include the determination of exposure and concentration limits, proper segregation of duties, control improvements, hedging mechanism and other risk mitigation methods such as guarantees issuance, asset securitization, and credit derivatives, as well as additional of capital of the Bank to absorb potential losses.

To support the overall Risk Management process, the Bank implements and develops a robust Risk Management information system in order to identify, measure, monitor, and control risks. The Risk Management Function also provides various reports of UOB Indonesia's Risk Management implementation to the Board of Directors and Senior Executive Officers, as well as regulators.

A.4 Internal Control System

An effective internal control system is performed towards the implementation of business and operational activities at all organisation levels to support the process of Risk Management Implementation based on the established policies and procedures which include:

1. Conduct segregation of duties between operational units with risk control units;
2. Assign an independent Risk Management Function, which is responsible in developing various Risk Management policies, limit, and develop risk measurement methodologies, as well as performing data/model validation;
3. Assign an independent Internal Audit Function, responsible in conducting periodic audits, document audit findings and management responses of the audit result, and also reviewing the follow up of audit findings; and
4. Review and monitor every transaction and functional activities that have risk exposures as necessary, which is performed by each unit.

Statement of the Board of Directors and/or Board of Commisionners regarding Adequacy of Internal Control System

The Board of Directors and/or Board of Commisionners declared that Bank's internal control system is adequate and has been effectively implemented in all material aspects for financial year end of 31 December 2023 and also adequate and effective to achieve Bank's business objective in complying with relevant regulation without compromising financial performance and reputation. The Board of Directors and/or Board of Commisionners also confirmed that in the review throughout the year, any gaps in internal control system have been corrected and managed appropriately. In addition, the Board of Directors and/or Board of Commissioners reiterated their responsibility and commitment to continue maintaining and reviewing the adequacy, effectiveness and integrity of the Bank's internal control system.

A.5 Integrated Risk Management

As stipulated in the OJK Regulation No. 17/POJK.03/2014 concerning the Implementation of Integrated Risk Management for Financial Conglomerate and OJK Regulation No. 45/POJK.03/2020 concerning Financial Conglomerate, the Bank performs integrated risk based supervisory on UOB Financial Conglomerate. United Overseas Bank Limited (UOB) has appointed the Bank as the Main Entity of the UOB Financial Conglomerates, which consists of PT Bank UOB Indonesia, PT UOB Asset Management Indonesia, and PT

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UOB Kay Hian Sekuritas. Hence, in addition to the implementation of risk management for solely to the Bank, Bank shall also conduct an integrated risk management for financial conglomerates. The integrated risk management implementation covers the following:

1. Supervision of Board of Directors and Board of Commissioners of the Main Entity;
2. Adequacy of Integrated Risk Management Policies, Procedures and Establishment of Limit;
3. Adequacy of Integrated Risk Management Process and Integrated Risk Management Information System; and
4. Internal Control System for Integrated Risk Management Implementation.

The Bank integratedly manages 9 (nine) type of risks, which comprise of credit, market, liquidity, operational, legal, compliance, strategic, reputational, and intra-group transaction risks. The Bank's integrated risk management does not include insurance risk because there is no insurance company within the financial conglomerate.

B.1 Credit Risk

Credit Risk is defined as the risk of loss arising from any failure by a debtor or a counterparty to meet its financial obligations when such obligations are due. It is the single largest risk that the Bank faces in its core business as a commercial bank, arising primarily from loans and other lending-related commitments to retail, corporate and institutional borrowers. Treasury and capital market operations, and investments also expose to counterparty and issuer credit risks. UOB Indonesia adopt a holistic approach towards assessing credit risk and ensures that managing credit risk is part of an integrated approach to enterprise risk management. A framework that clearly defines policies and processes relating to the identification, measurement and management of credit risk is integral to the management of credit risk.

The Bank continually monitors the operating environment to identify emerging risks and formulate appropriate mitigating measures.

Credit Risk Management Governance Structure

Board of Commissioners, Board of Directors, and Senior Executive Officers are responsible to ensure the following governance activities:

1. Ensure the adequacy of Risk Management resources;
2. Review the overall risk profile, limits and tolerance;
3. Review and approve risk measurement models and approaches; and
4. Approve Bank's credit policies, limits and methodologies.

To support the above responsibilities related to Credit Risk Management, UOB Indonesia has several committees at Director Level such as Credit Committee (CC) to give approval decision for credit proposal and Credit Policy Committee (CPC) to give approval for credit policies in UOB Indonesia and monitor any credit issue related to policy implementation.

Credit Risk Management (CRM) Division

CRM Division develops various core policies and guidelines related to credit activities, and responsible to report and conduct analysis of all elements of credit risk and also monitors and manages credit risk within the established framework. CRM Division actively engages with business and credit functions to manage credit issues, which focus in facilitating the prudent business developments, consistently and in accordance with the Credit Risk Management Framework. It aims to create added value for the Bank through the implementation of credit risk method and policies consistently.

Credit Risk Management Policies & Process

The Bank has established policies and processes to manage Credit Risk in the lending activities. In line with OJK Regulation regarding Implementation of Sustainable Financing, the Bank will also continue to implement and enhance its Environmental, Social, and Governance (ESG) policy for its lending activity. The Bank has in place a responsible financing policy which embedded in the General Credit policy, applies to lending activities for debtors in the Wholesale Banking segment, aimed at customers to conduct their business practices

in correlation with maintaining the environment and supporting long-term sustainable development.

Key areas of the Bank's credit policies and process covers:

1. **Credit Assessment and Approval**
   To maintain independency and integrity of the credit approval process, Credit Function is clearly segregated from Business functions. Approval of credit facilities and exposures to borrowers and/or other counterparties is in accordance to the credit discretionary limits framework approved by the Board of Commissioners. UOB Indonesia has established a structure for the delegation of Credit Discretionary Limits (CDL), which follows a stringent process that takes into consideration the experience, seniority and track record of the officer. Credit Risk Management Division acts as the custodian of the CDL structure to ensure that the CDL's are properly administered and reviewed. All officers involved in lending are guided by credit policies and guidelines which are periodically reviewed to ensure their continued relevance to the Bank's business strategy and the business environment.

2. **Counterparty Credit Risk**
   Unlike normal lending risk where the notional amount at risk can be determined with a high degree of certainty during the contractual period, counterparty credit risk exposure fluctuates with market variables. Counterparty credit risk is measured as the sum of current mark-to-market value and an appropriate add-on factor for Potential Future Exposure (PFE). The PFE factor is an estimate of the maximum credit exposure over the remaining life of the foreign exchange (FX)/derivative transaction and is used for limit-setting and internal risk management.

3. **Credit Concentration Risk**
   Credit concentration risk may arise from a single large exposure or from multiple exposures that are closely correlated. Bank manage such risks by setting exposure limits on obligor groups, portfolios, borrowers and industries, generally expressed as a percentage of the Bank's eligible capital base. Bank manage the credit risk exposures through a robust credit underwriting, structuring and monitoring process.

4. **Credit Stress Test**
   Credit stress-testing is a core component of the Bank's credit portfolio management process. Bank conduct stress test to assess if the Bank's capital can withstand credit portfolio losses resulting from stress scenarios and their impact on profitability and balance sheet quality. Stress tests also help the Bank to identify the vulnerability of various business units and would enable the Bank to formulate appropriate mitigating measures.

   In 2023, Bank has conducted stress test exercise to assess the capital adequacy resilience level and Bank's liquidity in responding to changes and shocks in macroeconomic conditions. On credit portfolio impacted by COVID-19, Bank also continues to conduct stress test/scenario analysis on its impact to the Bank asset quality, liquidity and capital. The Bank conducts stress tests exercises periodically as part of the Bank's risk management process.

5. **Credit Risk Mitigation**
   Bank's potential credit losses are mitigated through a variety of instrument such as collateral, derivatives and guarantees and netting arrangements. As a basic principle of credit activity, the Bank does not grant credit facilities solely based on the collateral provided. All requests for credit facilities are assessed based on the credit standing, source of repayment and debt servicing ability of the borrower.

   The Bank take Collateral whenever possible to mitigate the credit risk assumed and the value of the collateral is monitored periodically. The frequency of valuation

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depends on the type, liquidity, and volatility of the collateral value. The main types of collateral taken by the Bank are cash, marketable securities, real estate, and vehicles. Collateral and guarantor requirements are stipulated in credit policy.

Credit Risk Mitigation Techniques in accordance with the OJK Guidelines for calculating Risk Weighted Assets (RWA) using the Standardised Approach including Credit Risk Mitigation in the form of eligible financial collateral, guarantees and credit insurance. Currently, the Bank only uses eligible financial collateral in the calculation of RWA.

6. **Credit Risk Monitoring & Remedial Management**
   Having a good and strong credit risk monitoring is very important to ensure the Bank's investments/loan portfolios are protected to meet and adhere to regulatory requirement. Bank has established strong and robust loan monitoring framework including Early Detection, Watchlist guidelines, covenant monitoring and periodic review.

7. **Delinquency Monitoring**
   UOB Indonesia closely monitors the delinquency of borrowing accounts, as it is a key indicator of credit quality. An account is considered delinquent when payment has not been received by the payment due date. Any delinquent account, including a revolving credit facility (such as an overdraft) with limit excesses, is closely tracked and managed through a disciplined process by officers from business units and the credit and risk management function. Where appropriate, such accounts are also subject to more frequent credit reviews.

8. **Classification and Loan Loss Impairment**
   UOB Indonesia classifies its credit portfolios according to borrower's ability to repay the credit facility from their normal source of income. All borrowing accounts are categorised into Pass, Special Mention, or Non-Performing (Substandard, Doubtful, or Loss) in accordance with the regulatory provisions. Account grading must be supported by a credit assessment based on OJK's 3 (three) pillars i.e., the repayment capability, business prospect, and debtor's performance.

   Any account which is delinquent or past due (or in excess of the approval limit for a revolving credit facility such as an overdraft) for more than 90 (ninety) days will automatically be categorised as 'Non-Performing'. In addition, any account that exhibits weaknesses which are likely to adversely affect repayment on existing terms as supported by OJK 3 (three) pillars analysis may also be categorised as 'Non-Performing'.

   The Bank provides for Loan Impairment in accordance to the PSAK 71 requirements where loans are categorised into 3 (three) stages. Stage 1 represents the good loan, Stage 2 account representing the loan with significant increase in credit risk and Stage 3 representing the impaired or Non-Performing Loan.

9. **Retail Credit Management, Business Banking Credit Management and Special Asset Management**
   Retail Credit Management, Business Banking Credit Management and Special Asset Management monitor weak credits and manage non-performing assets in Retail Banking and Wholesale Banking. These units are separated from the loan origination units to ensure independency and objectivity in managing problematic loan.

10. **Write off Policy**
    A non-performing account is written off when the prospect of a recovery is considered poor or when all feasible avenues of recovery have been exhausted.

11. **Credit Exposures under Basel**
    UOB Indonesia currently uses the Standardised Approach to measure the RWA for Credit Risk.

In calculating the RWA for credit risk, the Bank refers to OJK Circular Letter No. 48/SEOJK.03/2017, OJK Circular Letter No. 11/SEOJK.03/2018 and OJK Circular Letter No. 24/SEOJK.03/2021 in applying risk weights for each particular asset classification or portfolio category. In the event there is a claim that requires a rating, the Bank uses a rating agency recognised by the regulator in accordance with the provisions of the recognised rating agency as stipulated in OJK Circular Letter No. 37/SEOJK.03/2016 concerning "Rating and Ranking Agencies recognised by OJK".

Disclosure of Net Receivables by Portfolio Category and Rating can be seen in the publication of the Bank's Annual Report.

B.2 Market Risk

Market Risk is the risk of loss arising from movements in market variables on the position held by UOB Indonesia which can result in losses for the Bank. Market variables that influence the position of the Bank are interest rates and exchange rates, including changes in the price of the option.

Market Risk Management Governance Structure

Market risk management is governed by Assets and Liabilities Committee (ALCO), which meets monthly to review and to provide direction on market risk matters.

ALCO is supported by Market Risk and Product Control (MRPC) Division. MRPC Division is an independent unit that is responsible to develop and maintain the market risk governance through Market Risk Management Policy in order to support the business growth and ensure the adequacy of risk control and oversight.

The roles and responsibilities on each level of the position related to the implementation of Market Risk Management is determined and tailored according to the purpose, business policy, size and complexity of the Bank. These roles and responsibilities are governed in the Market Risk Management Policy.

Market Risk Management Policy

The Bank established Market Risk Management policy as a guidance for Market Risk Management implementation. Market Risk Management Policy is reviewed at least annually to conform with business strategy, management directives and regulatory requirements, approved by ALCO.

Market Risk Management

The main responsibilities of Market Risk Management and Product Control Division are to identify, measure, monitor and to mitigate Market Risk, as well as to escalate any breach of market risk limits and mandates.

Bank employs valuation methodologies that are in line with sound market practices. In addition, the New Product process ensures that the market risk issues are identified and adequately addressed prior to launch.

The overall market risk appetite is balanced with Bank's targeted revenue and takes into account the capital positions. This ensures that the Bank remain well-capitalised, even under stress conditions. The risk appetite is translated into risk limits that are delegated to business units. These risk limits are set based on expected returns that are commensurate with the risks taken.

For the purposes of internal monitoring and reporting, market risk on a portfolio basis is measured and controlled based on internal models. The Bank adopts the Expected Shortfall (ES) using historical simulation approach to measure the potential loss at a 97.5 per cent confidence level (average of 7th worst losses) based on 300 days' historical price changes. ES estimation are back tested against profit and loss of trading book (actual and hypothetical profit & loss) as a verification process of the accuracy & robustness of the methodology. The back testing process analyses whether the exceptions are due to model deficiencies or market volatility.

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To complement the ES measure, Bank performs stress tests to identify the Bank's vulnerability to event risk. These tests serve to provide early warnings of plausible extreme losses.

Interest Rate Risk in the Banking Book

Interest Rate Risk in the Banking Book (IRRBB) is defined as the risk of potential loss of capital or reduction in earnings due to changes in interest rates environment.

Interest Rate Risk Management Governance Structure

ALCO is delegated by the Board of Directors to supervise the effectiveness of Interest Rate Risk Management governance. Balance Sheet Risk Management Unit supports ALCO in monitoring the profile of interest rate risk in the banking book. At the operational level, the Global Markets and Central Treasury Unit (CTU) Divisions are responsible for the effectiveness of the management of interest risk in the banking book tailored with the established interest rate risk management policy.

Interest Rate Risk Management Framework

The primary objective of interest rate risk management is to protect and enhance economic value of capital and maintain a stable and positive growth in net interest income through the management of the repricing gap in the balance sheet.

The banking book interest rate risk exposure is quantified on a monthly basis using simulation techniques. UOB Indonesia employs a holistic approach towards Balance Sheet Risk Management. Interest rate risk varies with different repricing periods, currencies, embedded options and interest rate basis. Embedded options may be in the form of loan prepayment and time deposit early withdrawal. In Economic Value of Equity (EVE) sensitivity simulations, the Bank computes the present values for repricing cash flows, with the focus on changes in EVE under different interest rate scenarios. This economic perspective measures interest rate risks across the full maturity profile of the balance sheet, including off-balance sheet items. The Bank estimates the potential impact of interest rate changes on Net Interest Income (NII) by simulating the possible future course of interest rates over time.

Interest rate scenarios used in simulations include the 6 (six) stress scenarios prescribed by OJK. The Bank also performs simulation regularly to determine the impact of interest rate movement to Bank's capital. Such tests are also performed to provide early warnings of potential extreme losses, facilitating the proactive management of interest rate risks in an environment of rapid financial market changes.

Interest Rate Risk in Banking Book Policy

The Bank established Interest Rate Risk in Banking Book Policy as a guidance for interest rate risk in banking book management implementation. Interest Rate Risk in Banking Book Policy is reviewed at least annually to conform with business strategy, management directives and regulatory requirements, approved by ALCO.

Market Risk Exposures under Basel

The Bank currently applies the Standardised Approach under OJK Regulation to measure the RWA for Market Risk. Where calculation incorporates all of the Bank's market risk exposures for on and off balance sheets, including derivatives and risk of price change in option instruments, consolidated under interest rates risk (general and specific) and foreign exchange risk.

B.3 Liquidity Risk

Liquidity Risk is defined as the risk arises from the Bank's inability to meet its obligations from cash flow funding sources and/or from high quality liquid asset that can be pledged without disrupting Bank's activities and financial condition.

Liquidity Risk Management Governance Structure

ALCO assists the Board of Directors in managing the Bank's Liquidity Risk. Liquidity Risk is consistently reported and discussed in the ALCO meeting, which is conducted regularly, at minimum once a month.

In addition, the trend of liquidity position is also presented in Risk Management Committee (RMC) meeting and to the Board of Commissioners through Risk Monitoring Committee (ROC) meeting. Analysis and control of Liquidity Risk is performed by Balance Sheet Risk Management Unit, responsible to monitor, measure, review, and report the Bank's Liquidity Risk and IRRBB. UOB Indonesia established the roles and responsibilities on each level of position which is related to the implementation of Balance Sheet Risk Management and tailored with the purpose, business policy, size and complexity of Bank. These roles and responsibilities are governed in the Liquidity Risk Management Policy.

Liquidity Risk Management Framework

Liquidity Risk arises because of discrepancy between the period of funding and disbursement of loan on UOB Indonesia business activities.

To mitigate the Liquidity Risk, the Bank established Liquidity Risk management policy, including the establishment of strategies and limits with appropriate risk level taken by the Bank.

UOB Indonesia strategies focus on the business development within the Liquidity Risk framework which is performed prudently, consistently and efficiently in order to balance the risk and returns.

The Bank manages the Liquidity Risk by using cash flow projection under 'business as usual', 'bankspecific crisis' and 'general market crisis' scenarios, and also by monitoring liquidity ratios as an early warning indicator. In addition, the Bank also monitors the stability of its 'core deposits' which consist of non-bank stable deposits such as current account, savings account, and fixed deposit by analysing their volatility overtime. Balance Sheet Risk Management Unit is responsible to develop, enhance, implement, monitor, and review, assumptions, methodologies, sources of data, delegation of authority, stress testing and procedures used to measure the Liquidity Risk.

Several strategic actions have been taken to manage Liquidity Risk. On the funding side, the Bank conducts an in-depth evaluation of its funding capacity focusing on funding sources, concentration, tenor, and access to other funding sources in the market. On the asset side, UOB Indonesia conducts analysis of the type and composition of asset such as loans, liquid asset and policies for financial instrument that covers the acceptable criteria for trading and investment assets. Updated information regarding financial market and economic condition are also critical in order to understand the amount of funding available from the market under normal and stress conditions. Furthermore, new product/transaction/activities that have exposure to Liquidity Risk are adequately reviewed and approved prior to its initiation.

The cash flow analysis of net funding requirement involves the preparation of cash flow mismatch based on actual contractual maturity. Contractual cash flow profile allocates asset, liabilities, and off balance sheet items into time band by remaining maturity. UOB Indonesia also produces cash flow mismatch report based on behavior assumption, related to behaviour analysis of asset, liabilities, and off balance sheet, and provides potential cash flow projection based on assumptions which

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derived from the behaviour patterns. From the behaviour cash flow analysis, the expected Net Cumulative Outflow (NCO) gaps that will be encountered are obtained.

The daily and monthly cash flow mismatch reports are produced and monitored by Balance Sheet Risk Management Unit by comparing the daily report position against NCO limit. Balance Sheet Risk Management Unit also ensures that the Bank is not exposed by Liquidity Risk and provides report to senior management for action that will be taken to mitigate and manage the Liquidity Risk.

UOB Indonesia performs calculation and monitoring of Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). Both ratios are above the regulatory requirement.

Liquidity Risk Management Policies

Liquidity Risk Management Policy is developed by Balance Sheet Risk Management Unit which provides details on how Liquidity Risk is effectively managed by UOB Indonesia. This policy aims to address the Liquidity Risks that might arise primarily from the business activities of extending loans, making investments, accepting deposits and other funding requirements on trading activities. This policy is reviewed at least annually to incorporate significant business changes, management objectives and regulatory requirements approved by ALCO.

Contingency Funding Plan

The Contingency Funding Plan (CFP) is a critical component of the liquidity management framework and serves as an extension of our operational or daily liquidity management policy. The CFP describes the actions that should be taken by UOB Indonesia in the event of a liquidity crisis, whether occurring in a bank specific or a general market. The CFP serves to identify and recognise a liquidity crisis, define the appropriate management responsibilities and responses during a crisis, rectify areas of concern and ensure that information flows remain timely and uninterrupted to facilitate quick, precise and effective decision making. The level of sophistication and detail of the plan would commensurate with the complexity, risk exposure, activities, products and organisational structure of the Bank, in order to determine the most relevant indicators for managing liquidity and funding. In addition, UOB Indonesia also established a Liquidity Task Force (LTF) that is responsible to evaluate liquidity position and decide actions to be taken when crisis occurs.

B.4 Operational Risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Such loss may be in the form of financial loss or other damage, for example, loss of reputation and public confidence that will impact our creditability and/or ability to transact, to maintain liquidity and/or to obtain new business. Primary objective of managing operational risk is to foster a sound reputation and operating environment.

Operational Risk Governance, Framework and Programmes

Operational risk is managed through a framework of policies and procedures by which business and support units properly identify, assess, monitor, mitigate and report their risks. The Risk Management Committee meets minimum 10 (ten) meetings per year to provide oversight of operational risk matters across the Bank.

The Operational Risk Governance structure adopts the Three Lines Model. The business and support units, as the First Line, are responsible for establishing a robust control environment as part of their day-to-day operations. Each business or support unit is responsible for implementing the operational risk framework and policies, embedding appropriate internal controls into processes and maintaining business resilience for key activities. Line Risk and Control Manager (LRCM) is the person in the First Line appointed by Business and Support Unit Heads to assist them implement operational risk management programmes.

Risk Management

The Operational Risk Management (ORM) Division, as the Second Line, provides overarching governance of operational risks through relevant framework, policies, procedures, programmes and system. It also monitors and reports significant operational risk matters to the relevant senior management committee and Board of Commissioners.

As part of promoting the risk culture, ORM Division facilitates trainings to the First Line in managing and exercising operational risk programmes and promoting greater risk ownership. In addition, a bankwide Risk Culture Award programme was also launched to further augment the importance of strong risk culture.

Internal Audit acts as Third Line by providing, through periodic audit reviews, an independent and objective assessment on the overall effectiveness of the risk governance framework and controls.

Risk Management Framework and Policies in managing operational risks include Operational Risk Management Framework and Policy, Technology Risk Management Framework and Policy, Third Party/Outsourcing Risk Management Policy, Product/Service Programme Policy, Insurance Management Policy, Reputational Risk Management Policy, and Business Continuity Management Policy. Key components of the Operational Risk Management Framework are risk identification and control self assessment. These are achieved through Bankwide implementation of a set of operational risk programmes such as Key Risk and Control Self-Assessment (KRCSA), Key Operational Risk Indicator (KORI), self-identified operational risks or Management Risk Awareness (MRA), incident reporting (IRF), outsourcing/third-party and product programme.

Technology Risk

Technology risk is defined as any potential adverse outcome, damage, loss, violation, failure or disruption arising from the use of or reliance on information and communication technologies. The governance of technology risk rests with Risk Management Committee (RMC), which facilitates a holistic oversight of operational risk matters across the Bank. Our technology risk management framework ensures that technology and cyber risks are managed in a systematic and consistent manner. The scope of technology risk management covers many aspects, including technology asset management, technology resiliency and the service continuity aspects of business continuity management, cybersecurity management and information security management.

Third Party/Outsourcing Risk

Third Party/Outsourcing Risk arises from transferring some activities to third party service provider through third party/outsourcing arrangements, where third party provides product or service to Bank or Bank's customers. The risk could result in adverse financial, operational, reputational, legal and compliance impact arising from the failure of a third party to provide the agreed product or service. The Bank establishes robust principles, requirements and governance in managing third party/outsourcing risk through Third Party/Outsourcing Risk Management Policy and Guidelines that sets out among others identification and risk assessment during initiation/planning, continuous monitoring and risk mitigation of the implementation of third party/outsourcing arrangement.

Business Continuity Management

UOB Indonesia has established and maintained Business Continuity Management (BCM) Policy and Guideline covering Business Impact Analysis (BIA), Operational Risk assessment, recovery for each type of disruption, documentation of disaster recovery and contingency plan, and evaluation of BCM programme effectiveness. This is to ensure prompt recovery of critical business and support units should there be unforeseen events.

Risk Management

In order to support and improve BCM readiness, several BCP exercises are conducted on a regular basis including BCP Exercises, Disaster Recovery Exercises for IT system and Management Call Tree Exercises.

Fraud Risk Management

UOB Indonesia defines fraud as:

1. An act, with an element to deceive or to conceal facts, and is not restricted to the gain of monetary or material benefits.
2. A deviating act or a purposeful neglect undertaken in order to deceive, cheat, or manipulate the Bank, customer, or another party, that occurs inside the Bank and/or using the Bank's facility so as to cause the Bank, customer, or another party to suffer a loss and/or to cause the fraudster to gain a benefit, both directly as well as indirectly.

This definition is in accordance to OJK Regulation No.39/POJK.03/2019 dated 19 December 2019. The above definitions are complementing one another. UOB Indonesia manages fraud risks actively. The corporate governance of fraud risk is provided by the Risk Monitoring Committee at Board of Commissioners level, and primarily by the Risk Management Committee at Management level. Our Integrated Fraud Management (IFM) Division, as the Second Line, drives strategy and governance and oversees the framework and policy of fraud risk management across the Bank.

All employees are required to comply with the UOB Code of Conduct, which has anti-bribery and anti-corruption provisions. The Bank's fraud hotline provides a safe channel to report suspected fraud and ensures independent fraud investigation by established investigating unit. IFM works closely with business and support units to strengthen their current practices across the 6 (six) pillars of Anti-Fraud Strategy which are prevention, detection, response, resolution, remediation and reporting.

B.5 Compliance Risk

Compliance Risk as stipulated in OJK is the risk arising due to the Bank's failure to comply with and/or implement the applicable laws and regulations.

For the Bank's internal purposes, Compliance Risk is defined as follows:

1. The risk of regulatory sanctions, financial loss, or damage to the Bank's reputation that may arise when the Bank fails to comply with laws, regulations, rules, standards or codes of conduct (established by industry associations) applicable to the Bank's business activities and operations;
2. The risk that a change in laws and regulations can increase the cost of operation and the cost of capital for the Bank thereby impacting the Bank's earnings or returns.

In addition, a key facet of Compliance Risk is Anti-Money Laundering, Countering the Financing of Terrorism and Sanctions compliance (AML/CFT/Sanctions), which is defined by the Bank as:

- The risk of AML and CFT regulatory breaches and violations of international sanctions that will damage the Bank's reputation as an established organisation with strong and robust AML/CFT and Sanctions regime. Additional risks include being cut off from the Bank's correspondent banking relationship and the US clearing system due to violations of unilateral sanctions regulations impacts the Bank's earnings and business opportunities; customers' confidence on UOB Indonesia Banking system where their funds are not co-mingled with illegal sources of funds and regulators' confidence on the integrity of the AML/CFT/Sanctions controls.
- In line with OJK Regulation No. 46/POJK.03/2017 concerning the Implementation of Compliance Function for Commercial Banks, the Bank is required to ensure the implementation of compliance function by creating compliance culture on all levels of organisation and to ensure that

all of the Bank's internal provisions and business activities are in compliance with the applicable laws and regulations.

Compliance Risk Management Governance Structure

Stakeholders involved in managing Compliance Risk are as follows:

1. Board of Commissioners
   a. Evaluate the implementation of the Bank's compliance function at least twice a year;
   b. Based on the evaluation results of compliance function implementation, the Board of Commissioners are to provide advice in order to improve the quality of compliance function implementation to President Director and copied to Director in charge of Compliance Function.

2. Board of Directors
   a. Responsible for establishing compliance risk management framework that contains the basic principles to be approved by the Board of Commissioners and explains the main processes by which compliance risks are to be identified and managed through all levels of the organisation;
   b. Approve the Compliance Charter as a basis for the Bank to implement compliance principles;
   c. Foster and embody the implementation of the Compliance Culture at all levels of the organisation and the Bank's business activities;
   d. Ensure the implementation of Bank's compliance function; and
   e. Responsible in overseeing the management of the Bank's compliance risk.

3. Senior Executive Officers
   a. Lead a strategic function at management level;
   b. Foster awareness of major aspects of Bank's compliance risks that should be explicitly managed;
   c. Ensure that the Bank can rely on a permanent and effective compliance function that is sufficiently resourced to carry out its role;
   d. Ensure that appropriate remedial or disciplinary action is taken if breaches are identified; and
   e. Ensure that the Compliance Charter, Compliance Guidance and other relevant frameworks/policies and guidelines/handbooks are observed.

4. Board of Directors' Committees
   The Committees are formed to assist the President Director and Board of Directors in making business decisions while balancing risks and returns. The Committees are responsible for reviewing and recommending the Bank's strategic direction, approving compliance risk management policies, overseeing the overall risk profile and monitoring the Bank's overall performance in accordance with their respective Terms of Reference.

5. Executive Officers
   a. Ensure the implementation of the compliance culture in all activities of its respective functions and/or branches and/or units;
   b. Ensure that preventive actions and corrective actions are properly implemented within its respective functions and/or branches and/or units towards potential/occurred breaches on the applicable regulations and/or legislations.

6. Director in charge of Compliance Function
   a. Formulates strategies to encourage the creation of the Bank's compliance culture;
   b. Proposes compliance policies or principles that will be set by the Board of Directors;
   c. Establishes compliance systems and procedures that will be used to formulate Bank's internal provisions and guidelines;

Risk Management

d. Ensures that all policies, provisions, systems and procedures, as well as business activities conducted by the Bank are in compliance with the applicable regulatory requirements and other legislations;
e. Identifies, manages, and coordinates regulatory compliance risks and provides oversight and functional Compliance leadership to manage/ minimise the Compliance Risk of the Bank;
f. Takes precautionary action to ensure that the policies and/or decisions taken by the Board of Directors of the Bank do not deviate from the applicable regulations and other legislations;
g. Submits reports to OJK, President Director and Board of Directors on the implementation of his/her duties with a copy sent to the Board of Commissioners; and
h. Carries out other duties that are related to Compliance Function, including to ensure that the Board of Directors and Senior Executive Officers are informed of significant compliance issues and plans for resolution.

7. Compliance Function
The Compliance Function is an independent function that has the following specific responsibilities:
a. Creates steps to support the creation of compliance culture in all business activities of the Bank at every level of organisation;
b. Conducts identification, measurement, monitoring, and control of Compliance Risk with reference to the Regulator's provision concerning the implementation of Risk Management for Commercial Banks;
c. Assesses and evaluates strictly, in collaboration with the Business and Support Units, the effectiveness, adequacy, and appropriateness of policies, provisions, systems and procedures that are owned by the Bank with the applicable regulations;
d. Conducts reviews and/or provides recommendation on updating and refinement of policies, regulations, systems and procedures that are owned by the Bank to comply with the applicable regulations and legislations;
e. Conducts efforts to ensure that the policies, provisions, systems and procedures, as well as the Bank's business activities are in compliance with the applicable regulations and legislations;
f. Fulfils the role of anti-money laundering function by ensuring the implementation of the entire monitoring system of transactions conducted by customers are in line with the guidelines, policies and procedures that have been stipulated so that the implementation of Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Programmes are able to run well and to prevent the Bank from regulatory sanctions;
g. Identifies, assesses and documents compliance risks associated with business activities of the Bank including new products, services, business practices and business operations and material changes to existing business and customer relationships;
h. Provides advice and informs developments related to applicable regulations and other provisions to Business and Support Units including the Board of Directors and Senior Executive Officers;
i. Facilitates Business and Support Units in the development of compliance manuals and guidelines containing the applicable regulations, other provisions and key business conduct for use by all officers and staffs of the Bank, where applicable;
j. Identifies and maintains an inventory of all applicable regulations and legislations with the support of internal/ external legal counsel when necessary;
k. Assists the Board of Directors and Senior Executive Officers in educating relevant staff members on compliance issues;

l. Provides advice, guidance and on-going training to staff members on appropriate implementation of the Bank's compliance framework which include policies, guidelines and procedures such as those contained in the Bank's Compliance Guidance, internal Code of Conduct and the Bank's internal guidelines;
m. Advises the Business and Support Units in the Bank and/or Board of Directors and Senior Executive Officers on Regulatory Obligations ("RO") that are listed in the Bank's regulatory risk assessments. This includes the provision of advice on the implications of regulatory changes;
n. Monitors, tests and reports compliance with relevant regulatory compliance risk management framework and internal policies/procedures to Senior Executive Officers and Board of Commissioners/ Board of Directors and, if required, to any regulatory authority. However, the responsibility for ensuring day-to-day compliance remains with Business and Support Units;
o. Makes enquiries into regulatory compliance incidents and complaints, and carrying out further investigations as appropriate;
p. Acts as the key liaison person with relevant internal and external parties, including Regulators, regarding Bank's compliance issues; and
q. Fulfils its responsibilities under the compliance plans developed in accordance with its compliance risk management framework including performing compliance review on a risk-based approach.

8. Risk Management Function
Risk Management, as stipulated in Risk Management Framework, identifies, assesses, measures, monitors, controls and reports the risks of the Bank and is responsible or developing and implementing the risk management frameworks/infrastructure, strategy, policies and processes to manage these risks.

9. Internal Audit Function
a. Internal Audit Function as the third line is empowered by the Board of Commissioners and President Director to assist Management in carrying out their legal and executive obligations by providing independent, objective assurance, and consulting services designed to add value and improve the Bank's operations. Internal Audit helps the Bank accomplish its objectives by bringing a disciplined, innovative, and systematic approach to evaluate the adequacy and improve the effectiveness of governance processes, risk management, and internal controls.
b. Internal Audit Function performs audits and provides the audit reports to President Director, Board of Commissioners, Audit Committee and related Management with a copy to Director in charge of Compliance Function and Risk Management Director. All correspondences with Regulator have also been forwarded to Director in charge of Compliance Function.

10. Legal Function
Responsible to provide and facilitate the provision of legal advice by referring to the applicable laws and regulations. Legal Function is also responsible to provide legal policies, procedures, guidelines and standards credit documents related to product or activities of the Bank.

11. Line Managers and Staff Members
a. Line Managers and Staff Members are ultimately responsible and accountable for compliance risk, including ensuring that all business activities are in compliance with applicable regulations and legislations and the Bank's policies;

Risk Management

b. Line Managers and Staff Members are required to understand this provisions and are responsible to ensure compliance with regulations and legislations, which include:
   - Organising and managing their business and support units in proper and professional manner in compliance with all applicable laws and regulations, as well as the Bank's policies;
   - Implementing compliance principles in their respective businesses and operational areas; and
   - Promptly report all incidents of non-compliance, whether actual and potential, to the Compliance Function.

Compliance Risk Management Framework

In order to strengthen internal control system framework of the Bank, especially for Compliance Function as the second line, the Bank established an organisational structure under Compliance Function, into 5 (five) units Compliance Assurance, Compliance Advisory and Monitoring, Consumer Compliance, Compliance Strategy & Governance, and AML/CFT and Sanctions. Strategies to implement the Bank's compliance function are through aspects of compliance function governance, compliance risk management, as well as the implementation of compliance culture.

The Bank's compliance function framework on the compliance risk governance aspects are reflected in the Compliance organisational structure which is independent from the business and other supporting units, where the Director in charge of Compliance Function reports directly to the President Director. This enables the Compliance Function to be managed independently.

In the aspect of Compliance Risk Management, Compliance Function plays a role in providing views/directions towards the fulfilment and/or implementation of laws, policies, regulations, standards or codes of conduct, monitoring compliance towards the fulfilment of the Bank's commitments and completion of corrective action plans arising from Regulatory Audit inspections and Bank's Internal Audit reviews, managing the imposition of penalty/fines from regulatory breaches, performing Compliance Review and others.

Moreover, in the aspect of compliance culture implementation, Compliance Function has stipulated and educated through the Compliance Code of Conduct as a basic reference for all employees in implementing values, actions, behaviours and actualisations of compliance principles.

Compliance Function and Operational Risk Management also perform monitoring and reporting of operational events related to Compliance Risk and Operational Risk respectively.

Compliance Risk Management Policies and Guidelines

One of the strategies for Compliance Risk Management is the establishment of Compliance Charter and Compliance Guidance as 2 (two) main policies and procedures in managing Compliance Risk. Both policies set out:

1. Compliance Framework
2. Compliance Code of Conduct
3. Compliance Review Procedure
4. Regulatory Risk Assessment (RRA)
5. Monitoring of Bank's commitment and follow-up on request from related Regulator procedure
6. Escalation and Reporting of Compliance Risk Incident Procedure

Compliance Charter and Compliance Guidance are reviewed annually to ensure an adequate and timely compliance function implementation in all level of the organisation, and thus facilitate the Bank to better harmonise between commercial interest and compliance towards applicable regulations. For such policy and procedure to be implemented effectively, the most fundamental aspect that must be in place is compliance culture, which drives the value, behaviour and action that supports the

Bank's compliance towards the applicable laws and regulations.

B.6 Strategic Risk

Strategic Risk is defined as risk due to improper setting and/or implementation of a strategic decision that has impact on Bank's profitability, and failure to anticipate any changes in business environment, such as changes in banking industry, turmoil in the national economy, and disruption in technological field.

Strategic Risk Management Governance Structure

Related parties involved in managing Strategic Risk are as follows:

1. The Board of Commissioners and the Board of Directors formulate and approve strategic plans and business plans that have been adjusted with the Bank's vision and strategic objectives, direct, monitor and evaluate the implementation of the Bank's strategic policies, including communicating it to all employees across all levels of the organisation;
2. The Risk Management Committee supports the Board of Directors in monitoring the Strategic Risk management implementation in the Bank, as well as providing information related to material risk exposures, issues and action plans;
3. Business and support functions monitor and manage Strategic Risk in their respective areas, and are responsible to ensure all material risks that arise from the business activities and implementation of strategy are reported in timely manner to the related Directors or Senior Executive Officers. Each work function is also responsible for ensuring that the target of its respective work function can be achieved well and in line with the Bank's overall target;
4. Risk Management Function, together with Finance Division, conducts evaluation on the realisation of Bank's Business Plan to support the adequacy of the strategic risk management information system; and
5. CEO Office Function supports the management of strategic risk and is responsible in translating the Bank's strategy into operational plans, monitoring the execution of operational plans, evaluating the progress from predetermined Balance Score Card, as well as highlighting areas that requires attention from the Management.

Strategic Risk Management Framework

UOB Indonesia adheres to prudent principles in all its business decisions so as to minimise and mitigate any risks involved. In managing Strategic Risk, the Bank constantly monitors the environment in which it operates, analyses the Bank's performance in relation to its competitors, including analysis on all available strategic alternatives after considering the strategic plans and risk tolerance of the Bank, observing economic dynamics that could have an impact on the banking industry, as well as changes in the business landscape driven by technological developments, and takes corrective actions to adjust its strategies and plans as appropriate. Implementation of strategic decisions and anticipation of changes in the business environment is carried out through a strategic risk management cycle with the main elements in the form of the application of vision and mission; setting objectives and strategic plans; target and business plan setting; as well as implementation, monitoring and evaluation of performance.

The Bank sets a strategic plan based on a proper and realistic manner, as well as considering the prudential principles and risk management implementation. The Bank's strategic plans are prepared by the Board of Directors, and upon approval of the Board of Commissioners, communicated to all employees of the Bank on each level of the organisation. Each Function Head is responsible to ensure the alignment of the annual work plans in their respective functions, with the work plan established by the Board of Directors.

On an ongoing basis, UOB Indonesia performs periodic reviews on the achievement of financial targets and strategy realisation. The reviews and evaluation coverage is adjusted

Risk Management

based on the development of the Bank's risk exposure, market changes, risk measurement and management methods. The Board of Commissioners and Board of Directors also conduct periodical review towards the Bank's achievement on financial targets and its realisation through various forum and meeting coordinations, such as Board of Directors meeting. All functions are also responsible for monitoring their respective Strategic Risks and reporting promptly to the related Directors and/or Senior Executive Officers on any potential issues or problems that have strategic implications on the Bank. All results of the review and related reports serve as input in order to improve the overall risk management framework and process.

Strategic Risk Management Policies

An effective implementation of Strategic Risk Management is supported with adequate policies and procedures, as well as risk limits which are aligned with the Bank's vision, mission and business strategy. The development of these policies and procedures is tailored with the type, complexity of business activity, risk profile and risk limit in accordance with regulations stipulated by Regulators and/or sound banking practices. The implementation of these policies and procedures is also supported with the adequacy of capital and quality of human resources.

With regards to the implementation of strategic risk management, internal control system is applied effectively towards the implementation of business activities and operations across all levels of the organisation by referring to the established policies and procedures. The internal control system is also carried out to ensure that the Bank can timely detect weaknesses and irregularities that occur in the process of implementing strategic management.

B.7 Legal Risk

Legal Risk are risks to the Bank's financial position, operations or reputation, arising out of:

1. existence of lawsuits involving the Bank;
2. absence of supporting or developments in laws and regulations;
3. weak contracts such as unenforceable/unfavourable/defective/unintended contracts; or
4. non-compliance with applicable laws.

Legal Risk Management Governance Structure

The parties involved in managing Legal Risk are:

1. Board of Commissioners and Board of Directors (through Risk Management Committee and Risk Monitoring Committee) are responsible for supervising and managing Legal Risk arising from the Bank's business activities;
2. Risk Management Committee supports the Board of Directors in monitoring risk management in the Bank, providing information on material risk related to exposure, issues and action plans;
3. Business and Support functions are responsible for monitoring and managing Legal Risk and its impact in their respective areas; and
4. Specialist area, such as Compliance, Legal Function, Human Resources, Technology and Operations, Corporate Real Estate Service, and Corporate Secretary are responsible for providing guidance related to their respective areas of expertise.

Legal Risk Management Framework

Risk measurement for Legal Risk is conducted by using indicators such as potential losses due to litigation, cancellation of contracts due to unenforceability and changes of regulations. Every Legal Risk incident and its potential loss numbers must be documented and reported.

The Legal Function provides legal advice and guidance to all units of the Bank, as and when needed. This includes the oversight and periodic review of:

1. all standard contracts/agreements;
2. all standard loan agreements between the Bank and other parties.

The Legal Function is also responsible for highlighting new or emerging Legal Risks.

Legal Risk Management Policies

The Bank has a Policy on Managing Legal Risk which governs the Legal Risk Management Governance Structure and sets out the duties and responsibilities of each party in implementing Legal Risk Management.

Legal Function has established various guidelines related to Legal Risk Management, such as Guidelines on Managing Intellectual Property Risk, Guidelines on Engagement of External Lawyers, and Guidelines on Managing Contractual Risk.

B.8 Reputational Risk

Reputational Risk is the risk of adverse impact on the Bank's income, liquidity or capital arising from negative stakeholders' perception or opinion of the Bank's business practices, activities and financial condition.

Reputational Risk Management Governance Structure

Related parties involved in managing Reputational Risk are as follows:

1. Board of Commissioners and Board of Directors are responsible for managing the Bank's Reputational Risk;
2. Risk Management Committee assists the Board of Directors in the oversight of the management of Reputational Risk in the Bank, keeping them apprised of the material risk exposures, issues and resolution plans;
3. Reputational Risk Management panel is a sub-committee of the Risk Management Committee which is responsible to confirm the impact of high reputational risk events, determine the appropriate action plan, appoint relevant task force and approve the closure of the case;
4. Business and support functions are responsible for monitoring and managing the various types of risks that are deemed to potentially impact on the reputational risk;
5. Risk Management Function is responsible for developing and maintaining Risk Management policies and procedures, including training and advising the business and support functions in managing their risks, including reputational risk; and
6. Various functions responsible in advising are Strategic Communications and Brand, Customer Experience and Advocacy, Compliance, Legal, Human Resources, Technology and Operations and Corporate Secretary.

Reputational Risk Management Framework

Risk identification and measurement for Reputational Risk is conducted using information from various sources such as the mass media, social media, customer complaints (e.g. through contact centre) and customer satisfaction survey.

Risk monitoring for Reputational Risk is conducted on a regular basis in accordance with the Bank's policies, procedures and guidelines, as well as the Bank's past experiences.

Risk controlling for Reputational Risk is conducted through:

1. Prevention of events that can lead to Reputational Risk impacts, are among other through media training, daily media coverage and social media monitoring, periodic communications to various stakeholders to create a positive reputation, and corporate social responsibility programmes; and
2. Restoration of the Bank's reputation after a Reputational Risk event and the measures in place to minimise any negative impact to the reputation of the Bank.

Risk Management

Any incidents related to Reputational Risk, including the amount of potential losses resulting from those incidents shall be noted and tracked for closure.

Where the Reputational Risk event affects the Bank's ability to continue its business activities and/or to obtain funding, the Bank will activate the Crisis Management Plan (CMP), Business Continuity Plan (BCP), Disaster Recovery Plan (DRP) and/or Contingency Funding Plan (as relevant).

Reputational Risk Management Policies

The Bank establishes a Reputational Risk Management Policy that governs the Reputational Risk Management Governance Structure, methodology and toolkits for managing Reputational Risk, including its communication process, escalation process, establishment of Reputational Risk Management Panel, Reputational Risk issue owner and others.

C. Recovery Plan (RCP)

Bank has established a Recovery Plan (RCP) to enable UOB Indonesia to recover from severely adverse conditions that could cause failure. The recovery plan covers recovery options when the Bank is facing solvability issues (i.e. Capital, Liquidity, Earnings, and Asset Quality). This includes the determination of signals and trigger levels for each signal for the purposes of prevention, recovery, and resolution.

D. Risk Based Bank Rating (RBBR)

On a regular basis, UOB Indonesia conducts assessment on the Risk Based Bank Rating according to OJK Regulation No. 4/POJK.03/2016 and OJK Circular Letter No. 14/SEOJK.03/2017 regarding the Assessment of Bank's Soundness Rating for Commercial Banks. The assessment of RBBR is conducted towards 4 (four) factors namely Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital.

The self-assessment result of RBBR 2nd Half of 2023 was as follows:

No	Assessment Factor	Rating
1	Risk Profile	2
2	Good Corporate Governance (GCG)	2
3	Earnings	2
4	Capital	2
RBBR Rating		2

Based on the self-assessment, UOB Indonesia assessed its soundness rating in the 2nd Half of 2023 at "2" or in a good condition, which means the Bank is able to encounter significant negative effects and changes in business conditions and other external factors reflected in assessment factors rating, namely Risk Profile, GCG Implementation, Earnings and Capital. The weaknesses identified in the assessment factors do not significantly affect the soundness rating of the Bank.

E. Risk Management System Implementation

Risk management systems aim to conduct analysis of current or future risks and/or potential risks faced by the Bank and to determine mitigation measures for these risks. They enforce risk ownership and support robust internal control. These systems are regularly evaluated in order to measure its effectiveness level. Through this evaluation, the Bank is expected to be able to reanalyse whether these strategies are in line with the established target. The Bank continually enhances its Risk Management systems to support robust internal control. Among others the Bank progressively improves its system for operational risk and market risk management.

Statement of the Board of Directors and/or Board of Commisionners regarding Adequacy of Risk Management System

The Board of Directors and/or Board of Commisionners declared that Bank's risk management system is adequate and has been effectively implemented in all material aspects for financial year end of 31 December 2023 and also adequate and effective to achieve Bank's business objective in complying with relevant regulation. The

Board of Directors and/or Board of Commisionners also confirmed that there is sustainable process in identifying, analysing, evaluating, monitoring and managing the significant risks faced by the Bank, and all risks are maintained within risk appetite limit in the review throughout the year. Bank has implemented Risk Management Framework and Policy adequately and effectively and reviewed every policy and procedure in regular basis. In addition, the Board of Directors and/or Board of Commissioners reiterated their responsibility and commitment to continue maintaining and reviewing the adequacy, effectiveness and integrity of the Bank's risk management system.

F. Basel Implementation

In line with the implementation of regulatory provision, the Bank adopts Standardised Approach (SA) for Credit Risk, Market Risk, and Operational Risk. Furthermore, UOB Indonesia has also adopted a Credit Valuation Adjustment (CVA) as Market Risk capital charge for counterparty credit risk (CCR) for OTC (Over-the-Counter) Derivatives transaction.

The Bank has reported a Liquidity Coverage Ratio (LCR) in accordance to OJK Regulation No. 42/POJK.03/2015 on a monthly basis starting June 2016 to Regulator, and published in the Bank's website on a quarterly basis starting September 2016. Report and publication of Net Stable Funding Ratio (NSFR) in accordance to OJK Regulation No. 50/POJK.03/2017 has been conducted quarterly starting March 2018.

UOB Indonesia also continues to improve the implementation of Basel II Pillar 2 "Internal Capital Adequacy Assessment Process" (ICAAP) to assess the overall capital adequacy associated with risk profile and strategy, to maintain the level of the Bank's capital. Further, Bank has also measured Interest Rate Risk in Banking Book (IRRBB), referring to OJK Regulation No. 12/SEOJK.03/2018.

Ongoing basis, the Bank improves the implementation of Pillar 3 "Market Discipline" to ensure the transparency of the Bank's financial and non-financial information.

Risk Exposure Table

1. Key Metrics

(in IDR million)

No.	Description	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
	Available capital (amounts)					
1	Common Equity Tier 1 (CET 1)	15,639,914	15,223,871	15,333,362	14,916,466	14,542,529
2	Tier 1	15,639,914	15,223,871	15,333,362	14,916,466	14,542,529
3	Total capital	17,117,971	16,738,414	16,890,106	16,586,181	16,347,435
	Risk-Weighted Assets (amounts)					
4	Total Risk-Weighted Assets (RWA)	93,462,608	90,485,891	87,868,205	89,858,077	98,628,720
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	16.73%	16.82%	17.45%	16.60%	14.74%
6	Tier 1 ratio (%)	16.73%	16.82%	17.45%	16.60%	14.74%
7	Total capital ratio (%)	18.32%	18.50%	19.22%	18.46%	16.57%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer (2.5% from RWA) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical Buffer (0 - 2.5% from RWA) (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Capital Surcharge for Systemic Bank (1% - 2.5%) (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total CET1 as a buffer (Row 8 + Row 9 + Row 10)	0.00%	0.00%	0.00%	0.00%	0.00%
12	CET1 component for buffer	9.32%	9.50%	10.22%	9.46%	7.57%
	Basel III Leverage Ratio					
13	Total Exposure	177,960,580	170,392,271	158,935,547	164,723,994	151,467,302
14	Leverage Ratio, including the impact of temporary exemption on current account placement with Bank Indonesia in order to fulfill GWM requirements (if any)	8.77%	8.93%	9.65%	9.06%	9.61%
14b	Leverage Ratio, excluding the impact of temporary exemption on current account placement with Bank Indonesia in order to fulfill GWM requirements (if any)	8.77%	8.93%	9.65%	9.06%	9.61%
14c	Leverage Ratio, including the impact of temporary exemption on current account placement with Bank Indonesia in order to fulfill GWM requirements (if any), after incorporating average gross values of Securities Financing Transaction (SFT) assets	7.54%	7.71%	8.37%	8.18%	8.85%

Risk Exposure Table

(in IDR million)

No.	Description	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
14d	Leverage Ratio, excluding the impact of temporary exemption on current account placement with Bank Indonesia in order to fulfill GWM requirements (if any), after incorporating average gross values of SFT assets	7.54%	7.71%	8.37%	8.18%	8.85%
	Liquidity Coverage Ratio (LCR)					
15	Total High-Quality Liquid Assets (HQLA)	56,644,277	57,418,529	58,818,074	54,502,821	46,228,209
16	Total Net Cash Outflow	20,065,312	18,985,679	19,763,835	18,355,982	14,606,119
17	LCR (%)	282.30%	302.43%	297.60%	296.92%	316.50%
	Net Stable Funding Ratio (NSFR)					
18	Total Available Stable Funding (ASF)	89,581,268	78,578,117	77,208,414	79,831,720	76,923,293
19	Total Required Stable Funding (RSF)	68,098,529	60,984,474	60,565,261	62,065,159	58,556,515
20	NSFR (%)	131.55%	128.85%	127.48%	128.63%	131.37%

2. The difference between the Consolidated Coverage in accordance with accounting standards and the prudential requirements (LI1)

	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolida-tion	Carrying values of each risk				
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the secu-ritisation framework	Subject to the market risk frame-work	Not subject to capital requirements or subject to deduction from capital
	a	b	c	d	e	f	g
ASSETS							
Cash	603,540	N/A	603,540				
Placement with Bank Indo-nesia	11,746,774	N/A	11,746,774				
Placement with other banks	1,379,072	N/A	1,379,072				
Spot and derivative/forward receivables	844,856	N/A		3,792,150		844,856	
Securities	21,979,351	N/A	19,221,114			2,786,121	
Securities sold under repur-chase agreement (repo)	13,725,753	N/A	13,725,753	448,816			
Securities purchased under resell agreements (reserve repo)	22,678,253	N/A		22,678,253		1,582,077	

Risk Exposure Table

	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of each risk				
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
	a	b	c	d	e	f	g
Acceptance receivables	2,508,114	N/A	2,508,114				
Loans and financing	84,022,605	N/A	84,022,605				
Sharia financing	-	N/A					
Equity investment	26	N/A	26				
Other financial assets	1,000,309	N/A	969,880				
Impairment on financial assets -/-	(4,136,793)	N/A	(3,574,489)				
a. Securities	(13,848)	N/A	(1,046)				
b. Loans	(4,110,763)	N/A	(3,564,093)				
c. Others	(12,182)	N/A	(9,350)				
Intangible assets	1,133,973	N/A					1,133,973
Accumulated amortization on intangible asset -/-	(3,667)	N/A					(3,667)
Fixed assets and equipment	4,887,324	N/A	4,887,324				
Accumulated depreciation on fixed assets and equipment -/-	(2,202,552)	N/A	(2,202,552)				
Non Productive Asset	189,068	N/A	189,068				
a. Abandoned property	28,689	N/A	28,689				
b. Foreclosed assets	157,602	N/A	157,602				
c. Suspense accounts	2,777	N/A	2,777				
d. Interbranch assets	-	N/A					
Other Assets	2,190,300	N/A	671,047				
TOTAL ASSETS	**162,546,306**	**N/A**	**134,147,276**	**26,919,219**	**-**	**5,213,054**	**1,130,306**
LIABILITIES							
Current accounts	23,701,502	N/A					
Saving accounts	37,486,376	N/A					
Time Deposit	58,094,663	N/A					
Electronic Money	-	N/A					
Liabilities to Bank Indonesia	-	N/A					
Liabilities to other banks	2,488,564	N/A					
Spot and derivative/forward liabilities	1,226,175	N/A					

Risk Exposure Table

	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of each risk				
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
	a	b	c	d	e	f	g
Liabilities on securities sold under repurchase agreement (repo)	13,295,961	N/A					
Acceptance liabilities	2,412,181	N/A					
Securities issued	1,443,423	N/A					
Borrowings	-	N/A					
Margin Deposit	175,268	N/A					
Interbranch liabilities	-	N/A					
Other liabilities	4,620,764	N/A					
Minority Interest	-	N/A					
TOTAL LIABILITIES	**144,944,877**	**N/A**					

Risk Exposure Table

3. General - Differences between carrying value in accordance with Indonesian Financial Accounting Standards with exposure value in accordance with Financial Services Authority (LI2)

	a	b	c	d	e
	Total	Item subject to:			
		Credit risk framework	Securitization framework	Counterparty credit risk framework	Market risk framework
Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	166,279,549	134,147,276	-	26,919,219	5,213,054
Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	-	-	-	-	-
Total net amount under regulatory scope of consolidation	166,279,549	134,147,276	-	26,919,219	5,213,054
Administrative Account Value	93,452,988	13,750,394	-	-	-
Differences in valuations					
Differences due to different netting rules, other than those already included in row 2					
Exposure amounts considered for regulatory purposes	259,732,537	147,897,670	-	26,919,219	5,213,054

Quantitative Analysis

There is a difference between the total carrying amount of assets and the carrying amount of each risk arising from spot and derivative/forward receivables and securities purchased under resell agreements (reverse repo). The differences are explained as follows:

1. Spot and derivative/forward receivables
   Referring to OJK regulations, financial assets in the form of spot and derivative/forward receivables are subject to more than one risk, namely in the counterparty credit risk framework and market risk framework.
   - In the counterparty credit risk framework, the calculation of Derivative Transactions using the Standardized Approach has differences in the criteria for calculation criteria with the accounting carrying value because the calculation uses the sum of Replacement Cost and Potential Future Exposure multiplied by 1.4 in accordance with the provisions of SEOJK Number 48/SEOJK.03/2017.
   - In the market risk framework, the calculation refers to SEOJK Number 38/SEOJK/2016 regarding the Guidelines for the Use of Standard Methods in the Calculation of Minimum Capital Adequacy of Commercial Banks by Taking into Account Market Risk.

2. Securities purchased under resell agreements (reverse repo)
   Referring to OJK regulations, financial assets in the form of reverse repo are subject to more than one type of risk, namely counterparty credit risk and market risk framework.
   - In the market risk framework, the calculation of Reverse Repo Transactions refers to the provisions of SEOJK Number 38/SEOJK/2016 Market risk framework regarding Reverse Repo transactions in the Trading Book, that if the securities that are collateral for reverse repo transactions are traded, the Bank must book the transaction as a short position in the Trading Book so that it is exposed to Market Risk.
   - In the counterparty credit risk framework, the reverse repo calculation refers to SEOJK Number 11/SEOJK.03/2018 regarding Guidelines for Calculation of Risk Weighted Assets for Credit Risk using the Standardized Approach.

3. Securities sold under repurchase agreements (Repo)
   Referring to OJK regulations, financial assets in the form of repos are subject to more than one type of risk, namely counterparty credit risk and market risk framework.
   - In the credit risk framework, the calculation refers to SEOJK Number 11/SEOJK.03/2018 concerning Guidelines for Calculating Risk Weighted Assets for Credit Risk using the Standardized Approach.
   - In the market risk framework, the calculation refers to SEOJK No. 38/SEOJK/2016 regarding Guidelines for the Use of Standard Methods in Calculation of Minimum Capital Adequacy of Commercial Banks by Taking into Account Market Risk.

Capital

4. Capital - Capital Composition (CC1)

(in IDR million)

NO	COMPONENT	TOTAL
Common Equity Tier 1 capital : instrument and reserves		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	7,990,848
2	Retained Earnings	9,568,243
3	Accumulated other comprehensive income (and other reserve)	52,807
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-
6	**Common Equity Tier 1 capital before regulatory adjustments**	**17,611,898**
Common Equity Tier 1 capital : regulatory adjustments		
7	Prudential valuation adjustments	-
8	Goodwill (net of related tax liability)	(913,973)
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	(216,333)
10	Deffered tax assets that rely on future profitability excluding those arising from temporary differences (net of releted tax liability)	-
11	Cash-flow hedge reserve	-
12	Shortfall of provisions to expected losses	-
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-
15	Defined - benefit pension fund net assets	-
16	Investment in own shares (if not already netted off paid-in capital on reported balance sheet)	-
17	Reciprocal cross-holdings in common equity	-
18	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
19	Signficant investments in the common stock of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% treshold)	-
20	Mortgage servicing rights (amount above 10% treshold)	-
21	Deffered tax assets arising from temporary differences (amount above 10% treshold, net of related tax liability)	-
22	Amount exceeding the 15% treshold	-
23	of which: significant investments in the common stock of financials	-
24	of which: mortgage servicing rights	-
25	of which : deffered tax assets arising from temporary differences	-
26	National specific regulatory adjustments	(841,678)
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient additional Tier 1 and Tier 2 to cover deductions	-
28	**Total regulatory adjustment to common equity Tier 1**	**(1,971,984)**
29	**Common Equity Tier 1 capital (CET1)**	**15,639,914**
Additional Tier 1 capital : instruments		

Capital

(in IDR million)

NO	COMPONENT	TOTAL
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-
31	of which : classified as equity under applicable accounting standards	-
32	of which : classified as liabilities under applicable accounting standards	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-
35	of which : instruments issued by subsidiaries subject to phase out	-
36	**Additional Tier 1 capital before regulatory adjusments**	**-**
Additional Tier 1 capital : regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-
39	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% treshold)	-
40	Significant investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-
41	National specific regulatory adjustments	-
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-
43	**Total regulatory adjustment to Additional Tier 1 capital**	**-**
44	**Additional Tier 1 capital (AT 1)**	**-**
45	**Tier 1 capital (T1 = CET 1 + AT 1)**	**15,639,914**
Tier 2 capital : instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	608,227
47	Directly issued capital instruments subject to phase out from Tier 2	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-
49	of which : instruments issued by subsidiaries subject to phase out	-
50	Provisions	869,830
51	**Tier 2 capital before regulatory adjustments**	**1,478,057**
Tier 2 capital : regulatory adjustments		
52	Investments in own Tier 2 instruments	-
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC Liabilities	-
54	Investment in the other TLAC liabilities of Banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity, amount previously designated for the 5% treshold but that no longer meets the conditions (for G-SIBs only)	-
55	Significant investments in the capital and other TLAC Liabilities of Banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-
56	National specific regulatory adjustments	-
57	**Total regulatory adjustments to Tier 2 capital**	**-**
58	**Tier 2 capital (T2)**	**1,478,057**
59	**Total capital (TC = T1 + T2)**	**17,117,971**
60	**Total risk weighted assets**	**93,462,608**
Capital ratios and buffers		

Capital

(in IDR million)

NO	COMPONENT	TOTAL
61	**Common Equity Tier 1 (as percentage of risk weighted assets)**	**16.73%**
62	**Tier 1 (as a percentage of risk weighted assets)**	**16.73%**
63	**Total capital (as a percentage of risk weighted assets)**	**18.32%**
64	**Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirement plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)**	**2.50%**
65	of which : capital conservation buffer requirement	2.50%
66	of which : Bank specific countercyclical buffer requirement	0.00%
67	of which : G-SIB buffer requirement	0.00%
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)**	**9.32%**
National minima (if different from Basel 3)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	-
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)	-
71	National total capital minimum ratio (if different from Basel 3 minimum)	-
Amounts below the thereshold for deductions (before risk weighting)		
72	Non-significant investments in the capital and other TLAC Liabilities of other financial entities	-
73	Significant investments in the common stock of financials	-
74	Mortgage servicing rights (net of related tax liability)	-
75	Defered tax assets arising from temporary differences (net of related tax liability)	-
Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusions in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	-
77	Cap on inclusion of provisions in Tier 2 under standardised approach	-
78	Provision eligible for inclusion in Tier 2 in respect of exposures subject to internal rating-based approach (prior to application of cap)	-
79	Cap for inclusions of provisions in Tier 2 under internal ratings-based approach	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-
82	Current cap on AT1 instruments subject to phase out arrangements	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-
84	Current cap on T2 instruments subject to phase out arrangements	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-

Capital

5. Capital - Capital Reconciliation (CC2)

(in IDR million)

No.	ITEMS	31 December 2023
ASSETS		
1	Cash	603,540
2	Placement with Bank Indonesia	11,746,774
3	Placement with Other Banks	1,379,072
4	Spot and derivatives / forward receivable	844,856
5	Securities	21,979,351
6	Securities sold under repurchase agreement (repo)	13,725,753
7	Securities purchased under resell agreements (reverse repo)	22,678,253
8	Acceptance receivable	2,508,114
9	Loans	84,022,605
10	Sharia Financing	-
11	Equity investment	26
12	Other Financial Assets	1,000,309
13	Impairment on finacial assets -/-	
	a. Securities	(13,848)
	b. Loans	(4,110,763)
	c. Others	(12,182)
14	Intangible assets	1,133,973
	Accumulated amortisation on intangible assets -/-	(3,667)
15	Fixed assets and equipment	4,887,324
	Accumulated depreciation on fixed assets and equipment -/-	(2,202,552)
16	Non Productive Asset	
	a. Abandoned property	28,689
	b. Foreclosed assets	157,602
	c. Suspense accounts	2,777
	d. Interbranch assets	-
17	Other assets	2,190,300
	TOTAL ASSETS	**162,546,306**
LIABILITIES AND EQUITY		
	LIABILITIES	
1	Current account	23,701,502
2	Saving account	37,486,376
3	Time deposit	58,094,663
4	Electronic money	-
5	Liabilities to Bank Indonesia	-
6	Liabilities to other banks	2,488,564
7	Spot and derivatives/forward payable	1,226,175
8	Liabilities on securities sold under repurchase agreement (repo)	13,295,961
9	Acceptance payable	2,412,181
10	Securities issued	1,443,423
11	Borrowings	-
12	Margin deposit	175,268

Capital

(in IDR million)

No.	ITEMS	31 December 2023
13	Interbranch liabilities	-
14	Other liabilities	4,620,764
15	Minority interest	-
	TOTAL LIABILITIES	**144,944,877**
	EQUITIES	
16	Paid in capital	
	a. Authorized capital	9,000,000
	b. Unpaid capital -/-	(5,943,102)
	c. Treasury stock -/-	-
17	Additional paid in capital	-
	a. Share premium	4,933,950
	b. Share discount -/-	-
	c. Fund for paid up capital	-
	d. Others	4,576
18	Other comprehensive income	
	a. Gain	-
	b. Losess -/-	(107,463)
19	Reserves	
	a. General reserves	145,225
	b. Appropriated reserves	-
20	Gain /loss	
	a. Previous years	8,893,280
	b. Current year	674,963
	c. Paid dividens	-
	TOTAL EQUITY ATTRIBUTABLE TO OWNERS	**17,601,429**
	TOTAL LIABILITIES AND EQUITY	**162,546,306**

Capital

6. Capital - Main Features of Capital Instruments and TLAC - Eligible (CCA) Instruments

No.		QUANTITATIVE / QUALITATIVE INFORMATION
1	Publisher	PT Bank UOB Indonesia
2	Identification Number	BBIA01SBCN2, BBIA02SBCN1, BBIA02SBCN2 dan BBIA03SBCN1
3	Law used	Indonesian Law
3a	Means that enable the implementation of obligations on Section 13 of the TLAC Term Sheet reached (for other valid TLAC instruments governed by foreign law) Treatment Instrument under the provisions of CAR	N/A
4	At the time of transition	N/A
5	After the transition period	Tier 2
6	Are the instruments eligible for Individual / Consolidation or Consolidation and Individual	Consolidation and Individual
7	Type Instruments	Subordinated Bonds
8	The amounts recognised in the calculation of CAR	IDR608,227 million
9	Par value of the instrument	IDR1,350,000 million
10	Classification according to financial accounting standards	Liabilities - Amortized Cost
11	Publication date	17 October 2017, 5 July 2019, 13 November 2019 and 08 March 2022
12	No maturity (perpetual) or with maturity	With Maturity
13	Due date	17 October 2024, 5 July 2026, 13 November 2026 and 08 March 2029
14	Execution of a call option on the approval of the Supervisory Bank	N/A
15	Call option date, the number of withdrawals and other requirements of the call option (if any)	N/A
16	Subsequent call option	N/A
	Coupon / dividend	
17	Dividend / Coupon with fixed interests or floating	Fixed
18	The level of the coupon rate or other index that becomes a reference	9.25%; 9,85%; 9.25% and 8.00%
19	Whether or not the dividend stopper	No
20	Full discretionary, partial or mandatory	Mandatory
21	Are there step-up feature or other incentives	No
22	Non - cumulative or cumulative	Non - cumulative
23	Convertible or non-convertible	No
24	If the convertible, specify trigger point	N/A
25	If the convertible, whether whole or in part	N/A
26	If converted, how the conversion rate	N/A
27	If converted, whether mandatory or optional	N/A
28	If converted, specify the type of instrument conversion	N/A
29	If converted, the issuer of the instrument mentioned it converts into	N/A
30	Features write-down	Yes

Capital

No.		QUANTITATIVE / QUALITATIVE INFORMATION
31	If the write-down, specify trigger its	When a Company is potentially disrupted through its point of non-viability and has a term of 5 (five) years or more and can only be repaid after obtaining OJK approval. Based on circular letter from OJK No. 20/SEOJK.03/2016 dated 21 June 2016, Subordinated Bonds may be converted into ordinary shares or written down if:
		i. The ratio of the Common Equity Tier 1 / CET 1 is lower than or equal to 5.125% (five point one hundred and twenty five per cent) of risk-weighted assets (RWA) either individually or consolidatively with subsidiaries; and / or
		ii. There is a plan from the competent authority to undertake equity participation to a Bank that is deemed to be potentially disrupted by its continuity;
		iii. and there are commands from OJK to convert into ordinary shares and / or Write Down
32	If the write-down, whether full or partial	Proportional, partial or full with OJK approval
33	If the write-down, permanent or temporary	Permanent
34	If the write-down of temporary, explain the mechanism of write-up	N/A
34a	Subordination type	Subordinated bonds
35	Hierarchy of the instrument at the time of liquidation	1. First Preferred Creditor is entitled to receive full payment of all bills receivable in accordance with the statutory provisions applicable
		2. Furthermore, the Customer storage and Senior Debt creditors are entitled to receive full payment of all bills receivable in accordance with their respective debt agreements, with special attention given bail
		3. After the creditors Preferred, Depositors and creditors Debt Senior, receive full payment of all charges payable in accordance with provisions in the loan agreements each of the holders of the Subordinated Bonds (including holders of Subordinated Bonds or creditors of subordinated loans other position pari passu with holders of the Subordinated Bonds if there are) entitled to receive full payment of all bills receivable in accordance with the provisions of their respective debt agreements
		4. In the case of a preferred creditor, the depository customer of the senior debt creditor, has not received full payment of his receivables and if the trustee receives payment or distribution from the curator, the liquidator or guardian who takes care of the company's assets and assets in the liquidation process:
		a. Trustee shall not distribute the money received by the Trustee from the curator, liquidator or guardian who manages the Company's assets and assets in the liquidation process, to the Subordinated Bond Holder unless the Trust Agent has received:
		i written affirmation of the curators, liquidators or guardians who administer the assets of the Company in the liquidation process that all preferred creditors, depositors and senior debt creditors are paid in full; or
		ii authorized court order in the respective jurisdiction ordering or authorizing the Trustee to make payments to the Subordinated Bond Holders because all preferred creditors, depositors, senior creditors and debtors have been paid in full.
		b. In case the Trustee does not receive the written affirmation as mentioned in 4.a.i. or court order as specified in 4.a.ii. In this paragraph the Trust Agent must immediately refund the payment received by the Trustee to the curator, liquidator or guardian who manages the assets and assets of the Company in the liquidation process, for the payment of all the preferred creditors, depositors and senior debtors who are still not yet paid. If the curator, liquidator or guardian who handles the assets and assets of the Company in the liquidation process does not receive the money returned by the Trustee, the Trust Agent must open a separate bank account and deposit the received money into the account until the Trustee receives the letter / document Mentioned in point 4.ai or 4.a.ii. mentioned above.

Capital

No.		QUANTITATIVE / QUALITATIVE INFORMATION
		5. Except in the case of the preferential creditors, depositors and senior creditors receiving full payment in the liquidation process and by not excluding the provision of treatment as the Company's Tier 2 capital as referred to in PPOJK No. 11/POJK.03/2016 and The Subordinated Bondholder Subordinates who directly receive payments in other ways from, or the distribution of, the assets of the Company, of any kind or nature, whether in cash, property or securities, the Subordinated Bond Holder is obligated to deliver payment or The distribution of such assets to the Trustee or the curator in bankruptcy, or the liquidator or guardian who manages the Company's assets and assets in the liquidation process for the distribution of the Company's assets in accordance with the provisions of point 1.2. and 3. above
		6. If the remaining proceeds of the Company's liquidation after the satisfaction of the creditor's outstanding billing, the depositors and the senior debtors are insufficient to pay the amount due under the Subordinated Bond and any collateral right that ranks paripassu with Subordinated Bonds, the Subordinated Bondholders and the holder of the claim rights Ranks pari passu with Subordinated Bonds will share outstanding, each of which is their right.
36	Is the transition to features that are non-compliant	No
37	If yes, explain the features of non-complaint	N/A

7.a Leverage Ratio Exposure

(in IDR million)

No	Description	Total
1	Total assets in the statement of financial position in the published financial statements. (gross value before deducting Allowance for Impairment Losses).	166,331,072
2	Adjustments for the value of investments in Banks, financial institutions, insurance companies, and/or other entities based on financial accounting standards must be consolidated but outside the scope of consolidation based on the provisions of the Financial Services Authority.	-
3	Adjustment for the value of the underlying financial assets that have been transferred to the asset securitization meeting the off-sale requirements as stipulated in the Financial Services Authority Regulation concerning prudential principles in asset securitization activities for commercial banks. In the event that the underlying financial asset has been deducted from the total assets in the statement of financial position, the number in this line is 0 (zero).	-
4	Adjustment to the temporary exemption from the placement of demand deposits with Bank Indonesia in order to comply with the minimum statutory reserve requirements (if any)	-
5	Adjustments for fiduciary assets that are recognised as components of the statement of financial position based on financial accounting standards but are excluded from the calculation of total exposure in the Leverage Ratio.	-
6	Adjustments for the value of regular purchases or sales of financial assets using the trade date accounting method.	-
7	Adjustments for the value of cash pooling transactions that meet the requirements as stipulated in this Financial Services Authority Regulation.	-
8	Adjustment for the value of exposure to derivative transactions.	3,466,097
9	Adjustment for SFT exposure values for example reverse repo transactions.	448,816
10	Adjustment for the TRA exposure value which has been multiplied by the Credit Coversion Factor	13,750,385
11	Prudential assessment adjustments in the form of capital deduction factors and Allowance for Impairment Losses.	(6,035,790)
12	Other adjustments.	
13	**Total Exposure in the calculation of the Leverage Ratio**	**177,960,580**

Qualitative Analysis
Total Exposure in the calculation of the Leverage Ratio is the sum of asset exposures in the statement of financial position, exposure to derivative transactions, exposure to securities financing transactions (SFT), TRA exposure in the commitments and contingencies report which includes the trading book position and banking book position in December 2023. This exposure calculation is needed to monitor that Core Capital to Total exposure is above the minimum ratio set by OJK, which is 3 per cent.

Leverage Ratio

7.b Leverage Ratio Calculation

(in IDR million)

No.		Period	
		December 2023	September 2023
Assets Exposure on Financial Position Statement			
1	Asset exposure in the statement of financial position includes collateralized assets, but does not include derivative transaction exposure and SFT exposure (gross value before deducting Allowance for Impairment Losses)	129,033,028	118,211,156
2	The value added back for derivative collateral submitted to the counterparty which resulted in a decrease in total asset exposure in the balance sheet due to the application of financial accounting standards	-	-
3	(Reduction of receivables related to CVM given in derivative transactions)		
4	(Adjustments for the carrying amount of securities received in SFT exposure recognised as assets)		
5	(Allowance for Impairment Losses for these assets is in accordance with financial accounting standards)	(4,136,794)	(4,347,495)
6	(Assets that have been calculated as a deduction factor for Core Capital as referred to in the Financial Services Authority Regulation regarding the minimum capital adequacy requirement for commercial banks)	(1,898,996)	(733,402)
7	**Total Assets Exposure on Financial Position Statement**	**122,997,238**	**113,130,259**
Derivative Transaction Exposure			
8	RC value for all derivative transactions, whether there is a variation margin that meets the requirements or there is an offsetting agreement that meets certain requirements	1,217,467	1,549,673
9	The added value which is the PFE for all derivative transactions	3,142,668	2,776,198
10	(Exception for exposure to derivative transactions settled through a central counterparty (CCP))		
11	Adjustment for the effective notional value of credit derivatives	-	-
12	(Adjustments for effective notional value are offset and add-on deductions for credit derivative sales transactions)	-	-
13	**Total Derivative Transaction Exposure**	**4,360,135**	**4,325,871**
Securities Financing Transaction (SFT) Exposure			
14	Gross carrying amount of SFT assets	36,404,006	40,502,981
15	(Net value between cash liabilities and cash receivables)	-	-
16	Credit Risk due to counterparty failure related to SFT assets which refers to the calculation of current exposure as regulated in the Attachment to this Financial Services Authority Regulation	448,816	425,912
17	Exposure as an SFT agent	-	-
18	**Total Securities Financing Transaction (SFT) Exposure**	**36,852,822**	**40,928,893**
Administrative Transaction Exposure			
19	Value of all committed or contingent liabilities Gross value before deducting Allowance for Impairment Losses	93,452,988	73,785,483
20	(Adjustments to the result of the multiplication between the value of the commitment obligation or contingent liability and the Credit Conversion Factor are then reduced by Allowance for Impairment Losses)	(79,322,743)	(61,507,928)
21	(Allowance for Impairment Losses on Administrative Transaction according to financial accounting standards)	(379,860)	(270,307)
22	**Total Administrative Transaction Exposure**	**13,750,385**	**12,007,248**
Capital and Total Exposure			
23	Core Capital	15,615,946	15,223,871
24	**Total Exposure**	**177,960,580**	**170,392,271**
Leverage Ratio			
25	Leverage Ratio Value, including the impact of adjustments to temporary exceptions for current account placements with Bank Indonesia in order to meet the minimum statutory reserve requirements (if any)	8.77%	8.93%

Leverage Ratio

(in IDR million)

No.		Period	
		December 2023	September 2023
25a	Leverage Ratio Value, excluding the impact of adjustments to temporary exceptions for current account placements with Bank Indonesia in order to comply with the minimum statutory reserve requirements (if any)	8.77%	8.93%
26	Minimum Leverage Ratio	3%	3%
27	Bearing to Leverage Ratio		
Disclosure of Average Value			
28	The average value of the carrying value of SFT assets on a gross basis, after adjustment for sales accounting transactions which are calculated on a net basis with cash liabilities in SFT and cash receivables in SFT	29,023,266	27,155,371
29	The value at the end of the reporting quarter of the carrying amount of SFT assets on a gross basis, after adjustment for sales accounting transactions which are calculated on a net basis with cash liabilities in SFT and cash claims in SFT	36,404,006	40,502,981
30	Total Exposure, including the impact of the adjustment to the temporary exemption from the placement of demand deposits with Bank Indonesia in order to comply with the minimum statutory reserve requirements (if any), which has included the average value of the gross carrying value of SFT assets as referred to in line 28	206,983,846	197,547,642
30a	Total Exposure, excluding the impact of the adjustment to the temporary exemption from the placement of demand deposits with Bank Indonesia in order to comply with the minimum statutory reserve requirements (if any), which has included the average value of the gross carrying value of SFT assets as referred to in line 28	206,983,846	197,547,642
31	Leverage Ratio Value, including the impact of the adjustment to the temporary exemption from the placement of demand deposits with Bank Indonesia in order to meet the minimum statutory reserve requirements (if any), which has included the average value of the gross carrying value of SFT assets as referred to in line 28	7.54%	7.71%
31a	Leverage Ratio Value, excluding the impact of the adjustment to the temporary exception on the placement of demand deposits with Bank Indonesia in order to meet the minimum statutory reserve requirements (if any), which has included the average value of the gross carrying value of SFT assets as referred to in line 28	7.54%	7.71%

Qualitative Analysis
Leverage Ratio as of December 2023 is 8.77 per cent which is the result of a comparison between Core Capital of IDR15.62 Trillion and Total Exposure of IDR177,96 Trillion. Compared to September 2023 period, Leverage Ratio as of December 2023 period decreased by 0.16 per cent. This decrease was due to an increase Asset Exposure in financial positions of IDR9,87 Trillion and a decrease in Securities Financing Transaction Exposure of IDR4.07 Trillion. The Bank will maintain capital (especially Core Capital) so that the Leverage Ratio remains above the minimum ratio in accordance with Financial Services Authority Regulation No. 31/POJK.03/2019 dated 2 December 2019.

8. Disclosure of Credit Quality on Assets (CR1)

(in IDR million)

		Gross Carrying Amount		Allowance for Impairment Losses	Allowance for Impairment Losses		Allowance for Impairment Losses (IRB (Approach	Net Amount (a+b+c)
		Overdue Bills	Not Yet Overdue Bills		Stage 2 & 3	Stage 1		
		a	b	c	d	f	g	h
1	Securities	-	19,221,114	(13,848)	(1,046)	(12,802)		19,207,266
2	Loans	1,633,611	82,388,993	(4,110,763)	(3,564,092)	(546,671)		79,911,841
3	Off-Balance Sheet Transaction	-	5,684,193	(3,586)	(3,480)	(106)		5,680,607
	Total	**1,633,611**	**107,294,300**	**(4,128,197)**	**(3,568,618)**	**(559,579)**		**104,799,714**

9. Disclosure of Credit Mutations and Matured Securities (CR2)

(in IDR million)

		a
1	Credits and Securities that have matured in the last reporting period	1,699,444
2	Credits and Securities that have matured since last reporting period	125,389
3	Loans and Securities that are reversed back to undue bills	(16,106)
4	Write-offs	(152,448)
5	Other alterations	(22,668)
6	**Matured Loans and Securities at reporting date (1+2-3-4+5)**	**1,633,611**

10. Disclosure of Net Claims by Region

(in IDR million)

No	Portfolio Category	31 December 2023						
		Net Claims by Region						
		Jakarta	West Java	Central Java	East Java & Bali	Sumatera	Kalimantan & Makassar	total
a	b	c	d	e	f	g	h	i
1	Claims on the Government	40,777,893	-	-	-	-	-	40,777,893
2	Claims on Public Sector Entities	988,700	-	-	-	-	-	988,700
3	Claims on Multilateral Development Banks and International Institution	-	-	-	-	-	-	-
4	Claims on Banks	6,472,873	1,982	687	183,204	-	734	6,659,480
5	Claims in the form of Covered Bonds	-	-	-	-	-	-	-
6	Claims on Securities Companies and Other Financial Services Institution	2,804,457	-	-	-	-	-	2,804,457
7	Claims in the form of Subordinated Securities/ Receivables, Equity and Other Capital Instruments	26	-	-	-	-	-	26
8	Claims Secured by Residential Properties	6,333,486	678,771	592,194	1,711,387	875,994	312,617	10,504,449
9	Claims Secured by Commercial Properties	17,130,927	1,386,376	1,858,838	3,878,988	2,764,249	1,939,710	28,959,088
10	Claims for the Land Acquisition, Land Processing and Construction	1,349,561	16,375	33,528	73,619	255,538	41,413	1,770,034
11	Claims on Employee/ Retiree	-	-	-	-	-	-	-
12	Claims on Micro, Small Business and Retail Portfolio	12,801,627	51,621	65,762	180,364	92,576	42,658	13,234,608
13	Claims on Corporations	31,003,645	913,096	429,554	3,187,885	1,369,758	226,681	37,130,619
14	Claims-Past Due	548,850	130,339	76,042	97,020	39,736	27,901	919,888
15	Other Assets	3,613,040	71,339	139,530	139,963	129,273	55,280	4,148,425
	Total	**123,825,085**	**3,249,899**	**3,196,135**	**9,452,430**	**5,527,124**	**2,646,994**	**147,897,667**

Credit Risk

11. Disclosure of Net Claims by Economic Sector

No.	Economic Sector	Claims on Government	Claims on the Public Sector Entities	Claims on Multilateral Development Banks and International Institutions	Claims to Banks	Claims in the form of Covered Bond	Claims on Securities Companies and Other Financial Services Institutions
a	b	c	d	e	f	g	h
	31 December 2023						
1	Agriculture, Forestry, and Fisheries	-	-	-	-	-	-
2	Mining and Excavation	-	23,698	-	-	-	-
3	Processing Industry	-	-	-	925,625	-	-
4	Procurement of Electricity, Gas, Steam/Hot Water and Cold Air	-	442,874	-	-	-	-
5	Water Management, Wastewater Management, Waste Management and Recycling, and Remediation Activities	-	-	-	-	-	-
6	Construction	-	60,218	-	-	-	-
7	Wholesale and Retail Trade; Car and Motorcycle Repair and Maintenance	-	461,910	-	-	-	-
8	Transportation and Warehousing	-	-	-	-	-	-
9	Provision of Accommodation and Provision of Food and Drink	-	-	-	-	-	-
10	Information and Communication	-	-	-	-	-	-
11	Financial and Insurance Activities	31,332,481	-	-	5,732,884	-	2,797,693
12	Real Estate	-	-	-	-	-	-
13	Professional, Scientific and Technical Activities	-	-	-	-	-	-
14	Rental and Leasing Activities Without Option Rights, Employment, Travel Agents and Other Business Support	-	-	-	-	-	-
15	Government Administration, Defense and Compulsory Social Security	-	-	-	-	-	-
16	Education	-	-	-	-	-	-
17	Health and Social Activities	-	-	-	-	-	-
18	Arts, Entertainment and Recreation	-	-	-	-	-	-
19	Other Service Activities	-	-	-	-	-	6,000
20	Household Activities as an Employers; Activities that Produce Goods and Services by Households Used to Meet Their Own Needs	-	-	-	-	-	-
21	Activities of International Agencies and Other Extra International Agencies	-	-	-	-	-	-
22	Household	-	-	-	-	-	-
23	Not Other Business Fields	9,445,412	-	-	971	-	764
24	Others	-	-	-	-	-	-
	Total	**40,777,893**	**988,700**	**-**	**6,659,480**	**-**	**2,804,457**

(in IDR million)

Claims in the form of Subordinated Securities/ Receivables, Equity and Other Capital Instruments	Claims Secured by Residential Properties	Claims Secured by Commercial Properties	Claims for Land Acquisition, Land Processing and Construction	Claims on Employee/ Retiree	Claims on Micro, Small Business and Retail Portfolio	Claims on Corporations	Claims-Past Due	Other Assets
i	j	k	l	m	n	o	p	q
-	34,662	1,045,862	-	-	1,454	1,239,222	1,340	-
-	1,788	191,774	-	-	11,559	7,662,195	-	-
-	642,873	11,447,126	-	-	312,895	16,080,179	175,613	-
-	4,175	180,455	-	-	469	178,347	-	-
-	3,640	8,359	-	-	-	-	1,264	-
-	58,237	84,723	1,770,034	-	12,181	-	51,688	-
-	2,396,894	9,616,490	-	-	339,311	6,682,031	291,699	-
-	295,220	194,885	-	-	65,198	113,600	6,336	-
-	54,727	1,895,001	-	-	41,710	2,441	25,010	-
25	96,917	685,506	-	-	9,706	2,288,071	57,886	-
1	1,225	-	-	-	-	-	-	-
-	33,316	2,220,822	-	-	15,372	2,518,022	1,478	-
-	38,906	51,510	-	-	18,843	7,518	-	-
-	41,783	186,017	-	-	1,596	181,436	7,388	-
-	-	-	-	-	-	-	-	-
-	1,218	24,552	-	-	811	-	-	-
-	1,947	19,169	-	-	6,986	-	-	-
-	805	9,027	-	-	501	1,002	-	-
-	60,987	569,346	-	-	37,581	107,036	4,664	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	6,735,129	528,464	-	-	323,106	-	277,463	-
-	-	-	-	-	12,035,329	69,519	18,059	-
-	-	-	-	-	-	-	-	4,148,425
26	**10,504,449**	**28,959,088**	**1,770,034**	**-**	**13,234,608**	**37,130,619**	**919,888**	**4,148,425**

Credit Risk

12. Disclosure of Net Claims by Remaining Contract Period

(in IDR million)

No.	Portfolio Category	31 December 2023					
		Net Claims by Remaining Contract Period					
		≤1 years	>1 years to 3 years	> 3 years to 5 years	>5 years	Non Contractual	Total
a	b	c	d	e	f	g	h
1	Claims on the Government	22,905,487	3,981,268	1,253,472	2,849,938	9,787,728	40,777,893
2	Claims on Public Sector Entities	918,486	70,214	-	-	-	988,700
3	Claims on Multilateral Development Banks and International Institution	-	-	-	-	-	-
4	Claims on Banks	5,257,852	397,734	3	-	1,003,891	6,659,480
5	Claims in the form of Covered Bonds	-	-	-	-	-	-
6	Claims on Securities Companies and Other Financial Services Institution	1,005,028	1,456,516	342,878	-	35	2,804,457
7	Claims in the form of Subordinated Securities/Receivables, Equity and Other Capital Instruments	-	-	-	-	26	26
8	Claims Secured by Residential Properties	3,208,755	362,147	746,892	6,183,895	2,760	10,504,449
9	Claims Secured by Commercial Properties	20,449,077	2,115,874	3,989,286	2,379,902	24,949	28,959,088
10	Claims for the Land Acquisition, Land Processing and Construction	1,579,455	153,921	14,265	17,111	5,282	1,770,034
11	Claims on Employee/Retiree	-	-	-	-	-	-
12	Claims on Micro, Small Business and Retail Portfolio	2,677,246	4,370,772	3,407,457	2,769,459	9,674	13,234,608
13	Claims on Corporations	28,166,445	4,388,729	4,010,154	254,159	311,132	37,130,619
14	Claims-Past Due	439,276	104,253	40,032	335,366	961	919,888
15	Other Assets	-	-	-	-	4,148,425	4,148,425
	Total	**86,607,107**	**17,401,428**	**13,804,439**	**14,789,830**	**15,294,863**	**147,897,667**

13. Disclosure of Claims and Provision by Region

(in IDR million)

No	Descriptions	31 December 2023						
		Region						
		Jakarta	West Java	Central Java	East Java & Bali	Sumatera	Kalimantan & Makassar	total
a	b	c	d	e	f	g	h	i
1	Bills	191,495,927	5,219,502	4,890,208	14,127,534	11,639,222	3,831,048	231,203,441
2	Impairment Bills	7,038,746	899,827	1,173,322	1,059,253	324,519	337,063	10,832,730
	a. Not yet due	6,093,618	746,433	850,692	931,054	275,692	301,630	9,199,119
	b. Past Due	945,128	153,394	322,630	128,199	48,827	35,433	1,633,611
3	Allowance for Impairment Losses - Stage 1	775,034	8,350	8,129	26,149	15,701	7,697	841,060
4	Allowance for Impairment Losses - Stage 2	1,870,730	329,029	227,946	167,591	32,104	58,911	2,686,311
5	Allowance for Impairment Losses - Stage 3	591,421	29,898	293,921	54,303	10,891	8,848	989,282
6	Write-off	772,288	58,342	362,837	138,989	80,171	54,920	1,467,547

No	Descriptions	31 December 2022						
		Region						
		Jakarta	West Java	Central Java	East Java & Bali	Sumatera	Kalimantan & Makassar	total
a	b	c	d	e	f	g	h	i
1	Bills	165,124,235	5,656,619	6,006,395	12,995,544	10,953,623	3,686,910	204,423,326
2	Impairment Bills	6,017,317	890,147	1,616,474	1,327,882	485,647	644,281	10,981,748
	a. Not yet due	5,369,730	720,985	1,168,143	1,127,264	378,021	536,981	9,301,124
	b. Past Due	647,587	169,162	448,331	200,618	107,626	107,300	1,680,624
3	Allowance for Impairment Losses - Stage 1	584,965	11,563	12,405	35,057	19,465	8,920	672,375
4	Allowance for Impairment Losses - Stage 2	1,702,439	298,482	492,637	178,268	50,752	96,262	2,818,840
5	Allowance for Impairment Losses - Stage 3	591,880	24,821	305,436	68,269	30,285	19,877	1,040,568
6	Write-off	577,444	28,021	127,617	193,025	48,162	66,863	1,041,132

Credit Risk

14. Disclosure of Claims and Provision by Economic Sector

(in IDR million)

No.	Economic Sector	Bills	Impairment Bills		Allowance for Impairment Losses - Stage 1	Allowance for Impairment Losses - Stage 2	Allowance for Impairment Losses - Stage 3	Write Off
			Not Yet Due	Past Due				
a	b	c	d	e	f	g	h	i
	31 December 2023							
1	Agriculture, forestry and fisheries	6,426,226	16,885	1,340	4,953	2,870	-	
2	Mining and excavation	11,796,021	105,569	-	13,947	9,198	-	
3	Processing industry	50,232,564	2,226,431	476,116	66,324	1,356,662	330,357	
4	Procurement of electricity, gas, steam / hot water and cold air	1,835,789	7,687	-	2,021	1,148	-	
5	Water Management, Wastewater Management, Waste Management and Recycling, and Remediation Activities	24,550	2,697	1,264	31	673	-	
6	Construction	4,849,844	393,680	55,193	4,646	284,983	3,505	
7	Wholesale and Retail Trade; Car and Motorcycle Repair and Maintenance	34,770,390	1,722,231	440,357	59,082	326,039	353,397	
8	Transportation and Warehousing	841,235	47,645	6,336	2,133	9,164	-	
9	Provision of accomodation and provision of food and drink	2,599,435	1,693,353	25,934	1,479	385,664	13,732	
10	Information and communications	5,711,380	-	149,119	6,802	2,970	91,233	
11	Financial and insurance activities	45,969,256	1,436	-	19,898	215	-	
12	Real Estate	5,780,348	653,035	6,231	14,810	67,589	4,753	
13	Professional, Scientific and Technical activities	175,964	4,968	-	399	818	-	
14	Rental and Leasing Activities Without Option Rights, Employment, Travel Agents and Other Business Support	709,342	26,527	7,388	1,066	5,097	-	
15	Government administration, defense, and compulsory social security	-	-	-	-	-	-	
16	Education	33,450	1,084	-	77	169	-	
17	Health and Social Activities	31,758	-	-	146	-	-	
18	Arts, Entertainment, and Recreation	11,536	-	-	41	-	-	
19	Other service activities	1,071,897	26,379	4,667	2,769	4,262	4	
20	Household Activities as Employes; Activities that produce goods and services by households used to meet their own needs	-	-	-	-	-	-	
21	Activities of International Agencies and Other Extra International Agencies	-	-	-	-	-	-	
22	Household	8,115,901	175,743	292,405	42,371	79,730	17,082	
23	Not Other Business Fields	45,947,061	2,093,769	167,261	598,065	149,060	175,219	1,467,547
24	Others	4,269,494	-	-	-	-	-	
	Total	**231,203,441**	**9,199,119**	**1,633,611**	**841,060**	**2,686,311**	**989,282**	**1,467,547**

Credit Risk

(in IDR million)

No.	Economic Sector	Bills	Impairment Bills		Allowance for Impairment Losses - Stage 1	Allowance for Impairment Losses - Stage 2	Allowance for Impairment Losses - Stage 3	Write Off
			Not Yet Due	Past Due				
a	b	c	d	e	f	g	h	i
	31 December 2022							
1	Agriculture, forestry and fisheries	6,457,242	15,530	1,899	47,012	2,493	382	
2	Mining and excavation	7,285,044	-	5,029	11,606	-	-	
3	Processing industry	50,204,614	2,459,735	649,737	96,377	1,684,681	782,203	
4	Procurement of electricity, gas, steam / hot water and cold air	4,368,327	8,986	-	13,469	1,306	-	
5	Water Management, Wastewater Management, Waste Management and Recycling, and Remediation Activities	29,241	734	1,264	35	313	-	
6	Construction	6,889,098	441,444	63,899	7,899	89,902	8,315	
7	Wholesale and Retail Trade; Car and Motorcycle Repair and Maintenance	34,189,206	1,935,337	559,982	68,198	393,965	179,228	
8	Transportation and Warehousing	1,071,626	113,398	11,029	3,679	14,097	469	
9	Provision of accomodation and provision of food and drink	2,646,253	2,001,834	22,759	2,421	341,975	13,704	
10	Information and communications	6,934,949	171,302	-	10,912	24,315	-	
11	Financial and insurance activities	30,917,360	-	-	45,912	-	-	
12	Real Estate	5,338,773	1,025,115	5,187	18,277	117,865	3	
13	Professional, Scientific and Technical activities	233,420	25,739	17,616	399	4,294	4,067	
14	Rental and Leasing Activities Without Option Rights, Employment, Travel Agents and Other Business Support	648,076	23,641	11,774	2,038	4,592	543	
15	Government administration, defense, and compulsory social security	-	-	-	-	-	-	
16	Education	32,937	1,175	6,153	46	169	-	
17	Health and Social Activities	24,159	6,987	-	76	1,011	-	
18	Arts, Entertainment, and Recreation	12,672	-	-	40	-	-	
19	Other services activities	-	-	-	-	-	-	
20	Household Activities as Employers Activities that produce goods and services by households used to meet their own needs	1,297	-	-	4	-	-	
21	Activities of International Agencies and Other Extra International Agencies	14,757	-	-	-	-	-	
22	Household	8,502,218	374,260	294,236	48,613	117,345	23,096	
23	Not Other Business Fields	35,200,316	695,907	30,060	295,362	20,517	28,558	1,041,132
24	Others	3,421,741	-	-	-	-	-	
	Total	**204,423,326**	**9,301,124**	**1,680,624**	**672,375**	**2,818,840**	**1,040,568**	**1,041,132**

Credit Risk

15. Disclosure of Claims by Days Past Due

No	Type of Exposure	31 December 2023			
		Claims by days past due			
		> 90 days to 120 days	> 120 days to 180 days	> 180 days	Total
a	b	c	d	e	f
1	Loans Past Due	123,806	350,219	1,159,586	1,633,611
2	Securities Past Due	-	-	-	-
	Total	**123,806**	**350,219**	**1,159,586**	**1,633,611**

16A. Disclosure of Performing and Non-Performing Assets

No		Performing (Current and Special Mention Quality)		Impaired Receivables	
		Gross Carrying Amount	Allowance for impairment losses	Gross Carrying Amount	Allowance for impairment losses
		a	b	c	d
1	Securities	19,221,114	(13,848)		
2	Loans	81,873,578	(3,121,480)	2,149,026	(989,283)
	a. Corporations	54,376,301	(2,234,833)	936,798	(659,671)
	b. Retail	27,497,277	(886,647)	1,212,228	(329,612)
3	Off-Balance Sheet Transactions	5,684,193	(3,586)		

16B. Disclosure of Performing and Non Performing of Restructured Assets

No		Performing (Current and Special Mention Quality)		Non Performing (Sub-Standard, Doubtful, Loss Qualities)	
		Gross Carrying Amount	Allowance for impairment losses	Gross Carrying Amount	Allowance for impairment losses
		a	b	c	d
1	Securities				
2	Loans	4,983,254	(1,481,149)	1,457,729	(615,333)
	a. Corporations	3,560,084	(1,347,772)	717,464	(518,407)
	b. Retail	1,423,170	(133,377)	740,265	(96,926)
3	Off-Balance Sheet Transactions				

Credit Risk

(in IDR million)

	31 December 2022			
	Claims by days past due			
	> 90 days to 120 days	> 120 days to 180 days	> 180 days	Total
	g	h	i	j
	152,946	170,900	1,356,778	1,680,624
	152,946	**170,900**	**1,356,778**	**1,680,624**

(in IDR million)

	Non Performing (Sub-Standard, Doubtful, Loss Qualities)			
	Not Impaired Receivables			
	DPD > 90 Days		DPD ≤ 90 Days	
	Gross Carrying Amount	Allowance for impairment losses	Gross Carrying Amount	Allowance for impairment losses
	e	f	g	h

(in IDR million)

	Stage 1		Stage 2		Stage 3	
	Gross Carrying Amount	Allowance for impairment losses	Gross Carrying Amount	Allowance for impairment losses	Gross Carrying Amount	Allowance for impairment losses
	e	f	g	h	i	j
	827,648	(6,437)	4,155,602	(1,474,711)	1,457,733	(615,334)
	130,511	(552)	3,429,573	(1,347,219)	717,464	(518,408)
	697,137	(5,885)	726,029	(127,492)	740,269	(96,926)

Credit Risk

17. Disclosure Quantitative Related to CRM Method (CR3)

(in IDR million)

No.		Claims not Guaranteed by CRM methods	Claims Guaranteed by CRM methods	Claims Guaranteed by Collateral	Claims Covered by Guarantees, Guarantees and/or Credit Insurance	Claims Guaranteed by Credit Derivatives
		a	b	c	d	e
1	Securities	19,207,266	-	-		
2	Loans	71,619,028	7,372,936	7,372,936		
	Total	**90,826,294**	**7,372,936**	**7,372,936**		
4	Matured Loans and Securities	919,877	-	-		

18. Disclosure of Credit Risk Exposure and Impact of the CRM Method (CR4)

No.	Portfolio Category	Net Claims before applying CCF and CRM methods	
		On Balance Sheet	Off-Balance Sheet Transactions
		a	b
1	Claims to Government	40,631,782	1,461,105
2	Claims on Public Sector Entities	342,874	6,458,264
3	Claims on Multilateral Development Banks and International Institutions	-	-
4	Claims on Banks	6,474,465	317,259
	Claims on Securities Companies and Other Financial Services Institutions 1)	2,001,114	5,948,321
5	Claims in the form of Covered Bonds	-	-
6	Claims on Corporations - General Corporate Exposure 2)	30,019,644	34,302,218
	Claims on securities companies and other financial services institutions 3)	430,253	756
	Special Financing Exposure 4)	-	
7	Claims in the form of Subordinated Securities/Receivables, Equity and Other Capital Instruments	26	-
8	Claims on Micro, Small Business and Retail Portfolio	10,478,020	26,896,585
9	Claims Secured by Properties		
	Claims Secured by Residential Properties whose Payments Are Not Materially Dependent on Property Cash Flows	10,119,243	2,147,523
	Claims Secured by Residential Properties whose Payments Are Materially Dependent on Property Cash Flows	169,360	1,625
	Claims Secured by Commercial Properties whose Payments Are Not Materially Dependent on Property Cash Flows	21,561,008	11,760,703
	Claims Secured by Commercial Properties whose Payments Are Materially Dependent on Property Cash Flows	5,285,263	2,118,969
	Claims for Land Acquisition, Land Processing and Construction 5)	1,565,920	2,039,543
10	Claims-Past Due	919,876	117
11	Other Assets	4,148,425	-
12	**Total**	**134,147,273**	**93,452,988**

Credit Risk

(in IDR million)

	Net Claims after applying CCF and CRM methods		RWA and Average Risk Weight	
	On Balance Sheet	Off-Balance Sheet Transactions	RWA	Average Risk Weight (e/(c+d))
	c	d	e	f
	40,631,782	146,111	-	0.00%
	342,874	645,826	494,350	50.00%
	-	-	-	0.00%
	6,474,465	185,015	4,538,523	68.15%
	1,907,949	799,840	1,743,450	64.39%
	-	-	-	0.00%
	23,867,539	6,307,224	29,597,836	98.09%
	430,253	76	430,329	100.00%
	-	-	-	0.00%
	26	-	39	150.00%
	9,628,746	2,751,672	5,974,692	48.26%
				0.00%
	10,113,523	215,196	4,246,260	41.11%
	169,208	650	53,767	31.65%
	21,456,473	1,265,230	16,465,583	72.47%
	5,282,979	847,587	7,001,553	114.21%
	1,451,404	204,114	2,480,699	149.84%
	919,876	12	1,105,285	120.15%
	4,148,425	-	3,623,687	87.35%
	126,825,522	**13,368,553**	**77,756,052**	

Credit Risk

19. Disclosure of Exposure by Assets Category and Risk Weight (CR5)

	Portfolio Category	0%	20%	50%
1	Claims on Government	40,777,893	-	-

	Portfolio Category	20%	50%	100%
2	Claims on Public Sector Entities	-	988,700	-

	Portfolio Category	0%	20%	30%	50%
3	Claims on Multilateral Development Banks and International Institutions				

	Portfolio Category	20%	30%	40%	50%
4	Claims on Banks	19,820	5,658	-	1,770,561
	Claims on Securities Companies and Other Financial Services Institutions 1)	-	101,379	-	967,083

	Portfolio Category	10%	15%	20%	25%
5	Claims in the form of Covered Bond	-	-	-	-

	Portfolio Category	20%	50%	65%	75%
6	Claims on General Corporations 2)	-	788,668		653,705
	Claims on securities companies and other financial services institutions 3)				
	Special Financing Exposure 4)				

	Portfolio Category	100%	150%
7	Claims in the form of Subordinated Securities/Receivables, Equity and Other Capital Instruments		26

	Portfolio Category	45%	75%	85%
8	Claims on Micro, Small Business and Retail Portfolio	11,124,682	1,145,253	5,583

Credit Risk

(in IDR million)

	100%	150%	Others	Net Claims after CCF and CRM Methods
	-	-		40,777,893

	150%	Others	Net Claims after CCF and CRM Methods
	-		988,700

	100%	150%	Others	Net Claims after CCF and CRM Methods
				-

	75%	100%	150%	Others	Net Claims after CCF and CRM Methods
	4,863,441	-	-		6,659,480
	1,639,327	-	-		2,707,789

	35%	50%	100%	Others	Net Claims after CCF and CRM Methods
	-	-	-		-

	80%	85%	100%	130%	150%	Others	Net Claims after CCF and CRM Methods
	-	127,779	28,604,611		-		30,174,763
			430,329				430,329
	-		-	-			

	250%	400%	Others	Net Claims after CCF and CRM Methods
				26

	100%	Others	Net Claims after CCF and CRM Methods
	104,900		12,380,418

Credit Risk

	Portfolio Category	0%	20%	25%	30%	35%	40%	45%	50%	60%
	Claims Secured by Properties									
	Claims Secured by Residential Properties whose Payments Are Not Materially Dependent on Property Cash Flows		2,926,397	1,050,658	2,368,790		810,517		122,490	
	Claims Secured by Residential Properties whose Payments Are Materially Dependent on Property Cash Flows				140,067	18,219		11,417		-
9	Claims Secured by Commercial Properties whose Payments Are Not Materially Dependent on Property Cash Flows		-						-	10,859,584
	Claims Secured by Commercial Properties whose Payments Are Materially Dependent on Property Cash Flows									
	Claims for Land Acquisition, Land Processing and Construction 5)									

	Portfolio Category	50%	100%
10	Claims-Past Due	19,204	510,686

	Portfolio Category	0%	20%	100%
11	Other Assets	603,539		3,387,284

No	Risk Weight	On balance sheet net claims total	Off-balance sheet transactions net claims total (before CCF)
1	<40%	40,801,142	1,462,730
2	40%-70%	29,415,716	41,767,952
3	75%	21,561,008	11,760,703
4	85%	4,148,425	-
5	90%-100%	30,449,897	34,302,974
6	105%-130%	6,205,139	2,119,086
7	150%	1,565,946	2,039,543
8	250%		
9	400%		
10	1250%		
11	**Net Claims Total**	**134,147,273**	**93,452,988**

Credit Risk

	65%	70%	75%	85%	90%	100%	105%	110%	150%	Others	Net Claims after CCF and CRM Methods
		438,500	2,243,850	367,517							10,328,719
			-				-		155		169,858
			1,329,688	10,532,431		-					22,721,703
		2,562,221			73,700			250,747	3,243,898		6,130,566
						5,157			1,650,361		1,655,518

	150%	Others	Net Claims after CCF dan CRM Methods
	389,998		919,888

	150%	1250%	Others	Net Claims after CCF dan CRM Methods
	157,602			4,148,425

	Average CCF	Net claims total (After CCF and CRM methods)
	10.03%	40,947,751
	11.01%	33,065,106
	10.76%	22,721,703
	0.00%	4,148,425
	18.39%	30,605,092
	40.00%	7,050,454
	10.01%	1,655,544
		140,194,075

Credit Risk

20. Counterparty Credit Risk Exposure Analysis (CCR1)

(in IDR million)

No		31 December 2023					
		a	b	c	d	e	f
		Replacement Cost (RC)	Potential Future Exposure (PFE)	EEPE	Alpha used for calculate regulatory (EAD)	Net Claims	RWA
1.	SA-CCR (for derivative)	869,619	1,839,060		1.4	3,792,150	2,954,830
2.	Internal Model Method (for derivative and SFTs)					N/A	N/A
3.	Simple Approach for Credit Risk Mitigation (for SFTs)					N/A	N/A
4.	Comprehensive Approach for Credit Risk Mitigation (for SFTs)					N/A	N/A
5.	VaR for SFTs					N/A	N/A
6.	**Total**						**2,954,830**

(in IDR million)

No		31 December 2022					
		a	b	c	d	e	f
		Replacement Cost (RC)	Potential Future Exposure (PFE)	EEPE	Alpha used to calculate regulatory (EAD)	Net Claims	RWA
1.	SA-CCR (for derivative)	1,355,994	1,582,156		1.4	4,113,409	2,465,376
2.	Internal Model Method (for derivative and SFTs)					N/A	N/A
3.	Simple Approach for Credit Risk Mitigation (for SFTs)					N/A	N/A
4.	Comprehensive Approach for Credit Risk Mitigation (for SFTs)					N/A	N/A
5.	VaR for SFTs					N/A	N/A
6.	**Total**						**2,465,376**

21. Capital Charge for Credit Valuation Adjustment (CCR2)

(in IDR million)

No		31 December 2023		31 December 2022	
		a	b	a	b
		Net Claims	RWA	Net Claims	RWA
	Total portfolio based on Advanced CVA Capital Charge	N/A	N/A	N/A	N/A
1	VaR Component (include 3x multiplier)		N/A		N/A
2	Stressed VaR Component (include 3x multiplier)		N/A		N/A
3	All portfolios based on with Standardised CVA Capital Charge	3,792,150	1,766,421	4,113,409	1,716,136
4	Total based on CVA Capital Charge	3,792,150	1,766,421	4,113,409	1,716,136

22. CCR Exposure by Portfolio Category and Risk Weight (CCR3)

Portfolio Category	31 December 2023								
	Risk Weight								
	a	b	c	d	e	f	g	h	i
	0%	10%	20%	50%	75%	100%	150%	Others	Total Net Claim
Claims to Government and Central Bank	170,050	-	-	-	-	-	-	-	170,050
Claims on Public Sector Entities	-	-	-	-	-	-	-	-	-
Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-	-
Claims to Other Banks	-	-	-	129,046	2,263,116	-	-	-	2,392,162
Claims on Securities Companies and Other Financial Services Institution	-	-	-	12,504	122,864	-	-	-	135,368
Claims to Securities Companies	-	-	-	-	-	-	-	-	-
Claims to Corporations	-	-	-	-	-	66	-	-	66
Claims on Micro, Small Business and Retail Portfolio	-	-	-	-	-	1,094,504	-	-	1,094,504
Other Assets	-	-	-	-	-	-	-	-	-
Total	**170,050**	**-**	**-**	**141,550**	**2,385,980**	**1,094,570**	**-**	**-**	**3,792,150**

Portfolio Category	31 December 2022								
	Risk Weight								
	a	b	c	d	e	f	g	h	i
	0%	10%	20%	50%	75%	100%	150%	Others	Total Net Claim
Claims on the Government and Central Bank	345,585	-	-	-	-	-	-	-	345,585
Claims on Public Sector Entities	-	-	-	-	-	-	-	-	-
Claims on Multilateral Development Banks and Internasional Institutions	-	-	-	-	-	-	-	-	-
Claims on Other Banks	-	-	154,991	2,356,894	-	-	-	-	2,511,885
Claims on Securities Companies	-	-	-	-	-	-	-	-	-
Claims on Corporations	-	-	-	-	-	1,255,905	-	-	1,255,905
Claims on Micro Business, Small Business and Retail Portfolio	-	-	-	-	34	-	-	-	34
Other Assets	-	-	-	-	-	-	-	-	-
Total	**345,585**	**-**	**154,991**	**2,356,894**	**34**	**1,255,905**	**-**	**-**	**4,113,409**

Credit Risk

23. CREDIT RISK - Net Claims on Credit Derivative (CCR6)

As of 31 December 2023 & 2022 The Bank does not have Net Claims Credit Derivative

24. CREDIT RISK - Securitization Exposure in Banking Book (SEC1)

As of 31 December 2023 & 2022 The Bank does not have Securitization Exposure in Banking Book

25. CREDIT RISK - Securitization Exposure in Trading Book (SEC2)

As of 31 December 2023 & 2022 The Bank does not have Securitization Exposure in Trading Book

26. CREDIT RISK- Securitization Exposure in Banking Book and related to its Capital Requirement - Bank Acting as Originator or Sponsor (SEC3)

As of 31 December 2023 & 2022 The Bank does not have Securitization Exposure in Banking Book and related to its Capital Requirement - Bank Acting as Originator or Sponsor

27. CREDIT RISK - Securitization Exposure in Banking Book and its Capital Requirement - Bank Acting as Investor (SEC4)

As of 31 December 2023 & 2022 The Bank does not have Securitization Exposure in Banking Book and its Capital Requirement - Bank Acting as Investor

Market Risk

28. Disclosure of Market Risk by Standard Methods

(in IDR million)

No.	Type of Risk	31 December 2023		31 December 2022	
		Bank		Bank	
		Capital Charge	RWA	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)	(6)
1	Interest Rate Risk				
	a. Specific Risk	3,149	39,356	2,268	28,348
	b. General Risk	188,566	2,357,073	129,386	1,617,330
2	Exchange Rate Risk	57,000	712,495	19,749	246,860
3	Equity Risk	-	-	-	-
4	Commodity Risk	-	-	-	-
5	Option Risk	-	-	-	-
6	CVA		1,766,421	-	-
	Total	**248,714**	**4,875,344**	**151,403**	**1,892,538**

Interest Rate Risk in The Banking Book

29. Risk Management Implementation Report for Interest Rate Risk in Banking Book (IRRBB)

	Qualitative Analysis
1	The Bank measures interest rate risk based on two persepectives, namely the earnings-based persepective and economic value perspective. The earnings-based perspective measures short term impact (up to 1 year) of interest rate movements against the Bank's net interest income. While the economic value perspective measures the sensitivity of interest rate movements against the Bank's Tier 1 capital net worth in the long term. The referred net worth is the present value of expected cash flow from future assets minus liabilities cash flow plus off-balance sheet position. To accomodate these two perspectives, the Bank uses NII method which measures net interest income movements and EVE method to measure economic value of equity movements.
2	As part of IRRBB risk management, the Bank determines Risk Appetite Statement (RAS) and internal limit for IRRBB. Every month, the results of IRRBB measurement and monitoring on internal limit are informed to the Assets and Liabilities Committee (ALCO) to be adjusted to the Bank's strategies and conditions, as well as market conditions if necessary.
3	Every month, the Bank measures the IRRBB (EVE and NII) using the end-of-month position. In measuring IRRBB, the Bank first categorises the instrument or position of Banking Book sensitive to interest rate, both on balance sheet and commitment contingencies, then, the Bank projects the cash flows which will undergo adjustment to interest rate in the future of the relevant instrument based on the interest rate repricing maturities. In determining the repricing maturities, the Bank also takes into account the instruments or positions with behavioural option, such as Non-Maturity Deposit (NMD), fixed loan interest rate with prepayment risk, and deposit with early withdrawal risk. Balance sheet and cash flow positions for NMD shall follow the result of calculation of the Bank's internal model to Core and Non-Core deposits, by considering the cap as stipulated in the SEOJK No. 12/SEOJK.03/2018. As for the fixed loan interest rate with prepayment risk and deposit with early withdrawal risk, the Bank shall caculate the required baseline value in the calculation of prepayment rate and early withdrawal rate as elaborated in point 7 below.
	EVE-based measurement uses the run-off balance sheet assumption which assumes all Banking Book instruments on balance sheet will be fully amortised and will not be replaced with new instruments unless there is a need to fund the remaining balance sheet components. NII-based measurement uses constant balance sheet assumption which assumes the scale and composition of balance sheet will be maintained according the conditions of initial calculation by replacing instrument with the similar ones (like-for-like replacement) over matured assets and liabilities.
4	The Bank uses 6 rate shock scenarios for EVE as stipluated in SEOJK No.12/SEOJK.03/2018. The six scenarios are:
	1. Parallel up
	2. Parallel down
	3. Steepener
	4. Flattener
	5. Short Rate up
	6. Short Rate down
	While for NII measurement, the Bank uses 2 interest rate shock scenarios: parallel up dan parallel down.
5	The Bank does not use assumptions that are different from the model assumptions used in the IRRBB measurement report with standards approach.
6	At present, the Bank does not conduct hedging on IRRBB as risk position or exposure remains within the internal limit.
7	a. The Bank takes commercial margin and other spread components for future cash flows and the discount rate used in the EVE measurement.
	b. Due to its characteristics which is relatively unstable or sensitive to market interest rate changes, the non-core deposit is assumed to have an overnight interest rate repricing period. Meanwhile for core deposits, the Bank uses internal historical studies to determine the repricing maturity while still taking into account the caps as regulated in SEOJK No.12/SEOJK.03/2018.
	c. The Bank uses the average end-of-month method for the past 1 year in calculating the estimated baseline parameters for fixed interest rate loan products with the prepayment option. Baseline parameter estimation for deposit products with the early redemption option is also carried out using the same average end-of-month method/approach for the past 1 year.
	d. At present, the Bank has no other additional assumptions for instruments with behavioural option excluded from the measurement, which have material impacts on EVE and NII.
	e. In calculating the IRRBB, the Bank considers currencies considered significant to its balance sheet, namely Rupiah (IDR) and US Dollar (USD). Meanwhile, other currencies are calculated on a consolidated basis (not calculated separately). In terms of monitoring the Bank's internal IRRBB limit, the Bank conducts currency aggregation by adding up interest rate risk exposures from all currencies, including Rupiah, US Dollar, and other currencies, for each interest rate shock scenario.
8	Based on IRRBB calculation result at the end of December 2023, the Bank observes that interest rate risk exposure in terms of economic value is still within limit. This can be seen from the ratio of ΔEVE (total currencies) to tier 1 capital of 8.62 per cent. This ratio has increased by 0.93 per cent. from the end of June 2023 position (7.69 per cent.) due to increase in *Sertifikat Rupiah Bank Indonesia* (SRBI) asset by IDR6.5 trillion. The ratio of ΔNII to Projected Income is 37.90 per cent., increased from end of June 2023 position (23.82 per cent.). ALCO continues to monitor both risk measurement regularly during ALCO monthly meetings.

Interest Rate Risk in The Banking Book

Qualitative Analysis	
1	The average repricing maturity period applied for NMD is as follows:

Products	Average period of interest rate adjustment (in years)
Retail IDR	2.46
Retail USD	1.50
Wholesale IDR	0.60
Wholesale USD	0.77

2	The longest repricing maturity period implemented for NMD is 3 years.

Interest Rate Risk in The Banking Book

30. IRRBB Calculation Report

In Million Rupiah	ΔEVE		ΔNII	
Period	December 2023	June 2023	December 2023	June 2023
Parallel up	(1,345,910)	(1,178,934)	(586,666)	(370,163)
Parallel down	(366,267)	(355,824)	(148,926)	(188,093)
Steepener	(23,556)	-		
Flattener	(278,613)	(401,111)		
Short rate up	(862,115)	(873,157)		
Short rate down	(240,483)	(213,973)		
Negative Maximum Value (absolute)	(1,345,910)	(1,178,934)	(586,666)	(370,163)
Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	15,615,946	15,333,362	1,548,070	1,554,085
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (ΔNII)	8.62%	7.69%	37.90%	23.82%

Currency : IDR

In Million Rupiah	ΔEVE		ΔNII	
Period	December 2023	June 2023	December 2023	June 2023
Parallel up	(1,344,785)	(1,175,863)	(558,154)	(344,650)
Parallel down	-	-	37,927	(58,383)
Steepener	(3,955)	-		
Flattener	(277,342)	(397,822)		
Short rate up	(860,500)	(868,914)		
Short rate down	-	-		
Negative Maximum Value (absolute)	(1,344,785)	(1,175,863)	(558,154)	(344,650)
Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	15,615,946	15,333,362	1,548,070	1,554,085
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (ΔNII)	8.61%	7.69%	36.05%	22.18%

Currency : USD

In Million Rupiah	ΔEVE		ΔNII	
Period	December 2023	June 2023	December 2023	June 2023
Parallel up	-	-	12,945	15,357
Parallel down	(366,267)	(355,824)	(189,488)	(141,983)
Steepener	(19,601)	-		
Flattener	-	-		
Short rate up	-	-		
Short rate down	(240,483)	(213,973)		
Negative Maximum Value (absolute)	(366,267)	(355,824)	(189,488)	(141,983)
Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	15,615,946	15,333,362	1,548,070	1,554,085
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (ΔNII)	2.35%	2.32%	12.24%	9.14%

Liquidity Coverage Ratio

31. Report on Calculation for Quarterly Liquidity Coverage Ratio

No	Components	INDIVIDUAL	
		December 2023	
		Outstanding commitment and liabilities/contractual receivables	HQLA after haircut or Outstanding commitment and liabilities times run-off rate or contractual receivables multiplied by inflow rate
1	Total data used in LCR calculation		63 Days
HIGH QUALITY LIQUID ASSET (HQLA)			
2	**Total High Quality Liquid Asset (HQLA)**		**56,644,277**
CASH OUTFLOW			
3	**Retail deposits and deposits from Micro and Small Business customers, consist of:**	**30,230,588**	**2,264,767**
	a. Stable Deposit/Funding	15,165,839	758,292
	b. Less stable Deposit/Funding	15,064,749	1,506,475
4	**Wholesale Funding, consist of:**	**63,983,626**	**27,691,848**
	a. Operational deposit	20,024,692	4,740,193
	b. Non operational deposit and/or Other Non Operational liabilities	43,914,722	22,907,443
	c. Marketable securities issued by bank (unsecured debt)	44,212	44,212
5	**Secured Funding**		**-**
6	**Other cash outflow (additional requirement), consist of:**	**34,425,248**	**1,398,701**
	a. cash outflow from derivative transaction	128,864	128,864
	b. cash outflow from additional liquidity requirement	-	-
	c. cash outflow from liquidation of funding	-	-
	d. cash outflow from disbursement of loan commitment and liquidity facilities	4,938,996	491,847
	e. cash outflow from other contractual liabilities related to placement of funds	30,873	30,873
	f. cash outflow from other funding related contigencies liabilities	28,809,555	230,156
	g. other contractual cash outflow	**516,960**	**516,960**
7	**TOTAL CASH OUTFLOW**	**-**	**31,355,315**
CASH INFLOW			
8	Secured Lending	1,951,719	-
9	Inflows from fully performing exposure	19,816,011	11,155,226
10	Other Cash Inflow	134,777	134,777
11	**TOTAL CASH INFLOW**	**21,902,507**	**11,290,003**
			TOTAL ADJUSTED VALUE[1]
12	**TOTAL HQLA**		**56,644,277**
13	**TOTAL NET CASH OUTLOWS**		**20,065,312**
14	**LCR Ratio (%)**		**282%**

Information:

[1] Adjusted values are calculated after the imposition of a reduction in value (haircut), run-off rate, and inflow rate as well as the maximum limit for HQLA components, for example the maximum limit for HQLA Level 2B and HQLA Level 2 and the maximum limit of cash inflows can be taken into account in LCR.

Liquidity Coverage Ratio

(in IDR million)

			Consolidated			
	September 2023		December 2023		September 2023	
	Outstanding commitment and liabilities/contractual receivables	HQLA after haircut or Outstanding commitment and liabilities times run-off rate or contractual receivables multiplied by inflow rate	Outstanding commitment and liabilities/contractual receivables	HQLA after haircut or Outstanding commitment and liabilities times run-off rate or contractual receivables multiplied by inflow rate	Outstanding commitment and liabilities/contractual receivables	HQLA after haircut or Outstanding commitment and liabilities times run-off rate or contractual receivables multiplied by inflow rate
		62 Days		63 Days		62 Days
		57,418,529		**56,644,277**		**57,418,528.8**
	28,049,717	**2,104,485**	**30,230,588**	**2,264,767**	**28,049,717**	**2,104,485**
	14,009,731	700,487	15,165,839	758,292	14,009,731	700,487
	14,039,986	1,403,999	15,064,749	1,506,475	14,039,986	1,403,999
	65,055,143	**27,652,393**	**63,983,626**	**27,691,848**	**65,055,143**	**27,652,393**
	21,014,562	5,001,890	20,024,692	4,740,193	21,014,562	5,001,890
	44,029,787	22,639,708	43,914,722	22,907,443	44,029,787	22,639,708
	10,794	10,794	44,212	44,212	10,794	10,794
		-		-		-
	33,068,319	**1,133,023**	**34,425,248**	**1,398,701**	**33,068,319**	**1,133,023**
	111,320	111,320	128,864	128,864	111,320	111,320
	-	-	-	-	-	-
	9,085	9,085	-	-	9,085	9,085
	4,735,743	472,153	4,938,996	491,847	4,735,743	472,153
	106,608	106,608	30,873	30,873	106,608	106,608
	27,930,703	258,996	28,809,555	230,156	27,930,703	258,996
	174,861	**174,861**	**516,960**	**516,960**	**174,861**	**174,861**
	-	**30,889,901**		**31,355,315**		**30,889,901**
	876,048	-	1,951,718.87	-	876,048	-
	20,036,226	11,799,537	19,816,011.02	11,155,226	20,036,226	11,799,537
	95,678	95,678	134,776.62	134,777	95,678	95,678
	21,007,953	**11,895,215**	**21,902,506.50**	**11,290,003**	**21,007,953**	**11,895,215**
		TOTAL ADJUSTED VALUE[1]		TOTAL ADJUSTED VALUE[1]		TOTAL ADJUSTED VALUE1
		57,418,529		**56,644,277**		**57,418,529**
		18,985,679		**20,065,312**		**18,994,686**
		302%		**282%**		**302%**

Liquidity Coverage Ratio

Report on Calculation for Quarterly Liquidity Coverage Ratio

Individual Analysis
Liquidity Condition :
• Calculation of the Liquidity Coverage Ratio (LCR) for the fourth quarter of 2023 uses the average daily position data from October 2023 up to December 2023.
• The fulfillment of the daily average Liquidity Coverage Ratio (LCR) throughout the 4th quarter of 2023 is 282.30 per cent, above the minimum limit of 100 per cent determined by OJK. LCR for 4th quarter of 2023 decreased by 20.13 per cent compared to 3rd quarter of 2023 (302.43 per cent) mostly from increase in average net cash outflow by 5.69 per cent.
• Based on the current asset perspective, HQLA composition for the 4th quarter of 2023 consists of HQLA Level 1 (99.83 per cent), HQLA Level 2A (0.15 per cent) and HQLA Level 2B (0.02 per cent). HQLA Level 1 is comprised of securities issued by central government and Bank Indonesia (68.98 per cent), placements at Bank Indonesia (24.35 per cent) and the rest is in cash.
• Based on the perspective of cash outflow, composition for 4th quarter of 2023 against total cash outflow is mainly dominated by corporate customers (88.32 per cent), individual customers and micro, small and medium enterprises (7.22 per cent) while the rest is from other cash outflow.
• Based on the perspective of cash inflow, composition for 4th quarter of 2023 against total cash inflow is secured lending from non-financial corporation counterparty (72.74 per cent), financial institution counterparty (21.44 per cent) while the rest is from other cash inflow.
• Management of assets and liabilities as well as liquidity is determined through the Asset and Liability Committee (ALCO) meeting and is carried out synergistically by the business supported by a risk management work unit.
• Bank monitors and manages liquidity risk through liquidity ratios which are monitored daily such as non-bank deposit reduction ratio, Loan to Deposit Ratio (LDR), Macroprudential Intermediation Ratio (RIM), Top 20 and 50 Depositors of non-bank customers, top single depositors of non-bank and bank customers, swap funding ratio and undrawn facility ratio. Bank also conducts liquidity stress test to assess Bank's liquidity adequacy in 'bank specific crisis' and 'general market crisis' scenario.
• The projected cash flow uses behavioural modelling to ensure that the cash flows has reflected business behaviour under normal condition. The behavioural cash flows analysis produces Net Cumulative Outflow (NCO) gap, which is expected to be faced by the Bank. In addition, the Bank also conducts periodic monitoring on the stability of core deposits consisting of non-bank stable funds such as current accounts, deposits, and time deposits by analysing its volatility.

Liquidity Coverage Ratio

Individual Analysis
• Furthermore, the Contingency Funding Plan (CFP) becomes a crucial component in liquidity management framework and functions as an extension of operational policies or daily management of the Bank's liquidity. The Contingency Funding Plan elaborates the Bank's necessary action in liquidity crisis, both in bank-specific or general market. Contingency Funding Plan covers the identification process of liquidity crisis, determination of responsibility and related management actions in crisis, improving the concerned area, as well as ensuring that information can be acquired on time to facilitate a quick, timely, and effective decision making. The difficulty level and details of the plans are adjusted according to the complexity, risk exposure, activity, product, and the Bank's organisational structure to determine the most relevant indicator to be used in managing liquidity and funding risks. In addition, the Bank also established Liquidity Task Force (LTF) which is responsible to evaluate liquidity position and determine which action to take during crisis.
Note: LCR numbers are presented after weighted

NSFR

32. NSFR Calculation

	ASF Component	September 2023			
		Carrying Value based on Remaining Maturity			
		Non Maturity[1]	< 6 months	≥ 6 months - <1 year	≥ 1 year
1	**Capital :**	**16,035,993**	**-**	**-**	**1,403,123**
2	Capital based on POJK KPPM	16,035,993	-	-	1,403,123
3	Other Capital Instruments	-	-	-	-
4	**Deposit from Retail and SME**	**17,142,683**	**22,873,581**	**700,847**	**24,806**
5	Stable deposits	11,004,280	4,304,428	106,125	2,579
6	Less stable deposits	6,138,403	18,569,152	594,722	22,227
7	**Deposit from Wholesale**	**41,318,324**	**47,119,107**	**406,592**	**-**
8	Operational deposits	20,560,113	-	-	-
9	Other Deposit from Corporate	20,758,211	47,119,107	406,592	-
10	**Liabilities that have interdependent asset pairs**	**-**	**-**	**-**	**-**
11	**Liabilities and other equity**	**-**	**-**	**-**	**-**
12	NSFR derivative liabilities				1,338,860
13	Equity and other liabilities that do not fall into the above categories	-	2,730,766	-	-
14	**Total ASF**				

	RSF Component	September 2023			
		Carrying Value based on Remaining Maturity			
		Non Maturity[1]	< 6 months	≥ 6 months - <1 year	≥ 1 year
15	**Total HQLA for the calculation of NSFR**				
16	**Deposits in other financial institutions for operational purposes**	**-**	**-**	**-**	**-**
17	**Performing Loans and Securities**	**-**	**62,903,581**	**12,711,033**	**33,037,749**
18	To financial institutions that are guaranteed with Level 1 HQLA	-	267,780	-	1,545,491
19	To a guaranteed financial institution not with HQLA Level 1 and a loan to an unsecured financial institution	-	6,902,385	261,124	1,575,586
20	to non-financial corporations, retail customers and micro and small business customers, the central government, the governments of other countries, Bank Indonesia, central banks of other countries and public sector entities, including:	-	55,485,278	12,161,980	23,357,543
21	qualify for a weighted risk of 35% or less, in accordance with SE OJK ATMR for Credit Risk	-	-	-	-
22	Unsecured home mortgage loans, which include:	-	-	-	-
23	qualify for a weighted risk of 35% or less, in accordance with SE OJK ATMR for Credit Risk	-	248,138	233,691	5,916,652
24	Securities with Current and Undercurrent (performing) categories that are not being pledged, do not default, and are not included as HQLA, including exchange traded shares	-	-	54,238	642,478
25	**Assets that have interdependent liability pairs**	**-**	**-**	**-**	**-**
26	**Other assets:**	**-**	**2,448,025**	**97,411**	**4,890,343**
27	Physical commodities traded, including gold	-			

NSFR

(in IDR million)

Total Weighted Value	December 2023				Total Weighted Value
	Carrying Value based on Remaining Maturity				
	Non Maturity[1]	< 6 months	≥ 6 months - <1 year	≥ 1 year	
17,439,116	**17,514,942**	**-**	**-**	**1,475,561**	**18,990,503**
17,439,116	17,514,942	-	-	1,475,561	18,990,503
-	-	-	-	-	-
37,440,948	**21,315,565**	**27,254,041**	**1,001,695**	**53,746**	**45,610,810**
14,646,671	14,735,043	4,005,651	117,183	4,724	17,919,707
22,794,276	6,580,522	23,248,390	884,512	49,021	27,691,103
23,698,053	**39,590,330**	**44,696,606**	**1,398,621**	**23,388**	**24,725,324**
10,280,056	21,147,138	-	-	-	10,573,569
13,417,997	18,443,193	44,696,606	1,398,621	23,388	14,151,755
-	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**
				1,244,164	
-	-	3,085,360	509,260	-	254,630
78,578,117					**89,581,268**

(in IDR million)

	Total Weighted Value	December 2023				Total Weighted Value
		Carrying Value based on Remaining Maturity				
		Non Maturity[1]	< 6 months	≥ 6 months - <1 year	≥ 1 year	
	980,235					**1,388,685**
	-	**-**	**-**	**-**	**-**	**-**
	53,187,223	**-**	**58,464,865**	**10,841,280**	**32,856,703**	**51,150,828**
	1,572,269	-	-	-	1,539,692	1,539,692
	2,741,505	-	6,659,042	862,825	914,922	2,345,190
	44,213,485	-	51,411,715	9,777,739	23,650,455	42,453,528
	-	-	-	-	-	-
	-	-	-	-	-	-
	4,086,738	-	22,390	20,863	6,119,419	3,999,249
	573,225	-	371,719	179,853	632,216	813,169
	-	**-**	**-**	**-**	**-**	**-**
	6,297,328	**-**	**2,376,277**	**64,847**	**13,559,927**	**15,107,844**
	-	-				-

NSFR

	RSF Component	September 2023			
		Carrying Value based on Remaining Maturity			
		Non Maturity[1]	< 6 months	≥ 6 months - <1 year	≥ 1 year
28	Cash, securities and other assets recorded as an initial margin for derivative contracts and cash or other assets that are deposited as default funds at central counterparty (CCP)		-		
29	NSFR derivative assets				1,138,451
30	NSFR liability of derivative before deducting with variation margin				66,943
31	All other assets that do not fall into the above categories	-	2,448,025	97,411	3,684,949
32	**Administrative Account**				**73,888,009**
33	**Total RSF**				
34	**Net Stable Funding Ratio (%)**				

[1] Components reported in the non-term category are components that do not have a contractual period, including: Permanent (perpetual) capital instruments, short positions, open maturity positions, demand deposits, equity that are not included in the HQLA and commodity categories

Individual Analysis
• The calculation of the Bank's NSFR ratio as of December 2023 was 131.55 per cent with a total available stable funding (ASF) was IDR89.58 trillion and total required stable funding (RSF) was IDR68.10 trillion. The NSFR number is higher than the minimum requirement (> 100 per cent) regulated by OJK.
• Total available stable fundings (ASF) are mostly from individual retail savings with a total weighted of IDR45.61 trillion or 51 per cent of the total ASF followed by funding from wholesale customer (28 per cent) and capital (21 per cent). Meanwhile, required stable fundings (RSF) are mostly comes from current and performing loans as well as marketable securities with a total weighted of IDR51.15 trillion or 75 per cent of total RSF.
• When compared to the position in September 2023 (128.85 per cent), the NSFR ratio as of December 2023 increased by 2.70 per cent. This increase were due to the increase in ASF by IDR11.00 trillion or 14.00 per cent mostly from stable funding from retail and micro and small enterprises by IDR8,17 trillion to IDR45,61 trillion.
• With the above calculation of NSFR, the Bank has a sufficient stable funding to fund the Bank's assets in order to manage its long-term liquidity risks.
• The management of assets, liabilities, and liquidity are determined through Assets and Libilities Committee (ALCO) meeting and carried out in synergy by business unit with the support from risk management work unit.

NSFR

(in IDR million)

		December 2023				
	Total Weighted Value	Carrying Value based on Remaining Maturity				Total Weighted Value
		Non Maturity[1]	< 6 months	≥ 6 months - <1 year	≥ 1 year	
	-		-			-
	-				893,208	-
	66,943				62,208	62,208
	6,230,385	-	2,376,277	64,847	12,604,511	15,045,635
	519,688				**93,474,052**	**451,172**
	60,984,474					**68,098,529**
	128.85%					**131.55%**

Liquidity Risk

33. Liquidity Risk - Encumbered Asset (ENC)

(in IDR million)

	a	b	c	d
	Encumbered Asset	Asset placed or pledged to Central Bank but yet to be used to create liquidity	Unencumbered Asset	Total
Cash and Cash Equivalent	-	-	603,539	603,539
Placement with Bank Indonesia	-	11,633,550	-	11,633,550
Marketable Securities (HQLA Level 1)	13,772,858	-	39,504,840	53,277,698
Corporate Bonds (HQLA Level 2a dan 2b)	-	-	96,047	96,047
Total HQLA	**13,772,858**	**11,633,550**	**40,204,426**	**65,610,834**

Qualitative Analysis

a. Encumbered assets are Bank assets that can not be used for liquidity needs, both legally or contractually by the Bank under stress conditions. As of 31 December 2023, encumbered assets of the Bank is IDR13.8 trillion.
b. Asset placed or pledged to Central Bank but yet to be used to create liquidity is placement with Bank Indonesia amounting to IDR11.6 trillion (position 31 December 2023).
c. Unencumbered assets consist of Cash and Cash Equivalent amounting to IDR603 billion and Marketable Securities (after weighted) amounting to IDR39.6 trillion (position 31 December 2023).
d. Point b) and c) are HQLA.

Operational Risk

34. Operational Risk Calculation

(in IDR million)

No.	Approach Used	31 December 2023		
		Business Indicator	Business Indicator Component	RWA
(1)	(2)	(3)	(4)	(5)
1	Standardised Approach	5,164,703	619,764	7,747,054
	Total	**5,164,703**	**619,764**	**7,747,054**

(in IDR million)

No.	Approach Used	31 December 2022		
		Gross Income (Average 3 years last)	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)
1	Basic Indicator Approach	5,517,052	827,558	10,344,473
	Total	**5,517,052**	**827,558**	**10,344,473**

Chapter .06

Sustainability Report

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About This Sustainability Report

[GRI 2-4, 2-5] [OJK G.1]

This Sustainability Report is one of our means of communication to all stakeholders regarding the approaches, policies, and activities that have been implemented by UOB Indonesia to support sustainable growth of the Bank's business.

The Sustainability Report of PT Bank UOB Indonesia (hereinafter referred to as "UOB Indonesia" or "the Bank" or "we") is published as part of the Bank's Annual Report.

As a means of communication to all stakeholders, the Bank has published the 2023 Sustainability Report, which elaborates on the approaches, policies and activities that have been implemented by UOB Indonesia in balancing the performance of Economic, and Environmental, Social and Governance (ESG) aspects to ensure positive and sustainable business growth is achieved.

This Sustainability Report describes the development of business operations in the Bank's efforts to provide positive impacts or overcome negative impacts on all stakeholders including impacts on social and environmental conditions, the mitigation steps we are taking, as well as a presentation of the Bank's contribution to the United Nations Sustainable Development Goals.

Our reporting content is prepared by referring to the following guidelines: [GRI 2-3]

- Regulation of the Financial Services Authority Regulation (POJK) No. 51/POJK.03 of 2017.
- Circular of the Financial Services Authority Circular (SEOJK) No. 16/POJK.04/2021, section on Technical Guidelines for Preparing Sustainability Reports for Issuers and Public Companies;
- Global Reporting Initiative (GRI) Standards 2021 by the Global Sustainability Standards Board.

Until the end of the reporting period, the Bank did not have any subsidiaries. The scope of this report includes the realisation of the Bank's sustainability programme. The information presented is in the form of material topics that have been determined in accordance with the GRI Standards, as well as a compilation of data from management at the Head Office and 131 branches throughout the Bank's operational areas. Meanwhile, financial information comes from Audited Financial Reports which are audited by the Public Accounting Firm. [GRI 2-2, 3-1]

The process of determining contents of the report [GRI 3-1]

The Bank underwent 4 stages of determining material topics with reference to the 8 basic principles of preparing a sustainability report according to the GRI Universal Standards. These stages are described in the Material Topic Determination Process.

The following are 8 basic principles for preparing a Sustainability Report according to the GRI Universal Standards:

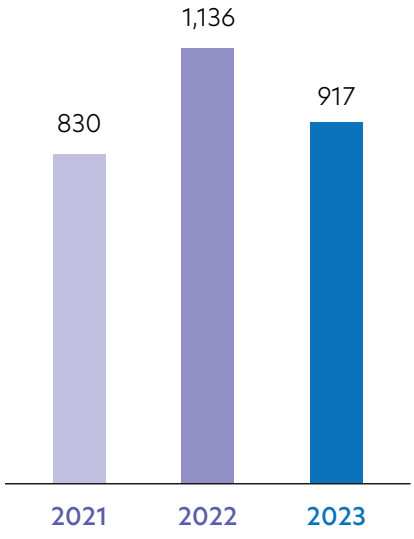
1. Accuracy
2. Balance
3. Clarity
4. Comparability
5. Completeness
6. Sustainability Context
7. Timeliness
8. Verifiability

This sustainability report has not yet been verified by an external party. However, the attached financial statements, which are consolidated from 1 January to 31 December 2023, have been audited by a public accountant. In this report, we will provide specific details on any changes, restatements, or improvements made to the data or information submitted in our previous report, along with the reasons for these restatements.

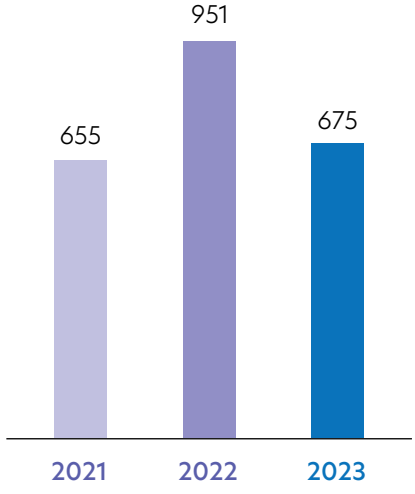
Sustainability Highlights

Economic Performance [OJK B.1]

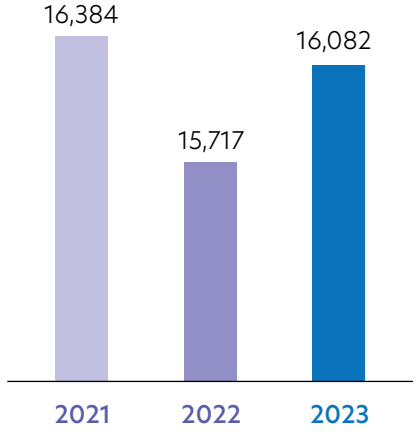
Operating Profit
(IDR Billion)



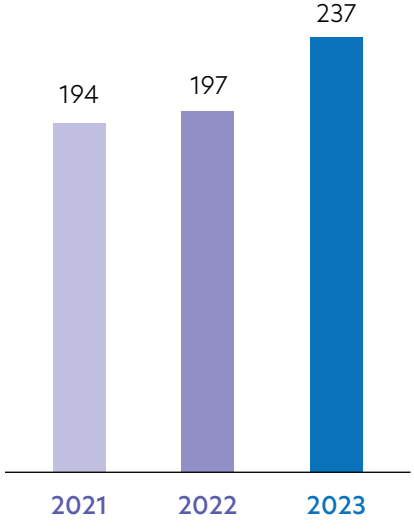
Net Profits
(IDR Billion)



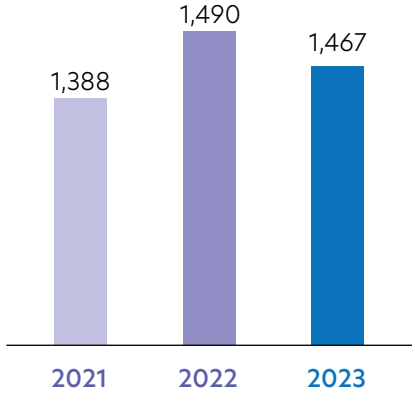
Financing for Sustainable Business Activities (POJK 51 Framework)
(IDR Billion)



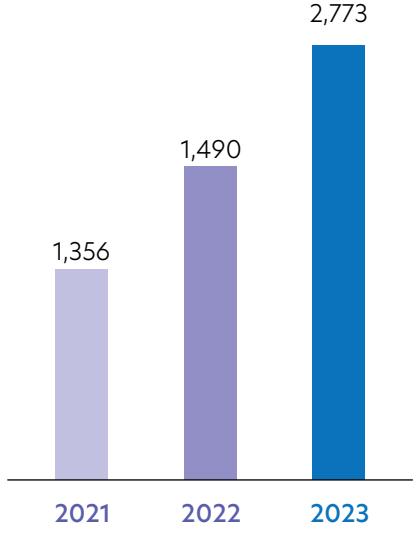
Corporate Income Tax
(IDR Billion)



Number of Local Vendors



Amount Distributed to Local Vendors
(IDR Billion)



Sustainability Highlights

Financing for Sustainable Business Activities [FN-CB-240A.1] [FN-CB-240A.2]

Description	Unit	2021	2022	2023
Types of products that meet the criteria for sustainable business activities	Unit	4	5	6
Renewable energy	IDR Billion*	1,653	1,871	242
Resource management and sustainable land use	IDR Billion*	3,627	2,110	2,219
Products that can reduce resource use and pollution (eco-efficient)	IDR Billion*	253	651	759
Green Buildings that Meet Nationally, Regionally, or Internationally Recognised Standards or Certifications	IDR Billion*	0	0	717
Business Activities and/or Other Activities from Other Eco-Friendly Business Activities	IDR Billion*	0	421**	1,089
Micro, Small, and Medium Enterprises	IDR Billion*	10,852	10,664	11,055
Sustainable finance classification POJK 51	IDR Billion*	16,384	15,717	16,082
Sustainable finance classification (UOB Framework)	IDR Billion*	409	1,446	2,886
Total Loans	IDR Billion*	74,805	85,535	84,023
Sustainable Financing to total loans	%	21.9	18.4	19.1
NPL of MSME lending	%	6.2	7.3	5.8

* Outstanding as of 31 December 2023
**Revision on 2022 figure is due to changes in tagging and calculation methodology

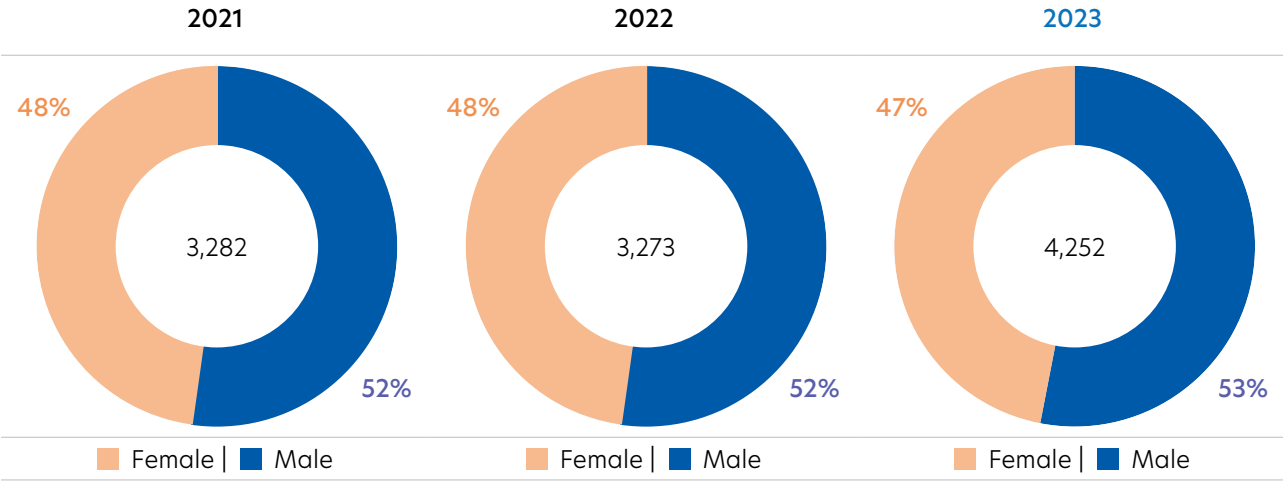
Financial Inclusion [FN-CB-240a.3] [FN-CB-240a.4]

Description	Unit	2021*	2022**	2023
Number of schools visited through outreach*	Unit	0	2	6
Number of new student-held accounts	Unit	1,085	901	931
New funds in student-held accounts	IDR Billion	66	25	35

* Pandemic period
** New student-held accounts opened in 2022 originated from both virtual and physical general product programmes

Social Performance [OJK B.3]

Employee Composition by Gender



Composition of the Board of Commissioners and Directors by Gender

Gender	2021	2022	2023
Male	92%	93%	92%
Female	8%	7%	8%

Employee Training

Description	Unit	2021	2022	2023
Total trainees for all courses (double-counted if trainees attended multiple courses)	Unit	93,513	93,127	100,836
Total training hours	Hour	218,106	216,654	188,973
Total number of employees trained	Unit	3,868	3,687	4,590
Man-days per headcount	Man-days	7.1	8.3	5.2
Mandatory e-learning Completion Rate	%	100	100	100
New employees Completion Rate	%	100	100	100
Refresher Completion Rate	%	100	100	100

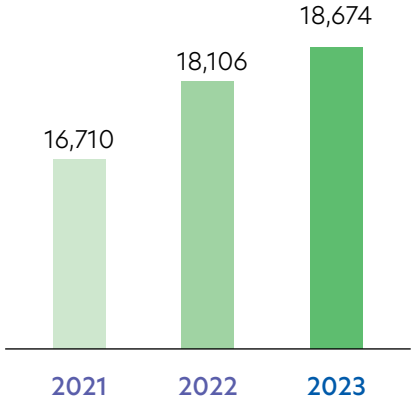
Community Stewardship Focus Area

Description	Unit	2021	2022	2023
Children and Education	IDR Million	1,228	1,373	356
Arts	IDR Million	1,060	1,060	2,487
COVID-19 Relief	IDR Million	1,000	0	0

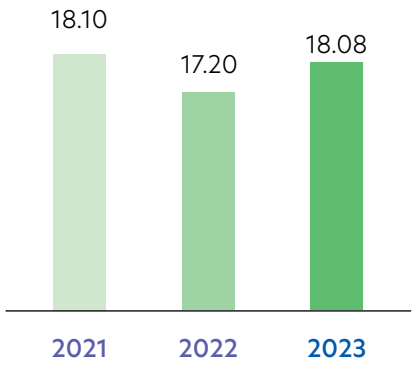
Sustainability Highlights

Environmental Performance [OJK B.2]

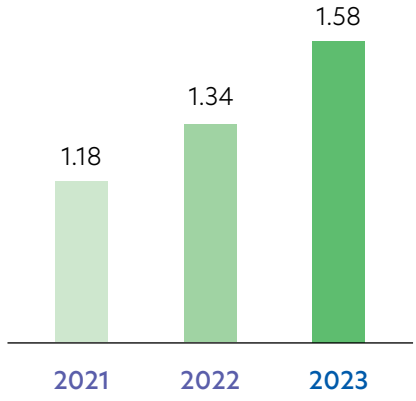
Fuel Consumption
(Gigajoules)



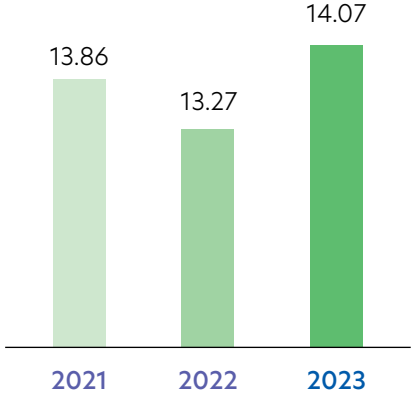
Electricity Consumption
(GWh)



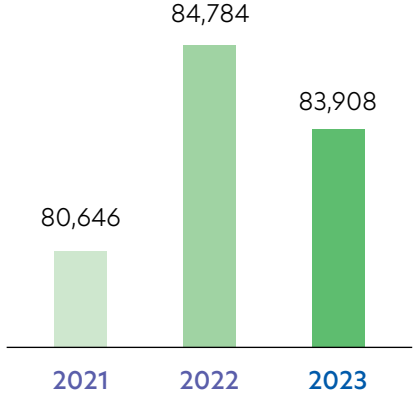
Scope 1 – Emissions
(Thousand Tons CO_2 eq)



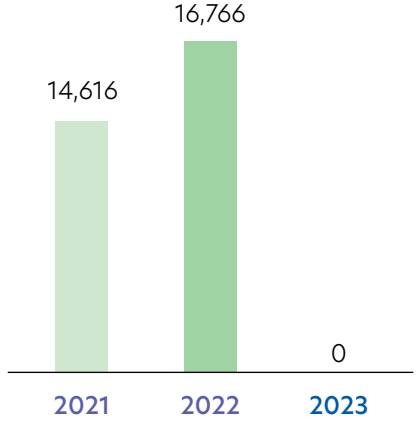
Scope 2 – Emissions
(Thousand Tons CO_2 eq)



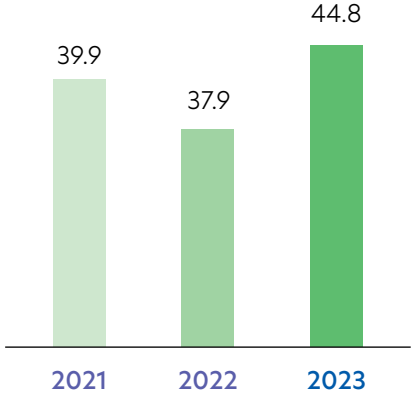
Water Consumption
(m^3)



Plastic Bottle Procurement
(Unit)



Paper Consumption
(Metric Ton)



Our Approach

290 Sustainability Strategy
299 Sustainability Governance
301 Stakeholder Management
305 Material ESG Factors

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

In UOB Indonesia, our sustainability strategy is underpinned by our corporate purpose and mirrors our business approach of balancing growth with responsibility. Our strategy considers the economic, social, environmental, data privacy and business ethics factors that influence our decisions and actions, and their impact on our stakeholders. It also ensures that we remain pragmatic and progressive through managing ESG risks and opportunities practically and in line with market realities.

Five Guiding Principles

UOB Indonesia's sustainability programme runs in accordance with the Five Guiding Principles that serve as a guide on how we mitigate risks and, in turn, optimise opportunities that can materially impact our customers, colleagues, investors, suppliers and communities wherever we operate.

01 Forge a Sustainable Future with Our Customers
Engage our customers proactively to influence their sustainability practices for greater long-term resilience.

02 Aligned to Business Strategy and Stakeholder Interests
Stay economically relevant by pursuing sustainable growth strategies.

03 Pragmatic and Progressive
Implement sustainability programmes to manage ESG risks and opportunities sensibly, in line with market and competitive realities.

04 Regulatory Compliance as the Baseline
Align our sustainability approach with ESG policies and guidelines of governments in our key markets.

05 Values-driven
Based on our longstanding and distinct values.

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

The Bank's sustainability strategy is based on the values of: Honourable, Enterprising, United, and Committed. These values serve as a guide for all employees in implementing policies and operational processes to ensure the long-term interests of stakeholders are met and the Bank's performance is maintained.

Our Sustainability Strategy [OJK F.1]

The four pillars of the sustainability strategy stem from UOB Indonesia's fundamental strengths and are rooted in the Bank's values. These four pillars reflect the Bank's expertise, responsibility, and role in ensuring the benefit of key stakeholders in the long term. Each pillar determines the goals to be achieved to ensure the implementation of sustainability strategies in accordance with clear plans and objectives.

1. Drive Growth Sustainably

In driving growth sustainably, the Bank incorporates sustainability risk elements in our approach to risk management. This includes integrating ESG considerations into our credit evaluation and approval processes. We offer a range of sustainable solutions that can help our customers make a difference in their own communities. We are also progressively adopting as well as promoting climate-resilient practices which will support our customers in their own transition to a low carbon economy. Beyond financing, we continue to make significant strides in growing our sustainable investing portfolio.

2. Keep Customers at the Centre

As the Bank focuses on doing what is right for customers, we ensure that Fair Dealing principles are entrenched in all aspects of the Bank's relationship with them. Keeping their best interests in mind, we harness technology and use data to make banking simpler, smarter, safer and more intuitive for them. By doing so, we aim to make banking more accessible and inclusive to individuals and businesses in the communities in which we operate. Standing by our customers also means that we must protect their data and privacy by maintaining the security and robustness of our systems and processes.

3. Developing Professionals of Principle

The Bank develops professionals of principle – high-performing teams and individuals who are guided by the Bank's values. We embrace diverse strengths and abilities as these enhance our capabilities and enrich our competitiveness. We equip our colleagues to take on the challenges of tomorrow even as we care for their welfare and work-life harmony today. We also foster a sense of belonging among our colleagues by encouraging volunteerism and improving engagement and satisfaction.

4. Uphold Corporate Responsibility

As a responsible financial services provider, the Bank upholds corporate responsibility by maintaining the best governance standards and risk culture, ensuring compliance with regulations, and protecting the Bank's financial system. We remain steadfast in our commitment to promote social development in the areas of art, children and education. Both in our own operations as well as among our stakeholders, we also actively encourage and support environmental stewardship efforts. Together, these efforts help us contribute to a strong and sustainable future for the wider community.

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

Promote United Nations Sustainable Development Goals with our stakeholders			
Drive Growth Sustainably	Keep Customers at the Centre	Develop Professionals of Principle	Uphold Corporate Responsibility
• Contribute economically to the progress of our communities	• Protect customer data and privacy through secure and robust systems and practices	• Develop high-performing teams and future-focused individuals	• Maintain highest standards of governance and risk culture
• Embed environmental, social and governance risks in our approach to risk management	• Ensuring Fair Dealing	• Promote work-life harmony	• Ensuring regulatory compliance
• Integrate social and environmental considerations into our credit evaluation and approval processes	• Create intuitive and impactful customer experiences	• Encourage volunteerism and advocacy for social and environmental causes	• Protect the financial system against abuse
• Adopt and promote climate-resilient practices to support our customers in their transition to a low-carbon economy	• Make banking transactions simpler, smarter and safer through ethical use of technology and data	• Ensure employee engagement and satisfaction	• Incorporate sustainability principles into our procurement practices
• Develop and provide sustainable financing and sustainable investment solutions	• Make banking more accessible and inclusive	• Ensure workplace health, safety and well-being	• Manage direct environmental impact and encourage environmental stewardship
	• Support businesses across all stages of growth	• Embrace diverse abilities and strengths	• Champion social development in art, children, and education
Rooted in our Values - Honourable, Enterprising, United, and Committed			

Building a Culture of Sustainability

The Bank implements several programmes specifically to develop a culture of sustainability, including internal organisational improvements, establishment and integration of ESG policies in our risk management and approval process, sustainability-related training for employees and sustainability education programmes for the community.

The Bank has developed an ESG strategy which will continue to be refined over time. Employee training is a key conponent of this strategy. Several sustainable finance training programmes for employees that were implemented in this reporting year include: responsible financing and online ESG training. In the reporting year, 80 per cent of employees took part in the Better U programme, an upskilling programme accredited by The Institute of Banking and Finance Singapore (IBF) that is designed to equip employees with knowledge and competencies to stay relevant and thrive in an ever-changing environment. Topics covered include digital awareness, fundamental data science, human centred design, problem solving, and growth mindset.

The Bank also implements programmes to build stakeholder awareness to ensure alignment so that all stakeholders can support the achievement of both social and environmental sustainability goals. We have implemented several programmes independently or in collaboration with third parties and the government, such as events to support local communities' financial literacy, UOB Painting of the Year, and recycling waste management in head office.

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

Commitment to Net Zero

The global call for stronger and coordinated climate action is getting louder and more urgent. Increasingly, countries and companies are pledging their commitment to net zero emissions, and are setting measurable goals and planning tangible actions to support the global transition. We cannot pass the responsibility to future generations; we must address the transition with urgency today. Meanwhile, Southeast Asia, is one of the most vulnerable regions to climate change, Southeast Asia is facing stark consequences – rising sea levels, heat waves, droughts and increasingly severe rainstorms and floods.

UOBI, as a subsidiary of UOB which aspires to be a leading sustainable bank in Southeast Asia and is committed to net zero by 2050, recognises the substantial impact that financial institutions can have in catalysing and facilitating decarbonisation, and seek to balance growth with responsibility through supporting a just transition. Our efforts go beyond the reduction of greenhouse gas (GHG) emissions, helping to ensure that the lives and livelihoods of individuals and communities can continue to improve.

UOB has adopted a pragmatic view and our commitments are grounded in the realities of Indonesian market development. We are guided by credible scientific approaches in setting our net zero targets, aligning with global net zero models where possible. This approach is in line with the guidance from the Glasgow Financial Alliance for Net Zero (GFANZ) on how financial institutions should set targets and use sectoral pathways in alignment with the Paris Agreement and the 1.5°C global warming trajectory outlined by the Intergovernmental Panel on Climate Change.

Our net zero commitment covers six focus sectors that represent about 60% of our corporate lending portfolio.

These can be grouped into two ecosystems in terms of their emissions: energy and the built environment.

These sectors were selected based on three key considerations:

- Significance: The six sectors are among the most material and interconnected in terms of decarbonisation efforts. Oil, gas and coal, for example, are responsible for more than 73% of direct emissions globally as the base supply of energy. End-users, including power, automotive, real estate and steel, account for more than 60% of the emissions from burning fossil fuels.

- Exposure and impact: The six sectors make up the majority of our corporate lending portfolio. UOB's financing strategy can have near-term impact on the power and automotive sectors, where low-carbon technology is viable but requires substantial investment, as well as in the real estate sector where energy-efficient infrastructure is also available. Although emissions in the steel and construction sectors will be more difficult to abate, the transition in these sectors is essential for our real estate clients in their decarbonisation efforts.

- Accessibility and availability of methodology and data: Challenges surround data quality and availability, and we have chosen sectors in which meaningful emissions data is accessible or where there is an established data methodology for calculating estimates. Our methodology and sector coverage will be updated as data quality improves.

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

Overview of opportunities identified by sector

Ecosystem	Sector	Opportunities
Energy	Power	Work with power generation companies and equipment manufacturers to adopt decarbonisation targets
		Increase financing for new renewable energy projects
	Automotive	Work with equipment manufacturers, dealers and automotive financial leasing companies to support electric vehicle (EV) supply chains
		Increase financing for EV-focused businesses
	Oil and gas	Work with companies in hard-to-abate sectors to finance renewable energy, low-emissions fuel alternatives and emissions reduction technologies
Built environment	Real estate	Work with property developers, operators, investment companies and real estate investment trusts to encourage adoption of energy efficiency standards for buildings
		Increase financing to support the retrofitting and upgrading of existing buildings with energy-efficient equipment and installation of renewable energy
	Construction	Work with contractors and material suppliers to increase financing to green building construction activities and encourage the increased usage of sustainable building materials for better life cycle cost and to lower embodied carbon emissions
		Increase financing of on-site renewable energy
	Steel	Support crude steel and fabricated metal producers and traders towards electric arc furnace (EAF) production methods and usage of scrap metal
		Support research and development of new technologies to improve plant efficiency

UOBI will continue to deepen our understanding of our clients' decarbonisation journeys, enhance our sustainable finance products including sector-specific solutions that serve end-to-end needs, and reinforce our ability to catalyse the transformation of ecosystems through advisory and solutions beyond banking.

Further information regarding UOB's commitment to achieving net zero is available on https://www.uobgroup.com/sustainability/sustainable-banking/net-zero-commitment.page

Supporting the United Nations Sustainable Development Goals (UN SDGs)

UOBI's business plan and sustainable action plan have been tailored to reflect our support for UN SDGs which demonstrates social and environmental responsibility and support for national economic growth.

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

United Nations Global Compact (UNGC)

UOB is also a participant in the UNGC, which is an initiative to encourage companies to align their strategies and operations with ten principles in the areas of human rights, labour, the environment and anti-corruption, and to advance progress against the UN SDGs. As a signatory, UOB supports the Ten Principles of the Global Compact:

The Ten Principles | UN Global Compact	
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

Principles of Sustainable Finance

[OJK A.1]

UOBI believes in sustainable development that meets the needs of the present without compromising the livelihood of future generations. The Indonesian Government has also started to establish an environmentally friendly financial institution system as mandated in Law No. 32 of 2009 on Environmental Protection and Management.

In addition, the Financial Services Authority (OJK) has issued regulation No. 51/POJK.03/2017 (POJK 51/2017) on the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies. Thus, every business in the financial sector needs to take steps that can produce a positive impact on the environment and society and implement sustainable finance, enabling business development to have a broad impact on society.

The Bank supports the government's programme to implement sustainable financial principles by integrating Environmental, Social and Governance (ESG) aspects in the Bank's operational activities. We adhere to the principle of prudence in running business and ensure that credit risk is under control. The Bank is also committed to mitigating ESG aspects in our operations and participated in the implementation of the Indonesian Green Taxonomy pilot project, which started in July 2022 and continues to implement Green Taxonomy classification reporting quarterly in the Wholesale Banking segment (excluding Business Banking). Furthermore, the Bank will continue to support OJK initiatives pertaining to green taxonomy in 2024.

We have established policies and implemented sustainable financing to support responsible sustainable development. We support businesses in their transition to a more sustainable, low carbon, energy efficient economy, helping them to stay relevant and competitive for the long term. To help simplify access to sustainable financing for companies looking to build resilient businesses, we have in place sustainable finance umbrella frameworks that are aligned to internationally-recognised standards, principles and guidelines.

In accordance with the provisions of Regulation of the Financial Service Authority (OJK) No. 51 of 2017, the Bank supports the achievement of sustainability goals by preparing a Sustainable Action Plan (SAC) to realise various sustainability programmes, both for the short term (one year) and long term (five years).

To optimise the performance of programmes that focus on creating sustainable value for stakeholders, the Bank aligns long-term business strategies with their interests. In implementing operational activities, the Bank strives to provide added value for stakeholders by integrating eight principles of sustainable finance (stated in Regulation of the Financial Service Authority No. 51 of 2017), including: [OJK A.1]

- Principle of Responsible Investment;
- Principle of Sustainable Business Strategy and Practice;
- Principle of Social and Environmental Risk Management;
- Principle of Governance;
- Principle of Informative Communication;
- Principle of Inclusiveness;
- Principles of Strategic Sector Development Priorities; and
- Principle of Coordination and Collaboration.

Realisation of Bank's Sustainable Action Programmes

As a manifestation of our commitment to supporting the achievement of sustainable development goals, the Bank has evaluated and implemented the SAC for the 2023-2028 period which was formulated by the Board of Directors and approved by the Board of Commissioners. Various SAC programmes that were realised in 2023 are as follows:

Short Term

a. Growing internal bank awareness regarding ESG aspects
   In 2023, there were communication emails to all employees regarding ESG, including several discussion activities and other collaborative activities to increase understanding of the Bank's employees regarding ESG. In addition, the bank launched a mandatory sustainability 101 e-learning module for all employees. The module provides them with basic understanding of topics across the ESG dimensions, UOB's sustainability strategy as well as how they can contribute to our sustainability agenda.

b. Growing awareness of diversity and inclusion
   To support an inclusive work environment

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

and eliminate discrimination, intimidation and harassment, as well as provide equal opportunities for all employees' development, the Bank requires all newly joined employees to provide a "Code of Ethics" declaration. In 2023, 100 per cent have completed and/or are still within the specified time limit to complete the declaration.

c. Creating a workforce with future skills
80 per cent of relevant employees of the Bank have completed 5 future skills training modules under our Better U programme.

d. Improved debtor analysis by determining ESG risk classification
- Monitoring of the ESG risk profile portfolio is conveyed to the management through meetings or circulation to CPC (Credit Policy Committee) members. Monitoring the follow-up and progress of new debtors and existing debtors with identified ESG-related issues (for example PROPER results or ESG-related incidents) is carried out on a monthly basis through CPQM (Credit Portfolio Quality Meeting) meetings as part of the Bank's watch list framework.
- The Bank continues to collaborate across related work functions to prepare reports on the classification of the Indonesian Green Taxonomy (IGT) for the Bank's debtors as required by the Financial Service Authority that will be effective in 2024. The Bank has begun carrying out the pilot phase of reporting trials on IGT classification for a number of bank debtors in the Wholesale Banking (excluding Business Banking).
- The Bank conducted ESG assessment training for relevant industrial sectors in the third quarter of 2023.

e. Enhanced credit policies or procedures, governance and/or SOPs related to ESG risks in accordance with sustainability principles, in particular adjustments to provisions related to IGT from the OJK
- The Bank has enhanced responsible financing policies in oil & gas, thermal coal, animal protein, and palm oil sector.
- The Bank has also established an Environmental Risk Management Framework that aims to build a good environmental risk management system within the Bank, defined the roles and responsibilities of internal stakeholders related to environmental risk management and facilitated business development through a careful and consistent approach.

f. Implementation of Indonesian Green Taxonomy (IGT) reporting
The Bank has submitted the IGT report according to the directions from the Financial Service Authority (OJK) quarterly.

g. Established social programmes focusing on art, children and education through partnerships, employee participation/volunteerism, and corporate philanthropy

UOBI empowered the community through a series of programmes such as UOB Painting of the Year (POY), UOB Heartbeat and Art Jakarta. The UOB POY competition provides an opportunity to established and emerging Indonesian artists to demonstrate their artistic talents and gain recognition in Southeast Asia. During its thirteen years of existence, UOB POY Indonesia winning artists have won the prestigious Southeast Asia UOB POY Award six times. We also empower the winning artists to teach children through environmental awareness programmes as part of our educational initiatives.

UOB Heartbeat is an annual employee engagement programme that encourages employees to participate in volunteering activities that positively impact the community. These activities include assisting disadvantaged or special needs children with arts education, digital access, English and financial literacy, and storytelling. Additionally, the UOB Heartbeat Run/Walk is conducted in the form of a run/walk to raise donations for the community.

UOB Indonesia has also established a strategic partnership with Art Jakarta, one of the largest art fair events in Indonesia, since 2016.

As one of the lead partners, UOB Indonesia presented UOB Art Space, a large-sized art exhibition space to showcase and promote the winning artworks of the UOB POY from Indonesia, Malaysia, Singapore, Vietnam, and Thailand.

Sustainability Strategy

[GRI 2-22, 2-23, 2-24] [OJK A.1]

h. Dissemination and communication to students to boost financial literacy

In 2023, UOB Indonesia conducted visits to selected schools to promote financial literacy among students. The Bank promoted a culture of saving through 6 activities in schools and 7 activities in communities and public areas, enabling interaction between parents and children. Promotional kiosks of the activities are established in malls, offices and markets.

i. Minimised environmental pollution by reducing the use of plastic, paper and toner

To reduce environmental pollution, UOBI stopped procuring plastic bottled drinking water since January 2023. The Bank advocates for employees to bring their own tumblers for personal use. Additionally, we provide drinking glasses specifically for customers.

In 2023, we reduced our paper usage by 45 per cent and toner usage by 72 per cent, compared to usage in 2019.

j. Implemented waste management at Head Office

We implemented a waste separation system at our head office building, providing different waste bins for paper, inorganic and organic waste. Additionally, we engaged a waste management company to manage and optimise waste recycling at our UOB Plaza and Wahid Hasyim office, reducing the amount of waste that ends up in landfills.

k. Energy Efficiency and Renewable Energy

The Bank purchased Renewable Energy Certificates (RECs) from geothermal power plants in Indonesia based on our electricity usage. RECs are obtained annually after electricity usage data for January to December is completed. We are also gradually replacing conventional lighting systems in the head office and branch offices with more efficient light-emitting diodes (LED) lighting systems.

l. Supporting "green bonds" by becoming a distribution agent for Savings SUKUK (Islamic debt papers) products

To support the government's environmental conservation programme, the Bank participated as ST010 selling agent. We also offer customers green retail bonds as an investment option.

Long-Term

a. Growing internal competencies to support the Bank's sustainable growth

We develop our employees and equip them with relevant knowledge and skillsets so that they are well-prepared for future challenges. These include ESG and digital topics, namely digital awareness, fundamental data science, human centered design, problem solving, and growth mindset.

The HR Learning and Development team collaborates with Wholesale Banking, Risk Management, Compliance, Legal, Integrated Fraud Management, Technology and Operations, and Strategic Communications & Brand to curate, conduct and facilitate these learning programmes.

b. Description of Long Term Duties of the Independent Country Sustainability Office (CSO) [GRI 2-14]

In mid-2023, the Bank formed the **Country Sustainability Office** (CSO) operating under an approved sustainability framework that adheres to local regulation, reporting directly to the Bank's President Director. The unit takes the role as the central governance hub focusing on 3 interdependent areas, namely external stakeholder management, internal stakeholder management, and sustainable business growth and risk management. This was followed by the initiatives below to advance the Bank's sustainability journey:

- Established a Sustainability Working Group (SWG) which reports directly to BOD and consists of leaders from units whose activities impact ESG.
- Appointed Sustainability Champions at working level across all UOB Indonesia units.
- Updated policies and procedures to be in line with the prevailing laws and regulations and the Bank's governance structure.

Sustainability Governance

Sustainability is the responsibility of all UOB employees. As part of our commitment to sustainable and responsible growth, we identify, assess and manage environmental and social risks, challenges, impact and opportunities across our value chain. This is carried out within a robust governance framework, underpinned by policies and guidelines that define our commitment and guide our approach to conducting business.

UOB Indonesia's Corporate Governance Principles encompass a framework designed to ensure transparency, accountability, fairness, and responsibility in all aspects of the Bank's operations and management. All employees are responsible to uphold these principles as they are crucial for maintaining the trust of depositors, investors, and the wider community. The Bank adheres to strict regulatory standards and internal policies to manage risks effectively, safeguard stakeholders' interests, and enhance financial performance.

The Bank is also committed to fair treatment of all customers, ensuring the confidentiality and security of customer information. Through these governance practices, the Bank aims to sustain our reputation, ensure long-term success, and contribute positively to the stability of the financial system.

Policies and Commitments [GRI 3-3]

We evaluate and improve our governance approach regularly to ensure that the Bank's governance is still relevant and aligned with best practices and is always ready to overcome any challenges of change.

The Bank scored a composite rating of 2, an indicative of 'Good' in Good Corporate Governance ("GCG") implementation, by continuing to improve our policies, procedures, processes, and internal systems.

Sustainability Working Group Governance

[OJK E.1]

In 2023, the Board:

- Officially set up an independent Country Sustainability Office ("CSO") in Indonesia. The purpose is to actualise the Bank's commitment to net-zero by supporting clients to develop sustainable business models (environmental and social), and aligning the Bank's financing framework with national priorities set by Governments and the Regulators;
- Discussed and set sustainability strategy/action and financial plan for the next year and the next 5 years; and
- Reviewed and monitored sustainability action and financial performance/realisation.

CSO and SWG are tasked with assessing ESG-related topics that are relevant to the banking context, identifying risks and opportunities, determining targets and objectives, reviewing emerging issues, compiling, and assessing relevant data, and monitoring the development of programmes and initiatives related to sustainability. The CSO and SWG report performance and challenges faced directly to the BOD. Members of the SWG represent the Bank's business and support units whose activities have impacts on the environment, society, and the economy. The CSO works closely with the Wholesale Banking Director, Compliance, Legal and Corporate Secretary Director, Finance & Corporate Services, and members from various functions.

All UOB Indonesia employees have a responsibility to comply with and uphold the Sustainability Framework. All UOB Indonesia business and support units are responsible for assessing ESG issues relevant to their scope of work and taking appropriate steps to ensure that customers and suppliers also meet relevant policy requirements where applicable.

Sustainability Governance

Role of the Board of Directors in Sustainability

[GRI 2-14]

UOB Indonesia's Board of Directors evaluates, monitors and ensures that the implementation of sustainability initiatives is in accordance with the approved strategy. The Board also provides strategic direction for sustainability practices.

In formulating this sustainability report, the Board of Directors provided direction, reviewed, and approved the reported information, including the determined material ESG factors.

Competency Development in Sustainability

[OJK E.2]

To develop UOB Indonesia's internal capacity for implementing sustainable finance, until the period this report is written, UOB Indonesia has implemented various sustainability activities, including: launching training modules related to Mandatory Responsible Financing workshops, holding AML/CFT training for money laundering prevention, fraud awareness for fraud prevention, anti-bribery for preventing corruption, fair dealing for awareness of fair transactions, IT security for awareness of information and cybersecurity, and mandatory Sustainability 101.

Sustainability in Risk Management

[OJK E.3]

One of UOB Indonesia's main approaches to sustainable finance is based on the application of risk management. We identify, analyse impacts or risks, and establish plans and policies to mitigate every operational activity of the Bank.

Further information about risk management can be found in the annual report in the risk management section.

Stakeholders Management

[GRI 2-29] [POJK E.4]

We regularly seek our stakeholders' views and expectations through conversations, collaboration and research. Through continual stakeholder engagement, we are informed of changing trends, developments and expectations, thereby keeping ourselves open to possibilities and focused on staying relevant to our stakeholders.

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Stakeholder Groups and Engagement Mechanisms	Topics of Stakeholder Concerns [GRI 3-1]	Mechanism for Fulfilling Stakeholder Expectations
Colleagues • CEO communications to all colleagues on regular and topical subject (quarterly, and as and when appropriate); • Head of Group Human Resources communications to all colleagues on employee-related initiatives (as and when appropriate); • One-on-one sessions with managers (regularly); • Online employee portal with informative and social features (ongoing); • Performance reviews (half-yearly); • Employee engagement survey (annually); • Town hall meetings (annually), • Training and workshops (ongoing); and • 'Speak Up' initiative for colleagues to raise issues for action and resolution (ongoing).	• Trust and respect; • Regular engagement and communication; • Career development, job satisfaction, and appreciation; • Competitive salary and benefits; • Safe working environment; and • Balance between social life, work and sustainability.	• Upholding an organisational culture that is values-based and risk-focused; • Ensuring fair and equitable opportunities for all colleagues; • Ensuring fair human resources policies and processes; • Enabling colleagues to be informed and engaged so they can contribute effectively; • Promoting teamwork and supporting each other to achieve common goals; • Encouraging feedback and having the courage to express opinions; • Ensuring transparent and objective performance appraisals, as well as performance-based rewards and recognition; • Providing training and development opportunities to build useful skills in the digital economy era; • Supporting employees to choose their career path; • Providing flexible working time arrangements; • Offering health and wellness benefits; • Maintaining a healthy and safe workplace; • Enabling colleagues to contribute to the community through voluntary initiatives; and • Creating and maintaining an inclusive workplace.

Stakeholders Management

[GRI 2-29] [POJK E.4]

Stakeholder Groups and Engagement Mechanisms	Topics of Stakeholder Concerns [GRI 3-1]	Mechanism for Fulfilling Stakeholder Expectations
Customers • Interaction at branches (ongoing); • Face-to-face meetings (ongoing); • Contact Centre services (ongoing); • Post-transaction customer surveys (ongoing); • Marketing and advertising campaigns (ongoing); • Website and social media channels and campaigns (ongoing); and • Events and seminars, including workshops on sustainability (as and when appropriate).	• Competitive fees; • Responsible financial advice; • Secure transactions; • Data protection and privacy; • Easy access to products and services; • Fast service and complaint resolution; • Business development information; • Relevant and timely information about products and services; • After-sales service; • Knowledgeable employees; • Service standards in all our interactions with customers; • Focusing on the needs of individual and institutional customers when developing our products and services; • Ensuring that our colleagues are equipped and committed to act and provide advice that puts customers' interests first; and • Responsible financing and investment.	• Providing relevant information and advice; • Providing clear and transparent information to customers so they can make informed financial decisions; • Handling customer feedback effectively and in a timely manner; • Ensuring access to banking products and services through omni-channel channels and an extensive customer touchpoint network; • Ensuring the strength of monitoring and systems to maintain banking security; • Integrating ESG considerations into risk assessment and credit decision-making processes; • Ensuring strong corporate governance and risk culture; and • Implementing responsible financing guidelines.

Stakeholders Management

[GRI 2-29] [POJK E.4]

Stakeholder Groups and Engagement Mechanisms	Topics of Stakeholder Concerns [GRI 3-1]	Mechanism for Fulfilling Stakeholder Expectations
Community • Support of national movements to build inclusive communities (ongoing); • Fundraising events (annually); • Regional art competitions (annually); • Collaborations with customers, business partners, arts institutions, social service organisations and Community Development Councils (ongoing); • Arts roadshows and outreach programmes (as and when appropriate); • Education programmes for children (ongoing); • Financial literacy programmes (as an when appropriate); • Donations in cash or in-kind to support causes related to art, children, and education (as and when appropriate); and • Employee volunteerism (ongoing).	• Inclusive employment opportunities; • Contribution to local job creation and economic growth; and • Good corporate responsibility.	• Offering job opportunities to local talent; • Prompting strategic investments that can spur economic growth and social development; and • Contributing to the community through corporate social responsibility programmes that focus on children, arts, ESG and education.
Suppliers • Request for quotations and proposals (as and when appropriate); • Vendor briefing (as and when appropriate); • Purchase agreement (as and when appropriate); and • Performance reviews (annually prior contract expiry).	• Fair vendor selection process; • Code of Ethics; and • Timely payments.	• Guaranteeing integrity in all purchasing decisions; and • Complying with the terms of the agreement.
Governments and Regulators • Regular meetings and engagement (as and when appropriate); • Consultation with regulatory bodies (as and when appropriate); • Annual and sustainability reports (annually); and • Audit reports (ongoing).	• Highest standards of corporate governance and ethical behavior; • Prevention of financial fraud and money laundering; • Prevention of Terrorism Financing (PTF); • Maintaining financial stability; • Responsible tax management; and • Support to the local economy and industry.	• Complying with the prevailing laws, regulations and policies, ethical behavior policies, including payment of taxes; and • Consulting with regulators (prevent financial fraud and money laundering by adopting a proactive approach to engaging with regulators).

Stakeholders Management

[GRI 2-29] [POJK E.4]

Stakeholder Groups and Engagement Mechanisms	Topics of Stakeholder Concerns [GRI 3-1]	Mechanism for Fulfilling Stakeholder Expectations
Investor and Analysts • Financial reporting and results briefings (quarterly); • Periodic meetings with rating agencies (at least once a year); • General meetings with shareholders (annually); • Annual and sustainability reports (annually); and • Presentations, conferences and roadshows (ongoing).	• Stable and sustainable growth and profitability; • Responsible financing and investment; and • Strong corporate governance and transparency with timely disclosure.	• Ensuring strong oversight and accountability by experienced and competent leadership; • Ensuring high standards of corporate governance, transparency and information disclosure; • Adopting a disciplined and measured approach to business risks and opportunities; • Ensuring strong culture, governance, and risk management; • Implementing responsible financing guidelines; and • Ensuring accuracy of reporting and disclosure.
Media • News releases and media statements (ongoing); • In-person and online conversations (ongoing); • Media briefings and conferences (as and when appropriate); • Media interviews (as and when appropriate); • Social media platforms (ongoing); and • Economic and market research reports, and white papers (as and when appropriate).	• Timely, current, and transparent information; • Fast and accurate corporate news reporting; and • Access to relevant senior executives for media interviews.	• Providing regular statements and briefings to update the media and public on our business developments, initiatives and performance; • Ensuring prompt and relevant responses to media inquiries; • Ensuring the availability of our spokespeople for relevant topics; and • Sharing thought leadership to express views regarding various markets and industries.

Material ESG Factors

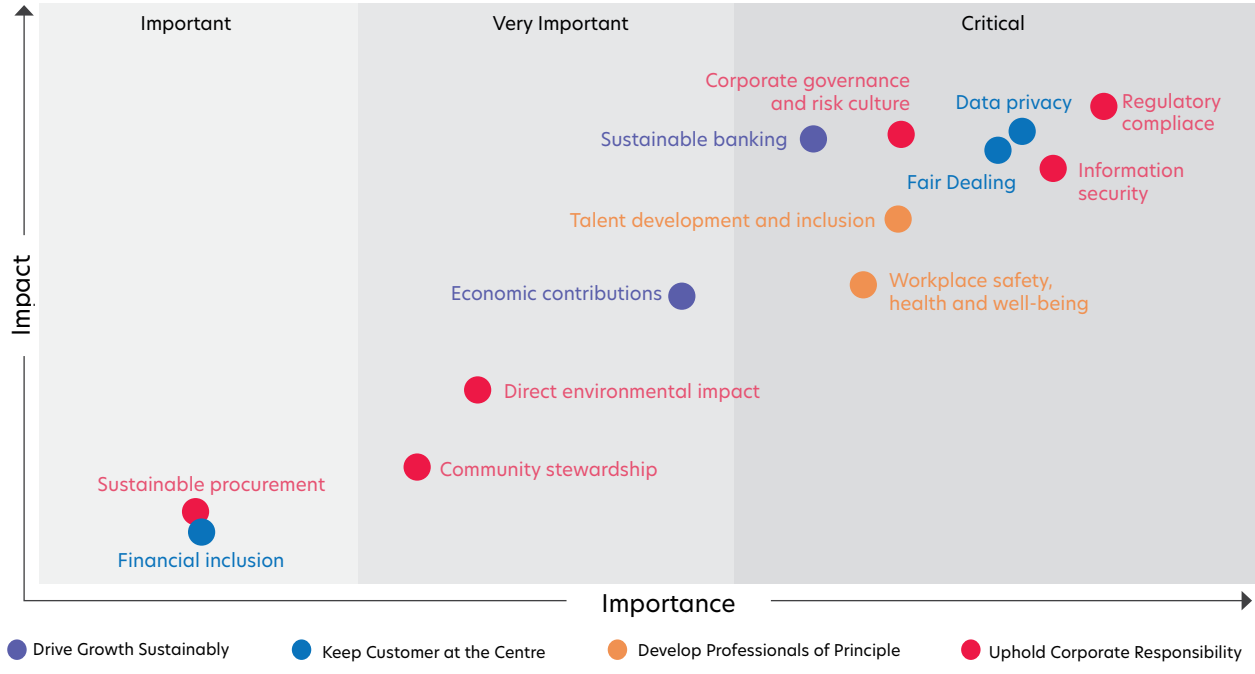
[GRI 3-2]

UOB Indonesia's most significant impacts on the economy, environment and society are reflected in our material ESG factors. We conduct materiality assessments and stakeholder consultations on a continual basis to ensure that these material factors are in context of our operating environment, business and operations, as well as regulatory and stakeholder expectations.

We conduct materiality assessment exercises and internal reviews continually to identify, review and prioritise the topics that ensure the success of our business, while also supporting sustainable development. We also analysed the conditions encountered by UOB Indonesia in the reporting year and concluded that no significant changes occurred throughout in compared to reporting in the previous year. Furthermore, we also validated and adapted the analysis of material topics in the parent company to the conditions faced in UOB Indonesia's operational scope, by considering the following:

- Identifying stakeholders' expectations and concerns:
  We received feedback from various bank facilities, including the call centre as a data centre for customers improvements, and the General Meeting of Shareholders (GMS) as a forum for conveying shareholder expectations;
- Results of discussions and directions from the Board of Directors with the ESG work unit and the Sustainability Report preparation team.
- Results of identification of developments in banking issues relevant to the sustainability context.

From this adjustment process, UOB Indonesia determined several material factors in the Sustainability Report for the reporting year as follows [GRI 3-2]:



Material ESG Factors

[GRI 3-2]

Table of Material Topics, Disclosure, Strategy Objectives and UOB Indonesia Contribution

Material ESG Factor [GRI 3-2]	Priority	Strategic Objective	Our Contribution 2023
Drive Growth Sustainably			
Economic contributions [GRI 201-1, 202-1, 203-1, 203-2, 201-3, 207-1]	Very Important	• Contribute economically to the progress of our communities	• Distributed payments amounting to IDR5,162 billion to stakeholders such as partners, suppliers, investors, government and local communities
Sustainable banking	Critical	• Embed ESG risk in our approach to risk management • Integrate social and environmental considerations into our credit evaluation and approval processes • Adopt and promote climate- resilient practices to support our customers in their transition to a low carbon economy • Develop and provide sustainable financing and sustainable investment solutions	• Developed a holistic approach to investment that can help customers understand the importance and benefits of having investments and responsible financial planning • Distributed total sustainable financing of IDR16,082 billion (OJK classification) • Distributed total managed funds of IDR884.2 billion for ESG-focused investments

Material ESG Factors

[GRI 3-2]

Material ESG Factor [GRI 3-2]	Priority	Strategic Objective	Our Contribution 2023
Keep Customers at the Centre			
Fair Dealing	Critical	• Ensure Fair Dealing • Create intuitive and impactful customer experiences • Make banking simpler, smarter and safer through ethical use of technology and data	• Ensured that Fair Dealing principles are adhered to in all operational activities • Maintained level of customer satisfaction • Enhanced the appearance and personalised features of the UOB TMRW app, with the aim of providing the best digital banking services to customers • Launched Rewards+ as an easy way for customers to view various promotions from TMRW and partners, as well as an easy way to redeem rewards • Launched Wealth View to provide a comprehensive overview of customers' financial health and ongoing investments, as well as UI UX improvements for necessary improvements in line with UOB's new branding
Data privacy [418-2]	Critical	• Protect customer data and privacy through secure and robust systems and practices • Protect the financial system against abuse	• Actively ensured customer's data privacy in accordance with established policies and procedures
Financial inclusion	Important	• Make banking more accessible and inclusive • Support businesses across all stages of growth	• Actively promoted financial literacy among students, as well as provided access to financial products and services • Organised activities/events in collaboration with experts/ supervisory institutions with the aim of increasing financial literacy in customers and the general public

Material ESG Factors

[GRI 3-2]

Material ESG Factor [GRI 3-2]	Priority	Strategic Objective	Our Contribution 2023
Develop Professionals of Principle			
Talent development and inclusion [401-2, 404-1, 404-2, 404-3]	Critical	• Develop high-performing teams and future-focused individuals • Ensure employee engagement and satisfaction • Embrace diverse abilities and strengths	• Supported international and domestic assignments, leadership training activities (such as Leadership Acceleration Programme and Leadership Academy) • Achieved engagement score of 93% in employee engagement survey
Workplace, safety, health and well-being [401-3, 403-1]	Critical	• Promote work-life harmony • Ensure workplace health, safety and well-being	• Ensured the implementation of work safety requirements and procedures by all relevant stakeholders in relevant areas of operation • Implemented facial recognition as an upgrade to our security access system in head office (UOB Plaza)
Uphold Corporate Responsibility			
Corporate governance and risk culture	Critical	• Maintain highest standards of governance and risk culture	• Adhered to our Risk Management Framework on risk culture and takes ESG risks into consideration
Regulatory compliance [205-2, 205-3]	Critical	• Ensure regulatory compliance • Protect the financial system against abuse	• Adhered to the Bank's framework, policies and procedures on regulatory compliance risk. • Ensured all new and existing employees have completed training and refreshers on various compliance-related topics
Information security [418-1]	Critical	• Protect customer data and privacy through secure and robust systems and practices • Make banking simpler, smarter and safer through ethical use of technology and data • Protect the financial system against abuse	• Focused on our responsibility to protect the Bank's data and safeguard the information entrusted to us by our customers in our annual Cybersecurity Awareness month
Direct environmental impact [302-1, 303-3, 304-1, 305-1, 305-2, 306-4]	Very Important	• Manage direct environmental impact and encourage environmental stewardship	• Maintained carbon neutrality for our carbon emission Scope 1, Scope 2 and Scope 3 (business air travel) • Continued our efforts to use resources efficiently to reduce the impact on the environment

Material ESG Factors

[GRI 3-2]

Material ESG Factor [GRI 3-2]	Priority	Strategic Objective	Our Contribution 2023
Sustainable procurement	Important	• Incorporate sustainability principles into our procurement practices	• For key suppliers and other suppliers, the Bank started to put in place Supplier Sustainability Principles to ensure suppliers' commitment to comply with the Bank's ESG requirements
Community stewardship [413-1]	Very Important	• Champion social development in art, children and education • Encourage volunteerism and advocacy for social and environmental causes • Encourage environmental stewardship	• Achieved a total of 2,966 employee volunteers in 2023; an increase of 16% from 2022 • Clocked in 8,735 volunteering hours in 2023; an increase of 14% from 2022 • Launched a new initiative to provide sign language classes for employees to promote inclusion for the community with impaired hearing

Drive Growth Sustainably

311 Economic Contributions

313 Sustainable Banking

Economic Contributions

[Gri 201-1]

UOB Indonesia recognises that the economic value we create and distribute has the potential to impact the national economy and society at large. With a network spanning across 44 cities in Indonesia and 131 branches, we contribute to the wider economy by creating jobs for employees, sourcing from suppliers of products and services, supporting local communities, promoting inclusive financing, and paying taxes to governments and dividends to shareholders.

UOB Indonesia generates economic value by distributing it to stakeholders in various forms, such as business income for shareholders, salaries and benefits for employees, tax payments to the government, and the value of collaboration with business partners, including local partners. Furthermore, UOB Indonesia has actively contributed to the advancement of social community development by fulfilling our social responsibility role.

UOB Indonesia has also successfully created employment opportunities for the local community residing in the vicinity of our operational areas.

Policies and Commitments [GRI 3-3]

To create long-term value for all our stakeholders, we have frameworks, policies, guidelines and procedures in place to ensure that we remain responsible and disciplined in how we drive growth.

Among these is our approach to responsible tax management. We are committed to complying with the prevailing Indonesian tax laws and regulations.

Implementation of Policies and Commitments

Net interest income, operating income, and non-operating income are metrics that indicate UOB Indonesia's economic performance. We generate economic value that is distributed to various stakeholders through tax payments to the government, employee salaries, benefits, and pension programmes, donations to local charities, and expenditures for the acquisition of products and services totaling IDR5,162 billion in 2023.

Economic Performance [OJK F.2]

(in billion Rupiah)

Description	2021*	2022*	2023
Total Assets (IDR)	121,395	138,276	162,546
Loans portfolio (IDR)	74,805	85,535	84,023
Deposits from Customers (IDR)	100,033	113,917	119,283
Net Profit (IDR)	655	951	675

Economic Contributions

[Gri 201-1]

Description	2021*	2022*	2023
Performance Ratio (%)			
Minimum Capital Adequacy Ratio (CAR)	17.98%	16.57%	18.32%
Gross Non-Performing Loans	3.51%	2.98%	2.58%
Net Non-Performing Loans	2.22%	1.73%	1.39%
Return on Assets (ROA)	0.71%	0.84%	0.61%
Return on Equity (ROE)	4.68%	6.70%	4.44%
Net Interest Margin (NIM)	3.81%	3.98%	3.85%
Operating Expenses to Operating Income	90.19%	87.74%	92.31%
Loan to Deposit Ratio	74.78%	73.18%	69.92%

*Revisions on 2021 and 2022 figures are due to changes in tagging and calculation methodology

Economic Value Generated and Distributed [GRI 2-6, 201-1]

(in billion Rupiah)

Description	2021	2022	2023
Interest income - net	4,433	5,140	5,357
Other operating income - net	1,339	1,396	1,374
Non-operating income - net	19	12	(5)
Salary and benefit	2,040	2,038	2,386
Corporate income tax	194	197	237
Number of local vendors	1,388	1,490	1,467
Amount distributed to local vendors	1,356	1,490	2,773

Sustainable Banking

[FN-CB-410a.2] [FN-CB-550a.2]

UOB Indonesia is committed to helping businesses advance responsibly and enabling sustainable lifestyles through the provision of sustainable banking products, from financing to investments. This enables us to support our customers in the transition to a net zero economy and in turn, improve the resilience of our portfolio.

Responsible Financing

UOB Indonesia acknowledges its significant role in influencing customer behavior and promoting sustainable development through its financing practices. We support our customers across various segments that prioritise the responsible utilisation of natural resources, innovation in renewable energy consumption, and other sustainability-related initiatives.

Policies and Commitments [GRI 3-3]

UOB Indonesia established a Responsible Financing Policy based on sector characteristics and integrated it into our credit evaluation and approval processes for all borrowing customers of Wholesale Banking (excluding Business Banking) and the Bank's capital market underwriting activities. UOB Indonesia also engages in portfolio monitoring to assess the ESG risk profile in order to promote responsible financing. Each prospective borrower undergoes a feasibility assessment to verify that their profile and loan objectives do not contradict sustainable principles. Our sector policies set out the Bank's mandatory ESG requirements and recommendations for our clients, such as:

- Oil and gas (O&G)
  We commit to no new project financing for upstream O&G projects approved for development after 2022.
- Thermal coal
  We commit to exit financing for the thermal coal sector by 2039.
- Animal protein
  We will not provide financing to companies involved in
  - fishing with the use of explosives or cyanide; and
  - conducting illegal, unreported and unregulated (IUU) fishing or using vessels known to have conducted IUU fishing.

In 2023, we further enhanced our sector-specific positions in the following sector:

- Palm Oil
  We will not provide financing to companies involved in deforestation in their palm oil plantation operations, i.e. conversions of high conservation value (HCV) forests, high carbon stock (HCS) forests and primary forests. We require our customers to demonstrate alignment to No Deforestation, No Peat and No Exploitation (NDPE) policies.

Furthermore, we also provide an ESG checklist to assist our relationship managers in identifying, assessing, and reviewing ESG risks of our customers.

Borrowers in industries classified as sensitive to ESG are subject to enhanced due diligence based on sectoral policies:

- Agriculture;
- Forestry;
- Metals and mining;
- Chemical;
- Energy;
- Infrastructure; and
- Waste management.

UOB Indonesia adopts the Equator Principles into our lending policy. The Equator Principles guidelines were published through Circular No. 22/RMG/0002 on February 11, 2022. These guidelines are part of the risk management framework that provides guidance on the implementation of the Equator Principles, including the Equator Principle applicability screening, environmental and social review processes, and credit requirements (covenants) that must be met. The ESG clauses of borrowers are evaluated as part of the Credit Approval document prior to being added to the Credit Facility Agreement.

Policies and Commitments Implementation

UOB Indonesia performed an annual review on Equator Principles guidelines in December 2023 and circulated the reviewed guidelines to key stakeholders.

Sustainable Banking

[FN-CB-410a.2] [FN-CB-550a.2]

Additionally, the Credit Policy Committee (CPC) conducts a review related to the ESG checklist in conjunction with the review of the Responsible Financing embedded in General Credit Policy in June 2023 and December 2023.

UOB Indonesia continuously organises cooperation between related functions in terms of applying the classification of the Bank's borrowers into the Indonesian Green Taxonomy (THI) category and its reporting based on the applicable OJK guidelines.

Portfolio monitoring related to the ESG risk profile is reported to management through meetings or circulated to the CPC members on monthly basis. Monitoring of both new and existing borrowers identified with ESG-related issues (for example, PROPER results or ESG-related incidents) as part of the Bank's Watch List framework, is carried out on monthly basis through the Credit Portfolio Quality Meeting (CPQM).

Mitigating Climate Change Risk [GRI 2-25]

Global warming has become a major concern for the world community, given its impact on economic, social, and environmental aspects that can affect human life. Similarly, Indonesia, having ratified the Paris Agreement, has expressed its commitment to reducing greenhouse gas (GHG) emissions by issuing the Indonesian Green Taxonomy 1.0.

In practice, the Green Taxonomy is a classification system that categorises a sustainable economic activities into groups. This classification is based on business activities that support environmental conservation efforts as well as climate change mitigation and adaptation.

Policies and Commitments [GRI 3-3]

To support the management of climate related risks, UOB Indonesia carries out specific risk assessments, particularly focusing on environmental implications, as part of our commitment to responsible financing. UOB Indonesia promotes the financing of business operations that are environmentally sustainable, including climate change mitigation, renewable energy, and eco-friendly mobility.

UOB Indonesia participated in the Indonesian Green Taxonomy pilot project, which commenced in July 2022 and continues to implement Green Taxonomy classification reporting quarterly in Wholesale Banking segment (excluding Business Banking). Furthermore, the Bank will continue to support OJK initiatives pertaining to green taxonomy in 2024. The Bank's financing procedures have a significant role in shaping responsible actions among customers, hence fostering long-term sustainable development.

Policies and Commitments Implementation

The implementation of all policies pertaining to the banking sector's support for climate change mitigation has been successful. In 2023, UOB Indonesia has sustainable business activities amounted to IDR16,082 billion classified under POJK 51 Sustainable Financing framework.

Sustainable Financing

Supporting Businesses to Drive Sustainable Development [GRI 203-1, 203-2]

UOB Indonesia actively promotes sustainable growth by supporting our customers on their sustainability journey.

UOB Indonesia not only promotes environmentally friendly business practices through provision of sustainable financing but also provides assistance for the growth of small and medium-sized enterprises (SMEs). We play a fundamental role in supporting our clients:

- seize new revenue streams and growth opportunities;
- be rewarded by various stakeholders such as policy-makers, investors and consumers for their sustainability efforts; and
- benefit from an enhanced long-term reputation.

With our capacity, competence, experience, and partnerships in our business ecosystem, UOB Indonesia is positioned to assist customers throughout their transformation journey.

Policies and Commitments

UOB Indonesia integrates sustainability into all our financing decisions to generate a positive impact and reduce potential negative impacts on society and the environmental ecosystem. We align our sustainable financing framework and procedures with internationally recognised standards and principles.

Sustainable Banking

[FN-CB-410a.2] [FN-CB-550a.2]

Sustainable Finance Framework for Green Building Developers and Owners

Covers both green and sustainability-linked financing for global real estate financing across eight asset classes:

- Data Centres
- Hotels
- Industrial
- Restaurants
- Hospitals
- Residential
- Retail
- Offices

Smart City Sustainable Financing Framework

Supports companies contributing to the creation of sustainable and smart cities through the following:

- Renewable Energy
- Green Building Comstruction
- Energy Efficiency
- Climate Change Adaptation
- Water Management
- Waste Management
- Green Transport

Green Financing for Circular Economy

Supports companies in the 3Rs (renew, reuse and reduce) businesses. Potential applications:

- Plastics Recycling
- Metals Recycling
- Electronics Recycling
- Product as a Service
- Circular Designs

Sustainable Trade Finance and Working Capital

Supports the needs of companies for shorter term financing (<1 year) using a 'principles-based' approach.

Eligibility:

- Pure-play green companies or green projects
- Companies with recognised, sustainable industry certifications

Transition Finance Framework

Supports the transition of the energy-intensive, fossil fuels/brown sectors and hard-to-abate sectors.

- Oil, Gas & Chemicals
- Transportation and Logistics
- Fossil Fuels Power Generation
- Metals & Mining
- Carbon Capture and Storage (CCS)/Carbon Capture,Utilisation and Storage (CCUS)
- Carbon Credits/ Offsets

Sustainable Banking

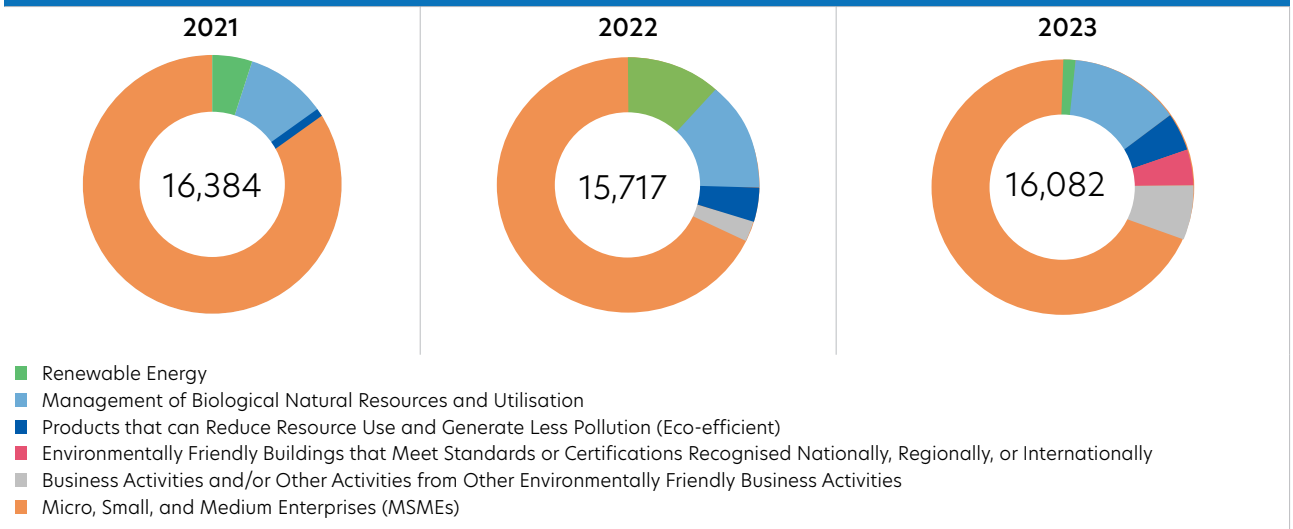
[FN-CB-410a.2] [FN-CB-550a.2]

Policies and Commitments Implementation

In 2023, UOB Indonesia provided financial support for sustainable business activities, disbursing a total amount of:

1. Based on the OJK framework: IDR16,082 billion
2. Based on the UOB framework: IDR2,886 billion

Sustainable Finance Portfolio (POJK 51) in IDR Billion



Categories of Sustainable Business Activities	2021*	2022*	2023*
Renewable energy	1,653	1,871	242
Management of biological natural resources and sustainable land use	3,627	2,110	2,219
Products that can reduce resource use and produce less pollution (eco-efficient)	253	651	759
Environmentally Friendly Buildings that Meet Standards or Certifications Recognised Nationally, Regionally, or Internationally	-	-	717
Business Activities and/or Other Activities from Other Environmentally Friendly Business Activities	-	421**	1,089
MSME activities	10,852	10,664	11,055

*in IDR Billion outstanding as of 31 December 2023
**Revision on 2022 figure is due to changes in tagging and calculation methodology

UOB Indonesia acknowledges that its business partners must adopt a sustainable business approach by adjusting their policies, technology, expenses, and human resource capabilities. Consequently, we persist in delivering excellent services and advice to assist customers in integrating sustainability into their business.

UOB Indonesia has not received any complaints from our customers and we have not recorded any negative affects resulting from the implementation of policies and processes relating to sustainable financing.

Sustainable Banking

[FN-CB-410a.2] [FN-CB-550a.2]

UOB Indonesia X PT Putragaya Wahana in Financing Green Building Projects

Autograph Tower is a green building developed by PT Putragaya Wahana (PGW), a project that is financed by UOBI. PGW's sustainable strategy and policies are clearly demonstrated in the sustainable construction of Autograph Tower which is aligned with UOB Indonesia's support and commitment to drive sustainable economy. Being the tallest building in Southern Hemisphere, it houses luxury offices, hotels, F&B, sky walks, sky garden, observatory deck and other retail uses. It also offers green open zone, vertical garden and bicycle parking.

The Autograph Tower (excluding the Waldorf Astoria Hotel) has obtained a BCA Green Mark Platinum certification due to the environmentally-friendly materials used, robust water management in place, minimising waste during construction. The architecture features and designs to keep room temperature at a level that optimises energy efficiency.

PGW has actively engaged in social responsibility actions which include, among others, relocating street food vendors managed by local residents and relocating casual motorcycles managed by local residents to improve the street-level quality of life for residents, visitors and passers-by.

Sustainable Banking

[FN-CB-410a.2] [FN-CB-550a.2]

Sustainable Investment

Investments in portfolios that adhere to ESG criteria are gaining popularity due to increased public awareness of sustainable businesses and investment practices. UOB Indonesia provides guidance on financial planning and investment options that are aligned with customers' goals and characteristics. The Bank provides customers solutions and promotes solid and sustainable long-term investments.

Policies and Commitments [GRI 3-3]

UOB Indonesia is committed to assisting regulators and actively engaging in the issuance of green bonds. Our Wealth Management unit will actively boost the distribution of SUKUK Savings products and ESG-related mutual funds by conducting customer awareness campaigns about government green project financing. This initiative aims to motivate customers to invest and participate in supporting goverment's initiatives on sustainability.

We provide a comprehensive end-to-end approach to assist and guide customers in understanding the importance of having financial and investment planning, including prudent product selection in their portfolios based on risk level and financial goals.

- A risk-first approach to help customers understand any investment risks prior to understanding the potential returns;
- A Core and Tactical portfolio approach provides clear guidance on allocation and product selection, tailored to each customer's profile and needs; and
- The VTAR approach establishes a clear and sensible assessment of our tactical portfolio allocation based on current and expected valuations, trends, activities, and potential risks.

One of our objective is to establish ourselves as a key player in the wealth management business in Indonesia in terms of assets under management (AUM) and the number of investors. To achieve this, we developed 3Ps:

- People
  Having principled and responsible advisors/relationship managers to educate and correctly advise our customers;
- Products
  Developing and offering responsible products and services to help our customers achieve their goals; and
- Portfolio
  Assisting customers in forming well-diversified portfolios across all segments and types of products.

Policies and Commitments Implementation

In 2023, AUM in ESG-focused wealth products increased by 123 per cent year-on-year to IDR884 billion. This portfolio increase was primarily contributed by the rise in the ESG-based Sukuk Savings Fund ST010 portfolio, followed by the BNP Paribas Sri Kehati portfolio.

Keep Customers at Centre

320 Fair Dealing

324 Data Privacy

325 Financial Inclusion

Fair Dealing

At UOB Indonesia, we put our customers first and it is on this foundation that we have built our business and will continue to grow. What is not right for our customers is not right for us. Fair Dealing is at the heart of every decision and recommendation that we make at UOB. Through our omni-channel approach, we seek to meet our customers' diverse needs, using advanced technologies on data analytics, to gain better insights into their preferences and provide highly personalised solutions. By actively engaging our customers, we continue to create positive experiences, foster deeper trust with them and remain relevant and competitive.

The Bank has SKDIR Policy No. 23/SKDIR/0033 regarding Financial Advisory Services and Investment Product Sales and SKDIR No. 22/SKDIR/0063 regarding the Compensation Review Panel with the goal to review complaints related to investment/insurance products and provide fair compensation to customers. The Bank is also committed to always treating customers fairly based on principles of integrity, ethics, professionalism, trust, and mutual respect. To support the realisation of these commitments and policies, the Bank undertakes the following:

- Conducting Breakthrough Service training for senior management, managers, front-liners, and back-office employees as a preparation for colleagues to gain skills in turning customer pain points into opportunities and creating significant added value for the business; and
- Making integrity, trust, and respect essential elements of Fair Dealing as reflected in the development of all products and services.

UOB Indonesia ensures that Fair Dealing is embedded in the company culture through:

- Offering products and services that meet customer needs;
- Ensuring marketing personnel have competence in providing appropriate advice and recommendations and providing clear, relevant, and timely information to ensure that customers can make accurate financial decisions; and
- Handling customer complaints independently, effectively, and promptly.

The Bank maintains customer data security and safeguards customer interests by ensuring that all its operations comply with relevant laws and regulations, particularly in the banking sector. Each product is equipped with detailed and transparent information, ensuring that customers are fully cognisant of each term and its ramifications when conducting banking transactions. All UOB Indonesia products and activities have been fully evaluated and supervised by the Financial Services Authority (OJK) and Bank Indonesia (BI). The Bank reduces negative impacts on customers through comprehensive risk management, by identifying, measuring, and mitigating any existing risks from the outset. [OJK F.28, F.29, F.30]

Throughout 2023, there were no UOB Indonesia products that violated provisions and regulations, nor were there any products recalled from the market.

Customer Experience

Digital Banking [OJK F. 26]

UOB Indonesia launched Tomorrow ("TMRW") in 2020, a mobile application that offers a specialised digital banking service tailored to meet the financial needs and preferences of the tech-savvy generation in Indonesia. The TMRW digital mobile services is the first app-based digital service in Indonesia.

The launch of TMRW aligns with the Bank's strategy to provide a more personal customer experience by leveraging the latest technology, thereby establishing a sustainable business model for UOB Indonesia. TMRW is a data-driven platform that transforms the conventional banking model to be more streamlined, transparent, and attractive to customers. It is specifically designed to cater to all phases of the customer life cycle.

TMRW enables the Bank to acquire and cater to a substantial customer base in Indonesia that values digital accessibility. This complements the Bank's omni-channel approach by providing customers with digital touch points to serve a broader and more complex financial needs, including savings accounts, loans, and credit cards.

Fair Dealing

As customers utilise TMRW with more frequency, TMRW will progressively perceive their objectives and needs due to its ability to convert transaction data into practical insights, hence enhancing their banking experience more enjoyable and engaging. To ensure a satisfactory and 24/7 customers' experience, TMRW is equipped with a chatbot named TIA (TMRW Intelligent Assistant), which has an interface that is inspired by popular messaging applications. TIA facilitates customer communication and seamlessly connects them with human assistants within the TMRW app, eliminating the need to exit or transfer platforms. TIA provides prompt responses and effective solutions for customers.

Digital Banking Service Innovations 2023

In 2023, UOB Indonesia updated the TMRW app to UOB TMRW with a new interface and features that provide the best digital banking services to customers. These improvements also enhance the digital customer experience through:

- The launch of Rewards+ as customer access to view offers from UOB and its partners, and an easy way to redeem customer reward points.
- The launch of the Wealth menu to provide an overall view of the customer's portfolio, including ongoing investments.

Furthermore, UOB Indonesia has been acquiring new TMRW customers through various initiatives during the year:

- Establishing partnerships with various entities from online transportation, e-commerce, and online travel, conducting marketing campaigns through placements in conventional and online media, and acquiring new customers from various communities;
- Implementing a digital marketing strategy utilising employee and customer referral programme;
- Developing attractive bundling products (Savings with TMRW Credit Card and TMRW Pay) that offer various special promotions for Credit Card and TMRW Pay customers;
- Developing a comprehensive partnership base with more than 150 billers and over 50 partner merchants; and
- Launching a mobile version of infinity.

These innovations are part of continuous efforts to ensure the seamless customer experience at UOB TMRW. These efforts are also accompanied by several other initiatives, including the release of new features and capabilities such as Loyalty and Rewards, payment with points, and Wealth Portfolio View.

As a result, the Bank recorded a 40 per cent increase in new CASA TMRW customers, with a 22 per cent growth in third-party funds. In addition, TMRW has received various awards, including from Infobank (Bank with the Best Digital Service), International Finance (Most Innovative Digital Bank and Best Mobile Banking App), The Iconomics (Best Brand Image), and the Digital Banking Awards 2023 (Best in Data Dimension for 3 KBMI Banks).

Enhancing Customer Experience and Satisfactions

Customers are the core of the Bank's business. Through active engagement and attentive listening, the Bank can enhance its ability to meet customers' requirements and foster lasting relationships. In order to understand, be aware of, and meet the needs of customers, the Bank not only provides comprehensive, accurate, and excellent services through an omni-channel approach, but also develops a service-oriented culture to deliver the utmost service to its customers. The Bank's service to its customers has been governed by its culture and values, specifically Honourable, Enterprising, United, and Committed. [GRI 3-3]

Fair Dealing

Honourable: Treat Customers Fairly

We ensure we maintain the highest professional and moral standards in all our dealings with customers. We have uncompromising discipline, clarity, and bravery to do what is right for customers and every decision is made in our customers' best interests.

Enterprising: Provide Customers with the Right Solution

We connect customers with solutions that make the most out of their experiences with us. Working together with customers, we provide expert tools, knowledgeable guidance, and clear direction to help them manage their day-to-day and future requirements, however complex their needs.

United: Know Customers Personally

The value we place on relationships is reflected in our desire to make every experience a personalised one for each customer. By anticipating customers' needs and understanding customers better with every interaction, learning customers' preferences, and knowing what matters to customers, we make customers' experience feel it is all about them.

Committed: Be There when it Matters

We are dedicated to stand by our customers' side, celebrate their achievements, and be present in their future, in good and in bad times. We provide customers with personal guidance, backed by a seamless and consistent delivery built around customers' ambitions and to be relevant in customers' lives.

In addition to implementing cultures and values, UOB Indonesia holds an annual Customer Commitments Awards Ceremony to honour employees who have led and set examples in fulfilling commitments to customers. This ensures that UOB Indonesia employees continue to provide excellent service to customers. In 2023, the Bank awarded four winners in individual categories and three winners in group categories.

Enhancing Customer Satisfaction and Advocacy [OJK F. 30]

Assessment and evaluation of customer satisfaction are crucial for improving the Bank's service and future business growth. The Bank strives to acquire objective assessments from customers through the Net Promoter Score (NPS) survey method, which remains a recognised benchmark for global satisfaction and loyalty. The Bank employs NPS surveys across all its business lines and products. NPS serves as a means for the Bank to measure the extent to which customers would recommend the Bank's brand, products, or services to others.

UOB Indonesia conducted another customer satisfaction and loyalty survey in 2023, which was carried out by Greenwich Associates and Bain & Company, a global strategic consulting and research firm. The survey involved customers from Wholesale Banking, Global Markets and Consumer Banking segments, which are three of UOB Indonesia's targeted segments, with NPS results increasing year over year.

The Bank interacted with customers through email, text messages and phone calls, particularly in interacting through one of thirteen touchpoints, as follows:

- Credit card applications;
- Mortgage loan applications;
- Wealth Banking on-boarding;
- Privilege Banking on-boarding;
- Mass market account opening,
- Business Banking account opening;
- Credit card reward redemption;
- Contact centre service;
- Investment and Insurance Personal Financial Services;
- Investment and Insurance survey for Personal Financial Services, Business Banking, Commercial Banking and Global Market; and
- Problem resolution.

Fair Dealing

Apart from conducting customer satisfaction and loyalty surveys, UOB Indonesia continues to carry out regular survey and benchmarking activities. In 2023, UOB Indonesia conducted a voice of customer survey for TMRW and Mortgage Loan customers. The purpose of this survey was to evaluate the Bank's performance and services, benchmark them against other banking industries, and identify potential enhancements or innovations. The surveys and benchmarking are essential for UOB Indonesia to maintain high quality standards and adapt to evolving customer needs and banking industry dynamics. Hence, UOB Indonesia could further enhance its competitiveness and deliver excellent service to its customers.

In 2023, the Bank also conducted service huddles at branch and head offices, as well as internal NPS surveys to improve customer service quality. Through service huddles, the Bank encourages colleagues from all business lines to provide ideas to improve the Bank's customer experience. Benchmark surveys provide information that allows the Bank to expedite and simplify the account opening process. All bank branch security officers have also been trained to direct customers to the appropriate branch representative.

The results from these surveys form the basis for implementing various follow-ups, such as process improvements, product and service development, and marketing strategy adjustments. Additionally, feedback from the surveys can be used to enhance customer experience, identify areas requiring special attention, and shape organisational policies.

Public Complaints Mechanism [OJK F.24]

Customer satisfaction is paramount for the progress and long-term growth of the business. As such, the Bank strives to listen to and meet the needs and expectations of its customers, including addressing complaints and enhancing customer satisfaction as part of the Bank's process for improvement and performance evaluation.

The Bank handles customer complaints prudently, using appropriate complaint handling procedures that allow for fast and accurate resolution. As a reliable and trustworthy financial institution, UOB Indonesia provides the following customer complaint handling channels:

- Customer Service
- Contact Centre 14008
- Email: UOBcare@uob.co.id
- Digital Bank TMRW
- Social Media (Instagram, Facebook, Youtube)
- Printed and online media
- Regulator Contact Center (OJK and BI)
- LAPS SJK, which can assist the public if there are mediated issues.

Customer Complaints and Resolution	2021	2022	2023
Complaints/grievances	6,220	6,017	8,718
Undergoing resolution process	247	455	1,590
Complaints resolved	5,973	5,562	7,128
Ratio (per cent)	96.0	92.4	81.8

With the increase in transactions and the portfolio of UOB credit cards, customer complaints (particularly credit card complaints) also increased in 2023, yet this situation was still well managed. This is evident from the increase in the number of complaints undergoing resolution process to be resolved within the standard service time. The decrease in resolution ratio is 2023 was therefore due to the increase in number of complaints.

Data Privacy

[OJK F.27] [GRI 418-1] [FN-CB-230a.2]

As digital economies and data usage rapidly evolve, UOB's commitment to protecting personal data and privacy becomes more crucial than ever. We continue to proactively enhance our privacy measures, aligning with advanced industry practices and stringent legal standards. Our efforts focus on integrating data privacy deeply into our service delivery and operational processes, ensuring we stay ahead in safeguarding customer information against emerging digital threats and maintaining our customers' trust in an increasingly interconnected world.

Customer information security and data privacy are absolute and fundamental needs that must be met. UOB Indonesia is committed to protecting customer data and privacy through secure and reliable systems and practices. As such, with the rapid advancement of information technology, UOB Indonesia strives to prevent risks of data leaks and misuse of customer data. [GRI 3-3]

Principles of the Personal Data Protection Policy at UOB Indonesia: [FN-CB-230a.2]

- Personal data may only be collected and used for purposes that have been informed and clearly consented to by customers, or allowed by law and applicable regulations related to data privacy;
- Personal data is used responsibly in accordance with the company's code of ethics and values;
- Access and disclosure of information are based on a need-to-know basis; and
- The integrity and security of personal data are paramount.

All personal data no longer needed for legal or business purposes must be securely disposed of, in accordance with laws and regulations related to data privacy.

The Data Protection Officer oversees compliance with prevailing regulations, assists in investigations of suspected breaches as required, and when needed. Operational Risk Management and the Data Protection Officer review each incident and plans and actions formulated by the business and support units. Significant incidents are reported to the Risk Management Committee.

Customer consent is a mandatory requirement for receiving telemarketing calls while providing marketing information. The Bank will facilitate customer requests to access and rectify personal data in compliance with relevant regulations pertaining to data privacy.

Customers can also access the Bank's website to find more information about the Bank's policies on data protection and privacy. Data privacy notices are also available online.

Ethics of Data Use

The advancement of information technology and its benefits are maximised for business development. UOB Indonesia utilises advanced data analytics process with the goal of responsible and ethical data use across all business lines.

Data Quality [FN-CB-230a.1]

The Bank places great importance on the quality of customer data. UOB Indonesia, being a bank and financial institution, collects, process, utilises, distributes, and discards customers' personal data as part of its everyday banking and operating procedures, in compliance with customer consent and declaration. Ensuring the accuracy of financial services provided to customers relies strongly on the completeness, consistency, and integrity of customer data. UOB Indonesia has established official guidelines to ensure completeness and consistency of information collection and the upkeep of customer data.

Customer data is securely protected and can only be accessed by authorised persons involved in UOB Indonesia's business and operational activities. UOB Indonesia has implemented procedures to effectively utilise and oversee this data throughout all UOB Indonesia business units, in compliance with the applicable laws and regulations of the country in which the Bank operates.

Financial Inclusion

[OJK F.17]

Even as education standards and income levels continue to rise with growing affluence, many individuals and businesses, particularly in Southeast Asia, still lack access to affordable financial products and services. UOB is committed to empowering the underbanked and underserved through digital innovation and customer education.

To achieve an improvement in the quality of life and sustainable development goals, the Bank is committed to provide access to products and services to consumers and businesses across segments through digital innovation and customer education.

Policies and Commitments [GRI 3-3]

The Bank recognises that the Indonesian community's knowledge, comprehension, and availability of financial institutions, products, and services are currently inadequate and inconsistent. Consequently, the Bank carries out financial literacy initiatives in accordance with the Financial Services Authority Regulation No. 76/POJK.07/2016, which aims to enhance financial literacy and inclusion in the financial services sector for consumers and/or the community.

To achieve these goals, the Bank which is part of the Bank Indonesia Working Group (Pokja BI), is committed to actively participating in conducting Financial Literacy activities for the community through the Literacy, Community and Collaboration programme, which includes:

1. Literacy
   Sharing knowledge about the benefits, risks, and responsibilities of banking products and services, financial management, and general banking knowledge.
2. Community
   Establishing discussion groups and sharing experiences among groups will build a community aimed at accelerating the spread of knowledge.
3. Collaboration
   The financial literacy programme collaboration between UOB Indonesia and related parties is expected to benefit the wider community. UOB Indonesia's literacy activities, led by the PFS Wealth and Liabilities Product unit, assisted by business units and supported by all UOB Indonesia functions throughout Indonesia, are focusing on:
   - Professionals/employees;
   - Students;
   - Community/public; and
   - Micro, Small, and Medium Enterprises (MSMEs).

UOB Indonesia has a financial literacy programme for high school and college students as well as low-income workers, ensuring that they can access financial products and increase their understanding of sound financial management principles, while also potentially increasing the number of employee and student account openings.

The Bank has a Corporate Employee Programme with payroll capabilities/features for companies. Most workers in businesses such as factories receive the minimum wage, and some do not have bank accounts. Through this initiative, the Bank provides them access to USave and TMRW accounts, offering easy access using UOB Indonesia ATM/Debit cards at the ATM Bersama and Prima networks, enabling them to effectively manage their finances.

The Bank promotes savings products such as TabunganKu and Simpanan Pelajar (Simpel). These products offer affordable initial deposits and no monthly fees.

In 2023, the Bank also organised various literacy programmes, in collaboration with several institutions, as follows:

Name of Events Established	Month of Event
Preserve & grow your wealth through risk-first approach	March 2023
The roles of bank in supporting indonesia's economy through capital market sector (with the Ministry of Finance)	May 2023
Building Inclusive Economies (with OJK)	September 2023

Financial Inclusion

[OJK F.17]

School Visitation Programme

UOB Indonesia resumed its literacy programme with school visits in 2023 after it was previously halted due to the pandemic. The Bank continues to promote a savings culture in the community across 80 activities in communities and public areas that offer interactions between parents and children, such as sponsoring colouring competitions, bicycle racing in biking communities, as well as opening promotional kiosks in malls or shopping centres. The Bank also directly communicates with customers, by sending articles about financial education and savings via email. The total number of savings accounts opened by students in 2023 stood at 931 accounts.

Student-Held Accounts	2021	2022	2023
Number of accounts	1,085	901	931
Balance (in Rupiah billion)	66	25	35

Support For SMEs

As the backbone of the national economy, the SME sector plays an important role in providing employment opportunities, increasing employee income level and economic diversification. The government has put a spotlight on programmes that support SMEs, including those implemented during the pandemic as well as new and sustainable programmes, in the hope that the sector's revival can boost economic growth and accelerate national economic recovery. However, much remains to be done to help the growth of SMEs in Indonesia. Digital transformation needs to be further accelerated to enable the progressive development of SMEs.

The Ministry of Finance is encouraging SMEs to enter the digital market by through developing the Indonesian digital ecosystem both in the field of digital infrastructure and access to digital services. The Ministry of Cooperatives and SMEs estimates the potential for the digital economy of SMEs to grow to a value of Rp. 4,531 trillion in 2030. This potential takes into account the opening of wider market access into the digital ecosystem. A study conducted by ASEAN showed that SMEs that have adopted digital technology will increase efficiency through reduced production costs by 44 per cent.[1]

[1]Source: https://djpb.kemenkeu.go.id/kanwil/ntt/id/data-publikasi/artikel/2886-umkm-goes-digital.html

Policies and Commitments [GRI 3-3]

The Bank realises that to support SMEs in improving their business and achieving growth, a comprehensive approach that prioritises digital transformation across the entire process is required. SMEs that are able to adapt and are open to digitalisation will grow rapidly, as more people rely on the digital economy.

The following are UOB Indonesia's programmes in continuing to foster SME customers:

- Improving digital banking services for SME customers in payments, billing, and financing facilities;
- Organising webinars for SME customers in collaboration with the Bank's ecosystem partners, providing information about: financial literacy, networking opportunities and helping SMEs to scale up their businesses through digitalisation by leveraging on UOB Indonesia connectivity;
- Reaching out to the Bank's ecosystem partners to share knowledge and strategies on financial, accounting system and taxation to support SME customers; and
- Addressing the needs for commercial property loans engaged with developers and brokers.

SME Development Support Programme

In fostering financial literacy and inclusion for SME customers, Transaction Banking Experience (TBEX) as a knowledge centre continues to provide up-to-date information on business and relevant regulations. This online access provides extensive knowledge on how to grow businesses for the Bank's SME customers.

To support SMEs in accessing the necessary technology for digital transformation, UOB Indonesia has been collaborating with the Bank's ecosystem partners to launch several initiatives and programmes since 2020. In 2022, the Bank enhanced UOB BizSmart, an integrated cloud-based business solution. This solution integrates payment solutions with automated point-of-sale reporting connected to the customer's UOBI bank account, enabling real-time reconciliation and direct deposit. This resulted in a 147.5 per cent year-on-year increase in transaction volume through UOB BizSmart in 2023.

The Bank's cash management and trade finance platform, Infinity, supports customers by ensuring that their banking transactions can be remotely and efficiently conducted. This is reflected in good growth of a 23.9 per cent year-on-year increase in number of transactions through Infinity compared to the previous year. There was a 5.7 percent year-on-year increase in the number of SME customers in 2023.

Develop Professionals of Principle

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Talent Development and Inclusion

We recognise that a dynamic workforce and empowering our colleagues is crucial for the continued success of the Bank. By sharpening our employees' knowledge and skills through technical programmes, self-development, and professional conversion, we ensure they are equipped with the expertise and mindset to remain relevant and competitive.

Policies and Commitments [GRI 3-3]

Employees are UOB Indonesia's most valued asset. Consequently, we protect and attend to employee needs in all aspects of employment while also continuously improving employees' capabilities through training and development programmes. The following are several programmes launched by UOB Indonesia to develop talents, ultimately driving long-term and sustainable growth for both the organisation and individuals. We seek to provide the best benefits to improve the quality of life, prioritise occupational health and safety, and build a productive and harmonious workplace.

Equal Opportunity

Competitive Remuneration and Benefits [OJK F.20] [GRI 202-1, 405-2]

Remuneration is a crucial part in retaining talent while also enhancing UOB Indonesia's competitiveness amidst dynamic business needs and existing industry competition. UOB Indonesia provides attractive, effective and competitive remuneration to attract and retain employees and support our long-term goals.

The remuneration has taken into consideration the conditions of UOB Indonesia and similar industries, as well as relevant labour laws and regulations. All UOB Indonesia employees across Indonesia receive remuneration above the standard Provincial Minimum Wage (UMP), which serves as a benchmark for the minimum standard of decent living in each region in Indonesia according to the Ministry of Manpower and Transmigration No. 7 of 2013 regarding Minimum Wage.

We do not differentiate remuneration based on gender. The amount of remuneration is determined according to each employee's performance.

Providing Benefits for Employees [GRI 401-2]

Beyond basic salaries, UOB Indonesia also provides other facilities to support work-life balance and employee wellbeing. These facilities include health and life insurance, BPJS Employment, BPJS Healthcare, and eligibility for participation in the DPLK pension programme, which is managed independently from the government programme.

Other benefits are outlined in the Collective Labour Agreement and policies regarding employee wellbeing, including employee welfare facilities (housing loans, multipurpose loans, vehicle loans), annual leave, maternity leave, and paternity leave.

UOB Indonesia also provides opportunities through various development programmes such as international and domestic assignments, scholarships, and leadership training activities.

Pension Policy [GRI 201-3]

UOB Indonesia has a Defined Contribution Pension Programme and procedures for recording estimates of employee benefit liabilities for severance pay, service pay, and compensation to employees to cover any potential shortfalls. This programme is implemented based on Law No. 13 of 2003 on Employment, the Job Creation Law, and the Bank's employment agreements.

The calculation of pension programme contributions depends on several assumptions used by independent actuaries and our management, including the discount rate, annual salary increase rate, annual employee turnover rate, disability rate, retirement age, and mortality rate.

Furthermore, UOB Indonesia also participates in the Pension Guarantee Programme implemented by the Social Security Administration Agency (BPJS), according to relevant regulations.

Talent Development and Inclusion

Freedom of Association and Collective Agreement [GRI 2-30]

To maintain harmonious relationships, we provide employees with the freedom to gather, establish associations, and express their opinions. UOB Indonesia and its employees have established a Collective Labour Agreement (CLA) as a means to maintain harmonious industrial relations.

The CLA regulates the rights and obligations of both workers and employers, which have been adjusted according to prevailing laws and regulations. Moreover, all employees are required to sign the CLA.

Labour Complaint Mechanism

We strive to resolve workplace issues harmoniously. According to the CLA, every employee can file a complaint about unfavourable treatment they received. Complaints are submitted in writing and addressed to the direct superior involved. Employees may also seek assistance and advocacy from labour unions to help resolve internal concerns.

Throughout 2023, several employee complaints were received through various communication channels and successfully resolved using the mechanisms set in the CLA. In such cases, any potential disputes could be anticipated and resolved by engaging the participatory roles of related parties, such as Employees, Managers, Human Resources, and Labour Unions. The parameters employed in these instances encompass the nonexistence of industrial relation disputes involving third parties (Labour Department) and the resolution of cases or disputes in a judicial setting.

Training and Development [GRI 404-2]

One of the pillars of attaining sustainability and key to our successes is the presence of employees with excellent future-oriented skills. We are committed to improve employee readiness in the digital and disruptive era by equipping employees with a combination of soft skills and technical skills. One of our programmes is Better U, which provides employees training in areas such as growth mindset, problem solving, digital awareness, human-centered design, and storytelling. Better U is a Future-Oriented Competency Enhancement Programme that adheres to international training standards and emphasises the development of five core competencies. With this basic skill set, employees are better equipped to confront the challenges of the digital economy while maintaining their relevance and employability.

As a further development of this programme, employees are provided with two essential skills: Data Analytics and Project Management. The objective of this programme is to prepare employees for the dynamics of an innovation-based work system. In 2023, 57 employees received Data Analytics training and 26 employees participated in Project Management classes.

Employee Training Realisation in 2023 [OJK F.22] [GRI 404-1]

In 2023, we made investments and provided training opportunities to our colleagues. The following is a summary of the number of participants and training hours.

Employee Training	2021		2022		2023	
Total number of training attendees for all courses (double-counted if trainees attended multiple courses)		93,515		93,127		100,836
Total training hours		218,106		216,654		188,973
Total number of employees trained		3,868		3,687		4,590
Average training days (man-days) per headcount		7.1		8.3		5.2
Completion rate for mandatory e-learning	New Hire	Refresher	New Hire	Refresher	New Hire	Refresher
	100%	100%	100%	100%	83.23%	100%

Talent Development and Inclusion

Employee Engagement Survey (EES)

A regular employee engagement survey is conducted with the aim to foster a stronger sense of connection with UOB Indonesia. Various engagement initiatives have been executed in response to the previous surveys. A higher engagement score was obtained in 2023 than the previous year.

The UOB Indonesia Employee Engagement Survey score increased from 92 per cent to 93 per cent in 2023. This is an important indication that our engagement programmes have been effective in maintaining employee engagement levels despite various projects that have significantly increased the volume of work and required employees to work beyond normal work settings.

Talent Management

To prepare and develop the competencies and leadership capabilities of key talent, the Bank has made investments in a number of development initiatives, as follows:

- Leadership Acceleration Programme
  A comprehensive leadership development programme for key talent, designed by combining international assignments or rotations in various countries to broaden the exposure of UOB's key talent in leading cross-culturally, providing opportunities to engage in a number of strategic projects.
- Leadership Academy
  A three-month programme for high-performing employees designed for Managers to Executive Directors. The programme aims to equip talent with skills, tools, and techniques to drive innovation-based growth, with an emphasis on collaboration, reflecting the values and strategies of the Bank in collaboration with leading global business schools.

A total of 36 employees from UOB Indonesia were selected to participate in the above programmes in 2023.

Diversity and Inclusion [OJK F.18] [GRI 2-7, 3-3, 405-1, 406-1]

We believe that developing a diverse and collaborative work culture, creating an inclusive workplace environment, and valuing differences are essential. Diversity brings varied perspectives and fosters innovative thinking to solve business challenges for sustainable growth. It is a critical element in our strategy to acquire, develop, and retain diverse talents for UOB Indonesia.

We are committed to creating an inclusive work environment free from all forms of discrimination, intimidation, or harassment. This aims to establish a safe and comfortable workplace for employees, supporting productivity and engagement. We have also set a Code of Ethics to communicate the expected standards of professional behaviour and ethics to employees, with the implications of misconduct. [GRI 3-3]

Code of Ethics Socialisation and Enforcement [OJK F.21]

Every joining employee is required to sign the Bank's Code of Ethics agreement. The Bank also regularly updates the Code of Ethics, accessible through a platform provided by HR. Throughout 2023, 100 per cent of employees have signed the Code of Ethics compliance pact.

For enforcement, the Bank has monitored employee account transactions, observed changes in employee behaviour, rendered vendor services for data screening and profile checking of potential employees, and conducted SLIK (*Sistem Layanan Informasi Keuangan*) checks. Employees are expected to uphold the Bank's Code of Ethics and apply its principles in daily activities.

The Bank takes preventive measures to counter practices that oppose good corporate governance by following up on reported violations, including through a whistle-blowing system. This system is expected to increase participation from all employees and external parties to report violations. Violation reports must be made by whistle-blowers with certainty of true reporting, and whistle-blowers must be able to provide traceable and actionable information and evidence. All employees support an inclusive work environment free from all forms of discrimination. Throughout 2023, there were no complaints or incidents related to discrimination.

As an effort to create an inclusive and discrimination-free work environment, we ensure a mandatory "Code of Ethics" training module for all employees, including new hires. By December 2023, 100 per cent of all newly joined employees in 2023 have completed or are still within the specified duration. Meanwhile, employees who joined prior to 2023 are required to undergo refresher training once a year.

Talent Development and Inclusion

Employee Demographics

UOB Indonesia recorded an increase of 1,461 employees in 2023, compared to 524 in 2022. The majority of the new employee additions in 2023 were derived from the acquisition of Citibank's Consumer Banking, including Citibank's credit card management. The following is an overview of the demographic development of UOB Indonesia employees.

Employee Composition by Age	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Below 25 years old	0%	0%	0%	1%	1%	2%
25 - 34 years old	12%	18%	11%	17%	12 %	17%
35 - 44 years old	22%	22%	22%	22%	21%	21%
45 - 54 years old	13%	11%	14%	12%	11%	10%
Above 55 years old	1%	1%	1%	1%	2%	3%
Total	48%	52%	48%	53%	47%	53%

New Hires [GRI 401-1]	2021		2022		2023	
Gender	Total	%	Total	%	Total	%
Female	123	43	272	52	796	54
Male	165	57	252	48	665	46
Total	288	100	524	100	1461	100

Position (in 2023)	Age			Gender	
	<30	30-50	>50	Male	Female
Commissioner	-	-	6	6	-
Director	-	3	5	7	1
Manager	-	142	87	135	94
Supervisor	2	442	92	284	252
Staff	596	2,585	298	1,564	1,915

Employee Turnover Rate [GRI 401-1]	2021	2022	2023
Turnover Rate	14%	16%	13%

New Hires/Attrition [GRI 401-1]	Age			Gender	
	<30	30-50	>50	Male	Female
Number of employees that joined during 2023	422	988	51	665	796
Number of employees that left during 2023	87	341	54	241	241

Talent Development and Inclusion

Human Rights [OJK F.19]

We are dedicated to upholding the principles of human rights recognised internationally, as well as adhering to the regulations in Indonesia. UOB Indonesia remains highly committed to implementing good corporate governance, particularly the principle of transparency, which is fully and responsibly carried out by the Board of Directors. Through our whistle-blowing policy, all employees and external parties working with the Bank can report any irregularities, wrongdoing, or violations of applicable regulations without hesitation and fear, from both within the Bank, across all business lines, including the Board of Directors, and external parties.

We believe in equal opportunities for everyone and do not tolerate any form of discrimination, including forced labour, or child labour. UOB Indonesia does not employ underage workers, and we do not use any form of forced labour. [OJK F. 19]

Workplace Safety, Health and Well-being

[OJK F.12] [GRI 403-1]

A safe, healthy, and conducive work environment will create comfort and enhance productivity, ultimately impacting our performance. UOB Indonesia is committed to providing a safe work environment for all employees, partners, and customers within our operational premises. UOB Indonesia develops and implements procedures that regulate safe work practices in accordance with relevant occupational safety regulations.

We ensure that policies to guarantee the security, health, and safety of employees have been well implemented and ensure that these policies benefit all employees and the Bank's performance. [GRI 3-3]

Occupational Health & Safety (OHS)

We implement practical measures to reduce the risk of workplace accidents and ensure the safety and health of employees, customers, contractors, and all parties working in buildings owned and managed by UOB Indonesia. These measures include:

a. Communicating all relevant health and safety procedures;
b. Reviewing our buildings' emergency response plans which stipulates the relevant actions to be taken to protect and evacuate building occupants under different emergency scenarios;
c. Conducting and reviewing appropriate contractors' risk assessments to identify and minimise any sources of risk; and
d. Establishing workplace safety and health requirements for all vendors, suppliers and contractors working at our premises. They must comply with all applicable laws and regulations, conduct appropriate risk assessments, and complete all required certification for their employees as required by local legislation.

We also provide communications and training related to safety procedures in the workplace environment, including:

- Workplace safety analysis for high-risk activities for employees and vendors;
- Safety procedures related to electrical items; and
- Emergency procedures in case of fire and earthquakes.

OHS Implementation

The implementation of Occupational, Health and Safety principles is reflected through the design of office spaces that adhere to the completeness and suitability of the workplace environment, as well as security facilities. We equip our office building infrastructure with security amenities such as fire extinguishers, fire detection systems, and alarms as early warning devices, in addition to efforts to increase alertness and prevent casualties. Simulations of fires and natural disasters are also conducted regularly to enhance awareness.

We ensure the provision of essential items, including First Aid for Accidents (P3K) equipment and Lightweight Fire Extinguishers (APAR), among others. These items undergo regular inspections to confirm they are in optimal condition and are fully operational.

We have an emergency response team composed of UOB Indonesia employees representing each branch and each floor at the head office, trained to handle emergency situations and fire evacuations. We conduct routine drills every year to ensure our employees understand the precautionary measures and safety protocols during the evacuation process. We carry out regular exercises to ensure our colleagues understand the actions and safety protocols during evacuation.

Health and Well-being

UOB Indonesia is fully committed to the well-being of its employees. One form of our care is by providing health benefits, where the Bank collaborates with health insurance providers to provide insurance facilities for both permanent and contract employees. Employees are also entitled to routine health checks in accordance with relevant regulations.

All employees and their families receive health coverage through the Health Insurance Programme, which includes outpatient and inpatient benefits as well as medical examinations. In accordance with relevant regulations, all employees are also enrolled in government insurance programmes, namely BPJS (*Badan Penyelenggara Jaminan Sosial*) Employment and BPJS (*Badan Penyelenggara Jaminan Sosial*) Healthcare.

Workplace Safety, Health and Well-being

[OJK F.12] [GRI 403-1]

In 2023, the Bank reviewed and updated the insurance benefit limits for employees' family members and dependents. An in-house clinic was also set up to facilitate employees in consulting with a General Practitioner. Fitness equipment and facilities are available at UOB Plaza where employees can exercise.

The Bank believes that mental health is as important as physical health; therefore, consultation facilities with professional experts (psychologists and psychiatrists) to support employees' mental well-being are provided as needed.

Parental Leave [GRI 401-3]

UOB Indonesia employees are entitled to maternity leave regardless of their employment status (contract or permanent). The Bank grants maternity leave for female employees, which is a leave of 4 months that can be utilised 1.5 months before and 2.5 months after childbirth in addition to their annual leave entitlement. Additionally, the Bank also provides paternity leave of 15 calendar days for male employees whose wives have given birth.

During 2023, 67 employees utilised their maternity leave and 43 employees utilised their paternity leave.

Uphold Corporate Responsibility

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Corporate Governance and Risk Culture

At UOB Indonesia, we are committed upholding governance and a robust risk culture, as they are essential for sustained success and value creation. We uphold the highest standards of ethics and governance, and ensure timely identification and mitigation of emerging risks. Our culture of accountability and ethical practices is key to safeguarding stakeholder interests and driving sustainable value.

Risk Culture [FN-CB-510a.2]

UOB Indonesia understands the importance of implementing good corporate governance principles to protect the interests of stakeholders, maintain integrity, and ensure the achievement of quality and sustainable business development targets. One of the main concerns is risk throughout our banking operations. UOB Indonesia continues to instill a risk culture to all employees in every decision and action taken. We identify, measure, monitor and control various risks relevant to the banking industry, including credit-related risks, market risks, interest rate risks, compliance risks, reputation risks and others. This is also in line with Regulation of the Financial Service Authority No. 18/POJK.03/2016 on the Implementation of Risk Management for Commercial Banks.

UOB Indonesia's risk culture is built on the values of Honourable, Enterprising, United and Committed. The Bank's Board of Commissioners and Board of Directors play an important role in providing supervision and ensuring the development and implementation of a robust risk culture.

To ensure that the tone from Regulators translates effectively into the tone from Senior Managements, all employee managers are responsible for practising risk-focused behaviours within their teams. Senior management promotes understanding and practice of risk management throughout the organisation by organising regular communications such as face-to-face meetings, discussion groups and internal e-newsletters. All employees receive a number of trainings regarding risk management which covers the following topics:

- Risk culture and Code of Ethics;
- Anti-Money Laundering-Counter of Financing Terrorism-Counter of Financing Proliferation of Weapon of Mass Destruction and Sanctions
- Assessment and handling of operational risks;
- Fair Dealing;
- Awareness of fraud;
- IT security and cyber risk awareness; and
- UK Bribery Act.

Apart from the topics above, UOB Indonesia also instills and increases awareness and understanding of risk culture by implementing the following:

- Instilling a risk culture and implementing a risk management framework;
- Creating mandatory e-learning on risk culture to underscore and enforce a strong risk culture;
- Conducting self-assessments on business units and supporting units to evaluate the risk culture within each unit; and
- Incorporating risk management to employee engagement surveys to measure understanding of risk culture.

Active supervision of the Board of Directors and Senior Executive Officers regarding operational risks has been carried out periodically through Risk Management Committee (RMC) meetings, which include the following matters:

1. Key Risk and Control Self-Assessment;
2. Key Operational Risk Indicators;
3. Incident Reporting; and
4. Management Risk Awareness.

Corporate Governance and Risk Culture

We also utilise whistleblowing as a way to review the effectiveness of implementing a risk culture. Through the whistleblowing mechanism, we encourage every level of employee and management to contribute to building a risk culture by reporting alleged violations without worry about pressure or retaliation. All reported cases have been followed up. Internal Audit is responsible for checking the status of whistleblowing submitted and reporting the results to the Audit Committee every quarter. [FN-CB-510a.2]

In 2023, there were no incidents related to violations of the Code of Ethics or related risks. We consistently implement risk management training programmes for all employees. As of 31 December 2023, all new employees in 2023 completed the risk culture module. Employees who had joined the company before 2023 were required to take refresher training once a year.

Further information regarding risk management policies can be seen in the risk management section of the Annual Report.

Regulatory Compliance

[GRI 2-27, 3-3]

Financial crimes undermine fair competition, impede innovation, raise costs and pose serious legal and reputational consequences. Such threats, if not anticipated and addressed, could severely undermine both the integrity and trust of the financial system. In this regard, UOB is committed to upholding the highest ethical standards, through complying with local laws and regulations, as well as preventing financial crimes such as insider trading, bribery, corruption, fraud and money laundering. This helps to ensure that UOB remains a source of stability, security and strength for our stakeholders.

UOB Indonesia is committed to implementing its business activities with integrity and high ethical standards. We are also determined to continue to comply with the prevailing laws, including laws and regulations issued by regulators in the banking industry, the Financial Services Authority (OJK) and Bank Indonesia (BI), as well as related regulations issued by government agencies such as Ministry of Finance, Ministry of Communication and Informatics, Ministry of Manpower, Ministry of Law and Human Rights, and Ministry of the Environment and Forestry.

All UOB Indonesia employees are not permitted to be involved in conflicts of interest to obtain personal gain that could harm the institution or our customers. [GRI 2-15]

Customer Protection Unit

In connection with Financial Services Authority Regulation No. 22/2023 on Consumer and Community Protection in the Financial Services Sector, we have established a Customer Protection Unit with the following work functions:

- Disseminating the principles of customer and community protection to employees;
- Coordinating planning and implementation of customer and community protection;
- Providing reports and recommendations to management; and
- Consolidating customer protection self-assessments every year which are then submitted to the Financial Services Authority via the consumer education and protection reporting information system website (https://peduli.ojk.go.id/Public/Login.aspx).

Prohibition of Insider Trading

UOB Indonesia has a policy of prohibiting insider trading practices for employees and establishes a framework for managing insider trading risks. We also provide online training modules every year on insider trading and market misconduct.

We implement a staff trading policy that requires employees to comply with all information confidentiality policies and prohibits the distribution of confidential information by those who may have access to internal information. Declarations and approvals are required before trading shares owned by employees or management on the stock exchange. In addition, the compliance function periodically reviews securities transactions to detect potential violations. Through this policy, we hope to maintain the reputation and trust of stakeholders.

Foreign Account Tax Compliance Act (FATCA)

The provisions of the United States tax law FATCA require non-US financial institutions to identify and report information regarding assets held by US citizens and other non-cooperative entities and individuals to the US Internal Revenue Service.

We are strongly committed to complying with FATCA provisions and ensuring that all prevailing requirements in Indonesia are fulfilled. We have also incorporated FATCA guidelines into our governance and business operations.

Regulatory Compliance
[GRI 2-27, 3-3]

Common Reporting Standard (CRS)
We also implement CRS, a global tax information exchange standard developed by the OECD to help prevent offshore tax evasion. Through CRS, we can annually identify, collect, and report to local authorities tax information from jurisdictions with which information exchange agreements are entered into. With the CRS programme, we have fulfilled all CRS requirements that apply in Indonesia.

We ensure that we have complied with all prevailing national and international regulatory provisions and regulations. In 2023, there were no monetary losses as a result of legal proceedings related to fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.

Preventing Corruption, Fraud and Money Laundering [GRI 205-2]
Financial crimes can undermine a fair competition ecosystem, hinder innovation, increase costs, and create legal consequences and serious reputational risks. If not anticipated and handled appropriately and accurately, this can risk the integrity and trust of the financial system. UOB Indonesia is committed to protecting the integrity of the financial system and its users. We continue to strengthen the Bank's capacity, including the ability to mitigate financial crime risks and invest in the necessary expertise and systems.

Preventing Corruption
Compliance with anti-bribery and anti-corruption laws is carried out by the legal function to ensure that contracts with third parties are in accordance with the prevailing laws and regulations regarding bribery and corruption.

Preventing Fraud
The Integrated Fraud Management (IFM) Division, as the second line of defense, implements strategies and governance and oversee the fraud risk management framework and policies throughout UOB Indonesia. Fraud hotlines provide a safe channel to report suspected cases of fraud and ensure independent fraud investigations by specialised units. IFM collaborates with business units and support units to strengthen the implementation of the five pillars of prevention, detection, response, improvement, and reporting.

To promote and increase awareness of the anti-fraud culture at UOB Indonesia, IFM implements the Fraud Risk Awareness campaign through mandatory virtual training and e-learning (for new employees and refreshers for existing employees) and collaborates with Customer Education and Advocacy (CEA) to deliver regular communications to branches via branch morning huddles. To strengthen detection and prevent fraud, we also organised an Anti-Fraud Campaign and provided "Anti-Fraud Hero" awards for those who report and are able to provide evidence of violations.

Anti-Money Laundering-Counter of Financing Terrorism-Counter of Financing Proliferation of Weapons of Mass Destruction (AML-CFT-CFP) and Sanctions
We are committed to ensuring compliance with laws and regulations regarding Anti-Money Laundering-Counter of Financing Terrorism-Counter of Financing Proliferation of Weapons of Mass Destruction (AML-CFT-CFP) and sanctions. To maintain the best standards, we identify, evaluate, and take appropriate actions that can effectively reduce the risks of money laundering, terrorism financing, and sanctions.

The following are AML-CFT-CFP and Sanctions principles and sanctions implemented by UOB Indonesia:

- Customer Due Diligence (CDD), Risk Rating, and Name Screening
  We implement CDD, risk assessments, and name screening on customers, related parties, beneficiaries, individuals authorised to name customers, and other parties specified in the AML-CFT-CFP and sanctions procedures. CDD is implemented in accordance with a risk-based approach when opening an account and ongoing monitoring, especially for customers who are considered high risk;

- Suspicious Transaction Report
  We have a monitoring system applied to customer transactions to identify suspicious financial transactions. Furthermore, the AML/CFT & Sanctions, Anti Bribery & Corruption & Anti Tax Evasion Division in the Compliance Function carries out an independent analysis of the initial identification. In addition to the monitoring system, for employees, business units or functional units that identify suspicious transactions, reports can be submitted to the AML-CFT and Sanctions Division for further analysis;

Regulatory Compliance

[GRI 2-27, 3-3]

- Document Storage
  Document storage is carried out in accordance with the prevailing laws and regulations;

- Training
  We have mandatory training modules for all employees and the Board of Directors which must be implemented every year. The level of difficulty of the AML-CFT-CFP and sanctions training modules is adjusted to the roles and responsibilities of each employee; and

- Know Your Employee (KYE)
  The KYE principle is implemented during the process of recruiting new employees.

UOB Indonesia also has an Anti-Money Laundering Committee (AMLC) to ensure active supervision. The AMLC was established to review and support strategies, frameworks, policies, programmes and structures related to AML-CFT-CFP and Sanctions, as well as to ensure governance oversight of risks to AML-CFT-CFP and sanctions.

Policies Effectiveness and Performance

UOB Indonesia has mandatory e-learning modules covering AML-CFT-CFP and sanctions; Code of Ethics; anti-bribery and/or gratification; and fraud awareness. We require all employees to complete a refresher programme on this topic annually. We also provide a whistle blowing system mechanism for employees to report violations, including concerns or allegations of violations of various policies of the Bank.

All employees and business partners have been communicated regarding policy implementation, prevention of corrupt practices, kickbacks, fraud, bribery and/or gratification. We have recorded 100% implementation of mandatory e-learning for employees on corruption, fraud, and anti-money laundering awareness.

In the reporting year, there were no complaints, fines or sanctions resulting from violations of corruption, fraud, money laundering or violations of the prevailing regulations. [FN-CB-510a.1]

Information Security

UOB stands steadfast in safeguarding our data and assets, particularly customer information, against evolving cyber threats. We employ advanced monitoring, detection and rapid response strategies, integrating the latest technology and best practices to ensure the security and resilience of our systems. We remain dedicated to maintaining the highest standards of cybersecurity and operational integrity.

We prioritise the best possible maintenance and protection of the Bank's data and assets. Therefore, UOB Indonesia has implemented a technology risk management framework and an IT Security management policy to consistently identify and mitigate all cybersecurity risks.

In addition to having a dedicated team that detects and responds to potential cybersecurity risks and threats, we partner with leading cybersecurity providers to enhance security.

Information security is the responsibility of all employees and stakeholders at UOB Indonesia, including third parties representing UOB Indonesia in processing personal data. UOB Indonesia adopts a Three Lines of Defense system, supported by several organisational functions specifically dedicated to performing supervisory functions and governance of information security and internal control.

UOB Indonesia has established standard processes and procedures for reporting and responding to suspected or actual data privacy incidents that could compromise the confidentiality, integrity, or availability of personal data. The Bank provides communication channels for employees and the public to report through a centralised system. Incident reports are handled by a special incident response team to assess severity levels, mitigation, root cause investigations, and corrective actions. In accordance with UOB Indonesia policies and relevant laws, the Bank informs related individuals and regulators about data privacy incidents.

Planning for the information security programme and allocating sufficient resources to execute the programme are determined annually by UOB Indonesia. The programme includes functions of identification, protection, detection, response, and recovery in cyber and information security. This programme is implemented through various information security controls in terms of administrative, organisational, technological, and physical aspects designed to maintain the confidentiality, integrity, and availability of information used in UOB Indonesia's operational and business activities. The programme is routinely evaluated each year for future improvements and reported to the Board of Directors and the Risk Management Committee. UOB Indonesia also accepts and adopts best practice recommendations from the banking industry and trusted external parties for improving information security capabilities, examples include ISO 27001, NIST CSF, Basel II standards, and recommendations from external auditors and regulators (OJK, BI, Kemkominfo, BSSN).

UOB Indonesia conducts regular training and communications on information security for all employees throughout the year. Training and communications materials cover obligations and responsibilities regarding data protection and privacy, potential risks, and the latest trends and developments concerning threats to information security and data privacy.

UOB Indonesia employees are bound by the Code of Ethics and UOB Indonesia regulations that provide specific references in protecting and using UOB Indonesia assets, including confidential information from customers, employees, business partners, third-party service providers, and government or regulators.

Throughout 2023, the Bank did not receive any complaints, grievances, fines, or sanctions caused by data breaches, personal data leaks, or misuse of customer data.

The Bank continues to invest in developing IT capabilities, cybersecurity, and human resources to ensure data security, and most importantly, to maintain the trust of its customers. Currently, UOB Indonesia

Information Security

is ISO 27001 certified for digital banking applications: UOB TMRW, Personal Internet Banking, and Infinity. As recognition of the implemented information security system, Farina Mutia, Head of Information Security UOB Indonesia, received the Indosec Cyber Woman of the Year 2023 award.

Policies and Commitments [GRI 3-3]

UOB Indonesia stands steadfast in safeguarding our data and assets, particularly customer information, against evolving cyber threats. We employ advanced monitoring, detection and rapid response strategies, integrating the latest technology and best practices to ensure the security and resilience of our systems. We remain dedicated to maintaining the highest standards of cybersecurity and operational integrity.

- UOB Indonesia has supporting responsible data sharing and use through the Bank's guidelines and awareness programmes to protect and secure data confidentiality and privacy. This is in line with the prevailing data privacy laws, sensitivity of internal business data and regulatory dynamics;
- Expanding the application of ethical and justice principles in the design and validation of major AI analytical models;
- Protecting and securing UOB Indonesia and customers' information by deepening cyber security capabilities to confront threats and address the ever-evolving security landscape; and
- Creating strong cybersecurity and information awareness with a "security is everyone's responsibility" mindset and maintaining a 100 per cent pass rate for employee security training.

Policies and Commitments Implementation

All policies related to information security have been implemented properly. All UOB Indonesia employees have received IT Security training. As of December 2023, 100 per cent of new employees had completed the training modules.

In 2023, there were no lawsuits filed against UOB Indonesia in connection with data privacy violations. We continue to develop cybersecurity capabilities and enhance operational models to strengthen defenses against dynamic threats. Through these efforts, we contribute to the security and stability of the financial system and trust in the banking industry. As the Bank enhances its digital capabilities, we are committed to continuing to increase investment in cyber resilience and security.

Direct Environmental Impact

We are committed to conserving resources and reducing carbon emissions for the well-being of our stakeholders and future generations. We are also cognisant of the direct environmental impact resulting from our operations across our network. As our business continues to grow, we seek to mitigate our carbon footprint through energy efficiency initiatives and encouraging environmental stewardship at the workplace.

The consumption of resources such as electricity, water, fuel, paper, and plastic constitute the primary direct environmental impact. Moreover, the environment is also affected by the waste generated from our operational activities. Therefore, we are committed to implementing energy efficiency policies, minimising the use of plastic and paper, and applying waste management strategies to reduce the amount of waste sent to landfills.

Policies and Commitments [GRI 3-3]

In terms of resource and energy management, we strive to actively adopt the latest and most effective technologies to enhance our current systems and reduce the direct impact on the environment. We are committed to complying with all relevant laws and regulations in the locations where we operate.

Energy and Resource Management [OJK F. 7]

Energy Efficiency [GRI 302-1]

We actively work towards achieving measurable reductions in energy and resource consumption by adopting new and efficient technologies to upgrade our current equipment and building systems. One of our initiatives to reduce electricity consumption is by gradually replacing conventional lighting systems in the head office and branch offices with more efficient light-emitting diodes (LED) lighting systems. In 2023, we replaced approximately 1,200 non-LED lights with LED lights, which will result in energy savings of around 114,500 kWh/year.

Renewable Energy [OJK F.7]

We also use several electric vehicles as part of our corporate fleet. By using electric vehicles, we can avoid gasoline consumption of about 3,400 litres per year. We are exploring possibilities to optimise our operational vehicles or use more vehicles with low carbon emissions to reduce our Scope 1 greenhouse gas emissions. Additionally, we have started installing solar panels at one of our offices. The solar panel power generation is expected to be fully operational in 2024 and is part of our efforts to reduce our carbon emissions.

We strive to source low-carbon energy within our local market's limits whenever possible. In 2023, we purchased and traded 18,082 Renewable Energy Certificates (RECs) from geothermal power plants in Indonesia to address 100 per cent of our electricity consumption (head office and branch offices as well as electric vehicles). All purchased RECs have been certified by the International Renewable Energy Certificate (I-REC).

Direct Environmental Impact

Energy Consumption [OJK F.6] [GRI 302-1]

No	Description	Unit	2021	2022	2023*
1	Electricity	GWh	18.1	17.2	18.1
		Giga Joule	65,110	61,980	65,092
2	Fuel for Transportation/ Operations	Litre	505,309	553,957	551,916
		Giga Joule	16,737	18,348	18,674
Total Energy Consumption		Giga Joule	81,847	80,328	83,766

* The acquisition of Citibank consumer banking business in Indonesia was completed in Mid-November 2023. Emission figures computed for 2023 exclude relevant acquired relevant Citibank data for better comparison purposes.

Electricity consumption in 2023 increased from previous year usage due to the addition of office space and the capacity of our data centre. However, the 2023 electricity intensity (kWh/m^2 per year) was 6.4% lower compared to 2022 due to energy efficiency initiatives implemented in 2023.

Carbon Offsets

We aim to reduce energy comsumption and use renewable energy to mitigate the majority of our operational carbon emmisions. However, we recognise that there will be hard-to-abate emissions (in particular Scope 1 and Scope 3 non-financed emissions) which may only be addressed through the use of carbon offsets. In 2023, we purchased 3,064 carbon offsets certified by the Verified Carbon Standard or Gold Standard to address Scope 1 and 3 greenhouse gas emissions. Our Scope 1 emissions originate from fuel for vehicles, fuel for power generators (gensets), refrigerants, and our Scope 3 emissions come from business travel by air.

Resource Consumption [OJK F.5]

Building on the positive momentum from the hybrid work arrangement during the pandemic, which has digitalised our work culture, we are committed to progressively reducing the consumption of paper and toner in our operational activities and switching to more eco-friendly printing paper. We uphold this commitment by establishing a policy to exclusively use office paper that has been certified by SVLK & PEFC-IFCC to ensure that the paper is sustainably-sourced.

To reduce the quantity of disposable plastic from packaged drinking water in cups or bottles, we encourage employees to bring their own tumblers for personal use. Additionally, we provide drinking glasses specifically for customers.

In an effort to reduce environmental pollution, we no longer issue purchase orders for the procurement of plastic bottled water. Additionally, we have successfully reduced office paper consumption by 45 per cent and toner by 72 per cent in 2023 compared to 2019 when we first began implementing conservation policies.

Waste Management [OJK F.13, F.14] [GRI 306-4]

As part of our commitment to reduce environmental pollution by decreasing the amount of inorganic waste sent to landfills, we have collaborated with third parties to recycle inorganic waste since 2019.

We provide separate waste bins for paper waste, inorganic waste, and organic waste to segregate trash at its source in our office buildings. Additionally, we have partnered with waste management companies to manage and recycle 100 per cent of the waste generated from UOB Plaza and Wahid Hasyim office, to reduce the amount of waste sent to landfills.

We have also issued circulars to invite employees to participate and contribute to implementing green practices by reducing the use of disposable plastics in the workplace, including replacing bottled drinking water with hot water/drinking water provided through pots or dispensers and cups, carrying and using refillable water bottles (tumblers) for personal drinking needs. We also encourage the use of personal tumblers to obtain corporate rates at our partner coffee shops in UOB Plaza.

In 2023, a total of 57.85 tons of waste generated from UOB's office operations were recycled.

Direct Environmental Impact

Resource Consumption & Waste

Description	2021	2022	2023*
Plastic bottle procurement (in unit)	14,616	16,766	0
Paper consumption (in metric tons) – office consumption	39.9	37.9	44.8
Paper consumption (in metric tons) - customer consumption (billing reports, advice, etc.)	79.2	92.5	44.2
Toner consumption (in unit)	1,105	676	617
Recyclable waste (in kg)	3,079	3,342	58,752

Revised conversion rate for metric tons of paper in the 2023 reporting is noted. Using 2023 conversion rate, 2021 and 2022 figures would be 32.78 and 36.4 accordingly.

* The acquisition of Citibank consumer banking business in Indonesia was completed in Mid-November 2023. Figures computed for 2023 exclude relevant acquired relevant Citibank data for better comparison purposes.

Water Consumption Management [OJK F.8] [GRI 303-3]

We utilise various water sources, one of which is from the Regional Drinking Water Company (PDAM), depending on the location and availability of clean water access where the Bank's offices are located. The majority of UOB's water consumption is used for toilets, pantries and general cleaning. We strive to conserve water consumption by regularly maintaining water installations to ensure there are no leaks, using water-saving faucets, and organising water conservation campaigns.

Water Consumption [OJK F.8]

No.	Description	2021	2022	2023*
1	Water PAM (m^3)	80,646	84,784	83,908
2	Municipal water in areas that do not experience limited water (m^3)	14,145	13,253	10,226
3	Municipal water in areas experiencing limited water (m^3)	66,500**	71,531**	73,682**
4	Ground Water (m^3)	n.a	13,172	9,950

* The acquisition of Citibank consumer banking business in Indonesia was completed in Mid-November 2023. Figures computed for 2023 exclude relevant acquired relevant Citibank data for better comparison purposes.

** 2021-2022: Regions experiencing water scarcity are those with higher water demand than supply, or where the water quality is poor, limiting its use (Java region). Regions not experiencing water stress are those with a balance between water supply and demand (Sumatera, Kalimantan and Papua). 2023: Regions experiencing water scarcity are identified using the WRI.org tool 'aqueduct water risk atlas' where "water stressed" - ">40% at risk"

Biodiversity [OJK F.9, F.10] [GRI 304-1]

UOB Indonesia understands the importance of preserving environmental ecosystems. Currently, the operational activities and assets used, leased, or managed by UOB Indonesia are not located within or around protected areas or areas of high biodiversity. Therefore, wilderness areas with high biodiversity are not negatively impacted by our activities.

GHG Emissions Management [OJK F.12] [GRI 305-1, 305-2]

The level of GHG emissions is directly proportional with the quantity of energy consumed. Consequently, we reduce GHG emissions by conserving and efficiently using energy. Our 2023 data encompasses Scope 1 emissions resulting from the consumption of diesel generators, vehicle fuels, and air conditioning refrigerants. Scope 2 emissions arise from the purchased electricity, while Scope 3 emissions result from business trips by air travel.

Direct Environmental Impact

GHG emissions

Description	Unit	2021*	2022*	2023
Scope 1 greenhouse gas emissions	t CO_2e	1,183	1,344	1,583
Scope 2 greenhouse gas emissions	t CO_2e	13,859	13,270	14,074
Scope 3 greenhouse gas emissions	t CO_2e	n.a	528	1,480
Total Emissions	t CO_2e	15,042	15,142	17,137

* Revision of 2021-2022 figures as previous report shows in thousand tonnes with 1 decimal point.

Efforts to Reduce Environmental Impact

To mitigate the adverse impact on the environment, we will further strengthen our endeavours to carry out operational activities by intensifying the adoption of green measures, such as:

- Maintaining operational carbon neutrality for Scope 1, Scope 2, and Scope 3 emissions;
- Improving electricity consumption efficiency;
- Reducing the amount of waste sent to landfills; and
- Reducing the consumption of plastics, paper, and toner.

Sustainable Procurement

Sustainable procurement is integral to our ethos of responsible business practices. We are committed to aligning our procurement activities with our environmental, social and governance (ESG) objectives, in harmony with our values. We are dedicated to engaging suppliers who demonstrate strong commitment to robust corporate governance, stringent regulatory compliance, uphold human rights, ethical labour practices and environmental stewardship, and provide a safe and healthy workplace for all employees. This approach reflects our dedication to corporate responsibility and strengthens our operational integrity.

Our approach to addressing the ESG risks and impacts of our operations extends to the procurement of products and services from suppliers which include any third party, company or individual that provides a product or service to us.

We understand that there are ESG risks associated with our suppliers' activities and that the risks will vary depending on their sector, size and location.

We seek to reduce the environmental and social (including human rights) risks and impact associated with our sourcing activities. In 2023, we required material suppliers to acknowledge and adhere to the standards set out in our PT UOB Indonesia Supplier Sustainability Principles (UOB Indonesia SSP). The UOB Indonesia SSP cover three key areas:

- corporate governance and compliance;
- labour and human rights; and
- environment, health and safety.

Community Stewardship

[OJK F.23] [GRI 3-3, 413-1]

UOB is committed to supporting the social development of the communities in which we operate through art, children and education. We believe this is essential for the advancement and well-being of society. Through the decades, our regional efforts have supported the young, especially the underprivileged, as well as those with special needs and with unrealised talent.

The following activities were implemented in 2023:

- **UOB Painting of the Year**

  The annual UOB Painting of the Year competition, one of the most prestigious competition platforms in Southeast Asia, demonstrates UOB's long-term commitment to arts in the Southeast Asia region. This year UOB Indonesia held the 13th UOB Painting of the Year. Apart from Indonesia and Singapore, UOB Painting of the Year was also held in Malaysia and Thailand and this year is the first year for Vietnam to take part in this competition.

  In Indonesia, the UOB Painting of the Year competition has evolved over the past thirteen years to gain awareness and recognition among the art community as an opportunity to develop artistic talents and promote conceptual and creative skills in visual arts. Through this competition, many Indonesian artists have succeeded in winning awards at the Southeast Asia level, with the opportunity to take part in the residency programme at the Fukuoka Asian Art Museum in Japan.

  UOB Indonesia plays an active role in communities across the Southeast Asia region, particularly through its long-standing commitment to the arts. As a leading advocate for arts in Southeast Asia, UOB Indonesia continues to make art accessible to a wider audience through various visual arts programmes, partnerships, and community outreach.

  The alumni of the UOB Painting of the Year winning artists are also actively involved in society and the community by sharing their knowledge and fine arts skills.

  UOB Indonesia implemented two educational programmes with an arts approach in the island of Bali and Medan, North Sumatera province.

  1. Turtle conservation in Tanjung Benoa
     Through an interactive and fun educational programme, children living in Tanjung Benoa were given the opportunity to learn about sea turtle conservation, promoting their role in maintaining the balance of the ocean life.

     Winner of the 2021 UOB Painting of the Year, the Silver Award, Irene Febry, led a creative art session and encouraged children to create sea turtle collages from beach waste such as fishing rods and plastic bags.

  2. Recycling organic materials in Dolok Masihul, Medan
     In collaboration with one of our wholesale banking customers, Socfin Indonesia, located in Dolok Masihul, Medan, UOB Indonesia along with Adi Sundoro, the bronze winner of the UOB Painting of The Year 2022, provided an educational session on sustainable life by recycling organic used materials into works of art that can be used every day.

- **Art Jakarta**

  Since 2016, UOB Indonesia has established a strategic partnership with Art Jakarta, one of the largest art fair events in Indonesia.

  As one of the lead partners, UOB Indonesia presented UOB Art Space, a large-sized art exhibition space to appreciate and promote the winning artworks of the UOB Painting of the Year, not only from Indonesia, but also from Malaysia, Singapore, Vietnam, and Thailand.

  UOB Indonesia also presented Play by UOB Indonesia, 'Plant a Tree, Plant a Life', an interactive space for children led by Farhan Siki, winner of UOB Indonesia Painting of the Year in 2022. Farhan

Community Stewardship

[OJK F.23] [GRI 413-1]

interacted directly with children to explore objects that may no longer be of value but may be transformed into works of art in a fun atmosphere.

More than 500 children came to enjoy the space and create works of art during the exhibition.

- **UOB Heartbeat**

  UOB Heartbeat is an employee engagement programme that encourages employees to take part in doing volunteering activities to impact the community, such as assisting disadvantaged or special needs children with arts education, digital access, English and financial literacy, storytelling.

  In particular, UOB Heartbeat Run/Walk is our flagship fundraising and volunteerism programme that aims to improve the lives of disadvantaged children and families. Every year, employees, customers, and families unite through volunteer activities and fundraising while participating in healthy fitness activities.

  In line with UOB Indonesia's promise to do right by society, the funds collected will be channelled to support various activities for people with disabilities.

  More than 2,000 colleagues were invited to participate in the UOB Heartbeat physical activity that was held on 12 August 2023 in five cities of Jakarta, Bandung, Semarang, Surabaya and Medan. The special needs children were from several Special Schools of Deaf Children (SSDC) in Jakarta, Bandung, Semarang and Surabaya.

  In 2023, the funds collected were channelled to support teaching and learning facilities for Special Schools for Deaf Children (SSDC) in each city to deepen their knowledge, skills, and resilience.

  Beneficiaries include Cicendo SSDC. The Gold Winner of the 2023 UOB Painting of the Year Mrs. Karina Yuwono, an hearing impaired, is an arts and crafts subject teacher at the SSDC. Other beneficiaries were Karya Murni SSDC, Siswa Budhi SSDC, and Bangun Bangsa SSDC.

  UOB Indonesia also provided assistance to Rosa Foundation, a non-profit foundation in Jakarta that focuses on supporting the educational needs of children whose parents are terminally cancer patients. This foundation helps these families overcome financial difficulties to minimise the impact on their children's education.

- **Education – Sign Language**

  To support the UOB Heartbeat programme in 2023, UOB Indonesia held a sign language class, attended by more than 100 colleagues from various departments. The programme is an important component of the UOB Heartbeat initiative in Indonesia, designed for employees to gain a basic understanding of sign language and develop skills to better interact with the deaf community.

  UOB Indonesia gave opportunities to colleagues to directly communicate and build a more inclusive environment to those with hearing impairment.

Community Stewardship

UOB Painting of the Year 2023

UOB held the UOB Painting of the Year (POY) 2023, one of the most prestigious painting competitions in Southeast Asia. In 2023, the UOB POY award was conferred to Ni Nyoman Sani for her artwork 'Tranquility', which portrays a relationship between the universe and its creatures, incorporating elements that go beyond conventional methods.

2023 UOB Heartbeat

UOB Heartbeat Run/Walk is an annual volunteer and fundraising programme organised by UOB globally in 18 countries, including countries in the ASEAN region. In 2023, more than 2,000 employees participated in this fundraising programme in Indonesia. The funds collected were channeled to support Special Schools for Deaf Children (SSDC), including Cicendo SSDC, Karya Murni SSDC, Siswa Budhi SSDC, Bangun Bangsa SSDC, and also to Rosa Foundation.

Community Stewardship

2023 Art Jakarta

With a long-standing partnership with Art Jakarta, UOB Indonesia organised a large UOB Art Space displaying recent artworks of the UOB Painting of the Year winners from Indonesia, Malaysia, Singapore, Vietnam, and Thailand.

UOB Indonesia also organised a UOB Indonesia Art Space titled "Play by UOB Indonesia", where more than 500 children interacted with recycled objects to create artistic goods as part of learning how to take care of the environment.

Education - Sign Language

UOB Indonesia held a sign language class, attended by more than 100 colleagues from various departments. The sign language class was designed to improve colleagues' communication skills, allowing them to gain a fundamental understanding of sign language.

POJK 51/2017 Index

[OJK G.5]

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POJK 51/2017 Index

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GRI Content Index

Statement of use	UOB Indonesia has reported with reference to the GRI Standards for the period 1 January 2023 to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

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Feedback Form [G. 2]

Your response to the questions below are valuable to us and we welcome your feedback.

No.	Question	Yes	No
1.	This report contains useful information.	{ }	{ }
2.	This report is easy to understand.	{ }	{ }
3.	This report has encouraged me to contribute towards sustainability.	{ }	{ }
	How important/interesting are the following aspects:	(Scale 1-10)	
4.	Economic Performance		
5.	Social Performance		
6.	Environment Performance		
7.	What other information should be included in the next report?		
8.	What kind of contribution does the Bank need to sustainability improve?		
9.	Any other feedback:		

Stakeholder Profile

( ) Shareholder/Investor ( ) Employee ( ) Consumer ( ) Public ( ) Government

( ) Business Partner ( ) Media ( ) NGO ( ) Others

Contact Us

Inquiries, suggestions or feedback on this sustainability report can be addressed to:

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UOB Indonesia

Statement of the Members of Board of Commissioners and Board of Directors regarding Responsibility for 2023 Annual Report of PT Bank UOB Indonesia

We, the undersigned, hereby declare that all information in the 2023 Annual Report of PT Bank UOB Indonesia has been completely presented, and we are fully responsible for the accuracy of the content of this Annual Report.

This statement is hereby made truthfully.

Jakarta, 5 April 2024

Board of Commissioners

Wee Ee Cheong
President Commissioner

Chin Voon Fat
Deputy President Commissioner

Chan Kok Seong
Commissioner

Wayan Alit Antara
Independent Commissioner

VJH Boentaran Lesmana
Independent Commissioner

Johanes Susilo*
Independent Commissioner

Board of Directors

Hendra Gunawan
President Director

Teh Han Yi
Director

Paul Rafiuly
Director

Harapman Kasan
Director

Sonny Samuel
Director

Choi Yau Chi
Director

Henry Santoso
Director

Ardhi Wibowo
Compliance Director

*) Effective as of 30 January 2024.

Financial Report

PT Bank UOB Indonesia

Laporan keuangan tanggal 31 Desember 2023
dan untuk tahun yang berakhir pada tanggal tersebut
beserta laporan auditor independen/
Financial statements as of 31 December 2023
and for the year then ended with independent auditor's report

PT Bank UOB Indonesia

Head Office
Jl. M.H. Thamrin No. 10
Jakarta 10230
Tel (021) 2350 6000
Fax (021) 2993 6632
www.uob.co.id

No. 24/DIR/0072

SURAT PERNYATAAN DIREKSI
TENTANG
TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN
PADA TANGGAL 31 DESEMBER 2023
DAN UNTUK TAHUN YANG BERAKHIR
PADA TANGGAL TERSEBUT
PT BANK UOB INDONESIA

DIRECTORS' STATEMENT
REGARDING
THE RESPONSIBILITY FOR
THE FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2023
AND FOR THE YEAR THEN ENDED
PT BANK UOB INDONESIA

Kami yang bertanda tangan di bawah ini / *We, the undersigned:*

1. Nama/*Name* : **HENDRA GUNAWAN**
   Alamat Kantor/*Office Address* : Gedung UOB Plaza Jl. M.H. Thamrin No. 10, Jakarta Pusat 10230
   Alamat Domisili/*Address of Domicile* : Jalan Cikini Raya No. 20, Jakarta Pusat
   Nomor Telepon/*Phone Number* : (62-21) 23506000
   Jabatan/*Position* : Direktur Utama / *President Director*

2. Nama/*Name* : **TEH HAN YI**
   Alamat Kantor/*Office Address* : Gedung UOB Plaza Jl. M.H. Thamrin No. 10, Jakarta Pusat 10230
   Alamat Domisili/*Address of Domicile* : Shangri-La Residence, Jl. Jend. Sudirman Kav.1 Jakarta Pusat
   Nomor Telepon/*Phone Number* : (62-21) 23506000
   Jabatan/*Position* : Direktur Keuangan dan Layanan Korporasi / *Finance and Corporate Services Director*

menyatakan bahwa:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan PT Bank UOB Indonesia ("Bank");
2. Laporan keuangan Bank telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;
3. a. Semua informasi dalam laporan keuangan Bank telah dimuat secara lengkap dan benar;
   b. Laporan keuangan Bank tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material;
4. Kami bertanggung jawab atas sistem pengendalian internal Bank.

Demikian pernyataan ini dibuat dengan sebenarnya.

declare that:

1. *We are responsible for the preparation and presentation of PT Bank UOB Indonesia ("Bank") financial statements;*
2. *The Bank's financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards;*
3. *a. All information in the Bank's financial statements have been disclosed in a complete and truthful manner;*
   b. The Bank's financial statements do not contain any incorrect information or material facts, nor do they omit information or material facts;
4. *We are responsible for the Bank's internal control system.*

Thus this statement is made truthfully.

Jakarta, 28 Februari 2024 / *28 February 2024*

METERAI TEMPEL
92AJX254252899

HENDRA GUNAWAN
Direktur Utama /
President Director

TEH HAN YI
Direktur Keuangan dan Layanan Korporasi /
Finance and Corporate Services Director

The original financial statements included herein are in the Indonesian language.

PT BANK UOB INDONESIA
LAPORAN KEUANGAN
TANGGAL 31 DESEMBER 2023
DAN UNTUK TAHUN YANG BERAKHIR
PADA TANGGAL TERSEBUT
BESERTA LAPORAN AUDITOR INDEPENDEN

PT BANK UOB INDONESIA
FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2023
AND FOR THE YEAR
THEN ENDED
WITH INDEPENDENT AUDITOR'S REPORT

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****

Building a better working world

Purwantono, Sungkoro & Surja

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The original report included herein is in the Indonesian language.

Laporan Auditor Independen

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024

Pemegang Saham, Dewan Komisaris, dan Direksi
PT Bank UOB Indonesia

Opini

Kami telah mengaudit laporan keuangan PT Bank UOB Indonesia ("Bank") terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2023, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, serta catatan atas laporan keuangan, termasuk informasi kebijakan akuntansi material.

Menurut opini kami, laporan keuangan terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan Bank tanggal 31 Desember 2023, serta kinerja keuangan dan arus kasnya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Basis opini

Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia ("IAPI"). Tanggung jawab kami menurut standar tersebut diuraikan lebih lanjut dalam paragraf Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan pada laporan kami. Kami independen terhadap Bank berdasarkan ketentuan etika yang relevan dalam audit kami atas laporan keuangan di Indonesia, dan kami telah memenuhi tanggung jawab etika lainnya berdasarkan ketentuan tersebut. Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini kami.

Independent Auditor's Report

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024

The Shareholders and the Boards of Commissioners and Directors
PT Bank UOB Indonesia

Opinion

We have audited the accompanying financial statements of PT Bank UOB Indonesia (the "Bank"), which comprise the statement of financial position as of December 31, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2023, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Basis for opinion

We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants ("IICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Purwantono, Sungkoro & Surja
Registered Public Accountants KMK No. 603/KM.1/2015
A member firm of Ernst & Young Global Limited

Building a better working world

The original report included herein is in the Indonesian language.

Laporan Auditor Independen (lanjutan)

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (lanjutan)

Hal audit utama

Hal audit utama adalah hal-hal yang, menurut pertimbangan profesional kami, merupakan hal yang paling signifikan dalam audit kami atas laporan keuangan periode kini. Hal tersebut disampaikan dalam konteks audit kami atas laporan keuangan secara keseluruhan, dan dalam merumuskan opini kami atas laporan keuangan terkait, dan kami tidak menyatakan suatu opini terpisah atas hal audit utama tersebut. Untuk hal audit utama di bawah ini, penjelasan kami tentang bagaimana audit kami merespons hal tersebut disampaikan dalam konteks tersebut.

Kami telah memenuhi tanggung jawab yang diuraikan dalam paragraf Tanggung Jawab Auditor terhadap Audit atas Laporan Keuangan pada laporan kami, termasuk sehubungan dengan hal audit utama yang dikomunikasikan di bawah ini. Oleh karena itu, audit kami mencakup pelaksanaan prosedur yang didesain untuk merespons penilaian kami atas risiko kesalahan penyajian material dalam laporan keuangan terlampir. Hasil prosedur audit kami, termasuk prosedur yang dilakukan untuk merespons hal audit utama di bawah ini, menyediakan basis bagi opini kami atas laporan keuangan terlampir.

Cadangan kerugian penurunan nilai atas kredit yang diberikan

Penjelasan atas hal audit utama:

Pada tanggal 31 Desember 2023, Bank memiliki kredit yang diberikan dan cadangan kerugian penurunan nilai atas kredit yang diberikan masing-masing sebesar Rp84.022.605 juta dan Rp4.110.763 juta. Informasi kebijakan akuntansi material untuk cadangan kerugian penurunan nilai atas kredit yang diberikan diungkapkan dalam Catatan 2l atas laporan keuangan terlampir.

Independent Auditor's Report (continued)

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (continued)

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Such key audit matters were addressed in the context of our audit of the financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on such key audit matters. For the key audit matter below, our description of how our audit addressed such matter is provided in such context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report, including in relation to key audit matter communicated below. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the accompanying financial statements. The results of our audit procedures, including the procedures performed to address the key audit matter below, provide the basis for our opinion on the accompanying financial statements.

Allowance for impairment losses on loans

Description of the key audit matter:

As of December 31, 2023, the Bank's loans and the allowance for impairment losses on loans amounted to Rp84,022,605 million and Rp4,110,763 million, respectively. The material accounting policies information of allowance for impairment losses on loans are disclosed in Note 2l to the accompanying financial statements.

Laporan Auditor Independen (lanjutan)

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (lanjutan)

Hal audit utama (lanjutan)

Cadangan kerugian penurunan nilai atas kredit yang diberikan (lanjutan)

Kami fokus pada area ini karena nilai tercatat atas kredit yang diberikan dan cadangan kerugian penurunan nilai atas kredit yang diberikan adalah material terhadap laporan keuangan terlampir. Selain itu, penentuan cadangan kerugian penurunan nilai memerlukan pertimbangan signifikan dan memiliki ketidakpastian estimasi termasuk dalam penentuan model untuk menghitung cadangan kerugian penurunan nilai, identifikasi eksposur kredit yang mengalami penurunan kualitas kredit yang signifikan, penentuan asumsi yang digunakan dalam model perhitungan cadangan kerugian penurunan nilai (untuk eksposur yang dinilai secara individu atau kolektif), termasuk faktor ekonomi makro masa depan.

Pengungkapan cadangan kerugian penurunan nilai atas yang kredit diberikan diungkapkan pada Catatan 11 atas laporan keuangan.

Respons audit:

Kami menguji pengendalian utama atas pemberian kredit, penilaian kualitas kredit internal secara regular, pencatatan dan pengawasan kredit yang diberikan, memperoleh pemahaman dan menilai metodologi pengukuran penurunan nilai, validasi model cadangan kerugian penurunan nilai, data masukan, dasar, dan asumsi yang digunakan oleh Bank dalam menghitung cadangan kerugian penurunan nilai, serta menguji tiga tahapan kualitas kredit portfolio sesuai dengan kriteria tingkatan (*staging*) yang disusun oleh Bank untuk kredit yang diberikan. Kami juga menguji apakah pengalaman historis mewakili keadaan saat ini dan kerugian terkini yang terjadi dalam portfolio, serta menilai kewajaran atas penyesuaian asumsi masa depan, analisis faktor ekonomi makro, dan beberapa skenario probabilitas tertimbang untuk kredit yang diberikan.

Independent Auditor's Report (continued)

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (continued)

Key audit matters (continued)

Allowance for impairment losses on loans (continued)

We focused on this area because the carrying value of loans and the allowance for impairment losses on loans are material to the accompanying financial statements. In addition, determination of allowance for impairment losses requires significant judgement and is subject to estimation uncertainty which includes determining the model to calculate allowance for impairment losses, identification of credit exposures with significant deterioration in credit quality, and determining assumptions used in the allowance for impairment losses calculation models (for exposures assessed on an individual or collective basis), including forward-looking macroeconomics factors.

The allowance for impairment losses on loans are disclosed in Note 11 to the accompanying financial statements.

Audit response:

We tested of key controls over the origination, regular internal credit quality assessments, recording and monitoring of the loans, obtained understanding and assessed impairment measurement methodologies, validation of allowance for impairment losses models, inputs, bases and assumptions used by the Bank in calculating the allowance for impairment losses, and tested the classification into three stage credit quality of loan portfolios in accordance with staging criteria developed by the Bank for loans. We also tested whether historical experience is representative of current circumstances and of the recent losses incurred in the portfolios, and assessed reasonableness of forward-looking adjustments, macroeconomic factor analysis, and probability-weighted multiple scenarios for loans.

Laporan Auditor Independen (lanjutan)

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (lanjutan)

Hal audit utama (lanjutan)

Cadangan kerugian penurunan nilai atas kredit yang diberikan (lanjutan)

Respons audit: (lanjutan)

Untuk cadangan kerugian penurunan nilai yang dinilai secara individual, kami menguji sampel kredit yang diberikan untuk mengevaluasi ketepatan waktu Bank dalam melakukan identifikasi eksposur kredit yang mengalami penurunan kualitas kredit yang signifikan atau yang telah mengalami penurunan nilai. Untuk kasus-kasus di mana penurunan nilai telah diidentifikasi, kami menilai asumsi Bank atas arus kas masa depan yang akan diterima, termasuk nilai agunan yang dapat direalisasikan berdasarkan informasi pasar yang tersedia atau penilaian yang dilakukan oleh penilai independen.

Kami juga memeriksa keakurasian perhitungan jumlah cadangan kerugian penurunan nilai dengan melakukan perhitungan ulang atas keseluruhan portofolio yang penurunan nilainya dinilai secara kolektif dan melakukan perhitungan ulang atas penurunan nilai yang dinilai secara individual berdasarkan sampel, menilai apakah pengungkapan di laporan keuangan cukup dan secara memadai mencerminkan eksposur Bank terhadap risiko kredit. Kami menguji kelengkapan dan ketepatan, termasuk asumsi dan pertimbangan, *overlay* yang digunakan atas risiko yang tidak tertangkap oleh model dan melibatkan pakar auditor internal kami untuk membantu kami dalam melakukan prosedur-prosedur di atas ketika keahlian spesifik mereka diperlukan.

Independent Auditor's Report (continued)

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (continued)

Key audit matters (continued)

Allowance for impairment losses on loans (continued)

Audit response: (continued)

With respect to individually assessed allowance for impairment losses, tested a sample of loans to evaluate the timely identification by the Bank of exposures with significant deterioration in credit quality or those which have been impaired. For cases where impairment has been identified, assessed the Bank's assumptions on the expected future cash flows, including the value of realizable collateral based on available market information or valuation prepared by independent valuer.

We checked the accuracy of the calculation of the allowance for impairment losses amount by recalculating the collective impairment assessment for the entire portfolio and recalculating the individual impairment assessment on a sample basis, assessed whether the financial statements disclosures are adequately and appropriately reflecting the Bank's exposures to credit risk. We challenged the completeness and appropriateness, including the assumptions and judgments, of overlays used for risks not captured by models and involved our auditor's internal expert to assist us in the performance of the above procedures where their specific expertise was required.

Laporan Auditor Independen (lanjutan)

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (lanjutan)

Informasi lain

Manajemen bertanggung jawab atas informasi lain. Informasi lain terdiri dari informasi yang tercantum dalam Laporan Tahunan 2023 ("Laporan Tahunan") selain laporan keuangan terlampir dan laporan auditor independen kami. Laporan Tahunan diharapkan akan tersedia bagi kami setelah tanggal laporan auditor independen ini.

Opini kami atas laporan keuangan terlampir tidak mencakup Laporan Tahunan, dan oleh karena itu, kami tidak menyatakan bentuk keyakinan apapun atas Laporan Tahunan tersebut.

Sehubungan dengan audit kami atas laporan keuangan terlampir, tanggung jawab kami adalah untuk membaca Laporan Tahunan ketika tersedia dan dalam melaksanakannya, mempertimbangkan apakah Laporan Tahunan mengandung ketidakkonsistensian material dengan laporan keuangan terlampir atau pemahaman yang kami peroleh selama audit, atau mengandung kesalahan penyajian material.

Ketika kami membaca Laporan Tahunan, jika kami menyimpulkan bahwa terdapat suatu kesalahan penyajian material di dalamnya, kami diharuskan untuk mengomunikasikan hal tersebut kepada pihak yang bertanggung jawab atas tata kelola dan melakukan tindakan yang tepat berdasarkan peraturan perundang-undangan yang berlaku.

Tanggung jawab manajemen dan pihak yang bertanggung jawab atas tata kelola terhadap laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Independent Auditor's Report (continued)

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (continued)

Other information

Management is responsible for the other information. Other information comprises the information included in the Annual Report 2023 (the "Annual Report") other than the accompanying financial statements and our independent auditor's report thereon. The Annual Report is expected to be made available to us after the date of this independent auditor's report.

Our opinion on the accompanying financial statements does not cover the Annual Report, and accordingly, we do not express any form of assurance on the Annual Report.

In connection with our audit of the accompanying financial statements, our responsibility is to read the Annual Report when it becomes available and, in doing so, consider whether the Annual Report is materially inconsistent with the accompanying financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions based on the applicable laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Laporan Auditor Independen (lanjutan)

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (lanjutan)

Tanggung jawab manajemen dan pihak yang bertanggung jawab atas tata kelola terhadap laporan keuangan (lanjutan)

Dalam penyusunan laporan keuangan, manajemen bertanggung jawab untuk menilai kemampuan Bank dalam mempertahankan kelangsungan usahanya, mengungkapkan, sesuai dengan kondisinya, hal-hal yang berkaitan dengan kelangsungan usaha, dan menggunakan basis akuntansi kelangsungan usaha, kecuali manajemen memiliki intensi untuk melikuidasi Bank atau menghentikan operasi, atau tidak memiliki alternatif yang realistis selain melaksanakannya.

Pihak yang bertanggung jawab atas tata kelola bertanggung jawab untuk mengawasi proses pelaporan keuangan Bank.

Tanggung jawab auditor terhadap audit atas laporan keuangan

Tujuan kami adalah untuk memeroleh keyakinan memadai tentang apakah laporan keuangan secara keseluruhan bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan, dan untuk menerbitkan laporan auditor independen yang mencakup opini kami. Keyakinan memadai merupakan suatu tingkat keyakinan tinggi, namun bukan merupakan suatu jaminan bahwa audit yang dilaksanakan berdasarkan Standar Audit yang ditetapkan oleh IAPI akan selalu mendeteksi kesalahan penyajian material ketika hal tersebut ada. Kesalahan penyajian dapat disebabkan oleh kecurangan maupun kesalahan dan dianggap material jika, baik secara individual maupun agregat, dapat diekspektasikan secara wajar akan memengaruhi keputusan ekonomi yang diambil oleh pengguna berdasarkan laporan keuangan tersebut.

Independent Auditor's Report (continued)

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (continued)

Responsibilities of management and those charged with governance for the financial statements (continued)

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless management either intends to liquidate the Bank or to cease its operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an Independent Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing established by the IICPA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Laporan Auditor Independen (lanjutan)

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (lanjutan)

Tanggung jawab auditor terhadap audit atas laporan keuangan (lanjutan)

Sebagai bagian dari suatu audit berdasarkan Standar Audit yang ditetapkan oleh IAPI, kami menerapkan pertimbangan profesional dan mempertahankan skeptisisme profesional selama audit. Kami juga:

- Mengidentifikasi dan menilai risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan, mendesain dan melaksanakan prosedur audit yang responsif terhadap risiko tersebut, serta memeroleh bukti audit yang cukup dan tepat untuk menyediakan basis bagi opini kami. Risiko tidak terdeteksinya suatu kesalahan penyajian material yang disebabkan oleh kecurangan lebih tinggi daripada yang disebabkan oleh kesalahan, karena kecurangan dapat melibatkan kolusi, pemalsuan, penghilangan secara sengaja, pernyataan salah, atau pengabaian pengendalian internal.

- Memeroleh suatu pemahaman tentang pengendalian internal yang relevan dengan audit untuk mendesain prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektivitasan pengendalian internal Bank.

- Mengevaluasi ketepatan kebijakan akuntansi yang digunakan serta kewajaran estimasi akuntansi dan pengungkapan terkait yang dibuat oleh manajemen.

Independent Auditor's Report (continued)

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with Standards on Auditing established by the IICPA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- *Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to such risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.*

- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.*

- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.*

Laporan Auditor Independen (lanjutan)

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (lanjutan)

Tanggung jawab auditor terhadap audit atas laporan keuangan (lanjutan)

Sebagai bagian dari suatu audit berdasarkan Standar Audit yang ditetapkan oleh IAPI, kami menerapkan pertimbangan profesional dan mempertahankan skeptisisme profesional selama audit. Kami juga: (lanjutan)

- Menyimpulkan ketepatan penggunaan basis akuntansi kelangsungan usaha oleh manajemen dan, berdasarkan bukti audit yang diperoleh, apakah terdapat suatu ketidakpastian material yang terkait dengan peristiwa atau kondisi yang dapat menyebabkan keraguan signifikan atas kemampuan Bank untuk mempertahankan kelangsungan usahanya. Ketika kami menyimpulkan bahwa terdapat suatu ketidakpastian material, kami diharuskan untuk menarik perhatian dalam laporan auditor independen kami ke pengungkapan terkait dalam laporan keuangan atau, jika pengungkapan tersebut tidak memadai, memodifikasi opini kami. Kesimpulan kami didasarkan pada bukti audit yang diperoleh hingga tanggal laporan auditor independen kami. Namun, peristiwa atau kondisi masa depan dapat menyebabkan Bank tidak dapat mempertahankan kelangsungan usahanya.

- Mengevaluasi penyajian, struktur, dan isi laporan keuangan secara keseluruhan, termasuk pengungkapannya, dan apakah laporan keuangan mencerminkan transaksi dan peristiwa yang mendasarinya dengan suatu cara yang mencapai penyajian wajar.

Kami mengomunikasikan kepada pihak yang bertanggung jawab atas tata kelola mengenai, antara lain, ruang lingkup dan saat yang direncanakan atas audit serta temuan audit signifikan, termasuk setiap defisiensi signifikan dalam pengendalian internal yang teridentifikasi oleh kami selama audit.

Independent Auditor's Report (continued)

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with Standards on Auditing established by the IICPA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: (continued)

- *Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions is based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.*

- *Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Building a better working world

The original report included herein is in the Indonesian language.

Laporan Auditor Independen (lanjutan)

Laporan No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (lanjutan)

Tanggung jawab auditor terhadap audit atas laporan keuangan (lanjutan)

Kami juga memberikan suatu pernyataan kepada pihak yang bertanggung jawab atas tata kelola bahwa kami telah mematuhi ketentuan etika yang relevan mengenai independensi, dan mengomunikasikan kepada pihak tersebut seluruh hubungan, serta hal-hal lain yang dianggap secara wajar berpengaruh terhadap independensi kami, dan, jika relevan, pengamanan terkait.

Dari hal-hal yang dikomunikasikan kepada pihak yang bertanggung jawab atas tata kelola, kami menentukan hal-hal tersebut yang paling signifikan dalam audit atas laporan keuangan periode kini dan oleh karenanya menjadi hal audit utama. Kami menguraikan hal audit utama tersebut dalam laporan auditor independen kami kecuali peraturan perundang-undangan melarang pengungkapan publik tentang hal audit utama tersebut atau ketika, dalam kondisi yang sangat jarang terjadi, kami menentukan bahwa suatu hal audit utama tidak boleh dikomunikasikan dalam laporan auditor independen kami karena konsekuensi yang merugikan dari mengomunikasikan hal tersebut akan diekspektasikan secara wajar melebihi manfaat kepentingan publik atas komunikasi tersebut.

Independent Auditor's Report (continued)

Report No. 00099/2.1032/AU.1/07/0242-3/1/II/2024 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe such key audit matters in our independent auditor's report unless laws or regulations preclude public disclosure about such key audit matters or when, in extremely rare circumstances, we determine that a key audit matter should not be communicated in our independent auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KAP Purwantono, Sungkoro & Surja

Yovita
Registrasi Akuntan Publik No. AP.0242/*Public Accountant Registration No. AP.0242*

28 Februari 2024/*February 28, 2024*

PT BANK UOB INDONESIA
LAPORAN POSISI KEUANGAN
Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENT OF FINANCIAL POSITION
As of 31 December 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/ *31 December* 2023	Catatan/ *Notes*	31 Desember/ *31 December* 2022	
ASET				***ASSETS***
Kas	603.540	2d,2y 4,40,42	717.402	*Cash*
Giro pada Bank Indonesia	9.901.077	2d,2e,2y 5,40,41,42	8.869.574	*Current accounts with Bank Indonesia*
Giro pada bank lain		2d,2e,2l,2y 6,40,41,42		*Current accounts with other banks*
Pihak ketiga	942.952		1.005.778	*Third parties*
Pihak berelasi	41.530	2c,37	94.469	*Related parties*
	984.482		1.100.247	
Cadangan kerugian penurunan nilai	(2.706)		(6.313)	*Allowance for impairment losses*
Neto	981.776		1.093.934	*Net*
Penempatan pada Bank Indonesia dan bank lain	2.135.930	2d,2f,2p,2y 7,40,41,42	5.855.685	*Placements with Bank Indonesia and other banks*
Cadangan kerugian penurunan nilai	-		(56)	*Allowance for impairment losses*
Neto	2.135.930		5.855.629	*Net*
Efek-efek yang diperdagangkan	2.758.236	2d,2g,2y,8 40,41,42	593.778	*Trading securities*
Investasi keuangan	33.051.225	2c,2d,2h,2l 2y,9,37	27.972.754	*Financial investments*
Cadangan kerugian penurunan nilai	(13.848)		(19.598)	*Allowance for impairment losses*
Neto	33.037.377		27.953.156	*Net*
Tagihan derivatif		2d,2i,2y,10 40,41,42		*Derivative receivables*
Pihak ketiga	600.405		1.118.775	*Third parties*
Pihak berelasi	240.289	2c,37	201.962	*Related parties*
	840.694		1.320.737	
Kredit yang diberikan		2d,2j,2l,2y 11,17,18,19 40,41,42		*Loans*
Pihak ketiga	83.970.569		85.496.000	*Third parties*
Pihak berelasi	52.036	2c,37	38.522	*Related parties*
	84.022.605		85.534.522	
Cadangan kerugian penurunan nilai	(4.110.763)		(4.235.951)	*Allowance for impairment losses*
Neto	79.911.842		81.298.571	*Net*

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN POSISI KEUANGAN (lanjutan)
Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENT OF FINANCIAL POSITION *(continued)*
As of 31 December 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/ ***31 December* 2023**	**Catatan/** ***Notes***	**31 Desember/** ***31 December* 2022**	
ASET (lanjutan)				***ASSETS*** *(continued)*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	22.678.253	2d,2l,2n 2y,12,40 41,42	2.870.284	*Receivables on securities purchased with agreements to resell*
Tagihan akseptasi	2.508.114	2d,2k,2l 2x,13,40, 41,42	3.687.076	*Acceptance receivables*
Cadangan kerugian penurunan nilai	(9.448)		(3.877)	*Allowance for impairment losses*
Neto	2.498.666		3.683.199	*Net*
Aset pajak tangguhan - neto	733.560	2aa,21,40	747.018	*Deferred tax assets - net*
Aset tetap dan aset hak guna		2o,2p,14 30,40		*Fixed assets and right-of-use assets*
Biaya perolehan	4.887.324		3.338.036	*Cost*
Akumulasi penyusutan	(2.202.552)		(1.930.009)	*Accumulated depreciation*
Nilai buku	2.684.772		1.408.027	*Book value*
Aset tak berwujud		2b,2q,3		*Intangible assets*
Aset tak berwujud	220.000		-	*Intangible assets*
Akumulasi amortisasi	(3.667)		-	*Accumulated amortization*
Nilai buku	216.333		-	*Book value*
Goodwill	913.973		-	*Goodwill*
Neto	1.130.306		-	*Net*
Aset lain-lain - neto	2.650.277	2c,2d,2m,2r 2s,2y,2w,15 37,40,41,42	1.864.798	*Other assets - net*
TOTAL ASET	**162.546.306**		**138.276.107**	***TOTAL ASSETS***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN POSISI KEUANGAN (lanjutan)
Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENT OF FINANCIAL POSITION *(continued)*
As of 31 December 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/ *31 December* 2023	Catatan/ *Notes*	31 Desember/ *31 December* 2022	
LIABILITAS DAN EKUITAS				***LIABILITIES AND EQUITY***
LIABILITAS				***LIABILITIES***
Liabilitas segera	475.355	2d,2y,16 30,42	192.839	*Current liabilities*
Simpanan dari nasabah		2d,2t,2y		*Deposits from customers*
Giro		11,17,40,42		*Demand deposits*
Pihak ketiga	23.531.878		23.969.279	*Third parties*
Pihak berelasi	169.624	2c,37	197.421	*Related parties*
	23.701.502		24.166.700	
Tabungan		18		*Saving deposits*
Pihak ketiga	37.375.588		38.517.403	*Third parties*
Pihak berelasi	110.788	2c,37	130.467	*Related parties*
	37.486.376		38.647.870	
Deposito berjangka		19		*Time deposits*
Pihak ketiga	57.922.045		50.970.691	*Third parties*
Pihak berelasi	172.618	2c,37	132.010	*Related parties*
	58.094.663		51.102.701	
Total simpanan dari nasabah	119.282.541		113.917.271	*Total deposits from customers*
Simpanan dari bank lain	1.398.759	2c,2d 2u,2y,20 37,40,42	206.148	*Deposits from other banks*
Bunga yang masih harus dibayar	199.137	2d,2y 40,42	132.472	*Interest payables*
Utang pajak	170.850	2aa,21,40	195.938	*Tax payables*
Liabilitas derivatif		2d,2y,10 40,42		*Derivative payables*
Pihak ketiga	696.949		821.064	*Third parties*
Pihak berelasi	525.651	2c,37	579.471	*Related parties*
	1.222.600		1.400.535	
Liabilitas akseptasi	2.412.181	2d,2y,13 40,42	3.251.652	*Acceptance payables*
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	13.295.961	2d,2n,2y 22,40,42	-	*Liabilities on securities sold under repurchase agreements*
Liabilitas atas imbalan kerja	344.372	2z,35,40	258.405	*Liabilities for employee's benefits*
Efek utang yang diterbitkan - neto	1.443.423	2c,2d,2v	1.595.668	*Debt securities issued - net*
Liabilitas lain-lain	4.699.698	2c,2d,2y,24 37,40,42	1.763.837	*Other liabilities*
TOTAL LIABILITAS	**144.944.877**		**122.914.765**	***TOTAL LIABILITIES***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN POSISI KEUANGAN (lanjutan)
Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENT OF FINANCIAL POSITION *(continued)*
As of 31 December 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/ *31 December* 2023	Catatan/ *Notes*	31 Desember/ *31 December* 2022	
LIABILITAS DAN EKUITAS (lanjutan)				***LIABILITIES AND EQUITY*** *(continued)*
EKUITAS				***EQUITY***
Modal saham - nilai nominal Rp250 (nilai penuh) per lembar saham Modal dasar - 36.000.000.000 lembar saham Modal ditempatkan dan disetor penuh (2023: 12.227.591.633 lembar saham; 2022: 11.186.644.888 lembar saham)	3.056.898	25	2.796.661	*Share capital - par value Rp250 (full amount) per share Authorized - 36,000,000,000 shares Issued and fully paid capital - (2023: 12,227,591,633 shares; 2022: 11,186,644,888 shares)*
Tambahan modal disetor - neto	4.938.526	26	3.698.759	*Additional paid-in capital - net*
Penghasilan komprehensif lain	(107.463)		(172.583)	*Other comprehensive income*
Saldo laba				*Retained earnings*
Telah ditentukan penggunaannya	145.225		135.710	*Appropriated*
Belum ditentukan penggunaannya	9.568.243		8.902.795	*Unappropriated*
TOTAL EKUITAS	**17.601.429**		**15.361.342**	***TOTAL EQUITY***
TOTAL LIABILITAS DAN EKUITAS	**162.546.306**		**138.276.107**	***TOTAL LIABILITIES AND EQUITY***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN
Untuk Tahun yang Berakhir Pada Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the Year Ended 31 December 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Tahun yang Berakhir pada Tanggal 31 Desember/ *Years Ended 31 December*			
	2023	**Catatan/ *Notes***	**2022**	
PENDAPATAN DAN BEBAN OPERASIONAL				***OPERATING INCOME AND EXPENSES***
Pendapatan dan beban bunga				*Interest income and expenses*
Pendapatan bunga	9.944.870	2c,2w,29,38	7.571.057	*Interest income*
Beban bunga	(4.587.972)	2c,2w,30,38	(2.431.061)	*Interest expenses*
PENDAPATAN BUNGA - NETO	**5.356.898**		**5.139.996**	***INTEREST INCOME - NET***
Pendapatan operasional lainnya				*Other operating income*
Komisi dan jasa administrasi - neto	265.002		409.475	*Administration fees and commissions - net*
Keuntungan yang telah direalisasi dan belum direalisasi atas efek-efek yang dijual dan perubahan nilai wajar efek-efek yang diperdagangkan - neto	282.219		154.888	*Realized and unrealized gain on securities sold and from changes in fair value of trading securities - net*
Keuntungan transaksi mata uang asing	316.851		373.629	*Gain from foreign currency transactions*
Lain-lain - neto	510.022		458.549	*Others - net*
Total pendapatan operasional lainnya - neto	1.374.094		1.396.541	*Total other operating income - net*
Pembentukan penyisihan kerugian penurunan nilai:				*Provision for impairment losses:*
Aset keuangan	(796.740)	6,7,9,11 12,13,34	(1.600.071)	*Financial assets*
Agunan yang diambil alih	(215)	15	959	*Foreclosed assets*
Total pembentukan penyisihan kerugian penurunan nilai	(796.955)		(1.599.112)	*Total provision for impairment losses*
Beban operasional lainnya				*Other operating expenses*
Gaji dan kesejahteraan karyawan	(2.385.807)	31	(2.037.902)	*Salaries and employees' benefits*
Beban umum dan administrasi	(2.630.756)	2c,30,37	(1.763.015)	*General and administrative expenses*
Total beban operasional lainnya	(5.016.563)		(3.800.917)	*Total other operating expenses*
LABA OPERASIONAL	**917.474**		**1.136.508**	***OPERATING INCOME***
Pendapatan non-operasional				*Non-operating income*
(Kerugian)/keuntungan penjualan aset tetap, agunan yang diambil alih dan properti terbengkalai - neto	(5.741)		11.705	*(Loss)/gain on sale of fixed assets, foreclosed assets, and abandoned property - net*
Lain-lain - neto	(44)		-	*Others - net*
Total pendapatan non-operasional	(5.785)		11.705	*Total non-operating income*
LABA SEBELUM BEBAN PAJAK	**911.689**		**1.148.213**	***INCOME BEFORE TAX EXPENSE***
Beban pajak	(236.726)	2aa,21	(196.652)	*Tax expense*
LABA TAHUN BERJALAN	**674.963**		**951.561**	***INCOME FOR THE YEAR***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN LABA RUGI DAN
PENGHASILAN KOMPREHENSIF LAIN (lanjutan)
Untuk Tahun yang Berakhir Pada Tanggal
31 Desember 2023
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME *(continued)*
For the Year Ended
31 December 2023
(Expressed in millions of Rupiah,
unless otherwise stated)

	Tahun yang Berakhir pada Tanggal 31 Desember/ ***Years Ended 31 December***			
	2023	**Catatan/** ***Notes***	**2022**	
LABA TAHUN BERJALAN	**674.963**		**951.561**	***INCOME FOR THE YEAR***
PENGHASILAN KOMPREHENSIF LAIN				***OTHER COMPREHENSIVE INCOME***
Pos-pos yang tidak akan direklasifikasi ke laba rugi:				***Items that will not be reclassified to profit or loss:***
Pengukuran kembali liabilitas imbalan kerja	3.822	35	4.020	*Remeasurement of post-employment benefits*
Pajak penghasilan terkait dengan komponen pendapatan komprehensif lainnya	(841)		(884)	*Income tax related to components of other comprehensive income*
	2.981		3.136	
Pos-pos yang akan direklasifikasi ke laba rugi:				***Items that will be reclassified to profit or loss:***
Mutasi sehubungan dengan perubahan nilai wajar investasi keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain	79.666	9	(347.896)	*Movement in respect of fair value changes of financial investment at fair value through other comprehensive income*
Pajak penghasilan terkait dengan komponen pendapatan komprehensif lainnya	(17.527)		76.537	*Income tax related to component of other comprehensive income*
	62.139		(271.359)	
Keuntungan/(kerugian) komprehensif lainnya tahun berjalan - setelah pajak	65.120		(268.223)	*Other comprehensive income/(loss) for the year-net of tax*
TOTAL PENGHASILAN KOMPREHENSIF TAHUN BERJALAN	**740.083**		**683.338**	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR***
LABA PER SAHAM DASAR (nilai penuh)	**60**	2ab,32	**85**	***BASIC EARNINGS PER SHARE (full amount)***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN PERUBAHAN EKUITAS
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENT OF CHANGES IN EQUITY
For the Year Ended 31 December 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Modal saham ditempatkan dan disetor penuh/ *Issued and fully paid - share capital*	Tambahan modal disetor - neto/ *Additional paid-in capital - net*	Penghasilan komprehensif lain/ *Other comprehensive income*: Keuntungan/ (kerugian) yang belum direalisasi atas efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain - neto/ *Unrealized gain/(loss) on securities at fair value through other comprehensive income - net*	Penghasilan komprehensif lain/ *Other comprehensive income*: Pengukuran kembali atas liabilitas imbalan kerja - neto/ *Remeasurement of post-employment benefits - net*	Saldo laba/*Retained earnings*: Telah ditentukan penggunaannya/ *Appropriated*	Saldo laba/*Retained earnings*: Belum ditentukan penggunaannya/ *Unappropriated*	Total ekuitas/ *Total equity*	
Saldo pada tanggal 31 Desember 2021		**2.796.661**	**3.698.759**	**117.348**	**(21.708)**	**129.158**	**7.957.786**	**14.678.004**	***Balance as of 31 December 2021***
Penghasilan komprehensif tahun berjalan									*Comprehensive income for the year*
Laba tahun berjalan		-	-	-	-	-	951.561	951.561	*Income for the year*
Pengukuran kembali liabilitas imbalan kerja - neto		-	-	-	3.136	-	-	3.136	*Remeasurement of post-employment benefits - net*
Kerugian yang belum direalisasi atas efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain - neto	9	-	-	(271.359)	-	-	-	(271.359)	*Unrealized loss on securities at fair value through other comprehensive income - net*
Total penghasilan komprehensif untuk tahun berjalan 2022		-	-	(271.359)	3.136	-	951.561	683.338	*Total comprehensive income for the year of 2022*
Pembentukan cadangan umum	27	-	-	-	-	6.552	(6.552)	-	*Appropriation for general reserve*
Saldo pada tanggal 31 Desember 2022		**2.796.661**	**3.698.759**	**(154.011)**	**(18.572)**	**135.710**	**8.902.795**	**15.361.342**	***Balance as of 31 December 2022***
Penghasilan komprehensif tahun berjalan									*Comprehensive income for the year*
Laba tahun berjalan		-	-	-	-	-	674.963	674.963	*Income for the year*
Pengukuran kembali liabilitas imbalan kerja - neto					2.981	-	-	2.981	*Remeasurement of post-employment benefits - net*
Keuntungan yang belum direalisasi atas efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain - neto	9	-	-	62.139	-	-	-	62.139	*Unrealized gain on securities at fair value through other comprehensive income - net*
Total penghasilan komprehensif untuk tahun berjalan 2023		-	-	62.139	2.981	-	674.963	740.083	*Total comprehensive income for the year of 2023*
Pembentukan cadangan umum	27	-	-	-	-	9.515	(9.515)	-	*Appropriation for general reserve*
Penerbitan saham baru dan tambahan modal disetor	25,26	260.237	1.239.767	-	-	-	-	1.500.004	*New shares issuance and additional paid-in capital*
Saldo pada tanggal 31 Desember 2023		**3.056.898**	**4.938.526**	**(91.872)**	**(15.591)**	**145.225**	**9.568.243**	**17.601.429**	***Balance as of 31 December 2023***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statement form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN ARUS KAS
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENT OF CASH FLOWS
For the Year Ended 31 December 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Tahun yang Berakhir pada Tanggal 31 Desember/ *Years Ended 31 December*			
	2023	**Catatan/ *Notes***	**2022**	
ARUS KAS DARI AKTIVITAS OPERASI				***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan pendapatan bunga	10.029.354		7.278.592	*Receipts from interest income*
Penerimaan pendapatan operasional lainnya	2.210.331		1.094.719	*Receipts from other operating income*
Penerimaan dari penjualan agunan yang diambil alih	14.577		12.665	*Receipts from sale of foreclosed assets*
Pemulihan dari kredit yang telah dihapusbukukan	384.191	11	266.178	*Recovery from loans previously written-off*
Penerimaan atas penjualan kredit	141.346	11	230.052	*Receipts from sale of loans*
Pembayaran beban bunga	(4.518.552)		(2.421.896)	*Payment of interest expenses*
Pembayaran beban operasional	(4.571.454)		(3.564.774)	*Payment of operating expenses*
Pembayaran pajak penghasilan	(289.382)	21	(393.177)	*Payment of income tax*
Pembayaran transaksi non-operasional - bersih	(44)		-	*Payments of non-operating transaction - net*
Perubahan dalam aset dan liabilitas operasi:				*Changes in operating assets and liabilities:*
Penurunan/(kenaikan) aset operasi:				*Decrease/(increase) in operating assets:*
Efek-efek yang diperdagangkan	(2.164.458)	8	975.157	*Trading securities*
Kredit yang diberikan	7.118.935		(12.187.485)	*Loans*
Tagihan akseptasi	1.178.962	13	(883.828)	*Acceptance receivables*
Surat berharga yang dibeli dengan janji dijual kembali	(19.807.969)	12	12.676.021	*Securities purchased with agreements to resell*
Aset lain-lain	(924.663)		(79.667)	*Other assets*
Kenaikan/(penurunan) liabilitas operasi:				*Increase/(decrease) in operating liabilities:*
Liabilitas segera	282.516	16	17.167	*Current liabilities*
Simpanan dari nasabah:				*Deposits from customers:*
Giro	(676.328)	17	2.584.957	*Demand deposits*
Tabungan	(6.355.419)	18	6.920.883	*Saving deposits*
Deposito berjangka	805.401	19	4.379.097	*Time deposits*
Simpanan dari bank lain	1.192.611	20	131.822	*Deposits from other banks*
Utang pajak	60.057		32.953	*Tax payables*
Liabilitas akseptasi	(839.471)	13	940.374	*Acceptance payables*
Surat berharga yang dijual dengan janji dibeli kembali	13.295.961	45	-	*Securities sold under repurchase agreements*
Liabilitas lain-lain	2.703.182		574.889	*Other liabilities*
Kas Neto (Digunakan untuk) Diperoleh dari Aktivitas Operasi	**(730.316)**		**18.584.699**	***Net Cash (Used in) Provided by Operating Activities***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN ARUS KAS (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2023
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK UOB INDONESIA
***STATEMENT OF CASH FLOWS** (continued)*
For the Year Ended 31 December 2023
(Expressed in millions of Rupiah, unless otherwise stated)

	Tahun yang Berakhir pada Tanggal 31 Desember/ *Years Ended 31 December*			
	2023	**Catatan/ *Notes***	**2022**	
ARUS KAS DARI AKTIVITAS INVESTASI				***CASH FLOWS FROM INVESTING ACTIVITIES***
Hasil penjualan aset tetap dan properti terbengkalai	4.926	14	15.834	*Proceeds from sales of fixed assets and abandoned property*
Hasil bersih dari akuisisi *consumer business*	3.015.300	3	-	*Net proceed from consumer business acquisition*
Pembelian investasi keuangan	(4.675.886)	9	(11.805.956)	*Purchase of financial investments*
Perolehan aset tetap	(1.464.983)	14	(432.783)	*Acquisitions of fixed assets*
Kas Neto Digunakan untuk Aktivitas Investasi	**(3.120.643)**		**(12.222.905)**	***Net Cash Used in Investing Activities***
ARUS KAS DARI AKTIVITAS PENDANAAN				***CASH FLOWS FROM FINANCING ACTIVITIES***
Pembayaran atas efek utang yang jatuh tempo	(155.000)	23,45	-	*Payment of debt securities issued that have matured*
Penerimaan atas efek utang yang diterbitkan	-	23,45	100.000	*Proceeds from debt securities issued*
Pembayaran biaya transaksi utang	-	23	(5.360)	*Payment of debt transaction costs*
Pembayaran atas surat berharga yang dijual dengan janji dibeli kembali	-	45	(12.981)	*Payment of securities sold under repurchase agreements*
Penerimaan setoran modal	1.500.004		-	*Proceeds from capital injection*
Liabilitas sewa	(60.087)	45	(52.542)	*Lease liabilities*
Kas Neto Diperoleh dari Aktivitas Pendanaan	**1.284.917**		**29.117**	***Net Cash Provided by Financing Activities***
(Penurunan)/kenaikan neto Kas dan Setara Kas	(2.566.042)		6.390.911	*Net (decrease)/increase in Cash and Cash Equivalents*
Pengaruh neto perubahan kurs pada Kas dan Setara Kas	(30.766)		325.575	*Net effect on exchange rate on Cash and Cash Equivalents*
Kas dan Setara Kas Awal Tahun	16.542.908		9.826.422	*Cash and Cash Equivalents At Beginning of Year*
Kas dan Setara Kas Akhir Tahun	**13.946.100**		**16.542.908**	***Cash and Cash Equivalents At The End Of Year***
Komponen Kas dan Setara Kas				*Components of Cash and Cash Equivalents*
Kas	603.540	4	717.402	*Cash*
Giro pada Bank Indonesia	9.901.077	5	8.869.574	*Current accounts with Bank Indonesia*
Giro pada bank lain	984.482	6	1.100.247	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank lain - jatuh tempo dalam 3 bulan sejak tanggal perolehan	2.457.001	7	5.855.685	*Placements with Bank Indonesia and other banks - maturing within 3 months from the date of acquisition*
Total	**13.946.100**		**16.542.908**	***Total***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

1. Umum

a. Pendirian Bank dan Informasi Umum

PT Bank UOB Indonesia (dahulu PT Bank UOB Buana) ("Bank") didirikan di Indonesia berdasarkan Akta Pendirian No. 150 tanggal 31 Agustus 1956 yang dibuat di hadapan Notaris Eliza Pondaag, S.H. Akta pendirian ini disahkan oleh Menteri Kehakiman Republik Indonesia dalam Surat Keputusan No. J.A 5/78/4 tanggal 24 Oktober 1956, didaftarkan pada Pengadilan Negeri Jakarta dengan No. 1811 tanggal 27 Oktober 1956 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 96, Tambahan No.1243 tanggal 30 November 1956.

Bank memulai aktivitas perbankan secara komersial pada tanggal 1 November 1956 berdasarkan Surat Keputusan Menteri Keuangan Republik Indonesia No. 203443/U.M.II tanggal 15 Oktober 1956 tentang Pemberian Izin Usaha PT Bank Buana Indonesia berkedudukan di Jakarta. Sesuai dengan Pasal 3 Anggaran Dasar Bank, ruang lingkup kegiatan usaha Bank adalah menjalankan kegiatan umum perbankan. Bank telah memperoleh izin untuk menjalankan aktivitas sebagai bank devisa berdasarkan Surat Keputusan Gubernur Bank Indonesia (BI) No. 9/39/KEP/DIR/UD tanggal 22 Juli 1976.

Pada tahun 2000, Bank mengubah status Perseroan menjadi perusahaan terbuka dengan melakukan penawaran umum perdana kepada masyarakat sebanyak 194 juta saham. Perubahan status Bank menjadi perusahaan terbuka telah disetujui oleh Bapepam-LK berdasarkan Surat Ketua Badan Pengawas Pasar Modal No. S-1544/PM/2000, tanggal 27 Juni 2000. Selanjutnya pada tahun 2002, 2003 dan 2006, Bank melakukan Penawaran Umum Terbatas I, II dan III.

1. General

a. Establishment of the Bank and General Information

PT Bank UOB Indonesia (formerly PT Bank UOB Buana) (the "Bank") was established in Indonesia based on the Deed of Establishment No. 150 dated 31 August 1956 drawn up before Eliza Pondaag, S.H. The Deed of Establishment was approved by the Minister of Justice of the Republic of Indonesia in Decree Letter No. J.A 5/78/4 dated 24 October 1956, as recorded at the Jakarta Court of Justice under registration No. 1811 dated 27 October 1956 and was published in State Gazette of the Republic of Indonesia No. 96, Supplement No. 1243 dated 30 November 1956.

The Bank's commercial banking activities began on 1 November 1956 based on the Decision Letter of The Ministry of Finance of the Republic of Indonesia No. 203443/U.M.II dated 15 October 1956 about Granting Business License of PT Bank Buana Indonesia located in Jakarta. Based on Article 3 of the Bank's Articles of Association, the scope of the Bank's business is to engage in general banking activities. The Bank also obtained a license to run the activities as a foreign bank based on Bank Indonesia (BI) Governor Decree No. 9/39/KEP/DIR/UD dated 22 July 1976.

In 2000, the Bank changed the status of the Company into a public company with the initial public offering of as many as 194 million shares to the public. The status change of the Bank into a public company has been approved by Bapepam-LK based on the Letter from the Chairman of the Capital Market Supervisory Board No. S-1544/PM/2000, dated 27 June 2000. Furthermore, in 2002, 2003 and 2006, the Bank conducted Limited Public Offering I, II and III.

1. Umum (lanjutan)

a. Pendirian Bank dan Informasi Umum (lanjutan)

Pada tahun 2008, Rapat Umum Pemegang Saham (RUPS) Bank telah menyetujui perubahan status Bank dari perusahaan terbuka menjadi perusahaan tertutup dan menghapuskan pencatatan (*delisting*) saham Bank di Bursa Efek Indonesia (BEI). Perubahan status termasuk *delisting* tersebut telah dilakukan sesuai dengan persyaratan yang ditentukan oleh Otoritas Jasa Keuangan (dahulu Bapepam dan LK) dan BEI, dan Bank telah menyelesaikan hak-hak pemegang saham minoritas melalui proses penawaran tender sesuai dengan ketentuan yang berlaku. Berdasarkan Akta Pernyataan Keputusan Rapat Umum Pemegang Saham Luar Biasa No. 16 tanggal 16 Januari 2009, dibuat di hadapan Fathiah Helmi, S.H., Notaris di Jakarta dan telah disetujui oleh Kementerian Hukum dan Hak Asasi Manusia berdasarkan Surat Persetujuan No. AHU-26687.AH.01.02. Tahun 2009 tanggal 17 Juni 2009, Anggaran Dasar Bank telah diubah sehubungan dengan perubahan status Bank dari perusahaan terbuka (publik) menjadi perusahaan tertutup.

Berdasarkan Akta Pernyataan Keputusan Rapat Umum Pemegang Saham Luar Biasa No. 12 tanggal 15 April 2010, dibuat di hadapan Fathiah Helmi, S.H., Notaris di Jakarta dan telah diberitahukan kepada Kementerian Hukum dan Hak Asasi Manusia berdasarkan Surat Penerimaan Pemberitahuan No. AHU-AH.01.10-14548 tanggal 14 Juni 2010, para pemegang saham Bank (yang pada saat itu bernama PT Bank UOB Buana) setuju untuk melakukan penggabungan usaha dengan suatu bank yang pada saat itu bernama PT Bank UOB Indonesia.

Pada tanggal 30 Juni 2010, Bank (yang pada saat itu bernama PT Bank UOB Buana) secara efektif menerima penggabungan usaha PT Bank UOB Indonesia. Penggabungan tersebut telah memperoleh persetujuan dari Bank Indonesia (BI) berdasarkan Surat Keputusan Gubernur BI No. 12/45/KEP.GBI/2010 tanggal 10 Juni 2010 tentang Pemberian Izin Penggabungan Usaha *(Merger)* PT Bank UOB Indonesia ke dalam PT Bank UOB Buana. Izin tersebut tetap berlaku sebagai izin usaha Bank sebagai perusahaan hasil penggabungan.

1. General *(continued)*

a. Establishment of the Bank and General Information *(continued)*

In 2008, the General Meeting of Shareholders of the Bank has approved the change in the Bank's status from publicly listed to private company and delisted the Bank's shares at Indonesian Stock Exchange (BEI). The change in status, including the delisting process, had been conducted in compliance to the requirements determined by Financial Service Authority (formerly Capital Market and Financial Institution Supervisory Agency) and BEI, and the Bank had settled the rights of minority shareholders through tender offer process in accordance with applicable regulations. Pursuant to the Deed of Statement of Resolutions of Extraordinary Meeting of Shareholders No. 16 dated 16 January 2009, drawn up before Fathiah Helmi, S.H., Notary in Jakarta and approved by the Minister of Laws and Human Rights through Letter of Approval No. AHU-26687.AH.01.02. Year 2009 dated 17 June 2009, the Articles of Association of the Bank have been amended in relation to the change in the Bank's status from a publicly listed to a private company.

By virtue of Deed of Resolutions Statement of Extraordinary General Meeting of Shareholders No. 12 dated 15 April 2010, drawn up before Fathiah Helmi, S.H., Notary in Jakarta and as notified to the Minister of Laws and Human Rights through Letter of Notification Receipt No. AHU-AH.01.10-14548 dated 14 June 2010, the shareholders of the Bank (whose name at the time was PT Bank UOB Buana) agreed to merge its business with a bank whose name at the time was PT Bank UOB Indonesia.

On 30 June 2010, the Bank (whose name at the time was PT Bank UOB Buana) effectively accepted the business merger of PT Bank UOB Indonesia. This merger had obtained the approval of Bank Indonesia (BI) under Decree of BI Governor No. 12/45/KEP.GBI/2010 dated 10 June 2010 regarding Granting of Merger Permit of PT Bank UOB Indonesia into PT Bank UOB Buana. The permit still applies as the business permit of the Bank as the surviving bank.

1. Umum (lanjutan)

a. Pendirian Bank dan Informasi Umum (lanjutan)

Pada bulan Mei 2011, Bank melakukan perubahan nama dari PT Bank UOB Buana menjadi PT Bank UOB Indonesia dan telah memperoleh persetujuan dari BI berdasarkan Surat Keputusan Gubernur BI No. 13/34/KEP.GBI/2011 tanggal 19 Mei 2011 tentang Perubahan Penggunaan Izin Usaha Atas Nama PT Bank UOB Buana menjadi Izin Usaha Atas Nama PT Bank UOB Indonesia.

Setelah pendiriannya, Anggaran Dasar Bank telah mengalami beberapa kali perubahan, perubahan terakhir sebagaimana dinyatakan dalam Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar No. 38 tanggal 20 November 2023 mengenai perubahan Pasal 4 ayat (2), yang dibuat di hadapan Aulia Taufani, S.H., Notaris di Jakarta. Perubahan Anggaran Dasar Bank tersebut telah diterima dan dicatat dalam Sistem Administrasi Badan Hukum Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.03-0145724 tanggal 23 November 2023.

Kantor pusat Bank berlokasi di Jl. M.H. Thamrin No. 10, Jakarta. Pada tanggal 31 Desember 2023, jaringan layanan Bank mencakup 42 kantor cabang, 89 kantor cabang pembantu dan 142 ATM yang tersebar di 44 kota/kabupaten di 16 provinsi yang bekerja sama dengan jaringan ATM Prima dan ATM Bersama, dan jaringan VISA di seluruh dunia, serta jaringan regional ATM grup usaha United Overseas Bank Limited.

Pada tanggal 26 Oktober 2023, Bank mendapatkan persetujuan Rapat Umum Pemegang Saham Luar Biasa untuk meningkatkan modal ditempatkan dan disetor Bank dengan cara mengeluarkan saham baru sebanyak 1.040.946.745 lembar saham dengan nilai nominal masing-masing Rp250 (nilai penuh) per lembar saham dengan harga penawaran Rp1.441 (nilai penuh) per lembar saham.

1. General *(continued)*

a. Establishment of the Bank and General Information *(continued)*

In May 2011, the Bank changed its name from PT Bank UOB Buana into PT Bank UOB Indonesia and has obtained approval from BI by virtue of BI Governor Decree No. 13/34/KEP.GBI/2011 dated 19 May 2011 regarding the Change of Business Permit Use on Behalf of PT Bank UOB Buana into a Business License Under Name of PT Bank UOB Indonesia.

After its establishment, the Bank's Articles of Association have been amended several times, the latest amendment was stated on the Deed of State Resolutions of the Amendment of Articles of Association No. 38 dated 20 November 2023 change of Article 4 paragraph (2), drawn up before Aulia Taufani, S.H., Notary in Jakarta. The amendment of the Bank's Articles of Association has been received and recorded by Ministry of Laws and Human Rights of the Republic of Indonesia as stated in the Letter No. AHU-AH.01.03-0145724 dated 23 November 2023.

The Bank's head office is located at Jl. M.H. Thamrin No. 10, Jakarta. As of 31 December 2023, the Bank's service network covers 42 branches, 89 sub-branches and 142 ATMs across 44 cities/regencies in 16 provinces which collaborate with ATM Prima and ATM Bersama networks, VISA global network and regional ATM network of the United Overseas Bank Limited business group.

On 26 October 2023, the Bank has received approval from the Extraordinary General Meeting of Shareholders to increase the Bank's issued and paid-up capital by issuing new shares of 1,040,946,745 shares with nominal amount of Rp250 (full amount) per share with offering price of Rp1,441 (full amount) per share.

1. Umum (lanjutan)

a. Pendirian Bank dan Informasi Umum (lanjutan)

Bank dimiliki sebesar 68,943% oleh UOB International Investment Private Limited (UOBII), anak perusahaan dari United Overseas Bank Limited, Singapura (UOB), 30,056% dimiliki oleh UOB, 1,000% dimiliki oleh Yayasan Kesejahteraan Nusantara dan sebesar 0,001% dimiliki oleh lain-lain (Catatan 25).

Penawaran Umum Obligasi

Pada bulan Maret 2022, Bank melakukan Penawaran Umum Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp2.000.000.000.000 (nilai penuh) (Catatan 23).

Pada bulan September 2021, Bank melakukan Penawaran Umum Obligasi Berkelanjutan III Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp2.000.000.000.000 (nilai penuh) (Catatan 23).

Pada bulan Juni 2019, Bank melakukan Penawaran Umum Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp2.000.000.000.000 (nilai penuh) (Catatan 23).

Pada tahun 2018, Bank telah melakukan Penawaran Umum Obligasi Berkelanjutan II Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp3.000.000.000.000 (nilai penuh) (Catatan 23).

Pada tahun 2016, Bank telah melakukan Penawaran Umum Obligasi Berkelanjutan I Bank UOB Indonesia dan Penawaran Umum Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia dengan target total dana yang dihimpun masing-masing sebesar Rp2.000.000.000.000 (nilai penuh) dan Rp1.000.000.000.000 (nilai penuh) (Catatan 23).

1. General *(continued)*

a. Establishment of the Bank and General Information *(continued)*

The Bank is 68.943% owned by UOB International Investment Private Limited (UOBII), a subsidiary of United Overseas Bank Limited, Singapore (UOB), 30.056% is owned by UOB, 1.000% is owned by Yayasan Kesejahteraan Nusantara and 0.001% is owned by others (Note 25).

Public Offering of Bonds

In March 2022, the Bank conducted public offering of Bank UOB Indonesia Subordinated Debt Shelf Offering III with target total funds of Rp2,000,000,000,000 (full amount) (Note 23).

In September 2021, the Bank conducted public offering of Bank UOB Indonesia Senior Debt Shelf Offering III with target total funds of Rp2,000,000,000,000 (full amount) (Note 23).

In June 2019, the Bank conducted public offering of Bank UOB Indonesia Subordinated Debt Shelf Offering II with target total funds of Rp2,000,000,000,000 (full amount) (Note 23).

In 2018, the Bank conducted public offering of Bank UOB Indonesia Senior Debt Shelf Offering II with target total funds of Rp3,000,000,000,000 (full amount) (Note 23).

In 2016, Bank conducted public offering of Bank UOB Indonesia Senior Debt Shelf Offering I and Bank UOB Indonesia Subordinated Debt Shelf Offering I with target total funds of Rp2,000,000,000,000 (full amount) and Rp1,000,000,000,000 (full amount), respectively (Note 23).

1. Umum (lanjutan)

a. Pendirian Bank dan Informasi Umum (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut (Catatan 23):

1. Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dikenakan suku bunga tetap sebesar 9,40% per tahun yang dibayarkan setiap tiga bulan dan jangka waktu selama tujuh tahun dan telah jatuh tempo pada tanggal 25 November 2023.

   Bank telah melakukan pelunasan pokok atas Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 dengan nilai nominal sebesar Rp100.000.000.000 (nilai penuh) yang jatuh tempo pada tanggal 25 November 2023 (Catatan 23).

2. Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017 dengan jumlah pokok sebesar Rp500.000.000.000 (nilai penuh) dikenakan suku bunga tetap sebesar 9,25% per tahun yang dibayarkan setiap tiga bulan dan jangka waktu selama tujuh tahun dan akan jatuh tempo pada tanggal 17 Oktober 2024 (Catatan 23).

3. Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 dengan jumlah pokok sebesar Rp1.000.000.000.000 (nilai penuh) yang terbagi menjadi Obligasi Seri A sebesar Rp862.000.000.000 (nilai penuh), Obligasi Seri B sebesar Rp83.000.000.000 (nilai penuh) dan Obligasi Seri C sebesar Rp55.000.000.000 (nilai penuh) yang dikenakan tingkat bunga tetap per tahun masing-masing sebesar 6,15%, 7,40% dan 7,65%, yang dibayarkan setiap tiga bulan dan telah jatuh tempo masing-masing pada tanggal 3 Juni 2019, 23 Mei 2021 dan 23 Mei 2023.

1. General *(continued)*

a. Establishment of the Bank and General Information *(continued)*

Regarding the public offering, the Bank issued bonds as follows (Note 23):

1. *Bank UOB Indonesia Subordinated Debt Shelf Offering I Phase I 2016 with total amount of Rp100,000,000,000 (full amount) that was subject to fixed interest rate of 9.40% per annum which was payable every three months with a seven-year term and has already matured on 25 November 2023*

   The Bank has paid the principal of Bank UOB Indonesia Subordinated Debt Shelf Offering I Phase I 2016 with nominal value of Rp100,000,000,000 (full amount) which matured on 25 November 2023 (Note 23).

2. *Bank UOB Indonesia Subordinated Debt Shelf Offering I Phase II 2017 with total amount of Rp500,000,000,000 (full amount) that was subject to fixed interest rate of 9.25% per annum which is payable every three months with a seven-year term and will mature on 17 October 2024 (Note 23).*

3. *Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 totalling Rp1,000,000,000,000 (full amount) consists of Bonds Series A amounting to Rp862,000,000,000 (full amount), Series B amounting to Rp83,000,000,000 (full amount) and Series C amounting to Rp55,000,000,000 (full amount) with fixed interest rates of 6.15%, 7.40% and 7.65%, respectively, which is repayable every three months and have already matured on 3 June 2019, 23 May 2021 and 23 May 2023, respectively.*

1. Umum (lanjutan)

a. Pendirian Bank dan Informasi Umum (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut (Catatan 23): (lanjutan)

Bank telah melakukan pelunasan pokok atas Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 Seri A, B dan C dengan nilai nominal masing-masing sebesar Rp862.000.000.000 (nilai penuh), Rp83.000.000.000 (nilai penuh) dan Rp55.000.000.000 (nilai penuh) yang jatuh tempo masing-masing pada tanggal 3 Juni 2019, 23 Mei 2021 dan 23 Mei 2023 (Catatan 23).

4. Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 pada tanggal 4 Juli 2019 dengan jangka waktu selama 7 tahun dan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 9,85% (Catatan 23).

5. Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019 pada tanggal 13 November 2019 dengan jangka waktu selama 7 tahun dan jumlah pokok sebesar Rp650.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 9,25% (Catatan 23).

6. Obligasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2021 dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dengan tingkat bunga tetap per tahun sebesar 5,65% yang dibayarkan setiap tiga bulan dan akan jatuh tempo pada tanggal 2 September 2024 (Catatan 23).

7. Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2022 pada tanggal 8 Maret 2022 dengan jangka waktu 7 tahun dan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dengan tingkat bunga tetap per tahun sebesar 8,00% yang dibayarkan setiap tiga bulan dan akan jatuh tempo pada tanggal 8 Maret 2029 (Catatan 23).

1. General *(continued)*

a. Establishment of the Bank and General Information *(continued)*

Regarding the public offering, the Bank issued bonds as follows (Note 23): (continued)

The Bank has paid the principal of Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 Series A, B and C with nominal value of Rp862,000,000,000 (full amount), Rp83,000,000,000 (full amount) and Rp55,000,000,000 (full amount) which matured on 3 June 2019, 23 May 2021 and 23 May 2023 respectively (Note 23).

4. Bank UOB Indonesia Subordinated Debt Shelf Offering II Phase I 2019 on 4 July 2019 with tenor of 7 years since issuance date totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 9.85% (Note 23).

5. Bank UOB Indonesia Subordinated Debt Shelf Offering II Phase II 2019 on 13 November 2019 with tenor of 7 years since issuance date totalling to Rp650,000,000,000 (full amount) with fixed interest rate of 9.25% (Note 23).

6. Bank UOB Indonesia Senior Debt Shelf Offering III Phase I Year 2021 totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 5.65% which is repayable every three months and will mature on 2 September 2024 (Note 23).

7. Bank UOB Indonesia Subordinated Debt Shelf Offering III Phase I Year 2022 on 8 March 2022 with tenor of 7 years since issuance date and totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 8.00% which is repayable every three months and will mature on 8 March 2029 (Note 23).

1. Umum (lanjutan)

b. Dewan Komisaris, Direksi dan Karyawan

Susunan Dewan Komisaris pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

1. General *(continued)*

b. The Board of Commissioners, the Board of Directors and Employees

The composition of the Bank's Board of Commissioners as of 31 December 2023 and 2022 are as follows:

	31 Desember 2023/ ***31 December 2023***	
Komisaris Utama	Wee Ee Cheong	*President Commissioner*
Wakil Komisaris Utama	Chin Voon Fat	*Deputy President Commissioner*
Komisaris	Chan Kok Seong	*Commissioner*
Komisaris Independen	Wayan Alit Antara	*Independent Commissioner*
Komisaris Independen	VJH Boentaran Lesmana	*Independent Commissioner*
Komisaris Independen	Johanes Susilo*	*Independent Commissioner*

* Johanes Susilo diangkat sebagai Komisaris Independen berdasarkan keputusan Rapat Umum Pemegang Saham Luar Biasa tanggal 26 Oktober 2023 dan telah mendapatkan persetujuan dari Otoritas Jasa Keuangan sehingga telah efektif menjabat sejak tanggal 30 Januari 2024./ *Johanes Susilo has been appointed as Independent Commissioner based on the resolution of the Extraordinary General Meeting of Shareholders dated 26 October 2023 and has obtained approval from Financial Services Authority (Otoritas Jasa Keuangan) therefore has effectively served since 30 January 2024.*

	31 Desember 2022/ ***31 December 2022***	
Komisaris Utama	Wee Ee Cheong	*President Commissioner*
Wakil Komisaris Utama	Chin Voon Fat	*Deputy President Commissioner*
Komisaris	Chan Kok Seong	*Commissioner*
Komisaris Independen	Wayan Alit Antara	*Independent Commissioner*
Komisaris Independen	Aswin Wirjadi*	*Independent Commissioner*
Komisaris Independen	VJH Boentaran Lesmana	*Independent Commissioner*

* Aswin Wirjadi mengundurkan diri dari jabatannya sebagai Komisaris Independen berdasarkan keputusan Rapat Umum Pemegang Saham Luar Biasa tanggal 26 Oktober 2023./*Aswin Wirjadi has resigned from his position as Independent Commissioner based on the resolution of the Extraordinary General Meeting of Shareholders dated 26 October 2023.*

Susunan Direksi Bank pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The composition of the Bank's Board of Directors as of 31 December 2023 and 2022 are as follows:

	31 Desember/ ***31 December* 2023**	
Direktur Utama	Hendra Gunawan	*President Director*
Direktur Keuangan dan Layanan Korporasi	Teh Han Yi	*Finance and Corporate Services Director*
Direktur Kepatuhan, *Legal* dan Sekretaris Perusahaan	Ardhi Wibowo	*Compliance, Legal and Corporate Secretary Director*
Direktur Teknologi dan Operasional	Paul Rafiuly	*Technology and Operations Director*
Direktur *Wholesale Banking*	Harapman Kasan	*Wholesale Banking Director*
Direktur *Global Markets*	Sonny Samuel	*Global Markets Director*
Direktur *Strategic Business Development, Retail & Channels Transformation*	Choi Yau Chi	*Strategic Business Development Retail & Channels Transformation Director*
Direktur Manajemen Risiko	Henry Santoso	*Risk Management Director*

1. Umum (lanjutan)

b. Dewan Komisaris, Direksi dan Karyawan (lanjutan)

Susunan Direksi Bank pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut: (lanjutan)

1. General *(continued)*

b. The Board of Commissioners, the Board of Directors and Employees *(continued)*

The composition of the Bank's Board of Directors as of 31 December 2023 and 2022 are as follows: (continued)

	31 Desember/ *31 December* 2022	
Direktur Utama	Hendra Gunawan	*President Director*
Direktur Keuangan dan Layanan Korporasi	Teh Han Yi	*Finance and Corporate Services Director*
Direktur Kepatuhan, *Legal* dan Sekretaris Perusahaan	Ardhi Wibowo	*Compliance, Legal and Corporate Secretary Director*
Direktur Teknologi dan Operasional	Paul Rafiuly	*Technology and Operations Director*
Direktur *Wholesale Banking*	Harapman Kasan	*Wholesale Banking Director*
Direktur *Global Markets*	Sonny Samuel	*Global Markets Director*
Direktur *Consumer Banking*	Choi Yau Chi	*Consumer Banking Director*
Direktur Manajemen Risiko	Henry Santoso*	*Risk Management Director*

* Henry Santoso diangkat sebagai Direktur berdasarkan keputusan Rapat Umum Pemegang Saham Luar Biasa tanggal 29 November 2022 dan telah mendapatkan persetujuan dari regulator sehingga efektif menjabat sejak tanggal 12 Desember 2022./*Henry Santoso has been appointed as Director based on the resolution of the Extraordinary General Meeting of Shareholders dated 29 November 2022 and obtained approval from regulator therefore effectively served on 12 December 2022*.

Pada tanggal 31 Desember 2023 dan 2022, susunan Komite Audit diputuskan melalui Rapat Dewan Komisaris tanggal 4 April 2023 dan ditetapkan berdasarkan Surat Keputusan Direksi No. 23/SKDIR/0057 tanggal 3 Mei 2023.

As of 31 December 2023 and 2022, the composition of the Audit Committee was appointed based on the Resolution of the Board of Commissioners Meeting on 4 April 2023 and established by Decree of the Board of Directors No. 23/SKDIR/0057 dated 3 May 2023.

Susunan Komite Audit pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The composition of the Audit Committee as of 31 December 2023 and 2022 are as follows:

	31 Desember 2023/ *31 December 2023*	
Ketua Komite Audit	VJH Boentaran Lesmana*	*Chairman of Audit Committee*
Anggota	Humbul Kristiawan	*Member*
Anggota	Burlita	*Member*

* VJH Boentaran Lesmana efektif menjabat sebagai Ketua Komite Audit sejak tanggal 3 Mei 2023./*VJH Boentaran Lesmana effectively served as Chairman of Audit Committee since 3 May 2023.*

	31 Desember 2022/ *31 December 2022*	
Ketua Komite Audit	Aswin Wirjadi	*Chairman of Audit Committee*
Anggota	Humbul Kristiawan	*Member*
Anggota	Burlita	*Member*

Pada tanggal 31 Desember 2023 dan 2022, Kepala Sekretaris Perusahaan adalah Susilowati berdasarkan Surat Keputusan Direksi No. 15/SKDIR/0021 tanggal 25 Juni 2015.

As of 31 December 2023 and 2022, Corporate Secretary Head is Susilowati based on the Board of Directors' Decree No. 15/SKDIR/0021 dated 25 June 2015.

Pada tanggal 31 Desember 2023 dan 2022, Kepala Satuan Kerja Audit Intern (Kepala SKAI) adalah Imbang Perdana Satryawan berdasarkan Surat Keputusan Direksi No. 22/SKDIR/0007 tanggal 27 Januari 2022.

As of 31 December 2023 and 2022, Internal Audit Unit Head is Imbang Perdana Satryawan based on the Board of Directors' Decree No. 22/SKDIR/0007 dated 27 January 2022.

1. Umum (lanjutan)

b. Dewan Komisaris, Direksi dan Karyawan (lanjutan)

Imbalan kerja jangka pendek yang diterima oleh Dewan Komisaris dan Direksi Bank untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp96.194 dan Rp71.986 (Catatan 37g).

Imbalan kerja jangka panjang yang diterima oleh Dewan Komisaris dan Direksi Bank untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp12.588 dan Rp7.473. Biaya yang dikeluarkan oleh Bank terkait program imbalan pasca kerja Dewan Komisaris dan Direksi Bank dengan jumlah masing-masing sebesar Rp1.707 dan Rp1.194 untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 (Catatan 37g).

Pada tanggal 31 Desember 2023 dan 2022, Bank memiliki total karyawan masing-masing sebanyak 4.252 dan 3.273 orang (tidak diaudit).

1. General *(continued)*

b. The Board of Commissioners, the Board of Directors and Employees *(continued)*

Short-term employee benefits received by the Bank's Board of Commissioners and the Board of Directors for the years ended 31 December 2023 and 2022 amounted to Rp96,194 and Rp71,986, respectively (Note 37g).

Long-term employee benefits received by the Bank's Board of Commissioners and the Board of Directors for the years ended 31 December 2023 and 2022 amounted to Rp12,588 and Rp7,473, respectively. Expenses incurred by the Bank relating to post-employment benefits of the Bank's Board of Commissioners and the Board of Directors amounted to Rp1,707 and Rp1,194 for the year ended 31 December 2023 and 2022, respectively (Note 37g).

As of 31 December 2023 and 2022, the Bank had 4,252 and 3,273 employees, respectively (unaudited).

2. Ikhtisar Informasi Kebijakan Akuntansi Material

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini:

a. Dasar Penyajian Laporan Keuangan

Laporan keuangan disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia dan Peraturan Bapepam dan LK No. VIII.G.7 Lampiran Keputusan Ketua Bapepam dan LK No. KEP-347/BL/2012 tanggal 25 Juni 2012 tentang "Pedoman Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik".

Laporan keuangan kecuali laporan arus kas, disusun dengan dasar akrual dan berdasarkan konsep biaya historis, kecuali beberapa akun tertentu yang disusun berdasarkan pengukuran lain sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

2. Summary of Material Accounting Policies Information

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below:

a. Basis of Preparation of the Financial Statements

The financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards and Bapepam and LK regulation No. VIII.G.7 Attachment of the Chairman of Bapepam and LK's decree No. KEP-347/BL/2012 dated 25 June 2012 regarding "Guidelines for Financial Statements Presentation and Disclosure for Issuer or Public Companies".

The financial statements, except for the statement of cash flows, are prepared using the accrual basis and based on historical cost concept, except for certain accounts which are measured on the bases described in the related accounting policies for those accounts.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

a. Dasar Penyajian Laporan Keuangan (lanjutan)

Laporan arus kas disusun menggunakan metode langsung yang dimodifikasi dan arus kas dikelompokkan atas dasar aktivitas operasi, investasi dan pendanaan. Kas dan setara kas terdiri dari kas, giro pada Bank Indonesia dan giro pada bank lain, penempatan pada Bank Indonesia dan bank lain, dan investasi keuangan yang jatuh tempo dalam waktu 3 bulan sejak tanggal perolehan, sepanjang tidak digunakan sebagai jaminan atas pinjaman yang diterima serta tidak dibatasi penggunaannya.

Pos-pos dalam Penghasilan Komprehensif Lainnya disajikan terpisah antara akun-akun yang akan direklasifikasikan ke laba rugi dan akun-akun yang tidak akan direklasifikasikan ke laba rugi.

Dalam penyusunan laporan keuangan sesuai dengan Standar Akuntansi Keuangan di Indonesia, dibutuhkan estimasi dan asumsi yang mempengaruhi:
- Nilai aset dan liabilitas yang dilaporkan, dan pengungkapan atas aset dan liabilitas kontinjensi pada tanggal laporan keuangan.
- Jumlah pendapatan dan beban selama periode pelaporan.

Walaupun estimasi ini dibuat berdasarkan pengetahuan terbaik Manajemen atas kejadian dan aktivitas saat ini, hasil akhir mungkin berbeda dengan jumlah yang diestimasi.

Mata uang penyajian yang digunakan dalam laporan keuangan adalah mata uang Rupiah, yang merupakan mata uang fungsional Bank. Seluruh angka dalam laporan keuangan ini, kecuali dinyatakan secara khusus, dibulatkan menjadi jutaan Rupiah.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

a. Basis of Preparation of the Financial Statements *(continued)*

The statement of cash flows have been prepared using the modified direct method and the cash flows have been classified on the basis of operating, investing and financing activities. Cash and cash equivalents consist of cash, current accounts with Bank Indonesia and current accounts with other banks, placements with Bank Indonesia and other banks, and financial investments, maturing within 3 months or less from the acquisition date provided they are not used as collateral for borrowings nor restricted.

The items under Other Comprehensive Income (OCI) are presented separately between items to be reclassified to profit or loss and those items not to be reclassified to profit or loss.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of estimates and assumptions that affect:
- *The reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements.*
- *The reported amounts of revenues and expenses during the reporting period.*

Although these estimates are based on Management's best knowledge of current events and activities, actual results may differ from those estimates.

The presentation currency used in the financial statement is Indonesian Rupiah, which is the functional currency of the Bank. Figures in the financial statements are rounded to and stated in millions of Rupiah unless otherwise stated.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

b. Kombinasi Bisnis (lanjutan)

Bank menerapkan metode akuntansi akuisisi untuk mencatat akuisisi bisnis konsumen Citibank, N.A., Indonesia (Citi), yang dianggap sebagai kombinasi bisnis (Catatan 3). Imbalan yang dialihkan untuk akuisisi adalah sebesar nilai wajar aset yang dialihkan dan liabilitas yang diakui pada tanggal akuisisi. Aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih dalam suatu kombinasi bisnis pada awalnya diukur sebesar nilai wajar pada tanggal akuisisi.

Selisih lebih imbalan yang dialihkan dan nilai wajar aset bersih teridentifikasi pada saat akuisisi yang diperoleh dicatat sebagai *goodwill* (Catatan 2q). Biaya yang terkait dengan akuisisi dibebankan pada saat terjadinya.

Bank menentukan bahwa mereka telah mengakuisisi bisnis ketika rangkaian aktivitas dan aset yang diakuisisi mencakup input dan proses substantif yang bersama-sama secara signifikan berkontribusi pada kemampuan untuk menghasilkan output.

Proses yang diperoleh adalah substantif jika penting bagi kemampuan untuk terus menghasilkan output dan input yang diperoleh mencakup tenaga kerja yang terorganisir dengan keterampilan, pengetahuan, atau pengalaman yang diperlukan untuk melakukan proses itu atau secara signifikan berkontribusi pada kemampuan untuk terus menghasilkan output dan dianggap unik atau langka atau tidak dapat diganti tanpa biaya, usaha, atau penundaan yang signifikan dalam kemampuan untuk terus menghasilkan output.

Ketika melakukan akuisisi atas sebuah bisnis, Bank mengklasifikasikan dan menentukan aset keuangan yang diperoleh dan liabilitas keuangan yang diambil alih berdasarkan pada persyaratan kontraktual, kondisi ekonomi dan kondisi terkait lain yang ada pada tanggal akuisisi.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

b. Business Combination *(continued)*

The Bank applies the acquisition accounting method in acquiring of the consumer business of Citibank, N.A., Indonesia (Citi), which is considered as business combinations (Note 3). The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred at the date of acquisition. Identifiable assets acquired and liabilities in a business combination are measured initially at their fair values at the acquisition date.

The excess of the consideration transferred and the fair value of the net identifiable assets acquired at acquisition date is recorded as goodwill (Note 2q). Acquisition-related costs are expensed as incurred.

The Bank determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs.

The acquired process is considered substantive if it is critical to the ability to continue producing outputs and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Bank acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

b. Kombinasi Bisnis (lanjutan)

Bila pencatatan awal kombinasi bisnis belum dapat diselesaikan pada tanggal pelaporan, Bank melaporkan jumlah sementara bagi *item* yang pencatatannya belum dapat diselesaikan tersebut.

Periode pengukuran adalah periode setelah tanggal akuisisi yang didalamnya Bank dapat melakukan penyesuaian atas jumlah sementara yang diakui dalam kombinasi bisnis tersebut. Selama periode pengukuran, Bank mengakui penambahan aset atau liabilitas bila terdapat informasi terbaru yang diperoleh mengenai fakta dan keadaan pada tanggal akuisisi.

Pada tanggal akuisisi, *goodwill* awalnya diukur pada harga perolehan yang merupakan selisih lebih nilai agregat dari imbalan yang dialihkan dan jumlah setiap kepentingan non-pengendali atas selisih jumlah dari aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih.

Setelah pengakuan awal, *goodwill* diukur pada jumlah tercatat dikurangi akumulasi kerugian penurunan nilai. Untuk tujuan pengujian penurunan nilai, *goodwill* yang diperoleh dari suatu kombinasi bisnis, sejak tanggal akuisisi dialokasikan kepada setiap Unit Penghasil Kas ("UPK") dari Bank yang diharapkan akan menerima manfaat dari sinergi kombinasi tersebut, terlepas dari apakah aset atau liabilitas lain dari pihak yang diakuisisi dialokasikan kepada UPK tersebut.

Jika *goodwill* telah dialokasikan pada suatu UPK dan operasi tertentu atas UPK tersebut dihentikan, maka *goodwill* yang diasosiasikan dengan operasi yang dihentikan tersebut termasuk dalam jumlah tercatat operasi tersebut ketika menentukan keuntungan atau kerugian dari pelepasan. *Goodwill* yang dilepaskan tersebut diukur berdasarkan nilai relatif operasi yang dihentikan terhadap bagian dari UPK yang ditahan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

b. Business Combination *(continued)*

If the initial accounting for a business combination is incomplete by the end of the reporting period, the Bank reports provisional amounts for the items for which the accounting is incomplete.

The measurement period is the period after the acquisition date during which the Bank may adjust the provisional amounts recognized for a business combination. During the measurement period, the Bank recognizes additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date.

At acquisition date, goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Bank's Cash-generating Units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are allocated to those CGUs.

Where goodwill forms part of a CGU and part of the operations within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

c. Transaksi dengan Pihak Berelasi

Dalam menjalankan usahanya, Bank melakukan transaksi dengan pihak berelasi seperti yang didefinisikan dalam Pernyataan Standar Akuntansi Keuangan (PSAK) No. 7 tentang "Pengungkapan Pihak-pihak Berelasi".

Seluruh transaksi yang signifikan dengan pihak berelasi telah diungkapkan dalam catatan atas laporan keuangan.

Pihak berelasi adalah orang atau entitas yang terkait dengan entitas yang menyiapkan laporan keuangannya (entitas pelapor). Yang termasuk pihak berelasi adalah sebagai berikut:

1. Orang atau anggota keluarga terdekat mempunyai relasi dengan entitas pelapor jika orang tersebut:
   a. Memiliki pengendalian atau pengendalian bersama atas entitas pelapor;
   b. Memiliki pengaruh signifikan atas entitas pelapor; atau
   c. Merupakan personil manajemen kunci entitas pelapor atau entitas induk pelapor.

2. Suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal sebagai berikut:
   a. Entitas dan entitas pelapor adalah anggota dari kelompok usaha yang sama (artinya entitas induk, entitas anak, dan entitas anak berikutnya terkait dengan entitas lain);
   b. Suatu entitas adalah entitas asosiasi atau ventura bersama dari entitas lain (atau entitas asosiasi atau ventura bersama yang merupakan anggota suatu kelompok usaha, yang mana entitas lain adalah anggotanya);
   c. Kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama;

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

c. Transactions with Related Parties

In the normal course of its business, the Bank enters into transactions with related parties which are defined under Statement of Financial Accounting Standard (SFAS) No. 7 regarding "Related Party Disclosures".

All significant transactions with related parties are disclosed in the notes to the financial statements.

A related party is a person or entity that is related to the entity that is preparing its financial statements (reporting entity). The related parties are as follows:

1. A person or a close member of that person's family is related to a reporting entity if that person:
   a. Has control or joint control of the reporting entity;
   b. Has significant influence over the reporting entity; or
   c. Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

2. An entity is related to a reporting entity if any of the following condition applies:
   a. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
   b. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
   c. Both entities are joint ventures of the same third party;

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

c. Transaksi dengan Pihak Berelasi (lanjutan)

Pihak berelasi adalah orang atau entitas yang terkait dengan entitas yang menyiapkan laporan keuangannya (entitas pelapor). Yang termasuk pihak berelasi adalah sebagai berikut: (lanjutan)

2. Suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal sebagai berikut: (lanjutan)
   d. Suatu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga;
   e. Entitas tersebut adalah sebuah program imbalan pasca kerja untuk imbalan kerja dari salah satu entitas pelapor atau entitas yang terkait dengan entitas pelapor;
   f. Entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi sebagaimana dimaksud dalam angka (1); atau
   g. Orang yang diidentifikasi sebagaimana dimaksud dalam angka (1) huruf (a) memiliki pengaruh signifikan atas entitas atau merupakan manajemen kunci entitas (atau entitas induk dari entitas).
   h. Entitas, atau anggota dari kelompok dimana entitas merupakan bagian dari kelompok tersebut menyediakan jasa personil manajemen kunci kepada entitas pelapor atau kepada entitas induk dari entitas pelapor.

d. Aset dan Liabilitas Keuangan

1) Klasifikasi

Bank mengklasifikasikan aset keuangannya berdasarkan kategori sebagai berikut pada saat pengakuan awal:
- Aset keuangan yang diukur pada nilai wajar melalui laba rugi;
- Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain;

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

c. Transactions with Related Parties *(continued)*

A related party is a person or entity that is related to the entity that is preparing its financial statements (reporting entity). The related parties are as follows: (continued)

2. An entity is related to a reporting entity if any of the following condition applies: (continued)
   d. One entity is a joint venture of a third party and the other entity is an associate of the third entity;
   e. The entity is a post-employment benefit plan for the benefits of employees of either the reporting entity or an entity related to the reporting entity;
   f. The entity is controlled or jointly controlled by a person identified in (1); or
   g. A person identified in (1) (a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
   h. The entity, or any member of a group of which it is a part provides key management personnel services to the reporting entity or to the parent of the reporting entity.

d. Financial Assets and Liabilities

1) Classification

The Bank classifies its financial assets according to the following categories at initial recognition:

- *Financial assets measured at fair value through profit or loss;*
- *Financial assets that are measured at fair value through other comprehensive income;*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

1) Klasifikasi (lanjutan)

Bank mengklasifikasikan aset keuangannya berdasarkan kategori sebagai berikut pada saat pengakuan awal: (lanjutan)

- Aset keuangan yang diukur pada biaya perolehan diamortisasi.

Aset keuangan diukur pada biaya perolehan diamortisasi jika memenuhi kondisi sebagai berikut:

- Aset keuangan dikelola dalam model bisnis yang bertujuan untuk memiliki aset keuangan dalam rangka mendapatkan arus kas kontraktual ("*hold to collect*"); dan
- Persyaratan kontraktual dari aset keuangan tersebut memberikan hak pada tanggal tertentu atas arus kas yang diperoleh semata dari pembayaran pokok dan bunga (SPPI) dari jumlah pokok terutang.

Aset keuangan diukur pada nilai wajar melalui penghasilan komprehensif lain jika memenuhi kondisi sebagai berikut:

- Aset keuangan dikelola dalam model bisnis yang bertujuan untuk mendapatkan arus kas kontraktual dan menjual aset keuangan *("hold to collect and sell");* dan
- Persyaratan kontraktual dari aset keuangan tersebut memenuhi kriteria SPPI.

Pada saat pengakuan awal, Bank dapat membuat pilihan yang tidak dapat dibatalkan untuk menyajikan instrumen ekuitas yang bukan dimiliki untuk diperdagangkan pada nilai wajar melalui penghasilan komprehensif lain.

Aset keuangan lainnya yang tidak memenuhi persyaratan untuk diklasifikasikan sebagai aset keuangan diukur pada biaya perolehan diamortisasi atau nilai wajar melalui penghasilan komprehensif lain diklasifikasikan sebagai diukur pada nilai wajar melalui laba rugi.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

1) Classification (continued)

The Bank classifies its financial assets according to the following categories at initial recognition: (continued)

- *Financial assets measured at amortized cost.*

Financial assets are measured at amortized cost if they meet the following conditions:

- *Financial assets are managed in a business model that aims to have financial assets in order to obtain contractual cash flow ("hold to collect"); and*
- *The contractual terms of the financial assets provide rights on a certain date for cash flow obtained solely from payment of principal and interest (SPPI) on the principal amount owed*

Financial assets are measured at fair value through other comprehensive income if they meet the following conditions:

- *Financial assets are managed in a business model that aims to obtain contractual cash flow and sell financial assets ("hold to collect and sell"); and*
- *The contractual requirements of the financial assets meet the SPPI criteria.*

At initial recognition, the Bank may make an irrevocable choice to present equity instruments that are not held for trading at fair value through other comprehensive income.

Other financial assets that do not meet the requirements to be classified as financial assets measured at amortized cost or fair value through other comprehensive income are classified as measured at fair value through profit or loss.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

1) Klasifikasi (lanjutan)

Saat pengakuan awal, Bank dapat membuat penetapan yang tidak dapat dibatalkan untuk mengukur aset yang memenuhi persyaratan untuk diukur pada biaya perolehan diamortisasi atau nilai wajar melalui penghasilan komprehensif lain pada nilai wajar melalui laba rugi, apabila penetapan tersebut mengeliminasi atau secara signifikan mengurangi inkonsistensi pengukuran atau pengakuan (kadang disebut sebagai "*accounting mismatch").*

Penilaian model bisnis

Model bisnis ditentukan pada level yang mencerminkan bagaimana kelompok aset keuangan dikelola bersama-sama untuk mencapai tujuan bisnis tertentu.

Penilaian model bisnis dilakukan dengan mempertimbangkan, tetapi tidak terbatas pada hal-hal berikut:

- Bagaimana kinerja dari model bisnis dan aset keuangan yang dimiliki dalam model bisnis dievaluasi dan dilaporkan kepada personil manajemen kunci Bank;
- Apakah risiko yang memengaruhi kinerja dari model bisnis (termasuk aset keuangan yang dimiliki dalam model bisnis) dan khususnya bagaimana cara aset keuangan tersebut dikelola; dan
- Bagaimana penilaian kinerja pengelola aset keuangan (sebagai contoh, apakah penilaian kinerja berdasarkan nilai wajar dari aset yang dikelola atau arus kas kontraktual yang diperoleh).

Aset keuangan yang dimiliki untuk diperdagangkan atau dikelola dan penilaian kinerja berdasarkan nilai wajar diukur pada nilai wajar melalui laba rugi.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

1) Classification (continued)

At initial recognition, the Bank can make an irrevocable determination to measure assets that meet the requirements to be measured at amortized cost or fair value through other comprehensive income at fair value through profit or loss, if the determination eliminates or significantly reduces the measurement or recognition inconsistencies (sometimes referred to as "accounting mismatch").

Business models valuation

The business model is determined at a level that reflects how groups of financial assets are managed together to achieve certain business objectives.

The evaluation of the business model is carried out by considering, but not limited to the following:

- *How the performance of the business model and financial assets held in the business model are evaluated and reported to the Bank's key management personnel;*
- *What risks affect the performance of the business model (including financial assets held in the business model) and specifically how the financial assets are managed; and*
- *How to evaluate the performance of managers of financial assets (for example, whether performance appraisals are based on the fair value of the assets being managed or the contractual cash flows obtained).*

Financial assets held for trading or managing and which performance appraisals based on fair value are measured at fair value through profit or loss.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

1) Klasifikasi (lanjutan)

Penilaian model bisnis (lanjutan)

Derivatif juga dikategorikan dalam kelompok ini, kecuali derivatif yang ditetapkan sebagai instrumen lindung nilai efektif.

Penilaian mengenai arus kas kontraktual yang diperoleh semata-mata dari pembayaran pokok dan bunga (SPPI)

Untuk tujuan penilaian ini, pokok didefinisikan sebagai nilai wajar dari aset keuangan pada saat pengakuan awal. Bunga didefinisikan sebagai imbalan untuk nilai waktu atas uang dan risiko kredit terkait jumlah pokok terutang pada periode waktu tertentu dan juga risiko dan biaya peminjaman standar, serta marjin laba.

Penilaian mengenai arus kas kontraktual yang diperoleh semata-mata dari pembayaran pokok dan bunga dilakukan dengan mempertimbangkan persyaratan kontraktual, termasuk apakah aset keuangan mengandung persyaratan kontraktual yang dapat mengubah waktu atau jumlah arus kas kontraktual. Dalam melakukan penilaian, Bank mempertimbangkan:

- Peristiwa kontinjensi yang akan mengubah waktu atau jumlah arus kas kontraktual;
- Fitur *leverage*;
- Persyaratan pembayaran di muka dan perpanjangan kontraktual;
- Persyaratan mengenai klaim yang terbatas atas arus kas yang berasal dari aset spesifik; dan
- Fitur yang dapat mengubah nilai waktu dari elemen uang.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

1) Classification (continued)

Business models valuation *(lanjutan)*

Derivatives are also categorized under this classification, unless they are designated as effective hedging instruments.

Evaluation of contractual cash flows obtained solely from payment of principal and interest (SPPI)

For the purpose of this valuation, principal is defined as the fair value of financial assets at initial recognition. Interest is defined as compensation for the time value of money and credit risk in relation to the principal amount owed over a certain period of time and also the risk and standard borrowing costs, as well as profit margins.

An assessment of contractual cash flows obtained solely from principal and interest payments is made by considering contractual terms, including whether financial assets contain contractual terms that can change the timing or amount of contractual cash flows. In assessing, the Bank considers:

- *Contingency events that will change the timing or amount of contractual cash flow;*
- *Leverage feature;*
- *Terms of advance payment and contractual extension;*
- *Requirements regarding limited claims for cash flows from specific assets; and*
- *Features that can change the time value of the money element.*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

1) Klasifikasi (lanjutan)

Penilaian mengenai arus kas kontraktual yang diperoleh semata-mata dari pembayaran pokok dan bunga (SPPI) (lanjutan)

Liabilitas keuangan diklasifikasikan ke dalam kategori sebagai berikut pada saat pengakuan awal:

- Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi, yang memiliki 2 (dua) sub-klasifikasi, yaitu liabilitas keuangan yang ditetapkan demikian pada saat pengakuan awal dan liabilitas keuangan yang telah diklasifikasikan dalam kelompok diperdagangkan;

- Liabilitas keuangan lain yang tidak diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi dikategorikan dan diukur dengan biaya perolehan diamortisasi.

Berikut klasifikasi instrumen keuangan Bank berdasarkan PSAK No. 71:

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

1) Classification (continued)

Evaluation of contractual cash flows obtained solely from payment of principal and interest (SPPI) *(continued)*

Financial liabilities are classified into the following categories at initial recognition:

- *Financial liabilities at fair value through profit or loss, which has 2 (two) sub-classifications, i.e., those designated as such upon initial recognition and those classified as held for trading;*

- *Other financial liabilities that are not classified as financial liabilities at fair value through profit or loss are categorized and measured at amortized cost.*

Below are financial instruments classification of the Bank based on SFAS No. 71:

Instrumen keuangan/ ***Financial instruments***		**Kategori yang didefinisikan oleh PSAK No. 71/** ***Category as defined by SFAS No. 71***
Aset keuangan/ *Financial assets*	Kas/*Cash*	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial assets at amortized cost*
	Giro pada Bank Indonesia/ *Current accounts with Bank Indonesia*	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial assets at amortized cost*
	Giro pada bank lain/ *Current accounts with other banks*	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial assets at amortized cost*
	Penempatan pada Bank Indonesia dan bank lain/ *Placements with Bank Indonesia and other banks*	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial assets at amortized cost*
	Efek-efek yang diperdagangkan/ *Trading securities*	Aset keuangan yang diukur pada nilai wajar melalui laba rugi/*Financial assets at fair value through profit or loss*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

1) Klasifikasi (lanjutan)

Berikut klasifikasi instrumen keuangan Bank berdasarkan PSAK No. 71: (lanjutan)

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

1) Classification (continued)

Below are financial instruments classification of the Bank based on SFAS No. 71: (continued)

Instrumen keuangan/ Financial instruments		**Kategori yang didefinisikan oleh PSAK No. 71/ Category as defined by SFAS No. 71**
Aset keuangan/ *Financial assets*	Investasi keuangan/ *Financial investments*	Aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain/Financial assets at fair value through other comprehensive income Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
	Tagihan derivatif/ *Derivative receivables*	Aset keuangan yang diukur pada nilai wajar melalui laba rugi/Financial assets at fair value through profit or loss
	Kredit yang diberikan/ *Loans*	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
	Tagihan atas surat berharga yang dibeli dengan janji dijual kembali/ *Receivables on securities purchased with agreements to resell*	Aset keuangan yang diukur pada nilai wajar melalui laba rugi/Financial assets at fair value through profit or loss Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
	Tagihan akseptasi/ *Acceptance receivables*	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
	Aset lain-lain/ *Other assets*	Aset keuangan yang diukur pada biaya perolehan yang diamortisasi/Financial assets at amortized cost
Liabilitas keuangan/ *Financial liabilities*	Liabilitas segera/ *Current liabilities*	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial liabilities at amortized cost*
	Simpanan dari nasabah/ *Deposits from customers*	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial liabilities at amortized cost*
	Simpanan dari bank lain/ *Deposits from other banks*	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial liabilities at amortized cost*
	Bunga yang masih harus dibayar/*Interest payables*	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial liabilities at amortized cost*
	Liabilitas derivatif/ *Derivative payables*	Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi/*Financial liabilities at fair value through profit or loss*
	Liabilitas akseptasi/ *Acceptance payables*	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial liabilities at amortized cost*
	Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali/*Liabilities on securities sold under repurchase agreements*	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial liabilities at amortized cost*
	Efek utang yang diterbitkan/ *Debt securities issued*	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial liabilities at amortized cost*
	Liabilitas lain-lain/ *Other liabilities*	Liabilitas keuangan yang diukur pada biaya perolehan yang diamortisasi/*Financial liabilities at amortized cost*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

2) Pengakuan awal

Aset dan liabilitas keuangan pada awalnya diukur pada nilai wajarnya. Dalam hal aset atau liabilitas keuangan tidak diklasifikasikan sebagai nilai wajar melalui laba rugi, nilai wajar tersebut ditambah/dikurangi biaya transaksi yang dapat diatribusikan secara langsung dengan perolehan atau penerbitan aset atau liabilitas keuangan.

Bank pada pengakuan awal dapat menetapkan aset dan keuangan liabilitas tertentu sebagai nilai wajar melalui laba rugi (opsi nilai wajar). Opsi nilai wajar dapat digunakan hanya bila memenuhi ketetapan sebagai berikut:

- Penetapan sebagai opsi nilai wajar mengurangi atau mengeliminasi inkonsistensi pengukuran dan pengakuan (*accounting mismatch*) yang dapat timbul; atau
- Aset dan liabilitas keuangan merupakan bagian dari portofolio instrumen keuangan yang risikonya dikelola dan dilaporkan kepada manajemen kunci berdasarkan nilai wajar; atau
- Aset dan liabilitas keuangan terdiri dari kontrak utama dan derivatif melekat yang harus dipisahkan tetapi tidak dapat mengukur derivatif melekat secara terpisah.

3) Pengukuran setelah pengukuran awal

Aset keuangan dalam kelompok aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain dan aset dan liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi diukur pada nilai wajarnya.

Aset keuangan kelompok biaya perolehan diamortisasi dan liabilitas keuangan lainnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

2) Initial recognition

Financial assets and liabilities are initially recognized at fair value. For those financial assets or liabilities not classified as fair value through profit or loss, the fair value is added/deducted with directly attributable transaction costs to the issuance of financial assets or liabilities.

The Bank upon initial recognition may designate certain financial assets and liabilities at fair value through profit or loss (fair value option). The fair value option is only applied when the following conditions are met:

- *The application of the fair value option reduces or eliminates an accounting mismatch that would otherwise arise; or*
- *The financial assets and liabilities are part of a portfolio of financial instruments, the risks of which are managed and reported to key management on a fair value basis; or*
- *The financial assets and liabilities consist of a host contract and an embedded derivative that must be bifurcated but are unable to measure the embedded derivative separately.*

3) Subsequent measurement

Financial assets at fair value through other comprehensive income and financial assets and liabilities at fair value through profit or loss are measured at fair value.

Financial assets classified as amortized cost and other financial liabilities are measured at amortized cost using the effective interest rate method.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

4) Penghentian pengakuan

a. Aset keuangan dihentikan pengakuannya jika:
- Hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut berakhir; atau
- Bank telah mentransfer haknya untuk menerima arus kas yang berasal dari aset keuangan atau menanggung kewajiban untuk membayarkan arus kas yang diterima tersebut secara penuh tanpa penundaan berarti kepada pihak ketiga di bawah kesepakatan pelepasan; dan antara (a) Bank telah mentransfer secara substansial seluruh risiko dan manfaat atas aset, atau (b) Bank tidak mentransfer maupun tidak memiliki secara substansial seluruh risiko dan manfaat atas aset namun telah mentransfer pengendalian atas aset.

Ketika Bank telah mentransfer hak untuk menerima arus kas dari aset atau telah memasuki kesepakatan pelepasan dan tidak mentransfer serta tidak memiliki secara substansial seluruh risiko dan manfaat atas aset atau tidak mentransfer kendali atas aset, aset diakui sebesar keterlibatan Bank yang berkelanjutan atas aset tersebut.

Kredit yang diberikan dihapusbukukan ketika tidak terdapat prospek yang realistis mengenai pengembalian kredit dalam waktu dekat atau hubungan normal antara Bank dan debitur telah berakhir. Kredit yang tidak dapat dilunasi dihapusbukukan dengan mendebit cadangan kerugian penurunan nilai.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

4) Derecognition

a. Financial assets are derecognized when:
- *The contractual rights to receive cash flows from the financial assets have expired; or*
- *The Bank has transferred its rights to receive cash flows from the financial assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Bank has transferred substantially all the risks and rewards of the asset, or (b) the Bank has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.*

When the Bank has transferred its rights to receive cash flows from an asset or has entered into a 'pass-through' arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Bank's continuing involvement on the asset.

Loans are written-off when there is no realistic prospect of collection in the near future or the normal relationship between the Bank and the borrowers have ceased to exist. When a loan is deemed uncollectible, it is written-off against the related allowance for impairment losses.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

4) Penghentian pengakuan (lanjutan)

b. Liabilitas keuangan dihentikan pengakuannya jika liabilitas keuangan tersebut berakhir, yaitu ketika liabilitas yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kadaluwarsa.

Jika suatu liabilitas keuangan yang ada digantikan dengan yang lain oleh pemberi pinjaman yang sama pada keadaan yang secara substansial berbeda atau berdasarkan suatu liabilitas yang ada yang secara substansial telah diubah, seperti pertukaran atau modifikasi yang diperlakukan sebagai penghentian pengakuan liabilitas awal dan pengakuan liabilitas baru dan perbedaan nilai tercatat masing-masing diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

5) Pengakuan pendapatan dan beban

a. Pendapatan dan beban bunga atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain, serta aset dan liabilitas keuangan yang dicatat berdasarkan biaya perolehan diamortisasi diakui pada laporan laba rugi dengan menggunakan metode suku bunga efektif.

Jumlah tercatat bruto aset keuangan adalah biaya perolehan diamortisasi aset keuangan sebelum disesuaikan dengan cadangan penurunan nilai.

Dalam menghitung pendapatan dan beban bunga, tingkat suku bunga efektif diterapkan pada jumlah tercatat bruto aset (ketika aset tersebut bukan aset keuangan yang memburuk) atau terhadap biaya perolehan diamortisasi dari liabilitas.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

4) Derecognition (continued)

b. Financial liabilities are derecognized when they are extinguished, i.e., liabilities stated in the contract are discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

5) Income and expense recognition

a. Interest income and expense on financial assets measured at fair value through other comprehensive income, as well as financial assets and liabilities measured at amortized cost are recognized in the statement of profit or loss using the effective interest rate method.

The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for allowance for impairment.

In calculating interest income and expenses, the effective interest rate is applied to the gross carrying amount of an asset (when the asset is not a deteriorated financial asset) or to the amortized cost of a liability.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

5) Pengakuan pendapatan dan beban (lanjutan)

Untuk aset keuangan yang memburuk setelah pengakuan awal, pendapatan bunga dihitung dengan menerapkan tingkat suku bunga efektif terhadap biaya perolehan diamortisasi dari aset keuangan tersebut. Jika aset tersebut tidak lagi memburuk, maka perhitungan pendapatan bunga akan dihitung dengan menerapkan tingkat suku bunga efektif terhadap nilai tercatat bruto dari aset keuangan tersebut.

b. Keuntungan dan kerugian yang timbul dari perubahan nilai wajar aset keuangan yang diukur pada nilai wajar melalui pendapatan komprehensif lain selain keuntungan atau kerugian selisih kurs atas instrumen utang diakui secara langsung dalam pendapatan komprehensif lain (sebagai bagian dari ekuitas) hingga aset keuangan tersebut dihentikan pengakuannya atau terdapat penurunan nilai.

Pada saat aset keuangan dihentikan pengakuannya atau mengalami penurunan nilai, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas harus diakui pada laporan laba rugi.

6) Reklasifikasi instrumen keuangan

Bank mereklasifikasi aset keuangan jika dan hanya jika, model bisnis untuk pengelolaan aset keuangan berubah.

Tidak terdapat reklasifikasi untuk liabilitas keuangan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

5) Income and expense recognition (continued)

For financial assets that deteriorated after initial recognition, interest income is calculated by applying an effective interest rate to the amortized cost of the financial assets. If the asset is no longer deteriorating, the calculation of interest income will be calculated by applying an effective interest rate to the gross carrying amount of the financial asset.

b. Gains and losses arising from changes in the fair value of financial asset measured at fair value through other comprehensive income other than foreign exchange gains or losses on debt instruments are recognized directly in other comprehensive income (as part of equity) until the financial asset is derecognized or impaired.

When a financial asset is derecognized or impaired, the cummulative gains or losses previously recognized in equity are recognized in statement of profit or loss.

6) Reclassification financial instruments

The Bank reclassifies financial assets if and only if, the business model for managing financial assets changes.

There is no reclassification of financial liabilities.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

6) Reklasifikasi instrumen keuangan (lanjutan)

Reklasifikasi aset keuangan dari klasifikasi biaya perolehan yang diamortisasi ke klasifikasi nilai wajar melalui laba rugi dicatat sebesar nilai wajarnya. Selisih antara nilai tercatat dengan nilai wajar diakui sebagai keuntungan atau kerugian pada laba rugi dalam laporan laba rugi dan pendapatan komprehensif lainnya.

Reklasifikasi aset keuangan dari klasifikasi biaya perolehan yang diamortisasi ke klasifikasi nilai wajar melalui penghasilan komprehensif lain dicatat sebesar nilai wajarnya.

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui penghasilan komprehensif lain ke klasifikasi nilai wajar melalui laba rugi dicatat pada nilai wajar. Keuntungan atau kerugian yang belum direalisasi direklasifikasi ke laba rugi.

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui penghasilan komprehensif lain ke klasifikasi biaya perolehan yang diamortisasi dicatat pada nilai tercatat. Keuntungan atau kerugian yang belum direalisasi dihapus dari ekuitas dan disesuaikan terhadap nilai wajar.

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui laba rugi ke klasifikasi nilai wajar melalui penghasilan komprehensif lain dicatat pada nilai wajar.

Reklasifikasi aset keuangan dari klasifikasi nilai wajar melalui laba rugi ke klasifikasi biaya perolehan yang diamortisasi dicatat pada nilai wajar.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

6) Reclassification financial instruments (continued)

Reclassifications of financial assets from amortized cost classifications to fair value through profit or loss are recorded at fair value. The difference between the recorded value and fair value is recognized in profit or loss on the statement of profit or loss and other comprehensive income.

Reclassifications of financial assets from amortized cost classifications to fair value classifications through other comprehensive are recorded at their fair values.

Reclassification of financial assets from fair value classification through other comprehensive income to fair value classification through profit or loss is recorded at fair value. Unrealized gains or losses are reclassified to profit or loss.

Reclassification of financial assets from fair value classifications through other comprehensive income to the amortized cost classification is recorded at carrying value. Unrealized gains or losses are removed from equity and adjusted agains the fair value.

Reclassifications on financial assets from fair value classification through profit or loss to fair value classification through other comprehensive income are recorded at fair value.

Reclassification of financial assets from fair value classification through profit or loss to amortized cost classification is recorded at fair value.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

7) Saling Hapus

Aset dan liabilitas keuangan saling hapus dan nilai netonya dilaporkan pada laporan posisi keuangan jika dan hanya jika, saat ini terdapat hak yang berkekuatan hukum untuk saling hapus jumlah keduanya dan terdapat intensi untuk diselesaikan secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitas secara bersamaan.

Hak yang berkekuatan hukum berarti:
a. Tidak terdapat kontinjensi di masa yang akan datang; dan
b. Hak yang berkekuatan hukum pada kondisi-kondisi berikut ini:
   - Kegiatan bisnis normal;
   - Kondisi kegagalan usaha; dan
   - Kondisi gagal bayar atau bangkrut.

Pendapatan dan beban disajikan dalam jumlah bersih hanya jika diperkenankan oleh standar akuntansi.

8) Pengukuran biaya diamortisasi

Biaya perolehan diamortisasi dari aset atau liabilitas keuangan adalah jumlah aset atau liabilitas keuangan yang diukur pada saat pengakuan awal dikurangi pembayaran pokok pinjaman, ditambah atau dikurangi amortisasi kumulatif menggunakan metode suku bunga efektif yang dihitung dari selisih antara nilai pengakuan awal dan nilai jatuh temponya dan dikurangi penurunan nilai.

9) Nilai wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

7) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if and only if, there is currently an enforceable legal rights to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Enforceable right means:
a. There are no contingencies in the future; and
b. Enforceable right to the following conditions:
   - Deploying normal activities;
   - Conditions of business failures; and
   - Conditions of default or bankruptcy.

Income and expenses are presented on a net basis only when permitted by accounting standards.

8) Amortized cost measurement

The amortized cost of a financial assets or liabilities are the amount at which the financial assets or liabilities are measured at initial recognition, minus principal repayments, plus or minus the cummulative amortization using the effective interest rate method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

9) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

9) Nilai wajar (lanjutan)

Pengukuran nilai wajar mengasumsikan bahwa transaksi untuk menjual aset atau mengalihkan liabilitas terjadi:

- Di pasar utama untuk aset dan liabilitas tersebut; atau
- Jika tidak terdapat pasar utama, di pasar yang paling menguntungkan untuk aset atau liabilitas tersebut.

Nilai wajar suatu aset atau liabilitas diukur menggunakan asumsi yang akan digunakan pelaku pasar ketika menentukan harga aset dan liabilitas tersebut dengan asumsi bahwa pelaku pasar bertindak dalam kepentingan ekonomis terbaiknya.

Pengukuran nilai wajar aset non-keuangan memperhitungkan kemampuan pelaku pasar untuk menghasilkan manfaat ekonomi dengan menggunakan aset dalam penggunaan tertinggi dan terbaiknya atau dengan menjualnya kepada pelaku pasar lain yang akan menggunakan aset tersebut dalam penggunaan tertinggi dan terbaiknya.

Bank menggunakan teknik penilaian yang sesuai dalam keadaan dan dimana data yang memadai tersedia untuk mengukur nilai wajar, memaksimalkan penggunaan input yang dapat diobservasi yang relevan dan meminimalkan penggunaan input yang tidak dapat diobservasi.

Semua aset dan liabilitas dimana nilai wajar diukur atau diungkapkan dalam laporan keuangan dapat dikategorikan pada tingkat hierarki nilai wajar, berdasarkan tingkatan input terendah yang signifikan atas pengukuran nilai wajar secara keseluruhan:

- Tingkat 1
  Harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik;

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

9) Fair value (continued)

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- *In the principal market for the asset or liability; or*
- *In the absence of a principal market, in the most advantageous market for the asset or liability.*

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- *Level 1*
  Quoted prices (unadjusted) in active markets for identical assets or liabilities;

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

9) Nilai wajar (lanjutan)

Semua aset dan liabilitas dimana nilai wajar diukur atau diungkapkan dalam laporan keuangan dapat dikategorikan pada tingkat hierarki nilai wajar, berdasarkan tingkatan input terendah yang signifikan atas pengukuran nilai wajar secara keseluruhan: (lanjutan)

- Tingkat 2
  Input selain harga kuotasian yang termasuk dalam Tingkat 1 yang dapat diobservasi untuk aset dan liabilitas baik secara langsung (misalnya, harga) atau secara tidak langsung;
- Tingkat 3
  Input untuk aset dan liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi).

Untuk aset dan liabilitas yang diakui pada laporan keuangan secara berulang, Bank menentukan apakah terjadi transfer antar tingkat di dalam hierarki dengan cara mengevaluasi kategori (berdasarkan input tingkat terendah yang signifikan dalam pengukuran nilai wajar) setiap akhir periode pelaporan.

Investasi pada sukuk

Efek-efek dan obligasi pemerintah syariah, kecuali reksadana diklasifikasikan berdasarkan model usaha yang ditentukan oleh Bank pada saat pembelian surat berharga tersebut didasarkan atas klasifikasi yang sesuai dengan PSAK No. 110 tentang "Akuntansi Sukuk" sebagai berikut:

a. Surat berharga diukur pada biaya perolehan disajikan sebesar biaya perolehan (termasuk biaya transaksi) yang disesuaikan dengan premi dan/atau diskonto yang belum diamortisasi. Premi dan diskonto diamortisasi selama periode hingga jatuh tempo.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

9) Fair value (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: (continued)

- *Level 2*
  Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (example, price) or indirectly;
- *Level 3*
  Inputs for the asset and liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Investment in sukuk

Sharia securities and government bonds, except for reksadana are classified based on business model determined by the Bank at the date of purchase in accordance with SFAS No. 110 on "Accounting for Sukuk" as follows:

a. At cost securities are stated at cost (including transaction costs) adjusted by unamortised premium and/or discount. Premium and discount are amortized over the period until maturity.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

d. Aset dan Liabilitas Keuangan (lanjutan)

Investasi pada sukuk (lanjutan)

Efek-efek dan obligasi pemerintah syariah, kecuali reksadana diklasifikasikan berdasarkan model usaha yang ditentukan oleh Bank pada saat pembelian surat berharga tersebut didasarkan atas klasifikasi yang sesuai dengan PSAK No. 110 tentang "Akuntansi Sukuk" sebagai berikut: (lanjutan)

b. Surat berharga diukur pada nilai wajar melalui laba rugi yang dinyatakan sebesar nilai wajar. Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajarnya disajikan dalam laporan laba rugi tahun yang bersangkutan.

c. Surat berharga yang diukur pada nilai wajar melalui penghasilan komprehensif lainnya. Surat berharga disajikan sebesar nilai wajar. Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajarnya disajikan dalam penghasilan komprehensif lain. Premi dan diskonto diamortisasi selama periode hingga jatuh tempo.

e. Giro pada Bank Indonesia dan bank lain

Giro pada bank lain diklasifikasikan sebagai biaya perolehan yang diamortisasi. Giro pada bank lain dinyatakan sebesar biaya perolehan diamortisasi menggunakan metode suku bunga efektif dikurangi cadangan kerugian penurunan nilai sebagaimana diungkapkan dalam Catatan 2l.

Giro pada Bank Indonesia diklasifikasikan sebagai biaya perolehan yang diamortisasi. Giro pada Bank Indonesia dinyatakan sebesar saldo penempatan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

d. Financial Assets and Liabilities *(continued)*

Investment in sukuk *(continued)*

Sharia securities and government bonds, except for reksadana are classified based on business model determined by the Bank at the date of purchase in accordance with SFAS No. 110 on "Accounting for Sukuk" as follows: (continued)

b. At fair value securities are stated at fair value through profit or loss. Unrealized gains or losses from the increase or decrease in fair values are presented in current year profit or loss.

c. At fair value through other comprehensive income securities are measured at fair value. Unrealized gains or losses from the increase or decrease in fair value are presented in other comprehensive income. Premium and discount are amortized over the period until maturity.

e. Current accounts with Bank Indonesia and other banks

Current accounts with other banks are classified as amortized cost. Current accounts with other banks are stated at amortized cost using the effective interest rate (EIR) method less allowance for impairment losses as disclosed in Note 2l.

Current accounts with Bank Indonesia is classified as amortized cost. Current account with Bank Indonesia is stated in outstanding balances.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

f. Penempatan pada Bank Indonesia dan bank lain

Penempatan pada Bank Indonesia dan bank lain merupakan penempatan dana dalam bentuk *Term Deposit* Bank Indonesia, Fasilitas Simpanan Bank Indonesia, dan *call money*.

Penempatan pada bank lain diklasifikasikan sebagai biaya perolehan yang diamortisasi. Penempatan pada bank lain dinyatakan sebesar biaya perolehan diamortisasi menggunakan metode suku bunga efektif dikurangi cadangan kerugian penurunan nilai sebagaimana diungkapkan dalam Catatan 2l.

Penempatan pada Bank Indonesia diklasifikasikan sebagai biaya perolehan yang diamortisasi. Penempatan pada Bank Indonesia dinyatakan sebesar saldo penempatan.

g. Efek-efek yang diperdagangkan

Efek-efek yang diperdagangkan terdiri dari Obligasi Pemerintah, Obligasi Korporasi, Sukuk dan *Negotiable Certificate of Deposit* yang dikategorikan sebagai dimiliki untuk diperdagangkan dan dicatat di laporan posisi keuangan sebesar nilai wajar.

Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajar disajikan dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan. Pendapatan bunga dari efek utang dicatat dalam laporan laba rugi dan penghasilan komprehensif lain sesuai dengan persyaratan dalam kontrak. Pada saat penjualan portofolio efek yang diperdagangkan, selisih antara harga jual dengan harga perolehan diakui sebagai keuntungan atau kerugian penjualan pada tahun dimana efek tersebut dijual.

h. Investasi keuangan

Investasi keuangan terdiri dari Obligasi Pemerintah, Sukuk, *Negotiable Certificate of Deposit*, Obligasi Korporasi dan Wesel ekspor berjangka.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

f. Placements with Bank Indonesia and other banks

Placements with Bank Indonesia and other banks consist of Term Deposits of Bank Indonesia, Deposit Facilities of Bank Indonesia, and call money.

Placements with other banks are classified as amortized cost. Placements with other banks are stated at amortized cost using the effective interest rate method less allowance for impairment losses as disclosed in Note 2l.

Placements with Bank Indonesia is classified as amortized cost. Placement with Bank Indonesia is stated in outstanding balances.

g. Trading securities

Trading securities comprise of Government Bonds, Corporate Bonds, Sukuk and Negotiable Certificate of Deposit that are classified as held for trading and are recorded at fair value in the statement of financial position.

Unrealized gains or losses resulting from the increase or decrease in fair value are recognized in the current year statement of profit or loss and other comprehensive income. The interest income from debt securities is recorded in the statement of profit or loss and other comprehensive income according to the terms of the contract. At the time of sale of trading securities portfolio, the difference between the selling price and the purchase price is recognized as a gain or loss in the year when the securities are sold.

h. Financial investments

Financial investments comprise of Government Bonds, Sukuk, Negotiable Certificate of Deposit, Corporate Bonds, and Export bills.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

h. Investasi keuangan (lanjutan)

Obligasi Pemerintah, Sukuk, *Negotiable Certificate of Deposit* dan Obligasi Korporasi diklasifikasikan sebagai nilai wajar melalui penghasilan komprehensif lain.

Obligasi Pemerintah dan Wesel ekspor berjangka diklasifikasikan sebagai biaya perolehan yang diamortisasi.

Investasi keuangan diklasifikasikan sebagai berikut:

Investasi keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain

Investasi keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain diakui dan diukur sebesar nilai wajar dengan memperhitungkan pendapatan dan/atau beban yang dapat diatribusikan langsung pada pembelian efek-efek. Setelah pengakuan awal, keuntungan dan kerugian yang belum direalisasikan dari kenaikan atau penurunan nilai wajar, setelah pajak, diakui dan disajikan sebagai komponen ekuitas.

Ketika investasi tersebut dihapus, keuntungan atau kerugian kumulatif setelah pajak, yang sebelumnya diakui di penghasilan komprehensif lainnya, diakui dalam laporan laba rugi dan penghasilan komprehensif lain. Kerugian yang timbul dari penurunan nilai pada investasi tersebut diakui dalam laporan laba rugi dan penghasilan komprehensif lain dan dikeluarkan dari penghasilan komprehensif lainnya.

Premi dan/atau diskonto diamortisasi sebagai pendapatan bunga dengan menggunakan suku bunga efektif.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

h. Financial investments *(continued)*

Government Bonds, Sukuk, Negotiable Certificate of Deposit, and Corporate Bonds are classified as fair value through other comprehensive income.

Government Bonds and Export bills are classified as amortized cost.

Financial investments are classified as follows:

Financial investments measured at fair value through other comprehensive income

Financial investments measured at fair value through other comprehensive income is recognized and measured at fair value by calculating income and/or expenses directly attributable to the purchase of securities. After initial recognition, gains and losses from changes in fair value of securities, net of tax, are recognized directly to equity.

When the investment is disposed the cumulative gain or loss, net of tax, previously recognized in other comprehensive income is recognized in the statement of profit or loss and other comprehensive income. The losses arising from impairment of such investments are recognized in the statement of profit or loss and other comprehensive income and removed from other comprehensive income.

Premium and/or discount is amortized and reported as interest income using the EIR.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

h. Investasi keuangan (lanjutan)

Investasi keuangan diklasifikasikan sebagai berikut: (lanjutan)

Investasi keuangan yang diklasifikasikan sebagai biaya perolehan yang diamortisasi

Investasi keuangan yang diklasifikasikan sebagai biaya perolehan yang diamortisasi diakui dan diukur sebesar nilai wajar dengan memperhitungkan pendapatan dan/atau beban yang dapat diatribusikan langsung pada pembelian efek-efek. Setelah pengakuan awal, efek-efek diukur pada biaya perolehan diamortisasi menggunakan suku bunga efektif.

i. Instrumen keuangan derivatif

Seluruh instrumen derivatif dicatat dalam laporan posisi keuangan berdasarkan nilai wajarnya. Nilai wajar tersebut ditentukan berdasarkan harga pasar, kurs Reuters pada tanggal pelaporan laporan posisi keuangan, diskonto arus kas, model penentu harga atau harga yang diberikan oleh *broker* (*quoted price*) atas instrumen lain yang memiliki karakteristik atau model penentuan harga serupa.

Keuntungan atau kerugian dari kontrak derivatif yang tidak ditujukan untuk lindung nilai (atau tidak memenuhi kriteria untuk dapat diklasifikasikan sebagai lindung nilai) diakui pada laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

Instrumen derivatif melekat dipisahkan dari kontrak utama non-derivatif dan diperlakukan sebagai instrumen derivatif jika seluruh kriteria berikut terpenuhi:

1. Risiko dan karakteristik ekonomi dari derivatif melekat tidak secara erat berhubungan dengan karakteristik dan risiko kontrak utama;

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

h. Financial investments *(continued)*

Financial investments are classified as follows: (continued)

Financial investments classified as amortized cost

Financial investments classified as amortized cost is recognized and measured at fair value by calculating income and/or expenses directly attributable to the purchase of securities. After initial recognition, securities are measured at amortized acquisition cost using EIR.

i. Derivative financial instruments

All derivative instruments are recognized in statement of financial position at fair value. The fair value is based on the market rate, Reuters exchange rate at statement of financial position date, discounted cash flows and price valuation or broker quoted price on other instruments with similar characteristics or price model.

Gain or loss on a derivative contract not designated as a hedging instrument (or does not qualify as a hedging instrument) is recognized in the current year statement of profit or loss and comprehensive income.

Embedded derivative instruments are separated from their host non-derivative contract and accounted for as a derivative instrument if all of the following criteria are met:

1. The risks and economic characteristics of the embedded derivative are not closely related to those of the host contract;

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

i. Instrumen keuangan derivatif

Instrumen derivatif melekat dipisahkan dari kontrak utama non-derivatif dan diperlakukan sebagai instrumen derivatif jika seluruh kriteria berikut terpenuhi: (lanjutan)

2. Instrumen terpisah dengan kondisi yang sama dengan instrumen derivatif melekat memenuhi definisi dari derivatif; dan
3. Instrumen hibrid (kombinasi) tidak diukur pada harga wajar dengan perubahan nilai wajar diakui dalam laporan laba rugi dan penghasilan komprehensif lain (yaitu derivatif melekat dalam aset keuangan atau liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi tidak dipisahkan).

j. Kredit yang diberikan

Kredit yang diberikan diklasifikasikan sebagai biaya perolehan yang diamortisasi.

Kredit yang diberikan diklasifikasikan sebagai biaya perolehan yang diamortisasi. Kredit yang diberikan diukur pada biaya perolehan diamortisasi menggunakan suku bunga efektif dikurangi cadangan kerugian penurunan nilai. Biaya perolehan diamortisasi dihitung dengan memperhitungkan nilai kredit pada saat pengakuan awal dikurangi pembayaran pokok, ditambah atau dikurangi dengan amortisasi kumulatif menggunakan metode suku bunga efektif yang dihitung dari selisih antara nilai awal dan nilai jatuh temponya, dikurangi penurunan untuk penurunan nilai atau nilai yang tidak dapat ditagih. Amortisasi tersebut diakui pada laporan laba rugi dan penghasilan komprehensif lain.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

i. Derivative financial instruments

Embedded derivative instruments are separated from their host non-derivative contract and accounted for as a derivative instrument if all of the following criteria are met: (continued)

2. A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and

3. The hybrid (combined) instrument is not measured at fair value with changes in fair value recognized in statement of profit or loss and other comprehensive income (i.e., a derivative that is embedded in a financial asset or financial liability at fair value through profit or loss is not separated).

j. Loans

Loans are classified as amortized cost.

Loans are classified as amortized cost. Loans are measured at amortized cost using the EIR less allowance for impairment losses. The amortized cost of loan is the amount at which the loan is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using EIR method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectability. The amortization is recognized in the statement of profit or loss and other comprehensive income.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

j. Kredit yang diberikan (lanjutan)

Restrukturisasi kredit

Kerugian yang timbul dari restrukturisasi kredit yang berkaitan dengan modifikasi persyaratan kredit hanya diakui bila nilai tunai penerimaan kas masa depan yang telah ditentukan dalam persyaratan kredit yang baru, termasuk penerimaan yang diperuntukkan sebagai bunga maupun pokok adalah lebih kecil dari nilai kredit yang diberikan yang tercatat sebelum restrukturisasi.

Untuk restrukturisasi kredit bermasalah dengan cara konversi kredit yang diberikan menjadi saham atau instrumen keuangan lainnya, kerugian dari restrukturisasi kredit diakui hanya apabila nilai wajar penyertaan saham atau instrumen keuangan yang diterima dikurangi estimasi biaya untuk menjualnya adalah kurang dari nilai tercatat kredit yang diberikan.

Saat ini hanya terdapat restrukturisasi kredit dengan menggunakan metode perpanjangan jangka waktu kredit dan penurunan suku bunga kredit.

k. Tagihan dan liabilitas akseptasi

Tagihan akseptasi diklasifikasikan sebagai biaya perolehan yang diamortisasi.

Tagihan akseptasi diukur pada biaya perolehan diamortisasi menggunakan metode suku bunga efektif, dikurangi dengan cadangan kerugian penurunan nilai. Liabilitas akseptasi diukur pada biaya perolehan diamortisasi menggunakan metode suku bunga efektif.

Cadangan kerugian penurunan nilai dilakukan bila terdapat bukti yang obyektif mengenai penurunan nilai dengan menggunakan metodologi penurunan nilai sebagaimana diungkapkan dalam Catatan 2l.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

j. Loans *(continued)*

Loan restructuring

Losses on loan restructuring in respect of modification of the terms of the loans are recognized only if the cash value of total future cash receipts specified in the new terms of the loans, including both receipts designated as interest and those designated as loan principal are less than the recorded amounts of loans before restructuring.

For loan restructuring which involves a conversion of loans into equity or other financial instruments, a loss on loan restructuring is recognized only if the fair value of the equity or other financial instruments received, reduced by estimated costs to sell the equity or other financial instruments is less than the carrying value of loan.

Currently, there is only loan restructuring using extension of terms of loans and decrease of loan interest method.

k. Acceptance receivables and payables

Acceptance receivables are classified as amortized cost.

Acceptance receivables are measured at amortized cost using the EIR method, less allowance for impairment losses. Acceptance liabilities are measured at amortized cost by using the EIR method.

The allowance for impairment losses is assessed if there is an objective evidence of impairment by using the impairment methodology as disclosed in Note 2l.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

l. Penurunan nilai aset keuangan

Bank mengakui penyisihan kerugian kredit ekskpektasian pada instrumen keuangan yang tidak diukur pada nilai wajar melalui laba rugi.

Tidak ada penyisihan kerugian kredit ekskpektasian pada investasi instrumen ekuitas.

Bank mengukur cadangan kerugian sejumlah kerugian kredit ekspektasian sepanjang umurnya, kecuali untuk hal berikut diukur sejumlah kerugian kredit ekspektasian 12 bulan:

- Instrumen utang yang memiliki risiko kredit rendah pada tanggal pelaporan; dan
- Instrumen keuangan lainnya yang risiko kreditnya tidak meningkat secara signifikan sejak pengakuan awal.

Kerugian kredit ekspektasian 12 bulan adalah bagian dari kerugian kredit ekspektasian sepanjang umurnya yang merepresentasikan kerugian kredit ekspektasian yang timbul dari peristiwa gagal bayar instrumen keuangan yang mungkin terjadi dalam 12 bulan setelah tanggal pelaporan.

Pengukuran Kerugian Kredit Ekspektasian

Kerugian Kredit Ekspektasian adalah estimasi probabilitas tertimbang dari kerugian kredit yang diukur sebagai berikut:

- Aset keuangan yang tidak memburuk pada tanggal pelaporan, kerugian kredit ekspektasian diukur sebesar selisih antara nilai kini dari seluruh kekurangan kas yaitu selisih antara arus kas yang terutang kepada Bank sesuai dengan kontrak dan arus kas yang diperkirakan akan diterima oleh Bank;
- Aset keuangan yang memburuk pada tanggal pelaporan, kerugian kredit ekspektasian diukur sebesar selisih antara jumlah tercatat bruto dan nilai kini arus kas masa depan yang diestimasi;

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

l. Impairment of financial assets

The Bank recognizes the allowance for expected credit losses on financial instruments that are not measured at fair value through profit or loss.

There is no allowance for expected credit losses on investment in equity instruments.

The Bank measures the allowance for losses for the lifetime of an expected credit losses, except for the following which are measured according to 12 months expected credit losses:

- *Debt instruments that have low credit risk at the reporting date; and*
- *Other financial instruments for which credit risk has not increased significantly since initial recognition.*

The 12-month expected credit loss is part of the expected credit loss throughout its lifetime that represents an expected credit loss arising from a default on financial instruments that might occur in 12 months after reporting date.

Measurement of Expected Credit Losses

Expected Credit Losses are the estimate of the weighted probability of a credit loss measured as follows:

- *Financial assets that do not deteriorate at the reporting date, the expected credit loss is measured at the difference between the present value of all cash shortages i.e., the difference between the cash flows owed to the Bank in accordance with the contract and the cash flows expected to be received by the Bank;*
- *Financial assets that deteriorate at the reporting date, the expected credit loss is measured at the difference between the gross carrying amount and the present value of estimated future cash flows;*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

I. Penurunan nilai aset keuangan (lanjutan)

Pengukuran Kerugian Kredit Ekspektasian (lanjutan)

Kerugian Kredit Ekspektasian adalah estimasi probabilitas tertimbang dari kerugian kredit yang diukur sebagai berikut:

- Komitmen pinjaman yang belum ditarik, kerugian kredit ekspektasian diukur sebesar selisih antara nilai kini jumlah arus kas jika komitmen ditarik dan arus kas yang diperkirakan akan diterima oleh Bank;
- Kontrak jaminan keuangan, kerugian kredit ekspektasian diukur sebesar selisih antara pembayaran yang diperkirakan untuk mengganti pemegang atas kerugian kredit yang terjadi dikurangi jumlah yang diperkirakan dapat dipulihkan.

Aset keuangan yang direstrukturisasi

Jika ketentuan aset keuangan dinegosiasikan ulang atau dimodifikasi atau aset keuangan yang ada diganti dengan yang baru karena kesulitan keuangan peminjam, maka dilakukan penilaian apakah aset keuangan yang ada harus dihentikan pengakuannya dan kerugian kredit ekspektasian diukur sebagai berikut:

- Jika restrukturisasi tidak mengakibatkan penghentian pengakuan aset yang ada, maka arus kas yang diperkirakan yang timbul dari aset keuangan yang dimodifikasi dimasukkan dalam perhitungan kekurangan kas dari aset yang ada.
- Jika restrukturisasi akan menghasilkan penghentian pengakuan aset yang ada, maka nilai wajar aset baru diperlakukan sebagai arus kas akhir dari aset keuangan yang ada pada saat penghentian pengakuannya. Jumlah ini dimasukkan dalam perhitungan kekurangan kas dari aset keuangan yang ada yang didiskontokan dari tanggal penghentian pengakuan ke tanggal pelaporan menggunakan suku bunga efektif awal dari aset keuangan yang ada.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

I. Impairment of financial assets *(continued)*

Measurement of Expected Credit Losses (continued)

Expected Credit Losses are the estimate of the weighted probability of a credit loss measured as follows:

- *For undisbursed loan commitments, expected credit losses are measured at the difference between the present value of the amount of cash flow if the commitments is withdrawn and the cash flow expected to be received by the Bank;*
- *For financial guarantee contracts, expected credit losses are measured at the difference between the estimated payments to replace the holder for the credit losses incurred less the amount estimated to be recoverable.*

Restructured financial assets

If the terms of the financial assets are renegotiated or modified or the existing financial assets are replaced with new ones due to the borrower's financial difficulties, an assessment is made whether recognition of existing financial assets must be derecognized and expected credit losses measured as follows:

- *If the restructuring does not result in the termination of recognition of existing assets, then the estimated cash flows arising from the modified financial assets are included in the calculation of cash shortages of existing assets.*
- *If the restructuring will result in a derecognition of the existing assets, the fair value of the new asset is treated as the final cash flow of the existing financial assets at the time of derecognition. This amount is included in the calculation of cash shortages from existing financial assets which are discounted from the date of derecognition to the reporting date using the initial effective interest rate of the existing financial assets.*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

I. Penurunan nilai aset keuangan (lanjutan)

Aset keuangan yang memburuk

Pada setiap tanggal pelaporan, Bank menilai apakah aset keuangan yang dicatat pada biaya perolehan diamortisasi dan aset keuangan instrumen utang yang dicatat pada nilai wajar melalui penghasilan komprehensif lain mengalami penurunan nilai kredit (memburuk). Aset keuangan memburuk ketika satu atau lebih peristiwa yang memiliki dampak merugikan atas estimasi arus kas masa depan dari aset keuangan telah terjadi.

Bukti bahwa aset keuangan mengalami penurunan nilai kredit (memburuk) termasuk data yang dapat diobservasi mengenai peristiwa berikut ini:

- Kesulitan keuangan signifikan yang dialami penerbit atau pihak peminjam;
- Pelanggaran kontrak, seperti peristiwa gagal bayar atau peristiwa tunggakan;
- Pihak pemberi pinjaman, untuk alasan ekonomis atau kontraktual sehubungan dengan kesulitan keuangan yang dialami pihak peminjam, pihak pemberi pinjaman telah memberikan konsesi yang tidak mungkin diberikan jika pihak peminjam tidak mengalami kesulitan tersebut;
- Terjadi kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya;
- Hilangnya pasar aktif dari aset keuangan akibat kesulitan keuangan; atau
- Pembelian atau penerbitan aset keuangan dengan diskon sangat besar yang mencerminkan kerugian kredit yang terjadi.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

I. Impairment of financial assets *(continued)*

Credit impaired financial assets

At each reporting date, the Bank assesses whether the financial assets recorded at amortized cost and the financial assets of debt instruments which are recorded at fair value through other comprehensive income are credit-impaired (worsening). Financial assets deteriorate when one or more events that have an adverse effect on the estimated future cash flows of the financial assets have occurred.

Evidence that financial assets become credit impaired (worsening) including observable data regarding the following events:

- *Significant financial difficulties experienced by the issuer or the borrower;*
- *Breach of contract, such as a default or arrears;*
- *The lender, for economic or contractual reasons in relation to the financial difficulties experienced by the borrower, the lender has given concession which is not possible if the borrower does not experience such difficulties;*
- *It is probable that the borrower will enter bankruptcy or the other financial reorganization;*
- *Loss of an active market for financial assets due to financial difficulties; or*
- *Purchase or issuance of financial asset at significant discount which reflects the credit loss that occurs.*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

I. Penurunan nilai aset keuangan (lanjutan)

Aset keuangan yang memburuk (lanjutan)

Penyisihan kerugian kredit ekspektasian disajikan dalam laporan posisi keuangan sebagai berikut:

- Aset keuangan yang diukur pada biaya perolehan diamortisasi, penyisihan kerugian kredit ekspektasian disajikan sebagai pengurang dari jumlah tercatat bruto aset;
- Komitmen pinjaman dan kontrak jaminan keuangan, penyisihan kerugian kredit ekspektasian disajikan sebagai provisi;
- Instrumen utang yang diukur pada nilai wajar melalui penghasilan komprehensif lain, penyisihan kerugian kredit ekspektasian tidak diakui dalam laporan posisi keuangan karena jumlah tercatat dari aset-aset ini adalah nilai wajarnya. Namun demikian, penyisihan kerugian kredit ekspektasian diungkapkan dan diakui dalam penghasilan komprehensif lain.

Perhitungan penurunan nilai secara individual

Bank menetapkan pinjaman yang diberikan harus dievaluasi penurunan nilainya secara individual, jika memenuhi salah satu kriteria di bawah ini:

- Pinjaman yang diberikan secara individual memiliki nilai signifikan; atau
- Pinjaman diberikan yang direstrukturisasi secara individual memiliki nilai signifikan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

I. Impairment of financial assets *(continued)*

Credit-impaired financial assets (continued)

Allowance for expected credit losses is presented in the statement of financial positions as follows:

- *Financial assets measured at amortized cost, allowance for expected credit losses is presented as a deduction from the gross carrying amount of the asset;*
- *Loan commitments and financial guarantee contracts, allowance for expected credit losses is presented as a provision;*
- *Debt instruments measured at fair value through other comprehensive income, allowance for expected credit losses is not recognized in the statement of financial position because the carrying amounts of these assets are at their fair values. However, allowance for expected credit losses is disclosed and recognized in other comprehensive income.*

Individual impairment calculation

The Bank determines that impairment of loans shall be evaluated individually, if one of the following criteria is met:

- *Loans which individually have significant value; or*
- *Restructured loans which individually have significant value.*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

l. Penurunan nilai aset keuangan (lanjutan)

Perhitungan penurunan nilai secara kolektif

Bank menetapkan pinjaman yang diberikan harus dievaluasi penurunan nilainya secara kolektif, jika memenuhi salah satu kriteria di bawah ini:

- Pinjaman yang diberikan secara individual memiliki nilai tidak signifikan; atau
- Pinjaman diberikan yang direstrukturisasi secara individual memiliki nilai tidak signifikan.

Penerimaan kembali atas aset keuangan yang telah dihapusbukukan

Ketika pinjaman yang diberikan tidak tertagih, pinjaman yang diberikan tersebut dihapusbukukan dengan menjurnal balik cadangan kerugian penurunan nilai. Pinjaman yang diberikan tersebut dapat dihapusbukukan setelah semua prosedur yang diperlukan telah dilakukan dan jumlah kerugian telah ditentukan.

Penerimaan kembali atas aset keuangan yang telah dihapusbukukan pada tahun berjalan dan pada tahun sebelumnya dicatat sebagai pendapatan operasional selain pendapatan bunga.

m. Penurunan nilai aset non-keuangan

Pada setiap tanggal pelaporan, Bank melakukan penilaian apakah terdapat indikasi bahwa aset non-keuangan mungkin mengalami penurunan nilai sesuai dengan PSAK No. 48 tentang “Penurunan Nilai Aset”. Ketika suatu indikator penurunan nilai terjadi atau ketika pengujian penurunan nilai tahunan untuk aset diperlukan, maka Bank membuat estimasi resmi atas jumlah yang terpulihkan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

l. Impairment of financial assets *(continued)*

Collective impairment calculation

The Bank determines that impairment of loans shall be evaluated collectively, if one of the following criteria is met:

- *Loans which individually have insignificant value; or*
- *Restructured loans which individually have insignificant value.*

Recoveries of written-off financial assets

When a loan is uncollectible, it is written-off against the related allowance for impairment loss. Such loans are written-off after all the necessary procedures have been completed and the amount of the loss has been determined.

The recoveries of written-off financial assets in the current year and previous years are recorded as operational income other than interest income.

m. Impairment of non-financial assets

At each reporting date, the Bank assesses whether there is any indication that its non-financial assets may be impaired in accordance with SFAS No. 48, “Impairment of Asset Value”. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Bank makes a formal estimation of the recoverable amount.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

m. Penurunan nilai aset non-keuangan (lanjutan)

Nilai yang dapat dipulihkan adalah nominal yang lebih tinggi antara dari nilai wajar aset (atau unit penghasil kas) dikurangi besarnya biaya untuk menjual dengan nilai pakai yang ditentukan untuk aset individu, kecuali jika aset tersebut tidak menghasilkan sebagian besar arus kas masuk dibandingkan sejumlah aset lain atau kelompok aset, maka nilai terpulihkan dinilai sebagai bagian dari unit penghasil kas. Apabila nilai tercatat suatu aset (atau unit penghasil kas) lebih besar daripada nilai terpulihkannya, maka aset (atau unit penghasil kas) tersebut dianggap mengalami penurunan nilai dan dicatat sebesar nilai terpulihkannya. Dalam menilai nilai pakai, estimasi arus kas masa depan didiskontokan ke nilai kini menggunakan tingkat suku bunga diskonto sebelum pajak yang mencerminkan penilaian pasar terkini mengenai nilai waktu dari uang dan risiko khusus terkait aset (atau unit penghasil kas) tersebut.

Kerugian penurunan nilai akan dibebankan pada periode yang bersangkutan, kecuali apabila aset tersebut telah dicatat sebesar jumlah yang direvaluasi, maka kerugian penurunan nilai tersebut akan dibebankan pada selisih penilaian kembali aset tersebut.

Bank melakukan evaluasi pada setiap tanggal pelaporan apakah terdapat indikasi bahwa pengakuan kerugian penurunan nilai sebelumnya mungkin tidak lagi ada atau telah menurun. Bila terdapat indikasi tersebut, maka nilai terpulihkan akan diestimasi. Kerugian penurunan nilai yang sebelumnya telah diakui akan dibalik hanya jika telah terjadi perubahan dalam estimasi yang digunakan untuk menentukan nilai terpulihkan aset sejak kerugian penurunan nilai terakhir diakui. Jika demikian, nilai tercatat aset akan ditingkatkan sebesar nilai terpulihkannya.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

m. Impairment of non-financial assets *(continued)*

Recoverable amount is the higher of an asset's (or cash-generating unit) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash generating unit to which it belongs. When the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, then the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount. For assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

An impairment loss is charged to operations on the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is charged to the revaluation increment of the said asset.

The Bank assesses at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indications exist, then the recoverable amounts shall be estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset will be increased to its recoverable amount.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

m. Penurunan nilai aset non-keuangan (lanjutan)

Peningkatan nilai aset tersebut tidak dapat melebihi nilai tercatat yang seharusnya diakui, setelah dikurangi penyusutan jika diasumsikan tidak terdapat penurunan nilai pada tahun sebelumnya. Pembalikan tersebut diakui di dalam laporan laba rugi dan penghasilan komprehensif lain, kecuali jika aset tersebut dicatat pada nilai revaluasi, dimana pembalikannya akan diakui sebagai peningkatan revaluasi.

Setelah pembalikan tersebut dicatat, beban penyusutan akan disesuaikan ke tahun-tahun mendatang untuk mengalokasikan nilai tercatat aset yang telah direvaluasi, setelah dikurangi nilai sisa yang diperhitungkan secara sistematis sepanjang masa manfaat aset tersebut.

n. Efek-efek yang dibeli/dijual dengan janji dijual/dibeli kembali

Efek-efek yang dibeli dengan janji untuk dijual kembali pada kelompok biaya perolehan diamortisasi, diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Efek-efek yang dibeli dengan janji untuk dijual kembali diukur pada nilai wajar melalui laba rugi dicatat di laporan posisi keuangan sebesar nilai wajar.

Efek-efek yang dibeli dengan janji untuk dijual kembali disajikan sebagai aset dalam laporan posisi keuangan sebesar harga penjualan kembali dikurangi dengan pendapatan bunga yang belum diamortisasi dan cadangan kerugian penurunan nilai. Selisih antara harga beli dan harga jual kembali diperlakukan sebagai pendapatan bunga yang ditangguhkan dan diakui sebagai pendapatan selama periode sejak efek-efek tersebut dibeli hingga dijual menggunakan suku bunga efektif.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

m. Impairment of non-financial assets *(continued)*

The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, assuming that there has no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss and other comprehensive income, unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

After such reversal is recorded, the depreciation expense shall be adjusted in future years to allocate the asset's revised carrying amount, minus any residual value on a systematic basis over its remaining life.

n. Securities purchased/sold under agreements to resell/repurchase

Securities purchased under agreements to resell at amortized cost are measured at amortized cost by using the effective interest rate method.

Securities purchased under agreements to resell are measured at fair value through profit or loss are recorded at fair value in the statement of financial position.

Securities purchased under agreements to resell are presented as asset in the statement of financial position, at the resale price net of unamortized interest income and allowance for impairment losses. The difference between the purchase price and the resale price is treated as unearned interest income, and recognized as income over the period starting from when those securities are purchased until they are sold by using effective interest rate method.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

n. Efek-efek yang dibeli/dijual dengan janji dijual/dibeli kembali (lanjutan)

Efek-efek yang dijual dengan janji untuk dibeli kembali disajikan sebagai liabilitas dalam laporan posisi keuangan sebesar harga pembelian kembali, dikurangi dengan bunga dibayar di muka yang belum diamortisasi. Selisih antara harga jual dan harga beli kembali diperlakukan sebagai bunga dibayar di muka dan diakui sebagai beban bunga selama jangka waktu sejak efek-efek tersebut dijual hingga dibeli kembali menggunakan metode suku bunga efektif.

Efek-efek yang dijual dengan janji untuk dibeli kembali diukur pada nilai wajar melalui laba rugi dicatat di laporan posisi keuangan sebesar nilai wajar.

Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajar disajikan dalam laporan laba rugi tahun berjalan.

o. Aset tetap

Aset tetap dinyatakan sebesar biaya perolehan dikurangi akumulasi penyusutan dan rugi penurunan nilai. Biaya perolehan termasuk biaya penggantian bagian aset tetap saat biaya tersebut terjadi, jika memenuhi kriteria pengakuan. Selanjutnya, pada saat pemeriksaan yang signifikan dilakukan, biaya pemeriksaan itu diakui pada nilai tercatat aset tetap sebagai suatu penggantian, jika memenuhi kriteria pengakuan. Semua biaya perbaikan dan pemeliharaan yang tidak memenuhi kriteria pengakuan diakui pada laporan laba rugi dan penghasilan komprehensif lain pada saat terjadinya.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

n. Securities purchased/sold under agreements to resell/repurchase *(continued)*

Securities sold under agreements to repurchase are presented as liabilities in the statement of financial position at the repurchase price, net of unamortized prepaid interest. The difference between the selling price and the repurchase price is treated as prepaid interest and recognized as interest expense over the period starting from when those securities are sold until they are repurchased by using effective interest rate method.

Securities sold under agreements to repurchase are measured at fair value through profit or loss are recorded at fair value in the statement of financial position.

Unrealized gains or losses resulting from the increase or decrease in fair value are recognized in the current year statement of profit or loss.

o. Fixed assets

Fixed assets are stated at cost minus accumulated depreciation and impairment losses. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement, if the recognition criterias are satisfied. All repairs and maintenance costs that do not meet the recognition criterias are recognized in the statement of profit or loss and other comprehensive income as incurred.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

o. Aset tetap (lanjutan)

Penyusutan dihitung dengan menggunakan metode garis lurus selama umur manfaat aset tetap yang diestimasi sebagai berikut:

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

o. Fixed assets *(continued)*

Depreciation is calculated on a straight-line method over the estimated useful lives of the assets as follows:

	Tahun/ *Years*	
Bangunan dan prasarana bangunan	10-20	*Buildings and building improvements*
Perabot kantor, peralatan kantor dan kendaraan	3-10	*Furniture and fixtures, office equipment and vehicles*

	Persentase/ *Percentage*	
Bangunan dan prasarana bangunan	5-10	*Buildings and building improvements*
Perabot kantor, peralatan kantor dan kendaraan	10-33	*Furniture and fixtures, office equipment and vehicles*

Biaya pengurusan hak legal atas tanah dalam bentuk Hak Guna Bangunan ketika tanah diperoleh pertama kali diakui sebagai bagian dari biaya perolehan tanah pada akun "Aset tetap" dan tidak diamortisasi.

Legal cost of land rights in the form of Building Rights Title when the land was acquired initially is recognized as part of the cost of the land under the "Fixed assets" account and are not amortized.

Sementara itu, biaya pengurusan atas perpanjangan atau pembaruan hak legal atas tanah dalam bentuk Hak Guna Usaha, Hak Guna Bangunan dan Hak Pakai dibebankan pada laporan laba rugi dan penghasilan komprehensif lain pada saat terjadinya karena nilainya tidak signifikan.

Meanwhile, the extension or the legal renewal costs of land rights in the form of Cultivation Rights Title, Building Rights Title and Rights to Use Title are charged to the statement of profit or loss and other comprehensive income as incurred because its value is insignificant.

Nilai residu, umur manfaat dan metode penyusutan ditelaah dan jika sesuai dengan keadaan, maka akan disesuaikan secara prospektif pada setiap akhir periode.

The residual values, useful lives and depreciation methods are reviewed and adjusted prospectively when appropriate at each period end.

Bank melakukan penelaahan untuk menentukan adanya indikasi terjadinya penurunan nilai aset setiap kuartalan. Bank menentukan taksiran jumlah yang dapat direalisasi kembali atas semua asetnya jika terdapat suatu peristiwa atau kondisi yang mengindikasikan adanya penurunan nilai aset.

The Bank evaluates any indication of asset impairment on a quarterly basis. The Bank determines the estimated realizable amount of its assets if there is an event or condition which indicates impairment of the asset.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

o. Aset tetap (lanjutan)

Bank mengakui aset hak guna untuk sewa yang memenuhi kriteria PSAK No. 73 sebagai berikut:
- Terdapat aset identifikasian;
- Bank secara substansial menikmati manfaat ekonomis dari penggunaan aset identifikasian;
- Bank memiliki hak untuk mengendalikan aset identifikasian dimaksud.

Bank menerapkan pengecualian atas sewa sebagai berikut:
- Dengan jangka waktu kurang atau sama dengan 12 bulan dan tidak terdapat opsi beli;
- Dengan nilai pendasar rendah, yaitu kurang atau sama dengan Rp75.000.000 (nilai penuh);

Untuk sewa yang tidak memenuhi kriteria PSAK No. 73, maka diperlakukan sebagai sewa operasi biasa.

Bank mengakui liabilitas sewa sebesar jumlah pembayaran sewa yang masih harus dibayar hingga akhir masa sewa yang didiskontokan dengan menggunakan suku bunga pinjaman inkremental. Sedangkan aset hak guna mencakup jumlah liabilitas sewa yang diakui, biaya langsung awal yang dibayarkan, biaya pemulihan dan pembayaran sewa yang dilakukan pada atau sebelum tanggal mulai sewa, dikurangi insentif sewa yang diterima. Aset hak guna disusutkan dengan metode garis lurus selama jangka waktu yang lebih pendek antara masa sewa dengan estimasi masa manfaat aset.

p. Aset hak guna dan liabilitas sewa

Jika kepemilikan aset sewa dialihkan ke Bank pada akhir masa sewa atau pembayaran sewa mencerminkan pelaksanaan opsi pembelian, maka penyusutan dihitung menggunakan estimasi masa manfaat ekonomis aset. Aset hak guna diuji penurunan nilainya sesuai dengan PSAK No. 48 tentang “Penurunan Nilai Aset”.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

o. Fixed assets *(continued)*

The Bank recognizes the right-of-use assets for lease that meet the criterias of SFAS No. 73 as follows:
- *There are identifying assets;*
- *The Bank substantially enjoy the economic benefits of using identifying assets;*
- *The Bank has the right to control the identifying assets.*

The Bank applies exceptions to the lease as follows:
- *With a term less than or equal to 12 months and no purchase options;*
- *With low base value, i.e., less or equal to Rp75,000,000 (full amount).*

For lease that does not meet the criterias of SFAS No. 73, then it is treated as a regular operating lease.

The Bank recognizes lease liabilities at the amount of lease payments accrued to the end of the lease term which discounted using the incremental borrowing rate. While the right-of-use assets includes the amount of lease liabilities recognized, initial direct costs paid, restoration costs and lease payments on or before the start date of the lease, less lease incentives received. Right-of-use assets are depreciated using the straight-line method over the shorter period between the lease term and the estimated useful life of the asset.

p. Right-of-use assets and lease liabilities

If the ownership of lease asset is transferred to the Bank at the end of the lease term or the lease payments reflect the exercise of the purchase option, then depreciation is calculated using the estimated useful life of the assets. Right-of-use assets are tested for impairment in accordance with SFAS No. 48 regarding “Impairment”.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

p. Aset hak guna dan liabilitas sewa (lanjutan)

Pada tanggal dimulainya sewa, Bank mengakui liabilitas sewa yang diukur pada nilai kini dari pembayaran sewa masa depan yang akan dibayarkan selama masa sewa. Pembayaran sewa termasuk pembayaran tetap (termasuk pembayaran tetap secara substansi) dikurangi piutang insentif sewa, pembayaran sewa variabel yang bergantung pada indeks atau suku bunga dan jumlah yang diharapkan akan dibayar dalam jaminan nilai residu. Pembayaran sewa juga termasuk harga eksekusi opsi pembelian yang wajar jika dipastikan akan dilakukan oleh Bank dan pembayaran penalti untuk mengakhiri sewa, jika jangka waktu sewa mencerminkan Bank mengeksekusi opsi penghentian sewa.

Pembayaran sewa variabel yang tidak bergantung pada indeks atau suku bunga diakui sebagai beban pada periode di mana peristiwa atau kondisi yang memicu pembayaran terjadi.

Dalam menghitung nilai kini dari pembayaran sewa, Bank menggunakan suku bunga pinjaman inkremental penyewa pada tanggal dimulainya sewa karena suku bunga implisit dalam sewa tidak dapat ditentukan. Setelah tanggal dimulainya sewa, jumlah liabilitas sewa ditingkatkan untuk mencerminkan pertambahan bunga dan dikurangi pembayaran sewa yang dilakukan. Selain itu, jumlah tercatat liabilitas sewa diukur kembali jika terdapat modifikasi, perubahan jangka waktu sewa, perubahan pembayaran sewa, atau perubahan dalam penilaian opsi untuk membeli aset pendasar.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

p. Right-of-use assets and lease liabilities *(continued)*

On the initial of lease date, the Bank recognizes lease liabilities which measured at the present value of future lease payments that will be paid over the lease term. Lease payments include fixed payments (including substantially fixed payments), less lease incentive receivables, variable lease payments that depends on index or interest rate and the expected amount to be paid in a residual value guarantee. Lease payments also include the reasonable exercise price for the purchase option if it is determined to be made by the Bank and the payment of a penalty to terminate the lease, if the lease term reflects the Bank exercising the lease termination option.

Variable lease payments that are not depends on an index or interest rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Bank uses the lessee incremental borrowing rate at the inception date of the lease since the interest rate implicit in the lease cannot be determined. After the inception date of the lease, the amount of the lease liability is increased to reflect the interest increase and less lease payments made. Furthermore, the lease liabilities carrying amount is remeasured if there are modifications, changes in term of the lease, lease payments, or the valuation of the option to purchase the underlying asset.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

p. Aset hak guna dan liabilitas sewa (lanjutan)

Sewa jangka pendek (dengan jangka waktu kurang atau sama dengan 12 bulan) dan sewa aset bernilai rendah, serta elemen-elemen sewa tersebut, sebagian atau seluruhnya tidak menerapkan prinsip-prinsip pengakuan yang ditentukan oleh PSAK No. 73 akan diperlakukan sama dengan sewa operasi pada PSAK No. 30. Bank akan mengakui pembayaran sewa tersebut dengan dasar garis lurus selama masa sewa dalam laporan laba rugi dan penghasilan komprehensif lain. Beban ini dicatat pada beban umum dan administrasi dalam laporan laba rugi.

Penerapan pencatatan PSAK No. 73 berlaku untuk seluruh sewa (kecuali sebagaimana yang disebutkan sebelumnya) sebagai berikut:

- Menyajikan aset hak guna sebagai bagian dari aset tetap dan liabilitas sewa disajikan sebagai bagian dari liabilitas lain-lain dalam laporan posisi keuangan, yang diukur pada nilai kini dari pembayaran sewa masa depan;
- Mencatat penyusutan aset hak guna dan bunga atas liabilitas sewa dalam laporan laba rugi dan penghasilan komprehensif; dan
- Memisahkan jumlah total pembayaran ke bagian pokok (disajikan dalam kegiatan pendanaan) dan bunga (disajikan dalam kegiatan operasional) dalam laporan arus kas.

q. Aset tak berwujud

Aset tak berwujud diukur sebesar nilai perolehan pada pengakuan awal, kemudian dicatat pada biaya perolehan dikurangi akumulasi amortisasi dan akumulasi kerugian penurunan nilai. Umur manfaat aset tak berwujud dinilai apakah terbatas atau tidak terbatas.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

p. Right-of-use assets and lease liabilities *(continued)*

Short-term leases (with term of less or equal to 12 months) and leases of low-value assets, and elements of those leases, partially or entirely not applying the recognition principles stipulated by SFAS No. 73 will be treated the same as operating leases in SFAS No. 30. The Bank will recognize these lease payments on a straight-line basis during the lease period on the statement of profit or loss and other comprehensive income. This expense is recorded under general and administrative expenses in profit or loss.

The recording implementation of SFAS No. 73 is applied for all leases (except as stated earlier) as follows:

- *Presents right-of-use assets as part of fixed assets and lease liabilities presented as part of other liabilities in the statement of financial position which measured at the present value of the future lease payments;*
- *Records depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss and other comprehensive income; and*
- *Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the statement of cash flows.*

q. Intangible assets

Intangible assets is measured on initial recognition at cost, then will be carried at cost less any accumulated amortization and any accumulated impairment loss. The usefeul life of intangible assets is assessed to be either finite of indefinite.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

q. Aset tak berwujud (lanjutan)

Aset tak berwujud dengan umur manfaat terbatas

Aset tak berwujud dengan umur manfaat terbatas diamortisasi selama umur manfaat ekonomi dengan metode garis lurus (atau metode lain sepanjang mencerminkan pola manfaat ekonomis masa depan yang diperkirakan dikonsumsi oleh entitas).

Amortisasi dihitung sebagai penghapusan biaya perolehan aset, dikurangi nilai residunya, atas umur ekonomisnya sebagai berikut:

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

q. Intangible assets *(continued)*

Intangible asset with finite useful life

Intangible assets with finite useful life is amortized over the economic useful life by using a straight-line method (or other method as it reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity).

Amortization is calculated to write-off the cost of the assets, less its estimated residual value, over its useful economic life as follows:

	Tahun/ *Years*	
Hubungan dengan nasabah	10	*Customer relationship*
Simpanan dari nasabah	10	*Customer's deposits*

Periode amortisasi dan metode amortisasi untuk aset tak berwujud dengan umur manfaat terbatas ditelaah setidaknya setiap akhir tahun buku.

The amortization period and the amortization method for an intangible asset with finite useful life are reviewed at least at each financial year-end.

Aset tak berwujud dengan umur manfaat tidak terbatas

Aset tak berwujud dengan umur manfaat tidak terbatas tidak diamortisasi. Masa manfaat jenis aset ini ditelaah setiap tahun untuk menentukan apakah peristiwa dan keadaan dapat terus mendukung penilaian bahwa umur manfaat tetap tidak terbatas. Jika tidak, perubahan masa manfaat dari tidak terbatas menjadi terbatas diterapkan secara prospektif.

Aset tak berwujud dengan umur manfaat tidak terbatas diuji untuk penurunan nilai setiap tahun dan kapanpun terdapat suatu indikasi bahwa aset tak berwujud mungkin mengalami penurunan nilai.

Intangible asset with indefinite useful life

Intangible assets with indefinite useful life is not amortized. The useful life of this type of asset that is not being amortized is reviewed annually to determine whether events and cisrcumstances continue to support an indefinite useful life assessment for that asset. If not, the change in the useful life assessment from indefinite to finite is accounted for an prospective basis.

Intangible assets with indefinite useful life is tested for impairment annually and whenever there is an indication that the intangible asset may be impaired.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

q. Aset tak berwujud (lanjutan)

Aset tak berwujud dengan umur manfaat tidak terbatas (lanjutan)

Aset tak berwujud dihentikan pengakuannya pada saat pelepasan (yaitu, pada tanggal penerima memperoleh kendali) atau ketika tidak ada manfaat ekonomi masa depan yang diharapkan dari penggunaan atau pelepasannya. Keuntungan atau kerugian yang timbul dari penghentian pengakuan aset (dihitung sebagai perbedaan antara hasil pelepasan neto dan jumlah tercatat aset) dimasukkan dalam laporan laba rugi.

r. Agunan yang diambil alih

Agunan yang diambil alih sehubungan dengan penyelesaian pinjaman yang diberikan disajikan sebagai bagian dari akun "Aset lain-lain".

Pada saat pengakuan awal, agunan yang diambil alih dibukukan pada nilai wajar setelah dikurangi perkiraan biaya untuk menjualnya, maksimum sebesar liabilitas debitur di laporan posisi keuangan. Setelah pengakuan awal, agunan yang diambil alih dibukukan sebesar nilai yang lebih rendah antara nilai tercatat dengan nilai wajarnya setelah dikurangi dengan biaya untuk menjualnya. Selisih lebih saldo kredit diatas nilai realisasi bersih dari agunan yang diambil alih dibebankan ke dalam akun cadangan kerugian penurunan nilai.

Beban-beban yang berkaitan dengan pemeliharaan agunan yang diambil alih dibebankan pada laporan laba rugi dan penghasilan komprehensif lain pada saat terjadinya.

Laba atau rugi yang diperoleh atau berasal dari penjualan agunan yang diambil alih disajikan sebagai bagian dari "Pendapatan/ (beban) non-operasional - neto" pada laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

q. Intangible assets *(continued)*

Intangible asset with indefinite useful life (continued)

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

r. Foreclosed assets

Collaterals acquired through foreclosures related to the loans settlement are presented as part of "Other assets" account.

At initial recognition, foreclosed assets are stated at fair value, net of estimated costs to sell at the maximum of the borrower's liabilities as stated in the statement of financial position. After initial recognition, foreclosed assets are recorded at the amount whichever is lower of the carrying amount and fair value, net of estimated costs to sell. The excess of the uncollectible loan balance over the value of the collateral is charged to allowance for impairment losses.

Maintenance expenses of foreclosed assets are charged to the statement of profit or loss and other comprehensive income as incurred.

Gains or losses earned or incurred from the sale of foreclosed assets are presented as part of "Non-operating income/(expense) - net" in the statement of profit or loss and other comprehensive income for the current year.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

s. Biaya dibayar di muka

Biaya dibayar di muka dibebankan pada usaha sesuai dengan masa manfaatnya dan disajikan sebagai bagian dari akun "Aset lain-lain".

t. Simpanan dari nasabah

Simpanan dari nasabah adalah dana yang dipercayakan oleh nasabah (di luar bank lain) kepada Bank berdasarkan perjanjian penyimpanan dana. Simpanan dari nasabah terdiri dari giro, tabungan dan deposito berjangka.

Giro, tabungan dan deposito berjangka diakui sebesar nilai wajar pada awalnya dan selanjutnya diukur sebesar biaya perolehan diamortisasi. Biaya perolehan diamortisasi dihitung dengan memperhitungkan adanya diskonto atau premi terkait dengan pengakuan awal simpanan dan biaya transaksi yang merupakan bagian yang tak terpisahkan dari suku bunga efektif.

u. Simpanan dari bank lain

Simpanan dari bank lain merepresentasikan liabilitas terhadap bank lain, baik di dalam maupun di luar negeri berupa giro, tabungan, *interbank call money* dengan periode jatuh tempo berdasarkan perjanjian kurang dari atau sama dengan 90 hari dan deposito berjangka.

Simpanan dari bank lain diakui sebesar nilai wajar pada awalnya dan selanjutnya diukur sebesar biaya perolehan diamortisasi dengan menggunakan suku bunga efektif. Biaya perolehan diamortisasi dihitung dengan memperhitungkan diskonto atau premi yang terkait dengan pengakuan awal simpanan dari bank lain dan biaya transaksi yang merupakan bagian yang tidak terpisahkan dari suku bunga efektif.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

s. Prepaid expenses

Prepaid expenses are charged to operations over the period benefited and presented as part of "Other assets" account.

t. Deposits from customers

Deposits from customers are the funds entrusted by customers (excluding other banks) to the Bank based on deposit agreements. Deposits from customers consist of demand deposits, saving deposits and time deposits.

Demand deposits, saving deposits and time deposits are initially recognized at fair value and subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of deposits and transaction costs that are an integral part of the EIR.

u. Deposits from other banks

Deposits from other banks represent liabilities to other domestic and overseas banks in the form of demand deposits, saving deposits, interbank call money with maturity period under agreement is less than or equal to 90 days and time deposits.

Deposits from other banks are initially recognized at fair value and subsequently measured at amortized cost using the EIR. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of deposits from other bank and transaction costs that are integral part of the EIR.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

v. Efek utang yang diterbitkan

Efek utang yang diterbitkan diakui sebesar nilai wajar pada awalnya dan selanjutnya diukur sebesar nilai biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Biaya perolehan diamortisasi dihitung dengan memperhitungkan adanya diskonto atau premi terkait dengan pengakuan awal efek utang yang diterbitkan dan biaya transaksi yang merupakan bagian yang tidak terpisahkan dari suku bunga efektif.

w. Pendapatan dan beban bunga

Instrumen keuangan yang diukur pada biaya perolehan diamortisasi, aset dan liabilitas keuangan yang diklasifikasikan sebagai nilai wajar melalui pendapatan komprehensif lain, pendapatan maupun beban bunganya diakui dengan menggunakan suku bunga efektif yaitu suku bunga yang akan mendiskonto secara tepat estimasi pembayaran atau penerimaan kas di masa depan sepanjang perkiraan umur instrumen keuangan tersebut atau jika lebih tepat untuk masa yang lebih singkat sebagai nilai tercatat bersih dari aset atau liabilitas keuangan tersebut. Perhitungan dilakukan dengan mempertimbangkan seluruh syarat dan ketentuan kontraktual instrumen keuangan termasuk *fee* atau biaya tambahan yang terkait secara langsung dengan instrumen tersebut yang merupakan bagian tidak terpisahkan dari suku bunga efektif.

Nilai tercatat aset atau liabilitas keuangan disesuaikan jika Bank merevisi estimasi pembayaran atau penerimaan. Nilai tercatat yang disesuaikan tersebut dihitung dengan menggunakan suku bunga efektif awal dan perubahan nilai tercatat dibukukan pada laporan laba rugi dan pendapatan komprehensif lainnya. Tetapi untuk aset keuangan yang telah direklasifikasi, dimana pada tahun berikutnya Bank meningkatkan estimasi pemulihan kas sebagai hasil dari peningkatan pengembalian penerimaan kas, dampak peningkatan pemulihan tersebut diakui sebagai penyesuaian suku bunga efektif sejak tanggal perubahan estimasi.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

v. Debt securities issued

Debt securities issued are initially recognized at fair value and subsequently measured at amortized cost using EIR method. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of debt securities issued and transaction costs that are an integral part of EIR.

w. Interest income and expenses

For financial instruments measured at amortized cost, financial assets and liabilities classified as fair value through other comprehensive income, interest income and expenses are recognized using the EIR, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR.

The carrying amount of the financial asset or liability is adjusted if the Bank revises its estimates of payments or receipts. The adjusted carrying amount is calculated using the initial EIR and the change in carrying amount is recorded in the statement of profit or loss and other comprehensive income. However, for a reclassified financial asset for which the Bank subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognized as an adjustment to the EIR from the date of the change in estimate.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

w. Pendapatan dan beban bunga (lanjutan)

Ketika nilai tercatat aset keuangan atau kelompok aset keuangan serupa telah diturunkan akibat kerugian penurunan nilai, maka pendapatan bunga tetap diakui pada tingkat suku bunga yang digunakan untuk mendiskontokan arus kas masa depan dalam pengukuran kerugian penurunan nilai.

x. Pendapatan dan beban provisi dan komisi

Pendapatan dan beban provisi dan komisi yang jumlahnya material yang berkaitan langsung dengan kegiatan pemberian aset keuangan diakui sebagai bagian penambah atau pengurang dari biaya perolehan aset keuangan yang bersangkutan dan akan diakui sebagai pendapatan dengan cara diamortisasi berdasarkan suku bunga efektif sepanjang perkiraan umur aset atau liabilitas keuangan.

Saldo beban yang ditangguhkan dan pendapatan komisi atas pinjaman yang diberikan yang diakhiri atau diselesaikan sebelum jatuh tempo diakui sebagai pendapatan dari penyelesaian.

y. Transaksi dan saldo dalam mata uang asing

Transaksi dalam mata uang asing dicatat berdasarkan kurs yang berlaku pada saat transaksi dilakukan. Pada tanggal laporan posisi keuangan, aset dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam mata uang Rupiah berdasarkan kurs *spot* Reuters pada tanggal tersebut pukul 16.00 WIB (Waktu Indonesia Barat).

Laba atau rugi kurs yang terjadi dikreditkan atau dibebankan pada laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

w. Interest income and expenses *(lanjutan)*

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, accordingly interest income continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

x. Fees and commissions income and expenses

Fees and commissions that have material amount directly related with the acquisition of financial assets are recognized as addition or deduction part of acquisition cost of related financial assets and will be recognized as income and amortized using the EIR during the expected life of financial assets or liabilities.

The outstanding balances of deferred fees and commission income on loans that are terminated or settled prior to maturity are recognized as income on settlement.

y. Foreign currencies transactions and balances

Transactions involving foreign currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At statement of financial position dates, monetary assets and liabilities denominated in foreign currencies are translated into Rupiah based on Reuters' spot rates at 16.00 WIB (West Indonesian local time) on that date.

The resulting gains or losses are credited or charged to the statement of profit or loss and other comprehensive income for the current year.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

y. Transaksi dan saldo dalam mata uang asing (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, kurs tengah mata uang asing adalah sebagai berikut:

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

y. Foreign currencies transactions and balances *(continued)*

As of 31 December 2023 and 2022, the middle rates of the foreign currencies are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Pound Sterling Inggris	19.626,56	18.786,09	*Great Britain Pound Sterling*
Franc Swiss	18.299,27	16.827,00	*Swiss Franc*
Euro Eropa	17.038,32	16.581,72	*European Euro*
Dolar Amerika Serikat	15.397,00	15.567,50	*United States Dollar*
Dolar Singapura	11.676,34	11.592,88	*Singapore Dollar*
Dolar Kanada	11.629,59	11.486,39	*Canadian Dollar*
Dolar Australia	10.520,77	10.557,88	*Australian Dollar*
Dolar Selandia Baru	9.765,55	9.851,12	*New Zealand Dollar*
Ringgit Malaysia	3.355,20	3.533,66	*Malaysian Ringgit*
Yuan China (CNY)	2.170,06	2.238,91	*(CNY) Chinese Yuan*
Yuan China (CNH)	2.169,50	2.234,50	*(CNH) Chinese Yuan*
Dolar Hong Kong	1.970,73	1.996,55	*Hong Kong Dollar*
Krona Swedia	1.541,54	1.487,84	*Swedish Krona*
Baht Thailand	449,74	450,71	*Thailand Baht*
Yen Jepang	108,88	117,81	*Japanese Yen*

z. Imbalan kerja

Beban pensiun berdasarkan program dana pensiun manfaat pasti ditentukan melalui perhitungan aktuaria secara periodik dengan menggunakan metode *projected-unit-credit* dan menerapkan asumsi atas tingkat diskonto, hasil yang diharapkan atas aset dana pensiun dan tingkat kenaikan manfaat pasti pensiun tahunan.

Seluruh pengukuran kembali yang terdiri atas keuntungan dan kerugian aktuarial dan hasil atas aset dana pensiun (tidak termasuk bunga bersih) diakui langsung melalui penghasilan komprehensif lainnya dengan tujuan agar aset atau kewajiban pensiun bersih diakui dalam laporan posisi keuangan untuk mencerminkan nilai penuh dari defisit dan surplus dana pensiun. Pengukuran kembali tidak direklasifikasikan ke laba atau rugi pada periode berikutnya.

Seluruh biaya jasa lalu diakui di awal pada saat amendemen/kurtailmen terjadi atau ketika biaya restrukturisasi atau pemutusan hubungan kerja diakui. Sebagai akibatnya, biaya jasa lalu yang belum *vested* tidak lagi dapat ditangguhkan dan diakui selama periode *vesting* masa depan.

z. Employee benefits

Pension costs under defined benefit pension plans are determined by periodic actuarial calculation using the projected-unit-credit method and applying the assumptions on discount rate, expected return on plan assets and annual rate of increase in compensations.

All remeasurements comprises of actuarial gains and losses and the return of plan assets (excluding net interest) are recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the statement of financial position to reflect the full value of the plan deficit and surplus. Remeasurements are not reclassified to profit or loss in the subsequent periods.

All past service costs are recognized at the earlier of when the amendment/curtailment occurs and when the restructuring costs or termination costs are recognized. As a result, unvested past service costs can no longer be deferred and recognized over the future vesting period.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

z. Imbalan kerja (lanjutan)

Beban bunga dan pengembalian aset dana pensiun yang diharapkan sebagaimana digunakan dalam PSAK No. 24 digantikan dengan beban bunga - bersih yang dihitung dengan menggunakan tingkat diskonto untuk mengukur kewajiban manfaat pasti-bersih atau aset pada saat awal dari tiap periode pelaporan tahunan.

Bank memiliki program pensiun iuran pasti. Imbalan yang akan diterima karyawan ditentukan berdasarkan jumlah iuran yang dibayarkan pemberi kerja dan karyawan ditambah dengan hasil investasi iuran tersebut.

Pada bulan April 2022, Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia (DSAK IAI) menerbitkan materi penjelasan melalui siaran pers atas persyaratan pengatribusian imbalan pada periode jasa sesuai dengan PSAK No. 24: Imbalan Kerja yang diadopsi dari IAS 19 *Employee Benefits*. Materi penjelasan tersebut menyampaikan informasi bahwa pola fakta umum dari program pensiun berbasis undang-undang ketenagakerjaan yang berlaku di Indonesia saat ini memiliki pola fakta serupa dengan yang ditanggapi dan disimpulkan dalam IFRS Interpretation Committee (IFRIC) *Agenda Decision Attributing Benefit to Periods of Service* (IAS 19). Bank telah menerapkan materi penjelasan tersebut dan dengan demikian mengubah kebijakan akuntansi menyangkut atribusi imbalan kerja pada periode jasa dari kebijakan yang diterapkan sebelumnya pada laporan keuangan Bank pada tanggal 31 Desember 2021 dan untuk tahun yang berakhir pada tanggal tersebut. Dampak perubahan perhitungan tersebut adalah tidak material terhadap Bank, sehingga dibukukan seluruhnya pada laporan keuangan pada tahun berjalan (Catatan 35).

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

z. Employee benefits *(continued)*

The interest costs and expected return on plan assets used in the previous version of SFAS No. 24 are replaced with a net-interest amount, which are calculated by applying the discount rate to the net defined benefit liability or asset at the start of each annual reporting period.

The Bank has a defined contribution plan. The benefit to be received by employees is determined based on the amount of contribution paid by the employer and employee and the investment earnings of the fund.

In April 2022, Institute of Indonesia Chartered Accountants' Accounting Standard Board (DSAK IAI) issued an explanatory material through a press release regarding attribution of benefits to periods of service in accordance with SFAS No. 24: Employee Benefits which was adopted from IAS 19 Employee Benefits. The explanatory material conveyed the information that the fact pattern of the pension program based on the Labor Law currently enacted in Indonesia is similar to those responded and concluded in the IFRS Intepretation Committee (IFRIC) Agenda Decision Attributing Benefit to Periods of Service (IAS 19). The Bank has adopted the said explanatory material and accordingly changed its accounting policy regarding attribution of benefits to periods of service previously applied in the financial statements of the Bank as of 31 December 2021 and for the year then ended. The impact of the change in calculation is immaterial to the Bank, therefore the impact of the changes is recorded entirety in the financial statements for the current year (Note 35).

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

aa. Pajak penghasilan

Bank menerapkan PSAK No. 46 mengenai "Pajak Penghasilan" yang mengharuskan Perusahaan untuk memperhitungkan konsekuensi pajak kini dan pajak masa depan atas pemulihan di masa depan (penyelesaian) dari jumlah tercatat aset (liabilitas) yang diakui dalam laporan posisi keuangan dan transaksi-transaksi serta peristiwa lain yang terjadi dalam periode berjalan.

Bank menerapkan metode posisi keuangan dalam menghitung beban pajak tangguhannya. Dengan metode ini, aset dan liabilitas pajak tangguhan diakui pada setiap tanggal pelaporan sebesar perbedaan temporer aset dan liabilitas untuk tujuan akuntansi dan tujuan pajak. Metode ini juga mengharuskan pengakuan manfaat pajak di masa akan datang, jika kemungkinan realisasi manfaat tersebut di masa mendatang cukup besar. Tarif pajak yang berlaku atau yang secara substansial telah berlaku digunakan dalam menentukan pajak penghasilan tangguhan.

Aset pajak tangguhan diakui apabila terdapat kemungkinan besar bahwa jumlah laba fiskal pada masa datang akan memadai untuk mengkompensasi perbedaan temporer yang menimbulkan aset pajak tangguhan tersebut.

Aset dan liabilitas pajak penghasilan tangguhan dapat saling hapus apabila terdapat hak yang berkekuatan hukum untuk melakukan saling hapus antara aset pajak kini dengan liabilitas pajak kini dan apabila aset dan liabilitas tangguhan terkait pajak penghasilan yang dikenakan oleh otoritas perpajakan yang sama, baik atas entitas kena pajak yang sama ataupun berbeda dan adanya niat untuk melakukan penyelesaian saldo-saldo tersebut secara neto.

Perubahan terhadap kewajiban perpajakan dicatat pada saat diterimanya surat ketetapan atau apabila dilakukan banding ketika hasil banding diterima.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

aa. Income tax

The Bank has applied SFAS No. 46 regarding "Accounting for Income Tax" which requires the Company to account for the current and future tax consequences of the future recovery (settlement) of the carrying amount of assets (liabilities) that are recognized in the statements of financial position and transactions and other events of the current period.

The Bank adopts the financial position method in determining its deferred tax. Under this method, deferred tax assets and liabilities are recognized at each reporting date for temporary differences between the financial and tax bases of assets and liabilities. This method also requires the recognition of future tax benefits, to the extent that realization of such benefits is probable. Currently enacted or substantively enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available to compensate the temporary differences which result in such deferred tax assets.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Amendments to taxation obligations are recorded when an assessment is received or if an appeal is applied when the results of the appeal are received.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

ab. Laba per saham

Laba per saham dasar dihitung dengan membagi laba tahun berjalan yang dapat diatribusikan kepada pemegang saham dengan jumlah rata-rata tertimbang saham yang ditempatkan dan disetor penuh pada tahun bersangkutan.

ac. Transaksi restrukturisasi antara entitas sepengendali

Bank menerapkan PSAK No. 38 tentang "Kombinasi Bisnis Entitas Sepengendali" yang menggantikan PSAK No. 38 mengenai "Akuntansi Restrukturisasi Entitas Sepengendali" kecuali atas saldo selisih nilai transaksi restrukturisasi entitas sepengendali yang diakui sebelumnya, disajikan sebagai bagian dari "Tambahan Modal Disetor" dalam bagian ekuitas. PSAK No. 38 mengatur tentang akuntansi kombinasi bisnis entitas sepengendali, baik untuk entitas yang menerima bisnis maupun untuk entitas yang melepas bisnis.

Dalam PSAK No. 38, pengalihan bisnis antara entitas sepengendali tidak mengakibatkan perubahan substansi ekonomi kepemilikan atas bisnis yang dialihkan dan tidak dapat menimbulkan laba atau rugi bagi Bank secara keseluruhan ataupun bagi entitas individual dalam Bank tersebut. Karena pengalihan bisnis antara entitas sepengendali tidak mengakibatkan perubahan substansi ekonomi, maka bisnis yang dipertukarkan dicatat pada nilai buku sebagai kombinasi bisnis dengan menggunakan metode penyatuan kepemilikan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

ab. Earning per share

Basic earnings per share is computed by dividing income for the year attributable to equity holders by weighted average number of issued and fully paid shares outstanding during the year.

ac. Restructuring transactions among entities under common control

The Bank prospectively adopted SFAS No. 38 about "Business Combinations of Entities Under Common Control" which supersedes SFAS No. 38, regarding "Accounting for Restructuring of Entities Under Common Control" except for the previously recognized difference in value of restructuring transactions of entities under common control are presented as "Additional Paid-in Capital" in the equity section. SFAS No. 38 prescribes the accounting for business combinations of entities under common control for both the entity which receiving the business and the entity which disposing the business.

Under SFAS No. 38, transfer of business within entities under common control does not result in a change of the economic substance of ownership of the business being transferred and would not result in a gain or loss to the Bank or to the individual entity within the Bank. Since the transfer of business of entities under common control does not result in a change of the economic substance, then the business being exchanged is recorded at book value as a business combination using the pooling-of-interests method.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

ac. Transaksi restrukturisasi antara entitas sepengendali (lanjutan)

Dalam menerapkan metode penyatuan kepemilikan, komponen laporan keuangan dimana terjadi kombinasi bisnis dan untuk periode lain yang disajikan untuk tujuan perbandingan disajikan sedemikian rupa seolah-olah kombinasi bisnis telah terjadi sejak awal periode terjadi sepengendalian. Selisih antara nilai tercatat transaksi kombinasi bisnis dan jumlah imbalan yang dialihkan diakui dalam akun "Tambahan modal disetor - neto".

ad. Informasi segmen

Segmen operasi adalah komponen Bank yang terlibat dalam aktivitas bisnis yang memperoleh pendapatan dan menimbulkan beban, dimana hasil operasinya dikaji ulang secara regular oleh pengambil keputusan operasional untuk membuat keputusan tentang sumber daya yang dialokasikan pada segmen tersebut dan menilai kinerjanya serta menyediakan informasi keuangan yang dapat dipisahkan. Segmen operasi terbagi dalam kelompok *wholesale, retail* dan lainnya.

ae. Perubahan Pernyataan Standar Akuntansi Keuangan dan Interpretasi Standar Akuntansi Keuangan

Penerapan dari standar dan interpretasi baru berikut sejak tanggal 1 Januari 2023, tidak menimbulkan perubahan substansial terhadap kebijakan akuntansi Bank dan tidak berdampak signifikan terhadap jumlah yang dilaporkan pada periode berjalan atau tahun sebelumnya:

- Amendemen PSAK No. 1: "Penyajian Laporan Keuangan" tentang pengungkapan kebijakan akuntansi yang mengubah istilah "signifikan" menjadi "material" dan memberi penjelasan mengenai kebijakan akuntansi material".
- Amendemen PSAK No. 1: "Penyajian Laporan Keuangan" tentang klasifikasi liabilitas.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

ac. Restructuring transactions among entities under common control *(continued)*

In applying the pooling-of-interests method, the components of the financial statements for the period during which the business combination occurred and for other periods presented for comparison purposes are presented in such a manner as if the business combination has already happened since the beginning of the periods during which the entities were under common control. The difference between the carrying amounts of the business combination transaction and the consideration transferred is recognized under the account "Additional paid-in capital - net".

ad. Segment information

An operating segment is the Bank's component that is involved in business activities which derives income and incurs expenses, in which the operating result is reviewed regularly by operational decision maker for making decisions related to resources that are allocated to the segment and evaluates the performance and provides separable financial information. The operating segment has been determined to be wholesale, retail and others.

ae. Changes to Statements of Financial Accounting Standards and Interpretations of Statements of Financial Accounting Standards

The adoption of these new and revised standards and interpretation since 1 January 2023 did not result in substansial changes to the Bank's accounting policies and had no material effect on the amounts reported for the current or prior financial period/years:

- *Amendment of SFAS No. 1: "Presentation of Financial Statements" regarding disclosure of accounting policies that change the term "significant" to "material" and provide explanations of material accounting policies".*
- *Amendment of SFAS No. 1: "Presentation of Financial Statements" regarding classification of liabilities.*

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

ae. Perubahan Pernyataan Standar Akuntansi Keuangan dan Interpretasi Standar Akuntansi Keuangan (lanjutan)

Penerapan dari standar dan interpretasi baru berikut sejak tanggal 1 Januari 2023, tidak menimbulkan perubahan substansial terhadap kebijakan akuntansi Bank dan tidak berdampak signifikan terhadap jumlah yang dilaporkan pada periode berjalan atau tahun sebelumnya: (lanjutan)

- Amendemen PSAK No. 25: "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan" tentang definisi "estimasi akuntansi" dan penjelasannya.
- Amendemen PSAK No. 16: "Aset Tetap" tentang hasil sebelum penggunaan yang diintensikan.
- Amendemen PSAK No. 46: "Pajak Penghasilan" tentang Pajak Tangguhan terkait Aset dan Liabilitas yang timbul dari Transaksi Tunggal yang diadopsi dari Amendemen IAS 12 Income Taxes tentang *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*.

af. Pertimbangan dan estimasi akuntansi yang signifikan

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut:

Usaha yang berkelanjutan

Manajemen Bank telah melakukan penilaian atas kemampuan Bank untuk melanjutkan kelangsungan usahanya dan berkeyakinan bahwa Bank memiliki sumber daya untuk melanjutkan usahanya di masa mendatang.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

ae. Changes to Statements of Financial Accounting Standards and Interpretations of Statements of Financial Accounting Standards *(continued)*

The adoption of these new and revised standards and interpretation since 1 January 2023 did not result in substansial changes to the Bank's accounting policies and had no material effect on the amounts reported for the current or prior financial period/years: (continued)

- *Amendment of SFAS No. 25: "Accounting Policies, Changes in Accounting Estimates, and Errors" regarding the definition of "accounting estimates" and their explanations.*
- *Amendment of SFAS No. 16: "Fixed Assets" regarding proceeds before intended use.*
- *Amendment of SFAS No. 46: "Income Tax" on Deferred Tax related to Assets and Liabilities arising from a Single Transaction which adopted from Amended IAS 12 Income Taxes on Deferred Tax related to Assets and Liabilities arising from a Single Transaction.*

af. Judgments and significant accounting estimates

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows:

Going concern

The Bank's management has made an assessment of the Bank's ability to continue as a going concern and is satisfied that the Bank has the resources to continue in business for the foreseeable future.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

af. Pertimbangan dan estimasi akuntansi yang signifikan (lanjutan)

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Usaha yang berkelanjutan (lanjutan)

Selain itu, Manajemen menyadari bahwa tidak ada ketidakpastian material yang dapat menimbulkan keraguan yang signifikan terhadap kemampuan Bank untuk melanjutkan kelangsungan usahanya. Oleh karena itu, laporan keuangan telah disusun atas dasar usaha yang berkelanjutan.

Nilai wajar atas instrumen keuangan

Bila nilai wajar aset keuangan dan liabilitas keuangan yang tercatat pada laporan posisi keuangan tidak tersedia di pasar aktif, nilainya ditentukan dengan menggunakan berbagai teknik penilaian termasuk penggunaan model matematika. Input untuk model ini berasal dari data pasar yang bisa diamati sepanjang data tersebut tersedia, namun bila data pasar yang bisa diamati tersebut tidak tersedia, maka digunakan pertimbangan manajemen untuk menentukan nilai wajar.

Pertimbangan manajemen tersebut mencakup pertimbangan likuiditas dan masukan model seperti volatilitas untuk transaksi derivatif yang berjangka panjang dan tingkat diskonto, tingkat pelunasan dipercepat dan asumsi tingkat gagal bayar.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

af. Judgments and significant accounting estimates *(continued)*

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Going concern (continued)

Furthermore, the Management realized that there are no material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

Fair value of financial instruments

When the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, management judgment is required to establish fair values.

Management judgments include considerations of liquidity and model inputs such as volatility for long term derivatives and discount rates, early payment rates and default rate assumptions.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

af. Pertimbangan dan estimasi akuntansi yang signifikan (lanjutan)

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Nilai wajar atas instrumen keuangan (lanjutan)

Bank menampilkan nilai wajar atas instrumen keuangan berdasarkan hierarki nilai wajar sebagai berikut:

- Tingkat 1
  Harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik;
- Tingkat 2
  Input selain harga kuotasian yang termasuk dalam Tingkat 1 yang dapat diobservasi untuk aset dan liabilitas baik secara langsung (misalnya harga) atau secara tidak langsung; dan
- Tingkat 3
  Input untuk aset dan liabilitas yang bukan berdasarkan pada pasar yang dapat diobservasi (input yang tidak dapat diobservasi).

Nilai wajar atas instrumen derivatif yang dinilai menggunakan teknik penilaian dengan menggunakan komponen yang dapat diamati di pasar terutama adalah *swap* suku bunga, *swap* mata uang dan kontrak pertukaran mata uang. Teknik penilaian yang paling banyak digunakan meliputi model penilaian *forward* dan *swap* yang menggunakan perhitungan nilai kini. Model tersebut menggabungkan berbagai komponen yang meliputi kualitas kredit dari *counterparty*, nilai *spot* dan kontrak berjangka serta kurva tingkat suku bunga.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

af. Judgments and significant accounting estimates *(continued)*

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Fair value of financial instruments (continued)

The Bank presents fair value of financial instruments based on the following fair value hierarchy:

- *Level 1*
  Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- *Level 2*
  Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (example, price) or indirectly; and
- *Level 3*
  Inputs for the asset and liability that are not based on observable market data (unobservable inputs).

The fair values of derivative instruments valued by valuation techniques using components which can be observed in the market, primarily are interest rate swaps, currency swaps and currency exchange contracts. Most widely used valuation techniques include forward and swap valuation models which use the present value calculation. The models incorporate various components which include the credit quality of the counterparty, spot value and future contracts and interest rate curve.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

af. Pertimbangan dan estimasi akuntansi yang signifikan (lanjutan)

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Nilai wajar atas instrumen keuangan (lanjutan)

Teknik penilaian termasuk model nilai tunai dan arus kas yang didiskontokan dan perbandingan dengan instrumen yang sejenis dimana terdapat harga pasar yang dapat diobservasi. Asumsi dan input yang digunakan dalam teknik penilaian termasuk suku bunga bebas risiko dan suku bunga acuan, c*redit spread* dan variabel lainnya yang digunakan dalam mengestimasi tingkat diskonto, harga obligasi, kurs valuta asing, serta tingkat kerentanan dan korelasi harga yang diharapkan. Tujuan dari teknik penilaian adalah penentuan nilai wajar yang mencerminkan harga dari instrumen keuangan pada tanggal pelaporan yang akan ditentukan oleh para partisipan di pasar dalam suatu transaksi yang wajar.

Penurunan nilai kredit yang diberikan

Bank melakukan penelaahan pada setiap tanggal laporan posisi keuangan untuk menilai apakah penurunan nilai harus dicatat dalam laporan laba rugi dan penghasilan komprehensif lain. Secara khusus, pertimbangan manajemen diperlukan dalam estimasi jumlah dan waktu arus kas di masa mendatang ketika menentukan penurunan nilai.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

af. Judgments and significant accounting estimates *(continued)*

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Fair value of financial instruments (continued)

Valuation techniques include net present value and discounted cash flow models and comparison to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other variables used in estimating discount rates, bond prices, foreign currency exchange rates, and expected price volatilities and correlations. The objective of valuation technique is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arms length.

Impairment losses on loans

The Bank reviews its loans at each statement of financial position date to assess whether an impairment loss should be recorded in the statement of profit or loss and other comprehensive income. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the impairment loss.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

af. Pertimbangan dan estimasi akuntansi yang signifikan (lanjutan)

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Penurunan nilai kredit yang diberikan (lanjutan)

Dalam mengestimasi arus kas tersebut, Bank melakukan penilaian atas kondisi keuangan peminjam dan nilai realisasi bersih agunan. Estimasi tersebut didasarkan pada asumsi dari sejumlah faktor dan hasil aktual mungkin berbeda, sehingga mengakibatkan perubahan penyisihan di masa depan.

Penurunan nilai aset yang diukur pada nilai wajar melalui pendapatan komprehensif lain dan tagihan akseptasi

Bank menelaah aset yang diklasifikasikan sebagai nilai wajar melalui pendapatan komprehensif lain dan tagihan akseptasi pada setiap tanggal laporan posisi keuangan untuk menilai apakah telah terjadi penurunan nilai. Penilaian tersebut menggunakan pertimbangan yang sama seperti yang diterapkan pada penilaian secara individual atas kredit yang diberikan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

af. Judgments and significant accounting estimates *(continued)*

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Impairment losses on loans (continued)

In estimating these cash flows, the Bank makes judgment about the borrower's financial situation and the net realizable value of collateral. These estimates are based on the assumptions about number of factors and actual results may differ that cause changes to the allowance in the future.

Impairment in value of fair value through other comprehensive income and acceptance receivables

The Bank reviews assets which are classified as fair value through other comprehensive income and acceptance receivables at each financial position date to assess whether impairment has occurred. The assessment uses the same considerations as applied to individual assessment on loans.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

af. Pertimbangan dan estimasi akuntansi yang signifikan (lanjutan)

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Cadangan kerugian penurunan nilai aset keuangan

Kondisi spesifik *counterparty* yang mengalami penurunan nilai dalam pembentukan cadangan kerugian atas aset keuangan dievaluasi secara individu berdasarkan estimasi terbaik manajemen atas nilai kini arus kas yang diharapkan akan diterima. Dalam mengestimasi arus kas tersebut, manajemen membuat pertimbangan tentang situasi keuangan *counterparty* dan nilai realisasi bersih dari setiap agunan. Setiap aset yang mengalami penurunan nilai harus dinilai sesuai dengan manfaat yang ada, strategi penyelesaian dan estimasi arus kas yang diperkirakan dapat diterima.

Perhitungan cadangan penurunan nilai kolektif meliputi kerugian kredit yang melekat dalam portofolio aset keuangan dengan karakteristik ekonomi yang sama ketika terdapat bukti objektif penurunan nilai terganggu, tetapi penurunan nilai secara individu belum dapat diidentifikasi. Dalam menilai kebutuhan untuk cadangan kolektif, manajemen mempertimbangkan faktor-faktor seperti kualitas kredit dan jenis produk. Guna membuat estimasi cadangan yang diperlukan, manajemen membuat asumsi untuk menentukan kerugian yang melekat, dan untuk menentukan parameter input yang diperlukan, berdasarkan pengalaman masa lalu, kondisi ekonomi saat ini dan juga kondisi ekonomi masa depan sejak tanggal 1 Januari 2020.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

af. Judgments and significant accounting estimates *(continued)*

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Allowances for impairment losses of financial assets

In the calculation of allowance for impairment losses of financial assets, the specific condition of impaired counterparty is individually evaluated based on management's best estimate of the present value of the expected cash flows to be received. In estimating these cash flows, management makes judgements about the counterparty's financial situation and the net realizable value of any underlying collateral. Each impaired asset is assessed on its merits, the completion strategy and estimated cash flows which are considered recoverable.

Collectively assessed impairment allowances cover credit losses inherent in portfolios of financial assets with similar economic characteristics when there is objective evidence to suggest that they contain impaired financial assets, but the individual impaired items cannot yet be identified. In assessing the need for collective allowances, management considers factors such as credit quality and type of product. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experiences, current economic conditions and future economic condition as well since 1 January 2020.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

af. Pertimbangan dan estimasi akuntansi yang signifikan (lanjutan)

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Keakuratan penyisihan tergantung pada seberapa baik estimasi arus kas masa depan untuk cadangan *counterparty* tertentu dan asumsi model dan parameter yang digunakan dalam menentukan cadangan kolektif.

Penurunan nilai aset non-keuangan

Bank mengevaluasi penurunan nilai aset apabila terdapat kejadian atau perubahan keadaan yang mengindikasikan bahwa nilai tercatat aset tak dapat dipulihkan kembali. Faktor-faktor penting yang dapat menyebabkan penelaahan penurunan nilai adalah sebagai berikut:

a) Performa yang tidak tercapai secara signifikan terhadap ekspektasi historis atau proyeksi hasil operasi di masa yang akan datang;
b) Perubahan yang signifikan dalam cara penggunaan aset atau strategi bisnis secara keseluruhan; dan
c) Industri atau tren ekonomi yang secara signifikan bernilai negatif.

Bank mengakui kerugian penurunan nilai apabila nilai tercatat aset melebihi nilai yang dapat dipulihkan. Nilai terpulihkan adalah nilai yang lebih tinggi antara nilai wajar dikurang biaya untuk menjual dengan nilai pakai aset (atau unit penghasil kas). Nilai terpulihkan diestimasi untuk aset individual atau jika tidak memungkinkan, untuk unit penghasil kas yang mana aset tersebut merupakan bagian daripada unit tersebut.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

af. Judgments and significant accounting estimates *(continued)*

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Allowances for impairment losses of financial assets (continued)

The accuracy of the allowances depends on how well the estimated future cash flows for specific counterparty allowances and the model assumptions and parameters are used in determining collective allowances.

Impairment of non-financial assets

The Bank assesses impairment of assets whenever events or changes in circumstances that would indicates that the carrying amount of an asset may not be recoverable. The factors that the Bank considers important which could trigger an impairment review include the following:

a) Significant underperformance relative to expected historical or projected future operating results;
b) Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
c) Significant negative industry or economic trends.

The Bank recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the whichever higher of an asset's (or cash-generating units) fair value less costs to sell and its value in use. Recoverable amounts are estimated for individual assets or if it is not possible, for the cash-generating unit to which the asset belongs.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

af. Pertimbangan dan estimasi akuntansi yang signifikan (lanjutan)

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Metode Suku Bunga Efektif (EIR)

Manajemen menggunakan estimasi ekspektasi umur kredit perumahan dengan pendekatan umur *behavior* dan akan melakukan penilaian kembali perilaku umur *behavior* untuk menentukan estimasi umur terbaik kredit perumahan secara berkala.

Aset pajak tangguhan

Aset pajak tangguhan diakui atas jumlah pajak penghasilan terpulihkan pada periode mendatang sebagai akibat dari perbedaan temporer. Justifikasi manajemen diperlukan untuk menentukan jumlah aset pajak tangguhan yang dapat diakui sesuai dengan perkiraan waktu dan tingkat laba fiskal di masa mendatang sejalan dengan strategi rencana perpajakan ke depan.

Klasifikasi aset dan liabilitas keuangan

Bank menetapkan klasifikasi aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangkan apakah definisi yang ditetapkan PSAK No. 71 terpenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Bank seperti diungkapkan pada Catatan 2d.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

af. Judgments and significant accounting estimates *(continued)*

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Effective Interest Rate (EIR) Method

Management applied the estimated expected life of mortgage loan using behavior life approach and will reassess the behavior life to determine the best estimated life of housing loans, regularly.

Deferred tax assets

Deferred tax assets are recognized for the future recoverable taxable income arising from temporary difference. Management's judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable profits together with future tax strategy.

Classification of financial assets and liabilities

The Bank determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in SFAS No. 71. Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Bank's accounting policies disclosed in Note 2d.

2. Ikhtisar Informasi Kebijakan Akuntansi Material (lanjutan)

Kebijakan akuntansi utama yang diterapkan dalam penyusunan laporan keuangan Bank adalah seperti dijabarkan di bawah ini: (lanjutan)

af. Pertimbangan dan estimasi akuntansi yang signifikan (lanjutan)

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Imbalan kerja

Penentuan liabilitas imbalan kerja Bank bergantung pada pemilihan asumsi yang digunakan oleh aktuaris independen dan manajemen Bank dalam menghitung jumlah-jumlah tersebut. Asumsi tersebut termasuk antara lain, tingkat diskonto, tingkat kenaikan gaji tahunan, tingkat pengunduran diri karyawan tahunan, tingkat kecacatan, umur pensiun dan tingkat kematian.

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut: (lanjutan)

Pajak penghasilan

Bank mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan.

2. Summary of Material Accounting Policies Information *(continued)*

The principal accounting policies adopted in preparing the financial statements of the Bank are set out below: (continued)

af. Judgments and significant accounting estimates *(continued)*

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Employee benefits

The Bank's employee benefit liabilities are determined depend on the selection of certain assumptions used by the independent actuaries and the Bank's management in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turnover rate, disability rate, retirement age and mortality rate.

In the process of applying the Bank's accounting policies, Management has exercised professional judgments and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgments and estimates are as follows: (continued)

Income tax

The Bank recognizes liabilities for corporate income tax based on estimation of whether additional corporate income tax will be due.

3. Kombinasi Bisnis

Bank telah menyelesaikan Penjualan dan Pembelian Aset dan Liabilitas atas bisnis konsumer dari Citi pada tanggal 18 November 2023. *Goodwill* senilai Rp913.973 telah diakui berdasarkan basis provisi sementara, menunggu finalisasi atas penyelesaian akun, alokasi harga pembelian dan penilaian aset tak berwujud. Aset tak berwujud lainnya berkaitan dengan hubungan pelanggan dari bisnis konsumer Citi dan *core deposits* senilai Rp220.000.

3. Business Combination

Bank has completed the Sale and Purchase of Assets and Liabilities for the consumer business from Citi on 18 November 2023. Goodwill of Rp913,973 has been recognized on a provisional basis, pending the finalization of the completion accounts, purchase price allocation and intangible asset valuations. Other intangible assets relate to Citi consumer business customer relationships and core deposits amounting to Rp220,000.

3. Kombinasi Bisnis (lanjutan)

Tabel berikut ini merangkum harga perolehan yang dibayarkan untuk akuisisi bisnis konsumer Citi serta jumlah aset yang diperoleh dan liabilitas yang diambil-alih pada tanggal akuisisi.

3. Business Combination *(continued)*

The following table summarises the consideration paid for business combination of the Citi's consumer banking along with the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

	18 November 2023	
Imbalan yang dialihkan		***Consideration transferred***
Aset		***Assets***
Kredit yang diberikan - neto	7.607.000	*Loans*
Aset lain-lain	113.464	*Other assets*
Total	7.720.464	*Total*
Liabilitas		***Liability***
Simpanan nasabah	11.591.616	*Customer deposits*
Liabilitas lain-lain	205.966	*Other liabilities*
Total	11.797.582	*Total*
Nilai aset bersih diperoleh	**4.077.118**	***Net assets acquired***
Dikurangi:		*Less:*
Goodwill setelah penyesuaian nilai wajar	1.061.759	*Goodwill after fair value adjustment*
Aset tak berwujud	72.214	*Intangible assets*
Nilai bersih diperoleh setelah dikurangi biaya akuisisi	**2.943.145**	***Net assets acquired less acquisition cost***
Kas dan setara kas diperoleh	72.155	*Cash and cash equivalents acquired*
Hasil akusisi atas bisnis konsumen, nilai kas yang diperoleh - neto	**3.015.300**	***Proceeds from acquisition of consumer business, net of cash acquired***

Terdapat perkiraan biaya transaksi *one-off* senilai Rp630.000 sehubungan dengan akuisisi bisnis ini sudah termasuk dalam biaya operasional untuk tahun yang berakhir pada tanggal 31 Desember 2023.

There were approximate of Rp630,000 one-off transactional costs relating to this business acquisition were included in the operating expenses for the financial year ended 31 December 2023.

Setelah akun penyelesaian difinalisasi, jumlah penyesuaian penyelesaian akan dibayarkan. Alokasi harga pembelian, penilaian aset tak berwujud dan *goodwill* sehubungan dengan akuisisi, akan diselesaikan dan disesuaikan jika diperlukan.

Once the completion accounts are finalized, the completion adjustment amount will be paid. The purchase price allocation, the intangible asset valuations and goodwill relating to the acquisition, will be finalized and adjusted for where necessary.

4. Kas / *4. Cash*

Akun ini terdiri dari:

This account consists of:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah	465.713	540.916	*Rupiah*
Mata uang asing			*Foreign currencies*
Dolar Amerika Serikat	72.259	61.976	*United States Dollar*
Dolar Singapura	65.568	114.510	*Singapore Dollar*
Total	**603.540**	**717.402**	***Total***

Kas dalam Rupiah termasuk uang pada mesin Anjungan Tunai Mandiri (ATM) sejumlah Rp14.516 dan Rp9.475 masing-masing pada tanggal 31 Desember 2023 dan 2022.

Cash in Rupiah includes cash in Automatic Teller Machines (ATM) amounting to Rp14,516 and Rp9,475 as of 31 December 2023 and 2022, respectively.

5. Giro pada Bank Indonesia / *5. Current Accounts with Bank Indonesia*

Akun ini terdiri dari:

This account consists of:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah	7.911.177	6.751.944	*Rupiah*
Dolar Amerika Serikat (USD129.239.467 dan USD136.028.914 masing-masing pada tanggal 31 Desember 2023 dan 2022)	1.989.900	2.117.630	*United States Dollar (USD129,239,467 and USD136,028,914 as of 31 December 2023 and 2022, respectively)*
Total	**9.901.077**	**8.869.574**	***Total***

Bank dipersyaratkan untuk memiliki Giro Wajib Minimum (GWM) dalam mata uang Rupiah dalam kegiatannya sebagai bank umum, serta GWM dalam mata uang asing dalam kegiatannya melakukan transaksi mata uang asing.

The Bank is required to maintain Minimum Statutory Reserves (GWM) in Rupiah for conventional banking and statutory reserves in foreign currencies for foreign exchange transactions.

Pada tanggal 31 Desember 2023 dan 2022, GWM dalam Rupiah dan mata uang asing masing-masing adalah sebagai berikut:

As of 31 December 2023 and 2022, GWM in Rupiah and foreign currencies are as follows:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah			*Rupiah*
GWM Harian	9,42%	9,47%	*Daily GWM*
GWM Rata-rata	10,34%	10,57%	*Average GWM*
Penyangga Likuiditas Makroprudensial	34,36%	31,25%	*Macroprudential Liquidity Buffer*
Rasio Intermediasi Makroprudensial	67,84%	69,69%	*Macroprudential Intermediation Ratio*
Valuta asing			*Foreign currencies*
GWM Harian	4,67%	4,10%	*Daily GWM*
GWM Rata-rata	4,22%	4,12%	*Average GWM*

GWM adalah simpanan minimum yang wajib dipelihara oleh Bank dalam bentuk saldo rekening giro pada Bank Indonesia yang besarnya ditetapkan oleh Bank Indonesia sebesar persentase tertentu dari dana pihak ketiga dalam rupiah dan valuta asing.

GWM is a minimum reserve that should be maintained by the Bank in the current account with Bank Indonesia, the amount of which is determined by Bank Indonesia at a certain percentage of third party fund in rupiah and foreign currency.

5. Giro pada Bank Indonesia (lanjutan)

Penyangga Likuiditas Makroprudensial (PLM) adalah cadangan likuiditas minimum dalam Rupiah yang wajib dipelihara oleh Bank dalam bentuk surat berharga yang besarnya ditetapkan oleh Bank Indonesia sebesar persentase tertentu dari dana pihak ketiga dalam Rupiah.

Rasio Intermediasi Makroprudensial (RIM) adalah rasio hasil perbandingan pinjaman yang diberikan dan surat berharga korporasi yang dimiliki oleh Bank terhadap dana pihak ketiga dalam bentuk giro, tabungan dan simpanan berjangka (tidak termasuk dana antarbank), surat berharga yang diterbitkan oleh Bank kepada pihak ketiga bukan bank dan pinjaman yang diterima dalam bentuk pinjaman bilateral dan sindikasi dengan sisa jangka waktu lebih dari 1 tahun dan bukan merupakan pinjaman antarbank dalam negeri dan *overdraft*.

Rasio GWM Bank pada tanggal 31 Desember 2023 dan 2022 telah sesuai dengan Peraturan Bank Indonesia (PBI) No.24/4/PBI/2022 tanggal 25 Februari 2022 tentang perubahan keempat atas PBI No.20/3/PBI/2018 tanggal 29 Maret 2018 tentang Giro Wajib Minimum Bank Umum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional dan Peraturan Anggota Dewan Gubernur (PADG) No. 12 Tahun 2023 tanggal 27 September 2023 tentang Peraturan Pelaksanaan Pemenuhan Giro Wajib Minimum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional, Bank Umum Syariah, dan Unit Usaha Syariah. Parameter pemenuhan GWM Rupiah ditetapkan sebesar 0% untuk GWM harian dan bertahap untuk pemenuhan GWM secara rata-rata yaitu sebesar 7,5% mulai tanggal 1 Juli hingga 31 Agustus 2022 dan sebesar 9,0% mulai tanggal 1 September 2022.

5. Current Accounts with Bank Indonesia *(continued)*

Macroprudential Liquidity Buffer (PLM) is the minimum liquidity reserve in Rupiah that the Bank is required to maintain in form of the percentage of treasury bonds over third party funds in Rupiah.

Macroprudential Intermediation Ratio (RIM) is resulted from comparison of loan and corporate bonds owned by the Bank towards third party funds in form of demand deposits, saving deposits and time deposits (excluded deposits from other banks) and bonds issued by the Bank to non-bank third parties and borrowings in the form of bilateral and syndicated loans with remaining term of more than 1 year and are not domestic interbank loans and overdraft.

The Bank's GWM ratios as of 31 December 2023 have already complied with Bank Indonesia Regulation No.24/4/PBI/2022 dated 25 February 2022 regarding fourth amendment of PBI No. 20/3/PBI/2018 dated 29 March 2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency for Conventional Bank and Board Member of Governor Regulation (PADG) No. 12 of 2023 dated 27 September 2023 concerning Regulations for the Fulfillment of Minimum Statutory Current Accounts in Rupiah and Foreign Currencies for Conventional Commercial Banks, Sharia Commercial Banks, and Sharia Business Units. The parameter of required GWM Rupiah is determined at 0% which is fulfilled on a daily basis and gradually for the average basis, at 7.5% from 1 July to 31 August 2022 and at 9.0% from 1 September 2022.

5. Giro pada Bank Indonesia (lanjutan)

Bank Indonesia melakukan penguatan kebijakan insentif untuk mendorong peranan perbankan dalam pembiayaan kepada sektor prioritas sesuai Peraturan Bank Indonesia (PBI) No. 24/5/PBI/2022 tentang Insentif bagi Bank yang Memberikan Penyediaan Dana untuk Kegiatan Ekonomi Tertentu dan Inklusif tanggal 25 Februari 2022, sebagaimana diatur lebih lanjut melalui PADG No. 24/4/PADG/2022 tanggal 1 Maret 2022 sebagaimana telah diubah dengan perubahan terakhir PADG No. 1 Tahun 2023 tanggal 15 Februari 2023 dan perubahan terakhir PADG No. 11 tahun 2023 tanggal 27 September 2023 tentang "Peraturan Pelaksanaan Kebijakan Insentif Likuiditas Makroprudensial" Bank Indonesia memberikan insentif berupa kelonggaran atas kewajiban pemenuhan GWM dalam rupiah yang wajib dipenuhi secara harian sebesar 3,20% dan kewajiban pemenuhan GWM dalam rupiah berdasarkan prinsip syariah sebesar 2,50%. Insentif bagi Bank yang melakukan penyediaan dana untuk kegiatan ekonomi tertentu dan inklusif ditetapkan oleh Bank Indonesia dan berlaku mulai tanggal 1 Desember 2023 sampai dengan tanggal 29 Februari 2024.

Rasio Intermediasi Makroprudensial (RIM) dan Penyangga Likuiditas Makroprudensial (PLM) Bank pada tanggal 31 Desember 2023 dan 2022 mengacu pada PADG No.24/14/PADG/2022 tanggal 1 November 2022 tentang perubahan kelima atas PADG No.21/22/PADG/2019 tanggal 28 November 2019 dan PBI No.23/17/PBI/2021 tanggal 17 Desember 2021 tentang perubahan ketiga atas PBI No.20/4/PBI/2018 tanggal 29 Maret 2018 tentang Rasio Intermediasi Makroprudensial dan Penyangga Likuiditas Makroprudensial bagi Bank Umum Konvensional dimana parameter pemenuhan batas bawah RIM diberlakukan sejak tanggal 1 Januari 2022 batasan RIM adalah kurang dari 84%.

Untuk batas atas RIM tetap sebesar 94% dan PLM sebesar 6%. Pada tanggal 31 Desember 2023 dan 2022 rasio RIM adalah sebesar 67,84% dan 69,69%. Bank telah memperhitungkan Giro RIM sesuai dengan ketentuan yang berlaku.

Suku bunga efektif rata-rata giro pada Bank Indonesia adalah sebagai berikut:

5. Current Accounts with Bank Indonesia *(continued)*

Bank Indonesia has strengthened incentive policy to stimulate the role of banks in financing priority sectors in accordance with Bank Indonesia Regulation (PBI) No. 24/5/PBI/2022 regarding Incentives for Banks Providing Funds for Certain and Inclusive Economic Activities dated 25 February 2022, as further regulated through PADG No. 24/4/PADG/2022 dated 1 March 2022 as amended by the latest amendment of PADG No. 1 of 2023 dated 15 February, 2023, and the latest amendment by PADG No. 11 year of 2023 dated 27 September 2023 regarding "Regulations for Implementing Macroprudential Liquidity Incentive Policy" Bank Indonesia provides incentives in the form of leniency on the obligation to fulfill the statutory reserve in rupiah which must be fulfilled on a daily basis of 3.20% and the obligation to fulfill the statutory reserve in rupiah based on sharia principles is 2.50%. This incentive is given to Banks that provide funds for certain and inclusive economic activities as stipulated by Bank Indonesia and are valid from 1 December 2023 to 29 February 2024.

The Bank's Macroprudential Intermediation Ratio (RIM) and Macroprudential Liquidity Buffer (PLM) as of 31 December 2023 and 2022 refers to PADG No.24/14/PADG/2022 dated 1 November 2022 regarding the fifth amendment of PADG No.21/22/PADG/2019 dated 28 November 2019 and PBI No.23/17/PBI/2021 dated 17 December 2021 regarding the third amendment of PBI No.20/4/PBI/2018 dated 29 March 2018 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional Bank which the limit parameter lower RIM are implemented from 1 January 2022 the RIM limit is less than 84%.

The upper limit for RIM is fixed at 94% and PLM at 6%. As of 31 December 2023 and 2022, the RIM ratio are 67.84% and 69.69%. The Bank has calculated Giro RIM in accordance with applicable regulations.

The average effective interest rates of current account with Bank Indonesia are as follows:

	31 Desember/ ***31 December* 2023**	**31 Desember/** ***31 December* 2022**	
Rupiah	0,69%	0,77%	*Rupiah*
Mata uang asing	0,00%	0,00%	*Foreign currency*

6. Giro pada Bank Lain

6. Current Accounts with Other Banks

Akun ini terdiri dari:

This account consists of:

Jenis giro pada bank lain	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	*Types of current accounts with other banks*
Pihak ketiga			*Third parties*
Rupiah:			*Rupiah:*
PT Bank Central Asia Tbk	38.910	150	*PT Bank Central Asia Tbk*
Lain-lain (masing-masing di bawah Rp2.000)	2.451	900	*Others (below Rp2,000 each)*
Subtotal - Pihak ketiga - Rupiah	41.361	1.050	*Subtotal - Third parties - Rupiah*
Dolar Amerika Serikat:			*United States Dollar:*
JP Morgan Chase Bank, Amerika Serikat	339.931	212.332	*JP Morgan Chase Bank, United States of America*
PT Bank Mandiri (Persero) Tbk	9.279	15.456	*PT Bank Mandiri (Persero) Tbk*
PT Bank Central Asia Tbk	8.222	24.280	*PT Bank Central Asia Tbk*
Deutsche Bank AG, Amerika Serikat	5.339	3.197	*Deutsche Bank AG, United States of America*
Dolar Singapura:			*Singapore Dollar:*
DBS Bank, Singapura	137.784	204.090	*DBS Bank Singapore*
Yuan China Renminbi:			*Chinese Yuan Renminbi:*
PT Bank ICBC Indonesia	109.742	177.381	*PT Bank ICBC Indonesia*
Yuan China:			*Chinese Yuan:*
ICBC, China	3.258	3.358	*ICBC, China*
Yen Jepang:			*Japanese Yen:*
Bank of Tokyo - Mitsubishi UFJ, Jepang	22.455	167.463	*Bank of Tokyo - Mitsubishi UFJ, Japan*
Euro Eropa:			*European Euro:*
Deutsche Bank, Frankfurt	50.643	64.180	*Deutsche Bank, Frankfurt*
ING Belgium, Brussels	13.601	6.357	*ING Belgium, Brussels*
Pound Sterling Inggris:			*Great Britain Pound Sterling:*
Barclays Bank, London	69.162	47.557	*Barclays Bank, London*
Dolar Australia:			*Australian Dollar:*
ANZ Bank Ltd., Australia	32.680	31.972	*ANZ Bank Ltd., Australia*
National Australia Bank, Australia	24.572	10.371	*National Australia Bank, Australia*
Dolar Selandia Baru:			*New Zealand Dollar:*
ANZ National Bank, Selandia Baru	27.551	11.822	*ANZ National Bank, New Zealand*
Dolar Kanada:			*Canadian Dollar:*
Canadian Imperial Bank of Commerce, Toronto	34.249	9.826	*Canadian Imperial Bank of Commerce, Toronto*
Krona Swedia:			*Swedish Krona:*
Danske Bank A/S, Swedia	8.952	8.868	*Danske Bank A/S, Sweden*
Franc Swiss:			*Swiss Franc:*
UBS AG, Zurich	2.610	3.663	*UBS AG, Zurich*
Lain-lain (masing-masing di bawah Rp2.000)	1.561	2.555	*Others (below Rp2,000 each)*
Subtotal - Pihak ketiga - Mata uang asing	901.591	1.004.728	*Subtotal - Third parties - Foreign currencies*
Total - Pihak ketiga	942.952	1.005.778	*Total - Third parties*

6. Giro pada Bank Lain (lanjutan)

Akun ini terdiri dari: (lanjutan)

6. Current Accounts with Other Banks *(continued)*

This account consists of: (continued)

Jenis giro pada bank lain	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	*Types of current accounts with other banks*
Pihak berelasi (Catatan 37)			*Related parties (Note 37)*
Dolar Singapura:			*Singapore Dollar:*
United Overseas Bank Ltd., Singapura	12.563	18.291	*United Overseas Bank Ltd., Singapore*
Yuan China:			*Chinese Yuan:*
United Overseas Bank Ltd., Shanghai	9.483	1.751	*United Overseas Bank Ltd., Shanghai*
Dolar Hong Kong:			*Hong Kong Dollar:*
United Overseas Bank Ltd., Hong Kong	6.004	1.215	*United Overseas Bank Ltd., Hong Kong*
United Overseas Bank Ltd., Singapura	30	30	*United Overseas Bank Ltd., Singapore*
Dolar Amerika Serikat:			*United States Dollar:*
United Overseas Bank Ltd., Singapura	5.058	49.855	*United Overseas Bank Ltd., Singapore*
Euro Eropa:			*European Euro:*
United Overseas Bank Ltd., Singapura	2.754	718	*United Overseas Bank Ltd., Singapore*
Yen Jepang:			*Japanese Yen:*
United Overseas Bank Ltd., Tokyo	2.730	3.303	*United Overseas Bank Ltd., Tokyo*
Yuan China Renminbi:			*Chinese Yuan Renminbi:*
United Overseas Bank Ltd., Shanghai	1.974	188	*United Overseas Bank Ltd., Shanghai*
United Overseas Bank Ltd., Singapura	120	123	*United Overseas Bank Ltd., Singapore*
Dolar Australia:			*Australian Dollar:*
United Overseas Bank Ltd., Sydney	598	600	*United Overseas Bank Ltd., Sydney*
Baht Thailand:			*Thailand Baht:*
United Overseas Bank Ltd., Thailand	144	18.316	*United Overseas Bank Ltd., Thailand*
Ringgit Malaysia:			*Malaysian Ringgit:*
United Overseas Bank Ltd., Malaysia	72	79	*United Overseas Bank Ltd., Malaysia*
Total - Pihak berelasi	41.530	94.469	*Total - Related parties*
Total	**984.482**	**1.100.247**	***Total***
Cadangan kerugian penurunan nilai	(2.706)	(6.313)	*Allowance for impairment losses*
Neto	**981.776**	**1.093.934**	***Net***

Suku bunga rata-rata untuk giro pada bank lain adalah sebagai berikut:

The average interest rate for current accounts with other banks are as follows:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah	0,00% - 0,01%	0,00% - 1,12%	*Rupiah*
Mata uang asing	0,00% - 7,38%	0,00% - 1,38%	*Foreign currency*

Tidak terdapat giro pada bank lain yang diblokir dan dijadikan jaminan pada tanggal 31 Desember 2023 dan 2022.

There were no current accounts with other banks blocked and pledged as collateral as of 31 December 2023 and 2022.

6. Giro pada Bank Lain (lanjutan)

Berdasarkan kolektibilitas, seluruh giro pada bank lain pada tanggal 31 Desember 2023 dan 2022 diklasifikasikan lancar.

Perubahan nilai tercatat bruto adalah sebagai berikut:

6. Current Accounts with Other Banks *(continued)*

By collectability, all current accounts with other banks as of 31 December 2023 and 2022 are classified as current.

Movements in the gross carrying amount are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
31 Desember 2021	**1.884.946**	**-**	**-**	**1.884.946**	***31 December 2021***
Mutasi neto	(784.699)	-	-	(784.699)	*Net movement*
31 Desember 2022	**1.100.247**	**-**	**-**	**1.100.247**	***31 December 2022***
Mutasi neto	(115.765)	-	-	(115.765)	*Net movement*
31 Desember 2023	**984.482**	**-**	**-**	**984.482**	***31 December 2023***

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

The movements in the allowance for impairment losses are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
31 Desember 2021	**5.954**	**-**	**-**	**5.954**	***31 December 2021***
Pengukuran kembali	1.229	-	-	1.229	*Remeasurement*
Perubahan pada:					*Changes in:*
- Parameter	(870)	-	-	(870)	*- Parameter*
31 Desember 2022	**6.313**	**-**	**-**	**6.313**	***31 December 2022***
Pengukuran kembali	(3.601)	-	-	(3.601)	*Remeasurement*
Perubahan pada:					*Changes in:*
- Parameter	(6)	-	-	(6)	*- Parameter*
31 Desember 2023	**2.706**	**-**	**-**	**2.706**	***31 December 2023***

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas tidak tertagihnya giro pada bank lain.

The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from uncollectible current accounts with other banks.

7. Penempatan pada Bank Indonesia dan Bank Lain

Akun ini terdiri dari:

7. Placements with Bank Indonesia and Other Banks

This account consists of:

Jenis penempatan	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	*Types of placements*
Pihak ketiga			*Third parties*
Rupiah:			*Rupiah:*
Fasilitas Simpanan Bank Indonesia	1.399.184	279.889	*Deposit Facilities of Bank Indonesia*
Term Deposit Bank Indonesia	-	599.645	*Term Deposits of Bank Indonesia*
Subtotal - Pihak ketiga - Rupiah	1.399.184	879.534	*Subtotal - Third parties - Rupiah*

7. Penempatan pada Bank Indonesia dan Bank Lain (lanjutan)

7. Placements with Bank Indonesia and Other Banks *(continued)*

Akun ini terdiri dari: (lanjutan)

This account consists of: (continued)

Jenis penempatan	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	*Types of placements*
Mata uang asing:			*Foreign currencies:*
Term Deposit Bank Indonesia	446.513	3.938.577	*Term Deposits of Bank Indonesia*
Call Money:			*Call Money:*
Bank of New York, Amerika Serikat	290.233	959.736	*Bank of New York, United States of America*
PT Bank ANZ Indonesia	-	77.838	*PT Bank ANZ Indonesia*
Subtotal - Pihak ketiga - Mata uang asing	736.746	4.976.151	*Subtotal - Third parties - Foreign currencies*
Total - Pihak ketiga	2.135.930	5.855.685	*Total - Third parties*
Total	**2.135.930**	**5.855.685**	***Total***
Cadangan kerugian penurunan nilai	-	(56)	*Allowance for impairment losses*
Neto	**2.135.930**	**5.855.629**	***Net***

Suku bunga rata-rata untuk penempatan pada Bank Indonesia dan bank lain adalah sebagai berikut:

The average interest rates for placement with Bank Indonesia and other banks are as follows:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah	5,10% - 5,42%	3,25% - 3,60%	*Rupiah*
Mata uang asing	4,99% - 5,12%	1,79% - 1,98%	*Foreign currencies*

Rincian penempatan pada Bank Indonesia dan bank lain berdasarkan jenis penempatan dan sisa umur sampai dengan jatuh tempo adalah sebagai berikut:

The details of placements with Bank Indonesia and other banks based on the type of placements and remaining maturities are as follows:

	31 Desember/*31 December* 2023			
	Penempatan/ *Placements*	*Call Money*	Total	
Rupiah				*Rupiah*
< 1 bulan	1.399.184	-	1.399.184	*< 1 month*
Mata uang asing				*Foreign currencies*
< 1 bulan	446.513	290.233	736.746	*< 1 month*
Total	**1.845.697**	**290.233**	**2.135.930**	***Total***

7. Penempatan pada Bank Indonesia dan Bank Lain (lanjutan)

Rincian penempatan pada Bank Indonesia dan bank lain berdasarkan jenis penempatan dan sisa umur sampai dengan jatuh tempo adalah sebagai berikut: (lanjutan)

7. Placements with Bank Indonesia and Other Banks *(continued)*

The details of placements with Bank Indonesia and other banks based on the type of placements and remaining maturities are as follows: (continued)

	31 Desember/*31 December* 2022			
	Penempatan/ *Placements*	***Call Money***	**Total**	
Rupiah				*Rupiah*
< 1 bulan	879.534	-	879.534	*< 1 month*
Mata uang asing				*Foreign currencies*
< 1 bulan	3.938.577	1.037.574	4.976.151	*< 1 month*
Total	**4.818.111**	**1.037.574**	**5.855.685**	***Total***

Tidak terdapat penempatan pada bank lain yang diblokir dan dijadikan jaminan pada tanggal 31 Desember 2023 dan 2022.

There were no placements with other banks blocked and pledged as collateral as of 31 December 2023 and 2022.

Rincian penempatan pada Bank Indonesia dan bank lain berdasarkan sisa umur sampai dengan jatuh tempo terdapat pada Catatan 40.

The details of placements with Bank Indonesia and other banks based on remaining maturities are shown in Note 40.

Berdasarkan kolektibilitas, seluruh penempatan pada Bank Indonesia dan bank lain pada tanggal 31 Desember 2023 dan 2022 diklasifikasikan lancar.

By collectability, all placements with Bank Indonesia and other banks as of 31 December 2023 and 2022 are classified as current.

Perubahan nilai tercatat bruto adalah sebagai berikut:

Movements in the gross carrying amount are as follows:

	Tahap 1/ *Stage 1*	**Tahap 2/ *Stage 2***	**Tahap 3/ *Stage 3***	**Total**	
31 Desember 2021	**2.994.531**	**-**	**-**	**2.994.531**	***31 December 2021***
Aset baru	5.855.685	-	-	5.855.685	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(2.994.531)	-	-	(2.994.531)	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2022	**5.855.685**	**-**	**-**	**5.855.685**	***31 December 2022***
Aset baru	2.135.930	-	-	2.135.930	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(5.855.685)	-	-	(5.855.685)	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2023	**2.135.930**	**-**	**-**	**2.135.930**	***31 December 2023***

7. Penempatan pada Bank Indonesia dan Bank Lain (lanjutan)

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

7. Placements with Bank Indonesia and Other Banks (continued)

The movements in the allowance for impairment losses are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
31 Desember 2021	**-**	**-**	**-**	**-**	***31 December 2021***
Aset baru	56	-	-	56	*New assets originated*
31 Desember 2022	**56**	**-**	**-**	**56**	***31 December 2022***
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(56)	-	-	(56)	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2023	**-**	**-**	**-**	**-**	***31 December 2023***

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas tidak tertagihnya penempatan pada Bank Indonesia dan bank lain.

The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from uncollectible placements with Bank Indonesia and other banks.

8. Efek-efek yang Diperdagangkan

Akun ini terdiri dari:

8. Trading Securities

This account consists of:

	31 Desember/*31 December* 2023			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Efek-efek yang diperdagangkan				*Trading securities*
Obligasi Pemerintah	1.690.188	78.501	1.768.689	*Government Bonds*
Sekuritas Rupiah Bank Indonesia	677.264	-	677.264	*Bank Indonesia Rupiah Securities*
Obligasi Korporasi	196.136	-	196.136	*Corporate Bonds*
Sukuk	20.746	95.401	116.147	*Sukuk*
Total	**2.584.334**	**173.902**	**2.758.236**	***Total***

	31 Desember/*31 December* 2022			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Efek-efek yang diperdagangkan				*Trading securities*
Obligasi Pemerintah	359.340	48.401	407.741	*Government Bonds*
Obligasi Korporasi	141.018	-	141.018	*Corporate Bonds*
Sukuk	31.390	13.629	45.019	*Sukuk*
Total	**531.748**	**62.030**	**593.778**	***Total***

Pada tanggal 31 Desember 2023 dan 2022, efek-efek yang diperdagangkan adalah efek-efek yang diterbitkan oleh pemerintah dan korporasi dan dikategorikan tanpa peringkat berupa obligasi pemerintah, sekuritas rupiah Bank Indonesia dan sukuk.

As of 31 December 2023 and 2022, trading securities are the securities issued by the government and corporation and categorized as non-rated in the form of government bonds, Bank Indonesia rupiah securities and sukuk.

8. Efek-efek yang Diperdagangkan (lanjutan)

Rincian obligasi korporasi berdasarkan peringkat adalah sebagai berikut:

8. Trading Securities (continued)

The details of corporate bonds based on rating are as follows:

	Pemeringkat/ *Ranked by*	31 Desember/*31 December* 2023	31 Desember/*31 December* 2022	2023	2022	
PT Merdeka Copper Gold Tbk	Pefindo	idA+	idA+	99.805	141.018	*PT Merdeka Copper Gold Tbk*
PT Chandra Asri Petrochemical Tbk	Pefindo	idAA-	-	90.638	-	*PT Chandra Asri Petrochemical Tbk*
PT Astra Sedaya Finance	Pefindo	idAAA	-	4.998	-	*PT Astra Sedaya Finance*
PT PLN (Persero) - Kantor Pusat	Pefindo	idAAA	-	446	-	*PT PLN (Persero) - Head Office*
PT Bank Rakyat Indonesia (Persero) Tbk	Pefindo	idAAA	-	249	-	*PT Bank Rakyat Indonesia (Persero) Tbk*
Total				**196.136**	**141.018**	***Total***

Manajemen Bank berkeyakinan bahwa pada tanggal 31 Desember 2023 dan 2022, seluruh efek-efek yang diperdagangkan digolongkan lancar dan tidak mengalami penurunan nilai.

The Bank's management believes that as of 31 December 2023 and 2022, all trading securities are classified as current and not impaired.

Rincian efek-efek diperdagangkan berdasarkan sisa umur sampai dengan jatuh tempo terdapat pada Catatan 40.

The details of trading securities based on remaining maturities are shown in Note 40.

Suku bunga efektif rata-rata efek-efek yang diperdagangkan adalah sebagai berikut:

The average effective interest rates of trading securities are as follows:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah			*Rupiah*
Obligasi Pemerintah	4,90% - 8,95%	4,91% - 8,54%	*Government Bonds*
Sekuritas Rupiah Bank Indonesia	6,40% - 6,71%	-	*Bank Indonesia Rupiah Securities*
Obligasi Korporasi	6,23% - 9,15%	6,76% - 7,76%	*Corporate Bonds*
Sukuk	4,48% - 6,73%	5,04% - 6,75%	*Sukuk*
Mata uang asing			*Foreign currency*
Obligasi Pemerintah	1,85% - 7,19%	2,54% - 5,66%	*Government Bonds*
Sukuk	2,30% - 4,70%	2,43% - 4,53%	*Sukuk*

9. Investasi Keuangan

9. Financial Investments

	31 Desember/*31 December* 2023			
	Rupiah	Mata uang asing/ *Foreign currencies*	Total	
Diukur pada nilai wajar melalui penghasilan komprehensif lain				***At fair value through other comprehensive income***
Obligasi Pemerintah	11.183.830	414.216	11.598.046	*Government Bonds*
Sekuritas Rupiah Bank Indonesia	6.184.397	321.071	6.505.468	*Rupiah Securities Bank Indonesia*
Sukuk	685.108	825.193	1.510.301	*Sukuk*
Obligasi Korporasi	683.593	-	683.593	*Corporate Bonds*
Negotiable Certificate Deposit	104.357	-	104.357	*Negotiable Certificate Deposit*
Total	18.841.285	1.560.480	20.401.765	*Total*

9. Investasi Keuangan (lanjutan)

9. Financial Investments *(continued)*

Akun ini terdiri dari: (lanjutan)

This account consists of: (continued)

	31 Desember/*31 December* 2023			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Diukur pada biaya perolehan yang diamortisasi				***At amortized cost***
Obligasi Pemerintah	7.629.732	-	7.629.732	*Government Bonds*
Wesel ekspor berjangka				*Export bills*
Pihak ketiga	2.581.035	2.068.786	4.649.821	*Third parties*
Pihak berelasi (Catatan 37)	-	56.999	56.999	*Related parties (Note 37)*
Sukuk	312.908	-	312.908	*Sukuk*
Total	10.523.675	2.125.785	12.649.460	*Total*
Total investasi keuangan	29.364.960	3.686.265	33.051.225	*Total financial investments*
Cadangan kerugian penurunan nilai	(6.853)	(6.995)	(13.848)	*Allowance for impairment losses*
Neto	**29.358.107**	**3.679.270**	**33.037.377**	***Net***

	31 Desember/*31 December* 2022			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Diukur pada nilai wajar melalui penghasilan komprehensif lain				***At fair value through other comprehensive income***
Obligasi Pemerintah	9.821.319	881.299	10.702.618	*Government Bonds*
Sukuk	3.890.069	878.786	4.768.855	*Sukuk*
Obligasi Korporasi	453.609	-	453.609	*Corporate Bonds*
Total	14.164.997	1.760.085	15.925.082	*Total*
Diukur pada biaya perolehan yang diamortisasi				***At amortized cost***
Obligasi Pemerintah	7.431.039	-	7.431.039	*Government Bonds*
Wesel ekspor berjangka				*Export bills*
Pihak ketiga	1.912.559	2.098.279	4.010.838	*Third parties*
Pihak berelasi (Catatan 37)	-	96.459	96.459	*Related parties (Note 37)*
Sukuk	509.336	-	509.336	*Sukuk*
Total	9.852.934	2.194.738	12.047.672	*Total*
Total investasi keuangan	24.017.931	3.954.823	27.972.754	*Total financial investments*
Cadangan kerugian penurunan nilai	(8.249)	(11.349)	(19.598)	*Allowance for impairment losses*
Neto	**24.009.682**	**3.943.474**	**27.953.156**	***Net***

9. Investasi Keuangan (lanjutan)

a. Investasi keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

9. Financial Investments *(continued)*

a. The financial investments at fair value through other comprehensive income as of 31 December 2023 and 2022 are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Nilai wajar			***Fair value***
Rupiah			*Rupiah*
Obligasi Pemerintah	11.183.830	9.821.319	*Government Bonds*
Sekuritas Rupiah			*Rupiah Securities*
Bank Indonesia	6.184.397	-	*Bank Indonesia*
Sukuk	685.108	3.890.069	*Sukuk*
Obligasi Korporasi	683.593	453.609	*Corporate Bonds*
Negotiable Certifcate of Deposit	104.357	-	*Negotiable Certificate of Deposit*
Subtotal	18.841.285	14.164.997	*Subtotal*
Mata Uang Asing			*Foreign Currencies*
Obligasi Pemerintah	414.216	881.299	*Government Bonds*
Sekuritas Rupiah			*Rupiah Securities*
Bank Indonesia	321.071	-	*Bank Indonesia*
Sukuk	825.193	878.786	*Sukuk*
Subtotal	1.560.480	1.760.085	*Subtotal*
Total	**20.401.765**	**15.925.082**	***Total***

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Nilai nominal	20.639.191	15.883.152	*Nominal value*
Saldo yang belum diamortisasi	(121.227)	239.643	*Unamortized amount*
Kerugian yang belum direalisasi	(116.199)	(197.713)	*Unrealized loss*
Total	**20.401.765**	**15.925.082**	***Total***

Rekonsiliasi atas perubahan keuntungan/(kerugian) yang belum direalisasi atas efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain - neto adalah sebagai berikut:

Reconciliations of movement in unrealized gain/(loss) on securities at fair value through other comprehensive income - net are as follows:

	31 Desember/*December 31*		
	2023	**2022**	
Saldo awal tahun	(154.011)	117.348	*Balance at beginning of year*
Keuntungan/(kerugian) yang belum direalisasi diakui di ekuitas	79.383	(346.987)	*Unrealized gain/(loss) recognized in equity*
(Pemulihan)/Penyisihan kerugian penurunan nilai selama tahun berjalan	283	(909)	*(Reversal)/provision for impairment losses during the year*
Efek pajak	(17.527)	76.537	*Tax effect*
Saldo akhir tahun	**(91.872)**	**(154.011)**	***Balance at end of year***

9. Investasi Keuangan (lanjutan)

b. Klasifikasi investasi keuangan yang diukur pada biaya perolehan yang diamortisasi berdasarkan sisa umur sebelum cadangan kerugian penurunan nilai adalah sebagai berikut:

9. Financial Investments *(continued)*

b. The classification of financial investments at amortized cost based on the remaining maturities before allowance for impairment losses are as follows:

	31 Desember/*31 December* 2023			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
< 1 bulan	5.264.748	898.948	6.163.696	*< 1 month*
≥ 1 bulan ≤ 3 bulan	1.986.681	544.966	2.531.647	*≥ 1 month ≤ 3 months*
> 3 bulan ≤ 12 bulan	487.626	681.871	1.169.497	*> 3 months ≤ 12 months*
> 12 bulan	2.784.620	-	2.784.620	*> 12 months*
Total	**10.523.675**	**2.125.785**	**12.649.460**	***Total***

	31 Desember/*31 December* 2022			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
< 1 bulan	585.333	1.143.304	1.728.637	*< 1 month*
≥ 1 bulan ≤ 3 bulan	1.050.223	782.244	1.832.467	*≥ 1 month ≤ 3 months*
> 3 bulan ≤ 12 bulan	277.003	269.190	546.193	*> 3 months ≤ 12 months*
> 12 bulan	7.940.375	-	7.940.375	*> 12 months*
Total	**9.852.934**	**2.194.738**	**12.047.672**	***Total***

Rincian investasi keuangan berdasarkan sisa umur sampai dengan jatuh tempo terdapat pada Catatan 40.

The details of financial investment based on remaining maturities are shown in Note 40.

c. Rincian obligasi korporasi berdasarkan peringkat adalah sebagai berikut:

c. The details of corporate bonds based on rating are as follows:

	Pemeringkat/ *Ranked by*	**31 Desember/*31 December***				
		2023	**2022**	**2023**	**2022**	
PT Bank Negara Indonesia (Persero) Tbk	Pefindo	idAAA	idAAA	158.309	161.387	*PT Bank Negara Indonesia (Persero) Tbk*
PT Bank Rakyat Indonesia (Persero) Tbk	Pefindo	idAAA	idAAA	140.000	137.959	*PT Bank Rakyat Indonesia (Persero) Tbk*
PT Bank Mandiri (Persero) Tbk	Pefindo	idAAA	idAAA	100.406	51.654	*PT Bank Mandiri (Persero) Tbk*
PT Sarana Multi Infrastruktur	Pefindo	idAAA	idAAA	84.348	-	*PT Sarana Multi Infrastruktur*
PT Bank CIMB Niaga Tbk	Pefindo	idAAA	idAAA	75.496	77.498	*PT Bank CIMB Niaga Tbk*
PT Astra Sedaya Finance	Pefindo	idAAA	idAAA	69.974	-	*PT Astra Sedaya Finance*
PT Federal International Finance	Pefindo	idAAA	idAAA	30.203	-	*PT Federal International Finance*
PT Bank Maybank Indonesia Tbk	Pefindo	idAAA	idAAA	14.904	15.061	*PT Bank Maybank Indonesia Tbk*
PT PLN (Persero)	Pefindo	idAAA	idAAA	9.953	10.050	*PT PLN (Persero)*
Total				**683.593**	**453.609**	***Total***

d. Berdasarkan kolektibilitas, seluruh investasi keuangan pada tanggal 31 Desember 2023 dan 2022 diklasifikasikan lancar.

d. By collectability, all financial investments as of 31 December 2023 and 2022 are classified as current.

9. Investasi Keuangan (lanjutan)

e. Perubahan nilai tercatat bruto atas investasi keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lainnya dan yang diukur pada biaya perolehan yang diamortisasi adalah sebagai berikut:

9. Financial Investments *(continued)*

e. Movements in the gross carrying amount of financial investments at fair value through other comprehensive income and at amortized cost are as follows:

	Tahap 1/ ***Stage 1***	**Tahap 2/** ***Stage 2***	**Tahap 3/** ***Stage 3***	**Total**	
31 Desember 2021	**16.457.995**	**55.789**	**-**	**16.513.784**	***31 December 2021***
Aset baru	14.041.739	17.635	-	14.059.374	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(7.155.380)	(55.789)	-	(7.211.169)	*Assets derecognized or repaid (excluding write-offs)*
Pengukuran kembali	4.610.765	-	-	4.610.765	*Remeasurement*
31 Desember 2022	**27.955.119**	**17.635**	**-**	**27.972.754**	***31 December 2022***
Aset baru	13.900.707	8.691	-	13.909.398	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(8.431.897)	(17.635)	-	(8.449.532)	*Assets derecognized or repaid (excluding write-offs)*
Pengukuran kembali	(381.395)	-	-	(381.395)	*Remeasurement*
31 Desember 2023	**33.042.534**	**8.691**	**-**	**33.051.225**	***31 December 2023***

f. Perubahan cadangan kerugian penurunan nilai atas investasi keuangan yang diukur nilai wajar melalui penghasilan komprehensif lainnya dan yang diukur pada biaya perolehan yang diamortisasi adalah sebagai berikut:

f. The movements in the allowance for impairment losses of financial investments at fair value through other comprehensive income and at amortized cost are as follows:

	Tahap 1/ ***Stage 1***	**Tahap 2/** ***Stage 2***	**Tahap 3/** ***Stage 3***	**Total**	
31 Desember 2021	**25.605**	**3.083**	**-**	**28.688**	***31 December 2021***
Aset baru	16.889	2.709	-	19.598	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(25.605)	(3.083)	-	(28.688)	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2022	**16.889**	**2.709**	**-**	**19.598**	***31 December 2022***
Aset baru	12.802	1.046	-	13.848	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(16.889)	(2.709)	-	(19.598)	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2023	**12.802**	**1.046**	**-**	**13.848**	***31 December 2023***

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas tidak tertagihnya wesel ekspor berjangka dan obligasi korporasi.

The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from uncollectible export bills and corporate bonds.

9. Investasi Keuangan (lanjutan)

g. Suku bunga efektif rata-rata investasi keuangan adalah sebagai berikut:

9. Financial Investments *(continued)*

g. The average effective interest rates of financial investments are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Rupiah	4,83% - 11,00%	3,69% - 12,60%	*Rupiah*
Mata uang asing	2,90% - 8,29%	0,98% - 6,65%	*Foreign currency*

10. Tagihan dan Liabilitas Derivatif

Ikhtisar tagihan dan liabilitas derivatif adalah sebagai berikut:

10. Derivative Receivables and Payables

The summary of derivative receivables and payables are as follows:

	31 Desember/*31 December* 2023			
Jenis	**Nilai nosional (kontrak) (ekuivalen rupiah)/ *Notional value (contract) (equivalent rupiah)***	**Tagihan derivatif/ *Derivative receivables***	**Liabilitas derivatif/ *Derivative payables***	***Type***
Swap pertukaran valas dan suku bunga				*Cross currency interest rate swap*
Rupiah	21.050.446	516.385	158.821	*Indonesian Rupiah*
Dolar Amerika Serikat	23.705.299	109.919	634.129	*United States Dollar*
Forward beli				*Forward bought*
Dolar Amerika Serikat	21.204.568	28.591	204.687	*United States Dollar*
Forward jual				*Forward sold*
Dolar Amerika Serikat	9.519.718	63.974	20.262	*United States Dollar*
Option	8.520.456	77.979	75.019	*Option*
Swap suku bunga				*Interest rate swap*
Rupiah	339.331	502	2.864	*Indonesian Rupiah*
Dolar Amerika Serikat	14.301.440	43.344	124.506	*United States Dollar*
Futures	92.382	-	2.312	*Futures*
Total		**840.694**	**1.222.600**	***Total***

	31 Desember/*31 December* 2022			
Jenis	**Nilai nosional (kontrak) (ekuivalen rupiah)/ *Notional value (contract) (equivalent rupiah)***	**Tagihan derivatif/ *Derivative receivables***	**Liabilitas derivatif/ *Derivative payables***	***Type***
Swap pertukaran valas dan suku bunga				*Cross currency interest rate swap*
Rupiah	21.677.439	839.777	101.481	*Rupiah*
Dolar Amerika Serikat	23.729.072	42.080	942.696	*United States Dollar*
Forward beli				*Forward bought*
Dolar Amerika Serikat	15.889.556	174.950	52.837	*United States Dollar*

10. Tagihan dan Liabilitas Derivatif (lanjutan)

Ikhtisar tagihan dan liabilitas derivatif adalah sebagai berikut: (lanjutan)

10. Derivative Receivables and Payables *(continued)*

The summary of derivative receivables and payables are as follows: (continued)

	31 Desember/*31 December* 2022			
Jenis	**Nilai nosional (kontrak) (ekuivalen rupiah)/ *Notional value (contract) (equivalent rupiah)***	**Tagihan derivatif/ *Derivative receivables***	**Liabilitas derivatif/ *Derivative payables***	***Type***
Forward jual				*Forward sold*
Dolar Amerika Serikat	7.421.196	37.105	45.647	*United States Dollar*
Option	9.302.826	107.535	103.143	*Option*
Swap suku bunga				*Interest rate swap*
Rupiah	488.920	2.154	4.836	*Indonesian Rupiah*
Dolar Amerika Serikat	16.134.220	117.136	149.895	*United States Dollar*
Total		**1.320.737**	**1.400.535**	***Total***

Rincian tagihan dan liabilitas derivatif berdasarkan sisa umur sampai dengan jatuh tempo terdapat pada Catatan 40.

The details of derivative receivables and payables based on remaining maturities are shown in Note 40.

Dalam kegiatan normal bisnis, Bank melakukan transaksi derivatif tertentu untuk memenuhi kebutuhan spesifik nasabahnya dan dalam rangka pengelolaan likuiditas dan posisi lindung nilai. Bank memiliki kebijakan pengelolaan risiko dan limit yang ditentukan untuk mengendalikan risiko nilai tukar dan suku bunga. Perubahan variabel risiko pasar dimonitor secara aktif dalam rapat ALCO (*Asset and Liability Committee*) yang dijadikan acuan dalam menentukan strategi Bank.

In the normal course of the business, the Bank enters into some derivative transactions to meet the specific needs of its customers as well as to manage its liquidity and hedging position. The Bank has its own risk management policy and the risk amount limit for controlling the foreign exchange and interest rate risks. The changes in variable market risk are actively monitored in the ALCO (Asset and Liability Committee) meeting, whereby the changes serve as the benchmark in determining the Bank's strategies.

Pada tanggal 31 Desember 2023 dan 2022, Bank memiliki beberapa tipe instrumen derivatif sebagai berikut:

As of 31 December 2023 and 2022, the Bank has the following types of derivative instruments:

Pertukaran *forward*

Kontrak *forward* pertukaran valuta asing adalah perjanjian untuk membeli atau menjual suatu mata uang asing pada kurs dan tanggal tertentu. Transaksi tersebut dilakukan di *over-the-counter market*. Secara spesifik, Bank mengadakan transaksi ini dengan tujuan untuk mengendalikan risiko nilai tukar. Jangka waktu perjanjian untuk transaksi *forward* pertukaran mata uang asing yang dilakukan oleh Bank berkisar antara 4 hari hingga 2 tahun.

Forward exchange

Forward foreign exchange contracts are contractual agreements to buy or sell a foreign currency at specified rates and on certain dates. These transactions are conducted in the over-the-counter market. Specifically, the Bank enters into this transaction with the objective to control the exchange rate risk. The period of contract for forward foreign exchange transactions undertaken by the Bank ranged between 4 days to 2 years.

10. Tagihan dan Liabilitas Derivatif (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, Bank memiliki beberapa tipe instrumen derivatif sebagai berikut: (lanjutan)

Options

Options merupakan perjanjian kontraktual antara dua pihak yang merupakan suatu kontrak yang memberikan hak (bukan kewajiban) kepada pembeli *option* untuk untuk membeli atau menjual mata uang terhadap mata uang lainnya dengan harga yang telah ditentukan (*strike price*) untuk suatu periode tertentu dengan membayar sejumlah premi kepada penjual *option*. Periode perjanjian untuk *option* yang dilakukan oleh Bank berkisar antara 16 hari hingga 5 tahun.

***Swap* suku bunga**

Perjanjian *swap* suku bunga merupakan perjanjian kontraktual antara dua pihak untuk menukarkan pergerakan tingkat suku bunga dan untuk melakukan suatu pembayaran yang didasarkan pada suatu situasi tertentu dan jumlah nosional tertentu.

Secara spesifik, Bank mengadakan transaksi tersebut dengan tujuan untuk melindungi nilai pergerakan arus kas di masa depan, terkait dengan pendapatan bunga atas pinjaman yang diberikan kepada debitur (debitur perusahaan dan debitur perorangan yang telah digabungkan) dalam Rupiah dan pendapatan bunga dari efek tersedia untuk dijual dalam mata uang Dolar Amerika Serikat. Periode perjanjian untuk *swap* suku bunga yang dilakukan oleh Bank berkisar antara 3 bulan hingga 8 tahun.

***Swap* valuta asing dan suku bunga**

Perjanjian *swap* valuta asing suku bunga merupakan perjanjian kontraktual antara dua pihak untuk menukarkan aliran kas dari pokok kredit dan pembayaran bunganya dalam denominasi mata uang yang berbeda. Periode perjanjian untuk *swap* valuta asing suku bunga yang dilakukan oleh Bank berkisar antara 6 bulan hingga 7 tahun.

Transaksi-transaksi tersebut di atas tidak diperlakukan sebagai transaksi lindung nilai yang efektif untuk tujuan akuntansi. Perubahan nilai wajar dari instrumen derivatif tersebut dikreditkan atau dibebankan dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

10. Derivative Receivables and Payables *(continued)*

As of 31 December 2023 and 2022, the Bank has the following types of derivative instruments: (continued)

Options

Options are a contractual agreements between two parties which is a contract granting rights (instead of liabilities) to the option buyer to purchase or sell a currency against another currency at a predetermined price (strike price) for a certain period by paying significant amount of premium to the option seller. The contract period for the option transacted by the Bank ranged between 16 days to 5 years.

Interest rate swap

Interest rate swap contracts are contractual agreements between two parties to exchange movements of interest rates and to make payments with respect to defined credit events based on specified notional amount.

Specifically, the Bank has entered into these contracts to hedge its future interest cash flows on its interest income from Indonesian Rupiah loan receivables from customers (corporate and individual at a pool basis) and its interest income from United States Dollar denominated available-for-sale securities. The contract period for the interest rate swap transacted by the Bank is between 3 months to 8 years.

Cross currency interest rate swap

Cross currency interest rate swap are contractual agreements between two parties to exchange cash flows from loan principal and interest payments which are in different denominations. The contract period for the cross currency interest rate swap transacted by the Bank ranged between 6 months to 7 years.

The above transactions are not treated as an effective hedging relationships for accounting purposes. The changes in the fair value of the derivative instruments are credited or charged to the statements of profit or loss and other comprehensive income in the current year.

11. Kredit yang Diberikan / *11. Loans*

1) Jenis kredit yang diberikan / *1) By type of loan*

	31 Desember/*31 December* 2023			
	Pihak ketiga/ *Third parties*	**Pihak berelasi (Catatan 37)/ *Related parties (Note 37)***	**Total**	
Rupiah				*Rupiah*
Promes	12.939.543	-	12.939.543	*Promissory notes*
Trade loans	11.127.495	-	11.127.495	*Trade loans*
Kartu kredit	9.860.276	8.484	9.868.760	*Credit card*
Rekening koran	8.772.132	-	8.772.132	*Overdraft*
Investasi	7.409.416	-	7.409.416	*Investment*
Pemilikan rumah	6.721.220	25.537	6.746.757	*Housing*
Angsuran	4.181.242	-	4.181.242	*Installment*
Sindikasi	1.670.110	-	1.670.110	*Syndicated*
Multiguna	962.586	9.530	972.116	*Multi-purpose*
Kendaraan bermotor	27.435	8.485	35.920	*Motor vehicles*
Tetap	15.800	-	15.800	*Fixed*
	63.687.255	52.036	63.739.291	
Mata uang asing				*Foreign currencies*
Promes	6.503.497	-	6.503.497	*Promissory notes*
Sindikasi	6.419.084	-	6.419.084	*Syndicated*
Trade loans	5.588.403	-	5.588.403	*Trade loans*
Investasi	1.085.715	-	1.085.715	*Investment*
Angsuran	686.615	-	686.615	*Installment*
	20.283.314	-	20.283.314	
Total	83.970.569	52.036	84.022.605	*Total*
Cadangan kerugian penurunan nilai	(4.108.979)	(1.784)	(4.110.763)	*Allowance for impairment losses*
Neto	**79.861.590**	**50.252**	**79.911.842**	***Net***

	31 Desember/*31 December* 2022			
	Pihak ketiga/ *Third parties*	**Pihak berelasi (Catatan 37)/ *Related parties (Note 37)***	**Total**	
Rupiah				*Rupiah*
Promes	16.378.366	-	16.378.366	*Promissory notes*
Rekening koran	10.576.599	-	10.576.599	*Overdraft*
Trade loans	10.318.162	-	10.318.162	*Trade loans*
Pemilikan rumah	7.040.488	25.173	7.065.661	*Housing*
Investasi	7.007.007	-	7.007.007	*Investment*
Angsuran	6.570.788	-	6.570.788	*Installment*
Sindikasi	3.037.491	-	3.037.491	*Syndicated*
Kartu kredit	2.367.747	6.366	2.374.113	*Credit card*
Multiguna	1.054.348	3.424	1.057.772	*Multi-purpose*
Kendaraan bermotor	48.925	3.559	52.484	*Motor vehicles*
Tetap	16.200	-	16.200	*Fixed*
	64.416.121	38.522	64.454.643	

11. Kredit yang Diberikan (lanjutan) / *11. Loans (continued)*

1) Jenis kredit yang diberikan (lanjutan) / *1) By type of loan (continued)*

	31 Desember/*31 December* 2022			
	Pihak ketiga/ *Third parties*	**Pihak berelasi (Catatan 37)/ *Related parties (Note 37)***	**Total**	
Mata uang asing				*Foreign currencies*
Sindikasi	7.587.478	-	7.587.478	*Syndicated*
Promes	6.788.697	-	6.788.697	*Promissory notes*
Trade loans	5.022.886	-	5.022.886	*Trade loans*
Investasi	1.343.608	-	1.343.608	*Investment*
Angsuran	337.210	-	337.210	*Installment*
	21.079.879	-	21.079.879	
Total	85.496.000	38.522	85.534.522	*Total*
Cadangan kerugian penurunan nilai	(4.235.454)	(497)	(4.235.951)	*Allowance for impairment losses*
Neto	**81.260.546**	**38.025**	**81.298.571**	***Net***

2) Sektor ekonomi / *2) By economic sector*

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Industri pengolahan	21.318.545	23.357.349	*Processing industry*
Perdagangan besar dan eceran	18.720.204	18.759.826	*Wholesale and retail trading*
Rumah tangga	17.625.534	10.553.117	*Household*
Pertambangan dan penggalian	7.249.461	3.577.522	*Mining and excavation*
Real estate	4.502.509	4.655.379	*Real estate*
Aktivitas keuangan dan asuransi	3.454.621	9.632.747	*Financial and insurance activities*
Informasi dan komunikasi	2.633.668	2.999.063	*Information and communication*
Penyedia akomodasi dan penyedia makanan dan minuman	2.095.861	2.227.390	*Accommodation and food and beverages provider*
Konstruksi gedung	2.023.681	2.520.895	*Building construction*
Pertanian, kehutanan dan perikanan	1.853.616	2.344.182	*Agriculture, forestry and fisheries*
Pengangkutan dan pergudangan	660.629	890.608	*Transportation and warehousing*
Pengadaan listrik, gas dan udara	613.864	3.338.539	*Electricity, gas and air procurement*
Lainnya	1.270.412	677.905	*Others*
Total	84.022.605	85.534.522	*Total*
Cadangan kerugian penurunan nilai	(4.110.763)	(4.235.951)	*Allowance for impairment losses*
Neto	**79.911.842**	**81.298.571**	***Net***

3) Jangka waktu / *3) By terms*

a. Berdasarkan perjanjian kredit / *a. Based on loan agreement*

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah			*Rupiah*
≤ 1 tahun	12.965.735	17.487.379	*≤ 1 year*
> 1 tahun ≤ 2 tahun	18.294.857	19.951.712	*> 1 year ≤ 2 years*
> 2 tahun ≤ 5 tahun	9.542.190	6.577.624	*> 2 years ≤ 5 years*
> 5 tahun	22.936.509	20.437.928	*> 5 years*
	63.739.291	64.454.643	

11. Kredit yang Diberikan (lanjutan) / ***11. Loans*** *(continued)*

3) Jangka waktu (lanjutan) / ***3) By terms*** *(continued)*

a. Berdasarkan perjanjian kredit (lanjutan) / ***a. Based on loan agreement*** *(continued)*

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Mata uang asing			*Foreign currencies*
≤ 1 tahun	8.837.105	7.915.065	*≤ 1 year*
> 1 tahun ≤ 2 tahun	4.185.159	5.408.858	*> 1 year ≤ 2 years*
> 2 tahun ≤ 5 tahun	4.195.298	3.172.362	*> 2 years ≤ 5 years*
> 5 tahun	3.065.752	4.583.594	*> 5 years*
	20.283.314	21.079.879	
Total	84.022.605	85.534.522	*Total*
Cadangan kerugian penurunan nilai	(4.110.763)	(4.235.951)	*Allowance for impairment losses*
Neto	**79.911.842**	**81.298.571**	***Net***

b. Berdasarkan sisa umur jatuh tempo / ***b. Based on remaining maturities***

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah			*Rupiah*
≤ 1 tahun	37.083.311	39.090.190	*≤ 1 year*
> 1 tahun ≤ 2 tahun	4.969.648	6.489.713	*> 1 year ≤ 2 years*
> 2 tahun ≤ 5 tahun	10.025.089	9.176.656	*> 2 years ≤ 5 years*
> 5 tahun	11.661.243	9.698.084	*> 5 years*
	63.739.291	64.454.643	
Mata uang asing			*Foreign currencies*
≤ 1 tahun	13.576.140	15.750.903	*≤ 1 year*
> 1 tahun ≤ 2 tahun	1.163.488	1.202.891	*> 1 year ≤ 2 years*
> 2 tahun ≤ 5 tahun	5.351.083	2.914.448	*> 2 years ≤ 5 years*
> 5 tahun	192.603	1.211.637	*> 5 years*
	20.283.314	21.079.879	
Total	84.022.605	85.534.522	*Total*
Cadangan kerugian penurunan nilai	(4.110.763)	(4.235.951)	*Allowance for impairment losses*
Neto	**79.911.842**	**81.298.571**	***Net***

4) Berdasarkan kolektibilitas / ***4) By collectability***

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah			*Rupiah*
Lancar	58.627.954	59.961.270	*Current*
Dalam perhatian khusus	3.032.269	2.254.361	*Special mention*
Kurang lancar	426.836	351.390	*Sub-standard*
Diragukan	369.609	183.493	*Doubtful*
Macet	1.282.623	1.704.129	*Loss*
	63.739.291	64.454.643	

11. Kredit yang Diberikan (lanjutan)

4) Berdasarkan kolektibilitas (lanjutan)

11. Loans *(continued)*

4) By collectability *(continued)*

	31 Desember/ ***31 December* 2023**	**31 Desember/** ***31 December* 2022**	
Mata uang asing			*Foreign currencies*
Lancar	18.858.159	19.434.915	*Current*
Dalam perhatian khusus	1.355.197	1.403.021	*Special mention*
Kurang lancar	-	63.890	*Sub-standard*
Diragukan	-	3.425	*Doubtful*
Macet	69.958	174.628	*Loss*
	20.283.314	21.079.879	
Total	84.022.605	85.534.522	*Total*
Cadangan kerugian penurunan nilai	(4.110.763)	(4.235.951)	*Allowance for impairment losses*
Neto	**79.911.842**	**81.298.571**	***Net***

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan:

a. Kredit yang diberikan dijamin dengan deposito, agunan yang diikat dengan hak tanggungan atau surat kuasa untuk menjual atau mencairkan dan jaminan lain yang umumnya dapat diterima oleh Bank.

b. Giro sejumlah Rp655.364 dan Rp547.289 masing-masing pada tanggal 31 Desember 2023 dan 2022 digunakan sebagai jaminan atas kredit yang diberikan dan fasilitas bank lainnya (Catatan 17).

c. Tabungan sejumlah Rp1.063.347 dan Rp983.973 masing-masing pada tanggal 31 Desember 2023 dan 2022 digunakan sebagai jaminan atas kredit yang diberikan (Catatan 18).

d. Deposito berjangka sejumlah Rp8.442.844 dan Rp6.684.562 masing-masing pada tanggal 31 Desember 2023 dan 2022 digunakan sebagai jaminan atas kredit yang diberikan (Catatan 19).

e. Suku bunga kontraktual rata-rata untuk kredit adalah sebagai berikut:

The other significant information relating to loans are as follows:

a. Loans are secured with time deposits, registered mortgages over collateral or power of attorney to sell or to liquidate and with other guarantees generally acceptable to the Bank.

b. Demand deposits amounting to Rp655,364 and Rp547,289 as of 31 December 2023 and 2022, respectively are pledged as collateral for loans and other bank facilities (Note 17).

c. Saving deposits amounting to Rp1,063,347 and Rp983,973 as of 31 December 2023 and 2022, respectively are pledged as collateral for loans (Note 18).

d. Time deposits amounting to Rp8,442,844 and Rp6,684,562 as of 31 December 2023 and 2022, respectively are pledged as collateral for loans (Note 19).

e. The average contractual interest rates for loans are as follows:

	31 Desember/ ***31 December* 2023**	**31 Desember/** ***31 December* 2022**	
Rupiah	7,12%	7,91%	*Rupiah*
Mata uang asing	6,42%	3,45%	*Foreign currencies*

11. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

f. Kredit yang diberikan kepada karyawan antara lain merupakan kredit untuk pembelian rumah, multiguna dan kendaraan. Kredit kepada karyawan tersebut dikenakan bunga sesuai ketentuan Bank yang lebih rendah dari suku bunga kredit yang diberikan Bank kepada nasabah bukan karyawan dengan jumlah masing-masing sebesar Rp220.935 dan Rp173.104 pada tanggal 31 Desember 2023 dan 2022.

g. Pada tanggal 31 Desember 2023 dan 2022, jumlah kredit yang direstrukturisasi masing-masing sebesar Rp6.440.983 dan Rp9.985.220, dengan cadangan kerugian penurunan nilai yang dibentuk masing-masing sebesar Rp2.096.482 dan Rp2.828.367. Bentuk restrukturisasi kredit meliputi antara lain kredit dengan perpanjangan jatuh tempo dan perubahan tingkat suku bunga. Tidak ada kerugian yang timbul dari restrukturisasi kredit tersebut dan Bank tidak memiliki komitmen untuk memberikan tambahan kredit kepada nasabah-nasabah tersebut.

Manajemen berkeyakinan bahwa jumlah cadangan penurunan nilai yang dibentuk telah memadai.

Restrukturisasi kredit berdasarkan jenis kredit yang diberikan sebagai berikut:

11. Loans *(continued)*

The other significant information relating to loans are as follows: (continued)

f. Loans to employees represent, among others, housing, multipurpose and car loans. These loans granted to employees that bear a lower interest rates than interest rates charged to non-employee amounted to Rp220,935 and Rp173,104 as of 31 December 2023 and 2022, respectively.

g. As of 31 December 2023 and 2022, total restructured loans amounting to Rp6,440,983 and Rp9,985,220, respectively, are provided with allowance for impairment losses of Rp2,096,482 and Rp2,828,367, respectively. The restructuring of loans represents extension of maturity dates and reduction of interest rates. There are no losses resulted from those loans restructuring and the Bank does not have any commitments to grant additional loans to these customers.

The Bank's management believes that the allowance for impairment losses is adequate.

Restructured loan by type of loan as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Rupiah			*Rupiah*
Angsuran	1.502.105	2.633.898	*Installment*
Investasi	1.043.092	1.694.276	*Investment*
Promes	611.458	1.230.795	*Promissory notes*
Rekening koran	590.390	1.098.918	*Overdraft*
Pemilikan rumah	418.524	617.605	*Housing*
Sindikasi	251.103	150.633	*Syndicated*
Multiguna	203.197	291.923	*Multi-purpose*
Trade loans	26.072	109.563	*Trade loans*
Kartu kredit	21.531	13.379	*Credit card*
Tetap	-	400	*Fixed*
	4.667.472	7.841.390	

11. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

Restrukturisasi kredit berdasarkan jenis kredit yang diberikan sebagai berikut: (lanjutan)

11. Loans *(continued)*

The other significant information relating to loans are as follows: (continued)

Restructured loan by type of loan as follows: (continued)

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Mata uang asing			*Foreign currencies*
Investasi	997.052	1.184.923	*Investment*
Promes	493.907	425.962	*Promissory notes*
Trade loans	259.157	259.328	*Trade loans*
Angsuran	23.395	273.617	*Installment*
	1.773.511	2.143.830	
Total	6.440.983	9.985.220	*Total*
Cadangan kerugian penurunan nilai	(2.096.482)	(2.828.367)	*Allowance for impairment losses*
Neto	**4.344.501**	**7.156.853**	***Net***

Restrukturisasi kredit berdasarkan kolektibilitas adalah sebagai berikut:

Restructured loan by collectability as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Rupiah			*Rupiah*
Lancar	2.112.766	4.269.962	*Current*
Dalam perhatian khusus	1.162.410	1.619.519	*Special mention*
Kurang lancar	304.895	292.124	*Sub-standard*
Diragukan	51.825	128.144	*Doubtful*
Macet	1.035.576	1.531.641	*Loss*
	4.667.472	7.841.390	
Mata uang asing			*Foreign currencies*
Lancar	354.048	518.766	*Current*
Dalam perhatian khusus	1.354.030	1.387.705	*Special mention*
Kurang lancar	-	62.731	*Sub-standard*
Macet	65.433	174.628	*Loss*
	1.773.511	2.143.830	
Total	6.440.983	9.985.220	*Total*
Cadangan kerugian penurunan nilai	(2.096.482)	(2.828.367)	*Allowance for impairment losses*
Neto	**4.344.501**	**7.156.853**	***Net***

11. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

h. Pada tanggal 29 November 2023, Bank melakukan penjualan atas kredit yang telah dihapusbukukan. Pembayaran dari harga jual atas kredit tersebut sebesar Rp141.346 telah diterima seluruhnya oleh Bank dan pemulihan atas kredit yang telah dihapusbukukan tersebut dicatat sebagai bagian dari "Pendapatan operasional lainnya - Lain-lain-neto" pada laporan laba rugi dan penghasilan komprehensif lain di tahun berjalan.

Kredit tersebut dijual dengan skema jual putus dengan pengalihan hak atas kredit yang dijual berlaku efektif pada tanggal 29 November 2023.

Pada tanggal 26 Agustus 2022, Bank melakukan penjualan atas kredit yang bermasalah dan kredit yang telah dihapusbukukan. Pembayaran dari harga jual dari kredit tersebut sebesar Rp230.052 telah diterima seluruhnya oleh Bank dan kerugian dari penjualan tersebut dibukukan sebagai bagian dari "Pendapatan operasional lainnya - Lain-lain-neto" pada laporan laba rugi dan penghasilan komprehensif lain di tahun berjalan.

Kredit tersebut dijual dengan skema jual putus dengan pengalihan hak atas kredit yang dijual berlaku efektif pada tanggal 26 Agustus 2022.

i. Kredit bermasalah (NPL) pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp2.149.026 dan Rp2.480.955.

Rasio NPL kotor pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar 2,58% dan 2,98% dari total kredit yang diberikan, sedangkan rasio NPL neto masing-masing sebesar 1,39% dan 1,73% dari jumlah kredit yang diberikan. Rasio NPL neto dihitung sesuai dengan peraturan Bank Indonesia No. 15/2/PBI/2013 tanggal 20 Mei 2013, dimana rasio kredit bermasalah bank umum secara neto adalah maksimal sebesar 5% dari jumlah kredit yang diberikan.

11. Loans *(continued)*

The other significant information relating to loans are as follows: (continued)

h. On 29 November 2023, the Bank sold its written off loan. Payment for the selling prices of Rp141,346 has been fully received by the Bank and recovery of the written-off loans was presented as part of "Other operating income - Others-net" in current year statement of profit or loss and other comprehensive income.

The loans were sold with true sales scheme with the transfer of rights on the sold loans become effective on 29 November 2023.

On 26 August 2022, the Bank sold its non performing loans and written off loan. Payment for the selling prices of Rp230,052 has been fully received by the Bank and loss from sale was presented as part of "Other operating income - Others-net" in current year statement of profit or loss and other comprehensive income.

The loans were sold with true sales scheme with the transfer of Rights on the sold loans become effective on 26 August 2022.

i. Non-Performing Loans (NPL) amounting to Rp2,149,026 and Rp2,480,955 as of 31 December 2023 and 2022, respectively.

Gross NPL ratio as of 31 December 2023 and 2022 represents 2.58% and 2.98% of the total loans, respectively, whereas net NPL ratio represents 1.39% and 1.73% of the total loans, respectively. Net NPL ratio is calculated in accordance with Bank Indonesia Regulation No. 15/2/PBI/2013 dated 20 May 2013, that the maximum net NPL ratio is 5% of the commercial bank's total loans.

11. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

j. Perubahan nilai tercatat bruto atas kredit yang diberikan adalah sebagai berikut:

11. Loans *(continued)*

The other significant information relating to loans are as follows: (continued)

j. Movements in the gross carrying amount of loans are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
31 Desember 2021	**63.066.001**	**9.111.114**	**2.627.731**	**74.804.846**	***31 December 2021***
Aset baru	49.166.040	3.208.883	1.875.791	54.250.714	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(33.750.889)	(4.587.463)	(1.135.311)	(39.473.663)	*Assets derecognized or repaid (excluding write-offs)*
Transfer ke Tahap 1	956.234	(951.920)	(4.314)	-	*Transfers to Stage 1*
Transfer ke Tahap 2	(2.091.873)	2.106.492	(14.619)	-	*Transfers to Stage 2*
Transfer ke Tahap 3	(26.060)	(69.377)	95.437	-	*Transfers to Stage 3*
Pengukuran kembali	(2.170.290)	(913.325)	(24.565)	(3.108.180)	*Remeasurement*
Penghapusbukuan	-	-	(816.854)	(816.854)	*Bad debts written-off*
Penghapusbukuan terkait penjualan kredit yang diberikan	-	-	(122.341)	(122.341)	*Bad debts written-off of sale of loans*
31 Desember 2022	**75.149.163**	**7.904.404**	**2.480.955**	**85.534.522**	***31 December 2022***
Aset baru	26.606.185	409.258	860.000	27.875.443	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(21.084.943)	(1.422.483)	(191.709)	(22.699.135)	*Assets derecognized or repaid (excluding write-offs)*
Transfer ke Tahap 1	1.305.008	(983.367)	(321.641)	-	*Transfers to Stage 1*
Transfer ke Tahap 2	(2.015.473)	2.030.201	(14.728)	-	*Transfers to Stage 2*
Transfer ke Tahap 3	(107.886)	(731.494)	839.380	-	*Transfers to Stage 3*
Pengukuran kembali	(4.812.467)	(372.527)	(35.684)	(5.220.678)	*Remeasurement*
Penghapusbukuan	-	-	(1.467.547)	(1.467.547)	*Bad debts written-off*
31 Desember 2023	**75.039.587**	**6.833.992**	**2.149.026**	**84.022.605**	***31 December 2023***

k. Perubahan cadangan kerugian penurunan nilai atas kredit yang diberikan adalah sebagai berikut:

k. The movements in the allowance for impairment losses of loans are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
31 Desember 2021	**604.063**	**2.034.810**	**968.019**	**3.606.892**	***31 December 2021***
Aset baru	220.138	1.018.946	896.735	2.135.819	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(624.143)	(1.021.525)	187.045	(1.458.623)	*Assets derecognized or repaid (excluding write-offs)*
Transfer ke Tahap 1	71.996	(71.508)	(488)	-	*Transfers to Stage 1*
Transfer ke Tahap 2	(91.525)	91.875	(350)	-	*Transfers to Stage 2*
Transfer ke Tahap 3	(537)	(9.252)	9.789	-	*Transfers to Stage 3*
Pengukuran kembali	396.788	390.090	(360.454)	426.424	*Remeasurement*
Penghapusbukuan	-	-	(816.854)	(816.854)	*Bad debts written-off*
Penghapusbukuan terkait penjualan kredit yang diberikan	-	-	(122.341)	(122.341)	*Bad debts written-off of sale of loans*
Penerimaan kembali atas aset keuangan yang telah dihapusbukukan	-	-	266.178	266.178	*Bad debts recoveris*
Perubahan di:					*Changes in:*
· Valuta asing	-	-	13.289	13.289	*- Foreign exchange*
· Parameter	(126.150)	311.317	-	185.167	*- Parameter*
31 Desember 2022	**450.630**	**2.744.753**	**1.040.568**	**4.235.951**	***31 December 2022***

11. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

k. Perubahan cadangan kerugian penurunan nilai atas kredit yang diberikan adalah sebagai berikut: (lanjutan)

11. Loans *(continued)*

The other significant information relating to loans are as follows: (continued)

k. The movements in the allowance for impairment losses of loans are as follows: (continued)

	Tahap 1/ ***Stage 1***	**Tahap 2/** ***Stage 2***	**Tahap 3/** ***Stage 3***	**Total**	
31 Desember 2022	**450.630**	**2.744.753**	**1.040.568**	**4.235.951**	***31 December 2022***
Aset baru	315.266	785.012	174.663	1.274.941	*New assets originated*
Aset dihentikan pengakuan atau dilunasi (kecuali hapus buku)	(141.696)	(913.550)	586.749	(468.497)	*Assets derecognized or repaid (excluding write-offs)*
Transfer ke Tahap 1	164.778	(160.529)	(4.249)	-	*Transfers to Stage 1*
Transfer ke Tahap 2	(15.635)	16.617	(982)	-	*Transfers to Stage 2*
Transfer ke Tahap 3	(2.508)	(401.382)	403.890	-	*Transfers to Stage 3*
Pengukuran kembali	(224.164)	503.889	(127.587)	152.138	*Remeasurement*
Penghapusbukuan	-	-	(1.467.547)	(1.467.547)	*Bad debts written-off*
Penerimaan kembali atas aset keuangan yang telah dihapusbukukan	-	-	384.191	384.191	*Bad debts recoveries*
Perubahan di:					*Changes in:*
- Valuta asing	-	-	(414)	(414)	*- Foreign exchange*
31 Desember 2023	**546.671**	**2.574.810**	**989.282**	**4.110.763**	***31 December 2023***

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian atas tidak tertagihnya kredit yang diberikan.

The Bank's management believes that the allowance for impairment losses of loans is adequate to cover any possible losses on uncollectible loans.

l. Keikutsertaan Bank sebagai anggota sindikasi terhadap jumlah seluruh kredit sindikasi yang diberikan berkisar antara 2,50% sampai dengan 55,00% pada tanggal 31 Desember 2023 dan 2022.

l. The participation of the Bank as a member of a syndicated loans in the total syndicated loans ranged from 2.50% to 55.00% as of 31 December 2023 and 2022.

m. Rasio kredit usaha kecil terhadap jumlah kredit yang diberikan adalah sebesar 0,34% dan 0,24% masing-masing pada tanggal 31 Desember 2023 dan 2022.

m. The ratio of loans to small businesses to the total loans is 0.34% and 0.24% as of 31 December 2023 and 2022, respectively.

11. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

n. Bank telah melakukan restrukturisasi kredit untuk debitur yang terdampak pandemi Covid-19 sesuai dengan POJK No. 11/POJK.03/2020 "Stimulus Perekonomian Nasional sebagai kebijakan *countercyclical* dampak penyebaran *Corona Virus Disease* 2019" tertanggal 13 Maret 2020 yang telah diperbaharui beberapa kali dengan POJK No.48/POJK.03/2020 "Perubahan Pertama Atas POJK No.11/POJK.03/2020" tertanggal 1 Desember 2020 dan POJK No. 17/POJK.03/2021 "Perubahan Kedua Atas POJK No.11/POJK.03/2020" tertanggal 10 September 2021 serta Siaran Pers OJK No. SP 85/DHMS/OJK/XI/2022 tertanggal 28 November 2022 tentang Perpanjangan Kebijakan Restrukturisasi Kredit dan Pembiayaan Secara Targeted dan Sektoral Atasi Dampak Lanjutan Pandemi Covid-19. Pada tanggal 31 Desember 2023 dan 2022, kredit restrukturisasi Covid-19 masing-masing sebesar Rp1.607.880 dan Rp6.974.437.

o. Pada tanggal 31 Desember 2023 dan 2022, Bank telah mematuhi ketentuan Batas Maksimum Pemberian Kredit (BMPK), baik terhadap pihak-pihak berelasi maupun kepada pihak yang tidak berelasi.

p. Pinjaman yang diberikan dinyatakan tidak tertagih sehingga akan dihapusbukukan apabila terdapat kasus hukum yang berkepanjangan, sehingga menghalangi Bank untuk melakukan penagihan, dan/atau melakukan upaya hukum alternatif lainnya kepada debitur dan/atau aset-asetnya.

   Dalam hal ini, Bank telah melakukan upaya-upaya penagihan secara maksimal, tetapi tidak terdapat kemungkinan pengembalian kredit dari debitur.

11. Loans *(continued)*

The other significant information relating to loans are as follows: (continued)

n. The Bank has restructured credit for debtors affected by the Covid-19 pandemic in accordance with POJK No. 11/POJK.03/2020 "National Economic stimulus as countercyclical policy in the impact of the spread of Coronavirus Disease 2019 dated 13 March 2020 which was updated by POJK No. 48/POJK.03/2020 "First Changes in POJK No. 11/POJK.03/2020" dated 1 December 2020 and POJK No. 17/POJK.03/2021 "Second Changes in POJK No. 11/POJK.03/2020" dated 10 September 2021, also Press Release OJK No. SP 85/DHMS/OJK/XI/2022 dated 28 November 2022 regarding extension of targeted and sectoral credit and financing restructuring policies due to the continued impact of the Covid - 19 pandemic. As of 31 December 2023 and 2022, Covid-19 restructured loan balance amounted to Rp1,607,880 and Rp6,974,437, respectively.

o. As of 31 December 2023 and 2022, the Bank is in compliance with the legal lending limit (BMPK) regulations, both for the related and non-related party borrowers.

p. Loans is declared uncollectible so that it will be written-off if there is a prolonged legal case, thus preventing the Bank from collecting, and/or making other alternative legal remedies to the debtor and/or its assets.

   In this case, the Bank has performed maximum effort to collect, but has no possibility of collection from debtors.

12. Tagihan atas Surat Berharga yang Dibeli dengan Janji Dijual Kembali

Tagihan atas surat berharga yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2023 terdiri dari:

12. Receivables on Securities Purchased with Agreements to Resell

Receivables on securities purchased with agreements to resell as of 31 December 2023 consist of:

Nasabah/ *Counterparty*	Jenis obligasi pemerintah/ *Type of government bonds*	Nilai nominal/ *Nominal amount*	Tanggal dimulai/ *Start date*	Jatuh tempo/ *Due date*	Nilai beli/ *Purchase amount*	Nilai penjualan/ *Resale amount*	Nilai tercatat/ *Carrying value*
Diukur pada nilai wajar melalui laba rugi							***At fair value through profit or loss***
PT Bank Mandiri (Persero) Tbk	FR0091	1.654.050	5 Sep 23/ *5 Sep 23*	4 Sep 26/ *4 Sep 26*	1.539.691	1.571.293	1.582.077
Diukur pada nilai perolehan yang diamortisasi							***At amortised cost***
Bank Indonesia	VR0049	3.841.000	17 Feb 23/ *17 Feb 23*	16 Feb 24/ *16 Feb 24*	3.574.645	3.816.431	3.785.875
Bank Indonesia	VR0094	3.000.000	24 Feb 23/ *24 Feb 23*	23 Feb 24/ *23 Feb 24*	2.804.100	2.993.967	2.966.322
Bank Indonesia	VR0063	2.500.000	18 Ags 23/ *18 Aug 23*	16 Ags 24/ *16 Aug 24*	2.401.952	2.557.822	2.460.189
Bank Indonesia	VR0071	2.300.000	4 Ags 23/ *4 Aug 23*	2 Ags 24/ *2 Aug 24*	2.196.648	2.338.892	2.255.265
Bank Indonesia	VR0046	1.100.000	24 Mar 23/ *24 Mar 23*	22 Mar 24/ *22 Mar 24*	1.058.545	1.128.213	1.112.710
Bank Indonesia	VR0070	1.000.000	27 Jan 23/ *27 Jan 23*	26 Jan 24/ *26 Jan 24*	954.047	1.018.293	1.013.880
Bank Indonesia	VR0061	1.000.000	28 Apr 23/ *28 Apr 23*	26 Jan 24/ *26 Jan 24*	936.428	982.551	978.327
Bank Indonesia	VR0084	1.000.000	10 Mar 23/ *10 Mar 23*	17 Mei 24/ *17 May 24*	926.300	989.080	977.524
Bank Indonesia	VR0068	1.000.000	14 Apr 23/ *14 Apr 23*	12 Jan 24/ *12 Jan 24*	932.044	977.951	976.101
Bank Indonesia	VR0073	1.000.000	5 Mei 23/ *5 May 23*	3 Mei 24/ *3 May 24*	930.473	991.673	970.993
Bank Indonesia	VR0077	1.000.000	28 Apr 23/ *28 Apr 23*	26 Apr 24/ *26 Apr 24*	928.831	989.942	970.467
Bank Indonesia	VR0072	1.000.000	14 Jul 23/ *14 Jul 23*	12 Jul 24/ *12 Jul 24*	926.140	986.118	954.317
Bank Indonesia	VR0081	500.000	12 Mei 23/ *12 May 23*	13 Mei 24/ *13 May 24*	469.247	500.341	489.073
Bank Indonesia	VR0085	500.000	14 Apr 23/ *14 Apr 23*	23 Feb 24/ *23 Feb 24*	466.561	497.562	488.632
Bank Indonesia	VR0094	300.000	19 Mei 23/ *19 May 23*	17 Mei 24/ *17 May 24*	279.987	298.388	291.462
Bank Indonesia	VR0073	250.000	20 Jan 23/ *20 Jan 23*	19 Jan 24/ *19 Jan 24*	250.000	247.728	246.951
Bank Indonesia	VR0080	159.000	17 Feb 23/ *17 Feb 23*	16 Feb 24/ *16 Feb 24*	149.254	159.366	158.088
Subtotal/*Subtotal*		21.450.000			20.185.202	21.474.318	21.096.176
Total		**23.104.050**			**21.724.893**	**23.045.611**	**22.678.253**

12. Tagihan atas Surat Berharga yang Dibeli dengan Janji Dijual Kembali (lanjutan)

Pada tanggal 31 Desember 2023, suku bunga efektif untuk tagihan atas surat berharga yang dibeli dengan janji dijual kembali berkisar antara 6,25% - 6,80% untuk mata uang Rupiah.

Tagihan atas surat berharga yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2022 terdiri dari:

12. Receivables on Securities Purchased with Agreements to Resell *(continued)*

As of 31 December 2022, the effective interest rate for receivables on securities purchased with agreements to resell ranged between 6.25% - 6.80% for Rupiah.

Receivables on securities purchased with agreements to resell as of 31 December 2022 consist of:

Nasabah/ ***Counterparty***	**Jenis obligasi pemerintah/** ***Type of government bonds***	**Nilai nominal/** ***Nominal amount***	**Tanggal dimulai/** ***Start date***	**Jatuh tempo/** ***Due date***	**Nilai beli/** ***Purchase amount***	**Nilai penjualan/** ***Resale amount***	**Nilai tercatat/** ***Carrying value***
Diukur pada nilai wajar melalui laba rugi							***At fair value through profit or loss***
PT Bank Mandiri (Persero) Tbk	FR0091	858.716	9 Ags 22/ *9 Aug 22*	25 Jul 23/ *25 Jul 23*	778.385	804.493	781.933
PT Bank Mandiri (Persero) Tbk	FR0091	858.551	10 Ags 22/ *10 Aug 22*	26 Jul 23/ *26 Jul 23*	778.376	804.484	781.811
PT PPA Persero	FR0091	300.000	18 Okt 22/ *18 Oct 22*	9 Okt 23/ *9 Oct 23*	252.052	268.228	254.694
Subtotal/*Subtotal*		2.017.267			1.808.813	1.877.205	1.818.438
Diukur pada nilai perolehan yang diamortisasi							***At amortised cost***
Bank Indonesia	VR0054	600.000	30 Des 22/ *30 Dec 22*	6 Jan 23/ *6 Jan 23*	573.248	573.861	573.423
Bank Indonesia	VR0036	500.000	30 Des 22/ *30 Dec 22*	13 Jan 23/ *13 Jan 23*	478.270	479.343	478.423
Subtotal/*Subtotal*		1.100.000			1.051.518	1.053.204	1.051.846
Total		**3.117.267**			**2.860.331**	**2.930.409**	**2.870.284**

Pada tanggal 31 Desember 2022, suku bunga efektif untuk tagihan atas surat berharga yang dibeli dengan janji dijual kembali berkisar antara 5,50% - 6,49% untuk mata uang Rupiah dan sebesar 3,45% untuk mata uang asing.

Berdasarkan kolektibilitas, seluruh tagihan atas surat berharga yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2023 dan 2022 diklasifikasikan lancar.

As of 31 December 2022, the effective interest rate for receivables on securities purchased with agreements to resell ranged between 5.50% - 6.49% for Rupiah and 3.45% for foreign currency.

By collectability, all receivables on securities purchased with agreements to resell as of 31 December 2023 and 2022 are classified as current.

12. Tagihan atas Surat Berharga yang Dibeli dengan Janji Dijual Kembali (lanjutan)

Perubahan nilai tercatat bruto adalah sebagai berikut:

12. Receivables on Securities Purchased with Agreements to Resell *(continued)*

Movements in the gross carrying amount are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
Nilai tercatat awal 31 Desember 2021	**15.546.305**	**-**	**-**	**15.546.305**	***Initial carrying amount 31 December 2021***
Aset baru	2.870.284	-	-	2.870.284	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(15.546.305)	-	-	(15.546.305)	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2022	**2.870.284**	**-**	**-**	**2.870.284**	***31 December 2022***
Aset baru	22.678.253	-	-	22.678.253	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(2.870.284)	-	-	(2.870.284)	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2023	**22.678.253**	**-**	**-**	**22.678.253**	***31 December 2023***

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

The movements in the allowance for impairment losses are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
31 Desember 2021	**6.352**	**-**	**-**	**6.352**	***31 December 2021***
Aset baru					*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(6.352)	-	-	(6.352)	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2022	**-**	**-**	**-**	**-**	***31 December 2022***
Aset baru	-	-	-	-	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	-	-	-	-	*Assets derecognized or repaid (excluding write-offs)*
31 Desember 2023	**-**	**-**	**-**	**-**	***31 December 2023***

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas tidak tertagihnya tagihan atas surat berharga yang dibeli dengan janji dijual kembali.

The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from uncollectible receivables on securities purchased with agreements to resell.

13. Tagihan dan Liabilitas Akseptasi

Tagihan dan liabilitas akseptasi merupakan akseptasi wesel impor atas dasar *letters of credit* berjangka yang berasal dari nasabah pihak ketiga dengan rincian berdasarkan:

13. Acceptance Receivables and Payables

Acceptance receivables and payables represent acceptances arising from import bills, supported by letters of credit, which are received from third party customers, with details as follows:

1. Mata uang / *1. Type of currency*

a. Tagihan akseptasi / *a. Acceptance receivables*

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Dolar Amerika Serikat	2.060.237	2.103.257	*United States Dollar*
Rupiah	214.522	1.220.957	*Indonesian Rupiah*
Euro Eropa	148.201	214.070	*European Euro*
Yen Jepang	35.116	42.355	*Japanese Yen*
Yuan China Renminbi	20.453	71.653	*Chinese Yuan Renminbi*
Yuan China	18.442	22.071	*Chinese Yuan*
Dolar Singapura	11.143	5.423	*Singapore Dollar*
Krona Swedia	-	7.290	*Swedish Krona*
Total	2.508.114	3.687.076	*Total*
Cadangan kerugian penurunan nilai	(9.448)	(3.877)	*Allowance for impairment losses*
Neto	**2.498.666**	**3.683.199**	***Net***

b. Liabilitas akseptasi / *b. Acceptance payables*

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Dolar Amerika Serikat	2.013.861	2.024.219	*United States Dollar*
Rupiah	185.580	875.559	*Rupiah*
Euro Eropa	141.062	214.070	*European Euro*
Yen Jepang	35.116	42.355	*JapaneseYen*
Yuan China Renminbi	20.453	71.653	*Chinese Yuan Renminbi*
Dolar Singapura	11.143	5.423	*Singapore Dollar*
Yuan China	4.966	11.083	*Chinese Yuan*
Krona Swedia	-	7.290	*Swedish Krona*
Total	**2.412.181**	**3.251.652**	***Total***

2. Jangka waktu / *2. Period*

a. Tagihan akseptasi / *a. Acceptance receivables*

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah			*Rupiah*
≤ 1 bulan	21.427	19.085	*≤ 1 month*
> 1 bulan ≤ 3 bulan	88.803	538.742	*> 1 month ≤ 3 months*
> 3 bulan ≤ 6 bulan	104.292	385.000	*> 3 months ≤ 6 months*
> 6 bulan	-	278.130	*> 6 months*
	214.522	1.220.957	

13. Tagihan dan Liabilitas Akseptasi (lanjutan)

Tagihan dan liabilitas akseptasi merupakan akseptasi wesel impor atas dasar *letters of credit* berjangka yang berasal dari nasabah pihak ketiga dengan rincian berdasarkan: (lanjutan)

13. Acceptance Receivables and Payables *(continued)*

Acceptance receivables and payables represent acceptances arising from import bills, supported by letters of credit, which are received from third party customers, with details as follows: (continued)

2. Jangka waktu (lanjutan)

2. Period *(continued)*

a. Tagihan akseptasi (lanjutan)

a. Acceptance receivables *(continued)*

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Mata uang asing			*Foreign currencies*
≤ 1 bulan	44.309	12.991	*≤ 1 month*
> 1 bulan ≤ 3 bulan	250.782	365.253	*> 1 month ≤ 3 months*
> 3 bulan ≤ 6 bulan	1.595.260	1.560.790	*> 3 months ≤ 6 months*
> 6 bulan	403.241	527.085	*> 6 months*
	2.293.592	2.466.119	
Total	2.508.114	3.687.076	*Total*
Cadangan kerugian penurunan nilai	(9.448)	(3.877)	*Allowance for impairment losses*
Neto	**2.498.666**	**3.683.199**	***Net***

b. Liabilitas akseptasi

b. Acceptance payables

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Rupiah			*Rupiah*
≤ 1 bulan	4.909	4.236	*≤ 1 month*
> 1 bulan ≤ 3 bulan	84.791	537.071	*> 1 month ≤ 3 months*
> 3 bulan ≤ 6 bulan	95.880	322.882	*> 3 months ≤ 6 months*
> 6 bulan	-	11.370	*> 6 months*
	185.580	875.559	
Mata uang asing			*Foreign currencies*
≤ 1 bulan	44.309	12.992	*≤ 1 month*
> 1 bulan ≤ 3 bulan	227.595	365.253	*> 1 month ≤ 3 months*
> 3 bulan ≤ 6 bulan	1.565.304	1.471.374	*> 3 months ≤ 6 months*
> 6 bulan	389.393	526.474	*> 6 months*
	2.226.601	2.376.093	
Total	**2.412.181**	**3.251.652**	***Total***

13. Tagihan dan Liabilitas Akseptasi (lanjutan)

Tagihan dan liabilitas akseptasi merupakan akseptasi wesel impor atas dasar *letters of credit* berjangka yang berasal dari nasabah pihak ketiga dengan rincian berdasarkan: (lanjutan)

3. Kolektibilitas menurut Peraturan Bank Indonesia

Tagihan akseptasi

13. Acceptance Receivables and Payables *(continued)*

Acceptance receivables and payables represent acceptances arising from import bills, supported by letters of credit, which are received from third party customers, with details as follows: (continued)

3. Collectability based on Bank Indonesia Regulation

Acceptance receivables

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Rupiah			*Rupiah*
Lancar	214.522	1.220.957	*Current*
Mata uang asing			*Foreign currencies*
Lancar	2.293.592	2.466.119	*Current*
Total	2.508.114	3.687.076	*Total*
Cadangan kerugian penurunan nilai	(9.448)	(3.877)	*Allowance for impairment losses*
Neto	**2.498.666**	**3.683.199**	***Net***

Perubahan nilai tercatat bruto adalah sebagai berikut:

Movements in the gross carrying are as follows:

	Tahap 1/ *Stage 1*	**Tahap 2/ *Stage 2***	**Tahap 3/ *Stage 3***	**Total**	
31 Desember 2021	**2.639.794**	**113.603**	**49.851**	**2.803.248**	***31 December 2021***
Aset baru	3.514.711	159.232	-	3.673.943	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(2.625.997)	(113.602)	(49.851)	(2.789.450)	*Assets derecognized or repaid (excluding write-offs)*
Pengukuran kembali	(665)	-	-	(665)	*Remeasurement*
31 Desember 2022	**3.527.843**	**159.233**	**-**	**3.687.076**	***31 December 2022***
Aset baru	2.418.757	81.202	-	2.499.959	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(3.519.020)	(159.232)	-	(3.678.252)	*Assets derecognized or repaid (excluding write-offs)*
Pengukuran kembali	(669)	-	-	(669)	*Remeasurement*
31 Desember 2023	**2.426.911**	**81.203**	**-**	**2.508.114**	***31 December 2023***

13. Tagihan dan Liabilitas Akseptasi (lanjutan)

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

13. Acceptance Receivables and Payables (continued)

The movements in the allowance for impairment losses are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
Saldo awal 31 Desember 2021	**166**	**430**	**49.851**	**50.447**	***Beginning balance 31 December 2021***
Aset baru	150	3.726	-	3.876	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(166)	(430)	(49.851)	(50.447)	*Assets derecognized or repaid (excluding write-offs)*
Pengukuran kembali	(7)	(160)	-	(167)	*Remeasurement*
Perubahan pada:					*Changes in:*
- Parameter	8	160	-	168	*Parameter -*
31 Desember 2022	**151**	**3.726**	**-**	**3.877**	***31 December 2022***
Aset baru	98	9.350	-	9.448	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(151)	(3.726)	-	(3.877)	*Assets derecognized or repaid (excluding write-offs)*
Pengukuran kembali	-	-	-	-	*Remeasurement*
Perubahan pada:					*Changes in:*
- Parameter	-	-	-	-	*Parameter -*
31 Desember 2023	**98**	**9.350**	**-**	**9.448**	***31 December 2023***

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai yang dibentuk pada tanggal 31 Desember 2023 dan 2022, adalah cukup untuk menutup kemungkinan kerugian atas tidak tertagihnya tagihan akseptasi.

The Bank's management believes that the allowance for impairment losses as of 31 December 2023 and 2022 is adequate to cover any possible losses on uncollectible acceptance receivables.

14. Aset Tetap dan Aset Hak Guna

Akun ini terdiri dari:

14. Fixed Assets and Right-of-Use Assets

This account consists of:

		Perubahan selama satu tahun/ *Changes during the year*			
31 Desember 2023	**Saldo awal/ *Beginning balance***	**Penambahan dan reklasifikasi/ *Additions and reclassification***	**Pengurangan dan reklasifikasi/ *Deductions and reclassification***	**Saldo akhir/ *Ending balance***	***31 December 2023***
Biaya perolehan					***Cost***
Tanah	116.530	-	1.170	115.360	*Land*
Bangunan	535.662	-	2.173	533.489	*Buildings*
Prasarana dan peralatan kantor	2.238.755	1.146.883	92.455	3.293.183	*Infrastructure and office equipments*
Kendaraan	8.908	-	108	8.800	*Vehicles*
Aset dalam proses pembangunan	230.103	620.953	231.584	619.472	*Construction in progress*
Total biaya perolehan aset tetap	3.129.958	1.767.836	327.490	4.570.304	*Total cost of fixed assets*
Aset hak guna	208.078	172.832	63.890	317.020	*Right-of-use assets*
Total biaya perolehan aset tetap dan aset hak guna	3.338.036	1.940.668	391.380	4.887.324	*Total cost of fixed assets and right-of-use assets*

14. Aset Tetap dan Aset Hak Guna (lanjutan)

14. Fixed Assets and Right-of-Use Assets (continued)

Akun ini terdiri dari: (lanjutan)

This account consists of: (continued)

31 Desember 2023	Saldo awal/ *Beginning balance*	Perubahan selama satu tahun/ *Changes during the year*: Penambahan dan reklasifikasi/ *Additions and reclassification*	Pengurangan dan reklasifikasi/ *Deductions and reclassification*	Saldo akhir/ *Ending balance*	*31 December 2023*
Akumulasi penyusutan					***Accumulated depreciation***
Bangunan	386.073	23.573	2.173	407.473	*Buildings*
Prasarana dan peralatan kantor	1.444.306	346.423	91.042	1.699.687	*Infrastructure and office equipments*
Kendaraan	8.908	-	108	8.800	*Vehicles*
	1.839.287	369.996	93.323	2.115.960	
Aset hak guna	90.722	59.372	63.502	86.592	*Right-of-use assets*
Total akumulasi penyusutan	1.930.009	429.368	156.825	2.202.552	*Total accumulated depreciation*
Nilai buku - neto	**1.408.027**			**2.684.772**	***Book value - net***

31 Desember 2022	Saldo awal/ *Beginning balance*	Perubahan selama satu tahun/ *Changes during the year*: Penambahan dan reklasifikasi/ *Additions and reclassification*	Pengurangan dan reklasifikasi/ *Deductions and reclassification*	Saldo akhir/ *Ending balance*	*31 December 2022*
Biaya perolehan					***Cost***
Tanah	127.057	-	10.527	116.530	*Land*
Bangunan	546.841	-	11.179	535.662	*Buildings*
Prasarana dan peralatan kantor	2.185.767	312.161	259.173	2.238.755	*Infrastructure and office equipments*
Kendaraan	9.393	-	485	8.908	*Vehicles*
Aset dalam proses pembangunan	109.481	273.080	152.458	230.103	*Construction in progress*
Total biaya perolehan aset tetap	2.978.539	585.241	433.822	3.129.958	*Total cost of fixed assets*
Aset hak guna	189.985	71.537	53.444	208.078	*Right-of-use assets*
Total biaya perolehan aset tetap dan aset hak guna	3.168.524	656.778	487.266	3.338.036	*Total cost of fixed assets and right-of-use assets*
Akumulasi penyusutan					***Accumulated depreciation***
Bangunan	372.552	24.292	10.771	386.073	*Buildings*
Prasarana dan peralatan kantor	1.463.957	236.456	256.107	1.444.306	*Infrastructure and office equipments*
Kendaraan	9.393	-	485	8.908	*Vehicles*
	1.845.902	260.748	267.363	1.839.287	
Aset hak guna	89.439	50.410	49.127	90.722	*Right-of-use assets*
Total akumulasi penyusutan	1.935.341	311.158	316.490	1.930.009	*Total accumulated depreciation*
Nilai buku - neto	**1.233.183**			**1.408.027**	***Book value - net***

14. Aset Tetap dan Aset Hak Guna (lanjutan)

Rincian aset dalam proses pembangunan beserta persentase penyelesaian terhadap nilai kontrak adalah sebagai berikut:

14. Fixed Assets and Right-of-Use Assets *(continued)*

The details of the construction in progress with the percentage of completion of the contract values are as follows:

	31 Desember/*31 December* 2023			
	Persentase penyelesaian/ *Percentage of completion*	**Akumulasi biaya/ *Accumulated cost***	**Estimasi penyelesaian/ *Estimated of completion***	
Prasarana	55%	49.432	2024	*Infrastructure*
Peralatan kantor	41%	570.040	2024	*Office equipment*
		619.472		

	31 Desember/*31 December* 2022			
	Persentase penyelesaian/ *Percentage of completion*	**Akumulasi biaya/ *Accumulated cost***	**Estimasi penyelesaian/ *Estimated of completion***	
Prasarana	50%	4.487	2023	*Infrastructure*
Peralatan kantor	39%	225.616	2023	*Office equipment*
		230.103		

Seluruh aset tetap yang dimiliki oleh Bank berasal dari kepemilikan langsung.

All fixed assets owned by the Bank are from direct ownership.

Nilai tercatat bruto dari aset tetap yang telah disusutkan penuh dan masih digunakan adalah sebagai berikut (tidak diaudit):

Gross carrying amount of fixed assets which were fully depreciated and still used are as follows (unaudited):

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Bangunan	63.374	65.455	*Buildings*
Prasarana dan peralatan kantor	853.601	676.052	*Infrastructure and office equipment*
Kendaraan	8.800	8.908	*Vehicles*
Total	**925.775**	**750.415**	***Total***

Rekonsiliasi penambahan aset tetap yang berasal dari pembelian dan reklasifikasi adalah sebagai berikut:

Reconciliations of addition to fixed assets which comes from purchase and reclassification are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Penambahan melalui pembelian aset tetap	1.464.983	432.783	*Addition through purchase of fixed assets*
Penambahan melalui akuisisi bisnis *consumer banking* Citi	71.269	-	*Addition through consumer banking business acquisition of Citi*
Penambahan aset tetap melalui reklasifikasi aset dalam proses pembangunan	231.584	152.458	*Addition of fixed assets through reclassification of construction in progress*
Penambahan aset hak guna	172.832	71.537	*Addition of right-of-use assets*
Total	**1.940.668**	**656.778**	***Total***

14. Aset Tetap dan Aset Hak Guna (lanjutan)

Rekonsiliasi pengurangan aset tetap yang berasal dari penjualan dan reklasifikasi adalah sebagai berikut:

14. Fixed Assets and Right-of-Use Assets *(continued)*

Reconciliations of deduction to fixed assets which comes from disposal and reclassification are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Pengurangan melalui penjualan aset tetap	25.920	14.156	*Deduction through sale of fixed assets*
Penghapusan aset tetap	66.643	247.480	*Write-off of fixed assets*
Pengurangan aset dalam proses pembangunan melalui reklasifikasi aset tetap	231.584	152.458	*Deduction of construction in progress through reclassification*
Pengurangan aset hak guna	63.890	53.444	*Deduction of right-of-use assets*
Reklasifikasi ke properti terbengkalai	3.343	19.728	*Reclassification to abandoned property*
Total	**391.380**	**487.266**	***Total***

Penyusutan yang dibebankan pada laporan laba rugi dan penghasilan komprehensif lain masing-masing sebesar Rp429.368 dan Rp311.158 untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 (Catatan 30).

Depreciation charged to statement of profit or loss and other comprehensive income amounted to Rp429,368 and Rp311,158 for the years ended 31 December 2023 and 2022, respectively (Note 30).

Manajemen Bank juga berpendapat bahwa tidak terdapat penurunan nilai atas aset tetap tersebut yang harus dicatat pada tanggal 31 Desember 2023 dan 2022.

The Bank's management believes that there is no impairment that should be recorded in value of the aforementioned fixed assets as of 31 December 2023 and 2022.

Seluruh aset tetap (kecuali tanah) diasuransikan terhadap risiko kebakaran dan risiko lainnya berdasarkan paket polis tertentu kepada perusahaan asuransi pihak ketiga Bank yaitu PT Zurich Asuransi Indonesia, Tbk dengan nilai pertanggungan sebesar Rp1.895.619 dan Rp1.936.356 masing-masing pada tanggal 31 Desember 2023 dan 2022. Manajemen Bank berkeyakinan bahwa nilai pertanggungan asuransi telah mencukupi untuk menutupi kemungkinan kerugian dari risiko yang ada.

All fixed assets (except land) are covered by insurance against fire and other risks under blanket policies with the Bank's third party insurance company which is PT Zurich Asuransi Indonesia, Tbk with sum insured amounting to Rp1,895,619 and Rp1,936,356 as of 31 December 2023 and 2022, respectively. The Bank's management believes that insurance coverage is adequate to cover possible losses arising from such risks.

Hasil penjualan aset tetap adalah masing-masing sebesar Rp4.926 dan Rp15.834 untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022.

The proceeds from the sale of fixed assets amounted to Rp4,926 and Rp15,834 for the years ended 31 December 2023 and 2022, respectively

Nilai buku aset tetap yang dijual adalah masing-masing sebesar Rp927 dan Rp2.950 untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022.

Book value from the sale of fixed assets amounted to Rp927 and Rp2,950 for the years ended 31 December 2023 and 2022, respectively.

Keuntungan atas penjualan aset tetap masing-masing sebesar Rp3.999 dan Rp12.884 untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 dibukukan sebagai bagian dari "Pendapatan non-operasional-keuntungan penjualan aset tetap dan properti terbengkalai - neto" selama tahun berjalan.

The related profit on sales of fixed assets of Rp3,999 and Rp12,884 for the years ended 31 December 2023 and 2022, respectively are presented as part of "Non-operating income - gain on sale of fixed assets and abandoned properties - net" during the year.

14. Aset Tetap dan Aset Hak Guna (lanjutan)

Aset hak guna pada tanggal 31 Desember 2023 adalah sebagai berikut:

	Saldo awal/ *Beginning balance*	Penambahan dan reklasifikasi/ *Additions and reclassification*	Pengurangan dan reklasifikasi/ *Deductions and reclassification*	Saldo akhir/ *Ending balance*	
Biaya perolehan					***Cost***
Bangunan	155.622	166.400	18.899	303.123	*Buildings*
Kendaraan	52.456	6.432	44.991	13.897	*Vehicles*
Total biaya perolehan	208.078	172.832	63.890	317.020	*Total cost*
Akumulasi penyusutan					***Accumulated depreciation***
Bangunan	53.878	47.244	18.659	82.463	*Buildings*
Kendaraan	36.844	12.128	44.843	4.129	*Vehicles*
Total akumulasi penyusutan	90.722	59.372	63.502	86.592	*Total accumulated depreciation*
Nilai buku - neto	117.356			230.428	*Book value - net*

Aset hak guna pada tanggal 31 Desember 2022 adalah sebagai berikut:

	Saldo awal/ *Beginning balance*	Penambahan dan reklasifikasi/ *Additions and reclassification*	Pengurangan dan reklasifikasi/ *Deductions and reclassification*	Saldo akhir/ *Ending balance*	
Biaya perolehan					***Cost***
Bangunan	139.038	67.247	50.663	155.622	*Buildings*
Kendaraan	50.947	4.290	2.781	52.456	*Vehicles*
Total biaya perolehan	189.985	71.537	53.444	208.078	*Total cost*
Akumulasi penyusutan					***Accumulated depreciation***
Bangunan	63.323	37.294	46.739	53.878	*Buildings*
Kendaraan	26.116	13.116	2.388	36.844	*Vehicles*
Total akumulasi penyusutan	89.439	50.410	49.127	90.722	*Total accumulated depreciation*
Nilai buku - neto	100.546			117.356	*Book value - net*

Bank menyewa beberapa aset termasuk gedung kantor, rumah dinas, kendaraan dan lain-lain.

Bank menyewa beberapa aset termasuk bangunan dengan jangka waktu sewa 2-10 tahun dan kendaraan mobil dengan jangka waktu sewa 2-4 tahun.

Bank mempunyai sewa tertentu dengan masa sewa 12 bulan atau kurang dan sewa bernilai rendah. Bank menerapkan pengecualian pengakuan sewa jangka pendek dan sewa bernilai rendah untuk sewa tersebut.

14. Fixed Assets and Right-of-Use Assets (continued)

Right-of-use assets as of 31 December 2023 as follows:

Right-of-use assets as of 31 December 2022 as follows:

The Bank had rent a number of assets including offices, official houses, vehicles and others.

The Bank leases several assets including buildings with lease term of 2-10 years and car with lease terms of 2-4 years.

The Bank also has certain leases with lease terms of 12 months or less and low value assets. The Bank applies the recognition exemptions of short-term leases and low-value assets for these leases.

15. Aset Lain-lain

Akun ini terdiri dari:

15. Other Assets

This account consists of:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Piutang bunga	980.544	1.065.029	*Interest receivables*
Term Deposit Valas hasil ekspor (TD Valas DHE SDA) Bank Indonesia	739.056	-	*Term Deposit with Bank Indonesia in foreign currency from DHE SDA*
Biaya dibayar di muka	197.791	120.077	*Prepaid expense*
Agunan yang diambil alih (setelah dikurangi cadangan penurunan nilai masing-masing sebesar Rp28.691 dan Rp28.709 pada tanggal 31 Desember 2023 dan 2022)	157.602	174.021	*Foreclosed assets (net of allowance for decline in value of Rp28,691 and Rp28,709 as of 31 December 2023 and 2022, respectively)*
ATM bersama	75.756	114.897	*ATM Bersama*
Uang muka	45.527	41.514	*Advances*
Properti terbengkalai	28.689	28.012	*Abandoned property*
Setoran jaminan	2.819	2.865	*Security deposits*
Lain-lain	422.493	318.383	*Others*
Neto	**2.650.277**	**1.864.798**	***Net***

Ikhtisar perubahan cadangan kerugian penurunan nilai agunan yang diambil alih adalah sebagai berikut:

The changes in the allowance for the decline in value of foreclosed assets are as follows:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Saldo awal tahun	28.709	29.668	*Beginning balance*
Pemulihan selama tahun berjalan	(18)	(959)	*Reversal during the year*
Saldo akhir tahun	**28.691**	**28.709**	***Ending balance***

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai atas agunan yang diambil alih telah memadai dan nilai tercatat agunan yang diambil alih tersebut merupakan nilai bersih yang dapat direalisasi.

The Bank's management believes that the allowance for the decline in value of foreclosed assets is adequate and the carrying value of foreclosed assets is stated at net realizable value.

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai atas properti terbengkalai tidak diperlukan.

The Bank's management believes that no allowance for the decline in value of abandoned property is necessary.

Term Deposit Valas Devisa Hasil Ekspor merupakan suatu instrumen dimana dana devisa hasil ekspor dari rekening khusus eksportir ditempatkan pada Bank Indonesia melalui rekening Bank sesuai mekanisme pasar.

Term Deposits of Foreign Exchange from Export Proceeds is an instrument where foreign exchange from export proceeds from exporters' special account are placed in Bank Indonesia through Bank's accounts in accordance with market mechanisms.

16. Liabilitas Segera

Akun ini adalah sebesar Rp475.355 dan Rp192.839 masing-masing pada tanggal 31 Desember 2023 dan 2022 terdiri dari kiriman uang/wesel akan dibayar, titipan dana nasabah, transaksi kliring/transfer yang belum diselesaikan dan liabilitas-liabilitas jangka pendek lainnya.

16. Current Liabilities

This account amounting to Rp475,355 and Rp192,839 as of 31 December 2023 and 2022 respectively represents cash remittances/draft payables, customers' funds, unsettled clearing/transfer transactions and other short-term liabilities.

17. Giro

Akun ini terdiri dari:

	31 Desember/*31 December* 2023			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Pihak ketiga	22.212.020	1.319.858	23.531.878	*Third parties*
Pihak berelasi (Catatan 37)	169.624	-	169.624	*Related parties (Note 37)*
Total	**22.381.644**	**1.319.858**	**23.701.502**	***Total***

	31 Desember/*31 December* 2022			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Pihak ketiga	22.505.752	1.463.527	23.969.279	*Third parties*
Pihak berelasi (Catatan 37)	197.421	-	197.421	*Related parties (Note 37)*
Total	**22.703.173**	**1.463.527**	**24.166.700**	***Total***

Giro dalam mata uang asing terdiri dari Dolar Singapura, Dolar Amerika Serikat dan Yuan China Renminbi.

Suku bunga rata-rata untuk giro adalah sebagai berikut:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah	2,69%	1,99%	*Rupiah*
Mata uang asing	0,21%	0,01%	*Foreign currencies*

Pada tanggal 31 Desember 2023 dan 2022, giro yang digunakan sebagai jaminan untuk kredit masing-masing sebesar Rp655.364 dan Rp547.289. Giro yang dijaminkan ini diblokir sepanjang jangka waktu fasilitas kredit (Catatan 11).

Tidak terdapat kredit kepada pihak berelasi yang dijaminkan dengan giro.

17. Demand Deposits

This account consists of:

Demand deposits in foreign currencies consist of Singapore Dollar, United States Dollar and Chinese Yuan Renminbi.

The average interest rates for demand deposits are as follows:

As of 31 December 2023 and 2022, demand deposits amounting to Rp655,364 and Rp547,289, are pledged as collateral for loan facilities. The pledged demand deposits are blocked throughout the loan period (Note 11).

There are no loan facilities to related parties which are secured with demand deposits as collateral.

18. Tabungan

Akun ini terdiri dari:

	31 Desember/*31 December* 2023			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Pihak ketiga	11.908.663	25.466.925	37.375.588	*Third parties*
Pihak berelasi (Catatan 37)	93.145	17.643	110.788	*Related parties (Note 37)*
Total	**12.001.808**	**25.484.568**	**37.486.376**	***Total***

	31 Desember/*31 December* 2022			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Pihak ketiga	10.056.993	28.460.410	38.517.403	*Third parties*
Pihak berelasi (Catatan 37)	84.731	45.736	130.467	*Related parties (Note 37)*
Total	**10.141.724**	**28.506.146**	**38.647.870**	***Total***

Tabungan dalam mata uang asing terdiri dari Pound Sterling Inggris, Euro Eropa, Franc Swiss, Dolar Australia, Dolar Amerika, Dolar Kanada, Dolar Selandia Baru, Dolar Singapura, Dolar Hong Kong, Yen Jepang dan Krona Swedia.

Suku bunga rata-rata untuk tabungan adalah sebagai berikut:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah	1,57%	1,41%	*Rupiah*
Mata uang asing	2,16%	0,41%	*Foreign currencies*

Pada tanggal 31 Desember 2023 dan 2022, tabungan yang diblokir untuk jaminan fasilitas kredit adalah masing-masing sebesar Rp1.063.347 dan Rp983.973 (Catatan 11).

Tidak terdapat kredit kepada pihak berelasi yang dijaminkan dengan tabungan.

18. Saving Deposits

This account consists of:

Saving deposits in foreign currencies consist of Great Britain Pound Sterling, European Euro, Swiss Franc, Australian Dollar, United States Dollar, Canadian Dollar, New Zealand Dollar, Singapore Dollar, Hong Kong Dollar, Japanese Yen and Swedish Krona.

The average interest rates for saving deposits are as follows:

As of 31 December 2023 and 2022, saving deposits pledged as collateral for loan facilities amounted to Rp1,063,347 and Rp983,973, respectively (Note 11).

There are no loan facilities to related parties which are secured with saving deposits as collateral.

19. Deposito Berjangka / *19. Time Deposits*

Akun ini terdiri dari:

This account consists of:

	31 Desember/*31 December* 2023			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Pihak ketiga	43.970.624	13.951.421	57.922.045	*Third parties*
Pihak berelasi (Catatan 37)	123.703	48.915	172.618	*Related parties (Note 37)*
Total	**44.094.327**	**14.000.336**	**58.094.663**	***Total***

	31 Desember/*31 December* 2022			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
Pihak ketiga	37.675.027	13.295.664	50.970.691	*Third parties*
Pihak berelasi (Catatan 37)	109.903	22.107	132.010	*Related parties (Note 37)*
Total	**37.784.930**	**13.317.771**	**51.102.701**	***Total***

Rincian deposito berjangka berdasarkan jangka waktu kontrak adalah sebagai berikut:

The details of time deposits based on contractual maturities are as follows:

	31 Desember/*31 December* 2023			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
≤ 1 bulan	1.524.009	852.702	2.376.711	≤ 1 bulan
> 1 bulan ≤ 3 bulan	12.498.388	5.033.229	17.531.617	*> 1 month ≤ 3 months*
> 3 bulan ≤ 6 bulan	16.388.715	4.997.495	21.386.210	*> 3 months ≤ 6 months*
> 6 bulan	13.683.215	3.116.910	16.800.125	*> 6 months*
Total	**44.094.327**	**14.000.336**	**58.094.663**	***Total***

	31 Desember/*31 December* 2022			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
≤ 1 bulan	746.686	545.466	1.292.152	≤ 1 bulan
> 1 bulan ≤ 3 bulan	16.189.864	6.749.043	22.938.907	*> 1 month ≤ 3 months*
> 3 bulan ≤ 6 bulan	8.091.903	3.172.796	11.264.699	*> 3 months ≤ 6 months*
> 6 bulan	12.756.477	2.850.466	15.606.943	*> 6 months*
Total	**37.784.930**	**13.317.771**	**51.102.701**	***Total***

19. Deposito Berjangka (lanjutan)

Rincian deposito berjangka berdasarkan sisa umur sampai tanggal jatuh tempo adalah sebagai berikut:

19. Time Deposits *(continued)*

The details of time deposits based on remaining maturities are as follows:

	31 Desember/*31 December* 2023			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
≤ 1 bulan	20.218.376	6.512.454	26.730.830	*≤ 1 month*
> 1 bulan ≤ 3 bulan	15.850.258	5.129.101	20.979.359	*> 1 month ≤ 3 months*
> 3 bulan ≤ 6 bulan	6.771.116	1.249.415	8.020.531	*> 3 months ≤ 6 months*
> 6 bulan ≤ 12 bulan	1.174.337	1.081.924	2.256.261	*> 6 months ≤ 12 months*
> 12 bulan	80.240	27.442	107.682	
Total	**44.094.327**	**14.000.336**	**58.094.663**	***Total***

	31 Desember/*31 December* 2022			
	Rupiah	**Mata uang asing/ *Foreign currencies***	**Total**	
≤ 1 bulan	19.655.162	8.807.661	28.462.823	*≤ 1 month*
> 1 bulan ≤ 3 bulan	10.003.834	1.800.762	11.804.596	*> 1 month ≤ 3 months*
> 3 bulan ≤ 6 bulan	6.213.744	802.815	7.016.559	*> 3 months ≤ 6 months*
> 6 bulan ≤ 12 bulan	1.912.190	1.906.533	3.818.723	*> 6 months ≤ 12 months*
Total	**37.784.930**	**13.317.771**	**51.102.701**	***Total***

Deposito berjangka dalam mata uang asing terdiri dari Pound Sterling Inggris, Euro Eropa, Dolar Australia, Dolar Amerika, Dolar Singapura, Yen Jepang dan Dolar Hong Kong.

Time deposits in foreign currencies consist of Great Britain Pound Sterling, European Euro, Australian Dollar, United States Dollar, Singapore Dollar, Japanese Yen and Hong Kong Dollar.

Pada tanggal 31 Desember 2023 dan 2022, deposito berjangka yang diblokir untuk jaminan atas fasilitas kredit yang diberikan kepada nasabah adalah masing-masing sebesar Rp8.442.844 dan Rp6.684.562. Deposito berjangka yang dijaminkan ini diblokir sepanjang jangka waktu fasilitas kredit (Catatan 11).

As of 31 December 2023 and 2022, time deposits pledged as collateral for loan facilities granted amounted to Rp8,442,844 and Rp6,684,562, respectively. The pledged time deposits are blocked throughout the loan period (Note 11).

Suku bunga rata-rata untuk deposito berjangka adalah sebagai berikut:

The average interest rates for time deposits are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Rupiah	4,44%	3,05%	*Rupiah*
Mata uang asing	2,98%	0,93%	*Foreign currencies*

20. Simpanan dari Bank Lain

Simpanan dari bank lain berdasarkan jenis dan mata uang terdiri dari:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah			*Rupiah*
Call Money	1.265.000	-	*Call Money*
Giro	107.187	179.201	*Demand deposits*
Tabungan	9.959	7.488	*Saving deposits*
Deposito berjangka	9.400	6.500	*Time deposits*
	1.391.546	193.189	
Mata uang asing			*Foreign currency*
Tabungan	7.213	12.959	*Saving deposits*
Total	**1.398.759**	**206.148**	***Total***

20. Deposits from Other Banks

Deposits from other banks based on type and currency consist of:

Simpanan dari bank lain berdasarkan hubungan transaksi dengan Bank terdiri dari:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah			*Rupiah*
Pihak ketiga	1.331.108	38.047	*Third parties*
Pihak berelasi (Catatan 37)	60.438	155.142	*Related parties (Note 37)*
	1.391.546	193.189	
Mata uang asing			*Foreign currency*
Pihak ketiga	7.213	12.959	*Third parties*
Total	**1.398.759**	**206.148**	***Total***

Deposits from other banks based on their relationship transaction with the Bank consist of:

Jangka waktu simpanan dari bank lain dalam deposito berjangka dan *call money* adalah kurang dari satu tahun.

The terms of deposits from other banks in time deposits and call money are less than one year.

Tidak terdapat simpanan dari bank lain yang diblokir atau dijaminkan pada tanggal 31 Desember 2023 dan 2022.

There are no deposits from other banks which are blocked or collateralized as of 31 December 2023 and 2022.

Suku bunga rata-rata tahunan untuk simpanan dari bank lain adalah sebagai berikut:

The average annual interest rates for deposits from other banks are as follows:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Rupiah	0,00% - 6,02%	0,00% - 3,51%	*Rupiah*
Mata uang asing	0,00% - 5,26%	0,00% - 1,84%	*Foreign currency*

21. Perpajakan / *21. Taxation*

Utang pajak terdiri dari:

Tax payables consists of:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Utang pajak penghasilan			*Income tax payables*
Pasal 4 (2)	81.368	40.015	*Article 4 (2)*
Pasal 21	52.600	55.830	*Article 21*
Pasal 23 dan 26	25.884	2.201	*Article 23 and 26*
Pasal 25	708	27.004	*Article 25*
Pasal 29	3.617	62.466	*Article 29*
Pajak Pertambahan Nilai	6.673	8.422	*Value Added Taxes*
Total utang pajak	**170.850**	**195.938**	***Total tax payables***

Rekonsiliasi antara laba sebelum beban pajak menurut laporan laba rugi dan penghasilan komprehensif lain dengan penghasilan kena pajak untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The reconciliations between income before tax expense, as shown in the statement of profit or loss and other comprehensive income, and taxable income for the years ended 31 December 2023 and 2022 are as follows:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Laba sebelum beban pajak sebagaimana disajikan dalam laporan laba rugi dan penghasilan komprehensif lain	911.689	1.148.213	*Income before tax expense as stated in the statement of profit or loss and other comprehensive income*
Beda temporer:			***Temporary differences:***
Penyusutan aset tetap	(137.426)	18.355	*Depreciation of fixed assets*
Cadangan atas imbalan kerja	80.894	(16.141)	*Provision for employees' benefits*
Pembentukan cadangan atas kerugian penurunan nilai aset produktif dan non-produktif	(42.590)	230.829	*Provision for allowance for impairment losses on earning assets and non-earning assets*
Pembentukan cadangan atas *point rewards* kartu kredit	21.542	-	*Provision for credit card reward points*
Kerugian/(keuntungan) yang belum direalisasi atas efek-efek yang diperdagangkan - neto	(13.035)	8.692	*Unrealized loss/(gain) on trading securities – net*
Amortisasi aset tak berwujud	(5.500)	-	*Amortization of intangible assets*
Penyusutan aset hak guna	2.400	288	*Depreciation of right-of-use assets*
Kerugian/(keuntungan) penjualan aset tetap - neto	1.085	176	*Loss/(gain) on sale of fixed assets - net*
Pembentukan atas cadangan penurunan nilai agunan yang diambil alih	215	(959)	*Provision for decline in value of foreclosed assets*
Lain-lain	(8.827)	-	*Others*
Beda tetap:			***Permanent differences:***
Keuntungan penjualan aset tetap dan properti terbengkalai - neto	(3.533)	(12.286)	*Gain on sale of fixed assets and abandoned properties - net*
Lain-lain - neto	121.436	54.985	*Others - net*
Penghasilan kena pajak - Bank	**928.350**	**1.432.152**	***Taxable income - Bank***

21. Perpajakan (lanjutan)

Perhitungan beban pajak tahun berjalan dan beban pajak tangguhan - neto untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

***21. Taxation** (continued)*

The computation of current tax expense and deferred tax expense - net for the year ended 31 December 2023 dan 2022 are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Penghasilan kena pajak	**928.350**	**1.432.152**	***Taxable income***
Beban pajak penghasilan - tahun berjalan	204.237	315.073	*Income tax expense - current*
Beban pajak penghasilan - tangguhan:			*Income tax expense - deferred:*
Penyusutan aset tetap	(30.234)	4.038	*Depreciation of fixed assets*
Cadangan atas imbalan kerja - neto	`17.797	(3.551)	*Provision for employees' benefits - net*
Pembentukan cadangan atas kerugian penurunan nilai aset produktif dan non-produktif	(9.370)	116.131	*Provision for impairment losses on earning assets and non-earning assets*
Pembentukan cadangan atas *reward points* kartu kredit	4.739	-	*Provision for credit card reward points*
(Keuntungan)/kerugian yang belum direalisasi atas efek-efek yang diperdagangkan - neto	(2.868)	1.912	*Unrealized (gain)/loss on trading securities - net*
Amortisasi aset tak berwujud	(1.210)	-	*Amortization of intangible assets*
Penyusutan aset hak guna	528	63	*Depreciation of right-of-use assets*
Keuntungan penjualan aset tetap - neto	239	39	*Gain on sale of fixed assets - net*
Pembentukan atas penurunan nilai agunan yang diambil alih	47	(211)	*Provision for decline in value of foreclosed assets*
Lain-lain	(1.942)	-	*Others*
(Beban)/manfaat pajak tangguhan - neto	(22.274)	118.421	*Deferred tax (expense)/ income - net*
Penyesuaian	(10.215)	-	*Adjustment*
Beban pajak - neto	**236.726**	**196.652**	***Tax expense - net***

Rekonsiliasi antara beban pajak yang dihitung dengan menggunakan tarif pajak yang berlaku dari laba sebelum beban pajak, dengan beban pajak seperti yang disajikan dalam laporan laba rugi dan penghasilan komprehensif lain untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The reconciliations between tax expense calculated by using the applicable tax rate from income before tax expense, and tax expense presented in the statement of profit or loss and other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Laba sebelum beban pajak	911.689	1.148.213	*Income before tax expense*
Beban pajak penghasilan berdasarkan tarif pajak yang berlaku	200.572	252.607	*Income tax expense at applicable tax rate*
Pengaruh beda tetap atas beban pajak penghasilan:			*Effects of permanent differences on income tax expense:*
Keuntungan penjualan aset tetap dan properti terbengkalai - neto	(777)	(2.703)	*Gain on sale of fixed assets and abandoned properties - net*
Lain-lain - neto	26.716	12.097	*Others - net*
	226.511	262.001	
Penyesuaian	10.215	(65.349)	*Adjustment*
Beban pajak - neto	**236.726**	**196.652**	***Tax expense - net***

21. Perpajakan (lanjutan)

Perhitungan beban pajak - tahun berjalan dan utang pajak penghasilan adalah sebagai berikut:

21. Taxation *(continued)*

The computations of tax expense - current and income tax payables are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Beban pajak penghasilan - tahun berjalan	204.237	315.073	*Tax expense - current*
Pembayaran pajak penghasilan di muka	(200.620)	(252.607)	*Pre-payments of income taxes*
Utang pajak penghasilan	**3.617**	**62.466**	***Income tax payables***

Rincian aset pajak tangguhan adalah sebagai berikut:

The details of deferred tax assets are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Cadangan kerugian penurunan nilai aset produktif dan non-produktif	661.624	670.993	*Allowance for impairment losses on earning assets and non-earning assets*
Liabilitas atas imbalan kerja	75.762	56.849	*Liability for employees' benefits*
Penyusutan aset tetap	(61.835)	(31.601)	*Depreciation of fixed assets*
Kerugian/(keuntungan) yang belum direalisasi atas efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain	25.912	43.439	*Unrealized loss/(gain) on measured at fair value through other comprehensive income*
Pembentukan cadangan atas *reward points* kartu kredit	22.556	-	*Provision for credit card reward points*
Cadangan penurunan nilai agunan yang diambil alih	6.442	6.395	*Allowance for decline in value of foreclosed assets*
Kerugian/(keuntungan) yang belum direalisasi atas efek-efek yang diperdagangkan - neto	(2.697)	171	*Unrealized loss/(gain) on trading securities - net*
Penyusutan aset hak guna	2.015	1.487	*Depreciation of right-of-use assets*
Amortisasi aset tak berwujud	(1.210)	-	*Amortization of intangible assets*
Keuntungan penjualan aset tetap	(477)	(715)	*Gain on sale of fixed assets - net*
Lain-lain	5.468	-	*Others*
Total	**733.560**	**747.018**	***Total***

Perhitungan pajak penghasilan badan untuk tahun yang berakhir tanggal 31 Desember 2023 adalah estimasi untuk pengisian SPT 2023 dan perhitungan pajak penghasilan badan 2022 adalah sesuai dengan SPT Bank.

The calculations of corporate income tax for the year ended December 31, 2023 are estimated numbers for 2023 annual tax return and 2022 corporate income tax which conform to the Bank's Annual Tax Return.

Pajak penghasilan badan Bank untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing telah dihitung dengan menggunakan tarif pajak sebesar 22%.

The Bank's corporate income tax for the year ended 31 December 2023 and 2022 are calculated using the tax rate of 22%, respectively.

22. Liabilitas atas Surat Berharga yang Dijual dengan Janji Dibeli Kembali

Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali pada tanggal 31 Desember 2023 terdiri dari:

22. Liabilities on Securities Sold under Repurchase Agreements

Liabilities on securities sold under repurchase agreements as of 31 December 2023 consists of:

Nasabah/ *Counterparty*	Jenis obligasi pemerintah/ *Type of government bonds*	Nilai nominal/ *Nominal amount*	Tanggal dimulai/ *Start date*	Jatuh tempo/ *Due date*	Nilai pembelian kembali/ *Repurchase amount*	Nilai tercatat/ *Carrying value*
Diukur pada nilai perolehan yang diamortisasi						***At amortized cost***
Bank Indonesia	FR0081	1.000.000	27 Des 23/ *27 Dec 23*	10 Jan 24/ *10 Jan 24*	953.308	951.716
Bank Indonesia	FR0095	900.000	20 Des 23/ *20 Dec 23*	17 Jan 24/ *17 Jan 24*	873.492	870.866
Bank Indonesia	FR0081	900.000	29 Des 23/ *29 Dec 23*	12 Jan 24/ *12 Jan 24*	859.200	857.446
Bank Indonesia	FR0078	800.000	20 Des 23/ *20 Dec 23*	3 Jan 24/ *3 Jan 24*	805.576	805.277
Bank Indonesia	FR0081	800.000	29 Des 23/ *29 Dec 23*	12 Jan 24/ *12 Jan 24*	763.734	762.174
Bank Indonesia	FR0078	700.000	20 Des 23/ *20 Dec 23*	17 Jan 24/ *17 Jan 24*	706.765	704.641
Bank Indonesia	FR0056	600.000	27 Des 23/ *27 Dec 23*	10 Jan 24/ *10 Jan 24*	613.750	612.724
Bank Indonesia	FR0056	500.000	27 Des 23/ *27 Dec 23*	24 Jan 24/ *24 Jan 24*	512.807	510.607
Bank Indonesia	SR014	500.000	20 Des 23/ *20 Dec 23*	17 Jan 24/ *17 Jan 24*	491.973	490.494
PT Bank Rakyat Indonesia (Persero) Tbk	FR0095	500.000	20 Des 23/ *20 Dec 23*	19 Jan 24/ *19 Jan 24*	485.949	484.330
Bank Indonesia	FR0087	500.000	22 Des 23/ *22 Dec 23*	5 Jan 24/ *5 Jan 24*	471.698	471.348
PT Bank Mandiri (Persero) Tbk	IDSR151124364S	500.000	28 Des 23/ *28 Dec 23*	4 Jan 24/ *4 Jan 24*	471.352	471.106
Bank Indonesia	FR0086	500.000	27 Des 23/ *27 Dec 23*	24 Jan 24/ *24 Jan 24*	473.071	471.041
Bank Indonesia	FR0086	500.000	29 Des 23/ *29 Dec 23*	5 Jan 24/ *5 Jan 24*	471.272	470.945
PT Bank Rakyat Indonesia (Persero) Tbk	IDSR041224364S	500.000	22 Des 23/ *22 Dec 23*	5 Jan 24/ *5 Jan 24*	469.841	469.503
PT Bank Rakyat Indonesia (Persero) Tbk	IDSR041224364S	500.000	22 Des 23/ *22 Dec 23*	5 Jan 24/ *5 Jan 24*	469.841	469.503
PT Bank Rakyat Indonesia (Persero) Tbk	IDSR041224364S	500.000	22 Des 23/ *22 Dec 23*	5 Jan 24/ *5 Jan 24*	469.841	469.503
Bank Indonesia	FR0096	450.000	27 Des 23/ *27 Dec 23*	24 Jan 24/ *24 Jan 24*	445.477	443.566
Bank Indonesia	ORI019	400.000	20 Des 23/ *20 Dec 23*	17 Jan 24/ *17 Jan 24*	393.329	392.146

22. Liabilitas atas Surat Berharga yang Dijual dengan Janji Dibeli Kembali (lanjutan)

Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali pada tanggal 31 Desember 2023 terdiri dari: (lanjutan)

22. Liabilities on Securities Sold under Repurchase Agreements (continued)

Liabilities on securities sold under repurchase agreements as of 31 December 2023 consists of: (continued)

Nasabah/ *Counterparty*	Jenis obligasi pemerintah/ *Type of government bonds*	Nilai nominal/ *Nominal amount*	Tanggal dimulai/ *Start date*	Jatuh tempo/ *Due date*	Nilai pembelian kembali/ *Repurchase amount*	Nilai tercatat/ *Carrying value*
Diukur pada nilai perolehan yang diamortisasi (lanjutan)						***At amortized cost (continued)***
Bank Indonesia	FR0064	400.000	27 Des 23/ *27 Dec 23*	10 Jan 24/ *10 Jan 24*	378.182	377.550
Bank Indonesia	SR015	350.000	20 Des 23/ *20 Dec 23*	17 Jan 24/ *17 Jan 24*	341.240	340.214
Bank Indonesia	FR0070	300.000	29 Des 23/ *29 Dec 23*	12 Jan 24/ *12 Jan 24*	302.935	302.316
Bank Indonesia	FR0059	250.000	20 Des 23/ *20 Dec 23*	17 Jan 24/ *17 Jan 24*	243.622	242.890
Bank Indonesia	SR016	250.000	20 Des 23/ *20 Dec 23*	3 Jan 24/ *3 Jan 24*	229.467	229.381
Bank Indonesia	ORI020	200.000	27 Des 23/ *27 Dec 23*	24 Jan 24/ *24 Jan 24*	194.786	193.953
Bank Indonesia	PBS017	200.000	27 Des 23/ *27 Dec 23*	24 Jan 24/ *24 Jan 24*	188.191	187.386
Bank Indonesia	PBS026	150.000	27 Des 23/ *27 Dec 23*	24 Jan 24/ *24 Jan 24*	149.736	149.096
PT Bank Rakyat Indonesia (Persero) Tbk	IDSR131124364S	100.000	28 Des 23/ *28 Dec 23*	4 Jan 24/ *4 Jan 24*	94.288	94.239
Total/*Total*		**13.750.000**			**13.324.723**	**13.295.961**

Tidak terdapat liabilitas atas surat berharga yang dijual dengan janji dibeli kembali pada tanggal 31 Desember 2022.

There is no liabilities on securities sold under repurchase agreements as of 31 December 2022.

23. Efek Utang yang Diterbitkan

Efek utang yang diterbitkan pada tanggal 31 Desember 2023 dan 2022 terdiri dari:

23. Debt Securities Issued

Debt securities issued as of 31 December 2023 and 2022 consist of:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2022 Pihak ketiga Obligasi	100.000	100.000	*Bank UOB Indonesia Subordinated Debt Shelf Offering III Tranche I Year 2022 Third parties Bonds*
Total nominal Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2022	**100.000**	**100.000**	***Total nominal Bank UOB Indonesia Subordinated Debt Shelf Offering III Tranche I Year 2022***

23. Efek Utang yang Diterbitkan (lanjutan) / *23. Debt Securities Issued (continued)*

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Beban emisi obligasi yang belum diamortisasi	(4.000)	(4.744)	*Unamortized bonds issuance cost*
Total Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2022	**96.000**	**95.256**	***Total Bank UOB Indonesia Subordinated Debt Shelf Offering III Tranche I Year 2022***
Obligasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2021			*Bank UOB Indonesia Senior Debt Shelf Offering III Tranche I Year 2021*
Pihak ketiga			*Third parties*
Obligasi	100.000	100.000	*Bonds*
Total nominal Obligasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2021	**100.000**	**100.000**	***Total nominal Bank UOB Indonesia Senior Debt Shelf Offering III Tranche I Year 2021***
Beban emisi obligasi yang belum diamortisasi	(638)	(1.482)	*Unamortized bonds issuance cost*
Total Obligasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2021	**99.362**	**98.518**	***Total Bank UOB Indonesia Senior Debt Shelf Offering III Tranche I Year 2021***
Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019			*Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche II Year 2019*
Pihak Berelasi (Catatan 37)	-	1.000	*Related Parties (Note 37)*
Pihak ketiga			*Third parties*
Obligasi	650.000	649.000	*Bonds*
Total nominal Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019	**650.000**	**650.000**	***Total Nominal Bank UOB Indonesia Sub Debt Shelf Offering II Tranche II Year 2019***
Beban emisi obligasi yang belum diamortisasi	(876)	(1.176)	*Unamortized bonds issuance cost*
Total Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019	**649.124**	**648.824**	***Total Bank UOB Indonesia Sub Debt Shelf Offering II Tranche II Year 2019***
Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019			*Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche I Year 2019*
Pihak ketiga			*Third parties*
Obligasi	100.000	100.000	*Bonds*
Total nominal Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019	**100.000**	**100.000**	***Total Nominal Bank UOB Indonesia Sub Debt Shelf Offering II Tranche I Year 2019***
Beban emisi obligasi yang belum diamortisasi	(883)	(1.222)	*Unamortized bonds issuance cost*
Total Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019	**99.117**	**98.778**	***Total Bank UOB Indonesia Sub Debt Shelf Offering II Tranche I Year 2019***

23. Efek Utang yang Diterbitkan (lanjutan) / ***23. Debt Securities Issued*** *(continued)*

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018			*Bank UOB Indonesia Senior Debt Shelf Offering I Tranche II Year 2018*
Pihak ketiga			*Third parties*
Obligasi Seri C	-	55.000	*Bonds Series C*
Total nominal Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018	**-**	**55.000**	***Total nominal Bank UOB Indonesia Senior Debt Shelf Offering I Tranche II Year 2018***
Beban emisi obligasi yang belum diamortisasi	-	(13)	*Unamortized bonds issuance cost*
Total Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018	**-**	**54.987**	***Total Bank UOB Indonesia Senior Debt Shelf Offering I Tranche II Year 2018***
Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017			*Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017*
Pihak ketiga	500.000	500.000	*Third Parties*
Total nominal Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017	**500.000**	**500.000**	***Total nominal Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017***
Beban emisi obligasi yang belum diamortisasi	(180)	(397)	*Unamortized bonds issuance cost*
Total Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017	**499.820**	**499.603**	***Total Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017***
Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016			*Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche I Year 2016*
Pihak ketiga	-	100.000	*Third Parties*
Total nominal Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016	**-**	**100.000**	***Total nominal Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche I Year 2016***
Beban emisi obligasi yang belum diamortisasi	-	(298)	*Unamortized bonds issuance cost*
Total Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016		**99.702**	***Total nominal Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche I Year 2016***
Total	**1.443.423**	**1.595.668**	***Total***

Pada tahun 2022, Bank telah melakukan Penawaran Umum Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp2.000.000.000.000 (nilai penuh).

In 2022, the Bank conducted Public Offering of Bank UOB Indonesia Subordinated Debt Shelf Offering III with target total funds of Rp2,000,000,000,000 (full amount).

Pada tahun 2021, Bank telah melakukan Penawaran Umum Obligasi Berkelanjutan III Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp2.000.000.000.000 (nilai penuh).

In 2021, the Bank conducted Public Offering of Bank UOB Indonesia Senior Debt Shelf Offering II with target total funds of Rp2,000,000,000,000 (full amount).

23. Efek Utang yang Diterbitkan (lanjutan)

Pada bulan Juni 2019, Bank telah melakukan Penawaran Umum Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp2.000.000.000.000 (nilai penuh).

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut: (lanjutan)

Pada tahun 2018, Bank telah melakukan Penawaran Umum Obligasi Berkelanjutan II Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp3.000.000.000.000 (nilai penuh).

Pada tahun 2016, Bank telah melakukan Penawaran Umum Obligasi Berkelanjutan I Bank UOB Indonesia dan Penawaran Umum Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia dengan target total dana yang dihimpun masing-masing sebesar Rp2.000.000.000.000 (nilai penuh) dan Rp1.000.000.000.000 (nilai penuh).

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut:

1. Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2022 pada tanggal 8 Maret 2022 dengan jangka waktu selama 7 tahun dan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 8%.

   Pada tanggal 31 Desember 2023 dan 2022, peringkat Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2022 menurut Fitch Ratings adalah idAA.

   Bank memperhitungkan obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier* 2) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. SR-46/PB.32/2022 pada tanggal 19 April 2022.

2. Obligasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2021 dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) yang dikenakan tingkat bunga tetap per tahun masing-masing sebesar 5,65% dibayarkan setiap tiga bulan dan akan jatuh tempo pada tanggal 2 September 2024.

   Pada tanggal 31 Desember 2023 dan 2022, peringkat Obligasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2021 menurut Fitch Ratings adalah idAAA.

23. Debt Securities Issued *(continued)*

In June 2019, the Bank conducted Public Offering of Bank UOB Indonesia Subordinated Debt Shelf Offering II with target total funds of Rp2,000,000,000,000 (full amount).

Regarding the public offering, the Bank issued bonds as follows: (continued)

In 2018, the Bank conducted Public Offering of Bank UOB Indonesia Senior Debt Shelf Offering II with target total funds of Rp3,000,000,000,000 (full amount).

In 2016, Bank conducted Public Offering of Bank UOB Indonesia Senior Debt Shelf Offering I and Bank UOB Indonesia Subordinated Debt Shelf Offering I with target total funds of Rp2,000,000,000,000 (full amount) and Rp1,000,000,000,000 (full amount), respectively.

Regarding the public offering, the Bank issued bonds as follows:

1. *Bank UOB Indonesia Subordinated Debt Shelf Offering III Phase I 2022 on 8 March 2022 with tenor of 7 years since issuance date and totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 8%.*

   As of 31 December 2023 and 2022, the rating of Bank UOB Indonesia Subordinated Debt Shelf Offering III Phase I 2022 based on Fitch Ratings was idAA.

   The Bank calculates its bond as part of Lower Supplementary Capital (Lower Tier 2) based on Approval Letter from Otoritas Jasa Keuangan No. SR-46/PB.32/2022 dated 19 April 2022.

2. *Bank UOB Indonesia Senior Debt Shelf Offering III Phase I Year 2021 totalling Rp100,000,000,000 (full amount) with fixed interest rate of 5.65% which is repayable every three months and will mature on 2 September 2024.*

   As of 31 December 2023 and 2022, the rating of Bank UOB Indonesia Senior Debt Shelf Offering III Phase I 2021 based on Fitch Ratings was idAAA.

23. Efek Utang yang Diterbitkan (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut: (lanjutan)

3. Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019 pada tanggal 13 November 2019 dengan jangka waktu selama 7 tahun dan jumlah pokok sebesar Rp650.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 9,25%.

   Pada tanggal 31 Desember 2023 dan 2022, peringkat Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019 menurut *Fitch Ratings* adalah idAA.

   Bank memperhitungkan obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier* 2) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. S-92/PB.32/2019 pada tanggal 20 Desember 2019.

4. Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 pada tanggal 4 Juli 2019 dengan jangka waktu selama 7 tahun dan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 9,85%.

   Bank memperhitungkan obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier* 2) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. S-92/PB.32/2019 pada tanggal 20 Desember 2019.

   Pada tanggal 31 Desember 2023 dan 2022, peringkat Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 menurut *Fitch Ratings* adalah idAA.

5. Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 dengan jumlah pokok sebesar Rp1.000.000.000.000 (nilai penuh) yang terbagi menjadi Obligasi Seri A sebesar Rp862.000.000.000 (nilai penuh), Obligasi Seri B sebesar Rp83.000.000.000 (nilai penuh) dan Obligasi Seri C sebesar Rp55.000,000.000 (nilai penuh) yang dikenakan tingkat bunga tetap per tahun masing-masing sebesar 6,15%, 7,40%, dan 7,65%, yang dibayarkan setiap tiga bulan dan sudah jatuh tempo masing-masing pada tanggal 3 Juni 2019, 23 Mei 2021 dan 23 Mei 2023.

23. Debt Securities Issued *(continued)*

Regarding the public offering, the Bank issued bonds as follows: (continued)

3. Bank UOB Indonesia Subordinated Debt Shelf Offering II Phase II 2019 on 13 November 2019 with tenor of 7 years since issuance date totalling to Rp650,000,000,000 (full amount) with fixed interest rate of 9.25%.

   As of 31 December 2023 and 2022, the rating of Bank UOB Indonesia Subordinated Debt Shelf Offering II Phase II 2019 based on Fitch Ratings was idAA.

   The Bank calculates its bond as part of Lower Supplementary Capital (Lower Tier 2) based on Approval Letter from Otoritas Jasa Keuangan No. S-92/PB.32/2019 dated 20 December 2019.

4. Bank UOB Indonesia Subordinated Debt Shelf Offering II Phase I 2019 on 4 July 2019 with tenor of 7 years since issuance date totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 9.85%.

   The Bank calculates its bond as part of Lower Supplementary Capital (Lower Tier 2) based on Approval Letter from Otoritas Jasa Keuangan No. S-92/PB.32/2019 dated 20 December 2019.

   As of 31 December 2023 and 2022, the rating of Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche I Year 2019 based on Fitch Ratings is idAA.

5. Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 totalling Rp1,000,000,000,000 (full amount) consists of Bonds Series A amounting to Rp862,000,000,000 (full amount), Series B amounting to Rp83,000,000,000 (full amount) and Series C amounting to Rp55,000,000,000 (full amount) with fixed interest rates of 6.15%, 7.40%, and 7.65%, respectively, which is repayable every three months and matured on 3 June 2019, 23 May 2021 and 23 May 2023, respectively.

23. Efek Utang yang Diterbitkan (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut: (lanjutan)

Bank telah melakukan pelunasan pokok atas Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 Seri A, B dan C dengan nilai nominal masing-masing sebesar Rp862.000.000.000 (nilai penuh), Rp83.000.000.000 (nilai penuh) dan Rp55.000.000.000 (nilai penuh) yang jatuh tempo pada tanggal 3 Juni 2019, 23 Mei 2021 dan 23 Mei 2023.

6. Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017 dengan jumlah pokok sebesar Rp500.000.000.000 (nilai penuh) dikenakan suku bunga tetap sebesar 9,25% per tahun yang dibayarkan setiap tiga bulan dan jangka waktu selama tujuh tahun dan akan jatuh tempo pada tanggal 17 Oktober 2024. Obligasi tersebut dicatatkan di Bursa Efek Indonesia pada tanggal 18 Oktober 2017.

   Bank memperhitungkan Obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier* 2) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. S-84/PB.32/2017 pada tanggal 20 Desember 2017.

   Pada tanggal 31 Desember 2023 dan 2022, peringkat Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017 menurut Fitch Ratings adalah idAA.

7. Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dikenakan suku bunga tetap sebesar 9,40% per tahun yang dibayarkan setiap tiga bulan dan jangka waktu selama tujuh tahun dan akan jatuh tempo pada tanggal 25 November 2023. Obligasi tersebut dicatatkan di Bursa Efek Indonesia pada tanggal 28 November 2016.

   Bank telah melakukan pelunasan pokok atas Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 dengan nilai nominal Rp100.000.000.000 (nilai penuh) yang telah jatuh tempo pada tanggal 25 November 2023.

23. Debt Securities Issued *(continued)*

Regarding the public offering, the Bank issued bonds as follows: (continued)

The Bank has paid the principal of Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 Series A, B and C with nominal value of Rp862,000,000,000 (full amount), Rp83,000,000,000 (full amount) and Rp55,000,000,000 (full amount) which matured on 3 June 2019, 23 May 2021 and 23 May 2023 respectively.

6. Bank UOB Indonesia Subordinated Debt Shelf Offering I Phase II 2017 with total amount of Rp500,000,000,000 (full amount) that was subject to fixed interest rate of 9.25% per annum which is payable every three months with a seven-year term and will mature on 17 October 2024. The Bond was listed on the Indonesia Stock Exchange at 18 October 2017.

   The Bank calculates its bond as part of Lower Supplementary Capital (Lower Tier 2) based on Approval Letter from Otoritas Jasa Keuangan No. S-84/PB.32/2017 dated 20 December 2017.

   As of 31 December 2023 and 2022, the rating of Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017 based on Fitch Ratings is idAA.

7. Bank UOB Indonesia Subordinated Debt Shelf Offering I Phase I 2016 with total amount of Rp100,000,000,000 (full amount) that was subject to fixed interest rate of 9.40% per annum which was payable every three months with a seven-year term and will mature on 25 November 2023. The Bond was listed on the Indonesia Stock Exchange on 28 November 2016.

   The Bank paid the principal of Bank UOB Indonesia Subordinated Debt Shelf Offering I Phase I Year 2016 with nominal value of Rp100,000,000,000 (full amount) which matured 25 November 2023.

23. Efek Utang yang Diterbitkan (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut: (lanjutan)

Bank memperhitungkan Obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (Lower Tier 2) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. S-18/PB.32/2017 pada tanggal 6 Maret 2017.

Bank memperhitungkan obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier* 2) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. S-86/PB.321/2014 pada tanggal 18 Juni 2014.

Obligasi-obligasi Subordinasi tersebut di atas tidak dijamin dengan jaminan khusus tetapi dijamin dengan seluruh harta kekayaan Bank.

Wali amanat dari penerbitan Obligasi Subordinasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2022, Obligasi Berkelanjutan III Bank UOB Indonesia Tahap I Tahun 2021, Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019, Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019, Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019, Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018, Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017.

Tidak terdapat keterkaitan usaha antara wali amanat dengan Bank.

Selama jangka waktu obligasi tersebut diatas, tanpa izin tertulis dari wali amanat, Bank tidak diperkenankan untuk:

1) Mengagunkan sebagian maupun seluruh pendapatan atau harta kekayaan Bank yang ada pada saat ini maupun di masa yang akan datang di luar kegiatan usaha Bank;
2) Mengurangi modal dasar, modal ditempatkan dan modal disetor, kecuali pengurangan tersebut dilakukan berdasarkan permintaan dan/atau perintah dari otoritas berwenang (termasuk tetapi tidak terbatas pada OJK);
3) Melakukan penggabungan dan/atau peleburan yang menyebabkan bubarnya Bank atau yang akan mempunyai akibat negatif secara material terhadap kelangsungan usaha Perseroan;

23. Debt Securities Issued *(continued)*

Regarding the public offering, the Bank issued bonds as follows: (continued)

The Bank calculates its bond as part of Lower Supplementary Capital (Lower Tier 2) based on Approval Letter from Otoritas Jasa Keuangan No. S-18/PB.32/2017 dated 6 March 2017.

The Bank calculates its bond as part of Lower Supplementary Capital (Lower Tier 2) based on Approval Letter from Otoritas Jasa Keuangan No.S-86/PB.321/2014 dated 18 June 2014.

The said subordinated bonds are not secured by specific collateral but are secured by all assets of the Bank.

The trustee for issuance of Bank UOB Indonesia Subordinated Debt Shelf Offering III Tranche I Year 2022, Bank UOB Indonesia Senior Debt Shelf Offering III Tranche I Year 2021, Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche II Year 2019, Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche I Year 2019, Bank UOB Indonesia Senior Debt Shelf Offering II Tranche I Year 2019, Bank UOB Indonesia Senior Debt Shelf Offering I Tranche II Year 2018, Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017.

There is no business relationship between the trustees and the Bank.

During the term of above mentioned bonds, without written permission from trustee, the Bank is not allowed to:

1) Secure part or all of the income or asset of the Bank that exists in the present or in the future, other than for the Bank's business activity;
2) Reduce the authorized capital, issued capital and paid-up capital, unless the reduction is carried out based on the request and/or order of the authorized regulator (including but not limited to OJK);
3) Perform any merger and/or acquisition which causes the liquidation of the Bank or would have a material adverse impact on the continuation of the Bank's businesses;

23. Efek Utang yang Diterbitkan (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut: (lanjutan)

Pada tanggal 31 Desember 2023 dan 2022, Bank telah mengamortisasi biaya emisi obligasi masing-masing sebesar Rp2.755 dan Rp2.663 yang dicatat dalam laporan laba rugi dan penghasilan komprehensif lain.

Selama tahun 2023 dan 2022, Bank telah memenuhi persyaratan-persyaratan dalam penerbitan efek utang tersebut.

23. Debt Securities Issued *(continued)*

Regarding the public offering, the Bank issued bonds as follows: (continued)

As of 31 December 2023 and 2022, the Bank has amortized the bonds issuance cost amounting to Rp2,755 and Rp2,663, respectively, which is recorded in the statement of profit or loss and other comprehensive income.

During 2023 and 2022, the Bank has complied with covenants of the debt securities issued above.

24. Liabilitas Lain-lain

Akun ini terdiri dari:

24. Other Liabilities

This account consists of:

	31 Desember/ ***31 December* 2023**	**31 Desember/** ***31 December* 2022**	
Setoran jaminan (Catatan 37)	1.265.073	463.423	*Margin deposits(Note 37)*
Biaya yang masih harus dibayar (Catatan 37)	1.079.291	655.424	*Accrued expenses (Note 37)*
Term deposit valas hasil ekspor (TD Valas DHE SDA) Bank Indonesia (Catatan 15)	739.056	-	*Term deposit with Bank Indonesia in foreign currency from DHE SDA (Note 15)*
Cadangan kerugian penurunan nilai atas komitmen dan kontinjensi (Catatan 34)	379.860	265.987	*Allowance for impairment losses of commitments and contingencies (Note 34)*
Liabilitas sewa	187.538	83.516	*Lease liabilities*
Pendapatan diterima di muka	14.203	75.238	*Unearned income*
Lain-lain	1.034.677	220.249	*Others*
Total	**4.699.698**	**1.763.837**	***Total***

Pada tanggal 31 Desember 2023 dan 2022, termasuk dalam biaya yang masih harus dibayar adalah bonus yang diberikan kepada Direksi yang ditangguhkan masing-masing sebesar Rp13.021 dan Rp9.851 sesuai dengan POJK No. 45/POJK.03/2015 tanggal 23 Desember 2015 tentang Penerapan Tata Kelola dalam Pemberian Remunerasi bagi Bank Umum.

Termasuk pada lain-lain adalah angka penyelesaian terkait dengan akusisi bisnis konsumer Citi senilai Rp497.301.

Setoran jaminan terutama merupakan perjanjian kerjasama operasional dengan United Overseas Bank Limited, Singapura dan PT Bank Mandiri (Persero) Tbk.

As of 31 December 2023 and 2022, included in the accrued expenses is deferred bonus granted to the Board of Directors amounting to Rp13,021 and Rp9,851, respectively, in accordance with POJK No. 45/POJK.03/2015 dated 23 December 2015 concerning the Implementation of Governance for Commercial Banks in the Provision of Remunerations.

Included in others are settlement figures in regards with acquisition of Citi's consumber business amounting Rp497,301.

Margin deposits mainly represent operational cooperation agreements with United Overseas Bank Limited, Singapore and PT Bank Mandiri (Persero) Tbk.

24. Liabilitas Lain-lain (lanjutan)

United Overseas Bank Limited, Singapura ("UOBS")

Pada tanggal 25 Agustus 2022, Bank dan UOBS menandatangani Perjanjian Jaminan Uang Tunai dimana UOBS menyediakan jaminan uang tunai atas transaksi derivatif mencakup *FX Derivative* dan *Interest Rate Derivative* yang diatur dalam Perjanjian Induk *International Swaps and Derivative Transactions* (ISDA) 2022 tanggal 20 Agustus 2007. Jaminan uang tunai diberikan dalam mata uang USD dengan jumlah transfer minimal sebesar USD2.000.000 (angka penuh). Bank memiliki kewajiban untuk membayar bunga atas penempatan jaminan ini yang ditentukan dan dihitung dengan menggunakan suku bunga *Secured Overnight Financing Rate* (SOFR).

Pada tanggal 31 Desember 2023 dan 2022, nilai jaminan uang tunai masing-masing sebesar USD48.860.000 (angka penuh) dan USD13.790.000 (angka penuh) (Catatan 37).

Bunga yang masih harus dibayar atas jaminan uang tunai tersebut sebesar USD257.010,36 (angka penuh) dan USD59.647,12 (angka penuh) pada tanggal 31 Desember 2023 dan 2022 (Catatan 37).

PT Bank Mandiri (Persero) Tbk ("Bank Mandiri")

Pada tanggal 22 April 2016, Bank dan Bank Mandiri menandatangani Perjanjian Induk Global Pembelian Kembali (GMRA) No.FTS.TRS/IRT.204/2016, No.16/GMG/0008 yang diamandemen dengan GMRA No.TIB.TRS/TLA.91/2023, No.23/GMG/042 dimana salah satu pihak akan menyediakan marjin tunai atas transaksi pembelian kembali efek yang akan dibayarkan kepada salah satu pihak yang memiliki eksposur bersih terhadap pihak lainnya. Pihak yang menerima marjin tunai memiliki kewajiban untuk membayar bunga atas penempatan jaminan ini yang ditentukan dan dihitung dengan menggunakan Suku Bunga Acuan Pasar Uang yang ditetapkan Bank Indonesia.

Pada tanggal 31 Desember 2023 dan 2022, nilai jaminan uang tunai sebesarRp312.102 dan Rp76.732.

Bunga yang masih harus dibayar atas jaminan uang tunai tersebut sebesar Rp1.475 dan Rp315 pada tanggal 31 Desember 2023 dan 2022.

24. Other Liabilities *(continued)*

United Overseas Bank Limited, Singapore ("UOBS")

On 25 August 2022, the Bank and UOBS has signed Cash Collateral Agreement that UOBS provides cash collateral on derivative transactions including FX Derivative and Interest Rate Derivative stipulated in International Swaps and Derivative Transactions (ISDA) 2022 Master Agreement on 20 August 2007. Cash collateral is provided in USD with minimal transfer nominal amounting to USD2,000,000 (full amount). The Bank is obliged to pay interest on the cash collateral placement which is determined and calculated using Secured Overnight Financing Rate (SOFR).

As of 31 December 2023 and 2022, the cash collateral amounting to USD48,860,000 (full amount) and USD13,790,000 (full amount), respectively (Note 37).

Interest payables on the cash collateral amounting to USD257,010.36 (full amount) and USD59,647.12 (full amount) as of 31 December 2023 and 2022, respectively (Note 37).

PT Bank Mandiri (Persero) Tbk ("Bank Mandiri")

On 22 April 2016, the Bank and Bank Mandiri has signed the Global Master Repurchase Agreement (GMRA) No.FTS.TRS/IRT.204/2016, No.16/GMG/0008 which is amended with GMRA No.TIB.TRS/TLA.91/2023, No.23/GMG/0042 that one of the parties will provide cash margin on securities sold under repurchase agreements which will be paid to the party who has net eksposure againts other party. The party who receive cash margin is obliged to pay interest on the cash margin placement which is determined and calculated using Money Market Reference Interest Rate as provided by Bank Indonesia.

As of 31 December 2023 and 2022, the cash collateral amounting to Rp312,102 and Rp76,732, respectively.

Interest payables on the cash collateral amounting to Rp1,475 and Rp315 as of 31 December 2023 and 2022, respectively.

25. Modal Saham

Pada tanggal 26 Oktober 2023, Bank mendapatkan persetujuan Rapat Umum Pemegang Saham Luar Biasa sebagaimana termuat dalam Akta Berita Acara Rapat Umum Pemegang saham Luar Biasa No. 89 tanggal 26 Oktober 2023 yang dibuat di hadapan Notaris Aulia Taufani, S.H., Notaris di Jakarta yang menyetujui peningkatan modal ditempatkan dan disetor Bank dengan cara mengeluarkan saham baru sebanyak 1.040.946.745 lembar saham dengan nilai nominal masing-masing sebesar Rp250 (nilai penuh) per saham dengan harga penawaran sebesar Rp1.441 (nilai penuh) per lembar saham.

Hasil penerbitan saham tersebut telah diterima oleh Bank sehingga dengan demikian jumlah seluruh saham ditempatkan dan disetor penuh Bank meningkat menjadi sebanyak 12.227.591.633 lembar saham atau sebesar Rp3.056.897.908.250 (nilai penuh) sebagaimana termuat dalam Akta Pernyataan Keputusan Rapat No. 38 tanggal 20 November 2023 yang dibuat di hadapan Notaris Aulia Taufani, S.H., Notaris di Jakarta, yang pemberitahuan perubahan anggaran dasarnya telah diterima dan dicatat dalam Sistem Administrasi Badan Hukum Kementerian Hukum dan Hak Asasi Manusia sebagaimana tercantum dalam surat No. AHU-AH.01.03-0145724 tanggal 23 November 2023. Pada tanggal 30 November 2023, melalui surat dari Otoritas Jasa Keuangan No. SR-123/PB.31/2023, Bank telah memperoleh persetujuan dari Otoritas Jasa Keuangan untuk mencatatkan tambahan modal disetor tersebut sebagai Modal Disetor.

Susunan pemegang saham Bank dan persentase kepemilikannya pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut: (Catatan 1a)

25. Share Capital

On 26 October 2023, the Bank has received approval from the Extraordinary General Meeting of Shareholders as stated in Deed of Minutes of Extraordinary General Meeting of Shareholders No. 89 dated 26 October 2023 made before Notary Aulia Taufani, S.H., Notary in Jakarta, which approved to increase the Bank's issued and paid-up capital by issuing new shares of 1,040,946,745 shares with nominal amount of Rp250 (full amount) per share with offering price of Rp1,441 (full amount) per share.

The result of shares issues has been received by the Bank so therefore the total number of issued and fully paid-up shares of the Bank increases to 12,227,591,633 shares or Rp3,056,897,908,250 (full amount) as stated in Deed of Statement Resolutions No. 38 dated 20 November 2023 made before Notary Aulia Taufani, S.H., Notary in Jakarta, which the notice of amendment has been received and recorded by Legal Entity Administration System of the Ministry of Laws and Human Rights of the Republic of Indonesia as stated in the letter No. AHU-AH.01.03-0145724 dated 23 November 2023. On 30 November 2023, based on letter from the Financial Services Authority No. SR-123/PB.31/2023, the Bank has obtained approval from Financial Services Authority to book the additional paid-in capital as Paid-in Capital.

The Bank's shareholders and percentage of ownership as of 31 December 2023 and 2022 are as follows: (Note 1a)

	31 Desember 2023/ *31 December 2023*			
Pemegang saham	**Jumlah saham ditempatkan dan disetor penuh/ *Issued and fully paid shares***	**Persentase kepemilikan/ *Percentage of ownership***	**Total modal/ *Total capital***	***Shareholders***
UOB International Investment Private Limited, Singapura	8.430.031.879	68,943%	2.107.508	*UOB International Investment Private Limited, Singapore*
United Overseas Bank Limited, Singapura	3.675.134.661	30,056%	918.784	*United Overseas Bank Limited, Singapore*
Yayasan Kesejahteraan Nusantara	122.308.897	1,000%	30.577	*Yayasan Kesejahteraan Nusantara*
Lain-lain (masing-masing di bawah 1%)	116.196	0,001%	29	*Others (below 1% each)*
Total	**12.227.591.633**	**100,000%**	**3.056.898**	***Total***

25. Modal Saham (lanjutan)

Susunan pemegang saham Bank dan persentase kepemilikannya pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut: (Catatan 1a) (lanjutan)

25. Share Capital *(continued)*

The Bank's shareholders and percentage of ownership as of 31 December 2023 and 2022 are as follows: (Note 1a) (continued)

	31 Desember 2022/ ***31 December 2022***			
Pemegang saham	**Jumlah saham ditempatkan dan disetor penuh/** ***Issued and fully paid shares***	**Persentase kepemilikan/** ***Percentage of ownership***	**Total modal/** ***Total capital***	***Shareholders***
UOB International Investment Private Limited, Singapura	7.712.375.083	68,943%	1.928.094	*UOB International Investment Private Limited, Singapore*
United Overseas Bank Limited, Singapura	3.362.266.880	30,056%	840.567	*United Overseas Bank Limited, Singapore*
Yayasan Kesejahteraan Nusantara	111.886.756	1,000%	27.971	*Yayasan Kesejahteraan Nusantara*
Lain-lain (masing-masing di bawah 1%)	116.169	0,001%	29	*Others (below 1% each)*
Total	**11.186.644.888**	**100,000%**	**2.796.661**	***Total***

Pengelolaan modal

Tujuan utama pengelolaan modal Bank adalah untuk memastikan pemeliharaan rasio modal yang sehat untuk mendukung usaha dan memaksimalkan imbalan bagi pemegang saham.

Selain itu, Bank dipersyaratkan oleh Undang-Undang Perseroan Terbatas efektif tanggal 16 Agustus 2007 untuk mengkontribusikan sampai dengan 20% dari modal saham ditempatkan dan disetor penuh dalam bentuk dana cadangan yang tidak boleh didistribusikan. Persyaratan permodalan tersebut dipertimbangkan oleh Bank pada Rapat Umum Pemegang Saham (“RUPS”).

Bank mengelola struktur permodalan dan melakukan penyesuaian terhadap perubahan kondisi ekonomi. Untuk memelihara dan menyesuaikan struktur permodalan, Bank dapat menyesuaikan pembayaran dividen kepada pemegang saham, menerbitkan saham baru atau mengusahakan pendanaan melalui pinjaman. Tidak ada perubahan atas tujuan, kebijakan maupun proses pada tanggal 31 Desember 2023 dan 2022.

Kebijakan Bank adalah mempertahankan struktur permodalan yang sehat untuk mengamankan akses terhadap pendanaan pada biaya yang wajar.

Capital management

The primary objective of the Bank’s capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholders value.

In addition, the Bank is also required by the Corporate Law effective on 16 August 2007 to contribute and maintain a non-distributable reserve fund until the said reserve reaches 20% of the issued and fully paid up share capital. This capital requirements are considered by the Bank at the Annual General Shareholders’ Meeting (“AGM”).

The Bank manages its capital structure and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Bank may adjust the dividend payment to shareholders, issue new shares or raise debt financing. There were no changes made in the objectives, policies or processes as of 31 December 2023 and 2022.

The Bank’s policy is to maintain a healthy capital structure in order to secure access to finance at a reasonable cost.

26. Tambahan Modal Disetor

Akun ini terdiri dari:

26. Additional Paid-in Capital

This account consists of:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Agio saham			*Paid-in capital*
Penawaran Umum Terbatas III tahun 2006	576.625	576.625	*Limited Public Offering III year 2006*
Penerbitan saham tahun 2020	1.591.941	1.591.941	*Right issue year 2020*
Penerbitan saham tahun 2023	1.239.767	-	*Right issue year 2023*
Dividen saham	238.276	238.276	*Stock dividend*
Biaya emisi efek ekuitas			*Issuance cost*
Penawaran Umum Terbatas III tahun 2006	(2.306)	(2.306)	*Limited Public Offering III year 2006*
Selisih nilai transaksi restrukturisasi entitas sepengendali	1.289.647	1.289.647	*Difference in the value of restructuring transactions of entities under common control*
Penyesuaian tambahan modal disetor	4.576	4.576	*Adjustment on additional paid-in capital*
Total	**4.938.526**	**3.698.759**	***Total***

27. Saldo Laba

Dalam Rapat Umum Pemegang Saham Tahunan yang diselenggarakan pada tanggal 3 Mei 2023 yang berita acaranya diaktakan dengan Akta Notaris Aulia Taufani, S.H., No. 13 pada tanggal yang sama, para pemegang saham setuju untuk menambah dana cadangan umum sebesar Rp9.515 guna memenuhi ketentuan Pasal 70 Undang-undang Perseroan Terbatas dan Pasal 20 Anggaran Dasar Bank serta membukukan seluruh laba bersih yang diperoleh di tahun 2022 setelah dikurangi cadangan wajib sebagai laba ditahan.

Dalam Rapat Umum Pemegang Saham Tahunan yang diselenggarakan pada tanggal 28 April 2022 yang berita acaranya diaktakan dengan Akta Notaris Aulia Taufani, S.H., No. 115 pada tanggal yang sama, para pemegang saham setuju untuk menambah dana cadangan umum sebesar Rp6.552 guna memenuhi ketentuan Pasal 70 Undang-undang Perseroan Terbatas dan Pasal 20 Anggaran Dasar Bank serta membukukan seluruh laba bersih yang diperoleh di tahun 2021 setelah dikurangi cadangan wajib sebagai laba ditahan.

27. Retained Earnings

At the Annual General Meeting of Shareholders held on 3 May 2023, the minutes of which were notarized under Deed No. 13 of Notary Aulia Taufani, S.H., on the same date, the shareholders agreed to increase the amount appropriated for general reserve amounting to Rp9,515 to comply with Article 70 of the Corporation Law and Article 20 of the Bank's Articles of Association and registered the entire net profit earned in 2022 after deduction against reserve as retained earnings.

At the Annual General Meeting of Shareholders held on 28 April 2022, the minutes of which were notarized under Deed No. 115 of Notary Aulia Taufani, S.H., on the same date, the shareholders agreed to increase the amount appropriated for general reserve amounting to Rp6,552 to comply with Article 70 of the Corporation Law and Article 20 of the Bank's Articles of Association and registered the entire net profit earned in 2021 after deduction against reserve as retained earnings.

28. Pendapatan Bunga

Akun ini diperoleh dari:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Kredit yang diberikan	6.532.425	5.777.623	*Loans*
Investasi keuangan dan efek-efek yang diperdagangkan	1.612.825	1.122.159	*Financial investments and trading securities*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	1.376.598	470.605	*Receivables on securities purchased with agreements to resell*
Penempatan pada Bank Indonesia dan bank lain	304.195	141.918	*Placements with Bank Indonesia and other banks*
Giro pada Bank Indonesia dan bank lain	118.827	58.752	*Current accounts with Bank Indonesia and other banks*
Total	**9.944.870**	**7.571.057**	***Total***

Provisi dan komisi yang diamortisasi dan diakui sebagai pendapatan bunga untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp405.947 dan Rp413.876.

Provision and commission which are amortized and recognized as interest income for the years ended 31 December 2023 and 2022 amounted to Rp405,947 and Rp413,876, respectively.

Informasi mengenai pendapatan bunga yang diperoleh dari pihak-pihak yang berelasi diungkapkan pada Catatan 37.

Interest income earned from related parties of loan are disclosed in Note 37.

29. Beban Bunga

Akun ini merupakan beban bunga yang timbul atas:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Deposito berjangka	2.233.102	1.276.944	*Time deposits*
Tabungan	756.347	254.109	*Saving deposits*
Giro	732.391	518.783	*Demand deposits*
Premi penjaminan Pemerintah (Catatan 36)	246.061	219.512	*Premium on Government guarantee (Note 36)*
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	223.242	3.239	*Liabilities on securities sold under repurchase agreements*
Simpanan dan pinjaman dari bank lain	218.451	14.259	*Deposits and borrowings from other banks*
Efek utang yang diterbitkan	139.995	141.993	*Debt securities issued*
Setoran jaminan	37.855	2.222	*Margin deposits*
Lain-lain	528	-	*Others*
Total	**4.587.972**	**2.431.061**	***Total***

Informasi mengenai beban bunga atas transaksi dengan pihak-pihak yang berelasi diungkapkan pada Catatan 37.

Interest expense on transactions with related parties are disclosed in Note 37.

30. Beban Umum dan Administrasi

30. General and Administrative Expenses

Akun ini terdiri dari:

This account consists of:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Telekomunikasi, listrik dan air	488.556	407.934	*Telecommunication, electricity, and water*
Pemeliharaan dan perbaikan (Catatan 37)	429.558	315.892	*Repairs and maintenance (Note 37)*
Penyusutan aset tetap dan aset hak guna (Catatan 14)	429.368	311.158	*Depreciation of fixed assets and right-of-use assets (Note 14)*
Jasa *outsourcing* (Catatan 37)	422.085	306.891	*Outsourcing service (Note 37)*
Jasa tenaga ahli	306.485	74.293	*Professional fees*
Iklan dan promosi	212.482	185.661	*Advertising and promotion*
Pungutan OJK	69.821	56.806	*OJK levy*
Barang cetakan dan keperluan kantor	42.149	31.251	*Printed materials and office supplies*
Sewa (Catatan 37)	15.859	10.914	*Rental (Note 37)*
Keamanan	12.738	12.676	*Security*
Asuransi	10.171	8.687	*Insurance*
Beban jasa manajemen (Catatan 37)	9.284	11.064	*Management fee (Note 37)*
Penyusutan aset tak berwujud	3.667	-	*Depreciation of intangible assets*
Biaya emisi obligasi (Catatan 23)	2.754	2.663	*Bond issuance cost (Note 23)*
Lain-lain	175.779	27.125	*Others*
Total	**2.630.756**	**1.763.015**	***Total***

Termasuk pada lain-lain biaya yang ditanggung oleh Bank sehubungan dengan akusisi bisnis konsumer Citi senilai Rp105.686.

Included in others are expenses borned by the Bank in regards with Citi's consumer business acquisition amounting Rp105,686.

31. Beban Gaji dan Kesejahteraan Karyawan

31. Salaries and Employee Benefits Expenses

Akun ini terdiri dari:

This account consists of:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Gaji, upah dan tunjangan hari raya	1.623.767	1.536.570	*Salaries, wages and lebaran bonus*
Manfaat pensiun	172.443	69.439	*Gratuity*
Makan, transportasi dan tunjangan lainnya	125.121	108.167	*Meals, transportation and other allowance*
Imbalan kerja (Catatan 35)	101.267	16.717	*Employee benefits (Note 35)*
Pengobatan	92.770	64.722	*Medical*
BPJS ketenagakerjaan	70.308	61.185	*Insurance and social security*
Pendidikan dan pelatihan	69.596	58.217	*Education and training*
Tunjangan pajak PPh 21	40.404	32.284	*Taxable allowance PPh 21*
Insentif	55.530	58.356	*Incentive*
Lembur	5.872	4.756	*Overtime*
Lain-lain	28.729	27.489	*Others*
Total	**2.385.807**	**2.037.902**	***Total***

32. Laba Per Saham Dasar

Laba per saham dasar dihitung dengan membagi laba tahun berjalan yang diatribusikan kepada pemegang saham dengan jumlah saham pada tahun bersangkutan.

32. Basic Earnings Per Share

Basic earnings per share is calculated by dividing the income for the year attributable to the equity holders by the number of shares outstanding during the year.

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Laba tahun berjalan diatribusikan kepada pemegang saham	674.963	951.561	*Income for the year attributable to equity holders*
Rata-rata tertimbang jumlah lembar saham yang beredar	11.278.156.690	11.186.644.888	*Weighted average number of shares outstanding*
Laba per saham dasar* (nilai penuh)	**60**	**85**	***Basic earnings per share* (full amount)**

* Bank tidak mempunyai laba per saham dasar yang bersifat dilutif untuk tahun yang berakhir tanggal 31 Desember 2023 dan 2022./*The bank has no dilutive earning per share for the year ended 31 December 2023 and 2022.*

33. Transaksi Pembelian dan Penjualan Tunai Mata Uang Asing

Rincian nilai nominal atas pembelian dan penjualan tunai mata uang asing (*spot*) pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

33. Spot Foreign Currency Bought and Sold

The details of the notional values of spot foreign currencies bought and sold as of 31 December 2023 and 2022 are as follows:

	31 Desember/*31 December* 2023			
	Mata uang asing/ *Foreign currencies*		**Rupiah**	
Pembelian tunai mata uang asing				*Spot foreign currency bought*
Pihak ketiga	EUR	3.000.000	51.115	*Third parties*
	GBP	4.000.000	78.506	
	USD	133.799.220	2.060.107	
	SGD	50.000	584	
			2.190.312	
Pembelian tunai mata uang asing				*Spot foreign currency bought*
Pihak berelasi	EUR	2.000.000	34.077	*Related parties*
	AUD	759.856	7.994	
	USD	9.389.127	144.564	
	GBP	10.000	196	
			186.831	
			2.377.143	
Penjualan tunai mata uang asing				*Spot foreign currency sold*
Pihak ketiga	EUR	5.000.000	85.192	*Third parties*
	GBP	3.000.000	58.880	
	USD	108.274.351	1,667.100	
			1.811.172	

33. Transaksi Pembelian dan Penjualan Tunai Mata Uang Asing (lanjutan)

Rincian nilai nominal atas pembelian dan penjualan tunai mata uang asing (*spot*) pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut: (lanjutan)

33. Spot Foreign Currency Bought and Sold (continued)

The details of the notional values of spot foreign currencies bought and sold as of 31 December 2023 and 2022 are as follows: (continued)

	31 Desember/*31 December* 2023			
		Mata uang asing/ *Foreign currencies*	Rupiah	
Penjualan tunai mata uang asing				*Spot foreign currency bought*
Pihak berelasi	EUR	425.000	7.241	*Related parties*
	AUD	219.000	2.304	
	USD	5.076.642	78.165	
			87.710	
			1.898.882	

	31 Desember/*31 December* 2022			
		Mata uang asing/ *Foreign currencies*	Rupiah	
Pembelian tunai mata uang asing				*Spot foreign currency bought*
Pihak ketiga	EUR	130.000	2.156	*Third parties*
	GBP	228.000	4.283	
	USD	50.783.874	790.578	
			797.017	
Pembelian tunai mata uang asing				*Spot foreign currency bought*
Pihak berelasi	USD	216.174	3.365	*Related parties*
			3.365	
			800.382	
Penjualan tunai mata uang asing				*Spot foreign currency sold*
Pihak ketiga	EUR	108.420	1.798	*Third parties*
	GBP	180.243	3.386	
	AUD	700.000	7.390	
	USD	121.872.598	1.897.252	
			1.909.826	

34. Komitmen dan Kontinjensi

Bank memiliki tagihan dan liabilitas komitmen dan kontinjensi sebagai berikut:

34. Commitments and Contingencies

The Bank's commitments and contingencies are as follows:

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Komitmen			*Commitments*
Tagihan komitmen	85.307	162.510	*Commitment receivables*
Liabilitas komitmen			*Commitment liabilities*
Fasilitas kredit yang belum digunakan	(87.768.795)	(61.088.765)	*Unused loan facilities granted*
Irrevocable letters of credit yang masih berjalan	(1.502.308)	(2.191.544)	*Outstanding irrevocable letters of credit*
Liabilitas komitmen - neto	**(89.185.796)**	**(63.117.799)**	***Commitment liabilities - net***

34. Komitmen dan Kontinjensi (lanjutan)

34. Commitments and Contingencies (continued)

Bank memiliki tagihan dan liabilitas komitmen dan kontinjensi sebagai berikut: (lanjutan)

The Bank's commitments and contingencies are as follows: (continued)

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Kontinjensi			*Contingencies*
Tagihan kontinjensi			*Contingent receivables*
Pendapatan bunga dalam penyelesaian	569.036	531.837	*Interest on non-performing loans*
Liabilitas kontinjensi			*Contingent liabilities*
Bank garansi	(2.532.256)	(2.794.900)	*Bank guarantees*
Standby letters of credit	(1.649.629)	(1.329.309)	*Standby letters of credit*
Liabilities kontinjensi - neto	**(3.612.849)**	**(3.592.372)**	***Contingent liabilities - net***
Liabilitas komitmen dan kontinjensi - neto	**(92.798.645)**	**(66.710.171)**	***Commitments and contingent liabilities - net***

Perubahan cadangan kerugian penurunan nilai adalah sebagai berikut:

The movements in the allowance for impairment losses are as follows:

	Tahap 1/ *Stage 1*	Tahap 2/ *Stage 2*	Tahap 3/ *Stage 3*	Total	
31 Desember 2021	**220.364**	**39.152**	**-**	**259.516**	***31 December 2021***
Aset baru	67.376	15.424	-	82.800	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(75.207)	(21.447)	-	(96.654)	*Assets derecognized or repaid (excluding write-offs)*
Transfer ke Tahap 1	7.923	(7.923)	-	-	*Transfers to Stage 1*
Transfer ke Tahap 2	(425)	425	-	-	*Transfers to Stage 2*
Transfer ke Tahap 3	(1)	-	1	-	*Transfers to Stage 3*
Pengukuran kembali	18.652	(2.933)	(1)	15.718	*Remeasurement*
Perubahan pada:					*Changes in:*
· Parameter	(40.348)	44.955	-	4.607	*Parameter -*
31 Desember 2022	**198.334**	**67.653**	**-**	**265.987**	***31 December 2022***
Aset baru	(148.256)	(54.364)	-	(202.620)	*New assets originated*
Aset dihentikan pengakuannya atau dilunasi (kecuali hapus buku)	(43.340)	(21.407)	-	(64.747)	*Assets derecognized or repaid (excluding write-offs)*
Transfer ke Tahap 1	11.875	(11.875)	-	-	*Transfers to Stage 1*
Transfer ke Tahap 2	(702)	702	-	-	*Transfers to Stage 2*
Transfer ke Tahap 3	(1)	1	-	-	*Transfers to Stage 3*
Pengukuran kembali	(296.665)	(81.815)	-	(378.480)	*Remeasurement*
Perubahan pada:					*Changes in:*
· Parameter	-	-	-	-	*Parameter -*
31 Desember 2023	**(278.755)**	**(101.105)**	**-**	**379.860**	***31 December 2023***

35. Liabilitas atas Imbalan Kerja

Bank memiliki program pensiun iuran pasti dan juga mencatat liabilitas estimasi imbalan kerja atas uang pesangon, uang penghargaan masa kerja dan ganti kerugian kepada karyawan untuk menutupi kemungkinan kekurangan, dimana untuk perhitungan pada tanggal 31 Desember 2023 dan 2022 sesuai dengan Undang-Undang No. 11 Tahun 2020 tentang Cipta Kerja, PP No. 35 Tahun 2021 dan perjanjian ketenagakerjaan Bank.

Program pensiun iuran pasti Bank dikelola oleh Dana Pensiun Lembaga Keuangan (DPLK) Manulife Indonesia (pihak ketiga). Iuran yang dibayarkan kepada DPLK pada tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp133.881 dan Rp134.304.

Iuran pensiun ditetapkan sebesar 16% dari gaji karyawan peserta dana pensiun, dimana sebesar 10% ditanggung oleh Bank dan sisanya 6% ditanggung oleh karyawan. Sejak 1 Juni 2023, Bank merubah ketentuan, yaitu iuran pensiun ditetapkan dengan minimal 10% dari gaji karyawan peserta dana pensiun, dan bisa ditambahkan dari karyawan secara sukarela sesuai dengan pilihan yang ditentukan Bank. Beban pensiun Bank pada tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing berjumlah sebesar Rp91.549 dan Rp85.707 (Catatan 31).

Estimasi liabilitas imbalan kerja karyawan pada tanggal 31 Desember 2023 dan 2022 dicatat berdasarkan penilaian aktuaria yang masing-masing dilakukan oleh Kantor Konsultan Aktuaria Steven & Mourits, aktuaris independen, berdasarkan laporannya masing-masing bertanggal 2 Januari 2024 dan 5 Januari 2023, dengan menggunakan metode "*Projected Unit Credit*". Asumsi-asumsi penting yang digunakan dalam penilaian tersebut adalah sebagai berikut:

35. Liability for Employee Benefits

The Bank has defined contribution retirement plan and also recognized estimated liability for termination, gratuity and compensation benefits to cover any deficiency as provided, which the calculation as of 31 December 2023 and 2022 in accordance with Law No. 11 of 2020 on Job Creation, Government Regulation No. 35 of 2021 and the Bank's labor agreement.

The Bank's defined contribution retirement plan is managed by Dana Pensiun Lembaga Keuangan (DPLK) Manulife Indonesia (a third party). The contribution retirement paid to DPLK for the years ended 31 December 2023 and 2022 amounted to Rp133,881 and Rp134,304, respectively.

The pension contribution is determined at 16% of the employees' salary who joined the pension plan, of which 10% is contributed by the Bank and the remaining 6% is contributed by the employees. Since 1 June 2023, the Bank has changed the provisions, namely pension contribution is determined at a minimum of 10% of the employees' salary who participating in the pension fund, and can be added from employees voluntarily according to the options determined by the Bank. The Bank's pension expense for the years ended 31 December 2023 and 2022 amounted to Rp91,549 and Rp85,707, respectively (Note 31).

The estimated liabilities for employee benefits as of 31 December 2023 and 2022 were determined based on the actuarial valuations performed by Kantor Konsultan Aktuaria Steven & Mourits, the independent actuary, in their reports dated 2 January 2024 and 5 January 2023, respectively, using the "Projected Unit Credit" method. The principal assumptions used in the valuations are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Tingkat bunga diskonto	6,60%	7,00%	*Discount interest rate*
Tingkat proyeksi kenaikan gaji	4,50%	4,50%	*Salary increase projection rate*
Tabel kematian	TMI 2019	TMI 2019	*Mortality table*
Tingkat cacat	*1% of mortality rate*	1% *of mortality rate*	*Disability rate*
Usia pensiun (tahun)	55	55	*Retirement age (years old)*
Tingkat pengunduran diri			*Turnover rate*
Umur 25-29	12,50%	12,50%	*Age 25-29*
Umur 30-34	10,00%	10,00%	*Age 30-34*
Umur 35-39	7,50%	7,50%	*Age 35-39*
Umur 40-44	5,00%	5,00%	*Age 40-44*
Umur 45-49	2,50%	2,50%	*Age 45-49*
Umur 50-54	2,00%	2,00%	*Age 50-54*
Umur >54	0,00%	0,00%	*Age >54*

35. Liabilitas atas Imbalan Kerja (lanjutan)

35. Liability for Employee Benefits (continued)

Beban imbalan kerja

Employee benefits expenses

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Beban jasa kini	40.510	36.384	*Current service cost*
Biaya jasa lalu - amendemen program	43.700	(26.475)	*Past service cost - benefit changes*
Beban bunga	16.659	13.785	*Interest cost*
Dampak SP DSAK IAI per tanggal 1 Januari 2022	-	(6.332)	*Impact of SP DSAK IAI at 1 January 2022*
Pengakuan/(keuntungan) kerugian aktuaria	398	(645)	*Recognition of actuarial (gain)/loss*
Beban imbalan kerja	**101.267**	**16.717**	***Employee benefits expense***

Nilai kini liabilitas imbalan kerja

Present value of benefit obligations

	31 Desember/ *31 December* 2023	31 Desember/ *31 December* 2022	
Nilai kini liabilitas imbalan kerja, awal tahun	258.405	278.566	*Present value of benefit obligation, beginning of the year*
Beban jasa kini	40.510	36.384	*Current service cost*
Biaya jasa lalu - amendemen program	43.700	(26.475)	*Past service cost - benefit changes*
Dampak SP DSAK IAI per tanggal 1 Januari 2022	-	(6.332)	*Impact of SP DSAK IAI at 1 January 2022*
Beban bunga	16.659	13.785	*Interest cost*
Penyesuaian kewajiban atas transfer karyawan ex-Citi	8.895	-	*Liability adjustment from transfer of employee ex-Citi*
Pembayaran manfaat	(20.373)	(32.858)	*Payments of benefits*
Pengukuran kembali aktuarial	(3.822)	(4.020)	*Remeasurement of defined benefit plan*
Pengakuan (keuntungan)/ kerugian aktuaria	398	(645)	*Recognition of actuarial (gain)/loss*
Nilai kini liabilitas imbalan kerja, akhir tahun	**344.372**	**258.405**	***Present value of benefit obligations, end of year***

Jumlah penyesuaian yang timbul pada liabilitas program untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan posisi empat tahun sebelumnya adalah sebagai berikut (tidak diaudit):

The amounts of experience adjustments arising on the plan liabilities for the year ended 31 December 2023 and previous four years are as follows (unaudited):

	31 Desember/*31 December*					
	2023	2022	2021	2020	2019	
Nilai kini liabilitas	344.009	258.405	278.566	301.036	248.085	*Present value of benefit obligation*
Penyesuaian liabilitas	(7.336)	4.323	(19.604)	(18.352)	(39.959)	*Experience adjustment on liability*

35. Liabilitas atas Imbalan Kerja (lanjutan)

Perubahan liabilitas atas imbalan kerja untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

35. Liability for Employee Benefits *(continued)*

The movements of employee benefits liability for the years ended 31 December 2023 and 2022 are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Saldo awal tahun	258.405	278.566	*Beginning balance*
Beban imbalan kerja tahun berjalan	101.267	16.717	*Employee benefits expense during the year*
Total yang diakui di penghasilan komprehensif lainnya	(3.822)	(4.020)	*Total amount recognized in other comprehensive income*
Penyesuaian kewajiban atas Transfer karyawan ex-Citi	8.895	-	*Liability adjustment from transfer of employee ex-Citi*
Pembayaran manfaat	(20.373)	(32.858)	*Payments of benefits*
Saldo akhir tahun	**344.372**	**258.405**	***Ending balance***

Tabel berikut menunjukkan analisa sensitivitas nilai kini liabilitas imbalan kerja diasumsikan terdapat perubahan atas tingkat diskonto dan tingkat kenaikan upah (tidak diaudit):

The tables below show the sensitivity analysis of the present value of employee benefit obligation in the assumed changes in the discount rate and salary increment rate (unaudited):

Tingkat Diskonto

Discount Rate

Perubahan persentase/ *Percentage change*	**Nilai kini liabilitas/ *Present value of employee benefit obligation***	
	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**
+1%	329.158	247.230
-1%	361.112	270.664

Tingkat Kenaikan Upah

Salary Increment Rate

Perubahan persentase/ *Percentage change*	**Nilai kini liabilitas/ *Present value of employee benefit obligation***	
	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**
+1%	370.352	278.902
-1%	321.647	240.442

Jatuh tempo dari liabilitas imbalan kerja pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut (tidak diaudit):

The maturity of the benefits obligation as of 31 December 2023 and 2022 are as follows (unaudited):

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Dalam waktu 12 bulan berikutnya	71.546	50.380	*Within the next 12 months*
Antara 1 dan 2 tahun	58.146	38.386	*Between 1 and 2 years*
Antara 2 dan 5 tahun	169.980	151.968	*Between 2 and 5 years*
Antara 5 dan 10 tahun	264.536	201.941	*Between 5 and 10 years*
Di atas 10 tahun	553.795	408.813	*Beyond 10 years*
Total	**1.118.003**	**851.488**	***Total***

35. Liabilitas atas Imbalan Kerja (lanjutan)

Durasi rata-rata liabilitas imbalan kerja pada tanggal 31 Desember 2023 dan 2022 adalah masing-masing selama 8,10 tahun dan 7,89 tahun (tidak diaudit).

35. Liability for Employee Benefits *(continued)*

The average duration of employees' benefits liability as of 31 December 2023 and 2022 are 8.10 years and 7.89 years, respectively (unaudited).

36. Jaminan Pemerintah terhadap Liabilitas Pembayaran Bank Umum

Berdasarkan Undang-Undang No. 24 tentang Lembaga Penjaminan Simpanan ("LPS") tanggal 22 September 2004, efektif sejak tanggal 22 September 2005, sebagaimana diubah dengan Undang-Undang No. 7 Tahun 2009 tanggal 13 Januari 2009 tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang No. 3 Tahun 2008, LPS dibentuk untuk menjamin liabilitas tertentu bank-bank umum berdasarkan program penjaminan yang berlaku, yang besaran nilai jaminannya dapat berubah jika memenuhi kriteria tertentu yang berlaku.

Berdasarkan Peraturan Pemerintah No.66 Tahun 2008 tanggal 13 Oktober 2008 tentang Besaran Nilai Simpanan yang Dijamin Lembaga Penjamin Simpanan, yang disempurnakan melalui Peraturan LPS No. 2/PLPS/2010 tanggal 25 November 2010 tentang Program Penjaminan Simpanan bahwa saldo yang dijamin untuk setiap nasabah pada satu Bank adalah paling tinggi sebesar Rp2.000.000.000 (nilai penuh).

Pada tanggal 31 Desember 2023 berdasarkan Pengumuman LPS No.Peng-11/DSPS/2023 tanggal 26 September 2023, simpanan nasabah dijamin hanya jika suku bunganya sama dengan atau dibawah 4,25% untuk simpanan dalam Rupiah dan sama dengan atau dibawah 2,25% untuk simpanan dalam valuta asing.

Pada tanggal 31 Desember 2022 berdasarkan Pengumuman LPS No.Peng-3/DSPS/2022 tanggal 7 Desember 2022, simpanan nasabah dijamin hanya jika suku bunganya sama dengan atau dibawah 3,75% untuk simpanan dalam Rupiah dan sama dengan atau dibawah 1,75% untuk simpanan dalam valuta asing.

Pada tanggal 31 Desember 2023 dan 2022, Bank adalah peserta dari program penjaminan tersebut.

36. The Government Guarantee for The Payment of Obligations of Commercial Banks

Based on Law No. 24 regarding the Indonesia Deposit Insurance Agency ("LPS") dated 22 September 2004, effective on 22 September 2005, which was amended by the Law No. 7 Year 2009 dated January 13, 2009 regarding the Stipulation of Government Regulation No. 3 Year 2008, LPS was formed to guarantee certain obligations of commercial banks under the applicable guarantee program, in which the amount of guarantee can vary if it meets the applicable criteria.

Based on Government Regulation No.66 year 2008 dated 13 October 2008 regarding the Amount of Deposit Guaranteed by LPS, which was enhanced by LPS Regulation No. 2/PLPS/2010 dated 25 November 2010 regarding the Deposit Insurance Program, that the balance guaranteed for each customer at one Bank is a maximum of Rp2,000,000,000 (full amount).

As of 31 December 2023 based on the LPS Announcement No.Peng-11/DSPS/2023 dated 26 September 2023, customer deposits are only covered if the interest rate is equal to or below 4.25% for deposits denominated in Rupiah and equal to or below 2.25% for deposits denominated in foreign currency.

As of 31 December 2022 based on the LPS Announcement No.Peng-3/DSPS/2022 dated 7 December 2022, customer deposits are only covered if the interest rate is equal to or below 3.75% for deposits denominated in Rupiah and equal to or below 1.75% for deposits denominated in foreign currency.

As of 31 December 2023 and 2022, the Bank is a participant of that guarantee program.

37. Sifat dan Transaksi dengan Pihak Berelasi

37. Nature and Transaction Balances with Related Parties

Pihak berelasi/ ***Related parties***	**Sifat dari hubungan/** ***Nature of relationship***	**Sifat dari transaksi/** ***Nature of transaction***
Dewan Komisaris dan Direksi/ *The Board of Commissioners and the Directors*	Karyawan kunci dan pengurus/ *Key employees and management*	Kredit yang diberikan, Simpanan dari nasabah, Pendapatan dan beban bunga/ *Loans, Deposits from customers, Interest income and expense*
United Overseas Bank Ltd., Singapura/ *United Overseas Bank Ltd., Singapore*	Pemegang saham akhir/ *Ultimate shareholder*	Giro pada bank lain, Investasi keuangan, Tagihan dan liabilitas derivatif, Simpanan dari bank lain, Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali, Aset lain-lain: tagihan *spot,* Liabilitas akseptasi, Liabilitas lain-lain: biaya yang masih harus dibayar dan liabilitas *spot*, *Arrangement fee,* Pendapatan dan beban dari transaksi derivatif dan *spot,* Beban bunga, Biaya *outsourcing, Counter guarantee,* Setoran jaminan, beban sewa, pemeliharaan & lainnya/ *Current accounts with other banks, Financial investments, Derivative receivables and payables, Deposits from other banks, Liabilities on securities sold under repurchase agreements, Other assets: spot receivables, acceptance liabilities, Other liabilities: accrued expenses and spot payable, Arrangement fee, Income and expense from derivative and spot transaction, Interest expense, Outsourcing cost, Counter guarantee, Guarantee deposits, Rental, maintenance, and other cost*
United Overseas Bank Ltd., Tokyo/ *United Overseas Bank Ltd., Tokyo*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Giro pada bank lain/ *Current accounts with other banks*
United Overseas Bank Ltd., Hong Kong/ *United Overseas Bank Ltd., Hong Kong*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Giro pada bank lain, Tagihan Derivatif, Liabilitas lain-lain: liabilitas *spot,* Pendapatan dan beban dari transaksi derivatif dan *spot*/ *Current accounts with other banks, Derivative Receivable, Other liabilities: spot payable, Income and expense from derivative and spot transaction*
United Overseas Bank Ltd., Sydney/ *United Overseas Bank Ltd., Sydney*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Giro pada bank lain, Liabilitas akseptasi/ *Current accounts with other banks, Acceptance Payable*
United Overseas Bank Ltd., Malaysia/ *United Overseas Bank Ltd., Malaysia*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Giro pada bank lain, Simpanan dari bank lain, Liabilitas akseptasi, Pendapatan dari transaksi derivatif dan *spot, Counter guarantee*/ *Current accounts with other banks, Deposits from other banks, acceptance liabilities, Income from derivative and spot transaction, Counter guarantee*
United Overseas Bank Ltd., Shanghai/ *United Overseas Bank Ltd., Shanghai*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Giro pada bank lain/ *Current accounts with other banks*
United Overseas Bank Ltd., Thailand/ *United Overseas Bank Ltd., Thailand*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Giro pada bank lain, Simpanan dari bank lain, Beban bunga/ *Current accounts with other banks, Deposits from other banks, Interest expense*
United Overseas Bank Ltd., China/ *United Overseas Bank Ltd., China*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Simpanan dari bank lain, Tagihan derivatif, Aset lain-lain: tagihan *spot,* Liabilitas derivatif, Pendapatan dan beban dari transaksi derivatif dan spot, *Arrangement fee*/ *Deposits from other banks, Derivative receivables, Other assets: spot receivables, Derivative payables, Income and expense from derivative and spot transaction, Arrangement fee*

37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

37. Nature and Transaction Balances with Related Parties *(continued)*

Pihak berelasi/ ***Related parties***	**Sifat dari hubungan/** ***Nature of relationship***	**Sifat dari transaksi/** ***Nature of transaction***
UOB Kay Hian Credit Pte., Ltd./ *UOB Kay Hian Credit Pte., Ltd.*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Tagihan dan liabilitas derivatif, Simpanan dari nasabah, Pendapatan komisi, Pendapatan dan beban dari transaksi derivatif dan *spot,* Beban bunga/ *Derivative receivables and payables, Deposit from customer, Fee income, Income and expense from derivative and spot transaction, Interest expense*
PT UOB Kay Hian Securities/ *PT UOB Kay Hian Securities*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Beban bunga, Pendapatan komisi, Bank Garansi, Simpanan dari nasabah/ *Interest expense, Fee income, Bank Guarantee, Deposit from customer*
PT UOB Property/ *PT UOB Property*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Simpanan dari nasabah, Pendapatan dari transaksi derivatif dan *spot,* Beban bunga, Beban sewa, pemeliharaan dan lainnya, Pendapatan bunga/ *Deposit from customer, Income from derivative and spot transaction, Interest expense, Rental expense, Maintenance and other cost, Interest income*
UOB Kay Hian Pte., Ltd./ *UOB Kay Hian Pte., Ltd.*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Aset lain-lain: Tagihan *spot*, Efek utang yang diterbitkan, Pendapatan dan beban dari transaksi derivatif dan *spot,* Beban bunga, Tagihan dan liabilitas derivatif, Simpanan dari nasabah, Pendapatan komisi/ *Other assets: Spot receivables, Debt securities issued, Income and expense from derivative and spot transaction, Interest expense, Derivative receivables and payables, Deposit from customer, Commission Fee*
PT Avatec Services Indonesia/ *PT Avatec Services Indonesia*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Simpanan dari nasabah, Beban bunga, Beban pemeliharaan/*Deposits from customers, Interest expense, Maintenance fee*
UIC Asian Computer Services Pte., Ltd/ *UIC Asian Computer Services Pte., Ltd*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Beban pemeliharaan dan lainnya/ *Maintenance fee and others*
UOB Travel Planner Pte., Ltd./ *UOB Travel Planner Pte., Ltd.*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Beban pemeliharaan dan lainnya/ *Maintenance fee and others*
Junipa Pte., Ltd./ *Junipa Pte., Ltd.*	Mempunyai induk yang sama/ *Owned by the same shareholder*	*Security agent fee*
UOB Asset Management Indonesia/ *UOB Asset Management Indonesia*	Mempunyai induk yang sama/ *Owned by the same shareholder*	Simpanan dari nasabah, Beban bunga, *Selling fee agent, Support service fee*/ *Deposits from customers, Interest expense, Selling fee agent, Support service fee*

Dalam menjalankan kegiatan usahanya, Bank melakukan transaksi-transaksi tertentu dengan pihak berelasi dengan persyaratan dan kondisi yang sama dengan yang berlaku bagi pihak ketiga, kecuali kredit yang diberikan kepada karyawan.

In the normal course of business, the Bank enters into certain transactions with related parties under similar terms and conditions as those with third parties, except for loans to its employees.

37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut:

37. Nature and Transaction Balances with Related Parties *(continued)*

The details of transactions with related parties are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Aset			***Assets***
Giro pada bank lain (Catatan 6)			*Current accounts with other banks (Note 6)*
United Overseas Bank Ltd., Singapura	20.525	69.017	*United Overseas Bank Ltd., Singapore*
United Overseas Bank Ltd., Shanghai	11.457	1.939	*United Overseas Bank Ltd., Shanghai*
United Overseas Bank Ltd., Hong Kong	6.004	1.215	*United Overseas Bank Ltd., Hong Kong*
United Overseas Bank Ltd., Tokyo	2.730	3.303	*United Overseas Bank Ltd., Tokyo*
United Overseas Bank Ltd., Sydney	598	600	*United Overseas Bank Ltd., Sydney*
United Overseas Bank Ltd., Thailand	144	18.316	*United Overseas Bank Ltd., Thailand*
United Overseas Bank Ltd., Malaysia	72	79	*United Overseas Bank Ltd., Malaysia*
	41.530	94.469	
Persentase terhadap jumlah aset	0,03%	0,07%	*Percentage to total assets*
Investasi keuangan (Catatan 9)			*Financial investments (Note 9)*
United Overseas Bank Ltd., Singapura	56.999	96.459	*United Overseas Bank Ltd., Singapore*
Persentase terhadap jumlah aset	0,04%	0,07%	*Percentage to total assets*
Tagihan derivatif			*Derivative receivables*
United Overseas Bank Ltd., Singapura	236.624	201.459	*United Overseas Bank Ltd., Singapore*
United Overseas Bank Ltd., China	2.034	3	*United Overseas Bank Ltd., China*
United Overseas Bank Ltd., Hong Kong	1.567	-	United Overseas Bank Ltd., Hong Kong
UOB Kay Hian Credit Pte. Ltd.	64	-	*UOB Kay Hian Credit Pte. Ltd*
UOB Kay Hian Pte. Ltd.	-	500	*UOB Kay Hian Pte. Ltd.*
	240.289	201.962	
Persentase terhadap jumlah aset	0,15%	0,15%	*Percentage to total assets*
Kredit yang diberikan (Catatan 11)	52.036	38.522	*Loans (Note 11)*
Persentase terhadap jumlah aset	0,03%	0,03%	*Percentage to total assets*
Aset lain-lain			*Other Assets*
Tagihan *spot*			*Spot receivable*
UOB Kay Hian Pte., Ltd.	154	-	*UOB Kay Hian Pte., Ltd.*
United Overseas Bank Ltd., Singapura	49	-	*United Overseas Bank Ltd., Singapore*
United Overseas Bank Ltd., China	17	-	*United Overseas Bank Ltd., China*
	220	-	
Persentase terhadap jumlah liabilitas	0,00%	0,00%	*Percentage to total liabilities*

37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

37. Nature and Transaction Balances with Related Parties *(continued)*

The details of transactions with related parties are as follows: (continued)

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Liabilitas			***Liabilities***
Simpanan dari nasabah			*Deposits from customers*
Deposito berjangka (Catatan 19)	172.618	132.010	*Time deposits (Note 19)*
Giro (Catatan 17)	169.624	197.421	*Demand deposits (Note 17)*
Tabungan (Catatan 18)	110.788	130.467	*Saving deposits (Note 18)*
	453.030	459.898	
Persentase terhadap jumlah liabilitas	0,31%	0,37%	*Percentage to total liabilities*
Simpanan dari bank lain (Catatan 20)			*Deposits from other banks (Note 20)*
Giro dari bank lain			*Demand deposits from other banks*
United Overseas Bank Ltd., Singapura	47.960	138.098	*United Overseas Bank Ltd., Singapore*
United Overseas Bank Ltd., China	8.984	11.927	*United Overseas Bank Ltd., China*
United Overseas Bank Ltd., Malaysia	3.056	4.116	*United Overseas Bank Ltd., Malaysia*
United Overseas Bank Ltd., Thailand	438	1.001	*United Overseas Bank Ltd., Thailand*
	60.438	155.142	
Persentase terhadap jumlah liabilitas	0,04%	0,13%	*Percentage to total liabilities*
Liabilitas derivatif			*Derivative payables*
United Overseas Bank Ltd., Singapura	524.780	578.488	*United Overseas Bank Ltd., Singapore*
United Overseas Bank Ltd., China	815	504	*United Overseas Bank Ltd., China*
UOB Kay Hian Credit Pte., Ltd.	56	-	*UOB Kay Hian Credit Pte., Ltd.*
UOB Kay Hian Pte., Ltd.	-	479	*UOB Kay Hian Pte., Ltd.*
	525.651	579.471	
Persentase terhadap jumlah liabilitas	0,36%	0,47%	*Percentage to total liabilities*
Liabilitas akseptasi			*Acceptance payables*
United Overseas Bank Ltd., Singapura	10.368	412.051	*United Overseas Bank Ltd., Singapore*
United Overseas Bank Ltd., Malaysia	3.677	-	*United Overseas Bank Ltd., Malaysia*
	14.045	412.051	
Persentase terhadap jumlah liabilitas	0,01%	0,34%	*Percentage to total liabilities*

37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

37. Nature and Transaction Balances with Related Parties *(continued)*

The details of transactions with related parties are as follows: (continued)

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Liabilitas (lanjutan)			***Liabilities*** *(continued)*
Efek utang yang diterbitkan (Catatan 22)			*Debt securities issued (Note 22)*
UOB Kay Hian Pte., Ltd.	-	1.000	*UOB Kay Hian Pte., Ltd.*
Persentase terhadap jumlah liabilitas	0,00%	0,00%	*Percentage to total liabilities*
Liabilitas lain-lain			*Other liabilities*
Biaya yang masih harus dibayar			*Accrued expenses*
United Overseas Bank Ltd., Singapura	158.545	135.588	*United Overseas Bank Ltd., Singapore*
Persentase terhadap jumlah liabilitas	0,11%	0,11%	*Percentage to total liabilities*
Liabilitas *spot*			*Spot payable*
United Overseas Bank Ltd., Singapura	282	12	*United Overseas Bank Ltd., Singapore*
United Overseas Bank Ltd., Hong Kong	43	-	*United Overseas Bank Ltd., Hong Kong*
	325	12	
Persentase terhadap jumlah liabilitas	0,00%	0,00%	*Percentage to total liabilities*
Setoran Jaminan			*Margin deposits*
United Overseas Bank Ltd., Singapura	752.297	214.676	*United Overseas Bank Ltd., Singapore*
Persentase terhadap jumlah liabilitas	0,52%	0,17%	*Percentage to total liabilities*
Pendapatan			***Income***
Pendapatan bunga (Catatan 28)			*Interest income (Note 28)*
Kredit yang diberikan	4.012	7.616	*Loans*
Persentase terhadap jumlah pendapatan bunga	0,02%	0,10%	*Percentage to total interest income*
Security agent fee			*Security agent fee*
Junipa Pte., Ltd.	360	360	*Junipa Pte., Ltd.*
Arrangement fee			*Arrangement fee*
United Overseas Bank Ltd., Singapura	10.568	31.964	*United Overseas Bank Ltd., Singapore*
United Overseas Bank Ltd., China	1.249	2.207	*United Overseas Bank Ltd., China*
Pendapatan Komisi			*Fee Income*
UOB Kay Hian Securities	6.952	6.522	*UOB Kay Hian Securities*
UOB Kay Hian Pte., Ltd.	4.049	-	*UOB Kay Hian Pte., Ltd.*
UOB Kay Hian Credit Pte., Ltd.	747	948	*UOB Kay Hian Credit Pte., Ltd.*
Selling Fee Agent			*Selling Fee Agent*
UOB Aset Management Indonesia	3.687	193	*UOB Aset Management Indonesia*
Support Service Fee			*Support Service Fee*
UOB Aset Management Indonesia	1.130	769	*UOB Aset Management Indonesia*

37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

37. Nature and Transaction Balances with Related Parties *(continued)*

The details of transactions with related parties are as follows: (continued)

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Pendapatan (lanjutan)			***Income*** *(continued)*
Counter Guarantee			*Counter Guarantee*
United Overseas Bank Ltd., Malaysia	340	468	*United Overseas Bank Ltd., Malaysia*
United Overseas Bank Ltd., Singapura	31	171	*United Overseas Bank Ltd., Singapore*
	29.113	43.602	
Persentase terhadap jumlah komisi dan jasa administrasi - neto	10,99%	10,65%	*Percentage to administration fees and commissions - net*
Pendapatan (beban) dari transaksi derivatif dan *spot*	184.658	439.963	*Income (expense) from derivative and spot transaction*
Beban			***Expense***
Beban bunga (Catatan 29)			*Interest expense (Note 29)*
Efek utang yang diterbitkan	54	92	*Debt securities issued*
Giro	2.952	2.929	*Demand deposits*
Deposito berjangka	6.847	4.203	*Time deposits*
Tabungan	3.446	3.435	*Saving deposits*
Simpanan dari bank lain			*Deposits from other banks*
Call Money	6.975	437	*Call Money*
Pinjaman yang diterima	17.451	8.736	*Borrowings*
Giro dari bank lain	-	-	*Demand deposits from other banks*
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	-	2.165	*Liabilities on securities sold under repurchase agreements*
Setoran Jaminan			*Margin deposits*
United Overseas Bank Ltd., Singapura	32.821	1.353	*United Overseas Bank Ltd., Singapore*
	70.546	23.350	
Persentase terhadap jumlah beban bunga	1.54%	0,96%	*Percentage to total interest expense*
Biaya *outsourcing* (Catatan 30)			*Outsourcing cost (Note 30)*
United Overseas Bank Ltd., Singapura			*United Overseas Bank Ltd., Singapore*
Dikapitalisasi ke aset tetap			*Capitalized to fixed assets*
Peralatan kantor	284.176	310.153	*Office equipment*
Dibebankan atas aplikasi	228.298	156.157	*Charged for software*

37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

37. Nature and Transaction Balances with Related Parties *(continued)*

The details of transactions with related parties are as follows: (continued)

	31 Desember/ ***31 December* 2023**	**31 Desember/** ***31 December* 2022**	
Beban (lanjutan)			***Expense*** *(continued)*
Beban sewa, pemeliharaan dan lainnya			*Rental, maintenance fee and others*
UIC Asian Computer Services	66.864	43.945	*UIC Asian Computer Services*
PT UOB Property	51.011	30.114	*PT UOB Property*
PT Avatec Services Indonesia	9.284	11.064	*PT Avatec Services Indonesia*
United Overseas Bank Ltd., Singapura	355	35.427	*United Overseas Bank Ltd., Singapore*
UOB Travel Planner Pte., Ltd.	560	80	*UOB Travel Planner Pte., Ltd.*
	640.548	586.940	
Persentase terhadap jumlah beban umum dan administrasi	24,35%	33,29%	*Percentage to general and administrative expenses*
Gaji dan kesejahteraan karyawan			*Salaries and employees' benefits*
Imbalan kerja jangka pendek	96.194	71.986	*Short-term employee benefits*
Imbalan kerja jangka panjang	12.588	7.473	*Long-term employee benefits*
Imbalan pasca kerja	1.707	1.194	*Post-employment benefits*
	110.489	80.653	
Persentase terhadap jumlah gaji dan kesejahteraan karyawan	4,63%	3,96%	*Percentage to salaries and employees' benefits*

Keterangan:

a. Persentase dari giro pada bank lain, investasi keuangan, tagihan derivatif, kredit yang diberikan dan aset lain-lain dihitung terhadap total aset pada masing-masing tanggal laporan posisi keuangan.

b. Persentase dari giro, tabungan, deposito berjangka, simpanan dari bank lain, liabilitas derivatif, liabilitas atas surat berharga yang dijual dengan janji dibeli kembali, efek utang yang diterbitkan, biaya yang masih harus dibayar dan liabilitas lain-lain dihitung terhadap total liabilitas pada masing-masing tanggal laporan posisi keuangan.

c. Persentase dari beban pemeliharaan gedung dihitung terhadap total beban umum dan administrasi untuk masing-masing tahun yang bersangkutan. Beban pemeliharaan gedung merupakan beban pemeliharaan atas gedung UOB Plaza - Thamrin Nine yang dibayarkan ke PT UOB Property.

d. Persentase dari beban umum dan administrasi lainnya dihitung terhadap total beban umum dan administrasi untuk masing-masing tahun yang bersangkutan.

Notes:

a. The percentages of current accounts with other banks, financial investments, derivative receivables, loans and other assets are computed based on the total assets at statement of financial position dates.

b. The percentages of demand deposits, saving deposits, time deposits, deposits from other banks, derivative payables, liabilities on securities sold under repurchase agreements, debt securities issued, accrued expenses and other liabilities are computed based on the total liabilities at statement of financial position dates.

c. The percentages of building maintenance expenses are computed based on the total general and administrative expenses in each related year. The building maintenance expense represents the maintenance expenses of UOB Plaza - Thamrin Nine which was paid to PT UOB Property.

d. The percentage of other general and administrative expenses is computed based on the total general and administrative expenses for each year.

37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Keterangan: (lanjutan)

e. Biaya *Outsourcing* merupakan biaya yang dibebankan oleh United Overseas Bank Limited (UOB) kepada Bank sehubungan dengan Master Technology and Operations Services Agreement (MTOSA), dimana UOB memberikan peningkatan sistem dan layanan terkait teknologi informasi pada kartu kredit, *treasury* dan aplikasi sistem umum di Bank. Sebagai kompensasi atas layanan, Bank wajib membayar biaya satu kali dan biaya berulang seperti biaya pengembangan dan peningkatan atas aplikasi yang tercantum dalam perjanjian. Persentase tertentu dari biaya *outsourcing* ini dikapitalisasi ke aktiva tetap sebagai modal awal dan bagian yang tidak terpisahkan dari aktiva tetap dan persentase tertentu dibebankan pada operasi berdasarkan perhitungan yang disepakati.

Sebagai imbalan atas jasa ini, Bank wajib membayar *one time cost* atas beban aktual dan *recurring cost* atas beban pemeliharaan serta biaya peningkatan sistem dan aplikasi teknologi informasi (*enhancement cost*) seperti yang diungkapkan dalam perjanjian tersebut.

f. Pendapatan dan beban bunga dari/kepada pihak-pihak berelasi, yang dihasilkan/ menjadi beban Bank berjumlah kurang dari 10% dari jumlah pendapatan dan beban bunga Bank untuk masing-masing tahun yang bersangkutan.

g. Imbalan kerja jangka pendek yang diterima oleh Dewan Komisaris dan Direksi Bank pada tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp96.194 dan Rp71.986.

Imbalan kerja jangka panjang yang diterima oleh Dewan Komisaris dan Direksi untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 masing-masing sebesar Rp12.588 dan Rp7.473. Biaya yang dikeluarkan oleh Bank terkait program imbalan pasca kerja Dewan Komisaris dan Direksi Bank dengan jumlah masing-masing sebesar Rp1.707 dan Rp1.194, untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022 seperti yang diungkapkan pada Catatan 1b.

37. Nature and Transaction Balances with Related Parties *(continued)*

Notes: (continued)

e. Outsourcing costs represent costs charged by United Overseas Bank Limited (UOB) to the Bank in connection with the Master Technology and Operations Services Agreement (MTOSA), whereby UOB renders system enhancement and information technology related services on credit card, treasury and common system application in the Bank. As compensation to the services the Bank is obliged to pay one-time cost and recurring costs such as development and enhancement costs on the application stated in the agreement. Certain percentage of these outsourcing costs were capitalized to fixed assets as start-up and inseparable part of fixed assets and a certain percentage were charged to operations based on agreed calculations.

As compensation to the services, the Bank is obliged to pay one time cost and recurring costs such as development and enhancement costs on the application stated in the agreement.

f. Interest income and expenses from/to related parties, which are received/incurred by the Bank is less than 10% of the Bank's total interest income and expenses, respectively, for each related year.

g. Short-term employee benefits received by the Bank's Board of Commissieoners and the Board of Directors for the year ended 31 December 2023 and 2022 amounting to Rp96,194 and Rp71,986, respectively.

Long-term employee benefits received by the Bank's Board of Commissioners and the Board of Directors for the years ended 31 December 2023 and 2022 amounting to Rp12,588 and Rp7,473, respectively. Expenses incurred by the Bank relating to post-employment benefits of the Bank's Board of Commissioners and the Board of Directors amounting to Rp1,707 and Rp1,194 for the years ended 31 December 2023 and 2022, respectively and which are disclosed in Note 1b.

38. Posisi Devisa Neto

Posisi Devisa Neto (PDN) pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

38. Net Open Position

The Net Open Positions (NOP) as of 31 December 2023 and 2022 are as follows:

	31 Desember/*31 December* 2023					
	Mata uang asing (nilai penuh)/ *Foreign currencies (full amount)*		**Ekuivalen rupiah/ *Rupiah equivalent***			
	Aset/ *Assets*	**Liabilitas/ *Liabilities***	**Aset/ *Assets***	**Liabilitas/ *Liabilities***	**Posisi Devisa Neto/ *Net Open Position***	
Keseluruhan (laporan posisi keuangan dan rekening administratif)						*Aggregate (statement of financial position and and administrative accounts)*
Yen Jepang	5.814.528.500	5.816.409.768	633.057	633.262	205	*Japanese Yen*
Dolar Amerika Serikat	7.108.925.088	7.151.468.751	109.456.120	110.111.164	655.044	*United States Dollar*
Krona Swedia	67.321.896	66.067.527	103.780	101.846	1.934	*Swedish Krona*
Dolar Singapura	496.971.950	498.224.217	5.802.814	5.817.435	14.621	*Singapore Dollar*
Yuan Cina (CNH)	322.815.657	328.618.198	700.349	712.937	12.588	*(CNH) Chinese Yuan*
Dolar Australia	113.610.593	113.734.132	1.195.271	1.196.572	1.301	*Australian Dollar*
Euro Eropa	102.842.159	103.060.711	1.752.258	1.755.981	3.723	*European Euro*
Yuan Cina (CNY)	31.785.061	31.260.682	68.975	67.838	1137	*(CNY) Chinese Yuan*
Dolar Hong Kong	6.031.731	5.941.000	11.887	11.708	179	*Hong Kong Dollar*
Pound Sterling Inggris	10.938.372	9.916.873	214.683	194.634	20.049	*Great Britain Pound Sterling*
Dolar Selandia Baru	5.595.263	5.577.126	54.642	54.463	179	*New Zealand Dollar*
Dolar Kanada	5.826.771	5.799.196	67.763	67.442	321	*Canadian Dollar*
Franc Swiss	227.343	172.925	4.160	3.164	996	*Swiss Franc*
Baht Thailand	319.100	-	144	-	144	*Thailand Baht*
Ringgit Malaysia	21.497	-	72	-	72	*Malaysian Ringgit*
Total	**14.087.760.981**	**14.136.251.106**	**120.065.975**	**120.728.446**	**712.493**	***Total***
Total modal Desember 2023					**17.117.971**	***Total capital December 2023***
Rasio PDN atas modal Desember 2023 (keseluruhan)					**4,16%**	*Percentage of NOP to December 2023 capital (aggregate)*
Total modal November 2023 (tidak diaudit)					**17.124.686**	***Total capital November 2023*** *(unaudited)*
Rasio PDN atas modal November 2023 (keseluruhan) (tidak diaudit)					**4,16%**	*Percentage of NOP to November 2023 capital (aggregate) (unaudited)*

	31 Desember/*31 December* 2022					
	Mata uang asing (nilai penuh)/ *Foreign currencies (full amount)*		**Ekuivalen rupiah/ *Rupiah equivalent***			
	Aset/ *Assets*	**Liabilitas/ *Liabilities***	**Aset/ *Assets***	**Liabilitas/ *Liabilities***	**Posisi Devisa Neto/ *Net Open Position***	
Keseluruhan (laporan posisi keuangan dan rekening administratif)						*Aggregate (statement of financial position and and administrative accounts)*
Yen Jepang	7.984.729.884	7.982.431.978	940.681	940.410	271	*Japanese Yen*
Dolar Amerika Serikat	7.181.513.813	7.195.653.389	111.798.216	112.018.334	220.118	*United States Dollar*
Krona Swedia	42.216.684	41.514.725	62.812	61.768	1.044	*Swedish Krona*
Dolar Singapura	648.245.749	648.309.034	7.515.036	7.515.768	732	*Singapore Dollar*
Yuan Cina (CNH)	206.252.248	204.759.863	460.871	457.536	3.335	*(CNH) Chinese Yuan*
Dolar Australia	64.585.005	64.509.455	681.881	681.083	798	*Australian Dollar*
Euro Eropa	77.557.484	77.561.910	1.286.037	1.286.110	73	*European Euro*
Yuan Cina (CNY)	26.855.769	26.667.863	60.128	59.707	421	*(CNY) Chinese Yuan*
Dolar Hong Kong	949.727	652.816	1.896	1.303	593	*Hong Kong Dollar*
Pound Sterling Inggris	5.044.348	5.065.066	94.765	95.154	389	*Great Britain Pound Sterling*
Dolar Selandia Baru	2.330.051	2.310.493	22.953	22.761	192	*New Zealand Dollar*
Dolar Kanada	1.663.976	1.622.424	19.113	18.636	477	*Canadian Dollar*
Franc Swiss	476.380	475.081	8.017	7.994	23	*Swiss Franc*

38. Posisi Devisa Neto

Posisi Devisa Neto (PDN) pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut: (lanjutan)

38. Net Open Position

The Net Open Positions (NOP) as of 31 December 2023 and 2022 are as follows: (continued)

	31 Desember/*31 December* 2022					
	Mata uang asing (nilai penuh)/ *Foreign currencies (full amount)*		**Ekuivalen rupiah/ *Rupiah equivalent***			
	Aset/ *Assets*	**Liabilitas/ *Liabilities***	**Aset/ *Assets***	**Liabilitas/ *Liabilities***	**Posisi Devisa Neto/ *Net Open Position***	
Keseluruhan (laporan posisi keuangan dan rekening administratif)						*Aggregate (statement of financial position and and administrative accounts)*
Baht Thailand	40.638.521	-	18.316	-	18.316	*Thailand Baht*
Ringgit Malaysia	22.490	201	79	1	78	*Malaysian Ringgit*
Total	**16.283.082.129**	**16.251.534.298**	**122.970.801**	**123.166.565**	**246.860**	***Total***
Total modal Desember 2022					**16.347.435**	***Total capital December 2022***
Rasio PDN atas modal Desember 2022 (keseluruhan)					**1,51%**	*Percentage of NOP to December 2022 capital (aggregate)*
Total modal November 2022 (tidak diaudit)					**16.220.725**	***Total capital November 2022*** *(unaudited)*
Rasio PDN atas modal November 2022 (keseluruhan) (tidak diaudit)					**1,52%**	*Percentage of NOP to November 2022 capital (aggregate) (unaudited)*

Sesuai dengan PBI No. 17/5/PBI/2015 tanggal 29 Mei 2015 tentang perubahan keempat atas PBI No. 5/13/PBI/2003 tanggal 17 Juli 2003 tentang Posisi Devisa Neto, bank diwajibkan untuk memelihara PDN secara keseluruhan setinggi-tingginya adalah sebesar 20% dari modal.

In accordance with PBI No. 17/5/PBI/2015 dated 29 May 2015 regarding the fourth amendment of PBI No. 5/13/PBI/2003 dated 17 July 2003 regarding Net Open Position, banks are required to maintain overall NOP at a maximum of 20% of capital.

PDN secara keseluruhan merupakan jumlah absolut dari selisih antara aset dan liabilitas dalam mata uang asing yang disajikan dalam Rupiah ditambah dengan selisih bersih dari tagihan dan liabilitas komitmen dan kontinjensi yang dicatat dalam rekening administratif untuk setiap mata uang asing yang disajikan dalam Rupiah.

Overall NOP is the absolute amount of the difference between assets and liabilities denominated in foreign currencies which is presented in Rupiah plus the net difference from claims and liabilities on commitments and contingencies recorded in administrative accounts for each foreign currency which is presented in Rupiah.

PDN Bank pada tanggal 31 Desember 2023 dan 2022 telah memenuhi ketentuan BI.

The NOP of the Bank as of 31 December 2023 and 2022 are in compliance with BI regulations.

39. Informasi Penting

Rasio Kewajiban Penyediaan Modal Minimum

Pada tanggal 31 Desember 2023 dan 2022 rasio Kewajiban Penyediaan Modal Minimum (KPMM) Bank dihitung berdasarkan POJK No. 34/POJK.03/2016 tanggal 22 September 2016 dan disusun berdasarkan PBI No. 14/18/PBI/2012 tanggal 28 November 2012 dan PBI No. 15/12/PBI/2013 tanggal 12 Desember 2013 dengan perhitungan sebagai berikut:

39. Significant Information

Capital Adequacy Ratio

As of 31 December 2023 and 2022, the Bank's Capital Adequacy Ratio (CAR) is computed in accordance with POJK No. 34/POJK.03/2016 dated 22 September 2016 and is computed in accordance with PBI No. 14/18/PBI/2012 dated 28 November 2012 and PBI No. 15/12/PBI/2013 dated 12 December 2013 with calculation as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Modal inti	15.639.914	14.542.529	*Core capital*
Modal pelengkap	1.478.057	1.804.906	*Supplementary capital*
Total modal	17.117.971	16.347.435	*Total capital*
Aset Tertimbang Menurut Risiko Kredit	80.840.210	86.391.709	*Credit Risk Weighted Assets*
Aset Tertimbang Menurut Risiko Pasar	4.875.344	1.892.538	*Market Risk Weighted Assets*
Aset Tertimbang Menurut Risiko Operasional	7.747.054	10.344.473	*Operational Risk Weighted Assets*
Rasio CET1	16,73%	14,74%	*CET1 ratio*
Rasio *Tier 1*	16,73%	14,74%	*Tier 1 ratio*
Rasio *Tier 2*	1,58%	1,83%	*Tier 2 ratio*
Rasio total	18,32%	16,57%	*Total ratio*
Rasio KPMM yang diwajibkan sesuai dengan profil risiko	9,00%	9,00%	*Required Capital Adequacy Ratio in accordance with risk profile*
Capital conservation buffer	2,500%	2,500%	*Capital conservation buffer*
Countercyclical buffer	0,000%	0,000%	*Countercyclical buffer*
Capital surcharge untuk Bank Sistemik	0,000%	0,000%	*Capital surcharge for D-SIB*
Persentase *buffer* yang wajib dipenuhi oleh Bank	2,500%	2,500%	*Buffer which must be fulfilled by the Bank*
CET1 untuk *buffer*	9,32%	7,57%	*CET1 for buffer*

Berdasarkan POJK No. 34/POJK.03/2016 tanggal 22 September 2016 tentang Kewajiban Penyediaan Modal Minimum, Bank wajib membentuk tambahan modal sebagai penyangga dengan penjelasan sebagai berikut:

a. *Capital Conservation Buffer* adalah tambahan modal yang berfungsi sebagai penyangga apabila terjadi kerugian pada periode krisis;

Based on POJK No. 34/POJK.03/2016 dated 22 September 2016 concerning Capital Adequacy Ratio, the Bank is required to establish additional capital as a buffer with explanation as follows:

a. Capital Conservation Buffer is additional capital which serves as a buffer in the event of a loss in the period of crisis;

39. Informasi Penting (lanjutan)

Rasio Kewajiban Penyediaan Modal Minimum (lanjutan)

Berdasarkan POJK No. 34/POJK.03/2016 tanggal 22 September 2016 tentang Kewajiban Penyediaan Modal Minimum, Bank wajib membentuk tambahan modal sebagai penyangga dengan penjelasan sebagai berikut: (lanjutan)

b. *Countercyclical Buffer* adalah tambahan modal yang berfungsi untuk mengantisipasi kerugian apabila terjadi pertumbuhan kredit perbankan yang berlebihan sehingga berpotensi mengganggu stabilitas sistem keuangan;

c. *Capital Surcharge* untuk *Domestic Systemically Important Bank (D-SIB)* adalah tambahan modal yang berfungsi untuk mengurangi dampak negatif terhadap stabilitas sistem keuangan dan perekonomian apabila terjadi kegagalan Bank yang berdampak sistemik melalui peningkatan kemampuan Bank dalam menyerap kerugian.

Pemenuhan modal sebagai penyangga harus dipenuhi dengan menggunakan komponen Modal Inti Utama (*Common Equity Tier 1*).

39. Significant Information *(continued)*

Capital Adequacy Ratio *(continued)*

Based on POJK No. 34/POJK.03/2016 dated 22 September 2016 concerning Capital Adequacy Ratio, the Bank is required to establish additional capital as a buffer with explanation as follows: (continued)

b. Countercyclical Buffer is an additional capital which serves to anticipate losses in the event of excessive credit growth and thus, potentially disrupt the stability of the financial system;

c. Capital Surcharge for Domestic Systemically Important Banks (D-SIB) is additional capital which serves to reduce the negative impact on the stability of the financial system and economy in the event of the Bank's failure which has a systemic effect through an increase in the Bank's ability to absorb losses.

Fulfillment of capital as a buffer should be met by using components of Common Equity Tier 1.

40. Jatuh Tempo Aset dan Liabilitas Bank

Aset dan liabilitas Bank pada tanggal 31 Desember 2023 dan 2022 berdasarkan waktu yang tersisa sampai dengan tanggal jatuh tempo adalah sebagai berikut:

40. Remaining Maturity Periods of the Bank's Assets and Liabilities

As of 31 December 2023 and 2022, the Bank's assets and liabilities based on the remaining period of maturities are as follows:

31 Desember/*31 December* 2023

Keterangan	Tanpa jangka waktu/ *No contractual maturity*	Sampai dengan 1 bulan/ *up to 1 month*	Lebih dari 1 bulan sampai dengan 3 bulan/ *More than 1 month up to 3 months*	Lebih dari 3 bulan sampai dengan 12 bulan/ *More than 3 months up to 12 months*	Lebih dari 1 tahun sampai dengan 5 tahun/ *More than 1 year up to 5 years*	Lebih dari 5 tahun/ *More than 5 years*	Total	*Description*
Aset								***Assets***
Kas	603.540	-	-	-	-	-	603.540	*Cash*
Giro pada Bank Indonesia	9.901.077	-	-	-	-	-	9.901.077	*Current accounts with Bank Indonesia*
Giro pada bank lain - neto	981.776	-	-	-	-	-	981.776	*Current accounts with other banks - net*
Penempatan pada Bank Indonesia dan bank lain - neto	-	2.135.930	-	-	-	-	2.135.930	*Placements with Bank Indonesia and other banks - net*
Efek-efek yang diperdagangkan	-	2.031	2.647	689.630	579.802	1.484.126	2.758.236	*Trading securities*
Investasi keuangan - neto	-	1.447.978	4.093.399	9.122.263	12.997.122	5.376.615	33.037.377	*Financial investments - net*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-	3.215.259	9.000.519	8.880.398	1.582.077	-	22.678.253	*Receivables on securities purchased with agreements to resell*
Tagihan derivatif	-	65.753	107.543	210.897	407.225	49.276	840.694	*Derivative receivables*
Kredit yang diberikan - neto	-	5.506.456	11.928.852	30.750.222	20.251.496	11.474.816	79.911.842	*Loans - net*
Tagihan akseptasi - neto	-	969.734	835.226	686.651	7.055	-	2.498.666	*Acceptance receivables - net*
Aset pajak tangguhan - neto	733.560	-	-	-	-	-	733.560	*Deferred tax assets - net*
Aset tetap dan aset hak guna	2.684.772	-	-	-	-	-	2.684.772	*Fixed assets and right-of-use assets*
Aset tidak berwujud	1.130.306	-	-	-	-	-	1.130.306	*Intangible assets*
Aset lain-lain - neto	523.289	1.520.082	536.525	45.527	24.854	-	2.650.277	*Other assets - net*
Total Aset	**16.558.320**	**14.863.223**	**26.504.711**	**50.385.588**	**35.849.631**	**18.384.833**	**162.546.306**	***Total Assets***

40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Aset dan liabilitas Bank pada tanggal 31 Desember 2023 dan 2022 berdasarkan waktu yang tersisa sampai dengan tanggal jatuh tempo adalah sebagai berikut: (lanjutan)

40. Remaining Maturity Periods of the Bank's Assets and Liabilities *(continued)*

As of 31 December 2023 and 2022, the Bank's assets and liabilities based on the remaining period of maturities are as follows: (continued)

31 Desember/*31 December* 2023

Keterangan	Tanpa jangka waktu/ *No contractual maturity*	Sampai dengan 1 bulan/ *up to 1 month*	Lebih dari 1 bulan sampai dengan 3 bulan/ *More than 1 month up to 3 months*	Lebih dari 3 bulan sampai dengan 12 bulan/ *More than 3 months up to 12 months*	Lebih dari 1 tahun sampai dengan 5 tahun/ *More than 1 year up to 5 years*	Lebih dari 5 tahun/ *More than 5 years*	Total	*Description*
Liabilitas segera	-	475.355	-	-	-	-	475.355	*Current liabilities*
Simpanan dari nasabah	61.098.269	26.740.521	20.987.937	10.305.600	147.789	2.425	119.282.541	*Deposits from customers*
Simpanan dari bank lain	124.359	1.273.400	-	1.000	-	-	1.398.759	*Deposits from other banks*
Bunga yang masih harus dibayar		199.137	-	-	-	-	199.137	*Interest payables*
Utang pajak	-	170.850	-	-	-	-	170.850	*Tax payables*
Liabilitas derivatif	-	79.561	116.214	501.869	481.926	43.030	1.222.600	*Derivative payables*
Liabilitas akseptasi	-	930.056	796.809	678.261	7.055	-	2.412.181	*Acceptance liabilities*
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	-	13.295.961	-	-	-	-	13.295.961	*Liabilities on securities sold under repurchase agreements*
Liabilitas atas Imbalan kerja	-	-	-	77.772	135.509	131.091	344.372	*Liabilities for employee benefit*
Efek utang yang diterbitkan	-	-	-	599.181	748.242	96.000	1.443.423	*Debt securities issued*
Liabilitas lain-lain	2.250.766	1.015.509	538.180	754.063	141.180	-	4.699.698	*Other liabilities*
Total Liabilitas	**63.473.394**	**44.180.350**	**22.439.140**	**12.917.746**	**1.661.701**	**272.546**	**144.944.877**	***Total Liabilities***
Neto	**(46.915.074)**	**(29.317.127)**	**4.065.571**	**37.467.842**	**34.187.930**	**18.112.287**	**17.601.429**	***Net***

40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Aset dan liabilitas Bank pada tanggal 31 Desember 2023 dan 2022 berdasarkan waktu yang tersisa sampai dengan tanggal jatuh tempo adalah sebagai berikut: (lanjutan)

40. Remaining Maturity Periods of the Bank's Assets and Liabilities *(continued)*

As of 31 December 2023 and 2022, the Bank's assets and liabilities based on the remaining period of maturities are as follows: (continued)

31 Desember/*31 December* 2022

Keterangan	Tanpa jangka waktu/ *No contractual maturity*	Sampai dengan 1 bulan/ *up to 1 month*	Lebih dari 1 bulan sampai dengan 3 bulan/ *More than 1 month up to 3 months*	Lebih dari 3 bulan sampai dengan 12 bulan/ *More than 3 months up to 12 months*	Lebih dari 1 tahun sampai dengan 5 tahun/ *More than 1 year up to 5 years*	Lebih dari 5 tahun/ *More than 5 years*	Total	*Description*
Aset								***Assets***
Kas	717.402	-	-	-	-	-	717.402	*Cash*
Giro pada Bank Indonesia	8.869.574	-	-	-	-	-	8.869.574	*Current accounts with Bank Indonesia*
Giro pada bank lain - neto	1.093.934	-	-	-	-	-	1.093.934	*Current accounts with other banks - net*
Penempatan pada Bank Indonesia dan bank lain - neto	-	5.855.629	-	-	-	-	5.855.629	*Placements with Bank Indonesia and other banks - net*
Efek-efek yang diperdagangkan	-	-	4.591	31.485	187.000	370.702	593.778	*Trading securities*
Investasi keuangan - neto	-	1.796.674	2.702.080	2.966.952	16.071.122	4.416.328	27.953.156	*Financial investments - net*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-	1.051.846	1.818.438	-	-	-	2.870.284	*Receivables on securities purchased with agreements to resell*
Tagihan derivatif	-	54.274	163.620	522.208	558.844	21.791	1.320.737	*Derivative receivables*
Kredit yang diberikan - neto	-	8.444.293	10.075.962	34.104.191	18.465.697	10.208.428	81.298.571	*Loans - net*
Tagihan akseptasi - neto	-	889.802	1.559.871	1.224.702	8.824	-	3.683.199	*Acceptance receivables - net*
Aset pajak tangguhan - neto	747.018	-	-	-	-	-	747.018	*Deferred tax assets - net*
Aset tetap dan aset hak guna	1.408.027	-	-	-	-	-	1.408.027	*Fixed assets and right-of-use assets*
Aset lain-lain - neto	488.573	1.203.661	120.073	41.514	10.977	-	1.864.798	*Other assets - net*
Total Aset	**13.324.528**	**19.296.179**	**16.444.635**	**38.891.052**	**35.302.464**	**15.017.249**	**138.276.107**	***Total Assets***

40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Aset dan liabilitas Bank pada tanggal 31 Desember 2023 dan 2022 berdasarkan waktu yang tersisa sampai dengan tanggal jatuh tempo adalah sebagai berikut: (lanjutan)

40. Remaining Maturity Periods of the Bank's Assets and Liabilities *(continued)*

As of 31 December 2023 and 2022, the Bank's assets and liabilities based on the remaining period of maturities are as follows: (continued)

31 Desember/*31 December* 2022

Keterangan	Tanpa jangka waktu/ *No contractual maturity*	Sampai dengan 1 bulan/ *up to 1 month*	Lebih dari 1 bulan sampai dengan 3 bulan/ *More than 1 month up to 3 months*	Lebih dari 3 bulan sampai dengan 12 bulan/ *More than 3 months up to 12 months*	Lebih dari 1 tahun sampai dengan 5 tahun/ *More than 1 year up to 5 years*	Lebih dari 5 tahun/ *More than 5 years*	Total	*Description*
Liabilitas segera	-	192.839	-	-	-	-	192.839	*Current liabilities*
Simpanan dari nasabah	62.709.673	28.469.842	11.813.102	10.858.438	63.574	2.642	113.917.271	*Deposits from customers*
Simpanan dari bank lain	199.648	2.500	3.000	1.000	-	-	206.148	*Deposits from other banks*
Bunga yang masih harus dibayar	-	132.472	-	-	-	-	132.472	*Interest payables*
Utang pajak	-	195.938	-	-	-	-	195.938	*Tax payables*
Liabilitas derivatif	-	75.510	65.558	239.625	1.002.008	17.834	1.400.535	*Derivative payables*
Liabilitas akseptasi	-	865.469	1.223.006	1.154.352	8.825	-	3.251.652	*Acceptance liabilities*
Liabilitas atas Imbalan kerja	-	-	-	56.476	110.211	91.718	258.405	*Liabilities for employee benefit*
Efek utang yang diterbitkan	-	-	-	154.690	1.345.722	95.256	1.595.668	*Debt securities issued*
Liabilitas lain-lain	312.882	305.902	47.055	1.006.741	83.895	7.362	1.763.837	*Other liabilities*
Total Liabilitas	**63.222.203**	**30.240.472**	**13.151.721**	**13.471.322**	**2.614.235**	**214.812**	**122.914.765**	***Total Liabilities***
Neto	**(49.897.675)**	**(10.944.293)**	**3.292.914**	**25.419.730**	**32.688.229**	**14.802.437**	**15.361.342**	***Net***

40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Tabel di bawah ini menunjukkan sisa jatuh tempo kontraktual dari liabilitas keuangan Bank berdasarkan pada arus kas yang tidak didiskonto:

40. Remaining Maturity Periods of the Bank's Assets and Liabilities *(continued)*

The table below shows the remaining contractual maturities of the Bank's financial liabilities based on undiscounted cash flow:

	31 Desember/*31 December* 2023							
Keterangan	**Tanpa jangka waktu/ *No contractual maturity***	**Sampai dengan 1 bulan/ *up to 1 month***	**Lebih dari 1 bulan sampai dengan 3 bulan/ *More than 1 month up to 3 months***	**Lebih dari 3 bulan sampai dengan 12 bulan/ *More than 3 months up to 12 months***	**Lebih dari 1 tahun sampai dengan 5 tahun/ *More than 1 year up to 5 years***	**Lebih dari 5 tahun/ *More than 5 years***	**Total**	***Description***
Liabilitas segera	-	475.355	-	-	-	-	475.355	*Current liabilities*
Simpanan dari nasabah	61.098.269	26.926.044	21.158.095	10.424.542	150.763	2.860	119.760.573	*Deposits from customers*
Simpanan dari bank lain	124.359	1.275.588	-	1.000	-	-	1.400.947	*Deposits from other banks*
Bunga yang masih harus dibayar	-	199.137	-	-	-	-	199.137	*Interest payables*
Liabilitas derivatif	-	79.561	116.214	501.869	481.926	43.030	1.222.600	*Derivative payables*
Liabilitas akseptasi	-	930.056	796.809	678.261	7.055	-	2.412.181	*Acceptance liabilities*
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	-	13.295.961	-	-	-	-	13.295.961	*Liabilities on securities sold under repurchase agreements*
Efek utang yang diterbitkan	-	10.823	21.646	686.752	912.146	102.089	1.733.456	*Debt securities issued*
Liabilitas lain-lain	2.250.767	1.015.509	538.180	754.063	141.180	-	4.699.699	*Other liabilities*
Total Liabilitas	**63.473.395**	**44.208.034**	**22.630.944**	**13.046.487**	**1.693.070**	**147.979**	**145.199.909**	***Total Liabilities***

40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Tabel di bawah ini menunjukkan sisa jatuh tempo kontraktual dari liabilitas keuangan Bank berdasarkan pada arus kas yang tidak didiskonto: (lanjutan)

40. Remaining Maturity Periods of the Bank's Assets and Liabilities *(continued)*

The table below shows the remaining contractual maturities of the Bank's financial liabilities based on undiscounted cash flow: (continued)

31 Desember/*31 December* 2022

Keterangan	Tanpa jangka waktu/ *No contractual maturity*	Sampai dengan 1 bulan/ *up to 1 month*	Lebih dari 1 bulan sampai dengan 3 bulan/ *More than 1 month up to 3 months*	Lebih dari 3 bulan sampai dengan 12 bulan/ *More than 3 months up to 12 months*	Lebih dari 1 tahun sampai dengan 5 tahun/ *More than 1 year up to 5 years*	Lebih dari 5 tahun/ *More than 5 years*	Total	*Description*
Liabilitas segera	-	192.839	-	-	-	-	192.839	*Current liabilities*
Simpanan dari nasabah	62.709.673	28.588.364	11.924.208	10.973.824	68.404	3.236	114.267.709	*Deposits from customers*
Simpanan dari bank lain	199.648	2.500	3.000	1.000	-	-	206.148	*Deposits from other banks*
Bunga yang masih harus dibayar	-	132.472	-	-	-	-	132.472	*Interest payables*
Liabilitas derivatif	-	75.510	65.558	239.625	1.002.008	17.834	1.400.535	*Derivative payables*
Liabilitas akseptasi	-	865.469	1.223.006	1.154.352	8.825	-	3.251.652	*Acceptance liabilities*
Efek utang yang diterbitkan	-	11.956	23.914	259.278	1.625.059	110.200	2.030.407	*Debt securities issued*
Liabilitas lain-lain	312.882	305.902	47.055	1.006.741	83.895	7.362	1.763.837	*Other liabilities*
Total Liabilitas	**63.222.203**	**30.175.012**	**13.286.741**	**13.634.820**	**2.788.191**	**138.632**	**123.245.599**	***Total Liabilities***

41. Kebijakan Manajemen Risiko

Pelaksanaan fungsi manajemen risiko meliputi hal-hal terkait dengan upaya identifikasi, penilaian, pengukuran, evaluasi, pemantauan dan pengendalian risiko termasuk pengembangan teknologi dan sistem informasi manajemen di setiap jenis risiko yang dihadapi oleh Bank, serta peningkatan kualitas sumber daya manusia dalam pengelolaan risiko tersebut.

Secara garis besar, Kebijakan Manajemen Risiko mengacu pada peraturan regulator, dimana penerapannya mencakup empat pilar manajemen risiko yang ditetapkan dalam POJK No. 18/POJK.03/2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum sebagai berikut:

1. Pengawasan aktif dari Dewan Komisaris dan Direksi;
2. Kecukupan kebijakan dan prosedur manajemen risiko serta penetapan limit risiko;
3. Kecukupan proses identifikasi, pengukuran, pemantauan, dan pengendalian risiko, serta sistem informasi manajemen risiko; dan
4. Sistem pengendalian internal yang menyeluruh.

Dewan Komisaris dan Direksi bertanggung jawab untuk memastikan bahwa penerapan manajemen risiko telah memadai sesuai dengan karakteristik, kompleksitas dan profil risiko Bank, serta memahami dengan baik jenis dan tingkat risiko yang melekat pada kegiatan bisnis Bank. Untuk mendukung hal tersebut, dibentuk komite-komite untuk mengkaji masalah terkait manajemen risiko, termasuk rencana perbaikan jika dibutuhkan, memberikan persetujuan atas berbagai kebijakan manajemen risiko, mengkaji laporan profil risiko, dan mengevaluasi pelaksanaan sistem pengendalian Bank. Komite yang dibentuk pada level komisaris salah satunya yaitu Komite Independen Pemantau Risiko (KIPER), sedangkan pada level direksi antara lain Komite Manajemen Risiko (RMC), Komite Aktiva dan Pasiva (ALCO), Komite Kebijakan Kredit (CPC) dan lainnya.

Penetapan kebijakan manajemen risiko sesuai dengan profil risiko Bank yaitu mencakup 8 tipe risiko yang terdiri dari risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko kepatuhan, risiko stratejik, risiko hukum dan risiko reputasi.

41. Risk Management Policies

Implementation of risk management function includes identification, assessment, measurement, evaluation, monitoring and risk controls, including the development of technology and management information system in each risk faced by the Bank, as well as the improvement of human resource quality in order to manage the risks.

Generally, the Risk Management Policy refers to the regulatory provision of which the implementation includes the four pillars of risk management as stipulated in OJK Regulation No. 18/POJK.03/2016 concerning Risk Management Implementation for Commercial Banks as follows:

1. *Active supervision of the Board of Commissioners and the Board of Directors;*
2. *Adequacy of risk management policies, procedures and risk limit stipulation;*
3. *Adequacy of risk identification, measurement, monitoring and controlling process, as well as risk management information system; and*
4. *A comprehensive internal control system.*

The Board of Commissioners and the Board of Directors are responsible to ensure the adequacy of risk management implementation tailored with the characteristic, complexity, and risk profile of the Bank, and have a good understanding on the type and level of risks inherent in the Bank's business activities. To support this, committees are formed to assess issues related to risk management, including the improvement plan if necessary, to give approval for various risk management policies, to assess the risk profile reports and to evaluate the implementation of the Bank's risk control system. One of the committees at the commissioner level is the Risk Monitoring Committee (ROC), whereas at the director level are the Risk Management Committee (RMC), Asset and Liability Committee (ALCO), Credit Policy Committee (CPC) and others.

Risk management policies are determined in accordance with the Bank's risk profile which includes 8 types of risks consists of credit risk, market risk, liquidity risk, operational risk, compliance risk, strategic risk, legal risk and reputation risk.

41. Kebijakan Manajemen Risiko (lanjutan)

Manajemen risiko kredit dalam kondisi pandemi COVID-19

Dalam rangka mendukung upaya pemerintah dalam mempertahankan stabilitas ekonomi, Bank telah menyiapkan kebijakan dan prosedur restrukturisasi kredit bagi debitur yang terdampak COVID-19 melalui ketentuan internal baik berupa Surat Edaran maupun Surat Keputusan Direksi tentang Kebijakan dan Panduan Bantuan Kredit Umum COVID-19 UOBI beserta perubahannya yang berlaku sejak tanggal 8 April 2020. Dalam kebijakan tersebut, telah diatur kriteria debitur dan sektor usaha terdampak COVID-19 yang dapat dilakukan restrukturisasi. Relaksasi dilakukan khusus untuk debitur dan sektor yang terdampak COVID-19 dengan mengacu pada POJK No. 11/POJK.03/2020 yang diperbaharui dengan POJK No. 48/POJK.03/2020 dan POJK No. 17/POJK.03/2021, Keputusan Dewan Komisioner OJK No.34/KDK.03/2022 tentang Penetapan Sektor Penyediaan Akomodasi dan Penyediaan Makan Minum, Sektor Tekstil dan Produk Tekstil serta Alas Kaki, Segmen Usaha Mikro, Kecil dan Menengah, serta Provinsi Bali Sebagai Sektor dan Daerah yang Memerlukan Perlakuan Khusus Terhadap Kredit atau Pembiayaan Bank, dan Peraturan Menko Perekonomian No. 6/2020 dan ketentuan internal Bank.

Dalam upaya mitigasi terjadi risiko kredit, Bank melakukan analisa kredit yang memadai bagi debitur yang mengajukan permohonan restrukturisasi dan meminimalisasi risiko pemberian restrukturisasi yang tidak tepat sasaran. Pemberian stimulus hanya diberikan kepada debitur yang memenuhi kriteria yang ditetapkan oleh Bank.

41. Risk Management Policies *(continued)*

Credit risk management during the COVID-19 pandemic

In order to support the government's efforts to maintain economic stability, the Bank has policies and procedures in place for credit restructuring for debtors affected by COVID-19 through internal regulations in the form of Circular and Directors Decree regarding UOBI COVID-19 General Credit Policy and Guideline including its updates which was effective since 8 April 2020. In this policy, criteria for debtors and business sectors affected by COVID-19 that can be restructured have been regulated. Relaxation is carried out specifically for debtors and sectors affected by COVID-19 with reference to POJK No. 11/POJK.03/2020 which was updated by POJK No. 48/POJK.03/2020 and POJK No.17/POJK.03/2021, Decree of the Board of Commissioners of OJK No. 34/KDK.03/2022 concerning Stipulation of the Sector for Provision of Accommodation and Provision of Food and Drink, the Textile and Textile Products and Footwear Sectors, the Micro, Small and Medium Enterprises Segment, and the Province of Bali as a Sector and Region in Need Special Treatment for Bank Credit or Financing, and Regulation of the Coordinating Minister for the Economy No. 6/2020 and the Bank's internal regulations.

In an effort to mitigate credit risk, the Bank conducted adequate credit analysis for debtors who apply for restructuring and to minimize the risk of improperly granting restructuring. The stimulus is only given to debtors who meet the criteria set by the Bank.

41. Kebijakan Manajemen Risiko (lanjutan)

Dengan diterapkannya kebijakan tersebut, diharapkan debitur-debitur Bank yang terdampak pandemi COVID-19 dapat terbantu dan kualitas portofolio Bank dapat tetap terjaga dengan baik. Dalam kaitan dengan kondisi dampak dari pandemi COVID-19 yang masih ada, Bank juga telah memperkuat pelaksanaan kerangka kerja pengawasan kredit yang telah dimiliki oleh Bank dan sudah berjalan secara efektif dalam memantau kinerja debitur, baik secara individual maupun portofolio. Pemantauan yang lebih intensif ini dilakukan agar dapat memberikan *early warning signal* dan memastikan mitigasi risiko yang ditetapkan dapat tepat guna dalam menjaga kualitas kredit selama masa pandemi. Mekanisme pemantauan kredit dilakukan melalui analisa *watchlist* atau *health check* terhadap seluruh debitur terutama entitas debitur yang terdampak atau berada pada sektor usaha terdampak COVID-19 dengan mengacu pada POJK No. 11/POJK.03/2020 yang diperbaharui dengan POJK No. 48/POJK.03/2020 dan POJK No. 17/POJK.03/2021, dan Keputusan Dewan Komisioner OJK No.34/KDK.03/2022 tentang Penetapan Sektor Penyediaan Akomodasi dan Penyediaan Makan Minum, Sektor Tekstil dan Produk Tekstil serta Alas Kaki, Segmen Usaha Mikro, Kecil dan Menengah, serta Provinsi Bali Sebagai Sektor dan Daerah yang Memerlukan Perlakuan Khusus Terhadap Kredit atau Pembiayaan Bank, serta ketentuan internal Bank. Debitur yang berpotensi mengalami penurunan kinerja wajib dipantau dengan *action plan* yang dipantau pelaksanaannya secara berkelanjutan.

Risiko kredit

Risiko kredit didefinisikan sebagai risiko kerugian yang timbul dari kegagalan debitur atau *counterparty* dalam memenuhi kewajiban keuangannya pada saat jatuh tempo.

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut:

1. Pemisahan tugas antara berbagai fungsi dalam pemberian kredit

   Terdapat pemisahan tugas antara fungsi kerja originasi (bisnis), fungsi kerja administrasi kredit, fungsi kerja kredit, dan fungsi kerja manajemen risiko untuk menjaga independensi dan integritas dari berbagai fungsi kredit tersebut.

41. Risk Management Policies *(continued)*

With the implementation of this policy, it is expected that the Bank's debtors who are affected by the COVID-19 pandemic can be supported and the quality of the Bank's portfolio can be maintained properly. In relation to the condition of the impact of the COVID-19 pandemic that still exists, the Bank has also intensified the implementation of its credit monitoring framework that the Bank has been in place and has been running effectively in monitoring the performance of debtors, both individually as well as on portfolio basis. The more intensive monitoring is carried out in order to provide early warning signals and ensure the designed risk mitigation is effective in maintaining credit quality during the pandemic period. The credit monitoring mechanism is carried out through a watchlist or health check analysis of all debtors, especially debtor entities that are affected or are in the business sector affected by COVID-19 with reference to POJK No. 11/POJK.03/2020 which was updated by POJK No. 48/POJK.03/2020 and POJK No. 17/POJK.03/2021, and Decree of the Board of Commissioners of OJK No. 34/KDK.03/2022 concerning Stipulation of the Sector for Provision of Accommodation and Provision of Food and Drink, the Textile and Textile Products and Footwear Sectors, the Micro, Small and Medium Enterprises Segment, and the Province of Bali as a Sector and Region in Need Special Treatment for Bank Credit or Financing, as well as the Bank's internal regulations. Debtors that have the potential to experience a decline in performance must be monitored with an action plan where the implementation is monitored on an ongoing basis.

Credit risk

Credit risk is defined as the risk of loss arising from any failure by a debtor or a counterparty to fulfill its financial obligations as and when they fall due.

In managing credit risk exposure, the Bank applies several basic principles as follows:

1. Segregation of duties among functions in granting credit

   There is segregation of duties between origination function (business), credit administration function, credit function, and risk management function to maintain independence and integrity of the various credit functions.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

1. Pemisahan tugas antara berbagai fungsi dalam pemberian kredit (lanjutan)

   Bank menetapkan struktur delegasi Batas Wewenang Persetujuan Kredit (CDL) yang juga meliputi proses eskalasi persetujuan atas penyimpangan, pelampauan, dan perpanjangan kredit di luar pagu yang telah ditetapkan. Pemberian delegasi Batas Wewenang Persetujuan Kredit yang diberikan kepada individu tertentu dilakukan melalui proses yang ketat dengan mempertimbangkan pengalaman, senioritas dan rekam jejak dari pejabat tersebut. Divisi *Credit Risk Management* bertindak sebagai pengelola Batas Wewenang Persetujuan Kredit dan juga memastikan bahwa hal ini telah diadministrasikan secara baik.

   Divisi *Credit Risk Management* secara independen melakukan pengawasan terhadap risiko kredit dan bertanggung jawab untuk melaporkan dan menganalisa semua elemen risiko kredit.

2. Kebijakan dan prosedur risiko kredit

   Bank telah menerbitkan beberapa kebijakan terkait pengelolaan risiko kredit antara lain sebagai berikut:
   a. Kebijakan Manajemen Risiko Kredit yang mengatur prinsip-prinsip utama dalam pemberian, pengelolaan dan pemantauan risiko kredit.
   b. Kebijakan Kredit Umum untuk segmen *Wholesale Banking* serta Kebijakan Kredit Konsumsi yang mengatur tata cara pemberian kredit konsumsi dan berbagai prinsip dan standar kredit guna mengelola risiko kredit Bank pada segmen *Retail Banking*.
   c. Kebijakan Manajemen Risiko Konsentrasi Kredit untuk mengelola risiko konsentrasi kredit.
   d. Pedoman Klasifikasi Aset Basel yang memberikan pedoman atas pengelompokkan eksposur ke dalam Kelas Aset Basel untuk perhitungan Aktiva Tertimbang Menurut Risiko.

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

1. Segregation of duties among functions in granting credit (continued)

   The Bank established a structure for the delegation of Credit Discretionary Limits (CDL) which is also including the escalation process for the approval of exception, excesses and credit extension beyond prescribed limits. The delegation of CDL to certain individual is performed through a stringent process that takes into consideration the experience, seniority and track record of the officer. Credit Risk Management Division acts as the custodian of the CDL structure to ensure that the CDLs are properly administered.

   Credit Risk Management Division provides independent oversight of credit risk and is responsible to report and analyse all elements of credit risk.

2. Credit risk policies and procedures

   The Bank has issued several policies related to managing credit risk including the following:

   a. Credit Risk Management Policy that governs core principals in lending, credit risk management and monitoring.

   b. General Credit Policy for Wholesale Banking segments and Consumer Credit Policy that govern the principles of consumer credit extension, and various credit principles and standards by which the Bank undertakes and manages the credit risk in the Retail Banking segments.
   c. Credit Concentration Risk Management Policy to manage credit concentration risk.

   d. Basel Asset Classification Guideline that gives the guidelines for classifying exposures into the Basel Asset Classes for Risk Weighted Asset calculation.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

2. Kebijakan dan prosedur risiko kredit (lanjutan)

   Bank telah menerbitkan beberapa kebijakan terkait pengelolaan risiko kredit antara lain sebagai berikut: (lanjutan)

   e. Kebijakan dan Pedoman Umum Relaksasi Kredit UOBI terkait COVID-19 sesuai dengan arahan OJK dan manajemen untuk memberikan panduan payung terkait kriteria, parameter, pelaksanaan, pengawasan dan pelaporan Program Relaksasi Sementara di semua lini bisnis.

3. Pengelolaan dan pemantauan portofolio kredit

   Divisi *Credit Risk Management* menjadi pengawas independen dan melakukan pemantauan portofolio dengan melakukan kaji ulang secara berkala atas risiko internal dan eksternal dan parameter-parameter risiko kredit seperti tren *delinquency,* Dalam Perhatian Khusus (DPK)*, watchlist accounts*, risiko konsentrasi, pergerakan kualitas kredit dan lainnya.

   Hasil pemantauan portofolio kredit disampaikan kepada Manajemen Senior dan Direksi melalui Laporan *Credit Risk Highlight*.

   Divisi *Credit Risk Management* juga secara independen melakukan reviu terhadap akun-akun *watchlist* dan memastikan bahwa akun-akun tersebut dikelola secara proaktif untuk meminimalkan kerugian Bank serta memiliki kolektibilitas sesuai dengan ketentuan internal Bank dan ketentuan regulator.

   Bank juga telah membentuk *Credit Management Working Group* (CMWG) dan *Credit Portfolio Quality Management* (CPQM) yaitu kelompok kerja yang dibentuk dengan tujuan utama untuk melakukan pemantauan atas kualitas kredit yang dimiliki oleh Bank, menerapkan strategi restrukturisasi, melakukan pemantauan portofolio dan membahas langkah penyelesaian terhadap kredit yang dianggap rentan.

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

2. Credit risk policies and procedures (continued)

   The Bank has issued several policies related to managing credit risk including the following: (continued)

   e. UOBI COVID-19 General Credit Relief Policy and Guideline according to OJK and management direction to provide umbrella guidance on the criteria, parameter, implementation, monitoring and reporting of Temporary Relief Program across all business lines.

3. Management and monitoring of credit portfolios

   Credit Risk Management Division acts as independent overseer and performs portfolio monitoring by conducting regular reviews of internal and external risk environment and credit risk parameters i.e., delinquency trend, special mention, watchlist accounts, concentration risk, loan quality movement and others.

   Outcomes of credit portfolio monitoring is reported to Senior Management and Board of Directors through the Credit Risk Highlight.

   Credit Risk Management Division also independently review the watchlist accounts and ensure that the accounts are proactively managed to minimize the losses of the Bank and has an appropriate collectability in accordance with the Bank's internal regulations and regulatory provisions.

   The Bank formed a Credit Management Working Group (CMWG) and Credit Portfolio Quality Management (CPQM) which are working groups with key objective to monitor credit quality of the Bank, implement restructuring strategy, monitor portfolio performance and discuss account strategies for vulnerable accounts.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

Pengelolaan risiko konsentrasi kredit

Risiko konsentrasi kredit didefinisikan sebagai eksposur tunggal atau kelompok atau portofolio yang berpotensi menghasilkan kerugian yang cukup besar (relatif terhadap modal Bank, total aktiva atau tingkat risiko secara keseluruhan) yang mungkin mengancam kesehatan Bank atau kemampuan Bank untuk mempertahankan operasi intinya. Oleh karena kredit adalah aktivitas utama Bank, maka risiko konsentrasi kredit termasuk risiko yang material.

Konsentrasi risiko kredit berdasarkan jenis debitur adalah sebagai berikut:

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

Credit concentration risk management

Credit concentration risk is defined as any single or group or portfolio exposures with the potential to generate substantial losses (relative to the Bank's capital, total assets or overall risk level) which may threaten the Bank's health or ability to maintain its core operations. As lending is the Bank's primary activity, therefore credit concentration risk is concerned as material risk.

Concentration of credit risk by type of debtors are as follows:

	31 Desember/*31 December* 2023					
	Wholesale	**Pemerintah dan Bank Indonesia/ *Government and Bank Indonesia***	**Bank**	**Ritel/ *Retail***	**Total**	
Giro pada Bank Indonesia	-	9.901.077	-	-	9.901.077	*Current accounts with Bank Indonesia*
Giro pada bank lain - neto	-	-	984.482	-	984.482	*Current accounts with other banks - net*
Penempatan pada Bank Indonesia dan bank lain - neto	-	1.845.697	290.233	-	2.135.930	*Placements with Bank Indonesia and other banks- net*
Efek-efek yang diperdagangkan	195.887	2.562.100	249	-	2.758.236	*Trading securities*
Investasi keuangan - neto	911.919	25.098.147	7.027.311	-	33.037.377	*Financial investments - net*
Tagihan derivatif	15.420	-	825.274	-	840.694	*Derivative receivables*
Kredit yang diberikan - neto	69.368.001	-	1.650.556	8.893.285	79.911.842	*Loans - net*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali - neto	-	21.096.176	1.582.077	-	22.678.253	*Receivables on securities purchased with agreements to resell - net*
Tagihan akseptasi - neto	2.498.666	-	-	-	2.498.666	*Acceptance receivables - net*
Aset lain-lain*	618.076	811	322.709	45.930	987.526	*Other assets**
Total	**73.607.969**	**60.504.008**	**12.682.891**	8.939.215	**155.734.083**	***Total***
Persentase	47,27%	38,85%	8,14%	5,74%	100,00%	*Percentage*

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi spot.

* *Other assets consist of interest receivables, security deposits and spot transaction.*

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

Pengelolaan risiko konsentrasi kredit (lanjutan)

Konsentrasi risiko kredit berdasarkan jenis debitur adalah sebagai berikut: (lanjutan)

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

Credit concentration risk management (continued)

Concentration of credit risk by type of debtors are as follows: (continued)

	31 Desember/*31 December* 2022					
	Wholesale	**Pemerintah dan Bank Indonesia/ *Government and Bank Indonesia***	**Bank**	**Ritel/ *Retail***	**Total**	
Giro pada Bank Indonesia	-	8.869.574	-	-	8.869.574	*Current accounts with Bank Indonesia*
Giro pada bank lain - neto	-	-	1.093.934	-	1.093.934	*Current accounts with other banks - net*
Penempatan pada Bank Indonesia dan bank lain - neto	-	4.818.111	1.037.518	-	5.855.629	*Placements with Bank Indonesia and other banks- net*
Efek-efek yang diperdagangkan	141.018	452.760	-	-	593.778	*Trading securities*
Investasi keuangan - neto	1.137.131	23.411.847	3.404.178	-	27.953.156	*Financial investments - net*
Tagihan derivatif	446.870	-	873.867	-	1.320.737	*Derivative receivables*
Kredit yang diberikan - neto	68.913.921	-	2.159.347	10.225.303	81.298.571	*Loans - net*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali - neto	254.693	1.051.846	1.563.745	-	2.870.284	*Receivables on securities purchased with agreements to resell - net*
Tagihan akseptasi - neto	3.683.199	-	-	-	3.683.199	*Acceptance receivables - net*
Aset lain-lain*	1.029.571	1.197	9.874	37.217	1.077.859	*Other assets**
Total	**75.606.403**	**38.605.335**	**10.142.463**	**10.262.520**	**134.616.721**	***Total***
Persentase	56,16%	28,68%	7,54%	7,62%	100,00%	*Percentage*

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi spot.

** Other assets consist of interest receivables, security deposits and spot transaction.*

Eksposur maksimum risiko kredit

Bank menetapkan limit eksposur untuk individual/grup, sektor industri, jangka waktu dan nilai tukar asing, yang telah disesuaikan dengan *risk appetite* dan *risk tolerance* sebagai salah satu alat bagi Bank untuk memonitor dan memitigasi risiko konsentrasi kredit.

Eksposur maksimum aset keuangan Bank untuk risiko kredit sebelum memperhitungkan agunan dan jaminan kredit lainnya adalah sebesar nilai tercatatnya (Catatan 42).

Maximum exposure to credit risk

The Bank sets the exposure limit for single/group, industry sector, tenor and foreign exchange, which is in line with the Bank's risk appetite and risk tolerance as one of the tools for the Bank to monitor and mitigate credit concentration risk.

The Bank's financial asset's maximum exposure to credit risk before taking into account any collateral and other credit enhancements is its carrying value (Note 42).

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

   Eksposur maksimum dari aset keuangan Bank setelah mempertimbangkan dampak dari jaminan dan pengaturan tambahan lain selain dari kredit yang diberikan dan tagihan atas surat berharga yang dibeli dengan janji dijual kembali sama dengan nilai tercatat.

   Untuk aset keuangan yang diakui pada laporan posisi keuangan, eksposur maksimum terhadap risiko kredit sama dengan nilai tercatat. Untuk Bank Garansi dan *Irrevocable Letters of Credit*, eksposur maksimum terhadap risiko kredit adalah nilai maksimum yang harus dibayarkan oleh Bank jika liabilitas atas Bank Garansi dan *Irrevocable Letters of Credit* tersebut terjadi.

   Analisis eksposur maksimum risiko kredit setelah memperhitungkan dampak agunan dan mitigasi risiko kredit lainnya adalah sebagai berikut:
   a. Nilai tercatat aset keuangan Bank selain pinjaman mewakili eksposur maksimum risiko kredit.

   b. Untuk kredit yang diberikan, Bank menggunakan agunan untuk meminimalkan risiko kredit. Pinjaman yang diberikan dan piutang diklasifikasikan menjadi dua kelompok besar yaitu:
      1. *Secured loans.*
      2. *Unsecured loans.*

   Untuk *secured loans*, Bank menetapkan jenis dan nilai agunan yang dijaminkan sesuai dengan skema kredit. Jenis agunan terdiri dari:
   a. *Physical collateral*, antara lain tanah, bangunan dan BPKB kendaraan bermotor.
   b. *Financial collateral*, antara lain simpanan (tabungan, giro dan deposito berjangka), surat berharga dan emas.
   c. Lainnya, antara lain garansi, jaminan dari Pemerintah dan jaminan dari lembaga penjamin.

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

   The maximum exposure of the Bank's financial asset after considering the impact of collateral and other enhancement arrangement other than loan and receivable and securities purchased with agreement to resell are equal to its carrying value.

   For financial assets recognized in the statement of financial position, the carrying amounts of the financial assets best represent the maximum exposure to credit risk. For Bank Guarantees and Irrevocable Letters of Credit, the maximum exposure to credit risk is the maximum amount that the Bank would has to pay if the obligations of the Bank Guarantees and Irrevocable Letters of Credit issued are called upon.

   Analysis of maximum exposure to credit risk after taking into account the impact of collaterals and other credit risk mitigations are as follows:
   a. The carrying amount of the Bank's financial assets other than loans represent the maximum exposure of credit risk.
   b. For the loans, the Bank uses the collateral to minimize the credit risk. Loans and receivables are classified into two major categories as follows:

      1. Secured loans.
      2. Unsecured loans.

   For secured loans, the Bank determines the type and value of collateral according to the loan scheme. Types of collateral are as follows:
   a. Physical collateral, such as land, buildings and proof of vehicle ownership.

   b. Financial collateral, such as deposits (saving deposits, demand deposits and time deposits), securities, and gold.
   c. Others, such as guarantees, Government guarantees and guarantee institution.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

Eksposur maksimum risiko kredit (lanjutan)

Apabila terjadi gagal bayar, Bank akan menggunakan agunan tersebut sebagai pilihan terakhir untuk pemenuhan kewajiban *counterparty.*

Unsecured loan adalah ketika fasilitas diberikan tanpa agunan (termasuk pinjaman tanpa jaminan penuh dan pinjaman dengan jaminan sebagian). Bank memberikan pinjaman utamanya berdasarkan arus kas dari debitur sedangkan agunan merupakan langkah mitigasi risiko kredit. Bank senantiasa menerapkan prinsip kehati-hatian dalam pemberian kredit. Keputusan kredit termasuk maksimum eksposur kredit dibuat berdasarkan penilaian menyeluruh atas prospek dan kinerja debitur termasuk arus kas atau kemampuan membayarnya (misalnya mempertimbangkan *internal credit rating*, perilaku kredit masa lalu debitur dari biro kredit dan sumber eksternal lainnya).

Kredit yang diberikan menurut sektor industri pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

Maximum exposure to credit risk (continued)

In times of default, the Bank will use the collateral as the last resort in recovering the obligation of the counterparty.

Unsecured loan is when the facility is granted without any collateral (including fully unsecured loan and partially secured loan). The Bank grants loan mainly based on debtor cash flow whilst collateral are used as credit risk mitigant. The Bank exercises prudence at all times in the granting of such credit. Credit decisions including maximum credit exposure are made based on thorough assessment of the debtor's prospect and performance as well as their cash flow or repayment capability (such as considering on debtor internal credit rating, past credit behavior from credit bureau and other external sources).

Loans based on industrial sector as of 31 December 2023 and 2022 are as follows:

	31 Desember/ *31 December* 2023	**31 Desember/ *31 December* 2022**	
Industri pengolahan	21.338.502	23.357.349	*Processing industry*
Perdagangan besar dan eceran	18.720.790	18.759.826	*Wholesale and retail trading*
Rumah tangga	17.938.336	10.553.117	*Household*
Pertambangan dan penggalian	7.249.461	3.577.522	*Mining and excavation*
Real estate	5.666.169	4.655.379	*Real estate*
Aktivitas keuangan dan asuransi	3.453.185	9.632.747	*Financial and insurance activities*
Pengangkutan dan pergudangan	2.589.591	890.608	*Transportation and warehousing*
Penyedia akomodasi dan penyedia makanan dan minuman	2.095.861	2.227.390	*Accommodation and food and beverages provider*
Konstruksi gedung	2.023.748	2.520.895	*Building construction*
Pertanian, kehutanan dan perikanan	1.853.616	2.344.182	*Agriculture, forestry and fisheries*
Pengadaan listrik, gas dan udara	613.887	3.338.539	*Electricity, gas and air procurement*
Informasi dan komunikasi	-	2.999.063	*Information and communication*
Lainnya	479.459	677.905	*Others*
Total	84.022.605	85.534.522	*Total*
Cadangan kerugian penurunan nilai	(4.110.763)	(4.235.951)	*Allowance for impairment losses*
Neto	**79.911.842**	**81.298.571**	***Net***

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

Eksposur maksimum risiko kredit (lanjutan)

Eksposur terbesar Bank pada tanggal 31 Desember 2023 dan 2022 adalah sektor industri pengolahan dengan proporsi masing-masing sebesar 25,40% dan 27,31% dari total kredit Bank yang terdiversifikasi ke dalam berbagi jenis sub industri dan hal tersebut masih sesuai dengan *risk appetite* dan *risk tolerance* yang dimiliki oleh Bank.

Kredit yang diberikan berdasarkan sisa umur jatuh tempo pada tanggal 31 Desember 2023 adalah sebagai berikut:

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

Maximum exposure to credit risk (continued)

The biggest Bank's exposure on 31 December 2023 and 2022 is processing industry with proportion of around 25.40% and 27.31%, respectively from total loan which diversified into various sub industry type and it is still within the Bank's risk appetite and risk tolerance.

Loans based on remaining maturities as of 31 December 2023 are as follows:

	Baki debet kredit/ ***Loan outstanding***	**Persentase (%)/** ***Percentage (%)***	
≤ 1 tahun	53.611.496	63,81%	*≤ 1 year*
> 1 tahun ≤ 2 tahun	5.770.859	6,87%	*> 1 year ≤ 2 years*
> 2 tahun ≤ 5 tahun	14.138.210	16,83%	*>2 years ≤ 5 years*
> 5 tahun	10.502.040	12,50%	*> 5 years*
Total	**84.022.605**	**100,00%**	***Total***

Sebagian besar jangka waktu kredit atau sebesar 63,81% jatuh tempo dalam kurun waktu kurang dari satu tahun, sedangkan untuk kredit dengan jangka waktu lebih besar dari lima tahun memiliki porsi sebesar 12,50% dan hal ini masih sesuai dengan *risk appetite* dan *risk tolerance* yang dimiliki oleh Bank.

Most of the loan tenor or 63.81 % is within less than one year and loan with tenor of more than five years is 12.50% and it is within the Bank's risk appetite and risk tolerance.

Tabel di bawah ini menunjukkan eksposur maksimum neto (setelah memperhitungkan agunan) atas risiko kredit untuk tagihan atas surat berharga yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2023 dan 2022:

The table below shows the net maximum exposure (after considering collateral) to credit risk of receivable on securities purchased with agreement to resell as of 31 December 2023 and 2022:

	Eksposur maksimum/ ***Maximum exposure***	**Agunan/** ***Collateral***	**Eksposur - neto/** ***Exposure - net***	
31 Desember 2023				***31 December 2023***
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	22.678.253	23.104.050	-	*Receivable on securities purchased with agreements to resell*
31 Desember 2022				***31 December 2022***
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	2.870.284	3.117.267	-	*Receivable on securities purchased with agreements to resell*

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

Eksposur maksimum risiko kredit (lanjutan)

Manajemen kredit bermasalah

Kredit bermasalah dikelola secara terpusat oleh divisi independen yaitu *Special Asset Management* (SAM) untuk segmen *Corporate* dan *Commercial Banking* dan *Business Banking Credit Management* (BBCM) untuk segmen *Retail Banking dan Business Banking*. Divisi-divisi tersebut memiliki dua fungsi utama sebagai berikut:

1. Fungsi Restrukturisasi yang secara proaktif mengelola kredit bermasalah. Tujuan utamanya adalah untuk menangani kredit bermasalah agar kembali lancar sehingga akun tersebut dapat ditransfer kembali ke fungsi kerja bisnis; dan

2. Fungsi *Recovery* yang mengelola kredit bermasalah dengan tujuan utama untuk memaksimalkan pemulihan utang.

Eksposur kredit berdasarkan Basel

Saat ini Bank menggunakan Pendekatan Standar berdasarkan Basel mengikuti pedoman dari regulator dalam mengukur Aktiva Tertimbang Menurut Risiko (ATMR) untuk risiko kredit. Informasi dan pedoman peringkat ATMR untuk risiko kredit diatur dalam Kebijakan Klasifikasi Aset.

Berdasarkan Pendekatan Standar, eksposur Bank dibagi menjadi 15 klasifikasi aset dan portofolio sebagai berikut:

a. Pemerintah
b. Entitas sektor publik bukan pemerintah pusat
c. Bank pembangunan *multilateral* dan Lembaga internasional lainnya
d. Bank
e. Korporasi
f. Karyawan/pensiunan

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

Maximum exposure to credit risk (continued)

Managing non-performing loans

Non-performing loans are centrally managed by independent units that are Special Asset Management (SAM) for Corporate and Commercial Banking segment and Business Banking Credit Management (BBCM) for Retail Banking and Business Banking segment. Those divisions have two main functions as follows:

1. Restructuring Function which proactively manages the non-performing loans. Its main objective is to handle non-performing loans back to performing so that these accounts can be transferred back to the Business Units; and

2. Recovery Function which manages non-performing loans with the main objective to maximize debt recovery.

Credit exposures under Basel

The Bank currently uses the Standardized Approach under Basel according to regulatory guidelines to measure the Risk Weighted Asset (RWA) for credit risk. The information and guidelines of rating for RWA for credit risk is regulated in the Asset Classification Policy.

Under the Standardized Approach, the Bank's exposures are classified into 15 assets classification and portfolios as follows:

a. Sovereigns
b. Non-central government public sector entities
c. Multilateral development bank and other international institutions
d. Banks
e. Corporate
f. Employee/retiree

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

Eksposur kredit berdasarkan Basel (lanjutan)

Berdasarkan Pendekatan Standar, eksposur Bank dibagi menjadi 15 klasifikasi aset dan portofolio sebagai berikut: (lanjutan)

g. Klaim beragunan rumah tinggal
h. Klaim beragunan *real estate* komersial
i. Klaim yang telah jatuh tempo
j. Aset lainnya
k. Piutang subordinasi, ekuitas dan modal lainnya

Untuk tujuan manajemen risiko internal, Bank telah menerapkan penggunaan model *Internal Rating* pada segmen *Wholesale Banking* dan senantiasa mengembangkan perangkat tambahan, sistem dan proses untuk mendukung penerapan praktik manajemen risiko yang hati-hati.

Informasi kualitas kredit atas aset keuangan pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

Credit exposures under Basel (continued)

Under the Standardized Approach, the Bank's exposures are classified into 15 assets classification and portfolios as follows: (continued)

g. Claim secured by residential property
h. Claim secured by commercial real estate
i. Overdue claims
j. Other assets
k. Subordinated receivables, equity and other capital

For the purpose of internal risk management, the Bank has implemented Internal Rating model on the Wholesale Banking segment and continuously enhances the Bank's risk management systems and processes to support the Bank in the implementation of a prudent risk management.

The information on the credit quality of financial assets as of 31 December 2023 and 2022 are as follows:

	31 Desember/*31 December* 2023				
	Belum jatuh tempo dan tidak mengalami penurunan nilai/ *Neither past due not impaired*	**Jatuh tempo dan tidak mengalami penurunan nilai/ *Past-due but not impaired***	**Mengalami penurunan nilai/ *Impaired***	**Total**	
Giro pada Bank Indonesia	9.901.077	-	-	9.901.077	*Current account with Bank Indonesia*
Giro pada bank lain	984.482	-	-	984.482	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank lain	2.135.930	-	-	2.135.930	*Placements with Bank Indonesia and other banks*
Efek-efek yang diperdagangkan	2.758.236	-	-	2.758.236	*Trading securities*
Investasi keuangan	33.051.225	-	-	33.051.225	*Financial investment*
Tagihan derivatif	840.694	-	-	840.694	*Derivative receivables*
Kredit yang diberikan	77.797.424	4.076.155	2.149.026	84.022.605	*Loans*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	22.678.253	-	-	22.678.253	*Receivables on securities purchased with agreements to resell*
Tagihan akseptasi	2.508.114	-	-	2.508.114	*Acceptance receivables*
Aset lain-lain*	987.526	-	-	987.526	*Other assets**
Total	153.642.961	4.076.155	2.149.026	159.868.142	*Total*
Cadangan kerugian penurunan nilai	(1.758.373)	(1.386.411)	(989.275)	(4.134.059)	*Allowance for impairment losses*
Neto	**151.884.588**	**2.689.744**	**1.159.751**	**155.734.083**	***Net***

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi *spot.*

* *Other assets consist of interest receivables, security deposits and spot transaction.*

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

Informasi kualitas kredit atas aset keuangan pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut: (lanjutan)

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

The information on the credit quality of financial assets as of 31 December 2023 and 2022 are as follows: (continued)

	31 Desember/*31 December* 2022				
	Belum jatuh tempo dan tidak mengalami penurunan nilai/ *Neither past due not impaired*	**Jatuh tempo dan tidak mengalami penurunan nilai/ *Past-due but not impaired***	**Mengalami penurunan nilai/ *Impaired***	**Total**	
Giro pada Bank Indonesia	8.869.574	-	-	8.869.574	*Current account with Bank Indonesia*
Giro pada bank lain	1.100.247	-	-	1.100.247	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank lain	5.855.685	-	-	5.855.685	*Placements with Bank Indonesia and other banks*
Efek-efek yang diperdagangkan	593.778	-	-	593.778	*Trading securities*
Investasi keuangan	27.972.754	-	-	27.972.754	*Financial investment*
Tagihan derivatif	1.320.737	-	-	1.320.737	*Derivative receivables*
Kredit yang diberikan	79.396.185	3.657.382	2.480.955	85.534.522	*Loans*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	2.870.284	-	-	2.870.284	*Receivables on securities purchased with agreements to resell*
Tagihan akseptasi	3.687.076	-	-	3.687.076	*Acceptance receivables*
Aset lain-lain*	1.077.859	-	-	1.077.859	*Other assets**
Total	132.744.179	3.657.382	2.480.955	138.882.516	*Total*
Cadangan kerugian penurunan nilai	(2.024.076)	(1.201.151)	(1.040.568)	(4.265.795)	*Allowance for impairment losses*
Neto	**130.720.103**	**2.456.231**	**1.440.387**	**134.616.721**	***Net***

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi *spot*.

* *Other assets consist of interest receivables, security deposits and spot transaction.*

Analisis umur kredit yang diberikan yang jatuh tempo tetapi tidak mengalami penurunan nilai pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

The aging analysis of loans that are past due but not impaired as of 31 December 2023 and 2022 are as follows

	31 Desember/*31 December* 2023				
	1 sampai 30 hari/ *1 to 30 days*	**31 sampai 60 hari/ *31 to 60 days***	**61 sampai 90 hari/ *61 to 90 days***	**Total**	
Investasi	1.315.961	29.140	10.480	1.355.581	*Investment*
Modal kerja	1.417.910	-	-	1.417.910	*Working capital*
Konsumen	1.275.436	2.863	24.365	1.302.664	*Consumer*
Total	4.009.307	32.003	34.845	4.076.155	*Total*
Cadangan kerugian penurunan nilai	(1.370.586)	(5.567)	(10.258)	(1.386.411)	*Allowance for impairment losses*
Neto	**2.638.721**	**26.436**	**24.587**	**2.689.744**	***Net***

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan pemantauan portofolio kredit (lanjutan)

Analisis umur kredit yang diberikan yang jatuh tempo tetapi tidak mengalami penurunan nilai pada tanggal 31 Desember 2023 dan 2022 adalah sebagai berikut:

41. Risk Management Policies *(continued)*

Credit risk *(continued)*

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and monitoring of credit portfolios (continued)

The aging analysis of loans that are past due but not impaired as of 31 December 2023 and 2022 are as follows

	31 Desember/*31 December* 2022				
	1 sampai 30 hari/ *1 to 30 days*	**31 sampai 60 hari/ *31 to 60 days***	**61 sampai 90 hari/ *61 to 90 days***	**Total**	
Investasi	1.521.283	-	-	1.521.283	*Investment*
Modal kerja	1.391.892	17.531	23.504	1.432.927	*Working capital*
Konsumen	702.899	82	191	703.172	*Consumer*
Total	3.616.074	17.613	23.695	3.657.382	*Total*
Cadangan kerugian penurunan nilai	(1.195.793)	(2.164)	(3.194)	(1.201.151)	*Allowance for impairment losses*
Neto	**2.420.281**	**15.449**	**20.501**	**2.456.231**	***Net***

Bank melakukan penilaian terhadap tiga pilar dalam menilai aset keuangan yang jatuh tempo atau mengalami penurunan. Ketiga pilar tersebut adalah prospek bisnis, kinerja debitur dan kemampuan bayar debitur dimana hal tersebut sesuai dengan kebijakan regulator.

Bank memperhitungkan agunan yang layak dalam menghitung cadangan kerugian penurunan nilai. Agunan yang layak yang diperhitungkan oleh Bank adalah kas/setara kas, tanah dan bangunan.

The Bank uses three pillars approach in assessing financial assets that are past due or impaired. Those three pillars are business prospect, performance of the borrower and repayment capability which are in line with the regulatory provision.

The Bank takes into account the eligible collaterals in calculating the allowance for impairment losses. The eligible collaterals recognized by the Bank are cash/cash equivalents, land and buildings.

Risiko pasar

Risiko pasar adalah risiko yang timbul dari pergerakan variabel pasar pada posisi yang dimiliki oleh Bank yang dapat menimbulkan kerugian bagi Bank. Variabel pasar yang mempengaruhi posisi Bank adalah suku bunga dan nilai tukar termasuk perubahan harga *option.*

Kerangka kerja risiko pasar Bank terdiri dari kebijakan dan praktek risiko pasar, pendelegasian wewenang, limit risiko pasar, penilaian dan model risiko. Kerangka kerja ini juga meliputi proses produk/aktivitas baru untuk memastikan isu-isu risiko pasar telah diidentifikasi secara memadai sebelum diluncurkan.

Market risk

Market risk is the risk arising from movements in market variables on the position held by the Bank which can result in losses for the Bank. Market variables that influence the position of the Bank are interest rates and exchange rates, including changes in the price of the option.

The Bank's market risk framework comprises market risk policies and practices, delegation of authority, market risk limits, valuation and risk models. This framework also encompasses the new product/service program process to ensure the market risk issues are adequately identified prior to its launch.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko pasar (lanjutan)

Direksi mendelegasikan wewenang kepada Komite Aktiva dan Pasiva (ALCO) untuk melakukan pengawasan aktif terhadap manajemen risiko pasar. ALCO melakukan kajian dan memberikan arahan atas seluruh hal terkait risiko pasar.

Bank menggunakan Pendekatan Standar untuk menghitung modal risiko pasar sesuai dengan ketentuan OJK tentang Kewajiban Penyediaan Modal Minimum. Bank memiliki modal yang kuat dengan rasio kecukupan modal sebesar masing-masing 18,32% dan 16,57% pada tanggal 31 Desember 2023 dan 2022. Modal Bank lebih dari cukup untuk menutup potensi kerugian yang mungkin timbul dari fluktuasi tingkat bunga dan nilai tukar.

Untuk kepentingan pemantauan dan pelaporan internal, risiko pasar secara portofolio diukur dan dikontrol menggunakan model internal. Bank mengadopsi *Expected Shortfall* (ES) dengan menggunakan pendekatan simulasi historis untuk mengukur potensi kerugian pada tingkat kepercayaan sebesar 97,5% (mengambil rata-rata tujuh hari kerugian paling buruk) dengan menggunakan data historis selama 300 hari. Perkiraan ES diuji kembali (*back-testing*) dengan menggunakan data laba rugi pada *trading book* (baik itu laba rugi aktual maupun laba rugi hipotesis) sebagai suatu proses verifikasi keakuratan dan ketahanan metodologi tersebut. Proses pengujian kembali ini dilakukan guna menganalisa apakah penyimpangan yang terjadi disebabkan oleh kelemahan pada model perhitungan atau karena volatilitas pasar. Seluruh penyimpangan pada model ditujukan untuk penyempurnaan model tersebut.

Berdasarkan hasil model *back-testing,* pengukuran ES telah memadai terhadap kerugian hipotesis dan aktual yang terjadi untuk periode satu tahun. Untuk melengkapi pengukuran ES tersebut, *stress-test* dilakukan pada portofolio *trading* untuk mengidentifikasi ketahanan Bank dalam kondisi krisis.

41. Risk Management Policies *(continued)*

Market risk *(continued)*

The Board of Directors delegates authority to the Assets and Liabilities Committee (ALCO) to conduct active monitoring on market risk management. ALCO reviews and provides direction on all market risk related matters.

The Bank adopts the Standardized Approach to calculate the regulatory market risk capital in compliance with OJK's regulation on Capital Adequacy Ratio. The Bank has a strong capital base with Capital Adequacy Ratio of 18.32% and 16.57% as of 31 December 2023 and 2022, respectively. The Bank's capital is more than sufficient to cover any potential losses that might arise from interest rate and exchange rate fluctuations.

For the purposes of internal monitoring and reporting, market risk on a portfolio basis is measured and controlled based on internal models. The Bank adopts the Expected Shortfall (ES) using historical simulation approach to measure the potential loss at a 97.5% confidence level (using average of seven days worst losses) based on 300 days historical price changes. ES estimation are back- tested against profit or loss of trading book (actual or hypothetical profit or loss) as a verification process of the accuracy and robustness of the methodology. The back-testing process analyses whether the exceptions are due to model deficiencies or market volatility. All model deficiencies are addressed with appropriate model enhancements.

Based on back-testing result, the ES forecast model was adequate to the hypothetical and actual loss for the whole year result. To complement the ES measurement, stress-test is performed on the trading portfolio in order to identify the Bank's vulnerability in the event of crisis.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko pasar (lanjutan)

Perhitungan ES telah memperhitungkan faktor korelasi antar instrumen pada seluruh posisi *trading book* Bank (tidak diaudit).

41. Risk Management Policies *(continued)*

Market risk *(continued)*

ES calculation already includes correlation factors across instruments in trading book portfolios of the Bank (unaudited).

	31 Desember/*31 December* 2023 (dalam jutaan Rupiah/*in millions of Rupiah*)				
	Akhir tahun/ *Year end*	**Tinggi/ *High***	**Rendah/ *Low***	**Rata-rata/ *Average***	
Total ES	**20.120**	**20.268**	**10.208**	**16.066**	***Total ES***

a. Risiko nilai tukar

Risiko nilai tukar adalah risiko pada pendapatan dan nilai ekonomis dari aset, kewajiban, dan derivatif keuangan dalam mata uang asing yang disebabkan oleh fluktuasi nilai tukar.

Risiko nilai tukar dikelola melalui kebijakan dan limit risiko yang disetujui oleh ALCO. Limit tersebut meliputi limit *Expected Shortfall*, FX NOP, PV01, eksposur berdasarkan mata uang, maksimum tenor, dan lainnya. *Market Risk Management & Product Control* secara harian memantau aktivitas risiko pasar dan/atau ekposur terhadap limit yang telah disetujui oleh ALCO, dan melaporkan kejadian pelampauan limit kepada pejabat terkait untuk mendapatkan persetujuan/ pengesahan.

Risiko nilai tukar Bank dinilai relatif rendah dikarenakan Posisi Devisa Neto (PDN) Bank tercatat sangat rendah, dimana pada tanggal 31 Desember 2023, NOP tercatat sebesar 4,2% dari modal keseluruhan Bank atau di bawah ketentuan regulator. Berdasarkan simulasi, setiap pelemahan mata uang Rupiah terhadap Dolar Amerika Serikat sebesar 100 pips akan menimbulkan potensi kerugian sebesar Rp4,6 miliar.

b. Risiko suku bunga pada *banking book*

Risiko suku bunga pada *banking book* didefinisikan sebagai risiko potensi penurunan atau kerugian pada rentabilitas (pendapatan bunga bersih) dan modal (nilai ekonomis Bank) akibat perubahan dari suku bunga.

a. Foreign exchange risk

Foreign exchange risk is the risk to earnings and economic value of foreign currency assets, liabilities and financial derivatives caused by fluctuation in foreign exchange rates.

Foreign exchange risk is managed through policies and risk limits approved by the Asset and Liability Committee (ALCO). The limits include Expected Shorfall, FX NOP, PV01, exposures by currency, maximum tenors and others. Market Risk Management & Product Control on a daily basis monitors market risk activities and/or exposures against the approved ALCO limits, and escalates any excesses to appropriate officers for approval/ratification.

Foreign exchange risk is assessed at relatively low as Bank's Net Open Position (NOP) recorded very low, which at 31 December 2023 the Bank's NOP has recorded only 4.2% from total capital of the Bank or below regulator requirement. Based on simulation, any weakening of IDR currency around 100 pips against USD would result in potential losses of Rp4.6 billion.

b. Interest rate risk in the banking book

Interest rate risk in the banking book is defined as the risk of potential reduction in or loss of earnings (net interest income) and capital (the economic value of the Bank) due to changes in interest rates.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko pasar (lanjutan)

b. Risiko suku bunga pada *banking book (lanjutan)*

Eksposur dinilai secara bulanan menggunakan perangkat analisa statis dan simulasi seperti jadwal *repricing* dan analisa sensitivitas. Perangkat tersebut dapat memberikan indikasi atas dampak potensial perubahan suku bunga pada pendapatan bunga dan harga melalui analisa sensitivitas pada aktiva dan pasiva ketika suku bunga mengalami perubahan. Kesenjangan pada tenor yang lebih panjang akan mengalami perubahan *price-value* yang lebih besar dibandingkan dengan posisi serupa pada tenor yang lebih pendek.

Nilai Ekonomis pada Ekuitas (EVE) diterapkan untuk mengukur risiko suku bunga dari perubahan suku bunga menggunakan berbagai macam skenario suku bunga seperti perubahan bentuk pada kurva suku bunga yang meliputi skenario perubahan suku bunga yang ekstrim.

EVE *banking book* pada tanggal 31 Desember 2023 tercatat sebesar Rp1.345,91 miliar (tidak diaudit) atau sebesar 8,62% dari modal inti, sedangkan PV01 *banking book* sebesar Rp1.713,06 juta (tidak diaudit). Hal ini berarti, setiap kenaikan 1 bps pada suku bunga pasar akan memberikan dampak potensial kerugian pada Bank sebesar Rp1.713,06 juta (tidak diaudit). Sedangkan Delta NII terhitung sebesar Rp586,67 miliar (tidak diaudit).

Risiko likuiditas

Risiko likuiditas didefinisikan sebagai risiko yang muncul akibat ketidakmampuan Bank untuk memenuhi kewajiban keuangannya baik terhadap nasabah maupun regulator, tanpa menimbulkan biaya atau kerugian yang signifikan.

41. Risk Management Policies *(continued)*

Market risk *(continued)*

b. Interest rate risk in the banking book (continued)

Exposure is quantified on a monthly basis using static and simulation analysis tools such as repricing schedules and sensitivity analysis. They provide indications of the potential impact of interest rate changes on interest income and price value through analysis of the sensitivity of assets and liabilities from any changes in interest rates. Mismatches in the longer tenor will experience greater change in the price-value of interest rate positions than similar positions in the shorter tenor.

Economic Value of Equity (EVE) is applied to measure the interest rate risk from any changes of interest rate using a variety of interest rate scenarios such as changes in shape of the curve of interest rates which include extreme changes in the interest rate scenario.

EVE banking book as of 31 December 2023 was recorded at Rp1,345.91 billion (unaudited) or 8.62% of Tier 1 capital, meanwhile PV01 banking book was recorded at Rp1,713.06 million (unaudited). That means any increment of 1 bps on market interest rate is expected to have an impact on the Bank's potential losses amounting to Rp1,713.06 million (unaudited). While delta NII was recorded at Rp Rp586.67 billion (unaudited).

Liquidity risk

Liquidity risk is defined as the risk that arises from its inability to meet its obligations to customer and regulator without incurring significant costs or losses.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko likuiditas (lanjutan)

Pengukuran utama yang digunakan oleh Bank dalam mengelola risiko likuiditas adalah dengan mengukur dan memantau *Liquidity Coverage Ratio* (LCR), *Net Stable Funding Ratio* (NSFR) dan *Net Cumulative Outflow* (NCO) dengan menggunakan skenario *'business as usual'* serta memantau rasio-rasio likuiditas lainnya sebagai indikator peringatan dini seperti rasio penurunan simpanan bukan bank, rasio 50 dan 20 nasabah terbesar bukan bank, rasio pendanaan melalui *swap*, rasio *undrawn facility* dan nasabah terbesar bank. Proyeksi arus kas menggunakan *behavioral modelling* untuk memastikan arus kas telah mencerminkan perilaku kegiatan bisnis dalam kondisi normal.

Di samping itu, Bank juga melakukan pemantauan secara berkala terhadap stabilitas pendanaan inti yang terdiri dari dana-dana stabil bukan bank seperti giro, tabungan, dan deposito berjangka melalui analisa terhadap volatilitasnya.

Bank juga memantau *stress-testing limit* dengan skenario '*Bank Specific Crisis'* dan *'General Market Crisis*'.

Pada tanggal 31 Desember 2023, Bank telah mencatat simpanan nasabah sebesar Rp119,3 triliun atau naik sebesar 4,71% dibandingkan dengan simpanan nasabah pada tanggal 31 Desember 2022, dimana giro turun sebesar 1,92% menjadi Rp23,7 triliun, tabungan turun sebesar 3,01% menjadi Rp37,5 triliun, dan deposito berjangka naik sebesar 13,68% menjadi Rp58,1 triliun.

LCR dan NSFR pada tanggal 31 Desember 2023 masing-masing berada pada level 399% dan 132% (tidak diaudit) dimana kedua rasio ini jauh berada diatas ketentuan regulator sebesar 100%. Bank secara berkesinambungan akan terus menjaga tingkat LCR dan NSFR agar berada dalam kisaran yang sehat.

Disamping itu pengukuran dan pemantauan terhadap analisa *gap*, limit-limit yang ditetapkan, *stress-testing*, dan Rencana Pendanaan Darurat dilaksanakan secara konsisten.

41. Risk Management Policies *(continued)*

Liquidity risk *(continued)*

The key measures used by the Bank for managing liquidity risk with measuring and monitoring Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Net Cumulative Outflow (NCO) with using cash 'business as usual' scenario also by monitoring the other liquidity ratios as early warning indicator i.e., percentage decreased in non-bank deposits, top 50 and 20 non-bank depositors' ratios, swap funding ratio, undrawn facility ratio and top single bank depositor. Cash flow projection is using behavioral modelling to ensure that the cash flow reflects the business-as-usual behavior.

Besides, the Bank also monitors the stability of its core deposits on a regular basis which consists of stable non-bank deposits such as demand deposits, saving accounts, and time deposits by analyzing their volatility overtime.

The Bank also monitors stress-test limit using 'Bank Specific Crisis' and 'General Market Crisis' scenarios.

As of 31 December 2023, the Bank has recorded Rp119.3 trillion of customer's deposits which went up by 4.71% compared to 31 December 2022, contributed by demand deposits which decreased by 1.92% to Rp23.7 trillion, saving deposits which decreased by 3.01% to Rp37.5 trillion, and time deposits which increased by 13.68% to Rp58.1 trillion.

LCR and NSFR as of 31 December 2023 were maintained at level of 399% and 132% respectively (unaudited) which these two ratios were above regulatory minimum requirement level of 100%. The Bank will continuously maintain the LCR and NSFR in a sound range.

In addition to the above measurement and monitoring of the gap analysis, defined limits, stress testing, and Contingency Funding Plan are consistently implemented.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko likuiditas (lanjutan)

Rencana Pendanaan Darurat menjadi komponen penting dalam kerangka kerja manajemen likuiditas dan berfungsi sebagai perpanjangan atas kebijakan operasional atau manajemen likuiditas sehari-hari. Walaupun Bank memantau kebutuhan likuiditas dan pendanaan secara berkala, penting juga untuk mengetahui kejadian yang tak terduga, kondisi ekonomi dan pasar, masalah pendapatan atau situasi di luar kendali yang dapat menyebabkan krisis likuiditas. Rencana Pendanaan Darurat menguraikan tindakan yang harus diambil oleh Bank pada saat terjadi krisis likuiditas dan akan diaktifkan jika terjadi krisis atau *liquidity stress.*

Hal ini berfungsi untuk mengidentifikasi dan mengetahui potensi krisis likuiditas, menentukan tanggung jawab dan tindakan manajemen yang terkait pada saat krisis, memperbaiki area yang menjadi perhatian dan memastikan bahwa arus informasi tepat waktu sehingga dapat memfasilitasi pengambilan keputusan secara cepat dan efektif.

Tingkat kerumitan dan detail dari rencana tersebut disesuaikan dengan kompleksitas, eksposur risiko, aktivitas, produk, dan struktur organisasi Bank untuk menentukan indikator yang paling relevan untuk digunakan dalam mengelola likuiditas dan pendanaan. Selain itu, Bank juga telah menetapkan *Liquidity Crisis Management Team* yang bertanggung jawab untuk mengevaluasi posisi likuiditas dan menentukan tindakan yang akan diambil pada saat terjadi krisis.

Analisa arus kas mengenai kebutuhan pendanaan bersih melibatkan penyusunan laporan arus kas berdasarkan jatuh tempo (kontraktual) aktual dari arus kas tersebut maupun secara *behavioral*. Profil arus kas kontraktual mengalokasikan aset-aset, liabilitas-liabilitas dan rekening administratif ke dalam jangka waktu berdasarkan sisa jatuh tempo aset, liabilitas, dan rekening administratif tersebut. Sedangkan arus kas secara *behavioral* berdasarkan perilaku arus kas secara bisnis pada umumnya. Dalam arus kas secara perilaku bisnis pada umumnya, dilakukan pengukuran arus kas yang menetap (*Core*) maupun tidak menetap (*Non Core)*.

Dari analisa arus kas secara perilaku bisnis pada umumnya, diperoleh *gap Net Cumulative Outflow* (NCO) yang diperkirakan akan dihadapi Bank dan dilakukan pengawasan secara harian.

41. Risk Management Policies *(continued)*

Liquidity risk *(continued)*

The Contingency Funding Plan (CFP) is a critical component of the liquidity management framework and serves as an extension of the Bank's operational or daily liquidity management policy. Although the Bank periodically monitors liquidity and funding requirements, it is important to recognize the unexpected events, economic or market conditions, earnings problems or situations beyond its control that could cause a liquidity crisis. The CFP outlines the actions to be taken by the Bank in the event of a liquidity crisis and would be activated in the event of a liquidity stress situation.

It serves to identify and recognize a liquidity crisis, define the appropriate management responsibilities and responses during a crisis, rectify areas of concern and ensure that information flows remain timely and uninterrupted so it can facilitate quick and effective decision-making.

The level of sophistication and detail of the plan would commensurate with the complexity, risk exposure, activities, products and organization structure of the Bank to identify the indicators that are most relevant to its management of liquidity and funding. In addition, the Bank also has established a Liquidity Crisis Management Team which is responsible to evaluate the liquidity position and decide the actions to be taken when crisis occurs.

The cash flow analysis of net funding requirement involves the preparation of cash flow mismatch based on actual contractual and behavioral maturity. Contractual cash flow profiles allocate the assets, liabilities and off-balance sheet items into time band by remaining maturity of the assets, liabilities and off balance sheet items. While behavioral cash flow is based on Business As Usual (BAU). In behavioral cash flow, core non-core measurement is conducted.

From the behaviour or Business As Usual (BAU) cash flow analysis, it is obtained the expected Net Cumulative Outflow (NCO) gap that will be encountered by the Bank and is monitored in daily basis.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko likuiditas (lanjutan)

Tabel jatuh tempo aset dan liabilitas Bank berdasarkan jangka waktu kontraktual yang tersisa dapat dilihat pada Catatan 40.

Risiko operasional

Risiko operasional didefinisikan sebagai risiko yang terjadi sebagai akibat dari ketidakcukupan atau kegagalan proses internal, manusia dan sistem atau dari berbagai peristiwa eksternal. Potensi kerugian dapat berupa kerugian finansial atau dampak buruk lainnya, misalnya, kehilangan reputasi dan kepercayaan publik yang berdampak pada kredibilitas Bank dan kemampuan untuk bertransaksi dan menjaga likuiditas dan memperoleh bisnis baru.

Bank telah menetapkan Kerangka Kerja dan Kebijakan Manajemen Risiko Operasional sebagai pendekatan terstruktur untuk mengidentifikasi, mengukur, memantau, dan memitigasi risiko operasional. Kerangka kerja tersebut terdiri dari struktur tata kelola, kebijakan dan prosedur, pelaksanaan budaya dan kesadaran risiko, metodologi dan perangkat, pengawasan, mitigasi dan pelaporan risiko, peraturan permodalan serta peninjauan risiko dan audit.

Ambang batas untuk risiko operasional telah ditetapkan, termasuk namun tidak terbatas pada:

- *Risk Appetite Statement.*
- *Risk Assessment Matrix.*
- Batas pemicu yang menjadi bagian dari pengawasan rutin atas *Key Operational Risk Indicators.*

Direksi melakukan pengawasan secara aktif terhadap pengelolaan risiko operasional melalui Komite Manajemen Risiko.

Bank telah menerapkan dan secara berkelanjutan mengembangkan infrastruktur berupa sistem dan perangkat untuk mendukung pelaksanaan identifikasi, pengukuran, pengendalian dan pengawasan manajemen risiko operasional. Sistem yang ada mendukung kolaborasi dalam penerapan perangkat-perangkat dan pelaporan manajemen risiko operasional, seperti *Key Risk Control Self Assessment* (KRCSA), *General Operating & Control Environment Questionnaire* (GOCEQ), *Key Operational Risk Indicator* (KORI), *Management Risk Awareness* (MRA) dan *Incident Risk Reporting*.

41. Risk Management Policies *(continued)*

Liquidity risk *(continued)*

Maturity table of the Bank's asset and liabilities based on contractual can be seen in Note 40.

Operational risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from various external events. Potential loss may be in the form of financial loss or other damages, for example, loss of reputation and public confidence that will impact the Bank's credibility and ability to transact, maintain liquidity and obtain new business.

The Bank has established an Operational Risk Management Framework and Policy as a systematic approach to identify, measure, monitor and mitigate operational risk. The framework consists of governance structure, policies and standards, enforcement of risk culture and awareness, methodology and tools, risk monitoring, mitigation, and reporting, regulatory capital and also reviews and audit.

Operational risk thresholds have been established through, including but not limited to, the following:

- *Risk Appetite Statement.*
- *Risk Assessment Matrix.*
- *Trigger limit embedded in the Key Operational Risk Indicators.*

The Board of Directors performs active supervision towards operational risk management through Risk Management Committee.

The Bank has implemented and continuously develops the infrastructure in the form of system and tools to support the identification, measurement, control and monitoring of operasional risk management. The system enables collaboration in implementing operational risk management tools and reports such as Key Risk Control Self Assessment (KRCSA), General Operating & Control Environment Questionnaire (GOCEQ), Key Operational Risk Indicator (KORI), Management Risk Awareness (MRA), Incident Risk Reporting to identify operational risk incidents in all working units and branches.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko operasional (lanjutan)

Secara konsisten Bank melaksanakan program dan inisiatif untuk meningkatkan kemampuan Bank dalam mengelola risiko operasional:

- Membuat dan melakukan pengkinian terhadap kerangka kerja dan kebijakan manajemen risiko operasional serta kebijakan lainnya yang berkaitan dengan pengelolaan risiko operasional.
- Mengevaluasi secara berkala Operational Risk Appetite Statement (RAS) untuk menyesuaikan dengan sasaran dan strategi bisnis bank secara keseluruhan.
- Pengembangan metode analisa dan laporan-laporan manajemen risiko operasional.
- Menumbuhkan budaya risiko yang kuat melalui operational risk management communication series di berbagai acara dan media komunikasi.
- Melakukan pengkajian atas sejumlah produk/aktivitas/ pihak ketiga/prosedur baru.

Risiko kepatuhan

Risiko kepatuhan didefinisikan sebagai risiko yang timbul akibat Bank tidak mematuhi dan/atau tidak melaksanakan peraturan perundang-undangan dan ketentuan yang berlaku.

Fungsi kerja kepatuhan telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan:

A. Kebijakan dan prosedur kepatuhan

Sejalan dengan peraturan yang berlaku, kebijakan kepatuhan telah dirumuskan untuk menentukan cakupan, prinsip-prinsip dan tanggung jawab untuk pengelolaan yang efektif dari fungsi kepatuhan. Pokok-pokok pengaturan kepatuhan beserta tujuan pengaturannya adalah sebagai berikut:

1. Piagam Kepatuhan Bank

Mengatur mengenai Kerangka Kerja Fungsi Kepatuhan Bank (*Compliance Framework*) serta peran dan tanggung jawab seluruh *stakeholders*.

41. Risk Management Policies *(continued)*

Operational risk *(continued)*

The Bank consistently performs programmes and initiatives in order to improve the Bank's capability in managing its operational risk:

- *Development and review of operational risk management framework, policies, and other policies guidelines relating to operational risk management.*
- *Periodical review of current Operational Risk Appetite Statement (RAS) to be aligned with the Bank's overall business objectives and strategy.*
- *Development of analysis methodology and reports of operational risk management.*
- *Foster strong risk culture through risk culture communication series in various events and communication media.*
- *Reviewing new products/activities/third party/procedures.*

Compliance risk

Compliance risk is defined as the risk that occurs due to the Bank's failure to comply with and/or implement the prevailing laws and regulations.

The compliance function has put in place the following measures to mitigate and manage the regulatory compliance risk:

A. Compliance policies and procedures

In line with the regulations, the compliance policy is formulated to define the scope, principles and responsibilities for the effective management of the compliance function. The principal regulations as well as its objectives are as follows:

1. The Bank's Compliance Charter

Governing the Bank's Compliance Framework as well as the roles and responsibilities of all stakeholders.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kepatuhan (lanjutan)

Fungsi kerja kepatuhan telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

A. Kebijakan dan prosedur kepatuhan (lanjutan)

Sejalan dengan peraturan yang berlaku, kebijakan kepatuhan telah dirumuskan untuk menentukan cakupan, prinsip-prinsip dan tanggung jawab untuk pengelolaan yang efektif dari fungsi kepatuhan. Pokok-pokok pengaturan kepatuhan beserta tujuan pengaturannya adalah sebagai berikut: (lanjutan)

2. Prosedur pengkajian kepatuhan

Mengatur mengenai mekanisme identifikasi kekurangan atau kelemahan kontrol pada kebijakan, ketentuan, sistem, dan prosedur internal Bank serta mekanisme pemantauan risiko kepatuhan dengan pendekatan berbasis risiko (*Risk-Based Approach*).

3. Prosedur pemantauan komitmen Bank dan tindak lanjut atas permintaan dari regulator terkait

Mengatur mengenai mekanisme pemenuhan kepatuhan dan pelaksanaan terhadap komitmen yang dibuat oleh Bank kepada regulator.

4. Prosedur pengeskalasian dan pelaporan kejadian risiko kepatuhan

Mengatur mengenai mekanisme pelaporan yang tepat waktu untuk setiap pelanggaran atau ketidakpatuhan terhadap peraturan perundang-undangan dan ketentuan yang berlaku.

5. *Regulatory Risk Assessment (RRA)*

Memberikan petunjuk dalam melakukan proses RRA yang digunakan untuk mengidentifikasi, mengelola dan memitigasi risiko kepatuhan di Bank.

41. Risk Management Policies *(continued)*

Compliance risk *(continued)*

The compliance function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

A. Compliance policies and procedures (continued)

In line with the regulations, the compliance policy is formulated to define the scope, principles and responsibilities for the effective management of the compliance function. The principal regulations as well as its objectives are as follows: (continued)

2. Procedures for compliance review

Governing the mechanism to identify control deficiencies or weaknesses in the Bank's internal policies, provisions, systems and procedures as well as the mechanism of risk-based approach in compliance risk monitoring.

3. Procedures in monitoring the Bank's commitment and follow-up on requests from related regulator

Governing the mechanism of compliance fulfilment and implementation towards the commitments made by the Bank to the regulator.

4. Procedures in escalating and reporting compliance risk events

Governing the reporting mechanism in a timely manner for each breach or violation of the prevailing laws, regulations and provisions.

5. Regulatory Risk Assessment (RRA)

Providing guidance in performing RRA process used to identify, manage and mitigate compliance risk within the Bank.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kepatuhan (lanjutan)

Fungsi kerja kepatuhan telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

A. Kebijakan dan prosedur kepatuhan (lanjutan)

Fungsi Kerja *Compliance* bekerja sama dengan Fungsi Kerja *Risk Management* dan Fungsi Kerja *Internal Audit* telah menerbitkan Pedoman Penyesuaian Nilai Kinerja Pegawai/*Key Performance Indicator* (KPI) Berdasarkan Risiko untuk memastikan efektivitas dari pelaksanaan manajemen risiko dan *Good Corporate Governance*, sehingga tingkat kesehatan Bank dapat terjaga pada peringkat yang baik.

Hingga tanggal 31 Desember 2023, Fungsi Kerja *Compliance* telah mengkinikan beberapa ketentuan internal antara lain Prosedur *Marketing Material Checklist*, Kebijakan Perdagangan Staf atas Surat Berharga, Prosedur Perdagangan Staf atas Surat Berharga, Piagam Kepatuhan dan Pedoman Kepatuhan. Selain itu, Fungsi Kerja *Compliance* juga telah menerbitkan ketentuan internal terkait mekanisme pemantauan atas perbaikan data Nasabah dalam rangka mendukung Laporan Bank Umum Terintegrasi.

B. Pemantauan indikator keuangan

Beberapa indikator kunci seperti rasio persyaratan modal minimum, kualitas aktiva produktif, rasio NPL, batas maksimum pemberian kredit, persyaratan giro wajib minimum, rasio intermediasi makroprudensial dan posisi devisa neto telah dibentuk untuk memantau dan mengidentifikasi potensi risiko kepatuhan yang mungkin timbul jika Bank gagal untuk memenuhinya.

41. Risk Management Policies *(continued)*

Compliance risk *(continued)*

The compliance function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

A. Compliance policies and procedures (continued)

Compliance Function in cooperation with Risk Management Function and Internal Audit Function has issued Guidelines of Risk Based Employee Performance/Key Performance Indicator (KPI) to ensure the effectiveness of risk management and Good Corporate Governance implementation, so that the Bank soundness rating can be maintained at a good rating.

As of 31 Desember 2023, Compliance Function has updated several internal provisions, namely the Marketing Material Checklist Procedure, Staff Trading Policy, Staff Trading Procedure, Compliance Charter, and Compliance Guidelines. Moreover, Compliance Function has also issued an internal provision related to monitoring mechanism for Customer data improvement in order to support Integrated Commercial Bank Report.

B. Monitoring the financial indicator

Several key indicators such as minimum capital adequacy ratio, earning asset quality, NPL ratio, legal lending limit, statutory reserve requirement, macroprudential intermediation ratio and net open position have been established to monitor and identify potential compliance risks that may arise if the Bank fails to comply.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kepatuhan (lanjutan)

Fungsi kerja kepatuhan telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

B. Pemantauan indikator keuangan (lanjutan)

Divisi *Operational Risk Management* bekerja sama dengan Fungsi Kerja Compliance, khususnya Divisi *Compliance Advisory and Monitoring* untuk melaporkan setiap potensi pelanggaran atau pelanggaran atas ketentuan yang berlaku. Secara berkesinambungan, Bank meningkatkan pengelolaan risiko kepatuhan terhadap peraturan. Sampai dengan tanggal 31 Desember 2023 masih terdapat pengenaan sanksi dari regulator atas kesalahan yang bersifat administratif, terkait dengan ketidaktelitian atau keterlambatan dalam penyusunan dan/atau penyampaian laporan-laporan rutin kepada Regulator, seperti Laporan Harian Bank Umum (LHBU), Laporan Transaksi Efek, Laporan SLIK, dan Laporan Bank Umum Terintegrasi (LBUT). Dalam mengelola risiko kepatuhan yang timbul dari pengenaan sanksi tersebut, manajemen Bank telah memberikan pengarahan dan himbauan sebagai bagian dari upaya berkesinambungan dalam memastikan kepatuhan terhadap ketentuan yang berlaku.

Dalam penerapan Program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT), Bank telah melakukan langkah-langkah yang mencakup:

a) Pengawasan aktif dari Dewan Komisaris dan Direksi, dengan melaksanakan:

- Penyelenggaraan rapat Komite *Anti Money Laundering* setiap bulannya;
- Rapat berkala melalui forum rapat Dewan Komisaris, Direksi dan Komite Manajemen Risiko untuk membahas antara lain hasil pelaksanaan program APU-PPT, perkembangan, pencapaian dan tindak lanjut yang akan diambil mengenai pengkinian data, kasus-kasus yang memerlukan perhatian khusus dari manajemen, dan tindak lanjut untuk meminimalisasi kesalahan pelaporan.

41. Risk Management Policies *(continued)*

Compliance risk *(continued)*

The compliance function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

B. Monitoring the financial indicator (continued)

Operational Risk Management Division collaborates with Compliance Function, particularly Compliance Advisory and Monitoring Division to report any potential violation or breach of the prevailing regulations. Bank has continuously enhanced the management of regulatory compliance risks. As of 31 December 2023, there have been fines imposed by the regulator due to administrative errors related to inaccuracy or delay in the preparation and/or submission of routine regulatory reporting, such as Commercial Bank Daily Report (LHBU), Securities Transaction Report, SLIK Report, and Integrated Commercial Bank Report (LBUT). In managing the compliance risk that have arised from the administrative errors, the Bank's management has provided direction and guidance as part of the continuous effort to ensure adherence to prevailing regulations at all times.

In the implementation of Anti Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Program, Bank has performed the following:

a) Active supervision of the Board of Commissioners and the Board of Directors, by conducting:

- *Anti Money Laundering Committee monthly meeting;*
- *Regular meeting in the form of Board of Commissioners/Board of Directors and Risk Management Committee meeting to discuss, among other the implementation of AML-CFT program, the developments, achievements and the follow-up actions to be taken regarding the updating of data, cases escalated for management attention, and the follow-up to minimize the error in reporting.*

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kepatuhan (lanjutan)

Fungsi kerja kepatuhan telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

B. Pemantauan indikator keuangan (lanjutan)

Dalam penerapan Program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT), Bank telah melakukan langkah-langkah yang mencakup: (lanjutan)

b) Kebijakan dan prosedur dengan cara:

- Menjalankan Program APU-PPT dalam kebijakan internal Bank yang disesuaikan dengan aturan dari regulator dan 40 + 9 rekomendasi FATF;

- Implementasi Program APU-PPT dalam bentuk SOP yang mencakup antara lain:
  - Penerimaan nasabah;
  - *On-going review*;
  - Pelaporan kepada manajemen;
  - Pemantauan transaksi;
  - Pelaporan kepada regulator.

c) Sistem Pengendalian Internal:
- Penunjukkan petugas/pejabat yang bertugas secara khusus dalam pemantauan pelaksanaan proses dan program APU dan PPT pada setiap unit bisnis dan unit pendukung.
- Penyusunan SOP yang lebih rinci terkait proses pelaksanaan program APU dan PPT pada masing-masing unit bisnis dan unit pendukung.
- Pengembangan metodologi pengklasifikasian risiko APU dan PPT pada unit bisnis dan kantor cabang.
- Pengembangan metodologi pengkajian kepatuhan terhadap implementasi ketentuan APU-PPT.

41. Risk Management Policies *(continued)*

Compliance risk *(continued)*

The compliance function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

B. Monitoring the financial indicator (continued)

In the implementation of Anti Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Program, Bank has performed the following: (continued)

b) Policies and procedures by conducting:

- *Formulating the AML-CFT Program within the Bank's internal policy by adopting the regulation from the regulator and the FATF recommendations of 40 + 9;*

- *Implementation AML-CFT Program in the form of SOP that includes:*
  - *Customer acceptance;*
  - *On-going review;*
  - *Management reporting;*
  - *Transaction monitoring;*
  - *Regulatory reporting.*

c) Internal Control System:
- *Appointment of staff/officer specifically tasked in monitoring the implementation of the AML-CFT process and programs in each business units and support units.*

- *Formulating more detailed SOP regarding AML-CFT program implementation process in each business unit and supporting unit.*
- *Development of AML-CFT risk classification methodology in the business units and branches.*

- *Development of compliance testing methodology on the implementation of AML-CFT regulation.*

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kepatuhan (lanjutan)

Fungsi kerja kepatuhan telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

B. Pemantauan indikator keuangan (lanjutan)

Dalam penerapan Program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT), Bank telah melakukan langkah-langkah yang mencakup: (lanjutan)

d) Sistem Informasi Manajemen, dimana Bank telah memiliki:
- Sistem untuk pemantauan transaksi nasabah yang meliputi rekening tabungan/giro, deposito dan kartu kredit;
- Sistem untuk melakukan penyaringan atas transaksi (*incoming* maupun *outgoing*) transfer dana yang menggunakan metode SWIFT terhadap daftar sanksi/daftar regulator/daftar internal Bank UOB dan untuk mendeteksi *message stripping*;
- Sistem untuk melakukan proses *screening* terhadap daftar hitam/daftar sanksi/daftar internal bank UOB/pemberitaan negatif tentang APU-PPT;
- Sistem aplikasi yang terkait dengan pelaporan kepada regulator;
- Sistem untuk melakukan otomasi penilaian peringkat risiko nasabah berdasarkan parameter yang telah ditentukan sebelumnya dan pemeriksaan berkala/*trigger event*.

d) Sumber daya manusia dan pelatihan, di mana Bank telah:
- Melakukan proses *Know Your Employee* (KYE) sebelum penerimaan karyawan dan pemantauan terhadap profil karyawan;
- Melakukan pelatihan terkait dengan APU-PPT minimal 1 tahun sekali;
- Menerapkan metode pelatihan dengan cara:
  i. *Face to face*: pelatihan di dalam kelas/ melalui media virtual;
  ii. *E-Learning:* pelatihan yang menggunakan aplikasi/modul via *online*.

41. Risk Management Policies *(continued)*

Compliance risk *(continued)*

The compliance function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

B. Monitoring the financial indicator (continued)

In the implementation of Anti Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Program, Bank has performed the following: (continued)

d) Management Information System, where the Bank has established:
- *System for transaction monitoring which includes current/savings accounts, time deposits and credit cards;*
- *System for screening transaction (incoming and outgoing) of wire transfer using SWIFT method against the sanction list/regulatory list/Bank UOB internal list and for message stripping detection;*
- *System for screening process through the black list/sanctions list/Bank UOB internal list/adverse news on AML-CFT;*
- *Application system related to regulatory reporting;*
- *System for automated assessing customer risk ratings based on predefined parameters and periodic review/trigger events.*

d) Human resource and training, where the Bank already has:
- *Conducted Know Your Employee (KYE) process before employee recruitment and monitoring of employee profile;*
- *Conducted training related to AML-CFT minimum once a year;*
- *Implemented training method through:*
  i. Face to face: in class trainings/ through virtual media;
  ii. E-Learning: training by using application/module via online.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko kepatuhan (lanjutan)

Selain hal di atas, Fungsi Kerja *Compliance* juga berperan penting sebagai penasehat dengan memberikan opini terkait ketentuan regulator dan kepatuhan secara berkelanjutan kepada fungsi kerja bisnis dan fungsi kerja lainnya.

Risiko strategis

Risiko strategis didefinisikan sebagai risiko akibat ketidaktepatan dalam pengambilan dan/atau pelaksanaan suatu keputusan strategis yang berdampak pada rentabilitas Bank serta kegagalan dalam mengantisipasi perubahan lingkungan bisnis seperti perubahan-perubahan yang terjadi di industri perbankan, gejolak pada perekonomian nasional, maupun disrupsi pada bidang teknologi.

Kebijakan Manajemen Risiko Strategis telah ditetapkan guna memfasilitasi seluruh fungsi kerja dalam melakukan identifikasi, pengukuran, pemantauan, dan pelaporan risiko strategis.

Pengelolaan risiko strategis merujuk pada bagaimana Bank membuat suatu keputusan strategis untuk merespon segala perubahan lingkungan (internal dan eksternal) pada masa kini maupun pada masa yang akan datang, serta bagaimana modal dan sumber daya dialokasikan guna mencapai tujuan strategis Bank.

Secara berkelanjutan, Bank melakukan pengkajian ulang secara berkala atas pencapaian target keuangan dan realisasi strategi. Seluruh fungsi kerja bisnis juga bertanggung jawab untuk memantau risiko strategis pada areanya dan melaporkan secara tepat waktu kepada direktur atau pejabat eksekutif senior terkait apabila terdapat isu potensial atau masalah yang memiliki implikasi strategis terhadap Bank.

Seluruh fungsi kerja bertanggung jawab untuk memantau risiko strategis.

Risiko hukum

Risiko hukum didefinisikan sebagai risiko yang berakibat terhadap posisi finansial Bank, operasional atau reputasi yang disebabkan adanya tuntutan hukum yang melibatkan Bank, ketiadaan peraturan perundang-undangan yang mendukung atau perkembangannya, kelemahan perikatan seperti kontrak yang tidak dapat dijalankan/ tidak menguntungkan/ mengandung kesalahan/ tidak diinginkan, atau ketidakpatuhan terhadap hukum yang berlaku.

41. Risk Management Policies *(continued)*

Compliance risk *(continued)*

Apart from the above, Compliance Function also plays an important advisory role as it provides the business and other units with regulatory and compliance advice on an ongoing basis.

Strategic risk

Strategic risk is defined as the risk due to poor setting and/or implementation of a strategic decision that has impact on the Bank's profitability, and failure to anticipate any changes in the business environment such as changes in banking industry, turmoil in the national economy, and disruption in technological field.

Strategic Risk Management Policy has been established in order to facilitate all functions in the identification, measurement, monitoring and reporting of strategic risk.

Strategic risk management refers to how the Bank makes strategic decisions in response to significant changes in the current and prospective environment (internal and external) and how it deploys capital and resources to achieve its strategic goals.

On an ongoing basis, the Bank performs periodic reviews on the achievement of financial targets and realized strategies. All business functions are also responsible for the monitoring of its strategic risks and reporting promptly to related director or senior executive officers on any potential issues or problems that have strategic implications on the Bank.

All functions are responsible for the monitoring of strategic risk.

Legal risk

Legal risk is defined as the risk impacts on the Bank's financial position, operations or reputation, caused by existence of lawsuits involving the Bank, absence of supporting or developments in laws and regulations, weak contracts such as unenforceable/ unfavourable/ defective/ unintended contracts, or non-compliance with applicable laws.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko hukum (lanjutan)

Bank melakukan pemantauan atas potensi risiko hukum yang mungkin timbul dari ketidakjelasan dalam kontrak/perjanjian, adanya perkara-perkara litigasi dan jaminan, klaim, dan adanya perubahan atau ketiadaan peraturan perundangan yang jelas. Dalam pengelolaan risiko hukum, Bank melakukan pemantauan komprehensif terhadap seluruh kegiatan operasional, terutama yang melibatkan pihak ketiga, yang berpotensi menimbulkan benturan kepentingan maupun tuntutan hukum. Pemantauan dilakukan dengan mengembangkan standar perjanjian meliputi peraturan dan kebijakan internal, melakukan kaji ulang atas perjanjian transaksional, dan menganalisa potensi risiko hukum pada produk dan aktivitas baru.

Risiko reputasi

Risiko reputasi dapat berdampak negatif pada pendapatan, likuiditas, atau modal Bank yang timbul dari persepsi atau opini negatif *stakeholder* terhadap praktik bisnis, kegiatan dan kondisi keuangan Bank.

Pengelolaan risiko reputasi dilakukan melalui pencegahan peristiwa yang dapat menyebabkan risiko reputasi terjadi, misalnya dengan melakukan pemantauan, komunikasi secara berkala kepada para pemangku kepentingan, dan kegiatan tanggung jawab sosial perusahaan.

Mitigasi atas risiko reputasi dilakukan melalui pemantauan dan pengelolaan secara intensif atas pemberitaan negatif di media massa atau percakapan negatif di media sosial oleh Divisi Strategic Communication and Brand. Divisi ini secara berkala akan melakukan sosialisasi dan pembaharuan kebijakan komunikasi kepada pemangku kepentingan terkait, khususnya pihak-pihak yang ditunjuk sebagai juru bicara Bank. Pelatihan mengenai kode etik dalam sosial media juga diberikan kepada seluruh karyawan sebagai upaya mitigasi terkait risiko reputasi.

Kualitas layanan dan penanganan keluhan nasabah telah ditingkatkan melalui pemantauan secara berkala dan pengembangan program yang dilakukan oleh Divisi *Customer Experience and Advocacy.*

41. Risk Management Policies *(continued)*

Legal risk *(continued)*

The Bank has monitored the potential legal risk that might arise from lack of clarity of the contracts/agreements, litigation cases and collaterals, claims, and changes or absence of clear regulations. In managing the legal risk, the Bank conducted monitoring in all operational activities, mainly those involving the third parties, which potentially can cause conflict of interest as well as lawsuits. Monitoring is conducted by developing standard agreements that include regulations and internal policies, reviewing transactional agreements, and analyzing new products or activities for potential legal risks.

Reputation risk

Reputation risk is the adverse impact on the Bank's income, liquidity, or capital arising from negative stakeholder perception or opinion of the Bank's business practices, activities and financial condition.

Risk management for reputation risk is conducted through prevention of events that could lead to reputation risk, for example by conducting a regular communication to related stakeholders and a series of activities such as corporate social responsibility.

Mitigation of reputation risk was performed through intensive monitoring and management of negative news in mass media and negative sentiments in social media by Strategic Communications and Brand Division. This division will regularly update and refresh communications policies to relevant stakeholders, particularly those appointed as the Bank's spokespersons. Trainings on social media ethics are also provided in an effort to mitigate reputation risks.

Service quality and handling of customer complaints have been improved through the regular monitoring and development programme by Customer Experience and Advocacy Division.

41. Kebijakan Manajemen Risiko (lanjutan)

Risiko reputasi (lanjutan)

Upaya Bank dalam memitigasi risiko reputasi adalah sebagai berikut:

- Melakukan tinjauan (evaluasi) dan revisi yang diperlukan atas kebijakan serta pedoman dalam penanganan keluhan nasabah.
- Mensosialisasikan seluruh revisi kebijakan tersebut serta alur kerja penanganan keluhan pada seluruh unit.
- Memaksimalkan peran *Contact Centre* dengan meningkatkan mekanisme untuk menangani keluhan serta mendelegasikan beberapa wewenang penyelesaian keluhan nasabah.
- Melakukan pemantauan pemberitaan media massa dan media sosial setiap hari dengan memberikan perhatian khusus kepada berita atau percakapan negatif atau keluhan nasabah yang berpotensi berdampak kepada reputasi.
- Menjaga hubungan baik dengan media sebagai bagian dari upaya mengatasi dampak penyebaran berita negatif yang dapat berdampak pada reputasi perusahaan.
- Melakukan evaluasi dan koordinasi secara berkala dengan unit-unit terkait untuk membahas keluhan nasabah, mencari solusinya termasuk penyelesaian keluhan sesuai dengan *Service Level Agreement* (SLA) yang ditentukan.
- Melakukan edukasi kepada para nasabah mengenai pencegahan atas tindakan pemalsuan atau penipuan *(fraud)* dengan menempatkan poster di cabang dan ATM, serta melalui iklan pada layar ATM.
- Guna meningkatkan kualitas layanan serta mendorong loyalitas nasabah, maka Bank melakukan rapat *Service Excellence Council* minimal empat kali dalam setahun.
- Melakukan *coaching* dan pemantauan standar layanan untuk semua *front-liner* oleh penanggung jawab layanan wilayah secara periodik.
- Melakukan sosialisasi kepada seluruh bisnis segmen dan divisi terkait dengan alur proses penanganan keluhan agar dapat ditindaklanjuti dengan benar.
- Menanggapi keluhan nasabah secara tertulis dengan segera dan benar baik keluhan yang diterima melalui *Contact Centre*, Kantor Cabang, Media, Bank Indonesia (BI) dan Otoritas Jasa Keuangan (OJK).

41. Risk Management Policies *(continued)*

Reputation risk *(continued)*

The Bank's efforts in mitigating reputation risk are as follow:

- *Revising and adjusting policy and guidance for complaint handling.*
- *Socializing all revised policies and complaint management procedure to all units.*
- *Maximising the role of Contact Center by improving the complaint handling mechanism and by delegation of duty regarding customer complaints settlement.*
- *Monitoring media coverage and social media on a daily basis with specific attention to negative news, conversation or complaint which has the potential to impact the Bank's reputation.*
- *Maintain good relationship with media as part of negative news handling which could adversely impact the Bank's reputation.*
- *Evaluating and coordinating regularly with related units to discuss customer complaint resolution, find out alternative solution including complaint resolution as per determined by the Service Level Agreement (SLA).*
- *Educating related customers on the precautionary actions against fraud by placing posters in branches and ATMs as well as through the display space on the ATM screen.*
- *In order to improve the service quality and to encourage the customer loyalty, the Bank conducts Service Excellence Council meeting at least four times a year.*
- *Periodical coaching and monitoring of service standards for all front-liners by regional Service PIC.*
- *Socialising process flow of complaint handling to all business segments and divisions so that complaint can be followed up properly when it occurs.*
- *Responding to customers' complaints in writing as soon as possible and properly either for complaints received through Contact Center, Branches, Media, Bank Indonesia (BI) and Otoritas Jasa Keuangan (OJK).*

42. Nilai Wajar Instrumen Keuangan

Tabel di bawah ini menyajikan perbandingan antara nilai tercatat, seperti yang dilaporkan dalam laporan posisi keuangan dengan nilai wajar semua aset keuangan dan liabilitas keuangan.

42. Fair Value of Financial Instruments

The tables below present the comparison between the carrying values as reported in the statement of financial position and the fair values of all financial assets and liabilities.

	31 Desember/ *31 December* 2023		
	Nilai tercatat/ *Carrying value*	**Nilai wajar/ *Fair value***	
Aset Keuangan			***Financial Assets***
Biaya perolehan yang diamortisasi			***Amortised cost***
Kas	603.540	603.540	*Cash*
Giro pada Bank Indonesia	9.901.077	9.901.077	*Currents accounts with Bank Indonesia*
Giro pada bank lain - neto	981.776	981.776	*Current accounts with other banks - net*
Penempatan pada Bank Indonesia dan bank lain - neto	2.135.930	2.135.930	*Placement with Bank Indonesia and other banks - net*
Investasi keuangan - neto	12.649.460	12.649.460	*Financial investments - net*
Kredit yang diberikan - neto	79.911.842	79.911.842	*Loans - net*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali - neto	21.096.176	21.096.176	*Receivables on securities purchased with agreements to resell - net*
Tagihan akseptasi - neto	2.498.666	2.498.666	*Acceptance receivables - net*
Aset lain-lain*	987.526	987.526	*Other assets**
Diukur pada nilai wajar melalui laba rugi			***Fair value through profit or loss***
Efek-efek yang diperdagangkan	2.758.236	2.758.236	*Trading securities*
Tagihan derivatif	840.694	840.694	*Derivative receivables*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali - neto	1.582.077	1.582.077	*Receivables on securities purchased with agreements to resell - net*
Diukur pada nilai wajar melalui penghasilan komprehensif lain			***Fair value through other comprehensive income***
Investasi keuangan	20.401.765	20.401.765	*Financial investments*
Total	**156.348.765**	**156.348.765**	***Total***
Liabilitas Keuangan			***Financial Liabilities***
Biaya perolehan yang diamortisasi			***Amortised cost***
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	13.295.961	13.295.961	*Liabilities on securities sold under repurchase agreement*
Diukur pada nilai wajar melalui laporan laba rugi			***Fair value through profit or loss***
Liabilitas derivatif	1.222.600	1.222.600	*Derivative payables*
Liabilitas Lain-lain			***Other Liabilities***
Liabilitas segera	473.355	473.355	*Current liabilities*
Simpanan dari nasabah	119.282.541	119.282.541	*Deposits from customers*
Simpanan dari bank lain	1.398.759	1.398.759	*Deposits from other banks*
Bunga yang masih harus dibayar	199.137	199.137	*Interest payables*
Liabilitas akseptasi	2.412.181	2.412.181	*Acceptance payables*
Efek utang yang diterbitkan - neto	1.443.423	1.541.996	*Debt securities issued - net*
Liabilitas lain-lain**	2.044.497	2.044.497	*Other liabilities***
Total	**141.772.454**	**141.871.027**	***Total***

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi *spot.*
** Liabilitas lain-lain terdiri dari biaya yang masih harus dibayar, setoran jaminan dan transaksi *spot.*

* *Other assets consists of interest receivables, security deposits and spot transactions.*
** *Other liabilities consists of accrued expenses, security deposits and spot transactions.*

42. Nilai Wajar Instrumen Keuangan (lanjutan)

Tabel di bawah ini menyajikan perbandingan antara nilai tercatat, seperti yang dilaporkan dalam laporan posisi keuangan dengan nilai wajar semua aset keuangan dan liabilitas keuangan. (lanjutan)

42. Fair Value of Financial Instruments *(continued)*

The tables below present the comparison between the carrying values as reported in the statement of financial position and the fair values of all financial assets and liabilities. (continued)

	31 Desember/ *31 December* 2022		
	Nilai tercatat/ *Carrying value*	**Nilai wajar/ *Fair value***	
Aset Keuangan			***Financial Assets***
Biaya perolehan yang diamortisasi			***Amortised cost***
Kas	717.402	717.402	*Cash*
Giro pada Bank Indonesia	8.869.574	8.869.574	*Currents accounts with Bank Indonesia*
Giro pada bank lain - neto	1.093.934	1.093.934	*Current accounts with other banks - net*
Penempatan pada Bank Indonesia dan bank lain - neto	5.855.629	5.855.629	*Placement with Bank Indonesia and other banks - net*
Investasi keuangan - neto	12.028.074	12.028.074	*Financial investments - net*
Kredit yang diberikan - neto	81.298.571	81.298.571	*Loans - net*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali - neto	1.051.846	1.051.846	*Receivables on securities purchased with agreements to resell - net*
Tagihan akseptasi - neto	3.683.199	3.683.199	*Acceptance receivables - net*
Aset lain-lain*	1.077.859	1.077.859	*Other assets**
Diukur pada nilai wajar melalui laba rugi			***Fair value through profit or loss***
Efek-efek yang diperdagangkan	593.778	593.778	*Trading securities*
Tagihan derivatif	1.320.737	1.320.737	*Derivative receivables*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali - neto	1.818.438	1.818.438	*Receivables on securities purchased with agreements to resell - net*
Diukur pada nilai wajar melalui penghasilan komprehensif lain			***Fair value through other comprehensive income***
Investasi keuangan	15.925.082	15.925.082	*Financial investments*
Total	**135.334.123**	**135.334.123**	***Total***
Liabilitas Keuangan			***Financial Liabilities***
Diukur pada nilai wajar melalui laporan laba rugi			***Fair value through profit or loss***
Liabilitas derivatif	1.400.535	1.400.535	*Derivative payables*
Liabilitas Lain-lain			***Other Liabilities***
Liabilitas segera	192.839	192.839	*Current liabilities*
Simpanan dari nasabah	113.917.271	113.917.271	*Deposits from customers*
Simpanan dari bank lain	206.148	206.148	*Deposits from other banks*
Bunga yang masih harus dibayar	132.472	132.472	*Interest payables*
Liabilitas akseptasi	3.251.652	3.251.652	*Acceptance payables*
Efek utang yang diterbitkan - neto	1.595.668	1.716.580	*Debt securities issued - net*
Liabilitas lain-lain**	1.000.334	1.000.334	*Other liabilities***
Total	**121.696.919**	**121.817.831**	***Total***

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi *spot.*
** Liabilitas lain-lain terdiri dari biaya yang masih harus dibayar, setoran jaminan dan transaksi *spot.*

* *Other assets consists of interest receivables, security deposits and spot transactions.*
** *Other liabilities consists of accrued expenses, security deposits and spot transactions.*

42. Nilai Wajar Instrumen Keuangan (lanjutan)

Nilai wajar aset dan liabilitas keuangan, kecuali efek-efek yang diperdagangkan, tagihan dan liabilitas derivatif, investasi keuangan yang tersedia untuk dijual dan efek utang yang diterbitkan, mendekati nilai tercatatnya karena aset dan liabilitas keuangan dalam jumlah signifikan memiliki jangka waktu yang pendek dan/atau suku bunganya sering ditinjau ulang. Tagihan dan liabilitas derivatif nilai wajarnya dihitung berdasarkan teknik penilaian. Efek-efek yang diperdagangkan dan investasi keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain, nilai wajarnya berdasarkan harga yang dapat diperoleh atau dapat diobservasi. Nilai wajar dari efek utang yang diterbitkan dihitung menggunakan diskonto arus kas berdasarkan tingkat suku bunga pasar.

Penilaian atas nilai wajar instrumen keuangan berdasarkan hierarki nilai wajar dapat dilihat pada Catatan 2af.

Tabel di bawah ini menyajikan aset dan liabilitas yang diakui pada nilai wajar berdasarkan hierarki yang digunakan oleh Bank untuk menentukan dan mengungkapkan nilai wajar dari aset dan liabilitas:

42. Fair Value of Financial Instruments *(continued)*

The fair value of financial assets and liabilities, except for trading securities, derivative receivables and liabilities, financial investments available-for-sale and debt securities issued, approximate its carrying values because financial assets and liabilities in significant amount have short-term period and/or the interest rate is frequently reviewed. The fair value of derivative receivables and liabilities are based on valuation technique. Trading securities and financial investment at fair value through other comprehensive income, its fair value is based on quoted or observable prices. The fair value of debt securities issued are calculated using discounted cash flows using market interest rate.

Valuation for the fair value of financial instruments based on the fair value hierarchy refer to Note 2af.

The tables below show the asset and liabilities recognized at fair value based on the hierarchy used by the Bank in determining and disclosing the fair value of asset and liabilities:

	31 Desember/ *31 December* 2023				
	Tingkat 1/ *Level 1*	**Tingkat 2/ *Level 2***	**Tingkat 3/ *Level 3***	**Total**	
Aset yang diukur pada nilai wajar					***Assets measured at fair value***
Investasi keuangan	20.401.765	-	-	20.401.765	*Financial investments*
Efek-efek yang diperdagangkan	2.758.236	-	-	2.758.236	*Trading securities*
Tagihan derivatif	-	840.694	-	840.694	*Derivative receivables*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-	1.582.077	-	1.582.077	*Receivables on securities purchased with agreements to resell*
Total aset yang diukur pada nilai wajar	**23.160.001**	**2.422.771**	**-**	**25.582.772**	***Total assets measured at fair value***
Aset yang nilai wajarnya diungkapkan					***Assets for which fair value are disclosed***
Kredit yang diberikan - neto	-	-	79.911.842	79.911.842	*Loans - net*
Investasi keuangan - neto	-	12.649.460	-	12.649.460	*Financial investments - net*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali - neto	-	21.096.176	-	21.096.176	*Receivables on securities purchased with agreements to resell - net*
Agunan yang diambil alih - neto	-	-	157.602	157.602	*Foreclosed assets - net*
Properti terbengkalai	-	-	28.689	28.689	*Abandoned property*
Total aset yang nilai wajarnya diungkapkan	**-**	**33.745.636**	**80.098.133**	**113.843.769**	***Total assets for which fair value are disclosed***
Total	**23.160.001**	**36.168.407**	**80.098.133**	**139.426.541**	***Total***

42. Nilai Wajar Instrumen Keuangan (lanjutan)

Tabel di bawah ini menyajikan aset dan liabilitas yang diakui pada nilai wajar berdasarkan hierarki yang digunakan oleh Bank untuk menentukan dan mengungkapkan nilai wajar dari aset dan liabilitas: (lanjutan)

42. Fair Value of Financial Instruments (continued)

The tables below show the asset and liabilities recognized at fair value based on the hierarchy used by the Bank in determining and disclosing the fair value of asset and liabilities: (continued)

	31 Desember/ *31 December* 2023				
	Tingkat 1/ *Level 1*	**Tingkat 2/ *Level 2***	**Tingkat 3/ *Level 3***	**Total**	
Liabilitas yang diukur pada nilai wajar					***Liabilities measured at fair value***
Liabilitas derivatif	-	1.222.600	-	1.222.600	*Derivative liabilities*
Total liabilitas yang diukur pada nilai wajar	**-**	**1.222.600**	**-**	**1.222.600**	***Total liabilities measured at fair value***
Liabilitas yang nilai wajarnya diungkapkan					***Liabilities for which fair value are disclosed***
Efek utang yang diterbitkan - neto	-	1.541.996	-	1.541.996	*Debt securities issued - net*
Total liabilitas yang nilai wajarnya diungkapkan	**-**	**1.541.996**	**-**	**1.541.996**	***Total liabilities for which fair value are disclosed***
Total	**-**	**2.764.596**	**-**	**2.764.596**	***Total***

	31 Desember/ *31 December* 2022				
	Tingkat 1/ *Level 1*	**Tingkat 2/ *Level 2***	**Tingkat 3/ *Level 3***	**Total**	
Aset yang diukur pada nilai wajar					***Assets measured at fair value***
Tagihan derivatif	-	1.320.737	-	1.320.737	*Derivative receivables*
Efek-efek yang diperdagangkan	593.778	-	-	593.778	*Trading securities*
Investasi keuangan	15.925.082	-	-	15.925.082	*Financial investments*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-	1.818.438	-	1.818.438	*Receivables on securities purchased with agreements to resell*
Total aset yang diukur pada nilai wajar	**16.518.860**	**3.139.175**	**-**	**19.658.035**	***Total assets measured at fair value***
Aset yang nilai wajarnya diungkapkan					***Assets for which fair value are disclosed***
Kredit yang diberikan - neto	-	78.157.797	3.140.774	81.298.571	*Loans - net*
Investasi keuangan - neto	-	12.028.074	-	12.028.074	*Financial investments - net*
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali - neto	-	1.051.846	-	1.051.846	*Receivables on securities purchased with agreements to resell - net*
Agunan yang diambil alih - neto	-	-	174.021	174.021	*Foreclosed assets - net*
Properti terbengkalai	-	-	28.012	28.012	*Abandoned property*
Total aset yang nilai wajarnya diungkapkan	**-**	**91.237.717**	**3.342.807**	**94.580.524**	***Total assets for which fair value are disclosed***
Total	**16.518.860**	**94.376.892**	**3.342.807**	**114.238.559**	***Total***

42. Nilai Wajar Instrumen Keuangan (lanjutan)

Tabel di bawah ini menyajikan aset dan liabilitas yang diakui pada nilai wajar berdasarkan hierarki yang digunakan oleh Bank untuk menentukan dan mengungkapkan nilai wajar dari aset dan liabilitas: (lanjutan)

42. Fair Value of Financial Instruments (continued)

The tables below show the asset and liabilities recognized at fair value based on the hierarchy used by the Bank in determining and disclosing the fair value of asset and liabilities: (continued)

	31 Desember/ *31 December* 2022				
	Tingkat 1/ *Level 1*	**Tingkat 2/ *Level 2***	**Tingkat 3/ *Level 3***	**Total**	
Liabilitas yang diukur pada nilai wajar					***Liabilities measured at fair value***
Liabilitas derivatif	-	1.400.535	-	1.400.535	*Derivative liabilities*
Total liabilitas yang diukur pada nilai wajar	**-**	**1.400.535**	**-**	**1.400.535**	***Total liabilities measured at fair value***
Liabilitas yang nilai wajarnya diungkapkan					***Liabilities for which fair value are disclosed***
Efek utang yang diterbitkan - neto	-	1.716.580	-	1.716.580	*Debt securities issued - net*
Total liabilitas yang nilai wajarnya diungkapkan	**-**	**1.716.580**	**-**	**1.716.580**	***Total liabilities for which fair value are disclosed***
Total	**-**	**3.117.115**	**-**	**3.117.115**	***Total***

43. Informasi Segmen Operasi

Segmen operasi dilaporkan sesuai dengan laporan internal Bank yang disiapkan untuk mengambil keputusan operasional, yaitu Direksi yang bertanggung jawab untuk mengalokasikan sumber daya ke segmen tertentu dan penilaian atas performanya.

Untuk tahun yang berakhir pada tanggal 31 Desember 2023 dan 2022, Bank diorganisasikan ke dalam tiga segmen operasi berdasarkan produk dan jasa sebagai berikut:

- *Wholesale* yang terdiri segmen *commercial banking*, *corporate banking*, *financial institution group*, *multi national companies, treasury* dan *investment banking.*
- *Retail* yang terdiri dari segmen *personal financial services,* kartu kredit, *privillage banking dan digital banking.*
- Lain-lain yang terdiri dari segmen yang tidak dapat dialokasikan ke segmen *wholesale* atau *retail.*

43. Operating Segment Information

Operating segments are reported in accordance with the internal reporting provided to determine operational decision, which is the Board of Directors who are responsible for allocating resources to certain segments and performance assessments.

For the year ended 31 December 2023 and 2022, the Bank is organized into three operating segments based on products and services as follows:

- *Wholesale consists of commercial banking, corporate banking, financial institution group, multi national companies, treasury and investment banking segment.*
- *Retail* yang terdiri dari segmen *personal financial services,* kartu kredit, *privillage banking dan digital banking.*
- Lain-lain yang terdiri dari segmen yang tidak dapat dialokasikan ke segmen *wholesale* atau *retail.*

43. Informasi Segmen Operasi (lanjutan)

Tabel berikut menyajikan informasi segmen bisnis Bank berdasarkan segmen operasi:

43. Operating Segment Information (continued)

The tables below show the business segment information of the Bank based on operating segment:

	31 Desember/*31 December* 2023				
	Wholesale	***Retail***	**Lainnya/ *Others***	**Total**	
Laporan laba rugi dan penghasilan komprehensif lain					***Statement of profit or loss and other comprehensive income***
Pendapatan*	4.641.625	2.099.479	(15.897)	6.725.207	*Income**
Beban**	(1.621.116)	(2.126.895)	(1.268.552)	(5.016.563)	*Expenses***
Cadangan kerugian penurunan nilai	(663.602)	(60.762)	(72.591)	(796.955)	*Allowance for impairment losses*
Laba sebelum beban pajak	2.356.907	(88.178)	(1.357.040)	911.689	*Income before tax expense*
Beban pajak				(236.726)	*Tax expense*
Laba tahun berjalan				**674.963**	***Income for the year***
Laporan posisi keuangan					***Statement of financial position***
Jumlah aset	136.661.664	17.324.817	8.559.825	162.546.306	*Total assets*
Jumlah liabilitas	94.702.419	42.065.411	8.177.047	144.944.877	*Total liabilities*

	31 Desember/*31 December* 2022				
	Wholesale	***Retail***	**Lainnya/ *Others***	**Total**	
Laporan laba rugi dan penghasilan komprehensif lain					***Statement of profit or loss and other comprehensive income***
Pendapatan*	4.644.408	1.718.464	185.370	6.548.242	*Income**
Beban**	(1.415.263)	(1.785.973)	(599.681)	(3.800.917)	*Expenses***
Cadangan kerugian penurunan nilai	(804.999)	(84.664)	(709.449)	(1.599.112)	*Allowance for impairment losses*
Laba sebelum beban pajak	2.424.146	(152.173)	(1.123.760)	1.148.213	*Income before tax expense*
Beban pajak				(196.652)	*Tax expense*
Laba tahun berjalan				**951.561**	***Income for the year***
Laporan posisi keuangan					***Statement of financial position***
Jumlah aset	121.375.195	10.703.521	6.197.391	138.276.107	*Total assets*
Jumlah liabilitas	82.342.099	33.614.996	6.957.670	122.914.765	*Total liabilities*

* Pendapatan terdiri dari Pendapatan bunga neto, Pendapatan operasional lainnya, dan Pendapatan non-operasional.
** Beban terdiri dari Gaji dan kesejahteraan karyawan dan Beban umum dan administrasi.

** Income consists of Interest income-net, Other operating income, and Non-operating income.*
*** Expense consists of Salaries and employee's benefits and General and administrative expenses.*

Informasi yang berkaitan dengan segmen geografis Bank disajikan dalam tabel di bawah ini:

Information concerning the geographical segments of the Bank are set out in the tables below:

	31 Desember/*31 December* 2023				
	Jakarta/ Jakarta	**Sumatera/ Sumatera**	**Jawa Timur dan Bali/ *East Java and Bali***	**Total**	
Laporan laba rugi dan penghasilan komprehensif lain					***Statement of profit or loss and other comprehensive income***
Pendapatan*	5.375.831	697.677	651.699	6.725.207	*Income**
Laporan posisi keuangan					***Statement of financial position***
Jumlah aset	130.088.872	15.934.794	16.522.640	162.546.306	*Total assets*

43. Informasi Segmen Operasi (lanjutan)

Informasi yang berkaitan dengan segmen geografis Bank disajikan dalam tabel di bawah ini: (lanjutan)

43. Operating Segment Information (continued)

Information concerning the geographical segments of the Bank are set out in the tables below: (continued)

	31 Desember/*31 December* 2022				
	Jakarta/ Jakarta	**Sumatera/ Sumatera**	**Jawa Timur dan Bali/ *East Java and Bali***	**Total**	
Laporan laba rugi dan penghasilan komprehensif lain					***Statement of profit or loss and other comprehensive income***
Pendapatan*	5.289.219	616.989	642.034	6.548.242	*Income**
Laporan posisi keuangan					***Statement of financial position***
Jumlah aset	109.549.390	13.996.909	14.729.808	138.276.107	*Total assets*

* Pendapatan terdiri dari Pendapatan bunga neto, Pendapatan operasional lainnya, dan Pendapatan non-operasional.
** Beban terdiri dari Gaji dan kesejahteraan karyawan dan Beban umum dan administrasi.

* *Income consists of Interest income-net, Other operating income, and Non-operating income.*
** *Expense consists of Salaries and employee's benefits and General and administrative expenses.*

44. Penitipan Harta

Bank juga memberikan jasa penitipan harta. Total uang jasa yang diterima dari pemberian jasa ini pada tanggal 31 Desember 2023 dan 2022 adalah masing-masing sebesar Rp6.708 dan Rp7.513. Pada tanggal 6 Juli 2010, Bank telah memperoleh Surat Keputusan Badan Pengawas Pasar Modal dan Lembaga Keuangan No. KEP-287/BL/2010 tentang Penetapan Penggunaan Persetujuan Bank Umum Sebagai Kustodian atas nama PT Bank UOB Indonesia.

44. Custodianship

The Bank engages in the provision of custodial services. Total fees received from custodial services as of 31 December 2023 and 2022 amounted to Rp6,708 and Rp7,513, respectively. On 6 July 2010, the Bank has obtained a Decree of the Capital Market and Financial Institutions Supervisory Agency No. KEP-287/BL/2010 about The Stipulation of Use of Approval of Commercial Bank as Custodian on behalf of PT Bank UOB Indonesia.

45. Tambahan Informasi Arus Kas

Perubahan pada liabilitas yang timbul dari aktivitas pendanaan pada laporan arus kas adalah sebagai berikut:

45. Supplementary Cash Flow Information

Changes in liabilities arising from financing activities in the cash flow statement are as follows:

	1 Januari/ *1 January* 2023	**Arus kas/*Cash flows***		**Perubahan non-kas/ *Non-cash changes***	**Selisih kurs/ *Foreign exchange***	**31 Desember/ *31 December* 2023**	
		Penerimaan/ *Proceeds*	**Pembayaran/ *Payment***				
Efek utang yang diterbitkan - neto	1.595.668	-	(155.000)	2.755	-	1.443.423	*Debt securities issued - net*
Liabilitas sewa	83.516	-	(60.087)	164.109	-	187.538	*Lease liabilities*
Total	**1.679.184**	**-**	**(215.087)**	**166.864**	**-**	**1.630.961**	***Total***

	1 Januari/ *1 January* 2022	**Arus kas/*Cash flows***		**Perubahan non-kas/ *Non-cash changes***	**Selisih kurs/ *Foreign exchange***	**31 Desember/ *31 December* 2022**	
		Penerimaan/ *Proceeds*	**Pembayaran/ *Payment***				
Surat berharga yang dijual dengan janji dibeli kembali	12.878	-	(12.981)	-	103	-	*Securities sold under agreements to repurchase*
Efek utang yang diterbitkan - neto	1.498.366	100.000	-	(2.698)	-	1.595.668	*Debt securities issued - net*
Liabilitas sewa	58.708	-	(52.542)	77.350	-	83.516	*Lease liabilities*
Total	**1.569.952**	**100.000**	**(65.523)**	**74.652**	**103**	**1.679.184**	***Total***

46. Standar Akuntansi yang Telah Disahkan Namun Belum Berlaku Efektif

Standar akuntansi yang telah diterbitkan sampai tanggal penerbitan laporan keuangan Bank namun belum berlaku efektif diungkapkan berikut ini. Manajemen bermaksud untuk menerapkan standar-standar tersebut yang dipertimbangkan relevan terhadap Bank pada saat efektif, dan dampaknya terhadap posisi dan kinerja keuangan Bank masih diestimasi pada tanggal penerbitan laporan keuangan ini.

Efektif berlaku pada atau setelah tanggal 1 Januari 2024

Pilar Standar Akuntansi Keuangan

Standar ini memberikan persyaratan dan pedoman bagi entitas untuk menerapkan standar akuntansi keuangan yang benar dalam menyusun laporan keuangan bertujuan umum. Akan ada 4 (empat) standar akuntansi keuangan yang saat ini diterapkan di Indonesia, yaitu:

- Pilar 1 Standar Akuntansi Keuangan Internasional,
- Pilar 2 Standar Akuntansi Keuangan Indonesia (PSAK),
- Pilar 3 Standar Akuntansi Keuangan Indonesia untuk Entitas Swasta/Standar Akuntansi Keuangan Indonesia untuk Entitas Tanpa Akuntabilitas Publik, dan
- Pilar 4 Standar Akuntansi Keuangan Indonesia untuk Entitas Mikro Kecil dan Menengah.

Standar Akuntansi Keuangan Internasional

Standar ini merupakan adopsi penuh dari *International Financial Reporting Standards (*"IFRS") yang diterjemahkan kata demi kata dan tidak ada modifikasi dari Standar IFRS, termasuk tanggal efektifnya. Entitas yang memenuhi persyaratan dapat menerapkan standar ini, sejak tanggal efektif.

Nomenklatur Standar Akuntansi Keuangan

Standar ini ini mengatur penomoran baru untuk standar akuntansi keuangan yang berlaku di Indonesia yang diterbitkan oleh DSAK IAI.

46. Accounting Standards Issued but not yet Effective

The accounting standards that have been issued up to the date of issuance of the Bank's financial statements, but not yet effective are disclosed below. The management intends to adopt these standards that are considered relevant to the Bank when they become effective, and the impact to the financial position and performance of the Bank is still being estimated as at the authorisation date of this financial statements.

Effective on or after 1 January 2024

Financial Accounting Standards Pillars

These standards provides requirements and guidelines for entities to apply the correct financial accounting standards in preparing general purpose financial statements. There will be 4 (four) financial accounting standards that are currently applied in Indonesia, namely:

- *Pillar 1 International Financial Accounting Standards,*
- *Pillar 2 Indonesian Financial Accounting Standards (PSAK),*
- *Pillar 3 Indonesian Financial Accounting Standards for Private Entities/Indonesian Financial Accounting Standards for Entities without Public Accountability, and*
- *Pillar 4 Indonesian Financial Accounting Standards for Micro Small and Medium Entities.*

International Financial Accounting Standard

This standard is a full-adoption of International Financial Reporting Standards ("IFRS") which is translated in a word-for-word basis and there is no modifications from IFRS Standards, including the effective date. Entities that meet the requirements can apply this standard, from the effective date.

Financial Accounting Standards Nomenclature

This standard regulates the new numbering for financial accounting standards applicable in Indonesia issued by DSAK IAI.

46. Standar Akuntansi yang Telah Disahkan Namun Belum Berlaku Efektif (lanjutan)

Efektif berlaku pada atau setelah tanggal 1 Januari 2024 (lanjutan)

Amandemen PSAK 1: Liabilitas Jangka Panjang dengan Kovenan

Amandemen ini menentukan persyaratan untuk mengklasifikasikan suatu liabilitas sebagai jangka pendek atau jangka panjang dan menjelaskan:

- hal yang dimaksud sebagai hak untuk menangguhkan pelunasan,
- hak untuk menangguhkan pelunasan harus ada pada akhir periode pelaporan,
- klasifikasi tersebut tidak dipengaruhi oleh kemungkinan entitas akan menggunakan hakya untuk menangguhkan liabilitas, dan
- hanya jika derivatif melekat pada liabilitas konversi tersebut adalah suatu instrumen ekuitas, maka syarat dan ketentuan dari suatu liabilitas konversi tidak akan berdampak pada klasifikasinya.

Selain itu, persyaratan telah diperkenalkan untuk mewajibkan pengungkapan ketika suatu kewajiban timbul dari pinjaman perjanjian diklasifikasikan sebagai tidak lancar dan hak entitas untuk menunda penyelesaian bergantung pada kepatuhan terhadap persyaratan di masa depan dalam waktu dua belas bulan.

Amendemen tersebut berlaku efektif untuk periode pelaporan tahunan yang dimulai pada atau setelah tanggal 1 Januari 2024 secara retrospektif dengan penerapan dini diperkenankan.

Bank saat ini sedang menilai dampak dari amandemen tersebut untuk menentukan dampaknya terhadap pelaporan keuangan Bank.

Amandemen PSAK No. 73: Liabilitas Sewa dalam Jual Beli dan Sewa-balik

Amandemen PSAK No. 73 Sewa menetapkan persyaratan yang digunakan penjual-penyewa dalam mengukur kewajiban sewa yang timbul dalam transaksi jual beli dan sewa-balik, untuk memastikan penjual-penyewa tidak mengakui jumlah setiap keuntungan atau kerugian yang terkait dengan hak guna yang dipertahankan.

46. Accounting Standards Issued but not yet Effective *(continued)*

Effective on or after 1 January 2024 *(continued)*

Amendment of PSAK 1: Non-current Liabilities with Covenants

The amendments specify the requirements for classifying liabilities as current or non-current and clarify:

- *what is meant by a right to defer settlement,*
- *the right to defer must exist at the end of the reporting period,*
- *classification is not affected by the likelihood that an entity will exercise its deferral right, and*
- *only if an embedded derivative in a convertible liability is an equity instrument would the terms and conditions of a liability will not impact its classification.*

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 retrospectively with early adoption permitted.

The Bank is currently assessing the impact of the amendment to determine the impact they will have on the Bank's financial reporting.

Amendment of PSAK No. 73: Lease liability in a Sale and Leaseback

The amendment to PSAK No. 73 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

46. Standar Akuntansi yang Telah Disahkan Namun Belum Berlaku Efektif (lanjutan)

Efektif berlaku pada atau setelah tanggal 1 Januari 2025

Amendemen PSAK No. 10: "Pengaruh Perubahan Kurs Valuta Asing tentang Kekurangan Ketertukaran".

Standar tersebut akan berlaku efektif pada tanggal 1 Januari 2025 dan penerapan dini diperbolehkan.

Pada saat penerbitan laporan keuangan, Bank masih mempelajari dampak yang mungkin timbul dari penerapan standar akuntansi baru dan revisi tersebut serta pengaruhnya pada laporan keuangan Bank.

46. Accounting Standards Issued but not yet Effective *(continued)*

Effective on or after 1 January 2025

SFAS No. 10: "The Effect of Changes in Foreign Exchange Rates on the Lack of Convertibility".

The above standards will be effective on 1 January 2025 and early adoption is permitted.

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

47. Analisis Kualitas Kredit

Pengukuran kerugian kredit ekspektasian

Peningkatan risiko kredit secara signifikan

Ketika menentukan apakah risiko gagal bayar pada instrumen keuangan telah meningkat secara signifikan sejak pengakuan awal, Bank memperbangkan informasi yang wajar dan relevan yang mendukung dan tersedia tanpa biaya atau upaya yang berlebihan. Hal tersebut mencakup informasi dan analisa kuantitatif dan kualitatif, berdasarkan pada pengalaman historis dan penilaian pakar kredit dan termasuk perkiraan masa depan.

Tujuan dari penilaian ini adalah untuk mengidentifikasi apakah peningkatan risiko kredit secara signifikan atas eksposur telah terjadi dengan membandingkan:

- *Probability of default* (PD) atas umur tersisa pada tanggal pelaporan; dengan
- *Probability of default (PD)* atas umur tersisa yang di estimasi pada saat pengakuan awal eksposur (jika relevan, disesuaikan dengan perubahan ekspektasi pembayaran di muka).

Bank menggunakan kriteria berikut dalam menentukan apakah peningkatan risiko kredit secara signifikan atas eksposur tersebut telah terjadi:

- Tertunggak lebih dari 30 hari;
- Dalam Perhatian Khusus (DPK) berdasarkan OJK 3 pilar;
- Kredit yang direstrukturisasi; dan
- Termasuk dalam kategori *Watchlist (with High Risk).*

47. Credit Quality Analysis

Measurement of expected credit losses

Significant increase in credit risk

When determining whether the risk of default on financial instruments has increased significantly since initial recognition, the Bank considers reasonable and supported relevant information that is available without excessive costs or efforts. This includes quantitative and qualitative information and analysis, based on historical experience and credit expert assessments and including forward-looking estimates.

The purpose of this assessment is to identify whether a significant increase in credit risk of exposure has occurred by comparing:

- *Probability of default (PD) for the remaining tenor at the reporting date; with*
- *Probability of default (PD) for the estimated remaining tenor at initial recognition of the exposure (if relevant, adjusted for change in expectations of prepayment).*

The Bank uses these criterias for determining whether there has been a significant increase in credit:

- *Days past due above 30 days;*
- *Special Mention based on OJK 3 pillars;*
- *Loan restructure; and*
- *Included as part of Watchlist (with High Risk).*

47. Analisis Kualitas Kredit (lanjutan)

Pengukuran kerugian kredit ekspektasian (lanjutan)

Penentuan struktur *probability of default*

Bank menggunakan model statistik untuk menganalisa data yang dikumpulkan dan menghasilkan perkiraan *probability of default* (PD) atas umur tersisa dan bagaimana hal ini diperkirakan akan berubah sebagai akibat dari berlalunya waktu.

Penentuan terjadinya peningkatan risiko kredit secara signifikan

Bank menggunakan sejumlah kriteria untuk menentukan telah terjadi peningkatan risiko kredit secara signifikan.

Kriteria tersebut ditetapkan menggunakan faktor kuantitatif dan kualitatif termasuk penentuan berdasarkan status hari tunggakan yang dapat mengindikasikan telah terjadi peningkatan risiko kredit yang signifikan terhadap saat awal diberikan.

Bank menggunakan penilaian dari analis kredit dan pengalaman historis yang relevan, dalam menentukan bahwa eksposur mungkin saja telah mengalami peningkatan risiko kredit yang signifikan berdasarkan indikator kualitatif tertentu yang dianggap dapat mengindikasikan hal tersebut dimana pengaruhnya mungkin belum sepenuhnya tercermin pada saat dilakukan analisis kuantitatif.

Bank menentukan bahwa peningkatan risiko kredit secara signifikan belum terjadi apabila masih kurang dari 30 hari tunggakan. Hari tunggakan ditentukan dengan menghitung jumlah hari sejak tanggal jatuh tempo awal dimana pembayaran penuh belum diterima. Tanggal jatuh tempo ditentukan tanpa mempertimbangkan masa tenggang yang mungkin tersedia bagi peminjam.

Bank memantau efektivitas kriteria yang digunakan dalam mengidentifikasi peningkatan risiko kredit yang signifikan dengan cara reviu berkala.

47. Credit Quality Analysis *(continued)*

Measurement of expected credit losses *(continued)*

Determination of the probability of default structure

The Bank uses a statistical model to analyze the collected data and produce an estimate of the probability of default (PD) for the remaining life and how this is expected to change as a result of the passage of time.

Determination of significant increase in credit risk

The Bank uses several criterias for determining that credit risk has increased significantly.

The criterias are determined using qualitative and quantitative factors including determination based on arrear day status that can indicate significant increase in credit risk since initial recognition.

The Bank also uses the judgment of credit analysts and, if possible, relevant historical experience, in determining that the exposure may have experienced a significant increase in credit risk based on certain qualitative indicators that are considered to indicate this and their effects may not be fully reflected in quantitative analysis in a comprehensive manner on a timely manner.

The Bank determines that a significant increase in credit risk has not occurred if it is still less than 30 days in arrears. Arrear days are determined by counting the number of days from the initial due date where full payment has not been received. The due date is determined without considering the grace period that might be available to the borrower.

The Bank monitors the effectiveness of the criteria used in identifying significant increases in credit risk by periodic review.

47. Analisis Kualitas Kredit (lanjutan)

Pengukuran kerugian kredit ekspektasian (lanjutan)

Modifikasi aset keuangan

Ketentuan kontraktual pinjaman dapat dimodifikasi untuk beberapa alasan, termasuk perubahan kondisi pasar, retensi pelanggan dan faktor-faktor lain yang tidak terkait dengan penurunan kredit. Pinjaman yang ketentuan kontraktualnya dimodifikasi dapat menyebabkan pinjaman awal dihentikan pengakuannya dan pinjaman hasil modifikasi diakui sebagai pinjaman baru pada nilai wajar.

Definisi gagal bayar (*default*)

Bank menganggap aset keuangan dalam keadaan *default*/gagal bayar ketika:

- Debitur tidak mungkin membayar kewajiban kreditnya secara penuh, tanpa bantuan (*recourse*) dari Bank; atau
- Debitur telah melewati jatuh tempo lebih dari 90 hari atas kewajiban kredit material apa pun kepada Bank.
- Kualitatif seperti pelanggaran persyaratan perjanjian (kovenan); dan
- Kuantitatif seperti status tunggakan.

Input, asumsi, dan teknik yang digunakan dalam mengestimasi penurunan nilai

Penggunaan informasi perkiraan masa depan (*forward-looking*)

Bank menggunakan informasi *forward-looking* dalam menilai apakah telah terjadi peningkatan risiko kredit secara signifikan dan pengukuran kerugian kredit ekspektasian. Berdasarkan saran dari pakar ekonomi dan pertimbangan berbagai informasi aktual dan perkiraan eksternal, Bank merumuskan pandangan dasar (*base case*) tentang pergerakan variabel ekonomi yang relevan di masa depan serta perkiraan skenario lain yang mungkin terjadi. Proses ini meliputi pengembangan dua atau lebih skenario ekonomi tambahan dan mempertimbangkan probabilitas relatif dari keluaran (*output*) yang mungkin. Informasi eksternal mencakup data ekonomi dan perkiraan yang diterbitkan oleh, seperti badan pemerintah dan analis sektor swasta dan akademisi terpilih.

47. Credit Quality Analysis *(continued)*

Measurement of expected credit losses *(continued)*

Modification of financial assets

Loan contractual terms can be modified for a number of reasons, including changes in market conditions, customer retention and other factors not related to the current credit decline. Loans with modified contractual terms can cause the initial loan to be derecognized and recognized the modified loan as a new loan at fair value.

Definition of failed payment (default)

The Bank considers financial assets as default when:

- *The debtor is unlikely to pay its credit obligation in full, without assistance (recourse) from the Bank; or*
- *The debtor has past due more than 90 days for any material credit obligations to the Bank.*
- *Qualitative such as violations of the terms of the agreement (covenants); and*
- *Quantitative such as arrears status.*

Inputs, assumptions, and techniques used in estimating impairment

Use of forward-looking information

The Bank uses forward-looking information in assessing whether there has been a significant increase in credit risk and measurement of expected credit losses. Based on advice from economists and consideration of various actual information and external forecast, the Bank formulated a base case for the movement of relevant economic variables in future as well as forecasts of other possible scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of the possible outputs. External information includes economic data and estimation published by, such as government agencies and selected private sector analysts and academics.

47. Analisis Kualitas Kredit (lanjutan)

Pengukuran kerugian kredit ekspektasian (lanjutan)

Input, asumsi, dan teknik yang digunakan dalam mengestimasi penurunan nilai (lanjutan)

Penggunaan informasi perkiraan masa depan (*forward-looking*)

Pandangan dasar (*base case*) mencerminkan keluaran dengan probabilitas yang paling tinggi dan digunakan dalam perencanaan strategis dan anggaran. Skenario yang lain, mencerminkan keluaran yang lebih optimis dan keluaran yang lebih pesimis.

Bank menggunakan berbagai variabel makro ekonomi (MEV) untuk memperkirakan masa depan (*forward-looking*), antara lain *Jakarta Interbank Offered Rate* (JIBOR) 1-bulan, pertumbuhan Produk Domestik Bruto (PDB), tingkat pengangguran, tingkat inflasi dan *House Price Index (HPI)*.
Input utama dalam pengukuran kerugian kredit ekspektasian adalah variabel berikut :
- *Probability of default* (PD).
- *Loss of given default* (LGD).
- *Exposure at default* (EAD).

Parameter ini umumnya berasal dari model statistik yang dikembangkan secara internal dan data historis lainnya.

PD adalah tingkat kemungkinan kegagalan debitur memenuhi kewajiban.

LGD adalah besarnya tingkat kerugian yang diakibatkan kegagalan debitur memenuhi kewajiban yang dapat diukur berdasarkan beberapa pendekatan antara lain *Expected Recoveries*, *Collateral Shortfall*, dan *Loss on Disposal*.

EAD dipandang sebagai estimasi atas sejauh mana suatu bank dapat terpapar oleh suatu *counterparty* ketika *counterparty* tersebut mengalami gagal bayar. EAD sama dengan jumlah saat ini yang belum dilunasi dalam hal eksposur tetap seperti pinjaman berjangka. Untuk eksposur berulang seperti kredit, EAD dapat dibagi menjadi *drawn* dan *undrawn commitments*, biasanya *drawn commitments* diketahui sedangkan *undrawn commitments* perlu diperkirakan sampai pada nilai EAD.

47. Credit Quality Analysis *(continued)*

Measurement of expected credit losses *(continued)*

Inputs, assumptions, and techniques used in estimating impairment *(continued)*

Use of forward-looking information

The base case reflects the output with the highest probability and is used in strategic planning and budgeting. Another scenario, reflects more optimistic outputs and/or more pessimistic outputs.

The Bank uses various macro-economic variables (MEV) to estimate the forward-looking, such as Jakarta Interbank Offered Rate (JIBOR) 1-month, Gross Domestic Product (GDP) growth, unemployment rate, inflation rate and House Price Index (HPI).

The main inputs in measuring expected credit loss are the following variables:
- *Probability of default* (PD).
- *Loss of given default* (LGD).
- *Exposure at default* (EAD).

These parameters generally come from statistical models that are developed internally and other historical data.

PD is the probability of debtor failure to fulfill the obligations.

LGD is the amount of loss caused by the debtor's failure to meet the obligations which can be measured based on several approaches including Expected Recoveries, Collateral Shortfalls, and Loss on Disposal.

EAD is seen as an estimation of the extent to which a bank may be exposed to a counterparty in the event of, and at the time of, that counterparty's default. EAD is equal to the current amount outstanding in case of fixed exposures such as term loans. For revolving exposures like lines of credit, EAD can be divided into drawn and undrawn commitments; typically the drawn commitment is known whereas the undrawn commitment needs to be estimated to arrive at a value of EAD.

47. Analisis Kualitas Kredit (lanjutan)

Pengukuran kerugian kredit ekspektasian (lanjutan)

Input, asumsi, dan teknik yang digunakan dalam mengestimasi penurunan nilai (lanjutan)

Penggunaan informasi perkiraan masa depan (*forward-looking*) (lanjutan)

Ketika pemodelan parameter dilakukan secara kolektif, instrumen keuangan dikelompokkan berdasarkan:

- Aset dapat dikelompokkan berdasarkan karakteristik risiko bersama; dan
- Hasil evaluasi harus konsisten terlepas dari apakah aset dievaluasi secara individual atau sebagai bagian dari grup.

48. Penyelesaian Laporan Keuangan

Manajemen bertanggung jawab atas penyajian laporan keuangan yang telah diselesaikan dan diotorisasi untuk terbit oleh Direksi Bank pada tanggal 28 Februari 2024.

47. Credit Quality Analysis *(continued)*

Measurement of expected credit losses *(continued)*

Inputs, assumptions, and techniques used in estimating impairment *(continued)*

Use of forward-looking information (continued)

When parameter modeling is done collectively, financial instruments are grouped according to:

- *Assets may be grouped based on shared risk characteristics; and*
- *The outcome of the evaluation shall be consistent regardless of whether the asset is evaluated individually or as part of a group.*

48. Completion of the Financial Statements

The management is responsible for the preparation of financial statements which were completed and authorized for issuance by the Bank's Board of Directors on 28 February 2024.

Right By You

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