

Laporan Tata Kelola Perusahaan

*Good Corporate Governance
Implementation Report*

DAFTAR ISI

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Pendahuluan

Dalam industri perbankan, kegiatan usaha yang berkualitas tercermin dari pertumbuhan bisnis serta ekspansi usaha yang signifikan. Bank dapat berkembang dengan baik apabila bank dapat mendapatkan kepercayaan dari masyarakat.

Pelaksanaan prinsip Good Corporate Governance (GCG) sangat diperlukan untuk membangun kepercayaan masyarakat dan dunia internasional sebagai syarat mutlak bagi dunia perbankan untuk berkembang dengan baik dan sehat. Kebutuhan untuk menerapkan prinsip-prinsip GCG dirasakan sangat kuat dalam industri perbankan. Hal tersebut dipengaruhi oleh situasi eksternal dan internal perbankan semakin kompleks dan risiko kegiatan usaha kian beragam. Keadaan tersebut semakin meningkatkan kebutuhan akan praktik tata kelola perusahaan yang sehat di bidang perbankan

Oleh karena itu, PT Bank Mizuho Indonesia berkomitmen untuk senantiasa menyempurnakan penerapan GCG yang mengedepankan prinsip moral dan etika serta praktek-praktek bisnis yang sehat, sehingga tata kelola perusahaan dapat dilakukan dengan baik dan berkelanjutan di setiap kegiatan usaha Bank.

Good Corporate Governance (GCG) di PT. Bank Mizuho Indonesia

PT. Bank Mizuho Indonesia (selanjutnya disebut “**Bank**”) menyadari pentingnya GCG dalam mendukung pertumbuhan usaha serta memberi nilai tambah bagi seluruh stakeholders.

Penerapan GCG dalam kegiatan usaha memberikan banyak nilai positif, antara lain dapat mendorong kinerja sumber daya perusahaan untuk bekerja secara lebih efektif dan efisien, menghasilkan nilai ekonomi yang berkesinambungan dalam jangka panjang bagi para pemegang saham maupun masyarakat sekitar secara keseluruhan serta mampu bersaing dalam industri perbankan yang semakin kompetitif.

Oleh karena itu Bank senantiasa menekankan pentingnya pelaksanaan GCG secara efektif dengan memegang komitmen yang tinggi dalam melaksanakan prinsip-prinsip GCG di setiap kegiatan usaha Bank dan memastikan bahwa GCG telah dilaksanakan dengan sebaik-baiknya guna meningkatkan shareholder’s value dan menjaga kepercayaan stakeholder.

Bank juga berkomitmen untuk terus menyempurnakan pelaksanaan GCG yang mengedepankan prinsip moral dan etika serta praktik-praktik bisnis perbankan yang sehat,

Introduction

In the banking industry, qualified business activity is reflected by business growth and significant business expansion. Banks can flourish if they win the public’s trust.

The Implementation of Good Corporate Governance (GCG) principle is needed to gain the trust of the public and that of the international community, which are, essential conditions for the banking sector to experience excellent and sounds growth. In the banking industry, there is a strong sense of necevssity to apply the principles of GCG . It is influenced by the external and internal situation in banking of which becoming increasingly complex, the risk in banking operations increasingly diverse. These circumstances are increasing the demand for GCG practices in the banking industry.

Therefore, PT Bank Mizuho Indonesia is committed to continuously improving its implementation of GCG which puts emphasis on moral principles and ethics, as well as on sound business practices, so that the practice of corporate governance can be conducted in an excellent and sustainable manner in all of the Bank’s business activities.

Good Corporate Governance (GCG) in PT. Bank Mizuho Indonesia

PT. Bank Mizuho Indonesia (here in after referred to as the “**Bank**”) is aware of the importance of GCG in supporting business growth and providing added value to its stakeholders.

The implementation of GCG in its business activities has many advantages, among others, encouraging the more effective and efficient deployment of the company’s resources, generating sustainable economic value in the long term for the shareholders and communities in general, as well as being able to stand its ground in the increasingly competitive banking industry.

Therefore, the Bank has always stressed the importance of effective implementation of GCG practices by upholding a high level of commitment in implementing GCG principles in all of the Bank’s operations, and ensuring that GCG has been implemented as well as possible in order to increase our shareholder’s value and maintain the trust of our stakeholders.

To promote moral and ethical principles as well as sound banking practices, the Bank is committed to continuously improve the implementation of GCG. Therefore is

sehingga GCG akan senantiasa diterapkan pada setiap lini kegiatan usaha dan menjadi budaya yang berperan penting dalam kelangsungan usaha Bank di masa depan.

Bank berkeyakinan bahwa melalui penerapan GCG yang berkualitas, Bank akan mampu menghadapi tantangan-tantangan perubahan dan perkembangan di lingkungan internal maupun eksternal perbankan yang semakin kompleks yang pada gilirannya akan memberikan kontribusi yang bernilai terhadap peningkatan kinerja usaha dan kepercayaan para pemangku kepentingan.

Kepatuhan terhadap regulasi, penerapan manajemen risiko dan pengendalian internal (*internal control*) yang memadai dan efektif juga menjadi faktor yang sangat penting dalam rangka penyempurnaan pelaksanaan GCG pada Bank.

Komitmen yang tinggi dari Dewan Komisaris, Direksi, dan seluruh karyawan dalam melaksanakan kegiatan dan usaha untuk mencapai sasaran yang telah ditetapkan dengan senantiasa berpedoman pada prinsip-prinsip GCG yang diatur dalam Peraturan Bank Indonesia Nomor 8/4/PBI/2006 beserta perubahannya Nomor 8/14/PBI/2006 tentang Pelaksanaan *Good Corporate Governance* Bagi Bank Umum, dan Surat Edaran Bank Indonesia Nomor 15/15/DPNP tentang Pelaksanaan *Good Corporate Governance* Bagi Bank Umum, sebagai berikut:

- Transparansi (*transparency*) yaitu keterbukaan dalam mengemukakan informasi yang substansial dan relevan serta keterbukaan dalam melaksanakan proses pengambilan keputusan;

Pelaksanaan prinsip Transparansi tercermin antara lain melalui :

- Pengungkapan kepemilikan saham, hubungan keuangan dan hubungan keluarga serta remunerasi dan fasilitas lainnya oleh Dewan Komisaris dan Direksi melalui laporan pelaksanaan GCG
- Transparansi kondisi keuangan dan non keuangan Bank antara lain dalam bentuk Laporan Tahunan dan Laporan Keuangan Publikasi Triwulan
- Akuntabilitas (*accountability*) yaitu kejelasan fungsi dan pelaksanaan pertanggungjawaban organ bank sehingga pengelolaannya berjalan secara efektif;

Pelaksanaan prinsip Akuntabilitas tercermin antara lain melalui pembagian tugas dan tanggung jawab masing-masing anggota Direksi yang ditetapkan melalui Rapat Umum Pemegang Saham

continuously applied to all line of business and considered a culture, playing an important role in the Bank's continuity for the future

The Bank believes that through the implementation of GCG, it will be able to respond to the challenges of internal and external changes in the banking sector which are becoming increasingly complex, which will in turn generate valuable contributions toward the enhancement of business performance and toward gaining increasing trust from our stakeholders.

Compliance toward regulations, the implementation of risk management and adequate and effective internal control, have also become vital factors in the effort of improving GCG implementation at the Bank.

Strong commitment from the Board of Commissioners, Board of Directors and all other employees in performing the activities and efforts set by consistently looks toward GCG principles as regulated in Bank Indonesia Regulation No.8/4/PBI/2006 and its amendment No.8/14/PBI/2006 on the Implementation of Good Corporate Governance for Commercial Banks, and Bank Indonesia Circular Letter No. 15/15/DPNP on the Implementation of Good Corporate Governance for Commercial Banks. These are as follows:

- Transparency i.e. full disclosure in disclosing significant and relevant information, as well as transparency in decision making processes;

Implementation of the Principle of Transparency is shown, among other ways, through:

- Disclosure of shares ownership, financial relationship and family relationship as well as remuneration and other facilities by the Board of Commissioners and Board of Directors by reporting the implementation of GCG
- Transparency on financial and non - financial conditions of the Bank, among others, in form of an Annual Report and Quarterly Published Financial Reports.
- Accountability i.e. the clarity of functions and implementation of accountability by the Bank's organ, thus ensuring that the management of the Bank can be done effectively.

Implementation of the principle of Accountability is reflected, among other ways, through distribution of duties and responsibilities of each member of the Board of Directors, determined in the General Meeting of Shareholders

- Tanggung Jawab (*responsibility*) yaitu kesesuaian pengelolaan bank dengan peraturan perundang-undangan yang berlaku dan prinsip-prinsip pengelolaan bank yang sehat;

Pelaksanaan prinsip Tanggung Jawab (*responsibility*) tercermin antara lain melalui pelaksanaan tugas Direktur Kepatuhan dalam memastikan kepatuhan Bank terhadap ketentuan yang berlaku.

Disamping itu, Bank juga secara konsisten berupaya untuk memenuhi tanggung jawab sosial (*Corporate Social Responsibilities*) dan kontribusi kepada masyarakat sebagai warga perusahaan (*corporate citizen*) yang baik

- Independensi (*independency*) yaitu pengelolaan bank secara profesional tanpa pengaruh/tekanan dari pihak manapun;

Pelaksanaan prinsip Independensi tercermin antara lain melalui :

- Pembentukan Komisaris Independen
- Seluruh anggota Dewan Komisaris dan Direksi tidak saling memiliki hubungan keuangan, hubungan keluarga, hubungan kepengurusan, maupun kepemilikan saham

- Kewajaran (*fairness*) yaitu keadilan dan kesetaraan dalam memenuhi hak-hak para pemangku kepentingan yang timbul berdasarkan perjanjian dan peraturan perundang-undangan yang berlaku.

Kewajaran (*fairness*) mengandung unsur perlakuan yang adil dan kesempatan yang sama sesuai dengan proporsinya.

Dalam melaksanakan kegiatannya, Bank senantiasa memperhatikan kepentingan pemegang saham, konsumen dan pemangku kepentingan lainnya berdasarkan asas kewajaran dan kesetaraan dari masing-masing pihak yang bersangkutan.

Sebagai lembaga intermediasi dan lembaga kepercayaan, dalam melaksanakan kegiatan usahanya bank harus menganut prinsip keterbukaan (*transparency*), memiliki ukuran kinerja dari semua jajaran bank berdasarkan ukuran-ukuran yang konsisten sebagai corporate values, sasaran usaha dan strategi bank sebagai pencerminan akuntabilitas bank (*accountability*), berpegang pada prudential banking

- Responsibility i.e. the Bank's management performs its duties in accordance with prevailing laws and regulations and sound bank management principles;

Implementation of the principle of Responsibility is reflected among other ways, through implementation of duties of the Compliance Director in ensuring the Bank's compliance toward the prevailing rules and regulations.

In addition, the Bank consistently strives to fulfill its duties in the area of Corporate Social Responsibilities (CSR) and contribute toward society as a good corporate citizen.

- Independence i.e. the Bank is managed professionally without any influence / pressure from any party;

Implementation of the principle of Independency is reflected, among other ways, through:

- The forming of Independent Commissioners
- All members of the Board of Commissioners and Board of Directors have no financial relationships, family relationships, management relationship, nor shares ownership.

- Fairness i.e. fairness and equality in fulfilling the stakeholders' interests that arise based on agreements and prevailing rules and regulations.

Fairness contains elements of fair treatment and equal opportunity according to proportion.

In conducting its activities, the Bank always considers the interests of its shareholders, customers and other stakeholders based on the principles of fairness and equality of the party unrelated.

As an intermediary institution and an institution of trust, in conducting its business, the bank must embrace the principle of Transparency, having a measure of performance for all ranks in the Banks, based on measures that are consistent as corporate values, business objectives and the strategy of the bank, as a reflection of its accountability, adhering to the prudential banking practices, and ensuring compliance to

practices dan menjamin dilaksanakannya ketentuan yang berlaku sebagai wujud tanggung jawab bank (*responsibility*), objektif dan bebas dari tekanan pihak manapun dalam pengambilan keputusan (*independency*), serta senantiasa memperhatikan kepentingan seluruh stakeholders berdasarkan azas kesetaraan dan kewajaran (*fairness*).

Disamping itu, sebagai wujud komitmen Bank dalam menerapkan GCG, Dewan Komisaris dan Direksi senantiasa berusaha untuk menciptakan budaya kerja yang selaras dengan prinsip-prinsip tata kelola yang sehat serta berperan aktif dalam pelaksanaan 11 (sebelas) aspek GCG.

Dalam melaksanakan GCG, Bank tidak hanya berdasarkan pada Peraturan Bank Indonesia tentang Pelaksanaan *Good Corporate Governance* bagi Bank Umum, akan tetapi juga berpedoman pada prinsip-prinsip internasional (*international best practices*) yang berlaku mengingat Bank adalah anak perusahaan sebuah grup usaha finansial besar Jepang dengan jaringan kegiatan usaha yang mendunia.

Melanjutkan penilaian secara berkala yang telah dilaksanakan pada tahun-tahun sebelumnya, dengan berpedoman pada Surat Edaran Bank Indonesia Nomor 15/15/DPNP tentang Pelaksanaan *Good Corporate Governance* Bagi Bank Umum, Bank telah melakukan *self assessment* pelaksanaan GCG untuk periode tahun 2014 dengan peringkat 2 atau setara dengan predikat “**Baik**”.

Laporan Penilaian Sendiri (*Self Assessment*) Pelaksanaan GCG tersebut tersedia pada bagian akhir laporan ini.

A. Transparansi Pelaksanaan Prinsip-Prinsip GCG dalam Kegiatan Usaha dan Jenjang Organisasi Bank

1. Rapat Umum Pemegang Saham

Rapat Umum Pemegang Saham (“RUPS”) adalah organ perusahaan yang memegang kekuasaan tertinggi dalam perusahaan. Keputusan yang diambil dalam RUPS didasari pada kepentingan usaha perusahaan jangka pendek, menengah dan panjang yang dilakukan secara wajar dan transparan.

Mizuho Bank, Ltd, Jepang, selaku Pemegang Saham Pengendali dan PT Bank Negara Indonesia (Persero) Tbk., selaku pemegang saham lokal, memiliki komitmen dan perhatian yang serius terhadap penerapan GCG dalam setiap aspek-aspek kegiatan usaha Bank.

applicable regulations as a form of its responsibility, being objective and independent of any side pressure in decision-making, and always consider the interests of all stakeholders based on the principles of equality and fairness.

In addition, as a form of the Bank’s commitment in implementing GCG, the Board of Commissioners and Board of Directors always try to create a working culture that is in harmony with healthy management principles and to actively take part in the implementation of 11 (eleven) aspects of GCG.

In implementing GCG, the Bank shall refer not only to Bank Indonesia’s Regulation on the Implementation of Good Corporate Governance for Commercial Banks, but also to prevailing international best practices, given that the Bank is a subsidiary of a large Japanese financial business group with a global business network.

To continue periodic assessments that have been carried out in previous years, referring to Bank Indonesia Circular Letter No.15/15/DPNP on the Implementation of Good Corporate Governance for Commercial Banks, the Bank has conducted self assessment of GCG implementation for the period of year 2014 with a rating of 2 or equivalent to the predicate “**Good**”.

Self Assessment report on the Implementation of GCG is provided at the end of this report.

A. Transparency on the Implementation of GCG Principles in the Bank’s Business Activities and Organization Hierarchy

1. General Meeting of Shareholders

The General Meeting of Shareholders (“GMS”) is the highest authority in a company. Resolutions of the GMS are taken based on short, medium and long term interests of the company and conducted fairly and transparently.

Mizuho Bank Ltd, Japan, as the Controlling Shareholder and PT. Bank Negara Indonesia (Persero) Tbk., as the local shareholder, are seriously committed and have a strong interest in the implementation of GCG in all aspects of the Bank’s business activities.

RUPS Bank memiliki kewenangan yang tidak diberikan kepada Direksi atau Dewan Komisaris, antara lain, kewenangan untuk mengangkat dan memberhentikan anggota Dewan Komisaris dan Direksi, mengevaluasi kinerja Dewan Komisaris dan Direksi, menetapkan perubahan Anggaran Dasar Perseroan, memberikan persetujuan atas laporan tahunan perseroan, menetapkan alokasi penggunaan laba dan menetapkan gaji dan tunjangan bagi anggota Dewan Komisaris dan Direksi.

Penyelenggaraan dan pengambilan keputusan RUPS, baik dalam bentuk RUPS Tahunan maupun RUPS Luar Biasa senantiasa mengacu pada ketentuan dan mekanisme sebagaimana telah ditetapkan dalam Anggaran Dasar Bank dan ketentuan perundang-undangan yang berlaku.

Selama tahun 2014, Bank telah menyelenggarakan 13 (tiga belas) kali RUPS yang terdiri dari 1 (satu) kali RUPS Tahunan dan 12 (dua belas) kali RUPS Luar Biasa (RUPSLB) dengan penjelasan sebagai berikut:

- a. RUPS Tahunan yang diselenggarakan pada tanggal 27 Juni 2014 menghasilkan beberapa keputusan penting, antara lain:
 1. Persetujuan atas laporan tahunan Bank oleh Direksi untuk tahun buku 2013;
 2. Pengesahan laporan keuangan Bank untuk tahun buku yang berakhir pada 31 Desember 2013 yang telah diaudit oleh Akuntan Publik yang ditunjuk;
 3. Persetujuan dan pengesahan atas neraca dan laba rugi Bank untuk tahun buku yang berakhir pada 31 Desember 2013;
 4. Persetujuan dan pengesahan kebijakan manajemen dan anggaran perseroan untuk tahun buku 2014;
 5. Persetujuan penunjukan audit eksternal untuk tahun buku 2014;
 6. Persetujuan kebijakan remunerasi Dewan Komisaris dan Direksi untuk tahun 2014 - 2015;
 7. Pengesahan susunan anggota Dewan Komisaris dan Direksi Bank;
 8. Pengesahan atas pembagian tugas dan tanggung jawab diantara anggota Direksi.
- b. RUPS Luar Biasa melalui mekanisme pengambilan Keputusan yang diadakan sebagai pengganti RUPS (*Circular Resolution in lieu of Extrordinary General Meeting of Shareholders*) yang ditandatangani oleh masing-masing pemegang saham Bank, antara lain :
 1. Pada tanggal 9 Januari 2014 yang menghasilkan keputusan tentang Pengangkatan dan Penetapan

The Bank's GMS has the authority to implement actions which are not granted to the Board of Directors or the Board of Commissioners, including the authority to: appoint and discharge members of the Board of Commissioners and Board of Directors; evaluate the performance of Board of Commissioners and Board of Directors; determine amendments to the company's Articles of Association; approve the company's annual reports; approve the allocation of profit utilization, and to determine the salaries and remuneration for members of the Board of Commissioners and Board of Directors.

The holding of GMS and resolution in Annual GMS and Extraordinary GMS always refer to the provisions and mechanism as determined in the Bank's Articles of Association and to prevailing laws and regulations.

During the year 2014, the Bank held 13 (thirteen) GMS which consist of 1 (one) Annual GMS and 12 (twelve) Extraordinary GMS with the following explanation:

- a. Annual GMS, which convened on 27 June 2014, resolved several important resolutions, among others:
 1. Approval over the Bank's Annual Report for the fiscal year 2013;
 2. Ratification of the financial statement of the Bank for the fiscal year that ended on 31 December 2013, which was audited by appointed Public Accountant;
 3. Approval over and ratification over statement of financial position and statement of income of the Bank for the fiscal year ending 31 December 2013;
 4. Approval over and ratification of management policy and company's budget for the fiscal year 2014;
 5. Approval over the appointment of the external auditor for the fiscal year 2014;
 6. Approval over the remuneration policy for the Board of Commissioners and Board of Directors for the years 2014 - 2015;
 7. Ratification of the compositions of the Board of Commissioners and Board of Directors of the Bank;
 8. Ratification of the distribution of duties and responsibilities among members of the Board of Directors.
- b. Extraordinary GMS through mechanism of Circular Resolutions in lieu of Extraordinary GMS, signed by each shareholder, among others:
 1. On 9 January 2014 which resulted in a decision on the appointment and determination of the effective

tanggal efektif Sdr. Takuya Yamada sebagai Komisaris BMI untuk menggantikan Sdr. Azuma Sato pada 15 Januari 2014;

2. Pada tanggal 10 Maret 2014 dengan agenda untuk menyetujui penunjukan Sdr. Fumiro Kimura sebagai Wakil Presiden Direktur menggantikan Sdr. Hideki Takemoto efektif sejak 15 April 2014;
3. Pada tanggal 2 Mei 2014 dengan agenda untuk menyetujui penunjukan Sdr. Mitsunobu Hasegawa sebagai Presiden Direktur efektif pertanggal 19 Mei 2014;
4. Pada tanggal 11 Agustus 2014 dengan agenda untuk menyetujui penunjukan Sdri. Roosmaladewi sebagai Direktur Kepatuhan menggantikan Sdri. Sunarindrati Tjahjono;
5. Pada tanggal 19 September 2014 dengan agenda untuk menyetujui pencalonan Sdr. Takuya Ito sebagai Komisaris menggantikan Sdr. Katsuyuki Mizuma

2. Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris

Komposisi, Kriteria dan Independensi Dewan Komisaris

Komposisi

Peraturan Bank Indonesia No.8/4/PBI/2006 sebagaimana telah diubah sebagian dengan Peraturan Bank Indonesia No.8/14/PBI/2006 tentang Penerapan GCG bagi Bank Umum mengatur bahwa :

- a. Anggota Dewan Komisaris suatu Bank minimal berjumlah 3 (tiga) orang dan paling banyak sama dengan jumlah anggota Direksi.
- b. paling kurang 1 (satu) orang anggota Dewan Komisaris harus berdomisili di Indonesia
- c. paling kurang 50% (Lima puluh persen) dari jumlah anggota Dewan Komisaris merupakan Komisaris Independen.

Sesuai dengan peraturan Bank Indonesia tentang Pemanfaatan Tenaga Kerja Asing dan Program Alih Pengetahuan di Sektor Perbankan, bagi Bank yang 25% (dua puluh lima persen) atau lebih sahamnya dimiliki oleh warga negara asing dan atau badan hukum asing, dapat memanfaatkan Tenaga Kerja Asing antara lain untuk jabatan Komisaris dengan persyaratan 50% (lima puluh persen) atau lebih dari anggota Dewan Komisaris wajib berkewarganegaraan Indonesia.

date of Mr. Takuya Yamada as Commissioner BMI to replace Mr. Azuma Sato on 15 January 2014;

2. On 10 March 2014 with the agenda to approve the appointment of Mr. Fumiro Kimura as Deputy President Director replacing Mr. Hideki Takemoto effective since 15 April 2014;
3. On 2 May 2014 with the agenda to approve the appointment of Mr. Mitsunobu Hasegawa as President Director effective since 19 May 2014;
4. On 11 August 2014 with the agenda to approve the appointment of Ms. Roosmaladewi as Compliance Director replacing Ms. Sunarindrati Tjahjono;
5. On 19 September 2014 with agenda to approve the appointment of Mr. Takuya Ito replacing Mr.Katsuyuki Mizuma.

2. Implementation of Duties and Responsibilities of the Board of Commissioners

Composition, Criteria and Independency of the Board of Commissioners.

Composition

Bank Indonesia Regulation No.8/4/PBI/2006 as partially amended by Bank Indonesia Regulation No.8/14/PBI/2006 on the Implementation of GCG for Commercial Banks, regulates that :

- a. The number of members of the Board of Commissioners of a Bank shall be no less than 3 (three) persons and at the most equal the number of members in the Board of Directors.
- b. At least 1 (one) member of the Board of Commissioners must be domiciled in Indonesia.
- c. At least 50% (fifty percent) of the number of members of the Board of Commissioners shall be Independent Commissioners.

In accordance to Bank Indonesia Regulation on The Utilization of Expatriates and Transfer of Knowledge Program in the Banking Sector, stating that Banks in which 25% (twenty-five percent) or more of their shares are held by foreign citizens or foreign legal entities, may utilize expatriates, among others, for the position as Commissioners as long as 50% (fifty percent) or more of their members of the Board of Commissioners are Indonesian citizens.

Bank telah memenuhi ketentuan tersebut. Jumlah anggota Dewan Komisaris Bank adalah 4 (empat) orang, 2 (dua) diantaranya adalah Komisaris Independen, yang berkewarganegaraan Indonesia dan berdomisili di Indonesia.

Keberadaan Komisaris Independen bertujuan untuk mendorong terciptanya iklim dan lingkungan kerja yang lebih obyektif dan menempatkan kewajaran dan kesetaraan diantara kepentingan termasuk kepentingan pemegang saham minoritas dan pemangku kepentingan lainnya sebagai salah satu prinsip penting dalam pelaksanaan GCG.

Pada tahun 2014, terdapat penggantian anggota Dewan Komisaris yaitu:

- a. Pengangkatan Sdr. Takuya Imada menggantikan Sdr. Azuma Sato
- b. Pengangkatan Sdr. Takuya Ito menggantikan Sdr. Katsuyuki Mizuma

Susunan keanggotaan Dewan Komisaris Bank per tanggal 31 Desember 2014 adalah sebagai berikut:

Presiden Komisaris (Komisaris Independen) <i>President Commissioner (Independent Commissioner)</i>	: Rusdi Abdullah Djamil
Komisaris Independen <i>Independent Commissioner</i>	: Muhamad Muchtar
Komisaris <i>Commissioner</i>	: Takuya Ito
Komisaris <i>Commissioner</i>	: Takuya Imada

Kriteria

Seluruh anggota Dewan Komisaris telah memenuhi kriteria yang dipersyaratkan dan memiliki pengalaman panjang dibidang perbankan.

Seluruh pengangkatan dan/atau penggantian anggota Dewan Komisaris disetujui oleh RUPS sejalan dengan kriteria utama dengan mempertimbangkan integritas, kompetensi, profesionalisme dan reputasi keuangan yang memadai sesuai dengan persyaratan penilaian kemampuan dan kepatutan (*fit and proper test*) yang telah ditetapkan oleh Bank Indonesia.

Independensi Dewan Komisaris

Untuk menghindari benturan kepentingan, seluruh anggota Dewan Komisaris tidak saling memiliki hubungan keuangan dan hubungan keluarga dengan anggota Dewan Komisaris lainnya dan/atau anggota Direksi.

Seluruh Komisaris Independen tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan hubungan keluarga sampai dengan derajat kedua dengan

The Bank has complied to these requirements. The number of members of the Board of Commissioners is 4 (four) persons and 2 (two) of them are Independent Commissioners of Indonesian nationality / citizenship and domiciled in Indonesia.

The existence of the Independent Commissioners is aimed for creating a more objective climate and working environment and to create fairness and equality among the interests, including that of minority shareholders and other stakeholders, as one of the important principles in the practice of GCG.

In 2014, replacements were made to the members of the Board of Commissioners, namely:

- a. Appointment of Mr. Takuya Imada replacing Mr. Azuma Sato
- b. Appointment of Mr. Takuya Ito replacing Mr. Katsuyuki Mizuma

As per 31 December 2014, the composition of the Bank's Board of Commissioners is as follows :

Criteria

All members of the Board of Commissioners have met the required criteria and have bring with them extensive experiences in banking.

All of the appointments and/or replacements of members of the Board of Commissioners were approved by the GMS in accordance with the main criteria by taking into account the integrity, competence, professionalism and adequate financial reputation in line with the requirement of the Fit and Proper Test set by Bank Indonesia.

Independency of Board of Commissioners

To avoid any conflict of interests, all members of the Board of Commissioners must not have financial nor family relationships with other members of the Board of Commissioners and/or members of the Board of Directors.

All Independent Commissioners must not have financial, management, share ownership, nor family relationships, up to the second degree with other members of the

anggota Dewan Komisaris lainnya, Direksi dan/atau Pemegang Saham Pengendali, yang dapat mempengaruhi kemampuannya untuk bertindak independen.

Sehubungan dengan hal tersebut, seluruh anggota Dewan Komisaris Independen telah membuat dan menandatangani Surat Pernyataan Independensi.

Tugas dan Tanggung Jawab Dewan Komisaris

Dewan Komisaris mengawasi dan memastikan bahwa prinsip-prinsip GCG selalu diterapkan dalam setiap kegiatan usaha bank pada berbagai tingkatan dan jenjang organisasi sebagaimana ketentuan yang berlaku, antara lain tercermin dari hasil evaluasi Dewan Komisaris terhadap pelaksanaan kebijakan dan rencana strategis yang diambil oleh Direksi dalam Laporan Pengawasan Dewan Komisaris semester I dan II tahun 2014.

Dewan Komisaris telah melaksanakan kaji ulang terhadap pelaksanaan tugas dan tanggung jawab Direksi secara berkala. Kaji ulang tersebut dilaksanakan antara lain melalui rapat Dewan Komisaris dengan Direksi atau melalui laporan-laporan yang disampaikan oleh SKAI, Komite Audit dan Direktur Kepatuhan.

Dewan Komisaris juga telah menyediakan waktu yang memadai untuk melaksanakan tugas dan tanggung jawabnya secara optimal, serta berperan aktif dalam penyusunan kebijakan internal Bank dengan memberikan persetujuan / pengesahannya.

Disamping itu, Dewan Komisaris juga mengarahkan, memantau dan mengevaluasi pelaksanaan kebijakan strategis Bank, antara lain terhadap penyusunan *Corporate Plan* dan Rencana Bisnis Bank (RBB) serta evaluasi berkalanya.

Dewan Komisaris tidak terlibat dalam pengambilan keputusan kegiatan operasional Bank. Dengan berkoordinasi dengan Komite Audit dan departemen terkait, Dewan Komisaris telah memastikan bahwa Direksi telah menindaklanjuti temuan audit dan rekomendasi yang disampaikan oleh SKAI, Auditor Ekstern, serta Laporan Hasil Pemeriksaan Otoritas Jasa Keuangan dan/atau hasil pengawasan otoritas lainnya.

Mengingat 2 (dua) orang anggota Dewan Komisaris berdomisili di luar negeri, maka komunikasi aktif diantara anggota Dewan Komisaris dalam melaksanakan fungsi pengawasan adalah suatu keharusan. Untuk itu, dengan

Board of Commissioners, Board of Directors and/or Controlling Shareholders that may affect their ability to act independently.

In connection with the above matter, each Independent Commissioner has drawn up and signed a Statement of Independence.

Duties and Responsibilities of the Board of Commissioners

The Board of Commissioners has overseen and ensured that GCG is always applied in each of the Bank's business activities, and on all organizational levels and hierarchies, in accordance to prevailing rules and regulation, which is reflected, among other ways, by the results of the Board of Commissioners' evaluations over the implementation of policies and strategic plans by the Board of Directors in the Board of Commissioners' Supervision Report semesters I and II of the year 2014.

The Board of Commissioners has conducted periodical reviews over the implementation of Board of Directors' duties and responsibilities. These reviews have been conducted, among other ways, through meetings between the Board of Commissioners and Board of Directors or through reports submitted by Internal Audit, Audit Committee, and Compliance Director.

The Board of Commissioners has also provided adequate time to perform their duties and responsibilities optimally, as well as taken an active role in the establishment of the Bank's internal policy by providing their approval / endorsement.

In addition, the Board of Commissioners has also directed, monitored and evaluated the implementation of the Bank's strategic policy, among others, over the establishment of Corporate Plan and the Bank's Business Plan and its periodical reviews.

The Board of Commissioners is not involved in the decision-making of the Bank's operational activities. By coordinating with the Audit Committee and related departments, the Board of Commissioners has ensured that the Board of Directors has followed up on audit findings and recommendations made by Internal Audit, External Auditors, and Audit Reports by Financial Services Authority and / or the results of other supervisory authorities.

Considering that 2 (two) members of the Board of Commissioners are residing overseas, active communication among members of the Board of Commissioners in performing their supervisory functions is vital. Therefore,

dukungan satuan kerja *Corporate Relation Unit*, Dewan Komisaris telah menetapkan mekanisme komunikasi antara anggota Dewan Komisaris yang berdomisili di Indonesia dan di luar negeri, antara lain melalui faksimili, *e-mail* maupun media komunikasi lain dengan menggunakan format standar yang telah disepakati bersama.

Mekanisme komunikasi tersebut berjalan cukup efektif sehingga semua laporan atau informasi yang diperlukan dalam rangka pengawasan diterima dan diketahui oleh semua anggota Dewan Komisaris serta arahan dan nasehat terkait dengan fungsi pengawasan dari masing-masing anggota Dewan Komisaris telah dikomunikasikan dengan baik.

Dalam melaksanakan tugas dan tanggung jawabnya, Dewan Komisaris Bank telah dilengkapi pedoman kerja yang dihimpun dalam *Board Manual*. *Board Manual* juga telah mengatur mekanisme rapat Dewan Komisaris termasuk rapat yang dihadiri secara fisik oleh seluruh anggota, sehingga pelaksanaan tugas dan tanggung jawab pengawasan Dewan Komisaris terselenggara secara efektif dan efisien.

Pada tahun 2014, telah dilakukan revisi terhadap *Board Manual* dalam rangka menyesuaikan dengan peraturan – peraturan terkini yang relevan dengan aktivitas operasional Bank sebagai referensi pelaksanaan tugas pengawasan oleh Dewan Komisaris.

Rapat Dewan Komisaris

Selama tahun 2014, Dewan Komisaris telah mengadakan rapat fisik sebanyak 6 (enam) kali, dimana 1 (satu) diantaranya dihadiri oleh seluruh anggota Dewan Komisaris melalui teknologi telekonferensi.

Rapat tersebut diselenggarakan antara lain dalam rangka pembahasan terhadap rencana bisnis Bank dan penunjukan kembali anggota komite.

Diluar Rapat yang dihadiri secara fisik oleh seluruh anggota Dewan Komisaris tersebut, pengambilan keputusan yang diedarkan sebagai pengganti Rapat Dewan Komisaris dalam rangka menyetujui dan memberikan rekomendasi atas penetapan kebijakan dan keputusan strategis yang diambil oleh Direksi, telah pula dilakukan sebanyak 20 (dua puluh) kali.

Sebelum melakukan pengambilan keputusan yang diedarkan sebagai pengganti rapat, seluruh anggota Dewan Komisaris telah terlebih dahulu diberitahukan mengenai materi maupun kebijakan yang akan diputuskan. Pengambilan keputusan yang diedarkan tersebut, memiliki kekuatan hukum yang sama dengan keputusan yang diambil secara sah dalam Rapat Dewan Komisaris.

with the support of the Corporate Relation Unit, the Board of Commissioners has set a mechanism for communication among members who are domiciled in Indonesia and overseas, among others, via facsimile, e-mail or other communication media using the agreed standard format.

The communication mechanism has been running effectively so that all reports or required information in the course of supervision is received and acknowledged by all members of the Board of Commissioners, as well as, guidance and advice related to the supervisory function of each member of the Board of Commissioners have been well communicated / conveyed.

In performing its duties and responsibilities, the Bank's Board of Commissioners is equipped with working guidance assembled in the Board Manual. The Board Manual also regulates the Board of Commissioners meetings including meetings which are physically attended by all members, so that the duties and responsibilities of the Board of Commissioners are efficiently and effectively implemented.

In the year 2014, the Board Manual was revised in order to adjust it with updated regulations that are relevant to the Bank's current operational activities, as reference for implementing the Board of Commissioners' supervisory duties.

Meeting of the Board of Commissioners

During the year 2014, the Board of Commissioners convened 6 (six) times in physical meetings, of which 1 (one) meeting was attended by all members of the Board of Commissioners by means of teleconference technology.

Such meetings were held among other to discuss upon Bank's business plan and reconfirmation of Committee's members.

Other than meetings that were physically attended by all members of the Board of Commissioners, the Circular Resolutions in lieu of the Board of Commissioners' meetings in the course to approve and provide recommendations over the determination of policies and strategic decisions by the Board of Directors were convened 20 (twenty) times.

Prior to the Circular Resolutions in lieu of the meeting, all members of the Board of Commissioners were initially informed regarding the subject matter, as well as the policies to be decided by the relevant Circular Resolutions. Resolutions rendered through Circular Resolutions have the same legal power as that lawfully rendered in a Board of Commissioners meeting.

3. Kelengkapan dan Pelaksanaan Tugas Komite-Komite

Dalam rangka mendukung efektivitas fungsi pengawasan aktif Dewan Komisaris sesuai dengan semangat GCG, Dewan Komisaris telah membentuk 3 (tiga) Komite yaitu Komite Audit, Komite Pemantau Risiko dan Komite Remunerasi dan Nominasi dengan anggota yang memiliki keahlian yang relevan dan sesuai dengan yang dipersyaratkan. Pengangkatan anggota Komite-Komite tersebut diatas diputuskan oleh Dewan Komisaris dan ditetapkan oleh Direksi

1) Komite Audit

Struktur, Keanggotaan, Keahlian dan Independensi Anggota Komite Audit

Komite Audit dibentuk oleh Dewan Komisaris berdasarkan keputusan Rapat Dewan Komisaris pada tanggal 27 Juni 2007 dan masing-masing anggota Komite Audit diangkat oleh Direksi pada tanggal 28 Juni 2007.

Sesuai dengan Peraturan Bank Indonesia tentang Pelaksanaan GCG bagi Bank Umum, keanggotaan Komite Audit terdiri dari Komisaris Independen selaku ketua dan beranggotakan 1 (satu) orang Pihak Independen yang memiliki keahlian di bidang perbankan dan 1 (satu) orang Pihak Independen yang memiliki keahlian dibidang keuangan.

Selama tahun 2014, tidak terdapat penggantian dan/atau pengangkatan anggota Komite Audit. Susunan keanggotaan Komite Audit per tanggal 31 Desember 2014 adalah sebagai berikut:

Ketua / Komisaris Independen
Chairman / Independent Commissioner

: Rusdi Abdullah Djamil

Anggota / Pihak Independen
Member / Independent Party

: Achmad Herlanto Anggono

Anggota / Pihak Independen
Member / Independent Party

: Usmansjah Sulaiman

Tugas dan Tanggung Jawab Komite Audit

Dalam rangka membantu pelaksanaan tugas dan kewajiban pengawasan Dewan Komisaris, Komite Audit antara lain bertugas melakukan pemantauan dan evaluasi serta memberikan pendapat secara profesional dan independen kepada Dewan Komisaris terhadap perencanaan dan

3. The Completeness and Implementation of Committees' Duties

In the course of supporting the effectiveness of the Board of Commissioners' active supervisory functions in accordance with the spirit of GCG, the Board of Commissioners has formed 3 (three) committees - i.e. the Audit Committee, Risk Monitoring Committee and Remuneration and Nomination Committee, with members who have relevant expertise in line with the requirements. Appointment of members of such Committees was decided by the Board of Commissioners and determined by the Board of Directors

1) The Audit Committee

Structure, Membership, Skills And Independency of Members of Audit Committee

The Audit Committee was formed on 27 June 2007 pursuant to a decision of the Board of Commissioners. Each member of the Audit Committee was appointed by the Board of Directors on 28 June 2007.

In line with Bank Indonesia regulation regarding the Implementation of GCG for Commercial Banks, the Audit Committee's membership consists of 1 (one) Independent Commissioner as the chairman, 1 (one) Independent Party with banking skills, and 1 (one) Independent Party with expertise in the field of finance.

During 2014, there is no replacement and / or removal of members of the Audit Committee. The composition of members of the Audit Committee as per 31 December 2014, is as follows:

Duties And Responsibilities of the Audit Committee

In the course of assisting the implementation of the BOC's supervisory duties and responsibilities, the Audit Committee has the duties, among others, to monitor and evaluate as well as provide opinions professionally and independently to the Board of Commissioners over the planning and

pelaksanaan audit serta pemantauan atas tindak lanjut hasil audit dalam rangka menilai kecukupan pengendalian intern termasuk kecukupan proses pelaporan keuangan.

Disamping itu, dalam rangka memberikan rekomendasi kepada Dewan Komisaris, Komite Audit melakukan pengawasan evaluasi antara lain terhadap :

- a. pelaksanaan tugas Satuan Kerja Audit Intern;
- b. penunjukan Kantor Akuntan Publik;
- c. pelaksanaan fungsi Kepatuhan;

Dari awal pembentukan sampai dengan akhir tahun 2014, Komite ini telah berupaya untuk meningkatkan kualitas fungsi pemantauan dan evaluasi terhadap perkembangan dan tindak lanjut hasil audit dalam rangka menilai kecukupan pengendalian intern dan kecukupan proses pelaporan keuangan Bank sesuai dengan semangat GCG.

Tindak lanjut penyelesaian temuan hasil audit internal maupun eksternal termasuk audit yang dilakukan oleh pihak otoritas yang dilaksanakan selama tahun 2014 juga tidak luput dari pemantauan dan evaluasi Komite dan hasilnya telah dilaporkan secara berkala kepada Dewan Komisaris.

Komite ini juga berperan aktif dalam penunjukan Akuntan Publik dan Kantor Akuntan Publik (KAP) dengan memberikan rekomendasi atas penunjukan Akuntan Publik dan KAP oleh Bank untuk tahun 2014 kepada Dewan Komisaris untuk selanjutnya disampaikan oleh Dewan Komisaris dalam RUPS Tahunan yang diselenggarakan pada bulan Juni 2014.

Disamping itu, Komite juga telah melakukan kaji ulang terhadap kesesuaian pelaksanaan audit oleh auditor eksternal untuk tahun buku 2013 dan kesesuaian laporan keuangan Bank tahun 2013 dengan standar akuntansi yang berlaku.

Dalam rangka memastikan efektivitas pelaksanaan tugasnya, Komite telah menetapkan Pedoman dan Tata Tertib Kerja Komite Audit dan Komite Pemantau Risiko yang telah disepakati dan bersifat mengikat bagi setiap anggota Komite pada tanggal 27 Juni 2007 yang telah mengalami perubahan pada tahun 2009 guna mempertegas pengaturan mengenai rangkap jabatan anggota Komite. Selama tahun 2014 tidak terdapat perubahan terhadap Pedoman dan Tata Tertib Kerja Komite.

Rapat Komite Audit

Melalui pertemuan rutin anggota Komite yang dilakukan paling sedikit 1 (satu) kali seminggu, selama tahun 2014 Komite telah menyampaikan laporan dan rekomendasi

implementation of audits as well as to monitor over the follow up on audit results in the course of evaluating the adequacy of internal controls, including the adequacy of the financial reporting process.

In addition, in the course of providing recommendations to the Board of Commissioners, the Audit Committee conducts monitoring and evaluation among other over:

- a. implementation of duties of the Internal Audit Working Unit ;
- b. appointment of Public Accountant
- c. implementation of Compliance function.

From its establishment up to end of the year 2014, this Committee has endeavored to improve the quality of its monitoring and evaluating functions over the progress and follow up of audit result in the course of assessing the adequacy of internal controls and the Bank's financial reporting process in accordance with the spirit of GCG.

Follow-up on the completion of internal and external audit findings, including audit by related authorities during the year 2014, were also monitored and evaluated by the Committee and the results have been periodically reported to the Board of Commissioners.

The Committee also played an active role in the appointment of Certified Public Accountants and Public Accounting Firm (KAP) by providing recommendations over the appointment of the Bank's KAP for the year 2014 to the Board of Commissioners to be further conveyed by the Board of Commissioners in the Annual GMS held in June 2014.

In addition, the Committee has reviewed the appropriateness of the audit conducted by external auditors for the fiscal year 2013 and the conformity of the Bank's 2013 financial statements to prevailing accounting standards.

In the course of ensuring the effectiveness of the implementation of its duties, the Committee has determined Rules and Working Guidelines of the Audit Committee & Risk Monitoring Committee on 27 June 2007, which were agreed by and binds every member of the Committee and was revised in 2009 to affirm the stipulation pertaining to holding dual positions by a member of the Committee. During 2014, there was no revision to the Rules and Working Guideline of the Committee.

Audit Committee Meeting

Through regular meetings of the Committee's members, which were held at least once a week during the year 2014, the Committee submitted written reports and

tertulis mengenai hasil pemantauan dan evaluasi terhadap pelaksanaan audit oleh Satuan Kerja Audit Internal (SKAI) selama tahun 2014 kepada Dewan Komisaris.

Secara keseluruhan, pelaksanaan tugas dan tanggung jawab Komite yang dilakukan melalui pertemuan rutin yang diselenggarakan selama tahun 2014 telah berjalan efektif dan telah menghasilkan laporan dan rekomendasi yang bermanfaat dan dipergunakan sebagai bahan acuan keputusan dan rekomendasi Dewan Komisaris dalam rangka pelaksanaan tugas dan tanggung jawab pengawasan Bank. Kualitas dan efektivitas pelaksanaan tugas dan tanggung jawab Komite akan senantiasa ditingkatkan dimasa-masa yang akan datang.

2) Komite Pemantau Risiko

Struktur, Keanggotaan, Keahlian dan Independensi Anggota Komite Pemantau Risiko

Komite Pemantau Risiko dan susunan keanggotaannya telah dibentuk melalui keputusan rapat Dewan Komisaris tanggal 27 Juni 2007 dan berdasarkan keputusan Dewan Komisaris tersebut, masing-masing anggota Komite Pemantau Risiko diangkat oleh Direksi pada tanggal 28 Juni 2007.

Sesuai dengan Peraturan Bank Indonesia tentang Pelaksanaan GCG bagi Bank Umum, keanggotaan Komite Pemantau Risiko terdiri dari seorang Komisaris Independen, 1 (satu) orang Pihak Independen yang memiliki keahlian dibidang keuangan dan 1 (satu) orang Pihak Independen yang memiliki keahlian dibidang manajemen risiko.

Selama tahun 2014, tidak terdapat penggantian dan/atau pengangkatan anggota Komite Pemantau Risiko. Susunan keanggotaan Komite Pemantau Risiko per tanggal 31 Desember 2014 adalah sebagai berikut:

Ketua / Komisaris Independen <i>Chairman / Independent Commissioner</i>	: Muhamad Muchtar
Anggota / Pihak Independen <i>Member / Independent Party</i>	: Nanny Dewi
Anggota / Pihak Independen <i>Member / Independent Party</i>	: Ian Febrian

Tugas dan Tanggung Jawab Komite Pemantau Risiko

Komite ini bertanggung jawab membantu pelaksanaan tugas dan kewajiban pengawasan Dewan Komisaris, yaitu melakukan evaluasi tentang kesesuaian antara kebijakan manajemen risiko dengan pelaksanaan kebijakan tersebut

recommendations to the Board of Commissioners regarding the results of monitoring and evaluation on audits conducted by the Internal Audit Working Unit (SKAI) during the year 2014.

Overall, the performance of the Committee's duties and responsibilities, through regular meetings held during 2014, was effective and produced reports that provided useful recommendations and used as reference for the Board of Commissioners's resolutions and recommendations in the course of the implementation of supervisory duties and responsibilities over the Bank. The quality and effectiveness of the Committee's duties and responsibilities will continuously be enhanced in the future.

2) The Risk Monitoring Committee

Structure, Membership, Skills And Independency of Members of the Risk Monitoring Committee

The Risk Monitoring Committee and its membership composition were formed through a resolution of the Board of Commissioners on 27 June 2007, and based on the relevant resolution, each member of the Audit Committee was appointed by the Board of Directors on 28 June 2007.

In line with Bank Indonesia regulation regarding the Implementation of GCG for Commercial Banks, the membership of the Risk Monitoring Committee consists of 1 (one) Independent Commissioner, 1 (one) Independent Party who has expertise in finance, and 1 (one) Independent Party who has expertise in risk management.

During the year 2014, there was no replacement and/or appointment of the member of the Risk Monitoring Committee. The composition of members of the Risk Management Committee as per 31 December 2014, is as follows:

Duties And Responsibilities of the Risk Monitoring Committee

This Committee is responsible in assisting the implementation of the Board of Commissioners' supervising duties and responsibilities i.e. to evaluate the consistency between risk management policies and the implementation

dalam kegiatan Bank dan melakukan pemantauan serta evaluasi terhadap pelaksanaan tugas Komite Manajemen Risiko dan Satuan Kerja Manajemen Risiko, guna memberikan rekomendasi kepada Dewan Komisaris.

Dalam rangka pelaksanaan tugas dan tanggung jawabnya, pada tanggal 27 Juni 2007 Komite telah menetapkan Pedoman dan Tata Tertib Kerja Komite Audit dan Komite Pemantau Risiko yang disepakati dan bersifat mengikat bagi setiap anggota Komite pada yang telah mengalami perubahan pada tahun 2009 guna mempertegas pengaturan mengenai rangkap jabatan anggota Komite. Selama tahun 2014 tidak terdapat perubahan terhadap Pedoman dan Tata Tertib Kerja Komite.

Sebagaimana halnya Komite Audit, dari awal pembentukan sampai dengan akhir tahun 2014, Komite ini juga telah berupaya untuk meningkatkan kualitas fungsi pemantauan dan evaluasi terhadap penerapan kebijakan manajemen risiko Bank dengan melakukan evaluasi berkala terhadap laporan pertanggungjawaban Direksi terkait dengan pelaksanaan kebijakan manajemen risiko Bank dan evaluasi terhadap efektivitas pelaksanaan tugas Satuan Kerja Manajemen Risiko Bank, sesuai dengan semangat GCG.

Secara keseluruhan, pelaksanaan tugas dan tanggung jawab Komite yang dilakukan melalui pertemuan rutin yang diselenggarakan selama tahun 2014 telah berjalan efektif dan telah menghasilkan laporan dan rekomendasi yang bermanfaat dan dipergunakan sebagai bahan acuan keputusan dan rekomendasi Dewan Komisaris dalam rangka pelaksanaan tugas dan tanggung jawab pengawasan Bank. Kualitas dan efektivitas pelaksanaan tugas dan tanggung jawab Komite akan terus ditingkatkan dari waktu ke waktu.

Rapat Komite Pemantau Risiko

Melalui pertemuan rutin anggota Komite yang dilakukan paling sedikit 1 (satu) kali seminggu, selama tahun 2014 Komite telah menyampaikan laporan dan rekomendasi tertulis mengenai hasil pemantauan dan evaluasi terhadap pelaksanaan kebijakan manajemen risiko Bank kepada Dewan Komisaris.

Dari pelaksanaan rapat tersebut, Komite Pemantau Risiko telah melaksanakan pemantauan dan evaluasi atas kesesuaian pelaksanaan kebijakan manajemen risiko Bank yang dilakukan oleh Komite dengan melakukan kaji ulang terhadap laporan pertanggungjawaban Direksi atas pelaksanaan kebijakan manajemen risiko yang disampaikan secara triwulanan.

Guna mendapatkan gambaran dan pemahaman yang

of the relevant policies in the Bank's activities, and to monitor and evaluate the implementation of duties of the Risk Management Committee and the Risk Management Working Unit in order to provide recommendations to the Board of Commissioners.

In the course of implementing its duties and responsibilities, on 27 June 2007 the Committee issued the Rules and Working Guidelines of Audit Committee and Risk Monitoring Committee which were agreed upon and binding to all members of the Committee, which were revised in 2009 to affirm the stipulation regarding dual position members of the Independent Party in the Committee. During 2014, there was no revision to the Rules and Working Guideline of the Committee.

As in the case of the Audit Committee, since its formation up to the end of 2014, the Committee has endeavored to increase its monitoring and evaluation functions over the implementation of the Bank's risk management policy by conducting periodic evaluations over the Board of Directors' accountability relating to the implementation of the Bank's management policy and evaluation of the effectiveness of the Bank's Risk Management Working Unit's duties in accordance to the spirit of GCG.

Overall, the implementation of the Committee's duties and responsibilities conducted through regular meetings held during the year 2014, has been effective, and produced useful reports and recommendations to be used as reference for Board of Commissioners's resolutions and recommendations in the course of the implementation of its duties and supervisory responsibilities. The quality and effectiveness of the performance of the Committee's duties and responsibilities will continuously be enhanced from time to time.

Risk Monitoring Committee Meeting

Through routine meetings conducted by members of the Committee, which were convened at least once a week during 2014, the Committee submitted written reports and recommendations to the Board of Commissioners regarding results of monitoring and evaluation over the implementation of the Bank's risk management.

Through these meetings, the Risk Monitoring Committee has carried out monitoring and evaluation over the suitability of the implementation of the Bank's risk management policies which were conducted by the Committee by reviewing the Board of Directors's accountability reports on the implementation of risk management policy, which were submitted quarterly.

In order to get a thorough picture and understanding of the

menyeluruh dalam rangka pelaksanaan tugas pemantauan dan evaluasi tersebut, Komite juga melakukan pertemuan langsung baik dengan anggota Direksi, perwakilan Komite Manajemen Risiko maupun Satuan Kerja Manajemen Risiko guna membahas aspek-aspek tertentu pelaksanaan manajemen risiko Bank yang memerlukan perhatian dan memberikan rekomendasi perbaikan, apabila diperlukan.

3) Komite Remunerasi dan Nominasi

Struktur, Keanggotaan, Keahlian dan Independensi Anggota Komite Remunerasi dan Nominasi

Komite Remunerasi dan Nominasi dan susunan keanggotaannya dibentuk melalui keputusan rapat Dewan Komisaris yang diselenggarakan pada tanggal 31 Juli 2007. Berdasarkan keputusan Dewan Komisaris tersebut, masing-masing anggota Komite Remunerasi dan Nominasi diangkat oleh Direksi pada tanggal 31 Juli 2007.

Sesuai dengan kebijakan nominasi Bank, Komite berkewajiban untuk memberikan rekomendasi kepada Dewan Komisaris mengenai calon anggota Dewan Komisaris dan Direksi untuk disampaikan oleh Dewan Komisaris kepada RUPS.

Sesuai dengan Peraturan Bank Indonesia tentang Pelaksanaan GCG bagi Bank Umum, keanggotaan Komite Remunerasi dan Nominasi Bank terdiri dari 2 (dua) orang Komisaris Independen, 1 (satu) orang Komisaris non-Independen, 1 (satu) orang Pejabat Eksekutif Bank yang membawahkan sumber daya manusia.

Selama periode tahun 2014, terdapat pengangkatan Sdr. Takuya Imada menggantikan Sdr. Azuma Sato dan pengangkatan Sdr. Takuya Ito menggantikan Sdr. Katsuyuki Mizuma

Posisi 31 Desember 2014, susunan keanggotaan Komite Remunerasi dan Nominasi adalah sebagai berikut:

implementation of monitoring and evaluation of duties, the Committee also held meetings with members of the Board of Directors, representatives of the Risk Management Committee and Risk Management Unit, to discuss certain aspects of the Bank's risk management practices that require attention and recommendations for improvement, whenever necessary.

3) The Remuneration and Nomination Committee

Structure, Membership, Skills And Independency of Members of Remuneration and Nomination Committee

The Remuneration and Nomination Committee and its membership were formally established through a resolution of the Board of Commissioners on 31 July 2007. Based on the relevant resolution, each member of the Remuneration and Nomination Committee was appointed by the Board of Directors on 31 July 2007.

In accordance with the Bank's nomination policy, the Committee is obliged to provide recommendations to the Board of Commissioners regarding candidates for member of the Board of Commissioners and Board of Directors to be submitted by the Board of Commissioners to the GMS.

In line with Bank Indonesia regulation regarding the Implementation of GCG for Commercial Banks, the Remuneration and Nomination Committee membership consists of 2 (two) Independent Commissioners, 1 (one) Non-Independent Commissioner, and 1 (one) Executive Official in charge of human resources.

During the period of 2014, the appointment of Mr. Takuya Imada was conducted, to replace Mr. Azuma Sato and the appointment of Mr. Takuya Ito replacing Mt. Katsuyuki Mizuma

As of 31 December 2014, the composition of members of the Remuneration and Nomination Committee is as follows:

Ketua / Komisaris Independen <i>Chairman / Independent Commissioner</i>	: Rusdi Abdullah Djamil
Anggota / Komisaris Independen <i>Member / Independent Commissioner</i>	: Muhamad Muchtar
Anggota / Komisaris <i>Member / Commissioner</i>	: Takuya Ito
Anggota / Komisaris <i>Member / Commissioner</i>	: Takuya Imada
Anggota / Pejabat Eksekutif <i>Member / Executive Official</i>	: Bowo Trahutomo Suharso

Tugas dan Tanggung Jawab Komite Remunerasi dan Nominasi

Komite ini bertugas dan bertanggung jawab atas hal-hal yang terkait dengan kebijakan remunerasi yaitu melakukan evaluasi terhadap kebijakan remunerasi Bank dan memberikan rekomendasi kepada Dewan Komisaris mengenai kebijakan remunerasi bagi Dewan Komisaris dan Direksi untuk disampaikan kepada RUPS dan kebijakan remunerasi bagi Pejabat Eksekutif dan karyawan Bank untuk disampaikan kepada Direksi.

Dalam rangka pelaksanaan tugas dan tanggung jawabnya, Komite Remunerasi dan Nominasi telah menetapkan Pedoman dan Tata Tertib Kerja yang telah disepakati dan bersifat mengikat bagi setiap anggota Komite pada tanggal 20 Agustus 2007. Pada tahun 2014 telah dilakukan perubahan atas Pedoman dan Tata Tertib Kerja tersebut.

Sama halnya Komite-Komite lain, dari awal pembentukan sampai dengan akhir tahun 2014, Komite Remunerasi dan Nominasi telah berupaya menjalankan fungsi pemantauan dan evaluasi terhadap aspek-aspek pelaksanaan kebijakan remunerasi dan nominasi Bank.

Laporan hasil evaluasi dan rekomendasi atas penetapan paket remunerasi anggota Dewan Komisaris dan Direksi untuk tahun 2014 - 2015 telah disampaikan Komite kepada Dewan Komisaris dan selanjutnya telah disampaikan oleh Dewan Komisaris kepada RUPS melalui RUPS Tahunan pada bulan Juni 2014.

Secara keseluruhan, pelaksanaan tugas dan tanggung jawab Komite Remunerasi dan Nominasi selama tahun 2014 telah berjalan efektif melalui pertemuan dan pembahasan intensif mengenai hal-hal yang terkait dengan kebijakan remunerasi Bank dan telah menghasilkan laporan dan rekomendasi yang bermanfaat dan dipergunakan sebagai bahan acuan keputusan dan rekomendasi Dewan Komisaris dalam rangka pelaksanaan tugas dan tanggung jawab pengawasan Bank.

Duties and Responsibilities of Remuneration and Nomination Committee

This Committee has the duties and responsibilities on matters relating to remuneration policy i.e. to conduct evaluations over the Bank's remuneration policy and provide recommendations to the Board of Commissioners regarding remuneration policy for the Board of Commissioners and Board of Directors to be submitted to the GMS and the remuneration policy for the Executive Officials and the Bank's employees to be submitted to the Board of Directors.

In the course of the implementation of its duties and responsibilities, on 20 August 2007 the Remuneration and Nomination Committee has issued the Rules and Working Guidelines of the Remuneration and Nomination Committee which were agreed by and bind all members of the Committee. In 2014 there was an amendment for rules and working guidelines.

Similar with other Committees, since their formation up to the end of 2014, the Remuneration and Nomination Committee has endeavored to implement its monitoring and evaluation functions over the implementation of the Bank's remuneration and nomination policy aspects.

Reports on evaluation results and recommendations over the Remuneration Package for members of the Board of Commissioners and Board of Directors for years 2014 – 2015 were submitted by the Committee to the Board of Commissioners and subsequently were submitted by the Board of Commissioners to GMS through the Annual GMS, which was held in June 2014.

Overall, the performance of the Remuneration and Nomination Committee's duties and responsibilities during 2014 has been effectively implemented through meetings and intensive discussions regarding matters relating to the Bank's remuneration policy, and resulted in beneficial reports and recommendations to be used as reference for the Board of Commissioners' resolutions and recommendations with regard to the implementation of its supervisory duties and responsibilities toward the Bank.

Rapat-Rapat Komite / Meetings of Committees

Periode: Januari - Desember 2014 / Period: January - December 2014

Frekuensi / Frequency	Rapat Komite / Committee Meetings					
	Komite Audit Audit Committee		Komite Pemantau Resiko Risk Monitoring Committee		Komite Remunerasi Dan Nominasi Remuneration and Nomination Committee	
	Rapat Fisik Physical Meeting	Rapat Lainnya Other Meetings (*)	Rapat Fisik Physical Meeting	Rapat Lainnya Other Meeting*)	Rapat Fisik Physical Meeting	Rapat Lainnya Other Meeting*)
Rusdi A. Djamil	19	30	-	-	8	-
Muhamad Muchtar	-	-	5	45	8	-
Azuma Sato	-	-	-	-	1	-
Katsuyuki Mizuma	-	-	-	-	5	-
Takuya Ito**	-	-	-	-	1	-
Takuya Imada***	-	-	-	-	7	-
Achmad Herlanto Anggono	19	30	-	-	-	-
Ian Febrian	-	-	5	43	-	-
Nanny Dewi	-	-	5	37	-	-
Usmansjah Sulaiman	19	27	-	-	-	-
Bowo Trahutomo Suharso	-	-	-	-	8	-

* Kunjungan rutin ke Bank / Routine visit to the Bank

** Takuya Ito menggantikan / is replacing Katsuyuki Mizuma

*** Takuya Imada menggantikan / is replacing Katsuyuki Mizuma

4. Pelaksanaan Tugas dan Tanggung Jawab Direksi

Sebagai organ perusahaan yang mengemban fungsi eksekutif, Direksi bertanggung jawab penuh atas pengurusan Bank sehari-hari termasuk mengimplementasikan strategi dan rencana jangka panjang serta jangka pendek Bank, sesuai dengan kewenangan dan tanggung jawabnya sebagaimana diatur dalam Anggaran Dasar dan peraturan perundang-undangan yang berlaku.

4. Implementation of the Board of Directors's Duties and Responsibilities

As the company's organ responsible for the executive function, the Board of Directors is fully responsible for the Bank's daily management, including the implementation of the Bank's short-term and long-term strategies according to its authority as stipulated in the Articles of Association and prevailing rules and regulations.

Komposisi, Kriteria dan Independensi Direksi

Selama tahun 2014, terdapat pengangkatan atau penggantian anggota Direksi. Susunan Keanggotaan Direksi Bank per tanggal 31 Desember 2014 adalah sebagai berikut:

Presiden Direktur/President Director	: Mitsunobu Hasegawa
Wakil Presiden Direktur/Deputy President Director	: Fumiro Kimura
Direktur/Director	: Roosmaladewi
Direktur/Director	: Silvia Lidwina Schram
Direktur/Director	: Leonard Wilson Lay
Direktur/Director	: Mikiro Yamamoto
Direktur/Director	: Djadi

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

Anggota Direksi baik secara sendiri-sendiri atau bersama-sama tidak memiliki saham melebihi 25% (dua puluh lima persen) dari modal disetor pada suatu perusahaan lain.

Anggota Direksi tidak memberikan kuasa umum kepada pihak lain yang mengakibatkan pengalihan tugas dan fungsi Direksi.

Seluruh anggota Direksi memiliki integritas, kompetensi, profesionalisme dan reputasi keuangan yang memadai sesuai dengan persyaratan penilaian kemampuan dan kepatutan (*Fit and Proper Test*) yang telah ditetapkan oleh Bank Indonesia.

Tugas dan Tanggung Jawab Direksi

Berdasarkan Keputusan RUPS Tahunan tertanggal 27 Juni 2014, pembagian tugas dan tanggung jawab diantara anggota Direksi adalah sebagai berikut:

- Sdr. Mitsunobu Hasegawa, Presiden Direktur membawahkan departemen *Internal Audit*;
- Sdr. Fumiro Kimura, Wakil Presiden Direktur, membawahkan departemen-departemen *Loan Administration, Operation Planning & Control, Information Technology, Integrated System Development, General Affairs*, dan beberapa unit-unit yaitu *Corporate Relation dan Intra Office Inspection*;
- Sdr. Mikiro Yamamoto, Direktur, membawahkan departemen-departemen *Business Development, Treasury, Corporate Customer Service and Corporate Development Department*;

Composition, Criteria and Independency of the Board of Directors

During the year 2014, there were no appointment or replacement of member of the Board of Directors. As per 31 December 2014, the composition of members of the Board of Directors is as follows:

All of the members of the Board of Directors do not have financial nor family relationships with one another up to the second degree with other members of the Board of Directors and/or Board of Commissioners.

Members of the Board of Directors, either individually or jointly, do not hold shares of more than 25% (twenty-five percent) of the paid-in capital in another company.

Members of the Board of Directors do not give proxies to other parties resulting in the transfer of duties and functions of the Board of Directors.

All members of the Board of Directors have the integrity, competence, professionalism, and financial reputation required by the Fit and Proper Test set by Bank Indonesia.

Duties And Responsibilities of the Board of Directors

Based on Resolution of the Annual GMS dated 27 June 2014, the distribution of duties and responsibilities among members of the Board of Directors is as follows:

- Mr. Mitsunobu Hasegawa, President Director, is in charge of the Internal Audit Department;
- Mr. Fumiro Kimura, Deputy President Director, is in charge of the Loan Administration, Operations Planning & Control, Information Technology, Integrated System Development, General Affairs, and the Corporate Relation and Intra Office Inspection units;
- Mr. Mikiro Yamamoto, Director, is in charge the Business Development, Treasury, Corporate Customer Service and Corporate Development Departments;

- Sdri. Roosmaladewi, Direktur, membawahkan departemen-departemen Kepatuhan dan Hukum ;
- Sdri. Silvia Lidwina Schram, Direktur, membawahkan departemen-departemen *Financial, Control & Planning* dan *Human Resources*;
- Sdr. Leonard Wilson Lay, Direktur, membawahkan departemen-departemen *Credit Risk Control* dan Manajemen Risiko.
- Sdr. Djadi, Direktur, membawahkan departemen-departemen *Treasury Settlement, Operation, Bills,* dan *Remittance*.

Seluruh anggota Direksi tidak memiliki jabatan rangkap baik sebagai anggota Dewan Komisaris, Direksi, dan Pejabat Eksekutif pada Bank, perusahaan dan/atau lembaga lain.

Sesuai dengan ketentuan Bank Indonesia, Direksi selalu mengungkapkan kebijakan Bank yang bersifat strategis di bidang kepegawaian kepada seluruh pegawai melalui rapat bulanan dan media lainnya maupun melalui pembahasan rutin dengan Serikat Pekerja.

Dalam melaksanakan tugas dan tanggung jawab pengurusan dengan senantiasa mengedepankan prinsip kehati-hatian dalam setiap kegiatan usaha dan jenjang organisasi Bank.

Direksi telah memiliki pedoman kerja yang telah dibukukan dalam *Board Manual*. *Board Manual* antara lain mencantumkan pengaturan rapat Direksi yaitu 1 (satu) kali seminggu atau apabila dianggap perlu. Pada tahun 2014, telah dilakukan revisi terhadap *Board Manual* dalam rangka menyesuaikan dengan peraturan – peraturan terkini yang relevan dengan aktifitas operasional Bank sebagai referensi pelaksanaan tugas dan tanggung jawab pengurusan Direksi.

- Ms. Roosmaladewi, Director, is in charge of the Compliance and Legal Departments;
- Mrs. Silvia Lidwina Schram, Director, is in charge of the Financial, Control & Planning Department and Human Resources Department;
- Mr. Leonard Wilson Lay, Director, is in charge of the Credit Risk Control Department and Risk Management Department;
- Mr. Djadi, Director, is in charge of the Departments of Treasury Settlement, Operation, Bills, and Remittance.

All members of the Board of Directors are not holding dual positions as Commissioner, Directors nor Executive Officials in the Bank, and/or in other companies or institutions.

In line with Bank Indonesia Regulations, the Board of Directors has disclosed the Bank's strategic policies on employee related matters to all employees through monthly meetings and other media as well as in routine meetings with the Labor Union.

In performing its daily management duties and responsibilities, the Board of Directors at all times prioritizes prudential principle in all business activity and organization hierarchies of the bank.

The Board of Directors has a working guidelines as stated in the Board Manual which rules determine, amongst others, states that the Board of Director's meetings, shall be held once a week or whenever deemed necessary. In 2014, the Board Manual was revised in the course of making adjustments to the most recent regulations that are relevant to the Bank's operational activities as referenced in implementing managing duties and responsibilities of the Board of Directors.

Rapat - Rapat Dewan Komisaris dan Direksi <i>Meetings of the Board of Commissioners and Board of Directors</i> Periode: Januari - Desember 2014 <i>Period: January - December 2014</i>						
	Rapat Dewan Komisaris <i>Board of Commissioners Meetings</i>			Rapat Dewan Komisaris dan Direksi <i>Board of Commissioners and Board of Directors Meetings</i>	Rapat Direksi <i>Board of Directors Meetings</i>	
Frekuensi/Frequency	Rapat Fisik	Rapat lainnya Other Meetings*	Keputusan Lainnya Circular	Rapat Meetings	Rapat Fisik Physical Meetings	Keputusan Lainnya Circular Resolutions
Rusdi A. Djamil	6	40	20	3	-	-
Muhamad Muchtar	5	43	20	3	-	-
Katsuyuki Mizuma	6	-	17	2	-	-
Takuya Ito	-	-	3	1	-	-
Azuma Sato	-	-	1	-	-	-
Takuya Imada	5	-	19	3	-	-
Akihiro Saito	-	-	-	1	12	7
Mitsunobu Hasegawa	-	-	-	2	24	2
Hideki Takemoto	-	-	-	1	11	5
Fumiro Kimura	-	-	-	2	28	4
Sunarindrati Tjahjono	-	-	-	1	4	5
Roosmaladewi	-	-	-	2	18	2
Silvia Lidwina Schram	-	-	-	3	38	9
Mikiro Yamamoto	-	-	-	2	19	2
Djadi Lee	-	-	-	2	20	2
Leonard Wilson Lay	-	-	-	3	39	9

* Kunjungan rutin ke Bank/ *Routine visit to Bank.*

Disamping itu, untuk memastikan berjalannya prinsip-prinsip GCG dalam setiap kegiatan dan operasional Bank pada segenap jenjang organisasi Bank, Direksi telah membentuk Satuan Kerja Audit Intern, Satuan Kerja Manajemen Risiko dan Satuan Kerja Kepatuhan. Direksi juga telah membentuk beberapa komite eksekutif yang bertugas membantu pelaksanaan tugas pengurusan Direksi terhadap beberapa aspek kegiatan usaha dan operasional yang strategis yaitu:

1) Komite Manajemen Risiko

Komite Manajemen Risiko bertugas membantu Direksi dalam menetapkan kebijakan, strategi dan prosedur Manajemen Risiko serta melakukan evaluasi dan penyempurnaan pelaksanaan kebijakan dan strategi serta prosedur manajemen risiko Bank.

In addition to ensuring the integration of GCG principles into all of the Bank's operations and activities, at all levels of the Bank's, the Board of Directors has issued the Internal Audit, Risk Management and Compliance working units. The Board of Directors has also formed several executive committees to assist the performance of management duties and responsibilities of the Board of Directors for particular aspect of business activities and strategic operational activities:

1) The Risk Management Committee

The Risk Management Committee's duties are to assist the Board of Directors in determining risk management policies, strategies and procedures, and to conduct evaluations over and improvements on the implementation of the Bank's risk management policies, strategies and procedures.

Komite Manajemen Risiko beranggotakan Presiden Direktur, Wakil Presiden Direktur, para Direktur serta Kepala departemen-departemen Manajemen Risiko, *Credit Risk Control*, *Financial Control & Planning*, *Internal Audit* dan *Operation Planning & Control*.

Hasil evaluasi dan rekomendasi atas penyempurnaan pelaksanaan kebijakan manajemen risiko Bank disampaikan kepada Direksi (yang juga merupakan anggota Komite Manajemen Risiko) melalui pertemuan yang diselenggarakan secara berkala dan pertemuan insidental lainnya.

2) Komite Kebijakan Kredit

Komite ini bertugas membantu Direksi dalam menyusun kebijakan dan prosedur perkreditan dan melakukan pemantauan dan/atau evaluasi terhadap pelaksanaan kebijakan perkreditan Bank secara keseluruhan.

Komite Kebijakan Kredit diketuai oleh Presiden Direktur dan beranggotakan Wakil Presiden Direktur, para Direktur, dan Kepala departemen-departemen *Credit Risk Control*, *Business Development*, Manajemen Risiko, Kepatuhan, *Internal Audit*, dan *Loan Administration*.

Komite Kebijakan Kredit melakukan pertemuan berkala guna membahas dan mengevaluasi pelaksanaan kebijakan kredit selama tahun 2013, antara lain mengenai perkembangan dan kualitas portofolio kredit secara keseluruhan dan kecukupan pencadangan untuk kredit bermasalah, menelaah aspek-aspek kepatuhan Bank terhadap ketentuan yang berlaku dan kebijakan internal yang terkait dengan perkreditan, kesimpulan dan rekomendasi hasil audit internal dibidang perkreditan dan penyempurnaan beberapa kebijakan dan prosedur terkait dengan perkreditan.

3) Komite Kredit

Komite ini merupakan komite operasional yang melakukan evaluasi dan membantu Presiden Direktur dalam mengambil keputusan atas pengajuan kredit untuk jumlah dan kriteria tertentu, termasuk juga menyetujui dan/atau menolak pengajuan penyelesaian kredit macet.

Komite Kredit diketuai oleh Presiden Direktur dan beranggotakan Direktur yang membawahkan *Credit Risk Control*; Direktur yang membawahkan *Business Development*, dan Kepala Departemen *Business Development* yang berkepentingan.

Pengajuan kredit dalam jumlah dan kriteria tertentu yang memerlukan keputusan rapat Kredit Komite antara lain adalah kredit kepada debitur baru dengan total eksposur

Members of the Risk Management Committee are the President Director, Deputy President Director, the Directors, and Department Heads of Management Risk, Credit Risk Control, Financial Control & Planning, Internal Audit and Operation Planning & Control.

Evaluation and recommendation result, for improvement to the Bank's risk management policies are submitted to the Board of Directors (which is also a member of the Risk Management Committee), through periodical meetings and other incidental meetings.

2) The Credit Policy Committee

The Credit Policy Committee's duties are to assist the Board of Directors in determining credit policies and procedures, as well as conducting monitoring and evaluation over the overall implementation of credit policies and procedures in the Bank.

The Credit Policy Committee is chaired by the President Director with members consisting of the Deputy President Director, the Directors, and the Department Heads of Credit Risk Control, Business Development, Risk Management, Compliance, Internal Audit, and Loan Administration.

The Committee has held periodic meetings to discuss and evaluate the implementation of credit policies during the year 2013, which included: the development and quality of overall credit portfolio and sufficiency of reserve for non-performing loans, observations of the Bank's compliance to prevailing regulations and internal provisions in credit areas, conclusions and recommendations of internal audit results in credit areas, and improvements to a number of policies and procedures related to credit.

3) The Credit Committee

The Credit Committee is an operational committee which conducts evaluations and assists the President Director in deciding on credit applications in certain amount and criteria, including approving and/or rejecting applications for bad debt settlements.

The Credit Committee is chaired by the President Director, and consists of the Director who oversees Credit Risk Control; Director who oversees Business Development, and Head of Business Development Departments.

Credit applications in certain amount and criteria that require decisions from the Credit Committee among others, are credits to new debtors with total exposure amounting

senilai sama dengan atau lebih dari USD 10,000,000 (sepuluh juta Dolar Amerika Serikat) atau nilai setara dalam mata uang lainnya dan kredit kepada debitur yang sedang berjalan dengan total eksposur senilai sama dengan atau lebih dari USD 30,000,000 (tiga puluh juta Dolar Amerika Serikat) atau nilai setara dalam mata uang lainnya; dan/atau kredit yang akan diberikan kepada nasabah yang memiliki peringkat kredit rendah sesuai dengan ketentuan Bank Indonesia yang berlaku.

4) Komite Pengarah Teknologi Informasi (TI) (“IT Steering Committee”)

IT Steering Committee membantu tugas dan tanggung jawab pengurusan Direksi mengenai perencanaan dan penerapan teknologi informasi Bank, yaitu merumuskan dan mengajukan proyek pengembangan dan infrastruktur bidang TI serta melakukan evaluasi dan pelaporan atas perkembangan dan hasil pengembangan dan infrastruktur TI tersebut kepada Direksi.

Anggota tetap *IT Steering Committee* terdiri dari Presiden Direktur, Wakil Presiden Direktur, Direktur yang membawahkan Manajemen Risiko, Kepala dan Wakil Kepala Departemen TI, Kepala Departemen Manajemen Risiko, Kepala Departemen *Integrated System Development*, Kepala Departemen *Operation, Planning & Control*.

Komite ini bertugas memberikan rekomendasi kepada Direksi mengenai rencana strategis TI dan kesesuaian antara proyek-proyek TI yang telah disetujui dengan rencana strategis TI serta kesesuaian TI dengan kebutuhan sistem informasi manajemen dan kegiatan usaha Bank.

Selain itu, Komite ini juga bertugas untuk memantau kinerja TI dan upaya peningkatannya serta hal-hal lainnya yang berhubungan dengan penerapan manajemen risiko di bidang TI.

IT Steering Committee melakukan pertemuan berkala sedikitnya 2 (dua) kali dalam setahun guna membahas dan mengevaluasi perkembangan dan penyelesaian beberapa proyek TI dan memberikan rekomendasi atas penetapan Rencana Strategis TI Bank oleh Direksi.

5) Assets and Liabilities Committee (ALCO)

Komite ini bertugas membantu Direksi dalam memastikan efektivitas pelaksanaan *Asset Liability Management (ALM)* dan pengawasan manajemen risiko Bank khususnya yang terkait dengan eksposur risiko suku bunga, nilai tukar dan likuiditas.

to or more than USD 10,000,000 (ten million United States Dollar) or its equivalent in other currencies; credits to existing debtors with a total exposure amounting to or more than USD 30,000,000 (thirty million United States Dollar) or its equivalent in other currencies; and/ or credits to be granted to customers that are categorized as having low credit rating according to the prevailing Bank Indonesia regulations.

4) The Information Technology (IT) Steering Committee

The IT Steering Committee is formed to assist the implementation of the Board of Directors’s duties and responsibilities in relation to the planning and implementing of the Bank’s IT i.e. formulating and proposing IT development and infrastructure projects, as well as, evaluating and reporting the progress and results of IT development and infrastructure projects to the Board of Directors.

Permanent members of the IT Steering Committee are the President Director, Deputy President Director, the Director in charge of Risk Management, Head and Assistant Head of IT Department, and the Department Heads of Risk Management, Integrated System Development, and Operation, Planning & Control.

The Committee’s duties are to give recommendations to the Board of Directors regarding IT’s strategic plans and suitability between the determined IT projects and IT’s strategic plan, as well as suitability between the necessity of IT and that of management information systems and the Bank’s business activities.

The Committee also has the duty to monitor the performance of IT and efforts to improve it, as well as other matters relating to the application of risk management in the field of IT.

The IT Steering Committee holds regular meetings at least twice a year to discuss and evaluate the development and completion of several IT projects, and gives recommendations over the determination of the Bank’s IT strategic plan by the Board of Directors.

5) The Assets and Liabilities Committee (ALCO)

The Assets and Liabilities Committee’s duties are to ensure the effectiveness of the implementation of Asset Liability Management (ALM) and supervision of the Bank’s risk management, particularly relating to risk exposure associated with interest rate, foreign exchange and liquidity.

Komite ini diketuai oleh Presiden Direktur dan beranggotakan Wakil Presiden Direktur, Direktur yang membawahkan Departemen Manajemen Risiko dan Direktur yang membawahkan Departemen *Financial, Control & Planning*, Direktur yang membawahkan Departemen *Treasury*, Kepala Departemen *Treasury*, Kepala Departemen *Financial, Control & Planning* dan Kepala Departemen Manajemen Risiko.

Komite ini melaksanakan pertemuan rutin secara bulanan guna membahas dan mengevaluasi kinerja pengelolaan aktiva dan kewajiban serta kecukupan likuiditas Bank untuk selanjutnya menetapkan kebijakan strategis terkait dengan pengelolaan eksposur risiko yang berhubungan dengan posisi dana dan valuta asing yang dimiliki oleh Bank.

6) Komite Produk dan Aktivitas Baru

Komite ini bertugas untuk memastikan berjalannya proses telaah yang memadai terhadap aspek-aspek penting yang melingkupi produk dan/aktivitas baru yang akan dipasarkan atau diluncurkan oleh Bank.

Penelitian dan analisis kepatuhan dan manajemen risiko terhadap produk dan/atau aktivitas baru merupakan bagian penting dan menjadi perhatian Komite, disamping kesiapan Bank terkait aspek hukum dan aspek operasional lainnya seperti sistem dan prosedur, sistem informasi akuntansi dan teknologi informasi sehubungan dengan pemasaran dan peluncuran produk dan/atau aktivitas baru tersebut.

Komite ini diketuai oleh Presiden Direktur dan unit kerja Manajemen Risiko sebagai sekretaris Komite. Anggota Komite lainnya adalah anggota Direksi yang membawahi departemen/unit yang mengajukan produk dan/atau aktivitas baru dan Kepala Departemen Kepatuhan dan Kepala departemen/unit kerja lainnya yang menangani proses operasional atas produk dan/atau aktivitas baru tersebut.

5. Fungsi kepatuhan, Audit Intern dan Audit Ekstern

1) Fungsi Kepatuhan

Pelaksanaan fungsi kepatuhan Bank dilakukan mengikuti Peraturan Bank Indonesia No.13/2/PBI/2011 tanggal 12 Januari 2011 tentang Pelaksanaan Fungsi Kepatuhan Bank Umum

Sesuai ketentuan Bank Indonesia, Bank memiliki Direktur Kepatuhan yang memenuhi kriteria

The Committee is chaired by the President Director with members consisting of the Deputy President Director, Director in charge of Risk Management, and Director in charge of Financial, Control & Planning, Director in charge in Treasury, and Department Heads of Treasury, Head of Finance, Control and Planning Department, and Head of Risk Management Department.

The Committee holds monthly regular meetings to discuss and evaluate the performance of assets and liabilities management, as well as the sufficiency of the Bank's liquidity to determine strategic policies in relation to the management of risks exposure of funds and foreign exchange positions.

6) The New Product and Activity Committee

The Committee's duty is to ensure adequate review process over important aspects covering new products and/or activities which will be promoted or launched by the Bank.

Compliance and risk management review and analysis of new products and/or activities are important aspects and are of great interest to this Committee, in addition to the readiness of the Bank on the legal aspect and other operational aspects, such as systems and procedures, accounting information system, and information technology, in relation to the promotion and launching of such new products and/or activities.

The Committee is chaired by the President Director and the Risk Management working unit, in its capacity as Secretary of the Committee. Other members of the Committee are members of the Board of Directors in charge of departments/working units, which initiate new products and/or activities, the Head of the Compliance Department, and the heads of other departments/working units handling operation processes of new products and/or activities.

5. Compliance, Internal Audit and External Audit Functions

1) Compliance Function

The Bank's compliance function is implemented according to Bank Indonesia Regulation No. 13/2/PBI/2011 dated 12 January 2011 on the Implementation of Compliance Function of Commercial Banks.

In line with Bank Indonesia regulation, the Bank has appointed a Compliance Director who meets the

yang ditetapkan antara lain dalam hal persyaratan independensi.

Di dalam memastikan kepatuhan Bank dan pengawasan terhadap risiko kepatuhan, Direktur Kepatuhan dibantu oleh Departemen Kepatuhan yang fungsi dan kedudukannya *independent* terhadap satuan kerja operasional.

Fungsi Kepatuhan Bank meliputi tindakan untuk :

- a. mewujudkan terlaksananya budaya kepatuhan pada semua tingkatan organisasi dan kegiatan usaha Bank
- b. mengelola Risiko Kepatuhan yang dihadapi oleh Bank
- c. memastikan agar kebijakan, ketentuan, sistem, dan prosedur serta kegiatan usaha yang dilakukan oleh Bank telah sesuai dengan ketentuan Bank Indonesia dan peraturan perundang-undangan yang berlaku
- d. memastikan kepatuhan Bank terhadap komitmen yang dibuat oleh Bank kepada Bank Indonesia dan/atau otoritas pengawas lain yang berwenang.

Selama tahun 2014, upaya peningkatan kesadaran kepatuhan tetap menjadi fokus penerapan program kerja yang dilaksanakan oleh Direktur Kepatuhan dan Departemen Kepatuhan.

Kepatuhan Bank terhadap hukum, perundang-undangan dan peraturan yang berlaku dalam setiap aspek kegiatan usaha dan operasional Bank telah dikelola dengan baik. Hal ini antara lain tercermin dari :

- a. Pemberian petunjuk praktis mengenai ketentuan atau hal-hal yang berkaitan dengan kepatuhan oleh Direktur Kepatuhan dalam pertemuan bulanan seluruh karyawan telah dilaksanakan secara berkesinambungan.
- b. Disamping itu juga diberikan *session* khusus terhadap staf baru guna membekali yang bersangkutan dengan pedoman dan ketentuan yang berlaku, sebagai langkah awal untuk menumbuhkan kesadaran kepatuhan.
- c. Pemeriksaan kepatuhan (*compliance check*) terhadap aspek-aspek penting dalam aktivitas usaha dan operasional Bank serta memastikan pelaksanaan dan pemenuhan komitmen Bank kepada pihak otoritas
- d. Disamping pelaksanaan pemeriksaan kepatuhan, Departemen Kepatuhan secara rutin

criteria set by Bank Indonesia, especially, in terms of independency.

In ensuring the Bank's compliance and its monitoring over compliance risk, the Compliance Director is assisted by the Compliance Working Unit, whose function and position is independent of the Bank's operational working units.

The Bank's Compliance Function covers the following actions:

- a. To realize the implementation of compliance culture in all organizational levels of the Bank.
- b. To manage the compliance risk which is faced by the Bank
- c. To ensure that policy, rules, system and procedures, and all business activities of the Bank are already in line with Bank Indonesia regulations and other prevailing laws and regulations.
- d. To ensure the Bank's compliance with any commitment made to Bank Indonesia and/or other competent authorities.

During the year 2014, efforts to enhance compliance awareness remained the focus of the implementation of the working program of the Compliance Director and Compliance Department.

The Bank's compliance with prevailing laws and regulations in every aspect of business activities and operations of the Bank has been well managed, as reflected, among other ways, through :

- a. Practical guidance from the Compliance Director with regard to regulations or compliance related matters to all employees in monthly meetings has been conducted continuously.
- b. In addition, special sessions for newly hired staff in order to equip them with guidance and reference to prevailing rules and regulation as the starting point to raise the awareness of compliance.
- c. Compliance checks on important aspects in the Bank's business and operational activities and ensuring the implementation and fulfillment of the Bank's commitments to the authorities.
- d. Aside from the implementation of compliance checks, the Compliance Department regularly

menyelenggarakan pelatihan guna meningkatkan pemahaman karyawan terhadap pentingnya penerapan kepatuhan dalam kegiatan usaha Bank.

- e. Direktur Kepatuhan dan Departemen Kepatuhan telah melaksanakan fungsi konsultasi di bidang kepatuhan guna memastikan bahwa kegiatan usaha dan operasional Bank tidak menyimpang atau melanggar ketentuan yang berlaku dan bertindak sebagai *contact person* terkait dengan komunikasi dengan Bank Indonesia dan institusi lainnya.
- f. Terhadap peraturan Bank Indonesia yang baru diterbitkan, Departemen Kepatuhan telah melakukan pendistribusian dan sosialisasi peraturan terbaru kepada departemen-departemen terkait serta memastikan bahwa kebijakan dan prosedur serta petunjuk kepatuhan Bank telah sesuai dengan peraturan yang diterbitkan tersebut.

Selama tahun 2014, penerapan program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT) antara lain tercermin dari :

Pada semester I tahun 2014 tindakan maupun kegiatan yang terkait dengan penerapan APU dan PPT adalah sebagai berikut:

- a) Penyampaian Laporan *Action Plan* tahun 2014 dan Realisasi Pengkinian Data Nasabah tahun 2013 kepada Bank Indonesia, bekerjasama dengan departemen terkait, pada tanggal 22 Januari 2014.
- b) Melakukan diskusi bersama untuk Prosedur baru untuk review berkala Bobot Resiko Nasabah (“CRA”) pada tanggal 14 Apr 2014 dan Pelaksanaan Ketentuan FATCA pada tanggal 11 Jun 2014, kepada staff dari Departemen terkait.
- c) Revisi terhadap Kebijakan dan Prosedur Penerapan Program Anti Pencucian Uang dan Pendanaan Terorisme sesuai dengan peraturan Kepala PPATK:
 - 1. No.PER-12/1.02/PPATK/06/13 mengenai Panduan Pelaporan Transaksi Keuangan Luar Negeri bagi pengguna jasa bank.
 - 2. No.PER-09/1.02/PPATK/06/2013 mengenai Panduan Pelaksanaan Sistem Secured Email Communication.
 - 3. No.S-12/102.1/PPATK/06/14 mengenai Pelaksanaan Sistem Informasi Pengguna Jasa Terpadu.

conducts training in order to enhance the staff’s understanding on the necessity of implementing compliance in the Bank’s business activities.

- e. The Compliance Director and Compliance Department have performed consultative function in the field of compliance to ensure that the Bank’s business operational activities did not deviate or violate the prevailing provisions and acted as a contact person in relation to communication with Bank Indonesia or other institutions.
- f. Toward recently issued Bank Indonesia regulation, the Compliance Department conducted distribution and socialization of the recently issued regulation to related departments and ensured that policy and procedures, as well as compliance manual are already inline with the newly issued regulation.

During the year 2014, the implementation of Anti Money Laundering (AML) and Counter Financing of Terrorism (CFT) Program is reflected, among others, through:

In Semester I of 2014, action or activities that is associated to the implementation of AML and CFT are as follows:

- a) Submission of the Action Plan 2014 report and the Customer Data Updating Realization to Bank Indonesia in 2013, in cooperation with relevant departments, on 22 January 2014.
- b) Conduct joint discussions on new Procedures for periodic reviews of Customer Risk Weights (“CRA”) on 14 April 2014 and the implementation of FATCA provisions on 11 June 2014, to the the staff of the Department concerned.
- c) Revisions to Policies and Procedures on the Application of Anti-Money Laundering and Terrorism Financing in accordance with the rules Head of INTRAC:
 - 1. No.PER-12/1.02/PPATK/06/13 regarding Overseas Financial Transaction Reporting Guidelines for bank services users.
 - 2. No.PER-09 /1.02/PPATK/ 06/2013 on the Secure Email Communication System Implementation Guide.
 - 3. No. S-12/102.1/PPATK /06/14 on Integrated User Information System Service Implementation.

Sosialisasi kepada Staff Departemen terkait telah dilakukan pada tanggal 14 April 2014.

- d) Melakukan pengembangan ERP System dalam menu “Master Customer” dengan menambahkan tampilan baru untuk Informasi terkait dengan FATCA, telah di laksanakan pada tanggal 1 Juli 2014.
- e) Memantau kelengkapan data/informasi Nasabah yang telah dikinikan untuk nasabah lama pada ERP system secara berkala setiap 3 (tiga) bulan) (untuk bulan Oktober, November dan Desember 2013).

Dalam semester kedua tahun 2014, telah dijalankan program berikut untuk mengimplementasikan program APU dan PPT.

- a) Pelatihan Anti Pencucian Uang:
Selama Juli – Desember 2014 telah melakukan 2 (dua) training sebagai berikut:
 - 1. 18 – 29 Agustus 2014, melakukan pelatihan terkait pembukaan rekening dan dokumen yang dibutuhkan
 - 2. 11 – 16 Desember 2014, melakukan pelatihan penyegaran untuk pemahaman umum APU dan PPT untuk seluruh staff.
- b) Memantau kelengkapan data/pengkinian informasi untuk nasabah pada sistem ERP yang dilakukan secara triwulan (untuk Juli, Oktober and Desember 2014).
- c) Melakukan review berkala terhadap ”Penilaian Risiko Nasabah” (Customer Risk Assesment (CRA)) dilakukan setiap bulan bekerjasama dengan departemen terkait.
- d) Pelatihan untuk staff *compliance* baik *soft skills* maupun *hard kills*

Disadari bahwa mengembangkan budaya kepatuhan di lingkungan Bank, menerapkan prinsip-prinsip GCG dan penerapan prinsip kehati-hatian merupakan keharusan, sehingga langkah-langkah perbaikan dalam rangka meningkatkan dan memperkuat fungsi kepatuhan serta meningkatkan kesadaran kepatuhan di seluruh jajaran pengurus dan karyawan Bank merupakan upaya yang harus dilakukan secara berkesinambungan.

2) Fungsi Audit Intern

Audit Intern adalah bagian dari fungsi pengendalian internal Bank yang memainkan peranan penting dalam melakukan evaluasi terhadap efektivitas fungsi pengendalian internal, kepatuhan dan manajemen risiko Bank.

Staff dissemination for relevant Departments was carried out on 14 April 2014.

- d) Developing the ERP System in the “Master Customer” menu by adding a new look for information related to FATCA, was implemented on 1 July 2014.
- e) Monitoring the completeness of customer data / information by setting periodic updates every 3 (three) months for existing customers in the ERP system (for October, November and December 2013).

In Semester II of 2014, the following programs for implementing the AML and CFT have been implemented.

- a) Anti-Money Laundering Training:
During the period of July - December 2014 the following 2 (two) trainings have been conducted:
 - 1. 18 to 29 August 2014, training related to account opening and documents required
 - 2. 11 to 16 December 2014, refresher training aimed at giving all staff a general understanding of AML and CFT.
- b) Monitoring data completeness / updating of information to customers on the ERP system on quarterly basis (for July, October and December 2014).
- c) Conduct periodic reviews of the Customer Risk Assessment (CRA), conducted monthly in cooperation with the relevant departments
- d) Training for staff compliance, including soft skills and hard skills.

The Bank is aware that promoting compliance culture within the Bank’s environment, practicing GCG principles and applying the Principle of Prudence are a must, in order that measures aiming at enhancement and strengthening the compliance function, as well as compliance awareness in all levels of the Bank’s management and employees, must be conducted continuously.

2) Internal Audit Function

Internal Audit is part of the Bank’s internal controlling function, which plays an important role in evaluating the effectiveness of internal controls, compliance, and the Bank’s risk management.

Departemen *Internal Audit* adalah satuan kerja audit intern (SKAI) sebagai fungsi independen yang bertanggung-jawab langsung kepada Presiden Direktur.

Pembentukan, kewenangan, tanggung jawab, profesionalisme, organisasi, dan cakupan tugas SKAI telah mengacu pada standar fungsi audit intern (SPFAIB) yang ditetapkan dalam Peraturan Bank Indonesia Nomor No.1/6/PBI/1999 tanggal 20 September 1999 tentang Penugasan Direktur Kepatuhan dan Penerapan Standar Pelaksanaan Fungsi Audit Intern Bank Umum.

Fungsi utama SKAI adalah memastikan kecukupan sistem pengendalian internal Bank serta melakukan pengawasan terhadap efektivitas dan efisiensi kegiatan usaha dan kualitas kinerja dengan pendekatan berbasis risiko (*Risk Based Audit*).

Setiap awal tahun, SKAI menyusun program audit berbasis risiko dan telah diterapkan pada sebagian besar aktivitas operasional yang memiliki risiko yang signifikan. Sepanjang tahun 2014, SKAI telah melaksanakan 18 (delapan belas) kali audit yang meliputi bidang dan/atau aktivitas operasional bank termasuk penugasan pemeriksaan khusus terkait dengan dugaan kejadian fraud eksternal

Dari pelaksanaan kegiatan audit berbasis risiko tersebut, secara umum dapat disimpulkan bahwa pelaksanaan manajemen risiko, pengendalian intern dan tata kelola aktivitas dan operasional Bank telah dilaksanakan dengan baik, tidak ditemukan adanya pelanggaran atau permasalahan serius yang dapat mempengaruhi kelangsungan usaha Bank.

Sebagian besar temuan dan rekomendasi hasil audit lebih kepada saran perbaikan terhadap pemantauan dan kontrol internal di beberapa area dan/atau aktivitas operasional dan non-operasional Bank serta pengkinian prosedur kerja, yang pada gilirannya dapat diperbaiki atau ditindaklanjuti melalui tindakan rutin.

Realisasi dan rekomendasi perbaikan atas hasil audit yang dilaksanakan SKAI selama tahun 2014 telah dilaporkan kepada Presiden Direktur dan Bank Indonesia dengan tembusan kepada Direktur Kepatuhan, Dewan Komisaris dan Komite Audit dan telah ditindak lanjuti secara berkala.

Pelaksanaan fungsi Audit Intern telah berjalan cukup efektif dan memenuhi standar minimum yang tercantum pada Standar Penerapan Fungsi Audit Intern Bank

The Internal Audit Department is an internal audit working unit (SKAI), having an independent function directly responsible to the President Director.

The establishment, authority, responsibilities, professionalism, organization and scope of work of SKAI have already referred to the internal audit function performance standards (SPFAIB) as stated in Bank Indonesia Regulation No. 1/6/PBI/1999 dated 20 September 1999, on the Assignment of Compliance Director and the Commercial Bank Internal Audit Function Implementation Standard.

The main function of the SKAI is ensuring the adequacy of the Bank's internal control systems, as well as supervising the effectiveness and efficiency of business activities and performance quality using a Risk-Based Audit approach.

At the beginning of each year, SKAI prepares a Risk-Based Audit program which has been applied to operation activities with the most significant risk. During the year 2014, the SKAI conducted 18 (eighteen) audits covering areas and/or bank operational activities including special audit assignment related to the alleged external fraud event.

From the implementation of the relevant Risk-Based Audit, in general, it can be concluded that the implementation of risk management, internal control, and management as well as the Bank's operational activities have been carried out well, with no serious violations or problems whatsoever that may affect the Bank's business continuity.

Most of the findings and recommendations of the audit were related to advice on the improvement of the Bank's monitoring and internal control in several areas and/or operations and non-operations activities, as well as updates of working procedure, which in turn, can be rectified or followed up through routine actions.

The realization and improvement recommendations as a result of audits conducted by SKAI during 2014 have been reported to the President Director and Bank Indonesia, with copies to the Compliance Director, Board of Commissioners, and Audit Committee, and these have been periodically followed up.

The implementation of Internal Audit function has been running effectively and meets the minimum standard as stated in the "Standards of Implementation of Internal

(SPFAIB). Kualitas pelaksanaan audit akan terus ditingkatkan secara berkesinambungan seiring dengan peningkatan kompleksitas dan ekposur risiko Bank.

3) Fungsi Audit Ekstern

Sesuai dengan Peraturan Bank Indonesia, Bank wajib menunjuk Akuntan Publik dan Kantor Akuntan Publik untuk tujuan pelaksanaan audit laporan keuangan Bank.

Melalui RUPS Tahunan yang diselenggarakan pada tanggal 27 Juni 2014, Kantor Akuntan Publik Purwantono, Suherman & Surja (*member of Ernst & Young*) telah ditunjuk sebagai auditor eksternal untuk melaksanakan audit independen atas laporan keuangan Bank untuk tahun buku yang berakhir pada tanggal 31 Desember 2014.

Penunjukan Akuntan Publik tersebut telah memenuhi persyaratan legalitas dan administratif sesuai dengan ketentuan yang berlaku, dimana akuntan publik yang ditunjuk merupakan Akuntan Publik yang terdaftar di Bank Indonesia dan penunjukannya telah memperoleh persetujuan RUPS berdasarkan calon yang diajukan oleh Dewan Komisaris sesuai rekomendasi Komite Audit.

Hasil audit oleh Akuntan Publik telah menyimpulkan bahwa laporan keuangan Bank untuk tahun buku yang berakhir pada tanggal 31 Desember 2014 disajikan secara wajar dalam semua hal yang material sesuai dengan prinsip akuntansi yang berlaku umum di Indonesia. Laporan hasil audit dan Surat Komentar (*Management Letter*) atas laporan keuangan Bank tersebut telah disampaikan oleh Akuntan Publik kepada Otoritas Jasa Keuangan (OJK) pada tanggal 14 April 2015.

6. Penerapan Manajemen Risiko

Penerapan manajemen risiko didasarkan atas kebijakan manajemen risiko yang telah ditetapkan oleh Bank sejak tahun 2004.

Tujuan utama dari Manajemen Risiko Bank dalam kaitannya pada setiap kategori risiko adalah untuk mempertahankan aktifitas operasional secara hati-hati sehingga tidak menimbulkan kerugian yang melebihi kemampuan permodalan Bank serta membahayakan kelangsungan usaha Bank.

Bank senantiasa berusaha untuk menerapkan manajemen risiko secara efektif, komprehensif dan berkesinambungan sesuai dengan ukuran dan kompleksitas usaha Bank.

Audit Function in Banks” (SPFAIB). The quality of audit implementation will be continuously improved according to the increase of the Bank’s risk complexity and exposure.

3) External Audit Function

In accordance with Bank Indonesia regulations, the Bank shall appoint a Public Accountant and Public Accounting Office for the purpose of an independent audit of the Bank’s financial report.

Through the AGMS which convened on 27 June 2014, the Public Accounting Firm Purwantono, Suherman & Surja (*member of Ernst & Young*) was appointed as external auditor to perform an independent audit on the Bank’s financial report for the financial year ending 31 December 2014.

The appointment of the Public Accountant has fulfilled the legal and administrative requirements according to prevailing rules and regulations, where the appointed Public Accountant is registered at Bank Indonesia and the appointment has obtained the approval of a GMS based on candidates proposed by the Board of Commissioners by recommendation of the Audit Committee.

The results of the audit by the Public Accountant concluded that the Bank’s financial report for the financial year that ending 31 December 2014 was presented fairly in everything that is material and according to the generally accepted accounting principles in Indonesia. The Audit Report and Management Letter on the Bank’s financial report were submitted by the Public Accountant to Bank Indonesia on 14 April 2015.

6. Application of Risk Management

The application of risk management is based on risk management policy which the Bank has established by the Bank since the year 2004.

The main objective of Bank Risk Management as it pertains to each risk category is to maintain prudence in operational activities, in order that it does not inflict losses on the Bank which exceed its losses absorbing ability, as well and threaten the continuity of the Bank’s business.

The Bank always strives to effectively, comprehensively and sustainably implement risk management in proportion to the size and complexity of the Bank’s business.

Sesuai dengan regulasi, Bank telah menerapkan manajemen risiko terhadap 8 (delapan) jenis risiko utama, yang meliputi risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko hukum, risiko reputasi, strategi reputasi dan risiko kepatuhan.

Proses penerapan manajemen risiko yang telah dilakukan oleh Bank antara lain mencakup hal-hal sebagai berikut:

a. Pengawasan aktif Dewan Komisaris dan Dewan Direksi

Sebagai salah satu bentuk upaya untuk mewujudkan pengawasan aktif Dewan Komisaris dan Dewan Direksi, Bank telah menetapkan wewenang dan tanggung jawab Dewan Komisaris dan Dewan Direksi, terkait dengan penerapan manajemen risiko sebagaimana tercantum dalam Kebijakan Manajemen Risiko Bank.

Tugas dan wewenang Dewan Komisaris dalam kaitannya dengan penerapan Manajemen Risiko antara lain: mengevaluasi dan menyetujui Kebijakan Manajemen Risiko dan perubahannya, serta mengevaluasi pertanggungjawaban Dewan Direksi terhadap penerapan Manajemen Risiko, berdasarkan laporan pertanggungjawaban Dewan Direksi yang dilaporkan setiap triwulan.

Dewan Komisaris dengan dukungan Komite Pemantau Risiko telah melakukan pengawasan dan evaluasi terhadap penerapan manajemen risiko Bank. Pengawasan tersebut telah berjalan secara efektif melalui komunikasi aktif antara Komite Pemantau Risiko dengan Departemen Manajemen Risiko dan departemen lain yang dipandang relevan dalam penerapan dan pengembangan proses manajemen risiko secara komprehensif pada Bank.

Satuan Kerja Manajemen Risiko sendiri berusaha untuk senantiasa melibatkan serta memberikan informasi terkini atas risiko-risiko yang dihadapi oleh Bank dengan menyampaikan setiap risalah rapat ALCO yang diadakan sekali dalam sebulan dan risalah rapat Komite Manajemen Risiko yang diadakan setiap tiga bulan sekali kepada anggota Komite Pemantau Risiko.

b. Penetapan Kebijakan Manajemen Risiko

Direksi dengan persetujuan Dewan Komisaris telah menetapkan kebijakan Manajemen Risiko Bank terhadap 8 (delapan) aspek risiko tersebut diatas. Disamping itu, Direksi juga telah menetapkan

In accordance with regulation, the Bank has implemented risk management on 8 (eight) types of main risks, including Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Legal Risk, Reputation Risk, Strategic Risk, and Compliance Risk.

The process of risk management implementation carried out by the Bank so far is as follows:

a. The Board of Commissioners and Board of Directors' Active Supervision

One of the Bank's efforts to create active supervision by the Board of Commissioners and Board of Directors, is through establishing the authorities and responsibilities of Board of Commissioners and the Board of Directors, in relation to risk management implementation as stated in the Bank's Risk Management Policy.

The duty and authority of the Board of Commissioners in relation to the implementation of Risk Management, among others, are as follow: to evaluate and approve Risk Management Policy and its amendment and to evaluate the Board of Directors's accountability over Risk Management implementation, based on the Board of Directors Accountability Report which is prepared on quarterly basis.

The Board of Commissioners, with the support of the Risk Monitoring Committee, has performed supervision and evaluation over the implementation of the Bank's risk management. This supervision has been performed effectively through active communication between the Risk Monitoring Committee and Risk Management Department and other departments that are deemed relevant in implementing and developing a comprehensive risk management in the Bank.

Risk Management Department also continuously give effort take an interest in and provide up-to-date information on the risks faced by the Bank by submitting the minutes of meeting of every ALCO meeting, which is held once a month and the minutes of meeting of the Risk Management Committee, held once every three months, to the Risk Monitoring Committee's members.

b. Establishment of Risk Management Policy

The Board of Directors, with approval from the Board of Commissioners, has established the Bank's Risk Management Policy covering the 8 (eight) types of main risks mentioned above. In addition, the Board of

kebijakan dan prosedur serta penetapan *Risk Appetite* dan *Risk Tolerance* sesuai dengan kapasitas permodalan Bank dan sejalan dengan strategi bisnis dan selanjutnya terus diupayakan penyempurnaannya dari waktu ke waktu.

Penetapan kebijakan manajemen risiko antara lain dilakukan dengan cara menetapkan strategi manajemen risiko, yang berusaha untuk memastikan bahwa:

- Bank tetap mempertahankan eksposur risiko yang sesuai dengan kebijakan, prosedur internal Bank, serta peraturan perundang-undangan dan ketentuan lain yang berlaku.
- Bank dikelola oleh sumber daya manusia yang memiliki kapabilitas di bidang manajemen risiko, sesuai dengan kompleksitas dan kemampuan usaha Bank.

c. Kecukupan Proses Identifikasi, Pengukuran, Pemantauan dan Pengendalian Risiko serta Sistem Informasi Manajemen Risiko

Bank melakukan proses identifikasi risiko dengan tujuan mengidentifikasi seluruh jenis risiko yang melekat pada setiap aktivitas fungsional yang memiliki potensi untuk merugikan Bank dan mengukur profil risiko Bank guna memperoleh gambaran efektivitas penerapan manajemen risiko.

Proses identifikasi, pengukuran, pemantauan dan pelaporan terefleksi pada penilaian profil risiko yang dibuat oleh Bank setiap kuartal dimana dalam pelaksanaannya Bank melakukan analisa terhadap akar permasalahan dan menyimpulkan dari ke-8 jenis risiko, risiko mana saja yang dipandang material dan signifikan sesuai dengan karakter bisnis Bank.

Penerapan pemantauan dan pengendalian risiko meliputi penetapan limit secara individual dan keseluruhan/konsolidasi. Penetapan limit dilakukan dengan memperhatikan kemampuan modal Bank untuk dapat menyerap eksposur risiko atau kerugian yang timbul, dan tinggi rendahnya eksposur Bank dengan mempertimbangkan pengalaman kerugian di masa lalu dan kemampuan sumber daya manusia.

d. Sistem Pengendalian Internal

Sistem Pengendalian Internal Bank terdiri dari lima elemen utama yang satu sama lain saling berkaitan, yaitu Pengawasan oleh Manajemen dan Kultur Pengendalian, Identifikasi dan Penilaian Risiko,

Directors has also determined policies and procedures as well as Risk Appetite and Risk Tolerance in line with the Bank's capital capacity and in accordance with the Bank's business strategy, and continuously strives to improve these from time to time.

The establishment of the risk management policy was done by determining risk management strategy to ensure that:

- The Bank maintains its risk exposure in accordance with its policy, internal procedures, prevailing rules and regulations and other regulations.
- The Bank is managed by human resources possessing risk management field capabilities, in accordance with the complexity and ability of the Bank's business.

c. The Adequacy of Risk Identification, Measurement Monitoring and Controlling Processes, as well as Risk Management Information System.

Bank conducts risk identification process with the purpose to identify all types of inherent risks in every functional activity that has potential to make the Bank suffer loss and to measure the Bank's risk profile in order to obtain a picture of the effectiveness of its risk management implementation.

The Processes of identifying, measuring, monitoring and reporting are reflected on risk profile assessment prepared by the Bank each quarter, where in practice, the Bank analyzes the root of the problem and concludes which out of the 8 types of risks is considered as being material and significant in accordance to the character of the Bank's business.

The implementation of risk monitoring and controlling covers the establishing of limits, both individually and in whole / consolidated. The establishing of limits is done by taking into account the capability of the Bank's capital in absorbing risk exposure or the actual loss, and the level of the Bank's exposure by taking into account past losses and human resources capabilities.

d. Internal Control System

The Bank's Internal Control System consists of five main elements that are interrelated i.e Management Supervision and Control Culture, Risk Identification and Assessment, Control Activities and Segregation

Kegiatan Pengendalian dan Pemisahan Fungsi, Sistem Akuntansi, Informasi dan Komunikasi, serta Kegiatan Pemantauan dan Tindakan Koreksi Penyimpangan/Kelemahan.

Dewan Komisaris dan Direksi bertanggungjawab dalam meningkatkan etika kerja dan integritas serta menciptakan suatu kultur organisasi yang menekankan pentingnya sistem pengendalian internal yang berlaku di Bank kepada seluruh karyawan.

Di samping itu, keberadaan Sistem Pengendalian Internal dapat dilihat sebagai sarana dari Manajemen untuk melakukan fungsi kustodian atas aset Bank dan memastikan tersedianya pelaporan keuangan dan manajerial yang dapat dipercaya, meningkatkan kepatuhan Bank terhadap ketentuan dan peraturan perundang-undangan yang berlaku, serta mengurangi risiko terjadinya kerugian, penyimpangan dan pelanggaran aspek kehati-hatian.

Bank telah menerapkan strategi Anti Fraud yang sejalan dengan penerapan manajemen risiko secara keseluruhan.

Bank terus melakukan penelitian terhadap metodologi penilaian risiko fraud yang cocok untuk Bank. Bank juga telah melakukan penilaian risiko fraud dimana Bank telah mengidentifikasi skenario dan skema risiko fraud yang berpotensi terjadi.

Bank juga terus mengevaluasi apakah kontrol telah berfungsi secara efektif dan telah memitigasi risiko fraud sebagaimana yang diharapkan.

Secara umum, penerapan manajemen risiko Bank telah berjalan dengan cukup baik dan akan terus menerus dikembangkan melalui penyempurnaan infrastruktur dan peningkatan efektivitas serta kualitas pelaksanaan fungsi manajemen risiko sejalan dengan ketentuan yang berlaku.

Bank juga mulai mempersiapkan implementasi manajemen risiko secara terintegrasi dalam konglomerasi keuangan pada grup Mizuho.

Penerapan manajemen risiko secara terintegrasi sebagaimana diatur dalam regulasi bertujuan mewujudkan stabilitas sistem keuangan yang tumbuh secara berkelanjutan, sehingga mampu meningkatkan daya saing nasional.

7. Penyediaan Dana Kepada Pihak Terkait dan Penyediaan Dana Besar

Sebagai bagian dari kelompok usaha finansial Jepang yang mempunyai jaringan usaha yang mendunia, dalam kegiatan usaha dan operasional sehari-hari Bank senantiasa

of Functions, Accounting System, Information, and Communication, and Monitoring Activities and Deviation / Weakness Correction Action.

The Board of Commissioners and Board of Directors are responsible for improving work ethics and integrity, and for nurturing an organization culture which emphasizes the importance of internal control applicable at the Bank, to all employees.

In addition, the existence of Internal Control System can be seen as a facility of the Management to carry out a custodian function over the Bank's assets and to ensure the availability of reliable financial and managerial reports, improve the Bank's compliance towards prevailing rules and regulations, and reduce the risk of loss, deviation, and violation of prudential principle.

The Bank has implemented Anti-Fraud strategy in line with the implementation of overall risk management.

The Bank continues to conduct research on fraud risk assessment methodologies that are suitable for the Bank. The Bank has also performed a Fraud risk assessment in which has identified scenarios and risk of fraud schemes that could potentially happen.

The Bank also has continuously evaluated whether control functions have been effective and whether it has mitigated fraud risks as intended.

In general, the implementation of the Bank's risk management has been running well and will continuously be developed through improvement of infrastructures and enhancement of effectiveness as well as quality of risk management function application according to the prevailing regulations.

Bank starting to prepare the implementation of integrated risk management in financial conglomerates of Mizuho group in Indonesia.

The implementation of integrated risk management as stipulated in the regulation aimed to build financial system stability that growing continuously, so as to improve national competitiveness.

7. Provision of Funds to Affiliated Parties and Provision of Large Funds

As part of a Japanese financial business group that is part of a global network, in its daily business and operational activities, the Bank is continuously engaged in transactions

melakukan hubungan dan transaksi dengan pihak ketiga, termasuk dengan pihak-pihak yang dikategorikan sebagai Pihak Terkait sebagaimana ditetapkan dalam Peraturan Bank Indonesia No.7/3/PBI/2005 yang sebagian telah diubah dengan Peraturan Bank Indonesia No. 8/13/PBI/2006 tentang Batas Maksimum Pemberian Kredit.

Transaksi dengan pihak-pihak yang dikategorikan sebagai Pihak Terkait dilaksanakan dengan syarat dan kondisi yang disetujui oleh Dewan Komisaris melalui *Blanket Approval*. Sedangkan transaksi terhadap pihak-pihak yang bukan Pihak Terkait dilaksanakan dengan syarat dan kondisi sesuai dengan ketentuan Bank Indonesia tentang Batas Maksimum Pemberian Kredit (BMPK).

Dengan menerapkan kebijakan usaha yang lebih fokus pada bidang usaha korporasi, tidak dapat dielakkan bahwa Bank terlibat dalam transaksi Penyediaan Dana kepada beberapa debitur/ kelompok debitur besar yang termasuk dalam kategori debitur inti Bank. Namun demikian, Bank senantiasa melakukan pemantauan diversifikasi portofolio Penyediaan Dana dan peningkatan upaya agar penyebaran portofolio Penyediaan Dana tidak hanya terfokus kepada debitur inti Bank saat ini.

Rincian Penyediaan Dana kepada Pihak Terkait dan Penyediaan Dana Besar per tanggal 31 Desember 2014 adalah sebagai berikut:

with third parties, including parties categorized as Affiliated Parties as stipulated in Bank Indonesia Regulation No. 7/3/PBI/2005 as partially amended by Bank Indonesia Regulation No. 8/13/PBI/2006 on Legal Lending Limit.

Transactions with parties categorized as Affiliated Parties are conducted with terms and conditions approved by the Board of Commissioners through Blanket Approval whereas transactions with Non-Affiliated Parties are conducted with terms and conditions in accordance with Bank Indonesia Regulation on Legal Lending Limit.

By applying business policies that are more heavily focused on corporate business, it is unavoidable that the Bank is involved in the provision of funds transactions with several large debtors / group of debtors categorized as the Bank's main debtors. However, the Bank constantly monitors the diversification of the provision of funds portfolio and improves efforts in order that distribution of its Provision of Funds portfolio is not focused only on the Bank's current main debtors.

Details of Provision of Funds to Affiliated Parties and Provision of Large Funds as per 31 December 2014 are as follows:

No.	Penyediaan Dana <i>Provision of Fund</i>	Jumlah (Transaksi Kredit) <i>Amount (Credit Transaction)</i>	
		Debitur <i>Debtor</i>	Nominal <i>(Dalam Jutaan Rupiah / IDR in Millions)</i>
1.	Kepada Pihak Terkait/ <i>To Affiliated Parties</i>	10	611,437
2.	Kepada Debitur Inti/ <i>To Main Debtors</i>	25	19,549,545
	a. Individu/ <i>Individual</i>	9	6,708,869
	b. Kelompok Usaha (Grup) <i>/Business Group</i>	16	12,840,676

8. Rencana Strategis Bank

Bank telah menetapkan Visi dan Misi Bank telah menjadi dasar dan arahan atas penerapan strategi usaha dalam rencana jangka panjang (*Corporate Plan*) tahun 2014 – 2018.

Penerapan strategi usaha dalam rencana jangka panjang Bank telah diwujudkan dalam rencana jangka menengah dan jangka pendek (Rencana Bisnis Bank) yang ditetapkan setiap awal tahun. Persiapan dan penetapan Rencana Bisnis Jangka Menengah Bank tahun 2014 - 2015 telah melalui proses telaah yang cukup mendalam dengan melibatkan

8. The Bank's Strategic Plan

The Bank has formulated its Vision and Mission. These have become the foundation and guidelines for the application of business strategy in the Bank's long - term plan (*Corporate Plan*) for the years 2014 – 2018.

The application of business strategy in the Bank's long term plan has been realized in its medium-and short-term business plans (the Bank's Business Plan), which are established at the beginning of each year. The preparations and establishment of the Bank's medium term Business Plan for the years 2014 - 2015 have undergone an in-depth assessment process,

seluruh jenjang organisasi dan telah mempertimbangkan faktor eksternal dan internal serta prinsip kehati-hatian.

Rencana Bisnis Bank tahun 2014 telah dipresentasikan oleh Direksi dan telah disetujui oleh Dewan Komisaris melalui Rapat Fisik pada tanggal 25 November 2013.

Realisasi Rencana Bisnis Bank tahun 2014 memperlihatkan bahwa pencapaian target finansial utama seperti realisasi penghimpunan dana dan realisasi penyaluran kredit berhasil dicapai.

Evaluasi terhadap pencapaian rencana strategis Bank telah dilakukan oleh Dewan Komisaris secara berkala dan hasil evaluasi tersebut telah tertuang dalam Laporan Pengawasan Dewan Komisaris yang disampaikan kepada Bank Indonesia masing-masing di bulan Agustus 2014 dan Februari 2014.

9. Transparansi kondisi keuangan dan non-keuangan Bank yang belum diungkap dalam laporan lainnya

Penyusunan dan penyajian informasi penting terkait dengan kondisi keuangan dan non-keuangan Bank telah dilakukan sesuai dengan prosedur, jenis, dan persyaratan sebagaimana ditetapkan dalam ketentuan Bank Indonesia yang berlaku.

Sampai dengan akhir tahun 2014 semua informasi penting terkait dengan kondisi keuangan dan non-keuangan Bank termasuk laporan pelaksanaan GCG tahun 2013, telah diungkap dan disajikan dalam laporan-laporan berkala yang juga telah disampaikan dan dipublikasikan secara tepat waktu sesuai dengan persyaratan ketentuan Bank Indonesia mengenai Transparansi Laporan Keuangan Bank.

Disamping itu, Bank juga telah mempublikasikan Laporan Tahunan dan Laporan Publikasi Triwulanan melalui surat kabar dan *website* Bank (www.mizuhocbk.co.id) sehingga dapat diakses dan diketahui oleh umum dan para pemangku kepentingan Bank.

Selama tahun 2014, Bank mendapatkan beberapa penghargaan antara lain:

1. Majalah Investor – Investor Magazine Award 2014, Diklasifikasikan sebagai salah satu Bank umum “Terbaik” dengan asset diatas 25T-100T.
2. Majalah Infobank – *Infobank Award 2014, Bank with “Very Good” Notation over Financial Review of 2013.*

involving all of the Bank’s organizational levels and have taken into consideration the external and internal factors, as well as, prudential principle.

The Bank’s 2014 Business Plan was presented by the Board of Directors and approved by the Board of Commissioners in a physical meeting dated 25 November 2013.

The realization of the Bank’s 2014 Business Plan showed that the main financial targets such as the realization of fund collecting and realization of loan distribution had been achieved.

An evaluation over the achievement of the Bank’s strategic plan has been carried out periodically by the Board of Commissioners and the evaluation results were documented in the Board of Commissioners Supervision Reports which were submitted to Bank Indonesia respectively in August 2014 and February 2014.

9. Transparency of the Bank’s Financial and Non-financial Conditions not yet disclosed in other reports.

The preparation and presentation of important information relating to the Bank’s financial and non-financial condition have been implemented in line with the procedures, types and requirements as stipulated in the prevailing Bank Indonesia regulations.

By the end of 2014, all important information relating to the Bank’s financial and non-financial conditions, including GCG implementation report of 2013 had been disclosed and presented in periodical reports, which had also been submitted and published according to the requirements of Bank Indonesia regulation on the Transparency of the Bank’s Financial Reports.

In addition, the Bank has also published its Annual Report and Quarterly Reports in the newspapers and on the Bank’s website (www.mizuhocbk.co.id) so that they may be accessible to and known by the public and the Bank’s stakeholders.

During 2014, the Bank received several awards, among others:

1. Investor Magazine – Investor Magazine Awards 2014, Classified as one of Best Banks in the Commercial Bank category with assets over IDR 25 Trillion – IDR 100 Trillion.
2. Infobank Magazine – Infobank Awards 2014, Bank with “Very Good” Notation over Financial Review of 2013.

3. Wells Fargo – *Operational Excellence Appreciation Award of 2013.*
4. Wells Fargo – *Technology and Innovation Online Self Service Award of 2013.*

B. Kepemilikan Saham Anggota Dewan Komisaris dan Direksi

Sampai dengan akhir tahun 2014, tidak ada anggota Dewan Komisaris dan Direksi yang memiliki saham Bank maupun bank lain baik di dalam negeri maupun di luar negeri.

Seluruh anggota Dewan Komisaris dan Direksi juga tidak memiliki saham Lembaga Keuangan Bukan Bank dan perusahaan lainnya yang mencapai 5% (lima persen) atau lebih dari modal disetor Lembaga Keuangan Bukan Bank maupun perusahaan baik di dalam negeri maupun di luar negeri.

C. Hubungan antara Anggota Dewan Komisaris, Direksi dan/atau Pemegang Saham

Dewan Komisaris dan Direksi memegang peranan strategis dan bertanggung jawab atas kelangsungan usaha dan kinerja Bank dengan berlandaskan pada Visi dan Misi Bank.

Sesuai dengan fungsinya masing-masing berdasarkan ketentuan Anggaran Dasar dan ketentuan yang berlaku, Dewan Komisaris dan Direksi menerapkan mekanisme hubungan konsultatif yang didasarkan pada prinsip-prinsip GCG.

Masing-masing anggota Dewan Komisaris dan Direksi tidak memiliki hubungan keuangan maupun hubungan keluarga satu sama lain dan demikian pula halnya dalam hubungannya dengan Pemegang Saham Pengendali.

Direktur Utama ditunjuk oleh Pemegang Saham Pengendali Bank (Mizuho Bank / MHBK), namun yang bersangkutan telah melepaskan jabatan struktural pada Pemegang Saham Pengendali. Presiden Direktur dan anggota Direksi lainnya serta Dewan Komisaris melaksanakan tugas dan wewenangnya sebagaimana disebutkan dalam Anggaran Dasar dan RUPS serta menjalankan fungsinya secara profesional.

D. Paket/ kebijakan Remunerasi dan Fasilitas Lain Anggota Dewan Komisaris dan Direksi

1. Jenis Remunerasi dan Fasilitas Lain Anggota Dewan Komisaris dan Direksi:

3. Wells Fargo – Operational Excellence Appreciation Award of 2013.
4. Wells Fargo – Technology and Innovation Online Self Service Award of 2013.

B. Share Ownership by Members of the Board of Commissioners and Board of Directors

Until the end of 2014, no member of the Board of Commissioners nor Board of Directors owned shares in the Bank nor in any other bank, both locally and overseas.

All members of the Board of Commissioners and Board of Directors do not own shares in non-banking financial institutions nor in other companies of up to 5% (five percent) or more from the paid-up capital of Non-Banking Financial Institutions or other companies, both locally and overseas.

C. Relationship between Members of the Board of Commissioners and Board of Directors and/or Shareholders

The Board of Commissioners and Board of Directors hold strategic roles and are responsible for the continuity of the Bank's business and performance based on the established Vision and Mission.

In accordance with each respective function based on the Articles of Association and prevailing regulations, the Board of Commissioners and Board of Directors apply a consultative relationship mechanism based on GCG principles.

Each member of the Board of Commissioners and Board of Directors does not have a financial relationship or family ties with one another or with the Controlling Shareholder.

The President Director was appointed by the Controlling Shareholder (Mizuho Bank / MHBK), but he has released his structural position in the Controlling Shareholder. The President Director, and other members of Board of Directors as well as members of the Board of Commissioners carry out their duties and responsibilities as stipulated in the Articles of Association and GMS and implement their functions professionally.

D. Package/ Remuneration Policy and Other Benefits for Members of the Board of Commissioners and Board of Directors

1. The types of Remuneration and Other Facilities for Members of the Board of Commissioners and Board of Directors are as follows:

Jenis Remunerasi dan Fasilitas Lain Anggota Dewan Komisaris dan Direksi Tahun 2014
(Types of Remuneration and Other Facilities for Members of the Board of Commissioners & Board of Directors in the Year 2014)

Jenis Remunerasi dan Fasilitas Lain Types of Remuneration and Other Facilities		Jumlah Diterima dalam 1 Tahun/ Amount received in 1 Year			
		Dewan Komisaris/ Board of Commissioners		Direksi/ Board of Directors	
		Orang/ Person	Rupiah IDR	Orang/ Person	Rupiah IDR
1	Remunerasi (gaji, bonus, tunjangan rutin, tantiem, dan fasilitas lainnya dalam bentuk non-natura) <i>Remuneration (salary, bonuses, regular allowance, tantiem and other facility in the form of non-benefit in kind)</i>	2	1,030.526.450**	7	15,567.340.306**
2	Fasilitas lain dalam bentuk natura (perumahan, transportasi, asuransi kesehatan dan sebagainya) yang *: a. dapat dimiliki b. tidak dapat dimiliki <i>Other facilities in the form of benefit in kind (housing, transport, health insurance, etc.) which*:</i> a. can be owned b. can not be owned	-	-	-	-
Total			1,030.526.450		15,567.340.306

* Dinilai dalam ekuivalen Rupiah (valued in Rupiah)

** Jumlah yang diterima belum dipotong pajak/Amount received before tax

2. Jumlah Paket Remunerasi Anggota Dewan Komisaris dan Direksi Dalam Kisaran Tingkat Penghasilan:

2. Total amount of Remuneration Package for Members of the Board of Commissioners and Board of Directors in Range of Income Levels:

Jumlah Remunerasi Per-orang dalam 1 Tahun* Amount of Remuneration per-person in 1 Year*	Jumlah Direksi Total Members of the Board of Directors	Jumlah Komisaris Total Members of the Board of Commissioners
Di atas Rp.2 miliar/ Above IDR 2 Billion	4	0
Di atas Rp.1 miliar s/d Rp.2 miliar/ Above IDR 1 Billion up to IDR 2 Billion	2	0
Diatas Rp. 500 juta s/d Rp.1 miliar/ Above IDR 500 Million up to 1 Billion	1	1
Rp. 500 juta ke bawah Below IDR 500 Million	0	1

* yang diterima secara tunai (received in cash)

E. *Shares Option* yang Dimiliki oleh Anggota Dewan Komisaris, Direksi dan Pejabat Eksekutif

Sampai dengan akhir tahun 2014, Bank tidak memiliki kebijakan mengenai pemberian opsi untuk membeli saham Bank melalui mekanisme apapun sebagai pemberian kompensasi kepada anggota Dewan komisaris, Direksi dan Pejabat Eksekutif Bank.

Dengan demikian, selama tahun 2014 tidak ada pemberian dan atau kepemilikan *share option* oleh anggota Dewan Komisaris, Direksi dan Pejabat Eksekutif Bank.

F. Rasio Gaji Tertinggi dan Terendah

Sampai akhir tahun 2014, rasio perbandingan gaji tertinggi dan terendah anggota Dewan Komisaris, Direksi dan Karyawan Perbulan adalah sebagai berikut:

Rasio Gaji Tertinggi dan Terendah Tahun 2014 (Highest and Lowest Salary Ratio year 2014)

No.	Perbandingan/Comparison	Rasio/Ratio*
1	Gaji karyawan tertinggi dan terendah/ <i>Highest salary against Lowest salaries of employees</i>	17 Kali/Times
2	Gaji anggota Direksi tertinggi dan terendah/ <i>Highest against Lowest salaries of members of the Board of Directors</i>	2,83 Kali/Times
3	Anggota Dewan Komisaris tertinggi dan terendah/ <i>Highest against lowest salaries of members of the Board of Commissioners</i>	1,25 Kali/Times
4	Anggota Direksi tertinggi dan karyawan tertinggi/ <i>Highest salary of members Board of Directors against Highest salary of Employee</i>	3.18 Kali/Times

* Perbulan/ per month

G. Internal Fraud

Sesuai Surat Edaran Bank Indonesia tentang Pelaksanaan *Good Corporate Governance* bagi Bank Umum, *Internal fraud* didefinisikan sebagai penyimpangan / kecurangan yang dilakukan oleh pengurus dan/atau pegawai terkait dengan proses kerja dan kegiatan operasional Bank yang mempengaruhi kondisi keuangan Bank secara signifikan.

Sebagai panduan internal bagi pejabat dan pegawai dalam menentukan signifikansi pengaruh penyimpangan/kecurangan terhadap kondisi keuangan Bank, telah ditetapkan kriteria dan faktor kuantitatif dan kualitatif, sebagai berikut:

E. Shares Options held by Members of the Board of Commissioners, Board of Directors and Executive Officials

Up to the end of 2014, the Bank did not have a policy on the granting of options to buy the Bank's shares through any mechanism whatsoever as compensation to members of the Board of Commissioners, Board of Directors, and Executive Officials.

Thus, in 2014 there was no distribution and/ or ownership of share option by members of the Board of Commissioners, Board of Directors, and Executive Officials.

F. Highest and Lowest Salary Ratio

Up to the end of 2014, the comparison of the highest and lowest monthly salaries of members of the Board of Commissioners, Board of Directors, and employees are as follows:

G. Internal Fraud

In accordance with Bank Indonesia Circular Letter regarding the Implementation of *Good Corporate Governance* for Commercial Banks, *Internal fraud* is defined as deviation / deceit committed by Management and/or employees relating to working process and operational activities of the Bank which significantly affects the Bank's financial conditions.

As internal guidelines for officials and employees in determining the significance of the effect of deviation / fraud on the Bank's financial condition, criteria and quantitative and qualitative factors have been set as follows :

- (1) Kejadian fraud dengan/ tanpa kerugian finansial, akan tetapi memiliki dampak yang besar untuk Bank, antara lain; kolusi antara pihak internal Bank dengan pihak eksternal, atau pelaku adalah anggota Direksi, atau korban dari fraud adalah nasabah Bank.
- (2) Kejadian fraud dengan kerugian finansial yang setara atau lebih dari IDR100 juta.

Sejalan dengan semangat penerapan GCG, Bank telah memiliki Pedoman Kepatuhan yang didalamnya juga telah memuat Pedoman Perilaku (*Code of Conduct*) yang menjadi pedoman standar bagi anggota Direksi dan seluruh karyawan dalam menjalankan tugas dan tanggungjawab yang diemban sesuai dengan nilai-nilai bisnis yang etis.

Pedoman Perilaku tersebut diberlakukan diseluruh kantor kelompok usaha *Mizuho Financial Group* di seluruh dunia dan secara berkala dikaji ulang untuk disesuaikan dengan kondisi dan perkembangan aspek-aspek kepatuhan serta kepatutan lainnya yang berlaku serta disosialisasikan kepada anggota Direksi dan seluruh karyawan secara berkala.

Sampai saat ini tidak ada penyimpangan maupun kecurangan internal (*internal fraud*) yang dilakukan baik oleh anggota Direksi dan karyawan terkait dengan proses kerja dan kegiatan operasional yang mempengaruhi kondisi keuangan Bank.

- (1) Fraud with/ without financial loss, but having big impact on the Bank, among others; collusion between the Bank's internal and external parties, or the perpetrator is a member of the Board of Directors, or victim of the fraud is a Bank's customer.
- (2) Fraud with financial loss equals to or exceeding IDR100 million.

In line with the spirit of GCG implementation, the Bank has established a Compliance Manual that contains the Code of Conduct which serves as the standard guideline for members of the Board of Directors and all employees in carrying out their duties and responsibilities according to ethical business values.

The Code of Conduct is applied to all offices of the business group of Mizuho Financial Group globally and is re-assessed periodically and adjusted according to the conditions and developments of other prevailing compliance and appropriateness aspects and communicated to members of the Board of Directors and all employees.

To date, there has been no violation nor incidence of internal fraud committed by a member of the Board of Directors nor employee, relating to working processes and operational activities that may influence the Bank's financial condition.

**Penyimpangan Internal (*Internal Fraud*)
Tahun 2014 / Year 2014**

<i>Internal Fraud</i> dalam 1 tahun / <i>Internal Fraud within 1 year</i>	Jumlah kasus yang dilakukan oleh / <i>Total Number of Cases performed by</i>					
	Pengurus / <i>Management</i>		Pegawai tetap / <i>Permanent Employee</i>		Pegawai tidak tetap / <i>Temporary Employee</i>	
	Tahun Sebelumnya / <i>Previous Year</i>	Tahun Berjalan / <i>Current Year</i>	Tahun Sebelumnya / <i>Previous Year</i>	Tahun Berjalan / <i>Current Year</i>	Tahun Sebelumnya / <i>Previous Year</i>	Tahun Berjalan / <i>Current Year</i>
Total Fraud	NIL	NIL	NIL	NIL	NIL	NIL
Telah Diselesaikan / <i>Settled</i>						
Dalam proses penyelesaian di internal Bank / <i>In the process of settlement internally by the Bank</i>	NA	NA	NA	NA	NA	NA

Belum diupayakan penyelesaiannya / <i>No Settlement has been started</i>	NA	NA	NA	NA	NA	NA
Telah ditindaklanjuti melalui proses hukum. / <i>Followed up through legal process</i>		NA		NA		NA

H. Permasalahan Hukum dan Upaya Penyelesaian

Sampai dengan akhir tahun 2014, jumlah permasalahan hukum yang melibatkan Bank sebagai Tergugat maupun permasalahan hukum yang dihadapi oleh Bank selaku Penggugat/Pemohon adalah sebagai berikut:

Bank Sebagai Tergugat/ *Bank as the Defendant*

Permasalahan Hukum / <i>Legal Cases</i>	Jumlah/Total *	
	Perdata/ <i>Civil</i>	Pidana/ <i>Criminal</i>
Telah selesai (telah mempunyai kekuatan hukum tetap)/ <i>Settled (has acquired the court's final decision)</i>	-	-
Dalam Proses Penyelesaian/ <i>In the process of settlement</i>	2	-

Bank Sebagai Penggugat/Pemohon/ *Bank as the Plaintiff*

Permasalahan Hukum/ <i>Legal Cases</i>	Jumlah/Total *	
	Perdata/ <i>Civil</i>	Pidana/ <i>Criminal</i>
Telah selesai (telah mempunyai kekuatan hukum tetap)/ <i>Settled (has acquired the court's final decision)</i>	-	-
Dalam Proses Penyelesaian / <i>In the process of settlement</i>	-	-

* Perkara terkait dengan pemberian kredit/ *Lawsuit in relation to the granting of credit*

I. Transaksi yang Mengandung Benturan Kepentingan

Kebijakan umum mengenai benturan kepentingan telah ditetapkan sebagai bagian dari Pedoman Perilaku (*Code of Conduct*) yang termasuk dalam Pedoman Kepatuhan Bank yang berlaku bagi semua anggota Direksi dan karyawan.

Disamping itu, *Board Manual* yang merupakan pedoman tata tertib kerja dan pelaksanaan tugas anggota Dewan Komisaris dan Direksi telah memasukan aturan mengenai penanganan dan pengungkapan benturan kepentingan dalam proses pengambilan keputusan di tingkat Dewan Komisaris dan Direksi.

H. Legal Cases and Settlements

Up to the end of 2014, the total number of legal cases which involved the Bank as the defendant or plaintiff is as follows:

I. Transactions with Conflicts of Interests

The Bank's general policies regarding conflicts of interests has been established as part of Code of Conduct, which is part of the Compliance Manual, applicable to all members of the Board of Directors and employees.

In addition, the Board Manual as guidelines for work regulation and implementation of duties of members of the Board of Commissioners and Board of Directors, has included stipulation regarding the handling and disclosure of Conflicts of Interests in the process of decision-making at the level of the Board of Commissioners and Board of Directors.

Selama tahun 2014 tidak ada transaksi yang melibatkan benturan kepentingan atau mengandung benturan kepentingan baik dalam proses pengambilan keputusan di tingkat Dewan Komisaris dan Direksi maupun dalam aktivitas operasional Bank sehari-hari oleh pejabat-pejabat Bank lainnya.

J. Buy Back Shares dan/atau Buy Back Obligasi Bank

Sejak didirikan sampai dengan akhir tahun 2014, Bank belum pernah mengambil kebijakan untuk melakukan pengurangan modal dengan cara membeli kembali saham yang telah diterbitkan maupun melakukan penerbitan obligasi.

K. Tanggung Jawab Sosial Bank

Sebagai lembaga yang bergerak dibidang jasa keuangan, disamping berupaya untuk memperoleh dan mempertahankan kepercayaan dari nasabah dan masyarakat melalui pengelolaan Bank yang sehat dan benar, sesuai dengan semangat GCG, Bank juga berupaya untuk memenuhi tanggung jawab sosial (*Corporate Social Responsibilities / CSR*) dan kontribusi kepada masyarakat sebagai warga perusahaan (*corporate citizen*) yang baik.

Wujud tanggung jawab sosial dan misi kemasyarakatan Bank selama tahun 2014 antara lain telah diwujudkan dalam bentuk aktivitas CSR dengan Sekolah Dasar Swasta (SDS) Fadhilah Marunda Jakarta Utara bekerja sama dengan Obor Berkah Indonesia (OBI) dengan tema *Healthy Life for Kids*. Acara tersebut berlangsung pada hari Sabtu, 18 Oktober 2014

Disamping itu, selama tahun 2014, pada tanggal 14 Februari 2014 dan 1 Oktober 2014, Bank telah bekerja sama dengan Palang Merah Indonesia untuk menyelenggarakan donor darah.

Selama tahun 2014 Bank juga ikut berpartisipasi dalam program edukasi masyarakat di bidang perbankan yang dicanangkan oleh Bank Indonesia sejak awal tahun 2008.

Bentuk partisipasi Bank dalam program tersebut dilaksanakan dalam bentuk kunjungan ke Museum Bank Indonesia dan Museum Bank Mandiri yang dilaksanakan pada tanggal 19 November 2014 bekerjasama dengan SMPN 75 Jakarta.

Program tersebut bertujuan untuk meningkatkan pengetahuan dan kepedulian siswa Sekolah Menengah Pertama terhadap lembaga perbankan, produk dan layanan perbankan

Disamping pelaksanaan kunjungan ke museum, Bank juga memberikan sumbangan buku yang terkait dengan bidang keuangan dan perbankan sebanyak 126 (seratus dua puluh enam) buah bagi perpustakaan sekolah.

During 2014, there were no transactions that involved conflicts of interests in the decision-making process of the Board of Commissioners, the Board of Directors, nor in the Bank's daily operational activities by other officials.

J. Buy Back Shares and/or Buy Back of Bonds

Since its establishment up to the end of 2014, the Bank has never adopted a policy to reduce capital by conducting a buy back of shares or issuance of bonds.

K. The Bank's Corporate Social Responsibilities

As a financial services institution, in endeavoring to gain and maintain the trust of its customers and the society through sound and proper management in line with GCG spirit, as a good corporate citizen the Bank also endeavoured to fulfill its Corporate Social Responsibilities (CSR) and contributes to society.

A form of social responsibility and civic mission of the Bank during the year 2014, among others, has been realized in the form of CSR activities with Private Primary School (SDS) Fadhilah Marunda North Jakarta in collaboration with Torch Thanks to Indonesia (OBI) with the theme *Healthy Life for Kids*. The event took place on Saturday, 18 October 2014.

In addition, during the year 2014, on 14 February 2014 and 1 October 2014, Bank has cooperated with Indonesian Red Cross to held blood donor activities.

During the year 2014, Bank also participated in the Public Banking Education Program, launched by Bank Indonesia since the beginning of 2008.

The form of the Bank's participation in the program was visit to Museum of Bank Indonesia and Museum of Bank Mandiri which was held on 19 November 2014 in cooperation with Public Junior High School SMPN 75 Jakarta.

The program is intended to increase the knowledge and awareness of Junior High School students towards banking institution, products and services.

In addition to the museum visit, the Bank also donated 126 (one hundred and twenty-six) books related to finance and banking to the school library.

**Pemberian Dana Untuk Aktivitas Sosial Bank Tahun 2014/
Donation for the Bank's Social Activities in the year 2014**

Tanggal/ Date	Jenis Aktivitas/ Type of Activities	Rupiah/ Jumlah Rupiah/ Amount	Catatan/ Remarks
12 Oktober 2014 / 12 October 2014	Aktivitas CSR di SDS Fadhilah Marunda Jakarta Utara kerja sama dengan Obor Berkat Indonesia (OBI) dengan tema Healthy Life for Kids/ <i>CSR Activity at SDS Fadhilah Marunda Jakarta Utara in partnership with Obor Berkat Indonesia (OBI) themed Healthy Life for Kids</i>	84,434,610	Kegiatan utamanya adalah penyuluhan kesehatan, pemeriksaan kesehatan yang dikemas secara menarik dan diselingi dengan permainan yang mendidik serta pembagian obat dan vitamin / <i>The core activity consisted of health visits, health examinations under disguise of appealing and fun educational activities, as well as the distribution of medication and vitamins.</i>
Total		84,434,610	

**L. Kesimpulan Umum Hasil Self Assessment
Pelaksanaan Good Corporate Governance Bank**

Bank telah melakukan *self-assessment* pelaksanaan *Good Corporate Governance* periode tahun 2014 sesuai dengan format standar yang telah ditetapkan oleh Bank Indonesia.

Berdasarkan hasil *self-assessment Good Corporate Governance* Bank untuk periode pelaporan Tahun 2014, dengan peringkat GCG Bank adalah 2 atau setara dengan predikat “**Baik**”, dengan perincian sebagai berikut:

**L. General Conclusion on the Result of the Bank's
Good Corporate Governance Implementation Self-
Assessment**

The Bank has conducted self-assessment on the implementation of Good Corporate Governance for the period of 2014 according to the standard format established by Bank Indonesia.

Based on the results of the Bank's GCG implementation self-assessment for the reporting period of 2014, with the GCG rating of the Bank 2 or equivalent to the predicate “**Good**” with details as follows :

**LAPORAN PENILAIAN SENDIRI (*SELF ASSESSMENT*) PELAKSANAAN *GOOD CORPORATE GOVERNANCE*
(GCG)
/ *SELF ASSESSMENT REPORT OF
IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE (GCG)***

Nama Bank : PT BANK MIZUHO INDONESIA
Posisi : JANUARI – DESEMBER 2014 / *JANUARY – DECEMBER 2014*

Hasil Penilaian Sendiri (<i>Self Assessment</i>) Pelaksanaan GCG/ <i>Result of Self Assessment on the Implementation of GCG</i>		
	Peringkat/ <i>Rating</i>	Definisi Peringkat/ <i>Definition of Rating</i>
Individual/<i>Individual</i>	2	<p>Mencerminkan Manajemen Bank telah melakukan penerapan <i>Good Corporate Governance</i> yang secara umum “Baik”.</p> <p>Hal ini tercermin dari pemenuhan yang memadai atas prinsip-prinsip <i>Good Corporate Governance</i>.</p> <p>Apabila terdapat kelemahan dalam penerapan prinsip <i>Good Corporate Governance</i>, maka secara umum kelemahan tersebut tidak signifikan dan dapat segera dilakukan perbaikan oleh manajemen Bank.</p> <p><i>That the Management of the Bank has performed the implementation of Good Corporate Governance which have been generally assessed as being “Good”.</i></p> <p><i>This is reflected by the adequate fulfillment of Good Corporate Governance principles.</i></p> <p><i>In case weaknesses exist in the implementation of Good Corporate Governance principles, hence, in general, these weaknesses are not significant and can be immediately rectified by the Bank’s Management.</i></p>
Konsolidasi/<i>Consolidated</i>	-	-
Analisis/ <i>Analysis</i>		

Faktor-faktor positif aspek *Governance Structure* Bank

- Organisasi Bank telah memiliki struktur dan infrastruktur yang memadai sebagaimana tercermin dari komposisi Dewan Komisaris, Direksi, Komite maupun Satuan kerja sesuai ketentuan yang berlaku.
- Seluruh anggota Dewan Komisaris dan Direksi memiliki integritas, kompetensi dan reputasi keuangan yang memadai.
- Bank juga memiliki sumber daya manusia yang berkualitas yang mampu menyelesaikan pekerjaannya secara efektif.
- Disamping itu Bank telah didukung dengan infrastruktur yang memadai yaitu kecukupan dalam kebijakan, prosedur, sistem informasi manajemen serta kejelasan pembagian tugas dan fungsi pada organisasi Bank.

Positive factors of Governance Structure aspect of the Bank

- *The Bank possesses adequate structure and infrastructure as shown by the composition of Board of Commissioners, Board of Directors, Committee or working units in line with prevailing regulation.*
- *All members of the Board of Commissioners and Board of Directors possess integrity, competence and adequate financial reputation.*
- *The Bank possesses qualified human resources who are able to complete their tasks effectively.*
- *In addition, the Bank has also been supported with adequate infrastructure namely sufficiency of the policies, procedures, management information system as well as clear segregation of duties and functions in the Bank.*

Faktor-faktor negatif aspek *Governance Structure* Bank

- Direktur Utama ditunjuk oleh Pemegang Saham Pengendali Bank (Mizuho Bank Ltd), namun yang bersangkutan telah melepaskan jabatan strukturalnya pada Pemegang Saham Pengendali.
- Pengangkatan dan/atau penggantian Dewan Komisaris, Direksi dan Komite telah dilakukan sesuai dengan kriteria, independensi maupun prosedur yang dipersyaratkan oleh ketentuan, namun berdasarkan hasil Audit oleh Otoritas Jasa Keuangan (OJK) posisi 30 September 2014, salah satu temuan menyebutkan bahwa pada *Rules and Working Guidelines* Komite Remunerasi dan Nominasi tidak diatur mengenai periode atau jangka waktu penunjukkan komite tersebut.
- Anggota Dewan Komisaris memiliki kemauan dan kemampuan untuk melakukan pembelajaran yang berkelanjutan, namun berdasarkan hasil Audit OJK posisi 30 September 2014, salah satu temuan menyebutkan kurang memadainya pendokumentasian terkait pelatihan yang telah diikuti Dewan Komisaris.
- Dewan Komisaris telah memiliki *Board Manual* sebagai pedoman dalam pelaksanaan tugas dan tanggung jawabnya sesuai dengan prinsip-prinsip GCG. Namun berdasarkan hasil Audit OJK posisi 30 September 2014, salah satu temuan menyebutkan bahwa *Board Manual* dinilai belum mencakup mengenai waktu kerja Dewan dilakukan revisi *Board Manual* dengan target efektif akhir Januari 2015

Faktor-faktor positif aspek *Governance Process* Bank

- Proses pengangkatan Dewan Komisaris, Direksi, maupun Komite telah sesuai dengan ketentuan yang berlaku.
- Penunjukan Akuntan Publik dan Kantor Akuntan Publik telah dilakukan sesuai ketentuan yang berlaku.
- Dewan Komisaris, Direksi dan segenap jenjang organisasi telah melaksanakan tugas dan tanggung jawabnya sesuai dengan ruang lingkup tugas dan tanggung jawab yang telah ditetapkan.
- Tidak terdapat benturan kepentingan dalam pelaksanaan tugas dengan kepentingan pribadi Dewan Komisaris, Direksi maupun karyawan.
- Pelaksanaan kegiatan operasional Bank telah diawasi dan direview oleh departemen yang independen guna memastikan kegiatan usaha Bank telah memenuhi dan sesuai dengan kebijakan, prosedur internal maupun

Negative factors of Governance Structure aspect of the Bank

- *President Director appointed by the Controlling Shareholders of the Bank (Mizuho Bank Ltd.), however the said person has released its structural position at the Controlling Shareholder.*
- *Appointment and / or replacement of the Board of Commissioners, Board of Directors and the Committee has been carried out in accordance with the criteria, independency as well as the procedures required by the regulations, but based on the results of audits by the Financial Services Authority (Otoritas Jasa Keuangan / OJK) position 30 September 2014, one of the findings stated that the Rules and Working Guidelines Remuneration and Nomination Committee is not set with the period of the appointment of the committee.*
- *Member of the Board of Commissioners has the willingness and ability to perform continuous learning, however based on the results of the OJK audit position 30 September 2014, one of the findings mentioned the insufficient documentation of adequate documentation of the training that participated by BOC.*
- *The Board of Commissioners has a Board Manual as guidance in the implementation of their duties and responsibilities in accordance with the GCG principles. Nevertheless, based on the results of the OJK audit position 30 September 2014, one of the findings stated that Board Manual is considered as not yet including the working time of Board of Commissioners comprehensively and measurable. As a follow-up of this finding, Board Manual is currently being revised with target of the effectiveness by end January 2015.*

Positive factors of Governance Process aspect of the Bank

- *Process of appointment of Board of Commissioners, Board of Directors or Committee has been in line with prevailing regulation.*
- *Appointment of Public Accountant and Public Accounting Firm has been conducted in line with prevailing rules and regulation.*
- *Board of Commissioners, Board of Directors and all levels of the organization have carried out their duties and responsibilities in accordance with the scope of the duties and responsibilities specified.*
- *There is no conflict of interest in their work with private interests of the Board of Commissioners, Board of Directors and employees.*
- *Implementation of Bank's operations have been supervised and reviewed by independent department(s) in order to ensure that Bank's business activities have fulfilled and in accordance with policies, internal*

ketentuan eksternal lainnya. Pengendalian internal telah menjadi bagian dari mekanisme kerja pada keseluruhan aktifitas fungsional Bank. Fungsi Audit Internal telah diterapkan secara efektif pada aktivitas-aktivitas fungsional.

- Bank senantiasa berupaya meningkatkan kepatuhan pada seluruh jenjang organisasi dan kegiatan operasional.

Faktor-faktor negatif aspek *Governance Process* Bank

- Sebagian anggota Dewan Komisaris Bank berdomisili di luar negeri. Hal ini menyebabkan pengawasan aktif lebih banyak dilakukan oleh anggota Dewan Komisaris yang berdomisili di Jakarta.
- Dalam pelaksanaannya, kegiatan usaha Bank yang lebih memfokuskan kepada bidang korporasi menyebabkan tidak dapat dielakkannya pemberian kredit kepada beberapa debitur/kelompok debitur besar yang mengakibatkan penyebaran kredit belum merata.
- Terdapat temuan audit OJK posisi 30 September 2014 terkait dengan tata cara penunjukan Komite Audit dan Komite Pemantau Risiko yang harus diperbaharui setelah 3 (tiga) tahun tanpa mengurangi hak Dewan Komisaris untuk memberhentikan anggota komite setiap saat. Namun surat penunjukan ketua Komite Audit dan ketua Komite Pemantau Risiko berlaku sejak tanggal 28 Juni 2007 dan 31 Juli 2007, yang seharusnya diperbaharui setelah 3 (tiga) tahun atau pada tahun 2010.

Faktor-faktor positif aspek *Governance Outcome* Bank

- Kegiatan usaha Bank telah dilaksanakan sesuai dengan Rencana Bisnis Bank yang telah ditetapkan. Direksi telah mempertanggungjawabkan pelaksanaan tugasnya kepada pemegang saham melalui Rapat Umum Pemegang Saham (RUPS) dan diterima oleh komisaris.
- Selama periode bulan Januari – Desember 2014, terlihat peningkatan kinerja Bank yang tercermin dari pencapaian target maupun profit Bank dalam kurun waktu tersebut.

Faktor-faktor negatif aspek *Governance Outcome* Bank

- Pemilik / pihak terkait / pihak lainnya tidak melakukan intervensi terhadap kegiatan operasional sehingga tidak menimbulkan benturan kepentingan yang dapat merugikan Bank. Namun mengingat status PT Bank Mizuho Indonesia (BMI sebagai anak perusahaan dari

procedures or other external provisions. Internal control has become part of the overall working mechanism at the functional activity of the Bank. Internal Audit function has been applied effectively in the functional activities.

- *Bank continuously make effort to improve the compliance at all level of organization and operation.*

Negative factors of Governance Process aspect of the Bank

- *Some members of the Board of Commissioners are domiciled in overseas. It leads to the implementation of active supervision carried out mostly by members of the Board of Commissioners who domiciled in Jakarta.*
- *In practice, the Bank's business activities are more focused on the corporate field causes unavoidable credit provision to several debtors / group of large debtors that resulting in the deployment of credit that has not been evenly distributed.*
- *There's OJK audit findings position 30 September 2014 related to the appointment of the Audit Committee and Risk Monitoring Committee which shall be renewed after 3 (three) years without prejudice to the right of the Board of Commissioners to dismiss members of the committee at any time. However the appointment letter of chairman of Audit Committee and chairman of Risk Monitoring Committee in effect since 28 June 2007 and 31 July 2007, which is supposed to be renewed after three (3) year or in 2010.*

Positive factors of Governance Outcome aspect of the Bank

- *Bank's business activity has been carried out in accordance with the Bank's Business Plan that has been set. The Board of Directors has been held accountable report for the implementation of their duties to shareholders through the Annual General Meeting of Shareholder and be well received by the commissioner.*
- *During the period of July - December 2014, improvement of Bank's performance is shown in the achievement of targets and profit of the Bank in such period.*

Negative factors of Governance Outcome aspect of the Bank

- *Owners / related parties / other parties do not intervene in the operational activities, thus, it does not cause conflicts of interest that may harm the Bank. However, given the status of BMI as a subsidiary of Mizuho Bank Ltd (MHBK), then it can't be avoided intensive*

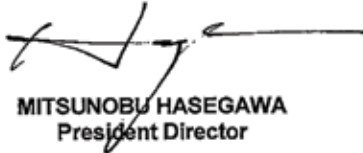
Mizuho Bank Ltd (MHBK), maka tidak dapat dihindari komunikasi yang intensif terkait kegiatan operasional Bank yang terefleksi dari laporan-laporan antara BMI dengan MHBK.

- Penyebaran / diversifikasi portfolio penyediaan dana belum dilakukan secara merata
- Selama periode bulan Januari – Desember 2014, BMI dikenakan sanksi kewajiban membayar terkait dengan keterlambatan penyampaian koreksi historis Debitur individual, kesalahan pelaporan LHBU, kekurangan GWM Primer.

communication related operational activities are reflected in reports made between BMI with MHBK.

- *Deployment / diversified portfolio provision of funds has not done evenly*
- *During the period of July - December 2014, BMI was imposed with financial penalty associated with late submission of individual Debtor historical corrections, error reporting LHBU, Primary Minimum Reserve Requirement.*

BOARD OF DIRECTORS
PT Bank Mizuho Indonesia



MITSUNOBU HASEGAWA
President Director



FUMIRO KIMURA
Deputy President Director



SILVIA LIDWINA SCHRAM
Director



LEONARD WILSON LAY
Director



MIKIRO YAMAMOTO
Director



DJADI
Director



ROOSMALADEWI
Director

