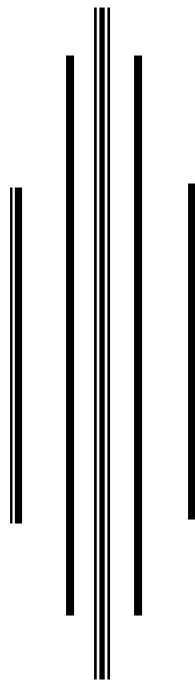




**Bank Mayapada**



# **IMPLEMENTATION REPORT OF GOOD CORPORATE GOVERNANCE**



**YEAR 2023**

**PT BANK MAYAPADA INTERNASIONAL TBK**



## I. INTRODUCTION

The implementation of Good Corporate Government (GCG) principle is an important element in banking industry given the risks and challenges faced by increasing banking industry. Consistent implementation of GCG principles will strengthen the company's competitive position, maximize the value of the company, manage resources and risks more effectively and efficiently which ultimately affect the trust level of shareholders and stakeholders, minimize risks due to non-compliance with applicable regulations, implement the applicable ethics code, and prevent fraud practices so that the Bank may grow to become one of the largest Banks in Indonesia.

Related with the coming into effect of Otoritas Jasa Keuangan Regulation Number 17 Year 2023 dated September 14, 2023 concerning the Implementation of Good Corporate Governance for Commercial Banks and Circular Letter of Otoritas Jasa Keuangan Number 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Good Corporate Governance for Commercial Banks so that the Implementation of good corporate governance at the Bank should be based on five basic principles that include:

### 1. **Transparency**

That is to manage the company transparently to all stakeholders (people who are directly or indirectly involved with the company's activities). Here the managers of the company should do transparently to the investors, Honest as it is in making a business report, not manipulative. Information disclosure in the process of decision making and information disclosure that are considered important and relevant.

### 2. **Accountability**

That is clarity of functions, structure, system and accountability in the company, so that the management of the company can be implemented effectively and efficiently. The management should make clear job descriptions to all employees and affirm the basic functions of each section. From here, the company will become clear for its rights and obligations, for its functions and responsibilities and for its authority in any company policy.

### 3. **Responsibility**

That is to realize that there are parts of the company that have an impact on the environment and society in general. Here the company should pay attention to environmental impact analysis (amdal), environmental security, and conformity with the prevailing norms in the local community. Companies should be appreciative and proactive towards any social upheaval of the community and any growing in the community.

### 4. **Independency**

That is walking upright by holding hands with the community. Companies should have full autonomy so that decision-making is done with full consideration of authority. The company should run profitable in order to maintain its business continuity, However, it is not the profit which is earned without looking at the



circumstances of others. Everything should be profitable and no one is harmed.

## 5. Fairness

That is equality or fair treatment in fulfilling their rights and obligations to stakeholders which arise under the applicable agreement and law regulations. Companies should create a solid system to make all the job as expected. With such a fair work, it is expected that all existing regulations are adhered to protect all those who have an interest in the sustainability of the company's business.

In order to apply the five basic principles mentioned above, the bank has been guided by the prevailing laws and regulations related to the implementation of Good Corporate Governance.

As a form of the implementation of the above regulation, the bank shall prepare a Good Corporate Governance Implementation Report with the aim of providing information to stakeholders dan as one form of application of Good Corporate Governance principles.

Implementation report of Good Corporate Governance consists of 2 (two) parts:

- Part 1 : Transparency of Good Corporate Governance Implementation
- Part 2 : *Self Assessment* of GCG Implementation

## **II. Transperency of Good Corporate Governance Implementation**

In the transparency of GCG implementation will be discussed 12 (twelve) aspects of implementation of GCG principles as follows:

- Disclosure of GCG implementation
- Share ownership of members of the Board of Commissioners and Board of Directors amounting to 5% (five percent) or more of the paid up capital
- Financial relationships and family relationships of members of the Board of Commissioners and Board of Directors with other members of the Board of Commissioners, other Directors and / or Holders Shares of Controlling Bank
- Remuneration Policy dan other facilities of the Board of Commissioners and Board of Directors
- Share Option
- Highest and lowest salary ratio
- Frequency of meetings of the Board of Commissioner
- Number of internal deviations
- Legal issues
- Transactions that contain conflict of interest
- Buy back shares dan buy back bank bonds
- Provision of funds for social activities and political activities during the reporting period

### **1. Disclosure of GCG Implementation**

Disclosure of GCG implementation covers 7 aspects as follows:

#### **a. The Implementation of Duties and Responsibilities of the Board of**



## **Commissioners and Board of Directors.**

### **The Board Of Commissioners**

As of December 31, 2023, the numbers of the Board of Commissioners consisted of 3 (three) members, which consisted of President Commissioner, 1 (one) Commissioner, and 1 (one) Independent Commissioner. All members of the Board of Commissioners reside in Indonesia. The replacement and/or appointment of members of the Board of Commissioners has taken into account the recommendations of the Remuneration and Nomination Committee.

All members of the Board of Commissioners have passed Fit and Proper Test conducted by Otoritas Jasa Keuangan.

The composition of the members of the Board of Commissioners based on the Extraordinary General Meeting of Shareholders is as follows:

<b>P O S I T I O N</b>	<b>N A M E</b>
<b>President Commissioner</b>	<b>Dato'Sri, Prof. DR. Tahir, MBA</b>
<b>Commissioner</b>	<b>Ir. Hendra</b>
<b>Independent Commissioner</b>	<b>Ir. Kumhal Djamil, SE</b>

### **The criterias for becoming a member of the Board of Commissioners are:**

- Having adequate integrity, competency and financial reputation and has passed from fit & proper test which performed by Otoritas Jasa Keuangan.
- Not currently serving as a Commissioner, Board of Directors or Executive Officer at another bank.
- The majority of Commissioners are not related to each other with other members of the Board of Commissioners or Board of Directors.
- Having expertise and experience in the field that will be his responsibility;
- Having good *leadership*;
- Having good reputation as long as the person concerned has previous duties;
- Having good character and morals;
- Having ability to perform legal acts;
- Has never been declared bankrupt or a member of the Board of Commissioners / Board of Directors convicted of causing a company to be declared bankrupt within 5 (five) years before the election;
- Never punished for committing criminal offenses in the financial field within 5 (five) years before the election;
- Meeting the requirements of integrity, competency, and financial reputation as referred in Otoritas Jasa Keuangan Regulation about Fit and Proper Test.



## **The Duties and Responsibilities of the Board of Commissioners are :**

- Ensuring the implementation of GCG principles in every business activity of the Bank at all levels or levels of the organization.
- Oversighting of the execution of duties and responsibilities of the Board of Directors periodically or occasionally and providing advice to the Board of Directors
- Directing, monitoring and evaluating the implementation of the Bank's strategic policy
- Ensuring that the Board of Directors has followed up on audit findings and recommendations from the Internal Audit Work Unit, external auditors, Otoritas Jasa Keuangan supervisory results and / or other authority oversight
- Notifying Otoritas Jasa Keuangan no later than 7 (seven) working days for violation of financial and banking regulations and the circumstances or estimated circumstances that may compromise the viability of the Bank's business
- The Commissioners has carried out its duties and responsibilities independently
- Establishing an Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee
- Ensuring that the established Committees perform their duties effectively
- Providing enough time to carry out their duties and responsibilities optimally

## **Independency**

There are no dual positions of members of the Board of Commissioners as Commissioners, Directors, and Executive Officers of Banks, Non-Bank Financial Institutions or other companies, except as permitted under the Decree of Otoritas Jasa Keuangan Number 17 Year 2023 dated September 14, 2023 concerning Implementation of Good Corporate Governance for Commercial Banks and Circular Letter of Otoritas Jasa Keuangan Number 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Good Corporate Governance for Commercial Banks. To avoid conflicts of interest, the majority of the members of the Board of Commissioners do not have any financial/ownership/stewardship/family relationship up to the second degree with other members of the Board of Commissioners, members of the Board of Directors and/or Controlling Shareholders (PSP).

## **The Board of Commissioners meeting**

The Board of Commissioners meeting during 2023 was held 6 (six) times which discussed such as : bank development, fulfillment of risk management certification, execution of General Meeting of Shareholders (RUPS), Bank business plan, Public Accounting Firm (KAP) appointment plan, Good Corporate Governance (GCG) implementation, credit provision to be more stringent to suppress NPL. The attendance of the Board of Commissioners Meetings is as follows:



No.	Name	BOC Meetings		
		Meetings	Attendance	%
1	Dr. Tahir MBA	6	5	83,3
2	Ir. Hendra	6	6	100
3	Kumhal Djamil	6	6	100

The Board of Commissioners also held meetings with members of the Board of Directors. During 2023, the Board of Commissioners conducted joint meetings with members of the Board of Directors for 3 times. The attendance of the Joint Meeting of Commissioners and Directors is as follows:

No.	Name	Joint Meeting of Commissioners and Directors		
		Meetings	Attendance	%
1	Dr. Tahir MBA	3	3	100
3	Ir. Hendra	3	3	100
4	Kumhal Djamil	3	3	100
5	Hariyono Tjahjarijadi	3	3	100
6	Thomas Arifin	3	3	100
7	Rudy Mulyono	3	3	100
8	Andreas Wiryanto *)	3	2	66,67
9	Harry Sasongko	3	3	100
11	Arif Mualim **)	3	0	0
12	Peter Suwardi	3	0	0

\*) Sdr. Andreas Wiryanto passed away on September 12, 2023

\*\*\*) Effective after obtaining approval from Otoritas Jasa Keuangan for Fit and Proper Test

## ➤ **The Board of Directors**

As of December 31, 2023 the numbers of the Board of Directors consisted of 6 (six) members which consisted of 1 (one) President Director and 1 (one) Vice President Director and 4 (four) Directors which one of them is the Compliance Director. The replacement and/or appointment of the Board of Directors has paid attention to the recommendations from the Remuneration and Nomination Committee. Not all members of the Board of Directors have passed Fit and Proper Test conducted by OJK, namely 1 (one) person is still waiting for fit and proper test process from OJK. The members composition of the Board of Directors is as follows:



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POSITION	NAME
President Director	Hariyono Tjahjarijadi
Vice President Director	Thomas Arifin
Compliance Director	Rudy Mulyono
Director	Harry Sasongko
Director	Arif Mualim *)
Director	Peter Suwardi

\*) Effective after obtaining approval from Otoritas Jasa Keuangan for Fit and Proper Test

## **The criterias for becoming a member of the Board of Directors are:**

- Having adequate integrity, competency and financial reputation and has passed fit & proper test conducted by Otoritas Jasa Keuangan
- Not currently serving as a Commissioner, Board of Directors or Executive Officer at another bank.
- The majority of Directors are not related to each other with other members of the Board of Commissioners or Board of Directors;
- Having expertise and experience in the field that will be his responsibility;
- Having good *leadership*;
- Having good reputation as long as the person concerned has previous duties;
- Having good character and morals;
- Having ability to perform legal acts;
- Has never been declared bankrupt or a member of the Board of Commissioners / Board of Directors convicted of causing a company to be declared bankrupt within 5 (five) years before the election;
- Never punished for committing criminal offenses in the financial field within 5 (five) years before the election;
- Meeting the requirements of integrity, competency, and financial reputation as referred in Otoritas Jasa Keuangan Regulation about Fit and Proper Test.

## **The Duties and Responsibilities of the Board of Directors are :**

- Responsible for the management of the Bank
- The Board of Directors manages the bank in accordance with its authority and responsibilities as stipulated in the Articles of Association
- The Board of Directors has implemented Good Corporate Governance (GCG) principles in all Bank business activities at all levels or levels of the organization



- The Board of Directors has established Internal audit work unit (SKAI), Risk Management Work Unit (SKMR), and Risk Management Committee and Compliance Work Unit
- The Board of Directors has followed up on audit findings and recommendations from Internal audit work unit (SKAI), External Auditors, and the results of Otoritas Jasa Keuangan supervision and / or the results of other authorities supervision
- The Board of Directors has been responsible for the execution of its duties to the shareholders by General Meeting of Shareholders (RUPS)
- The Board of Directors has prepared the complete, accurate, current, and timely information and data to the Board of Commissioners

### **Independency**

There shall be no dual positions of members of the Board of Directors as Commissioners, Directors, and Executive Officers of Banks, Non-Bank Financial Institutions or other companies in accordance with the provisions of Otoritas Jasa Keuangan Regulation (OJK) Number 17 Year 2023 concerning the Implementation of Good Corporate Governance for Commercial Banks and Circular Letter of Otoritas Jasa Keuangan Number 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Good Corporate Governance for Commercial Banks. To avoid conflicts of interest, the majority of the members of the Board of Directors do not have any financial/ownership/stewardship/family relationship up to the second degree with other members of the Board of Commissioners, members of the Board of Directors and/or Controlling Shareholders (PSP).

### **Board of Directors meeting**

The Board of Directors meeting during 2023 was held 12 (twelve) times which discussed such as : Bank development, fulfillment of risk management certification, execution of General Meeting of Shareholders (RUPS), Bank business plan, Public Accounting Firm (KAP) appointment plan, GCG Implementation, credit provision to be more stringent to suppress NPL. The attendance of the Board of Directors Meetings is as follows:

No.	Name	BOD Meetings		
		Meetings	Attendance	%
1	Hariyono Tjahjarijadi	12	12	100
2	Thomas Arifin	12	10	83,3
3	Rudy Mulyono	12	12	100
4	Andreas Wiryanto*)	9	5	55,6
5	Harry Sasongko	12	11	91,7





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6	Arif Mualim **)	12	12	100
7	Peter Suwardi	12	10	83,3

\*) Sdr. Andreas Wiryanto passed away on September 12, 2023

\*\*) Effective after obtaining approval from Otoritas Jasa Keuangan for Fit and Proper Test

## **b. Completeness and Implementation of Committees Duties**

### **> Audit Committee**

The members of audit committee consist of 3 (three) members, 1(one) member is a chairman who comes from an independent commissioner, 1 (one) member is an independent party who is expert in risk management and banking and 1 (one) member is an independent party who is expert in audit. The members of Audit Committee are as follows :

No.	Name	Position	Profession
1.	Kumhal Djamil	Chairman	Independent Commissioner
2.	Benny K. Yudiatmaja	Member	Independent party who is expert in risk management and banking
3.	Usman Gumanti Saleh	Member	Independent party who is expert in audit

The composition of Audit Committee is based on the Decree of the Board of Directors of PT Bank Mayapada Internasional, Tbk. No.. 152/SK/DIR/XI/2022 dated November 21, 2022 regarding the Membership of Audit Committee. All members of Audit Committee have met the requirements stipulated by Otoritas Jasa Keuangan, as well as the independence requirements have been in accordance with applicable provisions. In addition, the company has also established Guidelines and Work Rules for the Audit Committee based on the Decree of the Commissioner of PT Bank Mayapada Internasional Tbk No. 002/SK/KOM/III/2022 concerning Guidelines and Work Procedures of the Audit Committee dated March 10, 2022.

### **The Duties and Responsibilities of Audit Committee are:**

- Monitoring and evaluating of audit planning and execution and monitoring of follow-up audit results in order to assess the adequacy of internal controls including the adequacy of financial reporting process.
- Providing recommendation for appointment of Public Accountant and Public Accountant Firm to General Meeting of Shareholders (RUPS) through Board of



Commissioners.

- Reviewing the implementation of Internal audit work unit (SKAI) duties.
- Reviewing the suitability of audit implementation by Public Accounting Firm (KAP) with applicable audit standards.
- Reviewing the suitability of financial statements with applicable accounting standards.
- Reviewing followed up implementation by the Board of Directors on the findings of Internal audit work unit (SKAI), Public Accountant and Otoritas Jasa Keuangan supervision results.

During 2023, Audit Committee meetings was held 8 (eight) times with the following attendance:

No.	Name	Position	Number of Meetings	Total Attendance	Attendance Level
1	Ir. Kumhal Djamil, SE	Chairman	8	7	87,5%
2	Benny K. Yudiaatmaja	Member	8	6	75%
3	Usman Gumanti Saleh	Member	8	7	87,5%

The Audit Committee reports its activities and recommendations periodically to the Board of Commissioners

## > Risk Monitoring Committee

The members of risk monitoring committee consist of 3 (three) members which consist of a member who comes from an independent commissioner and 2 (two) independent party members who are experts in the field of risk management and banking. The members of Risk Monitoring Committee are as follows :

No.	Name	Position	Profession
1.	Vacant	Chairnan	
2.	Ir. Kumhal Djamil, SE	Member	Independent Commissioner



3.	Daniel Tjong	Member	Independent party who is expert in risk management and banking
4.	Michael Hendra Suryadi	Member	Independent party who is expert in risk management and financial

The composition of Risk Monitoring Committee is based on the Decree of Commissioner of PT Bank Mayapada Internasional Tbk No..013/SK/DIR/I/2023 dated February 1, 2023, concerning The Membership of Risk Monitoring Committee. All members of Risk Monitoring Committee have met the requirements stipulated by Otoritas Jasa Keuangan, as well as the independence requirements have been in accordance with applicable regulations.

**The Duties and The Responsibilities of Risk Monitoring Committee are:**

- The Committee assists and provides recommendations to the Board of Commissioners in order to increase the effectiveness of the implementation of duties and responsibilities in the field of Risk Management and ensure that the Risk Management Policy is implemented properly.
- In order to provide recommendations to the Board of Commissioners, the Committee is required to carry out at least:
  - a. Evaluation of the conformity between the Bank's Risk Management Policy and the implementation of the policy.
  - b. Monitoring and evaluating the implementation of the duties of the Risk Management Committee and the Risk Management Work Unit.
  - c. Reviewing the implementation of integrated Risk Management which consists of risk profile reports, risk-based Bank soundness levels and other reports related to the management of 8 (eight) types of risk, namely credit risk, market risk, operational risk, liquidity risk, legal risk, compliance risk, reputation risk and strategic risk.
  - d. Reviewing every material event involving irregularities/fraud or significant weaknesses in the Bank's risk control, as well as lessons learned to prevent their recurrence in the future.
  - e. Monitoring and receiving reports from internal auditor regarding the result of review on the adequacy of the processes of identification, measurement, monitoring, control and information systems for Risk Management.
  - f. Evaluate the Bank's compliance with the Articles of Association, Bank Supervisory Authority regulations and the capital market, as well as other laws and regulations related to Risk Management.
  - g. The committee must have an internal policy that at least includes Work Guidelines and Rules, including work mechanisms, job descriptions and responsibilities and work rules, including ethical arrangements, working hours and meeting arrangements including voting rights arrangements which must be known and are binding for each member.



- h. Other tasks besides those mentioned above, given by the Board of Commissioners to the Committees in accordance with their functions and duties from time to time as needed.
  - i. Preparing recommendations to the Board of Commissioners regarding changes that must be made to the entity's Risk Management framework or risk appetite approved by the Board of Commissioners.
- Evaluating the suitability between risk management policies with the implementation of such risk policy
  - Monitoring and evaluating the task implementation of Risk Management Committee and Risk Management Work Unit (SKMR) to provide recommendations to the Board of Commissioner

In accordance with the provisions of Otoritas Jasa Keuangan, Risk Monitoring Committee holds meetings at least 4 times a year. Meetings can only be held when attended by at least 51% of the total members, including Independent Commissioners and Independent Parties.

Risk Monitoring Committee has held the meeting for 4 times during 2023 with the following attendance:

No.	Name	Position	Number of Meetings	Number of Attendance	Attendance Level
1	Ir. Kumhal Djamil, SE	Anggota	4	4	100%
2	Michael Hendra Suryadi	Anggota	4	4	100%
3	Daniel Tjong	Anggota	4	4	100%

## > Remuneration and Nomination Committee

The members of Remuneration and Nomination Committee consist of 3 (three) members are a chairman who comes from Independent Commissioner, 1 (one) member is a commissioner, 1 (one) member is an executive officer. The members of The Remuneration and Nomination Committee are as follows :

No.	Name	Position	Profession
1.	Ir. Kumhal Djamil, SE	Chairman	Independent Commissioner
2.	Ir. Hendra Mulyono	Member	Commissioner



3.	Alice Roshadi S.Th	Member	Division Head of HC
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The Remuneration and Nomination Committee was established based on the Decree of the Board of Directors No. 69/SK/DIR/VI/2021 dated June 22, 2021 concerning Appointment of Remuneration and Nomination Committee Members.

The Board of Commissioners established the Nomination and Remuneration Committee to assist in carrying out supervisory responsibilities for the implementation of remuneration and nomination policies of the Company's Board of Directors and staff in accordance with the Company's Articles of Association and Otoritas Jasa Keuangan Regulation.

**The Duties and The Responsibilities of Remuneration and Nomination Committee are :**

**Related to The Remuneration Policies are :**

- Evaluating The Remuneration Policy
- Providing recommendations to the Board of Commissioners regarding :
  - Remuneration policy for the Board of Commissioners and Board of Directors to be submitted to General Meeting of Shareholders (RUPS)
  - Remuneration policy for Executive officers and employees overall to be submitted to the Board of Directors

**Related to The Nomination Policies are :**

- Developing and providing recommendations on systems and procedures the election and / or replacement of members of the Board of Commissioners and Board of Directors to Board of Commissioners to be submitted to General Meeting of Shareholders (RUPS).
- Providing recommendations on member candidates of the Board of Commissioners and / or Board of Directors to the Board of Commissioners to be submitted to General Meeting of Shareholders (RUPS).

**Remuneration and Nomination Committee Meetings**

Implementation of Remuneration and Nomination Committee Meeting in 2023 in accordance with the provisions of the meeting at least 4 times a year. Meetings can only be held when attended by at least 51% of the total members, including Independent Commissioner and Executive Officers of Human Resources. During 2022, Remuneration and Nomination Committee has held the meeting for 5 (five) times with the following attendance:



No.	Name	Position	Number of Meetings	Number of Attendance	Attendance Level
1	Ir. Kumhal Djamil, SE	Chairman	5	5	100%
2	Ir. Hendra	Member	5	5	100%
3	Alice Roshadi S.Th	Member	5	5	100%

The Audit Committee, Risk Monitoring Committee and Remuneration and Nomination Committee have worked in accordance with the duties and authorities which contained in the Directors' decree concerning the establishment of such committees.

c. **Implementation of Compliance Function, Internal Audit and External Audit**

> **Compliance Function**

In running the business, the bank has a high commitment to comply with the provisions of OJK, Bank Indonesia and other applicable laws and regulations. In order to implement these commitments, the existence of a permanent compliance function is an important element in minimizing compliance risks and building a compliance culture.. The Bank has established a Compliance Work Unit that is independent and free from the influence of other work units. Compliance Work Unit established to assist with the implementation of the duties of Compliance Director. The position of Compliance Work Unit is equal to the division level and directly responsible to the Compliance Director. In order to the compliance function can proceed properly, the Board of Commissioner and the Board of Director conduct active supervision. Active supervision conducted by approving the policies and procedures, reporting periodically, requesting explanation. Compliance Work Unit has policies and procedures in place to minimize compliance risks. Beside that, Compliance Work Unit also conducts socialization and training, engages in approval of new products and activities, approval of internal provisions issuance, conducts studies on the release of credit in large quantities, performs compliance test to the internal control related compliance to the work unit, monitors the company's compliance with commitments which made by regulators. Compliance Work Unit is responsible for the implementation of the compliance function and also responsible for the provisions of Anti Money Laundering and Terrorism Financing Prevention (APU dan PPT). The Implementation of Anti Money Laundering and Terrorism Financing Prevention is the international standard which has to be implemented in order to prevent banks from being used as a means or target of crime.

**Compliance Activities During Year of 2023:**

- a. Conducted compliance risk assessments and developed compliance risk profile reports, in order to manage compliance risks.



- b. Conducted socialization and training to employees as one of the efforts in realizing the culture of compliance. Socialization and training are not only aimed to old employees, but also to new employees.
- c. Gave approval for planning of new products and activities, to ensure that new products and activities which will be made have been in compliance with applicable regulations.
- d. Gave Approval of internal provision draft which will be issued.
- e. Conducted compliance review on the disposal of Corporate loans.
- f. Performed consultative functions with other work units related to the application of applicable regulations.
- g. Monitored the fulfillment of reporting obligations to external parties.
- h. Ensured company's compliance with commitments which was made by the company to Otoritas Jasa Keuangan and / or other regulatory authorities.
- i. Coordinated in order to conduct an assessment of Risk-based Bank Health Level.

## **Activities related to Anti Money Laundering and Terrorism Financing Prevention (APU dan PPT) during Year of 2023:**

- a. Conducted training and socialization of Anti Money Laundering and Terrorism Financing Prevention Program continuously
- b. Ensured new products and activities have taken account of the rules of Anti Money Laundering and Terrorism Financing Prevention Program
- c. Monitored suspicious financial transactions by using apps that generates *Unusual Transaction report*
- d. Reported suspicious financial transactions and cash financial transactions, transactions from and to Center for Reporting and Analysis of financial transaction
- e. Perfected the *unusual transaction* parameter to identify suspicious financial transactions
- f. Coordinated the implementation of updating customer data through setting targets and monitoring the realization of targets

## **The Compliance indicator with the position at the end of 2023 showed the following conditions :**

- a. Minimum Capital Adequacy Ratio (KPM) including credit risk, market risk and operational risk was 11,23%, has complied with OJK regulations.
- b. NPL (net) Ratio was 2,90%, within the limits permitted by OJK regulations of a maximum of 5% (net).
- c. There was no violation of the maximum limit of loan disbursement (BMPK), either to related parties or to business groups.
- d. Primary Rupiah Statutory Reserve Requirement (GWM) was 7,58%, in accordance with Bank Indonesia regulation concerning Rupiah Statutory Reserve Requirement (GWM).
- e. Foreign Currency Statutory Reserve Requirement (GWM) was 4,50%, in accordance with Bank Indonesia regulation concerning Foreign Currency



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- Statutory Reserve Requirement (GWM).
- f. Net Open Position (NOP) of 0,10% was well within the limits allowed by Bank Indonesia regulation up to 20% of the capital.
- g. Commitment to Otoritas Jasa Keuangan has been met well.

## > **Internal Audit Function**

The Bank has implemented the internal audit function by establishing Internal Audit Work Unit (SKAI) and Internal Control (IC) that is independent to the operational work unit. Internal audit function has been applied effectively to all aspects and elements of bank activities.. The Implementation of audit function guided by the requirements and procedures which stipulated in the provisions of Otoritas Jasa Keuangan concerning Assignment of Compliance Director and the standard application for Implementation of Commercial Banks Internal Audit Function. In performing its functions, Internal Audit Division conducted an assessment of the adequacy and effectiveness of risk management process, internal control, governance and consultation for internal Banks in need.

### **The Duties and The Responsibilities of Internal Audit Division:**

- a. Arranging and implementing the plan of risk-based annual internal audit and reporting its realization.
- b. Testing and evaluating risk management process, internal control, and governance process to assess its adequacy and effectiveness.
- c. Providing recommendations for improvements and objective information about the examined activities.
- d. Conducting special investigation / inspection based on the request of Board of Commissioners / Board of Directors / Audit Committee, work unit or any certain indication.
- e. Monitoring, analyzing and reporting the followed up implementation that has been done by *auditee* based on the recommendation of audit result.
- f. Serving as a consultant to internal bank parties in need, especially concerning the scope of Internal Audit Tasks.
- g. Compiling a program to evaluate the quality of internal audit activities which has been undertaken.

### **The Standard of Audit Implementation**

The activities of Internal Audit Division which guided by Work Manual and Internal Audit Charter as stipulated in the Decision of the Board of Directors number 01/KEP/HTHM/IX/02 compiled based on implementation standard of internal bank audit function and the provisions on the Formation and Guidelines for Formulating Internal Audit Charter from Bapepam-LK. The effectiveness for the implementation of the Internal Audit Division Function and its compliance to the Implementation Standards of Bank Internal Audit Function (SPFAIB) which reviewed by an independent external party at least once in 3 (three) years.

### **Audit Implementation of 2023**

During 2023, Internal Audit Work Unit (SKAI) have examined :





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1. 28 Branch/Sub-Branch Offices, consisting of 10 Branch offices and 25 Sub-Branch offices, namely:
  - 1 Jabodetabek Branch Office (Mayapada Tower - Jakarta) and 9 outside Jabodetabek Branch Offices (RA Kartini – Lampung, Tajur – Bogor, MT Haryono – Kendari, A Yani – Pekanbaru, Sudirman - Balikpapan Kaltim, Abul Hasan – Samarinda, Pemuda – Medan, Pemuda Padang and Mayapada Kompleks - Surabaya)
  - 18 Sub-Branch offices covering 11 Jabodetabek offices (Salemba, Ruko Golden Madrid, Boulevard Kelapa Gading, Mangga Besar, Cikarang, RS Mayapada Lebak Bulus, Menara Gracia, Balikpapan, Ruko Tekstil, Jembatan Lima and Muara Karang) dan 7 outside Jabodetabek Sub-Branch offices, 1 Pekanbaru area (Imam Munandar), 3 Medan areas (Asia, M Yamin and Sukaramai) and 3 Mayapada Kompleks areas – Surabaya (Darmo Baru, Jembatan Merah Plaza dan Mulyosari).
2. IT Audit of Heavy Equipment & Truck Division (formerly Motor Vehicle Credit Division)
3. IT audit covering Security Audit BI – FAST (IT Division and Operation Division), Deposit Memo BPM System, Automation Business Process – K2 Software (IT Division)), communication network (IT Division), E - Reporting Deposit Insurance Corporation (IT, Compliance and MIS Division ), SLIK System (IT Division and Credit Operation Division), Credit Card Cardwork System (IT Division and Credit Card & Personal Loan Division).
4. Audit of KPNO division which including BI-RTGS (Operation Division), BI-ETP (Treasury Division), BI-SSSS (Operation Division), SKNBI (Operation Division), BI-FAST (Operation Division), KPDHN (Mayapada Tower Branch), Training and payroll costs ( Human Capital Division), Office Asset Maintenance, purchasing, payments, logistics and vehicles and Miscellaneous Assets (RRA) (Procurement & General Affairs Division), Payment System Process (BI-RTGS, SKNBI, BI-FAST) through IB, MB , SMS Banking (E-Channel Division), Deposit Insurance Corporation (LPS) System (MIS, Compliance, Credit Operation Division), Digital Transformation (Digital Transformation Division), SLIK (Credit Operation Division)
5. Quality Management System Inspection related to ISO 9001:2015.
6. Inspections related to preparation for ISO 27001:2022 certification regarding Information Security Management Systems
7. Inspections related to preparation for ISO 37001:2016 certification regarding Anti-Bribery Management Systems

> **External Audit Function**

In order to fulfill the application of the External Audit function in accordance with the Regulation of Otoritas Jasa Keuangan No. 9 Year 2023 dated July 11, 2023 regarding the Use of Public Accounting Services and Public Accounting Firms in Financial Services Activities, then:



1. The Bank's Financial Statement has been audited by an independent, competent, professional, and objective Public Accountant, and used professional proficiency accurately and thoroughly (*due professional care*).
2. Public Accountant which appointed by the Bank to audit in accordance with professional standards, employment agreements, and audit scope.
3. In accordance with the decision of the Annual General Meeting of Shareholders (RUPS), the appointment of Public Accounting Firm and the determination of fees shall be made by the Board of Commissioners with due regard to the recommendations of Audit Committee.
4. The appointment of Public Accountant Firm shall be conducted in accordance with the applicable provisions, among others:
  - a. Represents Public Accountant Firm and Public Accountant (partner in-charge) registered with Otoritas Jasa Keuangan
  - b. Not providing any other services to the Bank in the year so as to avoid the possibility of conflict of interest
  - c. Public Accounting Firm of Kanaka Puradiredja, Suhartono & Rekan affiliated with Nexia International appointed as the Bank auditor to audit the Bank's financial report for the fiscal year ended December 31, 2023.
  - d. The Bank authorizes the Public Accounting Firm to submit an audited report accompanied by a Management Letter to Otoritas Jasa Keuangan no later than 4 (four) months after the fiscal year.

**Public Accounting Firm and Public Accountant who has audited the financial report of Bank Mayapada in the last 3 years:**

Explanation	2023	2022	2021
Public Accounting Firm	Kanaka Puradiredja, Suhartono & Rekan	Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan	Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan
Public Accounting	Patricia	Riva Utama Winata	Riva Utama Winata

In conducting audit of financial statements, the Bank has appointed Public Accountant and Public Accountant Firm which registered in OJK.

The Audit Assignment to Public Accountant and Public Accountant Firm by taking into account the following aspects:

- Capacity of Appointed Public Accountant Firm



- Legality of employment agreement
- Scope of audit
- Professional standards of public accountants, and
- Communications between Bank Indonesia and Public Accounting Firm

The appointment of Public Accountant and Public Accountant Firm has obtained the approval from the General Meeting of Shareholders (RUPS) based on the recommendations of Audit Committee.

**d. The Implementation of Risk Management Including Internal Control System**

The Implementation of Bank risk management includes :

- a. Active supervision of the Board of Commissioners and the Board of Directors.
- b. Adequacy of policies, procedures and limit setting.
- c. Process Adequacy of identification, measurement, monitoring and risk control and risk management information system.
- d. Internal control system.

Bank Mayapada implements effective risk management and internal control systems that adjusted to the business objectives and policies, the size and complexity of the Bank's business activities by referring to the requirements and procedures set forth in Otoritas Jasa Keuangan Regulation, as well as with reference to *best practice* through actions as following:

1. Identifying and controlling all risks including those coming from new products and activities.
2. Having a Risk Monitoring Committee (KPR) which aims to ensure that the existing risk management framework has provided adequate protection against all Bank risks and has a fundamental duty to provide independent professional recommendations and opinions on the suitability of policies with the implementation of management policies Risks to the Board of Commissioners, as well as monitor and evaluate the performance of Risk Management Committee (KMR) and Risk Management Working Unit (SKMR).
3. Having a Risk Management Committee (KMR) which has the main duty to formulate policies, strategies and guidelines of risk management implementation, improving the implementation of risk management based on the evaluation for the effective implementation of risk management processes and systems, and determining related matters to deviant business decisions from normal procedures (*irregularities*).
4. Having a Risk Management Work Unit (SKMR) aimed at ensuring that risks faced by the Bank can be properly identified, measured, monitored, controlled and reported correctly through the appropriate application of risk management frameworks.
5. Managing risks and ensuring the availability of policies and setting the risk limit supported by procedures, reports and information systems that provided accurate and timely information and analysis to the management including established measures to address changing market conditions.



6. Ensuring that the preparation of existing work systems and procedures has taken into account the operational and business aspects as well as the level of risk that may occur in a work unit.
7. Ensuring that there is a clear determination of reporting paths and segregation of functions between operational work units and work units that carrying out the control functions. The control function performed by Risk Management Work Unit (SKMR), Legal Division, Compliance Work Unit, and Internal Audit Work Unit (SKAI).
8. Ensuring that SKAI has conducted an independent and objective review of the Bank's operational procedures and operations periodically. The results of SKAI review submitted in the form of Audit Result Report and Follow-up Report of Audit Result to the Board of Directors.
9. Monitoring the Bank's compliance with sound bank management principles in accordance with applicable provisions through the Compliance work unit
10. Ensuring that Branch Internal Controls and SKAI have performed the evaluation function for the implementation of applicable systems and procedures in the bank. The result of evaluation from Branch Internal Controller and SKAI used as a benchmark for the compliance level of work unit to the established system and procedure.
11. Creating a Bank Risk Profile Report and Consolidated Risk Profile Report quarterly and submitting it to OJK in a timely manner.

In the context of risk control, Bank Mayapada International (BMI) has implemented an integrated Risk Management Basic Framework incorporated in the Risk Management Basic Policy. The framework used as a means for the determination of BMI strategies, organizations, policies and guidelines, as well as infrastructure so that it can be assured that all risks faced by BMIs can be recognized, measured, controlled and reported properly. In order to implement risk management effectively and optimally, BMI has a Risk Management Committee that serves to discuss the overall faced risk issues and recommend the risk management policy to the Board of Directors. In addition to the above Committees, BMI has established several other Committees that deal specifically with risks including: Credit Policy Committee, Credit Committee and Asset and Liability Committee (ALCO).

BMI continuously undertakes an overall risk assessment of new product and activity issuance plan according to the type of risk contained in Regulation of Otoritas Jasa Keuangan No. 18 / POJK.03 / 2016 concerning the Implementation of Risk Management for Commercial Bank dated March 16, 2016 and Circular Letter of Finance Service Authority no. 34 / SEOJK.03 / 2016 dated September 1, 2016 concerning The Implementation of Risk Management for Commercial Banks.

**The managed risks consist of 8 (eight) types of risk, namely :**

## **1. Credit Risk**

- a. Credit organizations continue to be refined based on the application of



the principles "*four eyes principles*" which credit decisions taken on the basis of two aspects, namely business development and credit risk analysis

- b. The Bank has the credit policy that continues to improve in line with the development of Bank, Bank Indonesia Regulation, OJK Regulation and in accordance with "*International Best Practice*."
- c. Completion of credit risk management procedures and systems carried out through the development of "*Loan Origination System*" over the workflow of the credit disbursement process (from beginning to end) so that an effective and efficient credit process can be achieved. The development of the debt risk profile measurement system continuously developed to be fully implemented, as well as the credit *database* development process is continuously carried out and perfected.
- d. To maintain good quality of credit, credit quality monitoring continues on a regular basis, both per credit category (Corporate, Commercial, *Small & Medium Enterprise* (SME), Consumer and Credit Card as well as the overall loan portfolio.
- e. The Bank has developed credit risk management by conducting *stress testing* analysis on credit portfolio as well as monitoring the results of stress testing. As a response from the market changing condition and economic turmoil, the Bank conducts *stress testing* analysis periodically. Stress testing is useful for the Bank as a device to estimate the magnitude of the risk impact on "*stressful conditions*" so that the Bank can make appropriate strategies to mitigate such risks as part of the implementation of the *contingency plan*.

## 2. Market Risk

- a. In managing its foreign exchange risk, the Bank centralizes the management of the net foreign exchange position of the Treasury Division, which combines the daily net open position reports of all branches. In general, each branch required to cover its foreign exchange risk at the end of each working day, although there is a tolerance limit of net open position for each branch depending on the amount of foreign exchange transaction activity in the branch. The Bank prepares a daily net open position report that combines the net open position in the consolidated financial position report and *off-balance sheet accounts*.
- b. To measure foreign exchange risk, the Bank uses *Value at Risk* (VaR) method with *Historical Simulation* approach for internal reporting purposes that supported by Treasury System, while for the calculation of the Bank's Minimum Capital Requirement Report using OJK standard method.
- c. The main components of Bank liabilities that are sensitive to interest rate movements are customer deposits, while the sensitive Bank assets are Government Bonds, marketable securities and loans. ALCO regularly monitors the market developments and adjusts interest rates on deposits and loans.
- d. The Bank determines the deposit interest rate based on market conditions



and competition by monitoring the interest rate movement and the interest rate offered by the competitor Bank.

### 3. Liquidity Risk

- a. The Bank is very concerned with maintaining adequate liquidity in fulfilling its commitments to customers and other parties, whether in terms of credit provision, repayment of customer deposits, or to meet operational liquidity needs. The overall liquidity demand management function undertaken by ALCO and operationally by Treasury Division.
- b. Measurement and control of liquidity risk carried out with the supervision of liquidity reserves and *Loan to Deposit Ratio (LDR)*, conducting *maturity profile* analysis, cash flow projection, and periodic stress tests to see the impact on Bank liquidity in the face of extreme conditions. The Bank also has a *contingency funding plan* to deal with these extreme conditions.
- c. The Bank has complied with the provisions related to liquidity as stipulated in a Bank Indonesia Regulation requiring Banks to maintain daily Rupiah liquidity (Statutory Reserves), comprising the Primary Minimum Statutory Reserves and LDR Statutory Reserves in the form of Rupiah demand deposits at Bank Indonesia, Secondary Statutory Reserves in the form of SBIs, SDBI, SUN, and excess reserves, and foreign currency reserves in the form of foreign currency demand deposits at Bank Indonesia.

### 4. Operational Risk

- a. Basel Accord II requires the Bank to incorporate operational risk as one of components in the Bank's capital adequacy calculation by using the simple approach that is Basic Indicator Approach (BIA).
- b. The Bank also has a *database* of cases / losses associated with operational risks that occur in all work units known as *Loss Event Database (LED)*. LED aims to assist the Bank in recording and analyzing faced cases or problems, so that corrective action and prevention of similar cases can be taken. The ultimate goal of LED is to minimize the possible operating loss risks. In addition, LED is also a means of collecting operational risk loss data used by the Bank to calculate *capital charge* allocation and continuous monitoring of events that may cause operational losses that have occurred in the Bank.
- c. The Bank has calculated the Bank's minimum capital requirement for operational risk based on the Basic Indicator Approach. Currently, the Bank has implemented the regulations from OJK related to the inclusion of operational risk in calculating Capital Adequacy Risk (CAR) in addition to credit risk and market risk.

### 5. Legal Risk

- a. Inherent legal risk assessed on the basis of potential losses on cases occurring in the Bank that are in process in the court divided by the Bank's capital. The parameters used to calculate potential losses on cases





that are in the court are the basis of lawsuits (position cases), case values, and legal documentation.

- b. To identify, measure, monitor and control law risks, the Bank has established Legal Division at the Head Office.
- c. In order to mitigate legal risks, the Legal Division has undertaken, such as:
  - ☐ Creating a Legal Risk Management Policy, having internal rules governing the organizational structure and *job description* of the Legal Division as well as standardizing legal documents.
  - ☐ Establishing legal communication forums to improve the competence of legal staff.
  - ☐ Socializing the impact of the prevailing regulations on Bank banking activities and various modus operandi of banking crimes and guidelines for the handling legally to branch officials and related working units.
  - ☐ Conducting a legal defense of civil and criminal cases involving the Bank that is in process in the court, and monitoring the progress of the case.
  - ☐ Arranging a strategy plan for credit security (in collaboration with other work units, including Credit Settlement Division) in relation to the problem of bad credit problems.
  - ☐ Monitoring and analyzing cases that are being processed in the court faced by the Bank.
  - ☐ Conducting an inventory, monitor, analyze and calculate potential losses that may arise related to legal cases that occur.

## 6. Reputation Risk

- a. Assessment of reputation risk performed by using parameters such as the frequency of complaints and negative publications and the achievement of complaints solving.
- b. To manage and control reputational risk, the Bank manages customer suggestions and complaints by establishing the customer complaints handling unit.
- c. The reputation risk management conducted by referring to:

## 7. Strategic Risk

- a. Inherent strategic risk assessments conducted by using parameters such as strategy conformity with the business environment condition, low-risk strategies and high-risk strategies, the Bank's business position and the achievement of the Bank's Business Plan.
- b. The assessment of strategic risk management implementation quality conducted by using parameters such as risk management, risk management framework, risk management process, MIS and HR, and adequacy of risk control system.

## 8. Compliance Risk

- a. In accordance with the applicable Otoritas Jasa Keuangan regulation, the



Bank has appointed one of the members of the Board of Directors as a Director who oversees the compliance function. In the performance of its duties, the Director who in charge of compliance functions is assisted by a Compliance Work Unit tasked with managing the Bank's compliance risk.

- b. The Bank has established compliance policies and procedures, which include, among other, the process of constantly adjusting internal terms and systems with applicable regulations and communicating provisions to related employees, reviewing new products / activities, conducting compliance tests periodically, training for employees and Monthly report of compliance to the Board of Directors and Board of Commissioners.
- c. The Bank has established and implemented the program of Anti Money Laundering and Terrorism Financing Prevention. The Bank has also developed an application to identify suspicious financial transactions in accordance with the applicable regulations.

The Bank's Risk Profile Composite rating in the fourth quarter of 2023 was “*Moderate*”, was the appraisal result of inherent risk rating of “*Moderate*” with a quality appraisal of risk management implementation “*Fair*”. The quality of risk management implementation was a reflection of risk management implementation scope which stated in Risk Management Basic Policy.

The Risk Level of 8 (eight) types of risk assessed was as follows:

- a. Risks that have the risk level “*low to moderate*” were Market Risk, Liquidity Risk, Operational Risk, Reputation Risk, Legal Risk and Strategic Risk.
- b. Risks that have the risk level “*moderate to high*” were Credit Risk and Compliance Risk.

**e. Provision of Funds to the Related Parties and Provision of Large Funds**

In order to avoid the failure of the Bank's business as a result of funds provision, The Bank will apply the prudence principles especially the provision of large funds/ concentrated to a particular debtor and the provision of funds to the related parties. Provision of funds is applied by distributing / diversifying portfolio. In addition, the provision of funds to related parties should be with the knowledge of the Board of Commissioners. The provision of large amounts and to related parties is always guided by the provision of Otoritas Jasa Keuangan on the maximum limit of loan disbursement (BMPK).

The amount of provision of funds to related parties and core debtors as of December 31, 2023 is :





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No.	Provision of Funds	Amount	
		Debtors	Nominal (Millions Rp.)
1.	To The Related Parties	100	1.338.442
2.	To The Core Debtors: Individual Group	25 169	17.002.695 48.812.036

## f. The Bank's Strategic Plan

The bank's strategic plan divided into 2 (two) namely long-term plan (corporate plan) and medium and short term plan (business plan)

Bank Mayapada's long-term plan (Corporate Plan) are :

- Become one of the leading foreign exchange private banks
- Become the chosen bank for customers with small, medium and consumptive business
- Implement risk management and good corporate governance well and consistent
- Maintaining CAR ratio above 10%
- Keeping NPL below 5%

Bank Mayapada's medium-term plan is linked to the capital structure of Bank Mayapada, Bank Mayapada will become a Bank with the customer activity focus on retail and consumptive.

Short term plans that are supporter in achieving medium and long term plans are :

- Increase the number of operational offices
- Develop information technology
- Conduct the bank consolidation
- Increase the ability of human resources.

## g. Transparency of Financial and Non Financial Condition

The Bank has prepared and presented the report with the procedure, type and scope as stipulated in the provisions of OJK concerning Transparency of Financial Condition.

Financial and non financial information has been published on the homepage, [www.bankmayapada.com](http://www.bankmayapada.com).

The transparency of Bank product information has been conducted in accordance with Bank Indonesia regulation. The provisions on transparency of product information and



the usage of customers personal data have been set forth in SK DIR.No.74 / KEP / HM-BR / IX / 05 dated September 16, 2005 concerning Transparency of Product Information and SK DIR.No.75 / KEP / HM-BR / IX / 05 dated September 16, 2005 concerning Transparency of Customers Personal Data.

**2. Share Ownership of Members of the Board of Commissioners and Board of Directors with 5% or more of paid up capital**

Most of the members of the Board of Commissioners and the Board of Directors have no shares with 5% or more of the paid up capital, either in Mayapada Bank, other Banks, Non-Bank Financial Institutions and other Companies, both domestically and abroad. Share ownership of more than 5% owned by the President Commissioner owning PT.Mayapada Karunia and PT.Mayapada Kasih shares

**3. Financial relationship and family relationships of members of the Board of Commissioners and Board of Directors with other members of the Board of Commissioners, other Directors and / or Controlling Shareholders of the Bank**

The majority of the members of the Board of Commissioners and the Board of Directors have no financial relationship and family relationship with other members of the Board of Commissioners, other Directors, or Controlling Shareholders of the Bank.

**4 Remuneration policy and other facilities of The Board of Commissioners and Board of Director**

- a. Type of remuneration and other facilities for the Board of Commissioners and Board of Director

Type of remuneration and other facilities	Amount Received in 1 Year			
	Board of Commissioners		Board of Directors	
	Member	Millions Rupiah	Member	Millions Rupiah
Remuneration (salary, bonus, routine allowance, tantiem, and other facilities in non-natura form)	3	26.701	6	59.222
Other facilities in natura form (housing, transport, health insurance, et cetera) which : a. can be owned b. cannot be owned	-	-	-	-



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TOTAL	3	26.701	6	59.222
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- b. Number of members of the Board of Commissioners and Board of Directors receiving remuneration package

Number of Remuneration per Person in 1 year *)	Number of Commissioners	Number of Directors
Above Rp. 2 billion	3	5
Above Rp. 1 billion to Rp. 2 billion	-	1
Above Rp. 500 million to Rp. 1 billion	-	-
Under Rp 500 million	-	-

\*) received in cash

## 5. Share Option

There is no share option which given to the Board of Commissioners, Directors and Executive Officers.

## 6. The ratio of the highest and the lowest salaries

- Ratio of the highest and the lowest employee salaries = 169,41 X
- Ratio of the highest and the lowest directors salaries = 3,69 X
- Ratio of the highest and the lowest commissioners salaries = 5,46 X
- Ratio of the highest directors salaries and the highest employee salaries = 2,64X

## 7. Frequency of Board of Commissioners Meeting

- The Board of Commissioners holds 6 meetings in a year
- All meetings are attended physically, never by teleconference
- Meetings of the Board of Commissioners are attended by members of the Board of Commissioners with attendance level according to the table of the Board of Commissioners meeting which has been discussed in the implementation of the duties and responsibilities of the Board of Commissioners

## 8. Number of internal deviations (internal fraud)

The number of deviations by the board, permanent and non-permanent employees with amounts more than Rp 100 million for 2023 is in accordance with the following :

Internal Fraud in one year	Number of Cases Performed By					
	The Board		Permanent Employee		Non-Permanent Employee	
	The Year Before	Current Year	The Year Before	Current Year	The Year Before	Current Year



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Total Fraud	Nil	Nil	Nil	Nil	Nil	Nil
Completed	Nil	Nil	Nil	Nil	Nil	Nil
In the settlement process in internal Bank	Nil	Nil	Nil	Nil	Nil	Nil
The settlement has not been attempted	Nil	Nil	Nil	Nil	Nil	Nil
Has been followed up via legal process	Nil	Nil	Nil	Nil	Nil	Nil

## Internal Fraud in 1 year

### 9. Legal Issues

Legal issues covering both civil and criminal cases during 2023 are as listed in the table below:

Legal Issues	Quantity	
	Civil	Criminal
Completed (having permanent legal force)	1	0
In the process of completion	30	0
T O T A L	31	0



## 10. Transaction that contain conflict of interest

No.	Name and Positions that Have The Form of Interest	Name and Position of Decision Maker	Type of Transaction	Transaction Value (millions rupiah)	Desc.
1.	Tahir (President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto ( Member of the Board of Directors)	Bank rent building belongs to Commissioner For Sub Branch Offices of Darmo	Rp. 750.000.000,- per year during year 1-5 (1 Jan 2021 to 1 Jan 2026)  Rp. 1.125.000.000,- per year during year 6- 10 (1 Jan 2026 to 1 Jan 2031)  Total Rental Price for10 years is Rp. 9.375.000.000,-	ADD VII
2	Jonathan Tahir (Son of President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto ( Member of the Board of Directors)	Bank rent building belongs Related Party For Branch Offices of Pasar Baru	Rp.2,5 Billion for 5 years (31 March 2023 to 31 March 2028)  Rp.3.750.000.000,- for 5 years (31 March 2023 to 31 March 2028)	ADD III
3	PT Sejahteraraya Anugrahjaya, Tbk (related party)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto ( Member of the Board of Directors)	Bank Rent The Space Belongs to Related Party For ATM Space at Mayapada Hospital Tangerang	Rp.192.000.000,- for 4 years (2 Feb 2019 to 31 January 2027)	
4	PT. Precise Pacific Reality (related party)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For Head Office at Mayapada Tower I Building	Basement, GF, 1st Fl, 2nd Fl, 3rd F l, 07-06 Fl , 17-01 Fl = Rp. 18.684.659.200,-/year (1 Jan 2023 to 31 December 2023)	
5	PT. Sejahtera Alam Property (related party)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For Head Office at Mayapada Tower II Building	9 <sup>th</sup> Fl, 10 <sup>th</sup> Fl, 15 <sup>th</sup> Fl, 16 <sup>th</sup> Fl and 21 <sup>st</sup> Fl = Rp. 351.488.101.876,- for a rental period of 10 years (19 Oct 2020 to 18 Oct 2030)	



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6	PT. Banua Multi Guna (related party)	Djohan Gunawan (Banjarmasin Branch Head who is authorized by the Board of Directors)	Bank Rent The Space Belongs to Related Party For Banjar Branch Office	Rp. 7.710.000.000,- including VAT for a rental period of 5 years  (04 May 2020 to 03 May 2025)	
7	PT. Perdana Tangguh Abadi (related party)	Hariyono Tjahjarijadi (President Director) and Rudy Mulyono (Director)	Bank Rent The Space Belongs to Related Party For Head Office at Menara Topas	16 <sup>th</sup> Fl = Rp. 22.118.642.700 for a rental period of 10 years  14 <sup>th</sup> Fl = Rp. 6.911.690.190,- for a rental period of 10 years  14 <sup>th</sup> Fl Remuneration = Rp. 1.604.242.602,- for a rental period of 10 years	
8	PT. Perdana Tangguh Abadi (related party)	Hariyono Tjahjarijadi (President Director) and Rudy Mulyono (Director)	Bank Rent The Space Belongs to Related Party For Menara Topas Branch Office	Ground Floor = Rp. 32.679.653.414,- for a rental period of 10 years	
9	PT Sejahtera alam Property (related party)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For ATM Space at Mayapada Tower II	Rp.308.000.000,- for 2 years (14 August 2022 to 13 August 2024)	ADD II
10	PT Nirmala Kencana Mas (related party)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For Branch Office of Mayapada Hospital Lebak Bulus	Rp. 547.200.000,- for 2 years (18 February 2022 to 17 February 2024)	ADD I
11	PT Sejahteraraya Anugrahjaya, Tbk (related party)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For Branch Office of Mayapada Hospital Tangerang	Rp.647.160.000,- for 2 years (1 February 2022 to 1 February 2024)	
12	PT Nirmala Kencana Mas (related party)	Hariyono Tjahjarijadi (President Director) and Rudy Mulyono (Director)	Bank Rent The Space Belongs to Related Party For ATM at Mayapada Hospital Lebak bulus	Rp. 100.000.000,- for 5 years (1 February 2023 to 31 January 2028)	ADD I



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13.	PT. Sejahtera Abadi Solusi (related party)	Lindar Rianti Tunggal & Wirantono Handoyo (Branch Head & Operational Section Head of Mayapada Complex Branch who are authorized by the Board of Directors)	Bank Rent The Space Belongs to Related Party For ATM at Mayapada Hospital Surabaya	Rp. 35.000.000,- for 2 years (20 December 2023 to 19 December 2025)	
14	Grace Tahir (Daughter of President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For Branch Office of Taman Palem Lestari	Rp. 10.000.000.000,- for a rental period of 10 years (11 April 2018 to 11 April 2028)	
15	Raymond & Elizabeth Sindawati (Nephew and Sister of President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto ( Member of the Board of Directors)	Bank Rent The Space Belongs to Related Party For Branch Office of Pluit Kencana	Rp. 1.250.000.000,- for a rental period of 10 years (11 Februari 2021 to 11 Februari 2026)	
15	Raymond (Nephew of President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto ( Member of the Board of Directors)	Bank Rent The Space Belongs to Related Party For Branch Office of Kelapa Gading Boulevard Timur	Rp. 1.625.000.000,- for a rental period of 10 years (14 September 2021 to 11 September 2026)	
16	Petarung Tangguh Persada	Julianti Turnip & Ni Komang Purnama Dewi (Branch Head & Section Head of Branch Credit Administration of Denpasar Bali who are authorized by the Board of Directors )	Bank Rent The Space Belongs to Related Party For ATM at Mall Bali Galeria	Rp. 270.000.000,- for a rental period of 3 years (21 June 2022 to 20 June 2025)	
17	L. Budhin (Brother in Law of President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For Branch Office of Pasar Gede Solo	Rp. 270.000.000,- for a rental period of 5 years (3 August 2020 to 3 August 2025)	ADD II



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18	Elizabeth Sindawati (Sister of President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For Sub-Branch Office of Slamet Riyadi Solo	Rp. 4.000.000.000,- for a rental period of 5 years (1 June 2019 to 1 June 2024)	
19	PT. Menara Bumi Sejahtera (related party)	Hariyono Tjahjarijadi (President Director) and Suwandy (Director)	Bank Rent The Space Belongs to Related Party For Branch Office of Mayapada Complex Surabaya	Rp. 31.033.200.000,- for a rental period of 5 years (1 June 2016 to 31 May 2026)	
20	L. Budhin (Brother in Law of President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Director)	Bank Rent The Space Belongs to Related Party For MMU Branch Office Sunggingan	Rp. 250.000.000,- for a rental period of 5 years (26 May 2023 to 26 May 2028)	ADD II
21	Elizabeth Sindawati (Sister of President Commissioner)	Suwandy (Proxy of President Director) and Vinsensius Chandra Tjen (Vice President Director II)	Bank Rent The Space Belongs to Related Party For Branch Office of Palur Solo	Rp. 1.500.000.000,- for a rental period of 5 years (31 July 2015 to 31 October 2025)	
22	Tahir (President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto (Member of the Board of Directors)	Bank Rent The Building Belongs to Commissioner For Sub-Branch Office Bunguran - Surabaya	Rp. 500.000.000,- per year for years 1-5 (3 October 2023 to 3 January 2028) Rp. 750.000.000,- per year for years 6- 10 (3 Jan 2023 to 3 Jan 2028)	ADD I
23	PT. Precise Pacific Reality (related party)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto,SE (Director)	Bank Rent Warehouse Space From Related Party to be used as a warehouse (Roof Annex A and roof Anex B)	Rp. 58.740.000 for a period of 12 months (15 August 2023 to 15 August 2024)	
24	PT. Nirmala Kencana Mas (Mayapada Hospital South Jakarta)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto,SE (Director)	Bank Rent ATM Center Lobby Space for the placement and operation of Mayapada ATM Machine	Rp. 96.000.000,- for a period of 24 months (01 February 2023 to 31 January 2025)	





25	PT. SejahteraRaya AnugrahJaya, Tbk	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto,SE (Director)	Bank Rent Space from Related Party to be used as an ATM center	Rp. 96.000.0000 for a period of 2 years (01 February 2023 to 31 January 2025)	
26	Elizabeth Sindawati (Sister of President Commissioner)	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto,SE (Director)	Bank Rent The Space Belongs to Related Party For Functional Office of Pasar Sungingan	Rp. 110.000.000,- for a rental period of 2 years (26 May 2023 to 26 May 2025)	
27	PT. Nusantara Sejahtera Kharisma	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto,SE (Director)	Bank Rent Space from Related Party to be used as the placement and operation of ATM Machine	Rp. 17.500.000 for a period of 3 years (02 February 2023 to 02 February 2026)	
28	PT. Nusantara Sejahtera Kharisma	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto,SE (Director)	Bank Rent Space from Related Party to be used as Sub-Branch Office of Mayapada Hospital Bandung	Rp. 200.000 /M2 for a period of 3 years (02 February 2023 to 01 February 2026)	
29	PT. Mayapada Chung-chung	Hariyono Tjahjarijadi (President Director) and Andreas Wiryanto,SE (Director)	Bank Rent Space from Related Party to be used as Functional Office of Gunung Anyar Sawah, Surabaya	Rp. 400.095.840,- for a period of 5 years (01 December 2022 to 30 November 2027)	

## **11. Buy Back Shares and Buy Back Bank Bonds**

### **Buy Back Shares**

Bank Mayapada didn't conduct buy back shares.

### **Buy Back Bonds**

Buy back bonds during 2023 did not exist

## **12. Provision of funds for social activities and political activities during the reporting period**

Bank Mayapada conducts social service activities and blood donation activities. The total funds channeled for social services and blood donations during 2023 amounted to Rp. 39.789.819.400 (thirty nine billion seven hundred eighty nine million eight hundred nineteen thousand four hundred rupiah) with the following details:



No.	Keterangan	Jumlah (Rp.)
1	Christmas & New Year's Grocery Packages	2.150.000.000
2	Sumbangan pembangunan pesantren Dea Malela	200.000.000
3	Contribution to the development of Dea Malela Islamic boarding school	250.000.000
4	Contribution to the National Conference of Tourism Trade Unions and the congress of the Confederation of All Indonesian Trade Unions	250.000.000
5	Donation of grocery packages for Ramadan 2022	12.637.500.000
6	Donation of grocery packages for Pemuda Pancasila	330.000.000
7	Donation to Gajah Mada University Foundation	10.000.000.000
8	Donation for Gajah Mada University Alumni Association	1.000.000.000
9	Donations of grocery packages for West Java	1.300.000.000
10	Implementation of Go Green activities in 2022 BMI	4.679.900
11	PPAD 19th Anniversary Donation	200.000.000
12	Contribution to the construction of Al-Mumtadz Islamic Center	1.000.000.000
13	Donation of grocery packages for Solo	2.600.000.000
14	Donation of 2 (two) bus units for Petra university	1.102.000.000
15	Goodie Bag for blood donation activities	1.414.500
16	Donation of Metro TV grocery packages	60.000.000
17	Donation of grocery packages for Jakarta Area	1.400.000.000
18	Donation of grocery packages for Cianjur earthquake	1.800.000.000
19	Donation of grocery packages for Semarang Area	1.400.000.000



20	Blood Donation Activity for Pontianak Area	4.225.000
21	Donation of grocery packages for Bandung Area	2.100.000.000
<b>T o t a l</b>		<b>39.789.819.400</b>

### III. Self Assessment Reports of Good Corporate Governance Implementation

Self Assessment Report of GCG Implementation Year 2023		
	Ranking	Rating Definition
<b>Individual</b>	<b>2</b>	Reflect The Bank Management which has implemented <i>Good Corporate Governance</i> that generally is <b>Good</b> . This matter reflected from the adequate fulfillment of <i>Good Corporate Governance's</i> Principles. If there is a weakness in the implementation of <i>Good Corporate Governance's</i> Principles, then in general these weaknesses are less significant and can be solved with normal actions by the Bank's management.
<b>Consolidation</b>	<b>-</b>	<b>-</b>
<b>ANALYSIS</b>		
<p>Based on the analysis result as described in the self assessment work paper of <i>Good Corporate Governance</i>, the implementation of <i>Good Corporate Governance</i> in PT Bank Mayapada Internasional, Tbk. in general is <b>Good</b>, as reflected in the adequate fulfillment of <i>Good Corporate Governance's</i> Principles.</p> <p>There are some weaknesses found in <i>governance structure</i>, <i>governance process</i>, and <i>governance outcome</i>, but these weaknesses are generally less significant and can be solved with normal actions by the Bank Management. The Bank will continue to make improvements for some weaknesses to improve Good Corporate Governance implementation, and fulfill the Bank's commitment to Otoritas Jasa Keuangan findings.</p>		



# Bank Mayapada



Thus the Self Assessment Report of Good Corporate Governance Implementation established under the provisions of Otoritas Jasa Keuangan Number 17 Year 2023 dated September 14, 2023 concerning the Implementation of Good Corporate Governance for Commercial Banks and Circular Letter of Otoritas Jasa Keuangan Number 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Good Corporate Governance for Commercial Banks PT Bank Mayapada Internasional, Tbk.

Jakarta, March 19, 2024  
PT Bank Mayapada Internasional, Tbk.

**Ir. Hendra**  
Commissioner

**Hariyono Tjahjarijadi**  
President Director