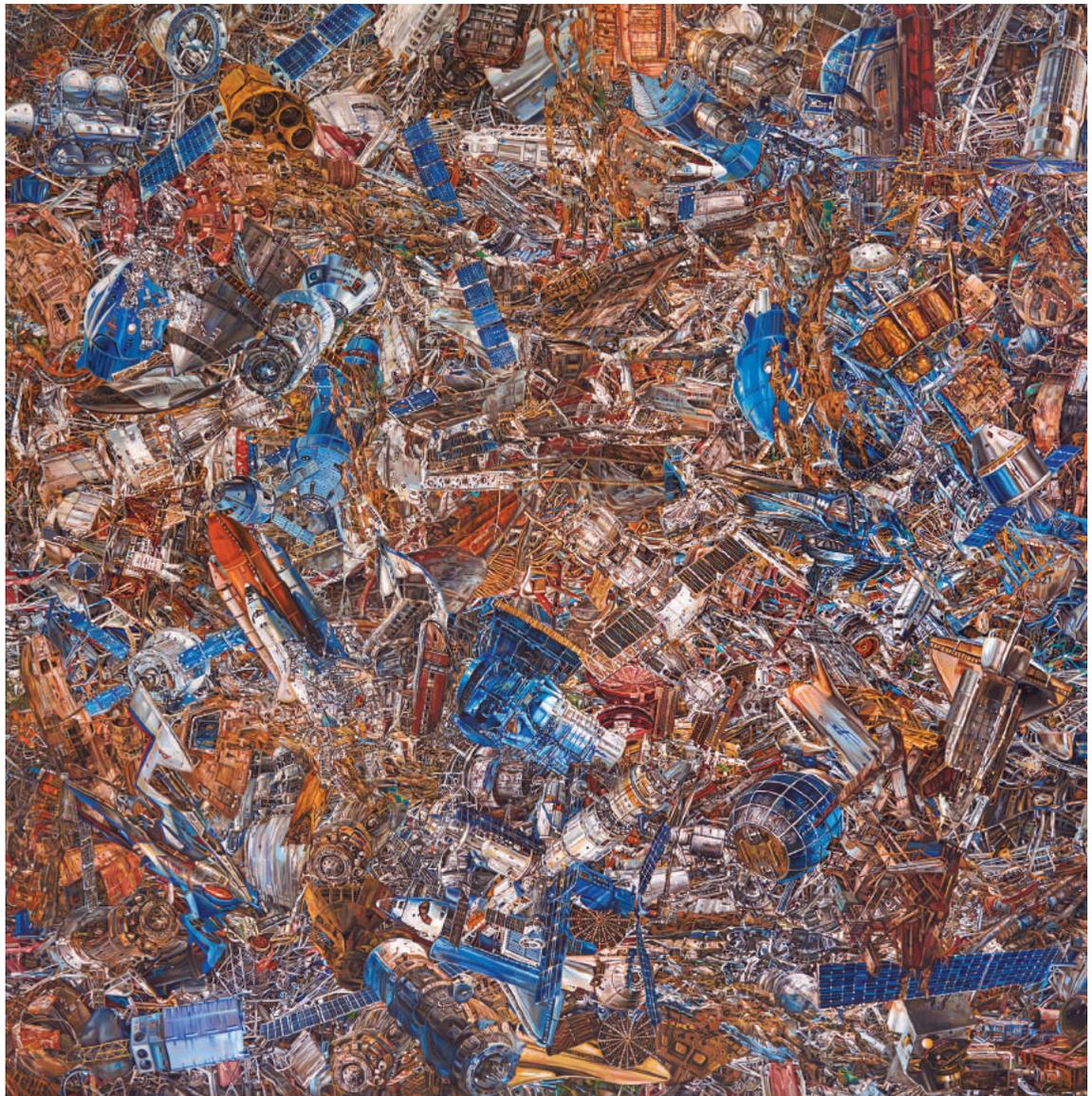




PT Bank UOB Indonesia
Annual Report 2019

Balancing Growth with Responsibility



Wastescape
Chaichana Luetrakun

About This Report

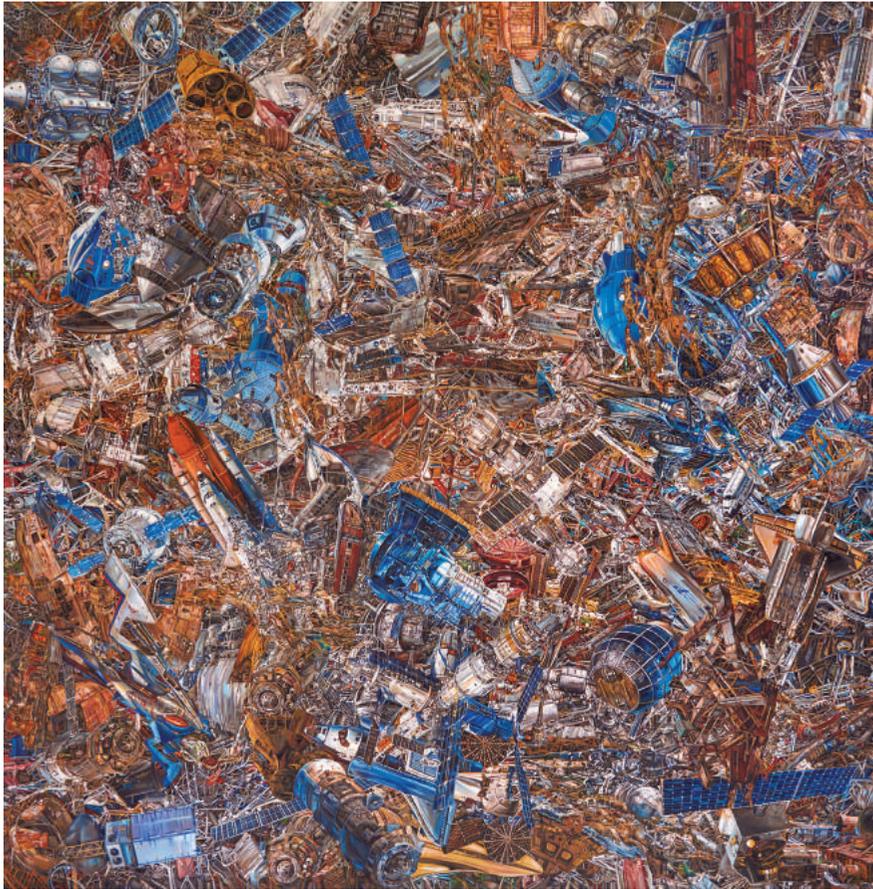
PT Bank UOB Indonesia (UOB Indonesia) has been committed to creating long-term value for our customers, our colleagues and the community since 1956. We aim to provide continuous product and services excellence while generating positive contributions to the development of enterprise and economic growth,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

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

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

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Wastescape

Chaichana Luetrakun
Acrylic on canvas
180 x 180 cm

Wastescape, the winning artwork for the 2019 UOB Painting of the Year (Thailand), Established Artist Category, is the design inspiration for this Annual Report. Mr Chaichana's artwork is a commentary on how innovation can result in scrap metal and the lasting impact it can have on the environment. It reminds us to consider carefully the consequences of our actions and the legacy we want to leave for future generations.

At UOB, our values of Honour, Enterprise, Unity and Commitment guide the decisions we make and actions we take. We believe that for growth to be sustained, it must be balanced with responsibility. This approach enables us to meet the immediate and long-term interests of our stakeholders.

By encouraging the appreciation of art in the region, we hope more minds will be open to imagining new realities and to creating new paradigms for the good of all. The UOB Painting of the Year competition, in its 38th year in 2019, is the Bank's flagship art programme held across four Southeast Asian countries.

Key Financial Data in the Last Five Years

Statements of Financial Position

(in Billion Rupiah)

Description	As of 31 December				
	2019	2018	2017	2016	2015
Assets					
Cash	589	519	398	536	516
Current Accounts with Bank Indonesia	5,362	6,036	6,072	5,724	5,454
Current Accounts with other banks	2,095	680	2,453	1,098	704
Placements with Bank Indonesia and other banks	2,076	2,204	3,417	3,321	2,856
Trading securities and financial investments – Net	15,122	15,932	16,069	12,918	11,936
Receivables on securities purchased with agreements to resell	1,418	907	1,015	1,902	-
Derivatives receivable	704	668	146	202	142
Loans – net	73,631	72,308	61,998	64,699	60,573
Acceptances receivable – net	2,332	2,175	1,826	1,749	2,613
Deferred tax assets – net	84	136	95	36	-
Fixed assets – net book value	1,189	1,118	1,063	1,093	1,135
Other assets – net	1,059	993	692	816	718
Total assets	105,661	103,676	95,244	94,094	86,647
Liabilities and Equity					
Current liabilities	193	148	149	101	62
Demand deposits	10,999	11,401	11,258	9,488	6,887
Saving deposits	18,215	16,231	14,850	16,144	12,624
Time Deposits	52,330	49,690	48,939	47,373	44,946
Deposits from other banks	895	3,142	2,315	3,642	5,507
Taxes payable	129	85	65	145	211
Derivatives payable	553	619	106	194	143
Liabilities on securities sold under repurchase agreements	424	580	-	339	-
Interests payable	265	248	226	211	243
Acceptances payable	2,167	2,203	1,843	1,771	2,644
Borrowings	3,101	3,200	333	-	-
Deferred tax liabilities – net	-	-	-	-	26
Liabilities for employees' benefits	248	278	328	209	186
Debt securities issued – net	3,179	3,791	3,389	3,185	2,488
Other liabilities	689	683	496	471	412
Total liabilities	93,387	92,299	84,297	83,273	76,379
Total equity	12,274	11,377	10,947	10,821	10,268
Total liabilities and equity	105,661	103,676	95,244	94,094	86,647

Statements of Profit or Loss and Other Comprehensive Income

(in Billion Rupiah)

Description	for the year ended 31 December				
	2019	2018	2017	2016	2015
Interest income	8,003	7,319	7,268	7,404	7,193
Interest expense	(4,355)	(3,715)	(3,757)	(3,867)	(4,116)
Interest income – net	3,648	3,604	3,511	3,537	3,077
Other operating income – net	1,206	856	794	792	681
(Provision for) reversal of impairment losses	(496)	(667)	(1,255)	(959)	(656)
Other operating expenses	(3,462)	(3,111)	(2,745)	(2,712)	(2,471)
Operating income	896	682	305	658	631
Non-operating income – net	16	28	4	12	7
Income before tax expense	912	710	309	670	638
Tax expense	(246)	(199)	(231)	(191)	(175)
Income for the year	666	511	78	479	463
Other comprehensive income for the year – net of tax	232	(81)	43	74	(43)
Total comprehensive income for the year	898	430	121	553	420
Net profit attributable to:					
Owner entity	666	511	78	479	463
Non-controlling interests	-	-	-	-	-
Total comprehensive income for the year attributable to:					
Owner entity	898	430	121	553	420
Non-controlling interests	-	-	-	-	-
Net income per share (full amount)	70	54	8	50	48

Statements of Cash Flow

(in Billion Rupiah)

Description	for the year ended 31 December				
	2019	2018	2017	2016	2015
Cash and cash equivalents at beginning of year	9,699	14,808	12,627	9,765	12,399
Net cash (used in)/provided by operating activities	(44)	(6,878)	5,444	3,696	15
Net cash (used in)/provided by investing activities	2,319	(2,217)	(3,550)	(1,777)	(3,897)
Net cash (used in)/provided by financing activities	(783)	3,826	192	1,029	1,029
Net effect on exchange rate on cash and cash equivalents	(106)	160	95	(86)	219
Cash and cash equivalents at the end of year	11,085	9,699	14,808	12,627	9,765

Key Financial Data in the Last Five Years

Financial Ratios

Description	As of 31 December				
	2019	2018	2017	2016	2015
Capital					
Capital Adequacy Ratio (CAR)	16.55%	15.37%	17.08%	16.44%	16.20%
Tier 1 ratio	13.79%	13.11%	14.41%	14.30%	13.92%
Tier 2 ratio	2.76%	2.26%	2.67%	2.14%	2.28%
Gross fixed assets to capital	18.45%	18.35%	16.81%	16.47%	16.44%
Gross fixed assets	2.695	2.425	2.181	2.049	1.943
Total capital	14.608	13.213	12.973	12.440	11.816
CAR for credit risk*	19.18%	17.44%	19.26%	18.23%	18.03%
CAR for credit risk and market risk*	18.28%	16.93%	18.95%	18.07%	17.78%
CAR for credit risk, market risk and operational risk*	16.55%	15.37%	17.08%	16.44%	16.20%
Assets Quality					
Non-performing earning assets and non-performing non-earning assets to total earning assets and total non-earning assets	1.19%	0.57%	0.51%	1.63%	1.49%
Non-performing earning assets to total earning assets	1.30%	1.09%	0.80%	2.50%	2.13%
Allowance for impairment losses for financial assets to earning assets	1.59%	1.50%	1.26%	1.34%	1.06%
Non-performing loans (NPL) – gross	1.69%	1.42%	1.09%	3.24%	2.68%
Non-performing loans (NPL) – net	1.19%	0.89%	0.93%	2.61%	2.17%
Earnings					
Return on assets (ROA)	0.87%	0.71%	0.32%	0.77%	0.77%
Return on equity (ROE)	5.63%	4.61%	0.70%	4.49%	4.82%
Net interest margin (NIM)	3.65%	3.79%	3.85%	4.31%	3.97%
Operating expense to operating income (BOPO)	97.06%	97.08%	97.81%	95.90%	96.46%
Liquidity					
Loan to deposit ratio (LDR)	90.92%	93.04%	83.57%	90.11%	95.17%
Low-cost funding ratio (CASA)	35.83%	35.74%	34.79%	35.11%	30.27%
Compliance					
Violation of legal lending limit	0.00%	0.00%	0.00%	0.00%	0.00%
Lending in excess of the legal lending limit	0.00%	0.00%	0.00%	0.00%	0.00%
Minimum reserve requirement (GWM): Rupiah					
Primary statutory reserve	6.10%	6.60%	6.78%	6.84%	7.59%
Secondary statutory reserve	-	-	19.48%	14.79%	15.45%

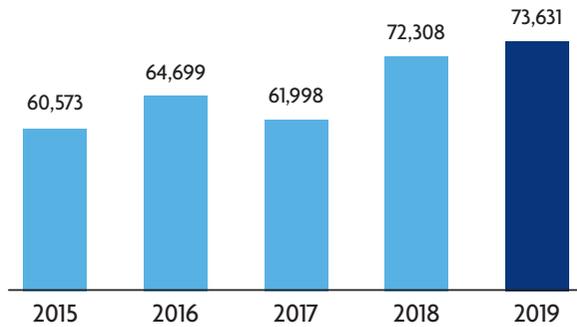
Description	As of 31 December				
	2019	2018	2017	2016	2015
Macroprudential liquidity buffer	18.75%	18.81%	-	-	-
Macroprudential intermediation ratio	93.41%	87.64%	-	-	-
Minimum reserve requirement (GWM): Foreign currencies	8.13%	8.10%	8.18%	8.85%	8.10%
Net open positions (NOP) aggregate	11.72%	8.13%	2.22%	0.62%	0.63%
Growth Ratios					
Net interest income	1.22%	2.65%	(0.74%)	14.95%	2.02%
Operating income	31.38%	123.61%	(53.65%)	4.28%	(30.43%)
Net income	30.33%	555.13%	(83.72%)	3.46%	(32.31%)
Total assets	1.91%	8.85%	1.22%	8.59%	8.24%
Total liabilities	1.18%	9.49%	1.23%	9.03%	9.01%
Total equity	7.88%	3.93%	1.16%	5.39%	2.84%
Others					
Debt to equity ratio	760.85%	811.28%	770.05%	769.55%	743.85%
Debt to assets ratio	88.38%	89.03%	88.51%	88.50%	88.15%
Total issued and fully paid shares capital (full amount)	9,553,885,804	9,553,885,804	9,553,885,804	9,553,885,804	9,553,885,804

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

Charts of Key Financial Data

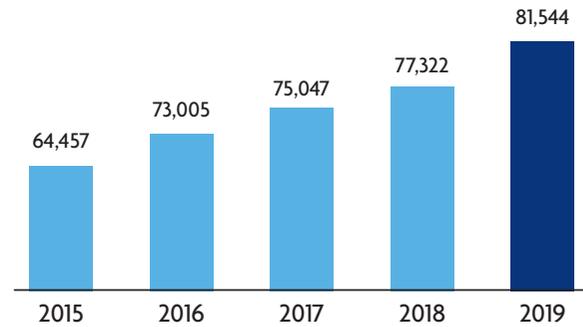
Loans – net

(in Billion Rupiah)



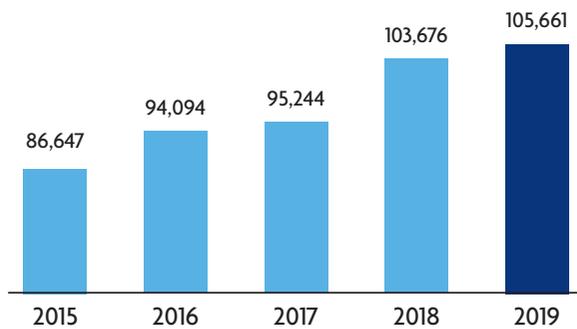
Deposits

(in Billion Rupiah)



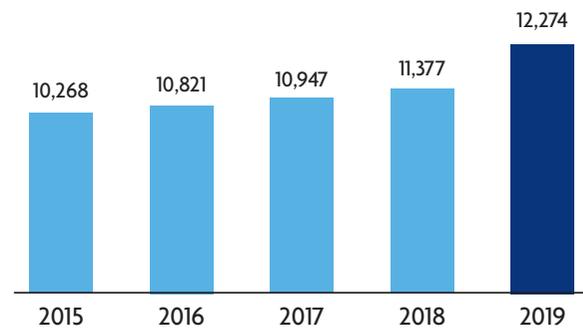
Total assets

(in Billion Rupiah)



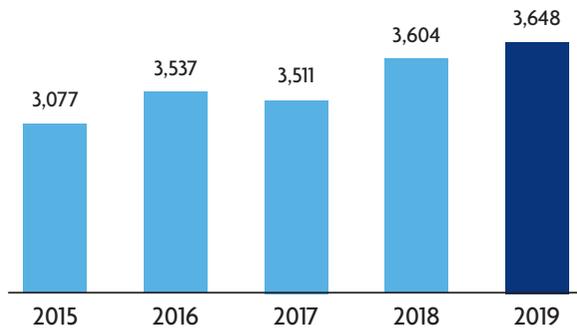
Total equity

(in Billion Rupiah)



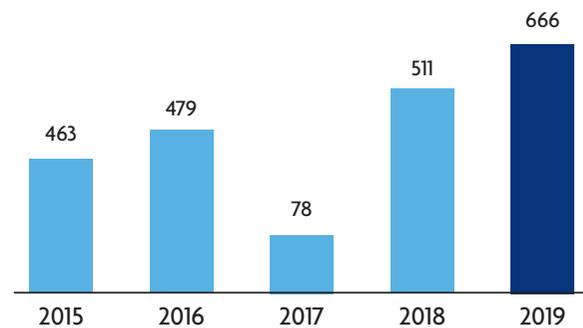
Interest income - Net

(in Billion Rupiah)

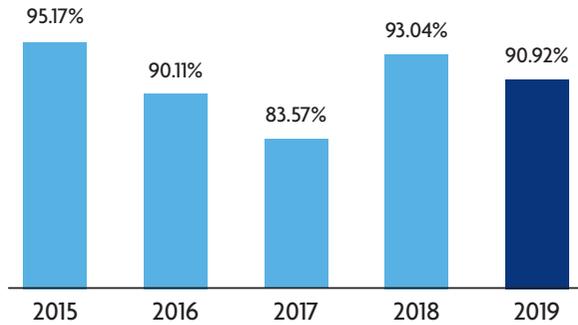


Income for the year

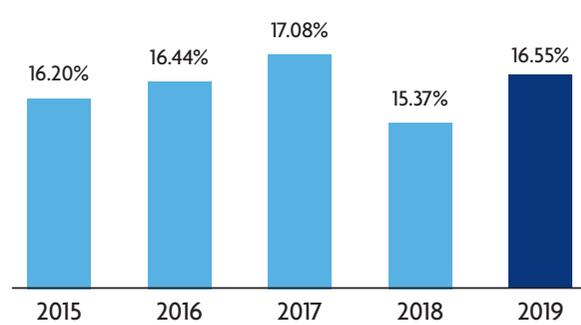
(in Billion Rupiah)



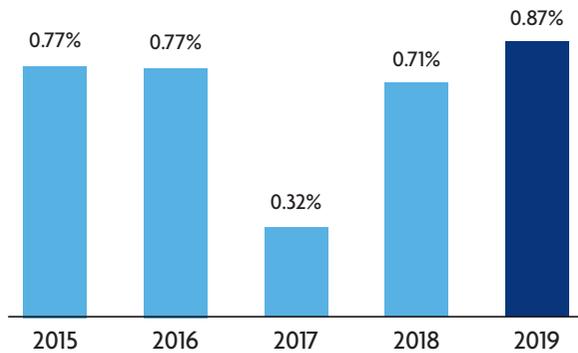
Loan to deposit ratio (LDR)



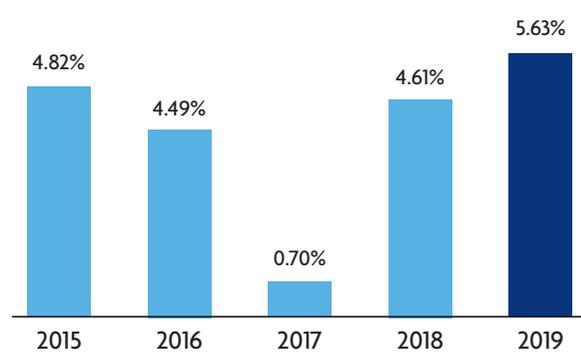
Capital adequacy ratio (CAR)



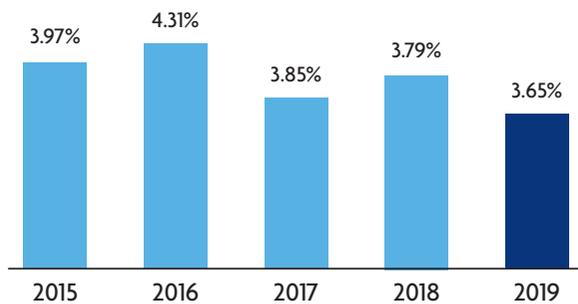
Return on assets (ROA)



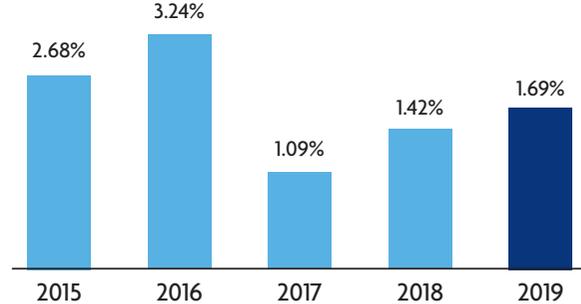
Return on equity (ROE)



Net interest margin (NIM)



Ratio Non-performing loans (NPL) – gross



Highlights of Shares in the Last Two Years

In 2018 and 2019, PT Bank UOB Indonesia did not issue or trade shares on Indonesia Stock Exchange and stock exchanges of other countries. Hence, information on the number of outstanding shares, market capitalisation, the highest and lowest share prices, closing price, and trading volume based on prices at the stock exchanges in which the Bank's shares are listed is not relevant to be disclosed.

Information on Corporate Action in the Last Two Years

In 2018 and 2019, PT Bank UOB Indonesia did not issue or trade shares on Indonesia Stock Exchange and stock exchanges of other countries. Hence, information on corporate actions, including stock split, reverse stock, temporary trading suspension, and/or delisting of shares is not relevant to be disclosed.

UOB Indonesia's Corporate Events Highlights in 2019

UOB Indonesia Celebrated Cultural Diversity to respect the differences in Unity



Lunar New Year

February

UOB Indonesia celebrated the beginning of the traditional Lunar New Year with colleagues and customers

Idul Fitri Celebration

May

UOB Indonesia shared the happiness and spirit of Ramadan with the orphan children of Yayasan Assyafiyah-East Jakarta. We also provide free transportation for *Mudik Bersama* or Homecoming event



Idul Fitri Celebration

May

As part of UOB Indonesia's colleagues engagement programme in the Ramadan month, we setup a daycare centre in Jakarta for the children of UOB Indonesia's colleagues whom their parents are back to work after Hari Raya celebration



Christmas

December

UOB Indonesia colleagues shared the joy of Christmas with the less fortunate in the community including the terminally-ill children



UOB Indonesia Continued to Deepen on Strategic Partnerships



USave PRUStar

July

UOB Indonesia and Prudential Indonesia launched an endowment plan, USave PRUStar, to help customers invest for the future

U-Solar

November

UOB Indonesia launched U-Solar to connect businesses across the entire solar power value chain and participate in the country transition to a low-carbon economy



UOB Indonesia Launched New Products and Services to Provide Customers with Innovative Solutions



UOB Wealth Banking

January

UOB Indonesia launched Wealth Banking for the mass affluent consumers to provide a suite of advisory and wealth management solutions

Kredit Pemilikan Rumah (KPR) Flexi and Term Loan Plus

July

UOB Indonesia launched KPR Flexi and Term Loan Plus, a home loan product bundling that combines deposit and loan features



Tabungan UOB Stash

July

UOB Indonesia held a STASH Lucky Draw as part of the Bank's campaign to launch UOB STASH account, a new savings product that rewards customers with a bonus interest at every saving

Game of Crown

October

UOB Indonesia launched the "Game of Crown", an online adventure-themed multi-level game for its credit cardmembers, the first of its kind, developed by a bank in Indonesia



UOB Indonesia Strengthened Customer Relationship for the long term



Tax Clinic for Commercial Banking clients

March

UOB Indonesia Commercial Banking held a tax clinic to provide clients with an understanding of tax policy and regulations in Indonesia

A celebration of National Women's Day (*Kartini Day*)

April

UOB Indonesia invited its customers to celebrate National Women's Day titled Women of Today (*Kartini Jaman Now*) in Jakarta, Bandung and Surabaya to highlight women's opinions and aspirations of today





UOB Indonesia Economic Outlook 2020

August

UOB Indonesia was the first bank that conducted an Indonesia Economic Outlook live simultaneously across three cities- Jakarta, Surabaya and Medan. The event was attended by high profile speakers and government officials including Mr Rudiantara, Minister of Communication and Information Technology of the Republic of Indonesia and Mrs Destry Damayanti, Senior Deputy Governor of Bank Indonesia

Singapore FinTech Festival (SFF)

August

UOB Indonesia, the Monetary Authority of Singapore and KUMPUL co-working space hosted the Singapore FinTech Festival (SFF) roadshow in Jakarta. The local FinTech's CEOs shared their views on how FinTech can boost Indonesia's economy and encourage the entrepreneurial spirit



UOB Indonesia Empowered Colleagues for Continuous Learning



Breakthrough Service through Signature Experience Training

March

UOB Indonesia Customer Advocacy and Service Quality conducted a series of leaders' sessions for UOB Indonesia senior leaders as part of its Breakthrough Service through Signature Experience training programme

UOB Talks Series: The Yin and Yang of Leadership

August

Mr Tony Timor Basry, Head of Commercial Banking UOB Indonesia, shared his leadership experience with colleagues on the topic of The Yin and Yang of Leadership during the UOB Talks



UOB Talks Series: Dual Leadership - Growing Leadership Presence Offline and Online

October

Indonesia's award-winning creative entrepreneur and author, Mr Yoris Sebastian shared his view on building engagement using communication technology

UOB Board Retreat programme

September

UOB Board Retreat programme was held in Indonesia's two main cities, Jakarta and Bandung. The delegation to Indonesia included members of the Group Management Executive Committee (MEC) and UOB Indonesia's senior leaders from various business units



Keep The Good Going Through UOB Heartbeat



CSR Heartbeat at SD Kebon Kacang 05 Pagi

June

Our colleagues brightened up the lives of children from *Sekolah Dasar Negeri* (primary school) Kebon Kacang 05 Pagi by improving their learning environment

UOB Heartbeat Run/Walk

July

More than 2,000 colleagues and customers participated in the annual fundraising event, the UOB Heartbeat Run/Walk to support children's art and education programmes across Indonesia



Sport Championship

July

UOB Indonesia colleagues united from all over the country in the Sports Championship, a day of sports festival celebrating collaboration with the spirit of true sportsmanship

Giving Back to the Communities through Art, Children, and Education



Main Getah/Rubberscape by Shoosie Sulaiman

February

UOB Museum MACAN Children's Art Space commissioned Malaysia-based artist Shoosie Sulaiman to explore the history and materiality of natural rubber which has deep historical and material significance that connects Southeast Asian countries

UOB Indonesia is committed to connecting communities through art

August

UOB Indonesia collaborated with Art Jakarta 2019 as Lead Partner to promote Indonesia's art space and all artistic talents



UOB Painting of the Year exhibition

October and November

A total of the 49 finalists artworks, including the eight winners from the 2019 UOB Painting of the Year competition, were exhibited at the National Museum of Indonesia



UOB Indonesia Painting of the Year

October and November

UOB Indonesia awarded Mr Anagard the title of 2019 UOB Painting of the Year (Indonesia) and UOB Southeast Asian Painting of the Year for his painting, *Welcome Perdamaian, Goodbye Kedengkian*

Colour in Cave by Mit Jai Inn

October

UOB Museum MACAN Children's Art Space featured the works of Thai-based artist, Mit Jai Inn to recreate a cave for children to experiment their creative instincts



Commitment to give our best to customers



Start of the Year

January

UOB Indonesia stood true to its employee value proposition (EVP), UOB+you, in a three-day employee appreciation event. Various awards were handed out to the best in Service, Sales, UOB Honours and CEO Awards

CEO Awards

January

UOB Indonesia recognised its highly inspirational talent for being an outstanding contributor who lives up to UOB's values



Milestones in our journey to become a significant Bank in Indonesia



UOB Indonesia awarded excellence in Human Resources Management

October

UOB Indonesia received two honours at the 2019 Indonesia Best Company in Creating Leaders from Within awards during the Indonesia Leadership and Human Capital Conference in Jakarta, Indonesia

UOB Indonesia Brand Campaign wins at ABF Retail Banking Awards 2019

July

UOB Indonesia's Right by Every Generations campaign was awarded the Advertising Campaign of The Year at the Asian Banking and Finance Retail Banking Awards 2019



Awards



Awards

Name of Awards	Category	Awarded by	Date
Contact Center Service Excellence Award 2019	Contact Center Award : Category Platinum Credit Card (Exceptional)	Carre Centre for Customer Satisfaction Loyalty and Service Excellence Magazine	9 April 2019
Triple A Treasury, Trade, Supply Chain and Risk Management Awards 2019	Best in Treasury and Working Capital – MNCs/LLCs, Indonesia	The Asset	1 April 2019
	Best Service Provider – Cash Management, Indonesia		
	Best Payments and Collections Solutions – Indonesia for Mizuho Balimor Finance		
The Asian Banker Transaction Banking Awards 2019	Best Payments and Collections Solutions – Indonesia for PT Sinar Cerdas Cakrawala (Inone Group Indonesia)	The Asian Banker	30 May 2019
	Best Payments and Collections Solution (ESG Solutions) – Indonesia for KNCV		
	Best Supplier Relationship Management in Indonesia		
Asian Banking & Finance (ABF) Retail Banking Awards 2019	Advertising Campaign of the Year	Asian Banking & Finance	18 July 2019
Invest in Indonesia Awards	Invest in Indonesia Awards : Banking Category	Philip Kotler Center for ASEAN Marketing (MarkPlus Inc)	5 September 2019
Planet Tourism Indonesia Award 2019	Silver Winner - Category Travel Credit Card	MarkPlus Center	5 September 2019
VISA Indonesia Award 2019	Best Millennial Card	VISA	11 September 2019

Board of Directors of UOB Indonesia



Board of Directors and Senior Executive Officers of UOB Indonesia







Board of Commissioners Report

“We take seriously our duty of care to our customers, colleagues and communities as we strive to be their trusted financial partner and steward for the long term.”

Dear Stakeholders,

Ours is an era that is marked by immense change. Uncertainty and volatility shape markets, diverse and divergent economic and political beliefs challenge international relations, while advances in technology propel how businesses are run and lives led. At the moment, the whole world is focused on grappling with the contagion of COVID-19. The virus is altering the course of life, business, markets and economies as we know it today.

However, as unsettling as change can be, change can also bring about positive outcomes if we know our purpose, focus on the fundamentals and persevere towards attaining our goals. Navigating well through choppy seas also requires experience, discernment and agility. UOB, with more than eight decades of presence in the region, has been through and taken learnings from past storms, be they wars, financial crises or epidemics.

Storms will pass. We stay the course. This is because we take seriously our duty of care to our customers, our colleagues and our communities, as we strive to be their trusted financial partner and steward for the long term. We are mindful of the unintended consequences of taking the short-term view. The painting on the cover of this year's Annual Report, *Wastescape*, illustrates the impact of myopic thinking and immediate gratification. This is not for UOB.

Thinking ahead on behalf and in support of our stakeholders is core to us given our entrepreneurial roots and the ownership mentality rooted in our origins. Our long-term approach and commitment enable us to weather the storms, to emerge stronger each time and to be better equipped to grow sustainably.

Indonesia's resilient economic growth in 2019

Despite ongoing global uncertainty with markets grappling with the trade tensions between the world's two largest economic powerhouses, Indonesia's economy maintained its steady growth trajectory in 2019, growing at five per cent. Inflation was controlled, the country's trade deficit was significantly lower than the previous year and its current account deficit also narrowed. This performance was driven mainly by a combination of better-than-expected non-oil and gas trade results and the government's tightening measures on imports. Decisions made by Bank Indonesia to cut its Seven-Day Reverse Repo Rate four times in 2019 – by 100 basis points to five per cent – also supported domestic economic growth amid the global economic volatility.

Steady progress through responsible growth

Against this backdrop, UOB Indonesia continued to make steady progress in strengthening our balance sheet and growing a quality franchise.

Our business approach of balancing growth with responsibility resulted in our total assets increasing by almost two per cent to IDR105.66 trillion while equity increased almost eight per cent to IDR12.27 trillion when compared with the previous year. We also recorded net profit of IDR666 billion, led by treasury and wealth income.

The quality of assets and capital remained stable in 2019 as evidenced through gross non-performing loan ratio at the level of 1.7 per cent, and the stable Capital Adequacy Ratio at 16.6 per cent as compared with the previous year at 15.4 per cent.

In 2019, we remained committed to deepening our customer relationships through product innovation, sector specialisation, our omni-channel approach and ecosystem partnerships.

With the increasing consumer power of millennials, we have put in place the capabilities to launch TMRW, our distinctive, mobile-only digital bank for ASEAN's digital generation. It is the first in ASEAN to tap data insights to make each digital interaction personal to each customer. We will launch TMRW in Indonesia this year.

Given our Asian heritage and entrepreneurial roots, we also helped the growth of Indonesian small- and-medium-sized enterprises (SMEs). Indonesia has more than 62 million SMEs who play a major role in the country's economic growth. To these, we offer UOB BizSmart, an integrated suite of digital business solutions, from payroll management to e-commerce, to help them improve their productivity for growth.

To demonstrate our commitment to sustainable financing and as Indonesia and the region adopt more renewable energy sources, we launched the U-Solar programme last year. Through U-Solar, we finance solar power developers and partner solar power solution providers to offer installation and financial solutions to our corporate and retail customers.

Attracting the right talent and preparing our people to be future-ready is as important as having the right business strategies. At UOB, we foster a work culture which enables us to attract and to retain the best talents globally. We want our people to ride the technology wave and to remain relevant for our customers now and in the future. To help achieve this, in 2019, we launched Better U, a learning and development programme to focus on core competencies that are essential in the digital era.

Board of Directors performance

The Board of Commissioners assess the performance of Board of Directors regularly to ensure that business decisions are aligned with UOB Group's business strategy and contribute to the Bank's growth.

The Board of Directors carried out its management duties in accordance with UOB Indonesia's business plan, evidenced through a sound financial performance with gross non-performing loan ratio at 1.7 per cent and the Capital Adequacy Ratio at 16.6 per cent, higher by 1.2 per cent compared with the previous year.

Supervision on Strategy Implementation

In its supervisory role, the Board of Commissioners also provides counsel and recommendations to the Board of Directors on the strategic initiatives implemented throughout the year as mandated in the Articles of Association and with the laws and regulations in Indonesia. Our role is to maintain constructive communication with and to advise the Board of Directors actively, and to ensure that business plans are aligned with UOB Group's business strategy and objectives. The Board of Commissioners is updated regularly through formal, informal and periodic joint meetings.

In 2019, the Board of Commissioners held six meetings. Other joint meetings between the Board of Commissioners and Board of Directors were conducted quarterly to review the progress of the Bank.

We are of the view that Board of Directors has carried out its management duties in accordance with the business strategy and objectives of the Bank.

Good Corporate Governance Implementation

The Board of Commissioners guides the Board of Directors on Good Corporate Governance, providing advice on risk management and compliance as required by the regulators.

The Board of Commissioners is assisted by the Remuneration and Nomination Committee, Risk Monitoring Committee and Audit Committee to supervise the Board of Directors. Each committee is chaired by an Independent Commissioner.

Our committees performed well in 2019, actively providing advice and inputs on the Bank's business plans, risk culture and strong internal controls to support sustainable growth.

We also conducted regular self-assessment in accordance with the regulations set by the Financial Services Authority. The self-assessments conducted in 2019 put the Bank in the "Good" classification with a rank of "2".

Changes in Board of Commissioners Composition

In 2019, there were changes in the Board of Commissioners with Dr Wee Cho Yaw retiring as the President Commissioner; Mr Lee Chin Yong Francis retiring as a Commissioner; my appointment as President Commissioner; Mr Chin Voon Fat's appointment as Deputy President Commissioner; and Mr Chan Kok Seong's appointment as Commissioner through an Annual General Meeting of Shareholders on 29 April 2019. On behalf of the Board of Commissioners, I would like to thank Dr Wee and Mr Lee for their valuable contributions.

As at 31 December 2019, the Board of Commissioners comprise myself, Mr Wee Ee Cheong as President Commissioner, Mr Chin Voon Fat as Deputy President Commissioner, Mr Chan Kok Seong as Commissioner, Mr Wayan Alit Antara as Independent Commissioner, Mr Aswin Wirjadi as Independent Commissioner and Mr VJH Boentaran Lesmana as Independent Commissioner.

Looking ahead

2020 is proving to be a year of immense change and transformation for all. While there is a saying that the only constant is change, the new reality is that the only constant is accelerated change.

We are already seeing increased macroeconomic and geopolitical uncertainties and heightened market volatility. Such an environment only reinforces the need for our measured stance. UOB Indonesia must be resolute in deepening our customer relationships and focusing on the fundamentals, even as we stay nimble in seizing opportunities.

We maintain our balance sheet strength so we can keep supporting our customers and to weather the volatilities. We will be steadfast in investing in our people and infrastructure for the long term. We will sharpen our sector expertise and forge more ecosystem partnerships for the benefit of our customers and to ensure sustainable business growth.

We will carry on operating with prudence and discipline, guided by our values of Honour, Enterprise, Unity and Commitment, balancing growth with stability and opportunity with responsibility. This will ensure we continue to generate sustainable value for our stakeholders through trying times and business cycles.

On behalf of the Board of Commissioners, I would like to express our gratitude to our loyal customers for their unwavering trust. I would also like to extend our utmost appreciation to the Board of Directors, the Management and all colleagues for their contribution and dedication to applying the UOB values within their life and the Bank's operations.

Wee Ee Cheong
President Commissioner
PT Bank UOB Indonesia



Jakarta, April 2020



Board of Directors Report [102-14]

“The efforts of our colleagues to execute our business strategies well and to put our customers at the centre of everything we do, contributed to our continued growth and success”

Dear Valued Stakeholders,

On behalf of the Board of Directors of PT Bank UOB Indonesia (UOB Indonesia), I am pleased to share the 2019 Annual and Sustainability Report for the fiscal year ending 31 December 2019, together with the Consolidated Financial Statements.

In 2019, amid ongoing global economic uncertainty and changing dynamics in the banking industry, UOB Indonesia recorded an encouraging performance as reflected by the increase in total assets from IDR103.67 trillion in 2018 to IDR105.66 trillion in 2019. The efforts of our colleagues to execute our business strategies well and to put our customers at the centre of everything we do, to our continued growth and success.

Overview on the Macro Economy and the Domestic Banking Industry

The global economy in 2019 remained sluggish due to the trade tensions between the United States (US) and China, leading to a decline in global trade volume and manufacturing activities. This slowdown also caused the US Federal Reserve to cut its benchmark rate by 75 basis points, down to 1.75 per cent by the end of 2019.

Fortunately, the volatility in the global economy had a relatively minor impact on domestic economic growth. The Statistics Indonesia Bureau stated that Indonesia's economy grew by five per cent in 2019, a slight decline of 0.2 per cent from that in 2018. The factors contributing to this were resilient household consumption growth that was in line with controlled inflation, upbeat consumer confidence and relatively strong investment performance. The rate of inflation in 2019 decreased to 2.7 per cent due to lower inflationary pressure from government-regulated prices. Meanwhile, the Rupiah exchange rate appreciated by 3.6 per cent to the level of IDR13,866 per US dollar in 2019, underpinned by the strong influx of investment in the form of government and corporate bonds and higher foreign direct investment as compared with 2018.

As a pre-emptive measure to stimulate economic growth, Bank Indonesia lowered its Seven-Day Reverse Repo Rate four times by a total of 100 basis points to five per cent in 2019. The central bank's policy stance remained accommodative, resulting in loan growth of 5.9 per cent in 2019. However, this growth was significantly lower than the previous year's 11.7 per cent.

The stability of the financial system remained sound, as reflected in the relatively high banking Capital Adequacy Ratio (CAR) at 23.3 per cent as at December 2019, while the non-performing loan (NPL) ratio remained low at 2.5 per cent (gross) or 1.2 per cent (net).

2019 Financial Performance

On the performance of the Bank, our NPL ratio in 2019 at 1.7 per cent, slightly better than the national average of 2.5 per cent. This was largely due to the improved quality of new loans vintage and the cost of credit across segments. The Bank's CAR, also strengthened to 16.6 per cent in 2019, compared with 15.4 per cent in 2018.

Total net loans in 2019 amounted to IDR73.63 trillion, up 1.8 per cent from IDR72.31 trillion recorded in 2018, due to the growth in our commercial and retail banking portfolio. Our loan-to-deposit ratio stood at 90.9 per cent, resulting from our efforts to improve the Bank's deposits, which grew 5.5 per cent to IDR81.54 trillion from IDR77.32 trillion the year before.

Our net profit before tax (NPBT) amounted to IDR912 billion in 2019, an increase of 28.4 per cent compared with IDR710 billion in 2018. NPBT growth was supported by non-interest income growth of 28 per cent over 2018.

Operating income increased 31.4 per cent from IDR682 billion to IDR895 billion. Meanwhile, our total operating expenses, including loss on impairment, rose 4.8 per cent to IDR3.96 trillion as we continued to invest in capabilities for sustainable growth. Notwithstanding a slower loans growth in 2019, the Bank still exceeded the NPBT target by 21 per cent through new business drivers in wealth management, treasury income and productivity improvement.

Keeping Customers at the Heart of All We Do

Our future business growth is built on five strategic pillars, namely:

- Maintaining strong risk management processes and practices;
- Sharpening our financial management;
- Providing the best financial solutions to our customers based on their lifestyles, life stages or business needs;
- Developing a principled, dedicated and high-performing team of bankers; and
- Harnessing technology to boost performance and to improve customer experience.

These pillars, together with our customer-centric focus, enable us to strengthen our balance sheet and capital structure.

In Retail Banking, we continued to create financial solutions that are in the best interests of our customers and that are essential to their lifestyles and life stages. For example, we launched UOB Wealth Banking service for the rising number of emerging affluent consumers in Indonesia. Through our Risk-First approach, we worked with our customers to ensure they understand the risks of investing ahead of any potential returns and that they are building a wealth portfolio equipped to ride out market cycles. We also launched the UOB Stash Account to provide customers with a simple way to accumulate and to earn interest on their savings. Our strategic partnership with Prudential resulted in the launch of a new endowment plan to help customers invest for their future.

For small- and medium-sized enterprises (SMEs), which are a strong contributor to the economy, we helped them to optimise their businesses for growth by providing services and solutions to support their digital transformation. For example, we launched an integrated suite of cloud-based business solutions, UOB BizSmart, to enable SMEs to digitalise and to manage their operational processes more efficiently.

In Wholesale Banking, we sharpened our focus on and support of industries including consumer goods, manufacturing, oil and gas, construction and infrastructure, real estate and telecommunications, while improving our fee-based income through cash management and trade, as well as treasury solutions and services. We also maintained our asset quality and acquired new customers with good credit quality through our prudent acquisition processes.

Given the increasing expectations from customers for safer, smarter, and simpler banking experiences and the rapid growth of financial technology (FinTech) companies, UOB Indonesia continued to pace our technological investments to enhance the customer experience and to drive performance.

Keeping our customers satisfied is key priority to enable us improve the quality and standard of our products and services. We use Net Promoter Score (NPS) metrics to measure customer satisfaction and retention across our business and product groups. NPS is an established worldwide metric used to measure customer loyalty and to predict business growth.

Creating solutions that are right for Indonesia's huge base of millennials

Millennials represent one-third of the Indonesian population and will make up approximately 44 per cent of its workforce in 2030. Helping them secure their financial future is important to Indonesia's future prosperity. The combination of millennials' increasing levels of disposable income, consumption patterns and expectations of digital-by-default services provide further opportunity to raise Indonesia's overall private consumption growth.

To meet their lifestyle and banking needs, we use innovative approaches to attract and to retain this booming consumer base. For example, in our Game of Crown programme, we used the concept of gamification to improve our credit card activation process and created an online adventure-themed reward programme to provide cardmembers with additional benefits. We also launched the UOB YOLO card, designed to meet the needs of Indonesia's financially-independent millennials who have a penchant for travel and the trendy.

An important milestone in the year was the creation of TMRW, ASEAN's first mobile-only digital bank for the region's digital generation. TMRW is data-centric and rethinks traditional banking models to make banking simpler, more transparent and more engaging for our customers. This model is designed to address the entire customer life cycle, ensuring the quality of each encounter deepens engagement. TMRW's business model comprises five stages: Acquire, Transact, Generate data, Insight and Engage (ATGIE) and is powered by next-generation artificial intelligence, machine learning, data analytics, user interface design and smartphone capabilities. These include UOB's own digital technology innovations as well as solutions provided through its collaboration with partners from FinTech companies. TMRW was deployed to both the Apple App Store and Google Play Store in Indonesia on 8 January 2020 and will be launched officially later in the year.

Investing in Our People

We continued to invest in our people by equipping them to have the right skillsets and agile mindsets for the future. We invested in our colleagues' development through a range of programmes, including the Internship and Apprenticeship Programme, the Management Associate and General Development Programme, the Leadership Programme, Scholarship and Certification, UOB+IGrow and scholarships for our colleagues' children. In 2019, our holistic approach to learning and development saw the launch of a Groupwide programme, Better U, to prepare our colleagues for the roles of the future based on competencies that are essential for the digital era.

With the increasingly influence of digital technology across all facets of our business, we have sharpened our focus on improving the capabilities and competencies of our talents in the areas of digitalisation, service excellence, risk awareness and management, and professional growth.

In addition to talent development, we continued to enhance communications between management and colleagues through a series of town hall sessions, as well as through talent recognition programmes to foster greater engagement with our colleagues.

In 2019, UOB Indonesia conducted an employee engagement survey among all our colleagues to measure employee satisfaction and organisational performance. The result showed a significant improvement with employee engagement at 80 per cent, which was 28 per cent higher than 2017 and surpassed the 70 per cent industry average of Indonesia's banks and insurance companies. With highly engaged colleagues, the Board of Directors remains confident that we can continue to grow sustainably.

Acknowledgements and Awards

As part of our commitment to delivering the best services and contributing positively to our stakeholders, we received numerous accolades throughout 2019, including:

1. Care Centre for Customer's Satisfaction and Loyalty from Service Excellence magazine: Contact Center Service Excellence Award 2019
 - For the category of Platinum Credit Card (Exceptional)

2. The Asset Triple A Treasury, Trade, Supply Chain and Risk Management Award 2019:
 - Best in Treasury and Working Capital – MNCs/LLCs, Indonesia
 - Best Service Provider – Cash Management, Indonesia
 - Best Payments and Collections Solutions – Indonesia for Mizuho Balimor Finance
 - Best Payments and Collections Solutions – Indonesia for PT Sinar Cerdas Cakrawala (Inone Group Indonesia)
 - Best Payments and Collections Solution (ESG Solutions) – Indonesia for KNCV
3. The Asian Banker – The Asian Banker Transaction Banking Awards 2019:
 - The Best Supplier Relationship Management in Indonesia
4. Asian Banking & Finance –Retail Banking Awards 2019:
 - Advertising Campaign of the Year
5. Philip Kotler Center for ASEAN Marketing (MarkPlus Inc) – Invest in Indonesia Awards:
 - Invest in Indonesia Awards: Banking Category
6. MarkPlus Center – Planet Tourism Indonesia Award 2019:
 - Silver Winner – Category Travel Credit Card
7. VISA – VISA Indonesia Award 2019:
 - Best Millennial Card

Upholding Good Corporate Governance

Throughout the year we conducted various activities to improve the information we provide stakeholders as part of Good Corporate Governance (GCG). We refreshed our corporate website to make it more intuitive and easier for our customers to access information related to our products and services.

We also continued to raise our GCG standards by implementing a series of strategic initiatives to enhance our risk management, policy development and implementation, and management performance reviews. These initiatives were aimed at strengthening our position as a leading trusted bank in Indonesia. We reviewed the performance of all committees and working groups to ensure we have the right people in our team to carry out their duties and responsibilities.

The members of the Board of Directors and Board of Commissioners participated actively in workshops, training and outreach activities as part of their continuous learning and development. Testament to our efforts, in our GCG self-assessments conducted throughout the year, we were ranked “2” with “good” classification.

Performance of Committees under the Board of Directors

In performing our duties as the executor and manager of the Bank's operations, we are assisted by a number of committees, namely the Executive Committee, the Asset and Liability Committee, the Risk Management Committee, the Integrated Risk Management Committee, the Credit Policy Committee, the Human Resources Committee, the Business Continuity Management Committee, the Credit Committee, the Information Technology Committee and the Anti-Money Laundering Committee.

We are also assisted by working groups, such as the Credit Management Working Group, Interest Rate Working Group, Data Management Working Group, Service Excellence Council and Brand Implementation Working Group.

We are of the opinion that all committees and working groups have performed their duties properly. They provided insights, suggestions and opinions to the Board of Directors to support sustainable business growth and operational requirements, as well as to reduce potential business risks.

Our Contribution to Achieving Sustainable Growth

We are focused on creating sustainable value for our stakeholders and aligning our long-term business strategies with their interests. We believe in sustainable development that meets the needs of the present without compromising the ability of future generations to meet their own needs. This entails respect for the environment, human rights, labour rights, decent work and economic growth, data privacy and business ethics. Our sustainability strategy and objectives are aligned with the United Nations Sustainable Development Goals.

As we continue to deepen our presence across the region, we strive to address the environmental, social and governance (ESG) risks and impact of our operations in a manner consistent with our values. This is also in line with our commitment to help ensure a safe, secure and trusted banking system.

In 2019, the Bank conducted ESG risk assessment for borrowers, both new and existing at the time of the annual credit review, in our Wholesale Banking portfolio. We also completed an evaluation and classification of all borrowers as part of the assessment. In addition, we conducted training programmes to raise our colleagues' awareness and to deepen their understanding of sustainable finance.

We also actively promote and support sustainability, helping to accelerate the adoption of renewable energy in Southeast Asia as the region moves towards a lower carbon economy. This was demonstrated in the launch of the U-Solar programme in Indonesia – a collaboration between UOB and TML Energy, an engineering, procurement and construction contractor in the solar energy sector. Through the U-Solar programme, we contribute to the development of renewable energy, preventing damage to the environment, conserving biodiversity and promoting energy efficiency.

We are also committed to giving back to our communities through our corporate social responsibility programme, UOB Heartbeat, which focuses on art, children and education. In 2019, more than 2,000 colleagues and customers participated in the annual UOB Heartbeat Run/Walk, raising more than IDR430 million to benefit communities.

We also champion the appreciation of art in the region through our flagship art programme, the UOB Painting of the Year competition. We are proud of Indonesian artist Anagard, who won the top regional award – UOB Southeast Asia Painting of the Year 2019 – for his artwork that explored the idea of harmony in diversity. His win marked the sixth time an Indonesian artist has won the award since the competition was first held in Indonesia in 2011. We also exhibited the artworks of the 49 winners and finalists of the UOB Painting of the Year Indonesia competition at the National Museum of Indonesia.

To support education outreach programmes in Jakarta and the greater areas of the city, we partnered the Museum of Modern and Contemporary Art in Nusantara (Museum MACAN) to open up more young minds to imagination and expression. In 2019, UOB Indonesia and the Museum MACAN welcomed more than 1,500 school children in excursions to the museum.

In 2019, UOB Indonesia also supported the Financial Services Authority (OJK)'s Financial Inclusion programme, which aims to increase financial literacy by raising public understanding of how to choose and to use the right financial products and services. As part of our efforts, we conducted talks with students at 26 schools, introducing them to the benefits of Tabunganku and Simpanan Pelajar products.

Looking Ahead

We are confident of the long-term potential for ASEAN and Indonesia and will be steadfast in our role in helping customers seize opportunities. We will continue to offer products and services that suit our customers' different life and business stages, as we remained focused on striking the right balance between growth and stability, risk and responsibility.

We will continue to build a strong base of Third Party Funds from both the Wholesale Banking and Retail Banking segments from which we can support future business growth. We will also focus on deepening connectivity and providing specialised sector insights to help more Indonesian businesses with their growth plans.

Our Retail Banking segment will focus on growing our base of loyal customers through new services such as Wealth Banking as we engage them through our omni-channel approach. On the digital front, through TMRW we will serve the needs of Indonesia's millennials through engagement and launch a Quick Response (QR) code payment using Bank Indonesia's Indonesian QR Standard. We will continue to deepen our collaboration with e-payment and e-commerce players and play our part in the digital economy.

On risk management, we will continue to focus on credit risk process improvements, including controlling our cost of credit and improving asset quality.

As the banking industry undergoes digital transformation, we will continue to strengthen our technological abilities and processes by prioritising technology investments.

Changes in the Board of Directors' Composition

At an Extraordinary General Meeting of Shareholders (GMS) convened on 28 February 2019, there was a change in the Board of Directors following the resignation of Mr Iwan Satawidinata from his position as the Bank's Deputy President Director and the appointment of Mr Hendra Gunawan to fill this position.

Shareholders convened again at another Extraordinary GMS on 21 June 2019 and approved the resignation of Mr Muljono Tjandra from his Director position as well as the appointment of Ms Teh Han Yi and Mr Harapman Kasan as new Directors.

Therefore, the composition of UOB Indonesia's Board of Directors as at 31 December 2019 was as follows:

President Director	: Mr Lam Sai Yoke
Deputy President Director	: Mr Hendra Gunawan
Director	: Mr Henky Sulistyono
Compliance Director	: Mr Soehadie Tansol
Director	: Mr Paul Rafiuly
Director	: Ms Teh Han Yi
Director	: Mr Harapman Kasan

Appreciation

On behalf of the Board of Directors, I would like to extend my warmest appreciation to our customers for their support and trust.

I would also like to extend our gratitude to the Board of Commissioners, the Committees and Working Groups, as well as to all of our dedicated colleagues and valued stakeholders who contributed to our achievements during the year.

I would also like to thank the regulators and the government for their counsel and support. Through successful collaboration, we can continue to contribute to sustainable national economic growth.

With close collaboration, mutual trust and a spirit of innovation, we are confident that we will achieve our long-term vision to become a leading bank in Indonesia – one that is valued by customers, colleagues, shareholders and our regulator.

Lam Sai Yoke

President Director
PT Bank UOB Indonesia



Jakarta, April 2020

Company Profile [102-1, 102-2, 102-3, 102-5, 102-7]

Company Name	PT Bank UOB Indonesia
Commercial Name	UOB Indonesia (UOB)
Line of Business	Banking Industry
Entity Status	Limited Liability Company
Changes to Company Name	<ul style="list-style-type: none"> • PT Bank Buana Indonesia (August 1956) • PT Bank UOB Buana Tbk (January 2007) • PT Bank UOB Indonesia (May 2011)
Head Office Address	UOB Plaza Jl. M.H Thamrin No.10 DKI Jakarta 10230 Indonesia
Telephone Number	+62 21 2350 6000 (hunting)
Facsimile Number	+62 21 29936632
Call Centre	14008
E-mail	uobcare@uob.co.id
Situs Web	www.uob.co.id
Facebook	@UOB.id
Date of Operations	1 November 1956
Legal Basis of Establishment	<ul style="list-style-type: none"> • Deed of Company Establishment No. 150 drawn up by Eliza Pondaag S.H., Notary in Jakarta, dated 31 August 1956 • Decree of Minister of Justice of the Republic of Indonesia (currently Minister of Law and Human Rights) No. J.A.5/78/4 dated 24 October 1956 • State Gazette No. 96 dated 30 November 1956 • Supplement to State Gazette No. 1234/1956
Share Ownership	<ul style="list-style-type: none"> • UOB International Investment Private Limited, Singapore (68.943%) • United Overseas Bank Limited, Singapore (30.056%) • Yayasan Kesejahteraan Nusantara (1.000%) • Others (0.001%)
Authorised Capital	IDR 9,000,000,000,000, comprising 36,000,000,000 shares with nominal value of IDR250 per share
Paid-up Capital	9,553,885,804 shares or equivalent to IDR 2,388,471,451,000
Taxpayer Number	01.308.443.9.091.000
Business Licence	Decree of the Governor of Bank Indonesia No. 13/34/KEP.GBI/2011 dated 19 May 2011
Business Scale	
Number of Offices	<ol style="list-style-type: none"> 1. 1 Head Office 2. 41 Branch Offices 3. 137 Sub-Branch Offices
ATM Network	160 ATMs
Operational Area	30 cities in 18 provinces in Indonesia
Operating Income in 2019	IDR4.85 trillion
Net Interest Income in 2019	IDR 3.65 trillion
Total Assets in 2019	IDR 105.66 trillion
Total Liabilities in 2019	IDR 93.39 trillion
Total Equity in 2019	IDR 12.27 billion
Number of Products and Services Provided	<ul style="list-style-type: none"> • 5 (five) main products, comprising Loan Products, Funding Products, Investment Products, Insurance Products, and Treasury Products. • 20 types of banking services.
Number of Employees of UOB Indonesia	3,997 employees

Founder of UOB Indonesia



In recognition of the tremendous efforts that Dr Wee had made in growing UOB Indonesia to be a responsible and trusted member of the Indonesian banking community, it is fitting for the Bank to confer upon him the title of Founder of UOB Indonesia in perpetuity.

Dr Wee Cho Yaw
Founder of UOB Indonesia

After 30 years of dedication to UOB Indonesia, Dr Wee Cho Yaw announced his retirement as President Commissioner, effective 22 October 2019.

UOB Indonesia was formed from the merger in 2010 of PT Bank UOB Indonesia (formerly known as PT United Overseas Bank Bali) and PT Bank UOB Buana in which the UOB Group invested in 1989 and 2005 respectively, at Dr Wee's initiative. Dr Wee had served as President Commissioner of the merger parties prior to the merger, and as President Commissioner of PT Bank UOB Buana, the surviving entity after the merger, which was subsequently renamed as PT Bank UOB Indonesia.

Dr Wee was instrumental in steering UOB Indonesia's solid performance over the decades. His active support drove the Bank's transformation and its strategic investments in people and capabilities for the benefit of the Bank's customers and stakeholders.

In recognition of the tremendous efforts that Dr Wee had made in growing UOB Indonesia to be a responsible and trusted member of the Indonesian banking community, it is fitting for the Bank to confer upon him the title of Founder of UOB Indonesia in perpetuity.

The Bank notes with pride that Dr Wee has also been conferred the title of Chairman Emeritus and Honorary Adviser to United Overseas Bank Limited (UOB) and UOB Malaysia and remains as the Supervisor of UOB China and Chairman of UOB Thailand. His current board chairmanships include United Overseas Insurance Limited, Haw Par Corporation Limited, UOL Group Limited, United Industrial Corporation, Pan Pacific Hotels Group, Marina Centre Holdings Private Limited, Wee Foundation, and Chung Cheng High School.

Dr Wee has received many accolades for his business achievements and support of education, community welfare and the business community. Among the awards conferred on him are the ASEAN Business Advisory Council Legacy Award for Singapore (2017), Distinguished Service Order, Singapore National Day Award (2011), Asian Banker Lifetime Achievement Award (2009), Credit Suisse-Ernst & Young Lifetime Achievement Award (2006), and Businessman of the Year, Singapore Business Awards (2001 and 1990).

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

UOB Indonesia at a Glance

Who we are

PT Bank UOB Indonesia (UOB Indonesia) is formed from the merger in 2010 of the UOB Group's investment in PT Bank UOB Indonesia (formerly known as PT United Overseas Bank Bali) and PT Bank UOB Buana. The merger enabled the Bank to expand its services and to serve more customer segments. The Bank's development would not have been possible without the dedication and wise counsel of Dr Wee Cho Yaw who served as President Commissioner during the formative period of the Bank's journey until his retirement in 2019.

What we do

UOB Indonesia focuses on creating long-term value for its stakeholders by balancing growth with stability and is determined to be a significant and trusted bank in Indonesia by providing a range of quality products, services and solutions to meet our customers' financial needs. In serving our customers, we see it as our responsibility to have in place robust risk management controls, strong information technology systems and team of highly-qualified employees who live the Bank's values of Honour, Enterprise, Unity and Commitment.

We provide a wide range of financial services for our Personal Financial Services, Business Banking, Commercial Banking, and Corporate Banking customers. Our services range from personal financial products and services such as personal loans and credit cards to investment management, treasury services and cash management. UOB Indonesia is rated AAA (Idn) Stable Outlook by independent rating agency Fitch Ratings.

Just as we are dedicated to helping our customers manage their finances wisely and to grow their businesses, we are steadfast in our support of social development, particularly in the areas of art, children and education. As a champion of art, we seek to discover, to nurture and to promote local talent through our flagship art programme, the UOB Painting of the Year, which began in Indonesia in 2011. By encouraging the appreciation of Southeast Asian art, we hope to open minds to fresh perspectives, to draw us closer through our common beliefs and to encourage the region's next generation of inspiring artists.

We also give back to the community through our UOB Heartbeat corporate social responsibility programme which includes supporting various charity foundations and partnerships through donations and volunteer efforts. We believe through our heartfelt actions and responsible approach to growing our business, we can make a positive difference in the lives of others.



Milestones

1950	
1956	The Bank was established and commercial operations started under the name PT Bank Buana Indonesia.
1970	
1972	Acquisition of PT Bank Pembinaan Nasional, Bandung.
1974	Acquisition of PT Bank Kesejahteraan Masyarakat, Semarang.
1975	Acquisition of PT Bank Aman Makmur, Jakarta.
1976	Obtained a licence as a Foreign Exchange Bank.
1990	
1998	Ranked as an "A" category bank by Bank Indonesia.
2000 – 2018	
2000	Initial Public Offering and share listing at the Jakarta Stock Exchange and the Surabaya Stock Exchange.
2003	The entry of International Finance Corporation (IFC) as the first overseas shareholder through the Right Issue II.
2004	1. UOB International Investment Private Limited (UOBII) became the second largest shareholder after PT Sari Desa Karsa. 2. Issuance of Subordinated Bonds I.
2005	<ul style="list-style-type: none"> • IFC divested its entire shareholding in the Bank; • UOBII became the majority shareholder with 61.11% shareholding.
2007	<ul style="list-style-type: none"> • Changed its name from PT Bank Buana Indonesia Tbk to Bank UOB Buana Tbk; • United Overseas Bank Limited (UOB), through UOB, became the majority shareholder of the Bank.
2008	<ol style="list-style-type: none"> 1. The Extraordinary General Meeting of Shareholders approved the change of status to a privately-held entity; 2. The UOB share ownership rose to 98.997% following a tender offer for the publicly-held shares; 3. Delisting of the Bank's shares from the Indonesia Stock Exchange.
2009	Call option for the debt principal of Subordinated Bonds I.
2010	The former PT Bank UOB Indonesia merged with PT Bank UOB Buana.
2011	Changed its name to PT Bank UOB Indonesia.
2012	The Bank, together with the UOB Group, introduced a new regional-wide uniform for front-liners conveying an impression of professionalism, confidence, and outlook for the UOB Group.
2013	Core Banking Standardisation project was implemented, covering infrastructure systems development through to improved services by the Bank.
2016	<ol style="list-style-type: none"> 1. Issuance of Shelf Registration Senior Bonds I and Subordinated Bonds I Bank UOB Indonesia Phase I Year 2016; 2. Business Internet Banking (BIB) and Personal Internet Banking (PIB) service platforms was launched to improve the Bank's competitiveness and customer service quality.

Vision

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

Mission

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

Corporate Values



Honourable

We act prudently to fuel our customers' success and maintain the highest standards in all we do.



Enterprising

We possess a forward-looking mindset and provide deep insight, taking the initiative to find solutions.



United

We reach our corporate and individual goals through cooperation, mutual respect, and loyalty.



Committed

We hold ourselves accountable to ensure that UOB remains a source of stability, security, and strength.

Business Activities and Segments [102-2]

UOB Indonesia runs its business activities as a foreign bank based on the Decree of Governor of Bank Indonesia (BI) No. 9/39/KEP/DIR/UD dated 22 July 1976. Referring to the Article 3 of the Banks's Articles of Association, the Banks's detailed business activities are:

- a. Collecting funds from the public in the form of current accounts, time deposits, certified deposits, saving accounts, and/or other similar accounts.
- b. Disbursing loans.
- c. Issuing bonds.
- d. Purchasing, selling, or guaranteeing on behalf of the Bank's risk or for the customers' interest and order:
 1. Bills, including those accepted by the Bank with a maturity of no longer than the usual period for trading bills;
 2. Warrants and other equal letters with a maturity of no longer than the usual period for trading warrants;
 3. State Treasury Bills and Government Certificates;
 4. Bank Indonesia Certificates (Sertifikat Bank Indonesia – SBI);
 5. Bonds;
 6. Securities; and
 7. Other securities instruments.
- e. Transferring cash, both for the Bank and the customer's interest.
- f. Investing funds, borrowing funds from, or lending funds to other banks, either under a letter, means of telecommunication or warrant, cheque, or other instruments.
- g. Accepting payments of securities' bills and calculating compensation with or among third parties.
- h. Providing a place to deposit goods and securities.
- i. Providing a place to deposit third parties' goods based on a contract.
- j. Placing funds from the customers to other customers as securities which are not listed on the stock exchange.
- k. Disbursing financing and/or performing other activities including activity based on sharia principles, in accordance with Bank Indonesia's Regulations.
- l. Performing factoring, credit card business, and trustee activity.
- m. Performing activity on foreign currency by complying with Bank Indonesia's Regulations.
- n. Performing a capital participation/investment in banks or other financial institutions, such as through leasing, venture capital, securities companies, insurance, clearing agencies, as well as depository and settlement institutions, based on the prevailing Laws and Bank Indonesia's Regulations.
- o. Performing temporary capital investment activity to overcome loan defaults, including sharia financing defaults, under a term that the Bank has to divest its shares, based on the prevailing Laws and Bank Indonesia's regulations.
- p. Acting as a founder of Pension Fund and Pension Fund Committee according to the prevailing Laws.

- q. Commencing other business which is usual to be carried by a commercial, conventional, or sharia bank, both domestically and internationally.

Globally, UOB has three core business segments, namely group retail, group wholesale banking, and global market. In Indonesia, UOB's banking activities are segmented into commercial banking, corporate banking, personal financial services, and financial institution.

Business activities carried out by UOB Indonesia up to the end of 2019 remain the same as those stated in the Articles of Association of PT Bank UOB Indonesia.

Products and Services

As of 31 December 2019, UOB Indonesia's products and services include the following.

- A. Loan Products
 - UOB Housing Loan (KPR)
 - UOB Multi-Finance Loan (Kredit Multi Guna – KMG)
 - Current Account Loan (Rupiah and FX)
 - Revolving Credit Facility
 - Fixed Loan
 - Fixed Asset Investment Loan
 - Business Vehicle Financing
 - Construction Investment Loan
 - Heavy Equipment Financing
 - Property Business Financing
 - Instalment Loan (Rupiah and FX)
 - Micro Business Loan
 - Import-Export Credit
 - UOB Credit Card (Visa and MasterCard) for various types of non-cash transactions, such as:
 - UOB PRVI Miles
 - UOB Preferred Platinum
 - UOB Lady's Platinum
 - UOB Lady's Card
 - UOB One Card
 - UOB YOLO Card
 - Corporate Credit Card, such as Corporate Card, Purchasing/ D-Card and Business
 - Business Express
 - Business Solution
 - Letter of Credit (LC)
 - Shipping Guarantee
 - Bank Guarantee – Standby Letter of Credit
 - Invoice Financing
 - Trust Receipt
 - Pre Export Financing
 - Early Payment Discount
 - Credit Bills Purchased

- Bill of Exchange Purchase
 - Financial Supply Chain Management (FSCM) Products:
 - PO Financing
 - Account Receivable Purchase
 - Dealer Financing
 - Contract Financing
 - Secured Back to Back
- B. Funding Products
- Time Deposit (Rupiah and FX)
 - U-Save
 - UOB Gold Saving Account
 - UOB Privilege Account
 - UOB Staff Account
 - TabunganKu
 - UOB U-Plan
 - Rekening Valas Produktif
 - Current Account (Rupiah and Foreign Currency)
 - Giro UOB
 - UOB FlexiYield
 - Giro88
 - TabunganBiz88
- C. Services
- Safe Deposit Box
 - Wesel and Inkaso Facility (FX)
 - Bills Collection Facility (FX)
 - Bank Draft (FX)
 - Inward and Outward Transfer (Rupiah and Foreign Currency)
 - Inward and Outward Collection
 - Transfer LC
 - Clearing
 - UOB Bill Pay: PLN, Telkom, Telkomsel, Indosat, XL and Indovision
 - UOB ATM and Debit Card
 - Bills Payment Autodebit
 - 24 Hours Call Centre (14008)
 - Escrow Account
 - Cash Pick-up
 - Liquidity Management Solution (LMS)
 - UOB Virtual Account
 - Business Internet Banking Plus (BIB Plus)
 - Tax Payment/State Acceptance with MPN Gen 2
 - Bulk Payment/Payroll
 - FX Electronic Dealing System (FEDS)
- D. Investment Products
- Mutual Fund Selling Agent
 - Indonesia Retail Bond (ORI) and Retail Islamic Bond (SUKUK) Sales Agent
 - UOB Maxi Yield
- E. Insurance Products
- UOB Indonesia teams up with insurance companies to provide financial solution for customers by offering life and health insurance products with single or periodic premium payments.
 - USave PRUStar
- F. Treasury Products
- Foreign Exchange (FX): Value Today, Value Tomorrow, and Value Spot
 - Derivative Transactions: Forward, Swap, Interest Rate Swap (IRS) and Cross Currency Swap (CCS), Plain Vanilla FX Options
 - Structured Product: UOB MaxiYield
 - Indonesian Government Bonds (Retail Bonds): Primary Market and Secondary Market Transactions

Shareholders Composition [102-5, 102-10]

As of 31 December 2019, UOB Indonesia's shareholders composition, as follows :

Name of Shareholder	Number of Shares (Shares)	Ownership Percentage (%)	Total Issued and Fully Paid Capital (IDR)
UOB International Investment Private Limited, Singapore	6,586,706,877	68,943	1,646,676,719,250
United Overseas Bank Limited, Singapore	2,871,523,512	30,056	717,880,878,000
Yayasan Kesejahteraan Nusantara	95,539,288	1,000	23,884,822,000
Other Shareholders	116,127	0,001	29,031,750
Total	9,553,885,804	100,000	2,388,471,451,000

Shareholders with More Than 5% Shareholding

UOB Indonesia shareholders with more than 5 per cent shareholding, as follows:

Name of Shareholder	Number of Shares (Shares)	Ownership Percentage (%)
UOB International Investment Private Limited, Singapore	6,586,706,877	68.943
United Overseas Bank Limited, Singapore	2,871,523,512	30.056

Shareholders with Less Than 5% Shareholding

UOB Indonesia's shareholders with less than 5 per cent shareholding, as follows:

Name of Shareholder	Number of Shares (Shares)	Ownership Percentage (%)
Yayasan Kesejahteraan Nusantara	95,539,288	1.000
Other Shareholders	116,127	0.001

Classification of Local and Foreign Shareholders

The largest shareholder of UOB Indonesia is foreign institution with 98.999 per cent share ownership in total, Other shareholders, consisting of local and foreign individual and institutional shareholders, have 1.001 per cent share ownership in total,

Name of Shareholder	Number of Shares (Shares)	Ownership Percentage (%)
Local Institutional Shareholder		
Yayasan Kesejahteraan Nusantara	95,539,288	1.000
Foreign Institutional Shareholder		
UOB International Investment Private Limited, Singapore	6,586,706,877	68.943
United Overseas Bank Limited, Singapore	2,871,523,512	30.056
Local and Foreign Individual Shareholder		
Other Shareholders	116,127	0.001

Information on Main and/or Controlling Shareholder

In accordance with the share composition of UOB Indonesia per 31 December 2019, the Bank's Main and Controlling Shareholder is the UOB International Investment Private Limited, Singapore, with 6,586,706,677 shares or 68,943 per cent of the Bank's total shares.

Share-Listing Chronology

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

Bonds Listing Chronology

As of 31 December 2019, the Bank has a number of outstanding bonds listed in the Indonesia Stock Exchange with interest ranging from 7.40 per cent up to 11.35 per cent. In line with its business performance, the Bank's bonds were ranked AA (idn) and AAA (idn) by the Fitch Ratings. In 2019, we had IDR1,462 billion bonds maturing on 3 June 2019 by IDR862 billion and 25 November 2019 by IDR600 billion.

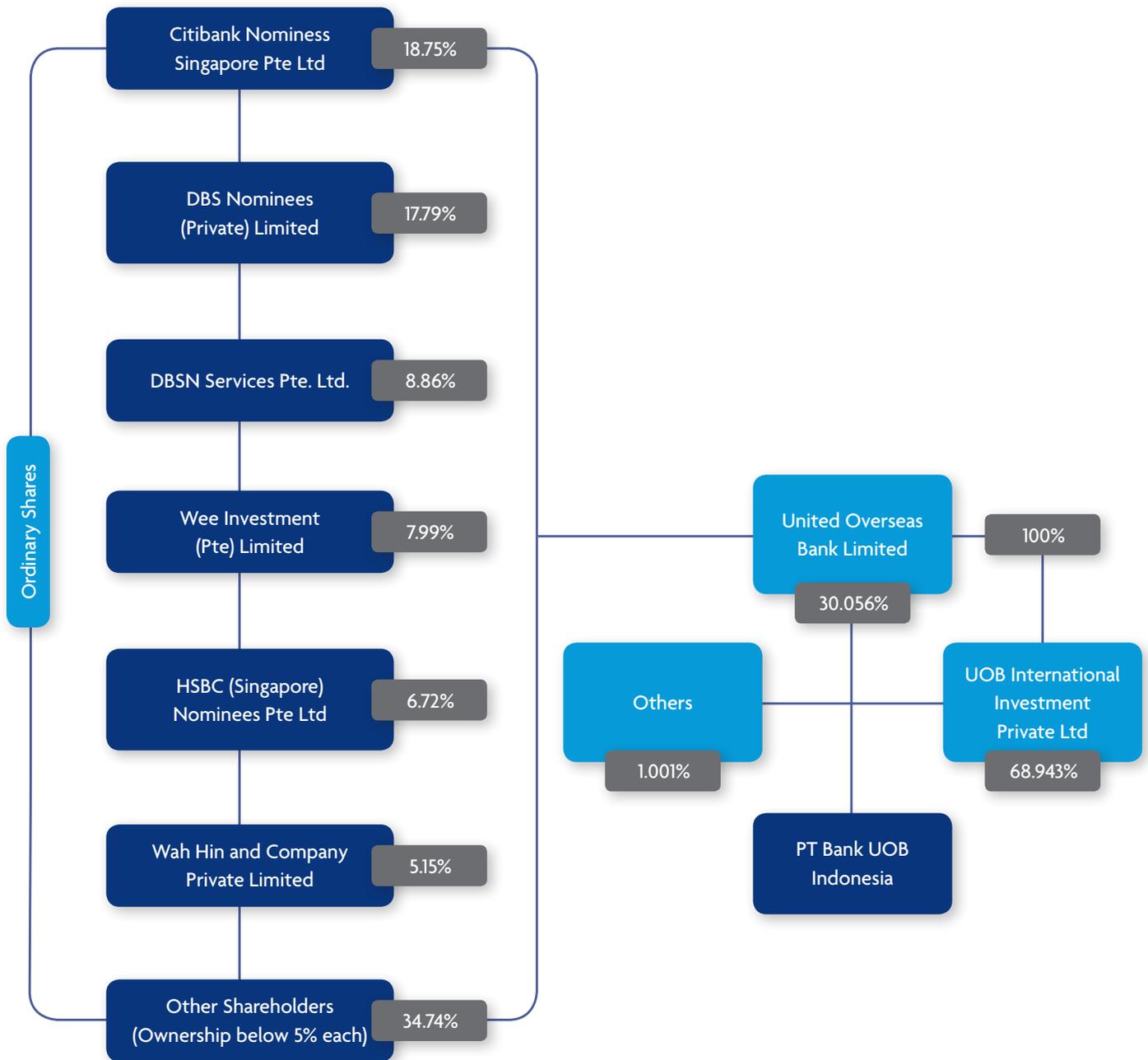
The following table presents the data of outstanding and matured bonds of UOB Indonesia.

UOB Indonesia's Outstanding and Matured Bonds

As of 31 December 2019

Type of Bonds	Date of Emission	Maturity	Value (IDR)	Date	Coupon	Rating	Listing
Outstanding Bonds							
Subordinated Debt I Bank UOB Indonesia	28 May 2014	7 years	1 trillion	28 May 2021	11.35% p.a	AA (idn) Fitch Ratings	Indonesia Stock Exchange
Senior Debt I Bank UOB Indonesia Series C 2015	1 April 2015	5 years	500 billion	1 April 2020	9.60% p.a	AAA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Senior Debt Shelf Offering I Phase I 2016 Series C	25 November 2016	5 years	100 billion	25 November 2021	8.25% p.a	AAA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering I Phase I 2016	25 November 2016	7 years	100 billion	25 November 2023	9.40% p.a	AA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering I Phase II 2017	17 October 2017	7 years	500 billion	17 October 2024	9.25% p.a	AA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Senior Debt Shelf Offering I Phase II 2018 Series B	23 May 2018	3 years	83 billion	23 May 2021	7.40% p.a	AAA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Senior Debt Shelf Offering I Phase II 2018 Series C	23 May 2018	5 years	55 billion	23 May 2023	7.65% p.a.	AAA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Senior Debt Shelf Offering II Phase I 2019	09 January 2019	370 days	100 billion	19 January 2020	8.20% p.a.	AAA(idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering II Phase I 2019	05 July 2019	7 years	100 billion	05 July 2026	9.85% p.a.	AA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Subordinate Debt Shelf Offering II Phase II 2019	13 November 2019	7 years	650 billion	13 November 2026	9.25% p.a.	AA (idn) Fitch Ratings	Indonesia Stock Exchange
Matured							
Bank UOB Indonesia Senior Debt Shelf Offering I Phase II 2018 Series A	23 May 2018	370 days	862 billion	3 June 2019	6.15% p.a.	AAA (idn) Fitch Ratings	Indonesia Stock Exchange
Bank UOB Indonesia Senior Debt Shelf Offering I Phase I 2016 Series B	25 November 2016	3 years	600 billion	25 November 2019	8.00% p.a.	AAA (idn) Fitch Ratings	Indonesia Stock Exchange

Group Structure



About United Overseas Bank Limited

Who We Are

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 branches and offices in 19 countries and territories in Asia Pacific, Europe and North America. In Asia, we operate through our head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand and Vietnam, as well as branches and offices across the region.

In 1935, amid the economic uncertainties following the Great Depression, UOB opened its doors to provide banking services for the merchant community in Singapore.

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

Over more than eight decades, generations of UOB employees have carried through the entrepreneurial spirit, the focus on long-term value creation and an unwavering commitment to doing what is right for our stakeholders.

At UOB, we believe in being a responsible financial services provider and we are committed to making a difference in the communities in which we operate. Just as we are dedicated to helping our customers manage their finances wisely and grow their businesses, we are steadfast in our support of social development, particularly in the areas of art, children and education.

What We Do

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



Where We Operate

>500

branches and offices in Asia Pacific,
Europe and North America



UOB Group's Financial Highlights of the Last Five Years

Description	As of 31 December				
	2019	2018	2017	2016	2015
Account Profit or Loss Items (in Million Singapore Dollar)					
Total Income*	10,030	9,116	8,563	7,790	7,807
Total Expenses*	4,472	4,003	3,739	3,425	3,356
Operating Profit*	5,558	5,113	4,824	4,365	4,451
Net Profit After Tax**	4,343	4,008	3,390	3,096	3,209
Account Balance Items (in Million Singapore Dollar)					
Net Customer Loans	265,458	258,627	232,212	221,734	203,611
Customer Deposits	310,726	293,186	272,765	255,314	240,524
Total Assets	404,409	388,099	358,592	340,028	316,011
Shareholders' Equity**	39,637	37,628	36,850	32,873	30,768
Financial Indicators (%)					
Expense/Income Ratio	44.6	48.6	45.5	45.9	44.7
Non-Performing Loans Ratio	1.5	1.5	1.8	1.5	1.4
Return on Average Ordinary Shareholders' Equity	11.6	11.3	10.2	10.2	11.0
Return on Average Total Assets	1.08	1.07	0.98	0.95	1.03
Return on Average Risk-Weighted Assets	1.90	1.93	1.63	1.51	1.74
Capital Adequacy Ratio (CAR)					
Common Equity Tier 1	14.3	13.9	15.1	13.0	13.0
Tier 1	15.4	14.9	16.2	13.1	13.0
Total	17.4	17.0	18.7	16.2	15.6
Per Ordinary Share					
Basic Earnings (in full amount of Singapore Dollar)	2.55	2.34	1.99	1.86	1.94
Net asset value (in full amount of Singapore Dollar)	22.33	21.31	20.37	18.82	17.84
Net Dividend (cents)***	130	120	100	70	90
Dividend Cover (times)***	2.00	2.00	2.04	2.73	2.22

* With effect from 1 January 2018, total income is presented net of fee and commission expense. The earlier comparative figures have been restated to conform to this presentation.

** Related to the amount attributable to the equity holders of the Bank.

*** Included a special dividend of 20 cents in 2017 and 20 cents in 2017, 2018 and 2019. 2015 included UOB's 80th Anniversary dividend of 20 cents.

PT Bank UOB Indonesia

31 December 2019

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Management Discussion and Analysis

2019 Macroeconomic Overview

The International Monetary Fund (IMF) had forecasted that the global economy would grow by 2.9 per cent in 2019, the slowest growth since the global financial crisis in 2008. Trade tensions between the United States and China, along with the United Kingdom's exit from the European Union, weighed on global trade volume and manufacturing activity and created economic uncertainties in 2019. In the US, the Federal Reserve (The Fed) lowered its benchmark rate by 75 basis points to 1.50 per cent – 1.75 per cent range by the end of 2019. This stance was taken to sustain the country's economic growth, to create a conducive labour market and to reach the inflation target of two per cent.

National Economic Growth

For the full-year 2019, Indonesia's economy grew by 5.02 per cent, slower than 5.17 per cent recorded in 2018 and short of the government's 5.3 per cent target. Exports were affected by US-China trade tensions, while the general elections held back investments. Nevertheless, the country's growth remained resilient, supported by relatively strong household consumption.

Indonesia's Current Account Deficit (CAD) narrowed to US\$30.4 billion or 2.72 per cent of Gross Domestic Product (GDP) for the full-year 2019 from US\$30.6 billion or 2.94 per cent of GDP in 2018. Exports were affected by US-China trade tensions, while the general elections held back investments. The narrower CAD was due to better performance of non-oil and gas trade, coupled with lower oil and gas trade deficit as an impact of policies to control imports.

The inflation rate in 2019 was 2.72 per cent as at the end of December 2019, the lowest rate recorded in the last 20 years. One of the contributing factors to this was lower inflationary pressure from government-regulated prices. Improved coordination between central and regional authorities ensured the availability of food supplies and contributed to the lower levels of food inflation. In addition, the stable Rupiah exchange rate in 2019 kept price pressure on imported goods at bay and did not have a major effect on the national inflation rate.

Exchange Rates on Transaction



Over the course of the year, the Rupiah exchange rate against the US dollar appreciated by 3.6 per cent to the level of IDR13,866 per US dollar in 2019, underpinned by strong influx of portfolio investment (largely on government and corporate bonds) and higher Foreign Direct Investment (FDI) as compared with 2018.

This was in line with a relatively favourable domestic economic outlook, as well as the high-yield generated by the domestic financial market, notably the bond market which offered relatively higher yield compared with other countries.

Highlights of Banking Industry Performance in 2019

Bank Indonesia's (BI) monetary policy remained accommodative throughout 2019. BI's Seven-Day Reverse Repo Rate (BI7DRR) was cut four times to a total of 100 basis points to five per cent by the end of the year.

BI 7-Day Reverse Repo Rate Cuts in 2019

Date	BI7DRRR (%)
18 July 2019	5.75
22 August 2019	5.50
19 September 2019	5.25
24 October 2019	5.00

(Source: Bank Indonesia)

Based on BI's data, loan growth in 2019 was recorded at 6.1 per cent, lower than the 11.7 per cent growth recorded in 2018. One of the contributing factors to lower loan growth was due to global economic uncertainties. There was a 133.6 per cent increase in offshore financing to IDR130.4 trillion and third party funds grew by 6.4 per cent, a slight improvement over last year's 6.1 per cent.

In 2019, the quality of banking assets deteriorated due to a higher Non-Performing Loan (NPL) ratio, which reached 2.53 per cent (gross), compared with 2.3 per cent the previous year. The national banking liquidity was maintained through BI's monetary policy stance. The Loan to Deposit Ratio (LDR) was 93.6 per cent in 2019, a slight decrease compared with the 2018 LDR booked at 94 per cent.

Indonesian Economy and Banking Prospects in 2020

The phase one trade deal agreed between the United States and China has certainly helped to ease global uncertainty and strengthen economic optimism of the global economic recovery outlook. The optimism, however, has been grinded down by the coronavirus (COVID-19) outbreak that tempered the global recovery process mostly in the first half of 2020. Given the current status of the outbreak, the

effect of COVID-19 to Indonesia might be more severe than initially expected. As a result of social distancing implementation that limit the overall economic activity, the impact of COVID-19, which was originally only seen in supply chain disruptions of exports and imports of goods, now will also delay the growth of household consumption and investment.

To date, the government has announced both fiscal and non-fiscal stimuli, as well as measures to stabilise rupiah and to strengthen the banking industry resilience. The government estimates that the 2020 budget deficit could be widen to 5 per cent of GDP from 1.76 per cent planned previously. Expansionary fiscal policy for targeted productive spending will be crucial to restore the market confidence and mitigate the negative economic impacts of COVID-19. On the balance, we estimate the domestic economic growth to slow down to 2.5 per cent this year.

With the COVID-19 is likely to limit the country's economic activity, loan and deposit performance are expected to stay subdued. At its consolidation phase, BI expects both credit growth and third-party deposit can still grow in the range of 6.0-8.0 per cent in 2020 given the monetary policy remains accommodative.

Business Development Strategy

The government is committed to economic transformation by prioritising the development of a robust and resilient economy and accelerating the progress of various industries. These efforts aim to achieve sustainable economic growth and to improve the well-being of Indonesians.

As one of the country's key banking institutions, UOB Indonesia is committed to supporting the government's economic initiatives through facilitating investment opportunities for our clients across various sectors, notably in infrastructure, technology and consumer-driven industries such as food and beverage, automotive, textile, electronic and chemicals.

We continue to build our business by balancing opportunity with responsibility as we aim to achieve our vision of becoming a leading bank in Indonesia. We will do so by pursuing the following strategic priorities:

- maintaining strong risk management processes and practices;
- sharpening our financial management;
- providing the best financial solutions to our customers based on their lifestyle, lifecycle or business needs;
- developing a principled, dedicated and high-performing team of bankers; and
- harnessing technology to boost performance and to improve customer experience.

Keeping Our Customers at the Centre of What We Do

In balancing opportunity with responsibility to achieve our goal of becoming a leading bank in Indonesia, we maintain our focus on keeping our customers at the centre of what we do. We are committed to providing our customers with the right financial solutions to meet their needs across different life and business stages.

To suit the financial needs of our retail banking customers, we offer products and services in tune with their lifestyle needs and preferences.

We offer savings products, such as the UOB Stash Account, UOB High Yield Account, UOB Plus Saving, UOB One Account, and U-Save, to help our customers manage their personal finances. We encourage customers to save more through innovative marketing campaigns.

As we help our affluent customers to grow their wealth through investments, we also continue to provide them with advisory based on our Smart Risk approach. The approach helps customers to understand the risks ahead of possible returns on their investments.

Through our UOB YOLO credit card, we aim to meet the needs of financially-independent millennials as they pursue their life goals. Our flagship UOB One Card, via its zero per cent instalment option for tuition fees and free personal accident insurance coverage, is suitable for families managing budgets and many responsibilities. To draw greater value for our customers and to promote the benefits of UOB cards, we continue to develop new alliances and to strengthen existing partnerships with dining, health and beauty, electronics and travel merchants. Our collaborations also provide additional rewards for our PRVI Miles, Preferred Platinum and Lady's Card cardmembers.

On the digital front, we have made significant investments in our technological capabilities to provide our customers with a simpler, smarter, and safer banking experience. For our customers who prefer online banking, we continue to enhance our Personal Internet Banking and Business Internet Banking Plus (BIBPlus) services to serve them better. We also work with a range of partners in Indonesia across sectors such as consumer goods, industrials, oil and gas, construction and infrastructure, real estate and telecommunications on initiatives to develop and to offer tailored products and solutions to help businesses grow.

Management Discussion and Analysis

With ASEAN's digital generation set to reshape the way products and services are provided, in 2019, we designed and built TMRW (pronounced 'tomorrow'), the first mobile-only digital bank designed for the region's millennials who prefer to transact on their mobile phones anywhere, anytime. TMRW makes banking simpler, more transparent and more engaging for customers through the use of data. It translates transaction data into actionable insights to make the banking experience interesting and fun while enabling its customers to be smarter at saving and spending. TMRW is powered by next-generation artificial intelligence, machine learning, data analytics, and has intuitive user interface design and smartphone capabilities. One of TMRW's most anticipated features is a money management game called "City of TMRW" to help customers meet their savings goals in fun-sized, achievable steps. TMRW is also free from banking jargon and is easy to understand by customers. TMRW has been available on the Apple App Store and Google Play Store since 8 January 2020 and will be publicly launched in 2020.

To serve the increasing number of small- and medium-sized enterprises (SMEs) in Indonesia, we continue to develop the capabilities of our bankers in trade financing, cash management and foreign exchange hedging. Our highly experienced relationship managers are equipped with the expertise to advise our SME customers on how to grow and to increase the efficiency of their business. We also offer them access to UOB BizSmart, a suite of integrated digital solutions that enables SME owners to manage their business processes, such as accounting, invoicing, payroll, and HR management, more efficiently.

We offer our corporate clients current and savings account products, such as Giro88 and Tabungan Bisnis88. Both products provide competitive interest rates and fee-free transactional features based on customers' account balance levels.

In strengthening our commitment to support the country's infrastructure development, we continue to improve our financial expertise and solutions for infrastructure financing, corporate financing and project financing for national and regional infrastructure projects.

As thought leaders in the financial industry, one way through which we deepen relationships with our stakeholders is by hosting the annual UOB Indonesia Economic Outlook event. In 2019, this economic outlook forum was held simultaneously in three cities – Jakarta, Surabaya, and Medan via a live and interactive video conference. Themed "Unleashing the Most Powerful Growth Engine: The Consuming Class", the forum saw regulators, government officials and industry experts share with our customers their valuable insights into the latest economic trends.

Operational Overview Retail Banking

Retail Banking helps customers achieve their financial goals by providing them with financial solutions such as deposits, insurance, secured and unsecured loans. These, as well as treasury, investment and wealth advisory services are also offered through UOB Privilege Banking and UOB Wealth Banking. We provide our Business Banking customers with a range of products and solutions, including deposit accounts and loans, cash management services, trade finance and integrated cloud-based business management solutions to support their business growth.

Personal Financial Services and Digital Bank – Providing Consumers With One-Stop Financial Solutions

In 2019, we improved our deposits, loans, credit cards and wealth advisory capabilities, staying focused on creating and providing financial solutions to serve the needs of our customers. This resulted in us receiving IDR32.2 trillion in deposits and disbursing loans of IDR11.1 trillion.

Wealth management solutions

To help our customers to invest and to grow their money wisely, we offer deposits and investment in Rupiah and foreign currencies, as well as mutual funds, bonds, treasury products, bancassurance and advisory services. We generate both fee-based income and interest income by offering the right solution at every stage of a customer's life and in keeping with their lifestyle.

In 2019, we launched the UOB Stash Account that offers bonus interest when customers maintain and/or increase their savings. The UOB Stash Account was first launched in Singapore and is also available in Malaysia and Thailand. We also launched numerous savings programmes with attractive prizes such as gold bars and mobile phones to encourage customers to cultivate the saving habit and to help them extract greater value from their savings.

In 2019, we grew our deposit balance by 24.26 per cent to IDR32.2 trillion, a record for the Bank. This growth is the result of our continued efforts of enhancing our suite of deposit products to help our customers achieve their personal financial goals.

In the area of wealth management, we saw increased demand for wealth products in tandem with the growing emerging affluent population in Indonesia. As at end-December 2019, we achieved wealth fee income growth of 77 per cent compared with the previous year. Other achievements in wealth management were:

- 26.2 per cent growth in assets under management (AUM);
- 28.4 per cent increase in the number of customers with wealth management products;

- the launch of USave PRUStar, the first bancassurance endowment product plan in Indonesia that provides annual cash payouts for customers to reinvest for their future financial needs; and
- appointment as distribution partner to offer Retail Primary Government Bonds through UOB Indonesia's Personal Internet Banking service.

In 2020, we will continue to enhance our offerings by:

- adding features to our savings products to provide the best selection of products and services;
- enhancing our suite of wealth products, such as unit trusts, capital-protected funds, unit-linked funds, non-unit-linked products such as universal life insurance, as well as new insurance product riders;
- developing new sales tools and enhancing existing ones such as Customers 360 and Wealth Navigator; and
- enhancing our digital wealth management capabilities through developing PIB's new feature to enable customers to subscribe online for electronic-government bonds (electronic – Surat Berharga Negara/E-SBN Shariah-Compliant Retail Government Bonds).

In 2020, we aim to continue to grow wealth business in line with growing affluent segment.

Wealth Banking

In 2019, we launched UOB Wealth Banking to serve the needs of the nation's growing mass affluent segment.

Our Wealth Banking relationship managers, product specialists and research team help our customers grow their wealth based on our Smart Risk approach to ensuring that they protect their assets and understand the risks associated with a product before considering potential returns. We do this by analysing the risks behind investment instruments based on each customer's financial affordability, risk appetite and objectives. In 2019, we held a series of events in Jakarta and Surabaya to promote our UOB Wealth Banking services.

In 2020, UOB Wealth banking will:

- maintain robust processes to ensure all Wealth Banking activities are implemented in accordance with banking regulations;
- sharpen our UOB Wealth Banking offering to ensure that our various financial solutions and investments remain relevant to our customers' financial needs and adapt to the changing market conditions;
- provide continuous training to our relationship managers to ensure they are well-equipped to provide quality advisory and service to our customers; and
- acquire new customers through our existing customer and employee referral programme.

Privilege Banking

Our Privilege Banking customers benefit from our comprehensive suite of personal and investment products and services to grow and to protect their wealth. Our Privilege Banking customers enjoy the benefits and offers from various merchants through the UOB Privilege Banking ATM/Debit Card and the UOB PRVI Miles Credit Card.

In 2019, we continued to provide our customers with guidance on risks and returns through our Smart Risk approach. Our economists and experts conducted a series of seminars, titled Privilege Conversations, to share the latest information on economic and investment trends. In addition, our Wealth Management advisory team remained focused on providing the latest market updates and in-depth research insights to our customers. To deepen our customer relationships, we also held our annual Lunar New Year celebration to share the festive joy with them.

In 2020, UOB Privilege Banking will continue to:

- educate customers on taking a Smart Risk approach to their investments;
- conduct more seminars and events to share market insights with customers;
- transform our UOB Privilege Banking Centres by applying design thinking to enhance the customer experience and to stay ahead of changing customer expectations and preferences;
- streamline onboarding and upgrading processes for new and cross-segment customers
- strengthen our position as a leading provider of wealth management products and services;
- increase brand awareness through above-the-line and/or below-the-line marketing strategies; and
- acquire new customers through our existing customer referral programme and promotional campaigns.

Mortgage and Secured Loans (MSL)

We provide our customers with a range of mortgage products, including home equity loans for first time homebuyers, loans to upgrade properties, property refinancing and new property loans to suit their needs.

We also offer home or apartment ownership loans which enable customers to purchase a home with smaller down payments, affordable loans with longer tenors of up to 360 months and fast approval for many primary real estate projects.

In 2019, we implemented several MSL-related policies aimed at improving loan quality and customer experience. We also rolled out initiatives to strengthen relationships with reputable developers and property agents through mutual strategic partnerships. In addition, we launched mortgage products bundled with current or savings accounts (CASA) to help customers with their financial planning needs and we streamlined processes for faster loan approvals.

Management Discussion and Analysis

We also created a digital property ecosystem, working with online property portals and e-commerce partners to help the millennial homebuyers. We also launched a brand awareness campaign for this property ecosystem, using the hashtag, #feelyourhome, to make it more relevant to this customer group.

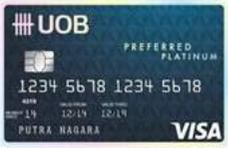
MSL continued to collaborate strongly with all teams within UOB Indonesia including our sales, credit analyst, credit administration, product, partnership, relationship and attrition and policy teams.

Our priorities for 2020 include:

- expanding our digital property ecosystem and presence;
- strengthening relationships with reputable developers and property agents to provide suitable solutions for our customers;
- offering savings plan solutions, which cover the requirements for down payments and mortgage fees, to help customers prepare for and to purchase their home; and
- improving our straight-through process for instant loan approvals.

Credit Card and Payments

We offer a range of credit cards, comprising PRVI Miles, Preferred Platinum, Lady's Card, One Card and YOLO Card, to provide benefits and rewards that are relevant to the lifestyles of our customers. The following table shows the credit card products offered to our customers:

<p>PRVI MILES</p>  <p>#YourPassporttoFlyFree</p>	<p>Travelers</p> <ul style="list-style-type: none"> - One airline mile for every IDR8,000 spent domestically or IDR4,000 overseas - Bonus 4,500 airline miles for new cards* - Travel accident insurance of up to IDR7 billion
<p>PREFERRED PLATINUM</p>  <p>Surprise comes faster with 3x point</p>	<p>Mass Affluent</p> <ul style="list-style-type: none"> - Three times reward points for making fashion purchases or spending in department stores, restaurants locally and abroad - One reward point for every IDR1,000 spent on other retail items. - Attractive privileges with the exchange of reward points
<p>LADY'S CARD</p>  <p>#MenDontGetIt</p>	<p>Female Segment</p> <ul style="list-style-type: none"> - Lady's Day Discount of up to 50 per cent every Wednesday at selected hair salons - Lady's Reward Three times reward points for every card purchase at supermarkets, online, department stores and fashion boutiques (shoes, clothing and bag boutiques) - Luxe Pay Zero per cent instalment plans for three or six months for spending at selected fashion boutiques - Lady's Moment Exclusive access to special events for loyal Lady's Card loyal customers with top spend.

ONE CARD



#MyFamilyGoals: Be Super Cool Parents

Young Families

- Zero per cent instalment for education-related payment and zero per cent instalment plan for up to six months
- Free accident insurance claim for up to IDR600 million for cardholders and their families (spouse and two children)
- Up to five per cent cashback
The more frequent the number of transactions, the greater the cashback

YOLO CARD



Because You Only Live Once!

Millennials

- Free Grab e-Voucher worth IDR20,000
- One Grab e-Voucher worth IDR100,000 per five retail transactions per month; valid for multiple transactions and without restriction
- Zero per cent instalment for three and six months for hotel and travel purchases made online and through travel agents

In 2019, we continued to develop our credit card and payment products by:

- strengthening our five primary products, namely PRVI Miles, Preferred Platinum, Lady's Card, One Card, and YOLO, to provide better benefits to cardholders and to drive our business performance; and
- implementing sustainable marketing programmes to promote the benefits for cardholders and to improve card activation, transactions and customer loyalty. For example, we launched the Game of Crown programme, which was a year-end rewards programme that enabled all cardholders with a minimum spend of IDR1 million to play a game for points that could be exchanged for prizes.

To encourage customers to use their UOB credit cards, we also collaborated with parties to improve our offering, specifically in the area of reward points. Through our partnerships, customers were able to exchange points for benefits with numerous merchants. Our merchant choices include airline miles (Garuda Miles, KrisFlyer, Asia Miles), electronic shopping vouchers (H&M, KFC, Shell, Tokopedia, Transmart, IKEA, GOJEK, etc), hotel vouchers (Four Seasons, Shangri-La, Double Tree, Novotel, Westin, Sheraton, Courtyard, Inter-Continental, etc).

In relation to the government regulation on the National Payment Gateway, we collaborated with a switching agency appointed by the government to process domestic debit transactions.

The strategic efforts implemented throughout 2019 yielded positive results as reflected in the various awards we received, including:

- VISA Indonesia Awards: Best Millennial Card 2019 for YOLO card;
- Planet Tourism Indonesia Awards 2019 - Silver Winner, Category: Travel Credit Card 2019 for YOLO card; and
- 2019 MasterCard Awards: UOB Lady's Card as Best Ladies Card Programme 2019.

In 2019, the total value of credit card transactions grew by 13.1 per cent while transaction volume rose 24.1 per cent. We also continued to improve our processes, policies and procedures to maintain our portfolio quality.

Our business priorities in 2020 are:

- increasing the making of Personal Identification Numbers (PIN)-enabled transactions as a requirement for credit card;
- enhancing the performance of our five primary products, namely PRVI Miles, Preferred Platinum, Lady's Card, One Card, and YOLO;
- adding Personal Loans to our suite of products;
- deepening customer loyalty and increasing card transactions through strategic initiatives and improved card activation processes; and
- launching publicity campaigns to increase market awareness of our card products.

Digital Bank

In 2019, we designed and built TMRW, a digital bank for ASEAN's massive and increasing base of 'mobile first' and 'mobile only' customers. Indonesia will be the second market where UOB will launch the innovative, data-driven digital bank. Through TMRW, customers will enjoy a fully digital bank experience which is intuitive, transparent and engaging – from the moment they apply to open an account through mobile to meeting their everyday lifestyle needs. TMRW was deployed to both the Apple App Store and Google Play Store in Indonesia on 8 January 2020.

Opening a TMRW account will be as simple as uploading a photo of e-KTP with as few online forms to fill out as possible. Thereafter, the customer's identity will be verified by a TMRW live agent using video call to their mobile. After verification, customers can choose between just a TMRW Everyday Account or a bundled TMRW product comprising a TMRW Everyday Account and a TMRW Credit Card. Customers can also choose a TMRW Savings Account that provides them with a higher interest rate for their savings, regardless of their selection of the single or bundled product.

TMRW enables customers to make a number of financial transactions, such as transfers and payments, as well as non-financial transactions, such as account self-servicing (activating debit cards, changing personal details and downloading account statements) through their mobile phone. To provide a comprehensive customer experience, TMRW's artificial intelligence-enabled chatbot provides customers with a digital channel for customer service, while the insights cards on transaction habits provide customers with personalised guidance to help them manage their finances.

To encourage greater use of cashless payments in Indonesia, TMRW will launch Quick Response (QR) code payment based on the Indonesian QR Standard initiated by Bank Indonesia. Through this initiative, customers can transfer funds or make payments at various merchants easily using a QR code from their TMRW account. With this service, we hope that customers will conduct transactions frequently using TMRW and experience the benefits of our digital bank to save and to spend wisely.

Our strategy to acquire new customers in 2020, among others, is through partnerships with various merchants, such as coffee stalls, online transportation providers and online travel agents, and to conduct marketing programmes using both digital and conventional platforms, as well as to acquire customers through existing collaborations.

As at end-2019, Personal Financial Services collected Third Party Funds amounting to IDR32.2 trillion, up by 24.26 per cent compared with the previous year's IDR25.9 trillion. This increase was due to the simultaneous growth of all Third Party Funds products in Personal Financial Services.

Our wealth management revenue rose 77 per cent while assets under management increased 26.6 per cent. Total loan portfolio amounting IDR11.1 trillion, with both mortgage, secured loans and credit card loans, contributed 79 per cent and 21 per cent, respectively.

Business Banking – Supporting SMEs in Different Stages of Growth

Our Business Banking team provides banking solutions for small and medium-sized enterprises (SMEs) across all industries as they progress through different stages of growth. Our range of products and services include commercial loan facilities with a limit of up to IDR20 billion, deposit products, cash management, foreign exchange, trade financing and bancassurance solutions. We also offer UOB BizSmart, our suite of digital business management solutions to help SMEs manage their businesses more efficiently.

To support the growth of Indonesian SMEs in the digital economy, in 2019, we partnered top e-commerce players Zilingo and BliBli to roll out special bundled packages, including UOB BizSmart, for merchants to optimise their digital marketing efforts and to manage their operations more efficiently.

Management Discussion and Analysis

In 2019, Business Banking offered the following products and services:

- **Current and Savings Accounts** – We have four types of business accounts available for Business Banking customers, namely Giro 88, U-Biz88, Tabungan Biz88 for Indonesian Rupiah and Vapro for foreign currencies. Each product has specialised features to offer customers competitive interest rates, preferential transaction fees and other customised benefits depending on their business requirements;
- **Business Internet Banking Plus (BIBPlus)** – This service enables customers to manage their banking transactions more conveniently and efficiently using internet banking;
- **Transaction Services** – We provide a variety of foreign exchange, structured products, bancassurance, trade and cash management products and services;
- **UOB BizSmart** – We offer our customers access to a suite of integrated digital business solutions that let them manage processes such as accounting, invoicing, payroll and resourcing;
- **Business Property Loans** – We provide financing facilities for purchasing or refinancing of commercial properties with a tenor of up to 20 years;
- **Business Solutions** – We offer financing facilities to help our customers meet their short-term working capital and long-term investment needs. In addition, we provide foreign currency hedging and trade facilities for customers with business operations in trading or export-import activities; and
- **Business Express** – We provide financing services as a working capital loan facility with cash collateral equal to 100 per cent of the loan facilities granted

Business Banking contributed 10.7 per cent of the Bank's total Third Party Funds, while the total loan portfolio reached IDR15.74 trillion, growing by 3.32 per cent from IDR15.24 trillion recorded in 2018. This increase was the result of constant improvements in our product competitiveness and loan disbursement processes.

Business Banking's focus in 2020 is:

- to attract more customers with good credit quality;
- to keep improving our loan fulfilment process;
- to enhance our products' competitiveness;
- to provide enhanced services and funding products to non-individual customers; and
- to collaborate with partners to provide more ease and convenience for our customers.

Retail Banking Income and Profitability

In 2019, Retail Banking booked total income of IDR2 trillion, which contributed 41.3 per cent to the Bank's total revenue. For the year, Retail Banking recorded a loss of IDR207 billion.

Wholesale Banking

Through Wholesale Banking, we offer financial solutions, services and sector insights to help companies and institutions manage their business operations, cash flow, market expansion and capital needs and mitigate trade and commodity risks. In 2019, we continued to enhance our service capabilities by harnessing technology and drawing from the strengths of our established network across ASEAN and Greater China. We also launched U-Solar, the first solar industry ecosystem in Asia to power the development and adoption of renewable energy across Southeast Asia. Through U-Solar, we connect businesses and consumers across the entire solar power value chain in our collective efforts to transition to a low-carbon economy.

Commercial Banking – Enabling the Growth of Medium-Sized Businesses

Our Commercial Banking team is dedicated to supporting the growth of our medium-sized corporate clients with local and regional operating and liquidity requirements. We offer a wide range of solutions, from cash management and Financial Supply Chain Management (FSCM) to financing and investment banking services. For example, we help our clients ensure their supply chains remain stable by tailoring for them FSCM programmes that comprise end-to-end working capital management solutions and comprehensive trade facilities for greater operational efficiency.

Throughout the year, Commercial Banking increased our focus on deepening our relationships with our clients in particular in the industrial sectors with stable growth such as consumer goods, industrials, oil and gas, construction and infrastructure, real estate and telecommunications.

In 2019, Commercial Banking disbursed IDR25.6 trillion in total loans, an increase of 3.6 per cent compared with the year before. This contributed 34 per cent to our total loan portfolio of IDR75 trillion.

Our clients can rely on our coverage, product and sector solutions teams to work closely and to provide them with in-depth insights and expertise for sustainable growth. In particular, the strong collaboration between Transaction Banking and Global Markets enabled us to provide comprehensive trade finance and treasury solutions to meet our clients' needs. As at end-2019, Commercial Banking recorded total Third Party Funds of IDR14.9 trillion.

In 2020, Commercial Banking will focus on:

- growing our current and savings account (CASA) products to serve more medium-sized business clients;
- promoting more trade products and services;
- increasing our fee-based income; and
- enhancing the quality of our existing and new client base.

Corporate Banking – Supporting Large Corporate Clients in Their Regional Expansion

Our clients in corporate banking include large state-owned enterprises and private companies. Through UOB's established and integrated network, our global and local client servicing teams offer seamless connectivity and specialised expertise to these clients as they grow and expand across Asia. We also provide a suite of integrated solutions to meet their financial needs, including support for cross-border merger and acquisition opportunities, financing short-term working capital to long-term capital expenditure, cash management services, as well as foreign exchange and hedging solutions.

Corporate Banking is committed to being a long-term partner for large companies, particularly those in the industrials, consumer goods, oil and gas, construction and infrastructure, telecommunications, media and technology and real estate and hospitality sectors.

In 2019, Corporate Banking focused on maintaining robust portfolio performance, growing our deposits business and capitalising on foreign exchange flows.

Total Third Party Funds collected by Corporate Banking as at end-2019 amounted to IDR19.7 trillion, an increase of 25.7 per cent from the previous year. This increase was mainly contributed by fixed deposits which grew by 38.3 per cent from the previous year. This growth was the result of the team's focus on growing deposits to lower the cost of funds and to improve net interest margins.

In 2020, Corporate Banking's Third Party Funds team will:

- defend our CASA base and increase deposits from clients who have loan facilities with us;
- increase the number of new clients;
- provide tailored financial solutions for each client segment;
- increase the amount of foreign funds raised; and
- provide value-added services to exporters and extend our cash management solutions to the counterparties in their value chain

As at end-2019, total loans disbursed reached IDR17.4 trillion, which contributed 23.2 per cent of the Bank's total loans.

In 2020, Corporate Banking's Loans team will:

- increase the number of clients with good credit history;
- strengthen relationships with clients and optimise fee-based income; and
- target customer growth in key focus sectors in order to increase income.

Financial Institutions Group – Partnering Financial Institutions as They Grow and Expand Across Borders

Our Financial Institutions Group (FIG) Clients comprise local and foreign banks and non-bank financial institutions, which include diversified financial institutions (securities firms, finance companies, insurance companies, asset management companies, pension funds and public sector). Our FIG team supports these clients by providing in-depth knowledge of the Indonesian market and regional expertise.

We help our clients to use both short-term and long-term working capital in Indonesian Rupiah (IDR) and foreign currencies, as well as investment products to grow their business and to drive their profits across the region. Our services are complemented by solutions from Transaction Banking and Global Markets to provide comprehensive financial support in cash management, capital market transactions, foreign exchange and hedging services.

Our products and services also include insurance, asset management, pension funds and CASA products, virtual account services, e-tax services and BIBPlus. In addition, we offer short-term and long-term working capital and term loan facilities to finance and securities companies in both IDR and foreign currencies.

In 2019, FIG:

- increased funding by continuing to diversify our client base in the areas of insurance, asset management and pension funds. We also provided bundled loan facilities, back-to-back loans, virtual account services, e-Tax, BIBPlus services and collection bank services, as well as Initial Public Offering (IPO) payments for securities companies;
- nurtured our client relationships through quality service and a range of loan facilities; and
- increased non-interest income through strong collaboration with Global Markets and Transaction Banking in providing foreign exchange, hedging, securities trading and bank guarantee facilities.

Despite of fierce competition among banks in the Commercial Bank Business Group (BUKU) III, our Financial Institutions Group recorded a 55.7 per cent growth in CASA.

As at end-2019, amongst market uncertainty, FIG disbursed IDR5.2 trillion in loans, contributed 6.92 per cent of the Bank's total loan portfolio.

In 2020, FIG will:

- maintain funding stability by broadening our base of insurance, asset management and pension fund clients;
- reduce the cost of funds and focus on increasing clients' CASA balances;
- strengthen reciprocal relationships with insurance company partners to improve CASA operational accounts; and

Management Discussion and Analysis

- increase total CASA mix balance by providing intra-day facilities, BIBPlus, e-Tax, receiving bank and IPO payment services, as well as payment services through virtual accounts.
- strengthen reciprocal relationships with existing clients through cross-selling products including cash management, corporate cards and Global Market products;
- improve the number of active clients and reduce the amount of dormant accounts;
- improve loan exposure, while focusing on quality clients; and
- maintain an adequate profit margin that is in line with interest rates and banking system liquidity.

Transaction Banking – Providing Advisory and Solutions to Help Customers Increase Productivity

Our Transaction Banking team is committed to providing our clients with a comprehensive suite of cash management, trade finance and financial supply chain Management (FSCM) solutions to help them enhance their operations and cash flow, as well as to optimise their working capital. Our clients can leverage our market-leading expertise in cash and trade products, as well as the regional connectivity capabilities arising from our unrivalled integrated network.

Cash Management

We provide our clients from different segments greater efficiency and convenience when managing their cash flow through our cash management services, which include transaction settlement and payment, receipts and cash collection, and cash liquidity management.

In 2019, Cash Management implemented additional internet banking features aimed at improving clients' transaction traceability. For example, through the development of Tax Billing Presentment, clients are provided with the flexibility to review their tax billing details prior to submission. Clients are also given the ability to perform internal reconciliation with the new process capability on BIBPlus to download SWIFT Message Type (MT940 series) reports.

We also developed the File Transfer Services (FTS) which integrates clients' Enterprise Resource Planning (ERP) system with our banking system. The UOB FTS server enables our clients to send instructions for high-volume transactions and to receive direct payment reports from their customers' own ERP system. FTS also provides our clients with the option to conduct payment transactions through BIBPlus.

We also implemented an electronic alerts (e-Alerts) notification service via SMS and email so our clients can be notified of their account balances and other activities.

Trade and Finance Management

Our clients can also tap our complete suite of trade products and services, as well as expertise in trade finance and services. We also share insights into the dynamic sphere of international and domestic trade to give our clients the competitive edge in our support of their business growth.

In 2019, our initiatives included:

1. **Online Query Bank Guarantee Application**
Online query and validation service of bank guarantee to clients (beneficiaries of Bank Guarantee) via a secured web-based application; and Submission of bank guarantees and validity confirmation letters through an application programming interface so that clients can reconcile the transaction with their internal ERP system.
2. **Industry-based and sector specific trade and FSCM Solutions:**
 - Flexible trade financing packages that enable companies to seize opportunities amid rapid market changes; and
 - More favourable payment and sales terms to assist our clients in managing their working capital more effectively and efficiently.

In 2019, Transaction Banking won various awards, including:

Triple A Treasury, Trade, Supply Chain, and Risk Management Awards 2019

Triple A Best Banks ASEAN/Australia

1. Best in Treasury and Working Capital – MNCs/LLCs, Indonesia
2. Best Service Provider – Cash Management, Indonesia

Triple A SOLUTION AWARDS

1. ESG Solutions, Best Payments and Collections Solution – Healthcare, Indonesia (KNCV)
2. Best Payments and Collections Solution – Financial Services, Indonesia (MIZUHO BALIMOR FINANCE)
3. Best Payments and Collections Solution – Retail, Indonesia (SINAR CERDAS CAKRAWALA- INONE GROUP)

The Asian Banker – The Bankers' Choice Awards 2019

1. Best Supplier Relationship Management in Indonesia - "UOB Indonesia and PT Total Bangun Persada"

Our business priorities for 2020 are to strengthen the capacity of our products and services and to apply technology where relevant to provide integrated and efficient solutions for our clients.

Global Markets

Global Markets develops customised financial products and treasury solutions across multiple asset classes to help our clients meet their investment, liability and risk management needs. We also manage UOB Indonesia's funding and liquidity in accordance with regulatory requirements and optimise the Bank's assets within our risk framework. Our prudent approach towards managing liquidity helps to maintain UOB Indonesia's funding stability and balance sheet strength.

In October 2019, Global Markets successfully implemented a new treasury system called Murex. The system enhances our capabilities in terms of treasury product offerings to our clients and also enables more prudent risk management.

Our products, created to meet our clients' specific investment and liquidity needs, include foreign exchange (FX) and interest rates hedging products (FX forwards, options, cross-currency and interest rate swaps) and investment products (bonds and bond repo), as well as structured products.

Global Markets will continue to strengthen our position as the centre of excellence for IDR products to provide competitive services and pricing for IDR-related instruments. This will strengthen UOB's position as a key player in the Indonesian financial market.

Wholesale Banking Income and Profitability

In 2019, Wholesale Banking recorded an income of IDR2.4 trillion, which contributed to 49.1 per cent to our total income. The segment also achieved net profit before tax of IDR1.4 trillion.

Connecting with Our Customers

At the heart of our customer-centric approach is our focus on providing the financial solutions our customers need, prefer and want, whether in person or online. Our omni-channel approach gives our customers access to a global network that includes:

- 178 branches and 11 Privilege Banking Centres across Indonesia and more than 500 branches and offices globally;
- 160 Automated Teller Machines (ATMs) in 30 cities across Indonesia as well as 1.3 million ATMs globally; and
- internet banking options for personal customers and business clients.

We are also building our Digital Bank capabilities, aiming for a public launch in 2020.

Our domestic network covers seven geographical areas, namely Jakarta 1 (South Jakarta, East Jakarta, Bogor, Tangerang, Bekasi, Serang, and Bandar Lampung), Jakarta 2 (Central Jakarta, North Jakarta, and West Jakarta), Sumatera, West Java, Central Java, East Java and Bali, and Kalimantan and Sulawesi.

In 2019, we made many improvements to our service quality and enhanced the banking convenience we provide to our customers including:

- relocating all of our ATM services to within our branches to optimise business performance and to improve the in-branch customer experience through integrated customer touchpoints; and
- collaborating with ATM network providers to improve the access our customers have to their bank accounts. For example, we worked with ATM Bersama and PRIMA networks to expand the ability of our customers to access their accounts at home and overseas.

In 2020, our Distribution Channels team will focus on the following activities:

- optimising our presence in large cities which have a greater concentration of prospective corporate and retail customers;
- moving our branches to more convenient locations for our customers;
- renovating our offices in stages to improve customer service, to provide a better banking experience and to improve security; and
- organising community events, such as pop-up booths, to promote the Bank to the community and to attract new customers.

Customers

Our customers can always count on us to treat them fairly. We focus on what is in their best interests and helping them meet their business, financial and lifestyle goals by providing the right financial solutions and services, online and in person. This ensures that every customer experience is safe, reliable and wrapped in the warmth of the human touch.

Management Discussion and Analysis

Our Customer Commitments

In the decisions we make and in the actions we take for our customers, we are guided by our values of being Honourable, Enterprising, United, and Committed to fulfil our Customer Commitments.

	<p>Honourable: <i>Treat You Fairly</i></p> <p>We maintain the highest professional and ethical standards in all our dealings with customers. We have uncompromising discipline, clarity and courage to do what is right for them and to make every decision in their best interest.</p>		<p>Enterprising: <i>Provide You with the Right Solution</i></p> <p>We draw on our experience, insight and entrepreneurial spirit to provide our customers with solutions that help them achieve their financial goals and aspirations, and manage their daily and future requirements, however simple or complex.</p>
	<p>United: <i>Know You Personally</i></p> <p>We learn our customers' preferences and know what matters to them with every interaction. By understanding them better, we anticipate our customers' needs and offer them the most relevant financial solutions.</p>		<p>Committed: <i>Be There When it Matters</i></p> <p>We always stand by our customers and this is enabled by our long-term business approach, strength and stability.</p>

Treating Our Customers Fairly

We maintain the highest professional and ethical standards in all aspects of the relationships we nurture with our customers. We ensure Fair Dealing remains central to our corporate culture by:

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

Resolving Customer Concerns Effectively

We take customer feedback seriously and have robust procedures in place to address concerns promptly and fairly. Our Art of Service Recovery training programme equips our colleagues with the necessary skills to resolve customer complaints and to turn challenging situations into positive outcomes. In 2019, we held eight Art of Service Recovery workshops in Jakarta. We also conducted a Breakthrough Service training programme for all colleagues designed to equip our people with skills necessary to address the challenges our customers face and to create signature experiences for them.

Enhancing Customer Satisfaction and Advocacy

Keeping our customers satisfied drives us and we seek feedback from them regularly to help us improve the quality and standard of our products and services. To measure customer satisfaction and retention across our business and product groups, we use Net Promoter Score (NPS) metrics, which indicate the likelihood of a customer recommending a company's brand, product, or service to others. NPS is an established worldwide metric used to measure customer loyalty and to predict business growth.

We also conducted a benchmarking survey to review our service performance against industry best practices, as well as to identify areas for improvement. At group discussions to share best practices, we encourage colleagues from all business segments to share their experience and ideas on how we can continue to improve our services. With insights from the benchmarking survey and our colleagues, we identified areas for improvement and set about making changes in 2019 including making account opening faster and simpler and improving the customer service skills of our security personnel at branches.

Setting Standards for Customer Experience Excellence

As individuals and teams, we strive to set new standards in the quality of service we provide our customers. The UOB Customer Commitments Awards programme serves as a constant reminder of our responsibility to our customers. The annual programme culminates in the UOB Customer Commitments Awards ceremony, in which colleagues who have been exemplary in fulfilling our customer commitments are acknowledged. In 2019, we recognised four individual colleagues and two teams as role models who had best demonstrated our customer commitments in their daily decisions and actions.



Mr Wee Ee Cheong, President Commissioner of UOB Indonesia, with Customer Commitments Awards Individual winners across Asia who received the highest recognition at the UOB Customer Commitment Awards in July 2019



Mr Kevin Lam, President Director of UOB Indonesia, with winners of the Customer Commitments Awards from Indonesia

Colleagues

The decisions we make and the actions we take are guided by our values of Honour, Enterprise, Unity and Commitment.

As an organisation that focuses on bringing out the best in our colleagues, we provide them with training and career development opportunities to ensure that they possess the right skillsets and mindsets to remain relevant to our customers and the industry well into the future.

With more than eight decades of growing our business sustainably across the region, we understand and appreciate the diversity of our many markets. As we deepen our expertise on the ground, we also help our colleagues broaden their perspectives across the region so they will be able to make considered decisions for the long-term good of our customers, our communities and our environment. This is fundamental to our risk culture, where we balance opportunities with responsibility, for the present and the future.

Our Employee Commitments

Our values give us a shared identity and sense of belonging, and our four employee commitments encourage us to keep raising the standards of our behaviour and performance in service of our customers.

	<p>Honourable Do What is Right We use sound judgement to do what is right for all of our stakeholders and to make decisions that are in the best interests of our organisation, our colleagues, and our customers.</p>		<p>Enterprising Build Meaningful Careers We encourage enterprise and ambition at all levels. We believe in bringing out the best in everyone through professional development and empowering our colleagues to take ownership of their career paths.</p>
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	<p>United Make a Real Difference Our unwavering commitment to upholding our values is reflected in how our colleagues serve our customers and our communities with passion. We are here to make a real difference to shape our future and to add value to the lives we touch.</p>		<p>Committed Lead by Positive Example Our leaders are guided by our values. They act as role models, inspiring individuals and teams to take on challenges and to take ownership of their actions. Together, we focus on enabling the success and advancement of all our colleagues.</p>
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Our Key Highlights in 2019

In 2019, we conducted 17 leadership training programmes including:

- our signature Leadership Right By You (LRBY) series, which focuses on line managers and leaders;
- career development training through our Leadership Academy;
- UOB Talks where senior leaders share experiences and tips on successful leadership and best practices for junior leaders; and
- general development courses to groom leaders in the fields of sales and credit, as well as our Management Associate Programme to prepare future leaders with a global perspective.

Our comprehensive set of leadership programmes was recognised in the Best of the Best category from SWA magazine and NBO Group's Indonesia Best Companies in Creating Leaders From Within 2019 where we came in third.

We continued to engage our colleagues and to offer training and development opportunities to ensure they have the skills necessary to contribute to the company's business strategy, objectives and initiatives. These programmes for our colleagues saw:

- eight receive postgraduate scholarships at accredited universities in Indonesia;
- two obtain professional certification in Financial Risk Management;
- 1,085 participate in service excellence training. Twelve individuals and six groups received Service Commitment Awards in recognition of their exemplary customer service;
- 403 were promoted to leadership roles through career development planning; and
- participation in various engagement programmes as part of follow-up actions to our Employee Engagement Survey. In 2019, our results increased by 28 percentage points over 2018 results to 80 per cent.

We started a Strategic Workforce Planning (SWP) project to ensure we are creating a future-ready workforce and organisation. The first outcome of the SWP was the formation of a National Funding Team (NFT) made up of the combined funding teams from Personal Financial Services and Business Banking. The new team have the opportunity to

Management Discussion and Analysis

upgrade their skills in customer service and sales, as well as to increase their knowledge of the Bank's product processes and policies. The NFT will lead to improved productivity, enhanced skill sets in customer service, products and sales, stronger collaboration and a better overall customer experience. These should result in increased customer take-up of our funding and wealth products.

In 2019, all colleagues in the NFT, including 31 non-sales colleagues, completed training on change management, which comprises certifications knowledge, technical training relating to our products, processes, policies as well as development in sales, interpersonal and social skills. Through the training, our colleagues also learnt more about the career paths they can take, key performance indicators and new incentive schemes. This was to help them be more open to embrace change and to sharpen their leadership capabilities.

In 2019, we also rolled out other initiatives in support of our business priorities and focus. These initiatives included:

- the creation of a Human Resource Strategic team and the merging of Talent Management with Learning Development to form Talent and Development;
- upgrading the quality of our recruitment and training process with the launch of the e-Recruit and Digital Learning System applications, as well as the ULTRA mobile platform as a recruitment information portal for our colleagues; and
- improving our performance management process through discussions about individual colleagues' strengths and development areas by the Performance and Development Committee.



National Funding roadshow on the Strategic Workforce Planning project



Training for National Funding relationship managers to encourage collaboration across teams



Training for Branch Managers on planning for the future

Doing What is Right

Our Commitment to Fairness

We are committed to building a safe, nurturing and inclusive workplace where all colleagues are treated respectfully and professionally and are given equal opportunity based on merit. We promote work-life harmony and an environment free from discrimination, bullying or harassment.

We also expect our colleagues to maintain high standards in their professional and personal behaviour as set out in our Code of Conduct. We are committed to upholding Good Corporate Governance (GCG) practices in all that we do. To keep colleagues updated on the behavioural standards expected of them, we require them to complete an e-learning module and attestation on our Code of Conduct annually.

In 2019, we instituted a Know Your Employee step as part of enhancing our recruitment process. This is to ensure that before we hire someone, in addition to their educational and experience qualifications, we assess if they can live up to the Bank's values and are the right cultural fit for UOB.

Upon joining us, every new colleague attends an induction programme called U-Bond (UOB Bankers Orientation Day) which sets out our expectations of them, their role in achieving our vision and mission and how they must uphold our values every day.

Maintaining a Risk-Focused Organisational Culture

UOB's distinctive prudent and risk-focused approach to growing our business has been a constant since our founding. Through our Risk Management framework and policies we encourage awareness, understanding and respectful behaviour by everyone at UOB to reinforce our values-based, risk-aware and risk-focused culture. Each colleague's performance is assessed against audit, compliance and risk management requirements to ensure effective risk management and corporate governance standards are met.

We provide training on anti-money laundering, preventing of terrorism financing, operational risk assessment and handling, Fair Dealing, fraud prevention, information technology security and cybersecurity risk and the UK Bribery Act and Risk Management Certification to ensure compliance with all prevailing regulations from the local financial services authority (Otoritas Jasa Keuangan/OJK) on risk management.

In terms of remuneration governance, we comply with POJK No.45/POJK/03/2015 regarding the Implementation of Remuneration Governance for Commercial Banks. Our governance, based on prudent risk management and transparency, ensures our resilience and business sustainability.

Upholding Human Rights

We are committed to supporting internationally-accepted human rights principles in accordance with the prevailing regulations in Indonesia. We believe in equal opportunity for all and do not tolerate any form of discrimination, forced labour or child labour.



Working together with the Labour Union for positive outcomes for our colleagues

Labour Union held a National Assembly (Musyawarah Nasional) in a democratic and transparent manner, which resulted in a new management structure for the union from 2019 to 2021.

Nurturing a Diverse and Inclusive Workplace

We employ expatriate employees (Tenaga Kerja Asing/TKA) to provide deeper regional insights, to share and to transfer their knowledge and to enhance competencies of our local colleagues. We also provide our colleagues with cross-country assignments and opportunities to lead strategic projects as part of their career development. From 2017 to 2019, nine high performing colleagues had undertaken short-term and long-term assignments in UOB's regional offices across our wholesale banking, retail banking, digital banking, brand and



Signing the Working Agreement between UOB Indonesia and the Labour Union

Ensuring Freedom of Association

We support open and transparent communication and industrial relations between management, colleagues and the Labour Union. As an example of the harmonious industrial relations practices we nurture, in May 2019, a Collective Labour Agreement (PKB) was signed for the period 2019 to 2021 by the representatives of the Bank's Management and the UOB Indonesia Labour Union.

Relations between UOB Management and the Labour Union remain conducive and regular open discussions on manpower issues and policies have been fruitful. In December 2019, the UOB Indonesia

technology and operations functions. Colleagues who have returned from cross-country assignments shared that the experience gave them a broader regional perspective, deepened their business knowledge and enhanced their skillsets.

In terms of outsourcing manpower, we are in compliance with the Regulation of Minister of Manpower and Transmigration of the Republic of Indonesia No. 19 of 2012, Circular Letter of Minister of Manpower and Transmigration No. SE.04/MEN/VIII/2013, and POJK No.9/POJK.03/2016 on the use of outsourced employees.



Our Head of Personal Financial Services and Digital Banking, Khoo Chock Seang, who is an expatriate colleague, sharing his insights with local colleagues



Our Head of Business Banking, Paul Kan Ngee Fei, also an expatriate colleague, at one of our knowledge transfer briefings



Regional assignments enhance the professional and personal growth of our talents. In 2019, six colleagues were involved in strategic projects across the UOB Group

Management Discussion and Analysis

Building Meaningful Careers

In 2019, we launched a Group-wide holistic learning and development programme called Better U to prepare our colleagues for the roles of the future. Better U focuses on developing five core competencies essential in the digital era. These competencies form the bases for future learning, skills development, market relevancy and employability. They will also guide our colleagues on the path to continued learning and technical specialisation in their areas of interest and ability.



Leadership Right by You - First Line Manager equips first line managers with leadership skills

Building Future Leaders

Through the LRBY series, colleagues are provided with the skills needed for leadership roles including Problem Solving and Decision Making, Data Driven Analytics for Strategic Thinking and Decision Making, Managing Millennials, Crucial Conversations and Coaching Skills.

We also hold the UOB Talk Leadership Series where senior leaders share experiences and advice as well as tips on becoming successful leaders and how to manage teams and individuals to give each other the best.

In 2019, we also launched the Leadership Acceleration Programme to identify future leaders from our talent pool. The Group-wide programme identifies colleagues with high leadership potential for accelerated personal and professional development. Through a structured programme that includes rotations across functions and markets to understand more fully our business operations, these colleagues have the opportunity to develop their strategic thinking and leadership abilities, as well as to immerse themselves in other cultures. They will then be better placed to set the pace of their career development in line with their professional and personal needs. The programme also serves as a foundation for succession planning and leadership renewal.

Better U's 12-week foundation course is aimed at encouraging a growth mindset, developing complex problem-solving skills and acquiring skills in the fields of digital awareness, human-centred design and data storytelling.



UOB Talks: An internal sharing session to share with colleagues information on leadership, technology and health

Our colleagues can learn new skills such as leadership, change management and strategic thinking, as well as appreciate global perspectives through our Leadership Academy programme, which is run in collaboration with the Singapore Management University.

We also provide scholarships for high-performing colleagues. In 2019, eight colleagues received scholarships for postgraduate studies at accredited universities in Indonesia and two colleagues completed a Financial Risk Management professional certification.

Building the Next Generation of Leaders

We continue to improve our selection process to ensure we are securing the best talent who can lead and sustain our growth. In 2019, we made improvements to our Group-wide 18-month Management Associate (MA) Programme to attract high-calibre and early-career talent from across the region.

The aims of our MA programme are to expose our MAs to various business operations locally and regionally, to provide them with in-depth understanding of UOB's culture and to help them develop skillsets for a fast-track career with us.

Over an 18-month period, participants rotate through several work functions and are involved directly in process improvement and revenue projects. Participants are engaged in regional projects in collaboration with UOB's MA participants from other countries. High-performing participants will be assigned to one of the regional UOB office for two months. They are also given in-class training and mentoring from senior management.

In addition to our development programmes for new graduates, we also offer internships for final-semester students to gain work experience. In 2019, we accepted 31 students for our internship programme.

Deepening specialised skills and expertise

We continued to conduct our General Development Programme (GDP) in collaboration with Indonesia's Banking Development Institute for colleagues across our Retail and Wholesale Banking segments. Over the course of 20 months, colleagues attend specialist training and risk management courses and received on-the-job training. In 2019, out of the 43 colleagues in GDP programme, 20 completed the programme while 23 were placed across work functions for on-the-job training.

To keep colleagues up to date with technological developments, we conducted six Tech Talks, a regular forum conducted by UOB Indonesia's Information Technology team, to share technology insights and trends with colleagues. We also continued to provide our 'Bite-Size Learning' programme to equip our colleagues with skills in presentation and communications, and on improving productivity.

We also support our sales teams by providing regular training to enhance their competencies. The Personal Bankers Associate Programme (PBAP) and Relationship Officer Development Programme (RODP) are six-month programmes established to equip colleagues with product and process knowledge, to familiarise and to remind them of Anti-Money Laundering policies and compliance and to enhance their interpersonal skills under a 'buddy and mentor' system. In 2019, 46 and 28 colleagues graduated from the PBAP and the RODP respectively.

We also launched a Wholesale Banking Credit Onboarding programme and collaborated with Moody's Training to roll out a Wholesale Credit Curriculum to provide our colleagues with a solid foundation in credit principles and applied credit skills, product knowledge and industry specialisation.

UOB Indonesia requires our colleagues to obtain various mandatory certification programmes and professional certifications such as Risk Management Certification, Certificate in Trade Finance Compliance, Certificate for Documentary Credit Specialists, Credit Certification, as well as certifications from various associations, comprising Representative Agents for Mutual Funds (WAPERD), Association of Indonesia Life Insurance (AAJI), Indonesia Appraisal Profession Community (MAPP) and Securities Dealer Association (WPPE), to comply with regulations on the required competencies of those employed in the banking industry.

Meritocratic and Performance-Oriented Work Culture

As a realisation of our commitment to maintaining and to developing outstanding colleagues in order to achieve their full potential, we use a four stage performance evaluation process, namely Plan – Engage – Appraisal – Keep Track (PEAK), which aims to promote a culture of meritocracy and good performance.

In addition to performance evaluation, our Performance Development Committee evaluates the competencies and potential of individuals to find opportunities for their development and to ensure they are upholding our values as they continue to build their career with us.

Management Discussion and Analysis

Making a Real Difference

Recognising our colleagues' achievements

We take time to recognise those among us who best demonstrate living our values. We run two programmes – Recognition Night and the CEO Award – to appreciate our values-led role models who have excelled in their roles within sales, service and operations. We also celebrate exemplary colleagues through a Best of the Best category. These recognition programmes motivate our colleagues, encourage them to excel, strengthen their sense of belonging and foster a spirit of collaboration.



Sales Awards 2020 for colleagues who have upheld our values while excelling in sales



CEO Award 2020 recognises colleagues with the most outstanding performance and who live our values



Service Awards 2020 recognising colleagues who provided our customers with service excellence in line with our values

Based on the above considerations and in line with POJK No. 45/POJK.03/2015 regarding Governance Implementation in the Provision of Remuneration for Commercial Banks, we have in place a remuneration policy with reference to the applicable regulations.

Engaging Our Colleagues

We actively engage our colleagues through a variety of employee engagement programmes such as CEO town halls, club activities, Sports Championship, health talks, children's day care, scholarship programmes

Rewarding our employees

Given the intense competition within the industry to attract and to retain talent, we follow a remuneration philosophy which ensures we provide competitive remuneration packages. This enables us to attract the best talent to join us and to retain existing talent, while motivating and encouraging them to contribute to our long-term success.

Our remuneration policy considers the following:

- effective risk management;
- the Bank's financial stability;
- the adequacy and strength of the Bank's capital position;
- the Bank's short-term and long-term liquidity needs, and
- benchmarking to the industry and in accordance with the job scope and the individual's experience.

for employees' children, Happy Retirement briefings, blood donations, UOB Got Talent Competition and employee volunteerism. Through UOB Heartbeat, our corporate social responsibility programme, we facilitate and guide colleagues in their projects for charity.

As a result of our continuous development, recognition and engagement efforts, in 2019, the voluntary turnover rate was 15.1 per cent, slightly improved from 15.9 per cent in 2018.



CEO Town hall at the launch of the new theme "The Year of the UOB Customer"



The annual UOB Heartbeat Run/Walk where our colleagues raise funds for the community



Daycare for the children of our colleagues who are at work



Mass Homecoming (Mudik) in celebration of Idul Fitri



The annual Sports Championship creates a healthy spirit of competitiveness among our colleagues



A briefing for our colleagues to prepare for Happy Retirement



Helping the community through blood donations



The annual UOB Got Talent Competition, where our multi-talented bankers get to shine



Our corporate social responsibility educational programmes at the SDN Kebon Kacang 05 elementary school



"Best of The Best" Indonesia Best Companies in Creating Leaders from Within 2019 award.

Improving our human resource capabilities

In 2019, we launched two new services namely e-Recruit and e-Learning, as part of the ongoing improvement of our human resource (HR) capabilities. e-Recruit is based on an Applicant Tracking System which facilitates the tracking of every stage of recruitment and outlines service level agreements. e-Learning enables colleagues to participate in learning courses on their mobile devices anywhere and anytime.

UOB Indonesia also built a mobile-friendly portal, ULTRA HR, for colleagues to access conveniently all HR-related information, including our collective labour agreements, Code of Conduct and Code of Ethics, procedures and guidelines.

Diversity of Our Colleagues [102-8]

At the end of 2019, we had a team strength of 3,938 people at UOB Indonesia. The following table depicts the diversity of our colleagues:

Employee Composition by Gender

Description	2017	2018	2019
Female	2,182	2,177	2,110
Male	1,846	1,861	1,828
Total	4,028	4,038	3,938

Employee Composition by Age

Description	2017			2018			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
< 25 years old	42	112	154	38	93	131	32	72	104
25 - 29 years old	239	427	666	211	405	616	193	403	596
30 - 34 years old	383	512	895	393	473	866	375	428	803
35 - 39 years old	457	487	944	442	500	942	434	490	924
40 - 45 years old	372	333	705	386	359	745	404	368	772
> 45 years old	353	311	664	391	347	738	390	349	739
Total	1,846	2,182	4,028	1,861	2,177	4,038	1,828	2,110	3,938

Employee Composition by Position Level

Description	2017			2018			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior Management	86	42	128	100	59	159	108	69	177
Middle Management	181	111	292	219	140	359	232	168	400
Junior Management	861	883	1,744	907	897	1,804	911	869	1,780
Staff	718	1,146	1,864	635	1,081	1,716	577	1,004	1,581
Total	2,182	1,846	4,028	2,177	1,861	4,038	1,828	2,110	3,938

Management Discussion and Analysis

Employee Composition by Education Level

Description	2017			2018			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Others	105	351	456	190	240	430	174	199	373
Diploma	176	272	448	138	257	395	123	235	358
Bachelor's Degree	1397	1463	2860	1373	1566	2,939	1347	1560	2,907
Post-Graduate Degree	168	96	264	160	114	274	184	116	300
Total	1,846	2,182	4,028	1,861	2,177	4,038	1,828	2,110	3,938

Employee Composition by Length of Service

Description	2017			2018			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
< 1 year	362	397	759	441	469	910	283	304	587
1 - 4 year	572	679	1,251	526	594	1,120	660	691	1,351
5 - 9 year	352	390	742	324	393	717	352	441	793
10 - 14 year	171	254	425	186	245	431	176	219	395
15 - 19 year	166	172	338	171	200	371	147	182	329
>20 year	223	290	513	213	276	489	210	273	483
Total	1,846	2,182	4,028	1,861	2,177	4,038	1,828	2,110	3,938

Employee Composition by Function

Description	2017			2018			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Channels	427	925	1,352	418	894	1,312	469	999	1,468
Corporate Support	351	332	683	222	211	433	335	321	656
Global Market	31	25	56	32	25	57	33	22	55
Retail segment	561	550	1,111	691	691	1,382	460	397	857
Technology And Operations	330	212	542	344	216	560	356	220	576
Wholesale Segment	146	138	284	154	140	294	175	151	326
Total	1,846	2,182	4,028	1,861	2,177	4,038	1,828	2,110	3,938

Employee Composition by Employment Status

Description	2017			2018			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Contract	144	133	277	97	123	220	81	70	151
Permanent	1702	2049	3,751	1764	2054	3,818	1747	2040	3,787
Total	1,846	2,182	4,028	1,861	2,177	4,038	1,828	2,110	3,938

Employee Composition by Work Area

Description	2017			2018			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Jakarta 1	159	138	297	161	219	380	158	202	360
Jakarta 2	237	481	718	206	294	500	191	274	465
West Java	119	216	335	71	119	190	61	120	181
Central Java	75	196	271	89	167	256	92	168	260
East Java and Bali	109	154	263	136	219	355	121	202	323
Sumatera	77	49	126	99	171	270	82	158	240
Kalimantan & Makassar	37	80	117	46	96	142	47	90	137
Non-Regional	1,033	868	1,901	1,053	892	1,945	1,076	896	1,972
Total	1,846	2,182	4,028	1,861	2,177	4,038	1,828	2,110	3,938

Looking Ahead

For 2020, Human Resources has prepared a series of strategic initiatives. These include:

- implementing engagement and development programmes to instil our values further;
- continuing to review our organisational requirements through the Strategic Workforce Planning project;
- strengthening our HR capabilities and career development teams;
- equipping colleagues with the skills needed through our learning and development programmes in the face of rapid industry changes;
- strengthening leadership capabilities of and progression opportunities for our colleagues through the LRBY Leading Team and First Line Manager programme, Leadership Academy and Development Accelerator Programme;
- conducting the Employee Engagement Survey and taking actions based on the findings;
- improving the performance and development of more colleagues through the efforts of the Performance and Development Committee;
- boosting our internal Net Promotor Score by improving productivity and the employee experience through tools such as ULTRA HR;
- engaging employees with enhanced and measurable service levels, such as during the recruitment process;
- creating better work life, workplace and workforce; and
- analyse the replacement of the Human Resources Information System application with a cloud-based system that was planned to be implemented in 2021 after obtaining regulatory approval.

Technology and Operations

Given the increasing expectations from consumers for safer, smarter and simpler banking, the rapid growth of financial technology (FinTech) companies and the impact of Industry 4.0 at UOB Indonesia, we have focused our technology investments on driving performance and enhancing the customer experience. Our strategic and paced investments ensure we remain relevant to our customers now and for the future.

In 2019, to optimise the Bank's services to customers, Technology and Operations improved the productivity of our people and systems by:

- enhancing our products and services;
- improving operational capabilities;
- strengthening governance, monitoring and reporting processes;
- improving workplace productivity tools such as providing wireless internet and virtual private network access;
- upgrading infrastructure, including our back-up network that links inter-branch operations for better reliability; and
- enhancing information technology (IT) team performance management process and training career development programmes.

Technology and Operations was instrumental in the launch of the following strategic projects in 2019 which have resulted in higher efficiency and income generation:

1. **Digital Bank** – Through the use of technologies such as artificial intelligence and chatbot, customers will be able to enjoy a fully digital experience that is intuitive, transparent and engaging. With our unique data-centric business model, our Digital Bank aims to engage customers on a personal level to address their individual needs.
2. **Murex** – As part of our commitment to fulfil regulatory requirements, we replaced our offshore treasury system with an onshore Murex system.
3. **Credit Master Rollout** – The end-to-end loan origination assessment enables the Bank to complete integrated anti-money laundering or know your customer (AML/KYC) assessments for wholesale clients more efficiently, as well as to conduct improved and automated covenant monitoring.
4. **Alliance Messaging Hub (AMH) Onshoring** - Upgraded the interface of AMH financial messaging platform with the Society for the Worldwide Interbank Financial Telecommunication (SWIFT) to facilitate flexible flows, to increase global connectivity and to drive performance. To comply with regulatory requirements, we also moved the AMH onshore.
5. **Technology Infrastructure Improvement** – We continued to upgrade our IT infrastructure to ensure increased resilience and strength. This included our core banking system and remittance server. We also added more communication links to our network providers.
6. **Online Retail Product Capabilities** – As part of supporting the growth of our Retail business, we enabled:
 - online subscription for retail government bonds (Surat Berharga Ritel/SBR);
 - the launch of the UOB Stash Account – enabling the product feature which consist of bonus interest when customers maintain and/or increase their savings;
 - fulfillment of credit card online personal identification number (PIN) requests through interactive voice response;
 - improved multi-biller capability for payment transactions; and
 - the placement of fixed deposits through UOB Personal Internet Banking.
7. **Online Wholesale Product Capabilities** – To help customers comply with taxation requirements, we deployed a bulk electronic tax (e-Tax) system within our Global Electronic Banking (GEB) system. This enables the display of tax payment or billing identification inquiry details to customers and provides customers with a notification prior to transaction processing.

Implementation of Technology and Operation Activities in 2019

To strengthen UOB Indonesia's efforts in providing service excellence to our customers, Technology and Operations contributed to the following Bank-wide initiatives:

1. **Providing a Reliable Digital Platform** – We forged digital ecosystem partnerships with like-minded FinTech, e-commerce and technology partners to offer our customers simpler, smarter and safer banking options.
2. **Providing a Standardised Application System** – As part of ensuring consistent services levels to our stakeholders, we standardised our application systems such as loan origination, alternate delivery channels, front-end switch and reporting and regulatory systems.
3. **Optimising and Upgrading IT Infrastructure** - We ensure the reliability of our robust IT capabilities through performing continuous improvements. Such improvements include server upgrades and physical space expansion for our disaster recovery centre, technology refreshments and employee productivity programmes.
4. **Strengthening our Information Security Framework** - We continue to strengthen our security protection systems to safeguard our customers' and the Bank's data against those who may try to abuse it.
5. **Improving Productivity and Efficiency in IT and Operations** - Our Operations and IT team continue to improve productivity and efficiency so that the Bank can grow sustainably. This is done through technology and operations process improvements. We also raised the quality of and standardised our IT support for our branch offices through centralised manpower outsourcing.

Management Discussion and Analysis

6. **Complying with Regulations** – As we support the business to provide service excellence to our customers, we ensure compliance with prevailing regulations with regard to technology and operations practices, especially onshoring requirements. We continue to strengthen our technology and operations' governance, as well as controls and risk management through operations assurance and technology assurance programmes.
7. **Developing our IT Competencies** - We continue to develop Technology and Operations colleagues' competencies through structured training, both internally and externally, as well as on-the-job training and job rotations within UOB Group to expand their regional knowledge and expertise.

In keeping abreast of the changes in the industry and to support the Bank's business and operations development, we make necessary adjustments to the Technology and Operations' organisational structure accordingly and as appropriate. The Bank also continues to recruit talents with deep technology experience to enrich our capabilities.

Continuous Improvement of Operational Process

To improve the productivity and competitiveness of the Bank, in 2019, we streamlined our credit administration operations by aligning our retail client credit administration processes into the Credit Administration and Control Division. This provides retail customers and wholesale clients with a single point of contact for better customer experience.

In the lead-up to the launch of our Digital Bank, in 2019, we enriched the scope of our Retail Operations team to cover digital bank operations, which includes digital onboarding, transaction services and engagement. We have deepened the skillsets of our existing team through training and also hired talents with technology expertise and other relevant experience.

Our Operations Team also reengineered and streamlined processes for the benefit of our customers. We continued to digitalise the Bank's workflow systems and processes to enable better productivity and efficiency in our operations.

To ensure continuous improvement of governance within our operations in serving our wholesale clients, we established a Wholesale Operations Readiness Centre in January 2019. This centre focuses on managing system parameters that enable us to provide standardised products and services, as well as required updates for quality and consistent services.

The robustness and relevance of our IT systems is dependent on the quality of our people. In 2019, we continued to upgrade the capabilities of our operations colleagues through the following activities:

1. **Training** - We trained our people on best practices, system processes and agile work approaches to support our Digital Bank and the Global Market Platform (GMP). The Production Support team also enhanced its technical expertise to continue to improve our IT capabilities.
2. **Fulfilment of Human Resources Requirements** – To ensure the bench strength of our technology and operations team, we proactively filled our technology and operations positions, focusing more on internal talents. We also helped to build up our colleagues' competence by encouraging them to obtain industry certification and ensuring our readiness to comply with any regulatory changes from OJK and BI.

Acknowledgements and Awards

In 2019, our robust performance in meeting service level agreements and achieving various productivity initiatives was acknowledged through a number of accolades:

Wholesale Operations

1. The Elite Quality Recognition Award from JP Morgan for USD Clearing, MT 202 STP Rate of 99.88 per cent in August 2019;
2. The STP Award Outstanding Payment Formatting and STP Rate of 97.14 per cent from BNY Mellon in November 2019; and
3. Top Team Award at the UOB Customer Commitments Awards to the Cash Management Operation Centre. .

Retail Operations

Our Contact Centre team won three awards at the 2019 Contact Service Excellence Award (CCSEA):

1. Exceptional service in Regular Banking;
2. Exceptional service in Regular Credit Card; and
3. Exceptional service in Platinum Credit Card.

Board Supervision of IT Implementation

UOB Indonesia's IT Committee plays a significant role in monitoring the execution of the Bank's IT strategy throughout the organisation. The President Director acts as Head of the Committee while the Director of Technology and Operations serves as Deputy Head of the Committee, supported by other Directors and relevant senior management as committee members. This Committee holds regular meetings:

- to determine IT development priorities;
- to approve IT development plans and budgets; and
- to approve policies related to IT strategy and optimisation.

To improve the quality of the Bank's governance, Technology and Operations has implemented two strategic steps:

1. **IT Project Governance** - Each IT initiative must adhere to the Bank's project governance framework. This governance framework covers the requirements for the initiation, procurement and delivery of IT projects.

2. Business Continuity Management (BCM) - The BCM Committee is responsible for the Bank's Business Continuity Plan (BCP). This year, the Committee successfully carried out all BCM exercises and BCP activations. In addition, the Committee completed and passed all call tree exercises in 2019.

The Committee also succeeded in reducing the risk of wide-area disruption by adding more alternative business continuity sites.

In 2020, we will:

- continue to improve the quality of our operational services and support;
- reduce operational risks;
- automate our business processes for better performance;
- enhance our systems by refreshing our technology infrastructure;
- ensure system reliability and security to support the public launch of our Digital Bank;
- implement Application Programming Interface (API) gateway; and
- build host-to-host connectivity with strategic partners for a seamless experience for our customers.

Financial Review

Comprehensive Analysis of Financial Performance

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

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

Statement Of Profit Or Loss And Other Comprehensive Income

Statement of Profit or Loss and Other Comprehensive Income (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
OPERATING INCOME AND EXPENSES		
Interest income and expenses		
Interest income	8,003	7,319
Interest expense	(4,355)	(3,715)
Interest Income - Net	3,648	3,604
Other Operating Income		
Administration fees and commissions - net	295	259
realise and unrealised gain on securities sold and from changes in fair value of trading securities - net	261	119
Gain from foreign currency transactions	421	269

Statement of Profit or Loss and Other Comprehensive Income (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
Others - net	229	209
Total other operating income - net	1,206	856
(Provision for) reversal of impairment losses:		
Financial assets	(480)	(662)
Foreclosed assets	(16)	(5)
Total provision for impairment losses	(496)	(667)
Other Operating Expenses		
Salaries and employees' benefits	(2,066)	(1,877)
General and administrative expenses	(1,396)	(1,234)
Total other operating expenses	(3,462)	(3,111)
Operating Income	896	682
Non-operating income		
Gain on sale of fixed assets and abandoned property - net	15	4
Others - net	1	24
Total non-operating income	16	28
Income Before Tax Expense	912	710
Tax expense	(246)	(199)
Income For The Year	666	511
Other Comprehensive Income		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-employment benefits	68	91
Income tax relating to components of other comprehensive income	(17)	(23)
	51	68
Items that shall be reclassified to profit or loss:		
Movement in respect of fair-value change of available-for-sale financial investment	241	(199)
Income tax related to component of other comprehensive income	(60)	50
	181	(149)
Other comprehensive income for the year - net of tax	232	(81)
Total Comprehensive Income For The Year	898	430

Interest Income

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

Interest Income (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
Loans	6,737	6,070
Financial investments & Trading Securities	1,121	1,041
Receivables on securities purchased with agreements to resell	82	146
Placements with Bank Indonesia and other banks	53	52
Current accounts with Bank Indonesia and other banks	10	10
Total	8,003	7,319

Management Discussion and Analysis

Interest income from loans was the largest contributor with a portion of 84.2 per cent of the total interest income.

Interest income in 2019 amounting to IDR8,003 billion, increased by 9.3 per cent or IDR684 billion compared to IDR7,319 billion in 2018.

The increase in interest income was due to an increase in interest income from loans and financial investments.

1. Interest income from loans increased by 11.0 per cent or IDR667 billion compared to the previous year.
2. Interest income from financial investments & trading securities increased by 7.7 per cent or IDR80 billion compared to the previous year.
3. Interest income from placements with Bank Indonesia and other banks increased by 1.9 per cent or IDR1 billion compared to the previous year.

The increase in Interest income from loans was due to an increase in loan portfolio by 2.0 per cent or IDR1.458 billion compared to the previous year. The loan portfolio is dominated in Rupiah with a portion of 75.5 per cent of the total loan portfolio.

The increase in Interest income from financial investments and trading securities was due to an increase in average effective interest rate for financial investments and trading securities, are as follows:

1. The average effective interest rate for financial investments in Rupiah, in 2019 was 5.58 per cent - 12.21 per cent and in 2018 was 2.80 per cent - 12.83 per cent.
2. The average effective interest rate for financial investments in foreign currency, in 2019 was 2.63 per cent - 6.54 per cent and in 2018 was 1.59 per cent - 6.58 per cent.
3. The average effective interest rates of government bonds in foreign currency, in 2019 was 2.98 per cent - 5.47 per cent and in 2018 was 2.95 per cent - 5.37 per cent.

The increase in interest income from placements with Bank Indonesia and other banks was due to a increase in average interest rates for placement with Bank Indonesia and other banks, are as follows:

1. The average interest rate for placement with Bank Indonesia and other banks in Rupiah, in 2019 was 4.87 per cent - 5.77 per cent and in 2018 was 4.35 per cent - 5.69 per cent.
2. The average interest rate for placement with Bank Indonesia and other banks in foreign currency, in 2019 was 0.58 per cent - 2.14 per cent and in 2018 was 0.49 per cent - 2.02 per cent.

However, interest income from receivables on securities purchased with agreements to resell decreased by 43.8 per cent or IDR64 billion compared to the previous year, from IDR146 billion in 2018 to IDR82 billion in 2019.

The decrease was due to a decrease in effective interest rates for receivables on securities purchased with agreements to resell in foreign currency, in 2019 was 2.35 per cent - 2.90 per cent and in 2018 was 2.90 per cent.

Interest Expense

Interest expense of UOB Indonesia was incurred on time deposits, demand deposits, saving deposits, debt securities issued, premium on government guarantee, deposits and borrowing from other banks, and liabilities on securities sold under repurchase agreements.

Interest Expense (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
Time deposits	2,820	2,429
Demand deposits	458	367
Debt securities issued	322	326
Saving deposits	284	287
Premium on Government guarantee	161	146
Deposits and Borrowing from other banks	261	135
Liabilities on securities sold under repurchase agreements	49	25
Total	4,355	3,715

Interest expense of UOB Indonesia in 2019 was dominated by customer deposits in the form of time deposits with a portion of 64.8 per cent of the total interest expense.

Interest expense in 2019 was IDR4,355 billion, increased by 17.2 per cent or IDR640 billion compared to IDR3,715 billion in 2018.

The increase in interest expense was mainly due to a increase in interest expense for time deposits, deposits and borrowing from other banks, and demand deposits.

1. Interest expense for time deposits increased by 16.1 per cent or IDR391 billion compared to the previous year.
2. Interest expense for deposits and borrowing from other banks increased by 93.3 per cent or IDR126 billion compared to the previous year.
3. Interest expense for demand deposits increased by 24.8 per cent or IDR91 billion compared to the previous year.

The increase was due to a increase in the average interest rate for time deposits, deposits and borrowing from other banks, and demand deposits, are as follows:

1. The average interest rate for time deposits in Rupiah, in 2019 was 6.85 per cent and in 2018 was 6.24 per cent increased by 0.61 per cent The average interest rate for time deposits in foreign currency also increased, in 2019 was 2.16 per cent and in 2018 was 1.53 per cent, increased by 0.63 per cent. Time deposit balance was dominated in Rupiah with a portion of 79.3 per cent of the total balance of time deposits.

- The annual average interest rate for deposits from other banks in Rupiah, in 2019 was 0.00 per cent - 6.24 per cent and in 2018 was 0.00 per cent - 4.72 per cent. The annual average interest rate for deposits from other banks in foreign currency also increased, in 2019 was 0.00 per cent - 2.68 per cent and in 2018 was 0.00 per cent - 2.41 per cent. The balance of deposits from other banks was dominated in Rupiah with a portion of 98.4 per cent of the total balance of deposits from other banks.
- The annual average interest rate for demand deposits in Rupiah, in 2019 was 3.58 per cent and in 2018 was 3.33 per cent, increased by 0.25 per cent. The balance of demand deposits was dominated in Rupiah with a portion of 95.2 per cent of the total balance of demand deposits.

Besides the increase in average interest rates, the increase also was due to a increase in the customer placements in time deposits was 5.3 per cent or IDR2.640 billion compared to the previous year.

Other Operating Income

Other Operating Income (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
Administration fees and commissions - net	295	259
Realised and unrealised gain on securities sold and from changes in fair value of trading securities - net	261	119
Gain from foreign currency transactions	421	269
Others - net	229	209
Total	1,206	856

Other operating income in 2019 was IDR1.206 billion, increased by 40.9 per cent or IDR350 billion, compared to IDR856 billion in 2018.

The increase in other operating income was mainly due to gain from foreign currency transactions and gain on securities sold and from changes in fair value of trading securities.

- Gain from foreign currency transactions increased by 56.5 per cent or IDR152 billion compared to the previous year.
- Realised and unrealised gain on securities sold and from changes in fair value of trading securities increased by 119.3 per cent or IDR142 billion compared to the previous year.

Operating Expenses

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

Operating Expense (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
(Provision for) reversal of impairment losses:		
Financial assets	(480)	(662)
Foreclosed assets	(16)	(5)

Operating Expense (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
Total provision for impairment losses	(496)	(667)
Other Operating Expenses		
Salaries and employees' benefits	(2,066)	(1,877)
General and administrative expenses	(1,396)	(1,234)
Total other operating expenses	(3,462)	(3,111)
Total	(3,958)	(3,778)

The total operating expenses in 2019 was IDR3,958 billion, increased by 4.8 per cent or IDR180 billion, compared to IDR3.778 billion in 2018.

The increase in the total operating expenses was mainly due to the increase of salaries and employees' benefits by 10.1 per cent or IDR189 billion, from IDR1,877 billion in 2018 to IDR2,066 billion in 2019. The increase was mainly due to the increase of salaries, wages and lebaran bonus by 8.3 per cent or IDR94 billion compared to the previous year.

In addition, there was an increase in general and administrative expenses by 13.1 per cent or IDR162 billion, from IDR1,234 billion in 2018 to IDR1,396 billion in 2019. The increase was mainly due to the increase in advertising and promotion expenses by 40.9 per cent or IDR63 billion, increase in telecommunication, electricity, and water expenses by 26.3 per cent or IDR55 billion, and increase in repairs and maintenance expenses by 22.9 per cent or IDR40 billion.

However, there was a decrease of provision for impairment losses on financial assets by 27.5 per cent or IDR182 billion, from IDR662 billion in 2018 to IDR480 billion in 2019. The decrease was in line with the quality improvement of financial assets owned by the Bank.

Income Before Tax Expense

Income before tax expense in 2019 was IDR912 billion, increased by 28.5 per cent or IDR202 billion, compared to IDR710 billion in 2018.

The increase in income before tax expense was due to an increase in net interest income and other operating income. In addition, The increase was due to a decrease in provision for impairment losses.

Tax Expense

Tax expense increased by 23.6 per cent or IDR47 billion, from IDR199 billion in 2018 to IDR246 billion in 2019.

Income for the Year

Income for the year of UOB Indonesia in 2019 was IDR666 billion, increased by 30.3 per cent or IDR155 billion compared to IDR511 billion in 2018.

Management Discussion and Analysis

The increase in income for the year was due to the increase in gain from foreign currency transactions, gain on securities sold and from changes in fair value of trading securities, and reversal of impairment losses on financial assets, as described above in the 'Other Operating Income' and 'Operating Expenses' section.

Comprehensive Income for the Year

Comprehensive income for the year increased by 108.8 per cent or IDR468 billion, from IDR430 billion in 2018 to IDR898 billion in 2019.

Statements of Financial Position

Assets

Assets (in Billions of Rupiah)	31 December	
	2019	2018
Cash	589	519
Current accounts with Bank Indonesia	5,362	6,036
Current accounts with other banks	2,095	680
Placements with Bank Indonesia and other banks	2,076	2,204
Trading securities	1,165	344
Financial investments - net	13,957	15,588
Derivatives receivable	704	668
Loans - net	73,631	72,308
Receivables on securities purchased under agreements to resell	1,418	907
Acceptances receivable - net	2,332	2,175
Deferred tax assets - net	84	136
Fixed assets - book value	1,189	1,118
Other assets - net	1,059	993
TOTAL ASSETS	105,661	103,676

The majority of UOB Indonesia's assets were derived from net loans with a portion of 69.7 per cent of total assets.

Total assets of UOB Indonesia increased by 1.9 per cent or IDR1,985 billion, from IDR103,676 billion in 2018 to IDR105,661 billion in 2019. This increase was mainly due to an increase in current accounts with other banks by 208.1 per cent or IDR1,415 billion, and increase in net loans by 1.8 per cent or IDR1,323 billion.

However, there were decrease in financial investments and current accounts with Bank Indonesia.

Current Assets

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

Current assets of UOB Indonesia in 2019 was IDR103,329 billion, increased by 1.9 per cent or IDR1,900 billion compared to IDR101,429 billion in 2018. This increase was mainly due to an increase in current accounts with other banks and net loans.

Non-Current Assets

Non-current assets consists of Deferred tax assets, fixed assets, and other assets. Non-current assets of UOB Indonesia in 2019 was IDR2,332 billion, increased by 3.8 per cent or IDR85 billion compared to IDR2,247 billion in 2018. This was due to an increase in fixed assets by 6.4 per cent or IDR71 billion and increase in net other assets by 6.6 per cent or IDR66 billion.

However, deferred tax assets decreased.

Loans

Net loans of UOB Indonesia in 2019 was IDR73,631 billion, increased by 1.8 per cent or IDR1,323 billion compared to IDR72,308 billion in 2018.

Loan portfolio in 2019 was IDR75,139 billion, increased by 2.0 per cent or IDR1,458 billion compared to IDR73,681 billion in 2018.

The loan portfolio has the largest contribution to the Bank's total assets by 71.1 per cent. The biggest exposure was working capital loan with a proportion of 52.2 per cent of the total loan portfolio.

The following is the loans portfolio based on loans type:

Loans Type (in Billions of Rupiah)	31 December	
	2019	2018
Working capital	39,250	39,452
Investment	8,886	9,645
Housing	6,798	5,465
Credit card	2,354	2,082
Multipurpose	1,765	1,866
Motor vehicles	27	27
Others	16,059	15,144
Total Loans	75,139	73,681

The following is the loan portfolio based on loan segmentation:

Segmentation (in Billions of Rupiah)	31 December	
	2019	2018
Commercial Banking	25,654	24,753
Corporate Banking	17,456	18,077
Business Banking	15,741	15,235
Personal Financial Services	11,097	9,617
Financial Institution	5,191	5,999
Total Loans	75,139	73,681

Based on business segmentation, increase in loans was mainly due to an increase in loans portfolio of Personal Financial Services segment by 15.4 per cent or IDR1,480 billion, from IDR9,617 billion in 2018 to IDR11,097 billion in 2019. In addition, loans portfolio of Commercial Banking and Business Banking segments was also increasing.

The following is loans portfolio based on currency:

Currency (in Billions of Rupiah)	31 December	
	2019	2018
Rupiah	56,698	53,168
Foreign currencies	18,441	20,513
Total Loans	75,139	73,681

The majority of the loans were derived from loans denominated in Rupiah with portion of 75.5 per cent of the total loan portfolio.

In 2019, the loan portfolio denominated in Rupiah increased by 6.6 per cent or IDR3,530 billion, from IDR53,168 billion in 2018 to IDR56,698 billion in 2019.

Otherwise, the loan portfolio in foreign currencies in 2019 decreased by 10.1 per cent or IDR2,072 billion, from IDR20,513 billion in 2018 to IDR18,441 billion in 2019.

The following is loans portfolio based on economic sector:

Economic Sector (in Billions of Rupiah)	31 December	
	2019	2018
Processing industry	20,652	20,410
Wholesale and retail	18,066	17,606
Household	11,103	9,628
Financial intermediaries	5,234	6,040
Agriculture, hunting, and forestry	4,365	4,605
Real estate and business service	4,307	4,409
Construction	4,046	3,740
Mining and excavation	2,553	2,164
Accommodation provider	2,220	2,340
Transportation, warehousing, and communication	1,758	1,924
Electricity, water, and gas	390	442
Social service	264	194
Health service	104	45
Educational service	44	53
Fishery	29	46
Personal service	2	4
Others	2	31
Total Loans	75,139	73,681

Loans portfolio are dominated by the processing industry sector and the wholesale and retail sector with a portion of 27.5 per cent and 24.0 per cent respectively of the total loan portfolio.

Based on the economic sector, the increase in the loan portfolio was mainly due to an increase in the loan portfolio from the household sector by 15.3 per cent or IDR1,475 billion, from IDR9,628 billion in 2018 to IDR11,103 billion in 2019.

Allowance for impairment losses on loans in 2019 was IDR1,509 billion, increased by 9.9 per cent or IDR136 billion compared to IDR1,373 billion in 2018.

Allowance for impairment losses on loans (in Billions of Rupiah)	31 December	
	2019	2018
Beginning balance	1,373	1,033
Addition during the year	500	647
Recovery of loans previously written-off	114	122
Loans written off during the year	(467)	(314)
Foreign exchange translation	(11)	19
Settlement of allowance related to loans sold	-	(134)
Ending balance	1,509	1,373

UOB Indonesia sold loans with the following details:

1. On 3 December 2018, the net proceeds obtained by UOB Indonesia from the sale of loans amounted to IDR291 billion.
2. On 2 February 2018, the net proceeds obtained by UOB Indonesia from the sale of loans amounted to IDR346 billion and SGD3,497.367 (full amount).

The sale of loans are conducted at book value after deducting the allowance for impairment losses, UOB Indonesia does not record any gains or losses on this sale transaction. The transfer of rights shall be effective on the transaction date.

Net Financial Investments

Net financial investments in 2019 decreased by 10.5 per cent or IDR1,631 billion, from IDR15,588 billion in 2018 to IDR13,957 billion in 2019.

The decrease in financial investments was mainly due to a decrease in State Treasury Notes and Export Bills.

1. In 2019, UOB Indonesia no longer invest in State Treasury Notes and Certificates Deposit of Bank Indonesia. In 2018, UOB Indonesia invested in the State Treasury Notes and Certificates Deposit of Bank Indonesia in the amount of IDR1,840 billion and IDR260 billion, respectively.
2. Investments in Export Bills decreased by 27.8 per cent or IDR1,506 billion from IDR5,424 billion in 2018 to IDR3,918 billion in 2019.

Management Discussion and Analysis

Otherwise, investments in Government Bonds increased by 44.2 per cent or IDR2,369 billion from IDR5,357 billion in 2018 to IDR7,726 billion in 2019.

Placement on financial investments was a temporary placement to channel the excess liquidity of the Bank.

Liabilities

Liabilities (in Billions of Rupiah)	31 December	
	2019	2018
Current liabilities	193	148
Deposits		
Demand deposits	10,999	11,401
Saving deposits	18,215	16,231
Time deposits	52,330	49,690
Total deposits	81,544	77,323
Deposits from other banks	895	3,142
Interests payable	265	248
Taxes payable	129	85
Derivatives payable	553	619
Acceptances payable	2,167	2,203
Liabilities on securities sold under repurchase agreements	424	580
Borrowings	3,101	3,200
Liabilities for employees' benefits	248	278
Debt securities issued - net	3,179	3,791
Other liabilities	689	683
TOTAL LIABILITIES	93,387	92,299

The majority of UOB Indonesia's liabilities were derived from deposits from non-bank customers with a portion of 87.3 per cent of total liabilities.

Total liabilities of UOB Indonesia increased by 1.2 per cent or IDR1,088 billion, from IDR92,299 billion in 2018 to IDR93,387 billion in 2019.

The increase was mainly due to an increase in customer deposits in time deposits and saving deposits by 5.3 per cent and 12.2 per cent or IDR2,640 billion and IDR1,984 billion, respectively.

Otherwise, there was a decrease in deposits from other banks by 71.5 per cent or IDR2,247 billion.

Customer Deposits

Customer deposits consist of demand deposits, saving deposits, and time deposits. Deposits from customers of UOB Indonesia are dominated by time deposits with a portion of 64.2 per cent of total customer deposits.

Customer deposits increased by 5.5 per cent or IDR4,221 billion, from IDR77,323 billion in 2018 to IDR81,544 billion in 2019.

1. Time Deposits increased by 5.3 per cent or IDR2,640 billion, from IDR49,690 billion in 2018 to IDR52,330 billion in 2019.
2. Saving Deposits increased by 12.2 per cent or IDR1,984 billion, from IDR16,231 billion in 2018 to IDR18,215 billion in 2019.
3. However, Demand Deposits decreased by 3.5 per cent or IDR402 billion, from IDR11,401 billion in 2018 to IDR10,999 billion in 2019.

Deposits from Other Banks

Deposits from other banks significantly decreased by 71.5 per cent or IDR2,247 billion, from IDR3,142 billion in 2018 to IDR895 billion in 2019.

The decrease was mainly due to a decrease in Deposits from other banks in the form of Call Money by 77.4 per cent or IDR2,348 billion.

Borrowings

Borrowings decreased by 3.1 per cent or IDR99 billion, from IDR3,200 billion in 2018 to IDR3,101 billion in 2019.

Borrowings (in Billions of Rupiah)	31 December	
	2019	2018
Third parties		
Rupiah:		
PT Bank ICBC Indonesia	747	758
Foreign currencies:		
PT Bank Resona Perdania	341	352
PT Bank ICBC Indonesia	-	5
Related parties		
Foreign currencies:		
United Overseas Bank Ltd., Singapura	2,013	2,085
Total borrowings	3,101	3,200

Debt Securities Issued

Debt securities issued decreased by 16.1 per cent or IDR612 billion, from IDR3,791 billion in 2018 to IDR3,179 billion in 2019.

The decrease occurred due to UOB Indonesia paid the principal of bonds as follow:

1. Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 Series A with a nominal value IDR862 billion which matured on 3 June 2019.
2. Bank UOB Indonesia Senior Debt Shelf Offering I Phase I Year 2016 Series B with a nominal value IDR600 billion which matured on 25 November 2019.

In 2019, UOB Indonesia issued bonds as follows:

1. UOB Indonesia Subordinate Debt Shelf Offering II Phase II 2019 with a nominal value IDR650 billion on 13 November 2019 with tenor of 7 years with fixed interest rate of 9.25 per cent.
2. UOB Indonesia Subordinate Debt Shelf Offering II Phase I 2019 with a nominal value IDR100 billion on 4 July 2019 with tenor of 7 years with fixed interest rate of 9.85 per cent.
3. UOB Indonesia Senior Debt Shelf Offering II Phase I Year 2019 with a nominal value IDR100 billion on 9 January 2019 with tenor of 370 days since issuance date with fixed interest rate of 8.20 per cent.

Equity

Equity (in Billions of Rupiah)	31 December	
	2019	2018
Share capital - par value IDR250 (full amount) per share		
Authorised capital - 36,000,000,000 shares		
Issued and fully paid capital - 9,553,885,804 shares	2,388	2,388
Additional paid-in capital - net	2,107	2,107
Other comprehensive income	74	(157)
Retained earnings		
Appropriated	117	112
Unappropriated	7,588	6,927
TOTAL EQUITY	12,274	11,377

Total equity of UOB Indonesia increased by 7.9 per cent or IDR897 billion, from IDR11.377 billion in 2018 to IDR12.274 billion in 2019. The increase in total equity is in line with the increase in income for the year.

In 2019, there was no additional capital and dividend payment.

No changes were made in the objectives, policies or processes in 2019 and 2018.

The Bank's policy is to maintain a healthy capital structure in order to secure access to finance at a reasonable cost.

Statement of Cash Flows

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

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

Cash Flows (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
Net cash used in operating activities	(44)	(6,878)
Net cash (used in)/provided by investing activities	2,319	(2,217)
Net cash (used in)/provided by financing activities	(783)	3,826
Net increase (decrease) in cash and cash equivalents	1,492	(5,269)
Net effect on exchange rate on cash and cash equivalents	(106)	160
Cash and cash equivalents at the beginning of year	9,699	14,808
Cash and cash equivalents at the end of year	11,085	9,699

Net Cash Used in Operating Activities

Net cash used in operating activities decreased by 99.4 per cent or IDR6,834 billion, from IDR6,878 billion in 2018 to IDR44 billion in 2019.

The decrease was due to a decrease in lending during 2019 compared to 2018 by 82.1 per cent or IDR9,798 billion.

Cash out-flows from operating activities are used for interest payments, payment of operating expenses, payment of income taxes, and increase in loans.

Net Cash (Used in)/Provided by Investing Activities

Net cash provided by investing activities increased by 204.6 per cent or IDR4,536 billion.

The increase was mainly due to the sales of State Treasury Notes and Certificates Deposit of Bank Indonesia of IDR1,840 billion and IDR260 billion during 2019.

Cash in-flows from investing activities provided by sale of financial investments and sale of fixed assets and abandoned properties.

Net Cash (Used in)/Provided by Financing Activities

Net cash used in financing activities increased by 120.5 per cent or IDR4,609 billion.

The increase occurred due to UOB Indonesia paid the principal of bonds as follows;

1. Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 Series A with a nominal value IDR862 billion which matured on 3 June 2019.
2. Bank UOB Indonesia Senior Debt Shelf Offering I Phase I Year 2016 Series B with a nominal value IDR600 billion which matured on 25 November 2019.

Management Discussion and Analysis

Cash out-flows from financing activities are used for payment of matured debt securities, payment of debt transaction costs, and repurchase of securities sold under repurchase agreements.

Financial Ratios

Financial Ratios	31 December	
	2019	2018
Capital Adequacy Ratio (CAR)	16.55%	15.37%
Non-Performing Loans (NPL) – Gross	1.69%	1.42%
Non-Performing Loans (NPL) – Net	1.19%	0.89%
Return on Assets (ROA)	0.87%	0.71%
Return on Equity (ROE)	5.63%	4.61%
Net Interest Margin (NIM)	3.65%	3.79%
Operating Expense to Operating Income (BOPO)	97.06%	97.08%
Loans to Deposit Ratio (LDR)	90.92%	93.04%
Minimum Statutory Reserves (GWM):		
Rupiah		
Minimum Statutory Reserve	6.10%	6.60%
Macroprudential Liquidity Buffer	18.75%	18.81%
Macroprudential Intermediation Ratio*)	93.41%	87.64%
Foreign Currencies	8.13%	8.10%
Net Open Positions (NOP) Aggregate	11.72%	8.13%

*) As of 2 December 2019, based on PBI No. 21/12/PBI/2019 dated 25 November 2019, RIM ratio takes into account Fund Borrowings.

Capital Adequacy Ratio (CAR)

In 2019, Capital Adequacy Ratio (CAR) increased by 1.18 per cent, from 15.37 per cent in 2018 to 16.55 per cent in 2019.

In 2019 and 2018, the Bank's Capital Adequacy Ratio (CAR) is computed in accordance with POJK No. 34/POJK.03/2016 dated 22 September 2016 and is computed in accordance with BI Regulation No.14/18/PBI/2012 dated 28 November 2012 and BI regulation No.15/12/PBI/2013 dated 12 December 2013.

Non-Performing Loans (NPL)

In 2019, the gross NPL ratio increased by 0.27 per cent, from 1.42 per cent in 2018 to 1.69 per cent in 2019.

The net NPL ratio also increased by 0.30 per cent, from 0.89 per cent in 2018 to 1.19 per cent in 2019.

Net NPL ratio is calculated in accordance with Bank Indonesia Regulation. Based on Bank Indonesia Regulation No. 15/2/PBI/2013 dated 20 May 2013, the maximum net NPL ratio is 5 per cent of a Bank's total loans.

That NPL ratio showed good performance since it was still below the maximum of 5 per cent required by Bank Indonesia, as well as it reflects UOB Indonesia's commitment to manage credit risk by continuously implementing banking prudent principle.

Non-Performing Loans (NPL) amounted to IDR1,272 billion and IDR1,046 billion in 2019 and 2018, respectively.

Return on Assets (ROA)

In 2019, Return on Assets (ROA) increased by 0.16 per cent, from 0.71 per cent in 2018 to 0.87 per cent in 2019.

The increase in ROA was due to an increase in income before tax expense by 28.5 per cent or IDR202 billion.

Return on Equity (ROE)

In 2019, Return on Equity (ROE) increased by 1.02 per cent, from 4.61 per cent in 2018 to 5.63 per cent in 2019.

The increase in ROE was due to the increase in income for the year by 30.3 per cent or IDR155 billion.

Net Interest Margin (NIM)

Net Interest Margin (NIM) in 2019 and 2018 were 3.65 per cent and 3.79 per cent respectively, decreased by 0.14 per cent.

The decrease in NIM was due to an increase in earning assets owned by the Bank.

Operating Expense to Operating Income (BOPO)

BOPO ratio decreased by 0.02 per cent to 97.06 per cent in 2019 compared to 2018 by 97.08 per cent.

The decrease in BOPO was due to the decrease in the provision for impairment losses on financial assets. In addition, the decrease in BOPO was also due to an increase in net interest income and other operating income.

Loans to Deposit Ratio (LDR)

Loan to Deposit Ratio (LDR), which identifies the extent to which the Bank's loans are funded by customer's deposits was recorded at 90.92 per cent in 2019, decreased by 2.12 per cent compared to 93.04 per cent in 2018.

The decreased in LDR was due to a decreased in total deposits by 5.5 per cent or IDR4,221 billion.

UOB Indonesia will continuously maintain the LDR in a soundness range.

Minimum Statutory Reserves (GWM)

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

Minimum Statutory Reserve is a minimum reserve that should be maintained by the Bank, the amount of which is determined by Bank Indonesia at a certain percentage of third party fund in rupiah and foreign currency.

Macroprudential liquidity buffer is the minimum liquidity reserve in Rupiah that the Bank is required to maintain in form of the percentage of treasury bonds over third party fund in Rupiah.

Macroprudential Intermediation Ratio is resulted from comparison of loan and corporate bonds owned by Bank towards third party fund in form of current account, savings and deposits (excluded other banks) and bonds issued by Bank to third party fund and Fund Borrowing in the form of bilateral and syndicated loans with remaining term more than 1 year and are not domestic bank and overdraft.

The Bank's GWM ratios as of 31 December 2019, comply with Bank Indonesia Regulation No.20/3/PBI/2018 dated 29 March 2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency For Conventional Bank and Board Member of Governor Regulation (PADG) No.21/14/PADG/2019 dated 26 June 2019 regarding second amendment of PADG No.20/10/PADG/2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency For Conventional Bank. Parameter of required GWM Rupiah determined at 6 per cent, fulfilled in daily basis of 3 per cent and in average basis for certain reporting period of 3 per cent. For GWM foreign currencies is at 8 per cent, fulfilled in daily basis of 6 per cent and in average basis for certain reporting period of 2 per cent.

The Bank's GWM ratios as of 31 December 2018, comply with Bank Indonesia Regulation No.20/3/PBI/2018 dated 29 March 2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency For Conventional Bank and Board Member of Governor Regulation (PADG) No.20/10/PADG/2018 dated 31 May 2018 which have been further amended with PADG No.20/30/PADG/2018 dated 30 November 2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency For Conventional Bank. Parameter of required GWM Rupiah determined at 6.5 per cent, fulfilled in daily basis of 3.5 per cent and in average basis for certain reporting period of 3 per cent. For GWM foreign currencies is at 8 per cent, fulfilled in daily basis of 6 per cent and in average basis for certain reporting period of 2 per cent.

The Bank's Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer as of 31 December 2019 are comply with Bank Indonesia Regulation (PBI) No.20/4/PBI/2018 dated 29 March 2018 which have been further amended with PBI No.21/12/PBI/2019 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer For Conventional Bank and Board Member of Governor Regulation (PADG) No.21/22/PADG/2019 dated 28 November 2019 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer For Conventional Bank.

The Bank's Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer as of 31 December 2018 are comply with Bank Indonesia Regulation No.20/4/PBI/2018 dated 29 March 2018 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer For Conventional Bank and Board Member of Governor Regulation No.20/11/PADG/2018 dated 31 May 2018 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer For Conventional Bank.

Net Open Position (NOP)

In accordance with BI regulation concerning NOP as amended by BI Regulation No. 6/20/PBI/2004 on 15 July 2004 and as further amended by BI Regulation No. 17/5/PBI/2015 dated 29 May 2015, the maximum NOP of banks should be 20 per cent of capital. NOP represents an absolute amount arising from the differences between the assets and liabilities in foreign currencies in the statements of financial position and administrative accounts. The NOP of the Bank as of 31 December 2019 and 2018 is in compliance with BI regulations, i.e. 11.72 per cent and 8.13 per cent, respectively.

Legal Lending Limit (BMPK)

In 2019 and 2018, the Bank is in compliance with the legal lending limit (BMPK) regulations, both for the related and non-related party borrowers.

Management Discussion and Analysis

Capital Expenditure

Material Bonds and Investment on Capital Goods

Total capital expenditure increased by 39.6 per cent or IDR109 billion, from IDR275 billion in 2018 to IDR384 billion in 2019. This increase was due to additional of infrastructure and office equipments.

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

Addition of Fixed Assets (in Billions of Rupiah)	For the Year Ended 31 December	
	2019	2018
Addition through purchase of fixed assets	281	257
Addition of fixed assets through reclassification construction in progress	103	18
Total Capital Goods Investments	384	275

Other Financial Information

Target Achievement of 2019

NPBT in 2019 was recorded at IDR912 billion, which was higher by 28.4 per cent compared to previous year, or 121.4 per cent achievement of the budget. This was mostly contributed by higher non-NII by 12.1 per cent above budget mainly driven by wealth and trading & investment income. NII was recorded at 90.9 per cent of budget, mainly due to slowdown in loan growth.

Total assets in 2019 was recorded at IDR105,661 billion or 89.1 per cent of the target. While, total loans grew by 2 per cent compared to previous year.

Third Party Fund/deposits was at IDR81,544 billion or 93.4 per cent from target, which was in line with the loan growth due to bank's effort to optimise LDR ratio. LDR ratio was at 90.9 per cent.

NPL ratio by end of December 2019 was at 1.7 per cent, which was better by 0.7 per cent compare to Bank's target.

Capital structure reflected in the Capital Adequacy Ratio (CAR) was at 16.55 per cent or 104.7 per cent achievement of the target.

Financial Projection of 2020

In 2020, the bank will continue its focus to have More Good Customers for the Bank. We make continuous efforts not only to increase the number of new customers, but also to improve the quality of our existing customers.

Loan growth is projected to increase by 9.5 per cent and deposits to grow by 11 per cent to 12 per cent. The focus of deposit growth is on low cost funds (current account and saving account/CASA). Bank has projected CASA mix at 42 per cent in 2020 and gross NPL level at 2.2 per cent.

In addition, UOB indonesia will also focus on profitability growth while in an investment mode. The bank will focus to increase loan growth, low-cost fund (CASA), fee based income, cost control and managing NIM.

Capital Policy

Capital Structure

The primary objective of the Bank's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders value.

The Bank manages its capital structure and makes adjustments to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Bank may adjust the dividend payment to shareholders, issue new shares or raise debt financing.

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

Throughout 2019, UOB Indonesia did not conduct any material transaction or activities related to investment, expansion, divestment, or acquisition.

Information of Utilisation of Public Offering Proceeds

In 2019, Bank UOB Indonesia has conducted public offering of Senior Debt UOB Indonesia II Phase I year 2019 with nominal issuance of IDR 100 billion which was aimed to increase productive assets and support Bank's business expansion. Bank UOB Indonesia also conducted public offering of Sub Debt UOB Indonesia II Phase I and Phase II year 2019 with total nominal issuance of IDR 750 billion which was aimed to strengthen capital level.

Impact of Market Interest Rate Movement to Bank's Performance

In order to stimulate domestic economic growth momentum against a backdrop of global economic moderation, Bank Indonesia cut BI 7-Day Reverse Repo (BI7DRR) by 100bps from 6.00% at the end of 2018 to 5.00% at the end of 2019. It was also aligned with declining Fed Fund rate by 75bps in 2019. BI7DRR and FFR basically are the reference rate of Indonesia banking Industry, that directly and indirectly affects the movement of loan and deposit rate.

In order to mitigate the interest rate risk in 2019, Bank has consistently managed its rate sensitive assets and liabilities to align with market rate movement and bank's risk appetite. System, Policy and limits are collaboratively set to aim with a precautionous monitoring of interest rate risk exposure and to be regularly reviewed.

Impact of Change of Laws on Bank Performance

The change of laws did not give any significant impact to the Bank.

Accounting Standards Issued but not yet Effective

The standards and interpretations that are issued by the Indonesian Financial Accounting Standards Board (DSAK), but not yet effective for current year financial statements are disclosed below. The Bank intends to adopt these standards, if applicable, when they become effective.

Effective beginning on or after 1 January 2020

1. SFAS No. 71: Financial Instruments, adopted from IFRS 9, effective 1 January 2020 with earlier application is permitted.
2. SFAS No. 72: Revenue from Contracts with Customers, adopted from IFRS 15, effective 1 January 2020 with earlier application is permitted.
3. SFAS No. 73: Leases, adopted from IFRS 16, effective 1 January 2020 with earlier application is permitted, but not before an entity applies SFAS 72: Revenue from Contracts with Customers.
4. Amendment to SFAS 1 and SFAS 25: Definition of Material, effective 1 January 2020
5. Amendments to SFAS 71: Financial Instruments: Prepayment Features with Negative Compensation

Effective beginning on or after 1 January 2021

1. Amendments to SFAS 22: Definition of Business, effective from 1 January 2021

Financial Information on Extraordinary Events

UOB Indonesia did not experience any extraordinary events that has a material impact to the financial performance in 2019.

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

Throughout 2019, there were no transactions that can be categorised as transactions with conflict of interest.

In 2019, in carrying out its business activities, UOB Indonesia conducted several transactions with related parties, including loans and deposits from customers. The detail of total, type, and nature of transaction with related parties can be seen on Notes No. 37 in Notes to the Financial Statements.

Dividend Policy and Net Profit Usage

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

Good Corporate Governance

75	General Meeting of Shareholders	127	Donation for Social and Political Activities During the Period of 2019
81	Board of Commissioners	128	Code of Conduct
85	Board of Directors	129	Corporate Culture
90	Board of Commissioners Committees	129	Whistleblowing
96	Board of Directors Committees	130	Internal Communications
113	Corporate Secretary	131	Corporate Social Responsibility
114	Corporate Communications	131	Customer Protection
116	The Implementation of Compliance, Internal Audit, and External Audit Functions	132	General Conclusion of the Result of Self-Assessment of the Implementation of Good Corporate Governance at PT Bank UOB Indonesia
119	The Implementation of Risk Management Including Internal Control System		
119	Related Party Funding and Large Exposure		
120	Bank's Strategic Plan		
121	Transparency of Bank's Financial and Non Financial Condition Not Yet Disclosed in Other Reports		
122	Shares Ownership of Board of Commissioners and Board of Directors		
122	Financial and Family Relationships of Members of the Board of Commissioners and Directors with other Members of the Board of Commissioners, Directors and/or the Controlling Shareholders of the Bank		
123	Disclose of Remuneration Policy		
124	Remuneration Package/Policy and Other Benefits for Board of Commissioners and Board of Directors		
126	Number of Internal Fraud Cases and Bank's Effort to Settle the Cases		
127	Number of Legal Cases and Bank's Effort to Settle the Cases		

Good Corporate Governance

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

I. Good Corporate Governance Structure

A. General Meeting of Shareholders [102-23]

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

General Meeting of Shareholders 2019

In 2019, the Bank convened 1 (one) AGM and 2 (two) EGMs.

AGM 2019

The AGM 2019 was held on 29 April 2019 at UOB Plaza, at Jl. M.H. Thamrin No. 10, Central Jakarta 10230. The AGM was attended by shareholders and/or their proxies representing 9,458,230,389 shares or 98.999% of 9,553,885,804 shares with voting rights issued by the Bank.

EGM 2019

1. 28 February 2019

The EGM was held on 28 February 2019 at UOB Plaza, at Jl. M.H. Thamrin No. 10, Central Jakarta 10230. The EGM was attended by shareholders and/or their proxies representing 9,458,230,389 shares or 98.999% of 9,553,885,804 shares with voting rights issued by the Bank.

2. 21 June 2019

The EGM was held on 21 June 2019 at UOB Plaza, at Jl. M.H. Thamrin No. 10, Central Jakarta 10230. The EGM was attended by shareholders and/or their proxies representing 9,458,230,389 shares or 98.999% of 9,553,885,804 shares with voting rights issued by the Bank.

Resolution and Realisation of EGM 28 February 2019

Resolution and Realisation of EGM 28 February 2019													
Agenda 1	Change in the Composition of Members of the Board of Directors of the Company												
EGM Resolution	<ol style="list-style-type: none">To accept the resignation request of Mr. Iwan Satawidinata from his position as Deputy President Director of the Company, in accordance with his resignation request letter dated 8 January 2019 which shall be effective as of the adjournment of this Meeting; subsequently granting release and discharging Mr. Iwan Satawidinata from his duties and responsibilities in managing the Company in his capacity as Deputy President Director of the Company from 1 January 2019 to 28 February 2019; insofar as the actions are reflected in the Annual Report and financial statement for financial year 2018 and 2019 and insofar as the said Annual Report and financial statement for financial year 2018 and 2019 have been approved and ratified at the Annual General Meeting of Shareholders for the relevant financial year.To grant authority to the Board of Directors of the Company with substitution right to restate the resolutions of the Meeting in relation to the change in membership of the Board of Directors of the Company in a notarial deed and notify the competent authorities of such change, and in relation thereto, to take any actions necessary in accordance with the prevailing laws and regulations. <p>The composition of members of Board of Directors are as follows:</p> <table><tbody><tr><td>Board of Directors</td><td></td></tr><tr><td>President Director</td><td>: Lam Sai Yoke</td></tr><tr><td>Director</td><td>: Muljono Tjandra</td></tr><tr><td>Director</td><td>: Henky Sulistyio</td></tr><tr><td>Compliance Director</td><td>: Soehadie Tansol</td></tr><tr><td>Director</td><td>: Paul Rafuly</td></tr></tbody></table>	Board of Directors		President Director	: Lam Sai Yoke	Director	: Muljono Tjandra	Director	: Henky Sulistyio	Compliance Director	: Soehadie Tansol	Director	: Paul Rafuly
Board of Directors													
President Director	: Lam Sai Yoke												
Director	: Muljono Tjandra												
Director	: Henky Sulistyio												
Compliance Director	: Soehadie Tansol												
Director	: Paul Rafuly												

Good Corporate Governance

Resolution and Realisation of EGM 21 June 2019	
Agenda 1	Change in the Composition of Members of the Board of Directors of the Company
EGM Resolution	<p>1. To accept the resignation request of Mr. Muljono Tjandra from his position as Director of the Company, in accordance with his resignation request letter dated 29 May 2019 which shall be effective as of the adjournment of this Meeting; subsequently granting release and discharge to Mr. Muljono Tjandra from his duties and responsibilities in managing the Company in his capacity as Director of the Company from 1 January 2019 to 21 June 2019; insofar as the actions are reflected in the Annual Report and financial statements for financial year 2019 and insofar as the said Annual Report and financial statements for financial year 2019 have been approved and ratified at the Annual General Meeting of Shareholders for the relevant financial year.</p> <p>2. To appoint Ms. Teh Han Yi as Director of the Company which will be effective upon approval from relevant regulators until the adjournment of the Annual General Meeting of Shareholders of the Company convened in 2021.</p> <p>3. To appoint Mr. Harapman Kasan as Director of the Company which will be effective upon approval from relevant regulators until the adjournment of the Annual General Meeting of Shareholders of the Company convened in 2021.</p> <p>The composition of the Management subsequent to the adjournment of this Meeting until the adjournment of Annual General Meeting which will be convened in 2021 are as follows:</p> <p>Board of Commissioners</p> <p>President Commissioner : Wee Cho Yaw Deputy President Commissioner : Wee Ee Cheong Commissioner : Chin Voon Fat Independent Commissioner : Wayan Alit Antara Independent Commissioner : Aswin Wirjadi Independent Commissioner : VJH Boentaran Lesmana</p> <p>Board of Directors</p> <p>President Director : Lam Sai Yoke Deputy President Director : Hendra Gunawan* Director : Henky Sulistyio Compliance Director : Soehadie Tansol Director : Paul Rafiuly Director : Teh Han Yi** Director : Harapman Kasan**</p> <p><small>*) Mr. Hendra Gunawan has been appointed in Annual General Meeting of Shareholders 2019 and approved by Financial Services Authority, and become effective by 1 July 2019 at the soonest.</small></p> <p><small>***) Ms. Teh Han Yi and Mr. Harapman Kasan will be effective upon approval from relevant regulator.</small></p> <p>4. To grant authority to the Board of Directors of the Company with substitution right to restate the resolutions of the Meeting in relation to the change in membership of the Board of Directors of the Company in a notarial deed and notify the competent authorities of such change, and in relation thereto, to take any actions necessary in accordance with the prevailing laws and regulations.</p>
Resolution and Realisation of AGM 2019	
Agenda 1	Approval of the Annual Report of the Company including the Oversight Report of the Board of Commissioners, and ratification of the financial statements of the Company for the financial year ended 31 December 2018.
AGM Resolution	<p>1. To approve the Annual Report of the Company for the financial year ended at 31 December 2018, including oversight report of the Board of Commissioners of the Company, and the financial statements of the Company for the financial year ended 31 December 2018 as audited by Public Accounting Firm of Purwanto, Sungkoro & Surja according to report No. 00110/2.1032/AU.1/07/0240-1/1/1/2019 dated 25 January 2019 with unmodified opinion.</p> <p>2. Providing release and discharge of responsibilities (<i>acquit et decharge</i>) to members of the Board of Directors over their management and to the Board of Commissioners of the Company over their oversight duties during financial year 2018, provided such actions are reflected in the Annual Report and financial statements of the Company for the financial year of 2018.</p>
Total Votes	
Agreed (in %) : 100%	
Disagreed (in %) : -	
Realisation	
Realised	

Resolution and Realisation of AGM 2019

Agenda 2	Allocation of Net Profit of the Company for the financial year ended 31 December 2018.
AGM Resolution	<p>To approve the use of the net profit of the Company for the financial year ended 2018 as follows:</p> <ol style="list-style-type: none"> 1. A sum of IDR 5,113,607,076 shall be booked as general reserve to comply with the provision of Article 70 of the Limited Liability Company Law and Article 20 of the Articles of Association of the Company. 2. To book the entire net profit earned in financial year 2018 after general reserve and dividends as Retained Earnings amounting IDR 506,247,100,518 and for the year of 2018, Company does not distribute dividend.
Agenda 3	Appointment of Public Accountant Firm to audit the Company Books for the financial year of 2019 and Provision of Authority to Board of Directors to determine the fee for the Public Accountant and other requirements relating to its appointment.
AGM Resolution	To authorise the Board of Commissioners of the Company to appoint a Public Accounting Firm registered with the Financial Services Authority (OJK) to audit the financial statements of the Company for financial year 2019 in observance of the recommendations of the Audit Committee and to authorise the Board of Directors of the Company to sign the engagement contract and decide upon the fee for the audit service and other requirements in relation to such appointment.
Total Votes	
Agreed (in %) : 100%	
Disagreed (in %) : -	
Realisation	
Realised	
Agenda 4	Change in Members of The Board of Commissioners.
AGM Resolution	<ol style="list-style-type: none"> 1. To approve the reappointment of members of the Board of Commissioners of the Company with the following composition: <ul style="list-style-type: none"> President Commissioner : Wee Cho Yaw Deputy President Commissioner : Wee Ee Cheong Commissioner : Lee Chin Yong Francis Independent Commissioner : Wayan Alit Antara Independent Commissioner : Aswin Wirjadi Independent Commissioner : VJH Boentaran Lesmana <p>Each as of the adjournment of this Meeting.</p> 2. To appoint Mr. Chin Voon Fat as Commissioner of the Company which will be effective upon approval from relevant regulators. 3. To appoint Mr. Wee Ee Cheong as President Commissioner (previously served as Deputy President Commissioner of the Company) and Mr. Chin Voon Fat as Deputy President Commissioner (previously served as Commissioner of the Company) which will be effective upon approval from relevant regulators. 4. To appoint Mr. Chan Kok Seong as Commissioner with the condition that approval from the relevant regulator has been obtained and approval for the appointment of Mr. Chin Voon Fat as Deputy President Commissioner of the Company become effective. 5. To accept the retirement request of Mr. Lee Chin Yong Francis as Commissioner which will be effective upon the approval from relevant regulator related to the appointment of Mr. Chin Voon Fat as Commissioner as the decision of point 2 above. 6. To accept the retirement request of Mr. Wee Cho Yaw as President Commissioner as long as the approval from the relevant regulator in decision point 3 above has been obtained. 7. To appoint Mr. Hendra Gunawan as Deputy President Director which will be effective 1 July 2019 at the soonest or another date afterwards which the approval of the relevant regulator for his appointment become effective until the adjournment of Annual General Meeting which will be convened in 2021. <p>Consequently, the composition of the Board of Directors and the Board of Commissioners subsequent to the adjournment of this Meeting until the adjournment of Annual General Meeting which will be convened in 2021 are as follows:</p> <p>Board of Commissioners:</p> <ul style="list-style-type: none"> President Commissioner : Wee Cho Yaw Deputy President Commissioner : Wee Ee Cheong Commissioner : Lee Chin Yong Francis Independent Commissioner : Wayan Alit Antara Independent Commissioner : Aswin Wirjadi Independent Commissioner : VJH Boentaran Lesmana <p>Board of Directors:</p> <ul style="list-style-type: none"> President Director : Lam Sai Yoke Deputy President Director : Hendra Gunawan Director : Muljono Tjandra Director : Henky Sulistyio Compliance Director : Soehadie Tansol Director : Paul Rafuly

Good Corporate Governance

Resolution and Realisation of AGM 2019	
	Provided that the appointment of Mr. Hendra Gunawan will take effect on July 1 2019 at the earliest or the date of the approval of the relevant regulator.
8.	To authorise the Board of Directors of the Company to state the reappointment of the members of the Board of Commissioners of the Company in a separate deed drawn up before a Notary (where necessary) and to arrange the delivery of a notification to that effect to the Ministry of Law and Human Rights of the Republic of Indonesia.
	Total Votes
	Agreed (in %) : 100%
	Disagreed (in %) : -
	Realisation
	Realised
Agenda 5	Provision of honoraria, facilities, allowances and bonuses for the members of the Board of Commissioners and Board of Directors.
AGM Resolution	<p>1. To authorise the majority Shareholders of the Company, United Overseas Bank International Investment ("UOBII"), to determine the amount of honoraria, facilities, allowances and bonuses in regard of financial year 2019 to 2021 for members of the Board of Commissioners of the Company considering the recommendations provided by Remuneration and Nomination Committee.</p> <p>2. To authorise the Board of Commissioners of the Company to determine the amount of salaries, facilities, allowances and bonuses in regard of financial year 2019 to 2021 for members of the Board of Directors of the Company considering the recommendation provided by Remuneration and Nomination Committee.</p>
	Total Votes
	Agreed (in %) : 100%
	Disagreed (in %) : -
	Realisation
	Realised
Agenda 6	Report on The Realisation of The Use of Funds From The Issuance of Shelf Registration of Subordinated Bond I Bank UOB Indonesia Tranche II Year 2018.
AGM Resolution	Given that no decision was required of shareholders on the report, there was no resolution on this Agenda.
	Total Votes
	There was no questioner on the sixth agenda of the meeting.
	Realisation
	For the sixth agenda, the Company submitted the report on the realisation of the use of funds from the issuance of Shelf Registration of Subordinated Bond I Bank UOB Indonesia Tranche II Year 2018.
Resolution and Realisation of AGM 2018	
Agenda 1	Approval of the Annual Report of the Company including the Oversight Report of the Board of Commissioners, and ratification of the financial statements of the Company for the financial year ended 31 December 2017.
AGM Resolution	To approve the Annual Report of the Company for the financial year ended 31 December 2017 including the oversight report of the Board of Commissioners of the Company and to ratify the financial statements of the Company for the financial year ended 31 December 2017 as audited by Public Accounting Firm of Purwantono, Sungkoro & Surja according to report No. RPC-5709/PSS/2018 dated 25 January 2018 with Unqualified Opinion, therefore providing the release and discharge of responsibilities (<i>acquies et decharge</i>) to the members of the Board of Directors over their management and to the Board of Commissioners of the Company over their oversight duties during financial year 2017, provided such actions are reflected in the Annual Report and financial statements of the Company for the financial year of 2017.
	Total Votes
	Agreed (in %) : 100%
	Disagreed (in %) : -
	Realisation
	Realised

Resolution and Realisation of AGM 2018	
Agenda 2	Allocation of Net Profit of the Company for financial year ended 31 December 2017.
AGM Resolution	To approve the use of net profit of the Company for financial year ended 2017 as follows: 1. A sum of IDR 775,212,646 shall be booked as general reserve to comply with the provision of Article 70 of the Limited Liability Company Law and Article 20 of the Articles of Association of the Company. 2. To book the entire net profit earned in financial year 2017 after general reserve and dividends as Retained Earnings amounting to IDR 76,746,051,933 and for the Company to not distribute a dividend for financial year 2017.
Agenda 3	Appointment of Public Accountant Firm to audit company books for financial year 2018 and provision of authority to Board of Directors to decide upon the fee for the Public Accountant and other requirements relating to its appointment.
AGM Resolution	To authorise the Board of Commissioners of the Company to appoint a Public Accounting Firm registered with the Financial Services Authority (OJK) to audit the financial statements of the Company for financial year 2018 in observance of the recommendations of the Audit Committee and to authorise the Board of Directors of the Company to sign the engagement contract and decide upon the fee for the audit service and other requirements in relation to such appointment.
Total Votes	
Agreed (in %) : 100%	
Disagreed (in %) : -	
Realisation	
Realised	
Agenda 4	Change in members of the Board of Commissioners and Board of Directors of the Company.
AGM Resolution	<ol style="list-style-type: none"> To accept the resignation of Mr. Rusdy Daryono as Independent Commissioner of the Company in accordance with his letter of resignation dated 24 April 2018 which shall be effective upon the adjournment of this Meeting; and accordingly, release and discharge Mr. Rusdy Daryono off his responsibilities in exercising supervision of the Company in his position as Independent Commissioner of the Company from 1 January 2018 up to 9 May 2018 insofar as such actions are reflected in the Annual Report and financial statements of the financial year of 2018 as long as the Annual Report and the financial statements of the financial year of 2018 are approved and ratified at the Annual General Meeting of Shareholders for the relevant financial year. To appoint Mr. VJH. Boentaran Lesmana as Independent Commissioner of the Company as of the adjournment of this Meeting until the adjournment of the Annual General Meeting of Shareholders of the Company which will be convened in 2019. To authorise the Board of Directors of the Company to state the reappointment of the members of the Board of Commissioners of the Company in a separate deed drawn up before a Notary (where necessary) and to arrange the delivery of a notification to that effect to the Ministry of Law and Human Rights of the Republic of Indonesia. <p>The composition of the Board of Commissioners following the adjournment of this Meeting and up to the adjournment of Annual General Meeting which will be convened in 2019 is as follows: Board of Commissioners: President Commissioner : Wee Cho Yaw Deputy President Commissioner : Wee Ee Cheong Commissioner : Lee Chin Yong Francis Independent Commissioner : Wayan Alit Antara Independent Commissioner : Aswin Wirjadi Independent Commissioner : VJH Boentaran Lesmana</p> <p>The term of office of the members of the Board of Commissioners of the Company until the adjournment of the AGM which will be convened in 2019 and the term of office of the members of the Board of Directors of the Company until the adjournment of the AGM which will be convened in 2021.</p>
Total Votes	
Agreed (in %) : 100%	
Disagreed (in %) : -	
Realisation	
Realised	

Good Corporate Governance

Resolution and Realisation of AGM 2018													
Agenda 5	Provision of honoraria, facilities, allowances and bonuses for members of the Board of Directors and Board of Commissioners.												
AGM Resolution	<ol style="list-style-type: none"> To authorise the Majority Shareholder of the Company, United Overseas Bank International Investment ("UOBI"), to determine the amount of honoraria, facilities, allowances and bonuses for financial year 2018 for members of the Board of Commissioners of the Company considering the recommendation provided by Remuneration and Nomination Committee. To authorise the Board of Commissioners of the Company to determine the amount of salaries, facilities, allowances and bonuses for financial year 2018 for all members of the Board of Directors of the Company considering the recommendation provided by Remuneration and Nomination Committee. 												
Total Votes													
Agreed (in %) : 100%													
Disagreed (in %) : -													
Realisation													
Realised													
Agenda 6	Report on the realisation of the use of funds from the issuance of Shelf Registration of Subordinated Bond I Bank UOB Indonesia Tranche II Year 2017.												
AGM Resolution	Given that no decision was required of shareholders on the report, there was no resolution on this.												
Total Votes													
There was no questioner on the sixth agenda of the meeting													
Realisation													
For the sixth agenda, the Company submitted the report on the realisation of the use of funds from the issuance of Subordinated Bond I Bank UOB Indonesia Tranche II Year 2017.													
Resolution and Realisation of EGM 2018													
Agenda 1	Change in the Composition of Members of the Board of Directors of the Company												
EGM Resolution	<ol style="list-style-type: none"> To accept the retirement request of Mr. Pardi Kendy from his position as Director of the Company, in accordance with his retirement request letter dated 21 September 2018 which shall be effective as of the adjournment of this Meeting; subsequently granting release and discharge to Mr. Pardi Kendy from his duties and responsibilities in managing the Company in his capacity as Director of the Company from 1 January 2018 to 11 October 2018; insofar as the actions are reflected in the Annual Report and financial statements for financial year 2018 and insofar as the said Annual Report and financial statements for financial years 2018 have been approved and ratified at the Annual General Meeting of Shareholders for the relevant financial year. To appoint Mr. Paul Rafuly as Director of the Company, who has obtained Fit and Proper Test result from Financial Services Authority, as of the adjournment of this Meeting until the adjournment of the Annual General Meeting of Shareholders of the Company convened in 2021. To grant authority to the Board of Directors of the Company with substitution right to restate the resolutions of the Meeting in relation to the change in membership of the Board of Directors of the Company in a notarial deed and notify the competent authorities of such change, and in relation thereto, to take any actions necessary in accordance with the prevailing laws and regulations. <p>The composition of the Board of Directors subsequent to the adjournment of this Meeting until the adjournment of Annual General Meeting which will be convened in 2021 is as follows:</p> <table> <tr> <td>President Director</td> <td>: Lam Sai Yoke</td> </tr> <tr> <td>Deputy President Director</td> <td>: Iwan Satawidinata</td> </tr> <tr> <td>Director</td> <td>: Muljono Tjandra</td> </tr> <tr> <td>Director</td> <td>: Henky Sulisty</td> </tr> <tr> <td>Compliance Director</td> <td>: Soehadie Tansol</td> </tr> <tr> <td>Director</td> <td>: Paul Rafuly</td> </tr> </table>	President Director	: Lam Sai Yoke	Deputy President Director	: Iwan Satawidinata	Director	: Muljono Tjandra	Director	: Henky Sulisty	Compliance Director	: Soehadie Tansol	Director	: Paul Rafuly
President Director	: Lam Sai Yoke												
Deputy President Director	: Iwan Satawidinata												
Director	: Muljono Tjandra												
Director	: Henky Sulisty												
Compliance Director	: Soehadie Tansol												
Director	: Paul Rafuly												
Total Votes													
Agreed (in %) : 100%													
Disagreed (in %) : -													
Realisation													
Realised													

B. Board of Commissioners

1. Duties and Responsibilities of the Board of Commissioners [102-26]

Pursuant to the Articles of Association, the Board of Commissioners must perform supervision of management policies and the general conduct of the management in relation to both the Company and its businesses, and to advise the Board of Directors.

In performing their duties and responsibilities, each member of the Board of Commissioners is guided by the Work Guidelines and Regulations of the Board of Commissioners which are in accordance with Bank Indonesia/Financial Services Authority (OJK) regulations. The said Work Guidelines and Regulations of the Board of Commissioners are reviewed periodically. The last review was performed in 2019, resulting in the Decree of the Board of Commissioners PT Bank UOB Indonesia No. 19/COM/0005 dated 22 November 2019 concerning Work Guidelines and Regulations of Board of Commissioners of PT Bank UOB Indonesia.

In addition, every member of the Board of Commissioners shall not act individually, but only by virtue of a decision of the Board of Commissioners. Generally, the Board of Commissioners assumes the following responsibilities pursuant to the Board of Commissioners' Work Guidelines and Regulations:

- a. Ensure the implementation of Good Corporate Governance (GCG) in each of the Bank business activity on all organisational levels or hierarchy.
- b. Supervise and be responsible for supervising management policies, the general conduct of business of the Bank and the Bank's business, and advise Board of Directors.
- c. Direct, supervise and evaluate the implementation of the Bank's strategic policies conducted by the Board of Directors. It is not involved in any decision making on the Bank's operational activities, unless otherwise required under applicable regulations.
- d. Examine and approve the Bank's business plan.
- e. Provide directions to the Board of Directors with regard to Corporate Governance and ensure that Corporate Governance has been implemented in regard of all business activities of the Bank at all levels of the organisation.
- f. Provide directions and recommendations for the Bank's strategic development plan and evaluate the implementation of the Bank's strategic policies.
- g. Ensure that the Board of Directors has followed up on audit findings and recommendations provided by the internal auditor and external auditor, and on the results of supervision by regulators and other authorised institutions.
- h. Analyse and approve the Bank's risk management framework.
- i. Inform the appropriate regulator no later than 7 (seven) work days following any finding relating to a:
 - Violation of any laws in the financial and banking industry; and
 - Situation or presumed situation which may jeopardise the business continuity of the Bank
- j. The Board of Commissioners must establish at least:
 - an Audit Committee
 - a Risk Monitoring Committee
 - a Remuneration and Nomination Committeeand ensure that the established Committees perform their duties effectively.
- k. Convene meetings of the Board of Commissioners on a regular basis, at least once in 2 (two) months, at which all members of the Board of Commissioners must be physically present at least 2 (two) times a year.
- l. Convene joint meetings with the Board of Directors at least once in 4 (four) months.

Execution of Duties and Responsibilities of the Board of Commissioners

In order to ensure the effectiveness of the execution of its duties and responsibilities, the Board of Commissioners is assisted by the Audit Committee, the Remuneration and Nomination Committee and the Risk Monitoring Committee, each of which is chaired by 1 (one) Independent Commissioner.

Generally, the responsibilities of the Board of Commissioners, pursuant to the Board of Commissioners' Work Guidelines and Regulations, are to supervise the implementation of duties, responsibilities and policies conducted by the Board of Directors and to advise the Board of Directors. The abovementioned supervision is conducted through Board of Commissioners' meetings and joint meetings of the Board of Commissioners' meetings and the Board of Directors where reports relating to business, operational, human resources, and other aspects presented by the Board of Directors are discussed.

Good Corporate Governance

Recommendation of the Board of Commissioners

In 2019, in carrying out its supervision function, the Board of Commissioners has provided recommendations to Board of Directors, which included:

- I. Bank's Business Plan:
 - Approved the revised 2019 – 2021 Business Plan and 2020 – 2022 Bank's Business Plan.
 - Approved the Supervisory Report of Bank Business Plan for the 2nd Half of 2018 and the 1st Half of 2019.
 - Approved the issuance of Subordinated Debt (Sub-Debt) through the Shelf Offering 2019 – 2021 with a maximum value of IDR2 trillion.
 - Approved the Bank's Sustainable Financial Action Plan for the next 1 (one) year and 5 (five) years.
- II. Recommendations from Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee:
 - Approved the update of Work Guidelines and Regulations of Board of Commissioners.
 - Approved the update of the Audit Committee Charter.
 - Approved the appointment of EY Indonesia as a Public Accountant Firm and Muhammad Kurniawan as a Public Accountant, to conduct audits for financial year 2019.
 - Approved the appointment of Deloitte as external reviewer of Internal Audit quality assurance review.
 - Received recommendations for nominations of candidates for an Independent Commissioner and a member of the Board of Directors.
 - Approved the recommendations relating to the nomination of the new Chairman of the Remuneration and Nomination Committee.
 - Approved the recommendations of a new Senior Executive Officer.
 - Approved the recommendations relating to the amount of remuneration for Directors and total remuneration for Senior Executive Officers in 2019.
 - Approved the recommendations for the appointment of the new Chairman of Audit Committee.
 - Approved the recommendations for the new Chairman of Risk Monitoring Committee
- III. Risk Management Framework, Policies and Risk Appetite Statement:
 - Approved Risk Appetite Statement (RAS) in 2019.
 - Approved the changes of the Technology Risk Management Framework
 - Approved the changes of the Risk Appetite Framework
 - Approved the amended Risk Management Framework
 - Approved the streamlining of the Credit Policy and restructuring of the credit policy hierarchy
 - Approved the updated Credit Risk Management Policy
 - Approved the changes of the Recovery Plan
 - Approved the updated of the Credit Discretionary Limit (CDL) Framework.
 - Approved the updated of the General Credit Policy.
- IV. Annual Report
 - Approved the Annual Report of the Bank including ratifying the financial statements of the Bank, Report from Board of Directors, and oversight report of the Board of Commissioners for the financial year ended 31 December 2018.
- V. Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders
 - Approved the schedule and agenda of the Annual General Meeting of Shareholders dated 29 April 2019 and Extraordinary General Meeting of Shareholders each dated 28 February and 21 June 2019.
- VI. Others:
 - Approved proposals for projects submitted by Management including transaction with related party.
 - Approved the revised Information Technology Strategic Plan (RSTI).
 - Approved the Capital Management Framework.
 - Approved the sale of disposal assets.

2. Composition, Criteria and Independence of the Board of Commissioners [102-22]

The following are the members of the Board of Commissioners of the Bank as of 31 December 2019:

Name	Position	Effective Date		Re-Appointment	Expiry of Tenure
		Regulator Approval	GMS		
Wee Ee Cheong	President Commissioner	22 October 2019	29 April 2019	-	2021
Chin Voon Fat	Deputy President Commissioner	22 October 2019	29 April 2019	-	2021
Chan Kok Seong	Commissioner	22 October 2019	29 April 2019	-	2021
Wayan Alit Antara	Independent Commissioner	8 January 2009	20 June 2008	29 April 2019	2021
Aswin Wirjadi	Independent Commissioner	29 June 2009	12 June 2009	29 April 2019	2021
VJH Boentaran Lesmana	Independent Commissioner	22 December 2017	9 May 2018	29 April 2019	2021

The composition of the Bank's Commissioners and Independent Commissioners as outlined in the table above complies with the provision of Financial Services Authority (OJK) Regulation No.55/POJK.03/2016 concerning Implementation of Good Corporate Governance for Commercial Banks, where 50% (fifty per cent) of members of the Bank's Board of Commissioners are Independent Commissioners.

Independence of the Board of Commissioners

Article 2 paragraph (21) of the Work Guidelines and Regulations of the Bank's Board of Commissioners states that "a majority of members of the Board of Commissioners are prohibited from having up to second-degree family relationship with fellow members of the Board of Commissioners and/or members of the Board of Directors". All members of the Board of Commissioners do not have up to second-degree family relationship with fellow members of the Board of Commissioners and/or members of the Board of Directors.

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

In accordance with Financial Services Authority (OJK) Regulation No.55/POJK.03/2016 concerning Implementation of Good Corporate Governance for Commercial Banks, members of the Board of Commissioners are prohibited from holding concurrent positions as Commissioner, Director or Executive Officer in any bank/non-bank financial institution and in more than 1 (one) non-financial institution/company either domiciled domestically or overseas.

This excludes concurrent positions held by (a) a member of the Board of Commissioners as a director, commissioner or executive officer performing supervision in 1 (one) non-bank subsidiary controlled by the Bank; (b) a non-independent Commissioner performing his functional duties assigned by the Bank's shareholders for a legal entity in the Bank's business group; and/or (c) a member of the Board of Commissioners in a non-profit organisation or institution.

Hence, all members of the Board of Commissioners are in compliance with the aforementioned regulations. Independent Commissioners who has served for more than 2 (two) period has declared their independency and conveyed the independency statement.

3. Fit and Proper Test Information Disclosure [102-24]

Members of the Board of Commissioners, as listed in the table on page 83, were all appointed at the General Meeting of Shareholders after due consideration to the key criteria including integrity, competency, professionalism, and financial reputation, according to the "fit & proper" test requirements prescribed by regulators.

4. Frequency of the Board of Commissioners Meetings

Pursuant to regulatory provision on the implementation of Good Corporate Governance for Commercial Banks and Articles of Association of the Bank, the following guidelines for the Board of Commissioners meeting procedures and executions have been developed with reference to the Work Guidelines and Regulations of the Board of Commissioners:

Good Corporate Governance

- Meetings are held at least once in 2 (two) months or when deemed necessary by a member of the Board of Commissioners or upon written request from the Board of Directors or upon the request of 1 (one) or more shareholders holding 1/10 (one tenth) of the total number of shares issued by the Company with valid voting rights.
- Board of Commissioners Meetings may be held via teleconference, but meetings are to be physically attended by all the members of Board of Commissioners at least 2 (two) times in a year.
- The Board of Commissioners shall schedule joint meetings with the Board of Directors on a periodic basis, at least once in 4 (four) months.
- The Board of Commissioners shall schedule Board of Commissioners meetings for the subsequent year before the financial year ends.

During 2019, the Board of Commissioners convened a meeting once every 2 (two) months, during which the Board of Commissioners sought explanation from the Directors regarding their duties and responsibilities in the previous 2 (two) months, as well as discussed the Bank's performance in general.

During 2019, the Board of Commissioners held 6 (six) Board of Commissioners meetings and 4 (four) Joint Meetings with Board of Directors. Of the 6 (six) Board of Commissioners meetings, 2 (two) were physically attended by all member of Board of Commissioners and the remaining 4 (four) were conducted via teleconference.

Meeting results, including dissenting opinions (if any), were well documented in minutes of meetings which were properly maintained by the Corporate Secretary.

Based on the aforementioned matters, the Bank has fulfilled the prevailing regulations related to the Board of Commissioners Meetings.

The following is the Commissioners' attendance at meetings held in 2019:

Name	Position	Number of Meetings	Frequency of Attendance	Percentage
Wee Ee Cheong	President Commissioner	6	5	83%
Chin Voon Fat*	Deputy President Commissioner	3	3	100%
Chan Kok Seong**	Commissioner	1	1	100%
Wayan Alit Antara	Independent Commissioner	6	6	100%
Aswin Wirjadi	Independent Commissioner	6	6	100%
VJH Boentaran Lesmana	Independent Commissioner	6	6	100%

*) Mr. Chin Voon Fat effectively serves as Commissioner as per 27 May 2019 and serves as Deputy President Commissioner as per 22 October 2019.

**) Mr. Chan Kok Seong effectively serves as Commissioner as per 22 October 2019.

The table below sets out the attendance at Board of Commissioners Joint Meetings with Board of Directors in 2019:

Name	Position	Number of Meetings	Frequency of Attendance	Percentage
Wee Ee Cheong	President Commissioner	4	4	100%
Chin Voon Fat ¹	Deputy President Commissioner	3	3	100%
Chan Kok Seong ²	Commissioner	1	1	100%
Wayan Alit Antara	Independent Commissioner	4	4	100%
Aswin Wirjadi	Independent Commissioner	4	4	100%
VJH Boentaran Lesmana	Independent Commissioner	4	4	100%
Lam Sai Yoke	President Director	4	4	100%
Hendra Gunawan*	Deputy President Director	2	2	100%
Teh Han Yi**	Director	N/A	N/A	N/A
Henky Sulistyo	Director	4	4	100%

Name	Position	Number of Meetings	Frequency of Attendance	Percentage
Soehadie Tansol	Compliance Director	4	4	100%
Paul Rafiuly	Director	4	4	100%
Harapman Kasan***	Director	1	1	100%

¹ Mr. Chin Voon Fat effectively serves as Commissioner as per 27 May 2019 and serves as Deputy President Commissioner as per 22 October 2019.

² Mr. Chan Kok Seong effectively serves as Commissioner as per 22 October 2019.

* Mr. Hendra Gunawan effectively serves as Deputy President Director as per 1 July 2019.

** Ms. Teh Han Yi effectively serves as Director as per 28 November 2019.

*** Mr. Harapman Kasan effectively serves as Director as per 22 August 2019.

5. Performance Appraisals for the Commissioners [102-28]

The Bank has a policy regarding Guidelines on Commissioners' Evaluation and Directors' Performance Appraisals which provides technical guidance to Commissioners in conducting appraisals and standardises the performance criteria to be applied. The policy governs the following:

Performance Evaluation

Each member of the Board of Commissioners will conduct a self-assessment of his performance 1 (one) time a year.

Performance Criteria

Members of the Board of Commissioners are appraised based on the following:

- (i). Independence of the Commissioner;
- (ii). Fit and proper criteria which comprise honesty, integrity, reputation, competency and financial soundness; and
- (iii). Performance of the Commissioner.

Evaluation Result

Result of self-assessment is reported to the Remuneration and Nomination Committee.

C. Board of Directors

1. Duties and Responsibilities of the Board of Directors [102-26]

The Board of Directors is the organ of the Company with the authority and full responsibility for carrying out his duties in the interests of the Bank in achieving the Bank's intent and purposes and to represent the Bank both inside and outside of court. Each member of the Board of Directors shall carry out his duties in good faith and responsibly in accordance with prevailing laws and regulations and Articles of Association of the Bank.

The principle duties of the Board of Directors include, among other things:

- a. Manage the Bank pursuant to his authority and responsibilities as stated in the Articles of Association and prevailing laws and regulations.
- b. Take full responsibility of the Bank's management.
- c. Implement Good Corporate Governance principles in every business activity of the Bank at all stages or levels of the organisation;
- d. Determine business strategy under the supervision of the Board of Commissioners;
- e. Follow up on audit findings and recommendations from Internal Audit unit, External Auditors, supervisory report from Financial Services Authority (OJK) and other competent authorities;
- f. Perform internal monitoring in an effective and efficient manner;
- g. Perform oversight and manage the risks faced by the Bank;
- h. Maintain conducive working environment to improve productivity and professionalism;
- i. Manage and conduct employee development, and also maintain the sustainability of the organisation;
- j. Give an account of the fulfillment of the duties to the Shareholders at the Annual General Meeting of the Shareholders;
- k. Communicate the Bank's strategic Human Resource policy to the employees, subject to confidentiality; and
- l. Provide accurate, relevant and timely data and information to the Board of Commissioners.

Furthermore, in carrying out his duties and responsibilities, each member of the Board of Directors shall refer to the distribution of work, responsibility and authority which is based on the Board of Directors Decree No.19/SKDIR/0139 on the Duties and Authorities of members of the Board of Directors, with the following details:

Good Corporate Governance

President Director

- Justified and authorised to act on behalf of the Board of Directors and to represent the Bank.
- Coordinate the implementation of the Bank's management.
- Determine the Bank's strategy.
- Ensure the implementation of the compliance function, and the implementation of the principles of good corporate governance as well as prudent banking practices.

Deputy President Director

- In the event that the President Director is unavailable due to any reason whatsoever, the Deputy President Director shall act on behalf of the Board of Directors and represent the Bank.
- Assist the President Director in directing the Bank's policies and strategies, in accordance with the scope of coordinated area.
- Establish policies, planning, development, and strategies in the areas of Retail Banking and Channels.

Finance & Corporate Services Director

- Responsible for the financial report of the Bank as well as the formulation of the Bank's financial management strategy to support Bank's performance.
- Ensure the integrity of financial data and provide financial report analysis on the performance of the Bank to support the decision taken by the management of the Bank.
- Develop financial system and procedure as well as lead, direct and monitor the implementation of corporate actions conducted by the Bank.

Risk Management Director

- Provide strategic directions on risk management by continuously observing prudential principles, comply, and implement any directions that were given from the regulators regarding risk management of the Bank.
- Develop and evaluate the system and risk management process to identify, measure, monitor, mitigate and report risks.
- Facilitate the Bank's Senior Management understand the various types of risk and jointly develop risk control and risk mitigation as well enhancing a culture of risk awareness.
- Provide recommendation in relation to Bank's risk management covering operational risk, market, liquidity and credit risk.
- Ensure the management and development of human resources development on functions related to risk management.

Compliance Director

- Formulate strategies in order to build a culture of compliance in the Bank.
- Propose compliance policies or principles for approval by the Board of Directors.
- Implement compliance system and procedures that will be used to develop internal provisions and guidelines.
- Ensure that all policies, guidelines, systems, procedures and business activities conducted by the Bank are in compliance with the requirements of regulators and applicable provisions of laws and regulations.
- Perform oversight over the implementation of Anti-Money Laundering and Combating the Financing of Terrorism.
- Minimise the Bank's compliance risk and provide recommendations on compliance-related issues.
- Perform preventive measures so that the policies and/or decisions taken by the Board of Directors do not violate the provisions of regulator as well as other prevailing regulations.

Director of Technology and Operations

- Formulate long-term blueprint for Technology and Operation.
- Formulate, evaluate and determine strategies for infrastructure, systems and information technology security so that operational activities can be carried out effectively and efficiently.
- Formulate, evaluate and determine the Bank's operational strategies that can drive business units to profit.
- Ensure the application development, technology and communication infrastructure networks to support high security and confidentiality of the Bank and customer data.
- Ensure that the mechanism of identification and mitigation of risks to the infrastructure system, technological security and operational processes are available and implemented in accordance with the provisions.
- Cooperate with other relevant units to ensure technology cost effectiveness and determine priority scale according to the Bank's capabilities.

Wholesale Banking Director

- Provide strategic directions regarding on the growth of Wholesale Banking segment in order to support Bank's business.
- Ensure the implementation of compliance function, good corporate governance principles, prudent banking practices, and implement any directions that were given from the regulators regarding risk management on wholesale banking.
- Responsible on the budgeting plan that has been made for Wholesale Banking segment.
- Carry out continuous process development and improvement for functions in the Wholesale Banking.

2. Composition, Criteria and Independence of the Board of Directors [102-22]

Members of the Board of Directors of the Bank as of 31 December 2019 were:

Name	Position	Effective Date		Re-Appointment	Expiry of Tenure
		Regulator Approval	GMS		
Lam Sai Yoke	President Director	2 May 2016	2 November 2015	26 April 2017	2021
Hendra Gunawan	Deputy President Director	1 July 2019	29 April 2019	-	2021
Teh Han Yi	Director	28 November 2019	21 June 2019	-	2021
Henky Sulisty	Director	18 April 2017	7 February 2017	26 April 2017	2021
Soehadie Tansol	Compliance Director	31 December 2002	25 November 2002	26 April 2017	2021
Paul Rafiuly	Director	27 August 2018	11 October 2018	-	2021
Harapman Kasan	Director	22 August 2019	21 June 2019	-	2021

Term of Office for Bank's Directors as abovementioned is up to the closing of AGM of the Bank to be held in 2021.

Independence of the Board of Directors

- a. None of the members of the Board of Directors of the Bank have mutual financial and up to second-degree family relationships with fellow members of the Board of Directors and/or members of the Board of Commissioners and majority shareholder.
- b. None of the members of the Board of Directors, either individually or collectively, own shares amounting to more than 25% of the issued share capital at the Bank or any other company.
- c. None of the members of the Board of Directors hold a concurrent position as a Commissioner, Director or an Executive Officer at any other bank, company and/or institution.
- d. The President Director of the Bank is a party independent of the majority shareholder of the Bank and does not have any financial, management, shareholding and/or family relationship with the majority shareholder of the Bank.

3. Fit and Proper Test [102-24]

The appointment of members of the Board of Directors by the GMS as outlined in the table above followed criteria that was approved by the Board of Commissioners i.e integrity, competence, professionalism and financial reputation, in accordance with the requirements of the "fit & proper" test prescribed by the Regulator.

4. Frequency of Board of Directors Meetings

Pursuant to the provision of the Articles of Association and Work Guidelines and Regulations of the Board of Directors, the following guidelines for the Board of Directors meetings had been formulated:

- a. Meetings are to be held at least once a month, and when deemed necessary by one of the members of the Board of Directors, or upon the written request from one or more members of the Board of Commissioners, or upon the written request from one or more of the shareholders representing 1/10 (one tenth) of the total shares allocated by the Company with valid voting rights.
- b. The Board of Directors holds a joint meeting with the Board of Commissioners on a periodic basis at least once in 4 (four) months.
- c. The Board of Directors schedules the meeting of the subsequent year prior to the conclusion of a financial year.
- d. The Board of Directors' meeting is valid and decisions held at such meetings are binding, provided more than ½ (half) of the total number of members of the Board of Directors are present at the meeting.
- e. The decisions at the Board of Directors' meetings shall be based on deliberation to reach consensus. If a decision could not be reached through deliberation, the decision will be made through voting based on supporting votes of more than ½ (half) of the total valid votes of members of the Board of Directors present at the meeting.

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- f. In the event of an equality of votes, the Chairman of the Board of Directors meeting has the deciding vote.
- g. The results of the Board of Directors meeting are recorded in minutes of meeting and properly maintained.

In 2019, Board of Directors held 14 (fourteen) meetings and 4 (four) joint meetings with the Board of Commissioners.

The results of the meetings including dissenting opinions (if any) were well documented in the minutes of meeting which were properly maintained by the Corporate Secretary.

Based on the above, the Bank has met the prevailing regulations related to Board of Directors meetings.

The following is the attendance of Board of Directors at meetings held in 2019:

Name	Position	Number of Meetings	Frequency of Attendance	Percentage
Lam Sai Yoke	President Director	14	14	100%
Hendra Gunawan*	Deputy President Director	6	6	100%
Teh Han Yi**	Director	1	1	100%
Henky Sulisty	Director	14	13	93%
Soehadie Tansol	Compliance Director	14	12	86%
Paul Rafiuly	Director	14	12	86%
Harapman Kasan***	Director	4	4	100%

*) Mr. Hendra Gunawan effectively serves as Deputy President Director as per 1 July 2019.

**) Ms. Teh Han Yi effectively serves as Director as per 28 November 2019.

***) Mr. Harapman Kasan effectively serves as Director as per 22 August 2019.

The table below sets out Directors' attendance at Joint Meetings with Board of Commissioners in 2019:

Name	Position	Number of Meetings	Frequency of Attendance	Percentage
Lam Sai Yoke	President Director	4	4	100%
Hendra Gunawan*	Deputy President Director	2	2	100%
Teh Han Yi**	Director	N/A	N/A	N/A
Henky Sulisty	Director	4	4	100%
Soehadie Tansol	Compliance Director	4	4	100%
Paul Rafiuly	Director	4	4	100%
Harapman Kasan***	Director	1	1	100%
Wee Ee Cheong	President Commissioner	4	4	100%
Chin Voon Fat ¹	Deputy President Commissioner	4	4	100%
Chan Kok Seong ²	Commissioner	4	4	100%
Wayan Alit Antara	Independent Commissioner	4	4	100%
Aswin Wirjadi	Independent Commissioner	4	4	100%
VJH Boentaran Lesmana	Independent Commissioner	4	4	100%

*) Mr. Hendra Gunawan effectively serves as Deputy President Director as per 1 July 2019.

**) Ms. Teh Han Yi effectively serves as Director as per 28 November 2019.

***) Mr. Harapman Kasan effectively serves as Director as per 22 August 2019.

¹ Mr. Chin Voon Fat effectively serves as Commissioner as per 27 May 2019 and serves as Deputy President Commissioner as per 22 October 2019.

² Mr. Chan Kok Seong effectively serves as Commissioner as per 22 October 2019.

5. Performance Appraisal for the Directors [102-28]

The Bank has a policy regarding Guidelines on Commissioners' Evaluation and Directors' performance appraisals which provides guidance to the members of Board of Directors in conducting the evaluation and a standardised set of performance criteria to be applied. The policy governs the following:

Performance Appraisal

Each member of the Board of Directors will conduct a self-assessment of his performance 1 (one) time a year.

Performance Criteria

Members of the Board of Directors are assessed based on the following:

1. Performance Target & Achievement Process;
2. Competency of Strategic, Engage, Execute and Develop (SEED) indicators; and
3. Exemplification of corporate values namely Honourable, Enterprising, United and Committed.

Appraisal Result

Result of the self-assessment will be submitted to the Supervisor who will report to the Board of Commissioners on the recommendations of the Remuneration and Nomination Committee. Thereafter, the final result of the appraisal will be delivered to each Director.

6. Workshop/ Training / Seminar Attended by the Board of Directors [102-27]

Name	Workshop/ Training/ Dissemination	Venue
Lam Sai Yoke	Treasury Advance Certificate	Jakarta
	International Financial Reporting Standard 9 Training	Jakarta
	UOB Talks: 10x Strategy	Jakarta
	Breakthrough Service For Senior Management	Jakarta
	Anti Money Laundering and Countering the Financing of Terrorism Basic Level	Jakarta
	UOB Indonesia Risk Forum	Jakarta
	Digital Banking Workshop	Jakarta
	Executive Programme	Silicon Valley
Hendra Gunawan	Risk Management Certificate Level 5	Lausanne
	UOB Talks: 10x Strategy	Jakarta
	Anti Money Laundering and Countering the Financing of Terrorism Basic Level	Jakarta
Henky Sulistyio	High Performance Leadership (HPL) Programme	Jakarta
	International Financial Reporting Standard 9 Training	Jakarta
	UOB Talks: 10x Strategy	Jakarta
	UOB Indonesia Risk Forum	Jakarta
	Digital Banking Half Day Workshop	Lausanne
	Operational Risk Management Begins With Me	Jakarta
Soehadie Tansol	Anti Money Laundering and Countering the Financing of Terrorism Basic Level	Jakarta
	Digital Banking Workshop	Jakarta
	International Financial Reporting Standard 9 Training	Jakarta
	UOB Talks: 10x Strategy	Jakarta
Teh Han Yi	Anti Money Laundering and Countering the Financing of Terrorism Basic Level	Jakarta
	Risk Management Certificate Level 5	Jakarta
	International Financial Reporting Standard 9 Training	Jakarta
Harapman Kasan	UOB Talks: 10x Strategy	Jakarta
	Business Intelligence and Analytics	Jakarta
	International Financial Reporting Standard 9 Training	Jakarta
	UOB Talks: 10x Strategy	Jakarta

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Name	Workshop/ Training/ Dissemination	Venue
Paul Rafiuly	CITF (Certificate in International Trade Finance)	Malaysia
	Digital Banking Workshop	Jakarta
	International Financial Reporting Standard 9 Training	Jakarta
	UOB Talks: 10x Strategy	Jakarta
	Anti Money Laundering and Countering the Financing of Terrorism Basic Level	Jakarta

II. Completeness and Implementation of Committees' Duties

A. Board of Commissioners Committees

1. Remuneration and Nomination Committee

Pursuant to the Board of Directors' Decree No. 19/SKDIR/0077 dated 1 August 2019 on the Appointment of Members of the Remuneration and Nomination Committee, the composition of the Remuneration and Nomination Committee is 3 (three) members.

Remuneration and Nomination Committee Members as of 31 December 2019	
Name	Composition
VJH Boentaran Lesmana	Chairman (Independent Commissioner)
Chin Voon Fat	Member (Commissioner)
Irene Wiryawan	Member (Executive Officer responsible for Human Resource)

Nationality, age, educational background, and work experience of Remuneration and Nomination Committee members can be found under Profile section on page 408 of this Annual Report.

Term of Office

The term of office of the Remuneration and Nomination Committee members is for 2 (two) years and will expire in 2021. Remuneration and Nomination Committee members whose term of office has expired may be re-appointed.

Independence of Remuneration and Nomination Committee Members

All members of the Remuneration and Nomination Committee have high integrity and good moral character, in keeping with the requirements of Remuneration and Nomination Committee members as stated in Board of Directors' Decree No.16/SKDIR/0002 on Policies and Procedures for the Nomination, Replacement and/or Dismissal of Members of the Board of Commissioners, Board of Directors, Senior Executive Officers, and Committees Reporting to the Board of Commissioners, and also have met the criteria set by the Regulator.

Duties and Responsibilities

The Remuneration and Nomination Committee performs its duties, responsibilities and authorities based on the Work Guidelines and Regulations of the Remuneration and Nomination Committee including:

- a. On Remuneration Policy:
 - Perform evaluation of remuneration policy by taking into consideration performance, risk, peer group, targets, and Bank's long-term strategy, fulfillment of general reserve obligations as stipulated in the regulations and the Bank's potential income in the future; and
 - Provide evaluation and recommendations to the Board of Commissioners in relation to the:
 - i. Remuneration policy for the Board of Commissioners and Directors to be submitted to the General Meeting of Shareholders;
 - ii. Remuneration policy for Senior Executive Officers, Executive Officers and employees as a whole to be submitted to the Board of Directors;
 - iii. Remuneration structure for members of the Board of Commissioners, the Board of Directors and Senior Executive Officer;
 - iv. Amount of remuneration for members of the Board of Commissioners and the Board of Directors;
 - v. Assistance to the Board of Commissioners in conducting performance appraisal in accordance with remuneration received by each member of the Board of Directors and the Board of Commissioners.
 - Provide evaluation and recommendation to Board of Directors concerning the amount of remuneration for members of the Senior Executive.
 - Ensuring that remuneration policy is in accordance with applicable regulations.

b. On Nomination Policy

- Formulate and provide recommendation on the system and procedure for selection and/or replacement of:
 - i. Board of Commissioners and Directors to the Board of Commissioners for submission to the GMS;
 - ii. Senior Executive Officer to be submitted to Board of Commissioners.
- Analyse and provide recommendation to the Board of Commissioners concerning candidate of the Board of Commissioners and/or the Board of Directors to be submitted to the AGM.
- Committee member who has a conflict of interests with the recommendation shall disclose the condition in the recommended proposal.
- Provide recommendations to the Board of Commissioners on the appointment of Senior Executive Officers including the extension of term of service of Senior Executive Officers exceeding their normal retirement age limit.
- Make recommendations to the Board of Commissioner on the appointment of independent parties to be members to the Audit Committee, Remuneration and Nomination Committee, and Risk Monitoring Committee.
- Provide recommendation to the Board of Commissioners on:
 - i. Composition of positions of members of the Board of Directors and/or the Board of Commissioners.
 - ii. Policies and criteria required in the nomination of members of the Board of Directors, the Board of Commissioners and Senior Executive Officers;
 - iii. Performance policy and evaluation for members of the Board of Directors, members of the Board of Commissioners and/or Senior Executive Officers.
- Assist the Board of Commissioners in appraising the performance of members of the Board of Directors, members of the Board of Commissioners based on the benchmark determined as evaluation material.
- Provide recommendation to the Board of Commissioners on personal development programmes for members of the Board of Directors and/or members of the Board of Commissioners

Frequency of Meetings

Remuneration and Nomination Committee meetings are held regularly, at least 1 (one) time in 4 (four) months.

In 2019, the Remuneration and Nomination Committee held 7 (seven) meetings, including via teleconference, which were attended by more than 51% of the members including 1 (one) Independent Commissioner and executive officer overseeing Human Resources.

The decisions at the meetings were made through deliberations to reach consensus or by simple majority of votes in case of dissenting opinions. All decisions were recorded in the form of minutes of meeting signed by all members of the Committee present and were properly maintained. The results of the Remuneration and Nomination Committee meetings are in the form of recommendations which can be used optimally by the Board of Commissioners.

The Work Programme of the Remuneration and Nomination Committee and its realisation in 2019 included but was not limited to:

No.	Work Programme	Realisation
1.	Analyse and provide recommendation to the Board of Commissioners of qualified candidate to be appointed as members of the Board of Commissioners and/or Directors to the Board of Commissioners, to be put to the shareholders' vote at a General Meeting of Shareholders.	Remuneration and Nomination Committee has made recommendations to the Board of Commissioners on candidates to be appointed to the Board of Commissioners and Board of Directors and the selected candidates have been approved by Shareholders at the General Meeting of Shareholders dated 29 April 2019 and 21 June 2019.
2.	Provide recommendations to the Board of Commissioners on the independent parties appointed to be members of the Audit Committee, Risk Monitoring Committee and Integrated Corporate Governance Committee.	Remuneration and Nomination Committee has recommended independent parties as candidates for appointment as new independent members of Audit Committee, re-appointment as members of the Risk Monitoring Committee and Integrated Corporate Governance Committee, and also proposed a candidate for the new Chairman of Remuneration and Nomination Committee.
3.	Assist the Board of Commissioners in appraising the performance of members of the Board of Directors and/or members of the Board of Commissioners based on the determined benchmarks for evaluation.	Remuneration and Nomination Committee has recommended Board of Commissioners and Board of Directors Performance Evaluation at the meeting dated 21 March 2019.
4.	Provide evaluation and recommendations to the Board of Commissioners regarding the Remuneration structure for members of the Board of Commissioners, the Board of Directors and Senior Executive Officer and also the amount of remuneration for members of the Board of Commissioners and the Board of Directors.	Remuneration and Nomination Committee has provided recommendation regarding amount of remuneration for members of the Board of Commissioners and the Board of Directors as well as the remuneration structure for members of Senior Executive Officers on the meeting dated 21 March 2019.

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No.	Work Programme	Realisation
5.	Formulate and provide recommendation on the system and procedure of selection and/or succession of Board of Commissioners and the Board of Directors to the Board of Commissioners to be submitted to General Meeting of Shareholders.	Remuneration and Nomination Committee has provided recommendation on the reappointment of the Board of Commissioners and the Board of Directors to Board of Commissioners to be conveyed in Annual General Meeting of Shareholders.
6.	Provide recommendation on the appointment of Senior Executive Officers including the extension of the term of service of the Senior Executive Officers who have exceeded the normal retirement age limit to the Board of Commissioners.	Remuneration and Nomination Committee has recommended the extension of Term of Office of Senior Executive Officers on the Remuneration and Nomination Committee's meetings dated 22 November 2019.
7.	Evaluate and provide input on current policies and update on matters related to Human Resources, not just limited to Board of Commissioners, Board of Directors but for all employees.	In 2019, Remuneration and Nomination Committee (RNC) convened 8 (eight) meetings to discuss on Human Resources. RNC also provided its recommendation on the RNC workplan for 2019 for Board of Commissioner's approval on the meeting dated 22 November 2019.
8.	Analyse and provide recommendation of qualified candidate for appointment to the Board of Commissioners and/or Directors to the Board of Commissioners to be put to a vote at a General Meeting of Shareholders.	RNC convened a meeting on 17 January 2019, to discuss succession plan for Commissioner for Board of Commissioners' and subsequently for General Meeting of Shareholders' approval.

2. Audit Committee

Based on Board of Directors' Decree No.19/SKDIR/0037 dated 2 May 2019 on the Appointment of Members of the Audit Committee, the Audit Committee consists of 3 (three) members, namely:

Audit Committee Members as of 31 December 2019	
Name	Composition
Aswin Wirjadi	Chairman (Independent Commissioner)
Setiawan Kriswanto	Member (Independent Party)
Nina Diyanti Anwar	Member (Independent Party)

Nationality, age, educational background, and work experience of Audit Committee members can be found under Profile section on page 407 of this Annual Report.

Term of Office

The term of office of the Audit Committee members must not exceed the term of office of the Board of Commissioners as regulated in the Articles of Association of the Bank and such members may be reappointed only for one other subsequent period.

Independent Commissioners serving as Audit Committee members may only be reappointed into the Audit Committee for 1 (one) other term of office of the Audit Committee. The term of office of the current Audit Committee will expire on 2021.

Independence of Audit Committee Members

All committee members have met the prevailing regulations on the independence requirements of integrity, morals, and ethics of each member of the Audit Committee.

To maintain its independence and objectivity, the Audit Committee consists of Independent Commissioners and Independent Parties. Board of Directors members may not sit on the Audit Committee.

All members of the Audit Committee have high integrity and good moral character, in keeping with the requirements of Audit Committee members as stated in Board of Directors' Decree No.16/SKDIR/0002 on Policies and Procedures for the Nomination, Replacement and/or Dismissal of Members of the Board of Commissioners, Board of Directors, Senior Executive Officers, and Committees Reporting to the Board of Commissioners, and also have met the criteria set by the Regulator.

The Audit Committee performs the duties, responsibilities and authorities based on the Audit Committee Charter, which include:

- Reviewing the financial information to be issued by the Bank to the public and/or other authorities, financial statements, projections and other reports pertaining to the Bank's financial information.
- Analysing the Bank's level of compliance towards laws and regulations pertaining to the Bank's activities.
- Providing an independent opinion in the event of disagreement between the management and the Public Accountant for services rendered.

- d. Performing evaluation on the last year audit services provided by the prior Public Accountant (“AP”) and/or Public Accounting Firm (“KAP”), by assessing:
 - i. Conformity of audit services conducted by AP and KAP with the prevailing regulations;
 - ii. adequacy of fieldwork time;
 - iii. assessment on the adequacy of audit scope and the adequacy of the sampling testing; and
 - iv. recommendation for improvement by the AP and/or KAP
- e. Providing recommendation to the Board of Commissioners on the appointment of the AP and KAP taking into consideration the following:
 - i. independence of KAP, AP and persons in KAP;
 - ii. audit scope;
 - iii. audit fee;
 - iv. the expertise and experience of AP, KAP and audit team;
 - v. audit methodologies, techniques, and facilities used by KAP;
 - vi. fresh perspective benefit to be obtained through the change of AP, KAP and audit team;
 - vii. potential of risk from the use of the same KAP for consecutive period; and/or
 - viii. the results of evaluation on the audit services provided by the prior AP and KAP in the previous year, if any.
- f. Monitoring, analysing and evaluating audit planning and implementation as well as monitoring follow-up actions on the internal audit results in order to assess the adequacy of internal control, including the adequacy of financial reporting process, and ensuring that the Board of Directors takes corrective action which is needed quickly to overcome the control weaknesses, fraud, compliance issues toward policies, laws and regulations or other problems identified and reported by the Internal Audit.
- g. The Committee shall at least monitor and evaluate:
 - i. The implementation of tasks of the Internal Audit;
 - ii. Consistency between audit implementation by the KAP and the prevailing auditing standards;
 - iii. Consistency between the financial reports and the prevailing accounting standards; and
 - iv. Implementation of follow-up actions by the Board of Directors on findings made by the Internal Audit Unit, AP, and the results of supervision by Bank Indonesia and/or the Financial Services Authority, and provision of recommendations to the Board of Commissioners.
- h. Recommending the appointment, resignation or dismissal of the Head of Internal Audit and providing inputs on the annual assessment of his/her performance.
- i. Preparing the Annual Work programme and reviewing the Committee's Scope of Functions and its own effectiveness as well as recommending any necessary change to the Board of Commissioners.
- j. Analysing complaints received by the Audit Committee on the Bank's accounting and financial reporting processes, as well as ensuring the follow-up to such complaints.
- k. Analysing and providing recommendations to the Board of Commissioners concerning the existence of potential conflicts of interest of the Bank.
- l. Maintaining strict confidentiality of documents, data and information of the Bank.
- m. Evaluating and providing recommendations to the Board of Commissioners on:
 - i. Establishment (Revision) of Internal Audit Charter;
 - ii. Preparation of the Annual Audit Plan, scope of work and budget allocation of Internal Audit;
 - iii. Appointment of Independent Quality Control reviewer to review the performance of Internal Audit (every 3 years);
 - iv. Internal Audit's total annual remuneration and performance rewards;
 - v. Effectiveness and efficiency on internal control system implementation.
- n. Ensuring Internal Audit communicates with the Board of Directors, the Board of Commissioners, external auditor and the Financial Services Authority.
- o. Providing governance oversight on fraud risk for the Bank as follows:
 - i. Approving the Fraud Risk Management Framework
 - ii. Monitoring the effectiveness of anti-fraud strategy implementation
 - iii. Monitoring fraud events occurred in the Bank and the follow up actions

If necessary, Audit Committee may request Integrated Fraud Management to perform investigation independently complementing the finding and investigation.

Good Corporate Governance

The meetings of the Audit Committee were convened based on the needs of the Bank. In 2019, the Audit Committee held 29 (twenty nine) meetings, all of which were attended by more than 51% of all members of the Audit Committee.

Meeting resolutions were made by way of deliberations to reach consensus or by simple majority of votes in case of dissenting opinions. All decisions of the meetings, including dissenting opinions (if any), were recorded in minutes of meeting signed by all members of the Committee present and were properly documented.

The results of Audit Committee meetings are in the form of recommendations which can be used optimally by the Board of Commissioners.

The Audit Committee's work programme and realisations in financial year 2019 included but were not limited to:

No.	Work Programme	Realisation
1.	Monitoring and evaluation on planning and implementation of audits as well as monitoring on the follow-ups to audit findings in order to assess the adequacy of internal control	There were 6 (six) meetings with Internal Audit as invitee throughout 2019 in order to monitor and evaluate on planning and implementation of audits as well as monitoring of the follow-ups to audit findings in order to assess the adequacy of internal control.
2.	Evaluation on the implementation of the duties of Internal Audit.	Meetings were conducted and attended by Internal Audit to discuss on implementation of duties of Internal Audit, i.e. 2019 audit realisation and significant audit issues.
3.	Evaluation on appropriateness of financial report compared to prevailing accounting standards.	<ul style="list-style-type: none"> A meeting was held to review the draft audit report with the Finance Division and External Auditor of the Bank as invitees. A meeting was held to discuss the monthly and quarterly publications of financial report and to evaluate their appropriateness to the prevailing accounting standards.
4.	Perform evaluation on the audit services provided by the prior AP and/or KAP in the previous year by AP and/or KAP.	The Finance Division and Internal Audit Division were invited to the meeting to provide inputs on the evaluation of the audit of the financial statements for the year ended 31 December 2018, conducted by KAP Purwanto, Sungkoro & Surja (EY Indonesia) and Muhammad Kurniawan as Public Accountant.
5.	Monitoring on the implementation of audit plan by external auditor.	A meeting was held to discuss interim audit progress, with the Finance Division and External Auditor of the Bank as invitees.
6.	Recommending to the Board of Commissioners on the appointment of Internal Audit quality assurance reviewer.	Audit Committee provided recommendation to the Board of Commissioners the appointment of PT Deloitte Konsultan Indonesia as external reviewer of Internal Audit quality assurance review.
7.	Evaluation on follow-up by the Board of Directors to findings of Internal Audit, external auditor and supervision result of the Financial Services Authority/ Otoritas Jasa Keuangan (OJK).	Meetings were held with Compliance Function as invitee to discuss the report on the implementation of the Bank's compliance function to the Board of Directors and to evaluate the implementation of the follow-up taken by Management on the results of supervision by Bank Indonesia and/or the Financial Services Authority/ Otoritas Jasa Keuangan (OJK) as a recommendation to the Board of Commissioners. In this case, the discussion was on the Implementation Report of Bank Compliance Function Second Half of 2018 and First Half of 2019.
8.	Analysis of the Bank's level of compliance towards laws and regulations pertaining to the Bank's activities.	A meeting was held with Internal Audit Function as invitee to update regarding laws and regulation pertaining and discuss revisions to the Internal Audit Charter and also revisions to the Audit Committee Charter.
9.	Recommendation on the appointment of Public Accountant and Public Accounting Firm pursuant to prevailing provisions.	A meeting was held by inviting the Finance Division, Internal Audit Division and KAP Purwanto, Sungkoro & Surja (PSS – Ernst & Young Indonesia) - Member Firm of Ernst & Young Global Limited discuss the proposal from PSS related to the audit services for period 2019.
10.	Evaluation on audit implementation conducted by Public Accounting Firm in accordance with prevailing audit standards.	The Audit Committee provides recommendation to the Board of Commissioners on the re-appointment of Public Accounting Firm PSS (member of Ernst & Young Global) and Muhammad Kurniawan, as Public Accountant for the financial year of 2019, based on considerations in accordance with OJK Regulation and the evaluation result of audit services for previous year 2018, conducted by Public Accounting Firm PSS.
11.	Preparing the Annual Work Programme and reviewing the Committee's Scope of Functions and its own effectiveness as well as recommending any necessary change to the Board of Commissioners.	Meetings were held with Finance Division and External Auditor to discuss: <ul style="list-style-type: none"> The final audit result of the financial year ended 2018 and its Management Letters; Audit programme and methodologies and the audit progress of the financial year ended 2019. A meeting was held to prepare the Annual Work Programme and to conduct annual review of the Committee's Scope of Functions and its own effectiveness as well as recommending any necessary change to the Board of Commissioners.

3. Risk Monitoring Committee

Based on Board of Directors' Decree No.19/SKDIR/0039 dated 2 May 2019 on the Appointment of Members of the Risk Monitoring Committee, the Risk Monitoring Committee consists of 3 (three) members, namely:

Risk Monitoring Committee Members as of 31 December 2019	
Name	Composition
Wayan Alit Antara	Chairman (Independent Commissioner)
Hendry Patria Rosa	Member (Independent Party)
Thomas Abdon	Member (Independent Party)

Nationality, age, educational background, and work experience of Risk Monitoring Committee members can be found under Profile section on page 409 of this Annual Report.

Term of Office

The term of office of Risk Monitoring Committee members is 2 (two) years and will expire in 2021. Member of the Risk Monitoring Committee whose term of office has expired may be reappointed. All members of the Risk Monitoring Committee have high integrity and good moral character, in keeping with the requirements of Risk Monitoring Committee members as stated in Board of Directors' Decree No.16/SKDIR/0002 on Policies and Procedures for the Nomination, Replacement and/or Dismissal of Members of the Board of Commissioners, Board of Directors, Senior Executive Officers, and Committees Reporting to the Board of Commissioners, and also have met the criteria set by the Regulator.

The Risk Monitoring Committee performs its duties, responsibilities and authorities based on the Work Guideline and Regulations of the Risk Monitoring Committee, which cover:

- Evaluation on the compatibility between risk management policy and the implementation of risk management policies;
- Monitoring and evaluation on the implementation of duties of the Risk Management Committee; and
- Monitoring and evaluation on the implementation of duties of the Risk Management Function Unit.

The meetings of the Risk Monitoring Committee were convened based on the needs of the Bank and were attended by members of the Committee and Risk Management Work Unit as invitees (if necessary). In 2019, the Risk Monitoring Committee held 12 (twelve) meetings, which were attended by more than 51% of members of the Risk Monitoring Committee.

The decisions of the meetings were made through deliberations to reach consensus. All decisions of the meetings, including any dissenting opinions, were recorded in the minutes of meeting and properly documented.

The Work Programme of the Risk Monitoring Committee and its realisation in 2019 included but was not limited to:

No.	Work Programme	Realisation
1.	Performing evaluation on the compatibility between risk management policy and the implementation of risk management policies.	Meeting was convened to evaluate on the compatibility between risk management policy and the implementation of risk management policies and to discuss the Bank's risk profile on quarterly basis.
2.	Monitoring and evaluating the implementation of duties and responsibilities of the Risk Management Committee and Risk Management Unit.	Meeting was held to discuss the implementation of duties of Risk Management Unit. In addition, the Chairman of Risk Monitoring Committee has attended Risk Management Committee's meeting to provide input regarding the implementation of risk management in the Bank.

Performance Appraisal for Committees under the Board of Commissioners

Throughout 2019, Board of Commissioners' Committees have implemented their respective duties and responsibilities in accordance with their respective Work Guidelines and Regulations. The Board of Commissioners' Committees had effectively contributed by evaluating and providing constructive recommendations on the implementation of various internal policies and initiatives of the Bank. The realisation of Board of Commissioners' Committees work programme during 2019 can be found in the table of work programme and realisation on respective Board of Commissioners' Committees.

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B. Board of Directors Committees

1. Executive Committee (EXCO)

Pursuant to Board of Directors' Decree No. 19/SKDIR/0070 dated 17 July 2019 regarding Executive Committee (EXCO), the composition as well as the duties and responsibilities of the EXCO are as follows:

- a. Strategic Policies
 - i. Submitting proposals and recommendations to the Board of Commissioners regarding medium- and long-term objectives, strategic directions, goals and priorities of the Bank.
 - ii. Formulating and reviewing policy matters, with a view towards the overall planning and development of strategies to achieve medium- and long-term objectives of the Bank.
- b. Expense for Properties Purchase/Other Capital Expense
Analysing and deciding or approving proposals or requests concerning:
 - i. Purchase or sale of the Bank's Fixed Assets.
 - ii. Purchase or sale of the Bank's inventory, including computer hardware and software.
 - iii. Procurement of other goods and services conforming to applicable regulations.EXCO approval is provided according to the applicable authority limits.
- c. Treasury & Investment Activities
Determining relevant policies and guidelines for all dealers, officers and relevant committees involved in the Treasury and Investment activities of the Bank.
- d. Credit Decision
To make decisions on credit matters in accordance with its discretionary limit that includes on all types of exposures, direct and/or contingent, such as exposures to counterparties and customers arising from lending/financing, underwriting/syndication, securities (loan replacement), derivative instruments, settlement risks, interbank limit, End Financing (EF) mortgages limit and other product programmes.
- e. Others
 - i. Deciding on urgent and important business of a confidential nature or requiring immediate and/or prudent decision, but this delegation to the EXCO must be endorsed by the Board of Directors.
 - ii. Deciding on business matters which are of unusual or extraordinary nature or which have strategic or significant impact (financial or otherwise) on the Bank.
 - iii. Performing such other functions as may be delegated to it from time to time by the Board of Directors.

The EXCO is required to report to the Board of Directors and Senior Executive Officers on meetings where major decisions were made.

Executive Committee Members as of 31 December 2019	
Chairman and acting Permanent Member	President Director
Vice Chairman and acting Permanent Member	<ul style="list-style-type: none">• Deputy President Director• Finance and Corporate Services Director
Permanent Members	<ul style="list-style-type: none">• Technology and Operations Director
Secretary	<ul style="list-style-type: none">• Corporate Services Head• Credit Related: Related Credit Approval Division.

EXCO meetings are held as necessary, depending on the volume and urgency of issues requiring follow up. EXCO meetings may be attended in person by EXCO members or via telephone/video conference. The quorum is at least the majority of EXCO members (>50%), including the EXCO Chairman or EXCO Interim Chairman if the Committee's Chairman is unavailable

Decisions made at EXCO meetings shall be made through deliberation to achieve a consensus. In the event that a consensus cannot be reached, the Chairman of the Committee or Interim Chairman has the final casting vote. EXCO decisions may also be made by circulation, provided that EXCO members have been notified in writing of the proposal submitted. Decisions made in such manner shall be as valid as decisions made at any EXCO meeting.

All decisions of meetings are stated in the minutes of meeting signed by attending Committee members and properly maintained, including any dissenting opinions.

The Work Programme of EXCO and its realisation in 2019 includes but was not limited to:

No.	Work Programme	Realisation
1.	Formulating and reviewing on policies by taking into consideration all planning and implementation of strategy to achieve the Bank's medium and long term goals.	EXCO members have reviewed on policies by taking into consideration all planning and implementation of strategy to achieve the Bank's medium and long term goals.
2.	Analysing and making decisions for proposals or requests on the purchase or sales of the Bank's fixed assets, Bank's inventories, goods and services procurement, to be in line with the prevailing regulation.	EXCO has conducted meetings to discuss matters such as project close-out report on office relocation from Harmoni to UOB Plaza, long-term property, proposal to sell property assets, and progress update on MRT Tunnel Projects.
3.	Providing credit decisions in accordance with its discretionary limit that includes on all types of exposures, direct and/or contingent, such as exposures to counterparties and customers arising from lending/financing, underwriting /syndication, securities (loan replacement), derivative instruments, settlement risks, interbank limit, End Financing (EF) mortgages limit and other product Programme.	EXCO has provided credit decisions in accordance with its discretionary limit.

2. Assets and Liabilities Committee (ALCO)

Based on Board of Directors' Decree No. 19/SKDIR/0012 dated 27 February 2019, the composition of Asset & Liability Management Committee is as follows:

Assets and Liabilities Committee Members as of 31 December 2019	
Chairman	President Director
Deputy Chairman	Deputy President Director
Secretary	Market & Balance Sheet Risk Management Head
Permanent Members	<ul style="list-style-type: none"> • Risk Management Director • Finance & Corporate Services Director • Wholesale Banking Director • Head of Global Markets • Head of Personal Financial Services • Head of Business Banking • Head of Commercial Banking • Head of Corporate Banking • Head of Transaction Banking • Head of Financial Institutions • Central Treasury Unit Head • Retail Liabilities Product Head
Permanent Invitee	<ul style="list-style-type: none"> • Economic Research Head • PLM-MMD/Deputy Treasurer Head • Internal Audit Head

The ALCO meeting shall be held based on the requirements of the Bank, or at least once a month.

Duties and responsibilities of the ALCO are as follows:

- a. Grant approval for the following:
 - Market Risk Management Policy, Interest Rate Risk Management Policy, Liquidity Risk Management Policy, and Fund Transfer Pricing Policy and related model/methodologies and assumptions used in the asset and liabilities management.
 - Delegation of risk appetite limits, risk control limits and risk limits relating to Market Risk, Banking Book Interest Rate Risk and Liquidity Risk;
 - Ratification of limits excesses by businesses;
 - Granting of temporary limits by businesses;
 - Limits should be reviewed at least once a year
 - Strategic Pricing, Fund Transfer Pricing, and Prime Lending Rate;
 - Funding strategies (Target Balance Sheet Mix, debt issuance), and market risk valuation reserve.
- b. Provide endorsement for the following:
 - Framework related to Balance Sheet Risk Management (Interest Rate Risk on Banking Book and Liquidity Risk).
 - Review and recommend Internal Model related initiatives (when ready) used in regulatory reporting.

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c. Monitoring and Reporting:

- Monitor and highlight limits excesses of risk appetite limits, risk control limits and other risk limits concerning market risk, banking book interest rate risk and liquidity risk; for escalation to ALCO, Risk Management Committee, and Board of Directors.
- Monitor, assess and review critical market, banking book interest rate and liquidity risk profiles and exposure, vulnerabilities, Profit & Loss, material issues and major transactions.
- Monitor earnings spread, asset/liability distributions and maturity, liquidity risk, market risk, and capital allocations for market risk.
- Provide forum for discussion and decisions related all aspects of market risk, interest rate risk on banking book and liquidity risks.
- Ensure compliance with regulatory requirements that are relevant to market risk, interest rate risk on banking book and liquidity risk management.
- Review the current and prospective liquidity positions and monitor alternative funding sources.
- Monitor and ensure a sufficient liquidity is available for unanticipated contingencies.

The Work Programme of ALCO and its realisation in 2019 includes but not limited to:

No.	Work Programme	Realisation
1.	To conduct ALCO meeting at least once a month, or as necessary due to changes in national economic conditions, or the Bank's condition and risk profile, particularly market and liquidity risk.	During 2019, ALCO held 12 (twelve) regular meetings. Urgent matters to be approved between ALCO meetings and can be dealt through circulation of a resolution in writing outside the ALCO meetings. The ALCO approved 1 (one) proposal on 3 September 2019 regarding the approval on Prime Lending Rate September 2019 which was proposed by Market & Balance Sheet Risk Management.

3. Risk Management Committee

Based on Board of Directors' Decree No. 19/SKDIR/0106 dated 8 October 2019, the composition of Risk Management Committee (RMC) is as follows:

Risk Management Committee Members as of 31 December 2019	
Chairman	Risk Management Director
Deputy Chairman	Finance & Corporate Service Director
Secretary	Operational & Enterprise Risk Management Head
Permanent Members	<ul style="list-style-type: none"> • Deputy President Director • Wholesale Banking Director • Compliance Director • Technology & Operations Director • Head of Human Resources • Head of PFS and Digital Banking • Head of Business Banking • Internal Audit Head • Legal Head • CEO Office Head
Permanent Invitees	<ul style="list-style-type: none"> • President Director • Client Fulfillment & Services Head • Branch Operational Control & Development Head

RMC meetings are held on a regular basis, with a minimum of 10 (ten) meetings per year.

The duties, authorities and responsibilities of the RMC are as follows:

- Recommend or approve Bank-wide risk management strategies, model and methodologies, policies, frameworks, and guidelines.
- Endorse or approve the improvement and development plans of risk management of the Bank based on the risk management implementation evaluation result.
- Ensure an effective risk management implementation through proper risk measurement methodologies.
- Recommend and/or approve Risk Appetite and tolerable risk thresholds or limits, as well as monitor and manage risk portfolio of the Bank to be within the prescribed risk limit.
- Evaluate and approve the result of self-assessment on the Bank soundness rating (Risk Based Bank Rating), including the self-assessment on the risk profile rating of the Bank.
- Assess and evaluate the internal capital adequacy of the Bank, to ensure the Bank has an adequate capital based on its risk profile.

- g. Provide forum for discussion and decision on issues, matters, and Regulatory changes impacting the risk and capital of the Bank, including approval on exceptional business decisions from established risk management policy & procedures, among other taking position or risk exposure beyond tolerable risk thresholds or limits.
- h. Review and approve Bank-wide stress test scenarios, assumptions, methodology, result, and risk mitigation actions to be taken, as well as contingent plans if needed.
- i. Develop Bank-wide risk awareness culture and foster commitment in managing risk, including enforcement of consequence management through the performance appraisal and sanction, if needed.
- j. Monitor and evaluate fraud investigation reports including follow up actions.
- k. Review and decide resolution for un-resolved issues or matters from new product and activity review process escalated by new product and activity assessment parties through Operational and Enterprise Risk Management Division.
- l. Review and approve new outsourcing activity, proposal of new Bank-wide insurance, and renewal of Bank-wide insurance.

The Work Programme of RMC and its realisation in 2019 includes but was not limited to:

No.	Work Programme	Realisation
1.	RMC meeting is held in a regular basis, with minimum of 10 (ten) meetings per year.	In 2019, RMC meetings were conducted 15 (fifteen) times.
	The topics discussed in RMC meeting are, but are not limited to: <ol style="list-style-type: none"> a. Risk Profile; b. Bank Soundness Rating; c. Risk Appetite; d. Risk Management policy, guidance and procedure; e. Capital Adequacy assessment; f. Stress Test; 	<ul style="list-style-type: none"> • Quarterly, RMC discuss related to Bank's Risk Profile, and semi-annually, discuss related to Bank Soundness Rating. • In 2019, policies and guidelines approved through RMC included Risk Appetite Framework and Statement, Business Unit Risk Appetite Statement, Recovery Plan Framework, Risk Management Framework, Capital Management Framework, Operational Risk Management Framework, Operational Risk Management Policy, Technology Risk Framework, Reputational Risk Policy, Business Continuity Management, Outsourcing Policy and Procedure, Insurance Management Policy, Anti Fraud Policy, Social Media Policy, Operations Policy, IT Security Management Policy, Market Risk Management Policy, Liquidity Risk Management Policy, Banking Book Interest Rate Risk Management Policy, General Credit Policy, Credit Discretionary Limit Framework, Credit Concentration Risk Management Policy, Asset Classification Policy, Credit Risk Management Policy, Stress Testing Policy. • The RMC discussed other significant issues relating to the Bank's risk exposure.
2.	<ol style="list-style-type: none"> g. Key Operational Risk Indicators (KORI) and potential or incident of Operational Risk which are deemed significant to the Bank's risk profile. h. Issues related to Fraud; i. Issues that are significant to the Bank's position; j. and other matters, including discussion regarding the Bank's main risks that are not covered in other Committees such as Strategic, Compliance, Legal and Reputation Risk. 	

4. Credit Policy Committee

Based on Board of Directors' Decree No. 19/SKDIR/0020 dated 21 March 2019 the composition of Credit Policy Committee (CPC) is as follows:

Credit Policy Committee Members as of 31 December 2019	
Chairman	Risk Management Director
Deputy Chairman	<ul style="list-style-type: none"> • Head of Retail Credit (related to Business Banking and PFS) • Head of Corporate Credit (related to Wholesale)
Secretary	Credit Portfolio Management Head
Permanent Members	<ul style="list-style-type: none"> • Compliance Director • Technology and Operations Director • Internal Audit Head • Head of Commercial Credit 1 • Head of Commercial Credit 2 • Business Segment Head according to CPC agenda <ul style="list-style-type: none"> - Wholesale Banking Director (related to Wholesale and Bank-wide) - Head of PFS (related to PFS and Bank-wide) - Head of Business Banking (related to Business Banking and Bank-wide) • Credit Portfolio Management Head

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CPC meeting shall be held based on the necessity of the Bank.

Roles and responsibilities of the CPC are:

Roles

- a. Provide recommendation and initial approval of Credit Policy that will be approved and enforced by Board of Directors.
- b. Oversee so that the Bank's Credit Policy can be applied and executed properly.
- c. Formulate solutions to address issues arising from the implementation of Credit Policy.
- d. Conduct regular review of Bank's Credit Policy and provide suggestion to Board of Directors if changes and improvements are needed.
- e. Monitor and evaluate the compliance with the prevailing Credit Policy, regulations and other rules in the implementation of fund provision.
- f. Monitor and evaluate the overall development and quality of the credit portfolio (including rating grade distribution, migration and exposure reports).
- g. Monitor and evaluate the effectiveness of credit risk management structure.
- h. Monitor and evaluate the correctness of authority implementation of credit discretionary limit.
- i. Provide input to the Board of Directors in determining authority of credit discretionary limit for Bank's officers.
- j. Monitor and evaluate the correctness of process, development, and quality of fund provision to the Bank's related parties and certain big debtors.
- k. Monitor and evaluate the correctness of the implementation of Legal Lending Limit (LLL) regulation.
- l. Monitor and evaluate the solution of non-performing loans in accordance with the Credit Policy.
- m. Monitor and evaluate the Bank's efforts to fulfill the adequacy of General Provision.
- n. Monitor and evaluate the adequacy of credit infrastructure owned by Bank.
- o. Approve, monitor and evaluate the implementation and execution of Internal Rating Based (IRB) Credit Risk parameter, models and scorecard.

Responsibilities

- a. Submit written reports on a regular basis to the Board of Directors (at least once a year) with a copy to the Board of Commissioners, concerning:
 - supervision report of Credit Policy implementation and execution;
 - result of monitoring and evaluation on items stated in the Duties of CPC.
- b. Provide recommendation to the Board of Directors on corrective actions with a copy to the Board of Commissioners related to items on part (a) above.

The Work Programme of CPC and its realisation in 2019 includes but was not limited to:

No.	Work Programme	Realisation
1.	Monitoring and evaluation on credit portfolio quality, stress-testing and other significant issues related to credit business.	<p>CPC periodically monitors the Bank's credit portfolio. The Bank's credit growth will be monitored for each division, namely, Unsecured Business, Mortgage and Secured Loan, Business Banking, Commercial Banking, Corporate Banking, and Financial Institutions. CPC also monitors other limits such as large exposure debtors, foreign currency loan concentration, and provision made by the Bank. Such monitoring will equip CPC with the necessary knowledge to enable it to give the right direction for Bank's credit portfolio growth.</p> <p>CPC was also kept updated on matters such as rating model review, review of stress test, and credit policy revision.</p>

No.	Work Programme	Realisation
2.	Review and provide recommendations on the revised credit policy.	<p>In 2019, the CPC held 35 (thirty-five) meetings in which General Credit Policy and Consumer Credit Policy updates were endorsed.</p> <p>The major changes were:</p> <ol style="list-style-type: none"> 1. To accommodate OJK Regulation Updates on Legal Lending Limit 2. Update on Environmental, Social, and Governance (ESG) terms and criteria on ESG checklist & ESG rating classification 3. Maximum Tenor of Derivatives Facilities 4. Fiduciary Re-registration requirement 5. Update of Potential Future Exposure (PFE) factors for FX/Derivatives and Securities Financing Transactions 6. Update on Roles & Responsibilities 7. New approving authority for credit variations <p>The CPC also approved credit policies, including:</p> <ol style="list-style-type: none"> 1. Credit Concentration Risk Management Policy Updates 2. Charge-Off Policy for Business Banking and PFS Secured (MSL) 3. Revamping Credit Risk Policy level I 4. Update in the Bank Credit Disbursement Limit Framework 5. Basel Asset Classification Policy V 4.0 6. Framework of FX Up to Spot for Wholesale Banking & Business Banking non-individual 7. Credit Card Policy Changes 8. New Financial Supply Chain Management Underwriting Framework

5. Human Resources Committee

Based on Board of Directors' Decree No. 19/SKDIR/0075 dated 23 July 2019 concerning Human Resources Committee for Head Office, the composition of Human Resources Committee (HRC) is as follows:

Human Resources Committee Members as of 31 December 2019	
Chairman	President Director
Members	<ul style="list-style-type: none"> • Deputy President Director • Finance & Corporate Services Director • Wholesale Banking Director • Head of Human Resources
Secretary	HR Business Partner (Group 3)
Permanent Invitee	<ul style="list-style-type: none"> • Technology and Operations Director
Invitees	Directors, Function Heads, and/or Other parties which have relevance to the subject of the meeting

HRC meetings are held as and when required, or at least once in every three months.

The duties and authorities of HRC are:

a. Duties

- Review and approve HR strategy to support the company's strategy and objectives.
- Review and approve HR policies which cover:
 - Recruitment and assessment
 - Organisation Development
 - Learning and development
 - Talent Management
 - Employee Performance Management
 - Reward and recognition
- To ensure the execution of HR strategy and HR policies.

b. Authorities

- Review and approve proposed key HR policies and programmes presented.
- Review HR strategies including resourcing, remuneration, retention, motivation, staff engagement and development.

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- Review and approve HR policies and programmes in talent management and succession planning.
- Review and approve identified talents for the Bank and at regional level.
- Review and approve overall staff performance rating, compensation standard and performance bonus distribution.
- Review and approve promotion guidelines and staff promotions.
- To recommend to the Remuneration and Nomination Committee the appointment or replacement of Senior Executive Officer based on competencies, capabilities and experiences, HRC can also recommend the remuneration package.

The Work Programme of HRC and its realisation in 2019 includes but was not limited to:

No.	Work Programme	Realisation
1.	HRC meetings are held as required, or at least once in every three months.	In 2019, the HRC conducted meetings in every quarter, with a total of 14 (fourteen) meetings held in the year.
2.	<p>Issues or topics discussed at the HRC meetings include, but are not limited to:</p> <ul style="list-style-type: none"> a. Recruitment and assesment; b. Organisation Development; c. Learning and development; d. Talent Management; e. Employee Performance Management; and f. Reward and recognition. 	<ul style="list-style-type: none"> a. In 2019, HRC meeting conducted staff performance and promotion calibration. HRC endorsed the guidelines of employee salary increment 2020 and performance bonus distribution for 2019. b. Discussed and decided on the follow-up on cases of violation of code of ethic and corporate values or fraud or indisciplinary by staff, which had been reviewed previously by the ethic panel. c. Endorsed the revision of HRC and ethic panel terms of reference. d. Approved the nomination of new member of Senior Executive Officer. e. Discussed the succession and talent pool to ensure the availability of successor for critical positions - Function Head, Division Head and Area Manager. f. Approved the development programmes for potential employees, among others are approved scholarship for 8 employees and professional certification programmes for 2 employees. g. Approved strategic framework for talent development, including regional assignment and monitoring of development plan execution to key talent in the Bank. h. Approved several benefit guidelines, including those relating to pension benefit management, salary scale, employee leave, material risk takers, relocation allowance, and part time work scheme. i. Approved the awardees of the UOB Honours Recognition Programme for 2019.

6. Business Continuity Management Committee

Based on Board of Directors' Decree No.19/SKDIR/0017 dated 12 March 2019 the composition of Business Continuity Management (BCM) Committee is as follows:

Business Continuity Management Committee Members as of 31 December 2019	
Chairman (Recovery Director)	Technology and Operations Director
Deputy Chairman (Alternate Recovery Director)	Finance and Corporate Services Director
Secretary	Business Continuity Management - Information Security, Technology & Operations Assurance
Permanent Members	<ul style="list-style-type: none"> • Compliance Director • Head of Global Markets • Head of Human Resources • Operational and Enterprise Risk Management Head • Strategic Communications and Brand Head • CEO Office Head • Branch Operations Control and Development Head • Customer Advocacy and Service Quality Head • Corporate Real Estate Services Head • Retail Operations Head • Wholesale & Global Market Operations Head • Business Compliance Head
Permanent Invitee	<ul style="list-style-type: none"> • Shared Infrastructures Services Head • Client Fulfillment Services Head • Branches & Corporate Support Function Audit Head • Technology Audit and Innovation Head

BCM Committee Meeting is held at least twice a year.

The duties and responsibilities of BCM Committee are:

- a. Drive BCM implementation within the Bank.
- b. Ensure effectiveness of BCM capability within the Bank.
- c. Support the policy, guidelines and strategy of BCM.
- d. Approve list of critical functions.
- e. Manage BCM particularly as related to risk management matters.
- f. Review regular reports related to BCM programme status within the Bank.
- g. Review annual BCM Assessment within the Bank.

The Work Programme of BCM Committee and its realisation in 2019 includes but was not limited to:

No.	Work Programme	Realisation
1.	Conduct BCM Committee meeting twice a year	<ul style="list-style-type: none"> • 1st BCM Committee meeting 2019 conducted on 11 July 2019 and • 2nd BCM Committee 2019 conducted on 11 December 2019.
2.	<p>Conduct following activities in annual basis:</p> <ol style="list-style-type: none"> a. Business Continuity Plan (BCP) Exercise; b. Call Tree exercise; c. ICM (Integrated Crisis Management) table top exercise; d. BCM annual attestation; e. Evacuation Drill. 	<p>These activities have been conducted as per follow:</p> <ol style="list-style-type: none"> a. BCP Exercise have been conducted successfully as below: <ul style="list-style-type: none"> • BCP Live Alternate Site & Transfer Work Exercise for Retail Loan Operations Center (RLOC) Unit was conducted on 6 November 2019 • BCP Live Alternate Site Exercise for Contact Center was conducted on 19 November 2019 • BCP Live Alternate Site Exercise for critical units in UOB Plaza was conducted on 21 November 2019 • BCP Live Alternate Site Exercise for critical units in UOB Indonesia Wahid Hasyim was conducted on 13 November 2019. b. Bank Wide Call Tree Exercise was implemented on 7 December 2019 with successful result (above 90% of all staff has been successfully contacted within 2 hours); c. Integrated Crisis Management (ICM) table top exercise was conducted on 15 July 2019; d. BCM annual attestation was approved on 11 December 2019 at the 2nd meeting of the BCM Committee; e. Evacuation Drill was conducted on 10 December 2019 for UOB Plaza and 22 November 2019 for Wahid Hasyim

7. Credit Committee

Based on Board of Directors' Decree No. 18/SKDIR/0065 dated 21 October 2018 concerning Executive Committee – Credit (EXCO) and Credit Committee (CC), the composition of the Credit Committee is as follows:

Credit Committee Members as of 31 December 2019	
Chairman	President Director
Deputy Chairman	Deputy President Director
Member	<ul style="list-style-type: none"> • Risk Management Director (does not have voting right, but to recommend only) • Head of Related Credit Approver: <ul style="list-style-type: none"> - Head of Corporate Credit - Head of Commercial Credit 1^a - Head of Commercial Credit 2^a - Financial Institution Credit Head - Head of Retail Credit^b
Secretary	<ul style="list-style-type: none"> • Related Credit Approval Division

^a For Commercial Banking credit proposal.

^b For Business Banking & PFS credit proposal

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CC meetings are held when necessary.

Discretionary authority of CC is to provide credit decision in accordance with its discretionary limit that includes on all types of exposures, direct and/or contingent, such as exposures to counterparties and customers arising from lending/financing, underwriting/syndication, securities (loan replacement), derivative instruments, settlement risks, interbank limit, End Financing (EF) mortgages limit and other product programme.

In 2019, 447 credit proposals were submitted to the Credit Committee, consisting of 128 proposals from Corporate Banking segment, 209 proposals from the Commercial Banking segment, 65 proposals from Financial Institution, 33 proposals from Special Asset Management and 12 proposals from the Retail Credit segment.

8. Information Technology Committee

Based on Board of Directors' Decree No.19/SKDIR/0071 dated 18 July 2019 concerning PT Bank UOB Indonesia Information Technology Committee, the composition of Information Technology Committee (ITC) is as follows:

Information Technology Committee Members as of 31 December 2019	
Chairman	President Director
Deputy Chairman	Technology and Operations Director
Member	<ul style="list-style-type: none"> • Deputy President Director • Finance and Corporate Services Director • Risk Management Director • Compliance Director • CEO Office Head
Invitee	<ul style="list-style-type: none"> • Branch Operations Control & Development Head • The ITC may invite other Directors, function heads, and/or other parties that have relevance to the subject of the meeting.

ITC meeting shall be held on regular basis, at least 4 (four) times a year.

Duties, authorities and responsibilities of IT Committee are as follows:

a. Duties and Responsibilities

- Assisting the Bank in deciding and supervising the Bank's investments in the field of IT, and also being responsible for developing infrastructure, IT security and strategic plans for information technology, while ensuring that everything is in line with the business strategy of the Bank.
- Discussing specific plans on information technology development, either existing or new.
- Discussing the policies in relation to the utilisation of information technology such as utilisation of software, hardware, and professional service to be engaged.
- Assisting the Bank in directing, overseeing and managing information technology security risk in accordance with technology security policies.
- Reviewing the progress of IT key activities on periodical basis, in order to ensure sufficient Bank resources to support the IT key activities and to resolve issue arising from those IT key activities.
- Assuming responsibility for duties and responsibilities delegated as established in this Decree.

b. Authorities

- Approve information technology development plans, either existing or new;
Note :
Expenses will remain governed by the SOP for Requisition, Procurement and Payment through Procurement and Expense Management System (PEMS).
- Approve policies in relation to strategy or utilisation of information technology such as utilisation of software, hardware, and professional services to be engaged;
- Set priorities for IT developments which are strategic, compliance, business or customer service in nature;
- Approve, based on prevailing guidelines of IT security, any risk deviation from standard policy in utilisation of technology as a result of security risk assessment report.

The Work Programme of ITC and its realisation in 2019 includes but was not limited to:

No.	Work Programme	Realisation
1.	Conducted routine meetings to review and approve IT investment (for purchase of equipment and IT projects implementation), monitoring of IT strategic projects, and approve strategic IT policy.	<p>ITC conducted 9 (nine) meetings to review and approve IT investments, with details of agenda of discussion as follows:</p> <ol style="list-style-type: none"> 1. PLN Online Query Bank Guarantee Application: 2. Retail Inventory Management System (RIMS) to engage independent consultant for conducting vendor assessment 3. Host Security Module (HSM) Key Security Renewal 4. VISA April 2019 Compliance 5. Branch Communication Link - To seek ratification of the typo-error on slide and minutes. 6. RBK – Streamline Overnight Batch 7. Post Implementation Review (PIR) One Account 8. National Clearing System (SKN) Direct Debit (phase 1) 9. GWB CRM Key Enhancements for 2019. 10. UOB Indonesia Retail Bond Online (Previously Named Host to Host with Ministry of Finance). 11. Customer Management System (CMS). 12. Enhancement on Financial Information Services System (SLIK). 13. Enhancement on IFRS9's engines. 14. UOB Asset Management IT Integration 15. IT Client Support Managed Services 16. System Center Configuration Manager (SCCM) Upgrade 17. CMS Exploration 18. PLN Online Query Bank Guarantee Application: 19. Update: IT Asset Disposal. 20. Update: System Center Configuration Manager (SCCM) 21. Straight Through Process BI SKN 22. Web Appraisal approval for Vendor Selection principal approval for local vendor selection 23. Transaction Banking – New Current Account (CA)/Saving Account (SA) product code for special account Foreign Exchange Proceeds from Export of Natural Resources (RekSus DHE SDA) 24. Cash Management Roadmap Notation for CR and Supplementary Budget (P9) 25. UOB Asset Management IT Integration - To get approval from ITC on UOB Indonesia charging to UOB AM Indonesia with amount of \$5 251,65 per user per month 26. Value Based Management (VBM) - To seek principal approval from IT Steering Committee to kick start project 27. Global Markets Platform (MUREX) - revised Business Case (including PIR tracking approach) and revised Vendor Evaluation Report. 28. Power Lender Consumer Engine (PLCE) Decision Management System (DMS) Secured & Unsecured Policy Rules Update and Revision – CR025. 29. PLCE DMS Secured & Unsecured Policy Rules Update and Revision – CR032. 30. IMSVA & IWSVA Replacement. 31. New CA/SA Product code for special account Foreign Exchange Proceeds from Export of Natural Resources (Reksus DHE – SDA) 32. Implementation of Application Programming Interface (API) 33. MIS Finance Server Tech Refresh 34. Technology Refreshment - Tier 1 & 2 Firewall Replacement (replacement McAfee to Palo Alto) – for phase 1 only 4 Firewall (of 12 firewall) 35. Cardlink enhancement to decline domestic transactions without PIN 36. SVS Upgrade. 37. HSM Replacement. 38. SIEM upgrade 39. UOB Indonesia AS400 In-Country Tech Refresh. 40. State Revenue Module (MPN) Tech Refresh 41. Update from Technology: UOBI Technology Obsolescence Update. 42. E-Commerce Loan (Digital Banking Project). 43. PLCE DMS Secured & Unsecured Policy Rules Update and Revision 44. Electronic-Export Transaction Details (e-RTE) 45. Client On-Boarding 46. BizSmart Host-to-Host 47. Update from Technology: IMSVA & IWSVA Budget Rate Issue. 48. Update from Retail Credit Management: Credit Card Restructuring Approach. 49. Update from Business Technology & Operations 1 & 2: Recap B2019 Project 50. API Implementation 51. Data Warehouse Server Tech Refresh 52. Update: DC Interconnect DWDM 53. UOB Indonesia BGP/ ASN – Internet Improvement 54. UOB Indonesia IT Roadmap 55. Update: Branch Cabling Tidy-up

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9. Anti-Money Laundering Committee

Based on Board of Directors' Decree No. No.19/SKDIR/0093 dated 16 September 2019 concerning Anti-Money Laundering Committee, the composition of Anti-Money Laundering Committee (AMLC) is as follows:

Anti-Money Laundering Committee Members as of 31 December 2019	
Chairman (also act as member)	Compliance Director
Deputy Chairman	Head of Commercial Banking
Member	<ul style="list-style-type: none"> • Retail Operations Head • Head of Personal Financial Services & Digital Bank • Head of Business Banking • Head of Corporate Banking • Head of Financial Institution • Branch Operations Control & Development Head • Operational and Enterprise Risk Management Head • Compliance Head • Business Compliance Head
Permanent Invitees	<ul style="list-style-type: none"> • Internal Audit Head • Branches & Corporate Support Functions Audit Head
Invitees	AMLC may invite other Directors, Function Heads, and/or other parties which have relevance to the subject of the meeting to provide inputs.

AMLC shall meet on a monthly basis and meetings may be conducted more often when a decision in line with its duty, authority and responsibility is required. In this case, the AMLC secretary will initiate a meeting/request for approval via circulation.

For urgent AML/Sanctions cases that require immediate attention, ad-hoc meetings will be called. In the event that such meetings cannot be convened, the cases will be circulated to the AMLC members via e-mail or members that participate via teleconference.

Duties, authorities and responsibilities of AMLC are to:

- a. Review and endorse changes to core tenets of, and deviations from, the Bank's Policy on the Anti-Money Laundering and Countering of Terrorism Financing and Sanctions (AML/CFT and Sanctions);
- b. Review and endorse Sanction Directives, in line with the applicable AML/CFT and Sanctions framework;
- c. Approve the on-boarding of prospective or the continuation of an existing relationship with specific customers deemed to pose higher reputation and ethical risks to the Bank;
- d. Manage, arbitrate and decide on conflicts arising from differing views between Business Function and Compliance Function on customer acceptance of specific new customers, and the retention of existing customer;
- e. Approve account closure arising from the associated AML/CFT and Sanctions compliance risk exposure associated with specific existing customers;
- f. Approve any significant AML/CFT and Sanctions related matter that increases money laundering or terrorist financing risk exposure to the Bank;
- g. Approve any AML/CFT and Sanctions controls implementation that pose high AML/CFT risks and approve the compensating AML/CFT controls for implementation;
- h. Provide a forum for the Board of Directors discussion and decision on any reputational and regulatory compliance issues relating to money laundering, terrorist financing and sanctions.
- i. Review and provide guidance on significant weakness in processes and inspection/audit issues noted in the Bank.

During 2019, AMLC held 6 (six) meetings and granted approval via circulation 6 (six) times. No significant AML/CFT and Sanctions case was escalated to the AMLC.

Pursuant to the regulation as stipulated in OJK Circular Letter No.30/SEOJK.04/2016 dated 3 August 2016 regarding Annual Report Form and Content of the Issuer or Public Company, the following are information of the Directors Committees as of 31 December 2019

No	Position	Name	Nationality	Age	Education Background	Work Experience (with last held position)
1	<ul style="list-style-type: none"> • President Director • Chairman of EXCO • Chairman of ALCO • Chairman of HRC • Chairman of ITC • Chairman of Credit Committee 	Lam Sai Yoke				Information on nationality, age, education background and work experience are provided in the Board of Directors Profile in page 403.
2	<ul style="list-style-type: none"> • Deputy President Director • Deputy Chairman of EXCO • Deputy Chairman of ALCO • Deputy Chairman of Credit Committee • Permanent Member of RMC • Member of ITC • Permanent Member of HRC 	Hendra Gunawan				Information on nationality, age, education background and work experience are provided in the Board of Directors Profile in page 403.
3	<ul style="list-style-type: none"> • Finance and Corporate Services Director • Deputy Chairman of BCM • Deputy Chairman of EXCO • Deputy Chairman of RMC • Permanent Member of HRC • Permanent Member of ALCO • Member of ITC 	Teh Han Yi				Information on nationality, age, education background and work experience are provided in the Board of Directors Profile in page 404.
4	<ul style="list-style-type: none"> • Compliance Director • Chairman of AMLC • Permanent Member of RMC • Permanent Member of BCM Committee • Member of ITC • Permanent Member of CPC 	Soehadie Tansol				Information on nationality, age, education background and work experience are provided in the Board of Directors Profile in page 405.
5	<ul style="list-style-type: none"> • Risk Management Director • Chairman of RMC • Chairman of CPC • Permanent Member of ALCO • Member of ITC • Permanent Member of Credit Committee 	Henky Sulisty				Information on nationality, age, education background and work experience are provided in the Board of Directors Profile in page 404.
6	<ul style="list-style-type: none"> • Technology and Operations Directors • Chairman of BCM Committee • Deputy Chairman of ITC • Permanent Member of EXCO • Permanent Member of CPC • Permanent Member of RMC 	Paul Rafiuly				Information on nationality, age, education background and work experience are provided in the Board of Directors Profile in page 405.
7	<ul style="list-style-type: none"> • Wholesale Banking Director • Permanent Member of ALCO • Permanent Member of CPC • Permanent Member of RMC • Permanent Member of HRC 	Harapman Kasan				Information on nationality, age, education background and work experience are provided in the Board of Directors Profile in page 406.

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No	Position	Name	Nationality	Age	Education Background	Work Experience (with last held position)
8	<ul style="list-style-type: none"> Head of Global Markets Permanent Member of ALCO Permanent Member of BCM Committee 	Sonny Samuel	Indonesia	50	<ul style="list-style-type: none"> 2018, Master Degree, Universitas Bina Nusantara 	<ul style="list-style-type: none"> 1990 - 1994, Deutsche Bank Indonesia as Treasury Dealer 1994 - 1997, Bank of America as Head Treasury Marketing 1997 - 1998, Barclays Capital as Associate Director 2000 - 2004, Standard Chartered Bank as Head Sales and Marketing 2004 - 2009, RBS Indonesia as Treasury Director 2009 - 2011, Rabobank Intl as Treasury Director 2011 - 2014, PT. Bank CIMB Niaga Indonesia, Tbk as Head Global Marketing 2014 - 2018, PT. Bank ANZ Indonesia as Head of Global Markets 2018 - Present, PT Bank UOB Indonesia as Head of Global Markets <p>Has more than 29 years of experience in banking.</p>
9	<ul style="list-style-type: none"> Head of Personal Financial Services & Digital Banking Permanent Member of ALCO Member of AMLC Permanent Member of CPC Permanent Member of RMC 	Khoo Chock Seang	Malaysia	64	<ul style="list-style-type: none"> 1977, Bachelor of Economics, University of Malaya, Malaysia 	<ul style="list-style-type: none"> 1977 - 1981, Lee Wah Bank, Ltd (Malaysia) as Branch Manager 1981 - 2001, Pacific Bank as Head, Sales Management 2001 - 2002, United Overseas Bank as Head, Consumer Banking 2002 - 2018, United Overseas Bank Malaysia Bhd as Head, Sales & Distribution (PFS) 2018 - Present, PT Bank UOB Indonesia as Head of PFS & Digital Bank <p>Has more than 41 years of experience in banking.</p>
10	<ul style="list-style-type: none"> Head of Business Banking Permanent Member of ALCO Member of AMLC Permanent Member of CPC Permanent Member of RMC 	Kan Ngee Fei	Malaysia	45	<ul style="list-style-type: none"> 1998, Bachelor of Engineering, National University of Singapore, Singapore 2012, Master of Business Administration, Manchester Business School, The University of Manchester, United Kingdom 	<ul style="list-style-type: none"> 1998 - 2000, SembCorp Industries Ltd as Project Engineer 2000 - 2003, Aretae Pte Ltd as Project Manager, Telecommunication & Financial Industries 2003 - 2005, Canon Singapore Pte Ltd as Team Leader, Enterprise Solutions For Financial Industry 2005 - 2013, Standard Chartered Bank as VP, Team Head Medium Enterprise, SME Banking 2013 - 2018, United Overseas Bank as Executive Director, Group Sales Management 2018 - Present, PT Bank UOB Indonesia as Head of Business Banking <p>Has more than 21 years of experience in finance & accounting and banking.</p>
11	<ul style="list-style-type: none"> Head of Commercial Banking Deputy Chairman of AMLC Permanent Member of ALCO 	Tonny Timor Basry	Indonesia	44	1997, Bachelor Degree, Indiana State University	<ul style="list-style-type: none"> 1997 - 2004, OCBC Bank Ltd Singapore as Assistant Vice President 2004 - 2006, Standard Chartered Bank China as Head of Sales 2006 - 2009, Standard Chartered Bank Indonesia as General Manager for SME Banking 2009 - 2015, UOB Singapore with last position as Commercial Banking - Industry Group Head 1 2016 - present, UOB Indonesia as Head of Commercial Banking <p>Has more than 23 years of experience in banking.</p>

No	Position	Name	Nationality	Age	Education Background	Work Experience (with last held position)
12	<ul style="list-style-type: none"> Head of Transaction Banking Permanent Member of ALCO 	W. Kartyono	Indonesia	41	1999, Bachelor Degree, University of Tarumanegara	<ul style="list-style-type: none"> 1999 - 2005, Bank Central Asia, Trade & Payment Specialist at International Banking Division 2005 - 2010, Bank DBS Indonesia as Head of Trade Finance Sales 2010 - 2010, ANZ Panin Bank as Head of Trade and Supply Chain Sales 2010 - present, UOB Indonesia with last position as Head of Transaction Banking <p>Has more than 20 years of experience in banking.</p>
13	<ul style="list-style-type: none"> Head of Financial Institution Permanent Member of ALCO Member of AMLC 	Jenny Lesmana	Indonesia	49	<ul style="list-style-type: none"> 1992, Bachelor Degree, Universitas Trisakti 1995, Master Degree, Prasetya Mulya Business School 	<ul style="list-style-type: none"> 1992 - 1994, Bank Dharmala as Head Teller/Assistant to Head Operations 1995 - 2002, Pemingkat Efek Indonesia as Senior Manager, Rating Division 2002 - 2018, Citibank, N.A as Director, Head of Financial Institutions 2018 - Present, PT Bank UOB Indonesia as Head of Financial Institution <p>Has more than 27 years of experience in banking and other industries.</p>
14	<ul style="list-style-type: none"> Head of Retail Credit Member of Credit Committee 	Rudy Widjaja	Indonesia	48	1992, Bachelor Degree, Iowa State University	<ul style="list-style-type: none"> 1992 - 1995, Seagate Technology Singapore as Industrial Engineer 1995 - 1996, PT Indo Airo Sugih Indonesia as Business Development Manager 1996 - 2006, Citibank Indonesia as Country Collections Head 2006 - 2008, Citifinancial Japan, Collections Head 2008 - 2014, Citibank Phillipines & Guam, Credit Operations Director 2014 - 2016, Citibank Indonesia, Credit Operations Director 2016 - present, UOB Indonesia as Head of Retail Credit <p>Has more than 27 years of experience in banking and other industries.</p>
15	<ul style="list-style-type: none"> Central Treasury Unit Head Permanent Member of ALCO 	Stanly Gunawan	Indonesia	36	2006, Bachelor of Science in Business Administration MIS & Finance, The University of Arizona, USA	<ul style="list-style-type: none"> 2006 - 2007, Lufthansa Systems as Software/System Developer 2007 - 2011, Standard Chartered Bank as Senior Assistant Manager , ALCO Support (Country Finance) 2011 - 2014, PT Bank Commonwealth as Senior Manager, ALCO & Treasury Analytics (Global Market, Treasury) 2014 - 2016, PT. Bank ANZ Indonesia as AVP, ALM Financial & Governance (Finance) 2016 - 2018, PT Bank Commonwealth as VP, Head of ALM & Portfolio Management 2018 - Present, PT Bank UOB Indonesia as Central Treasury Unit Head <p>Has more than 13 years of experience in banking.</p>
16	<ul style="list-style-type: none"> Retail Liabilities Product Head Permanent Member of ALCO Permanent Member of RMC 	Jenny Hadikusuma	Indonesia	46	1997, Bachelor Degree, University of Surabaya	<ul style="list-style-type: none"> 1992 - 1996, Colliers Jardine International, Marketing Executive 1996 - 1997, Mal Galaxy, Marketing & PR Executive 1997 - 1999, Jones Lang La Salle, Assistant Manager 2000 - 2001, Hyatt Regency Surabaya, Manager 2001 - 2005, PT Broadband Multimedia, Corp Sales & Customer Manager 2008 - 2019, UOB Indonesia as Retail Liabilities Product Head 2019 - present: Strategic Human Resources Head <p>Has more than 28 years of experience in banking and other industries.</p>

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No	Position	Name	Nationality	Age	Education Background	Work Experience (with last held position)
17	<ul style="list-style-type: none"> Head of Human Resources Permanent Member of BCM Permanent Member of RMC Permanent Member of HRC 	Ani Pangestu	Indonesia	54	<ul style="list-style-type: none"> 1990, Bachelor Degree, Kennedy Western University, Wyoming, USA 1991, Master Degree, Kennedy Western University (Distance Learning) 	<ul style="list-style-type: none"> 1991 - 2000, Asia Pulp & Paper, Senior Human Resources Manager 2000 - 2002, HM Sampoerna, Head of Human Resources & Development Surabaya 2002 - 2003, Bentoel Prima Indonesia, GM Human Resources Development 2003 - 2008, Dexa Medica, Head of Human Resources 2008 - 2010, PT Bank CIMB Niaga, Tbk, Head of HR Strategy 2010 - 2012, GE Finance Indonesia, HR, Legal & Compliance Director 2012 - 2015, BII Maybank, Human Capital Director 2015 - present, UOB Indonesia, Head of Human Resources <p>Has more than 27 years of experience in banking and other industries.</p>
18	<ul style="list-style-type: none"> Operational & Enterprise Risk Management Head Secretary of RMC Member of BCM Committee Member of AMLC 	Jemy Kristian Soegiarto	Indonesia	43	<ul style="list-style-type: none"> 1990, Bachelor Degree, Surabaya Institute of Technology 2005, Master Degree, Sepuluh November Institute of Technology 	<ul style="list-style-type: none"> 2000 - 2007, PT Bank Central Asia, Senior Audit Officer 2007 - 2010, PT Bank Danamon, Audit Development Head 2010 - 2015, PT Bank CIMB Niaga, Audit Group Head 2015 - 2017, PT Bank Maybank Indonesia, Non-Retail Credit QA, Policy, and Portfolio Monitoring 2017 - present, PT Bank UOB Indonesia as Operational & Enterprise Risk Management Head <p>Has more than 20 years of experience in banking.</p>
19	<ul style="list-style-type: none"> Strategic Communication and Brand Head Permanent Member of BCM Committee 	Maya Rizano	Indonesia	55	1987, Bachelor Degree, University of Hartford, USA	<ul style="list-style-type: none"> 1988 - 1996, PT. Unilever Indonesia as Marketing Manager 1996 - 1997, Danone International Brands as Marketing Head 1997 - 2001, PT. Excelcomindo Pratama as General Manager Marketing Communications 2001 - 2007, Bank Citibank as Vice President, Head of Marketing Communications 2007 - 2009, Bank Internasional Indonesia as Vice President, Head of Brand and Marketing 2009 - 2011, Barclays Bank Indonesia as Head of Corporate Affairs and Marketing 2015 - Present, PT Bank UOB Indonesia as Strategic Communications & Brand Head <p>Has more than 30 years of experience in banking and other industries.</p>
20	<ul style="list-style-type: none"> CEO Office Head Permanent Member of RMC Permanent Member of BCM Member of ITC 	Endang Santi	Indonesia	40	<ul style="list-style-type: none"> 2002, Bachelor Degree, Bogor Institute of Agriculture 2009, Master Degree, Bogor Institute of Agriculture 	<ul style="list-style-type: none"> 2001 - 2002, Lembaga Penelitian IPB as Research Assistant 2002 - 2010, PT Bank OCBC NISP, Tbk as Senior Manager Treasury Business 2010 - Present, PT Bank UOB Indonesia as CEO Office Head <p>Has more than 18 years of experience in banking.</p>
21	<ul style="list-style-type: none"> Customer Advocacy and Service Quality Head Permanent Member of BCM Committee 	Amelia Ragamulu	Indonesia	50	1993, Bachelor Degree, Bogor Institute of Agriculture	<ul style="list-style-type: none"> 2009 - 2010, ABN Amro Bank as Head of Client Loyalty for Branch Banking, Wealth Management, Private Client and Credit Retention Unit 2010 - 2016, PT Bank Maybank Indonesia as Head of Centralised Customer Care 2016 - Present, PT Bank UOB Indonesia as Customer Advocacy and Service Quality Head <p>Has more than 22 years of experience in banking.</p>
22	<ul style="list-style-type: none"> Corporate Real Estate Services Head Permanent Member of BCM Committee 	Stella Damayanti	Indonesia	44	1999, Bachelor Degree, Parahyangan Catholic University	<ul style="list-style-type: none"> 2002 - 2005, PT. Ahara Prima Design as Project Coordinator 2005 - 2007, Jones Lang Salle Indonesia as Senior Project Manager 2007 - 2016, DBS Indonesia as VP, Capex, Portfolio and Lease/ Transaction Head (CRE Dept) 2016 - 2018, HSBC as SVP, Head of Corp Real Estate 2018 - Present, PT Bank UOB Indonesia as Corporate Real Estate Services Head <p>Has more than 18 years of experience in banking and other industries.</p>

No	Position	Name	Nationality	Age	Education Background	Work Experience (with last held position)
23	<ul style="list-style-type: none"> Retail Operations Head Member of AMLC Permanent Member of BCM Committee 	Juliando Menachem	Indonesia	42	<ul style="list-style-type: none"> 2001, Bachelor Degree, Trisakti University 2005, Master Degree, University of Indonesia 	<ul style="list-style-type: none"> 2002 - 2003, Sharp Electronic Indonesia as Production Engineer 2004 - 2007, Citibank as Credit Initiation 2008 - 2015, Standard Chartered Bank as Operational Unit Risk Manager 2016 - 2017, PT Bank BNP Paribas Indonesia as Senior VP, Operations & Client Management 2018 - Present, PT Bank UOB Indonesia as Retail Operations Head <p>Has more than 16 years of experience in banking.</p>
24	<ul style="list-style-type: none"> Wholesale and Global Market Operations Head Permanent Member of BCM Committee 	Wienda Trifena Widjaja	Indonesia	50	1992, Bachelor Degree, Parahyangan Catholic University	<ul style="list-style-type: none"> 1993 - 1996, PT. Bank Umum Sevitia TBK as Senior Admin Marketing and Credit 1996 - 2000, PT. Bank Internasional Indonesia TBK as Origination Department, Capital Markets Division 2000 - 2004, The Indonesia Bank Restructuring Agency (IBRA) as Asset Management Credit 2006 - 2017, PT Bank Commonwealth as Head of Operations 2017 - Present, PT Bank UOB Indonesia as Wholesale & GM Operations Head <p>Has more than 26 years of experience in banking.</p>
25	<ul style="list-style-type: none"> Business Compliance Head Permanent Member of BCM Committee Permanent Member of AMLC 	Hendrik Lambertus	Indonesia	54	1991, Bachelor Degree, University of Indonesia	<ul style="list-style-type: none"> 1991 - 1995, Public Accounting Firm Arthur Andersen - Prasetyo Utomo & Co as Audit Supervisor 1995 - 2000, Bank Universal as Product Development-Business 2000 - 2001, Amir Abadi Jusuf (AAJ) RSM International Public Accounting Finance as Manager 2001 - 2007, Citibank as Compliance & Control – Global 2007 - 2010, HSBC as Vice President Operational Risk 2010 - Present, PT Bank UOB Indonesia as Business Compliance Head <p>Has more than 29 years of experience in finance & accounting and banking.</p>
26	<ul style="list-style-type: none"> Internal Audit Head Permanent Member of RMC Permanent Member of CPC 	Dawny Rachella Tahar	Indonesia	53	1990, Bachelor Degree, Bogor Institute of Agriculture	<ul style="list-style-type: none"> 1990 - 1992, PT. Bank Bukopin, Tbk as Internal Control Officer 1992 - 2017, Standard Chartered Bank as Country Head of Audit 2018 - Present, PT Bank UOB Indonesia as Internal Audit Head <p>Has more than 30 years of experience in banking.</p>
27	<ul style="list-style-type: none"> Head of Commercial Credit 2 Permanent Member of Credit Committee Permanent Member of CPC 	FX Yanto Edy Umar	Indonesia	47	1996, Bachelor Degree, Bandung Institute of Technology	<ul style="list-style-type: none"> 1999 - 2001, PT Bank Fuji Internasional Indonesia as Business Plan Supervisor 2001 - 2004, PT Bank Mizuho Indonesia as Officer Business Development 2006 - 2007, PT Bank OCBK Indonesia as AVP Credit & Marketing Dept. 2007 - 2009, PT Fitch Ratings Indonesia as Associate Director 2009 - 2016, PT Bank Danamon Indonesia as Wholesale Business Head 2016 - 2017, PT Bank Permata as Head Business Credit Analyst & Portfolio Mgt 2017 - present, PT Bank UOB Indonesia as Head of Commercial Credit 2 <p>Has more than 20 years of experience in banking.</p>

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No	Position	Name	Nationality	Age	Education Background	Work Experience (with last held position)
28	<ul style="list-style-type: none"> Head of Commercial Credit 1 Permanent Member of Credit Committee Permanent Member of CPC 	Siswo Soebianto Iksan	Indonesia	53	1990, Bachelor Degree, Satya Wacana Christian University	<ul style="list-style-type: none"> 1988 - 1990, Satya Wacana Christian University as Lecturer 1990 - 1994, PT Bank Danamon Indonesia as Account Officer 1994 - 2000, PT Bank Tiara Asia as Head of Treasury & Internal Division 2000 - 2010, PT Bank Internasional Indonesia as Corporate Credit Portfolio Head 2010 - 2017, PT Bank Danamon Indonesia as Senior Credit Officer 2017 - present, PT Bank UOB Indonesia as Head of Commercial Credit 1 <p>Has more than 31 years of experience in banking & education.</p>
29	<ul style="list-style-type: none"> Head of Corporate Credit Deputy Chairman of CPC Permanent Member of Credit Committee 	Ratnasari Kartawiria	Indonesia	55	1989, Bachelor Degree, California State University	<ul style="list-style-type: none"> 1990, PT Nikko Securities as Corporate Finance Officer 1991 - 2008, ABN Amro Bank as Head of Credit Portfolio Management 2008 - 2011, The Royal Bank of Scotland as Head of Transactional & Portfolio 2011 - present, PT Bank UOB Indonesia as Head of Corporate Credit <p>Has more than 28 years of experience in banking.</p>
30	<ul style="list-style-type: none"> Financial Institution (FI) Credit Head Permanent Member of Credit Committee 	Edi Wijaya	Indonesia	39	2003, Bachelor Degree, Charles Sturt University	<ul style="list-style-type: none"> 2003 - 2003, PT Mars Cargo Indonesia as Finance & Accounting Officer 2004 - 2009, PT Bank Lippo as Non-Bank Financial Institutions Credit Analyst 2009 - 2018, PT Bank CIMB Niaga as FI & NBF Credit Analyst Head 2018 - present, PT Bank UOB Indonesia as FI Credit Head <p>Has more than 16 years of experience in banking.</p>
31	<ul style="list-style-type: none"> Credit Portfolio Management Head Secretary of CPC Committee 	Yanuar Maulana Yusuf	Indonesia	39	<ul style="list-style-type: none"> 2004, Bachelor Degree, Bandung Institute of Technology 2017, Master Degree, Bina Nusantara University 	<ul style="list-style-type: none"> 2005 - 2018, PT Bank Permata TBK as VP Head MIS – Special asset Management 2018 - Present, PT Bank UOB Indonesia as Credit Portfolio Management Head <p>Has more than 14 years of experience in banking and other industries.</p>
32	<ul style="list-style-type: none"> Legal Head Permanent Member of RMC 	Irvan Gunardwi	Indonesia	48	<ul style="list-style-type: none"> 1993, Bachelor Degree, Brawijaya University 2005, Master Degree, University of Indonesia 	<ul style="list-style-type: none"> 1994 - 1995, Shipping Line Company, Export Dep Officer 1995 - 2003, Bank Bali, Dept Head in Corp Legal & Compliance Dept 2000 - 2003, Bank Permata, Head of Advisory & Monitoring 2003 - 2010, BII Maybank, General Legal Counsel & Corp Secretary Div Head 2010 - 2014, Bank DBS, Head of Legal - CBG 2014 - present, UOB Indonesia as Legal Head <p>Has more than 26 years of experience in banking and other industries.</p>
33	<ul style="list-style-type: none"> Branch Operations Control and Development Head Member of AMLC Permanent Member of BCM Committee 	Susan Kwanto	Indonesia	49	1992, Bachelor Degree, Sriwijaya University	<ul style="list-style-type: none"> 1992 - 2016, PT Bank UOB Indonesia as Corporate Planning Division Head 2017 - 2017, PT Bank UOB Indonesia as TNO Service Management Head 2017 - 2017, PT Bank UOB Indonesia as Business T&O Head - Group 1 2017 - Present, PT Bank UOB Indonesia as Branch Operations Control & Development Head <p>Has more than 28 years of experience in banking.</p>
34	<ul style="list-style-type: none"> Market and Balance Sheet Risk Management Head Secretary of ALCO Committee 	Ivan Pidyananda	Indonesia	48	<ul style="list-style-type: none"> 1996, Bachelor Degree, Padjajaran University 2000, Master Degree, University of Indonesia 	<ul style="list-style-type: none"> 2011 - 2017, Commonwealth Bank as Act. Head of Treasury Process and Control 2017 - Present, PT Bank UOB Indonesia as Market and Balance Sheet Risk Management Head <p>Has more than 22 years of experience in banking.</p>

No	Position	Name	Nationality	Age	Education Background	Work Experience (with last held position)
35	<ul style="list-style-type: none"> Business Continuity Management Head Secretary of BCM Committee 	Bonifasius Abiseka Putuhena	Indonesia	32	2012, Bachelor Degree, Parahyangan Catholic University	<ul style="list-style-type: none"> 2014, Commonwealth Bank as Business Continuity Management Assistant Manager 2014, PT. Bank OCBC NISP as Business Continuity Management Assistant Manager 2014 - 2017, PT AIA Financial as Business Continuity and Technology Risk Manager 2017 - Present, PT Bank UOB Indonesia as Business Continuity Management Head Has more than 7 years of experience in banking.
36	<ul style="list-style-type: none"> Corporate Secretary Secretary of EXCO Committee 	Susilowati	Indonesia	38	<ul style="list-style-type: none"> 2003, Bachelor Degree, Tarumanegara University 2009, Master Degree, Trisakti University 	<ul style="list-style-type: none"> 2004 - 2013, PT Bank Victoria Indonesia as Corporate Secretary 2014 - Present, PT Bank UOB Indonesia as Corporate Secretary Head Has more than 15 years of experience in banking.
37	<ul style="list-style-type: none"> Shared Infrastructure Services Head Secretary of ITC 	Yusar	Indonesia	40	<ul style="list-style-type: none"> 2004, Bachelor Degree, Bina Nusantara University 2011, Master Degree, Bina Nusantara University 	<ul style="list-style-type: none"> 2012 - 2013, PT Bank ANZ Indonesia as Technology Business Performance 2013 - 2015, PT Multi Adiprakarsa Manunggal as PMO and Service Delivery 2015 - 2017, PT Bank Rabobank International Indonesia as Head of IT Infrastructure and Service Management 2017 - Present, PT Bank UOB Indonesia as Shared Infrastructure Services Head Has more than 11 years of experience in banking.

Note:

- EXCO : Executive Committee
- ALCO : Assets & Liabilities Committee
- RMC : Risk Management Committee
- CPC : Credit Policy Committee
- BCM : Business Continuity Management
- AMLC : Anti-Money Laundering Committee
- ITC : Information Technology Committee

III. Corporate Secretary

The Corporate Secretary is the officer responsible to the Board of Directors, and acts as the liaison between the Bank and the Bank internal parties, authorised institutions affiliated with the Bank, Bank external parties and investors. The Bank appoints the Corporate Secretary to assist the Board of Commissioners and Board of Directors in carrying out the duties and responsibilities of each related to the implementation of GCG and to manage communications to interested parties (stakeholders), both internally and externally.

A. Appointment of Corporate Secretary

The Corporate Secretary is appointed by the Board of Directors. Currently, the office of the Corporate Secretary is held by Susilowati, who has officially served since the date of June 25, 2015 by virtue of Board of Directors' Decree No.15/DIR/0021. In the organisational structure of the Bank, the Corporate Secretary reports directly to the Director of Finance and Corporate Services.

Susilowati is domiciled in Jakarta and graduated with a Bachelor Degree in Management from Tarumanegara University Jakarta in 2003 and received a Master Degree in Accounting from Trisakti University Jakarta in 2009. Susilowati started her career in 2004 at PT Bank Victoria International Tbk and last held the position of Corporate Secretary.

B. Development of Competencies of Corporate Secretary

Ms. Susilowati has participated in competency development programmes namely Risk Management Certification Levels 1, 2, and 3 from Indonesia's Risk Management Certification Body.

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In addition, she attended various trainings/ seminars/ workshops in 2019 as set out in the following table:

Workshop/ Training/ Seminar	Organiser
Seminar ICSA dan PT Bursa Efek Indonesia “Yang Perlu Diperhatikan oleh Corporate Komite, Corporate Secretary dan Internal Audit”	PT Bursa Efek Indonesia
Board Gender Diversity in ASEAN	PT Bursa Efek Indonesia & International Finance Corporation
Leadership Right by You	UOB Indonesia
ASEAN Corporate Governance Scorecard Workshop	PT Bursa Efek Indonesia & International Finance Corporation

C. Duties and Responsibilities of Corporate Secretary

Corporate Secretary must at least have the function as referred to in Financial Services Authority (OJK) Regulation No.35/POJK.04/2014 regarding Corporate Secretary of Issuing Companies or Public Companies and Functions of Corporate Secretary, as follows:

1. To stay abreast with the developments of Capital Market, particularly the laws and regulations applicable in the field of Capital Market;
2. To provide inputs to the Board of Directors and Board of Commissioners of the Issuing Company or Public Company in order to comply with the provisions of laws and regulations in the field of Capital Market;
3. To assist the Board of Directors and the Board of Commissioners in implementing good corporate governance, which includes:
 - i. Information transparency to the public, including availability of information on the Website of the Issuing Company or Public Company;
 - ii. Submission of reports to the Financial Services Authority in a timely manner;
 - iii. Conduct and documentation of General Meeting of Shareholders;
 - iv. Conduct and documentation of Board of Directors and/or Board of Commissioners meetings; and
 - v. Implementation of corporate orientation programme for the Board of Directors and the Board of Commissioners.
4. Liaison between the Bank and the shareholders of the Issuing Company or Public Company, the Financial Services Authority and other stakeholders

D. Realisation of Duties and Responsibilities of Corporate Secretary

Activities carried out by the Corporate Secretary in 2019 in relation to her duties and responsibilities include:

1. Convening the Annual General Meeting of Shareholders on 29 April 2019 and Extraordinary General Meetings of Shareholders each on 28 February 2019 and 21 June 2019.
2. Submitting the Annual Report for financial year 2018 and Financial Statements for financial year 2018 to related stakeholders.
3. Attending and preparing minutes of Board of Commissioners meeting, Board of Directors meeting, as well as meetings of Committees reporting to the Board of Commissioners.
4. Preparing documentation on the Fit and Proper Assessment for the candidate members of Board of Commissioners and Board of Directors
5. Updating the Internal Regulation of the Company regarding Board of Commissioners and Board of Directors as well as Committees reporting to the Board of Commissioners in order to comply with the prevailing regulations.
6. Assisting the Board of Directors and the Board of Commissioners in implementing good corporate governance among others by ensuring smooth communication between the company and the stakeholders, ensuring the availability of and access to information as reasonably required by stakeholders and conveying information about corporate action to the regulator concerned.
7. Coordinating with the Compliance Function in preparing self-assessments and implementation report on Good Corporate Governance related to the Board of Directors, Board of Commissioners and Committees reporting to the Board of Commissioners.
8. Coordinating with related functions in preparing the issuance of Senior Debt Shelf Offering II of PT Bank UOB Indonesia.

IV. Corporate Communications

Corporate Communications function plays a key role in maintaining the corporate positive image. The communications strategy is well focused to gain public trust and maintain good reputation through year-long activities that are focused on internal and external communications. The function also takes part in supporting sustainable business for the long term.

Annual Report

Since 2016, Corporate Communications (Strategic Communications) and Corporate Secretary have been jointly responsible to prepare and publish the Annual Report that discloses UOB Indonesia's business performance.

Press Release

PT Bank UOB Indonesia (UOB Indonesia) recognises the importance of engagement with the public and aims to raise its profile and share pertinent information on its activities. These objectives are achieved through media activities in the form of news conferences, media gathering, and one-on-one interviews.

At news conferences and other media activities, UOB Indonesia issues news releases. In 2019, the news releases covered the Bank's new products and services, corporate social responsibility programmes and contribution towards Indonesian small and medium enterprises, as well as the outlook of the Indonesian economy.

The following is a list of news releases in 2019:

1. UOB Indonesia celebrates Li Chun and cultural inclusiveness offers customers cashback privileges on fresh fund deposits, 4 February 2019
2. Museum MACAN announces Artist Shooshie Sulaiman's installation for UOB Museum MACAN Children's Art Space Commission. The latest UOB Museum MACAN Children's Art Space Commission project to explore the history and materiality of rubber is an installation, 18 February 2019
3. UOB Indonesia and UrbanAce accelerate the property buying process through new digital referral service, 11 March 2019
4. UOB Indonesia launches Wealth Banking for Indonesia's mass affluent consumers, 28 March 2019
5. UOB's strategic fundamentals for sustainable growth more pertinent in current environment. Sharper customer-centric focus multiplies the network effect across its Asian franchise, 15 May 2019
6. UOB Indonesia cultivating the next generation of Indonesian artists through its Art Programme. Opens 2019 UOB Painting of the Year competition for entries, 17 May 2019
7. UOB Indonesia provides onsite childcare to help parents balance work and home duties during the Idul Fitri holidays, 13 June 2019
8. CapBridge and UOB sign agreement to provide companies across Asia with access to private capital, 23 June 2019
9. UOB and Zilingo tie up to drive the growth of ASEAN's fashion industry. Businesses will have direct access to UOB's banking solutions through Zilingo's platform, 28 June 2019
10. UOB Indonesia raises more than IDR430 million through its annual UOB Heartbeat fundraising event to support art and education across Indonesia, 7 July 2019
11. UOB Indonesia and Prudential Indonesia launch endowment plan, USave PRUStar, to help customers invest for the future, 17 July 2019
12. UOB Indonesia collaborates with Art Jakarta 2019 as Lead Partner to promote Indonesia's artistic talent: Presents the Eko Nugroho Art Class at Art Jakarta Play, 25 July 2019
13. UOB expands into northern Vietnam with first branch in Hanoi: Opening of Hanoi branch reflects the Bank's long-term commitment to Vietnam, 26 August 2019
14. UOB Indonesia: Millennials will be key to driving long-term economic growth in Indonesia Robust fundamentals will sustain growth in current macro environment, 28 August 2019
15. UOB Asset Management expands into Indonesia with the completion of its acquisition of PT PG Asset Management, 4 September 2019
16. UOB launches initiative to help Asia's next generation leaders of family-led firms fast track their growth: Established entrepreneurs to share expertise and experience, 10 September 2019
17. UOB the first foreign bank to open a branch in Zhongshan and deepens client support for Greater Bay Area opportunities, 19 September 2019
18. UOB Indonesia tops its year-end credit card promotion with 'Game of Crown' campaign First bank in Indonesia to develop online adventure for its cardmembers to win prizes, 9 October 2019
19. UOB launched holistic learning and development programme for all its employees to succeed into the future: First in-house designed programme to broaden soft skills as well as digital and data skills accredited by the Institute of Banking and Finance Singapore, 15 October 2019
20. A call for peace through unity in diversity wins the 2019 UOB Painting of the Year (Indonesia) Award, 17 October 2019
21. Museum MACAN Collaborates with Renowned Thai Artist, Mr Mit Jai Inn, on Upcoming UOB Museum MACAN Children's Art Space Commission: Artist recreates a cave for children to experiment with their creative instincts in his commission work dedicated to children, 25 October 2019
22. UOB launches U-Solar, Asia's first solar industry ecosystem to power the development and adoption of renewable energy: Malaysia is the first ASEAN country in the Bank's regional roll-out to help companies and consumers make the switch to solar power, 30 October 2019

There was coverage in Indonesia's main media, such as Antara, Bisnis Indonesia, Detik.com, InfoBank.com, Kompas, Koran Kontan, Koran Sindo, Jawa Pos, Media Indonesia, Metrotvnews.com and Okezone.com.

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V. The Implementation of Compliance, Internal Audit, and External Audit Functions

A. Compliance Function

1. The Role of Compliance Function

The implementation of Bank's Compliance Function refers to Financial Services Authority (OJK) Regulation No. 46/POJK.03/2017.

Following are the roles and responsibilities of the Compliance Function:

- a. Create steps in order to support the creation of compliance culture in the Bank's business activities at every organisational level;
- b. Conduct identification, measurement, monitoring, and control of compliance risk with reference to the regulation concerning the Implementation of Risk Management for Commercial Banks;
- c. Assess and evaluate strictly, in collaboration with the business/support unit, the effectiveness, adequacy, and conformity of policies, provisions, systems and procedures of the Bank with prevailing regulations;
- d. Conduct reviews and/or recommend update and refinement of policies, regulations, systems and procedures of the Bank to ensure compliance with the regulations issued by regulators and prevailing legislation;
- e. Ensure that the policies, provisions, systems and procedures, as well as the Bank's business activities are in compliance with the regulations issued by regulators and prevailing legislation;
- f. Ensure that the execution of all systems for customer transaction monitoring is in line with prevailing guidelines, policies and procedures to support a smooth implementation of the AML/CFT programmes and to protect the Bank against sanctions;
- g. Identify, assess and document the compliance risks associated with the business activities of the Bank including new products, services, business practices and material changes to existing business and customer relationships, etc;
- h. Provide regulatory advice and updated information related to the prevailing Regulator's provisions and other regulations to the Board of Directors, Senior Executive Officers and all business and support units;
- i. Develop compliance manuals and guidelines related to the applicable regulations issued by regulators, other regulations and key business conduct jointly with Business/Support Units for use by all officers and staff of the Bank;
- j. Identify and maintain an inventory of all prevailing regulations issued by regulators and other regulations with the support of internal/external legal counsel where needed;
- k. Assist the Board of Directors and Senior Executive Officers in educating relevant staff on compliance related issues;
- l. Provide advice, guidance and continuous training for staff on the appropriate implementation of the compliance framework which includes policies, guidelines and procedures such as those contained in the Bank's Compliance Guidance, Code of Conduct and Bank's internal guidelines;
- m. Advise units/divisions in the Bank and/or Board of Directors and Senior Executive Officers on Compliance, Laws, Rules and Standards (CLRS), the implications of new regulations/regulatory changes, and provides guidance on the proper and prompt implementation of procedures to comply with the regulatory requirements;
- n. Monitor, test and report on compliance implementation according to Compliance Framework and internal policies or procedures to the Senior Executive Officers and Board of Directors/Board of Commissioners, and if required, to regulators. However, the responsibility for ensuring day-to-day compliance remains within each respective work function;
- o. Make enquiries into compliance incidents and complaints, and carry out further investigations as deemed appropriate;
- p. Act as the key liaison body with relevant internal and external parties, including regulators, regarding the Bank's compliance issues;
- q. Fulfill its responsibilities under the compliance plans and procedures developed in accordance with its compliance risk management framework including performing compliance reviews on a risk-based approach.

2. Actions to Prevent Breaches to Prevailing Regulations

The Compliance Director, through the Compliance Function, always monitors and controls the Bank's business activities, so that they do not violate the prevailing regulations by ensuring the Bank's compliance to regulators provisions and prevailing legislation.

This is reflected in measures that have been put in place:

- a. Support the creation of a compliance culture in all Bank business activities at all levels of the organisation through the establishment of:
 - Compliance Organisational Structure;
 - Compliance Charter;
 - Compliance Guidance;
 - Compliance Standard Operational Procedures;

- b. Identify, measure and monitor Compliance Risk and implement control processes through:
 - Compliance Review Procedure;
 - Supervision of sanctions imposed by regulators.
- c. Establish the Compliance Review and Testing Division to manage compliance risk through the Compliance Review Programme, so that Bank can ensure conformity and adequacy of policy, guidelines, systems and procedures of the Bank with prevailing legislation through:
 - Reports of Compliance Review Results;
 - Regulatory Risk Assessment Reports.
- d. Provide Opinions on Compliance.
- e. Monitor and report on follow-up actions to Regulator's Audit Inspection Results.
- f. Socialise regulatory provisions and provide information on compliance related matters, either through face-to-face socialisation activities or through Compliance News.
- g. Evaluate the Marketing Material and Checklist.
- h. Monitor the follow-up of RBBR- GCG improvement by RBBR-GCG (Risk Based Bank Rating-Good Corporate Governance) Working Group.
- i. Act as liaison officer for compliance related issues between the Bank and regulators or internal Bank units.

3. The Implementation of Good Corporate Governance

The provisions related to the Implementation of Good Corporate Governance for Commercial Banks refer to Financial Services Authority (OJK) Regulation No.55/POJK.03/2016 dated 7 December 2016 and OJK Circular Letter No.13/SEOJK.03/2017 dated 17 March 2017.

The Bank consistently ensures that the GCG principles of transparency, accountability, responsibility, independence and fairness are implemented in every business aspect and at all levels of the Bank. The five GCG Principles should be applied to at least 11 (eleven) GCG Implementation Factors, and each factor's effectiveness should be measurable with respect to 3 (three) governance aspects as a continuous process.

The three governance aspects are:

- a) Governance Structure, refers to the Bank's governance structure and infrastructure adequacy to ensure that the outcome of the implementation of the GCG principles meet the expectations of the Bank's stakeholders.
- b) Governance Process, refers to the effective implementation of the GCG principles, supported by adequate governance structure and infrastructure of the Bank in order to produce an outcome that meets the expectations of the Bank's stakeholders.
- c) Governance Outcome, reflects the result of the implementation of the GCG principles that meets the expectations of the Bank's stakeholders with the support of adequate governance structure and infrastructure of the Bank.

The implementation of the GCG principles is evaluated periodically through GCG Self-Assessment and the result is submitted to Regulator and the Bank's Management as a part of the Bank's Soundness Rating Report (Risk-Based Bank Rating).

As part of Bank's commitment to continuously improve the implementation of the GCG principles, the Bank has formed the RBBR Working Group which aims to monitor, maintain and/or improve the composite rating of RBBR. This mechanism is stipulated in the Bank's policy, through Board of Directors' Decree No.13/SKDIR/0064 dated 17 September 2013 on PT Bank UOB Indonesia Soundness Rating System.

The Compliance Unit has also reviewed and revised the previous Compliance Guidance in order to provide guidance for all stakeholders to improve the effectiveness of the Compliance Function implementation, as stipulated in Board of Directors' Decree No. 19/SKDIR/0137 dated 17 December 2019 on Compliance Guidance of PT Bank UOB Indonesia.

Moreover, in line with the Financial Services Authority (OJK) regulation on the implementation of Integrated Corporate Governance for Financial Conglomerates as stipulated in OJK Regulation No.18/POJK.03/2014 and OJK Circular No. 15/SEOJK.03/2015, the Compliance Work Unit has issued the Integrated Compliance Charter for Entities in the Financial Conglomerates of UOB in Indonesia as the umbrella policy for the implementation of the integrated compliance function, as stipulated in Board of Directors' Decree No. 15/SKDIR/0062 dated 30 December 2015 on Integrated Compliance Charter for the Financial Conglomerates of UOB as updated through Circular Letter No. No.16/CMP/0007 dated 16 November 2016 concerning Amendment on Integrated Compliance Charter version 2.0

PT Bank UOB Indonesia as the Main Entity in the Financial Conglomerates has also issued an Integrated Corporate Governance Guidance as the principal guidelines for each entity in the Financial Conglomerates in implementing their duties and responsibilities as stipulated in Board of Directors' Decree No. 15/SKDIR/0063 dated 31 December 2015 on Integrated Corporate Governance Policy for the Financial Conglomerates of UOB.

Good Corporate Governance

B. The Implementation of Internal Audit Function

Pursuant to Financial Services Authority Regulation No.1/POJK.03/2019 dated 28 January 2019 on the implementation of Bank's Internal Audit Function, the Bank has implemented internal audit function, issued the Internal Audit Charter and Internal Audit Guidelines.

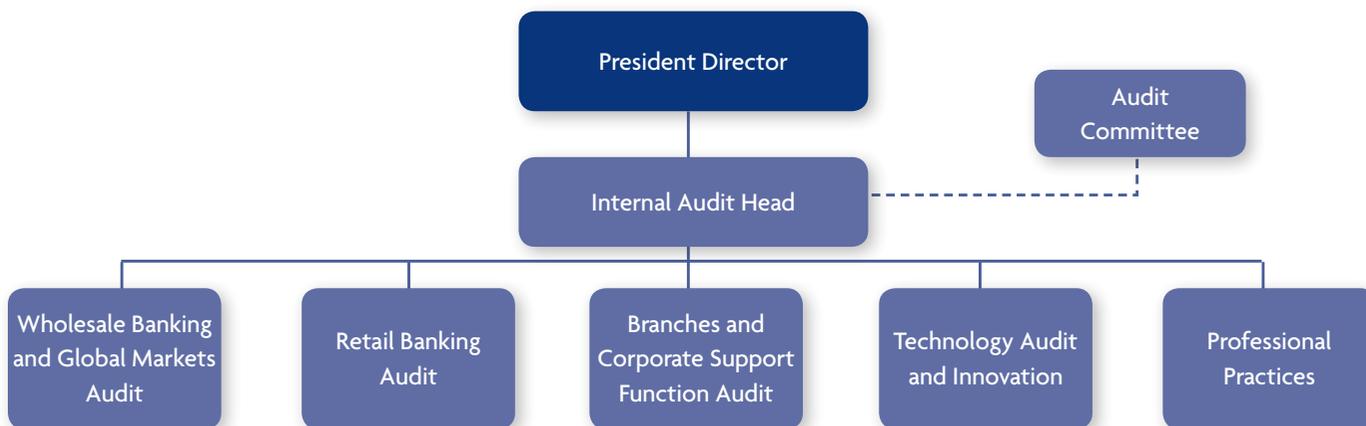
Dawny Rachella Tahar, 53 years old, domiciled in Indonesia, has joined with UOB Indonesia since January 2018 as the Internal Audit Head. Her appointment as Internal Audit Head is pursuant to Directors' Decree No.18/SKDIR/0003 dated 08 January 2018. She holds a Bachelor Degree of Agribusiness from Bogor Institute of Agriculture and a Postgraduate Diploma of Management Studies from Nottingham Trent University, United Kingdom. She has more than 27 years of experience in banking in various areas, with 8 years spent as Country Head of Audit.

Competency Improvement of Head of Internal Audit

During 2019, the Internal Audit Head attended several workshops and training such as IIA National Conference, UOB Indonesia Risk Forum, Breakthrough Service for Senior Management, Fraud Risk Management, and Certified Risk Management Assurance training.

Structure of Internal Audit Function

The Internal Audit Head directly reports to the President Director and functionally to Audit Committee. There are 5 (five) divisions in the unit namely Wholesale Banking & Global Markets Audit, Retail Banking Audit, Branches and Corporate Support Function Audit, Technology Audit and Innovation, and Professional Practices Audit.



Duties and Responsibilities of Internal Audit Function

Internal Audit supports the Bank's management in the risk management and governance oversight by providing independent assurance on adequacy of internal control, financial, operational and compliance to law and regulation, to mitigate both current and emerging risks. In the Bank's risk management framework, Internal Audit serves as the third line of defence and works closely with the first line (Business and Support units) and the second line (Compliance and Risk Management functions). Internal Audit duties and responsibilities forms as part of overall internal control system in the Bank. Internal Audit tasks cover examination and assessment of all the Bank's processes, system and documentation to provide independent, objective, reliable opinion on effectiveness control design and its implementation in the bank.

The internal audit tasks implementation applies the Risk-Based Approach to determine the audit scope and to analyse the importance of an audit problem. Under the Internal Audit Charter, the Head of Internal Audit has unlimited access to any of the Bank's premises, assets and documentation, and can directly communicate with the Board of Commissioners or through the Audit Committee. On a periodic basis, the Internal Audit Head meets with the Audit Committee, and discusses significant audit issues, the progress of audit work and completion of audit issues. In order to maintain its work quality and methodology standard, the Internal Audit function is subjected to a periodic quality assurance performance review conducted by internal Quality Assurance Function within the unit and by external party.

Internal Audit Professional Qualification/Certification

Bank's Internal Auditor holds internal audit professional qualification and certification, including:

1. International Certification such as Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), Certified Ethical Hacker (CEH) and Computer Hacking Forensic Investigator (CHFI).
2. Certification of Internal Audit Bank from LSPP.
3. Risk Management Certification Level 1 – 5.

Disclosure of Internal Audit Practice in 2019

Internal audit has completed the work plan according to annual strategic plans as follows:

- a. All regulatory audit projects and 3 (three) special reviews covering business segment and branches operational, lending and funding, treasury, technology and information systems, support function as well as 5 (five) whistleblowing cases reported to Internal Audit.
- b. All Internal Audit findings have been addressed and rectification actions are on track to be completed. Internal Audit has established a follow-up process to track and monitor that the rectification and risk mitigation have been completed on time. The significant issues are highlighted to the Board of Directors and the Audit Committee through audit reports and regular meetings.
- c. Internal Audit reviewed and updated the Internal Audit procedures periodically in order to improve the efficiency and audit process.
- d. Internal Quality Assurance function conducted quality assurance on each Internal Audit project, to ensure that audit processes are conducted according to the established policy, procedure and methodology, it also ensures the working papers are documented properly and supported with the sufficient supporting evidence.
- e. Internal Audit transformation journey relates to Data Analytics usage which started from 2018 by setting up the Innovation and Data Analytics division. This is to enhance the audit processes and risk assessments are performed through automation and the development of risk dashboard where relevant.
- f. Competency of Internal Audit is improved through the focused training programmes in areas of audit skill, subject matter, leadership and Data Analytics.

C. The Implementation of External Audit Function

With the approval of shareholders at the AGM and recommendation from the Audit Committee through the Board of Commissioners, the Bank has appointed a Public Accountant Firm registered with Bank Indonesia, namely Purwantono, Sungkoro & Surja, in which has "BIG 4" qualification and experience in conducting audits of several major banks in Indonesia. In addition, the legality of its appointment and agreement, it has been complied with the applicable regulation.

Public Accountant Firm Purwantono, Sungkoro & Surja met specified targets and performed the audit independently, and has also met the public accountant professional standards and audit scope as specified in prevailing regulations and as stated in the Engagement Letter between the Public Accountant Firm and the Bank.

Public Accountant Firm Purwantono, Sungkoro & Surja, according to Financial Services Authority (OJK) Regulation No.13/POJK.03/2017 on Use of Public Accountant and Public Accountant Firm in Financial Services Activities, has engaged in communication with OJK to request information on the condition of the Bank, as well as provide information on the audit process from beginning to end.

VI. The Implementation of Risk Management Including Internal Control System

For further details regarding the implementation of risk management including internal control system, please refer to page 134.

VII. Related Party Funding and Large Exposure

The Bank has policies on and procedures for Legal Lending Limits and allocation of funds to related parties and large exposures as part of its prudential principles.

Good Corporate Governance

The following are loans to related parties and large exposures as of 31 December 2019:

No.	Funding	Total	
		Debtor	Amount
1	To Related Parties	171	2,281,163
2	To Core Debtors	25	24,429,949
	a) Individual	-	-
	b) Group	25	24,429,949

Notes:

- Amount is all outstanding loans to related party (either included or excluded from LLL calculation, e.g: guaranteed by time deposit, lending to executive officer, with SBLC collateral, Prime Bank).
- Funding to core debtor, based on explanation in form 10 of Periodic Report of Commercial Bank, which covers 25 debtors/groups (one obligor concept) excluding related party in relation to total assets of the Bank, pursuant to Bank Indonesia Regulation concerning Bank Soundness Rating System for Commercial Bank.

VII. Bank's Strategic Plan

In order to improve Good Corporate Governance and to comply with regulator provisions, the Bank has proposed a Business Plan detailing the Bank's business activities in the short term, medium term and long term so that the direction of the Bank's policies and strategic objectives follow proper planning, are prudent and follow sound banking principles. The Business Plan took into consideration global and domestic economic development as well as the Bank's vision and values.

In 2019-2021, Bank has made long term, medium term and short term target, as follows:

Long Term Plans:

- Strengthen balance sheet management and capital structure through issuance of Subordinated Debt and senior debt and utilise the funds obtained to support the Bank's business development. In planning for issuance of financial instruments, the Bank always take into account the market conditions particularly the interest rate movements.
- Grow alternate sources of funding as a measure for diversification and to improve liquidity profile to support foreign currency funding growth and to manage the structural gap of foreign currency funding according to the Bank's appetite. This is also directed to provide stable funding over a sufficiently long period in order to improve the Bank's Net Stable Funding Ratio (NSFR).
- Digitalisation development into business by promoting awareness of technological developments, building the required competence as well as optimising internal resources in the development of digital technology, including the launch of Digital Banking.
- Focus on building mass customer base through customer acquisition to get new customers, customer activation to build customer loyalty and customer retention as part of sustainable business growth.
- Implement strategic technology platform roadmap, aligned with the Bank's business strategy to support sustainable growth.
- Manage non-performing loans through loan restructuring, aggressive collection and collateral execution.
- Identify and develop bench strength in order to support the Bank's development by mobilising potential talents and encourage participation in various levels of leadership academy programmes as well as social responsibility programmes.
- Continue to focus on sector solutions strategies to better understand customer needs through industry insights, develop banking industry and increase productivity in wealth management to improve performance as part of the five-year strategic initiative plan.

Medium Term Plans :

Medium-term targets to be achieved by the Bank are as follows:

- To reach a Profit Before Tax of IDR1,425 billion in 2021.
- To achieve average loan growth (CAGR) of 9.79% so that at the end of 2021 total loan distribution will reach IDR97,498 billion.
- To achieve average deposits growth (CAGR) of 11.22% to achieve total fund collection of IDR106,369 billion in 2021.
- To increase Current Account and Saving Account (CASA) ratio mix to 47.31% by end of 2021.
- To achieve Return on Equity (ROE) of 7.94% and Return on Asset (ROA) to 1.06%.
- To maintain Operating Cost to Income (BOPO) ratio at 95.00% by end of 2021.
- Maintaining Loan to Deposit (LDR) ratio at 91.66% and Loan to Funding Ratio (LFR) at 90.41%
- To maintain Liquidity Coverage Ratio (LCR) minimum 100% and NSFR minimum 100% by end of 2021.

Short Term Targets :

1. Issuing subordinated debt under Shelf Programme II with the maximum amount of IDR1 trillion in 2019 with a maximum period of 10 years as part of the Shelf Programme to strengthen the capital structure Tier 2. The issuance will be done by taking into account market condition particularly interest rate development. The issuance will be conducted through a public offering mechanism with the investor targets are residents and non-residents. The Bank will submit a request to entry the market to Bank Indonesia in fulfilling the BI Regulation No. 21/1/PBI/2019 regarding Bank Offshore Borrowing and Other Bank Obligations in Foreign Currency.
2. The Bank plans to issue Subordinated Obligations through the issuance of Subordinated Obligations with the private placement mechanism with maximum amount of IDR500 billion. The issuance of Subordinated Obligation is a form of diversification of capital instruments with a focus on non-resident investors and will be conducted by considering market condition, especially the interest rate development. The Bank will submit a request to entry the market to Bank Indonesia in fulfilling the BI Regulation No. 21/1/PBI/2019 regarding Bank Offshore Borrowing and Other Bank Obligations in Foreign Currency.
3. The Bank plans to issue senior debt under Shelf Programme II UOB Indonesia in 2019 as much as IDR2 trillion with a period of up to 5 years in order to diversify funding structure and replace senior debt mature in 2019. The issuance will be done by taking into account market conditions, particularly interest rate development. The issuance will be conducted through a public offering mechanism with the investor targets are residents and non-residents. The Bank will submit a request to entry the market to Bank Indonesia in fulfilling the BI Regulation No. 21/1/PBI/2019 regarding Bank Foreign Debt and Other Bank Obligations in Foreign Currency.
4. The Bank plans to get offshore long-term borrowing with the maximum amount of USD155 million (depend on the market condition) to support foreign currency loan growth and manage the structure foreign currency funding gap. Related to long-term offshore borrowing activity, Bank will submit a request to entry the market in fulfilling the BI Regulation No. 21/1/PBI/2019 regarding Offshore Borrowing and Other Bank Obligations in Foreign Currency.
5. To reach a Profit before Tax of IDR751 billion in 2019.
6. To increase loan growth by 10.00 per cent in 2019.
7. To increase deposits growth by 12.91 per cent in 2019.
8. To increase CASA ratio mix from 35.74 per cent to 41.55 per cent in 2019.
9. To maintain total Capital Adequacy Ratio of 15.87 per cent by end of 2019.
10. To achieve ROE 4.82 per cent and ROA 0.67 per cent.
11. To maintain gross NPL ratio at 2.37 per cent and increase NPL coverage ratio minimum 100 per cent.
12. Maintaining LDR ratio at 91.65 per cent and LFR ratio at 90.95 per cent
13. To maintain short term liquidity by having LCR minimum 100 per cent and NSFR minimum 100 per cent in 2019
14. Maintaining BOPO ratio at 97.07 per cent by the end of 2019.

With proper business strategies and good management practices along with the implementation of prudent principles and compliance with internal and external regulations, it is expected that the Bank's business will grow and benefit to all stakeholders.

IX. Transparency of Bank's Financial and Non Financial Condition Not Yet Disclosed in Other Reports

The Bank has fulfilled the transparency principle in providing financial and non-financial information to the public in a timely, complete, accurate, up to date and comprehensive manner.

Good Corporate Governance

X. Share Ownership and Financial and Family Relationships of Members of the Board of Commissioners and Directors with Fellow Members of the Board of Commissioners, Directors and/or the Controlling Shareholders of the Bank

A. Shares Ownership of Board of Commissioners and Board of Directors

No.	Name	Position in PT Bank UOB Indonesia	Company Name (domestic & overseas)	Ownership Percentage as at 31 December 2019 (%)
Commissioner				
1	Wee Ee Cheong	President Commissioner	Kheng Leong Company Pte Ltd	23.67
			Eastern Century Limited	10.40
			Phoebus Singapore Holdings Pte Ltd	26.67
			Portfolio Nominees Ltd	26.01
			Supreme Island Corporation	26.00
			UIP Holdings Ltd	10.00
			Wee Investments (Pte) Ltd	26.01
			E.C. Wee Pte Ltd	98.00
			C Y Wee & Company Pte Ltd	30.00
2	Chin Voon Fat	Deputy President Commissioner		NIL
3	Chan Kok Seong	Commissioner		NIL
4	Wayan Alit Antara	Independent Commissioner	PT Citra Indah Prayasa Lestari	5.00
5	Aswin Wirjadi	Independent Commissioner		NIL
6	VJH Boentaran Lesmana	Independent Commissioner		NIL
Director				
1	Lam Sai Yoke	President Director		NIL
2	Hendra Gunawan	Deputy President Director		NIL
3	Teh Han Yi	Director		NIL
4	Henky Sulisty	Director		NIL
5	Soehadie Tansol	Compliance Director		NIL
6	Paul Rafiuly	Director		NIL
7	Harapman Kasan	Director		NIL

B. Financial and Family Relationships of Members of the Board of Commissioners and Directors with other Members of the Board of Commissioners, Directors and/or the Controlling Shareholders of the Bank

Board of Commissioners and Board of Directors	Family Relation With						Financial Relation With						Remarks	
	Board of Commissioners		Board of Directors		Controlling Shareholders		Commissioners		Board of Directors		Controlling Shareholders			
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No		
Wee Ee Cheong	-	-	-	-	-	-	-	-	-	-	-	✓	-	Deputy Chairman and Chief Executive Officer, United Overseas Bank Limited, Singapore
Chin Voon Fat	-	-	-	-	-	-	-	-	-	-	-	✓	-	Head of Group Wholesale and Markets, United Overseas Bank Limited, Singapore
Chan Kok Seong	-	-	-	-	-	-	-	-	-	-	-	✓	-	Group Chief Risk Officer, United Overseas Bank Limited, Singapore
Wayan Alit Antara	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Aswin Wirjadi	-	-	-	-	-	-	-	-	-	-	-	-	-	None
VJH Boentaran Lesmana	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Lam Sai Yoke	-	-	-	-	-	-	-	-	-	-	-	-	-	None

Board of Commissioners and Board of Directors	Family Relation With						Financial Relation With						Remarks
	Board of Commissioners		Board of Directors		Controlling Shareholders		Commissioners		Board of Directors		Controlling Shareholders		
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	
Hendra Gunawan	-	-	-	-	-	-	-	-	-	-	-	-	None
Teh Han Yi	-	-	-	-	-	-	-	-	-	-	-	-	None
Henry Sulisty	-	-	-	-	-	-	-	-	-	-	-	-	None
Soehadie Tansol	-	-	-	-	-	-	-	-	-	-	-	-	None
Paul Rafiuly	-	-	-	-	-	-	-	-	-	-	-	-	None
Harapman Kasan	-	-	-	-	-	-	-	-	-	-	-	-	None

XI. Disclose of Remuneration Policy [102-35, 102-36]

Remuneration Policy

The Bank's Remuneration Policies and Structure (Remuneration Policy) was reviewed and approved by the Board of Commissioners, as stated in the Board of Directors' Decree No.19/SKDIR/0105 dated 8 October 2019. The Remuneration Policy was devised to support the development of organisational capability which takes into consideration of cultivation of an appropriate risk culture and providing flexibility to respond to dynamic business needs. One of the changes in the Remuneration Policy is the gross compensation approach and this was approved by the HR Committee and Remuneration and Nomination Committee (RNC). This will be implemented in 2020.

Scope of Remuneration Policy

The Remuneration Policy has taken effect and has been implemented in every business unit and regional.

Determining the Variable Pay Pool

Variable pay pool takes into account the productivity and Country's performance which are based on financial and non-financial metrics as well as key risks that could have material impact on the business activities, which are aligned to OJK Regulation relating to the implementation of risk management for commercial banks. There are eight key risks – i.e. credit, market, liquidity, operational, legal, reputational, strategic and compliance risk.

Employees in control functions, currently comprising Risk Management, Audit, Credit and Compliance, are compensated independently from the performance of any business lines or business units that they oversee. This is to avoid any potential conflict of interest.

Performance Measurement Associated with Remuneration

Business unit heads reward employees for his/her individual performance. Employees are assessed based on employee's performance objectives, competency behaviours and behaviours with respect to the UOB values. This balances the quantitative achievement of key performance indicators with the behaviours that employees are expected to uphold in achieving their objectives. Employees who have exceeded performance expectations would be awarded with relatively higher Total Compensation. Conversely, employees who do not meet the performance expectations for the year may not receive variable pay. The overall performance rating and Total Compensation awards are also reviewed by HR Committee Panel.

Remuneration Adjustment Associated with Performance and Risk

The Bank's variable pay deferral applies to senior employees and Material Risk Takers (MRTs). MRTs are presently comprised of employees with significant organisational responsibilities that have a material impact on the Bank's performance and risk profile, and employees with high risk mandates in the form of risk-weighted assets, trading limits and trading sales budgets. In 2019 Financial Year, there are 27 MRTs identified, who are Board of Directors of the Bank, some key positions and key appointment holders.

The objectives of the deferral policy are to:

- align compensation payment schedules with the time horizon of risks;
- retain employees of the Bank whose contributions are essential to the long-term growth and profitability of the Bank; and
- encourage employees to focus on delivering sustainable long-term performance to align with shareholders' interests

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20 per cent to 40 per cent of variable is subject to deferral, with the proportion of deferral increasing with the amount of variable pay received. Deferral awards will vest over three years.

Vesting of deferred compensation is subject to *malus* and clawback. *Malus* of unvested compensation and clawback of paid compensation will be triggered by, *inter alia*:

- material violation of risk limits
- Bank-wide losses or material risks due to negligent risk-taking or inappropriate individual behaviour
- material restatement of financial results
- misconduct, malfeasance or fraud

Employees are refrained from using personal hedging strategies or compensation-and-liability-related insurance to protect against, or to compensate for: -

- any adjustments, reduction or loss in variable pay
- the forfeiture of unvested and/or deferred variable pay awards
- potential clawback of vested awards

External Consultant

In establishing the remuneration policy, the Bank did not engage any external consultant services.

XII. Remuneration Package/Policy and Other Benefits for Board of Commissioners and Board of Directors [102-35]

A. Type of Remuneration and Other Benefits for Board of Commissioners and Board of Directors

(in Million Rupiah)

Type of Remuneration and Other Benefits	Total Received in 1 (one) Year			
	Board of Commissioners		Board of Directors	
	Person	Total	Person	Total
Remuneration (salary, bonus, routine allowance, <i>tantiem</i> , and other facilities in the form of cash)	8**	3,087	9***	50,946
Other benefits in kind (housing, transportation, health insurance, etc.) which *)	-	-	-	-
a. can be owned	-	-	-	-
b. cannot be owned	-	-	9***	1,337

* Counted in equivalent Rupiah

** There was a replacement of Independent Commissioner in May 2018

*** Deputy Director resigned in February 2019, Finance Director resigned in June 2019, new Deputy Director joined in July 2019, new Wholesale Banking Director joined in August 2019 and replacement of Finance Director joined in November 2019

B. Description of Remuneration Package for Receiver Group

Total Remuneration Per Person In 1 (One) Year*)	Board of Commissioners	Board of Directors
Above Rp 2 Billion	-	6
Above Rp 1 Billion up to Rp 2 Billion	2	3
Above Rp 500 million up to Rp 1 Billion	-	-
Under Rp 500 million	6	-

*) Received in Cash

C. Variable Remuneration

Aligned with the Remuneration Policy and Structure established, variable remuneration for the Board of Commissioners and Board of Directors includes bonus in cash.

Number of Directors, Commissioners and employees who receive variable remuneration in 1 (one) year and the total amount can be seen in the following table.

(in Million Rupiah)

Variable Remuneration	Total Received in 1 (one) Year					
	Board of Commissioners		Board of Directors		Employee	
	Person	Total	Person	Total	Person	Total
Total	3	266	9	27,624	3938	249,006

D. Position and Number of Material Risk Takers

No.	Position	Number of Person
1	Board of Commissioners	-
2	Board of Directors	7
3	Employees	20

E. Shares Option

During 2019, PT Bank UOB Indonesia did not grant Share Options to Commissioners, Directors or Employees

F. Highest and Lowest Salary Ratio

Description	Ratio	
	2018	2019
Ratio of the highest & lowest salary of the employees	1 : 116.36	1 : 112
Ratio of the highest & lowest salary of the Board of Directors	1 : 2.28	1 : 2.19
Ratio of the highest & lowest salary of the Board of Commissioners	1 : 10.38	1 : 10.38
Ratio of the highest salary of the Board of Directors & highest salary of the employee	1 : 1.09	1 : 1.05

G. Number of Recipient and Total Amount of Unconditional Variable Remuneration Provided by the Bank to Candidates of the Board of Directors, Candidates of the Board of Commissioners and/or Employee Candidates for the first 1 (one) Year of Work

(in Million Rupiah)

Unconditional Variable Remuneration	Total Received in 1 (one) Year					
	Board of Commissioners		Board of Directors		Employee	
	Person	Total	Person	Total	Person	Total
Total	-	-	-	-	-	-

H. Service Termination and Total Amount of Severance Paid

Total Severance Paide per Person in 1 (one) Year	Number of Employee
Above Rp1 billion	-
Between Rp500 million until Rp1 billion	-
Rp500 million below	8
Nil	3

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I. Total Amount of Deferred Variable Remuneration which Consist of Cash

(in Million Rupiah)

Deferred Variable Remuneration	Board of Commissioners		Board of Directors		Employee	
	Person	Total	Person	Total	Person	Total
Total	-	-	5	8,337	16	9,017

J. Number of Recipient and Total Variable Remuneration with Deferred Payment for 1 (one) Year

(in Million Rupiah)

Deferred Variable Remuneration	Board of Commissioners		Board of Directors		Employee	
	Person	Total	Person	Total	Person	Total
Total	-	-	3	1,595	-	-

K. Detail Amount of Remuneration Provided in 1 (one) Year

A. Fixed Remuneration*)		Not Deferred	Deferred
1. Cash			73,228
2. Shares/Shares-based Instruments Issued by the Bank			-
B. Variable Remuneration *)		Not Deferred	Deferred
1. Cash		43,267	17,354
2. Shares/Shares-based Instruments Issued by the Bank		-	-

*) Only for MRT in Million Rupiah

L. Quantitative Information

Type of Variable Remuneration*)	Remaining Deferred Amount	Total Deductions during Reporting Period		
		Due to Explicit Adjustment (A)	Due to Implicit Adjustment/ (B)	Total (A)+(B)
1. Cash	34,372	-	-	-
2. Shares/Shares-based Instruments Issued by the Bank	-	-	-	-

*) Only for MRT in Million Rupiah

XIII. Number of Internal Fraud Cases and Bank's Effort to Settle the Cases

The number of internal fraud cases in 2019 is shown in the table below.

Internal Fraud in 1(One) Year	Total Cases Conducted By					
	Board of Directors' Member & Board of Commissioners Member		Permanent Employee		Non Permanent Employee and Outsourcing Staff	
	Previous year (2018)	Current year (2019)	Previous year (2018)	Current year (2019)	Previous year (2018)	Current year (2019)
Total number of fraud case	0	0	6	1	2	0
Has been settled	0	0	4	1	2	0
In settlement process in internal Bank	0	0	0	0	0	0
Settlement has not yet been attempted	0	0	0	0	0	0
Has been followed up through legal process	0	0	2	0	0	0

XIV. Number of Legal Cases and Bank's Effort to Settle the Cases

The legal cases involving the Bank as at 31 December 2019 are detailed in the table below:

Legal Cases	Number of cases		
	Civil Law		Criminal Law
	Bank UOB Indonesia as plaintiff	Bank UOB Indonesia as defendant	
Settled (has permanent legal power)	0	28	1
In settlement process	2	80	0
Total	2	108	1

XV. Legal Cases Faced by the Board of Commissioners and Board of Directors

Throughout 2019 there were no important cases faced by the Bank involving members of the Board of Commissioners and/or Board of Directors

XVI. Administrative Sanctions

In 2019, there was no significant administrative sanction. Most of the administrative sanctions imposed were caused by error and lateness in transactional reports. The Bank has followed up on improvement actions in reporting, as well as the risk mitigation such as by conducting training and improving systems and controls.

XVII. Transactions Involving Conflict of Interest

In 2019, there were no transactions within the Bank that can be classified as conflict of interest transactions.

XVIII. Bank's Share and Bond Buybacks

In 2019, the Bank did not perform any share or bond buyback.

XIX. Donation for Social and Political Activities During the Period of 2019

The Bank believes in its ability to actively develop a better environment by participating in various activities to develop the community. Below are the Bank's community activities in 2019:

Category	Type of Activity	Description	Total Fund (in IDR)
Social and Community Relations	UOB Heartbeat	UOB Indonesia's employees raised funds to support art education for students across Jakarta and greater area, and Maluku through Mari Berbagi Seni movement.	200,000,000
Religious	Sacrificial Livestock Event	To celebrate Islamic Day of Sacrifice 1440 H, employees distributed qurban offerings to neighbours around the office.	114,367,500
	Mudik Bersama, Day Care and Tajil	To celebrate Idul Fitri 1440 H, UOB Indonesia held a charity event at an orphanage, distributed staple food packages to more than 2,000 UOB employees and "Mudik Bersama" for 195 employees and their families, and provided daycare facility to employees' children 5 days after Idul Fitri.	616,795,000
	UOB Christmas Celebration	In celebration of Christmas, UOB Indonesia's employees organised a community engagement event, and raised funds to support Rumah Singgah Pejuang Hati Foundation to provide basic needs for children with chronic heart disease (Atresia Billier).	30,705,294

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Category	Type of Activity	Description	Total Fund (in IDR)
Education	Scholarship for Employees' Children	Education donations for 115 employees' children with outstanding achievements.	147,000,000
	Scholarship for Employees	Education donations for 28 employees with outstanding achievements to seek higher education.	514,376,250
	Internship	Provided an opportunity for final-year university students to have an experience in the work environment.	33,800,000
Financial Literacy	Inspire Up	Introduction of Banking Products and career path at the Bank	8,975,000
	UOB Inspirasi: Mulai menabung, yuk!	Introduction of the benefits of savings from an early age to grade schooler at Panti Asuhan Agape	3,500,000
	UOB Indonesia Economic Outlook 2018	Provision of professional information related to the latest local and global economic situation and condition.	4,184,190,000
	Transaction Banking Experience Center (TBEX)	Increase knowledge of UOB Internet Banking features and the use of internet banking for corporate customers.	234,137,000
Art	Art Jakarta	Participation in Art Jakarta 2018 to showcase the works of UOB Painting of the Year's winners and finalists' alumni	500,000,000
	Painting competition	Discovery and support new generations of artists through the 2018 UOB Painting of the Year competition, while connecting them to opportunities in the international art stage.	560,000,000
	UOB Painting of the Year Road Show	UOB Indonesia held series of art talk sessions in four cities, Jakarta, Bandung, Yogyakarta and Bali. The talks focused on helping the local community to have a better understanding on the current art scene.	200,000,000
	UOB Art Apprentice	Art workshop with underprivileged children in four cities, Jakarta, Bandung, Yogyakarta, and Bali, led by UOB Painting of the Year finalist, together with employee volunteers.	
	UOB Museum MACAN Major Education Partner	UOB is the Major Education Partner of the Museum MACAN. The partnership strengthens the cross-sector support for art and education in Jakarta and the greater area. The Partnerships includes a series of programme, such as Monthly School Visits, School Outreach Programme, MACAN Educators Forum, Education Resource Kit, and a dedicated education area for children, UOB Museum MACAN Children's Art Space.	1,000,000,000
Total Contribution			8,347,846,044

XX. Code of Conduct [102-16]

A. Code of Conduct

The Code of Conduct is the basis of the Bank's corporate governance framework which reflects the Bank's commitment to act fairly, properly and not break the law. The management and employees, without exception, are committed to continue and enhance the implementation of corporate governance practices that promote moral and ethical principles appropriate to the Bank's Code of Conduct

B. Coverage of Code of Conduct Implementation

All parties including the Board of Directors, Board of Commissioners and employees without exception, must understand, comply with and implement the Code.

C. Main Points of the Code of Conduct

The Bank periodically reviews the Code of Conduct and disseminates to all employees and management for compliance. The Bank's Code of Conduct is outlined in 6 (six) components, namely:

1. Responsibilities at the Work Place

The Bank is responsible for creating a non-discriminatory, conducive and healthy working environment. The Bank also provides regular training to all employees and assesses the effectiveness of training activities regularly.

2. Responsibilities to the Customers and Other External Parties

The Code of Conduct contains provisions to treat Customers fairly, prohibit employees from accepting any gift and entertainment where it may appear to others that business judgment has been compromised or conflicts with employees' duty, prohibit employees from accepting a gift of cash in connection with work, and require employees to exercise appropriate business judgment when selecting third-party business associates or vendors. An employee may participate in political activities if he or she has obtained prior approval from Human Resources function.

3. Responsibilities to the Bank

Employees are obliged to cooperate with external and internal investigators, to safeguard the interests of the Bank in terms of intellectual property rights and the use of information technology tools, to ensure accurate documentation is in place, to ensure proper records retention and proper handling of records' disposal, and are prohibited to influence other employees to leave the employment of the Bank or draw customers away from the Bank (non-solicitation).

4. Confidentiality

Every employee shall protect the privacy of customers as well as the confidentiality of customers' data.

5. External Investment and Activities

The Bank prohibits insider trading, avoid involvement in transactions that contain conflict of interest and prohibits any activities outside the Bank which directly or indirectly interfere with the performance of that employee and/or Bank.

6. Legal Provisions and Other Major Compliance

The Bank's provisions prohibit any violation of the prevailing anti-trust law and require employees to comply with all prevailing laws and regulations.

D. Dissemination of Enforcement and Sanctions of Code of Conduct

Socialisation for the Bank's Code of Conduct starts from the time an employee joins the Bank, when he is required to read, understand and sign to indicate his compliance with the Bank's Code of Conduct. To ensure that the employee reads, understands and commits to comply with the provisions of the Bank's Code of Conduct on a continuous basis, the Bank requires the employee to fill an annual declaration of such through a platform created by HR as refreshment. The Bank also regularly reinforces Code of Conduct awareness through HR News.

As enforcement actions, the Bank monitors the transactions of employees' account, monitors employees' change of behavior and uses vendor services to screen candidate's data and profile and conducts Financial Information Services System (SLIK) checking on employees.

Employees are expected to uphold the Bank's Code of Conduct and apply its principles to this everyday actions.

XXI. Corporate Culture

The decisions and actions taken by the Bank are based on the values of being Honourable, Enterprising, United and Committed. These values are also expressed in the Bank's emphasis towards employee's growth throughout the organisation.

The Bank empowers its employees to make positive and meaningful differences in the things they do for stakeholders. The Bank is committed to foster an organisational culture that is inclusive, prudent, progressive, and high performing, to encourage the best from of each individual.

The Bank's values encourage employees to continue to improve their standard of behavior and performance in serving its customers.

The core values of the Bank are as follows:

- Honourable – to do the right thing for all stakeholders and to make the best decisions in order to fulfill organisational customers and employee interests.
- Enterprising – to encourage creativity and initiative at all levels and to bring out the best potential of each individual through professional development, empowerment and strengthening employee career growth.
- United – to work together and serve customers and the community with a common objective. The Bank constantly strives to make a real contribution in shaping the future and making a positive difference in society.
- Committed – to pursue excellence and build lasting relationships, with Line Managers acting as role models, guiding the teams to face challenges and taking responsibility for their actions. Together, the Bank committed long-term success and progress of each individual and the entire team.

XXII. Whistleblowing

In line with the high commitment to implement Good Corporate Governance ("GCG"), especially the principle of transparency which is carried out in full responsibility, Board of Directors expects Bank's entire staff to take an active role in implementing the Whistleblowing Policy by submitting complaints without any hesitation and fear toward irregularities or wrongdoing or violations on both internal and external regulations which was undertaken by all levels of Bank organisational structure, including the Board of Directors.

Good Corporate Governance

In order to implement GCG in all business lines of the Bank, UOB Indonesia is required to take preventive measures and combat practices that are against good corporate governance by reporting violations through whistleblowing system. The system is expected to increase the participation of all employees to report violations.

A. Whistleblowing Procedure

Whistleblowing must be made by the whistleblower with certainty that what is reported is indeed true. Whistleblowers must be able to provide information and evidence that can be traced and acted upon.

Any whistleblowing report could be submitted to the Direct supervisor, Internal Audit Head, President Director, or Audit Committee Chairman.

If the Whistleblower is uncomfortable on reporting to his/her direct supervisor or has allegations of direct supervisor and Board of Directors, then the report could be conveyed directly to the Internal Audit Head and the Audit Committee Chairman.

B. Protection for Whistleblower and Reported Party

- **Safety:** Staff members (including those who are asked to assist in the investigations) are assured that they will be protected from repercussions or victimisation as long as they made the report in good faith. Staff members who treat a whistleblower unfairly will face disciplinary actions. On the other hand, the Bank may take disciplinary actions against a staff member who makes a frivolous or malicious report as a vendetta or for personal gain.
- **Confidentiality:** While the whistleblower has the right to have his/her identity kept confidential, the Bank encourages him/her to disclose his/her identities when raising a concern or providing information. All concerns will be kept in strict confidentiality.

Exceptional circumstances in which the information provided by the whistleblower could not or would not be treated with strictest confidentiality include:

- a) Where the Bank is under a legal obligation to disclose information provided;
- b) Where the information is already in the public domain;
- c) Where the information is given, on a strictly confidential basis to Legal unit/an appointed external solicitor or an external auditor to obtain professional advice; and
- d) Where the information is given to the police for criminal investigation.

If the Bank is faced with a circumstance not covered by the above, and where the identity of the whistleblower has to be revealed, the investigator will not proceed unless consent is given by the whistleblower.

C. Result of Whistleblowing

During 2019, there were 5 (five) cases reported through whistleblowing hotline, 3 cases have been resolved and the remaining 2 cases are in progress.

XXII. Internal Communications

The Bank uses various internal communications media to educate its employees about banking industry, and to provide information on related business activities, policies, and the Bank's plan. The internal communications network consist of:

- **UOB Intranet Portal**
A online intranet portal containing important information to support Bank's services and daily operations.
- **CEO Message**
Containing information about Bank's strategic plan and achievement, also congratulatory messages on religious and cultural activities presented by the President Director.
- **E-Learning**
Conducted as a refreshment of implementing the Bank's policy information in which all UOB staff must participate in. The information provided includes policies on Know Your Customer, Anti-Money Laundering, IT Security Awareness, Fair Dealing, Insider Trading and other policies related to banking operations.
- **Daily News**
Sent on a daily basis to all staff containing news summaries associated to financial institution and UOB Indonesia coverage in various printed and online media.

- **HR News**
Sent to all staff containing information on policies related to human resources in the Bank's environment.
- **PFS News**
Containing information related to promotional activities carried out by the Personal Financial Services (PFS) function on privilege banking, savings, time deposits, credit cards, housing loans and other internal events held by PFS.
- **TSB News**
Containing information on activities conducted by Transaction Banking (TSB) Function.
- **Customer Advocacy and Service Quality (CASQ) News**
Containing routine publication on information associated to customers' service quality.
- **IT News**
Containing information related to policies relating to the information and technology systems within the Bank's environment.
- **Risk Management**
Containing information on risk management policies in the Bank.
- **Poster**
The Bank created posters which contain information related to the Bank's policies, and stationed in staff's offices, both in head office and branch offices.
- **Screen Saver**
The latest information about programmes related to the employees' personal development is provided in the form of a screen saver on the computers of employees.

XXIV. Corporate Social Responsibility

UOB Indonesia is dedicated to helping customers to manage their personal and business financial, and in conducting the Bank's business activities, we also committed in empowering the community where we operate. On that, the Bank is actively participating in the community through Corporate Social Responsibility, in the fields of art, children and education.

XXV. Customer Protection

UOB Indonesia conducts its business in a responsible manner. We provide quality services to our customers and ensure their financial needs are met. Our Customer Service and Call Centre always support every need relating to customer transactions. To ensure that the complaints and concerns of customers are well addressed, the Bank has implemented a policy for handling complaints and settling disputes with customers. Bank procedures in receiving customer complaints in a branch office or our business units and for the settlement of disputes carried out in accordance with Indonesian laws and other regulations through Circular No. 19/CAS/0001 regarding Revised Guidelines for Acceptance and Settlement of Customer Complaints. Customers who want to give feedback on the services of the Bank can fill out a form provided by Customer Service Officers at our branches. In addition, the Bank also provides information to customers about banking mediation through posters mounted on our branches and website UOB Indonesia (www.uob.co.id). Bank Call Centre is equipped with an automatic answering machine and call center agent service for 24 hours. Call Centre handles customer questions about credit cards, savings and loans. We continuously improve the quality of service, therefore the Bank regularly holds special development programmes for the agents to increase their knowledge and ensure the delivery of accurate information to customers

Table of Customer Complaint of 2019								
No.	Types of Financial Transaction	Resolved*)		In Progress*)		Unresolved*)		Number of Complaints
		Total	Percentage	Total	Percentage	Total	Percentage	
1	ATM / Debit Card	318	94.6%	18	5.4%	0	0%	336
2	Direct Debit	1	50%	1	50%	0	0%	2
3	Electronic Banking	258	99.6%	1	0.4%	0	0%	259
4	Giro	97	100%	0	0%	0	0%	97
5	Credit Card	971	70.4%	409	29.6%	0	0%	1,380
6	Home / Apartment Ownership Loan / Financing	2	100%	0	0%	0	0%	2
7	Working Capital Loan / Financing	4	100%	0	0%	0	0%	4

Good Corporate Governance

Table of Customer Complaint of 2019								
No.	Types of Financial Transaction	Resolved*)		In Progress*)		Unresolved*)		Number of Complaints
		Total	Percentage	Total	Percentage	Total	Percentage	
8	Home / Apartment Ownership Loan / Financing	1	100%	0	0%	0	0%	1
9	Other Fundraiser	2	100%	0	0%	0	0%	2
10	Mutual Fund	4	100%	0	0%	0	0%	4
11	Remittance	2	100%	0	0%	0	0%	2
12	RTGS	2	100%	0	0%	0	0%	2
13	Standing Instruction	10	100%	0	0%	0	0%	10
14	Savings	22	92%	2	8%	0	0%	24
15	Trade	1	100%	0	0%	0	0%	1
Total		1,695	79.7%	431	20.3%	0	0%	2,126

*) As at 31 December 2019

XXVI. General Conclusion of the Result of Self-Assessment of the Implementation of Good Corporate Governance at PT Bank UOB Indonesia

The Bank conducted a self-assessment of its implementation of Good Corporate Governance principles as at December 2019.

The Bank is rated by comparing its Good Corporate Governance implementation against the minimum criteria set by Financial Services Authority (OJK).

The Management is fully aware that the Bank should implement Good Corporate Governance to gain trust from customers as well as shareholders. The Bank believes that Good Corporate Governance should be achieved with high standards in order to support business (for business growth, profitability, and value-added for all stakeholders) as well as to enhance its ability so that long-term business sustainability can be achieved.

Based on the GCG Self-Assessment in the 2nd Half of 2019, the Bank scored a composite rating of 2, which means that the Bank has achieved generally 'Good' GCG implementation. This is reflected by the adequate fulfilment of GCG principles.

Below is the result of GCG Self-Assessment viewed from the aspect of governance structure, governance process and governance outcome.

The Bank has conducted a self-assessment of the implementation of Good Corporate Governance principles for the period of January to December 2019. In general, the Good Corporate Governance principles have been applied to satisfy all assessment factors and has included aspects of governance structure, governance process and governance outcome adequately.

Based on the assessment of the Governance Structure aspect, the Bank's organisational structure is made up of a Board of Commissioners, a Board of Directors and Committees, as well as work functions according to the Bank's needs and has complied with regulatory requirements. Its organisational structure is supported by a comprehensive set of policies and procedures, and management information system, as well as the provision of main duties and functions.

In the aspect of Governance Process, the Bank has periodically conducts inspections to ensure effectiveness of the implementation of Bank's policies, procedures and management information system by an independent Internal Audit Unit and External Audit periodically.

In general, the Bank has achieved good results in 2019, particularly in the aspect of:

- adequacy of report transparency;
- compliance with laws and regulations;
- customer protection;
- objectivity in performing assessment/audit;
- Bank performance (in earnings, efficiency, and capital); and
- improvement of compliance with prevailing provisions.

In terms of strategic plans, the Bank's performance by the end of 2019 can be reflected from:

- NPBT reached IDR912 billion or 21.44% above the target.
- Lending reached IDR75,386 billion or 6.99% below the target.
- Funding reached IDR81,267 billion or 6.92% below the target.
- CAR at 16.49%, which is still above regulatory requirement.
- Core capital ratio against Risk Weighted Asset (RWA) at 13.74%.

Moreover, the Bank also supports Government programmes to create economic independence by providing credit to tourism, infrastructure, maritime, and agriculture economic sectors.

In terms of approval request for new products/activities, Compliance Function has conducted a more intensive communication with Regulator to align with Regulator's expectation on the completeness of application documents, so that the approval process can go more smoothly.

Based on the assessments results of the governance aspects, a few areas for enhancement have been identified as follows:

- 1) Improvements are still required in the Bank's internal control system, i.e. related to administrative sanctions imposed by regulators due to error in regulatory reporting, which was generally caused by human error and lack of control from supervisor. As form of improvement actions and prevention of similar incidents from occurring, the Bank has form task force to analyse potential errors in regulatory reporting and other necessary improvements.

As a means to improve and prevent punitive measures from regulators, the Bank has performed the following:

- Analyse the potential of reporting errors to Regulator and also the corrective actions through the formed task force.
 - Review to increase the weight of Key Performance Indicator (KPI) deduction point.
 - Conduct refreshment training to reporting officer and its supervisor.
- 2) Socialisation of policies related to risk managements need to be constantly improved by the related units to align with the development of business strategies, changes of internal and external factors and employee turnovers, in order to maintain the implementation consistencies.

Risk Management [102-11]

Risk Management holds a very important role in UOB Indonesia to support the sustainability of business activities. A good risk management implementation supports the Bank to prevent losses and minimise future potential losses. Additionally, a proper and effective risk management implementation also could provide additional value for shareholders, as UOB Indonesia could take proper anticipated measures through the availability of the updated information on potential risks.

Risk Management in UOB Indonesia is implemented thoroughly to support the sustainability and business growth of the Bank. This process is in accordance with the Risk Management vision which is “To have risk management embedded as a culture (risk aware) to support sustainable, trustworthy and sound business growth”. With this strong risk management culture, the risks arising from business activities shall be consistently identified, managed, monitored, supported with internal control and followed up with the appropriate measures, to minimise the impact of risk, if or when it occurs. The impact of failure in mitigating risks on a timely basis may be very significant. However, if the risks are identified and mitigated effectively and promptly, it may result in opportunities for business development. Hence, the Bank constantly develops and implements risk management controls for all its inherent risks.

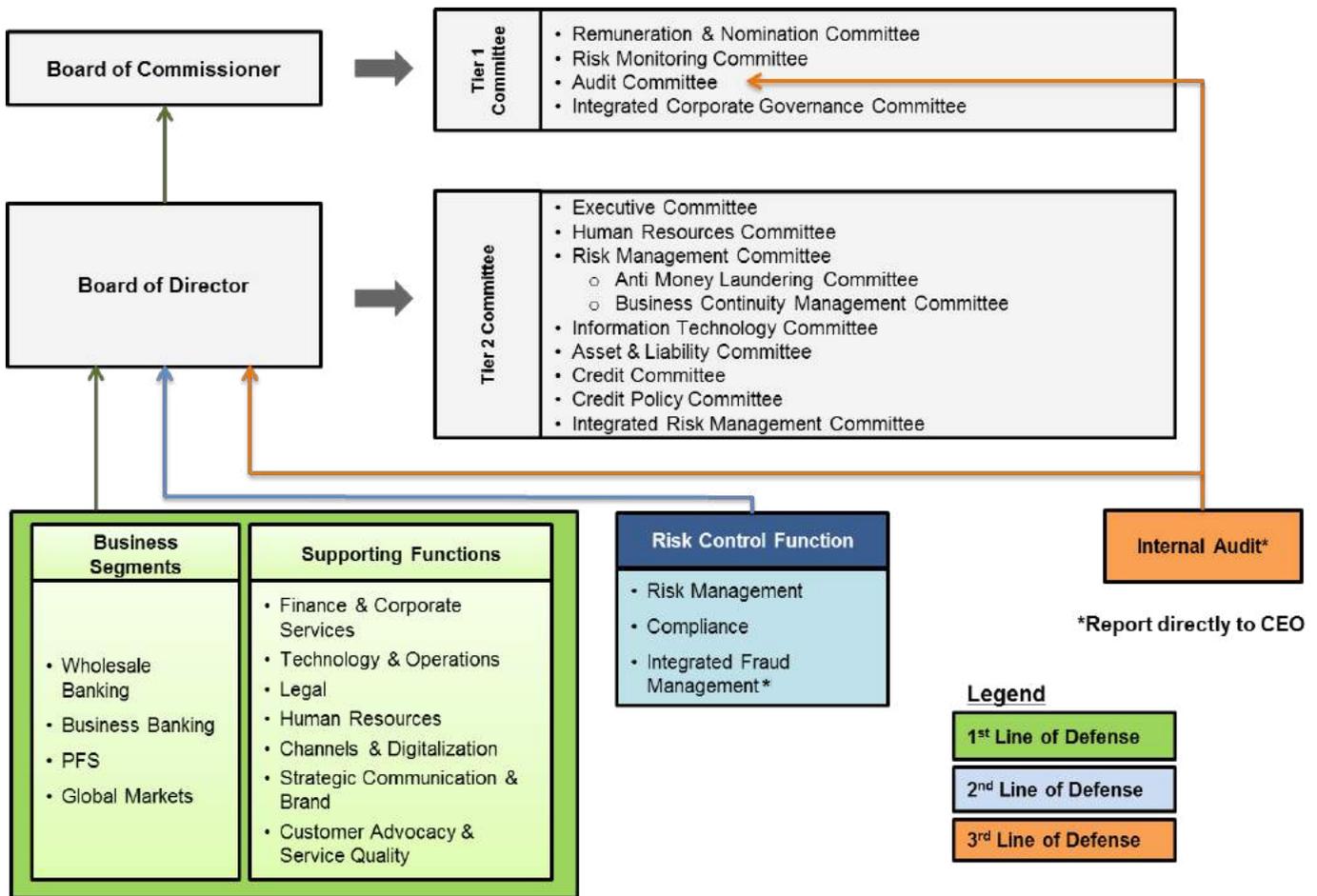
In order to achieve the risk management vision, the Bank has established its risk management mission as follows:

1. Promotion of sustainable long-term growth through embracing sound risk management principles and business practices;
2. Continual improvement of risk discovery capabilities and establishment of appropriate value-creating risk controls; and
3. Facilitating business development within a prudent, consistent and efficient risk management framework that balances risks and returns.

The risks taken by UOB Indonesia in implementing its business strategies are managed in accordance with the Bank's prudential principle. The Bank also has established Risk Management values which are “AWARE” (Accountable, Weighted, Accurate, Responsive, and Excellence).

Risk management is also the responsibility of every employee within the Bank. Risk awareness and accountability are embedded in our culture through an established framework that ensures appropriate oversight and accountability for the effective management of risk throughout the Bank and across risk types. This is executed through an organisational control structure that provides three “lines-of-defence” as follows:

1. First Line of Defence – The Risk Owner. The business and support functions have primary responsibility for implementing and executing effective controls for the management of risks arising from their business activities. This includes establishing adequate managerial and supervisory controls to ensure compliance with approved risk policies, appetite, limits and controls and to highlight control breakdowns, inadequacy of processes and unexpected risk events.
2. Second Line of Defence - Risk Oversight. The risk and control oversight functions (such as Risk Management, Compliance, and Integrated Fraud Management) provide the second line of defence. The risk and control oversight functions support UOB Indonesia's strategy of balancing growth with stability by establishing risk frameworks, policies, appetite and limits within which the business functions must operate. The risk and control oversight functions are also responsible for the independent review and monitoring of the Bank's risk profile and highlighting any significant vulnerabilities and risk issues to the respective management committees. The independence of risk and control oversight functions from business functions ensures the necessary checks and balances are in place.
3. Third Line of Defence – Independent Audit. The Bank's internal and external auditors conduct risk-based audits covering all aspects of the first and second lines of defence to provide independent assurance to the President Director and Board of Commissioners (BOC) through Audit Committee on the effectiveness of the risk management and control structure, policies, frameworks, systems and processes



Risk Management

As governed in the regulatory provision, UOB Indonesia established an independent Risk Management Function which reports to Risk Management Director.

Risk Management Function, actively reviews the overall risk appetite and risk limits for each type of risk, develops Risk Management policies and procedures in accordance with the business strategy of the Bank, and emphasises that the risk management process should also involve all relevant parties in the business lines. Hence, the Bank seeks to build a strong Risk Management culture through the implementation of various risk awareness campaigns coordinated by Risk Management.

Risk Management aims to improve the quality of managing UOB Indonesia through two aspects, which are to maintain capital and optimise returns in accordance with the risk appetite. Due to a wide scale of operation and increase of business volume, UOB Indonesia continues to improve the quality of risk management in a comprehensive and integrated manner (Enterprise-wide Risk Management) through process of identification, measurement, monitoring and controlling risk exposures across all organisational lines promptly and accurately.

A. General Risk Management Implementation

UOB Indonesia implements Risk Management framework which covered the implementation of four pillars of Risk Management in accordance with OJK Regulation No.18/POJK.03/2016 regarding Risk Management Implementation for Commercial Banks which consists of:

1. Active supervision of the Board of Commissioners and Directors
2. Adequacy of policies, procedures, and limits
3. Risk Management processes and Risk Management information system
4. Internal control system with brief explanations as follows:

A.1 Active Supervision by Board of Commissioners and Directors

Board of Commissioners and Directors are responsible to ensure the adequacy of Risk Management implementation aligned with the characteristics, complexity, and risk profile of the Bank, and to have a good understanding of the types and levels of risks inherent in the business activities of UOB Indonesia.

UOB Indonesia has several committees at the Board of Commissioners level which consist of the Risk Monitoring Committee, the Remuneration and Nomination Committee, and the Audit Committee. In the process of supervision, the Risk Monitoring Committee conducts regular meetings with the Risk Management Function to oversee the implementation of the Risk Management Framework in UOB Indonesia.

Meanwhile at the Board of Directors level, UOB Indonesia has various committees such as the Risk Management Committee (RMC), the Asset and Liability Committee (ALCO), the Credit Policy Committee (CPC), and others. The duties and responsibilities of these committees are to review the adequacy of the Risk Management methodologies, policies, procedures and authorisation of limits. These duties and

responsibilities are documented in the Terms of Reference of each committee.

To support the Risk Management implementation, the Board of Directors determines clear qualification criteria for risk management personnel and ensures sufficiency of competent staff through recruitment and various programmes including continuous development and training, succession planning and job rotations. These ensure that officers and staff understand and manage risks in accordance with the Risk Management Framework.

A.2 Adequacy of Policy, Procedure, and Limit

UOB Indonesia establishes various Risk Management Frameworks, Policies and Procedures to identify measure, monitor and control risks. The Risk Management Function continues to develop and update these frameworks, policies, and procedures to align with the changes in UOB Indonesia's business activities and any regulatory requirements.

UOB Indonesia reviews the risk appetite regularly in order to align with the changes of internal and external conditions of the Bank, management expectations, as well as the regulatory provisions. Risk limits have been in place for various risk types and in line with the Bank's risk appetite. All excess limits and any significant changes are escalated to the related Directors and officers for further action plans.

A.3 Risk Management Process and Risk Management Information System

UOB Indonesia implements Risk Management through four stages which consist of:

1. Risk identification: conducted pro-actively, by analysing all sources of risk on the products and activities of Bank, including ensuring the adequacy process of identification and assessment of the inherent risks on new products and activities prior to its launch;
2. Risk measurement: conducted in regular basis to measure overall and individual risk factors and exposures on all products and business activities of Bank;
3. Risk monitoring: covers monitoring the level of risk exposure, risk tolerance, internal limit compliance, stress testing result, and consistency between the implementation and the established policies and procedures; and
4. Risk controlling: conducted through a framework of policies, processes, and procedures which include the determination of exposure and concentration limits, proper segregation of duties, and other risk mitigation methods as well as improvement of control functions at all activities of the Bank.

To support the overall Risk Management process, the Bank implements and develops a robust Risk Management information system in order to identify, measure, monitor, and control risks. The Risk Management Function also provides various reports of UOB Indonesia's Risk Management implementation to the Board of Directors and Senior Executive Officer, as well as regulators.

UOB Indonesia conducts investment to build and develop Information Technology based-automation systems to ensure the accuracy of risk profile monitoring process result. Some of these automation processes have been in place to identify and detect any changes in the risk profile promptly and accurately so that the Bank can take effective and efficient risk mitigating measures.

A.4 Internal Control System

An effective internal control system is performed towards the implementation of business and operational activities at all organisation levels to support the process of Risk Management implementation based on the established policies and procedures which include:

1. Conduct segregation of duties between operational units with risk control units;
2. Assign an independent Risk Management Function, which is responsible in developing various Risk Management policies, limits and, develop risk measurement methodologies, as well as performing data/model validation;
3. Assign an independent Internal Audit Function, responsible in conducting periodic audits, document audit findings and management responses of the audit result, and also reviewing the follow up of audit findings; and
4. Review and monitor every transaction and functional activities that have risk exposures as necessary, which is performed by each unit.

B. Risk Management Implementation for Each Risk Type

The Bank established various Risk Management policies which consist of eight types of risk; Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Compliance Risk, Strategic Risk, Legal Risk and Reputational Risk.

B.1 Credit Risk

Credit Risk is defined as the risk of loss arising from any failure by a debtor or a counterparty to fulfill its financial obligations as and when they fall due. Credit Risk is the single largest risk that the Bank faces in its core business as a commercial bank, arising primarily from loans and other lending-related commitments to retail, corporate and institutional borrowers. Treasury and capital market operations, and investments also expose to counterparty and issuer Credit Risks. UOB Indonesia believes that a disciplined approach toward credit risk measurement is essential to the effective understanding and management of credit risk.

Credit Risk Management Governance Structure

Board of Commissioners, Directors and Senior Executive Officers are responsible to ensure the following governance activities:

1. Ensure the adequacy of Risk Management resources
2. Review the overall risk profile, limits and tolerance
3. Review and approve risk measurement models and approaches

4. Approve Bank's credit policies
5. Approve credit concentration limits (including industry, borrower, obligor and portfolio limits)
6. Approve Internal Rating-Based (IRB) parameters, models and scorecards in accordance with the Bank policies

To support the above responsibilities related to Credit Risk Management, UOB Indonesia has several committees at Director Level such as Credit Committee (CC) to give approval decision for credit proposal and Credit Policy Committee (CPC) to give approval for credit policies in UOB Indonesia and monitor any credit issue related to policy implementation

Credit Risk Management Framework

Credit Risk Management Framework covers the whole cycle of Credit Risk, supported by comprehensive Credit Risk process, which also use models to quantify and manage the risk efficiently and consistently.

Credit Risk Management (CRM)

Division. CRM develops various core policies and guidelines related to Credit activities, and is responsible to report and conduct analysis of all elements of Credit Risk and also monitors and manages Credit Risk within the established framework. CRM actively engages with business and credit functions to manage credit issues, which focus in facilitating the prudent business developments, consistently and in accordance with the Credit Risk Management Framework. It aims to create added value for the Bank through the implementation of Credit Risk method and policies consistently.

To maintain independency and integrity of the credit approval process, Credit Function is clearly segregated from Business functions. . All officers involved in lending are guided by credit policies and guidelines which are periodically reviewed to ensure their continued relevance to the Bank's business strategy and the business environment.

Credit Risk Management Policies

The Bank established various policies to manage Credit Risk among others as follows:

1. Credit Risk Management Policy which is the core credit policy that governs the management of Credit Risk in the Bank and elaborate the entire minimum requirement for credit risk management.
2. General Credit Policy for Corporate, Commercial, Bank (including Non-Bank Financial Institution) and Sovereign that governs the principles of credit extension and the broad credit principles and standards by which the Bank undertakes and manages Credit Risk. This policy also includes the Credit Classification rule that governs the assessment of credit quality based on five credit grades of Pass, Special Mention, Substandard, Doubtful and Loss;
3. Consumer Credit Policy that governs the principles of credit extension, the credit principles and standards by which the Bank undertakes and manages Credit Risk for the consumer segment;

Risk Management

4. Credit Concentration Risk Management Policy that manages Credit Concentration Risk;
5. Credit Restructuring Policy (Non-Retail) provides guidance on restructuring credit facilities to borrowers who are facing difficulties in meeting their financial obligation to the Bank.
6. Watchlist Accounts Guidelines provide the criteria of watchlist accounts and guidance on the management of watchlist accounts. These watchlist accounts require close monitoring due to the potential deterioration of borrower's repayment capability;
7. The Asset Classification Policy lays down the guidelines for classifying exposures into the Basel II Asset Classes for Risk Weighted Asset calculation;
8. The Credit Risk Mitigation Policy specifies the types and minimum requirements for collateral, guarantees and credit derivatives to be eligible for capital relief;

In line with OJK regulation regarding implementation of Sustainable Financing, the Bank will continue to implement and enhanced its Environmental, Social, and Governance (ESG) policy for its lending activity. Bank has in place a responsible financing policy which embedded in the General Credit policy applying to lending activities for debtors in the wholesale banking segment, which aims to direct customers to conduct their business practices with due regard for the environment and supporting long-term sustainable development. Under this policy, debtor will be assessed through a due diligence, ESG risk ratings determination (low, medium or high ESG risk) and examined according to the Credit Acceptance Guide based on business sector specifications to be identified, assessed and reviewed on its ESG risk.

Credit Assessment and Approval

Approval of credit facilities and exposures to borrowers and/or other counterparties is in accordance to the credit discretionary limits approved by the Board of Commissioners (BOC). UOB Indonesia has established a structure for the delegation of Credit Discretionary Limits (CDL), including the escalation process for approval of exception, excesses and credit extension beyond prescribed limits.

The delegation of CDL follows a stringent process that takes into consideration the experience, seniority and track record of the officer. Credit Risk Management Division acts as the custodian of the CDL structure to ensure that the CDLs are properly administered and reviewed.

UOB Indonesia view that robust and prudent credit assessment or approval has to be supported by qualified and skilled credit officer, therefore UOB Indonesia continuously improves this area by providing specific series of credit up-skilling training through Moody's Commercial Lending programme. This programme was launched in Q4 2019 for all credit related officer from Relationship Manager, Credit Analyst, Credit Approval, Credit Risk Management and other related unit within UOB Indonesia who involved in credit risk management.

Credit Risk Mitigation

As a basic principle of credit activity, the Bank does not grant credit facilities based solely on the collateral provided. All credit facilities are granted based on the credit standing of the borrower, source of repayment and debt servicing ability.

Collateral is taken whenever possible to mitigate Credit Risk and the value of the collateral is monitored periodically. The frequency of valuation depends on the type, liquidity, and volatility of the collateral value. The main types of collateral taken by the Bank are cash, marketable securities, real estate, equipment, inventory and receivables.

Credit Risk Monitoring

Having a good and robust credit risk monitoring is very important to ensure the Bank's investment /loan are protected hence meet and adhere to regulatory requirement. UOB Indonesia has established strong and robust loan monitoring framework which including Early Detection, Watchlist guidelines, covenant monitoring and periodic review.

In order to improve loan monitoring process especially for Early Detection, UOB Indonesia is ongoing to establish Early Warning System for Wholesale segment in Q4 2019. It is targeted to be in place by Q2 2020. Moreover, UOB Indonesia has implemented loan origination system namely Credit Master for Wholesale segment in March 2019. UOB Indonesia believe that by having these systems will improve and provide effective loan monitoring process.

Moreover, UOB Indonesia also monitors closely the delinquency of borrowing accounts as it is a key indicator of credit quality. An account is considered delinquent when payment has not been received by the payment due date. Any delinquent account, including a revolving credit facility (such as an overdraft) with limit excesses, is closely monitored and managed through a disciplined process by officers from business units and the risk management function. Where appropriate, such accounts are also subject to more frequent credit reviews.

Counterparty Credit Risk

Unlike normal lending risk where the notional amount at risk can be determined with a high degree of certainty during the contractual period, counterparty credit risk exposure fluctuates with market variables. Counterparty credit risk is measured as the sum of current mark-to-market value and an appropriate add-on factor for potential future exposure (PFE). The PFE factor is an estimate of the maximum credit exposure over the remaining life of the foreign exchange (FX)/ derivative transaction and is used for limit-setting and internal risk management. In order to manage this counterparty credit risk, UOB Indonesia has established policies and processes which governed under General Credit Policy to manage any exposure which is not adhere or follow to such policies and processes.

Credit Concentration Risk

Credit concentration risk may arise from a single large exposure or from multiple exposures that are closely correlated. We manage such risks by setting exposure limits on obligor groups, portfolios, borrowers and industries, generally expressed as a percentage of the Bank's eligible capital base. We manage our credit risk exposures through a robust credit underwriting, structuring and monitoring process.

Credit Stress Test

Credit stress-testing is a core component of the UOB Indonesia's credit portfolio management process. The three objectives of stress-testing are: 1) to assess the profit and loss and balance sheet impact of business strategies, 2) to quantify the sensitivity of performance drivers under various macroeconomic and business planning scenarios; and 3) to evaluate the impact of Management's decisions on capital, funding and leverage. We conduct stress tests to assess if the UOB Indonesia's capital can withstand losses from the credit portfolio resulting from stress scenarios and their impact on profitability and balance sheet quality. Stress tests also help us to identify the vulnerability of various business units and would enable us to formulate appropriate mitigating actions thereafter.

In 2019, UOB Indonesia has conducted stress test exercise to assess the capital adequacy resilience level and bank's liquidity in responding to changes and shocks in macroeconomic conditions. UOB Indonesia will conduct stress tests exercise periodically as part of the bank's risk management process.

Credit Management and Special Asset Management

UOB Indonesia classifies its credit portfolios according to borrower's ability to repay the credit facility from their normal source of income. All borrowing accounts are categorised into Pass, Special Mention, or Non-Performing (Substandard, Doubtful or Loss) in accordance with the regulatory provisions. Account grading must be supported by a credit assessment based on OJK's three pillars i.e. the repayment capability, business prospect, and debtor's performance.

Retail Credit Management and Special Asset Management Divisions respectively monitor weak credits and manage non-performing assets in Retail Banking and Wholesale Banking. These units are separated from the loan origination units to ensure independency and objectivity in managing NPL.

Credit Exposures under Basel II

UOB Indonesia currently uses the Standardised Approach under Basel II to measure the risk-weighted asset (RWA) for Credit Risk. The guidelines for assignment of credit exposures to Basel II asset classes are documented in the Asset Classification Policy.

Under the Standardised Approach, UOB Indonesia's exposures are classified into 11 asset classifications and portfolios, as follows:

1. Sovereign
2. Non-Central Government Public Sector Entities
3. Multilateral Development Bank
4. Banks
5. Corporate
6. Employee/Retiree
7. Claim Secured by Residential Property
8. Claim Secured by Commercial Real Estate
9. Overdue Claims
10. Other Assets
11. Claims on Micro Business, Small Business, and Retail Portfolio

B.2 Market Risk

Market Risk is the risk of loss arising from movements in market variables on the position held by UOB Indonesia which can result in losses for the Bank. Market variables that influence the position of the Bank are interest rates and exchange rates, including changes in the price of the option.

Market Risk Management Governance Structure

Board of Directors delegates authority to Assets and Liabilities Committee (ALCO) to provide oversight on Market Risk Management. ALCO reviews and provides direction on all market risk related matters.

In practice, ALCO is supported by Market and Balance Sheet Risk Management (MBR) Division. MBR Division, particularly through Market Risk Management and Product Control Unit, is an independent risk control unit that is responsible to operationalise the Market Risk Management Framework in order to support the business growth and ensure the adequacy of risk control and oversight.

We established the roles and responsibilities on each level of the position related to the implementation of Market Risk Management and tailored with the purpose, business policy, size and complexity of the Bank. These roles and responsibilities are governed in the Market Risk Management Policy.

Market Risk Management Framework

The Bank's Market Risk Framework comprises of Market Risk policies and practices, delegation of authority and Market Risk limits, validation of valuation and risk models, and others. This framework also encompasses the process of new product/ activity to ensure that the Market Risk issues are appropriately identified prior to its launch.

The main responsibility of Market Risk Management and Product Control Unit (part of Market and Balance Sheet Risk Management Division) are to identify, measure, monitor and to mitigate Market Risk, as well as to escalate any breach of transaction limit. All Market Risk appetite and controlling limits are reviewed at least once a year, in line with the business strategy and capital adequacy of the Bank.

Risk Management

UOB Indonesia Market Risk measurement methods are able to:

1. Measure the sensitivity and Market Risk exposures under normal and stress conditions;
2. Provide the actual data for potential profit and loss on a daily basis;
3. Perform mark-to-market valuations; and
4. Accommodate the increase of activities, volume, changes of valuation techniques, changes in methodology and new products.

Internally UOB Indonesia also adopted the method of Expected Shortfall (ES) calculation with a historical simulation to measure the potential losses at 97.5 per cent confidence level (based on average 7 days worst losses) using historical data of 300 days. Estimation of ES is back-tested using Profit and Loss data on trading book to measure the effectiveness of the accuracy of the methodology. The process of back-testing is performed to analyse whether the deviation occurred due to weakness in the model calculation or genuine movement in the market. To complement ES measurement, stress test is conducted on the trading book portfolio to identify UOB Indonesia's vulnerability in the event of crisis.

Market Risk Management Policy

The Bank established Market Risk Management policy as a guidance for Market Risk Management implementation. Market Risk Management Policy is reviewed at least annually to conform with business strategy, management directives and regulatory requirements, approved by ALCO

Interest Rate Risk in the Banking Book (IRRBB)

Interest Rate Risk in the Banking Book is defined as the risk of potential loss of capital or reduction in earnings due to changes in interest rates environment.

Interest Rate Risk Management Governance Structure

ALCO is delegated by the Board of Directors to supervise the effectiveness of Interest Rate Risk Management governance. Market and Balance Sheet Risk Management Division supports ALCO in monitoring the profile of interest rate risk in the banking book. At the operational level, the Global Markets - PLM (GM-PLM) and Central Treasury Unit (CTU) Divisions are responsible for the effectiveness of the management of interest risk in the banking book tailored with the established interest rate risk management policy.

Interest Rate Risk Management Framework

The primary objective of interest rate risk management is to protect and enhance economic value of capital and maintain a stable and positive growth in net interest income through the management of the repricing gap in the balance sheet.

The banking book interest rate risk exposure is quantified on a monthly basis using simulation techniques. UOB Indonesia employs a holistic approach towards Balance Sheet Risk Management.

Interest rate risk varies with different repricing periods, currencies, embedded options and interest rate basis. Embedded options may be in the form of loan prepayment and time deposit early withdrawal. In Economic Value of Equity (EVE) sensitivity simulations, the Bank computes the present values for repricing cash flows, with the focus on changes in EVE under different interest rate scenarios. This economic perspective measures interest rate risks across the full maturity profile of the balance sheet, including off-balance sheet items. The Bank estimates the potential impact of interest rate changes on Net Interest Income (NII) by simulating the possible future course of interest rates over time.

Mismatches in the longer tenor will experience greater change in EVE than similar positions in the shorter tenor while mismatches in the shorter tenor will have a greater impact on NII. Interest rate scenarios used in simulations include the six standard scenarios prescribed by OJK. The Bank also performs stress tests regularly to determine the adequacy of capital in meeting the impact of extreme interest rate movements on the balance sheet. Such tests are also performed to provide early warnings of potential extreme losses, facilitating the proactive management of interest rate risks in an environment of rapid financial market changes.

Interest Rate Risk in Banking Book Policy

The Bank established Interest Rate Risk in Banking Book Policy as a guidance for interest rate risk in banking book management implementation. Interest Rate Risk in Banking Book Policy is reviewed at least annually to conform with business strategy, management directives and regulatory requirements, approved by ALCO.

B.3 Liquidity Risk

Liquidity Risk is defined as the risk from the Bank's inability to meet its obligations or fund the increase in assets as they fall due.

Liquidity Risk Management Governance Structure

Asset and Liability Committee (ALCO) assists the Board of Directors in managing the Bank's Liquidity Risk. Liquidity Risk is consistently reported and discussed in the ALCO meeting, which is conducted regularly, with minimum once a month.

In addition, the growth of the liquidity position is also presented in Risk Management Committee (RMC) meeting and to the Board of Commissioners (BOC) through Risk Monitoring Committee (ROC) meeting. Analysis and control of Liquidity Risk is performed by Market and Balance Sheet Risk Management (MBR) Division, particularly through Balance Sheet Risk Management Unit, responsible to monitor, measure, review, and report the Bank's Liquidity Risk and IRRBB.

UOB Indonesia established the roles and responsibilities on each level of position which is related to the implementation of Balance Sheet Risk Management and tailored with the purpose, business policy, size and complexity of Bank. These roles and responsibilities are governed in the Liquidity Risk Management Policy.

Liquidity Risk Management Framework

Liquidity Risk arises because of discrepancy between the period of funding and disbursement of loan on UOB Indonesia business activities. To mitigate the Liquidity Risk, the Bank established Liquidity Risk management policy, including the establishment of strategies and limits which appropriate with the risk level taken by the Bank.

UOB Indonesia strategies focus on the business development within the Liquidity Risk framework which is performed prudently, consistently and efficiently in order to balance the risk and returns. The Bank has determined clear duties and responsibilities on every level related to the Liquidity Risk Management implementation tailored with the objectives, business policy, size and complexity of the Bank.

The key measures used by the Bank for managing Liquidity Risk are using cash flow projection under 'business as usual', 'bank-specific crisis' and 'general market crisis' scenarios, and also by monitoring liquidity ratios as an early warning indicator i.e. decreased in non-bank deposits, LDR, Top 50 and 20 non-bank depositors ratios, swap funding ratio, undrawn facility ratio, Interbank Funding Mix ratio, and Top 20 bank depositors ratio. In addition, the Bank also monitors the stability of its 'core deposits' which consist of non-bank stable deposits such as current account, savings account, and fixed deposit by analysing their volatility overtime. Balance Sheet Risk Management Unit is responsible to enhance, implement, maintain, review, develop and communicate assumptions, methodologies, sources of data, delegation of authority, stress testing and procedures used to measure the Liquidity Risk.

Several strategic actions have been taken to manage Liquidity Risk. On the funding side, the Bank conducts an in-depth evaluation of its funding capacity focusing on funding sources, concentration, tenor, and access to other funding sources in the market. On the asset side, UOB Indonesia conducts analysis of the type and composition of asset such as loans, liquid asset and policies for financial instrument that covers the acceptable criteria for trading and investment assets. Updated information regarding financial market and economic condition are also critical to be done in order to understand the amount of funding available from the market under normal and stress conditions. Furthermore, new product/transaction/activities that have exposure to Liquidity Risk should be adequately reviewed and approved prior to its initiation.

The cash flow analysis of net funding requirement involves the preparation of cash flow mismatch based on actual contractual maturity. Contractual cash flow profile allocates asset, liabilities, and off balance sheet items into time band by remaining maturity. UOB Indonesia also produces cash flow mismatch report based on behavior assumption, related to behavior analysis of asset, liabilities, and off balance sheet, and provides potential cash flow projection based on assumptions which derived from the behavior patterns. From the behavior cash flow analysis, the expected Net Cumulative Outflow (NCO) gaps that will be encountered are obtained.

The daily and monthly cash flow mismatch reports are produced and monitored by Balance Sheet Risk Management Unit by comparing the daily report position against NCO limit. Balance Sheet Risk Management Unit also ensures that the Bank is not exposed by Liquidity Risk and provides report to senior management for action that will be taken to mitigate and manage the Liquidity Risk.

UOB Indonesia performs calculation and monitoring of Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). Both ratios are above the regulatory requirement.

Liquidity Risk Management Policies

Liquidity Risk Management Policy is developed by Balance Sheet Risk Management Unit (part of Market and Balance Sheet Risk Management Division), which provides details on how Liquidity Risk is effectively managed by UOB Indonesia. This policy aims to address the Liquidity Risks that might arise primarily from the business activities of extending loans, making investments, accepting deposits and other funding requirements on trading activities. This policy is reviewed at least annually to incorporate significant business changes, management objectives and regulatory requirements approved by ALCO.

Contingency Funding Plan

The Contingency Funding Plan (CFP) is a critical component of the liquidity management framework and serves as an extension of our operational or daily liquidity management policy. The CFP describes the actions that should be taken by UOB Indonesia in the event of a liquidity crisis, whether occurring in a bank-specific or a general market. The CFP serves to identify and recognise a liquidity crisis, define the appropriate management responsibilities and responses during a crisis, rectify areas of concern and ensure that information flows remain timely and uninterrupted to facilitate quick, precise and effective decision-making. The level of sophistication and detail of the plan would commensurate with the complexity, risk exposure, activities, products and organisational structure of the Bank, in order to determine the most relevant indicators for managing liquidity and funding. In addition, UOB Indonesia also established a Liquidity Task Force (LTF) that is responsible to evaluate liquidity position and decide actions to be taken when crisis occurs.

Risk Management

B.4 Operational Risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The purpose of grouping those risk types is to align the perception and understanding throughout the organisation and set the basis for Operational Risk identification, measurement, mitigation, monitoring and reporting. The main objective is to manage operational risk (identification, measurement, evaluation, mitigation, monitoring and reporting) at appropriate and tolerable level relative to the markets in which the businesses operate.

Operational Risk Governance

Operational risk is managed through a framework of policies and procedures by which business and support units identify, assess, monitor, mitigate and report their risks. The Risk Management Committee meets on a monthly basis, and aims to improve the effectiveness of UOB Indonesia's overall Operational Risk Management. The Operational Risk Governance structure adopts the Three Lines of Defence Model. The business and support units, as the first line of defence, are responsible for establishing a robust control environment as part of their day-to-day operations. Each business/support unit is responsible for implementing the operational risk framework and policies, embedding appropriate internal controls into processes and maintaining business resilience for key activities.

The Operational Risk Management (ORM) Division, as the second Line of Defence is responsible for developing and maintaining the Operational Risk Management framework, policies, procedures, methodologies, programmes and techniques. ORM Division is also responsible for facilitating and providing support, guidance, training the first line of defense in managing and promoting greater awareness of operational risk. ORM Division monitors and reports significant operational risks to Senior Management and Management Committees.

UOB Indonesia established an Operational Risk Management Framework and Policies to ensure robust Operational Risk Management that comprises risk identification, assessment, mitigation and monitoring in a structured and consistent manner. Operational Risk Management process is applied based on effective market best practices. In general, the Operational Risk Management strategy is carried out through the principles and methodology of Three Lines of Defence, including Technology Risk Management, Business Continuity Management, Fraud Management and Outsourcing Risk Management.

Operational Risk Management Framework and Policies are reviewed annually to align with the Bank's internal and external conditions and approved by the Board of Directors through the Risk Management Committee or Board of Commissioners.

Operational Risk Management Programme

The objective of the Operational Risk Management programme is to assist first line of defense to identify, assess, monitor and control key operational risks in their activities including:

1. Operational Risk Identification through Key Risk and Control Self-Assessment (KRCSA), General Operating and Control Environment Questionnaire (GOCEQ), Management Risk Awareness (MRA), Event Risk Reporting, outsourcing risk assessment and reviewing the Bank's new products and activities;
2. Operational Risk Measurement by assessing inherent and residual risks using impact and likelihood matrix;
3. Operational Risk Monitoring through Key Operational Risk Indicators (KORI)

Operational Risk Management is the responsibility of all employees in the Bank. Various Operational Risk Management initiatives and programmes have been implemented to increase risk awareness and effectiveness of Operational Risk Management implementation, as follows:

1. Appointed Line Risk and Control Manager (LRCM) as the person in charge (PIC) for the implementation of operational risk management in each working unit as the first Line of Defense. This is to ensure that the Bank's operations are aligned with the level of risk tolerance. To elevate the skill of LRCMs, ORM Division conduct regular training and socialisation for the LRCMs;
2. Conducted Crisis Management simulation on an annual basis to ensure the preparedness of the Crisis Management Team (CMT) and Crisis Support Teams;
3. Promote risk awareness and risk culture by giving recognition to the best LRCM and best KRCSA;
4. Established and maintain Technology Risk Management Framework for managing technology risks in a systematic and consistent manner; and
5. Strengthened Business Continuity Management (BCM) policy implementation, through developing Regional and Local Command Center, establishing Regional Command Center Procedures, forming Emergency Response and Recovery Team, and conducting simulation, training and testing to ensure readiness.

Business Continuity Management

UOB Indonesia has established and regularly updates Business Continuity Management (BCM) Policy and Guideline that cover Business Impact Analysis (BIA), Operational Risk assessment, recovery strategy performed by the Bank for each type of disruption, documentation of disaster recovery and contingency plan, and evaluation of BCM programme effectiveness.

The Bank will continue to increase our capability to minimise the likelihood and impact of identified disaster. The Bank has initiated a strategy to manage a wide-area disruption, especially for Jakarta. In order to support and improve UOB Indonesia's BCM readiness, several BCP exercises are conducted on a regular basis. The exercises include BCP Exercise, Disaster Recovery Exercise for IT system and Management Call Tree Exercise. In addition, the Bank has also established a Crisis Management Plan and conducted an Integrated Crisis Management Simulation exercise in November 2018 to ensure readiness of the Crisis Management Team in executing the plan in case of a crisis.

Fraud Risk Management

UOB Indonesia defines fraud as:

1. An act, with an element to deceive or to conceal facts, and is not restricted to the gain of monetary or material benefits;
2. A deviating act or a purposeful neglect undertaken in order to deceive, cheat, or manipulate the Bank, customer, or another party, that occurs inside the Bank and/or using the facility so as to cause the Bank, customer, or another party to suffer a loss and/or to cause the fraudster to gain a benefit, both directly as well as indirectly. This definition is in accordance to SEBI No. 13/28/DPNP dated 9 December 2011.

The above definitions are complementing one another.

UOB Indonesia actively manages fraud risks. The Integrated Fraud Management (IFM) Division, as the Second Line of Defence, drives strategy and governance and oversees the framework of fraud Risk Management across the Bank. The corporate governance of fraud risk is provided by the Audit Committee at Board of Commissioners level, and primarily by the Risk Management Committee at Management level.

All employees are required to uphold the UOB Code of Conduct, which includes anti-bribery and anti-corruption provisions. The Bank's fraud hotline ensures independent fraud investigation. IFM works closely with business and support units to strengthen their current practices across the five pillars of prevention, detection, response, remediation and reporting.

B.5 Compliance Risk

Compliance Risk as stipulated in Financial Services Authority/*Otoritas Jasa Keuangan* (OJK) is the risk arising due to the Bank's failure to comply with and/or implement the prevailing laws and regulations.

For UOB Indonesia's internal purposes, Compliance Risk is defined as follows:

1. The risk of regulatory sanctions, financial loss, or damage to the Bank's reputation that may arise when the Bank fails to comply with laws, regulations, rules, standards or codes of conduct (established by industry associations) applicable to the Bank's business activities and operations;

2. The risk that a change in laws and regulations, can increase the cost of operation and the cost of capital for the Bank thereby impacting the Bank's earnings or returns.

In line with Financial Services Authority Regulation No. 46/POJK.03/2017 concerning the Implementation of Compliance Function for Commercial Banks, UOB Indonesia is required to ensure the implementation of compliance function by creating compliance culture on all levels of organisation and to ensure that all of the Bank's policies and business activities are in compliance with the prevailing laws and regulations.

Compliance Risk Management Governance Structure

Stakeholders involved in managing Compliance Risk are as follows:

1. Board of Commissioners
 - a. Evaluate the implementation of Bank's compliance function at least twice a year;
 - b. Based on the evaluation results of compliance function implementation, the Board of Commissioners are to provide advice in order to improve the quality of compliance function implementation to President Director and copied to Compliance Director.
2. Board of Directors
 - a. Responsible for establishing compliance risk management framework that contains the basic principles to be approved by the Board of Commissioners and explains the main processes by which compliance risks are to be identified and managed through all levels of the organisation;
 - b. Approve Compliance Charter as a basis for the Bank to implement compliance principles;
 - c. Foster and embody the implementation of the Compliance Culture at all levels of the organisation and the Bank's business activities;
 - d. Ensure the implementation of Bank's compliance function; and
 - e. Responsible in overseeing the management of the Bank's compliance risk.
3. Senior Executive Officers
 - a. Responsible for establishing compliance risk management framework that contains the basic principles to be approved by the Board of Commissioners and explains the main processes by which compliance risks are to be identified and managed through all levels of the organisation;
 - b. Foster awareness of major aspects of Bank's compliance risks that should be explicitly managed;
 - c. Ensure that the Bank can rely on a permanent and effective compliance function that is sufficiently resourced to carry out its role
 - d. Ensure the implementation of Bank's compliance function;
 - e. Ensure that appropriate remedial or disciplinary action is taken if breaches are identified; and

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- f. Ensure that the Compliance Charter, Compliance Guidance and other relevant frameworks/policies and guidelines/handbooks are observed.
4. Directors' Committees

The Committees are formed to assist the President Director and Board of Directors in making business decisions while balancing risks and return. The Committees are responsible for reviewing and recommending the Bank's strategic direction, approving compliance risk management policies, overseeing the overall risk profile and monitoring the Bank's overall performance in accordance with their respective Terms of Reference.
5. Executive Officers
 - a. Ensure the implementation of the compliance culture in all activities of its respective functions and/or branches and/or units;
 - b. Ensure that preventive actions and corrective actions are properly implemented within its respective functions and/or branches and/or units towards potential/ actual breaches on the prevailing regulations and/or legislations.
6. Compliance Director
 - a. Formulates strategies to encourage the creation of the Bank's compliance culture;
 - b. Proposes compliance policies or principles that will be set by the Board of Directors;
 - c. Establishes compliance systems and procedures that will be used to formulate Bank's internal provisions and guidelines;
 - d. Ensures that all policies, provisions, systems and procedures, as well as business activities conducted by the Bank are in compliance with the prevailing Regulators' provisions and legislations;
 - e. Identifies, manages, and coordinates regulatory compliance risks and provides oversight and functional Compliance leadership to manage/minimise the Compliance Risk of the Bank;
 - f. Takes precautionary action to ensure that the policies and/or decisions taken by the Board of Directors of the Bank do not deviate from the prevailing Regulators' provisions and legislations;
 - g. Submits reports to Regulators and Board of Commissioners and Board of Directors on the implementation of his/her duties; and
 - h. Carries out other duties that are related to Compliance Function, including ensuring that the Board of Directors and Senior Executive Officers are informed of significant compliance issues and plans for resolution
7. Compliance Function
 - a. Create steps to support the creation of compliance culture across the Bank's business activities and at every level of organisation;
 - b. Conduct identification, measurement, monitoring, and control of Compliance Risk with reference to the Regulator's provision concerning the implementation of Risk Management for Commercial Banks;
 - c. Assess and evaluate strictly, in collaboration with the Business/Support Units, the effectiveness, adequacy, and appropriateness of policies, provisions, systems and procedures that are owned by the Bank with the prevailing regulations;
 - d. Conduct reviews and/or provide recommendation on updating and refinement of policies, regulations, systems and procedures that are owned by the Bank to comply with the prevailing Regulators' provisions and legislations;
 - e. Conduct efforts to ensure that the policies, provisions, systems and procedures, as well as the Bank's business activities are in compliance with the prevailing Regulators' provisions and legislations;
 - f. Fulfill the role of anti-money laundering function by ensuring the implementation of the entire monitoring system of transactions conducted by customers are in line with the guidelines, policies and procedures that have been stipulated so that the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Programmes are successfully implemented and to prevent the Bank from the imposition of sanctions;
 - g. Identify, assess and document compliance risks associated with business activities of the Bank including new products, services, business practices and material changes to existing business and customer relationships;
 - h. Provide advice to Business and Support Units including the Board of Directors and Senior Executive Officers and keeping them informed about developments related to prevailing Regulator's provisions and other regulations;
 - i. Develop compliance manuals and guidelines containing the prevailing Regulators' provisions, other regulations and key business conduct jointly with the Business/Support Units to be used by all officers and staff of the Bank;
 - j. Identify and maintain an inventory of all prevailing Regulators' provisions and legislations with the support of internal/ external legal counsel when necessary;
 - k. Assist the Board of Directors and Senior Executive Officers in educating relevant staff members on compliance issues;
 - l. Provide advice, guidance and continuous training to staff members on appropriate implementation of compliance framework which include policies, guidelines and procedures such as those contained in the Bank's Compliance Guidance, Code of Conduct and the Bank's internal guidelines.
 - m. Advise units/divisions in the Bank and/or Board of Directors and Senior Executive Officers on Compliance Laws, Rules and Standards ("CLRS"), the implications of new regulations/ regulatory changes and provide guidance on the proper and prompt implementation of procedures to comply with the requirements;

- n. Monitor, test and report on compliance with relevant compliance risk management framework and internal policies/procedures to Senior Executive Officers and Board of Commissioners/Board of Directors and, if required, to any regulatory authority. However, the responsibility for ensuring day-to-day compliance remains within each functions;
 - o. Make enquiries into compliance incidents and complaints, and carrying out further investigations as appropriate;
 - p. Act as the key liaison person with relevant internal and external parties, including Regulators, regarding Bank's compliance issues; and
 - q. Fulfill its responsibilities under the compliance plans and procedures developed for each business entity in accordance with its compliance risk management framework including performing compliance review on a risk-based approach.
8. Risk Management identifies, assesses, measures, monitors, controls and reports the risk of the Bank and is responsible for developing and implementing the risk management frameworks/ infrastructure, strategies, policies and processes to manage the Bank's risks.
9. Internal Audit function
- a. Internal Audit Function as the third line of defence is given the authority by the Board of Commissioner and President Director to assist Management in carrying out the legal and executive obligations by providing independent and objective assurance, and consultation to provide added value for the Bank's operational activities. Internal Audit assists the Bank to achieve the purposes through a discipline, innovative and systematic approach, to assess adequacy and improve the effectiveness of governance process, risk management, and internal control.
 - b. Internal Audit Function provides audit report including but not limited on opportunities to improve the management control, profitability, and the Bank's image, and submit the reports to President Director, Board of Commissioner, Audit Committee, and related Management with a copy to Compliance Director. All correspondences with Regulator have also been forwarded to Compliance Director.
10. Legal Function is responsible to provide advice by referring to the applicable laws and regulations. Legal Function is also responsible to provide legal policies, procedures, guidelines and standards legal documents related to product or activities of the Bank.
11. Line Managers and Staffs
- a. Line Managers and Staffs are ultimately responsible and accountable for compliance risk, including ensuring that all business activities are in compliance with prevailing Regulators' provisions and legislations;
 - b. Required to understand prevailing Regulators' provisions and legislations and are responsible to ensure compliance with these provisions and legislations, which include:
 - Organising and managing their business and operational functions in proper and professional manner in compliance with the Regulatory provisions and legislations;
 - Implementing compliance manuals in their respective businesses and operational areas; and
 - Reporting promptly all incidents of non-compliance, both actual and potential, to the Compliance Function.

Compliance Risk Management Framework

In order to strengthen our internal control system framework, especially for Compliance Function as the second line of Defence, the Bank developed an organisational structure under Compliance Function, into three units namely Compliance Review and Testing, Compliance Advisory and Monitoring, and AML/CFT and Sanctions. Strategies to implement the Bank's compliance function are through aspects of compliance function governance, compliance risk management, as well as the implementation of compliance culture.

UOB Indonesia's compliance function framework on the compliance risk governance aspects are reflected in the Compliance organisational structure which is independent from the business and other supporting units, where the Compliance Director reports directly to the President Director. This enables the Compliance Function to be managed independently.

In the aspect of Compliance Risk Management, Compliance Function plays a role in providing views/directions towards the fulfillment and/or implementation of laws, policies, regulations, standards or codes of conduct, monitoring compliance towards the fulfillment of the Bank's commitments and completion of corrective action plans arising from Regulatory Audit inspections and Bank's Internal Audit reviews, managing the imposition of penalty/fines from regulatory breaches, performing Compliance Review and others.

Moreover in the aspect of compliance culture implementation, Compliance Function has stipulated and educated through the Compliance Code of Conduct as a basic reference for all employees in implementing values, actions, behaviours and actualisations of compliance principles.

Compliance Function and Operational Risk Management also perform monitoring and reporting of operational events related to Regulatory Compliance Risk and Operational Risk respectively.

Risk Management

Compliance Risk Management Policies and Guidelines

One of the strategies for Compliance Risk Management is the establishment of Compliance Charter and Compliance Guidance as two main policies and procedures in managing Compliance Risk. Both policies set out:

1. Compliance Framework
2. Compliance Code of Conduct
3. Compliance Review Procedure
4. Monitoring of Bank's commitment monitoring and follow-up on request from related Regulator procedure
5. Escalation and Reporting of Compliance Risk Incident Procedure
6. Compliance and Regulatory Risk Assessment (RRA)

Compliance Charter and Compliance Guidance are reviewed annually to ensure an adequate and timely compliance function implementation in all level of the organisation, and thus facilitate the Bank to better harmonise between commercial interest and compliance towards prevailing regulations. For such policy and procedure to be implemented effectively, the most fundamental aspect that must be in place is compliance culture, which drives the value, behavior and action that supports the Bank's compliance towards the prevailing laws and regulations.

B.6 Strategic Risk

Strategic Risk is defined as risk due to improper setting and/or implementation of a strategic decision that has impact on Bank's profitability, and failure to anticipate any changes in business environment, such as changes in banking industry, turmoil in the national economy, and disruption in technological field.

Strategic Risk Management Governance Structure

Related parties involved in managing Strategic Risk are as follows:

1. The Board of Commissioners and Directors formulate and approve strategic plans and business plans that have been adjusted with the Bank's vision and strategic objectives, direct, monitor and evaluate the implementation of the Bank's strategic policies, including communicating it to all employees across all levels of the organisation;
2. The Risk Management Committee supports the Board of Directors in monitoring the Strategic Risk management implementation in the Bank, as well as providing information related to material risk exposures, issues and action plans;
3. Business and support functions monitor and manage Strategic Risk in their respective areas, and are responsible to ensure all material risks that arise from the business activities and implementation of strategy are reported in timely manner to the related Directors or Senior Executive Officers. Each working function is also responsible for ensuring that the target of its respective working function can be achieved well and in line with the Bank's overall target;

4. Risk Management Function, together with Finance Division, conducts evaluation on the realisation of Bank's Business Plan to support the adequacy of the strategic risk management information system; and
5. CEO Office Working Function supports the management of strategic risk and is responsible in translating the company's strategy into operational plans, monitoring the execution of operational plans, evaluating the progress from predetermined Balance Score Card, as well as highlighting areas that requires attention from the Management.

Strategic Risk Management Framework

UOB Indonesia adheres to prudent principles in all its business decisions so as to minimise and mitigate any risks involved. In managing Strategic Risk, the Bank constantly monitors the environment in which it operates, analyses the Bank's performance in relation to its competitors, including analysis on all available strategic alternatives after considering the strategic plans and risk tolerance of the Bank, observing economic dynamics that could have an impact on the banking industry, as well as changes in the business landscape driven by technological developments, and takes corrective actions to adjust its strategies and plans as appropriate. Implementation of strategic decisions and anticipation of changes in the business environment is carried out through a strategic risk management cycle with the main elements in the form of the application of vision and mission; setting objectives and strategic plans; target and business plan setting; as well as implementation, monitoring and evaluation of performance.

The Bank sets a strategic plan based on a proper and realistic manner, as well as considering the prudential principles and risk management implementation. The Bank's strategic plans are prepared by the Board of Directors, and upon approval of the Board of Commissioners, communicated to all employees of the Bank on each level of the organisation. Each Function Head is responsible to ensure the alignment of the annual work plans in their respective functions, with the work plan established by the Board of Directors.

On an ongoing basis, UOB Indonesia performs periodic reviews on the achievement of financial targets and strategy realisation. The reviews and evaluation coverage is adjusted based on the development of the Bank's risk exposure, market changes, risk measurement and management methods. The Board of Commissioners and Directors also conduct periodical review towards the Bank's achievement on financial targets and its realisation through various forum and meeting coordinations, such as Board of Directors meeting. All functions are also responsible for monitoring their respective Strategic Risks and reporting promptly to the related Directors and/or Senior Executive Officers on any potential issues or problems that have strategic implications on the Bank. All results of the review and related reports serve as input in order to improve the overall risk management framework and process.

Strategic Risk Management Policies

An effective implementation of Strategic Risk Management is supported with adequate policies and procedures, as well as risk limits which are aligned with the Bank's vision, mission and business strategy. The development of these policies and procedures is tailored with the type, complexity of business activity, risk profile and risk limit in accordance with regulations stipulated by Regulators and/or sound banking practices. The implementation of these policies and procedures is also supported with the adequacy of capital and quality of human resources.

With regards to the implementation of strategic risk management, internal control system is applied effectively towards the implementation of business activities and operations across all levels of the organisation by referring to the established policies and procedures. The internal control system is also carried out to ensure that the Bank can timely detect weaknesses and irregularities that occur in the process of implementing strategic management.

B.7 Legal Risk

Legal risks are risks caused by existence of weakness in juridical aspects. Such weakness in juridical aspects are caused among others by:

1. The existence of a lawsuit;
2. The absence of supporting laws and regulations;
3. A weak contract as the legal requirements of a contract are not fulfilled by such contract and collateral agreement is not made perfectly.

Legal Risk Management Governance Structure

The parties involved in managing legal risk are:

1. Board of Commissioners and Board of Directors (through Risk Management Committee and Risk Monitoring Committee) are responsible for supervising and managing legal risk arising from the Bank's business activities;
2. Risk Management Committee supports the Board of Directors in monitoring risk management in the Bank, providing information on material risk related to exposure, issues and action plans;
3. Business and Support functions are responsible for monitoring and managing Legal Risk and its impact in their respective areas; and
4. Specialist area, such as Compliance, Legal, Human Resources, Technology and Operations, Corporate Real Estate Service, and Corporate Services are responsible for providing guidance related to their respective areas of expertise.

Legal Risk Management Framework

Risk measurement for Legal Risk is conducted by using indicators such as potential losses due to litigation, cancellation of contracts due to unenforceability and changes of regulations. Every Legal Risk incident and its potential loss numbers must be documented and reported.

The Legal function provides legal advice and guidance to all units of the Bank, as and when needed. This includes the oversight and periodic review of:

1. all standard contracts / agreements;
2. all standard loan agreements between the Bank and other parties.

The Legal Function is also responsible for highlighting new or emerging legal risks, and managing significant litigation involving the Bank.

Legal Risk Management Policies

The Bank has a Policy on Management of Legal Risk which governs the Legal Risk Management Governance Structure and sets out the duties and responsibilities of each party in implementing Legal Risk Management.

Legal Function has established various guidelines related to Legal Risk Management, such as Guidelines on Managing Intellectual Property Risk, Guidelines on Engagement of External Lawyers, and Guidelines on Managing Contractual Risk.

B.8 Reputational Risk

Reputational Risk is the risk of adverse impact on UOB Indonesia's income, liquidity or capital arising from negative stakeholders' perception or opinion of the Bank's business practices, activities and financial condition.

Reputational Risk Management Governance Structure

Related parties involved in managing Reputational Risk are as follows:

1. Board of Commissioners and Directors are responsible for managing the Bank's Reputational Risk.
2. Risk Management Committee assists the Board of Directors in the oversight of the management of Reputational Risk in the Bank, keeping them apprised of the material risk exposures, issues and resolution plans;
3. Reputational Risk Management panel is a sub-committee of the Risk Management Committee which is responsible to confirm the impact of high reputational risk events, determine the appropriate action plan, appoint relevant task force and approve the closure of the case;
4. Business and support functions are responsible for monitoring and managing the various types of risks that are deemed to potentially impact on the reputational risk;
5. Risk Management Function is responsible for developing and maintaining Risk Management policies and procedures, including training and advising the business and support functions in managing their risks, including reputational risk; and
6. Subject matter specialists are from the various functions of Strategic Communications and Brand, Customer Advocacy and Service Quality, Compliance, Legal, Human Resources, Technology and Operations and Corporate Services.

Risk Management

Reputational Risk Management Framework

Risk identification and measurement for Reputational Risk is conducted using information from various sources such as the mass media, customer complaints (e.g. through contact centre) and customer satisfaction survey.

Risk monitoring for Reputational Risk is conducted on a regular basis in accordance with UOB Indonesia's policies, procedures and guidelines, as well as the Bank's past experiences.

Risk controlling for Reputational Risk is conducted through:

1. Prevention of events that can lead to Reputational Risk impacts, are among other through media training, daily media coverage monitoring, periodic communications to various stakeholders to create a positive reputation, and corporate social responsibility programmes;
2. Restoration of UOB Indonesia's reputation after a Reputational Risk event and the measures in place to minimise any negative impact to the reputation of the Bank.

Any incidents related to Reputational Risk, including the amount of potential losses resulting from those incidents shall be noted and tracked for closure.

Where the Reputational Risk event affects the Bank's ability to continue its business activities and/or to obtain funding, the Bank will activate the Crisis Management Plan (CMP), Business Continuity Plan (BCP), Disaster Recovery Plan (DRP) and/or Contingency Funding Plan (as relevant).

Reputational Risk Management Policies

The Bank establishes a Reputational Risk Management Policy that governs the Reputational Risk Management Governance Structure, methodology and toolkits for managing Reputational Risk, including its communication process, escalation process, establishment of Reputational Risk Management Panel, Reputational Risk issue owner and others.

C. Recovery Plan (RCP)

Although it is yet required by Regulator, Risk Management has established a Recovery Plan (RCP) to enable UOB Indonesia to recover from severely adverse conditions that could cause failure. The recovery plan covers recovery options when the Bank is facing solvability issues (i.e. Capital, Liquidity, Earnings, and Asset Quality). This includes the determination of indicators and trigger levels for each indicator for the purposes of prevention, recovery, and resolution.

D. Risk Based Bank Rating (RBBR)

In a regular basis, UOB Indonesia conducts assessment on the Risk Based Bank Rating according to OJK Regulation No. 4/ POJK.03/2016 and OJK Circular Letter No. 14/SEOJK.03/2017 regarding the Assessment of Bank's Soundness Rating for Commercial Banks. The assessment of RBBR is conducted towards four factors namely Risk Profile, Good Corporate Governance, Earnings, and Capital.

The self-assessment result of RBBR for semester II - 2019 was as follows:

No	Assessment Factor	Rating
1	Risk Profile	2
2	Good Corporate Governance	2
3	Earnings	2
4	Capital	2
RBBR Rating		2

Based on the self-assessment, UOB Indonesia assessed its soundness rating in the second semester of 2019 at "2" or in a good condition, which means the Bank is able to encounter significant negative effects and changes in business conditions and other external factors reflected in assessment factors rating, namely, Risk Profile, Good Corporate Governance Implementation, Earnings and Capital. The weaknesses identified in the assessment factors do not significantly affect the soundness rating of the Bank.

E. Risk Management System Implementation

The applied Risk management system aims to conduct analysis of current or future risks and/or potential risks faced by the Bank and to determine mitigation measures for these risks. Risk management system is regularly evaluated in order to measure its effectiveness level. Through this evaluation, the Bank is expected to be able to re-analyse whether these strategies are in line with the established target.

Evaluation of the Risk Management system is conducted internally and externally. Internally, Risk Monitoring Committee and Audit Committee review and evaluate the Bank's Risk Management policies and implementation, as well as provide inputs and recommendations to the Board of Commissioners in order to carry out the oversight function. Internal Audit function regularly reviews and conducts audit on risk management implementation based on risk-based audit principles, with the purposes not only as an internal control, but also to continuously improve risk management implementation. Externally, the evaluation of risk management implementation is performed by the external auditor and Regulator.

F. Basel Implementation

In line with the implementation of regulatory provision, the Bank adopts Standardised Approach (SA) for Credit and Market Risk, and Basic Indicator Approach (BIA) for Operational Risk. Furthermore, UOB Indonesia has also adopted a Credit Valuation Adjustment (CVA) as Capital charge for counterparty credit risk (CCR) for OTC Derivatives transaction. UOB Indonesia continues to prepare a foundation to establish Basel II and Basel III implementation supported with sufficient information system and tailored with the development of banking architecture and prevailed regulation.

Related to the implementation of Basel III particularly for Liquidity Risk, the Bank has reported a Liquidity Coverage Ratio (LCR) as accordance to OJK regulation No. 42/POJK.03/2015 on a monthly basis starting June 2016 to Regulator, and published in the Bank's website on a quarterly basis starting September 2016. Report and publication of Net Stable Funding Ratio (NSFR) as accordance to OJK regulation No. 50/POJK.03/2017 has been conducted quarterly starting March 2018.

UOB Indonesia also continues to improve the implementation of Basel II Pillar 2 "Internal Capital Adequacy Assessment Process" (ICAAP) to assess the overall capital adequacy associated with risk profile and strategy, to maintain the level of the Bank's capital. Further, Bank has also measured Interest Rate Risk in Banking Book (IRRBB), referring to OJK regulation No. 12/SEOJK.03/2018.

Ongoing basis, the Bank improves the implementation of Pillar 3 "Market Discipline" to ensure the transparency of the Bank's financial and non-financial information.

Risk Exposure Table

CREDIT RISK

1. Disclosure of Credit Risk Net Claims by Region – Individual Bank

(in Million Rupiah)

		31 December 2019						
No	Portfolio Category	Net claims by region						
		Central Java	East Java and Bali	Jakarta	Kalimantan and Makassar	Sumatera	West Java	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Claims on Sovereign	-	-	16,592,264	-	-	-	16,592,264
2	Claims on Public Sector Entities	-	-	4,855,922	-	-	-	4,855,922
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-
4	Claims on Bank	5,206	445,268	10,172,116	368	-	10,838	10,633,796
5	Claims Secured by Residential Property	210,218	677,947	4,574,623	88,288	407,800	495,222	6,454,098
6	Claims Secured by Commercial Property	758,096	490,896	2,568,150	479,492	270,054	99,337	4,666,025
7	Claims on Employees/Retirees	-	-	-	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	73,528	116,155	2,502,460	77,946	148,021	86,732	3,004,842
9	Claims on Corporations	4,259,302	6,608,871	39,060,250	1,771,036	5,784,864	3,603,199	61,087,522
10	Past Due	77,507	171,274	237,126	48,719	127,494	87,148	749,268
11	Other Assets	140,370	107,690	1,781,672	57,763	131,181	98,540	2,317,216
	Total	5,524,227	8,618,101	82,344,583	2,523,612	6,869,414	4,481,016	110,360,953

(in Million Rupiah)

		31 December 2018						
No	Portfolio Category	Net claims by region						
		Central Java	East Java and Bali	Jakarta	Kalimantan and Makassar	Sumatera	West Java	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Claims on Sovereign	-	-	17,340,334	-	-	-	17,340,334
2	Claims on Public Sector Entities	-	-	3,311,440	-	-	-	3,311,440
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-
4	Claims on Bank	5,423	986,811	9,979,808	907	2,556	3,145	10,978,650
5	Claims Secured by Residential Property	186,534	476,129	3,827,354	73,837	313,652	461,252	5,338,758
6	Claims Secured by Commercial Property	849,214	540,188	3,156,907	537,488	304,601	122,176	5,510,574
7	Claims on Employees/Retirees	-	-	-	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	70,950	123,198	2,345,969	83,690	162,645	89,706	2,876,158
9	Claims on Corporations	4,311,993	5,766,782	39,907,456	1,849,481	6,144,397	3,724,089	61,704,198
10	Past Due	89,589	97,654	231,921	25,924	71,138	45,585	561,811
11	Other Assets	99,076	109,405	1,708,516	6,566	104,350	74,568	2,102,481
	Total	5,612,779	8,100,167	81,809,705	2,577,893	7,103,339	4,520,521	109,724,404

Risk Exposure Table

2. Disclosure of Credit Risk Net Claims by Remaining Contract Period – Individual Bank

(in Million Rupiah)

No.	Portfolio Category	31 December 2019					
		Net Claims by Remaining Contract Period					
		< 1 year	1 - 3 years	3 - 5 years	> 5 years	Non Contractual	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on Sovereign	4,100,746	3,998,362	1,609,656	1,509,069	5,374,431	16,592,264
2	Claims on Public Sector Entities	4,854,868	-	-	-	1,054	4,855,922
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4	Claims on Bank	7,533,129	666,050	315,086	-	2,119,531	10,633,796
5	Claims Secured by Residential Property	138,611	233,594	592,158	5,489,729	6	6,454,098
6	Claims Secured by Commercial Property	96,404	587,031	975,369	3,007,221	-	4,666,025
7	Claims on Employees/Retirees	-	-	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	558,067	821,214	1,405,625	215,335	4,601	3,004,842
9	Claims on Corporations	45,352,294	6,541,980	6,118,351	2,919,812	155,085	61,087,522
10	Past Due	332,717	70,416	72,392	264,078	9,665	749,268
11	Other Assets	-	-	-	-	2,317,216	2,317,216
	Total	62,966,836	12,918,647	11,088,637	13,405,244	9,981,589	110,360,953

(in Million Rupiah)

No.	Portfolio Category	31 December 2018					
		Net Claims by Remaining Contract Period					
		< 1 year	1 - 3 years	3 - 5 years	> 5 years	Non Contractual	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on Sovereign	6,801,216	2,359,275	999,754	1,144,425	6,035,664	17,340,334
2	Claims on Public Sector Entities	1,147,442	2,162,203	-	-	1,795	3,311,440
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4	Claims on Bank	8,657,581	791,973	239,503	-	1,289,593	10,978,650
5	Claims Secured by Residential Property	165,271	239,551	580,050	4,352,237	1,649	5,338,758
6	Claims Secured by Commercial Property	468,073	705,464	1,033,581	3,303,456	-	5,510,574
7	Claims on Employees/Retirees	-	-	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	923,027	495,030	1,212,110	243,454	2,537	2,876,158
9	Claims on Corporations	44,401,036	7,126,222	5,550,157	4,397,336	229,447	61,704,198
10	Past Due	257,720	57,292	53,978	191,358	1,463	561,811
11	Other Assets	-	-	-	-	2,102,481	2,102,481
	Total	62,821,366	13,937,010	9,669,133	13,632,266	9,664,629	109,724,404

Risk Exposure Table

3. Disclosure of Credit Risk Net Claims by Economic Sector – Individual Bank

(in Million Rupiah)

No.	Economic Sector	Claims on Sovereign	Claims on Public Sector Entities	Claims on Multilateral Development Banks and International Institutions	Claims on Banks	Claims Secured by Residential Property	Claims Secured by Commercial Property	Claims on Employees/Retirees	Claims on Micro, Small Business and Retail Portfolio	Claims on Corporations	Past Due	Other Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
31 December 2019												
1	Agriculture, hunting, and forestry	-	-	-	-	-	227,125	-	4,682	4,186,798	1,567	-
2	Fishery	-	-	-	-	-	-	-	2,093	27,241	-	-
3	Mining and excavation	-	-	-	-	-	2,924	-	3	2,904,626	978	-
4	Processing industry	-	-	-	-	-	712,109	-	75,221	25,361,784	145,682	25
5	Electricity, gas, and water	-	-	-	-	-	73,893	-	1,528	316,383	-	-
6	Construction	-	1,561,288	-	-	-	91,427	-	20,753	2,719,429	25,161	-
7	Wholesale and retail trading	-	-	-	-	-	1,078,124	-	284,915	16,427,416	284,584	-
8	Provision of accomodation and eating - drinking	-	-	-	-	-	1,594,931	-	5,652	633,230	6,061	-
9	Transportation, warehousing, and communications	-	-	-	-	-	81,453	-	10,250	1,699,197	19,741	-
10	Financial intermediaries	998,095	3,294,634	-	10,628,357	-	-	-	-	1,268,377	-	64
11	Real estate, business ownership, and business service	-	-	-	-	-	762,783	-	14,607	3,603,453	6,190	-
12	Government administration, defense, and compulsory social security	-	-	-	-	-	-	-	678	2,751	-	-
13	Education services	-	-	-	-	-	4,207	-	1,214	38,741	-	-
14	Health services and social activities	-	-	-	-	-	21,384	-	1,364	109,031	5,458	-
15	Community, sociocultural, entertainment, and other individual services	-	-	-	-	-	15,334	-	10,703	230,036	7,780	-
16	Individual services which serve household	-	-	-	-	-	331	-	672	1,079	-	-
17	International agency and other extra international agency	-	-	-	-	-	-	-	-	-	-	-
18	Business activities which are not clearly defined	-	-	-	-	-	-	-	-	-	-	-
19	Non industrial origin	9,212,002	-	-	-	6,454,098	-	-	2,570,507	1,557,950	246,066	-
20	Others	6,382,167	-	-	5,439	-	-	-	-	-	-	2,317,127
	Total	16,592,264	4,855,922	-	10,633,796	6,454,098	4,666,025	-	3,004,842	61,087,522	749,268	2,317,216

(in Million Rupiah)

No.	Economic Sector	Claims on Sovereign	Claims on Public Sector Entities	Claims on Multilateral Development Banks and International Institutions	Claims on Banks	Claims Secured by Residential Property	Claims Secured by Commercial Property	Claims on Employees/Retirees	Claims on Micro, Small Business and Retail Portfolio	Claims on Corporations	Past Due	Other Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
31 December 2018												
1	Agriculture, hunting, and forestry	-	-	-	-	-	178,614	-	5,325	4,420,795	-	-
2	Fishery	-	-	-	-	-	-	-	3,013	40,914	2,479	-
3	Mining and excavation	-	-	-	-	-	3,713	-	434	2,158,919	976	-
4	Processing industry	-	-	-	-	-	720,889	-	76,924	19,528,086	83,920	25
5	Electricity, gas, and water	-	-	-	-	-	158,293	-	1,718	281,734	-	-
6	Construction	-	747,666	-	-	-	156,165	-	20,437	2,787,233	28,947	-
7	Wholesale and retail trading	-	-	-	-	-	1,102,192	-	286,824	16,008,939	208,099	-
8	Provision of accomodation and eating - drinking	-	-	-	-	-	1,007,977	-	7,800	1,323,826	-	-
9	Transportation, warehousing, and communications	-	-	-	-	-	92,978	-	11,158	1,796,621	23,694	-
10	Financial intermediaries	2,294,113	2,563,774	-	10,978,650	-	-	-	-	6,040,076	-	64
11	Real estate, business ownership, and business service	-	-	-	-	-	2,046,727	-	14,108	2,348,598	-	-
12	Government administration, defense, and compulsory social security	-	-	-	-	-	-	-	671	3,555	-	-
13	Education services	-	-	-	-	-	5,291	-	503	43,881	3,634	-
14	Health services and social activities	-	-	-	-	-	22,529	-	2,444	20,197	-	-
15	Community, sociocultural, entertainment, and other individual services	-	-	-	-	-	14,814	-	10,927	163,851	4,069	-
16	Individual services which serve household	-	-	-	-	-	392	-	195	3,081	-	-
17	International agency and other extra international agency	-	-	-	-	-	-	-	-	-	-	-
18	Business activities which are not clearly defined	-	-	-	-	-	-	-	-	30,534	-	-
19	Non industrial origin	8,825,557	-	-	-	5,338,758	-	-	2,433,677	4,703,358	205,993	-
20	Others	6,220,664	-	-	-	-	-	-	-	-	-	2,102,392
	Total	17,340,334	3,311,440	-	10,978,650	5,338,758	5,510,574	-	2,876,158	61,704,198	561,811	2,102,481

Risk Exposure Table

4. Disclosure of Claims and Provision by Region – Individual Bank

(in Million Rupiah)

No.	Description	31 December 2019						
		Region						
		Central Java	East Java and Bali	Jakarta	Kalimantan and Makassar	Sumatera	West Java	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Receivable	5,298,927	8,217,138	71,122,879	2,433,470	6,515,104	4,345,544	97,933,062
2	Receivable Impaired							
	a. Not Yet Due	508	85,222	256,743	1,399	2,829	12,449	359,150
	b. Past Due	93,008	200,331	289,275	74,340	147,150	108,459	912,563
3	Allowance for Impairment Losses – Individual	15,501	74,475	515,648	25,670	19,813	21,992	673,099
4	Allowance for Impairment Losses – Collective	84,445	116,561	543,947	5,208	111,309	20,601	882,071
5	Write Off	2,479	11,095	423,300	111	13,463	16,438	466,886

(in IDR million)

No.	Description	31 December 2018						
		Region						
		Central Java	East Java and Bali	Jakarta	Kalimantan and Makassar	Sumatera	West Java	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Receivable	5,421,332	7,624,705	69,445,473	2,517,403	6,769,724	4,355,705	96,134,342
2	Receivable Impaired							-
	a. Not Yet Due	10,951	2,715	231,089	6,818	19,875	19,084	290,532
	b. Past Due	108,645	111,306	375,168	31,984	78,624	49,287	755,014
3	Allowance for Impairment Losses – Individual	20,397	13,763	463,021	6,065	10,222	5,329	518,797
4	Allowance for Impairment Losses – Collective	100,163	126,940	562,162	45,407	73,777	12,948	921,397
5	Write Off	9,753	17,573	250,081	3,685	20,849	12,498	314,439

5. Disclosure of Claims and Provision by Economic Sector – Individual Bank

(in Million Rupiah)

No.	Economic Sector	Receivable	Receivable Impaired		Allowance for Impairment Losses – Individual	Allowance for Impairment Losses – Collective	Write Off
			Not Yet due	Past Due			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
31 December 2019							
1	Agriculture, hunting, and forestry	4,364,692	-	1,567	-	57,912	-
2	Fishery	29,127	-	-	-	393	16,077
3	Mining and excavation	2,552,724	12,030	978	1,456	19,891	-
4	Processing industry	23,507,219	139,918	175,816	125,525	328,848	146,896
5	Electricity, gas, and water	389,926	-	-	-	930	-
6	Construction	4,449,377	67,661	29,376	70,809	58,596	8,411
7	Wholesale and retail trading	18,076,365	101,740	367,429	451,127	138,708	136,218
8	Provision of accomodation and eating - drinking	2,220,053	4,571	6,061	874	51,039	176
9	Transportation, warehousing, and communications	1,758,807	-	23,818	4,078	6,866	45
10	Financial intermediaries	14,130,558	-	-	-	24,454	-
11	Real estate, business ownership, and business service	4,308,011	17,985	6,485	4,819	90,017	88
12	Government administration, defense, and compulsory social security	3,401	-	-	-	3	-
13	Education services	43,922	-	-	-	22	134
14	Health services and social activities	104,131	2	5,701	244	145	-
15	Community, sociocultural, entertainment, and other individual services	264,004	-	9,926	2,146	292	4,293
16	Individual services which serve household	2,064	-	1	1	2	-
17	International agency and other extra international agency	-	-	-	-	-	-
18	Business activities which are not clearly defined	-	-	-	-	-	-
19	Non industrial origin	21,728,681	15,243	285,405	12,020	103,953	154,548
20	Others	-	-	-	-	-	-
	Total	97,933,062	359,150	912,563	673,099	882,071	466,886

Risk Exposure Table

(in Million Rupiah)

No.	Economic Sector	Receivable	Receivable Impaired		Allowance for Impairment Losses – Individual	Allowance for Impairment Losses – Collective	Write Off
			Not Yet due	Past Due			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
31 December 2018							
1	Agriculture, hunting, and forestry	4,604,784	-	-	-	32,653	2
2	Fishery	46,379	1	19,178	16,700	292	-
3	Mining and excavation	2,164,210	12,030	976	-	17,984	-
4	Processing industry	23,609,869	192,065	169,342	432,287	159,162	29,555
5	Electricity, gas, and water	441,897	-	-	-	4,681	1,033
6	Construction	3,981,590	1,019	29,190	244	55,945	11,739
7	Wholesale and retail trading	17,622,008	57,327	253,368	52,449	261,147	59,794
8	Provision of accomodation and eating - drinking	2,349,474	-	-	-	120,733	-
9	Transportation, warehousing, and communications	1,925,275	467	26,363	2,942	10,364	12,271
10	Financial intermediaries	15,863,197	-	-	-	33,698	-
11	Real estate, business ownership, and business service	4,411,736	27	-	-	120,795	6
12	Government administration, defense, and compulsory social security	4,193	-	-	-	3	-
13	Education services	53,309	-	2,634	-	27	-
14	Health services and social activities	44,855	-	-	-	604	17,509
15	Community, sociocultural, entertainment, and other individual services	193,811	-	4,654	586	280	1,137
16	Individual services which serve household	3,668	-	-	-	3	-
17	International agency and other extra international agency	-	-	-	-	-	-
18	Business activities which are not clearly defined	26,341	-	-	-	-	-
19	Non industrial origin	18,787,746	27,596	249,309	13,589	103,026	181,393
20	Others	-	-	-	-	-	-
	Total	96,134,342	290,532	755,014	518,797	921,397	314,439

6. Disclosure of Movements in Allowance for Impairment Losses – Individual Bank

(in Million Rupiah)

No.	Description	31 December 2019		31 December 2018	
		Impairment Individual	Impairment Collective	Impairment Individual	Impairment Collective
(1)	(2)	(3)	(4)	(5)	(6)
1	Beginning balance of allowance for impairment losses	518,797	921,397	68,850	1,014,420
2	Provision for (recovery of) allowance for impairment losses in current period (net)	507,654	(27,184)	775,638	(113,551)
2.a	Provision for allowance for impairment losses in current period	507,654		775,638	
2.b	Recovery of allowance for impairment losses in current period		(27,184)	-	(113,551)
3	Allowance for impairment losses allocated to write off in current period	(466,886)		(314,439)	
4	Provision for losses on loan sales	-		(133,611)	
5	Other provisioning (recovery) in current period	113,534	(12,142)	122,359	20,528
	Ending balance of allowance for impairment losses	673,099	882,071	518,797	921,397

Risk Exposure Table

7. Disclosure of Net Claims by Portfolio and Rating – Individual Bank

Portfolio Category		Credit Rating Agency					Long-Term Rating
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3	Baa1 s.d Baa3	
		PT. Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d A-(idn)	BBB+(idn) s.d BBB-(idn)	
		PT ICRA Indonesia	[Idr]AAA	[Idr]AA+ s.d [Idr]AA-	[Idr]A+ s.d [Idr]A-	[Idr]BBB+ s.d [Idr]BBB-	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-	id BBB+ s.d id BBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Claims on Sovereign						
2	Claims on Public Sector Entities						
3	Claims on Multilateral Development Banks and International Institutions						
4	Claims on Banks						
5	Claims Secured by Residential Property						
6	Claims Secured by Commercial Property						
7	Claims on Employees/Retirees						
8	Claims on Micro, Small Business and Retail Portfolio						
9	Claims on Corporation						
10	Past Due						
11	Other Assets						
12	Exposure on Sharia Business Unit (if any)						
TOTAL							

(in Million Rupiah)

31 December 2019								
Net Claim								
Short-Term Rating								
BB+ s.d BB-	B+ s.d B-	Less than B-	A-1	A-2	A-3	Less than A-3	No Rating	Total
BB+ s.d BB-	B+ s.d B-	Less than B-	F1+ s.d F1	F2	F3	Less than F3		
Ba1 s.d Ba3	BI s.d B3	Less than B3	P-1	P-2	P-3	Less than P-3		
BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Less than B- (idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Less than F3 (idn)		
[Idr]BB+ s.d [Idr]BB-	[Idr]B+ s.d [Idr]B-	Less than [Idr]B-	[Idr]A1+ s.d [Idr]A1	[Idr]A2+ s.d A2	[Idr]A3+ s.d [Idr] A3	Less than [Idr]A3		
id BB+ s.d id BB-	id B+ s.d id B-	Less than idB-	idA1	idA2	idA3 s.d id A4	Less than idA4		
(8)	(9)	(10)	(11)	(12)	(13)	(14)		
							(15)	(16)
							16,592,264	16,592,264
							4,855,922	4,855,922
							-	-
							10,633,796	10,633,796
							6,454,098	6,454,098
							4,666,025	4,666,025
							-	-
							3,004,842	3,004,842
							61,087,522	61,087,522
							749,268	749,268
							2,317,216	2,317,216
							-	-
							110,360,953	110,360,953

Risk Exposure Table

Portfolio Category	Credit Rating Agency		Long-Term Rating			
	Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
	Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-	BBB+ s.d BBB-	
	Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3	Baa1 s.d Baa3	
	PT. Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d. A-(idn)	BBB+(idn) s.d BBB-(idn)	
	PT ICRA Indonesia	[Idr]AAA	[Idr]AA+ s.d [Idr]AA-	[Idr]A+ s.d [Idr]A-	[Idr]BBB+ s.d [Idr]BBB-	
	PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-	id BBB+ s.d id BBB-	
	(1)	(2)	(3)	(4)	(5)	(6)
1	Claims on Sovereign					
2	Claims on Public Sector Entities					
3	Claims on Multilateral Development Banks and International Institutions					
4	Claims on Banks					
5	Claims Secured by Residential Property					
6	Claims Secured by Commercial Property					
7	Claims on Employees/Retirees					
8	Claims on Micro, Small Business and Retail Portfolio					
9	Claims on Corporation					
10	Past Due					
11	Other Assets					
12	Exposure on Sharia Business Unit (if any)					
TOTAL						

(in Million Rupiah)

31 December 2018

Net Claim

Short-Term Rating

BB+ s.d BB-	B+ s.d B-	Less than B-	A-1	A-2	A-3	Less than A-3	No Rating	Total
BB+ s.d BB-	B+ s.d B-	Less than B-	F1+ s.d F1	F2	F3	Less than F3		
Ba1 s.d Ba3	B1 s.d B3	Less than B3	P-1	P-2	P-3	Less than P-3	No Rating	Total
BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Less than B- (idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Less than F3 (idn)		
[Idr]BB+ s.d [Idr]BB-	[Idr]B+ s.d [Idr]B-	Less than [Idr]B-	[Idr]A1+ s.d [Idr]A1	[Idr]A2+ s.d A2	[Idr]A3+ s.d [Idr] A3	Less than [Idr]A3	No Rating	Total
id BB+ s.d id BB-	id B+ s.d id B-	Less than idB-	idA1	idA2	idA3 s.d id A4	Less than idA4		
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
							17,340,334	17,340,334
							3,311,440	3,311,440
							-	-
							10,978,650	10,978,650
							5,338,758	5,338,758
							5,510,574	5,510,574
							-	-
							2,876,158	2,876,158
							61,704,198	61,704,198
							561,811	561,811
							2,102,481	2,102,481
							-	-
							109,724,404	109,724,404

Risk Exposure Table

8. Disclosure of Counterparty Credit Risk – Individual Bank a. Derivative Transactions (Over the Counter)

(in Million Rupiah)

No	Underlying Variable	31 December 2019							
		Notional Amount			Derivative Receivables	Derivative Liabilities	Net Claims before Credit Risk Mitigation	Credit Risk Mitigation	Net Claims after Credit Risk Mitigation
		< 1 year	> 1 year - < 5 years	> 5 years					
1	Interest Rate	167,361	15,304,580	-	160,916	137,923	474,855	-	474,855
2	Exchange Rate	15,999,318	14,052,889	-	542,883	415,035	1,630,554	-	1,630,554
3	Others	-	-	-	-	-	-	-	-
	TOTAL	16,166,679	29,357,469	-	703,799	552,958	2,105,409	-	2,105,409

(in Million Rupiah)

No	Underlying Variable	31 December 2018							
		Notional Amount			Derivative Receivables	Derivative Liabilities	Net Claims before Credit Risk Mitigation	Credit Risk Mitigation	Net Claims after Credit Risk Mitigation
		< 1 year	> 1 year - < 5 years	> 5 years					
1	Interest Rate	21,568,700	10,781,568	-	93,979	75,375	405,009	-	405,009
2	Exchange Rate	27,979,026	10,890,441	-	573,782	543,210	1,731,701	-	1,731,701
3	Others	-	-	-	-	-	-	-	-
	TOTAL	49,547,726	21,672,009	-	667,761	618,585	2,136,710	-	2,136,710

b. Repo Transactions

No	Portfolio Category	31 December 2019				31 December 2018			
		Fair Value of SSB repo	Repo Liabilities	Net Claims	RWA	Fair Value of SSB repo	Repo Liabilities	Net Claims	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(3)	(4)	(5)	(6)
1	Claims on Sovereigns	-	-	-	-	-	-	-	-
2	Claims on Public Sector Entities	-	-	-	-	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-
4	Claims on Banks	-	-	-	-	-	-	-	-
5	Claims on Micro, Small Business and Retail Portfolio	-	-	-	-	-	-	-	-
6	Claims on Corporations	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-

c. Reverse Repo Transactions

No	Portfolio Category	31 December 2019				31 December 2018			
		Net Claims	CRM	Net Claims after CRM	RWA after CRM	Net Claims	CRM	Net Claims after CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)	(6)	(3)	(4)	(5)	(6)
1	Claims on Sovereigns	-	-	-	-	425,768	-	425,768	-
2	Claims on Public Sector Entities	-	-	-	-	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-	-	-
4	Claims on Banks	1,417,984	-	1,417,984	508,743	481,248	-	481,248	162,084
5	Claims on Micro, Small Business and Retail Portfolio	-	-	-	-	-	-	-	-
6	Claims on Corporations	-	-	-	-	-	-	-	-
	TOTAL	1,417,984	-	1,417,984	508,743	907,016	-	907,016	162,084

Risk Exposure Table

9. Disclosure of Net Claims by Risk Weight after Credit Risk Mitigation – Individual Bank

No.	Portfolio Category				
		0%	20%	25%	35%
(1)	(2)	(3)	(4)	(5)	(6)
A	On Balance Sheet Exposures				
1	Claims on Sovereigns	16,585,675	-	-	-
2	Claims on Public Sector Entities	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-
4	Claims on Banks	-	4,042,942	-	-
5	Claims secured by Residential Property	20	1,059,344	2,271,715	3,122,989
6	Claims secured by Commercial Property	4,483	-	-	-
7	Claims on Employees/Retirees	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	80,777	-	-	-
9	Claims on Corporations	3,669,321	-	-	-
10	Past Due	-	-	-	-
11	Other Assets	588,775	-	-	-
12	Exposure on Sharia Business Unit (if any)	-	-	-	-
	Total Balance Sheet Exposures	20,929,051	5,102,286	2,271,715	3,122,989
B	Commitment/Contingency Exposure on Off Balance Sheet				
1	Claims on Sovereigns	-	-	-	-
2	Claims on Public Sector Entities	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-
4	Claims on Banks	-	187	-	-
5	Claims secured by Residential Property	-	7	23	-
6	Claims secured by Commercial Property	-	-	-	-
7	Claims on Employees/Retirees	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	1,714	-	-	-
9	Claims on Corporations	473,356	-	-	-
10	Past Due	-	-	-	-
11	Exposure on Sharia Business Unit (if any)	-	-	-	-
	Total Off Balance Sheet Exposure	475,070	194	23	-
C	Counterparty Credit Risk Exposure				
1	Claims on Sovereigns	6,589	-	-	-
2	Claims on Public Sector Entities	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-
4	Claims on Banks	-	726,583	-	-
5	Claims on Micro, Small Business and Retail Portfolio	-	-	-	-
6	Claims on Corporations	-	-	-	-
7	Weighted Exposure from Credit Valuation Adjustment (CVA)	-	-	-	-
	Total Counterparty Credit Risk Exposures	6,589	726,583	-	-

(in Million Rupiah)

31 December 2019

Net Claims After Credit Risk Mitigation

RWA

Capital Charges

40%

45%

50%

75%

100%

150%

Others

(7)

(8)

(9)

(10)

(11)

(12)

(13)

(14)

(15)

-	-	-	-	-	-	-	-	-	-
-	-	4,833,461	-	-	-	-	2,416,731	217,506	-
-	-	-	-	-	-	-	-	-	-
-	-	3,161,260	-	-	-	-	2,389,218	215,030	-
-	-	-	-	-	-	-	1,872,844	168,556	-
-	-	-	-	4,594,208	-	-	4,594,208	413,479	-
-	-	-	-	-	-	-	-	-	-
-	-	-	2,907,286	-	-	-	2,180,465	196,242	-
-	-	-	-	53,709,373	-	-	53,709,373	4,833,844	-
-	-	-	-	166,699	582,569	-	1,040,553	93,650	-
-	-	-	-	1,583,284	145,155	-	1,801,017	162,092	-
-	-	-	-	-	-	-	-	-	-
-	-	7,994,721	2,907,286	60,053,564	727,724	-	70,004,409	6,300,397	-
-	-	-	-	-	-	-	-	-	-
-	-	22,461	-	-	-	-	11,231	1,011	-
-	-	-	-	-	-	-	-	-	-
-	-	826,334	-	-	-	-	413,204	37,188	-
-	-	-	-	-	-	-	7	1	-
-	-	-	-	67,334	-	-	67,334	6,060	-
-	-	-	-	-	-	-	-	-	-
-	-	-	666	-	-	-	500	45	-
-	-	-	-	2,336,138	-	-	2,336,138	210,252	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	848,795	666	2,403,472	-	-	2,828,414	254,557	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	1,876,489	-	-	-	-	1,083,561	97,520	-
-	-	-	14,399	-	-	-	10,799	972	-
-	-	-	-	899,334	-	-	899,334	80,940	-
-	-	-	-	-	-	-	1,348,841	121,396	-
-	-	1,876,489	14,399	899,334	-	-	3,342,535	300,828	-

Risk Exposure Table

No.	Portfolio Category				
		0%	20%	25%	35%
(1)	(2)	(3)	(4)	(5)	(6)
A On Balance Sheet Exposures					
1	Claims on Sovereigns	16,871,787	-	-	-
2	Claims on Public Sector Entities	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-
4	Claims on Banks	2,532	4,156,474	-	-
5	Claims secured by Residential Property	20	1,112,342	2,035,463	2,190,863
6	Claims secured by Commercial Property	-	-	-	-
7	Claims on Employees/Retirees	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	66,059	-	-	-
9	Claims on Corporations	3,356,113	-	-	-
10	Past Due	-	-	-	-
11	Other Assets	519,377	-	-	-
12	Exposure on Sharia Business Unit (if any)	-	-	-	-
Total Balance Sheet Exposures		20,815,888	5,268,816	2,035,463	2,190,863
B Commitment/Contingency Exposure on Off Balance Sheet					
1	Claims on Sovereigns	-	-	-	-
2	Claims on Public Sector Entities	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-
4	Claims on Banks	-	385	-	-
5	Claims secured by Residential Property	-	8	62	-
6	Claims secured by Commercial Property	-	-	-	-
7	Claims on Employees/Retirees	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	3,415	-	-	-
9	Claims on Corporations	654,716	-	-	-
10	Past Due	-	-	-	-
11	Exposure on Sharia Business Unit (if any)	-	-	-	-
Total Off Balance Sheet Exposure		658,131	393	62	-
C Counterparty Credit Risk Exposure					
1	Claims on Sovereigns	468,547	-	-	-
2	Claims on Public Sector Entities	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-
4	Claims on Banks	-	400,817	-	-
5	Claims on Micro, Small Business and Retail Portfolio	-	-	-	-
6	Claims on Corporations	-	-	-	-
7	Weighted Exposure from Credit Valuation Adjustment (CVA)	-	-	-	-
Total Counterparty Credit Risk Exposures		468,547	400,817	-	-

(in Million Rupiah)

31 December 2018

Net Claims After Credit Risk Mitigation

RWA

Capital Charges

40%

45%

50%

75%

100%

150%

Others

(7)

(8)

(9)

(10)

(11)

(12)

(13)

(14)

(15)

-	-	-	-	-	-	-	-	-	-
-	-	3,265,520	-	-	-	-	1,632,760	146,948	-
-	-	-	-	-	-	-	-	-	-
-	-	3,563,874	-	-	-	-	2,613,232	235,191	-
-	-	-	-	-	-	-	1,498,136	134,832	-
-	-	-	-	5,340,860	-	-	5,340,860	480,677	-
-	-	-	-	-	-	-	-	-	-
-	-	-	2,696,033	-	-	-	2,022,025	181,982	-
-	-	-	-	54,164,701	-	-	54,164,701	4,874,823	-
-	-	-	-	130,986	430,825	-	777,224	69,950	-
-	-	-	-	1,514,044	69,060	-	1,617,634	145,587	-
-	-	-	-	-	-	-	-	-	-
-	-	6,829,394	2,696,033	61,150,591	499,885	-	69,666,572	6,269,991	-
-	-	-	-	-	-	-	-	-	-
-	-	45,920	-	-	-	-	22,960	2,066	-
-	-	-	-	-	-	-	-	-	-
-	-	1,234,037	-	-	-	-	617,096	55,539	-
-	-	-	-	-	-	-	17	2	-
-	-	-	-	169,714	-	-	169,714	15,274	-
-	-	-	-	-	-	-	-	-	-
-	-	-	761	-	-	-	571	51	-
-	-	-	-	3,084,727	-	-	3,084,727	277,625	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	1,279,956	761	3,254,441	-	-	3,895,085	350,558	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	1,620,531	-	-	-	-	890,429	80,139	-
-	-	-	109,890	-	-	-	82,418	7,418	-
-	-	-	-	443,941	-	-	443,941	39,955	-
-	-	-	-	-	-	-	798,229	71,841	-
-	-	1,620,531	109,890	443,941	-	-	2,215,017	199,352	-

Risk Exposure Table

10. Disclosure of Net Claims and Credit Risk Mitigation Methods – Individual Bank

(in Million Rupiah)

No.	Portfolio Category	31 December 2019					
		Net Claims	Portions Secured by				Unsecured Portion
			Collateral	Guarantee	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3) - [(4)+(5)+(6)+(7)]
A	On Balance Sheet Exposures						
1	Claims on Sovereigns	16,585,675	-	-	-		16,585,675
2	Claims on Public Sector Entities	4,833,461	-	-	-		4,833,461
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-		-
4	Claims on Banks	7,204,202	-	-	-		7,204,202
5	Claims secured by Residential Property	6,454,068	20	-	-		6,454,048
6	Claims secured by Commercial Property	4,598,691	4,483	-	-		4,594,208
7	Claims on Employees/Retirees	-	-	-	-		-
8	Claims on Micro, Small Business and Retail Portfolio	2,988,063	80,777	-	-		2,907,286
9	Claims on Corporations	57,378,694	3,669,321	-	-		53,709,373
10	Past Due	749,268	-	-	-		749,268
11	Other Assets	2,317,216	-	-	-		2,317,216
	Total Balance Sheet Exposure	103,109,338	3,754,601	-	-		99,354,737
B	Off Balance Sheet Exposures						
1	Claims on Sovereigns	-	-	-	-		-
2	Claims on Public Sector Entities	22,461	-	-	-		22,461
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-		-
4	Claims on Banks	826,522	-	-	-		826,522
5	Claims secured by Residential Property	30	-	-	-		30
6	Claims secured by Commercial Property	67,334	-	-	-		67,334
7	Claims on Employees/Retirees	-	-	-	-		-
8	Claims on Micro, Small Business and Retail Portfolio	2,380	1,714	-	-		666
9	Claims on Corporations	2,809,494	473,356	-	-		2,336,138
10	Past Due	-	-	-	-		-
	Total Off Balance Sheet Exposure	3,728,221	475,070	-	-	-	3,253,151
C	Counterparty Credit Risk Exposures						
1	Claims on Sovereigns	6,589	-	-	-		6,589
2	Claims on Public Sector Entities	-	-	-	-		-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-		-
4	Claims on Banks	2,603,072	-	-	-		2,603,072
5	Claims on Micro, Small Business and Retail Portfolio	14,399	-	-	-		14,399
6	Claims on Corporations	899,334	-	-	-		899,334
	Total Counterparty Credit Risk Exposure	3,523,394	-	-	-	-	3,523,394
	Total (A+B+C)	110,360,953	4,229,671	-	-	-	106,131,282

(in Million Rupiah)

No.	Portfolio Category	31 December 2018					
		Net Claims	Portions Secured by				Unsecured Portion
			Collateral	Guarantee	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3) - [(4)+(5)+(6)+(7)]
A	On Balance Sheet Exposures						
1	Claims on Sovereigns	16,871,787	-	-	-		16,871,787
2	Claims on Public Sector Entities	3,265,520	-	-	-		3,265,520
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-		-
4	Claims on Banks	7,722,880	2,532	-	-		7,720,348
5	Claims secured by Residential Property	5,338,688	20	-	-		5,338,668
6	Claims secured by Commercial Property	5,340,860	-	-	-		5,340,860
7	Claims on Employees/Retirees	-	-	-	-		-
8	Claims on Micro, Small Business and Retail Portfolio	2,762,092	66,059	-	-		2,696,033
9	Claims on Corporations	57,520,814	3,356,113	-	-		54,164,701
10	Past Due	561,811	-	-	-		561,811
11	Other Assets	2,102,481	-	-	-		2,102,481
	Total Balance Sheet Exposure	101,486,933	3,424,724	-	-	-	98,062,209
B	Off Balance Sheet Exposures						
1	Claims on Sovereigns	-	-	-	-		-
2	Claims on Public Sector Entities	45,920	-	-	-		45,920
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-		-
4	Claims on Banks	1,234,422	-	-	-		1,234,422
5	Claims secured by Residential Property	70	-	-	-		70
6	Claims secured by Commercial Property	169,714	-	-	-		169,714
7	Claims on Employees/Retirees	-	-	-	-		-
8	Claims on Micro, Small Business and Retail Portfolio	4,176	3,415	-	-		761
9	Claims on Corporations	3,739,443	654,716	-	-		3,084,727
10	Past Due	-	-	-	-		-
	Total Off Balance Sheet Exposure	5,193,745	658,131	-	-	-	4,535,614
C	Counterparty Credit Risk Exposures						
1	Claims on Sovereigns	468,547	-	-	-		468,547
2	Claims on Public Sector Entities	-	-	-	-		-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-		-
4	Claims on Banks	2,021,348	-	-	-		2,021,348
5	Claims on Micro, Small Business and Retail Portfolio	109,890	-	-	-		109,890
6	Claims on Corporations	443,941	-	-	-		443,941
	Total Counterparty Credit Risk Exposure	3,043,726	-	-	-	-	3,043,726
	Total (A+B+C)	109,724,404	4,082,855	-	-	-	105,641,549

Risk Exposure Table

11. Disclosure of Asset Securitisation Transaction – Individual Bank

As of 31 December 2019, the Bank has no asset securitisation.

12. Disclosure of Assets Securitisation Transaction Activities Summary on Bank as Initial Creditor – Individual Bank

As of 31 December 2019, the Bank has no assets securitisation transaction on bank as initial creditor.

13. Disclosure of Calculation of Credit Risk RWA by Standard Approach – Individual Bank

a. On Balance Sheet Exposure

(in Million Rupiah)

No.	Portfolio Category	31 December 2019			31 December 2018		
		Net Claims	RWA before Credit Risk Mitigation	RWA after Credit Risk Mitigation	Net Claims	RWA before Credit Risk Mitigation	RWA after Credit Risk Mitigation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on Sovereigns	16,585,675	-	-	16,871,787	-	-
2	Claims on Public Sector Entities	4,833,461	2,416,731	2,416,731	3,265,520	1,632,760	1,632,760
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4	Claims on Banks	7,204,202	2,389,218	2,389,218	7,722,880	2,614,217	2,613,232
5	Claims secured by Residential Property	6,454,068	1,872,848	1,872,844	5,338,688	1,498,140	1,498,136
6	Claims secured by Commercial Property	4,598,691	4,598,691	4,594,208	5,340,860	5,340,860	5,340,860
7	Claims on Employees/Retirees	-	-	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	2,988,063	2,241,047	2,180,465	2,762,092	2,071,569	2,022,025
9	Claims on Corporations	57,378,694	57,378,694	53,709,373	57,520,814	57,520,814	54,164,701
10	Past Due	749,268	1,040,553	1,040,553	561,811	777,224	777,224
11	Other Assets	2,317,216	-	1,801,017	2,102,481	-	1,617,634
	Total	103,109,338	71,937,782	70,004,409	101,486,933	71,455,584	69,666,572

b. Off Balance Sheet (Commitment/Contingencies) Exposure

(in Million Rupiah)

No.	Portfolio Category	31 December 2019			31 December 2018		
		Net Claims	RWA before Credit Risk Mitigation	RWA after Credit Risk Mitigation	Net Claims	RWA before Credit Risk Mitigation	RWA after Credit Risk Mitigation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on Sovereigns	-	-	-	-	-	-
2	Claims on Public Sector Entities	22,461	11,231	11,231	45,920	22,960	22,960
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4	Claims on Banks	826,522	413,204	413,204	1,234,422	617,096	617,096
5	Claims secured by Residential Property	30	7	7	70	17	17
6	Claims secured by Commercial Property	67,334	67,334	67,334	169,714	169,714	169,714
7	Claims on Employees/Retirees	-	-	-	-	-	-
8	Claims on Micro, Small Business and Retail Portfolio	2,380	1,785	500	4,176	3,132	571
9	Claims on Corporations	2,809,494	2,809,494	2,336,138	3,739,443	3,739,443	3,084,727
10	Past Due	-	-	-	-	-	-
	Total	3,728,221	3,303,055	2,828,414	5,193,745	4,552,362	3,895,085

Risk Exposure Table

c. Counterparty Credit Risk Exposure

(in Million Rupiah)

No.	Portfolio Category	31 December 2019			31 December 2018		
		Net Claims	RWA before Credit Risk Mitigation	RWA after Credit Risk Mitigation	Net Claims	RWA before Credit Risk Mitigation	RWA after Credit Risk Mitigation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on Sovereigns	6,589	-	-	468,547	-	-
2	Claims on Public Sector Entities	-	-	-	-	-	-
3	Claims on Multilateral Development Banks and International Institutions	-	-	-	-	-	-
4	Claims on Banks	2,603,072	1,083,561	1,083,561	2,021,348	890,429	890,429
5	Claims on Micro, Small Business and Retail Portfolio	14,399	10,799	10,799	109,890	82,418	82,418
6	Claims on Corporations	899,334	899,334	899,334	443,941	443,941	443,941
7	Weighted Exposure from Credit Valuation Adjustment (CVA)	-	-	1,348,841	-	-	798,229
	Total	3,523,394	1,993,694	3,342,535	3,043,726	1,416,788	2,215,017

d. Settlement Risk Exposure

(in Million Rupiah)

No.	Portfolio Category	31 December 2019			31 December 2018		
		Exposures	Deduction Capital Factor	RWA after Credit Risk Mitigation	Exposures	Deduction Capital Factor	RWA after Credit Risk Mitigation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Delivery versus payment	-		-	-		-
	a. Capital Charges 8% (5 - 15 days)	-		-	-		-
	b. Capital Charges 50% (16 - 30 days)	-		-	-		-
	c. Capital Charges 75% (31 - 45 days)	-		-	-		-
	d. Capital Charges 100% (> 45 days)	-		-	-		-
2	Non-delivery versus payment	-	-		-	-	
	Total	-	-	-	-	-	-

e. Securitisation Exposure

(in Million Rupiah)

No.	Portfolio Category	31 December 2019		31 December 2018	
		Deduction Capital Factor	RWA after Credit Risk Mitigation	Deduction Capital Factor	RWA after Credit Risk Mitigation
(1)	(2)	(3)	(4)	(5)	(6)
1	Credit enhancement that meets the requirements				
2	Credit enhancement that does not meet the requirement				
3	Liquidity facility that meets the requirements				
4	Liquidity facility that does not meet the requirements				
5	Purchase of asset-backed securities that meet the requirements				
6	Purchase of asset-backed securities that does not meet the requirements				
7	Securitisation exposures not included in regulation on the cautionary approach in asset securitisation activities for commercial banks				
Total		-	-	-	-

f. Total Credit Risk Measurement

(in Million Rupiah)

Transaction Type	31 December 2019	31 December 2018
Total RWA Credit Risk	76,175,358	75,776,674
Total Capital Deduction Factor	-	-

Risk Exposure Table

MARKET RISK

1. Disclosure of Market Risk by Standard Methods

(in Million Rupiah)

No.	Type of Risk	31 December 2019		31 December 2018	
		Bank		Bank	
		Capital Charges	RWA	Capital Charges	RWA
(1)	(2)	(3)	(4)	(5)	(6)
1	Interest Rate Risk				
	a. Specific Risk	-	-	10,788	134,847
	b. General Risk	221,189	2,764,864	83,928	1,049,097
2	Exchange Rate Risk	76,980	962,252	85,972	1,074,646
3	Equity Risk		-		-
4	Commodity Risk		-		-
5	Option Risk	-	-	-	-
	Total	298,169	3,727,116	180,688	2,258,590

2. Disclosure of Interest Rate Risk in Banking Book Exposure

REPORT OF CALCULATION OF INTEREST RATE RISK IN BANKING BOOK

Bank Name : Bank UOB Indonesia (Individu)
 Position of Statement : December 2019
 Currency : All currencies

In IDR Million	ΔEVE		ΔNII	
	December 2019	December 2018*	December 2019	December 2018*
Parallel up	(567,956)	N/A	149,768	N/A
Parallel down	(7,122)	N/A	(645,177)	N/A
Steepener	(112,123)	N/A		N/A
Flattener	(37,991)	N/A		N/A
Short rate up	(295,119)	N/A		N/A
Short rate down	(11,354)	N/A		N/A
Negative Maximum Value (absolute)	(567,956)	N/A	(645,177)	N/A
Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	12,173,435	N/A	819,486	N/A
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)	4.67%	N/A	78.73%	N/A

* The bank had not reported IRBB exposure in December 2018, and has only begun to calculate the exposure as of June 2019 in accordance with SEOJK No. 12/SEOJK.03/2018.

Currency		: Rupiah			
In IDR Million	Period	ΔEVE		ΔNII	
		December 2019	December 2018*	December 2019	December 2018*
Parallel up		(562,312)	N/A	80,348	N/A
Parallel down		-	N/A	(331,252)	N/A
Steepener		(83,223)	N/A		N/A
Flattener		(37,991)	N/A		N/A
Short rate up		(295,119)	N/A		N/A
Short rate down		-	N/A		N/A
Negative Maximum Value (absolute)		(562,312)	N/A	(331,252)	N/A
Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)		12,173,435	N/A	819,486	N/A
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)		4.62%	N/A	40.42%	N/A

* The bank had not reported IRBB exposure in December 2018, and has only begun to calculate the exposure as of June 2019 in accordance with SEOJK No. 12/SEOJK.03/2018.

Currency		: USD			
In IDR Million	Periode	ΔEVE		ΔNII	
		December 2019	December 2018*	December 2019	December 2018*
Parallel up		(5,644)	N/A	55,084	N/A
Parallel down		-	N/A	(264,067)	N/A
Steepener		(22,659)	N/A		N/A
Flattener		-	N/A		N/A
Short rate up		-	N/A		N/A
Short rate down		(4,232)	N/A		N/A
Negative Maximum Value (absolute)		(22,659)	N/A	(264,067)	N/A
Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)		12,173,435	N/A	819,486	N/A
Maximum Value divided by Tier 1 Capital (for ΔEVE) or Projected Income (for ΔNII)		0.19%	N/A	32.22%	N/A

* The bank had not reported IRBB exposure in December 2018, and has only begun to calculate the exposure as of June 2019 in accordance with SEOJK No. 12/SEOJK.03/2018.

Risk Exposure Table

REPORT OF RISK MANAGEMENT IMPLEMENTATION	
INTEREST RATE RISK IN THE BANKING BOOK	
Bank Name : Bank UOB Indonesia	
Position of Statement : December 2019	
Qualitative Analysis	
1	The Bank measures interest rate risk based on two perspectives, namely rentability (earning) perspective and economic value perspective. The rentability (earning) perspective measures the short-term impact (up to 1 year) of interest rate change on the Bank's net interest income. Meanwhile, the economic value perspective measures the sensitivity of interest rate change to the Bank's net worth in long term. The Bank's net worth is defined as the present value of the expected cash flows of the assets in the future less the cash flows of the liabilities plus the off-balance sheet position. To accommodate these, the Bank uses the NII method, which measures changes in net interest income, and the EVE method, which measures changes in the economic value of equity.
2	As part of IRRBB risk management, the Bank determines Risk Appetite Statement (RAS) and internal limit for IRRBB. Every month, the results of IRRBB measurement and monitoring on internal limit are informed to the Assets and Liabilities Committee (ALCO) to be adjusted to the Bank's strategies and conditions, as well as market conditions if necessary.
3	Every month, the Bank measures the IRRBB (EVE and NII) using the end-of-month position. In measuring IRRBB, the Bank first categorises the instrument or position of Banking Book sensitive to interest rate, both on balance sheet and commitment-contingencies, then, the Bank projects the cash flows which will undergo adjustment to interest rate in the future of the relevant instrument based on the interest rate repricing maturities. In determining the repricing maturities, the Bank also takes into account the instruments or positions with behavioural option, such as Non-Maturity Deposit (NMD), fixed loan interest rate with prepayment risk, and deposit with early withdrawal risk. Balance sheet and cash flow positions for NMD shall follow the result of calculation of the Bank's internal model to Core and Non-Core deposits, by considering the cap of ratio of period as stipulated in the SEOJK No. 12/SEOJK.03/2018. As for the fixed loan interest rate with prepayment risk and deposit with early withdrawal risk, the Bank shall calculate the required baseline value in the calculation of prepayment rate and early withdrawal rate as elaborated in point 4 below.
	EVE-based measurement uses the run-off balance sheet assumption which assumes all Banking Book instruments on balance sheet will be fully amortised and will not be replaced with new instruments unless there is a need to fund the remaining balance sheet components. NII-based measurement uses constant balance sheet assumption which assumes the scale and composition of balance sheet will be maintained according the conditions of initial calculation by replacing instrument with the similar ones (like-for-like replacement) over matured assets and liabilities.
4	The Bank uses 6 scenarios of interest shock for EVE in accordance with the provision of SEOJK No. 12/SEOJK.03/2018. The six scenarios are: 1. Parallel Up 2. Parallel Down 3. Steepener 4. Flattener 5. Short Rate Up 6. Short Rate Down As for NII measurement, the Bank uses 2 scenarios of interest shock, namely parallel up and parallel down.
5	The Bank does not use assumptions that are different from the model assumptions used in the IRRBB measurement report with standards approach.

6	At present, the Bank does not conduct hedging on IRRBB as risk position or exposure remains within the internal limit.
7	<p>a. The Bank takes commercial margin and other spread components for future cash flows and the discount rate used in the EVE measurement.</p> <p>b. Due to its characteristics which is relatively unstable, the non-core deposit is assumed to have an overnight interest rate adjustment period. Meanwhile, even though core deposit is considered part of a stable NMD that is less sensitive to the changes in interest rate, the Bank views that there is a possibility of fund withdrawal in a certain period which affects the interest rate adjustment period. Hence, the Bank conducts a deeper analysis related to the estimated outflow (withdrawal of funds).</p> <p>The Bank conducts a study on the historical data of customer deposit in order to calculate the estimated outflow that may occur within the next 1 month, 3 months, and 6 months. The interest rate adjustment period for core deposit is assumed to be within 1 year by considering the estimated outflow. Hence, the average period of interest rate adjustment as stated in the quantitative analysis is the average of placement over the entire period (1 month, 3 months, 6 months, and 1 year).</p> <p>c. The Bank uses the average end-of-month method for the past 1 year in calculating the estimated baseline parameters for fixed interest rate loan products with the prepayment option. Baseline parameter estimation for deposit products with the early redemption option is also carried out using the same average end-of-month method/approach for the past 1 year.</p> <p>d. At present, the Bank has no other additional assumptions for instruments with behavioural option excluded from the measurement, which have material impacts on EVE and NII.</p> <p>e. In calculating the IRRBB, the Bank considers currencies considered significant to its balance sheet, namely Rupiah (IDR) and US Dollar (USD). Meanwhile, other currencies are calculated on a consolidated basis (not calculated separately). In terms of monitoring the Bank's internal IRRBB limit, the Bank conducts currency aggregation by adding up interest rate risk exposures from all currencies, including Rupiah, US Dollar, and other currencies, for each interest rate shock scenario.</p>
8	Based on the results of IRRBB calculation at the end of December 2019, the Bank observes that interest rate risk exposure in terms of economic value is still relatively low. This can be seen from the ratio of EVE (total of all currencies) to core capital of 4.67%, down by 1.55% from the position at the end of June 2019, mainly due to the issuance of long-term debt. The ratio of NII to Projected Income is 78.73%, up 13.56% from the position at the end of June 2019, due to a decrease in projected income from 966.5 billion (Jun'19) to 819.5 billion (Des'19). Nonetheless, ALCO continues to monitor both risk measures regularly during ALCO's monthly meetings.

Quantitative Analysis

	Repricing maturity period for non-core deposit is assumed to be overnight. The average repricing maturity period for core deposit used at the moment is as follows.														
	<table border="1"> <thead> <tr> <th>Product</th> <th>Average time period for interest rate adjustment (in years)</th> </tr> </thead> <tbody> <tr> <td>Retail Transactional IDR</td> <td>0.97</td> </tr> <tr> <td>Retail Non Transactional IDR</td> <td>0.86</td> </tr> <tr> <td>Wholesale IDR</td> <td>0.85</td> </tr> <tr> <td>Retail Transactional USD</td> <td>0.77</td> </tr> <tr> <td>Retail Non Transactional USD</td> <td>0.86</td> </tr> <tr> <td>Wholesale USD</td> <td>0.87</td> </tr> </tbody> </table>	Product	Average time period for interest rate adjustment (in years)	Retail Transactional IDR	0.97	Retail Non Transactional IDR	0.86	Wholesale IDR	0.85	Retail Transactional USD	0.77	Retail Non Transactional USD	0.86	Wholesale USD	0.87
Product	Average time period for interest rate adjustment (in years)														
Retail Transactional IDR	0.97														
Retail Non Transactional IDR	0.86														
Wholesale IDR	0.85														
Retail Transactional USD	0.77														
Retail Non Transactional USD	0.86														
Wholesale USD	0.87														
1															
2	The longest repricing maturity period implemented for NMD is 1 year.														

Risk Exposure Table

LIQUIDITY RISK

1. Disclosure of Rupiah and Forex Maturity Profile – Individual Bank

a. Profile of Rupiah Maturity

(in Million Rupiah)

		31 December 2019					
No.	Account	Maturity					
		Balance	< 1 month	> 1 month to 3 months	> 3 months to 6 months	> 6 months to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I ON BALANCE SHEET							
A. Assets							
1.	Cash	515,821	515,821	-	-	-	-
2.	Placement with Bank Indonesia	4,604,280	4,152,321	451,959	-	-	-
3.	Placement with Other Bank	8,634	8,634	-	-	-	-
4.	Marketable Securities	13,037,032	340,761	2,824,248	1,555,204	546,102	7,770,717
5.	Loans	56,698,096	3,791,173	5,399,329	12,985,658	11,162,964	23,358,972
6.	Other Receivable	1,085,837	357,164	562,693	153,664	-	12,316
7.	Other	690,612	546,176	133,380	-	11,056	-
Total Assets		76,640,312	9,712,050	9,371,609	14,694,526	11,720,122	31,142,005
B. Liabilities							
1.	Third Party Fund	58,689,681	24,807,617	15,597,441	3,694,202	1,577,872	13,012,549
2.	Due to Bank Indonesia	-	-	-	-	-	-
3.	Due to Other Bank	880,361	880,361	-	-	-	-
4.	Marketable Securities Issued	3,178,922	99,631	-	499,791	-	2,579,500
5.	Borrowings	746,612	-	-	-	746,612	-
6.	Other Payable	864,515	294,621	420,492	147,831	-	1,571
7.	Others	870,443	336,494	-	-	-	533,949
Total Liabilities		65,230,534	26,418,724	16,017,933	4,341,824	2,324,484	16,127,569
Difference between Assets and Liabilities on Balance Sheet		11,409,778	(16,706,674)	(6,646,324)	10,352,702	9,395,638	15,014,436
II OFF BALANCE SHEET							
A. Off Balance Sheet Receivables							
1.	Commitment	38,994	38,994	-	-	-	-
2.	Contingencies	-	-	-	-	-	-
Total Off Balance Sheet Receivables		38,994	38,994	-	-	-	-
B. Off Balance Sheet Liabilities							
1.	Commitment	35,233,973	3,919,523	4,164,035	6,127,811	10,273,428	10,749,176
2.	Contingencies	2,012,147	364,043	172,966	505,762	637,232	332,144
Total Off Balance Sheet Liabilities		37,246,120	4,283,566	4,337,001	6,633,573	10,910,660	11,081,320
Difference of Receivables and Liabilities Off Balance Sheet		(37,207,126)	(4,244,572)	(4,337,001)	(6,633,573)	(10,910,660)	(11,081,320)
Difference [(IA-IB)+(IIA-IIB)]		(25,797,348)	(20,951,246)	(10,983,325)	3,719,129	(1,515,022)	3,933,116
Cumulative Difference			(20,951,246)	(31,934,571)	(28,215,442)	(29,730,464)	(25,797,348)

(in Million Rupiah)

		31 December 2018					
No.	Account	Maturity					
		Balance	< 1 month	> 1 month to 3 months	> 3 months to 6 months	> 6 months to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I ON BALANCE SHEET							
A. Assets							
1.	Cash	471,848	471,848	-	-	-	-
2.	Placement with Bank Indonesia	5,197,726	4,006,310	-	687,205	504,211	-
3.	Placement with Other Bank	220,959	220,959	-	-	-	-
4.	Marketable Securities	11,119,199	979,918	1,898,059	2,437,422	1,427,461	4,376,339
5.	Loans	53,168,449	3,869,050	9,126,109	5,047,073	12,769,191	22,357,026
6.	Other Receivable	1,630,955	990,412	429,098	119,686	46,778	44,981
7.	Other	630,290	480,988	137,947	-	11,355	-
Total Assets		72,439,426	11,019,485	11,591,213	8,291,386	14,758,996	26,778,346
B. Liabilities							
1.	Third Party Fund	54,597,419	19,018,261	16,607,286	3,487,353	686,142	14,798,377
2.	Due to Bank Indonesia	-	-	-	-	-	-
3.	Due to Other Bank	666,328	666,328	-	-	-	-
4.	Marketable Securities Issued	3,791,207	-	-	860,997	599,003	2,331,207
5.	Borrowings	758,075	-	-	-	758,075	-
6.	Other Payable	877,809	346,021	349,801	119,621	21,448	40,918
7.	Others	691,265	268,740	-	-	-	422,525
Total Liabilities		61,382,103	20,299,350	16,957,087	4,467,971	2,064,668	17,593,027
Difference between Assets and Liabilities on Balance Sheet		11,057,323	(9,279,865)	(5,365,874)	3,823,415	12,694,328	9,185,319
II OFF BALANCE SHEET							
A. Off Balance Sheet Receivables							
1.	Commitment	12,852	12,852	-	-	-	-
2.	Contingencies	-	-	-	-	-	-
Total Off Balance Sheet Receivables		12,852	12,852	-	-	-	-
B. Off Balance Sheet Liabilities							
1.	Commitment	29,484,575	3,109,791	3,612,435	4,363,352	8,822,523	9,576,474
2.	Contingencies	2,119,086	375,401	236,429	372,188	734,970	400,098
Total Off Balance Sheet Liabilities		31,603,661	3,485,192	3,848,864	4,735,540	9,557,493	9,976,572
Difference of Liabilities and Payables Off Balance Sheet		(31,590,809)	(3,472,340)	(3,848,864)	(4,735,540)	(9,557,493)	(9,976,572)
Difference [(IA-IB)+(IIA-IIIB)]		(20,533,486)	(12,752,205)	(9,214,738)	(912,125)	3,136,835	(791,253)
Cumulative Difference			(12,752,205)	(21,966,943)	(22,879,068)	(19,742,233)	(20,533,486)

Risk Exposure Table

b. Profile of Forex Maturity

(in Million Rupiah)

		31 December 2019					
No.	Account	Maturity					
		Balance	< 1 month	> 1 month to 3 months	> 3 months to 6 months	> 6 months to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I ON BALANCE SHEET							
A. Assets							
1.	Cash	72,954	72,954	-	-	-	-
2.	Placement with Bank Indonesia	2,728,632	2,728,632	-	-	-	-
3.	Placement with Other Bank	3,154,532	3,154,532	-	-	-	-
4.	Marketable Securities	1,149,377	272,206	201,683	247,162	1,234	427,092
5.	Loans	18,441,314	2,146,526	2,222,685	1,696,497	7,087,294	5,288,312
6.	Other Receivable	3,420,838	394,332	1,227,269	762,094	410,186	626,957
7.	Other	7,205	180	7,025	-	-	-
Total Assets		28,974,852	8,769,363	3,658,661	2,705,753	7,498,714	6,342,362
B. Liabilities							
1.	Third Party Fund	22,854,806	11,013,520	3,437,973	596,489	237,419	7,569,405
2.	Due to Bank Indonesia	-	-	-	-	-	-
3.	Due to Other Bank	14,631	14,631	-	-	-	-
4.	Marketable Securities Issued	-	-	-	-	-	-
5.	Borrowings	2,438,861	84,961	-	-	340,937	2,012,963
6.	Other Payable	2,288,440	380,311	565,518	760,914	84,975	496,723
7.	Others	31,374	18,491	12,883	-	-	-
Total Liabilities		27,628,113	11,511,914	4,016,374	1,357,403	663,331	10,079,091
Difference between Assets and Liabilities on Balance Sheet		1,346,739	(2,742,552)	(357,712)	1,348,350	6,835,383	(3,736,730)
II OFF BALANCE SHEET							
A. Off Balance Sheet Receivables							
1.	Commitment	31,850,467	5,310,584	2,718,513	1,597,154	1,352,392	20,871,825
2.	Contingencies	-	-	-	-	-	-
Total Off Balance Sheet Receivables		31,850,467	5,310,584	2,718,513	1,597,154	1,352,392	20,871,825
B. Off Balance Sheet Liabilities							
1.	Commitment	42,644,014	7,826,190	5,472,940	2,616,338	2,066,244	24,662,303
2.	Contingencies	1,921,144	164,438	495,453	485,513	614,689	161,051
Total Off Balance Sheet Liabilities		44,565,157	7,990,628	5,968,392	3,101,850	2,680,933	24,823,354
Difference of Receivables and Liabilities Off Balance Sheet		(12,714,690)	(2,680,044)	(3,249,879)	(1,504,696)	(1,328,541)	(3,951,529)
Difference [(IA-IB)+(IIA-IIB)]		(11,367,951)	(5,422,596)	(3,607,592)	(156,347)	5,506,842	(7,688,258)
Cumulative Difference			(5,422,596)	(9,030,188)	(9,186,535)	(3,679,693)	(11,367,951)

(in Million Rupiah)

		31 December 2018					
No.	Account	Maturity					
		Balance	< 1 month	> 1 month to 3 months	> 3 months to 6 months	> 6 months to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I ON BALANCE SHEET							
A. Assets							
1.	Cash	47,529	47,529	-	-	-	-
2.	Placement with Bank Indonesia	2,474,581	2,474,581	-	-	-	-
3.	Placement with Other Bank	2,477,799	2,477,799	-	-	-	-
4.	Marketable Securities	3,400,194	992,516	1,345,511	655,341	-	406,827
5.	Loans	20,512,716	1,980,155	711,939	3,904,918	5,383,540	8,532,164
6.	Other Receivable	2,212,622	386,549	915,675	469,579	163,213	277,606
7.	Other	9,534	2,258	7,276	-	-	-
Total Assets		31,134,975	8,361,387	2,980,402	5,029,837	5,546,753	9,216,596
B. Liabilities							
1.	Third Party Fund	22,725,155	7,575,508	4,947,281	740,038	375,203	9,087,125
2.	Due to Bank Indonesia	-	-	-	-	-	-
3.	Due to Other Bank	2,475,960	534,660	1,797,500	143,800	-	-
4.	Marketable Securities Issued	-	-	-	-	-	-
5.	Borrowings	2,442,165	4,874	-	-	-	2,437,291
6.	Other Payable	2,539,853	742,727	890,093	460,649	186,998	259,386
7.	Others	32,024	17,932	14,092	-	-	-
Total Liabilities		30,215,157	8,875,701	7,648,966	1,344,487	562,200	11,783,802
Difference between Assets and Liabilities on Balance Sheet		919,819	(514,314)	(4,668,565)	3,685,351	4,984,552	(2,567,206)
II OFF BALANCE SHEET							
A. Off Balance Sheet Receivables							
1.	Commitment	52,639,084	7,611,884	7,340,185	1,572,033	19,976,869	16,138,113
2.	Contingencies	-	-	-	-	-	-
Total Off Balance Sheet Receivables		52,639,084	7,611,884	7,340,185	1,572,033	19,976,869	16,138,113
B. Off Balance Sheet Liabilities							
1.	Commitment	63,583,474	9,239,009	8,804,443	3,226,758	22,845,046	19,468,219
2.	Contingencies	2,610,430	748,450	812,111	281,388	713,277	55,205
Total Off Balance Sheet Liabilities		66,193,904	9,987,459	9,616,553	3,508,146	23,558,323	19,523,424
Difference of Receivables and Liabilities Off Balance Sheet		(13,554,821)	(2,375,575)	(2,276,368)	(1,936,113)	(3,581,454)	(3,385,311)
Difference [(IA-IB)+(IIA-IIB)]		(12,635,002)	(2,889,889)	(6,944,933)	1,749,238	1,403,098	(5,952,517)
Cumulative Difference			(2,889,889)	(9,834,822)	(8,085,584)	(6,682,486)	(12,635,002)

Risk Exposure Table

2. Disclosure of Liquidity Coverage Ratio

LCR Value (%) as of December 2019				
	Quarter I	Quarter II	Quarter III	Quarter IV
	(1)	(2)	(3)	(4)
Individual Bank	198.03%	218.53%	254.23%	265.64%

LCR Value (%) as of December 2018				
	Quarter I	Quarter II	Quarter III	Quarter IV
	(1)	(2)	(3)	(4)
Individual Bank	175.04%	162.66%	197.84%	158.70%

OPERATIONAL RISK

(in IDR million)

No.	Adopted Approach	31 December 2019			31 December 2018		
		Gross Income (Last 3 years average)	Capital Charges	RWA	Gross Income (Last 3 years average)	Capital Charges	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Basic Indicator Approach	4,474,530	671,180	8,389,744	4,243,609	636,541	7,956,767
	Total	4,474,530	671,180	8,389,744	4,243,609	636,541	7,956,767

Shaping a Sustainable Future

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- 197 Fair Dealing
- 197 Customer Experience
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Develop Professionals of Principle

- 200 Attracting, Developing and Retaining Talent
- 201 Workplace Safety, Health and Well-being
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Uphold Corporate Responsibility

- 203 Strong Governance
- 203 Regulatory Compliance
- 203 Preventing Corruption, Fraud and Money Laundering
- 204 Community Development
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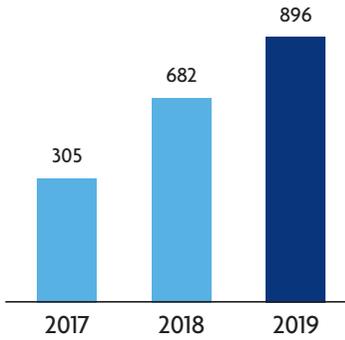
- 206 GRI Standards Content Index and Reference for POJK No. 51/POJK.03/2017
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Key Figures

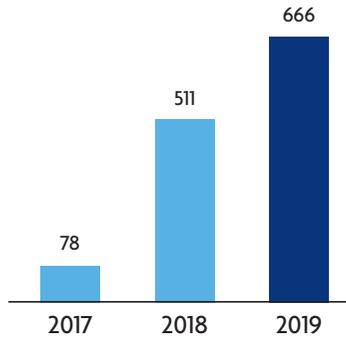
ECONOMIC ASPECT

Economic Performance

Operating income
(in Billion Rupiah)

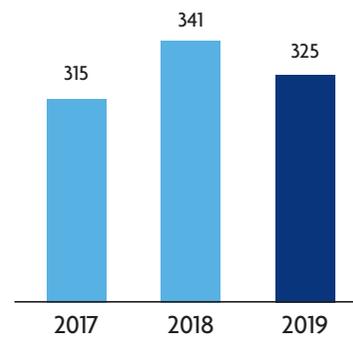


Income for the year
(in Billion Rupiah)



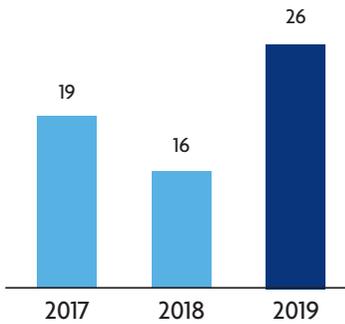
Sustainable Financing

Loans for sustainability-related business activities
(in Billion Rupiah)

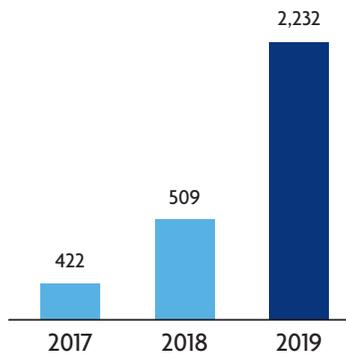


Financial Inclusion

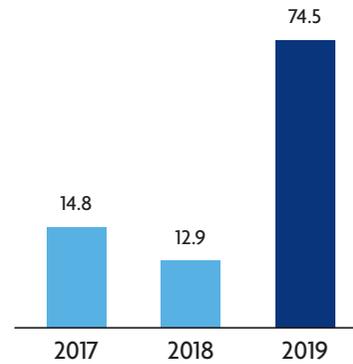
Number of schools visited through outreach programmes



Number of new student accounts created

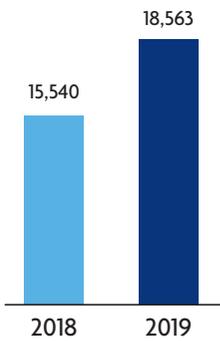


New funds in student-held accounts
(in Billion Rupiah)

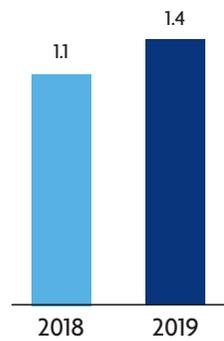


DIRECT ENVIRONMENTAL IMPACT

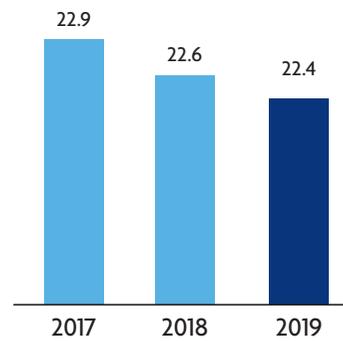
Fuel consumption
(in Gigajoules)



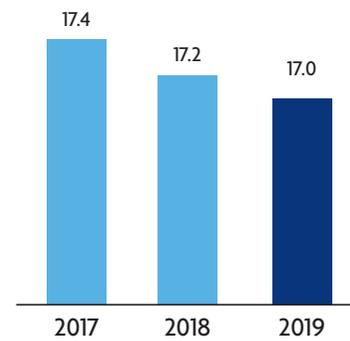
Scope 1 emissions
(in thousand tonnes CO2-equivalent)



Total consumption of electricity
(in GWh)



Scope 2 emissions
(in thousand tonnes CO2-equivalent)



Footnotes:

¹ Data presented in this table represents the status as at 31 December of the respective years.

² Please refer to "Statement of Profit or Loss and Other Comprehensive Income", page 3.

Sustainability Approach

About Sustainability Report

Welcome to UOB Indonesia's 2019 Sustainability Report. This report contains data and information related to UOB Indonesia's sustainability performance during the period from 1 January to 31 December 2019. UOB Indonesia has no subsidiary; hence, the data and information disclosed in this report only accounts for the sustainability performance of our head office in Jakarta and branch offices across Indonesia [102-45, 102-50, 102-51]

As this is the first sustainability report published by UOB Indonesia, there are no restatements or significant changes to the scope and boundary of the report. We are committed to publishing a sustainability report every year henceforth. [102-48, 102-49, 102-52]

This report was prepared in accordance with the Regulation of Financial Services Authority (POJK) No. 51/POJK.03/2017 regarding Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies.

In addition, this report has been prepared in accordance with Global Reporting Initiative (GRI) Standards 2016 "Core" option. We have also highlighted the GRI Standards disclosure indicators in square brackets throughout the report, wherever they are addressed, for the convenience of our readers. A full list of the GRI Standards disclosure indicators that have been addressed can be found in the "GRI Standards Content Index" near the end of this report. [102-54]

To ensure the quality of information in this report, UOB Indonesia upholds the principles of sustainability reporting, namely Accuracy, Balance, Clarity and Comparability.

This report is prepared with reference to four sustainability reporting principles, namely Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness. Our reporting process consists of four key stages [102-46]:

- identification of material environmental, social and governance (ESG) factors;
- prioritisation of identified factors by the UOB Indonesia ESG team;
- identification of appropriate performance indicators for each material topic; and
- review of report content.

Sustainability Report 2019 was published following a review process by our internal stakeholders namely the Board of Commissioners, Board of Directors as well as key business and support functions including Human Resources, Risk Management, Strategic Communications and Brand, Retail Banking Business, Wholesale Banking, CEO's Office, Finance, Corporate Real Estate Services and Compliance.

To improve the quality of our reporting, all stakeholders and other interested parties are welcome to address their comments, queries or suggestions to uobcare@uob.co.id. [102-53]

In accordance with POJK No. 51/POJK.03/2017, UOB Indonesia set up an ESG Working Group in 2019 comprising nine business and support functions that is responsible for coordinating the implementation of the ESG Strategy.

In addition to this report, UOB Indonesia submitted the *Rencana Aksi Keuangan Berkelanjutan* (RAKB), i.e. the Sustainable Finance Action Plan, to OJK in 2018 and also provided an update in 2019. UOB Indonesia's Sustainable Finance Action Plan was prepared by the Board of Directors and approved by the Board of Commissioners.

UOB Indonesia's Sustainable Finance Action Plan comprises programmes and initiatives specific to the various business and support units in order to align their strategies and decisions with the UOB Indonesia's broader ESG goals.

Key Figures¹

	2019	2018	2017
ECONOMIC ASPECT			
Economic Performance			
Operating income ² (in Billion Rupiah)	896	682	305
Income for the year ² (in Billion Rupiah)	666	511	78
Sustainable Financing			
Loans for sustainability-related business activities (in Billion Rupiah)	325	341	315
Financial Inclusion			
Number of schools visited through outreach programmes	26	16	19
Number of new student accounts created	2,232	509	422
New funds in student-held accounts (in Billion Rupiah)	74.5	12.9	14.8

Footnotes:

¹ Data presented in this table represents the status as at 31 December of the respective years.

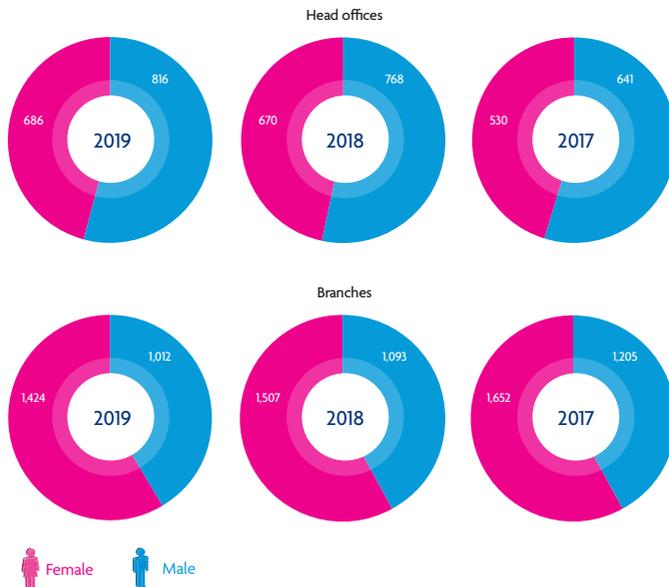
² Please refer to "Statement of Profit or Loss and Other Comprehensive Income", page 3.

	2019	2018	2017
Direct Environmental Impact			
Fuel consumption (in Gigajoules)	18,563	15,540	-
Scope 1 emissions (in thousand tonnes CO ₂ -equivalent)	1.4	1.1	-
Total consumption of electricity (in GWh)	22.4	22.6	22.9
Scope 2 emissions (in thousand tonnes CO ₂ -equivalent)	17.0	17.2	17.4

Sustainability Approach

SOCIAL ASPECT

Number of employees by gender



	2019	2018	2017
OUR PEOPLE			
Number of employees by gender			
a. Head offices	816 686	768 670	641 530
b. Branches	1,012 1,424	1,093 1,507	1,205 1,652
Number of employees by domicile			
a. Greater Jakarta Area	2,309	2,371	2,354
b. Outside of Greater Jakarta Area	1,629	1,667	1,674
Employees by grade and gender			
Senior management	61% 39%	63% 37%	67% 33%
Middle management	58% 42%	61% 39%	62% 38%
Junior management	51% 49%	50% 50%	49% 51%
Other employees	36% 64%	37% 63%	39% 61%
Branch managers	61% 39%	59% 41%	62% 38%
Scholarships and apprenticeships (In IDR Millions)			
Scholarships given to employees	514	380	172
Apprenticeship programme	2,388	3,240	3,225
Scholarships given to children of employees	157	147	147



	2019	2018	2017
Contributions to the Community (in Million Rupiah)			
UOB Painting of the Year Competition	560	560	560
UOB Heartbeat Run/Walk	250	250	250
Partnership with Museum MACAN	1,000	1,000	-
Partnership with Art Jakarta	500	-	-

Sustainability Strategy

As one of the leading financial institutions in the country, UOB Indonesia is focused on aligning our long-term business strategies with the interests of our stakeholders through the creation of sustainable value. We seek to address the ESG impacts that may result from our operations and business activities in order to ensure stable and long-term growth for the UOB Indonesia and for the benefit of our stakeholders.

The four pillars of our sustainability strategy are to drive growth sustainably; to keep customer at the centre; to develop professionals of principle; and to uphold corporate responsibility. They are rooted in the UOB Indonesia's four values of Honour, Enterprise, Unity and Commitment.

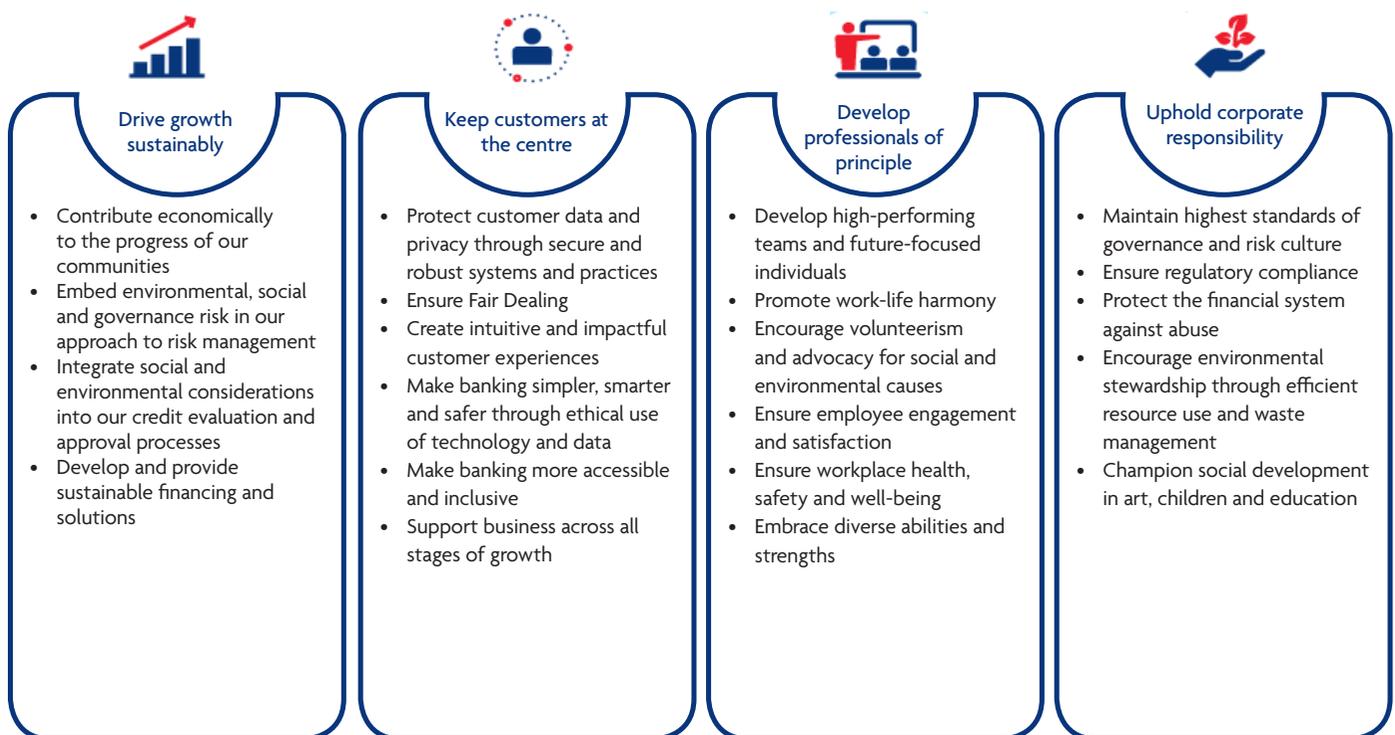
In driving growth sustainably, we incorporate sustainability elements in our approach to risk management. This includes integrating ESG considerations into our credit evaluation and approval processes. Furthermore, we offer a range of sustainable solutions that help our customers make a difference in their own communities. To play our part in shaping a sustainable future, UOB Indonesia finances projects across a range of sectors that support sustainable development.

As we focus on doing what is right for customers, we ensure that Fair Dealing principles are entrenched in all aspects of our relationship with them. Keeping their best interests in mind, we harness technology and use data to make banking simpler, smarter, safer and more intuitive for them. By doing so, we aim to make banking more accessible and inclusive to individuals and businesses in the communities in which we operate. Standing by our customers also means that we must protect their data and privacy by maintaining the security and robustness of our systems and processes.

Our colleagues help us to ensure the best outcome for our customers, our business and our community. In developing professionals of principle, we create high-performing teams and individuals who are guided by our values. We embrace diverse strengths and abilities as these enhance our capabilities and enrich our overall competitiveness. We equip our colleagues to take on the challenges of tomorrow even as we care for their welfare and work-life harmony today. We also foster a sense of belonging among our colleagues by encouraging volunteerism, as well as by improving engagement and satisfaction.

We believe that as a responsible financial services organisation, we have a role to play in upholding corporate responsibility by maintaining the highest standards of governance and risk culture, ensuring regulatory compliance and protecting the financial system. We remain steadfast in our commitment to promote social development in the areas of art, children and education. Both in our own operations as well as among our stakeholders, we also actively encourage and support environmental stewardship efforts. Together, these efforts help us contribute to a strong and sustainable future for the wider community.

As with most banks in the region, one of the initial challenges to implementing a holistic sustainability programme is in providing customised training on ESG topics to our people, so that they are able to make responsible and informed decisions consistently. As such, we have made it a priority to enhance efforts toward educating our colleagues and customers through a series of ESG training and awareness raising initiatives.



Rooted in Our Values of Honour, Enterprise, Unity and Commitment

Sustainability Approach

Alignment with the United Nations Sustainable Development Goals (UN SDGs)

Our ESG strategy is aligned with the United Nations Sustainable Development Goals (UN SDGs), which set out the global agenda for sustainable development by 2030 and call for action by both the public and private sectors.

Where we have contributed to the UN SDGs, we have made reference throughout this report to the relevant Global Goals. We aim to become progressively more aligned to the 17 Global Goals, many of which are relevant to the business as well as to the communities in which UOB Indonesia operates.

Material ESG Factors

Determination of Material ESG Factors [102-46]

UOB Indonesia assessed the materiality of a range of ESG factors based on their potential to impact our stakeholders as well as our business strategy and operations. The ESG factors that were deemed to be material were then prioritised as important, very important or critical.



Material ESG Factors		
IMPORTANT	VERY IMPORTANT	CRITICAL
<ul style="list-style-type: none"> Community development Managing our direct environmental footprint 	<ul style="list-style-type: none"> Responsible financing Innovative digital banking products Financial inclusion Supporting customers in sustainable development Workplace safety, health and well-being Diverse and inclusive workforce 	<ul style="list-style-type: none"> Economic performance Regulatory compliance Strong governance Risk-focused organisational culture Preventing corruption, fraud and money laundering Customer experience Information security Fair Dealing Attracting, developing and retaining talent

Material ESG Factors [102-47]	Our Strategic Objectives	Our Value Creation	Boundary [102-46, 103-1]	Our Contribution
Drive Growth Sustainably				
Economic performance	Contribute economically to the progress of our communities	<ul style="list-style-type: none"> Paying our fair share of taxes Creating jobs Facilitating trade and industries, and building the financial resilience of our stakeholders 	▲	We play an important role in the financial system and economy whilst providing financial security for our stakeholders.
Risk-focused organisational culture	Embed ESG risk in our approach to risk management	<ul style="list-style-type: none"> Maintaining a robust risk management framework to protect the interests of our stakeholders Ensuring that we remain nimble to seize business opportunities as they arise 	■	We have in place a Risk Management Framework that addresses risk culture and ESG risks.
Responsible financing	Integrate social and environmental considerations into our credit evaluation and approval processes	<ul style="list-style-type: none"> Addressing ESG issues when making lending decisions 	■	We incorporate ESG considerations in our credit and underwriting processes with regard to wholesale banking customers.
Supporting customers in sustainable development	Develop and provide sustainable financing solutions	<ul style="list-style-type: none"> Supporting new and viable business opportunities that contribute to one or more of the 17 UN SDGs Helping customers to identify and to address sustainability-related risks and opportunities in their businesses 	■	We play a role in supporting sustainable development and helping the country achieve its nationally determined contributions (NDCs) under the Paris Agreement
Keep Customers at the Centre				
Information security	Protect customer data and privacy through secure and robust systems and practices	<ul style="list-style-type: none"> Ensuring the confidentiality and security of our customers' information through comprehensive policies and processes Protecting our customers from cyber threats through robust risk management systems and processes 	■	We strive to ensure information security and data privacy for all our customers, in alignment with the policies and procedures we have in place.

Material ESG Factors [102-47]	Our Strategic Objectives	Our Value Creation	Boundary [102-46, 103-1]	Our Contribution
Fair Dealing	Ensure Fair Dealing	<ul style="list-style-type: none"> Treating customers fairly based on the principles of integrity, trust, and respect 	▲	As part of our corporate culture, we ensure that the Fair Dealing principles are adhered to in all our operations.
Customer experience	Create intuitive and impactful customer experiences	<ul style="list-style-type: none"> Anticipating our customers' needs and wants and offering them safe, reliable and relevant products to meet their preferences 	▲	We strive to maintain high levels of customers' satisfaction.
Innovative digital banking products	Make banking simpler, smarter and safer through ethical use of technology and data	<ul style="list-style-type: none"> Introducing and transforming digital banking products to meet customers' demand for greater convenience and seamlessness 	■	We increasingly offer faster and more accessible services for young professionals and young families.
Financial inclusion	Make banking more accessible and inclusive	<ul style="list-style-type: none"> Making banking products and services accessible and affordable to diverse segments of society to meet their needs and expectations 	■	We are active in promoting financial literacy among students, as well as providing them with access to financial products and services.
Developing Professionals of Principle				
Attracting, developing and retaining talent	<ul style="list-style-type: none"> Develop high-performing teams and future-focused individuals Promote work-life harmony Encourage volunteerism Ensure employee engagement and satisfaction 	<ul style="list-style-type: none"> Investing in training and career development for our colleagues Treating our colleagues with care and respect Providing our colleagues with the time and opportunity to give back to the community Conducting annual staff engagement surveys and responding to feedback Give our colleagues the time and opportunity to give back to the community 	●	We uphold the three pillars of our Employee Value Proposition, namely Care, Growth and Trust
Workplace safety, health and well-being	Ensure workplace health, safety and well-being	<ul style="list-style-type: none"> Providing our colleagues with a safe and conducive work environment 	●	We are committed to ensuring the health, safety and security of all colleagues
Diverse and inclusive workforce	Embrace diverse abilities and strengths	<ul style="list-style-type: none"> Ensuring equal opportunity across diverse cultural backgrounds, age groups, gender and abilities 	■	We are an equal opportunity employer. All employment decisions at UOB are based on business needs, job requirements and qualifications.
Uphold Corporate Responsibility				
Strong governance	Maintain highest standards of governance and risk culture	<ul style="list-style-type: none"> Upholding robust corporate governance policies, processes and practices to safeguard our stakeholders' interests Embedding our risk culture across our franchise to ensure continued financial soundness and business viability 	■	We are committed to upholding the highest ethical and corporate governance standards.
Regulatory compliance	Ensure compliance with all laws and regulations in the jurisdictions in which we operate	<ul style="list-style-type: none"> Observing the letter and spirit of all applicable laws, rules, regulations and standards 	■	We have in place frameworks, policies and procedures to protect against regulatory compliance risks. Further, all new and existing colleagues undergo mandatory training and annual refreshers on a range of compliance related topics.
Preventing corruption, fraud, and money laundering	Protect the financial system against abuse	<ul style="list-style-type: none"> Adopting zero tolerance approach to bribery and corruption, and ensuring transparency and accountability Collaborating with regulators and industry peers in preventing cybercrime, money laundering, funding of terrorism and dealing with sanctioned persons 	■	We continually strengthen our ability to mitigate risks of financial crime and invest in the necessary expertise and systems to do so.
Managing our direct environmental impact	Encourage environmental stewardship through efficient resource use and waste management	<ul style="list-style-type: none"> Managing energy, water and resource consumption more efficiently, reducing greenhouse gas emissions and minimising waste 	■	We actively mitigate our direct impact to the environment by applying the 3R Principle (Reduce, Reuse and Recycle).
Community development	Champion social development in art, children and education	<ul style="list-style-type: none"> Helping the young, the underprivileged, those with special needs and budding talent to realise their full potential 	▲	We are active in supporting a range of charities and causes in the country through donations, employee volunteerism, partnerships, etc.

■ External & Internal

● Internal

▲ External

Sustainability Approach

Our Stakeholders [102-40, 102-42, 103-43, 102-44]

A stakeholder is any entity or group of individuals that has a direct or indirect interest in UOB Indonesia's operations. We believe that stakeholders have a strategic role to play in supporting our ability to grow in a sustainable manner. As such, we are committed to continuously improve and engage in a harmonious manner with all of our stakeholders. [102-42]

UOB Indonesia has categorised its key stakeholders into eight groups, namely customers, colleagues, community, investors and analysts, government and regulators, suppliers, the media, and industry and trade associations. In identifying our stakeholders, we conducted a dialogue with our various business and support units.

The feedback from our stakeholders enables us to understand their interests. Active communication and engagement is central to building productive and long-lasting relationships with our key stakeholders.

Stakeholders Group [102-40]	How We Engage with Our Stakeholders (Frequency) [102-43]	The Topics That Matter to Our Stakeholders [102-44]	How We Meet Stakeholder Expectations [102-44]
Customers	<ul style="list-style-type: none"> Interaction at branches, face-to-face meetings and digital communication (ongoing) Marketing campaign and post transaction surveys (ongoing) Events and seminars (as and when appropriate) Call centre service (ongoing) 	<ul style="list-style-type: none"> Fair products, services and treatment Reasonable fees Responsible financial advice Secure transactions Protection of data and privacy Convenient access to products and services Prompt service and resolution of complaints Information on developments of our business Relevant and timely information on products and services After-sales care Knowledgeable employees 	<ul style="list-style-type: none"> Maintaining the highest professional and ethical standards in all our dealings with our customers Focusing on both the personal and business financial needs of our customers when developing our products and services Ensuring that our people are equipped and committed to advise and to act in the best interests of our customers Providing relevant information and advice Providing our customers with clear and transparent information so that they can make informed financial decisions Ensuring access to our banking products and services through our omni-channel and extensive network of customer touchpoints Addressing customer feedback effectively and promptly Ensuring the robustness of our monitoring and systems to maintain a secure banking environment.
Colleagues	<ul style="list-style-type: none"> Regular CEO communication to all employees (as and when appropriate) Employee engagement survey (once a year) Online and mobile employee portal with informative, collaborative and social features (ongoing) Townhall meetings (annually) Training and workshops (ongoing) Performance reviews (half-yearly) 	<ul style="list-style-type: none"> Trust and respect Regular engagement and communication Career development, job satisfaction and recognition Competitive wages and benefits Safe working environment Work-life balance 	<ul style="list-style-type: none"> Upholding a values-based and risk-focused organisational culture Ensuring fair and equitable opportunities for all colleagues Ensuring fair HR policies and processes Encouraging feedback Ensuring transparent and objective performance appraisals, and performance-based rewards and recognition Providing opportunities for training and development to build skills for the digital economy Empowering our people to take ownership of their career paths Enabling our colleagues to be informed and engaged so that they can contribute effectively Promoting teamwork and supporting one another to achieve shared goals Providing flexible work arrangements Offering health and wellness benefits Maintaining workplace health and safety Enabling colleagues to give back to the community through volunteer initiatives
Community	<ul style="list-style-type: none"> Support of national effort to build inclusive communities (ongoing) Fundraising events (annually) Art competitions (annually) Education programmes for children (ongoing) Financial literacy programmes (as and when appropriate) Donations in cash or in kind to support causes related to art, children and education (as and when appropriate) Employee volunteerism (ongoing) 	<ul style="list-style-type: none"> Inclusive employment opportunities Contribution to local job creation and economic growth Good corporate citizenry Responsible financing and investment 	<ul style="list-style-type: none"> Creating and maintaining an inclusive workplace Offering jobs to local talent Encouraging strategic investments that drive economic growth and social development Integrating ESG considerations into our risk assessment and credit decision processes Giving back to the community through corporate social responsibility programmes focused on art, children and education

Stakeholders Group [102-40]	How We Engage with Our Stakeholders (Frequency) [102-43]	The Topics That Matter to Our Stakeholders [102-44]	How We Meet Stakeholder Expectations [102-44]
Investors and Analysts	<ul style="list-style-type: none"> Financial reporting and results briefings (quarterly) Periodic meetings with rating agencies (at least once a year) Annual roadshows 	<ul style="list-style-type: none"> Stable and sustainable growth and profitability Responsible financing and investment Strong corporate governance and transparency, with timely disclosures 	<ul style="list-style-type: none"> Ensuring strong oversight and accountability by an experienced and competent leadership Ensuring high standards of corporate governance, transparency and disclosure Adopting a disciplined and measured approach towards business risks and opportunities Ensuring robust risk culture, governance and management Implementing responsible financing guidelines Ensuring timely disclosure and reporting
Government and Regulators	<ul style="list-style-type: none"> Regular meetings and engagement (as and when appropriate) Consultations with regulatory bodies (as and when appropriate) Annual reports (annually) 	<ul style="list-style-type: none"> Highest standards for corporate governance and ethical behaviour Prevention of financial fraud and money laundering Countering the financing of terrorism (CFT) Maintaining financial stability Taxes Support of local economies and industries 	<ul style="list-style-type: none"> Complying with applicable laws, regulations and policies Maintaining sound risk management systems and processes Providing regular compliance training for our people Conducting regular internal audits Promoting foreign investment through our UOB Indonesia Foreign Direct Investment unit
Suppliers	<ul style="list-style-type: none"> Requests for quotations and proposals (as and when appropriate) Vendor briefings (as and when appropriate) Purchase agreements (as and when appropriate) Performance reviews (annually or prior to contract expiry) 	<ul style="list-style-type: none"> Fair vendor selection process Ethical conduct Timely payment 	<ul style="list-style-type: none"> Ensuring integrity in all purchasing decisions Adhering to agreement terms
Media	<ul style="list-style-type: none"> News releases and media statements (ongoing) In-person and online conversations (ongoing) Media briefings and conferences (as and when appropriate) Media interviews (as and when appropriate) Social media platforms (ongoing) Economic and market research reports and white papers (as and when appropriate) 	<ul style="list-style-type: none"> Timely, topical and transparent information Prompt and accurate reporting of corporate news Access to relevant senior executives for media interviews 	<ul style="list-style-type: none"> Providing regular statements and briefings to update the media and the public on our business developments, initiatives and progress Ensuring prompt and relevant responses to media queries Ensuring the availability of our spokespeople on relevant topics Sharing thought leadership to demonstrate our insight into the markets and industries
Industry and Trade Associations	<ul style="list-style-type: none"> Participation in industry associations (ongoing) Industry-wide workgroups and meetings (as and when appropriate) Forums and conferences (as and when appropriate) 	<ul style="list-style-type: none"> Collaboration and contribution to industry wide initiatives 	<ul style="list-style-type: none"> Active participation in various financial service associations, e.g. National Banking Association (PERBANAS) and Foreign Bank Association (PERBINA)

Drive Growth Sustainably



Economic Performance [103-1, 103-2, 103-3]

We understand that robust economic performance not only supports stable business growth but is also an essential component in the realisation of sustainable development. Therefore, we are committed to managing economic performance in a manner that enables our continued contribution to the economic development of the nation, through the creation of direct and indirect economic value for all our stakeholders.

UOB Indonesia's economic performance during the 2019 fiscal year is available in the 2019 Financial Statements. To ensure the accuracy of our reporting, we carry out internal audit activities. In addition, external audits are conducted by a public accounting firm, appointed

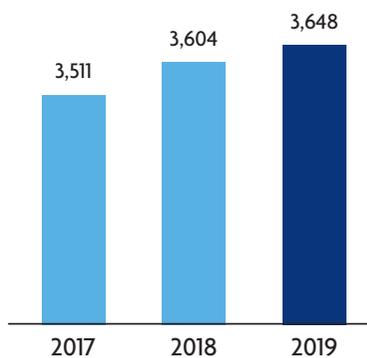
in the 2019 Annual General Meeting of Shareholders (AGMS), namely Purwanto, Sungkoro & Surja (PSS), an affiliate of Ernst & Young Global Limited which provided an unmodified opinion. The audit activities were carried out in accordance with the Financial Accounting Standards and the International Financial Reporting Standards (IFRS).

Economic Value Generated and Distributed [201-1]

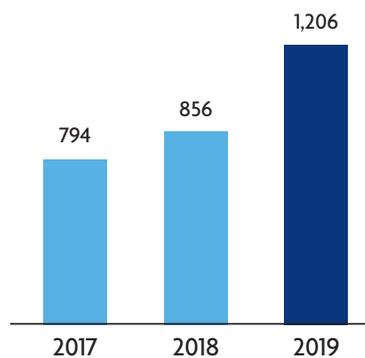
UOB Indonesia's economic performance is measured in net interest income, operating income, and non-operating income. The economic value we generated was distributed to our various stakeholders in the form of tax payments to the government; salaries, benefits and pension plans for employees; donations to local charities; as well as spending on suppliers for the procurement of goods and services.

Economic Value Generated

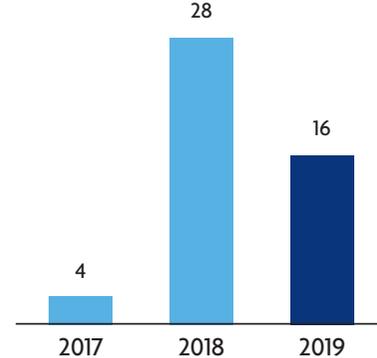
Interest income - net
(in Billion Rupiah)



Other operating income - net
(in Billion Rupiah)

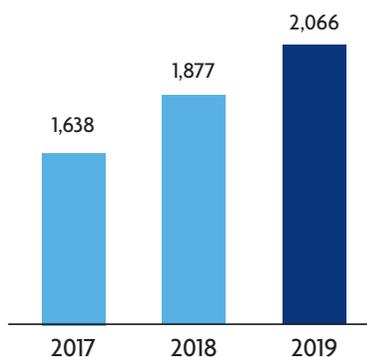


Non-operating income - net
(in Billion Rupiah)

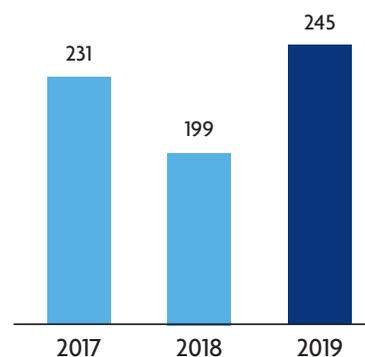


Economic Value Distributed

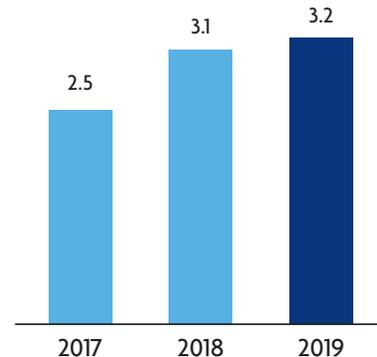
Salary and benefits
(in Billion Rupiah)



Corporate income tax payments to the government
(in Billion Rupiah)



Donations
(in Billion Rupiah)



Risk-focused Organisational Culture [102-11]

UOB Indonesia's risk culture influences the decisions and actions taken by all employees throughout the organisation. Our robust risk culture mitigates risk and safeguards our reputation as we create long-term value for our stakeholders. It promotes the appropriate risk awareness, judgement and behaviours required for risk-taking within our risk management framework. Having a sound risk culture is also the foundation for effective risk management and ensures that emerging risks are identified, assessed, escalated and addressed in a timely manner.

UOB Indonesia's risk culture is built on our values of Honour, Enterprise, Unity and Commitment, and is core to our broader behavioural culture. Our comprehensive framework of policies, processes, methodologies and tools helps us to identify, measure, monitor and manage material risks and opportunities faced by the Bank.

Our Board of Commissioners (BOC) oversees risk culture matters, including approval of the Risk Management Framework. This sets a strong Tone from the Top and provides the direction for all people managers to convey the appropriate "Tone from Above" which are the signals sent by people managers to their immediate staff. This ensures that senior management and the Board are apprised of the state of risk culture across the Bank.

To ensure the Tone from the Top is effectively translated into the Tone from Above, we have adopted a coordinated and consistent Bank-wide communication approach to embed a sound and robust risk culture consistently across our operations. The senior management encourages understanding and practice of risk management across the organisation through regular and frequent communication such as face-to-face meetings, discussion groups and internal e-newsletters. It is also the responsibility of all people managers to promote risk-focused behaviour within their teams. Ongoing training reinforces the risk-focused conduct that enables us to earn the trust of our stakeholders over generations. Colleagues across the Bank received risk management training, which included the following topics:

- risk culture and the Code of Conduct;
- anti-money laundering;
- assessing and addressing operational and security risks;
- countering the financing of terrorism;
- Fair Dealing;
- financial crime prevention;
- fraud awareness;
- IT security and cyber risk awareness; and
- UK Bribery Act.

We also ensure that through our whistle-blowing policy, our colleagues have the ability to raise matters of potential concern in a secure manner without fear of reprisal. All reported cases are investigated and resolved. The status of all whistle-blowing cases is tracked by Internal Audit and reported to the Audit Committee every quarter.

Responsible Financing [F51]

Just as we are prudent in our business practices to ensure financial stability through credit cycles, we are committed to mitigating ESG risks in our operations. Through our financing practices, we recognise that we can play a positive role in shaping the actions of our customers and supporting long-term sustainable development.

Our Responsible Financing Policy applies to all borrowing customers of wholesale banking. Under the policy framework, our relationship managers are required to conduct due diligence on all new and existing borrowers during the client onboarding process and annual credit review. Borrowers are assessed for material ESG risks as well as their capacity, commitment and track record in sustainability. We have also implemented sector-specific Credit Acceptance Guidelines and have ESG checklists in place to help our account officers in identifying, assessing and reviewing ESG risks.

Borrowers that fall within the following eight ESG-sensitive industries are subject to enhanced due diligence with sector-specific guidelines.

- Agriculture
- Metals and Mining
- Chemical
- Infrastructure
- Forestry
- Defence
- Energy
- Waste Management

As part of our ESG risk classification approach to identify, to measure and to manage better the ESG risk in our portfolio, checklists have been developed to ensure a standardised approach. Each Credit Approval Summary (CAS) package includes an ESG assessment for the borrower and, in addition, an ESG clause is included in the credit facility agreement. Deviations from this clause require approval from the credit-approving party. A review of the borrower's Program for Pollution Control, Evaluation, and Rating (PROPER) performance, as assessed by Indonesia's Environmental Impact Agency, and follow-up is carried out in the event that a debtor's rating is classified as red or black based on our monitoring and due diligence.

The Risk Management Work Unit is responsible for reviewing, updating and standardising credit policies in relation to ESG risk. Monitoring results are reported by the Risk Management Work Unit to the Bank's management every month as part of credit portfolio monitoring. Every credit analysis for both new and existing customers at the time of the annual review is subject to due diligence and monthly monitoring in accordance with our policies.

Drive Growth Sustainably

Supporting Customers in Sustainable Development

As a leading bank in Asia, we are committed to long-term economic, social and environmental sustainability in the region. In shaping a sustainable future and economy, UOB Indonesia continues to drive sustainable development, particularly through our work in promoting and supporting renewable energy across the country.

U-Solar Programme

On 8 November 2019, the U-Solar Programme was launched in Indonesia as part of UOB Group's wider efforts to address the problem of supply and demand for renewable energy in Southeast Asia.

The U-Solar Programme aims to facilitate the development and use of solar energy by offering solutions to obstacles faced by the solar industry ecosystem – from solar project developers, engineering, procurement, construction (EPC) contractors, to end users in the country.

U-Solar was designed in collaboration with solar EPC contractors that were approved and appointed by UOB Indonesia, which ensures a standard quality of equipment, services and care provided to all commercial, industrial and residential customers.

For developers and solar contractors, the U-Solar Programme provides access to green loans which help them overcome challenges related to working capital.

For solar users, whether commercial, industrial or residential, the U-Solar Programme connects them to financing solutions that enable them to purchase quality solar installations and systems with reliable performance. Through this programme, users can enjoy cost savings by switching to solar energy.

Through the U-Solar Programme, UOB Indonesia aims to accelerate the adoption of renewable energy by promoting awareness among businesses, industries and homeowners about the benefits and savings that can be derived from renewable energy technologies, and enabling them to contribute to the nation's wider sustainability efforts.

By supporting local solar contractors with end-to-end financing from procurement to construction, including the installation and maintenance of solar systems, we enable production and service costs to local companies to be reduced, hence improving their competitiveness. End-users also benefit from access to the standardised financing packages that are available through the U-Solar Programme.

Collaboration with TMLEnergy to promote solar energy adoption in Indonesia

UOB Indonesia and PT Tritama Mitra Lestari (TMLEnergy), a solar power EPC contractor, jointly held the TML-UOB Solar Energy Forum on 12 December 2018 in Jakarta, Indonesia. This event was organised to promote awareness of the benefits associated with renewable energy by providing insights and analysis regarding electricity and renewable energy industries in Southeast Asia. By promoting more energy-efficient technology, the event is also aligned with national efforts to promote sustainable financing and to mitigate damage to the environment. The forum was attended by professionals, government officials, academics, developers, equipment providers and system integrators in Indonesia, as well as by representatives from multi-national companies in the region.

On 8 November 2019, UOB Indonesia and TMLEnergy expanded their cooperation by partnering on the U-Solar programme, through which UOB provided green loan facilities to TMLEnergy for the construction of rooftop solar power projects. These projects were designed for commercial, industrial and residential customers that can also access green loans via U-Solar.

Sustainable Project Financing

	2019	2018	2017
Total Loans for Sustainable Business Activities (in Billion Rupiah)	325	341	315

Keep Customers at the Centre



Information Security [418-1]

The use of our technology provides a borderless, reliable and efficient service, and we are committed to protecting our customers' and the Bank's data and assets from cyber security threats. The IT Security Management Policy outlines the cyber security policies, guidelines and tools that are in place to protect our data and assets. These ensure that cyber security risks are identified and managed consistently. We also continuously upgrade our security capabilities to respond to the evolving threat landscape by partnering leading cyber security providers and enhancing our security technology. Recognising that everyone plays a role in data protection and cyber security defense, we regularly train our people on information security and cyber security risks, ensuring a 100 per cent completion rate for training modules related to security.

Fair Dealing [FS15]

In serving our customers, we aim to uphold high professional and ethical standards. As part of this commitment, we engage regularly with our customers, including through Fair Dealing surveys, to ensure that they are given a voice and continue to receive fair treatment with integrity, trust and respect.

We listened to our customers' feedback and, in response, have established new employee training programmes including:

- Eight Art of Service Recovery training sessions were conducted in 2019 to improve the ability of our colleagues to resolve customer complaints;
- Breakthrough Service training for senior management, managers, front-liners and back office employees to equip our colleagues with the skills to transform customer pain points into opportunities and to create significant added value for the business.

The most important elements of Fair Dealing are integrity, trust, and respect. They are reflected in the development of our all our products and services.

UOB Indonesia ensures that Fair Dealing is embedded in our corporate culture by:

- offering products and services that fit the customer's needs;
- ensuring that our marketing team is competent in providing appropriate advice and recommendations;
- providing clear, relevant and timely information so that customers can make informed financial decisions; and
- handling customer complaints in an independent, effective and timely manner

Customer Experience

Our culture and values guide us as we continue to deepen and strengthen relationships with our customers. UOB Indonesia is committed to provide appropriate solutions and services to meet the needs and objectives of individuals and businesses. We also strive to ensure that every customer has a safe, reliable and pleasant banking experience.

Our Commitment to Customers [103-1, 103-2]

In each decision and action, we strive to fulfil our commitments to our customers which are built on the Bank's four values, namely Honourable, Enterprising, United and Committed.

	<p>Honourable: <i>Treat You Fairly</i></p> <p>We ensure we maintain the highest professional and moral standards in all our dealings with you. We have uncompromising discipline, clarity, and bravery to do what is right for you and every decision is made in your best interest.</p>		<p>Enterprising: <i>Provide You with the Right Solution</i></p> <p>We connect you with solutions that make the most out of your experiences with us. Working together with you, we provide expert tools, knowledgeable guidance, and clear direction to help you manage your day-to-day and future requirements, however complex your needs.</p>
	<p>United: <i>Know You Personally</i></p> <p>The value we place on relationships is reflected in our desire to make every experience a personalised one for you. By anticipating your needs and understanding you better with every interaction, learning your preferences, and knowing what matters to you, we make your experience feel it is all about you</p>		<p>Committed: <i>Be There When it Matters</i></p> <p>We are dedicated to stand by your side, to celebrate your achievements, and to be present in your future, in good and in bad times. We provide you with personal guidance, backed by a seamless and consistent delivery built around your ambitions – to be relevant in your lives as you experience your biggest moments, and always to be close to you.</p>

Keep Customers at the Centre

Improving Customer Satisfaction and Advocacy [103-3]

Keeping our customers satisfied is a priority. As such, we regularly seek feedback from them to help us improve the quality and standard of our products and services. To measure customer satisfaction and retention across our business and product groups, we use Net Promoter Score (NPS) metrics which indicate the likelihood of a customer recommending a company's brand, product or service to others. NPS is an established worldwide metric used to measure customer loyalty and to predict business growth.

We frequently engage with customers using texting and telephone calls, particularly to interact with customers who have recently joined UOB Indonesia (onboarding) via any of seven touch points, namely:

- Credit card approval and delivery experience;
- Mortgage loan disbursement;
- Privilege banking benefit;
- In-branch accounts opening;
- Business banking loan disbursement;
- Business banking account opening; and
- Call Centre inquiries, requests and complaints.

We also carry out mystery shopping, service huddles and benchmarking to review our performance and services in comparison to the best services in the banking industry, as well as to identify areas in need of improvement. Through service huddles, we encourage colleagues from all lines of business to provide ideas that could help our customers. Through the information obtained from benchmark surveys, we have accelerated and simplified the account opening process. We have also provided training to all our branch security officers on how to direct customers to the appropriate branch representatives.

Setting Standards to Provide the Best Experience for Customers

We are dedicated to provide the best experience for our customers. Every year, we show our appreciation at the UOB Customer Commitment Awards Ceremony by recognising colleagues who took the lead and became role models in meeting commitments to our customers. In 2019, we awarded four winners in the individual category and three winners in the group category.

Effective Settlement of Customer Complaints

Customer complaints are handled with the care they deserve, using the proper complaint handling procedures to enable quick and accurate settlement. The Bank has also set out guidelines to manage the complaint investigation and resolution process, as well as organised an independent review team to assess complaints.

Innovative Digital Banking Products

UOB Indonesia recognises the importance of keeping abreast of evolving consumer lifestyles and consumption patterns. On the digital front, we continue to harness technology to improve customer experience. We enter into strategic alliances with digital ecosystem partners such as e-commerce companies, start-ups and co-working spaces. An important milestone in 2020 was the creation of TMRW, the first mobile-only digital bank to cater to the financial needs and preferences of the digital generation in Indonesia. Indonesia's millennials represent one-third of the country's population and will make up approximately 44 per cent of its workforce by 2030. TMRW is data-centric and rethinks traditional banking models to make banking simpler, more transparent and engaging for our customers - designed to fulfil the entire customer life cycle.

Financial Inclusion [FS16]

A significant proportion of the Indonesian market for financial products remains untapped and this poses a challenge for financial institutions that needs to be addressed in order to support the nation's rapid economic growth. This is reinforced by Regulation of the President of the Republic of Indonesia No. 82 of 2016 regarding the National Strategy for Inclusive Finance. The aim of UOB Indonesia's Financial Inclusion Programme is to enhance the public's understanding of financial products and services so that they are better able to manage their assets responsibly with the help of official and credible institutions.

Financial inclusion emphasises the provision of financial products and services based on the different needs of each community group. Currently, our inclusive finance initiatives remain focused on groups that have limited access to formal financial services, including low-income groups, micro and small entrepreneurs, as well as cross-group communities consisting of migrant workers, women, groups that suffer from social welfare issues, and communities located in disadvantaged areas and outer islands. In addition, secondary and tertiary students are also an important demographic in UOB Indonesia's Financial Inclusion Programme.

We believe that the introduction of financial literacy and management skills should start at an early age. That gives society the best chance at ensuring that the youth will mature into adults who can manage their finances responsibly and according to their needs. UOB Indonesia has programmes in place to introduce secondary and tertiary students to financial products and to improve their understanding of sound finance management principles.

We cooperate with schools to conduct education exhibits. As part of these activities, we help students get started with their first banking account by introducing them to banking products designed for their needs, namely TabunganKu and Simpanan Pelajar (Simpel). These PT Bank UOB Indonesia banking products are designed for the youth, who tend to be unfamiliar with financial products and services. The benefits offered by TabunganKu include affordable initial deposits, zero administrative fees and easy access to accounts using a UOB ATM/ Debit card. Meanwhile, Simpel is a savings account with an affordable minimum deposit requirement that encourages the young to adopt responsible saving habits at an early age.

We evaluate the positive social impact of the Financial Inclusion Programme on a regular basis. Throughout 2019, UOB Indonesia conducted education activities across 26 schools in Indonesia, reaching a total of over 2,000 students. We trust that, with continued effort, the youth will become increasingly knowledgeable and grow into empowered adults with the skills and know-how to manage their finances responsibly.

Through our Financial Inclusion Programme, the Bank collected funds amounting to IDR74.5 billion in 2019, which is significantly higher than the IDR12.9 billion recorded in the previous year.

Financial Inclusion Programme	2019	2018	2017
Number of school visited	26	16	19
Number of student new accounts created	2,232	509	422
New funds in student-held accounts (in Billion Rupiah)	74.5	12.9	14.8

Develop Professionals of Principle



Attracting, Developing and Retaining Talent [103-1, 103-2, 103-3]

Our human capital is one of our most important assets. As such, we are focused on enhancing leadership competency and quality in order to build mindsets that lead to better services for our customers and the delivery of financial solutions suited to each customer's needs. The Bank strives to develop the potential and competencies of our people by providing a range of training and development opportunities throughout the year. We also have in place training and development policies and procedures which provide guidance on the types of training and development programmes, the mechanisms for organising training, approaches to e-learning, training budget management and training evaluation.

Remuneration and Benefits to Colleagues [103-1, 103-2, 103-3]

Rising competition across the banking industry has resulted in efforts to enhance resilience through governance improvements in the provision of remuneration. This is to encourage a prudent risk-taking approach and to ensure business continuity.

Our remuneration programme is designed to support organisational development and to maintain competitiveness while responding to dynamic business needs. UOB Indonesia provides effective and competitive remuneration to attract, to retain and to motivate employees to conduct themselves in a manner that supports the Bank's long-term goals.

We offer a range of benefits to support our employees in achieving better work-life balance and well-being, as well as benefits through various development programmes such as international and domestic assignments, scholarships and leadership training activities.

Employee remuneration is determined in accordance with the Financial Services Authority (OJK) Regulation whereby we ensure that remuneration is above the Provincial Minimum Wage (UMP) standards, in line with the provisions of the Ministry of Manpower and Transmigration.

In 2019, we were in compliance with the minimum wage requirement. The ratio of the wage of the lowest grade employee to the standard minimum wage was 1.7.

Employee Benefits [401-2]

Temporary and part-time employees do not receive health insurance and life insurance, and are not eligible for inclusion in DPLK pension programmes which are managed independently from government programmes.

Labour Complaint Mechanism [103-2]

We address employee complaints in accordance with the Collective Labour Agreement. Under the agreement, if an employee feels that they have been treated improperly or unfairly by their manager or the head of their work unit, a written complaint must be submitted to the appropriate superior. The employee may request assistance from a trade union, which can provide advocacy assistance to employees facing internal disputes.

In 2019, we received two formal complaints related to labour. Both complaints have since been settled.

Pension Policy [201-3, 404-2]

UOB Indonesia has in place a defined contribution plan as well as procedures to record estimated liability benefits for severance pay, years of service gratuity, and compensation for employees to cover possible shortages and deficiencies. This programme is implemented pursuant to the Law No. 13 of 2003 regarding Manpower and is in accordance with our labour agreements.

The determination of our employee benefit liabilities is based on a set of assumptions used by independent actuaries and by our management, including discount rates, annual salary increase rates, annual employee turnover rates, disability rates, retirement age and mortality rates. Estimated employee benefit liabilities as at 31 December 2019 and 2018 were recorded based on the actuarial valuations conducted by an independent actuary, namely PT Mercer Indonesia, using the Projected Unit Credit method.

The average durations of our defined benefit obligations in 2019, 2018, and 2017 were 8.56 years, 6.05 years, and 11.25 years, respectively.

Aside from the pension plan and employee benefit liabilities, UOB Indonesia participates in a pension plan organised by Badan Penyelenggara Jaminan Sosial (BPJS), namely the Pension Security Programme, which is in accordance with applicable regulations.

Employee Engagement Survey (EES) [103-3]

We regularly survey our colleagues to improve their sense of belonging with UOB Indonesia. As an outcome of previous surveys, various engagement programmes have since been implemented. The result of the Employee Engagement Survey (EES) conducted in 2019 showed a 28-point improvement compared with 2017.

Employee Engagement Survey (EES) Score

Year	EES Score
2017	52%
2019	80%

Employee Improvement Programme [404-2]

UOB Indonesia has in place a series of comprehensive programmes to enrich our colleagues' knowledge and skills, including:

- The U Bond programme for new colleagues to understand the Bank's operations, as well as its Vision and Mission, Values and Code of Conduct;
- Breakthrough Service and Art of Service Recovery training to promote enterprising and service excellence mindsets;
- Quality leadership training:
 - » Leadership Right By You (LRBY), consisting of LRBY First Line Manager and LRBY Leading Teams, is offered to select colleagues and complemented by training focused on problem solving and decision-making, data-driven analytics for strategic thinking and decision-making, managing millennials, crucial conversations, and coaching skills.
 - » Leadership Academy programme for high-performance colleagues to improve their understanding of strategy, change management and global perspectives. A Development Acceleration programme for potential talents is also available to prepare them for senior leadership roles.
- UOB+I_Grow prepares colleagues for rotation or transfer to positions that require different knowledge and skill sets.
- The Better U programme ensures that our people are prepared for longer-term changes in the industry through a series of training activities oriented to future skills, including digital awareness, data storytelling, human-centered design, growth mindset and problem solving.
- The Happy Retirement programme is offered to colleagues who are preparing to retire, and covers both mental and financial planning aspects.

Employee Training in 2019 [404-1]

Throughout the year, the Bank invested in and delivered training opportunities to our colleagues:

Year	Employee training (hours)	Total training investment (in Billion Rupiah)
2019	253,045	87.5

Performance Reviews and Career Development [404-3]

Using the Plan, Engage, Appraise and Keep Track (PEAK) framework, colleagues establish their business and personal development goals at the start of the year in consultation with their managers. Performance Improvement Plans are also developed to help colleagues in need of additional guidance. Managers hold discussions with their team members throughout the year to review their progress and to address their challenges.

All employees receive regular performance reviews annually. Temporary employees will receive performance reviews according to the contract period or at least once a year. In 2019, 100 per cent of UOB Indonesia employees received reviews on performance and career development.

Workplace Safety, Health and Well-Being [103-1, 103-2, 103-3, 403-1] Safety [403-1]

Workplace safety is one of UOB Indonesia's priorities. We aim to ensure that all employees, customers, third party vendors and contractors visiting and working in our premises can be assured of their safety. We raise awareness and reinforce occupational health and safety through workshops and trainings to maintain a robust workplace safety culture.

Incidents are reported and reviewed in order to avoid repeat incidents in the future. We also continue to improve relevant SOPs and job safety analyses to ensure compliance with relevant laws and regulations as well as to maintain high standards of safety at work.

UOB Indonesia has an Emergency Response Team comprising floor wardens in the head office and branch offices who are trained in fire and emergency evacuation. We conduct regular drills to ensure that our colleagues are familiar with safety measures and protocols during evacuation.

Health [403-1]

UOB Indonesia provides health protection through the Health Insurance Programme for employees and their families, covering benefits in the form of outpatient and inpatient care. Employees are also eligible for medical check-ups. In addition, UOB Indonesia also registers all employees in the government-led insurance programmes, BPJS Ketenagakerjaan and BPJS Kesehatan. This is in line with the prevailing laws and regulations regarding the safety and health of employees.

Welfare [401-3]

The remuneration received by employees includes salaries, health insurance, life insurance, BPJS Ketenagakerjaan, BPJS Kesehatan, BPJS Pensiun and Pension Fund (DPLK). Additional benefits are stated in the Collective Labour Agreement and Policies regarding employee welfare, and include employee welfare facilities (KPR, KMG and KKB), annual leave, maternity leave and parental leave.

Female employees are entitled to maternity leave regardless of their employment status (contract or permanent). In 2019, 131 female employees went on maternity leave and 100 per cent returned to work after the leave period. Meanwhile, 86 male employees took parental leave in 2019, including contract and permanent employees.

Develop Professionals of Principle

Diverse and Inclusive Workforce

Diversity and Work Equality [103-1, 103-2, 103-3]

UOB Indonesia is an equal opportunity employer and aims to attract and to retain professionals of principle with the passion and commitment to do what is right always. Our Recruitment Policy guides our hiring process and decisions. Under the policy, we practice non-discriminatory hiring and all hiring decisions are made based on each individual's merit and suitability for the role.

The UOB Code of Conduct prohibits any kind of discrimination, bullying or harassment, whether based on a person's race, ethnicity, gender, gender identity or expression, colour, creed, religion, national origin, nationality, citizenship, age, disability, marital status, sexual orientation, culture, ancestry, veteran status, socioeconomic status or any other legally-protected characteristic. All employment decisions are based on business needs, job requirements and qualifications. Employees are encouraged to raise their concerns without fear of retaliation through our whistle-blowing mechanism.

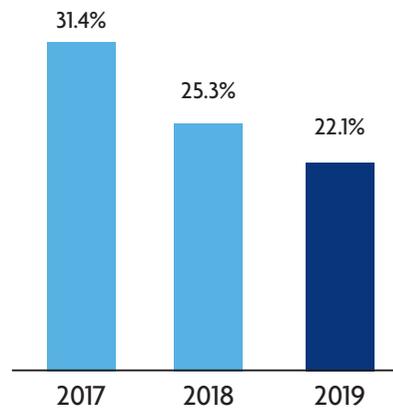
New Hires [401-1]

Gender	2019		2018		2017	
	Total	Percentage	Total	Percentage	Total	Percentage
	405	52%	516	50%	516	52%
	375	48%	515	50%	478	48%
Total	780	100%	1,031	100%	994	100%

Age Group	2019			2018			2017		
			Total			Total			Total
Under 25 years old	101	47	148	111	63	174	9	7	16
25 - 34 years old	228	221	449	304	294	598	347	256	603
35 - 44 years old	66	93	159	90	134	224	137	171	308
45 - 54 years old	10	13	23	11	21	32	22	41	63
Above 55 years old	-	1	1	-	3	3	1	3	4
Total	405	375	780	516	515	1,031	516	478	994

 Female  Male

Employee Turnover Rate [401-1]



Collective Labour Agreement [102-41]

UOB Indonesia strives to maintain a relationship of mutual trust and respect with each employee. Our employees have the right to freedom of association and collective bargaining. We hold regular meetings with the representatives of worker unions in order to understand, as well as to manage their expectations and concerns. As part of our management of worker unions, we have in place a Collective Labour Agreement (PKB) which applies to and binds UOB Indonesia, the worker unions and employees, and covers various topics including work hours, work plans, work leave and permit, as well as social welfare. In 2019, 100 per cent our employees had their rights protected by the PKB.

Uphold Corporate Responsibility



Strong Governance

Sustainability Governance Structure [102-18]

UOB Indonesia involves all business and functional units in the management of ESG performance, as well as the Board of Commissioners and Board of Directors playing strategic roles in overseeing our procedures and standards.

Our performance in the context of sustainability is supported by the various business and functional units in charge of implementing the Sustainable Finance Action Plan. Together, they are responsible for implementing UOB Indonesia's sustainability strategies and frameworks, as well as monitoring the programmes and initiatives associated with our Sustainable Finance Action Plan, including the preparation of sustainability reports.

Strengthening Corporate Governance

UOB Indonesia is committed to strengthening corporate governance in a consistent and sustainable manner by adhering to the five principles of good corporate governance, namely Transparency, Accountability, Responsibility, Independence and Fairness.

In 2019, we conducted activities to bolster Good Corporate Governance (GCG) in UOB Indonesia, including:

- Corporate website refreshment to facilitate more informative updates regarding our governance policies;
- Implementing a series of strategic programmes to provide clarity on policy regulations, to strengthen management performance and to ensure the implementation of prudent principles in our risk management system;
- assessing all committees and work units based on performance and membership composition in order to ensure the effectiveness of their duties and responsibilities; and
- active participation by members of the Board of Directors and Board of Commissioners in seminars and training workshops to improve their knowledge and to remain abreast of business developments.

Regulatory Compliance

UOB Indonesia is committed to comply with prevailing laws and regulations. These include laws and regulations issued by the key regulators in the banking industry, including the Financial Services Authority (OJK) and Bank Indonesia (BI), as well as relevant regulations published by government agencies such as the Ministry of Labour, the Ministry of Law and Human Rights, and the Ministry of Environment and Forestry.

Preventing Corruption, Fraud, and Money Laundering

Preventing Corruption and Fraud [103-1, 103-2, 103-3, 205-2]

UOB Indonesia actively manages the risk of corruption and fraud. The Audit Committee is tasked with overseeing corporate governance related to corruption as well as fraud-related risk, while implementation at the management level is overseen by the Risk Management Committee.

Our Integrated Fraud Management (IFM) Work Unit, as the Second Line of Defence, is tasked with driving strategies toward preventing fraud, as well as overseeing the Risk Management Framework that governs anti-fraud practices. The IFM Work Unit collaborates closely with business and functional units to strengthen anti-fraud practices through five pillars, namely prevention, detection, response, remediation and reporting.

Our Legal Work Unit provides advisory support on compliance with anti-bribery and anti-corruption laws. For instance, they ensure that contracts with third parties are compliant with the prevailing laws and regulations on bribery and corruption.

To further promote anti-fraud culture within UOB Indonesia, the National Special Investigation Work Unit launched an anti-fraud campaign to educate and to enable employees to stop potential incidents of fraud from occurring.

Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) and Sanctions

UOB Indonesia is committed to ensure adherence with the laws and regulations regarding Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) and Sanctions. To maintain our standard at the highest level, we strive to identify, evaluate and take proper measures to effectively mitigate the risks of money laundering, terrorism financing and sanction.

UOB Indonesia adheres to the following AML/CFT and Sanctions principles:

- **Customer Due Diligence "CDD", Risk Rating and Name Screening**
We conduct CDD, risk rating and name screening checks on customers, related parties, beneficiaries, individuals authorised to name customers and other parties defined in the AML/CFT and Sanctions procedure. The implementation of CDD is carried out in accordance with the risk-based approach during account opening and ongoing monitoring, particularly for customers that are considered higher risk.

Uphold Corporate Responsibility

- Report on Suspicious Transactions

We have a monitoring system for customer transactions to identify suspicious financial transactions. Subsequently, the AML/CFT and Sanctions division within our Compliance function carries out further independent analysis on the initial identification. In addition to the monitoring system, if employees, business units or functional units identify the presence of a suspicious transaction, they can escalate their concern to the AML/CFT and Sanction division for further analysis.

- Document Safekeeping

We retain our documents in accordance with the relevant laws and regulations.

- Training

We have mandatory training modules in place for all employees and Directors that must be completed on an annual basis. The level of difficulty of the AML/CFT and Sanctions training module, in particular, is adjusted based on the roles and responsibilities of each employee.

- Know Your Employee (KYE)

The KYE principle is implemented by the Bank during the onboarding process of new employees.

To ensure active supervision, UOB Indonesia has in place an Anti-Money Laundering Committee (AMLC). The main objectives of the AMLC are to review and support strategies, frameworks, policies, programmes and structures related to AML/CFT and Sanctions, as well as to ensure governance oversight of risks related to AML/CFT and Sanctions.

Towards preventing corruption, fraud and money laundering, UOB Indonesia has mandatory e-learning modules that cover Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) and Sanctions; the UOB Code of Conduct; the UK Bribery Act 2010; and Fraud Awareness. All employees are required to complete a refresher course on these topics annually. In addition, our Whistle-blowing Policy provides an avenue for employees to report concerns of suspected or actual wrongdoing.

Community Development [103-1, 103-2, 103-3]

Giving back to the communities in which we operate is fundamental to our business philosophy. We are steadfast in our support for social development, helping to open minds and hearts through art, children and education. We are deeply committed to supporting inclusive communities through these causes which we believe are essential for the progress of a country, its economy and its people.

As a strong supporter in art, we discover, nurture and promote local artistic talent in championing Southeast Asian art for the long term. We make art accessible to everyone through a wide range of visual arts programme and outreach initiatives. We also open up opportunities for young minds through education to develop to their potential. Our support for the community comes in many ways – sponsorships / partnerships, donations (cash or in-kind), scholarships, fundraising, community engagement and employee volunteerism.

In 2019, UOB Indonesia cooperated with several government agencies, including the Ministry of Tourism and Creative Economy, to hold a seminar for artists and art students in support of the development of creative industry. UOB Indonesia also cooperated with the Ministry of Education and Culture, engaging with the National Museum of Indonesia to hold a painting exhibition for the finalists of UOB Painting of the Year 2019. The cooperation with the government strengthened UOB Indonesia's contribution to the social community.

Implementation of CSR Activities [203-1]

UOB Painting of the Year Competition

Since 2011, our flagship art programme UOB Painting of the Year has enabled us to deepen our relationship with the art community as we continue to encourage the enterprising spirit and creative mind of Indonesians. We have seen our artists pushing their creative boundaries to the regional level to achieve greater success in the future and continue to inspire others.

The competition has launched the careers of well-known artists in Indonesia including Mr Y. Indra Wahyu, winner of the UOB Southeast Asian Painting of the Year in 2012, Mr Antonius Subiyanto, winner in 2014, Mr Anggar Prasetyo, winner in 2015, Mr Gatot Indrajati, winner in 2016 and Mr Suvi Wahyudianto, winner in 2018 and Mr Anagard, winner in 2019.

In Indonesia, a total of the 49 finalist artworks, including the eight winning ones from the 2019 UOB Painting of the Year competition, were exhibited at the National Museum of Indonesia for ten days. Meanwhile, the country winners' from the professional and emerging artist's category from Indonesia, Singapore, Malaysia and Thailand were exhibited at the UOB Art Space, Singapore for one month.

UOB Heartbeat Run/Walk

UOB Heartbeat Run/Walk is an annual fundraising and volunteerism event that brings together colleagues and customers for a good cause. More than 2,000 colleagues and customers participated in this annual fundraising event in 2019. Through this activity, we have raised funds of more than Rp250 million to support art, children and education programmes in Indonesia and to promote educational activities of the students of SDN Kebon Kacang 05 Pagi, Jakarta, in collaboration with "Mari Berbagi Seni" foundation.

Strategic Partnership with Museum MACAN

Since 2018, UOB Indonesia has entered partnership with the Museum of Modern and Contemporary Arts (Museum MACAN) to support art education programmes for children in Jakarta and the surrounding areas. More than 100,000 people have visited the UOB Museum MACAN Children's Art Space over the past year. As the Major Education Partner of Museum MACAN, UOB Indonesia has conducted an outreach of more than 20 schools and 1,500 children through a school visit programme to museums, and commissioned two international artists from Malaysia and Thailand to create children's art installation at the UOB Museum MACAN Children's Art Space.

Partnership with Art Jakarta

UOB Indonesia's collaboration with Art Jakarta 2019, a private institution that promotes the Indonesia and international art scene, is part of its commitment to connecting communities through art. As a Lead Partner, UOB Indonesia takes part in providing a platform for artists to develop their artistic talents and share their creativity for appreciation by the community. UOB Indonesia commissioned the Eko Nugroho Art Class to hold creative art workshops for children aged three and above and teenagers. The Eko Nugroho Art Class is an initiative by leading Indonesian artist, Eko Nugroho, to introduce young people to fine arts through various art mediums. In addition, UOB Indonesia held an exhibition at the UOB Art Space to showcase the artworks from past winners of the UOB Southeast Asian Painting of the Year award. UOB Indonesia has been actively participating in Art Jakarta fair since 2016 for four-year consecutive period. This avenue has enabled our Indonesian alumni winners of UOB Painting of the Year award to expose their artworks in a special exhibition space namely the UOB Art Space.

Monitoring and evaluation of the activities are carried out in collaboration with the institutions, foundations and/or the government to ensure that they are well in accordance with our CSR pillars and regular reports are delivered.

Managing Our Direct Environmental Impact

Energy and Water Use [103-1, 103-2, 103-3, 302-1, 303-1]

Currently, the electricity we use to support our operations is derived from non-renewable resources. However, as renewable energy becomes more widely available, we will consider other options. The Bank also uses fuel for business transportation needs. All grid electricity is purchased from PT Perusahaan Listrik Negara (PLN) while fuel consumption results mainly from the operation of cars that are owned or leased by the Bank for business activities.

With regards to energy consumption, we have implemented energy savings measures to reduce consumption, e.g. installation of LED lights in our main office and limiting the use of air-conditioning after working hours. To the extent possible, we have also reduced the use of cars for company purposes in order to encourage the use of public transport. With regards to the use of water, UOB Indonesia has ceased the use of groundwater as it is thought to contribute to Jakarta's rapid land subsidence.

Use of Energy and Water by UOB Indonesia

	2019	2018	2017
Grid electricity (GWh)	22.4	22.6	22.9
Fuel (Gigajoules)	18,563	15,540	-
Municipal water (m3)	111,202	89,432	90,993

Emissions [103-1,103-2, 103-3, 305-1, 305-1]

Our greenhouse gas emissions result indirectly from the purchase of grid electricity, and directly through the use of fuel for cars that are owned or leased by the company.

Greenhouse Gas Emissions	2019	2018	2017
Scope 1 greenhouse gas emissions			
Emissions from fuel consumption (thousand tonnes CO ² -equivalent)	1.4	1.1	-
Scope 2 greenhouse gas emissions			
Emissions from the purchase of grid electricity (thousand tonnes CO ² -equivalent)	17.0	17.2	17.4

Biodiversity

We value ecosystem biodiversity and ensure that all operations that are owned, leased or managed by UOB Indonesia are not located on or in proximity to protected or highly biodiverse areas.

Use of Materials

UOB Indonesia is committed to reduce our environmental footprint. Hence, where feasible, we aim to increasingly use more recycled and/or recyclable material. Towards reducing our impact, we have started to introduce more sustainably sourced printing paper in our operations.

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		c. Description of the procedures in identifying, measuring, monitoring and controlling risks associated with implementing sustainable finance in relation to economic, social and environmental aspects, including the roles of the Board of Directors and Board of Commissioners in managing, reviewing and monitoring the effectiveness of risk management processes.	134-149, 195
		d. Overview of stakeholders, including: 1) stakeholder involvement based on management assessment results; and 2) approach used by the Company in engaging stakeholders in the implementation of sustainable finance.	192-193
		e. Obstacles faced in implementing sustainable finance.	189

POJK No. 51/POJK.03/2017 Sustainability Reporting Criteria		Disclosure Information or Location
6. Sustainability performance	a. Description of activities toward building a culture of sustainability.	188-190
	b. Description of economic performance in the last three years: 1) comparison of target and production performance, portfolio, financing target, or investment, income and profit and loss; and 2) comparison of target and portfolio performance, financing targets, or investments in financial instruments or projects that are in line with the implementation of sustainable Finance.	186-187, 194, 196, 199
	c. Social performance in the last three years: 1) the company's commitment to provide services for equivalent products and/or services to consumers. 2) employment: a) equality of employment opportunities and the presence or absence of forced labour and child labour; b) remuneration ratio of permanent employees in the lowest grade compared to the regional minimum wage; c) a decent and safe work environment; and d) training and development for employees. 3) community: a) information on the activities or operational areas that result in positive and negative impacts on the surrounding community including financial literacy and inclusion; b) public complaints mechanism and number of public complaints received and acted upon; and c) social and environmental responsibility initiatives which can be linked to support for the Sustainable Development Goals including the types of community empowerment activities and corresponding achievements.	188, 200-202, 204-205
	d. Environmental Performance: 1) environmental costs incurred; 2) description of the use of environmentally-friendly materials, such as the use of recyclable materials; and 3) description of energy use, including: a) amount and intensity of energy used; and b) efforts toward and achievement of energy efficiency, including through the use of renewable energy.	186, 188, 205
	e. Environmental performance for companies whose business processes are directly related to the environment: 1) performance as referred to in point d; 2) information on activities or operational areas that result in positive and negative impacts on the surrounding environment, especially efforts to increase the carrying capacity of ecosystems; 3) biodiversity, including: a) the impact of operations that are adjacent to or within conservation sites and/or sites with high biodiversity; and b) biodiversity conservation efforts conducted, including the protection of flora and fauna species. 4) emission, including: a) the amount and intensity of emissions produced by type; and b) efforts and achievements toward the reduction of emissions. 5) waste and effluents, including: a) the amount of waste and effluents produced by type; b) waste and effluents management mechanism; and c) spills that occurred (if any). 6) number and materiality of environmental complaints received and resolved.	205
	f. Responsibility for the development of sustainable finance products and/or services, including: 1) innovation and development of sustainable finance products and/or services; 2) total and percentage of products and services that have been evaluated for security for customers; 3) positive and negative impacts arising from sustainable finance products and/or services and distribution processes, as well as mitigation measures implemented to address negative impacts; 4) number of products recalled and the reasons; or 5) customer satisfaction surveys for sustainable finance products and/or services.	196-199
7.	Written verification from an independent party, if any.	N/A

Feedback Form

We request the participation of our stakeholders in providing feedback after reading our sustainability report by sending the completed feedback form to uobcare@uob.co.id or by fax/post.

Your Profile

Name :
Occupation :
Name of institution :

Please select one of the stakeholder groups below that represent you or your institution:

<input type="radio"/> Customer	<input type="radio"/> Employee
<input type="radio"/> Community	<input type="radio"/> Investors and analysts
<input type="radio"/> Government and regulators	<input type="radio"/> Supplier
<input type="radio"/> Media	<input type="radio"/> Industry and Trade Associations
<input type="radio"/> Others, Please State	<input type="radio"/>

Please state your assessment regarding this report:

	1 (Very Bad)	2 (Bad)	3 (Average)	4 (Good)	5 (Very Good)
Ability to meet all information required or expected					
Comprehensive content					
Transparency					
Clear and easy to understand					
Ease of finding specific information					
Overall quality of report					

Which material topics are most important to you?

Scoring:

1	Not Important
2	Less Important
3	Important
4	Very Important
5	Critical

Economic Performance		Financial Inclusion	
Risk-focused Organisational Culture		Workplace Safety, Health and Well-being	
Responsible Financing		Diverse and Inclusive Workforce	
Supporting Customers in Sustainable Development		Strong Governance	
Information Security		Regulatory Compliance	
Fair Dealing		Preventing Corruption, Fraud and Money Laundering	
Customer Experience		Community Development	
Innovative Digital Banking Products		Managing Our Direct Environmental Impact	
Climate Change Transition and Opportunities		Attracting, Developing and Retaining Talent	
Sustainable Procurement			

Please share any additional comments you may have regarding our strategy and/or reporting:

Return this feedback form to:

PT Bank UOB Indonesia
 UOB Plaza
 Jl. M.H Thamrin No.10
 DKI Jakarta 10230
 Indonesia
 Phone: +62 21 2350 6000
 Facsimile: +62 21 29936632

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Statement of the Members of Board of Commissioners and Board of Directors Regarding Responsibility for 2019 Annual Report of PT Bank UOB Indonesia

We, the undersigned, hereby declare that all information in the 2019 Annual Report of PT Bank UOB Indonesia has been completely presented, and we are fully responsible for the accuracy of the content of this Annual Report.

This statement is hereby made truthfully.

Jakarta, April 2020

Board of Commissioners



Wee Ee Cheong
President Commissioner



Chin Voon Fat
Deputy President Commissioner



Chan Kok Seong
Commissioner



Wayan Alit Antara
Independent Commissioner



Aswin Wirjadi
Independent Commissioner



VJH Boentaran Lesmana
Independent Commissioner

Board of Directors



Lam Sai Yoke
President Director



Hendra Gunawan
Deputy President Director



Teh Han Yi
Director



Henky Sulisty
Director



Soehadie Tansol
Compliance Director



Paul Rafuly
Director



Harapan Kasan
Director

PT Bank UOB Indonesia

31 December 2019

Financial Statements

217 Independent Auditor's Report

PT Bank UOB Indonesia

Laporan keuangan tanggal 31 Desember 2019
dan untuk tahun yang berakhir pada tanggal tersebut
beserta laporan auditor independen/
*Financial statements as of 31 December 2019
and for the year then ended
with independent auditors' report*



**SURAT PERNYATAAN DIREKSI
 TENTANG
 TANGGUNG JAWAB ATAS
 LAPORAN KEUANGAN
 PADA TANGGAL 31 DESEMBER 2019
 DAN UNTUK TAHUN YANG BERAKHIR
 PADA TANGGAL TERSEBUT
 PT BANK UOB INDONESIA**

**DIRECTORS' STATEMENT
 REGARDING
 THE RESPONSIBILITY FOR
 THE FINANCIAL STATEMENTS
 AS OF 31 DECEMBER 2019
 AND FOR THE YEAR THEN ENDED
 PT BANK UOB INDONESIA**

Kami yang bertanda tangan di bawah ini / *We, the undersigned:*

- | | |
|-------------------------------------|-----------------------------------------------------------------------------------------------|
| 1. Nama/Name | : LAM SAI YOKE |
| Alamat Kantor/Office Address | : Gedung UOB Plaza Jl. M.H. Thamrin No. 10
Jakarta Pusat 10230 |
| Alamat Domisili/Address of Domicile | : Shangri-La Residence, Jl. Jend. Sudirman Kav.1 Jakarta |
| Nomor Telepon/Phone Number | : (62-21) 23506000 |
| Jabatan/Position | : Direktur Utama / <i>President Director</i> |
| 2. Nama/Name | : TEH HAN YI |
| Alamat Kantor/Office Address | : Gedung UOB Plaza Jl. M.H. Thamrin No. 10
Jakarta Pusat 10230 |
| Alamat Domisili/Address of Domicile | : Shangri-La Residence, Jl. Jend. Sudirman Kav.1 Jakarta |
| Nomor Telepon/Phone Number | : (62-21) 23506000 |
| Jabatan/Position | : Direktur Keuangan dan Layanan Korporasi /
<i>Finance and Corporate Services Director</i> |

menyatakan bahwa:

declare that:

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan PT Bank UOB Indonesia ("Bank"); | 1. <i>We are responsible for the preparation and presentation of PT Bank UOB Indonesia ("Bank")' financial statements;</i> |
| 2. Laporan keuangan Bank telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia; | 2. <i>The Bank's financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards;</i> |
| 3. a. Semua informasi dalam laporan keuangan Bank telah dimuat secara lengkap dan benar; | 3. a. <i>All information in the Bank's financial statements have been disclosed in a complete and truthful manner;</i> |
| b. Laporan keuangan Bank tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material; | b. <i>The Bank's financial statements do not contain any incorrect information or material facts, nor do they omit information or material facts;</i> |
| 4. Kami bertanggung jawab atas sistem pengendalian internal Bank. | 4. <i>We are responsible for the Bank's internal control system.</i> |

Demikian pernyataan ini dibuat dengan sebenarnya.

Thus this statement is made truthfully.

Jakarta, 30 Januari 2020 / 30 January 2020



LAM SAI YOKE
 Direktur Utama /
President Director


TEH HAN YI
 Direktur Keuangan dan Layanan Korporasi /
Finance and Corporate Services Director

The original financial statements included herein are in the Indonesian language.

**PT BANK UOB INDONESIA
LAPORAN KEUANGAN
TANGGAL 31 DESEMBER 2019
DAN UNTUK TAHUN YANG BERAKHIR
PADA TANGGAL TERSEBUT
BESERTA LAPORAN AUDITOR INDEPENDEN**

**PT BANK UOB INDONESIA
FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2019
AND FOR THE YEAR THEN ENDED
WITH INDEPENDENT AUDITORS' REPORT**

Daftar Isi

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Laporan Laba Rugi dan Penghasilan Komprehensif Lain.....	5-6	<i>Statement of Profit or Loss and Other Comprehensive Income</i>
Laporan Perubahan Ekuitas.....	7	<i>Statement of Changes in Equity</i>
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The original report included herein is in the Indonesian language.

Laporan Auditor Independen

Laporan No. 00112/2.1032/AU.1/07/0240-2/1/1/2020

Pemegang Saham, Dewan Komisaris dan Direksi PT Bank UOB Indonesia

Kami telah mengaudit laporan keuangan PT Bank UOB Indonesia terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2019, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan tersebut bebas dari kesalahan penyajian material.

Independent Auditors' Report

Report No. 00112/2.1032/AU.1/07/0240-2/1/1/2020

The Shareholders, the Board of Commissioners and the Board of Directors of PT Bank UOB Indonesia

We have audited the accompanying financial statements of PT Bank UOB Indonesia, which comprise the statement of financial position as of December 31, 2019, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

Laporan Auditor Independen (lanjutan)

Laporan No. 00112/2.1032/AU.1/07/0240-2/1/1/2020

Tanggung jawab auditor (lanjutan)

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektivitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Opini

Menurut opini kami, laporan keuangan terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Bank UOB Indonesia tanggal 31 Desember 2019, serta kinerja keuangan dan arus kasnya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Independent Auditors' Report (continued)

Report No. 00112/2.1032/AU.1/07/0240-2/1/1/2020

Auditors' responsibility (continued)

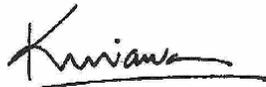
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Bank UOB Indonesia as of December 31, 2019, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Purwantono, Sungkoro & Surja



Muhammad Kurniawan

Registrasi Akuntan Publik No. AP.0240/Public Accountant Registration No. AP.0240

30 Januari 2020/January 30, 2020

PT BANK UOB INDONESIA
LAPORAN POSISI KEUANGAN
Tanggal 31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF FINANCIAL POSITION
As of 31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

	31 Desember/ 31 December 2019	Catatan/ Notes	31 Desember/ 31 December 2018	
ASET				ASSETS
Kas	588.775	2a,2c,2w, 3,40,42	519.377	Cash
Giro pada Bank Indonesia	5.362.431	2a,2c,2d, 2w,4,40,42	6.035.664	Current accounts with Bank Indonesia
Giro pada bank lain		2a,2c,2d, 2w,5,40,42		Current accounts with other banks
Pihak ketiga	1.557.196		424.603	Third parties
Pihak berelasi	538.007	2b,37	255.087	Related parties
	2.095.203		679.690	
Penempatan pada Bank Indonesia dan bank lain		2a,2c,2e, 2w,6,40,42		Placements with Bank Indonesia and other banks
Pihak ketiga	1.136.149		504.974	Third parties
Pihak berelasi	939.550	2b,37	1.699.094	Related parties
	2.075.699		2.204.068	
Efek-efek yang diperdagangkan	1.165.098	2c,2f, 2w,7,40,42	344.546	Trading securities
Investasi keuangan		2a,2b,2c,2g,2k, 2w,8,37,40,42		Financial investments
Tersedia untuk dijual	10.065.657		10.202.287	Available-for-sale
Dimiliki hingga jatuh tempo	3.918.399		5.424.203	Held-to-maturity
	13.984.056		15.626.490	
Cadangan kerugian penurunan nilai	(27.301)		(38.902)	Allowance for impairment losses
Neto	13.956.755		15.587.588	Net
Tagihan derivatif		2c,2h, 2w,9,40,42		Derivative receivables
Pihak ketiga	653.121		437.052	Third parties
Pihak berelasi	50.678	2b,37	230.709	Related parties
	703.799		667.761	
Kredit yang diberikan		2c,2i,2k, 2w,10,16, 17,18,40,42		Loans
Pihak ketiga	74.844.486		73.347.108	Third parties
Pihak berelasi	294.924	2b,37	334.057	Related parties
	75.139.410		73.681.165	
Cadangan kerugian penurunan nilai	(1.508.818)		(1.373.043)	Allowance for impairment losses
Neto	73.630.592		72.308.122	Net
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	1.417.984	2c,2m,2w, 11,40,42	907.016	Receivables on securities purchased with agreements to resell

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN POSISI KEUANGAN
(lanjutan)
Tanggal 31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF FINANCIAL POSITION
(continued)
As of 31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

	31 Desember/ 31 December 2019	Catatan/ Notes	31 Desember/ 31 December 2018	
ASET (lanjutan)				ASSETS (continued)
Tagihan akseptasi	2.351.476	2c,2j,2k,2w, 12,40,42	2.203.221	<i>Acceptance receivables</i>
Cadangan kerugian penurunan nilai	(19.051)		(28.249)	<i>Allowance for impairment losses</i>
Neto	2.332.425		2.174.972	<i>Net</i>
Aset pajak tangguhan - neto	83.904	2y,20,40	136.592	<i>Deferred tax assets - net</i>
Aset tetap		2n,13,30,40		<i>Fixed assets</i>
Biaya perolehan	2.695.289		2.425.101	<i>Cost</i>
Akumulasi penyusutan	(1.505.910)		(1.307.389)	<i>Accumulated depreciation</i>
Nilai buku	1.189.379		1.117.712	<i>Book value</i>
Aset lain-lain - neto	1.059.428	2b,2c,2l, 2o,2p,2w, 14,37,40,42	992.840	<i>Other assets - net</i>
TOTAL ASET	105.661.472		103.675.948	TOTAL ASSETS

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN POSISI KEUANGAN
(lanjutan)
Tanggal 31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF FINANCIAL POSITION
(continued)
As of 31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

	31 Desember/ 31 December 2019	Catatan/ Notes	31 Desember/ 31 December 2018	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS				LIABILITIES
Liabilitas segera	192.683	2c,2w, 15,40,42	148.107	Current liabilities
Simpanan		2c,2q,2w, 10,40,42		Deposits
Giro		16		Demand deposits
Pihak ketiga	10.905.904		11.375.522	Third parties
Pihak berelasi	92.709	2b,37	25.562	Related parties
	10.998.613		11.401.084	
Tabungan		17		Savings deposits
Pihak ketiga	18.121.941		16.149.708	Third parties
Pihak berelasi	93.441	2b,37	81.354	Related parties
	18.215.382		16.231.062	
Deposito berjangka		18		Time deposits
Pihak ketiga	52.227.721		49.369.682	Third parties
Pihak berelasi	102.771	2b,37	320.746	Related parties
	52.330.492		49.690.428	
Total simpanan	81.544.487		77.322.574	Total deposits
Simpanan dari bank lain	895.055	2b,2c, 2r,2w,19, 37,40,42	3.142.288	Deposits from other banks
Bunga yang masih harus dibayar	264.769	2c,2w,40,42	247.607	Interest payables
Utang pajak	128.701	2y,20,40	84.823	Tax payables
Liabilitas derivatif		2c,2w, 9,40,42		Derivative payables
Pihak ketiga	213.405		493.445	Third parties
Pihak berelasi	339.553	2b,37	125.140	Related parties
	552.958		618.585	
Liabilitas akseptasi	2.166.517	2c,2w, 12,40,42	2.203.221	Acceptance payables
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	424.126	2b,2c, 2m,2w,21, 37,40,42	580.138	Liabilities on securities sold under repurchase agreements
Pinjaman yang diterima	3.100.512	2b,2c,2s,2w, 22,37,40,42	3.200.240	Borrowings
Liabilitas atas imbalan kerja	248.085	2x,35,40	278.062	Liabilities for employees' benefits
Efek hutang yang diterbitkan - neto	3.178.922	2b,2c,2t, 23,37,40,42	3.791.207	Debt securities issued - net
Liabilitas lain-lain	690.080	2b,2c,2w, 24,37,40,42	682.427	Other liabilities
TOTAL LIABILITAS	93.386.895		92.299.279	TOTAL LIABILITIES

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN POSISI KEUANGAN
(lanjutan)
Tanggal 31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF FINANCIAL POSITION
(continued)
As of 31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

	31 Desember/ 31 December 2019	Catatan/ Notes	31 Desember/ 31 December 2018	
LIABILITAS DAN EKUITAS (lanjutan)				LIABILITIES AND EQUITY (continued)
EKUITAS				EQUITY
Modal saham - nilai nominal Rp250 (nilai penuh) per saham		25		Share capital - par value Rp250 (full amount) per share
Modal dasar - 36.000.000.000 saham				Authorized - 36,000,000,000 shares
Modal ditempatkan dan disetor penuh - 9.553.885.804 saham	2.388.471		2.388.471	Issued and fully paid capital - 9,553,885,804 shares
Tambahan modal disetor - neto	2.106.818	26	2.106.818	Additional paid-in capital - net
Penghasilan komprehensif lain	74.233	8,35	(157.384)	Other comprehensive income
Saldo laba				Retained earnings
Telah ditentukan penggunaannya	117.312	27	112.199	Appropriated
Belum ditentukan penggunaannya	7.587.743		6.926.565	Unappropriated
Total Ekuitas	12.274.577		11.376.669	Total Equity
TOTAL LIABILITAS DAN EKUITAS	105.661.472		103.675.948	TOTAL LIABILITIES AND EQUITY

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN LABA RUGI DAN
PENGHASILAN KOMPREHENSIF LAIN
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
For the Year Ended
31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

Tahun yang Berakhir pada tanggal 31 Desember/ Years Ended 31 December				
	2019	Catatan/ Notes	2018	
PENDAPATAN DAN BEBAN OPERASIONAL				OPERATING INCOME AND EXPENSES
Pendapatan dan beban bunga				Interest income and expenses
Pendapatan bunga	8.002.938	2b,2u,28,37	7.319.302	Interest income
Beban bunga	(4.354.553)	2b,2u,29,37	(3.715.320)	Interest expenses
PENDAPATAN BUNGA - NETO	3.648.385		3.603.982	INTEREST INCOME - NET
Pendapatan Operasional Lainnya				Other Operating Income
Komisi dan jasa administrasi - neto	294.695		258.530	Administration fees and commissions - net
Keuntungan yang telah direalisasi dan belum direalisasi atas efek-efek yang dijual dan perubahan nilai wajar efek-efek yang diperdagangkan - neto	261.446		119.170	Realized and unrealized gain on securities sold and from changes in fair value of trading securities - net
Keuntungan transaksi mata uang asing	421.298		269.497	Gain from foreign currency transactions
Lain-lain - neto	228.624		208.801	Others - net
Total Pendapatan Operasional Lainnya - Neto	1.206.063		855.998	Total Other Operating Income - Net
Pembentukan penyisihan kerugian penurunan nilai:				Provision for impairment losses:
Aset keuangan	(480.470)	8,10,12	(662.087)	Financial assets
Agunan yang diambil alih	(16.365)	14	(5.401)	Foreclosed assets
Total Pembentukan Penyisihan Kerugian Penurunan Nilai	(496.835)		(667.488)	Total Provision for Impairment Losses
Beban Operasional Lainnya				Other Operating Expenses
Gaji dan kesejahteraan karyawan	(2.066.137)	31,35	(1.876.742)	Salaries and employees' benefits
Beban umum dan administrasi	(1.395.871)	2b,13,30,37	(1.234.022)	General and administrative expenses
Total Beban Operasional Lainnya	(3.462.008)		(3.110.764)	Total Other Operating Expenses
LABA OPERASIONAL	895.605		681.728	OPERATING INCOME
Pendapatan non-operasional				Non-operating income
Keuntungan penjualan aset tetap dan properti terbengkalai - neto	15.654	13,14	3.830	Gain on sale of fixed assets and abandoned property - net
Lain-lain - neto	632		24.646	Others - net
Total Pendapatan Non-Operasional	16.286		28.476	Total Non-Operating Income
LABA SEBELUM BEBAN PAJAK	911.891		710.204	INCOME BEFORE TAX EXPENSE
Beban pajak	(245.600)	2y,20	(198.843)	Tax expense
LABA TAHUN BERJALAN	666.291		511.361	INCOME FOR THE YEAR

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN LABA RUGI DAN
PENGHASILAN KOMPREHENSIF LAIN (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (continued)
For the Year Ended
31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

	Tahun yang Berakhir pada tanggal 31 Desember/ Years Ended 31 December			
	2019	Catatan/ Notes	2018	
LABA TAHUN BERJALAN	666.291		511.361	INCOME FOR THE YEAR
PENGHASILAN KOMPREHENSIF LAIN				OTHER COMPREHENSIVE INCOME
Pos-pos yang tidak akan direklasifikasi ke laba rugi:				Item that will not be reclassified to profit or loss:
Pengukuran kembali liabilitas imbalan kerja	67.848	35	90.918	Remeasurement of post-employment benefits
Pajak penghasilan terkait dengan komponen pendapatan komprehensif lainnya	(16.962)		(22.730)	Income tax relating to components of other comprehensive income
	<u>50.886</u>		<u>68.188</u>	
Pos-pos yang akan direklasifikasi ke laba rugi:				Items that shall be reclassified to profit or loss:
Mutasi sehubungan dengan perubahan nilai wajar investasi keuangan yang tersedia untuk dijual	240.975		(199.375)	Movement in respect of fair-value change of available-for-sale financial investment
Pajak penghasilan terkait dengan komponen pendapatan komprehensif lainnya	(60.244)	20	49.844	Income tax related to component of other comprehensive income
	<u>180.731</u>		<u>(149.531)</u>	
Penghasilan komprehensif lainnya tahun berjalan - setelah pajak	231.617		(81.343)	Other comprehensive income for the year - net of tax
TOTAL PENGHASILAN KOMPREHENSIF TAHUN BERJALAN	897.908		430.018	TOTAL COMPREHENSIVE INCOME FOR THE YEAR
LABA PER SAHAM DASAR (nilai penuh)	70	2z,32	54	BASIC EARNINGS PER SHARE (full amount)

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
STATEMENTS OF CHANGES IN EQUITY
For the Year Ended 31 December 2019
(Expressed in millions of Rupiah, unless otherwise stated)

PT BANK UOB INDONESIA
LAPORAN PERUBAHAN EKUITAS
Untuk Tahun yang Berakhir pada Tanggal 31 Desember 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

Catatan/ Notes	Penghasilan komprehensif lain/ Other comprehensive income					Total ekuitas/Total equity
	Modal saham ditempatkan dan disetor penuh - issued and fully paid - share capital	Tambahan modal disetor - neto/ Additional paid-in capital - net	Keuntungan (kerugian) yang belum direalisasi atas efek-efek yang tersedia untuk dijual - neto/ Unrealized gain (loss) on available - for-sale securities - net	Pengukuran kembali atas liabilitas imbalan kerja/ Remeasurement of post-employment benefits	Saldo laba/Retained earnings Belum ditentukan penggunaannya/ Unappropriated	
Saldo, 31 Desember 2017	2.388.471	2.106.818	62.858	(138.899)	6.415.979	10.946.651
Penghasilan komprehensif tahun berjalan	-	-	-	-	-	-
Laba tahun berjalan	-	-	-	-	511.361	511.361
Pengukuran kembali liabilitas imbalan kerja - neto setelah pajak	-	-	-	68.188	-	68.188
Kerugian yang belum direalisasi atas efek-efek yang tersedia untuk dijual - neto	-	-	(149.531)	-	-	(149.531)
Total penghasilan komprehensif untuk tahun berjalan 2018	-	-	(149.531)	68.188	511.361	430.018
Pembentukan cadangan umum	-	-	-	-	775	(775)
Saldo, 31 Desember 2018	2.388.471	2.106.818	(86.673)	(70.711)	6.926.565	11.376.669
Penghasilan komprehensif tahun berjalan	-	-	-	-	-	-
Laba tahun berjalan	-	-	-	-	666.291	666.291
Pengukuran kembali liabilitas imbalan kerja - neto setelah pajak	-	-	-	50.886	-	50.886
Keuntungan yang belum direalisasi atas efek-efek yang tersedia untuk dijual - neto	-	-	180.731	-	-	180.731
Total penghasilan komprehensif untuk tahun berjalan 2019	-	-	180.731	50.886	666.291	897.908
Pembentukan cadangan umum	-	-	-	-	(5.113)	(5.113)
Saldo, 31 Desember 2019	2.388.471	2.106.818	94.058	(19.825)	7.587.743	12.274.577

Comprehensive income for the year
income for the year
Remeasurement of post-employment
benefits - net of tax
Unrealized loss on available-for-
sale securities - net
Total comprehensive income
for the year 2018
Appropriation for general reserve
Balance, 31 December 2018

Comprehensive income for the year
income for the year
Remeasurement of post-employment
benefits - net of tax
Unrealized gain on available-for-
sale securities - net
Total comprehensive income
for the year 2019
Appropriation for general reserve
Balance, 31 December 2019

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statement form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN ARUS KAS
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF CASH FLOWS
For the Year Ended
31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

Tahun yang Berakhir pada tanggal 31 Desember/ Years Ended 31 December			
	2019	Catatan/ Notes	2018
ARUS KAS DARI AKTIVITAS OPERASI			CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan bunga	7.997.185		7.223.041 <i>Interest received</i>
Penerimaan pendapatan operasional lainnya	1.218.265		871.006 <i>Other operating income received</i>
Penerimaan dari penjualan agunan yang diambil alih	3.370		1.630 <i>Receipts from sale of foreclosed assets</i>
Pemulihan dari kredit yang telah dihapusbukukan	113.534	10	122.359 <i>Recovery from loans previously written-off</i>
Penerimaan atas penjualan kredit yang diberikan	-	10	672.695 <i>Proceeds from sale of loans</i>
Pembayaran bunga	(4.322.653)	47	(3.684.689) <i>Payment of interest</i>
Pembayaran beban operasional	(3.205.705)		(2.882.763) <i>Payment of operating expenses</i>
Pembayaran pajak penghasilan	(219.751)	20	(213.288) <i>Payment of income tax</i>
Penerimaan dari transaksi non-operasional - neto	-		24.255 <i>Receipts from non-operating transactions - net</i>
Perubahan dalam aset dan liabilitas operasi:			<i>Changes in operating assets and liabilities:</i>
Penurunan (kenaikan) aset operasi:			<i>Decrease (increase) in operating assets:</i>
Efek-efek yang diperdagangkan	(821.706)		(336.293) <i>Trading securities</i>
Kredit yang diberikan	(2.133.863)		(11.932.270) <i>Loans</i>
Tagihan akseptasi	(148.255)		(359.792) <i>Acceptance receivables</i>
Surat berharga yang dibeli dengan janji dijual kembali	(510.968)		108.152 <i>Securities purchased with agreements to resell</i>
Aset lain-lain	3.160		(159.618) <i>Other assets</i>
Kenaikan (penurunan) liabilitas operasi:			<i>Increase (decrease) in operating liabilities:</i>
Liabilitas segera	44.576		(1.263) <i>Current liabilities</i>
Simpanan:			<i>Deposits:</i>
Giro	(402.471)	16	143.127 <i>Demand deposits</i>
Tabungan	1.984.320	17	1.381.415 <i>Savings deposits</i>
Deposito berjangka	2.640.064	18	751.169 <i>Time deposits</i>
Simpanan dari bank lain	(2.247.233)	19	827.460 <i>Deposits from other banks</i>
Utang pajak	(6.489)		19.799 <i>Tax payables</i>
Liabilitas akseptasi	(36.704)		359.792 <i>Acceptance payables</i>
Liabilitas lain-lain	7.653		186.267 <i>Other liabilities</i>
Kas Neto Digunakan untuk Aktivitas Operasi	(43.671)		(6.877.809) <i>Net Cash Used in Operating Activities</i>

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN ARUS KAS (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF CASH FLOWS (continued)
For the Year Ended
31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

Tahun yang Berakhir pada tanggal 31 Desember/ Years Ended 31 December				
	2019	Catatan/ Notes	2018	
ARUS KAS DARI AKTIVITAS INVESTASI				CASH FLOWS FROM INVESTING ACTIVITIES
Hasil penjualan aset tetap dan properti terbengkalai	19.810	13	6.848	<i>Proceeds from sales of fixed assets and abandoned property</i>
Penjualan (pembelian) investasi keuangan - neto	2.579.932		(1.967.119)	<i>Proceed (purchase) of financial investments - net</i>
Perolehan aset tetap	(280.826)	13	(257.222)	<i>Acquisitions of fixed assets</i>
Kas Neto Diperoleh dari (Digunakan untuk) Aktivitas Investasi	2.318.916		(2.217.493)	Net Cash Provided by (Used in) Investing Activities
ARUS KAS DARI AKTIVITAS PENDANAAN				CASH FLOWS FROM FINANCING ACTIVITIES
Penerimaan atas pinjaman	-	22,45	2.851.725	<i>Receipt from borrowings</i>
Pembayaran atas efek hutang yang jatuh tempo	(1.462.000)	23,45	(600.000)	<i>Payment of debt securities issued that have matured</i>
Penerimaan atas efek hutang yang diterbitkan	850.000	23,45	1.000.000	<i>Proceeds from debt securities issued</i>
Pembayaran biaya transaksi hutang	(9.193)	23	(2.809)	<i>Payment of debt transaction costs</i>
Penerimaan atas surat berharga yang dijual dengan janji dibeli kembali	419.632	45,47	576.879	<i>Proceeds from securities sold under repurchase agreements</i>
Pembayaran atas surat surat berharga yang dijual dengan janji dibeli kembali	(581.476)	45	-	<i>Payment of securities sold under repurchase agreements</i>
Kas Neto (Digunakan untuk) Diperoleh dari Aktivitas Pendanaan	(783.037)		3.825.795	Net Cash (Used in) Provided by Financing Activities
Kenaikan (penurunan) neto Kas dan Setara Kas	1.492.208		(5.269.507)	<i>Net increase (decrease) in Cash and Cash Equivalents</i>
Pengaruh neto perubahan kurs pada Kas dan Setara Kas	(106.381)		160.036	<i>Net effect on exchange rate on Cash and Cash Equivalents</i>
Kas dan Setara Kas Awal Tahun	9.699.026		14.808.497	<i>Cash and Cash Equivalents at Beginning of Year</i>
Kas dan Setara Kas Akhir Tahun	11.084.853		9.699.026	Cash and Cash Equivalents At The End Of Year

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
LAPORAN ARUS KAS (lanjutan)
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2019
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
STATEMENTS OF CASH FLOWS (continued)
For the Year Ended
31 December 2019
(Expressed in millions of Rupiah,
unless otherwise stated)

Tahun yang Berakhir pada tanggal 31 Desember/ Years Ended 31 December			
2019	Catatan/ Notes	2018	
			<i>Components of Cash and Cash Equivalents</i>
Komponen Kas dan Setara Kas			
Kas	588.775	3	519.377
Giro pada Bank Indonesia	5.362.431	4	6.035.664
Giro pada bank lain	2.095.203	5	679.690
Penempatan pada Bank Indonesia dan bank lain - jatuh tempo dalam 3 bulan sejak tanggal perolehan	2.075.699	6	2.204.068
Investasi keuangan - jatuh tempo dalam 3 bulan sejak tanggal perolehan	962.745	8	260.227
Total	11.084.853		9.699.026

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT BANK UOB INDONESIA
CATATAN ATAS LAPORAN KEUANGAN
Tanggal 31 Desember 2019 dan untuk
Tahun yang Berakhir pada
Tanggal Tersebut
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT BANK UOB INDONESIA
NOTES TO THE FINANCIAL STATEMENTS
As of 31 December 2019
and For the Year Then Ended
(Expressed in millions of Rupiah,
unless otherwise stated)

1. Umum

a. Pendirian Bank dan Informasi Umum

PT Bank UOB Indonesia (dahulu PT Bank UOB Buana) ("Bank") didirikan di Indonesia berdasarkan Akta Pendirian No. 150 tanggal 31 Agustus 1956 yang dibuat di hadapan Notaris Eliza Pondaag, S.H. Akta pendirian ini disahkan oleh Menteri Kehakiman Republik Indonesia dalam Surat Keputusan No. J.A 5/78/4 tanggal 24 Oktober 1956, didaftarkan pada Pengadilan Negeri Jakarta dengan No. 1811 tanggal 27 Oktober 1956 dan telah diumumkan dalam Berita Negara Republik Indonesia No. 96, Tambahan No.1243 tanggal 30 November 1956.

Bank memulai aktivitas perbankan secara komersial pada tanggal 1 November 1956 berdasarkan Surat Keputusan Menteri Keuangan Republik Indonesia No. 203443/U.M.II tanggal 15 Oktober 1956 tentang Pemberian Izin Usaha PT Bank Buana Indonesia berkedudukan di Jakarta. Sesuai dengan pasal 3 Anggaran Dasar Bank, ruang lingkup kegiatan usaha Bank adalah menjalankan kegiatan umum perbankan. Bank telah memperoleh izin untuk menjalankan aktivitas sebagai bank devisa berdasarkan Surat Keputusan Gubernur Bank Indonesia (BI) No. 9/39/KEP/DIR/UD tanggal 22 Juli 1976.

Pada tahun 2000, Bank mengubah status Perseroan menjadi perusahaan terbuka dengan melakukan penawaran umum perdana kepada masyarakat sebanyak 194 juta saham. Perubahan status Bank menjadi perusahaan terbuka telah disetujui oleh Bapepam-LK berdasarkan Surat Ketua Badan Pengawas Pasar Modal No. S-1544/PM/2000, tanggal 27 Juni 2000. Selanjutnya pada tahun 2002, 2003 dan 2006, Bank melakukan Penawaran Umum Terbatas I, II dan III.

Pada tahun 2007, Bank (yang pada saat itu bernama PT Bank Buana Indonesia Tbk) mengganti nama menjadi PT Bank UOB Buana Tbk sebagaimana dinyatakan dalam Akta Pernyataan Keputusan Rapat Umum Pemegang Saham Luar Biasa No. 9 tanggal 19 Januari 2007, dibuat di hadapan Fathiah Helmi, SH, Notaris di Jakarta, yang telah mendapatkan persetujuan dari Kementerian Hukum dan Hak Asasi Manusia No. W7-01036 HT.01.04-TH-2007 tanggal 29 Januari 2007.

1. General

a. Establishment of the Bank and General Information

PT Bank UOB Indonesia (formerly PT Bank UOB Buana) (the "Bank") was established in Indonesia based on the Deed of Establishment No. 150 dated 31 August 1956 of Eliza Pondaag, S.H. The Deed of Establishment was approved by the Minister of Justice of the Republic of Indonesia in Decree Letter No. J.A 5/78/4 dated 24 October 1956, as recorded at the Jakarta Court of Justice under registration No. 1811 dated 27 October 1956 and was published in State Gazette of the Republic of Indonesia No. 96 Supplement No. 1243 dated 30 November 1956.

The Bank's commercial banking activities began on 1 November 1956 based on the Decision Letter of The Ministry of Finance of the Republic of Indonesia No. 203443/U.M.II dated 15 October 1956 about Granting Business License of PT Bank Buana Indonesia located in Jakarta. Based on Article 3 of the Bank's Articles of Association, the scope of the Bank's business is to engage in general banking activities. The Bank also obtained a license to run the activities as a foreign bank based on Bank Indonesia (BI) Governor Decree No. 9/39/KEP/DIR/UD dated 22 July 1976.

In 2000, the Bank changed the status of the Company into a public company with the initial public offering of as many as 194 million shares to the public. The status change of the Bank into a public company has been approved by Bapepam-LK based on the Letter from the Chairman of the Capital Market Supervisory Board No. S-1544/PM/2000, dated 27 June 2000. Furthermore, in 2002, 2003 and 2006, the Bank conducted Limited Public Offering I, II and III.

In 2007, the Bank (whose name at the time was PT Bank Buana Indonesia Tbk) changed the name into PT Bank UOB Buana Tbk as set forth in Deed of Statement of Resolutions of Extraordinary Meeting of Shareholders No. 9 dated 19 January 2007, drawn up before Fathiah Helmi, SH, Notary in Jakarta, which has obtained approval of Minister of Law and Human Rights No. W7-01036 HT.01.04-TH-2007 dated 29 January 2007.

**PT BANK UOB INDONESIA
CATATAN ATAS LAPORAN KEUANGAN
Tanggal 31 Desember 2019 dan untuk
Tahun yang Berakhir pada
TanggalTersebut
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT BANK UOB INDONESIA
NOTES TO THE FINANCIAL STATEMENTS
As of 31 December 2019
and For the Year Then Ended
(Expressed in millions of Rupiah,
unless otherwise stated)**

1. Umum (lanjutan)

a. Pendirian Bank dan Informasi Umum (lanjutan)

Pada tahun 2008, RUPS Bank telah menyetujui perubahan status Bank dari perusahaan terbuka menjadi perusahaan tertutup dan menghapuskan pencatatan (*delisting*) saham Bank di Bursa Efek Indonesia (BEI). Perubahan status, termasuk *delisting* tersebut telah dilakukan sesuai dengan persyaratan yang ditentukan oleh OJK (dahulu Bapepam dan LK) dan BEI, dan Bank telah menyelesaikan hak-hak pemegang saham minoritas melalui proses penawaran tender sesuai dengan ketentuan yang berlaku. Berdasarkan Akta Pernyataan Keputusan Rapat Umum Pemegang Saham Luar Biasa No. 16 tanggal 16 Januari 2009, dibuat di hadapan Fathiah Helmi, SH, Notaris di Jakarta dan telah disetujui oleh Kementerian Hukum dan Hak Asasi Manusia berdasarkan Surat Persetujuan No. AHU-26687.AH.01.02. Tahun 2009 tanggal 17 Juni 2009, Anggaran Dasar Bank telah dirubah sehubungan dengan perubahan status Bank dari perusahaan terbuka (publik) menjadi perusahaan tertutup.

Berdasarkan Akta Pernyataan Keputusan Rapat Umum Pemegang Saham Luar Biasa No. 12 tanggal 15 April 2010, dibuat di hadapan Fathiah Helmi, SH, Notaris di Jakarta dan telah diberitahukan kepada Kementerian Hukum dan Hak Asasi Manusia berdasarkan Surat Penerimaan Pemberitahuan No. AHU-AH.01.10-14548 tanggal 14 Juni 2010, para pemegang saham Bank (yang pada saat itu bernama PT Bank UOB Buana) setuju untuk melakukan penggabungan usaha dengan suatu bank yang pada saat itu bernama PT Bank UOB Indonesia.

Pada tanggal 30 Juni 2010, Bank (yang pada saat itu bernama PT Bank UOB Buana) secara efektif menerima penggabungan usaha PT Bank UOB Indonesia, penggabungan tersebut telah memperoleh persetujuan dari BI berdasarkan Surat Keputusan Gubernur BI No. 12/45/KEP.GBI/2010 tanggal 10 Juni 2010 tentang Pemberian Izin Penggabungan Usaha (Merger) PT Bank UOB Indonesia ke dalam PT Bank UOB Buana. Izin tersebut tetap berlaku sebagai izin usaha Bank sebagai perusahaan hasil penggabungan.

1. General (continued)

a. Establishment of the Bank and General Information (continued)

In 2008, the general meeting of shareholders of the Bank has approved the change in the Bank's status from publicly listed to private company and delisted the Bank's shares at Indonesian Stock Exchange (BEI). The change in status, including the delisting process, had been conducted in compliance to the requirements determined by OJK (formerly Capital Market and Financial Institution Supervisory Agency) and BEI, and the Bank had settled the rights of minority shareholders through tender offer process in accordance with applicable regulations. Pursuant to the Deed of Statement of Resolutions of Extraordinary Meeting of Shareholders No. 16 dated 16 January 2009, drawn up before Fathiah Helmi, SH, Notary in Jakarta and approved by the Minister of Laws and Human Rights through Letter of Approval No. AHU-26687.AH.01.02. Year 2009 dated 17 June 2009, the Articles of Association of the Bank have been amended in relation to the change in the Bank's status from a publicly listed to a private company.

By virtue of Deed of Resolutions Statement of Extraordinary Meeting of Shareholders No. 12 dated 15 April 2010, drawn up before Fathiah Helmi, SH, Notary in Jakarta and as notified to the Minister of Laws and Human Rights through Letter of Notification Receipt No. AHU-AH.01.10-14548 dated 14 June 2010, the shareholders of the Bank (whose name at the time was PT Bank UOB Buana) agreed to merge its business with a bank whose name at the time was PT Bank UOB Indonesia.

On 30 June 2010, the Bank (whose name at the time was PT Bank UOB Buana) effectively accepted the business merger of PT Bank UOB Indonesia. This merger had obtained the approval of BI under Decision of BI Governor No. 12/45/KEP.GBI/2010 dated 10 June 2010 regarding Granting of Merger Permit of PT Bank UOB Indonesia into PT Bank UOB Buana. The permit still applies as the business permit of the Bank as the surviving bank.

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1. Umum (lanjutan)

a. Pendirian Bank dan Informasi Umum (lanjutan)

Pada bulan Mei 2011, Bank melakukan perubahan nama dari PT Bank UOB Buana menjadi PT Bank UOB Indonesia dan telah memperoleh persetujuan dari BI berdasarkan Surat Keputusan Gubernur BI No.13/34/KEP.GBI/2011 tanggal 19 Mei 2011 tentang Perubahan Penggunaan Izin Usaha Atas Nama PT Bank UOB Buana Menjadi Izin Usaha Atas Nama PT Bank UOB Indonesia.

Penawaran Umum Obligasi

Pada bulan Mei 2014, Bank melakukan penawaran umum Obligasi Subordinasi I Bank UOB Indonesia Tahun 2014 dengan jumlah pokok sebesar Rp1.000.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 11,35% dan dalam jangka waktu 7 tahun sejak tanggal emisi.

Pada bulan Maret 2015, Bank melakukan penawaran umum Obligasi I Bank UOB Indonesia Tahun 2015 dengan jumlah pokok sebesar Rp1.500.000.000.000 (nilai penuh) yang terbagi menjadi Obligasi Seri A, Obligasi Seri B dan Obligasi Seri C dengan tingkat bunga tetap masing-masing sebesar 8,60%, 9,40%, dan 9,60% dalam jangka waktu masing-masing 370 hari, 3 tahun dan 5 tahun sejak tanggal emisi.

Bank telah melakukan pelunasan pokok atas Obligasi I Bank UOB Indonesia Tahun 2015 Seri A dan Seri B dengan nilai nominal masing-masing sebesar Rp400.000.000.000 dan Rp600.000.000.000 (nilai penuh) yang jatuh tempo masing-masing pada tanggal 11 April 2016 dan 1 April 2018.

Pada bulan November 2016, Bank melakukan Penawaran Umum Obligasi Berkelanjutan I Bank UOB Indonesia dan Penawaran Umum Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia dengan target total dana yang dihimpun masing-masing sebesar Rp2.000.000.000.000 (nilai penuh) dan Rp1.000.000.000.000 (nilai penuh).

Pada bulan Desember 2018, Bank melakukan Penawaran Umum Obligasi Berkelanjutan II Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp3.000.000.000.000 (nilai penuh).

1. General (continued)

a. Establishment of the Bank and General Information (continued)

In May 2011, the Bank changed its name from PT Bank UOB Buana into PT Bank UOB Indonesia and has obtained approval from the Central Bank by virtue of BI Governor Decree No. 13/34/KEP.GBI/2011 dated 19 May 2011 regarding the Change of Business Permit Use on Behalf of PT Bank UOB Buana into a Business License Under Name of PT Bank UOB Indonesia.

Public Offering of Bonds

In May 2014, the Bank issued Bank UOB Indonesia Subordinated Bonds I Year 2014 amounting to Rp1,000,000,000,000 (full amount) with fixed interest rate of 11.35% and tenor of 7 years since issuance date.

In March 2015, the Bank issued Bank UOB Indonesia Bonds I Year 2015 amounting to Rp1,500,000,000,000 (full amount) which consist of Bonds Series A, Series B and Series C with fixed interest rate of 8.60%, 9.40%, and 9.60%, respectively and tenor of 370 days, 3 years, and 5 years since issuance date, respectively.

The Bank has paid the principal on Bonds I Bank UOB Indonesia in 2015 Series A and Series B with a nominal value of Rp400,000,000,000 and Rp600,000,000,000 (full amount), respectively and which matured on 11 April 2016 and 1 April 2018, respectively.

In November 2016, Bank conducted public offering of Bank UOB Indonesia Senior Debt Shelf Offering I and Bank UOB Indonesia Subordinated Debt Shelf Offering I with a total fund of Rp2,000,000,000,000 (full amount) and Rp1,000,000,000,000 (full amount), respectively.

In December 2018, the Bank conducted public offering of Bank UOB Indonesia Senior Debt Shelf Offering II with a total fund of Rp3,000,000,000,000 (full amount).

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a. Pendirian Bank dan Informasi Umum (lanjutan)

Pada bulan Juni 2019, Bank melakukan Penawaran Umum Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp2.000.000.000.000 (nilai penuh).

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut:

1. Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 pada bulan November 2016 dengan jumlah pokok sebesar Rp1.000.000.000.000 (nilai penuh) yang terbagi menjadi Obligasi Seri A sebesar Rp300.000.000.000 (nilai penuh), Obligasi Seri B sebesar Rp600.000.000.000 (nilai penuh) dan Obligasi Seri C sebesar Rp100.000.000.000 (nilai penuh) dengan tingkat bunga tetap masing-masing sebesar 7,20%, 8,00%, dan 8,25% dalam jangka waktu masing-masing 370 hari, 3 tahun dan 5 tahun sejak tanggal emisi (Catatan 23).

Bank telah melakukan pelunasan pokok atas Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 Seri A dan B dengan nilai nominal masing-masing Rp300.000.000.000 dan Rp600.000.000.000 (nilai penuh) yang jatuh tempo pada tanggal 4 Desember 2017 dan 25 November 2019 (Catatan 23).

2. Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 pada bulan November 2016 yang memiliki jangka waktu 7 tahun sejak tanggal emisi dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dan tingkat bunga tetap sebesar 9,40% (Catatan 23).
3. Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017 pada bulan Oktober 2017 yang memiliki jangka waktu 7 tahun sejak tanggal emisi dengan jumlah pokok sebesar Rp500.000.000.000 (nilai penuh) dan tingkat bunga tetap sebesar 9,25% (Catatan 23).

1. General (continued)

a. Establishment of the Bank and General Information (continued)

In June 2019, the Bank conducted public offering of Bank UOB Indonesia Subordinated Debt Shelf Offering II with a total fund of Rp2,000,000,000,000 (full amount).

Regarding the public offering, the Bank issued bonds as follows:

1. *UOB Indonesia Senior Debt Shelf Offering I Phase I Year 2016 in November 2016 totalling to Rp1,000,000,000,000 (full amount) consist of Bonds Series A amounting to Rp300,000,000,000 (full amount), Series B amounting to Rp600,000,000,000 (full amount) and Series C amounting to Rp100,000,000,000 (full amount) which with fixed interest rates of 7.20%, 8.00%, and 8.25%, and tenor of 370 days, 3 years, and 5 years since issuance date, respectively (Note 23).*

The Bank paid the principal of Bank UOB Indonesia Senior Debt Shelf Offering I Phase I Year 2016 Series A and B with a nominal value of Rp300,000,000,000 and Rp600,000,000,000 (full amount) which matured on 4 December 2017 and 25 November 2019, respectively (Note 23).

2. *UOB Indonesia Subordinated Debt Shelf Offering I Phase I 2016 in November 2016 with tenor of 7 years since issuance date totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 9.40% (Note 23).*
3. *UOB Indonesia Subordinated Debt Shelf Offering I Phase II 2017 in October 2017 with tenor of 7 years since issuance date totalling to Rp500,000,000,000 (full amount) with fixed interest rate of 9.25% (Note 23).*

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a. Pendirian Bank dan Informasi Umum (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan obligasi-obligasi sebagai berikut: (lanjutan)

4. Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 pada bulan Mei 2018 dengan jumlah pokok sebesar Rp1.000.000.000.000 (nilai penuh) yang terbagi menjadi Obligasi Seri A sebesar Rp862.000.000.000 (nilai penuh), Obligasi Seri B sebesar Rp83.000.000.000 (nilai penuh) dan Obligasi Seri C sebesar Rp55.000.000.000 (nilai penuh) dengan tingkat bunga tetap masing-masing sebesar 6,15%, 7,40%, dan 7,65% dalam jangka waktu masing-masing 370 hari, 3 tahun dan 5 tahun sejak tanggal emisi (Catatan 23).

Bank telah melakukan pelunasan pokok atas Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 Seri A dengan nilai nominal Rp862.000.000.000 (nilai penuh) yang jatuh tempo pada tanggal 3 Juni 2019 (Catatan 23).

5. Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 pada tanggal 9 Januari 2019 dengan jangka waktu 370 hari sejak tanggal emisi dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dan tingkat bunga tetap sebesar 8,20% (Catatan 23).
6. Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 pada tanggal 4 Juli 2019 dalam jangka waktu 7 tahun dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 9,85% (Catatan 23).
7. Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019 pada tanggal 13 November 2019 dalam jangka waktu 7 tahun dengan jumlah pokok sebesar Rp650.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 9,25% (Catatan 23).

1. General (continued)

a. Establishment of the Bank and General Information (continued)

Regarding the public offering, the Bank issued bonds as follows: (continued)

4. UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 in May 2018 totalling to Rp1,000,000,000,000 (full amount) consisting of Bonds Series A amounting to Rp862,000,000,000 (full amount), Series B amounting to Rp83,000,000,000 (full amount) and Series C amounting to Rp55,000,000,000 (full amount) which have fixed interest rates of 6.15%, 7.40%, and 7.65%, and tenor of 370 days, 3 years and 5 years since issuance date, respectively (Note 23).

The Bank paid the principal of Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 Series A with a nominal value of Rp862,000,000,000 (full amount) which matured on 3 June 2019 (Note 23).

5. UOB Indonesia Senior Debt Shelf Offering II Phase I Year 2019 on 9 January 2019 with tenor of 370 days since issuance date totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 8.20% (Note 23).
6. UOB Indonesia Subordinated Debt Shelf Offering II Phase I 2019 on 4 July 2019 with tenor of 7 years since issuance date totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 9.85% (Note 23).
7. UOB Indonesia Subordinated Debt Shelf Offering II Phase II 2019 on 13 November 2019 with tenor of 7 years since issuance date totalling to Rp650,000,000,000 (full amount) with fixed interest rate of 9.25% (Note 23).

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1. Umum (lanjutan)

a. Pendirian Bank dan Informasi Umum (lanjutan)

Perubahan Anggaran Dasar Bank terakhir adalah sebagaimana dinyatakan dalam Akta Pernyataan Keputusan Rapat Umum Pemegang Saham No. 68 tanggal 25 Mei 2012 mengenai ketentuan Direksi Bank, yang dibuat di hadapan Fathiah Helmi, SH, Notaris di Jakarta. Perubahan Anggaran Dasar Bank tersebut telah diterima dan dicatat oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana tercantum dalam Surat No. AHU-AH.01.10-45670 tanggal 26 Desember 2012.

Kantor pusat Bank berlokasi di Jl. M.H. Thamrin No. 10, Jakarta. Pada tanggal 31 Desember 2019, jaringan layanan Bank mencakup 41 kantor cabang, 137 kantor cabang pembantu dan 160 ATM yang tersebar di 30 kota di 18 provinsi yang bekerja sama dengan jaringan ATM Prima dan ATM Bersama, dan jaringan VISA di seluruh dunia, serta jaringan regional ATM grup usaha United Overseas Bank Limited.

Bank dimiliki sebesar 68,943% oleh UOB International Investment Private Limited (UOBII), anak perusahaan dari United Overseas Bank Limited (UOB), Singapura, 30,056% oleh UOB, 1,000% oleh Yayasan Kesejahteraan Nusantara dan sebesar 0,001% oleh lain-lain (Catatan 25).

b. Dewan Komisaris, Direksi dan Karyawan

Susunan Dewan Komisaris pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Komisaris Utama	Wee Ee Cheong*	Wee Cho Yaw**	President Commissioner
Wakil Komisaris Utama	Chin Voon Fat*	Wee Ee Cheong	Deputy President Commissioner
Komisaris	Chan Kok Seong*	Lee Chin Yong Francis***	Commissioner
Komisaris Independen	Wayan Alit Antara	Wayan Alit Antara	Independent Commissioner
Komisaris Independen	Aswin Wirjadi	Aswin Wirjadi	Independent Commissioner
Komisaris Independen	VJH Boentaran Lesmana	VJH Boentaran Lesmana	Independent Commissioner

* Wee Ee Cheong, Chin Voon Fat dan Chan Kok Seong efektif menjabat pada tanggal 22 Oktober 2019. / Wee Ee Cheong, Chin Voon Fat and Chan Kok Seong became effective holding their position since 22 October 2019.

** Wee Cho Yaw efektif pensiun dari jabatannya sejak tanggal 22 Oktober 2019. / Wee Cho Yaw effectively retired from his position since 22 October 2019.

*** Lee Chin Yong Francis efektif pensiun sejak tanggal 27 Mei 2019. / Lee Chin Yong Francis effectively retired from his position since 27 May 2019.

1. General (continued)

a. Establishment of the Bank and General Information (continued)

The latest amendment of the Bank's Articles of Association was as stated on the Resolutions of Shareholders Meeting No. 68 dated 25 May 2012 regarding provision on the Bank's Board of Directors, drawn up before Fathiah Helmi, SH, Notary in Jakarta. This amendment of the Bank's Articles of Association was received and recorded by Ministry of Laws and Human Rights of the Republic of Indonesia as stated in the Letter No. AHU-AH.01.10-45670 dated 26 December 2012.

The Bank's head office is located in Jl. M.H. Thamrin No. 10, Jakarta. As of 31 December 2019, the Bank service network covers 41 branches, 137 sub-branches and 160 ATMs across 30 cities in 18 provinces which collaborate with ATM Prima and ATM Bersama networks, VISA global network and regional ATM network of the United Overseas Bank Limited business group.

The Bank is 68.943% owned by UOB International Investment Private Limited (UOBII), a subsidiary of United Overseas Bank Limited (UOB), Singapore, 30.056% owned by UOB, 1.000% owned by Yayasan Kesejahteraan Nusantara and 0.001% owned by others (Note 25).

b. The Board of Commissioners, the Board of Directors and Employees

The composition of the Bank's Board of Commissioners as of 31 December 2019 and 2018, are as follows:

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1. Umum (lanjutan)

b. Dewan Komisaris, Direksi dan Karyawan (lanjutan)

Susunan Direksi Bank pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Direktur Utama	Lam Sai Yoke	Lam Sai Yoke	<i>President Director</i>
Wakil Direktur Utama	Hendra Gunawan*	Iwan Satawidinata**	<i>Deputy President Director</i>
Direktur Keuangan dan Layanan Korporasi	Teh Han Yi***	Muljono Tjandra****	<i>Finance and Corporate Services Director</i>
Direktur Kepatuhan	Soehadie Tansol	Soehadie Tansol	<i>Compliance Director</i>
Direktur Manajemen Risiko	Henry Sulisty	Henry Sulisty	<i>Risk Management Director</i>
Direktur Teknologi dan Operasional	Paul Rafiuly	Paul Rafiuly	<i>Technology and Operations Director</i>
Direktur <i>Wholesale Banking</i>	Harapman Kasan*****	N/A	<i>Wholesale Banking Director</i>

* Hendra Gunawan efektif menjabat sejak 1 Juli 2019./ *Hendra Gunawan became effective holding his position since 1 July 2019.*

** Iwan Satawidinata efektif mengundurkan diri sejak tanggal 28 Februari 2019./ *Iwan Satawidinata effectively resigned since 28 February 2019.*

*** Teh Han Yi efektif menjabat sejak 28 November 2019./ *Teh Han Yi became effective holding her position since 28 November 2019.*

**** Muljono Tjandra efektif mengundurkan diri sejak 21 Juni 2019./ *Muljono Tjandra effectively resigned since 21 June 2019.*

***** Harapman Kasan efektif menjabat sejak 22 Agustus 2019./ *Harapman Kasan became effective holding his position since 22 August 2019.*

Per tanggal 31 Desember 2019, susunan Komite Audit diputuskan melalui Rapat Dewan Komisaris tanggal 21 Maret 2019 dan ditetapkan berdasarkan Surat Keputusan Direksi No. 19/SKDIR/0037 tanggal 2 Mei 2019.

As of 31 December 2019, the composition of the Audit Committee was appointed based on the Resolution of the Board of Commissioners Meeting on 21 March 2019 and established by Decree of the Board of Directors No. 19/SKDIR/0037 dated 2 May 2019.

Per tanggal 31 Desember 2018, susunan Komite Audit diputuskan melalui Rapat Dewan Komisaris tanggal 11 Oktober 2018 dan ditetapkan berdasarkan Surat Keputusan Direksi No. 18/SKDIR/0061 tanggal 15 Oktober 2018.

As of 31 December 2018, the composition of the Audit Committee was appointed based on the Resolution of the Board of Commissioners Meeting on 11 October 2018 and established by Decree of the Board of Directors No. 18/SKDIR/0061 dated 15 October 2018.

Susunan Komite Audit pada tanggal 31 Desember 2019 dan 2018 sebagai berikut :

The composition of the Audit Committee on 31 December 2019 and 2018, are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Ketua Komite Audit	Aswin Wirjadi	Wayan Alit Antara	<i>Head of Audit Committee</i>
Anggota	Setiawan Kriswanto	Setiawan Kriswanto	<i>Member</i>
Anggota	Nina Diyanti Anwar	Nina Diyanti Anwar	<i>Member</i>

Per tanggal 31 Desember 2019 dan 2018, Kepala Sekretaris Perusahaan Bank adalah Susilowati berdasarkan Surat Keputusan Direksi No. 15/SKDIR/0021 tanggal 25 Juni 2015.

As of 31 December 2019 and 2018, Head Corporate Secretary is Susilowati based on the Board of Directors' Decree No.15/DIR/0021 dated 25 June 2015.

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1. Umum (lanjutan)

b. Dewan Komisaris, Direksi dan Karyawan (lanjutan)

Pada tanggal 31 Desember 2019 dan 2018, Kepala Satuan Kerja Audit Intern (Kepala SKAI) adalah Dawny Rachella Tahar berdasarkan Surat Keputusan Direksi No. 18/SKDIR/0003 tanggal 8 Januari 2018.

Imbalan kerja jangka pendek yang diterima oleh Dewan Komisaris dan Direksi Bank untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018 masing-masing sebesar Rp46.671 dan Rp40.496 (Catatan 37g).

Imbalan kerja jangka panjang yang diterima oleh Dewan Komisaris dan Direksi Bank untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018 masing-masing sebesar Rp8.178 dan Rp7.569. Biaya yang dikeluarkan oleh Bank terkait program imbalan pasca kerja Dewan Komisaris dan Direksi Bank dengan jumlah masing-masing sebesar Rp674 dan Rp987, untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018 (Catatan 37g).

Pada tanggal 31 Desember 2019 dan 2018 total karyawan masing-masing sebanyak 3.938 dan 4.038 orang.

2. Ikhtisar Kebijakan Akuntansi Penting

Kebijakan-kebijakan akuntansi yang penting, yang diterapkan dalam penyusunan laporan keuangan untuk tahun yang berakhir pada tanggal 31 Desember 2019 adalah sebagai berikut:

a. Dasar Penyajian Laporan Keuangan

Laporan keuangan disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan ("SAK") yang mencakup Pernyataan dan Interpretasi yang diterbitkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia serta peraturan regulator pasar modal untuk entitas yang berada di bawah pengawasannya No. VIII.G.7 Lampiran Keputusan Ketua Bapepam dan LK No. KEP-347/BL/2012 tanggal 25 Juni 2012 tentang "Pedoman Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik".

1. General (continued)

b. The Board of Commissioners, the Board of Directors and Employees (continued)

As of 31 December 2019 and 2018, Internal Audit Unit Head is Dawny Rachella Tahar based on the Board of Directors' Decree No.18/SKDIR/0003 dated 8 January 2018.

Short-term employee benefits received by the Bank's Board of Commissioners and the Board of Directors for the year ended 31 December 2019 and 2018 amounted to Rp46,671 and Rp40,496, respectively (Note 37g).

Long-term employee benefits received by the Bank's Board of Commissioners and the Board of Directors for the years ended 31 December 2019 and 2018 amounted to Rp8,178 and Rp7,569, respectively. Expenses incurred by the Bank relating to post-employment benefits of the Bank's Board of Commissioners and the Board of Directors amounted to Rp674 and Rp987, for the years ended 31 December 2019 and 2018, respectively (Note 37g).

As of 31 December 2019 and 2018, the Bank had 3,938 and 4,038 employees, respectively.

2. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of the financial statements for the year ended 31 December 2019, are as follows:

a. Basis of Preparation of the Financial Statements

The financial statements have been prepared and presented in accordance with Financial Accounting Standards ("FAS") which includes Statements and Interpretation issued by the Financial Accounting Standards Board of the Institute of Indonesia Chartered Accountants and regulations on capital market regulators for entities under their supervision, and Bapepam and LK regulation No. VIII.G.7 Attachment of the Chairman of Bapepam and LK's decree No. KEP-347/BL/2012 dated 25 June 2012, "Guidelines for Financial Statements Presentation and Disclosure for Issuers or Public Companies".

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

a. Dasar Penyajian Laporan Keuangan (lanjutan)

Laporan keuangan kecuali laporan arus kas, disusun dengan dasar akrual dan berdasarkan konsep biaya historis, kecuali beberapa akun tertentu yang disusun berdasarkan pengukuran lain sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

Laporan arus kas disusun menggunakan metode langsung yang dimodifikasi dan arus kas dikelompokkan atas dasar aktivitas operasi, investasi dan pendanaan. Kas dan setara kas terdiri dari kas, giro pada Bank Indonesia dan giro pada bank lain, penempatan pada Bank Indonesia dan bank lain, dan investasi keuangan yang jatuh tempo dalam waktu 3 bulan sejak tanggal perolehan, sepanjang tidak digunakan sebagai jaminan atas pinjaman yang diterima serta tidak dibatasi penggunaannya.

Pos-pos dalam Penghasilan Komprehensif Lainnya disajikan terpisah antara akun-akun yang akan direklasifikasikan ke laba rugi dan akun-akun yang tidak akan direklasifikasikan ke laba rugi.

Dalam penyusunan laporan keuangan sesuai dengan Standar Akuntansi Keuangan di Indonesia, dibutuhkan estimasi dan asumsi yang mempengaruhi:

- Nilai aset dan liabilitas yang dilaporkan, dan pengungkapan atas aset dan liabilitas kontinjensi pada tanggal laporan keuangan.
- Jumlah pendapatan dan beban selama periode pelaporan.

Walaupun estimasi ini dibuat berdasarkan pengetahuan terbaik Manajemen atas kejadian dan aktivitas saat ini, hasil akhir mungkin berbeda dengan jumlah yang diestimasi.

Mata uang penyajian yang digunakan dalam laporan keuangan adalah mata uang Rupiah, yang merupakan mata uang fungsional Bank. Seluruh angka dalam laporan keuangan ini, kecuali dinyatakan secara khusus, dibulatkan menjadi jutaan Rupiah.

2. Summary of Significant Accounting Policies (continued)

a. Basis of Preparation of the Financial Statements (continued)

The financial statements, except for the statement of cash flows, are prepared using the accrual basis and based on historical cost concept, except for certain accounts which are measured on the bases described in the related accounting policies for those accounts.

The statement of cash flows have been prepared using the modified direct method and the cash flows have been classified on the basis of operating, investing and financing activities. Cash and cash equivalents consist of cash, current accounts with Bank Indonesia and current accounts with other banks, placements with Bank Indonesia and other banks, and financial investments, maturing within 3 months or less from the acquisition date provided they are not used as collateral for borrowings nor restricted.

The items under Other Comprehensive Income (OCI) are presented separately between items to be reclassified to profit or loss and those items not to be reclassified to profit or loss.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of estimates and assumptions that affect:

- *The reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements.*
- *The reported amounts of revenues and expenses during the reporting period.*

Although these estimates are based on Management's best knowledge of current events and activities, actual results may differ from those estimates.

The presentation currency used in the financial statement is Indonesian Rupiah, which is the functional currency of the Bank. Figures in the financial statements are rounded to and stated in millions of Rupiah unless otherwise stated.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

b. Transaksi dengan Pihak Berelasi

Dalam menjalankan usahanya, Bank melakukan transaksi dengan pihak berelasi seperti yang didefinisikan dalam PSAK No. 7 tentang "Pengungkapan Pihak-pihak Berelasi".

Seluruh transaksi yang signifikan dengan pihak berelasi telah diungkapkan dalam catatan atas laporan keuangan.

Pihak berelasi adalah orang atau entitas yang terkait dengan entitas yang menyiapkan laporan keuangannya (entitas pelapor). Yang termasuk pihak berelasi adalah sebagai berikut:

1. Orang atau anggota keluarga terdekat mempunyai relasi dengan entitas pelapor jika orang tersebut:
 - a. Memiliki pengendalian atau pengendalian bersama atas entitas pelapor;
 - b. Memiliki pengaruh signifikan atas entitas pelapor; atau
 - c. Merupakan personil manajemen kunci entitas pelapor atau entitas induk pelapor.
2. Suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal sebagai berikut:
 - a. Entitas dan entitas pelapor adalah anggota dari kelompok usaha yang sama (artinya entitas induk, entitas anak, dan entitas anak berikutnya terkait dengan entitas lain);
 - b. Suatu entitas adalah entitas asosiasi atau ventura bersama dari entitas lain (atau entitas asosiasi atau ventura bersama yang merupakan anggota suatu kelompok usaha, yang mana entitas lain adalah anggotanya);
 - c. Kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama;
 - d. Suatu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga;

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2. Summary of Significant Accounting Policies (continued)

b. Transactions with Related Parties

In the normal course of its business, the Bank enters into transactions with related parties which are defined under SFAS No. 7, "Related Party Disclosures".

All significant transactions with related parties are disclosed in the notes to the financial statements.

A related party is a person or entity that is related to the entity that is preparing its financial statements (reporting entity). The related parties are as follows:

1. *A person or a close member of that person's family is related to a reporting entity if that person:*
 - a. *Has control or joint control of the reporting entity;*
 - b. *Has significant influence over the reporting entity; or*
 - c. *Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.*
2. *An entity is related to a reporting entity if any of the following condition applies:*
 - a. *The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);*
 - b. *One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);*
 - c. *Both entities are joint ventures of the same third party;*
 - d. *One entity is a joint venture of a third party and the other entity is an associate of the third entity;*

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(lanjutan)**

**b. Transaksi dengan Pihak Berelasi
(lanjutan)**

Pihak berelasi adalah orang atau entitas yang terkait dengan entitas yang menyiapkan laporan keuangannya (entitas pelapor). Yang termasuk pihak berelasi adalah sebagai berikut: (lanjutan)

2. Suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal sebagai berikut: (lanjutan)

e. Entitas tersebut adalah sebuah program imbalan pasca kerja untuk imbalan kerja dari salah satu entitas pelapor atau entitas yang terkait dengan entitas pelapor;

f. Entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi sebagaimana dimaksud dalam angka (1); atau

g. Orang yang diidentifikasi sebagaimana dimaksud dalam angka (1) huruf (a) memiliki pengaruh signifikan atas entitas atau merupakan manajemen kunci entitas (atau entitas induk dari entitas).

h. Entitas, atau anggota dari kelompok dimana entitas merupakan bagian dari kelompok tersebut, menyediakan jasa personal manajemen kunci kepada entitas pelapor atau kepada entitas induk dari entitas pelapor

c. Aset dan Liabilitas Keuangan

Aset dan Liabilitas Keuangan (Selain Investasi pada Sukuk)

Bank menerapkan PSAK No. 50, "Instrumen Keuangan: Penyajian", PSAK No. 55, "Instrumen Keuangan: Pengakuan dan Pengukuran", dan PSAK No. 60, "Instrumen Keuangan: Pengungkapan".

Aset keuangan diklasifikasikan sebagai aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi, pinjaman yang diberikan dan piutang, aset keuangan dimiliki hingga jatuh tempo dan aset keuangan tersedia untuk dijual. Bank menentukan klasifikasi atas aset keuangan pada saat pengakuan awal.

**2. Summary of Significant Accounting Policies
(continued)**

**b. Transactions with Related Parties
(continued)**

A related party is a person or entity that is related to the entity that is preparing its financial statements (reporting entity). The related parties are as follows: (continued)

2. An entity is related to a reporting entity if any of the following condition applies: (continued)

e. The entity is a post-employment benefit plan for the benefits of employees of either the reporting entity or an entity related to the reporting entity;

f. The entity is controlled or jointly controlled by a person identified in (1); or

g. A person identified in (1) (a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

h. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

c. Financial Assets and Liabilities

Financial Assets and Liabilities (Other Than Investment in Sukuk)

The Bank has applied SFAS No. 50, "Financial Instruments: Presentation", SFAS No. 55, "Financial Instruments: Recognition and Measurement", and SFAS No. 60, "Financial Instruments: Disclosures".

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity financial assets and available-for-sale financial assets. The Bank determines the classification of its financial assets at initial recognition.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

c. Aset dan Liabilitas Keuangan (lanjutan)

Aset dan Liabilitas Keuangan (Selain Investasi pada Sukuk) (lanjutan)

Liabilitas keuangan diklasifikasikan sebagai liabilitas keuangan diukur berdasarkan biaya perolehan diamortisasi dan liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi.

Pengakuan dan Pengukuran

Klasifikasi instrumen keuangan pada pengakuan awal tergantung pada tujuan dan intensi manajemen serta karakteristik dari instrumen keuangan tersebut. Semua instrumen keuangan pada saat pengakuan awal diukur sebesar nilai wajarnya.

Pengukuran aset keuangan dan liabilitas keuangan setelah pengakuan awal tergantung pada klasifikasi aset keuangan dan liabilitas keuangan tersebut.

Dalam hal aset keuangan atau liabilitas keuangan tidak diukur pada nilai wajar melalui laporan laba rugi, nilai wajar tersebut ditambah biaya transaksi yang dapat diatribusikan secara langsung dengan perolehan atau penerbitan aset keuangan atau liabilitas keuangan tersebut.

Aset keuangan yang diukur pada nilai wajar melalui laba rugi adalah aset yang diperoleh Bank atau dimiliki terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat, atau jika merupakan bagian dari portofolio instrumen keuangan tertentu yang dikelola bersama dan terdapat bukti mengenai pola ambil untung dalam jangka pendek (*short term profit taking*), atau merupakan derivatif (kecuali derivatif yang ditetapkan dan efektif sebagai instrumen lindung nilai).

Aset Keuangan

- a) Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi

Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi terdiri dari aset keuangan yang diklasifikasikan sebagai dimiliki untuk diperdagangkan dan aset keuangan yang pada saat pengakuan awal telah ditetapkan manajemen untuk diukur pada nilai wajar melalui laporan laba rugi.

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2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Financial liabilities classified as financial liabilities are measured at amortized cost and financial liabilities at fair value through profit or loss.

Recognition and Measurement

The classification of financial instruments at initial recognition depends on the purpose and the management's intention for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value.

The subsequent measurement of financial assets and liabilities depends on their classification.

In the case that financial assets or liabilities that are not designated at fair value through profit or loss, the fair value should be added with attributable transaction costs directly from acquisition or issuance of financial assets or liabilities.

Financial assets measured at fair value through profit or loss are those assets that the Bank acquires or incurs principally for the purpose of selling or repurchasing in the near term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit taking, or derivatives (unless they are designated and effective as hedging instruments).

Financial Assets

- a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprises of financial assets classified as held for trading, and financial assets designated by management as at fair value through profit or loss upon initial recognition.

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Aset dan Liabilitas Keuangan (Selain Investasi pada Sukuk) (lanjutan)

Pengakuan dan Pengukuran (lanjutan)

Aset Keuangan (lanjutan)

- a) Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi (lanjutan)

Aset keuangan yang diklasifikasikan dalam kelompok dimiliki untuk diperdagangkan jika dimiliki terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat, atau jika merupakan bagian dari portofolio instrumen keuangan tertentu yang dikelola bersama dan terdapat bukti mengenai pola ambil untung dalam jangka pendek (*short term profit taking*), atau merupakan derivatif (kecuali derivatif yang ditetapkan dan efektif sebagai instrumen lindung nilai).

Setelah pengukuran awal, aset keuangan yang dikelompokkan dalam kategori ini diukur sebesar nilai wajarnya, keuntungan atau kerugian yang belum direalisasi akibat perubahan nilai wajar instrumen keuangan tersebut diakui dalam laporan laba rugi dan penghasilan komprehensif lain sebagai "Keuntungan yang telah direalisasi dan belum direalisasi atas efek-efek yang dijual dan perubahan nilai wajar efek-efek yang diperdagangkan - neto".

- b) Aset keuangan tersedia untuk dijual

Aset keuangan tersedia untuk dijual adalah aset keuangan non-derivatif yang tidak diklasifikasikan sebagai dimiliki untuk diperdagangkan atau ditetapkan pada nilai wajar melalui laporan laba rugi. Setelah pengukuran awal, instrumen keuangan tersedia untuk dijual selanjutnya diukur sebesar nilai wajar. Keuntungan dan kerugian yang belum direalisasi diakui sebagai penghasilan komprehensif lainnya (sebagai "Keuntungan (kerugian) yang belum direalisasi atas efek-efek yang tersedia untuk dijual - neto").

2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Recognition and Measurement (continued)

Financial Assets (continued)

- a) *Financial assets at fair value through profit or loss (continued)*

Financial assets are classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit taking, or derivatives (unless they are designated and effective as hedging instruments).

After initial measurement, the financial assets included in this category are measured at fair value, the unrealized gains or losses resulting from changes in fair value are recognized in the statement of profit or loss and other comprehensive income as "Realized and unrealized gain on securities sold and from changes in fair value of trading securities - net".

- b) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are neither classified as held-for-trading nor designated as at fair value through profit or loss. After initial measurement, available-for-sale financial instruments are subsequently measured at fair value. Unrealized gains and losses are recognized as other comprehensive income (as "Unrealized gain (loss) on available-for-sale securities - net").

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Pengakuan dan Pengukuran (lanjutan)

Aset Keuangan (lanjutan)

c) Aset keuangan yang dimiliki hingga jatuh tempo

Aset keuangan yang dimiliki hingga jatuh tempo adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dan jatuh temponya telah ditetapkan, dimana Bank mempunyai intensi positif dan kemampuan untuk memiliki aset keuangan tersebut hingga jatuh tempo.

Setelah pengakuan awal, aset keuangan yang dimiliki hingga jatuh tempo diukur pada biaya perolehan diamortisasi dengan menggunakan metode Suku Bunga Efektif (EIR), dikurangi dengan penurunan nilai. Biaya perolehan diamortisasi dengan memperhitungkan diskonto atau premi pada awal akuisisi dan *fee*/biaya sebagai bagian yang tidak terpisahkan dari EIR. Amortisasi dan kerugian yang timbul dari penurunan nilai diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

d) Pinjaman yang diberikan dan piutang

Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan yang tidak dikuotasikan pada pasar aktif, kecuali:

- Aset dimana Bank mempunyai intensi untuk menjual segera atau dalam waktu dekat dan pinjaman yang diberikan dan piutang yang diukur Bank pada nilai wajar melalui laporan laba rugi pada saat awal pengakuan;
- Aset dimana Bank pada awal pengakuan dimaksudkan sebagai tersedia untuk dijual; atau
- Aset dimana Bank mungkin tidak akan mendapat pemulihan secara substansial atas investasi awalnya, selain karena penurunan kualitas pinjaman aset keuangan.

2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Recognition and Measurement (continued)

Financial Assets (continued)

c) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities, which the Bank has positive intention and ability to hold the financial assets to maturity.

After initial recognition, held-to-maturity financial assets are measured at amortized cost using the Effective Interest Rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees/costs that are an integral part of the EIR. The amortization and the losses arising from impairment of such investments are recognized in the statement of profit or loss and other comprehensive income.

d) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active markets, other than:

- *Those that the Bank intends to sell immediately or in the near term and loans and receivables that the Bank upon initial recognition designates as at fair value through profit or loss;*
- *Those that the Bank, upon initial recognition, designates as available-for-sale; or*
- *Those for which the Bank may not recover substantially all of its initial investment, other than because of credit deterioration.*

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Pengakuan dan Pengukuran (lanjutan)

Aset Keuangan (lanjutan)

d) Pinjaman yang diberikan dan piutang (lanjutan)

Setelah pengukuran awal, pinjaman yang diberikan dan piutang selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan EIR dikurangi dengan penurunan nilai. Biaya perolehan diamortisasi dihitung dengan memperhitungkan nilai kredit pada saat pengakuan awal dikurangi pembayaran pokok, ditambah atau dikurangi dengan amortisasi kumulatif menggunakan metode EIR yang dihitung dari selisih antara nilai awal dan nilai jatuh temponya, dikurangi penurunan untuk penurunan nilai atau nilai yang tidak dapat ditagih. Amortisasi suku bunga efektif dan kerugian yang timbul atas penurunan nilai diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

Bank mengakui pendapatan bunga dengan menggunakan tingkat pengembalian yang mewakili estimasi terbaik dari tingkat pengembalian konstan selama *expected behavioural life* atas kredit yang diberikan dan mengakui dampak dari tingkat bunga yang berpotensi berbeda yang dibebankan pada berbagai tahap dan karakteristik lainnya dari siklus hidup produk (termasuk pembayaran di muka, biaya bunga dan biaya penalti). Estimasi ini, pada dasarnya, memerlukan elemen penilaian mengenai perilaku yang diharapkan dan siklus hidup instrumen, serta biaya yang diharapkan untuk tarif dasar Bank dan pendapatan/pengeluaran *fee* lainnya yang merupakan bagian integral dari instrumen.

Sejak Agustus 2018, Manajemen mengubah estimasi ekspektasi umur kredit perumahan dari pendekatan umur kontraktual menjadi umur *behaviour*.

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c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Recognition and Measurement (continued)

Financial Assets (continued)

d) Loans and receivables (continued)

After initial measurements, loans and receivables are subsequently measured at amortized cost using the EIR, less allowance for impairment. Amortized cost is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using EIR method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The EIR amortization and losses arising from impairment is included in the statement of profit or loss and other comprehensive income.

The Bank recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle (including prepayments, penalty interest and charges). This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well expected charges to the Bank's base rate and other fee income/expense that are integral parts of the instrument.

Since August 2018, Management changed the estimated expected life of mortgage loan from contractual life to behaviour life approach.

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Liabilitas Keuangan

- a) Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi

Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi terdiri dari dua sub-kategori, yaitu liabilitas keuangan diklasifikasikan sebagai diperdagangkan dan liabilitas keuangan yang pada saat pengakuan awal telah ditetapkan oleh Bank untuk diukur pada nilai wajar melalui laporan laba rugi.

Liabilitas keuangan diklasifikasikan sebagai diperdagangkan jika diperoleh terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat atau jika merupakan portofolio instrumen keuangan tertentu yang dikelola bersama dan terdapat bukti pola ambil untung dalam jangka pendek terkini. Derivatif diklasifikasikan sebagai liabilitas diperdagangkan kecuali ditetapkan dan efektif sebagai instrumen lindung nilai.

Keuntungan dan kerugian yang timbul dari perubahan nilai wajar liabilitas yang diklasifikasikan sebagai diperdagangkan dan yang diukur dari nilai wajar melalui laporan laba rugi dicatat melalui laporan laba rugi dan penghasilan komprehensif lain sebagai "Keuntungan atau kerugian dari perubahan nilai wajar instrumen keuangan".

- b) Liabilitas keuangan yang diukur berdasarkan biaya perolehan diamortisasi

Liabilitas keuangan yang diukur berdasarkan biaya perolehan diamortisasi merupakan liabilitas keuangan dalam klasifikasi tidak diukur pada nilai wajar melalui laporan laba rugi.

Setelah pengakuan awal, Bank mengukur seluruh liabilitas keuangan berdasarkan biaya perolehan yang diamortisasi dengan menggunakan metode EIR.

2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Recognition and Measurement (continued)

Financial Liabilities

- a) *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss consist of two sub-categories; financial liabilities classified as held for trading and financial liabilities designated by the Bank as at fair value through profit or loss upon initial recognition.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments.

Gains and losses arising from changes in fair value of financial liabilities classified as held for trading and designated at fair value through profit or loss are recorded in the statement of profit or loss and other comprehensive income as "Gains or losses from changes in fair value of financial instruments".

- b) *Financial liabilities measured at amortized cost*

Financial liabilities measured at amortized cost were financial liabilities that are not classified as at fair value through profit or loss.

After initial recognition, the Bank measures all financial liabilities at amortized cost using EIR method.

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Pengakuan dan Pengukuran (lanjutan)

Tabel berikut menyajikan klasifikasi instrumen keuangan Bank berdasarkan karakteristik dari instrumen keuangan tersebut:

Instrumen Keuangan dan Klasifikasinya

Aset keuangan:

Kas
 Pinjaman yang diberikan dan piutang

Giro pada Bank Indonesia
 Pinjaman yang diberikan dan piutang

Giro pada bank lain
 Pinjaman yang diberikan dan piutang

Penempatan pada Bank Indonesia dan bank lain
 Pinjaman yang diberikan dan piutang

Efek-efek yang diperdagangkan
 Aset keuangan diukur pada nilai wajar melalui laporan laba rugi

Investasi keuangan
 Aset keuangan yang dimiliki hingga jatuh tempo
 Aset keuangan tersedia untuk dijual

Tagihan derivatif
 Aset keuangan diukur pada nilai wajar melalui laporan laba rugi

Kredit yang diberikan
 Pinjaman yang diberikan dan piutang
 Aset keuangan diukur pada nilai wajar melalui laporan laba rugi

Tagihan atas surat berharga yang dibeli dengan janji dijual kembali
 Pinjaman yang diberikan dan piutang
 Aset keuangan diukur pada nilai wajar melalui laporan laba rugi

Tagihan akseptasi
 Pinjaman yang diberikan dan piutang

Aset lain-lain
 Pinjaman yang diberikan dan piutang

2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Recognition and Measurement (continued)

The following table presents financial instruments classification of the Bank based on their characteristics:

Financial Instruments and Their Classification

Financial assets:

Cash
 Loans and receivables

Current accounts with Bank Indonesia
 Loans and receivables

Current accounts with other banks
 Loans and receivables

Placements with Bank Indonesia and other banks
 Loans and receivables

Trading securities
 Financial assets at fair value through profit or loss

Financial investments
 Held-to-maturity financial assets
 Available-for-sale financial assets

Derivative receivables
 Financial assets at fair value through profit or loss

Loans
 Loans and receivables
 Financial assets at fair value through profit or loss

Receivables on securities purchased with agreements to resell
 Loans and receivables
 Financial assets at fair value through profit or loss

Acceptance receivables
 Loans and receivables

Other assets
 Loans and receivables

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Aset dan Liabilitas Keuangan (Selain Investasi pada Sukuk) (lanjutan)

Tabel berikut menyajikan klasifikasi instrumen keuangan Bank berdasarkan karakteristik dari instrumen keuangan tersebut: (lanjutan)

Instrumen Keuangan dan Klasifikasinya (lanjutan)

Liabilitas keuangan:

Liabilitas segera
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi

Simpanan
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi

Bunga yang masih harus dibayar
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi

Simpanan dari bank lain
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi

Liabilitas derivatif
 Liabilitas keuangan diukur pada nilai wajar melalui laporan laba rugi

Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi
 Liabilitas keuangan diukur pada nilai wajar melalui laporan laba rugi

Efek hutang yang diterbitkan
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi

Pinjaman yang diterima
 Liabilitas keuangan diukur pada nilai wajar melalui laporan laba rugi
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi

Liabilitas akseptasi
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi

Liabilitas lain-lain
 Liabilitas keuangan yang diukur pada biaya perolehan setelah diamortisasi

2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

The following table presents financial instruments classification of the Bank based on their characteristics: (continued)

Financial Instruments and their Classification (continued)

Financial liabilities:

Current liabilities
 Financial liabilities measured at amortized cost

Deposits
 Financial liabilities measured at amortized cost

Interest payables
 Financial liabilities measured at amortized cost

Deposits from other banks
 Financial liabilities measured at amortized cost

Derivative payables
 Financial liabilities at fair value through profit or loss

Liabilities on securities sold under repurchase agreements
 Financial liabilities measured at amortized cost
 Financial liabilities at fair value through profit or loss

Debt securities issued
 Financial liabilities measured at amortized cost

Borrowings
 Financial liabilities at fair value through profit or loss
 Financial liabilities measured at amortized cost

Acceptance payables
 Financial liabilities measured at amortized cost

Other liabilities
 Financial liabilities measured at amortized cost

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c. Aset dan Liabilitas Keuangan (lanjutan)

**Aset dan Liabilitas Keuangan (Selain
Investasi pada Sukuk) (lanjutan)**

Penghentian Pengakuan

a. Aset keuangan dihentikan pengakuannya jika:

- Hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut berakhir; atau
- Bank telah mentransfer hak-nya untuk menerima arus kas yang berasal dari aset keuangan atau menanggung kewajiban untuk membayarkan arus kas yang diterima tersebut secara penuh tanpa penundaan berarti kepada pihak ketiga di bawah kesepakatan pelepasan (*pass through arrangement*); dan
- (a) Bank telah mentransfer secara substansial seluruh risiko dan manfaat atas aset, atau (b) Bank tidak mentransfer maupun tidak memiliki secara substansial seluruh risiko dan manfaat atas aset, namun telah mentransfer pengendalian atas aset.

Ketika Bank telah mentransfer hak untuk menerima arus kas dari aset atau di bawah kesepakatan pelepasan (*pass through arrangement*), dan tidak mentransfer serta tidak memiliki secara substansial seluruh risiko dan manfaat atas aset atau tidak mentransfer kendali atas aset, aset diakui sebesar keterlibatan Bank yang berkelanjutan atas aset tersebut.

Kredit yang diberikan atau aset keuangan lain dihapusbukukan ketika tidak terdapat prospek yang realistis mengenai pengembalian kredit dalam waktu dekat atau hubungan normal antara Bank dan debitur telah berakhir. Kredit yang tidak dapat dilunasi dihapusbukukan dengan mendebit cadangan kerugian penurunan nilai.

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**2. Summary of Significant Accounting Policies
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c. Financial Assets and Liabilities (continued)

**Financial Assets and Liabilities (Other
Than Investment in Sukuk) (continued)**

Derecognition

a. Financial assets are derecognized when:

- The contractual rights to receive cash flows from the financial assets have expired; or
- The Bank has transferred its rights to receive cash flows from the financial assets or has assumed an obligation to pay the cash flows in full without material delay to a third party under a (*pass through arrangement*); and
- (a) the Bank has transferred substantially all the risks and rewards of the asset, or (b) the Bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Bank has transferred its rights to receive cash flows from an asset or has entered into a (*pass through arrangement*), and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Bank's continuing involvement in the asset.

Loans and receivables or other financial assets are written off when there is no realistic prospect of collection in the near future or the normal relationship between the Bank and the borrowers has ceased to exist. When a loan is deemed uncollectible, it is written off against the related allowance for impairment losses.

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Aset dan Liabilitas Keuangan (Selain Investasi pada Sukuk) (lanjutan)

Penghentian Pengakuan (lanjutan)

a. Aset keuangan dihentikan pengakuannya jika: (lanjutan)

Penerimaan kemudian atas kredit yang telah dihapusbukukan sebelumnya, jika pada periode berjalan dikreditkan ke dalam akun cadangan kerugian penurunan nilai atas kredit yang diberikan di laporan posisi keuangan, sedangkan jika setelah tanggal laporan posisi keuangan dikreditkan sebagai pendapatan operasional lainnya dalam laporan laba rugi dan penghasilan komprehensif lain.

b. Liabilitas keuangan dihentikan pengakuannya jika liabilitas keuangan tersebut berakhir, yaitu ketika liabilitas yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kadaluwarsa.

Jika suatu liabilitas keuangan yang ada digantikan dengan yang lain oleh pemberi pinjaman yang sama pada keadaan yang secara substansial berbeda, atau berdasarkan suatu liabilitas yang ada yang secara substansial telah diubah, seperti pertukaran atau modifikasi yang diperlakukan sebagai penghentian pengakuan liabilitas awal dan pengakuan liabilitas baru dan perbedaan nilai tercatat masing-masing diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

Saling Hapus

Aset keuangan dan liabilitas keuangan saling hapus dan nilai netonya dilaporkan pada laporan posisi keuangan jika, dan hanya jika, saat ini terdapat hak yang berkekuatan hukum untuk saling hapus jumlah keduanya dan terdapat intensi untuk diselesaikan secara neto, atau untuk merealisasikan aset dan menyelesaikan liabilitas secara bersamaan.

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2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Derecognition (continued)

a. Financial assets are derecognized when: (continued)

Subsequent recoveries of loans previously written off, are added to the allowance for impairment losses account in the statement of financial position, if recovered in the current year and are recognized in the statement of profit or loss and other comprehensive income as other operational income, if recovered after the statement of financial position date.

b. Financial liabilities are derecognized when they are extinguished, i.e. liabilities stated in the contract are discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is currently an enforceable legal rights to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

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c. Aset dan Liabilitas Keuangan (lanjutan)

**Aset dan Liabilitas Keuangan (Selain
Investasi pada Sukuk) (lanjutan)**

Saling Hapus (lanjutan)

Hak yang berkekuatan hukum berarti:

- a. Tidak terdapat kontinjensi di masa yang akan datang; dan
- b. Hak yang berkekuatan hukum pada kondisi-kondisi berikut ini:
 - 1) Kegiatan bisnis normal;
 - 2) Kondisi kegagalan usaha; dan
 - 3) Kondisi gagal bayar atau bangkrut.

Pendapatan dan beban disajikan dalam jumlah bersih hanya jika diperkenankan oleh standar akuntansi.

Nilai Wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran.

Pengukuran nilai wajar mengasumsikan bahwa transaksi untuk menjual aset atau mengalihkan liabilitas terjadi:

- Di pasar utama untuk aset dan liabilitas tersebut; atau
- Jika tidak terdapat pasar utama, di pasar yang paling menguntungkan untuk aset atau liabilitas tersebut.

Nilai wajar suatu aset atau liabilitas diukur menggunakan asumsi yang akan digunakan pelaku pasar ketika menentukan harga aset dan liabilitas tersebut dengan asumsi bahwa pelaku pasar bertindak dalam kepentingan ekonomik terbaiknya.

Pengukuran nilai wajar aset non-keuangan memperhitungkan kemampuan pelaku pasar untuk menghasilkan manfaat ekonomi dengan menggunakan aset dalam penggunaan tertinggi dan terbaiknya atau dengan menjualnya kepada pelaku pasar lain yang akan menggunakan aset tersebut dalam penggunaan tertinggi dan terbaiknya.

**2. Summary of Significant Accounting Policies
(continued)**

c. Financial Assets and Liabilities (continued)

**Financial Assets and Liabilities (Other
Than Investment in Sukuk) (continued)**

Offsetting (continued)

Enforceable right means:

- a. There are no contingencies in the future; and
- b. Enforceable right to the following conditions:
 - 1) Deploying normal activities;
 - 2) Conditions of business failures; and
 - 3) Conditions of default or bankruptcy.

Income and expenses are presented on a net basis only when permitted by accounting standards.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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Aset dan Liabilitas Keuangan (Selain Investasi pada Sukuk) (lanjutan)

Nilai Wajar (lanjutan)

Bank menggunakan teknik penilaian yang sesuai dalam keadaan dan dimana data yang memadai tersedia untuk mengukur nilai wajar, memaksimalkan penggunaan input yang dapat diobservasi yang relevan dan meminimalkan penggunaan input yang tidak dapat diobservasi.

Semua aset dan liabilitas dimana nilai wajar diukur atau diungkapkan dalam laporan keuangan dapat dikategorikan pada level hirarki nilai wajar, berdasarkan tingkatan input terendah yang signifikan atas pengukuran nilai wajar secara keseluruhan:

- Level 1 : harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik;
- Level 2 : input selain harga kuotasian yang termasuk dalam Tingkat 1 yang dapat diobservasi untuk aset dan liabilitas baik secara langsung (misalnya harga) atau secara tidak langsung.
- Level 3 : input untuk aset dan liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi).

Untuk aset dan liabilitas yang diakui pada laporan keuangan secara berulang, Bank menentukan apakah terjadi transfer antara level di dalam hirarki dengan cara mengevaluasi kategori (berdasarkan input level terendah yang signifikan dalam pengukuran nilai wajar) setiap akhir periode pelaporan.

2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Fair Value (continued)

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (example, price) or indirectly;
- Level 3 : inputs for the asset and liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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**Aset dan Liabilitas Keuangan (Selain
Investasi pada Sukuk) (lanjutan)**

Reklasifikasi Instrumen Keuangan

Bank tidak melakukan reklasifikasi instrumen keuangan dari atau ke klasifikasi yang diukur pada nilai wajar melalui laporan laba rugi selama instrumen keuangan tersebut dimiliki atau diterbitkan.

Bank tidak mereklasifikasi setiap instrumen keuangan dari diukur pada nilai wajar melalui laba rugi jika pada pengakuan awal instrumen keuangan tersebut ditetapkan oleh Bank sebagai diukur pada nilai wajar melalui laba rugi.

Bank mereklasifikasi aset keuangan dari diukur pada nilai wajar jika aset keuangan tersebut tidak lagi dimiliki untuk tujuan penjualan atau pembelian kembali dalam waktu dekat (meskipun aset keuangan mungkin telah diperoleh atau timbul terutama untuk tujuan penjualan atau pembelian kembali dalam waktu dekat).

Persyaratan untuk reklasifikasi adalah:

- a) Dilakukan dalam situasi yang langka,
- b) Memenuhi definisi pinjaman yang diberikan dan piutang (jika aset keuangan tidak diisyaratkan untuk diklasifikasikan sebagai diperdagangkan pada pengakuan awal) dan Bank memiliki intensi dan kemampuan memiliki aset keuangan untuk masa mendatang yang dapat diperkirakan atau hingga jatuh tempo.

Bank tidak mereklasifikasi instrumen keuangan ke dalam kategori nilai wajar melalui laba rugi setelah pengakuan awal.

Bank mereklasifikasi aset keuangan yang diklasifikasikan sebagai tersedia untuk dijual yang memenuhi definisi pinjaman yang diberikan dan piutang (jika aset keuangan tidak ditetapkan sebagai tersedia untuk dijual) dari tersedia untuk dijual jika Bank memiliki intensi dan kemampuan memiliki aset keuangan untuk masa mendatang yang dapat diperkirakan atau hingga jatuh tempo.

**2. Summary of Significant Accounting Policies
(continued)**

c. Financial Assets and Liabilities (continued)

**Financial Assets and Liabilities (Other
Than Investment in Sukuk) (continued)**

Reclassification of Financial Instruments

The Bank shall not reclassify any financial instrument out of or into the fair value through profit or loss classification while it is held or issued.

The Bank does not reclassify any financial instrument out of fair value through profit or loss classification if upon initial recognition the financial instrument is designated by the Bank as at fair value through profit or loss.

The Bank reclassifies a financial asset out of fair value through profit or loss classification if the financial asset is no longer incurred for the purpose of selling or repurchasing in the near term (although the financial asset may have been acquired or intended principally for the purpose of selling or repurchasing in the near term).

Requirement for the reclassification are:

- a) Occurs in a rare circumstances,
- b) Qualifies as loans and receivables definition (if the financial asset is not designated as at held for trading upon initial recognition) and the Bank has the intention and ability to hold the financial assets for the future that can be forecasted or to maturity.

The Bank does not reclassify any financial instrument into fair value through profit or loss classification after initial recognition.

The Bank reclassifies a financial asset at available-for-sale classification which qualifies as loans and receivable definition (if the financial asset is not designated as at available-for-sale) from available-for-sale if the Bank has the intention and ability to hold the financial asset for the future that can be forecasted or to maturity.

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Aset dan Liabilitas Keuangan (Selain Investasi pada Sukuk) (lanjutan)

Reklasifikasi Instrumen Keuangan (lanjutan)

Bank tidak mereklasifikasi aset keuangan yang dikategorikan dimiliki hingga jatuh tempo. Jika terjadi penjualan atau reklasifikasi aset keuangan dari kelompok dimiliki hingga jatuh tempo dalam jumlah yang lebih dari jumlah yang tidak signifikan sebelum jatuh tempo (selain dari kondisi spesifik tertentu), maka seluruh aset keuangan yang dimiliki hingga jatuh tempo akan direklasifikasi menjadi aset keuangan yang tersedia untuk dijual. Selanjutnya, Bank tidak akan mengklasifikasi aset keuangan sebagai aset keuangan yang dimiliki hingga jatuh tempo selama dua tahun berikutnya.

Kondisi spesifik tertentu yang dimaksud adalah sebagai berikut:

- a) Dilakukan ketika aset keuangan sudah mendekati jatuh tempo atau tanggal pembelian kembali, sehingga perubahan suku bunga tidak akan berpengaruh secara signifikan terhadap nilai wajar aset keuangan tersebut;
- b) Ketika Bank telah memperoleh secara substansial seluruh jumlah pokok aset-aset keuangan tersebut sesuai jadwal pembayaran atau Bank telah memperoleh pelunasan dipercepat; atau
- c) Terkait dengan kejadian tertentu yang berada di luar kendali Bank, tidak terulang, dan tidak dapat diantisipasi secara wajar oleh Bank.

Reklasifikasi aset keuangan dari kelompok diukur pada nilai wajar melalui laba rugi ke dalam kelompok pinjaman yang diberikan dan piutang dicatat pada biaya perolehan atau biaya perolehan diamortisasi. Keuntungan atau kerugian belum direalisasi yang telah diakui sebagai laba rugi tidak dapat dibalik.

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2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Reclassification of Financial Instruments (continued)

The Bank does not reclassify any financial asset categorized as held-to-maturity. If there is a sale or reclassification of held-to-maturity financial asset for more than an insignificant amount before maturity (other than in certain specific circumstances), the entire held-to-maturity financial assets will have to be reclassified as available-for-sale financial assets. Subsequently, the Bank shall not classify financial asset as held-to-maturity during the following two years.

The certain specific circumstances are as follows:

- a) Performed if financial assets are so close to maturity or call date, that changes in the market rate of interest would not have a significant effect on their fair value;
- b) When the Bank have collected substantially all of the financial assets original principal through scheduled payment or prepayment; or
- c) Attributable to an isolated event that is beyond the Bank's control, is non-recurring and could not have been reasonably anticipated by the Bank.

Reclassification of fair value through profit or loss financial asset to loans and receivables is recorded at cost or amortized cost. Unrealized gain or loss that has been recognized as profit or loss shall not be reversed.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

c. Aset dan Liabilitas Keuangan (lanjutan)

Aset dan Liabilitas Keuangan (Selain Investasi pada Sukuk) (lanjutan)

Reklasifikasi Instrumen Keuangan (lanjutan)

Reklasifikasi aset keuangan dari kelompok tersedia untuk dijual ke dalam kelompok pinjaman yang diberikan dan piutang dicatat pada biaya perolehan atau biaya perolehan diamortisasi. Keuntungan atau kerugian belum direalisasi yang sebelumnya diakui dalam ekuitas dicatat dengan cara sebagai berikut:

- a) Jika aset keuangan memiliki jatuh tempo tetap, keuntungan atau kerugian diamortisasi ke laba rugi selama sisa umur investasi dengan EIR.
- b) Jika aset keuangan tidak memiliki jatuh tempo yang tetap, keuntungan atau kerugian tetap dalam ekuitas sampai aset keuangan tersebut dijual atau dilepaskan dan pada saat itu keuntungan atau kerugian diakui dalam laba rugi dan penghasilan komprehensif lain.

Reklasifikasi aset keuangan dari kelompok yang dimiliki hingga jatuh tempo ke kelompok tersedia untuk dijual dicatat sebesar nilai wajar. Keuntungan atau kerugian yang belum direalisasi diakui dalam ekuitas sampai aset keuangan tersebut dihentikan pengakuannya dan pada saat itu keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas diakui pada laporan laba rugi dan penghasilan komprehensif lain.

Investasi pada Sukuk

Efek-efek dan obligasi Pemerintah syariah, kecuali Reksadana, diklasifikasikan berdasarkan model usaha yang ditentukan oleh Bank pada saat pembelian surat berharga tersebut didasarkan atas klasifikasi yang sesuai dengan PSAK No. 110 tentang "Akuntansi Sukuk" sebagai berikut:

- a. Surat berharga diukur pada biaya perolehan disajikan sebesar biaya perolehan (termasuk biaya transaksi) yang disesuaikan dengan premi dan/atau diskonto yang belum diamortisasi. Premi dan diskonto diamortisasi selama periode hingga jatuh tempo.

2. Summary of Significant Accounting Policies (continued)

c. Financial Assets and Liabilities (continued)

Financial Assets and Liabilities (Other Than Investment in Sukuk) (continued)

Reclassification of Financial Instruments (continued)

Reclassification of available-for-sale financial asset to loans and receivables is recorded at cost or amortized cost. Any previous gain or loss which has been recognized directly in equity shall be accounted for as follows:

- a) In the case of a financial asset with a fixed maturity, the gain or loss shall be amortized to profit or loss over the remaining life of the investment using the EIR.
- b) In the case of a financial asset that does not have a fixed maturity, the gain or loss shall remain in equity until the financial asset is sold or otherwise disposed of, when it shall be recognized in statement of profit or loss and other comprehensive income.

Reclassification of held-to-maturity financial asset to available-for-sale is recorded at fair value. The unrealized gain or loss is recognized in equity until the time the financial assets is derecognized and at the time the cumulative gain or loss previously recognized in equity shall be recognized in the statement of profit or loss and other comprehensive income.

Investment in Sukuk

Sharia securities and Government bonds, except for Reksadana, are classified based on business model, determined by the Bank at the date of purchase in accordance with SFAS No. 110 on "Accounting for Sukuk" as follows:

- a. At cost securities are stated at cost (including transaction costs), adjusted by unamortised premium and/or discount. Premium and discount are amortised over the period until maturity.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

c. Aset dan Liabilitas Keuangan (lanjutan)

**Aset dan Liabilitas Keuangan (Selain
Investasi pada Sukuk) (lanjutan)**

Investasi pada Sukuk (lanjutan)

Efek-efek dan obligasi Pemerintah syariah, kecuali Reksadana, diklasifikasikan berdasarkan model usaha yang ditentukan oleh Bank pada saat pembelian surat berharga tersebut didasarkan atas klasifikasi yang sesuai dengan PSAK No. 110 tentang "Akuntansi Sukuk" sebagai berikut: (lanjutan)

b. Surat berharga diukur pada nilai wajar melalui laba rugi, yang dinyatakan sebesar nilai wajar. Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajarnya disajikan dalam laporan laba rugi tahun yang bersangkutan.

c. Surat berharga yang diukur pada nilai wajar melalui penghasilan komprehensif lainnya. Surat berharga disajikan sebesar nilai wajar. Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajarnya disajikan dalam penghasilan komprehensif lain. Premi dan diskonto diamortisasi selama periode hingga jatuh tempo.

d. Giro pada Bank Indonesia dan Bank Lain

Giro pada Bank Indonesia dan bank lain setelah perolehan awal diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode EIR. Cadangan kerugian penurunan nilai diukur bila terdapat indikasi penurunan nilai dengan menggunakan metodologi penurunan nilai sebagaimana diungkapkan dalam Catatan 2k.

e. Penempatan pada Bank Indonesia dan Bank Lain

Penempatan pada Bank Indonesia dan bank lain merupakan penempatan dana dalam bentuk *call money*, Fasilitas Simpanan Bank Indonesia, deposito berjangka dan lain-lain.

**2. Summary of Significant Accounting Policies
(continued)**

c. Financial Assets and Liabilities (continued)

**Financial Assets and Liabilities (Other
Than Investment in Sukuk) (continued)**

Investment in Sukuk (continued)

Sharia securities and Government bonds, except for Reksadana, are classified based on business model, determined by the Bank at the date of purchase in accordance with SFAS No. 110 on "Accounting for Sukuk" as follows: (continued)

b. At fair value securities are stated at fair value through profit or loss. Unrealised gains or losses from the increase or decrease in fair values are presented in current year profit or loss.

c. At fair value through other comprehensive income securities are measured at fair value. Unrealised gains or losses from the increase or decrease in fair value are presented in other comprehensive income. Premium and discount are amortized over the period until maturity.

d. Current Accounts with Bank Indonesia and Other Banks

Subsequent to initial recognition, current accounts with Bank Indonesia and other banks are measured at their amortized cost using the EIR method. Allowance for impairment losses is assessed if there is an indication of impairment using the impairment methodology as disclosed in Note 2k.

e. Placements with Bank Indonesia and Other Banks

Placements with Bank Indonesia and other banks consist of call money, Bank Indonesia Deposit Facilities, time deposits and others.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

e. Penempatan pada Bank Indonesia dan Bank Lain (lanjutan)

Penempatan pada Bank Indonesia dinyatakan sebesar saldo penempatan.

Penempatan pada bank lain dinilai berdasarkan nilai wajar ditambah biaya transaksi tambahan langsung, jika ada, dan selanjutnya diukur sebesar biaya perolehan diamortisasi dengan menggunakan EIR. Cadangan kerugian penurunan nilai diukur bila terdapat bukti yang obyektif mengenai penurunan nilai dengan menggunakan metodologi penurunan nilai sebagaimana diungkapkan dalam Catatan 2k.

f. Efek-efek yang Diperdagangkan

Efek-efek yang diperdagangkan terdiri dari Surat Utang Negara, Surat Perbendaharaan Negara, dan Sertifikat Bank Indonesia yang dikategorikan sebagai dimiliki untuk diperdagangkan dan dicatat di laporan posisi keuangan sebesar nilai wajar.

Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajar disajikan dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan. Pendapatan bunga dari efek hutang dicatat dalam laporan laba rugi dan penghasilan komprehensif lain sesuai dengan persyaratan dalam kontrak. Pada saat penjualan portofolio efek yang diperdagangkan, selisih antara harga jual dengan harga perolehan diakui sebagai keuntungan atau kerugian penjualan pada tahun dimana efek tersebut dijual.

g. Investasi Keuangan

Investasi keuangan diklasifikasikan sebagai berikut:

Efek-efek yang Tersedia untuk Dijual

Efek-efek yang tersedia untuk dijual diakui dan diukur sebesar nilai wajar dengan memperhitungkan pendapatan dan/atau beban yang dapat diatribusikan langsung pada pembelian efek-efek. Setelah pengakuan awal, keuntungan dan kerugian yang belum direalisasikan dari kenaikan atau penurunan nilai wajar, setelah pajak, diakui dan disajikan sebagai komponen ekuitas.

**2. Summary of Significant Accounting Policies
(continued)**

e. Placements with Bank Indonesia and Other Banks (continued)

Placements with Bank Indonesia are stated in outstanding balances.

Placements with other banks are initially measured at fair value plus incremental direct transaction cost, if any, and subsequently measured at their amortized cost using EIR. Allowances for impairment losses are assessed if there is an objective evidence of impairment using the impairment methodology as disclosed in Note 2k.

f. Trading Securities

Trading securities comprise of Government Bonds, State Treasury Notes, and Certificates of Bank Indonesia that are classified as held for trading; these are recorded at fair value in the statement of financial position.

Unrealized gains or losses resulting from the increase or decrease in fair value are recognized in the current year statement of profit or loss and other comprehensive income. The interest income from debt securities is recorded in the statement of profit or loss and other comprehensive income according to the terms of the contract. At the time of sale of trading securities portfolio, the difference between the selling price and the purchase price is recognized as a gain or loss in the year when the securities are sold.

g. Financial Investments

Financial investments are classified as follows:

Available-for-Sale Securities

Available-for-sale securities are recognized and measured at fair value by calculating income and/or expenses directly attributable to the purchase of securities. After initial recognition, gains and losses from changes in fair value of securities, net of tax, are recognized directly to equity.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

g. Investasi Keuangan (lanjutan)

Investasi keuangan diklasifikasikan sebagai berikut: (lanjutan)

Efek-efek yang Tersedia untuk Dijual (lanjutan)

Ketika investasi tersebut dihapus, keuntungan atau kerugian kumulatif setelah pajak, yang sebelumnya diakui di penghasilan komprehensif lainnya, diakui dalam laporan laba rugi dan penghasilan komprehensif lain. Kerugian yang timbul dari penurunan nilai pada investasi tersebut diakui dalam laporan laba rugi dan penghasilan komprehensif lain dan dikeluarkan dari penghasilan komprehensif lainnya.

Premi dan/atau diskonto diamortisasi sebagai pendapatan bunga dengan menggunakan EIR.

Efek-efek yang Dimiliki Hingga Jatuh Tempo

Efek-efek yang dimiliki hingga jatuh tempo diakui dan diukur sebesar nilai wajar dengan memperhitungkan pendapatan dan/atau beban yang dapat diatribusikan langsung pada pembelian efek-efek. Setelah pengakuan awal, efek-efek diukur pada biaya perolehan diamortisasi menggunakan metode EIR.

h. Instrumen Keuangan Derivatif

Seluruh instrumen derivatif dicatat dalam laporan posisi keuangan berdasarkan nilai wajarnya. Nilai wajar tersebut ditentukan berdasarkan harga pasar, kurs Reuters pada tanggal pelaporan laporan posisi keuangan, diskonto arus kas, model penentu harga atau harga yang diberikan oleh broker (*quoted price*) atas instrumen lain yang memiliki karakteristik atau model penentuan harga serupa.

Keuntungan atau kerugian dari kontrak derivatif yang tidak ditujukan untuk lindung nilai (atau tidak memenuhi kriteria untuk dapat diklasifikasikan sebagai lindung nilai) diakui pada laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

2. Summary of Significant Accounting Policies (continued)

g. Financial Investments (continued)

Financial investments are classified as follows: (continued)

Available-for-Sale Securities (continued)

When the investment is disposed the cumulative gain or loss, net of tax, previously recognized in other comprehensive income is recognized in the statement of profit or loss and other comprehensive income. The losses arising from impairment of such investments are recognized in the statement of profit or loss and other comprehensive income and removed from other comprehensive income.

Premium and/or discount is amortized and reported as interest income using the EIR.

Held-to-Maturity Securities

Held-to-maturity securities is recognized and measured at fair value by calculating income and/or expenses directly attributable to the purchase of securities. After initial recognition, securities are measured at amortized acquisition cost using EIR.

h. Derivative Financial Instruments

All derivative instruments are recognized in statement of financial position at fair value. The fair value is based on the market rate, Reuters exchange rate at statement of financial position date, discounted cash flows and price valuation or broker quoted price on other instruments with similar characteristics or price model.

Gain or loss on a derivative contract not designated as a hedging instrument (or does not qualify as a hedging instrument) is recognized in the current year statement of profit or loss and comprehensive income.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

h. Instrumen Keuangan Derivatif (lanjutan)

Instrumen derivatif melekat dipisahkan dari kontrak utama non-derivatif dan diperlakukan sebagai instrumen derivatif jika seluruh kriteria berikut terpenuhi:

1. Risiko dan karakteristik ekonomi dari derivatif melekat tidak secara erat berhubungan dengan karakteristik dan risiko kontrak utama;
2. Instrumen terpisah dengan kondisi yang sama dengan instrumen derivatif melekat memenuhi definisi dari derivatif; dan
3. Instrumen hibrid (kombinasi) tidak diukur pada harga wajar dengan perubahan nilai wajar diakui dalam laporan laba rugi dan penghasilan komprehensif lain (yaitu derivatif melekat dalam aset keuangan atau liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi tidak dipisahkan).

i. Kredit yang Diberikan

Kredit yang diberikan diukur pada biaya perolehan diamortisasi menggunakan EIR dikurangi cadangan kerugian penurunan nilai. Biaya perolehan diamortisasi dihitung dengan memperhitungkan nilai kredit pada saat pengakuan awal dikurangi pembayaran pokok, ditambah atau dikurangi dengan amortisasi kumulatif menggunakan metode EIR yang dihitung dari selisih antara nilai awal dan nilai jatuh temponya, dikurangi penurunan untuk penurunan nilai atau nilai yang tidak dapat ditagih. Amortisasi tersebut diakui pada laporan laba rugi dan penghasilan komprehensif lain.

Kredit yang diberikan diukur pada nilai wajar melalui laba rugi dicatat di laporan posisi keuangan sebesar nilai wajar.

Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajar disajikan dalam laporan laba rugi tahun berjalan. Pendapatan bunga dari kredit yang diberikan dicatat dalam laporan laba rugi sesuai dengan persyaratan dalam kontrak.

2. Summary of Significant Accounting Policies (continued)

h. Derivative Financial Instruments (continued)

Embedded derivative instruments are separated from their host non-derivative contract and accounted for as a derivative instrument if all of the following criteria are met:

1. *The risks and economic characteristics of the embedded derivative are not closely related to those of the host contract;*
2. *A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and*
3. *The hybrid (combined) instrument is not measured at fair value with changes in fair value recognized in statement of profit or loss and other comprehensive income (i.e a derivative that is embedded in a financial asset or financial liability at fair value through profit or loss is not separated).*

i. Loans

Loans are measured at amortized cost using the EIR less allowance for impairment losses. The amortized cost of loan is the amount at which the loan is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using EIR method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The amortization is recognized in the statement of profit or loss and other comprehensive income.

Loans that are measured at fair value through profit or loss are recorded at fair value in the statement of financial position.

Unrealized gains or losses resulting from the increase or decrease in fair value are recognized in the current year statement of profit or loss. The interest income from loans is recorded in the statement of profit or loss according to the terms of the contract.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

i. Kredit yang Diberikan (lanjutan)

Cadangan kerugian atas penurunan nilai dilakukan bila terdapat indikasi penurunan nilai dengan menggunakan metodologi penurunan nilai sebagaimana diungkapkan dalam Catatan 2k.

Kredit sindikasi dinyatakan sebesar pokok kredit sesuai dengan porsi risiko yang ditanggung oleh Bank.

Restrukturisasi Kredit

Kerugian yang timbul dari restrukturisasi kredit yang berkaitan dengan modifikasi persyaratan kredit hanya diakui bila nilai tunai penerimaan kas masa depan yang telah ditentukan dalam persyaratan kredit yang baru, termasuk penerimaan yang diperuntukkan sebagai bunga maupun pokok, adalah lebih kecil dari nilai kredit yang diberikan yang tercatat sebelum restrukturisasi.

Untuk restrukturisasi kredit bermasalah dengan cara konversi kredit yang diberikan menjadi saham atau instrumen keuangan lainnya, kerugian dari restrukturisasi kredit diakui hanya apabila nilai wajar penyertaan saham atau instrumen keuangan yang diterima dikurangi estimasi biaya untuk menjualnya adalah kurang dari nilai tercatat kredit yang diberikan.

Saat ini hanya terdapat restrukturisasi kredit dengan menggunakan metode perpanjangan jangka waktu kredit dan penurunan suku bunga kredit.

j. Tagihan dan Liabilitas Akseptasi

Tagihan akseptasi diukur pada biaya perolehan diamortisasi menggunakan metode EIR, dikurangi dengan cadangan kerugian penurunan nilai. Liabilitas akseptasi diukur pada biaya perolehan diamortisasi menggunakan metode EIR.

Cadangan kerugian penurunan nilai dilakukan bila terdapat bukti yang obyektif mengenai penurunan nilai dengan menggunakan metodologi penurunan nilai sebagaimana diungkapkan dalam Catatan 2k.

2. Summary of Significant Accounting Policies (continued)

i. Loans (continued)

The allowance for impairment losses are assessed if there is an objective evidence of impairment using the impairment methodology as disclosed in Note 2k.

Syndicated loans are stated at the loan principal amount based on the risk participation by the Bank.

Loan Restructuring

Losses on loan restructuring in respect of modification of the terms of the loans are recognized only if the cash value of total future cash receipts specified in the new terms of the loans, including both receipts designated as interest and those designated as loan principal, are less than the recorded amounts of loans before restructuring.

For loan restructuring which involves a conversion of loans into equity or other financial instruments, a loss on loan restructuring is recognized only if the fair value of the equity or other financial instruments received, reduced by estimated costs to sell the equity or other financial instruments, is less than the carrying value of loan.

Currently, there is only loan restructuring using extension of terms of loans and decrease of loan interest method.

j. Acceptance Receivables and Payables

Acceptance receivables are measured at amortized cost using the EIR, less allowance for impairment losses. Acceptance liabilities are measured at amortized cost by using the EIR.

The allowance for impairment losses are assessed if there is an objective evidence of impairment by using the impairment methodology as disclosed in Note 2k.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

**2. Summary of Significant Accounting Policies
(continued)**

k. Penurunan Nilai Aset Keuangan

k. Impairment of Financial Assets

Pada setiap tanggal laporan posisi keuangan, Bank mengevaluasi apakah terdapat bukti yang objektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Aset keuangan atau kelompok aset keuangan diturunkan nilainya dan kerugian penurunan nilai terjadi jika, dan hanya jika, terdapat bukti yang objektif mengenai penurunan nilai tersebut sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut (peristiwa yang menyebabkan penurunan nilai), yang berdampak pada estimasi arus kas masa depan atas aset keuangan atau kelompok aset keuangan yang diestimasi secara andal.

The Bank assesses at each statement of financial position date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired and impairment losses incurred if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Bukti penurunan nilai meliputi indikasi kesulitan keuangan signifikan yang dialami penerbit atau pihak peminjam, wanprestasi atau tunggakan pembayaran pokok atau bunga, kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya dan data yang dapat diobservasi mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa datang, misalnya perubahan tunggakan atau kondisi ekonomi yang berkorelasi dengan wanprestasi atas aset dalam kelompok tersebut.

Evidence of impairment includes indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Jika terdapat bukti objektif bahwa penurunan nilai telah terjadi, jumlah kerugian diukur sebesar selisih antara nilai tercatat aset dan nilai sekarang dari estimasi arus kas masa depan (tidak termasuk kerugian kredit di masa datang yang diharapkan tapi belum terjadi).

If there is an objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred).

Estimasi periode antara terjadinya peristiwa dan identifikasi kerugian ditentukan oleh Manajemen untuk setiap portofolio yang diidentifikasi. Pada umumnya, periode tersebut bervariasi antara 3 sampai 12 bulan, untuk kasus tertentu diperlukan periode yang lebih lama.

The estimated period between the occurrence of the event and identification of loss is determined by Management for each identified portfolio. In general, the periods used vary between 3 to 12 months; in exceptional cases, longer periods are warranted.

Untuk aset keuangan yang dicatat pada biaya perolehan diamortisasi, Bank pada awalnya menentukan apakah terdapat bukti objektif penurunan nilai secara individual atas aset keuangan yang signifikan secara individual, atau secara kolektif untuk aset keuangan yang tidak signifikan secara individual.

For financial assets carried at amortized cost, the Bank first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

k. Penurunan Nilai Aset Keuangan (lanjutan)

Penilaian secara individual dilakukan atas aset keuangan yang signifikan yang memiliki bukti objektif penurunan nilai. Aset keuangan yang tidak signifikan dimasukkan dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang sejenis dan dilakukan penilaian secara kolektif.

Jika Bank menyimpulkan tidak terdapat bukti objektif penurunan nilai aset keuangan yang dinilai secara individual, maka Bank memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang sejenis dan menilai penurunan nilai kelompok tersebut secara kolektif.

Bank menetapkan kredit yang dievaluasi penurunan nilainya secara individual, jika memenuhi salah satu kriteria di bawah ini:

1. Kredit yang secara individual memiliki nilai signifikan tertentu dan memiliki bukti obyektif penurunan nilai;
2. Kredit yang direstrukturisasi yang secara individual memiliki nilai signifikan.

Cadangan kerugian penurunan nilai secara individual dihitung dengan menggunakan metode diskonto arus kas (*discounted cash flows*).

Bank menetapkan bahwa kredit dievaluasi penurunan nilainya secara kolektif, jika memenuhi salah satu kriteria di bawah ini:

1. Kredit yang secara individual bernilai signifikan dan tidak memiliki bukti obyektif penurunan nilai.
2. Kredit yang secara individual bernilai tidak signifikan.
3. Kredit yang telah direstrukturisasi yang secara individual bernilai tidak signifikan.

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2. Summary of Significant Accounting Policies (continued)

k. Impairment of Financial Assets (continued)

Individual assessment is performed on the significant financial assets that had objective evidence of impairment. The insignificant financial assets are included in the group of financial assets with similar credit risk characteristics and assessed collectively.

However, if the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, the Bank includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

The Bank determines loans to be evaluated for impairment through individual evaluation if one of the following criteria is met:

1. *Loans which individually have certain significant value and objective evidence of impairment;*
2. *Restructured loans which individually have significant value.*

Allowance for impairment losses on impaired financial assets is assessed individually by using discounted cash flows method.

The Bank determines that loans will be evaluated for impairment through collective evaluation if one of the following criteria is met:

1. *Loans which individually have significant value and in which there is no objective evidence of impairment.*
2. *Loans which individually have insignificant value.*
3. *Restructured loans which individually have insignificant value.*

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

2. Summary of Significant Accounting Policies (continued)

k. Penurunan Nilai Aset Keuangan (lanjutan)

k. Impairment of Financial Assets (continued)

Bank menerapkan cadangan penurunan nilai secara kolektif yang dihitung dengan menggunakan metode statistik atas data historis berupa *probability of default* di masa lalu, waktu pemulihan dan jumlah kerugian yang terjadi (*Loss Given Default*) yang selanjutnya disesuaikan lagi dengan pertimbangan manajemen terkait kondisi ekonomi dan kredit saat ini.

The Bank provides allowance for impairment on impaired financial assets that was assessed collectively, using statistical method of the historical data such as the probability of defaults, time of recoveries, the amount of loss incurred (*Loss Given Default*), and by considering management's judgment of current economic and credit conditions.

Bank menggunakan *statistical model analysis method*, yaitu *roll rates analysis method* untuk penilaian penurunan nilai aset keuangan secara kolektif.

The Bank uses statistical model analysis method, i.e., roll rate analysis method to assess financial asset impairment collectively.

Bank menggunakan nilai wajar agunan (*fair value of collateral*) sebagai dasar dari arus kas masa datang apabila salah satu kondisi berikut terpenuhi:

The Bank uses the fair value of collateral as the basis for future cash flows if one of the following conditions is met:

1. Kredit bersifat tergantung pada agunan (*collateral dependent*), yaitu jika pelunasan kredit hanya bersumber dari agunan;
2. Pengambilalihan agunan kemungkinan besar terjadi dan didukung dengan perjanjian pengikatan agunan.

1. Loans are collateral dependent, i.e. if the source of loans repayment is made only from the collateral;

2. Foreclosure of collateral is most likely to occur and supported by binding collateral agreement.

Kerugian penurunan nilai aset keuangan yang dicatat pada biaya perolehan setelah amortisasi diukur sebesar selisih antara nilai tercatat aset keuangan dengan nilai kini estimasi arus kas masa datang yang didiskonto menggunakan suku bunga efektif awal dari aset keuangan tersebut. Jika pinjaman yang diberikan atau surat-surat berharga dan Obligasi Pemerintah dimiliki hingga jatuh tempo memiliki suku bunga variabel, maka tingkat diskonto yang digunakan untuk mengukur setiap kerugian penurunan nilai adalah suku bunga efektif yang berlaku saat ini yang ditetapkan dalam kontrak.

Impairment losses on financial assets carried at amortized cost are measured as the difference between the carrying amount of the financial assets and present value of estimated future cash flows discounted at the financial assets original effective interest rate. If a loan or held-to-maturity securities and Government Bonds have a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Sebagai panduan praktis, Bank dapat mengukur penurunan nilai berdasarkan nilai wajar instrumen dengan menggunakan harga pasar yang dapat diobservasi, perhitungan nilai kini dari estimasi arus kas masa datang dari aset keuangan agunan (*collateralized financial asset*) yang mencerminkan arus kas yang dapat dihasilkan dari pengambilalihan agunan dikurangi biaya-biaya untuk memperoleh dan menjual agunan, terlepas apakah pengambilalihan tersebut berpeluang terjadi atau tidak.

As a practical guideline, the Bank may measure impairment on the basis of an instrument's fair value using an observable market price, or the calculation of the present value of the estimated future cash flows of a collateralized financial assets which reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

**k. Penurunan Nilai Aset Keuangan
(lanjutan)**

Kerugian yang terjadi diakui pada laporan laba rugi dan penghasilan komprehensif lain dan dicatat pada akun cadangan kerugian penurunan nilai sebagai pengurang terhadap aset keuangan yang dicatat pada biaya perolehan diamortisasi.

Pendapatan bunga dari aset keuangan yang mengalami penurunan nilai tetap diakui atas dasar suku bunga yang digunakan untuk mendiskonto arus kas masa datang dalam pengukuran kerugian penurunan nilai. Jika terjadi peristiwa setelah tanggal laporan posisi keuangan menyebabkan jumlah kerugian penurunan nilai berkurang, kerugian penurunan nilai yang sebelumnya diakui dipulihkan dan pemulihan tersebut diakui pada laporan laba rugi dan penghasilan komprehensif lain.

Untuk aset keuangan yang tersedia untuk dijual, pada setiap tanggal laporan posisi keuangan, Bank mengevaluasi apakah terdapat bukti obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Penurunan yang signifikan atau penurunan jangka panjang atas nilai wajar investasi dalam instrumen ekuitas yang diklasifikasikan sebagai tersedia untuk dijual di bawah biaya perolehannya merupakan bukti obyektif terjadinya penurunan nilai dan menyebabkan pengakuan kerugian penurunan nilai. Kerugian penurunan nilai atas surat-surat berharga yang tersedia untuk dijual diakui dengan memindahbukukan kerugian kumulatif yang telah diakui secara langsung dalam ekuitas ke laporan laba rugi dan penghasilan komprehensif lain.

Jumlah kerugian kumulatif yang dipindahbukukan dari ekuitas dan diakui pada laporan laba rugi dan penghasilan komprehensif lain merupakan selisih antara biaya perolehan (setelah dikurangi dengan nilai pelunasan pokok dan amortisasi) dengan nilai wajar kini, dikurangi kerugian penurunan nilai aset keuangan yang sebelumnya telah diakui pada laporan laba rugi dan penghasilan komprehensif lain.

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**2. Summary of Significant Accounting Policies
(continued)**

k. Impairment of Financial Assets (continued)

Losses are recognized in the statement of profit or loss and other comprehensive income and reflected in an allowance for impairment losses account against financial assets carried at amortized cost.

Interest income on the impaired financial assets continues to be recognized using the original rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss previously recognized is reversed through the statement of profit or loss and other comprehensive income.

For financial assets classified as available-for-sale, the Bank assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. Impairment losses on available-for-sale marketable securities are recognized by transferring the cumulative loss that has been recognized directly in equity to the statement of profit or loss and other comprehensive income.

The cumulative loss that has been removed from equity and recognized in the statement of profit or loss and other comprehensive income is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in statement of profit or loss and other comprehensive income.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

**2. Summary of Significant Accounting Policies
(continued)**

**k. Penurunan Nilai Aset Keuangan
(lanjutan)**

k. Impairment of Financial Assets (continued)

Kerugian penurunan nilai yang diakui pada laporan laba rugi dan penghasilan komprehensif lain atas investasi instrumen ekuitas yang diklasifikasikan sebagai instrumen ekuitas yang tersedia untuk dijual tidak dipulihkan.

Impairment losses recognized in statement of profit or loss and other comprehensive income on investments in equity instruments classified as available-for-sale shall not be reversed.

Jika pada periode berikutnya, nilai wajar instrumen utang yang diklasifikasikan dalam kelompok tersedia untuk dijual meningkat dan peningkatan tersebut dapat secara obyektif dihubungkan dengan peristiwa yang terjadi setelah pengakuan kerugian nilai pada laporan laba rugi dan penghasilan komprehensif lain maka kerugian penurunan nilai tersebut dipulihkan melalui laporan laba rugi dan penghasilan komprehensif lainnya.

If in a subsequent period, the fair value of debt instrument classified as available-for-sale securities increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in statement of profit or loss and other comprehensive income, the impairment loss is reversed, with the amount of reversal recognized in statement of profit or loss and other comprehensive income.

Jika persyaratan pinjaman yang diberikan, piutang atau surat-surat berharga yang dimiliki hingga jatuh tempo dinegosiasi ulang atau dimodifikasi karena debitur atau penerbit mengalami kesulitan keuangan, maka penurunan nilai diukur dengan suku bunga efektif awal yang digunakan sebelum persyaratan diubah.

If the terms of the loans and receivables or held-to-maturity marketable securities are renegotiated or otherwise modified because of financial difficulties of the borrower or issuer, impairment is measured using the original effective interest rate before the terms are modified.

Jika pada suatu periode berikutnya, jumlah cadangan kerugian penurunan nilai berkurang dan pengurangan tersebut dapat dikaitkan secara obyektif pada peristiwa yang terjadi setelah penurunan nilai diakui (seperti meningkatnya peringkat kredit debitur atau penerbit), maka kerugian penurunan nilai yang sebelumnya diakui akan dipulihkan, dengan menyesuaikan akun cadangan. Jumlah pemulihan aset keuangan diakui pada laporan laba rugi dan penghasilan komprehensif lain.

If in the next period, the amount of allowance for impairment losses is decreased and the decrease can be related objectively to an event that occurred after the recognition of the impairment losses (i.e. upgrade debtor's or issuer's collectability), the impairment loss that was previously recognized shall be reversed, by adjusting the allowance account. The reversal amount of financial assets is recognized in the statement of profit or loss and other comprehensive income.

Penerimaan kembali pada tahun berjalan aset keuangan yang telah dihapusbukukan dikreditkan dengan menyesuaikan akun cadangan kerugian penurunan nilai.

The recoveries of written-off financial assets in the current year are credited by adjusting the allowance for impairment losses accounts.

Penerimaan kembali pinjaman yang telah dihapusbukukan pada tahun-tahun sebelumnya dicatat sebagai pendapatan operasional selain pendapatan bunga.

Recoveries of written-off loans from previous years are recorded as operational income other than interest income.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

1. Penurunan Nilai Aset Non-Keuangan

Pada setiap tanggal pelaporan, Bank melakukan penilaian apakah terdapat indikasi bahwa aset non-keuangan mungkin mengalami penurunan nilai sesuai dengan PSAK No. 48 tentang "Penurunan Nilai Aset". Ketika sebuah indikator penurunan nilai ada atau ketika sebuah pengujian penurunan nilai tahunan untuk aset diperlukan, Bank membuat estimasi resmi atas jumlah terpulihkan.

Nilai yang dapat dipulihkan adalah sebesar jumlah yang lebih tinggi dari nilai wajar aset (atau unit penghasil kas) dikurangi besarnya biaya untuk menjual dibandingkan dengan nilai pakai yang ditentukan untuk aset individu, kecuali aset tersebut menghasilkan arus kas masuk yang tidak tergantung lagi dari aset yang lain atau kumpulan aset, yang dalam hal jumlah terpulihkan dinilai sebagai bagian dari unit penghasil kas. Apabila nilai tercatat suatu aset (atau unit penghasil kas) melebihi jumlah terpulihkan, maka aset (atau unit penghasil kas) tersebut dianggap mengalami penurunan nilai dan diturunkan menjadi sebesar nilai yang dapat dipulihkan. Dalam menilai nilai pakai suatu aset, estimasi terhadap arus kas dipulihkan di masa depan akan didiskontokan menjadi nilai kini dengan menggunakan tingkat suku bunga diskonto sebelum pajak yang mencerminkan penilaian pasar terhadap nilai waktu dari kas dan risiko spesifik aset (atau unit penghasil kas) tersebut.

Kerugian penurunan nilai akan dibebankan pada periode yang bersangkutan, kecuali aset tersebut telah dicatat sebesar jumlah yang direvaluasi, dalam hal ini kerugian penurunan nilai tersebut akan dibebankan langsung ke dalam selisih penilaian kembali aset bersangkutan.

Bank melakukan evaluasi pada setiap tanggal pelaporan apakah terdapat indikasi bahwa pengakuan kerugian penurunan nilai sebelumnya mungkin tidak lagi ada atau telah menurun. Bila terdapat indikasi tersebut, maka jumlah terpulihkan akan diestimasi. Kerugian penurunan nilai yang sebelumnya telah diakui akan dibalik hanya jika telah terjadi perubahan dalam estimasi yang digunakan untuk menentukan jumlah terpulihkan aset sejak kerugian penurunan nilai terakhir diakui. Jika demikian, nilai tercatat aset akan ditingkatkan sejumlah nilai terpulihkan.

2. Summary of Significant Accounting Policies (continued)

1. Impairment of Non-Financial Assets

At each reporting date, the Bank assesses whether there is any indication that its non-financial assets may be impaired in accordance with SFAS No. 48, "Impairment of Asset Value". When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Bank makes a formal estimation of the recoverable amount.

Recoverable amount is the higher of an asset's (or cash-generating unit's) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash generating unit to which it belongs. When the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount. For assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

An impairment loss is charged to operations on the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is charged to the revaluation increment of the said asset.

An assessment is made at each reporting date as to whether there are any indications that previously recognized impairment losses may no longer exist or may have decreased. If such indications exist, the recoverable amounts are estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

**l. Penurunan Nilai Aset Non-Keuangan
(lanjutan)**

Peningkatan nilai aset setelah penilaian kembali oleh Bank tidak dapat melebihi nilai tercatat yang seharusnya diakui, setelah dikurangi penyusutan jika diasumsikan tidak terdapat penurunan nilai pada tahun sebelumnya. Pembalikan tersebut diakui di dalam laporan laba rugi dan penghasilan komprehensif lain kecuali jika aset tersebut dicatat sebesar nilai yang dipulihkan dimana pembalikannya akan diakui sebagai peningkatan revaluasi.

Setelah pembalikan tersebut dicatat, beban penyusutan akan disesuaikan ke depan untuk mengalokasikan nilai tercatat aset yang telah direvaluasi setelah dikurangi nilai sisa yang diperhitungkan secara sistematis sepanjang masa manfaat aset tersebut.

**m. Efek-efek yang Dibeli/Dijual dengan Janji
Dijual/Dibeli Kembali**

Pada tanggal 31 Desember 2019, efek-efek yang dibeli dengan janji untuk dijual kembali diukur pada nilai wajar melalui laba rugi dicatat di laporan posisi keuangan sebesar nilai wajar, sedangkan pada tanggal 31 Desember 2018 efek-efek yang dibeli dengan janji untuk dijual kembali diklasifikasikan sebagai pinjaman yang diberikan dan piutang.

Efek-efek yang dibeli dengan janji untuk dijual kembali disajikan sebagai aset dalam laporan posisi keuangan sebesar jumlah penjualan kembali dikurangi dengan pendapatan bunga yang belum diamortisasi dan cadangan kerugian penurunan nilai. Selisih antara harga beli dan harga jual kembali diperlakukan sebagai pendapatan bunga yang ditangguhkan, dan diakui sebagai pendapatan selama periode sejak efek-efek tersebut dibeli hingga dijual menggunakan suku bunga efektif.

Pada tanggal 31 Desember 2019, efek-efek yang dijual dengan janji untuk dibeli kembali diukur pada nilai wajar melalui laba rugi dicatat di laporan posisi keuangan sebesar nilai wajar, sedangkan pada tanggal 31 Desember 2018, efek-efek yang dijual dengan janji untuk dibeli kembali diklasifikasikan sebagai liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi.

**2. Summary of Significant Accounting Policies
(continued)**

**l. Impairment of Non-Financial Assets
(continued)**

The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

After such reversal, the depreciation expense is adjusted in future years to allocate the asset's revised carrying amount, minus any residual value, on a systematic basis over its remaining life.

**m. Securities Purchased/Sold under
Agreements to Resell/Repurchase**

As of 31 December 2019, Securities purchased under agreements to resell are measured at fair value through profit or loss are recorded at fair value in the statement of financial position, meanwhile as of 31 December 2018, securities purchased under agreements to resell are classified as loans and receivables.

Securities purchased under agreements to resell are presented as asset in the statement of financial position, at the resale price net of unamortized interest income and allowance for impairment losses. The difference between the purchase price and the resale price is treated as unearned interest income, and recognized as income over the period starting from when those securities are purchased until they are sold using effective interest rate method.

As of 31 December 2019, securities sold under agreements to repurchase are measured at fair value through profit or loss are recorded at fair value in the statement of financial position, meanwhile as of 31 December 2018, securities sold under agreement to repurchase are classified as financial liabilities measured at amortized cost.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

m. Efek-efek yang dibeli/dijual dengan janji dijual/dibeli kembali (lanjutan)

Efek-efek yang dijual dengan janji untuk dibeli kembali disajikan sebagai liabilitas dalam laporan posisi keuangan sebesar jumlah pembelian kembali, dikurangi dengan bunga dibayar di muka yang belum diamortisasi. Selisih antara harga jual dan harga beli kembali diperlakukan sebagai bunga dibayar di muka dan diakui sebagai beban bunga selama jangka waktu sejak efek-efek tersebut dijual hingga dibeli kembali menggunakan metode suku bunga efektif.

Keuntungan atau kerugian yang belum direalisasi akibat kenaikan atau penurunan nilai wajar disajikan dalam laporan laba rugi tahun berjalan.

n. Aset Tetap

Aset tetap dinyatakan sebesar biaya perolehan dikurangi akumulasi penyusutan dan rugi penurunan nilai. Biaya perolehan termasuk biaya penggantian bagian aset tetap saat biaya tersebut terjadi, jika memenuhi kriteria pengakuan. Selanjutnya, pada saat pemeriksaan yang signifikan dilakukan, biaya pemeriksaan itu diakui ke dalam jumlah tercatat (*carrying amount*) aset tetap sebagai suatu penggantian jika memenuhi kriteria pengakuan. Semua biaya pemeliharaan dan perbaikan yang tidak memenuhi kriteria pengakuan diakui dalam laporan laba rugi dan penghasilan komprehensif lain pada saat terjadinya.

Penyusutan dihitung dengan menggunakan metode garis lurus selama umur manfaat aset tetap yang diestimasi sebagai berikut:

	Tahun/ Years	
Bangunan dan prasarana bangunan	10-20	
Perabot kantor, peralatan kantor dan kendaraan	3-10	
		Persentase/ Percentage
Bangunan dan prasarana bangunan	5-10	
Perabot kantor, peralatan kantor dan kendaraan	10-33	

2. Summary of Significant Accounting Policies (continued)

m. Securities purchased/sold under agreements to resell/repurchase (continued)

Securities sold under agreements to repurchase are presented as liabilities in the statement of financial position, at the repurchase price, net of unamortized prepaid interest. The difference between the selling price and the repurchase price is treated as prepaid interest and recognized as interest expense over the period starting from when those securities are sold until they are repurchased using effective interest rate method.

Unrealized gains or losses resulting from the increase or decrease in fair value are recognized in the current year statement of profit or loss.

n. Fixed Assets

Fixed assets are stated at cost minus accumulated depreciation and impairment losses. Such cost includes the cost of replacing part of the fixed assets when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria is satisfied. All other repairs and maintenance costs that do not meet the recognition criteria are recognized in the statement of profit or loss and other comprehensive income as incurred.

Depreciation is calculated on a straight-line method over the estimated useful lives of the assets as follows:

	Tahun/ Years	
Bangunan dan building improvements	10-20	
Furniture and fixtures, office equipment and vehicles	3-10	
		Persentase/ Percentage
Bangunan dan building improvements	5-10	
Furniture and fixtures, office equipment and vehicles	10-33	

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

n. Aset Tetap (lanjutan)

Biaya pengurusan hak legal atas tanah dalam bentuk Hak Guna Usaha ("HGU"), Hak Guna Bangunan ("HGB") dan Hak Pakai ("HP") ketika tanah diperoleh pertama kali diakui sebagai bagian dari biaya perolehan tanah pada akun "Aset Tetap" dan tidak diamortisasi.

Sementara biaya pengurusan atas perpanjangan atau pembaruan hak legal atas tanah dalam bentuk HGU, HGB dan HP dibebankan pada laporan laba rugi dan penghasilan komprehensif lain pada saat terjadinya karena nilainya tidak signifikan.

Nilai residu, umur manfaat dan metode penyusutan ditelaah, dan jika sesuai dengan keadaan, disesuaikan secara prospektif pada setiap akhir periode.

Bank melakukan penelaahan untuk menentukan adanya indikasi terjadinya penurunan nilai aset setiap kuartalan. Bank menentukan taksiran jumlah yang dapat direalisasi kembali atas semua asetnya jika terdapat suatu peristiwa atau kondisi yang mengindikasikan adanya penurunan nilai aset.

o. Agunan yang Diambil Alih

Agunan yang diambil alih sehubungan dengan penyelesaian pinjaman yang diberikan disajikan sebagai bagian dari akun "Aset Lain-lain". Pada saat pengakuan awal, agunan yang diambil alih dibukukan pada nilai wajar setelah dikurangi perkiraan biaya untuk menjualnya maksimum sebesar liabilitas debitur di laporan posisi keuangan. Setelah pengakuan awal, agunan yang diambil alih dibukukan sebesar nilai yang lebih rendah antara nilai tercatat dengan nilai wajarnya setelah dikurangi dengan biaya untuk menjualnya. Selisih lebih saldo kredit diatas nilai realisasi bersih dari agunan yang diambil alih dibebankan ke dalam akun cadangan kerugian.

Beban-beban yang berkaitan dengan pemeliharaan agunan yang diambil alih dibebankan pada laporan laba rugi dan penghasilan komprehensif lain pada saat terjadinya.

2. Summary of Significant Accounting Policies (continued)

n. Fixed Assets (continued)

Legal cost of land rights in the form of Business Usage Rights ("Hak Guna Usaha" or "HGU"), Building Usage Rights ("Hak Guna Bangunan" or "HGB") and Usage Rights ("Hak Pakai" or "HP") when the land was acquired initially are recognized as part of the cost of the land under the "Fixed Assets" account and are not amortized.

Meanwhile the extension or the legal renewal costs of land rights in the form of HGU, HGB and HP is charged to the statement of profit or loss and other comprehensive income as incurred because its value is insignificant.

The residual values, useful lives and methods of depreciation are reviewed and adjusted prospectively when appropriate, at each period end.

The Bank evaluates any indication of asset impairment on a quarterly basis. The Bank determines the estimated realizable amount of its assets if there is an event or condition which indicates impairment of the asset.

o. Foreclosed Assets

Collaterals acquired through foreclosures related to the loans settlement are presented as part of "Other Assets" account. At initial recognition, foreclosed assets are stated at fair value, net of estimated costs to sell at the maximum of the borrower's liabilities as stated in the statement of financial position. After initial recognition, foreclosed assets are recorded at the amount whichever is lower of the carrying amount and fair value, net of estimated costs to sell. The excess of the uncollectible loan balance over the value of the collateral is charged to allowance for impairment losses.

Maintenance expenses of foreclosed assets are charged to the statement of profit or loss and other comprehensive income as incurred.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

o. Agunan yang Diambil Alih (lanjutan)

Laba atau rugi yang diperoleh atau berasal dari penjualan agunan yang diambil alih disajikan sebagai bagian dari "Pendapatan (Beban) Non-Operasional - Neto" dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

p. Biaya Dibayar Di muka

Biaya dibayar di muka dibebankan pada usaha sesuai dengan masa manfaatnya dan disajikan sebagai bagian dari akun "Aset Lain-lain".

q. Simpanan

Simpanan adalah dana yang dipercayakan oleh nasabah (di luar bank lain) kepada Bank berdasarkan perjanjian penyimpanan dana. Simpanan terdiri dari giro, tabungan dan deposito berjangka.

Giro, tabungan dan deposito berjangka diakui sebesar nilai wajar pada awalnya dan selanjutnya diukur sebesar biaya perolehan diamortisasi. Biaya perolehan diamortisasi dihitung dengan memperhitungkan adanya diskonto atau premi terkait dengan pengakuan awal simpanan dan biaya transaksi yang merupakan bagian yang tak terpisahkan dari EIR.

r. Simpanan dari Bank Lain

Simpanan dari bank lain terdiri dari liabilitas terhadap bank lain, baik dalam maupun luar negeri, dalam bentuk giro, tabungan, dan *interbank call money* dengan periode jatuh tempo menurut perjanjian kurang dari atau sama dengan 90 hari dan deposito berjangka.

Simpanan dari bank lain diakui sebesar nilai wajar pada awalnya dan selanjutnya diukur sebesar biaya perolehan diamortisasi dengan menggunakan EIR. Biaya perolehan diamortisasi dihitung dengan memperhitungkan diskonto atau premi yang terkait dengan pengakuan awal simpanan dari bank lain dan biaya transaksi yang merupakan bagian yang tidak terpisahkan dari EIR.

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2. Summary of Significant Accounting Policies (continued)

o. Foreclosed Assets (continued)

Gains or losses earned or incurred from the sale of foreclosed assets are presented as part of "Non-Operating Income (Expense) - Others - Net" in the statement of profit or loss and other comprehensive income for the current year.

p. Prepaid Expenses

Prepaid expenses are charged to operations over the period benefited and presented as part of "Other Assets" account.

q. Deposits

Deposits are deposits of customers (excluding other banks) with the Bank based on deposit agreements. Deposits consist of demand deposits, savings deposits and time deposits.

Demand deposits, savings deposits and time deposits are initially recognized at fair value and subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of deposits and transaction costs that are an integral part of the EIR.

r. Deposits from Other Banks

Deposits from other banks represent liabilities to other domestic and overseas banks, in the form of demand deposits, savings deposits, and interbank call money with maturity period based on agreement less than or equal to 90 days and time deposits.

Deposits from other banks are initially recognized at fair value and subsequently measured at amortized cost using the EIR. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of deposits from other bank and transaction costs that are an integral part of the EIR.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

s. Pinjaman yang Diterima

Pinjaman yang diterima merupakan dana yang diterima dari bank lain, Bank Indonesia atau pihak lain dengan kewajiban pembayaran kembali sesuai dengan persyaratan perjanjian pinjaman.

t. Efek Hutang yang Diterbitkan

Efek hutang yang diterbitkan diakui sebesar nilai wajar pada awalnya dan selanjutnya diukur sebesar nilai biaya perolehan diamortisasi dengan menggunakan metode EIR. Biaya perolehan diamortisasi dihitung dengan memperhitungkan adanya diskonto atau premi terkait dengan pengakuan awal efek hutang yang diterbitkan dan biaya transaksi yang merupakan bagian yang tidak terpisahkan dari EIR.

u. Pendapatan dan Beban Bunga

Instrumen keuangan yang diukur pada biaya perolehan diamortisasi, aset dan liabilitas keuangan yang diklasifikasikan sebagai tersedia untuk dijual, pendapatan maupun beban bunganya diakui dengan menggunakan EIR, yaitu suku bunga yang akan mendiskonto secara tepat estimasi pembayaran atau penerimaan kas di masa datang sepanjang perkiraan umur instrumen keuangan tersebut atau, jika lebih tepat untuk masa yang lebih singkat, sebagai nilai tercatat bersih dari aset atau liabilitas keuangan tersebut. Perhitungan dilakukan dengan mempertimbangkan seluruh syarat dan ketentuan kontraktual instrumen keuangan termasuk *fee*/biaya tambahan yang terkait secara langsung dengan instrumen tersebut yang merupakan bagian tidak terpisahkan dari EIR.

Nilai tercatat aset atau liabilitas keuangan disesuaikan jika Bank merevisi estimasi pembayaran atau penerimaan. Nilai tercatat yang disesuaikan tersebut dihitung dengan menggunakan EIR awal dan perubahan nilai tercatat dibukukan pada laporan laba rugi dan pendapatan komprehensif lainnya. Tetapi untuk aset keuangan yang telah direklasifikasi, dimana pada tahun berikutnya Bank meningkatkan estimasi pemulihan kas sebagai hasil dari peningkatan pengembalian penerimaan kas, dampak peningkatan pemulihan tersebut diakui sebagai penyesuaian EIR sejak tanggal perubahan estimasi.

**2. Summary of Significant Accounting Policies
(continued)**

s. Borrowings

Borrowings are funds received from other banks, Bank Indonesia or other parties with payment obligation based on borrowings agreements.

t. Debt Securities Issued

Debt securities issued are initially recognized at fair value and subsequently measured at amortized cost using EIR method. Amortized cost is calculated by taking into account any discount or premium related to the initial recognition of debt securities issued and transaction costs that are an integral part of EIR.

u. Interest Income and Expenses

For financial instruments measured at amortized cost, financial assets and liabilities classified as available-for-sale, interest income and expenses are recognized using the EIR, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR.

The carrying amount of the financial asset or liability is adjusted if the Bank revises its estimates of payments or receipts. The adjusted carrying amount is calculated using the original EIR and the change in carrying amount is recorded in the statement of profit or loss and other comprehensive income. However, for a reclassified financial asset for which the Bank subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognized as an adjustment to the EIR from the date of the change in estimate.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

u. Pendapatan dan Beban Bunga (lanjutan)

Ketika nilai tercatat aset keuangan atau kelompok aset keuangan serupa telah diturunkan akibat kerugian penurunan nilai, pendapatan bunga tetap diakui pada tingkat suku bunga yang digunakan untuk mendiskontokan arus kas masa mendatang dalam pengukuran kerugian penurunan nilai.

Pinjaman yang diberikan dan aset produktif lainnya (tidak termasuk efek-efek) diklasifikasikan sebagai *non-performing* jika telah masuk dalam klasifikasi kurang lancar, diragukan atau macet. Sedangkan efek-efek diklasifikasikan sebagai *non-performing*, jika penerbit efek mengalami wanprestasi dalam memenuhi pembayaran bunga dan/atau pokok atau memiliki peringkat paling kurang 1 (satu) tingkat di bawah peringkat investasi.

v. Pendapatan dan Beban Provisi dan Komisi

Pendapatan dan beban provisi dan komisi yang jumlahnya material yang berkaitan langsung dengan kegiatan pemberian aset keuangan diakui sebagai bagian/(pengurang) atau penambah dari biaya perolehan aset keuangan yang bersangkutan dan akan diakui sebagai pendapatan dengan cara diamortisasi berdasarkan EIR sepanjang perkiraan umur aset atau liabilitas keuangan.

Saldo beban yang ditangguhkan dan pendapatan komisi atas pinjaman yang diberikan yang diakhiri atau diselesaikan sebelum jatuh tempo diakui sebagai pendapatan dari penyelesaian.

w. Transaksi dan Saldo dalam Mata Uang Asing

Kebijakan akuntansi atas transaksi dan saldo dalam mata uang asing didasarkan pada peraturan BAPEPAM-LK No. VIII.G.7 dan Pedoman Akuntansi Perbankan Indonesia ("PAPI"). Bank mengacu pada PAPI dimana transaksi dalam mata uang asing dicatat dalam Rupiah dengan menggunakan kurs laporan (penutupan) yang ditetapkan oleh Bank Indonesia yaitu kurs tengah yang merupakan rata-rata kurs beli dan kurs jual berdasarkan Reuters masing-masing pada tanggal 31 Desember 2019 dan 2018 pada pukul 16:00 WIB pada tanggal laporan posisi keuangan.

2. Summary of Significant Accounting Policies (continued)

u. Interest Income and Expenses (continued)

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Loans and other earning assets (excluding securities) are considered as non-performing when they are classified as substandard, doubtful, or loss. Securities are categorized as non-performing when the issuer of securities defaults on its interest and/or principal payments or if they are rated at least 1 (one) level below investment grade.

v. Fees and Commissions Income and Expenses

Fees and commissions that have material amount directly related with the acquisition of financial assets are recognized as part/(deduction) or addition of acquisition cost of related financial assets and will be recognized as income and amortized using the EIR during the expected life of financial assets or liabilities.

The outstanding balances of deferred fees and commission income, on loans receivable that are terminated or settled prior to maturity are recognized as income on settlement.

w. Foreign Currency Transactions and Balances

Accounting policy for transaction and balances in foreign transaction is based on BAPEPAM-LK rule No. VIII.G.7 and Guidelines for Indonesian Bank Accounting ("PAPI"). The Bank refers to PAPI when transactions involving foreign currencies are recorded in Rupiah using the reporting (closing) rate set by Bank Indonesia that is the middle rate, the average of bid rate and ask rate based on Reuters on 31 December 2019 and 2018, respectively, at 16:00 hours Western Indonesian Time prevailing at statement of financial position date.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

w. Transaksi dan Saldo dalam Mata Uang Asing (lanjutan)

Laba atau rugi kurs yang terjadi dikreditkan atau dibebankan pada laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

Pada tanggal 31 Desember 2019 dan 2018, kurs tengah mata uang asing adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Pound Sterling Inggris	18.238,14	18.311,50
Euro Eropa	15.570,61	16.440,66
Franc Swiss	14.336,99	14.595,28
Dolar Amerika Serikat	13.882,50	14.380,00
Dolar Kanada	10.639,97	10.560,72
Dolar Singapura	10.315,05	10.554,91
Dolar Australia	9.725,39	10.162,35
Dolar Selandia Baru	9.335,29	9.659,05
Ringgit Malaysia	3.391,77	3.476,79
Yuan China	1.994,00	2.090,57
Dolar Hong Kong	1.782,75	1.836,28
Krona Swedia	1.487,05	1.605,04
Baht Thailand	465,15	443,62
Yen Jepang	127,81	130,62

x. Imbalan Kerja

Beban pensiun berdasarkan program dana pensiun manfaat pasti ditentukan melalui perhitungan aktuarial secara periodik dengan menggunakan metode *projected-unit-credit* dan menerapkan asumsi atas tingkat diskonto, hasil yang diharapkan atas aset dana pensiun dan tingkat kenaikan manfaat pasti pensiun tahunan.

Seluruh pengukuran kembali, terdiri atas keuntungan dan kerugian aktuarial dan hasil atas aset dana pensiun (tidak termasuk bunga bersih) diakui langsung melalui penghasilan komprehensif lainnya dengan tujuan agar aset atau kewajiban pensiun bersih diakui dalam laporan posisi keuangan untuk mencerminkan nilai penuh dari defisit dan surplus dana pensiun. Pengukuran kembali tidak direklasifikasikan ke laba atau rugi pada periode berikutnya.

Seluruh biaya jasa lalu diakui pada saat yang lebih dulu antara ketika amandemen/kurtailmen terjadi atau ketika biaya restrukturisasi atau pemutusan hubungan kerja diakui. Sebagai akibatnya, biaya jasa lalu yang belum *vested* tidak lagi dapat ditangguhkan dan diakui selama periode *vesting* masa depan.

2. Summary of Significant Accounting Policies (continued)

w. Foreign Currency Transactions and Balances (continued)

The resulting gains or losses are credited or charged to the statement of profit or loss and other comprehensive income for the current year.

As of 31 December 2019 and 2018, the middle rates of the foreign currencies are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
	18.238,14	18.311,50	Great Britain Pound Sterling
	15.570,61	16.440,66	European Euro
	14.336,99	14.595,28	Swiss Franc
	13.882,50	14.380,00	United States Dollar
	10.639,97	10.560,72	Canadian Dollar
	10.315,05	10.554,91	Singapore Dollar
	9.725,39	10.162,35	Australian Dollar
	9.335,29	9.659,05	New Zealand Dollar
	3.391,77	3.476,79	Malaysian Ringgit
	1.994,00	2.090,57	Chinese Yuan
	1.782,75	1.836,28	Hong Kong Dollar
	1.487,05	1.605,04	Swedish Krona
	465,15	443,62	Thailand Baht
	127,81	130,62	Japanese Yen

x. Employee Benefits

Pension costs defined benefit pension plans are determined by periodic actuarial calculation using the *projected-unit-credit* method and applying the assumptions on discount rate, expected return on plan assets and annual rate of increase in compensations.

All re-measurements, comprising of actuarial gains and losses, and the return of plan assets (excluding net interest) are recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the statement of financial position to reflect the full value of the plan deficit and surplus. Re-measurements are not reclassified to profit or loss in subsequent periods.

All past service costs are recognized at the earlier of when the amendment/curtailment occurs and when the related restructuring or termination costs is recognized. As a result, unvested past service costs can no longer be deferred and recognized over the future vesting period.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

x. Imbalan Kerja (lanjutan)

Beban bunga dan pengembalian aset dana pensiun yang diharapkan sebagaimana digunakan dalam PSAK No. 24 digantikan dengan beban bunga - bersih, yang dihitung dengan menggunakan tingkat diskonto untuk mengukur kewajiban manfaat pasti - bersih atau aset pada saat awal dari tiap periode pelaporan tahunan.

Bank memiliki program pensiun iuran pasti. Imbalan yang akan diterima karyawan ditentukan berdasarkan jumlah iuran yang dibayarkan pemberi kerja dan karyawan ditambah dengan hasil investasi iuran tersebut.

y. Pajak Penghasilan

Bank menerapkan PSAK No. 46, "Pajak Penghasilan", yang mengharuskan Perusahaan untuk memperhitungkan konsekuensi pajak kini dan pajak masa depan atas pemulihan di masa depan (penyelesaian) dari jumlah tercatat aset (liabilitas) yang diakui dalam laporan posisi keuangan dan transaksi-transaksi serta peristiwa lain yang terjadi dalam periode berjalan.

Bank menerapkan metode posisi keuangan dalam menghitung beban pajak tangguhannya. Dengan metode ini, aset dan liabilitas pajak tangguhan diakui pada setiap tanggal pelaporan sebesar perbedaan temporer aset dan liabilitas untuk tujuan akuntansi dan tujuan pajak. Metode ini juga mengharuskan pengakuan manfaat pajak di masa akan datang, jika kemungkinan realisasi manfaat tersebut di masa mendatang cukup besar (*probable*). Tarif pajak yang berlaku atau yang secara substansial telah berlaku digunakan dalam menentukan pajak penghasilan tangguhan.

Aset pajak tangguhan diakui apabila terdapat kemungkinan besar bahwa jumlah laba fiskal pada masa datang akan memadai untuk mengkompensasi perbedaan temporer yang menimbulkan aset pajak tangguhan tersebut.

2. Summary of Significant Accounting Policies (continued)

x. Employee Benefits (continued)

The interest costs and expected return on plan assets used in the previous version of SFAS No. 24 are replaced with a net-interest amount, which are calculated by applying the discount rate to the net defined benefit liability or asset at the start of each annual reporting period.

The Bank has a defined contribution plan. The benefit to be received by employees is determined based on the amount of contribution paid by the employer and employee and the investment earnings of the fund.

y. Income Tax

The Bank applied SFAS No. 46, "Accounting for Income Tax", which requires the Company to account for the current and future tax consequences of the future recovery (settlement) of the carrying amount of assets (liabilities) that are recognized in the statements of financial position and transactions and other events of the current period.

The Bank adopts the financial position method in determining its deferred tax. Under this method, deferred tax assets and liabilities are recognized at each reporting date for temporary differences between the financial and tax bases of assets and liabilities. This method also requires the recognition of future tax benefits, to the extent that realization of such benefits is probable. Currently enacted or substantively enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available to compensate the temporary differences which result in such deferred tax assets.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

y. Pajak Penghasilan (lanjutan)

Aset dan liabilitas pajak penghasilan tangguhan dapat saling hapus apabila terdapat hak yang berkekuatan hukum untuk melakukan saling hapus antara aset pajak kini dengan liabilitas pajak kini dan apabila aset dan liabilitas tangguhan terkait pajak penghasilan yang dikenakan oleh otoritas perpajakan yang sama, baik atas entitas kena pajak yang sama ataupun berbeda dan adanya niat untuk melakukan penyelesaian saldo-saldo tersebut secara neto.

Perubahan terhadap kewajiban perpajakan dicatat pada saat diterimanya surat ketetapan, atau apabila dilakukan banding, ketika hasil banding diterima.

z. Laba per saham

Laba per saham dasar dihitung dengan membagi laba tahun berjalan yang dapat diatribusikan kepada pemegang saham dengan jumlah saham pada tahun bersangkutan.

aa. Transaksi restrukturisasi antara entitas sependangali

Bank menerapkan PSAK No. 38, "Kombinasi Bisnis Entitas Sepengendali", yang menggantikan PSAK No. 38, "Akuntansi Restrukturisasi Entitas Sepengendali", kecuali atas saldo selisih nilai transaksi restrukturisasi entitas sependangali yang diakui sebelumnya, disajikan sebagai bagian dari "Tambahkan Modal Disetor" dalam bagian ekuitas. PSAK No. 38 mengatur tentang akuntansi kombinasi bisnis entitas sependangali, baik untuk entitas yang menerima bisnis maupun untuk entitas yang melepas bisnis.

Dalam PSAK No. 38, pengalihan bisnis antara entitas sependangali tidak mengakibatkan perubahan substansi ekonomi kepemilikan atas bisnis yang dialihkan dan tidak dapat menimbulkan laba atau rugi bagi Bank secara keseluruhan ataupun bagi entitas individual dalam Bank tersebut. Karena pengalihan bisnis antara entitas sependangali tidak mengakibatkan perubahan substansi ekonomi, bisnis yang dipertukarkan dicatat pada nilai buku sebagai kombinasi bisnis dengan menggunakan metode penyatuan kepemilikan.

**2. Summary of Significant Accounting Policies
(continued)**

y. Income Tax (continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Amendments to taxation obligations are recorded when an assessment is received, or if an appeal is applied, when the results of the appeal are received.

z. Earning per share

Basic earnings per share is computed by dividing income for the year attributable to equity holders by the shares outstanding during the year.

aa. Restructuring transactions among entities under common control

The Bank prospectively adopted SFAS No. 38, "Business Combinations of Entities Under Common Control", which supersedes SFAS No. 38, "Accounting for Restructuring of Entities Under Common Control", except for the previously recognized difference in value of restructuring transactions of entities under common control, are presented as "Additional Paid-in Capital" in the equity section. PSAK No. 38 prescribes the accounting for business combinations of entities under common control, for both the entity which receiving the business and the entity which disposing the business.

Under SFAS No. 38, transfer of business within entities under common control does not result in a change of the economic substance of ownership of the business being transferred and would not result in a gain or loss to the Bank or to the individual entity within the Bank. Since the transfer of business of entities under common control does not result in a change of the economic substance, the business being exchanged is recorded at book values as a business combination using the pooling-of-interests method.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

aa. Transaksi restrukturisasi antara entitas sependengali (lanjutan)

Dalam menerapkan metode penyatuan kepemilikan, komponen laporan keuangan dimana terjadi kombinasi bisnis dan untuk periode lain yang disajikan untuk tujuan perbandingan, disajikan sedemikian rupa seolah-olah kombinasi bisnis telah terjadi sejak awal periode terjadi sependengalian. Selisih antara nilai tercatat transaksi kombinasi bisnis dan jumlah imbalan yang dialihkan diakui dalam akun "Tambahan Modal Disetor - Neto".

ab. Informasi Segmen

Segmen operasi adalah komponen Bank yang terlibat dalam aktivitas bisnis yang memperoleh pendapatan dan menimbulkan beban, yang hasil operasinya dikaji ulang secara regular oleh pengambil keputusan operasional untuk membuat keputusan tentang sumber daya yang dialokasikan pada segmen tersebut dan menilai kinerjanya serta menyediakan informasi keuangan yang dapat dipisahkan. Segmen operasi terbagi dalam kelompok *wholesale*, *retail* dan lainnya.

ac. Perubahan Pernyataan Standar Akuntansi Keuangan dan Interpretasi Standar Akuntansi Keuangan

Pada tanggal 1 Januari 2019, Bank menerapkan pernyataan standar akuntansi keuangan ("PSAK") dan interpretasi standar akuntansi keuangan ("ISAK") baru dan revisi yang efektif sejak tanggal tersebut. Perubahan kebijakan akuntansi Bank telah dibuat seperti yang disyaratkan, sesuai dengan ketentuan transisi dalam masing-masing standar dan interpretasi.

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2. Summary of Significant Accounting Policies (continued)

aa. Restructuring transactions among entities under common control (continued)

For applying the pooling-of-interests method, the components of the financial statements for the period during which the business combination occurred and for other periods presented, for comparison purposes, are presented in such a manner as if the business combination has already happened since the beginning of the periods during which the entities were under common control. The difference between the carrying amounts of the business combination transaction and the consideration transferred is recognized under the account "Additional Paid-in Capital - Net".

ab. Segment Information

An operating segment is a Bank's component that is involved in business activities which derives income and incur expenses, in which the operating results is reviewed regularly by operational decision maker for making decisions related to resources that are allocated to the segment and evaluates the performance and provides separable financial information. The operating segment has been determined to be wholesale, retail and others.

ac. Changes to Statements of Financial Accounting Standards and Interpretations of Statements of Financial Accounting Standards

On 1 January 2019, the Bank adopted new and revised statements of financial accounting standards ("SFAS") and interpretations of statements of financial accounting standards ("ISFAS") that are mandatory for application from that date. Changes to the Bank's accounting policies have been made as required, in accordance with the transitional provisions in the respective standards and interpretations.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

ac. Perubahan Pernyataan Standar Akuntansi Keuangan dan Interpretasi Standar Akuntansi Keuangan (lanjutan)

Penerapan dari standar dan interpretasi baru berikut, tidak menimbulkan perubahan substansial terhadap kebijakan akuntansi Bank dan tidak berdampak signifikan terhadap jumlah yang dilaporkan pada tahun berjalan atau tahun sebelumnya:

- Amandemen PSAK No. 24: Imbalan Kerja
- ISAK No. 33: Transaksi Valuta Asing dan Imbalan Dimuka
- ISAK No. 34: Ketidakpastian dalam Perlakuan Pajak Penghasilan

Penerapan dari standar dan interpretasi baru berikut, tidak menimbulkan perubahan substansial terhadap kebijakan akuntansi Bank dan tidak berdampak signifikan terhadap jumlah yang dilaporkan pada tahun berjalan atau tahun sebelumnya.

ad. Pertimbangan dan Estimasi Akuntansi yang Signifikan

Dalam proses penerapan kebijakan akuntansi Bank, Manajemen telah melakukan pertimbangan dan estimasi profesional dalam menentukan jumlah yang diakui dalam laporan keuangan. Pertimbangan dan estimasi profesional yang signifikan adalah sebagai berikut:

Usaha yang berkelanjutan

Manajemen Bank telah melakukan penilaian atas kemampuan Bank untuk melanjutkan kelangsungan usahanya dan berkeyakinan bahwa Bank memiliki sumber daya untuk melanjutkan usahanya di masa mendatang.

Selain itu, Manajemen menyadari bahwa tidak ada ketidakpastian material yang dapat menimbulkan keraguan yang signifikan terhadap kemampuan Bank untuk melanjutkan kelangsungan usahanya. Oleh karena itu, laporan keuangan telah disusun atas dasar usaha yang berkelanjutan.

2. Summary of Significant Accounting Policies (continued)

ac. Changes to Statements of Financial Accounting Standards and Interpretations of Statements of Financial Accounting Standards (continued)

The adoption of these new and revised standards and interpretation did not result in substansial changes to Bank's accounting policies and had no material effect on the amounts reported for the current or prior financial years:

- *Amendments of SFAS No. 24: Employee Benefits*
- *ISFAS No. 33: Foreign Currency Transaction and Advance Consideration*
- *ISFAS No. 34: Uncertainty over Income Tax Treatments*

The adoption of these new and revised standards and interpretation did not result in substansial changes to Bank's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

ad. Judgments and Significant Accounting Estimates

In the process of applying the Bank's accounting policies, Management has exercised professional judgment and made estimates in determining the amounts recognized in the financial statements. The most significant uses of the professional judgment and estimates are as follows:

Going concern

The Bank's management has made an assessment of the Bank's ability to continue as a going concern and is satisfied that the Bank has the resources to continue in business for the foreseeable future.

Furthermore, the Management realized that there are no material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

**ad. Pertimbangan dan Estimasi Akuntansi
yang Signifikan (lanjutan)**

Nilai wajar atas instrumen keuangan

Bila nilai wajar aset keuangan dan liabilitas keuangan yang tercatat pada laporan posisi keuangan tidak tersedia di pasar aktif, nilainya ditentukan dengan menggunakan berbagai teknik penilaian termasuk penggunaan model matematika. Masukan (*input*) untuk model ini berasal dari data pasar yang bisa diamati sepanjang data tersebut tersedia, namun bila data pasar yang bisa diamati tersebut tidak tersedia, digunakan pertimbangan manajemen untuk menentukan nilai wajar.

Pertimbangan manajemen tersebut mencakup pertimbangan likuiditas dan masukan model seperti volatilitas untuk transaksi derivatif yang berjangka panjang dan tingkat diskonto, tingkat pelunasan dipercepat dan asumsi tingkat gagal bayar.

Bank menampilkan nilai wajar atas instrumen keuangan berdasarkan hirarki nilai wajar sebagai berikut:

- Tingkat 1
Harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik;
- Tingkat 2
Input selain harga kuotasian yang termasuk dalam Tingkat 1 yang dapat diobservasi untuk aset dan liabilitas baik secara langsung (misalnya harga) atau secara tidak langsung; dan
- Tingkat 3
Input untuk aset dan liabilitas yang bukan berdasarkan pada pasar yang dapat diobservasi (input yang tidak dapat diobservasi).

Nilai wajar atas instrumen derivatif yang dinilai menggunakan teknik penilaian dengan menggunakan komponen yang dapat diamati di pasar terutama adalah *swap* suku bunga, *swap* mata uang dan kontrak pertukaran mata uang. Teknik penilaian yang paling banyak digunakan meliputi model penilaian *forward* dan *swap* yang menggunakan perhitungan nilai kini. Model tersebut menggabungkan berbagai komponen yang meliputi kualitas kredit dari *counterparty*, nilai *spot* dan kontrak berjangka serta kurva tingkat suku bunga.

**2. Summary of Significant Accounting Policies
(continued)**

**ad. Judgments and Significant Accounting
Estimates (continued)**

Fair value of financial instruments

When the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, management judgment is required to establish fair values.

Management judgments include considerations of liquidity and model inputs such as volatility for long term derivatives and discount rates, early payment rates and default rate assumptions.

The Bank presents fair value of financial instruments based on the following fair value hierarchy:

- Level 1
Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2
Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (example, price) or indirectly; and
- Level 3
Inputs for the asset and liability that are not based on observable market data (unobservable inputs).

The fair values of derivative instruments valued by valuation techniques using components which can be observed in the market, primarily are interest rate swaps, currency swaps and currency exchange contracts. Most widely used valuation techniques include forward and swap valuation models which use the present value calculation. The models incorporate various components which include the credit quality of the counterparty, spot value and future contracts and interest rate curve.

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**2. Ikhtisar Kebijakan Akuntansi Penting
(lanjutan)**

**2. Summary of Significant Accounting Policies
(continued)**

**ad. Pertimbangan dan Estimasi Akuntansi
yang Signifikan (lanjutan)**

**ad. Judgments and Significant Accounting
Estimates (continued)**

Nilai wajar atas instrumen keuangan
(lanjutan)

Fair value of financial instruments (continued)

Teknik penilaian termasuk model nilai tunai dan arus kas yang didiskontokan, dan perbandingan dengan instrumen yang sejenis dimana terdapat harga pasar yang dapat diobservasi. Asumsi dan input yang digunakan dalam teknik penilaian termasuk suku bunga bebas risiko (*risk-free*) dan suku bunga acuan, *credit spread* dan variabel lainnya yang digunakan dalam mengestimasi tingkat diskonto, harga obligasi, kurs valuta asing, serta tingkat kerentanan dan korelasi harga yang diharapkan. Tujuan dari teknik penilaian adalah penentuan nilai wajar yang mencerminkan harga dari instrumen keuangan pada tanggal pelaporan yang akan ditentukan oleh para partisipan di pasar dalam suatu transaksi yang wajar.

Valuation techniques include net present value and discounted cash flow models, and comparison to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other variables used in estimating discount rates, bond prices, foreign currency exchange rates, and expected price volatilities and correlations. The objective of valuation technique is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arms length.

Penurunan nilai kredit yang diberikan

Impairment losses on loans

Pada setiap tanggal laporan posisi keuangan, Bank menelaah kredit yang diberikan untuk menilai apakah penurunan nilai harus dicatat dalam laporan laba rugi dan penghasilan komprehensif lain. Secara khusus, pertimbangan manajemen diperlukan dalam estimasi jumlah dan waktu arus kas di masa mendatang ketika menentukan penurunan nilai.

The Bank reviews its loans at each statement of financial position date to assess whether an impairment loss should be recorded in the statement of profit or loss and other comprehensive income. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the impairment loss.

Dalam estimasi arus kas tersebut, Bank melakukan penilaian atas kondisi keuangan peminjam dan nilai realisasi bersih agunan. Estimasi tersebut didasarkan pada asumsi dari sejumlah faktor dan hasil aktual mungkin berbeda, sehingga mengakibatkan perubahan penyisihan di masa mendatang.

In estimating these cash flows, the Bank makes judgment about the borrower's financial situation and the net realizable value of collateral. These estimates are based on assumptions about a number of factors and actual results may differ in future changes to the allowance.

Penurunan nilai aset yang tersedia untuk
dijual dan tagihan akseptasi

Impairment in value of available-for-sale
asset and acceptance receivables

Bank menelaah aset yang diklasifikasikan sebagai tersedia untuk dijual dan tagihan akseptasi pada setiap tanggal laporan posisi keuangan untuk menilai apakah telah terjadi penurunan nilai. Penilaian tersebut menggunakan pertimbangan yang sama seperti yang diterapkan pada penilaian secara individual atas kredit yang diberikan.

The Bank reviews assets which are classified as available-for-sale and acceptance receivables at each financial position date to assess whether impairment has occurred. The assessment uses the same considerations as applied to individual assessment on loans.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

ad. Pertimbangan dan Estimasi Akuntansi yang Signifikan (lanjutan)

Cadangan kerugian penurunan nilai aset keuangan

Kondisi spesifik *counterparty* yang mengalami penurunan nilai dalam pembentukan cadangan kerugian atas aset keuangan dievaluasi secara individu berdasarkan estimasi terbaik manajemen atas nilai kini arus kas yang diharapkan akan diterima. Dalam mengestimasi arus kas tersebut, manajemen membuat pertimbangan tentang situasi keuangan *counterparty* dan nilai realisasi bersih dari setiap agunan. Setiap aset yang mengalami penurunan nilai dinilai sesuai dengan manfaat yang ada, dan strategi penyelesaian serta estimasi arus kas yang diperkirakan dapat diterima.

Perhitungan cadangan penurunan nilai kolektif meliputi kerugian kredit yang melekat dalam portofolio aset keuangan dengan karakteristik ekonomi yang sama ketika terdapat bukti objektif penurunan nilai terganggu, tetapi penurunan nilai secara individu belum dapat diidentifikasi. Dalam menilai kebutuhan untuk cadangan kolektif, manajemen mempertimbangkan faktor-faktor seperti kualitas kredit dan jenis produk. Guna membuat estimasi cadangan yang diperlukan, manajemen membuat asumsi untuk menentukan kerugian yang melekat, dan untuk menentukan parameter input yang diperlukan, berdasarkan pengalaman masa lalu dan kondisi ekonomi saat ini.

Keakuratan penyisihan tergantung pada seberapa baik estimasi arus kas masa depan untuk cadangan *counterparty* tertentu dan asumsi model dan parameter yang digunakan dalam menentukan cadangan kolektif.

Penurunan nilai aset non keuangan

Bank mengevaluasi penurunan nilai aset apabila terdapat kejadian atau perubahan keadaan yang mengindikasikan bahwa nilai tercatat aset tidak dapat dipulihkan kembali. Faktor-faktor penting yang dapat menyebabkan penelaahan penurunan nilai adalah sebagai berikut:

- a) performa yang tidak tercapai secara signifikan terhadap ekspektasi historis atau proyeksi hasil operasi di masa yang akan datang;

2. Summary of Significant Accounting Policies (continued)

ad. Judgments and Significant Accounting Estimates (continued)

Allowances for impairment losses of financial assets

In the calculation of allowance for impairment losses of financial assets, the specific condition of impaired counterparty is individually evaluated based on management's best estimate of the present value of the expected cash flows to be received. In estimating these cash flows, management makes judgements about the counterparty's financial situation and the net realizable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy and estimated cash flows considered recoverable.

Collectively assessed impairment allowances cover credit losses inherent in portfolios of financial assets with similar economic characteristics when there is objective evidence to suggest that they contain impaired financial assets, but the individual impaired items cannot yet be identified. In assessing the need for collective allowances, management considers factors such as credit quality and type of product. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experiences and current economic conditions.

The accuracy of the allowances depends on how well the estimated future cash flows for specific counterparty allowances and the model assumptions and parameters are used in determining collective allowances.

Impairment of non-financial assets

The Bank assesses impairment of assets whenever events or changes in circumstances that would indicate that the carrying amount of an asset may not be recoverable. The factors that the Bank considers important which could trigger an impairment review include the following:

- a) *significant underperformance relative to expected historical or projected future operating results;*

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

ad. Pertimbangan dan Estimasi Akuntansi yang Signifikan (lanjutan)

Penurunan nilai aset non keuangan (lanjutan)

Bank mengevaluasi penurunan nilai aset apabila terdapat kejadian atau perubahan keadaan yang mengindikasikan bahwa nilai tercatat aset tidak dapat dipulihkan kembali. Faktor-faktor penting yang dapat menyebabkan penelaahan penurunan nilai adalah sebagai berikut: (lanjutan)

- b) perubahan yang signifikan dalam cara penggunaan aset atau strategi bisnis secara keseluruhan; dan
- c) industri atau tren ekonomi yang secara signifikan bernilai negatif.

Bank mengakui kerugian penurunan nilai apabila nilai tercatat aset melebihi nilai yang dapat dipulihkan. Jumlah terpulihkan adalah nilai yang lebih tinggi antara nilai wajar dikurang biaya untuk menjual dengan nilai pakai aset (atau unit penghasil kas). Jumlah terpulihkan diestimasi untuk aset individual atau, jika tidak memungkinkan, untuk unit penghasil kas yang mana aset tersebut merupakan bagian daripada unit tersebut.

Metode Suku Bunga Efektif (EIR)

Sejak Agustus 2018, Manajemen mengubah estimasi ekspektasi umur kredit perumahan dari pendekatan umur kontraktual menjadi umur *behaviour*. Manajemen akan melakukan penilaian kembali perilaku umur behavior untuk menentukan estimasi umur terbaik kredit perumahan secara, berkala.

Aset pajak tangguhan

Aset pajak tangguhan diakui atas jumlah pajak penghasilan terpulihkan (*recoverable*) pada periode mendatang sebagai akibat perbedaan temporer. Justifikasi manajemen diperlukan untuk menentukan jumlah aset pajak tangguhan yang dapat diakui, sesuai dengan perkiraan waktu dan tingkat laba fiskal di masa mendatang sejalan dengan strategi rencana perpajakan ke depan.

2. Summary of Significant Accounting Policies (continued)

ad. Judgments and Significant Accounting Estimates (continued)

Impairment of non-financial assets (continued)

The Bank assesses impairment of assets whenever events or changes in circumstances that would indicates that the carrying amount of an asset may not be recoverable. The factors that the Bank considers important which could trigger an impairment review include the following: (continued)

- b) significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- c) significant negative industry or economic trends.

The Bank recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or cash-generating units) fair value less costs to sell and its value in use. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

Effective Interest Rate (EIR) Method

Since August 2018, Management changed the estimated expected life of mortgage loan from contractual life to behaviour life approach. Management will reassess the behavior life to determine the best estimated life of housing loans, regularly.

Deferred tax assets

Deferred tax assets are recognized for the future recoverable taxable income arising from temporary difference. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax strategy.

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2. Ikhtisar Kebijakan Akuntansi Penting (lanjutan)

ad. Pertimbangan dan Estimasi Akuntansi yang Signifikan (lanjutan)

Klasifikasi aset dan liabilitas keuangan

Bank menetapkan klasifikasi aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangkan apakah definisi yang ditetapkan PSAK No. 55 dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Bank seperti diungkapkan pada Catatan 2c.

Imbalan kerja

Penentuan liabilitas imbalan kerja Bank bergantung pada pemilihan asumsi yang digunakan oleh aktuaris independen dan manajemen Bank dalam menghitung jumlah-jumlah tersebut. Asumsi tersebut termasuk antara lain, tingkat diskonto, tingkat kenaikan gaji tahunan, tingkat pengunduran diri karyawan tahunan, tingkat kecacatan, umur pensiun dan tingkat kematian.

Penyusutan aset tetap

Biaya perolehan aset tetap disusutkan dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap antara 3 sampai dengan 20 tahun.

Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya biaya penyusutan masa depan mungkin direvisi.

Pajak penghasilan

Bank mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan.

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2. Summary of Significant Accounting Policies (continued)

ad. Judgments and Significant Accounting Estimates (continued)

Classification of financial assets and liabilities

The Bank determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in SFAS No. 55. Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Bank's accounting policies disclosed in Note 2c.

Employee benefits

The Bank's employee benefit liabilities are determined depending on the selection of certain assumptions used by the independent actuaries and the Bank's management in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turn-over rate, disability rate, retirement age and mortality rate.

Depreciation of fixed assets

The costs of fixed assets are depreciated on a straight-line method over its estimated useful life. Management estimates the useful life of these fixed assets to be between 3 to 20 years.

Changes in the expected level of usage and technological development could impact the economic useful life and the residual value of these fixed assets, and therefore future depreciation charges could be revised.

Income tax

The Bank recognizes liabilities for corporate income tax based on estimation of whether additional corporate income tax will be due.

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3. Kas

Akun ini terdiri dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah	515.821	471.848	Rupiah
Mata uang asing			Foreign currencies
Dolar Amerika Serikat	45.200	26.393	United States Dollar
Dolar Singapura	27.754	21.136	Singapore Dollar
Total	588.775	519.377	Total

Kas dalam Rupiah termasuk uang pada mesin Anjungan Tunai Mandiri (ATM) sejumlah Rp12.411 dan Rp11.958 masing-masing pada tanggal 31 Desember 2019 dan 2018.

3. Cash

This account consists of:

Cash in Rupiah includes cash in Automatic Teller Machines (ATM) amounting to Rp12,411 and Rp11,958 as of 31 December 2019 and 2018, respectively.

4. Giro pada Bank Indonesia

Akun ini terdiri dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah	3.244.629	3.561.083	Rupiah
Dolar Amerika Serikat			United States Dollar
(USD152.551.914 dan USD172.084.914			(USD152,551,914 and USD172,084,914
masing-masing pada tanggal			as of 31 December 2019
31 Desember 2019 dan 2018)	2.117.802	2.474.581	and 2018, respectively)
Total	5.362.431	6.035.664	Total

Bank dipersyaratkan untuk memiliki Giro Wajib Minimum (GWM) dalam mata uang Rupiah dalam kegiatannya sebagai bank umum, serta GWM dalam mata uang asing dalam kegiatannya melakukan transaksi mata uang asing.

4. Current Accounts with Bank Indonesia

This account consists of:

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

Pada tanggal 31 Desember 2019 dan 2018, GWM dalam Rupiah dan mata uang asing masing-masing sebesar:

As at 31 December 2019 and 2018, GWM in Rupiah and foreign currencies are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah			Rupiah
Giro Wajib Minimum	6,10%	6,60%	Minimum Statutory Reserve
Penyangga Likuiditas Makroprudensial	18,75%	18,81%	Macroprudential Liquidity Buffer
Rasio Intermediasi Makroprudensial*	93,41%	87,64%	Macroprudential Intermediation Ratio*
Valuta asing	8,13%	8,10%	Foreign currencies

* Per 2 Desember 2019, berdasarkan PBI No.21/12/PBI/2019 tanggal 25 November 2019, rasio RIM memperhitungkan pinjaman yang diterima.

* As of 2 December 2019, based on PBI No.21/12/PBI/2019 dated 25 November 2019, RIM ratio takes into account fund borrowings.

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4. Giro pada Bank Indonesia (lanjutan)

Giro Wajib Minimum (GWM) adalah jumlah dana minimum yang wajib dipelihara oleh Bank yang besarnya ditetapkan oleh Bank Indonesia sebesar persentase tertentu dari dana pihak ketiga dalam rupiah dan valuta asing.

PLM (Penyangga Likuiditas Makroprudensial) adalah cadangan likuiditas minimum dalam Rupiah yang wajib dipelihara oleh Bank dalam bentuk surat berharga yang besarnya ditetapkan oleh Bank Indonesia sebesar persentase tertentu dari dana pihak ketiga dalam Rupiah.

RIM (Rasio Intermediasi Makroprudensial) adalah rasio hasil perbandingan pinjaman yang diberikan dan surat berharga korporasi yang dimiliki Bank terhadap dana pihak ketiga dalam bentuk giro, tabungan dan simpanan berjangka (tidak termasuk dana antarbank), surat berharga yang diterbitkan oleh Bank kepada pihak ketiga bukan bank dan pinjaman yang diterima dalam bentuk pinjaman bilateral dan sindikasi dengan sisa jangka waktu lebih dari 1 tahun dan bukan merupakan pinjaman antar bank dalam negeri dan *overdraft*.

Rasio GWM Bank pada tanggal 31 Desember 2019 telah sesuai dengan Peraturan Bank Indonesia (PBI) No. 20/3/PBI/2018 tanggal 29 Maret 2018 tentang Giro Wajib Minimum Bank Umum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional dan Peraturan Anggota Dewan Gubernur (PADG) No.21/14/PADG/2019 tanggal 26 Juni 2019 tentang perubahan kedua atas PADG No.20/10/PADG/2018 tentang Giro Wajib Minimum Bank Umum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional. Parameter pemenuhan GWM Rupiah yang ditetapkan sebesar 6%, dipenuhi secara harian sebesar 3% dan secara rata-rata untuk masa laporan tertentu sebesar 3%. Untuk GWM valuta asing ditetapkan sebesar 8%, dipenuhi secara harian sebesar 6% dan secara rata-rata untuk masa laporan tertentu sebesar 2%.

Rasio GWM Bank pada tanggal 31 Desember 2018 telah sesuai dengan Peraturan Bank Indonesia (PBI) No. 20/3/PBI/2018 tanggal 29 Maret 2018 tentang Giro Wajib Minimum Bank Umum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional dan Peraturan Anggota Dewan Gubernur (PADG) No.20/10/PADG/2018 tanggal 31 Mei 2018 sebagaimana telah diubah dengan PADG No.20/30/PADG/2018 tanggal 30 November 2018 tentang Giro Wajib Minimum Bank Umum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional.

4. Current Accounts with Bank Indonesia (continued)

Minimum Statutory Reserve is a minimum reserve that should be maintained by the Bank, the amount of which is determined by Bank Indonesia at a certain percentage of third party fund in rupiah and foreign currency.

Macroprudential liquidity buffer is the minimum liquidity reserve in Rupiah that the Bank is required to maintain in form of the percentage of treasury bonds over third party fund in Rupiah.

Macroprudential Intermediation Ratio is resulted from comparison of loan and corporate bonds owned by the Bank towards third party fund in form of current accounts, savings and deposits (excluded other banks) and bonds issued by the Bank to non-bank third parties and fund borrowing in the form of bilateral and syndicated loans with remaining term of more than 1 year and are not domestic interbank loans and overdraft.

The Bank's GWM ratios as of 31 December 2019, comply with Bank Indonesia Regulation No.20/3/PBI/2018 dated 29 March 2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency for Conventional Bank and Board Member of Governor Regulation (PADG) No.21/14/PADG/2019 dated 26 June 2019 regarding second amendment of PADG No.20/10/PADG/2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency for Conventional Bank. Parameter of required GWM Rupiah determined at 6%, fulfilled on a daily basis of 3% and on an average basis for certain reporting period of 3%. For GWM foreign currencies is at 8%, fulfilled on a daily basis of 6% and on an average basis for certain reporting period of 2%.

The Bank's GWM ratios as of 31 December 2018, comply with Bank Indonesia Regulation No.20/3/PBI/2018 dated 29 March 2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency for Conventional Bank and Board Member of Governor Regulation (PADG) No.20/10/PADG/2018 dated 31 May 2018 which have been further amended with PADG No.20/30/PADG/2018 dated 30 November 2018 regarding Minimum Reserve Requirement in Rupiah and Foreign Currency for Conventional Bank.

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4. Giro pada Bank Indonesia (lanjutan)

Parameter pemenuhan GWM Rupiah yang ditetapkan sebesar 6,5%, dipenuhi secara harian sebesar 3,5% dan secara rata-rata untuk masa laporan tertentu sebesar 3%. Untuk GWM valuta asing ditetapkan sebesar 8%, dipenuhi secara harian sebesar 6% dan secara rata-rata untuk masa laporan tertentu sebesar 2%.

Rasio Intermediasi Makroprudensial (RIM) dan Penyangga Likuiditas Makroprudensial (PLM) Bank pada tanggal 31 Desember 2019 telah sesuai dengan Peraturan Bank Indonesia (PBI) No.20/4/PBI/2018 tanggal 29 Maret 2018 sebagaimana telah diubah dengan PBI No.21/12/PBI/2019 tentang Rasio Intermediasi Makroprudensial dan Penyangga Likuiditas Makroprudensial bagi Bank Umum Konvensional tanggal 25 November 2019 dan Peraturan Anggota Dewan Gubernur (PADG) No.21/22/PADG/2019 tanggal 28 November 2019 tentang Rasio Intermediasi Makroprudensial dan Penyangga Likuiditas Makroprudensial bagi Bank Umum Konvensional.

Rasio Intermediasi Makroprudensial (RIM) dan Penyangga Likuiditas Makroprudensial (PLM) Bank pada tanggal 31 Desember 2018 telah sesuai dengan Peraturan Bank Indonesia (PBI) No.20/4/PBI/2018 tanggal 29 Maret 2018 tentang Rasio Intermediasi Makroprudensial dan Penyangga Likuiditas Makroprudensial bagi Bank Umum Konvensional dan Peraturan Anggota Dewan Gubernur (PADG) No.20/11/PADG/2018 tanggal 31 Mei 2018 tentang Rasio Intermediasi Makroprudensial dan Penyangga Likuiditas Makroprudensial bagi Bank Umum Konvensional.

Suku bunga efektif rata-rata giro pada Bank Indonesia adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah	0,00%	0,20%
Mata uang asing	0,00%	0,00%

4. Current Accounts with Bank Indonesia (continued)

Parameter of required GWM Rupiah determined at 6.5%, fulfilled in daily basis of 3.5% and in average basis for certain reporting period of 3%. For GWM foreign currencies is at 8%, fulfilled in daily basis of 6% and in average basis for certain reporting period of 2%.

The Bank's Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer as of 31 December 2019 comply with Bank Indonesia Regulation (PBI) No.20/4/PBI/2018 dated 29 March 2018 which have been further amended with PBI No.21/12/PBI/2019 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional Bank and Board Member of Governor Regulation (PADG) No.21/22/PADG/2019 dated 28 November 2019 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional Bank.

The Bank's Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer as of 31 December 2018 comply with Bank Indonesia Regulation No.20/4/PBI/2018 dated 29 March 2018 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional Bank and Board Member of Governor Regulation No.20/11/PADG/2018 dated 31 May 2018 regarding Macroprudential Intermediation Ratio and Macroprudential Liquidity Buffer for Conventional Bank.

The average effective interest rates of current account with Bank Indonesia are as follows:

Rupiah
Foreign currency

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5. Giro pada Bank Lain

Akun ini terdiri dari:

Jenis giro pada bank lain	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Pihak ketiga		
Rupiah:		
PT Bank Central Asia Tbk	5.148	2.692
PT Maybank Indonesia Tbk	2.638	1.981
Lain-lain (masing-masing di bawah Rp2.000)	848	1.286
Subtotal - Pihak ketiga - Rupiah	8.634	5.959
Yen Jepang:		
Bank of Tokyo - Mitsubishi UFJ, Jepang	877.315	61.534
Dolar Amerika Serikat:		
JP Morgan Chase Bank, Amerika Serikat	257.833	90.919
PT Bank Mandiri (Persero) Tbk	49.598	20.447
PT Bank Central Asia Tbk	36.435	32.897
Deutsche Bank AG, Amerika Serikat	8.134	3.496
Euro Eropa:		
Deutsche Bank, Frankfurt	127.385	35.231
ING Belgium, Brussels	64.726	33.527
Dolar Australia:		
ANZ Bank Ltd., Australia	41.848	30.840
National Australia Bank, Australia	5.646	7.875
Pound Sterling Inggris:		
Barclays Bank, London	46.094	24.379
Franc Swiss:		
UBS AG, Zurich	13.096	8.400
Dolar Kanada:		
Canadian Imperial Bank of Commerce, Toronto	11.296	58.488
Dolar Selandia Baru:		
ANZ National Bank, Selandia Baru	4.430	7.589
Lain-lain (masing-masing di bawah Rp2.000)	4.726	3.022
Subtotal - Pihak ketiga - Mata uang asing	1.548.562	418.644
Total - Pihak ketiga	1.557.196	424.603
Pihak berelasi (Catatan 37)		
United Overseas Bank Ltd., Singapura:		
Dolar Singapura	248.316	130.820
Dolar Amerika Serikat	57.838	26.158
Euro Eropa	27.993	65.583
Yuan China Renminbi	676	419
United Overseas Bank Ltd., Tokyo:		
Yen Jepang	202.542	30.981
United Overseas Bank Ltd., Sydney:		
Dolar Australia	553	579
United Overseas Bank Ltd., Malaysia:		
Ringgit Malaysia	61	67
United Overseas Bank Ltd., Thailand:		
Baht Thailand	28	-
United Overseas Bank Ltd., Hong Kong:		
Dolar Hong Kong	-	480
Total - Pihak berelasi	538.007	255.087
Total	2.095.203	679.690

5. Current Accounts with Other Banks

This account consists of:

Types of current accounts with other banks
Third parties
Rupiah:
PT Bank Central Asia Tbk
PT Maybank Indonesia Tbk
Others (below Rp2,000 each)
Subtotal - Third parties - Rupiah
Japanese Yen:
Bank of Tokyo - Mitsubishi UFJ, Japan
United States Dollar:
JP Morgan Chase Bank, United States of America
PT Bank Mandiri (Persero) Tbk
PT Bank Central Asia Tbk
Deutsche Bank AG, United States of America
European Euro:
Deutsche Bank, Frankfurt
ING Belgium, Brussels
Australian Dollar:
ANZ Bank Ltd., Australia
National Australia Bank, Australia
Great Britain Pound Sterling:
Barclays Bank, London
Swiss Franc:
UBS AG, Zurich
Canadian Dollar:
Canadian Imperial Bank of Commerce, Toronto
New Zealand Dollar:
ANZ National Bank, New Zealand
Others (below Rp2,000 each)
Subtotal - Third parties - Foreign currencies
Total - Third parties
Related parties (Note 37)
United Overseas Bank Ltd., Singapore:
Singapore Dollar
United States Dollar
European Euro
Chinese Yuan Renminbi
United Overseas Bank Ltd., Tokyo:
Japanese Yen
United Overseas Bank Ltd., Sydney:
Australian Dollar
United Overseas Bank Ltd., Malaysia:
Malaysian Ringgit
United Overseas Bank Ltd., Thailand:
Thailand Baht
United Overseas Bank Ltd., Hong Kong:
Hong Kong Dollar
Total - Related parties
Total

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5. Giro pada Bank Lain (lanjutan)

Suku bunga rata-rata untuk giro pada bank lain adalah sebagai berikut:

	31 Desember/ 31 December 2019
Rupiah dan Mata uang asing	0,00% - 0,76%

Manajemen Bank berkeyakinan bahwa pada tanggal 31 Desember 2019 dan 2018, giro pada bank lain digolongkan lancar dan tidak mengalami penurunan nilai.

Tidak terdapat giro pada bank lain yang diblokir dan dijadikan jaminan pada tanggal-tanggal 31 Desember 2019 dan 2018.

6. Penempatan pada Bank Indonesia dan Bank Lain

Akun ini terdiri dari:

Jenis penempatan	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	Types of placements
Pihak ketiga			<i>Third parties</i>
Rupiah:			<i>Rupiah:</i>
Fasilitas Simpanan Bank Indonesia	396.906	185.000	<i>Deposit Facilities of Bank Indonesia</i>
Call Money:			<i>Call Money:</i>
Bank of Tokyo - Mitsubishi UFJ Indonesia	-	150.000	<i>Bank of Tokyo - Mitsubishi UFJ Indonesia</i>
PT Bank CTBC Indonesia	-	65.000	<i>PT Bank CTBC Indonesia</i>
Subtotal - Pihak ketiga - Rupiah	396.906	400.000	<i>Subtotal - Third parties - Rupiah</i>
Mata uang asing:			<i>Foreign currencies:</i>
Term Deposit Bank Indonesia	610.830	-	<i>Term Deposits of Bank Indonesia</i>
Call Money:			<i>Call Money:</i>
Bank of New York, Amerika Serikat	128.413	104.974	<i>Bank of New York, United States of America</i>
Subtotal - Pihak ketiga - Mata uang asing	739.243	104.974	<i>Subtotal - Third parties - Foreign currencies</i>
Total - Pihak ketiga	1.136.149	504.974	<i>Total - Third parties</i>
Pihak berelasi (Catatan 37)			<i>Related party (Note 37)</i>
Mata uang asing:			<i>Foreign currencies:</i>
Call Money:			<i>Call Money:</i>
United Overseas Bank Ltd., Singapura	939.550	1.699.094	<i>United Overseas Bank Ltd., Singapore</i>
Total - Pihak berelasi	939.550	1.699.094	<i>Total - Related party</i>
Total	2.075.699	2.204.068	Total

5. Current Accounts with Other Banks (continued)

The average interest rate for current accounts with other banks are as follows:

	31 Desember/ 31 December 2018	
Rupiah dan Mata uang asing	0,00% - 0,25%	<i>Rupiah and Foreign currencies</i>

The Bank's management believes that as of 31 December 2019 and 2018, current accounts with other banks are classified as current and not impaired.

There were no current accounts with other banks blocked and pledged as collateral as of 31 December 2019 and 2018.

6. Placements with Bank Indonesia and Other Banks

This account consists of:

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6. Penempatan pada Bank Indonesia dan Bank Lain (lanjutan)

Suku bunga rata-rata untuk penempatan pada Bank Indonesia dan bank lain adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah	4,87% - 5,77%	4,35% - 5,69%
Mata uang asing	0,58% - 2,14%	0,49% - 2,02%

Rincian penempatan pada Bank Indonesia dan bank lain berdasarkan jenis penempatan dan sisa umur sampai dengan jatuh tempo adalah sebagai berikut:

	31 Desember/31 December 2019		
	Penempatan/ Placements	Call Money	Total
Rupiah < 1 bulan	396.906	-	396.906
Mata uang asing < 1 bulan	610.830	1.067.963	1.678.793
Total	1.007.736	1.067.963	2.075.699

	31 Desember/31 December 2018		
	Penempatan/ Placements	Call Money	Total
Rupiah < 1 bulan	185.000	215.000	400.000
Mata uang asing < 1 bulan	-	1.804.068	1.804.068
Total	185.000	2.019.068	2.204.068

Tidak terdapat penempatan pada bank lain yang diblokir dan dijadikan jaminan pada tanggal-tanggal 31 Desember 2019 dan 2018.

Manajemen Bank berkeyakinan bahwa pada tanggal 31 Desember 2019 dan 2018, penempatan pada bank lain digolongkan lancar dan tidak mengalami penurunan nilai.

Rincian penempatan pada Bank Indonesia dan bank lain berdasarkan sisa umur sampai dengan jatuh tempo terdapat pada Catatan 40.

6. Placements with Bank Indonesia and Other Banks (continued)

The average interest rates for placement with Bank Indonesia and other banks are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah	4,87% - 5,77%	4,35% - 5,69%
Foreign currencies	0,58% - 2,14%	0,49% - 2,02%

The details of placements with Bank Indonesia and other banks based on the type of placements and remaining maturities are as follows:

	31 Desember/31 December 2019		
	Penempatan/ Placements	Call Money	Total
Rupiah < 1 month	396.906	-	396.906
Foreign currencies < 1 month	610.830	1.067.963	1.678.793
Total	1.007.736	1.067.963	2.075.699

	31 Desember/31 December 2018		
	Penempatan/ Placements	Call Money	Total
Rupiah < 1 month	185.000	215.000	400.000
Foreign currencies < 1 month	-	1.804.068	1.804.068
Total	185.000	2.019.068	2.204.068

There were no placements with other banks blocked and pledged as collateral as of 31 December 2019 and 2018.

The Bank's management believes that as of 31 December 2019 and 2018, placements with other banks are classified as current and not impaired.

The details of placements with Bank Indonesia and other banks based on remaining maturities are shown in Note 40.

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7. Efek-efek yang Diperdagangkan

Akun ini terdiri dari:

7. Trading Securities

This account consists of:

31 Desember/31 December 2019				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
Efek-efek yang diperdagangkan				Trading securities
Obligasi Pemerintah	1.037.022	127.573	1.164.595	Government Bonds
Sukuk Ritel	503	-	503	Retail Sukuk
Total	1.037.525	127.573	1.165.098	Total

31 Desember/31 December 2018				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
Efek-efek yang diperdagangkan				Trading securities
Obligasi Pemerintah	293.204	48.112	341.316	Government Bonds
Sukuk Ritel	3.230	-	3.230	Retail Sukuk
Total	296.434	48.112	344.546	Total

Pada tanggal 31 Desember 2019 dan 2018, efek-efek yang diperdagangkan adalah efek-efek yang diterbitkan oleh pemerintah dan dikategorikan tanpa peringkat, berupa obligasi pemerintah dan sukuk ritel.

As of 31 December 2019 and 2018, trading securities are the securities issued by the government and categorized as non-rated, in the form government bonds and retail sukuk.

Manajemen Bank berkeyakinan bahwa pada tanggal 31 Desember 2019 dan 2018, seluruh efek-efek yang diperdagangkan digolongkan lancar dan tidak mengalami penurunan nilai.

The Bank's management believes that as of 31 December 2019 and 2018, all trading securities are classified as current and not impaired.

Rincian efek-efek diperdagangkan berdasarkan sisa umur sampai dengan jatuh tempo terdapat pada Catatan 40.

The details of trading securities based on remaining maturities are shown in Note 40.

Suku bunga efektif rata-rata efek-efek yang diperdagangkan adalah sebagai berikut:

The average effective interest rates of trading securities are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah			Rupiah
Obligasi Pemerintah	6,05% - 8,85%	6,60% - 9,00%	Government Bonds
Sukuk Ritel	6,08% - 7,44%	5,90% - 8,30%	Retail Sukuk
Negotiable Certificate of Deposit	7,44% - 7,57%	-	Negotiable Certificate of Deposit
Mata uang asing			Foreign currency
Obligasi Pemerintah	2,98% - 5,47%	2,95% - 5,37%	Government Bonds

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8. Investasi Keuangan

8. Financial Investments

Akun ini terdiri dari:

This account consists of:

31 Desember/31 December 2019				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
Efek-efek yang tersedia untuk dijual				<i>Available-for-sale securities</i>
Obligasi Pemerintah	7.426.140	299.517	7.725.657	<i>Government Bonds</i>
Sukuk Retail	1.377.255	-	1.377.255	<i>Retail Sukuk</i>
Sertifikat Bank Indonesia	962.745	-	962.745	<i>Certificates of Bank Indonesia</i>
Total efek-efek yang tersedia untuk dijual	9.766.140	299.517	10.065.657	<i>Total available-for-sale securities</i>
Efek-efek yang dimiliki hingga jatuh tempo				<i>Held-to-maturity securities</i>
Wesel ekspor berjangka	3.196.112	722.287	3.918.399	<i>Export bills</i>
Total investasi keuangan	12.962.252	1.021.804	13.984.056	<i>Total financial investments</i>
Cadangan kerugian penurunan nilai	(22.078)	(5.223)	(27.301)	<i>Allowance for impairment losses</i>
Neto	12.940.174	1.016.581	13.956.755	Net
31 Desember/31 December 2018				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
Efek-efek yang tersedia untuk dijual				<i>Available-for-sale securities</i>
Obligasi Pemerintah	4.998.661	358.715	5.357.376	<i>Government Bonds</i>
Surat Perbendaharaan Negara	1.840.091	-	1.840.091	<i>State Treasury Notes</i>
Sukuk Retail	1.553.177	-	1.553.177	<i>Retail Sukuk</i>
Sertifikat Bank Indonesia	1.191.416	-	1.191.416	<i>Certificates of Bank Indonesia</i>
Sertifikat Deposito Bank Indonesia	260.227	-	260.227	<i>Certificates Deposit of Bank Indonesia</i>
Total efek-efek yang tersedia untuk dijual	9.843.572	358.715	10.202.287	<i>Total available-for-sale securities</i>
Efek-efek yang dimiliki hingga jatuh tempo				<i>Held-to-maturity securities</i>
Wesel ekspor berjangka	2.430.836	2.993.367	5.424.203	<i>Export bills</i>
Total investasi keuangan	12.274.408	3.352.082	15.626.490	<i>Total financial investments</i>
Cadangan kerugian penurunan nilai	(15.595)	(23.307)	(38.902)	<i>Allowance for impairment losses</i>
Neto	12.258.813	3.328.775	15.587.588	Net

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8. Investasi Keuangan (lanjutan)

8. Financial Investments (continued)

a. Investasi keuangan yang tersedia untuk dijual pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

a. The available-for-sale financial investments as of 31 December 2019 and 2018, are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Nilai wajar			Fair value
Rupiah			Rupiah
Obligasi Pemerintah	7.426.140	4.998.661	Government Bonds
Sukuk Ritel	1.377.255	1.553.177	Retail Sukuk
Sertifikat Bank Indonesia	962.745	1.191.416	Certificates of Bank Indonesia
Surat Perbendaharaan Negara	-	1.840.091	State Treasury Notes
Sertifikat Deposito Bank Indonesia	-	260.227	Certificate of Deposit of Bank Indonesia
Subtotal	9.766.140	9.843.572	Subtotal
Mata Uang Asing			Foreign Currencies
Obligasi Pemerintah	299.517	358.715	Government Bonds
Total	10.065.657	10.202.287	Total
	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Harga perolehan	9.891.597	10.394.878	Cost
Premi (diskonto) yang belum diamortisasi	48.649	(77.458)	Unamortized premium (discount)
Keuntungan (kerugian) yang belum direalisasi	125.411	(115.133)	Unrealized gain (loss)
Total	10.065.657	10.202.287	Total

b. Klasifikasi investasi keuangan yang dimiliki hingga jatuh tempo berdasarkan sisa umur sebelum cadangan kerugian penurunan nilai adalah sebagai berikut:

b. The classification of held-to-maturity financial investments based on the remaining maturities before allowance for impairment losses is as follows:

	31 Desember/31 December 2019			
	Rupiah	Mata uang asing/ Foreign currencies	Total	
< 1 bulan	340.761	272.199	612.960	< 1 month
≥ 1 bulan ≤ 3 bulan	1.263.819	201.683	1.465.502	≥ 1 month ≤ 3 months
> 3 bulan ≤ 6 bulan	1.591.532	248.405	1.839.937	> 3 months ≤ 6 months
Total	3.196.112	722.287	3.918.399	Total
	31 Desember/31 December 2018			
	Rupiah	Mata uang asing/ Foreign currencies	Total	
< 1 bulan	480.085	992.515	1.472.600	< 1 month
≥ 1 bulan ≤ 3 bulan	797.190	1.345.511	2.142.701	≥ 1 month ≤ 3 months
> 3 bulan ≤ 6 bulan	1.153.561	655.341	1.808.902	> 3 months ≤ 6 months
Total	2.430.836	2.993.367	5.424.203	Total

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8. Investasi Keuangan (lanjutan)

- b. Klasifikasi investasi keuangan yang dimiliki hingga jatuh tempo berdasarkan sisa umur sebelum cadangan kerugian penurunan nilai adalah sebagai berikut: (lanjutan)

Rincian investasi keuangan berdasarkan sisa umur sampai dengan jatuh tempo terdapat pada Catatan 40.

- c. Klasifikasi investasi keuangan yang dimiliki hingga jatuh tempo berdasarkan kolektibilitas menurut Peraturan Bank Indonesia sebelum cadangan kerugian penurunan nilai adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah		
Lancar	3.196.112	2.430.836
Mata uang asing		
Lancar	722.287	2.993.221
Dalam perhatian khusus	-	146
Total	3.918.399	5.424.203

- d. Ikhtisar perubahan cadangan kerugian penurunan nilai investasi keuangan adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Saldo awal tahun	38.902	33.244
(Pemulihan) penambahan selama tahun berjalan	(10.795)	4.584
Selisih kurs penjabaran	(806)	1.074
Saldo akhir tahun	27.301	38.902

Pada tanggal 31 Desember 2019, kolektibilitas investasi keuangan yang diklasifikasikan sebagai tersedia untuk dijual dan dimiliki hingga jatuh tempo digolongkan lancar.

Pada tanggal 31 Desember 2018, kolektibilitas investasi keuangan yang diklasifikasikan sebagai tersedia untuk dijual digolongkan lancar. Sedangkan kolektibilitas investasi keuangan yang diklasifikasikan sebagai dimiliki hingga jatuh tempo digolongkan lancar dan dalam perhatian khusus.

Pada tanggal 31 Desember 2018, obligasi pemerintah dengan jumlah nominal Rp359.500 telah dijual dengan janji dibeli kembali (Catatan 21).

Manajemen Bank berkeyakinan bahwa jumlah cadangan penurunan nilai adalah cukup untuk menutup kemungkinan kerugian penurunan nilai atas tidak tertagihnya investasi keuangan.

8. Financial Investments (continued)

- b. The classification of held-to-maturity financial investments based on the remaining maturities before allowance for impairment losses is as follows: (continued)

The details of financial investment based on remaining maturities are shown in Note 40.

- c. The classification of held-to-maturity financial investments based on collectibility based on Bank Indonesia Regulation before allowance for impairment losses is as follows:

Rupiah
Current
Foreign Currencies
Current
Special mention

- d. The changes in the allowance for impairment losses on financial investments are as follows:

Beginning balance
(Reversal) additional
during the year
Foreign exchange translation

Ending balance

As of 31 December 2019, the collectibility of financial investments which are classified as available for sale and held to maturity are current.

As of 31 December 2018, the collectibility of financial investments which are classified as available for sale is current. Meanwhile, the collectibility of financial investments which are classified as held to maturity are current and special mention.

As of 31 December 2018, government bonds have been sold under repurchase agreements with nominal amounts of Rp359,500 (Note 21).

The Bank's management believes that the allowance for impairment losses is adequate to cover possible impairment losses from uncollectible financial investments.

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8. Investasi Keuangan (lanjutan)

Suku bunga efektif rata-rata investasi keuangan adalah sebagai berikut:

	31 Desember/ 31 December 2019
Rupiah	5,58% - 12,21%
Mata uang asing	2,63% - 6,54%

9. Tagihan dan Liabilitas Derivatif

Ikhtisar tagihan dan liabilitas derivatif adalah sebagai berikut:

8. Financial Investments (continued)

The average effective interest rates of financial investments are as follows:

	31 Desember/ 31 December 2018	
	2,80% - 12,83%	Rupiah
	1,59% - 6,58%	Foreign currency

9. Derivative Receivables and Payables

The summary of derivative receivables and payables are as follows:

31 Desember/31 December 2019				
Jenis	Nilai nosional (kontrak) (ekuivalen rupiah)/ Notional value (contract) (equivalent rupiah)	Tagihan derivatif/ Derivative receivables	Liabilitas derivatif/ Derivative payables	Type
Forward jual USD	5.604.311	69.153	3.096	Forward sold USD
Forward beli USD	4.263.749	3.442	49.754	Forward bought USD
Option	2.151.213	28.384	27.920	Option
Swap suku bunga Rp	728.150	12.503	1.572	Interest rate swap IDR
USD	14.743.790	146.389	134.280	USD
Swap pertukaran valas dan suku bunga Rp	8.679.253	11.737	310.892	Cross currency interest rate swap IDR
USD	7.202.470	432.191	25.444	USD
Total		703.799	552.958	Total

31 Desember/31 December 2018				
Jenis	Nilai nosional (kontrak) (ekuivalen rupiah)/ Notional value (contract) (equivalent rupiah)	Tagihan derivatif/ Derivative receivables	Liabilitas derivatif/ Derivative payables	Type
Forward jual USD	9.989.953	140.362	128.253	Forward sold USD
Forward beli USD	9.293.530	107.325	122.893	Forward bought USD
Option	3.443.648	23.939	23.939	Option
Swap suku bunga Rp	1.208.071	18.834	10.915	Interest rate swap IDR
USD	14.967.063	69.520	58.190	USD
Swap pertukaran valas dan suku bunga Rp	1.067.320	70.528	58.508	Cross currency interest rate swap IDR
USD	5.221.962	237.253	215.887	USD
Total		667.761	618.585	Total

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9. Tagihan dan Liabilitas Derivatif (lanjutan)

Rincian tagihan dan liabilitas derivatif berdasarkan sisa umur sampai dengan jatuh tempo terdapat pada Catatan 40.

Dalam kegiatan normal bisnis, Bank melakukan transaksi derivatif tertentu untuk memenuhi kebutuhan spesifik nasabahnya dan dalam rangka pengelolaan likuiditas dan posisi lindung nilai. Bank memiliki kebijakan pengelolaan risiko dan limit yang ditentukan untuk mengendalikan risiko nilai tukar dan suku bunga. Perubahan variabel risiko pasar dimonitor secara aktif dalam rapat ALCO (*Asset and Liability Committee*) yang dijadikan acuan dalam menentukan strategi Bank.

Pada tanggal 31 Desember 2019 dan 2018, Bank memiliki beberapa tipe instrumen derivatif sebagai berikut:

Pertukaran *forward*

Kontrak pertukaran *forward* adalah perjanjian untuk membeli atau menjual suatu mata uang asing pada kurs dan tanggal tertentu. Transaksi tersebut dilakukan di *over-the-counter market*. Secara spesifik, Bank mengadakan transaksi ini dengan tujuan untuk mengendalikan risiko nilai tukar. Jangka waktu perjanjian untuk transaksi pertukaran *forward* yang dilakukan oleh Bank berkisar antara 3 hari - 1 tahun.

Options

Options merupakan perjanjian kontraktual antara dua pihak yang merupakan suatu kontrak yang memberikan hak (bukan kewajiban) kepada pembeli *option* untuk untuk membeli atau menjual mata uang terhadap mata uang lainnya dengan harga yang telah ditentukan (*strike price*) untuk suatu periode tertentu dengan membayar sejumlah premi kepada penjual *option*. Periode perjanjian untuk *option* yang dilakukan oleh Bank berkisar antara 7 hari - 3 tahun.

Swap Suku Bunga

Perjanjian *swap* suku bunga merupakan perjanjian kontraktual antara dua pihak untuk menukarkan pergerakan tingkat suku bunga dan untuk melakukan suatu pembayaran yang didasarkan pada suatu situasi tertentu dan jumlah nosional tertentu.

9. Derivative Receivables and Payables (continued)

The details of derivative receivables and payables based on remaining maturities are shown in Note 40.

In the normal course of the business, the Bank enters into some derivative transactions to meet the specific needs of its customers as well as to manage its liquidity and hedging position. The Bank has its own risk management policy and the risk amount limit for controlling the foreign exchange and interest rate risks. The changes in variable market risk are actively monitored in the ALCO (*Asset and Liability Committee*) meeting, whereby the changes serve as the benchmark in determining the Bank's strategies.

As of 31 December 2019 and 2018, the Bank has the following types of derivative instruments:

Forward Exchange

Forward exchange contracts are contractual agreements to buy or sell a foreign currency at specified rates and on certain dates. These transactions are conducted in the *over-the-counter market*. Specifically, the Bank enters into this transaction with the objective to control the exchange rate risk. The period of contract for *forward exchange transactions* undertaken by the Bank ranged between 3 days - 1 year.

Options

Options are a contractual agreements between two parties which is a contract granting rights (instead of liabilities) to the option buyer to purchase or sell a currency against another currency at a predetermined price (*strike price*) for a certain period by paying significant amount of premium to the option seller. The contract period for the option transacted by the Bank ranged between 7 days - 3 years.

Interest Rate Swap

Interest rate swap contracts are contractual agreements between two parties to exchange movements of interest rates and to make payments with respect to defined credit events based on specified notional amount.

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9. Tagihan dan Liabilitas Derivatif (lanjutan)

Swap Suku Bunga (lanjutan)

Secara spesifik, Bank mengadakan transaksi tersebut dengan tujuan untuk melindungi nilai pergerakan arus kas di masa depan, terkait dengan pendapatan bunga atas pinjaman yang diberikan kepada debitur (debitur perusahaan dan debitur perorangan yang telah digabungkan) dalam Rupiah dan pendapatan bunga dari efek tersedia untuk dijual dalam mata uang Dolar Amerika Serikat. Periode perjanjian untuk *swap* suku bunga yang dilakukan oleh Bank berkisar antara 8 bulan - 5 tahun.

Swap Valuta Asing dan Suku Bunga

Perjanjian *swap* valuta asing suku bunga merupakan perjanjian kontraktual antara dua pihak untuk menukarkan aliran kas dari pokok kredit dan pembayaran bunganya dalam denominasi mata uang yang berbeda. Periode perjanjian untuk *swap* valuta asing suku bunga yang dilakukan oleh Bank berkisar antara 4 bulan - 5 tahun.

Transaksi-transaksi tersebut di atas tidak diperlakukan sebagai transaksi lindung nilai yang efektif untuk tujuan akuntansi. Perubahan nilai wajar dari instrumen derivatif tersebut dikreditkan atau dibebankan dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

10. Kredit yang Diberikan

1) Jenis Kredit yang Diberikan

9. Derivative Receivables and Payables (continued)

Interest Rate Swap (continued)

Specifically, the Bank has entered into these contracts to hedge its future interest cash flows on its interest income from Rupiah loan receivables from customers (corporate and individual at a pool basis) and its interest income from United States Dollar denominated available-for-sale securities. The contract period for the interest rate swap transacted by the Bank is between 8 months - 5 years.

Cross Currency Interest Rate Swap

Cross currency interest rate swap are contractual agreements between two parties to exchange cash flows from loan principal and interest payments which are in different denominations. The contract period for the cross currency interest rate swap transacted by the Bank ranged between 4 months - 5 years.

The above transactions are not treated as an effective hedging relationships for accounting purposes. The changes in the fair value of the derivative instruments are credited or charged to the statements of profit or loss and other comprehensive income in the current year.

10. Loans

1) By Type of Loan

31 Desember/31 December 2019

	Pihak ketiga/ Third parties	Pihak berelasi (catatan 37)/ Related parties (note 37)	Total	
Rupiah				Rupiah
Rekening koran	12.490.806	4.776	12.495.582	Overdraft
Promes	9.882.147	-	9.882.147	Promissory notes
Investasi	7.143.991	-	7.143.991	Investment
Pemilikan rumah	6.756.864	41.270	6.798.134	Housing
Angsuran	5.332.497	-	5.332.497	Installment
Kartu kredit	2.348.820	5.521	2.354.341	Credit card
Multiguna	1.755.965	8.852	1.764.817	Multi-purpose
Sindikasi	188.996	-	188.996	Syndicated
Tetap	31.250	-	31.250	Fixed
Kendaraan bermotor	20.245	6.988	27.233	Motor vehicles
Lain-lain	10.679.108	-	10.679.108	Others
	56.630.689	67.407	56.698.096	

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10. Kredit yang Diberikan (lanjutan)

10. Loans (continued)

1) Jenis Kredit yang Diberikan (lanjutan)

1) By Type of Loan (continued)

31 Desember/31 December 2019

	Pihak ketiga/ Third parties	Pihak berelasi (catatan 37)/ Related parties (note 37)	Total	
Mata uang asing				Foreign currencies
Promes	5.303.033	-	5.303.033	Promissory notes
Angsuran	3.870.280	-	3.870.280	Installment
Sindikasi	2.146.089	-	2.146.089	Syndicated
Investasi	1.514.001	227.517	1.741.518	Investment
Lain-lain	5.380.394	-	5.380.394	Others
	18.213.797	227.517	18.441.314	
Total	74.844.486	294.924	75.139.410	Total
Cadangan kerugian penurunan nilai	(1.506.659)	(2.159)	(1.508.818)	Allowance for impairment losses
Neto	73.337.827	292.765	73.630.592	Net

31 Desember/31 December 2018

	Pihak ketiga/ Third parties	Pihak berelasi (catatan 37)/ Related parties (note 37)	Total	
Rupiah				Rupiah
Rekening koran	11.937.121	5.917	11.943.038	Overdraft
Promes	9.606.468	-	9.606.468	Promissory notes
Investasi	7.688.382	-	7.688.382	Investment
Pemilikan rumah	5.422.695	41.962	5.464.657	Housing
Angsuran	5.261.236	-	5.261.236	Installment
Kartu kredit	2.074.872	6.728	2.081.600	Credit card
Multiguna	1.857.548	8.429	1.865.977	Multi-purpose
Sindikasi	317.800	-	317.800	Syndicated
Tetap	35.250	-	35.250	Fixed
Kendaraan bermotor	19.067	8.137	27.204	Motor vehicles
Lain-lain	8.876.837	-	8.876.837	Others
	53.097.276	71.173	53.168.449	
Mata uang asing				Foreign currencies
Promes	4.626.251	-	4.626.251	Promissory notes
Angsuran	3.904.360	-	3.904.360	Installment
Sindikasi	3.757.277	-	3.757.277	Syndicated
Investasi	1.693.884	262.884	1.956.768	Investment
Lain-lain	6.268.060	-	6.268.060	Others
	20.249.832	262.884	20.512.716	
Total	73.347.108	334.057	73.681.165	Total
Cadangan kerugian penurunan nilai	(1.370.514)	(2.529)	(1.373.043)	Allowance for impairment losses
Neto	71.976.594	331.528	72.308.122	Net

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10. Kredit yang Diberikan (lanjutan)

10. Loans (continued)

2) Sektor Ekonomi

2) By Economic Sector

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Industri pengolahan	20.651.692	20.409.844	<i>Processing industry</i>
Perdagangan besar dan eceran	18.066.258	17.606.053	<i>Wholesale and retail</i>
Rumah tangga	11.103.491	9.628.304	<i>Household</i>
Perantara keuangan	5.233.694	6.040.076	<i>Financial intermediaries</i>
Pertanian, perburuan dan kehutanan	4.364.669	4.604.734	<i>Agriculture, hunting and forestry</i>
<i>Real estate</i> dan jasa usaha	4.307.478	4.409.433	<i>Real estate and business service</i>
Konstruksi	4.045.888	3.740.448	<i>Construction</i>
Pertambangan dan penggalian	2.552.724	2.164.042	<i>Mining and excavation</i>
Penyedia akomodasi	2.219.748	2.339.603	<i>Accommodation provider</i>
Transportasi, pergudangan, dan komunikasi	1.757.880	1.924.451	<i>Transportation, warehousing, and communication</i>
Listrik, air dan gas	389.814	441.745	<i>Electricity, water and gas</i>
Jasa kemasyarakatan	263.879	193.660	<i>Social service</i>
Jasa kesehatan	103.681	44.855	<i>Health service</i>
Jasa pendidikan	43.922	53.309	<i>Educational service</i>
Perikanan	29.127	46.406	<i>Fishery</i>
Jasa perorangan	2.064	3.668	<i>Personal service</i>
Lainnya	3.401	30.534	<i>Others</i>
Total	75.139.410	73.681.165	<i>Total</i>
Cadangan kerugian penurunan nilai	(1.508.818)	(1.373.043)	<i>Allowance for impairment losses</i>
Neto	73.630.592	72.308.122	Net

3) Jangka Waktu

3) By Terms

a. Berdasarkan Perjanjian kredit

a. Based on Loan Agreement

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah			<i>Rupiah</i>
≤ 1 tahun	16.802.508	13.689.965	<i>≤ 1 year</i>
> 1 tahun ≤ 2 tahun	15.739.912	16.374.174	<i>> 1 year ≤ 2 years</i>
> 2 tahun ≤ 5 tahun	3.787.382	3.895.368	<i>> 2 years ≤ 5 years</i>
> 5 tahun	20.368.294	19.208.942	<i>> 5 years</i>
	56.698.096	53.168.449	
Mata uang asing			<i>Foreign currencies</i>
≤ 1 tahun	8.163.470	6.839.351	<i>≤ 1 year</i>
> 1 tahun ≤ 2 tahun	2.467.241	4.352.447	<i>> 1 year ≤ 2 years</i>
> 2 tahun ≤ 5 tahun	4.402.989	5.948.884	<i>> 2 years ≤ 5 years</i>
> 5 tahun	3.407.614	3.372.034	<i>> 5 years</i>
	18.441.314	20.512.716	
Total	75.139.410	73.681.165	<i>Total</i>
Cadangan kerugian penurunan nilai	(1.508.818)	(1.373.043)	<i>Allowance for impairment losses</i>
Neto	73.630.592	72.308.122	Net

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10. Kredit yang Diberikan (lanjutan)

10. Loans (continued)

3) Jangka Waktu (lanjutan)

3) By Terms (continued)

b. Berdasarkan Sisa Umur Jatuh Tempo

b. Based on Remaining Maturities

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah			<i>Rupiah</i>
≤ 1 tahun	33.342.116	30.811.423	≤ 1 year
> 1 tahun ≤ 2 tahun	2.498.202	2.662.896	> 1 year ≤ 2 years
> 2 tahun ≤ 5 tahun	9.995.656	8.832.294	> 2 years ≤ 5 years
> 5 tahun	10.862.122	10.861.836	> 5 years
	<u>56.698.096</u>	<u>53.168.449</u>	
Mata uang asing			<i>Foreign currencies</i>
≤ 1 tahun	13.150.009	11.980.552	≤ 1 year
> 1 tahun ≤ 2 tahun	743.112	3.917.902	> 1 year ≤ 2 years
> 2 tahun ≤ 5 tahun	3.057.393	2.987.296	> 2 years ≤ 5 years
> 5 tahun	1.490.800	1.626.966	> 5 years
	<u>18.441.314</u>	<u>20.512.716</u>	
Total	75.139.410	73.681.165	<i>Total</i>
Cadangan kerugian penurunan nilai	(1.508.818)	(1.373.043)	<i>Allowance for impairment losses</i>
Neto	<u>73.630.592</u>	<u>72.308.122</u>	<i>Net</i>

4) Kolektibilitas menurut Peraturan Bank Indonesia

4) Collectibility based on Bank Indonesia Regulation

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah			<i>Rupiah</i>
Lancar	53.863.104	50.776.837	<i>Current</i>
Dalam perhatian khusus	1.679.325	1.357.990	<i>Special mention</i>
Kurang lancar	205.426	124.087	<i>Sub-standard</i>
Diragukan	208.075	183.576	<i>Doubtful</i>
Macet	742.166	725.959	<i>Loss</i>
	<u>56.698.096</u>	<u>53.168.449</u>	
Mata uang asing			<i>Foreign currencies</i>
Lancar	17.921.829	20.382.201	<i>Current</i>
Dalam perhatian khusus	403.439	118.591	<i>Special mention</i>
Kurang lancar	5.301	-	<i>Sub-standard</i>
Macet	110.745	11.924	<i>Loss</i>
	<u>18.441.314</u>	<u>20.512.716</u>	
Total	75.139.410	73.681.165	<i>Total</i>
Cadangan kerugian penurunan nilai	(1.508.818)	(1.373.043)	<i>Allowance for impairment losses</i>
Neto	<u>73.630.592</u>	<u>72.308.122</u>	<i>Net</i>

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10. Kredit yang Diberikan (lanjutan)

Pada tanggal 3 Desember 2018, Bank melakukan penjualan kredit yang diberikan dengan Junipa Pte., Ltd. (pihak berelasi). Nilai bersih yang diperoleh oleh Bank atas penjualan kredit yang diberikan sebesar Rp290.970.

Pada tanggal 2 Februari 2018, Bank melakukan penjualan kredit yang diberikan dengan Junipa Pte., Ltd. (pihak berelasi). Nilai bersih yang diperoleh oleh Bank atas penjualan kredit yang diberikan sebesar Rp345.874 dan SGD3.497.367 (nilai penuh).

Penjualan tidak berdampak pada keuntungan atau kerugian Bank karena transaksi dicatat pada nilai buku setelah dikurangi cadangan kerugian penurunan nilai atas kerugian pada kredit yang diberikan. Pengalihan atas hak-hak yang dialihkan berlaku efektif pada tanggal efektif transaksi.

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan:

- Kredit yang diberikan dijamin dengan deposito, agunan yang diikat dengan hak tanggungan atau surat kuasa untuk menjual atau mencairkan dan jaminan lain yang umumnya dapat diterima oleh Bank.
- Giro sejumlah Rp414.749 dan Rp912.624 masing-masing pada tanggal 31 Desember 2019 dan 2018, digunakan sebagai jaminan atas kredit yang diberikan dan fasilitas bank lainnya (Catatan 16).
- Tabungan sejumlah Rp415.759 dan Rp283.590 masing-masing pada tanggal 31 Desember 2019 dan 2018, digunakan sebagai jaminan atas kredit yang diberikan (Catatan 17).
- Deposito berjangka sejumlah Rp4.601.045 dan Rp4.896.600 masing-masing pada tanggal 31 Desember 2019 dan 2018, digunakan sebagai jaminan atas kredit yang diberikan (Catatan 18).
- Suku bunga kontraktual rata-rata untuk kredit adalah sebagai berikut:

	<u>31 Desember/ 31 December 2019</u>	<u>31 Desember/ 31 December 2018</u>	
Rupiah	10,37%	10,45%	Rupiah
Mata uang asing	4,53%	4,31%	Foreign currencies

10. Loans (continued)

On 3 December 2018, the Bank sold loans to Junipa Pte., Ltd. (related party). The net proceeds obtained by the Bank from the sale of loans amounted to Rp290,970.

On 2 February 2018, the Bank sold loans to Junipa Pte., Ltd. (related party). The net proceeds obtained by the Bank from the sale of loans amounted to Rp345,874 and SGD3,497,367 (full amount).

The sale does not result in a gain or loss to the Bank since it was conducted at book value after considering allowance for impairment losses of loan. The transfer of the assigned rights was effective from the effective date of the transaction.

The other significant information relating to loans are as follows:

- Loans are secured with time deposits, registered mortgages over collateral or power of attorney to sell or to liquidate and with other guarantees generally acceptable to the Bank.
- Demand deposits amounting to Rp414,749 and Rp912,624 as of 31 December 2019 and 2018, respectively, are pledged as collateral for loans and other bank facilities (Note 16).
- Savings deposits amounting to Rp415,759 and Rp283,590 as of 31 December 2019 and 2018, respectively, are pledged as collateral for loans (Note 17).
- Time deposits amounting to Rp4,601,045 and Rp4,896,600 as of 31 December 2019 and 2018, respectively, are pledged as collateral for loans (Note 18).
- The average contractual interest rates for loans are as follows:

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10. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

- f. Kredit yang diberikan kepada karyawan antara lain merupakan kredit untuk pembelian rumah, multiguna dan kendaraan. Kredit kepada karyawan tersebut dikenakan bunga sesuai ketentuan Bank yang lebih rendah dari suku bunga kredit yang diberikan Bank kepada nasabah bukan karyawan dengan jumlah masing-masing sebesar Rp270.237 dan Rp264.761 pada tanggal 31 Desember 2019 dan 2018.
- g. Pada tanggal 31 Desember 2019 dan 2018, jumlah kredit yang direstrukturisasi masing-masing sebesar Rp3.260.233 dan Rp1.765.880, dengan cadangan kerugian penurunan nilai yang dibentuk masing-masing sebesar Rp282.210 dan Rp284.651. Bentuk restrukturisasi kredit meliputi antara lain kredit dengan perpanjangan jatuh tempo dan perubahan tingkat suku bunga. Tidak ada kerugian yang timbul dari restrukturisasi kredit tersebut dan Bank tidak memiliki komitmen untuk memberikan tambahan kredit kepada nasabah-nasabah tersebut.

Manajemen berkeyakinan bahwa jumlah cadangan penurunan nilai yang dibentuk telah memadai.

Restrukturisasi kredit berdasarkan jenis kredit yang diberikan:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah		
Angsuran	897.509	491.957
Investasi	608.059	704.846
Promes	170.430	169.423
Multiguna	73.382	38.340
Pemilikan rumah	45.738	36.011
Rekening koran	33.353	34.587
Kartu kredit	6.849	5.792
Lain-lain	34.126	-
	1.869.446	1.480.956

10. Loans (continued)

The other significant information relating to loans are as follows: (continued)

- f. Loans to employees represent, among others, housing, multipurpose and car loans. These loans granted to employees bear a lower interest rates than interest rates charged to non-employee which amounted to Rp270,237 and Rp264,761 as of 31 December 2019 and 2018, respectively.
- g. As of 31 December 2019 and 2018, total restructured loans amounting to Rp3,260,233 and Rp1,765,880, respectively, are provided with allowance for impairment losses of Rp282,210 and Rp284,651, respectively. The restructuring of loans represents extension of maturity dates and reduction of interest rates. There are no losses resulting from those loans restructured and the Bank does not have any commitments to grant additional loans to these customers.

The Bank's management believes that the allowance for impairment losses is adequate.

Restructured loan by type of loan:

Rupiah
Installment
Investment
Promissory notes
Multi-purpose
Housing
Overdraft
Credit card
Others

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10. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

Restrukturisasi kredit berdasarkan jenis kredit yang diberikan: (lanjutan)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Mata uang asing			<i>Foreign currencies</i>
Investasi	863.657	20.668	<i>Investment</i>
Angsuran	402.331	241.248	<i>Installment</i>
Lain-lain	124.799	23.008	<i>Others</i>
	1.390.787	284.924	
Total	3.260.233	1.765.880	<i>Total</i>
Cadangan kerugian penurunan nilai	(282.210)	(284.651)	<i>Allowance for impairment losses</i>
Neto	2.978.023	1.481.229	<i>Net</i>

10. Loans (continued)

The other significant information relating to loans are as follows: (continued)

Restructured loan by type of loan: (continued)

Restrukturisasi kredit berdasarkan kolektibilitas menurut Peraturan Bank Indonesia:

Restructured loan by collectibility based on Bank Indonesia Regulation:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah			<i>Rupiah</i>
Lancar	1.158.799	879.235	<i>Current</i>
Dalam perhatian khusus	574.583	523.855	<i>Special mention</i>
Kurang lancar	13.035	14.656	<i>Sub-standard</i>
Diragukan	15.974	24.700	<i>Doubtful</i>
Macet	107.055	38.510	<i>Loss</i>
	1.869.446	1.480.956	
Mata uang asing			<i>Foreign currencies</i>
Lancar	1.390.787	264.487	<i>Current</i>
Dalam perhatian khusus	-	8.512	<i>Special mention</i>
Macet	-	11.925	<i>Loss</i>
	1.390.787	284.924	
Total	3.260.233	1.765.880	<i>Total</i>
Cadangan kerugian penurunan nilai	(282.210)	(284.651)	<i>Allowance for impairment losses</i>
Neto	2.978.023	1.481.229	<i>Net</i>

h. Kredit bermasalah (kredit *non-performing*/NPL) pada tanggal 31 Desember 2019 dan 2018 masing-masing sebesar Rp1.271.713 dan Rp1.045.546.

h. Non-Performing Loans (NPL) amounted to Rp1,271,713 and Rp1,045,546 as of 31 December 2019 and 2018, respectively.

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10. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

Rasio NPL kotor (*NPL Gross*) pada tanggal 31 Desember 2019 dan 2018 masing-masing sebesar 1,69% dan 1,42% dari total kredit, sedangkan rasio NPL neto (*NPL Net*) masing-masing sebesar 1,19% dan 0,89% dari jumlah kredit. Rasio NPL neto dihitung sesuai dengan peraturan Bank Indonesia. Berdasarkan peraturan Bank Indonesia No.15/2/PBI/2013 tanggal 20 Mei 2013, rasio kredit bermasalah bank umum secara neto adalah maksimal sebesar 5% dari jumlah kredit.

- i. Ikhtisar perubahan cadangan kerugian penurunan nilai kredit yang diberikan adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Saldo awal tahun	1.373.043	1.032.648	<i>Beginning balance</i>
Penambahan selama tahun berjalan	499.636	646.825	<i>Addition during the year</i>
Penerimaan kembali kredit yang telah dihapusbukukan	113.534	122.359	<i>Recovery of loans previously written-off</i>
Penghapusbukuan selama tahun berjalan	(466.886)	(314.439)	<i>Loans written-off during the year</i>
Selisih kurs penjabaran	(10.509)	19.261	<i>Foreign exchange translation</i>
Penyelesaian cadangan kerugian terkait penjualan kredit yang diberikan	-	(133.611)	<i>Settlement of allowance related to loans sold</i>
Saldo akhir tahun	1.508.818	1.373.043	Ending balance

Kredit yang diberikan dan cadangan kerugian penurunan nilai untuk kredit yang diberikan untuk kelompok individual dan kolektif adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Kredit yang diberikan			<i>Loans</i>
Individual	1.703.530	1.262.639	<i>Individual</i>
Kolektif	73.435.880	72.418.526	<i>Collective</i>
Total kredit yang diberikan	75.139.410	73.681.165	<i>Total loans</i>
Cadangan kerugian penurunan nilai			<i>Allowance for impairment losses</i>
Individual	(673.099)	(518.797)	<i>Individual</i>
Kolektif	(835.719)	(854.246)	<i>Collective</i>
Neto	73.630.592	72.308.122	Net

10. Loans (continued)

The other significant information relating to loans are as follows: (continued)

Gross NPL ratio as of 31 December 2019 and 2018 represents 1.69% and 1.42% of the total loans, respectively, and net NPL ratio represents 1.19% and 0.89% of the total loans, respectively. Net NPL ratio is calculated in accordance with Bank Indonesia Regulation. Based on Bank Indonesia Regulation No. 15/2/PBI/2013 dated 20 May 2013, the maximum net NPL ratio is 5% of the Bank's total loans.

- i. The changes in the allowance for impairment losses of loans are as follows:

Loans and allowance for impairment losses of loans for individual and collective assessments are as follows:

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10. Kredit yang Diberikan (lanjutan)

Berikut ini adalah informasi signifikan lainnya sehubungan dengan kredit yang diberikan: (lanjutan)

Manajemen Bank berkeyakinan bahwa jumlah cadangan penurunan nilai adalah cukup untuk menutup kemungkinan kerugian atas tidak tertagihnya kredit yang diberikan.

- j. Keikutsertaan Bank sebagai anggota sindikasi terhadap jumlah seluruh kredit sindikasi yang diberikan berkisar antara 1,00% sampai dengan 50,00% untuk tahun 2019 dan 1,00% sampai dengan 60,00% untuk tahun 2018.
- k. Rasio kredit usaha kecil terhadap jumlah kredit yang diberikan adalah 0,37% pada tahun 2019 dan 0,31% pada tahun 2018.
- l. Pada tanggal 31 Desember 2019 dan 2018, Bank menilai penurunan nilai secara individual untuk kategori kredit *non-performing*/NPL dan debitur non NPL dengan nilai baki debit di atas Rp20.000 dan *fully secured*, kecuali kartu kredit.
- m. Pada tanggal 31 Desember 2019 dan 2018, Bank telah mematuhi ketentuan Batas Maksimum Pemberian Kredit (BMPK), baik terhadap pihak-pihak berelasi maupun kepada pihak yang tidak berelasi.
- n. Pinjaman yang diberikan dinyatakan tidak tertagih sehingga akan dihapusbukukan apabila terdapat kasus hukum yang berkepanjangan, sehingga menghalangi Bank untuk melakukan penagihan, dan/atau melakukan upaya hukum alternatif lainnya kepada debitur dan/atau aset-asetnya.

Dalam hal ini, Bank telah melakukan upaya-upaya penagihan secara maksimal, tetapi tidak terdapat kemungkinan pengembalian kredit dari debitur.

10. Loans (continued)

The other significant information relating to loans are as follows: (continued)

The Bank's management believes that the allowance for impairment losses of loans is adequate to cover any possible losses on uncollectible loans.

- j. The participation of the Bank as a member of a syndicated loans in the total syndicated loans ranged from 1.00% to 50.00% for 2019 and 1.00% to 60.00% for 2018.
- k. The ratio of loans to small businesses to the total loans is 0.37% in 2019 and 0.31% in 2018.
- l. As of 31 December 2019 and 2018, the Bank assessed the individual impairment for non-performing loan/NPL category and non NPL debtor with outstanding amount above Rp20,000 and fully secured, except for credit cards.
- m. As of 31 December 2019 and 2018, the Bank is in compliance with the legal lending limit (BMPK) regulations, both for the related and non-related party borrowers.
- n. Loans is declared uncollectible so that it will be written-off if there is a prolonged legal case, thus preventing the Bank from collecting, and/or making other alternative legal remedies to the debtor and/or its assets.

In this case, the Bank has maximum effort to collect, but has no possibility of collection from debtors.

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11. Tagihan atas Surat Berharga yang Dibeli dengan Janji Dijual Kembali

Tagihan atas surat berharga yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2019, terdiri dari:

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai beli/ Purchase amount	Nilai penjualan kembali/ Resale amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest	Nilai tercatat/ Carrying value
Bank ICBC Indonesia Bank ICBC Indonesia	RI0127	41.648	24 Jun 2019/ 24 Jun 2019	18 Jun 2020/ 18 Jun 2020	40.915	42.102	377	41.725
Bank ICBC Indonesia Bank ICBC Indonesia	RI0124	138.825	24 Jun 2019/ 24 Jun 2019	18 Jun 2020/ 18 Jun 2020	144.259	148.443	1.329	147.114
Bank ICBC Indonesia Bank ICBC Indonesia	RI1023	41.648	24 Jun 2019/ 24 Jun 2019	18 Jun 2020/ 18 Jun 2020	41.722	42.931	384	42.547
Bank ICBC Indonesia Bank ICBC Indonesia	RI1023	191.856	7 Nov 2019/ 7 Nov 2019	18 Jun 2020/ 18 Jun 2020	192.736	196.214	1.756	194.458
Bank ICBC Indonesia Bank ICBC Indonesia	SPN12200213	400.000	20 Nov 2019/ 20 Nov 2019	7 Feb 2020/ 7 Feb 2020	354.833	356.663	665	355.998
Bank ICBC Indonesia Bank ICBC Indonesia	SPN12200213	350.000	20 Nov 2019/ 20 Nov 2019	7 Feb 2020/ 7 Feb 2020	310.479	312.080	581	311.499
Bank ICBC Indonesia Bank ICBC Indonesia	FR0070	100.000	4 Des 2019/ 4 Dec 2019	27 Nov 2020/ 27 Nov 2020	96.882	99.298	1.710	97.588
Bank ICBC Indonesia Bank ICBC Indonesia	FR0056	230.000	4 Des 2019/ 4 Dec 2019	27 Nov 2020/ 27 Nov 2020	225.413	231.033	3.978	227.055
		1.493.977			1.407.239	1.428.764	10.780	1.417.984

Suku bunga efektif untuk tagihan atas surat berharga yang dibeli dengan janji dijual kembali berkisar antara 2,35% - 2,90% untuk mata uang asing.

Tagihan atas surat berharga yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2018, terdiri dari:

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai beli/ Purchase amount	Nilai penjualan kembali/ Resale amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest	Nilai tercatat/ Carrying value
Bank Rakyat Indonesia/ Bank Rakyat Indonesia	SPN	300.000	5 Des 2018/ 5 Dec 2018	7 Jan 2019/ 7 Jan 2019	261.801	263.553	1.752	261.801
Bank Rakyat Indonesia/ Bank Rakyat Indonesia	INDOIS19	221.452	6 Jun 2018/ 6 Jun 2018	6 Mar 2019/ 6 Mar 2019	215.700	220.443	996	219.447
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	27 Jul 2018/ 27 Jul 2018	25 Jan 2019/ 25 Jan 2019	85.226	87.790	2.564	85.226
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	27 Jul 2018/ 27 Jul 2018	25 Jan 2019/ 25 Jan 2019	85.226	87.798	2.572	85.226
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	27 Jul 2018/ 27 Jul 2018	25 Jan 2019/ 25 Jan 2019	85.226	87.811	2.585	85.226
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	27 Jul 2018/ 27 Jul 2018	25 Jan 2019/ 25 Jan 2019	85.226	87.833	2.607	85.226
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	24 Agu 2018/ 24 Aug 2018	22 Feb 2019/ 22 Feb 2019	85.226	87.567	2.703	84.864
		1.021.452			903.631	922.795	15.779	907.016

11. Receivables on Securities Purchased with Agreements to Resell

Receivables on securities purchased with agreements to resell as of 31 December 2019 consist of:

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai beli/ Purchase amount	Nilai penjualan kembali/ Resale amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest	Nilai tercatat/ Carrying value
Bank ICBC Indonesia Bank ICBC Indonesia	RI0127	41.648	24 Jun 2019/ 24 Jun 2019	18 Jun 2020/ 18 Jun 2020	40.915	42.102	377	41.725
Bank ICBC Indonesia Bank ICBC Indonesia	RI0124	138.825	24 Jun 2019/ 24 Jun 2019	18 Jun 2020/ 18 Jun 2020	144.259	148.443	1.329	147.114
Bank ICBC Indonesia Bank ICBC Indonesia	RI1023	41.648	24 Jun 2019/ 24 Jun 2019	18 Jun 2020/ 18 Jun 2020	41.722	42.931	384	42.547
Bank ICBC Indonesia Bank ICBC Indonesia	RI1023	191.856	7 Nov 2019/ 7 Nov 2019	18 Jun 2020/ 18 Jun 2020	192.736	196.214	1.756	194.458
Bank ICBC Indonesia Bank ICBC Indonesia	SPN12200213	400.000	20 Nov 2019/ 20 Nov 2019	7 Feb 2020/ 7 Feb 2020	354.833	356.663	665	355.998
Bank ICBC Indonesia Bank ICBC Indonesia	SPN12200213	350.000	20 Nov 2019/ 20 Nov 2019	7 Feb 2020/ 7 Feb 2020	310.479	312.080	581	311.499
Bank ICBC Indonesia Bank ICBC Indonesia	FR0070	100.000	4 Des 2019/ 4 Dec 2019	27 Nov 2020/ 27 Nov 2020	96.882	99.298	1.710	97.588
Bank ICBC Indonesia Bank ICBC Indonesia	FR0056	230.000	4 Des 2019/ 4 Dec 2019	27 Nov 2020/ 27 Nov 2020	225.413	231.033	3.978	227.055
		1.493.977			1.407.239	1.428.764	10.780	1.417.984

The effective interest rate for receivables on securities purchased with agreements to resell ranged between 2.35% - 2.90% for foreign currency.

Receivables on securities purchased with agreements to resell as of 31 December 2018 consist of:

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai beli/ Purchase amount	Nilai penjualan kembali/ Resale amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest	Nilai tercatat/ Carrying value
Bank Rakyat Indonesia/ Bank Rakyat Indonesia	SPN	300.000	5 Des 2018/ 5 Dec 2018	7 Jan 2019/ 7 Jan 2019	261.801	263.553	1.752	261.801
Bank Rakyat Indonesia/ Bank Rakyat Indonesia	INDOIS19	221.452	6 Jun 2018/ 6 Jun 2018	6 Mar 2019/ 6 Mar 2019	215.700	220.443	996	219.447
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	27 Jul 2018/ 27 Jul 2018	25 Jan 2019/ 25 Jan 2019	85.226	87.790	2.564	85.226
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	27 Jul 2018/ 27 Jul 2018	25 Jan 2019/ 25 Jan 2019	85.226	87.798	2.572	85.226
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	27 Jul 2018/ 27 Jul 2018	25 Jan 2019/ 25 Jan 2019	85.226	87.811	2.585	85.226
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	27 Jul 2018/ 27 Jul 2018	25 Jan 2019/ 25 Jan 2019	85.226	87.833	2.607	85.226
Bank Indonesia/ Bank of Indonesia	FR0064	100.000	24 Agu 2018/ 24 Aug 2018	22 Feb 2019/ 22 Feb 2019	85.226	87.567	2.703	84.864
		1.021.452			903.631	922.795	15.779	907.016

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11. Tagihan atas Surat Berharga yang Dibeli dengan Janji Dijual Kembali (lanjutan)

Suku bunga efektif untuk tagihan atas surat berharga yang dibeli dengan janji dijual kembali adalah 5,95% - 7,30% untuk mata uang Rupiah dan 2,90% untuk mata uang asing.

12. Tagihan dan Liabilitas Akseptasi

Tagihan dan liabilitas akseptasi merupakan akseptasi wesel impor atas dasar *letters of credit* berjangka yang berasal dari nasabah pihak ketiga dengan rincian berdasarkan:

1. Berdasarkan Mata Uang

a. Tagihan Akseptasi

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Dolar Amerika Serikat	1.092.264	1.207.280	United States Dollar
Rupiah	1.047.902	795.262	Rupiah
Yen Jepang	98.574	53.978	Japanese Yen
Euro Eropa	95.190	107.344	European Euro
Franc Swiss	8.339	-	Switzerland Franc
Dolar Singapura	4.802	4.193	Singapore Dollar
Yuan China	4.405	5.105	Chinese Yuan
Krona Swedia	-	30.059	Swedish Krona
Total	2.351.476	2.203.221	Total
Cadangan kerugian penurunan nilai	(19.051)	(28.249)	Allowance for impairment losses
Neto	2.332.425	2.174.972	Net

b. Liabilitas Akseptasi

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Dolar Amerika Serikat	1.092.264	1.207.280	United States Dollar
Rupiah	862.943	795.262	Rupiah
Yen Jepang	98.574	53.978	Japanese Yen
Euro Eropa	95.190	107.344	European Euro
Franc Swiss	8.339	-	Switzerland Franc
Dolar Singapura	4.802	4.193	Singapore Dollar
Yuan China	4.405	5.105	Chinese Yuan
Krona Swedia	-	30.059	Swedish Krona
Total	2.166.517	2.203.221	Total

11. Receivables on Securities Purchased with Agreements to Resell (continued)

The effective interest rate for receivables on securities purchased with agreements to resell is 5.95% - 7.30% for Rupiah and 2.90% for foreign currency.

12. Acceptance Receivables and Payables

Acceptance receivables and payables represent acceptances arising from import bills, supported by letters of credit, which are received from third party customers, with details as follows:

1. Based on Type of Currency

a. Acceptance Receivables

b. Acceptance Payables

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12. Tagihan dan Liabilitas Akseptasi (lanjutan)

Tagihan dan liabilitas akseptasi merupakan akseptasi wesel impor atas dasar *letters of credit* berjangka yang berasal dari nasabah pihak ketiga dengan rincian berdasarkan: (lanjutan)

2. Berdasarkan Jangka Waktu

a. Tagihan Akseptasi

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah		
≤ 1 bulan	3.785	57.987
> 1 bulan ≤ 3 bulan	438.612	285.838
> 3 bulan ≤ 6 bulan	522.946	368.204
> 6 bulan	82.559	83.233
	<u>1.047.902</u>	<u>795.262</u>
Mata uang asing		
≤ 1 bulan	2.127	3.368
> 1 bulan ≤ 3 bulan	193.541	349.795
> 3 bulan ≤ 6 bulan	694.532	879.122
> 6 bulan	413.374	175.674
	<u>1.303.574</u>	<u>1.407.959</u>
Total	2.351.476	2.203.221
Cadangan kerugian penurunan nilai	(19.051)	(28.249)
Neto	<u>2.332.425</u>	<u>2.174.972</u>

b. Liabilitas Akseptasi

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah		
≤ 1 bulan	3.785	57.987
> 1 bulan ≤ 3 bulan	436.940	285.838
> 3 bulan ≤ 6 bulan	366.884	368.204
> 6 bulan	55.334	83.233
	<u>862.943</u>	<u>795.262</u>
Mata uang asing		
≤ 1 bulan	2.127	3.368
> 1 bulan ≤ 3 bulan	193.541	349.795
> 3 bulan ≤ 6 bulan	694.532	879.122
> 6 bulan	413.374	175.674
	<u>1.303.574</u>	<u>1.407.959</u>
Total	<u>2.166.517</u>	<u>2.203.221</u>

12. Acceptance Receivables and Payables (continued)

Acceptance receivables and payables represent acceptances arising from import bills, supported by letters of credit, which are received from third party customers, with details as follows: (continued)

2. Based on Period

a. Acceptance Receivables

	Rupiah
≤ 1 month	57.987
> 1 month ≤ 3 months	285.838
> 3 months ≤ 6 months	368.204
> 6 months	83.233
	<u>795.262</u>
	Foreign currencies
≤ 1 month	3.368
> 1 month ≤ 3 months	349.795
> 3 months ≤ 6 months	879.122
> 6 months	175.674
	<u>1.407.959</u>
Total	2.203.221
	Allowance for impairment losses
	(28.249)
Net	2.174.972

b. Acceptance Payables

	Rupiah
≤ 1 month	57.987
> 1 month ≤ 3 months	285.838
> 3 months ≤ 6 months	368.204
> 6 months	83.233
	<u>795.262</u>
	Foreign currencies
≤ 1 month	3.368
> 1 month ≤ 3 months	349.795
> 3 months ≤ 6 months	879.122
> 6 months	175.674
	<u>1.407.959</u>
Total	2.203.221

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12. Tagihan dan Liabilitas Akseptasi (lanjutan)

Ikhtisar perubahan cadangan penurunan nilai tagihan akseptasi adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Saldo awal tahun	28.249	17.378	<i>Beginning balance</i>
(Pemulihan) penambahan selama tahun berjalan	(8.371)	10.678	<i>(Reversal) addition during the year</i>
Selisih kurs penjabaran	(827)	193	<i>Foreign exchange translation</i>
Saldo akhir tahun	19.051	28.249	<i>Ending balance</i>

12. Acceptance Receivables and Payables (continued)

The changes in the allowance for impairment losses on acceptance receivables are as follows:

Manajemen Bank berkeyakinan bahwa jumlah cadangan penurunan nilai yang dibentuk pada tanggal 31 Desember 2019 dan 2018, adalah cukup untuk menutup kemungkinan kerugian atas tidak tertagihnya tagihan akseptasi.

The Bank's management believes that the allowance for impairment losses as of 31 December 2019 and 2018, is adequate to cover any possible losses on uncollectible acceptance receivables.

Pada tanggal 31 Desember 2019 dan 2018, kolektibilitas tagihan akseptasi digolongkan lancar dan dalam perhatian khusus.

As of 31 December 2019 and 2018, the collectibility of acceptance receivables are current and special mention.

13. Aset Tetap

Akun ini terdiri dari:

13. Fixed Assets

This account consists of:

	31 Desember 2019	Perubahan selama satu tahun/ Changes during the year		Saldo akhir/ Ending balance	31 Desember 2019
		Saldo awal/ Beginning balance	Penambahan dan reklasifikasi/ Additions and reclassification		
Biaya perolehan					Cost
Tanah	144.545	-	2.001	142.544	<i>Land</i>
Bangunan	561.057	-	2.513	558.544	<i>Buildings</i>
Prasarana dan peralatan kantor	1.619.026	212.718	6.105	1.825.639	<i>Infrastructure and office equipments</i>
Kendaraan	10.322	-	19	10.303	<i>Vehicles</i>
Aset dalam proses pembangunan	90.151	171.288	103.180	158.259	<i>Construction in progress</i>
Total biaya perolehan	2.425.101	384.006	113.818	2.695.289	<i>Total cost</i>
Akumulasi penyusutan					Accumulated depreciation
Bangunan	305.953	27.839	2.269	331.523	<i>Buildings</i>
Prasarana dan peralatan kantor	991.114	178.492	5.522	1.164.084	<i>Infrastructure and office equipments</i>
Kendaraan	10.322	-	19	10.303	<i>Vehicles</i>
Total akumulasi penyusutan	1.307.389	206.331	7.810	1.505.910	<i>Total accumulated depreciation</i>
Nilai buku neto	1.117.712			1.189.379	<i>Net book value</i>

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13. Aset Tetap (lanjutan)

13. Fixed Assets (continued)

Akun ini terdiri dari: (lanjutan)

This account consists of: (continued)

31 Desember 2018	Saldo awal/ Beginning balance	Perubahan selama satu tahun/ Changes during the year		Saldo akhir/ Ending balance	31 December 2018
		Penambahan dan reklasifikasi/ Additions and reclassification	Pengurangan dan reklasifikasi/ Deductions and reclassification		
Biaya perolehan					Cost
Tanah	144.545	-	-	144.545	Land
Bangunan	561.057	-	-	561.057	Buildings
Prasarana dan peralatan kantor	1.426.977	205.013	12.964	1.619.026	Infrastructure and office equipments
Kendaraan	10.500	-	178	10.322	Vehicles
Aset dalam proses pembangunan	37.942	69.975	17.766	90.151	Construction in progress
Total biaya perolehan	2.181.021	274.988	30.908	2.425.101	Total cost
Akumulasi penyusutan					Accumulated depreciation
Bangunan	278.093	27.860	-	305.953	Buildings
Prasarana dan peralatan kantor	829.735	172.461	11.082	991.114	Infrastructure and office equipments
Kendaraan	10.319	182	179	10.322	Vehicles
Total akumulasi penyusutan	1.118.147	200.503	11.261	1.307.389	Total accumulated depreciation
Nilai buku neto	1.062.874			1.117.712	Net book value

Rincian aset dalam proses pembangunan beserta persentase penyelesaian terhadap nilai kontrak adalah sebagai berikut:

The details of the construction in progress with the percentage of completion of the contract values are as follows:

31 December/31 December 2019				
	Persentase penyelesaian/ Percentage of completion	Akumulasi biaya/ Accumulated cost	Estimasi penyelesaian/ Estimated of completion	
Prasarana	70%	2.313	2020	Infrastructure
Peralatan kantor	88%	155.946	2020	Office equipment
		158.259		
31 December/31 December 2018				
	Persentase penyelesaian/ Percentage of completion	Akumulasi biaya/ Accumulated cost	Estimasi penyelesaian/ Estimated of completion	
Prasarana	50%	199	2019	Infrastructure
Peralatan kantor	58%	89.952	2019	Office equipment
		90.151		

Seluruh aset tetap yang dimiliki oleh Bank berasal dari kepemilikan langsung.

All fixed assets owned by the Bank are from direct ownership.

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13. Aset Tetap (lanjutan)

Nilai tercatat bruto dari aset tetap yang telah disusutkan penuh dan masih digunakan adalah sebagai berikut (tidak diaudit):

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Bangunan	3.217	3.217	<i>Buildings</i>
Prasarana dan peralatan kantor	560.829	363.162	<i>Infrastructure and office equipment</i>
Kendaraan	10.303	7.575	<i>Vehicles</i>
Total	574.349	373.954	Total

13. Fixed Assets (continued)

Gross carrying amount of fixed assets which were fully depreciated and still used are as follows (unaudited):

Rekonsiliasi penambahan aset tetap yang berasal dari pembelian dan reklasifikasi adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Penambahan melalui pembelian aset tetap	280.826	257.222	<i>Addition through purchase of fixed assets</i>
Penambahan aset tetap melalui reklasifikasi aset dalam proses pembangunan	103.180	17.766	<i>Addition of fixed assets through reclassification of construction in progress</i>
Total	384.006	274.988	Total

Reconciliations of addition to fixed assets which comes from purchase and reclassification are as follows:

Rekonsiliasi pengurangan aset tetap yang berasal dari penjualan dan reklasifikasi adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Pengurangan melalui penjualan aset tetap	3.188	5.043	<i>Deduction through sale of fixed assets</i>
Penghapusan aset tetap	7.450	8.099	<i>Write-off of fixed assets</i>
Pengurangan aset dalam proses pembangunan melalui reklasifikasi aset tetap	103.180	17.766	<i>Deduction of construction in progress through reclassification</i>
Total	113.818	30.908	Total

Reconciliations of deduction to fixed assets which comes from disposal and reclassification are as follows:

Penyusutan yang dibebankan pada laporan laba rugi dan penghasilan komprehensif lain masing-masing sebesar Rp206.331 dan Rp200.503 untuk tahun yang berakhir pada 31 Desember 2019 dan 2018 (Catatan 30).

Depreciation charged to statement of profit or loss and other comprehensive income amounted to Rp206,331 and Rp200,503 for the years ended 31 December 2019 and 2018, respectively (Note 30).

Manajemen juga berpendapat bahwa tidak terdapat penurunan nilai atas aset tetap tersebut yang harus dicatat pada tanggal-tanggal 31 Desember 2019 dan 2018.

Management believes that there is no impairment that should be recorded in value of the aforementioned fixed assets as of 31 December 2019 and 2018.

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13. Aset Tetap (lanjutan)

Seluruh aset tetap (kecuali tanah), diasuransikan terhadap risiko kebakaran dan risiko lainnya berdasarkan paket polis tertentu kepada perusahaan-perusahaan asuransi pihak ketiga Bank yaitu PT Asuransi Adira Dinamika dengan nilai pertanggungan sebesar Rp1.130.901, pada 31 Desember 2019 serta PT Asuransi FPG Indonesia dan PT Asuransi Adira Dinamika dengan nilai pertanggungan sebesar Rp909.221, USD27.029.513 (nilai penuh) dan SGD870.804 (nilai penuh) pada 31 Desember 2018. Manajemen Bank berkeyakinan bahwa nilai pertanggungan asuransi telah mencukupi untuk menutupi kemungkinan kerugian dari risiko yang ada.

Hasil penjualan aset tetap adalah masing-masing sebesar Rp8.010 dan Rp529 untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018.

Nilai buku aset tetap yang dijual adalah masing-masing sebesar Rp2.828 dan Rp1.883 untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018.

Keuntungan (kerugian) atas penjualan aset tetap masing-masing sebesar Rp5.182 dan (Rp1.354) untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018, dibukukan sebagai bagian dari "Pendapatan non-operasional-keuntungan penjualan aset tetap dan properti terbengkalai - neto" selama tahun berjalan.

14. Aset Lain-lain

Akun ini terdiri dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Piutang bunga	417.176	411.423
Biaya dibayar di muka	100.515	112.615
ATM bersama	25.246	45.234
Agunan yang diambil alih (setelah dikurangi cadangan penurunan nilai masing-masing sebesar Rp30.706 dan Rp14.341 pada tanggal 31 Desember 2019 dan 2018)	145.066	68.971
Uang muka	87.728	42.028
Setoran jaminan	9.858	10.202
Properti terbengkalai	6.065	7.424
Lain-lain	267.774	294.943
Neto	1.059.428	992.840

13. Fixed Assets (continued)

All fixed assets (except land), are covered by insurance against fire and other risks under blanket policies with the Bank's third party insurance company, which is PT Asuransi Adira Dinamika with sum insured amounting to Rp1,130,901 as of 31 December 2019, and PT Asuransi FPG Indonesia dan PT Asuransi Adira Dinamika with sum insured amounting to Rp909,221, USD27,029,513 (full amount) and SGD870,804 (full amount) as of 31 December 2018. The Bank's management believes that insurance coverage is adequate to cover possible losses arising from such risks.

The proceeds from the sale of fixed assets amounted to Rp8,010 and Rp529 for the years ended 31 December 2019 and 2018, respectively.

Book value from the sale of fixed assets amounted to Rp2,828 and Rp1,883 for the years ended 31 December 2019 and 2018, respectively.

The related profit (loss) on sales of fixed assets of Rp5,182 and (Rp1,354) for the years ended 31 December 2019 and 2018, respectively, are presented as part of "Non-operating income - gain on sale of fixed assets and abandoned properties - net" during the year.

14. Other Assets

This account consists of:

Interest receivables
Prepaid expenses
Shared ATM
Foreclosed assets (net of allowance for decline in value of Rp30,706 and Rp14,341 as of 31 December 2019 and 2018, respectively)
Advances
Security deposits
Abandoned property
Others
Net

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14. Aset Lain-lain (lanjutan)

Ikhtisar perubahan cadangan kerugian penurunan nilai agunan yang diambil alih adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Saldo awal tahun	14.341	8.940	<i>Beginning balance</i>
Penambahan selama tahun berjalan	16.365	5.401	<i>Addition during the year</i>
Saldo akhir tahun	30.706	14.341	<i>Ending balance</i>

Manajemen Bank berkeyakinan bahwa jumlah cadangan kerugian penurunan nilai atas agunan yang diambil alih telah memadai dan nilai tercatat agunan yang diambil alih tersebut merupakan nilai bersih yang dapat direalisasi.

14. Other Assets (continued)

The changes in the allowance for the decline in value of foreclosed assets are as follows:

The Bank's management believes that the allowance for the decline in value of foreclosed assets is adequate and the carrying value of foreclosed assets is stated at net realizable value.

15. Liabilitas Segera

Akun ini adalah sebesar Rp192.683 dan Rp148.107 masing-masing pada tanggal 31 Desember 2019 dan 2018 terdiri dari kiriman uang/wesel akan dibayar, titipan dana nasabah, transaksi kliring/transfer yang belum diselesaikan dan liabilitas-liabilitas jangka pendek lainnya.

15. Current Liabilities

This account amounting to Rp192,683 and Rp148,107 as of 31 December 2019 and 2018 respectively, represents cash remittances/draft payables, customers' funds, unsettled clearing/transfer transactions and other short-term liabilities.

16. Giro

Akun ini terdiri dari:

16. Demand Deposits

This account consists of:

31 Desember/31 December 2019				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
Pihak ketiga	10.381.784	524.120	10.905.904	<i>Third parties</i>
Pihak berelasi (Catatan 37)	92.538	171	92.709	<i>Related parties (Note 37)</i>
Total	10.474.322	524.291	10.998.613	<i>Total</i>
31 Desember/31 December 2018				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
Pihak ketiga	10.581.199	794.323	11.375.522	<i>Third parties</i>
Pihak berelasi (Catatan 37)	25.437	125	25.562	<i>Related parties (Note 37)</i>
Total	10.606.636	794.448	11.401.084	<i>Total</i>

Giro dalam mata uang asing terdiri dari Dolar Singapura, Dolar Amerika Serikat dan Yuan China Renminbi.

Demand deposits in foreign currencies consist of Singapore Dollar, United States Dollar and Chinese Yuan Renminbi.

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16. Giro (lanjutan)

Suku bunga rata-rata untuk giro adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah	3,58%	3,33%
Mata uang asing	0,04%	0,04%

Pada tanggal 31 Desember 2019 dan 2018, giro yang digunakan sebagai jaminan untuk kredit masing-masing sebesar Rp414.749 dan Rp912.624. Giro yang dijamin ini diblokir sepanjang jangka waktu fasilitas kredit (Catatan 10).

Tidak terdapat kredit kepada pihak berelasi yang dijamin dengan giro.

16. Demand Deposits (continued)

The average interest rates for demand deposits are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah	3,58%	3,33%	Rupiah
Mata uang asing	0,04%	0,04%	Foreign currencies

As of 31 December 2019 and 2018, demand deposits amounting to Rp414,749 and Rp912,624, are pledged as collateral for loan facilities. The pledged demand deposits are blocked throughout the loan period (Note 10).

There are no loan facilities to related parties which are secured with demand deposits as collateral.

17. Tabungan

Akun ini terdiri dari:

17. Savings Deposits

This account consists of:

31 Desember/31 December 2019			
	Rupiah	Mata uang asing/ Foreign currencies	Total
Pihak ketiga	6.645.302	11.476.639	18.121.941
Pihak berelasi (Catatan 37)	67.609	25.832	93.441
Total	6.712.911	11.502.471	18.215.382
			<i>Third parties Related parties (Note 37)</i>
			Total
31 Desember/31 December 2018			
	Rupiah	Mata uang asing/ Foreign currencies	Total
Pihak ketiga	5.890.781	10.258.927	16.149.708
Pihak berelasi (Catatan 37)	58.312	23.042	81.354
Total	5.949.093	10.281.969	16.231.062
			<i>Third parties Related parties (Note 37)</i>
			Total

Tabungan dalam mata uang asing terdiri dari Pound Sterling Inggris, Euro Eropa, Franc Swiss, Dolar Australia, Dolar Amerika, Dolar Kanada, Dolar Selandia Baru, Dolar Singapura, Dolar Hong Kong, Yen Jepang dan Krona Swedia.

Savings deposits in foreign currencies consist of Great Britain Pound Sterling, European Euro, Swiss Franc, Australian Dollar, United States Dollar, Canadian Dollar, New Zealand Dollar, Singapore Dollar, Hong Kong Dollar, Japanese Yen and Swedish Krona.

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17. Tabungan (lanjutan)

Suku bunga rata-rata untuk tabungan adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Rupiah	2,72%	3,12%	Rupiah
Mata uang asing	1,15%	0,98%	Foreign currencies

Pada tanggal 31 Desember 2019 dan 2018, tabungan yang diblokir untuk jaminan fasilitas kredit adalah masing-masing sebesar Rp415.759 dan Rp283.590 (Catatan 10).

Tidak terdapat kredit kepada pihak berelasi yang dijaminakan dengan tabungan.

17. Savings Deposits (continued)

The average interest rates for savings deposits are as follows:

As of 31 December 2019 and 2018, savings deposits pledged as collateral for loan facilities amounted to Rp415,759 and Rp283,590, respectively (Note 10).

There are no loan facilities to related parties which are secured with savings deposits as collateral.

18. Deposito Berjangka

Akun ini terdiri dari:

18. Time Deposits

This account consists of:

31 Desember/31 December 2019				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
Pihak ketiga	41.438.213	10.789.508	52.227.721	Third parties
Pihak berelasi (Catatan 37)	64.235	38.536	102.771	Related parties (Note 37)
Total	41.502.448	10.828.044	52.330.492	Total

31 Desember/31 December 2018				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
Pihak ketiga	37.891.801	11.477.881	49.369.682	Third parties
Pihak berelasi (Catatan 37)	149.889	170.857	320.746	Related parties (Note 37)
Total	38.041.690	11.648.738	49.690.428	Total

Rincian deposito berjangka berdasarkan jangka waktu kontrak adalah sebagai berikut:

The details of time deposits based on contractual maturities are as follows:

31 Desember/31 December 2019				
	Rupiah	Mata uang asing/ Foreign currencies	Total	
≤ 1 bulan	1.208.809	21.811	1.230.620	≤ 1 month
> 1 bulan ≤ 3 bulan	11.169.832	5.156.896	16.326.728	> 1 month ≤ 3 months
> 3 bulan ≤ 6 bulan	19.985.434	4.184.214	24.169.648	> 3 months ≤ 6 months
> 6 bulan	9.138.373	1.465.123	10.603.496	> 6 months
Total	41.502.448	10.828.044	52.330.492	Total

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18. Deposito Berjangka (lanjutan)

Rincian deposito berjangka berdasarkan jangka waktu kontrak adalah sebagai berikut: (lanjutan)

18. Time Deposits (continued)

The details of time deposits based on contractual maturities are as follows: (continued)

31 Desember/31 December 2018

	Rupiah	Mata uang asing/ Foreign currencies	Total	
≤ 1 bulan	169.496	309.476	478.972	≤ 1 month
> 1 bulan ≤ 3 bulan	19.880.279	6.776.717	26.656.996	> 1 month ≤ 3 months
> 3 bulan ≤ 6 bulan	10.605.562	2.803.954	13.409.516	> 3 months ≤ 6 months
> 6 bulan	7.386.353	1.758.591	9.144.944	> 6 months
Total	38.041.690	11.648.738	49.690.428	Total

Rincian deposito berjangka berdasarkan sisa umur sampai tanggal jatuh tempo adalah sebagai berikut:

The details of time deposits based on remaining maturities are as follows:

31 Desember/31 December 2019

	Rupiah	Mata uang asing/ Foreign currencies	Total	
≤ 1 bulan	20.632.889	6.556.157	27.189.046	≤ 1 month
> 1 bulan ≤ 3 bulan	15.597.463	3.437.977	19.035.440	> 1 month ≤ 3 months
> 3 bulan ≤ 6 bulan	3.694.212	596.492	4.290.704	> 3 months ≤ 6 months
> 6 bulan ≤ 12 bulan	1.577.884	237.418	1.815.302	> 6 months ≤ 12 months
Total	41.502.448	10.828.044	52.330.492	Total

31 Desember/31 December 2018

	Rupiah	Mata uang asing/ Foreign currencies	Total	
≤ 1 bulan	17.260.861	5.586.209	22.847.070	≤ 1 month
> 1 bulan ≤ 3 bulan	16.607.313	4.947.281	21.554.594	> 1 month ≤ 3 months
> 3 bulan ≤ 6 bulan	3.487.363	740.032	4.227.395	> 3 months ≤ 6 months
> 6 bulan ≤ 12 bulan	686.153	375.216	1.061.369	> 6 months ≤ 12 months
Total	38.041.690	11.648.738	49.690.428	Total

Deposito berjangka dalam mata uang asing terdiri dari Euro Eropa, Dolar Australia, Dolar Amerika, Dolar Singapura, Yen Jepang dan Dolar Hong Kong.

Time deposits in foreign currencies consist of European Euro, Australian Dollar, United States Dollar, Singapore Dollar, Japanese Yen and Hong Kong Dollar.

Pada tanggal 31 Desember 2019 dan 2018, deposito berjangka yang diblokir untuk jaminan atas fasilitas kredit yang diberikan kepada nasabah adalah masing-masing sebesar Rp4.601.045 dan Rp4.896.600. Deposito berjangka yang dijamin ini diblokir sepanjang jangka waktu fasilitas kredit (Catatan 10).

As of 31 December 2019 and 2018, time deposits pledged as collateral for loan facilities granted amounted to Rp4,601,045 and Rp4,896,600, respectively. The pledged time deposits are blocked throughout the loan period (Note 10).

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18. Deposito Berjangka (lanjutan)

Suku bunga rata-rata untuk deposito berjangka adalah sebagai berikut:

	<u>31 Desember/ 31 December 2019</u>	<u>31 Desember/ 31 December 2018</u>	
Rupiah	6,85%	6,24%	Rupiah
Mata uang asing	2,16%	1,53%	Foreign currencies

19. Simpanan dari Bank Lain

Simpanan dari bank lain berdasarkan jenis dan mata uang terdiri dari:

	<u>31 Desember/ 31 December 2019</u>	<u>31 Desember/ 31 December 2018</u>	
Rupiah			Rupiah
Call money	687.000	590.000	Call money
Giro	173.936	70.520	Demand deposits
Tabungan	9.375	5.808	Savings deposits
Deposito berjangka	6.050	-	Time deposits
Deposito on call	4.000	-	On call deposits
	<u>880.361</u>	<u>666.328</u>	
Mata uang asing			Foreign currency
Tabungan	14.630	31.360	Savings deposits
Giro	64	-	Demand deposits
Call money	-	2.444.600	Call money
	<u>14.694</u>	<u>2.475.960</u>	
Total	<u>895.055</u>	<u>3.142.288</u>	Total

18. Time Deposits (continued)

The average interest rates for time deposits are as follows:

19. Deposits from Other Banks

Deposits from other banks based on type and currency consist of:

Simpanan dari bank lain berdasarkan hubungan transaksi dengan Bank terdiri dari:

Deposits from other banks based on their relationship transaction with the Bank consist of:

	<u>31 Desember/ 31 December 2019</u>	<u>31 Desember/ 31 December 2018</u>	
Rupiah			Rupiah
Pihak ketiga	750.166	618.812	Third parties
Pihak berelasi (Catatan 37)	130.195	47.516	Related parties (Note 37)
	<u>880.361</u>	<u>666.328</u>	
Mata uang asing			Foreign currency
Pihak ketiga	14.630	31.360	Third parties
Pihak berelasi (Catatan 37)	64	2.444.600	Related parties (Note 37)
	<u>14.694</u>	<u>2.475.960</u>	
Total	<u>895.055</u>	<u>3.142.288</u>	Total

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19. Simpanan dari Bank Lain (lanjutan)

Jangka waktu simpanan dari bank lain dalam *call money*, deposito *on call* dan deposito berjangka adalah kurang dari satu tahun.

Tidak terdapat simpanan dari bank lain yang diblokir atau dijaminkan pada tanggal-tanggal 31 Desember 2019 dan 2018.

Suku bunga rata-rata tahunan untuk simpanan dari bank lain adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Rupiah	0,00% - 6,24%	0,00% - 4,72%
Mata uang asing	0,00% - 2,68%	0,00% - 2,41%

19. Deposits from Other Banks (continued)

The terms of deposits from other banks in *call money*, *on call deposits* and *time deposits* from other banks are less than one year.

There are no deposits from other banks which are blocked or collateralized as of 31 December 2019 and 2018.

The average annual interest rates for deposits from other banks are as follows:

Rupiah
Foreign currency

20. Perpajakan

Utang pajak terdiri dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Utang pajak penghasilan		
Pasal 4 (2)	50.231	55.448
Pasal 21	20.851	19.205
Pasal 23 dan 26	2.764	1.449
Pasal 25	9.783	-
Pasal 29	42.144	1.560
Pajak Pertambahan Nilai	2.928	7.161
Total utang pajak	128.701	84.823

20. Taxation

Tax payables consists of:

Income tax payables
Article 4 (2)
Article 21
Article 23 and 26
Article 25
Article 29
Value Added Taxes

Total tax payables

Rekonsiliasi antara laba sebelum beban pajak menurut laporan laba rugi dan penghasilan komprehensif lain dengan penghasilan kena pajak untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

The reconciliations between income before tax expense, as shown in the statement of profit or loss and other comprehensive income, and taxable income for the year ended 31 December 2019 and 2018, are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Laba sebelum beban pajak sebagaimana disajikan dalam laporan laba rugi dan penghasilan komprehensif lain	911.891	710.204	<i>Income before tax expense as stated in the statement of profit or loss and other comprehensive income</i>
Beda temporer:			Temporary differences:
Pembentukan cadangan atas kerugian penurunan nilai aset produktif dan non-produktif	49.220	11.180	<i>Provision for allowance for impairment losses on earning assets and non-earning assets</i>
Cadangan atas imbalan kerja	37.871	40.529	<i>Provision for employees' benefits</i>
Kerugian (keuntungan) penjualan aset tetap - neto	646	(192)	<i>Loss (gain) on sale of fixed assets - net</i>
Pembentukan atas cadangan penurunan nilai agunan yang diambil alih	16.365	5.400	<i>Provision for decline in value of foreclosed assets</i>
Penyusutan aset tetap	(7.186)	(8.572)	<i>Depreciation of fixed assets</i>
Kerugian yang belum direalisasi atas efek-efek yang diperdagangkan - neto	1.154	8.719	<i>Unrealized loss on trading securities - net</i>

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20. Perpajakan (lanjutan)

20. Taxation (continued)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Beda tetap:			Permanent differences:
Penyusutan aset tetap	218	166	<i>Depreciation of fixed assets</i>
Keuntungan penjualan aset tetap dan properti terbengkalai - neto	(16.711)	(5.183)	<i>Gain on sale of fixed assets and abandoned properties - net</i>
Lain-lain - neto	86.999	90.187	<i>Others - net</i>
Penghasilan kena pajak - Bank	1.080.467	852.438	Taxable income - Bank

Perhitungan beban pajak - tahun berjalan dan beban pajak - tangguhan - neto untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

The computation of tax expense - current and tax expense - deferred - net for the year ended 31 December 2019 and 2018, are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Penghasilan kena pajak	1.080.467	852.438	Taxable income
Beban pajak penghasilan - tahun berjalan	270.117	213.110	<i>Income tax expense - current</i>
Beban pajak penghasilan - tangguhan			<i>Income tax expense - deferred</i>
Pemulihan atas kerugian penurunan nilai aset produktif dan non-produktif	12.305	2.795	<i>Reversal for impairment losses on earning assets and non-earning assets</i>
Cadangan atas imbalan kerja - neto	9.468	10.133	<i>Provision for employees' benefits - net</i>
Kerugian (keuntungan) penjualan aset tetap - neto	161	(48)	<i>Loss (gain) on sale of fixed assets - net</i>
Pembentukan atas penurunan nilai agunan yang diambil alih	4.091	1.350	<i>Provision for decline in value of foreclosed assets</i>
Kerugian yang belum direalisasi atas efek-efek yang diperdagangkan - neto	288	2.180	<i>Unrealized loss on trading securities - net</i>
Penyusutan aset tetap	(1.796)	(2.143)	<i>Depreciation of fixed assets</i>
Beban pajak penghasilan - tangguhan - neto	24.517	14.267	<i>Income tax expense - deferred - net</i>
Beban pajak - neto	245.600	198.843	Tax expense - net

Rekonsiliasi antara beban pajak yang dihitung dengan menggunakan tarif pajak yang berlaku dari laba sebelum beban pajak, dengan beban pajak seperti yang disajikan dalam laporan laba rugi dan penghasilan komprehensif lain untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

The reconciliations between tax expense calculated by using the applicable tax rate from income before tax expense, and tax expense presented in the statement of profit or loss and other comprehensive income for the year ended 31 December 2019 and 2018, are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Laba sebelum beban pajak	911.891	710.204	<i>Income before tax expense</i>
Beban pajak penghasilan berdasarkan tarif pajak yang berlaku	227.973	177.551	<i>Income tax expense at applicable tax rate</i>
Pengaruh beda tetap atas beban pajak penghasilan			<i>Effects of permanent differences on income tax expense</i>
Penyusutan aset tetap	54	41	<i>Depreciation of fixed assets</i>
Keuntungan penjualan aset tetap dan properti terbengkalai - neto	(4.178)	(1.296)	<i>Gain on sale of fixed assets and abandoned properties - net</i>
Lain-lain - neto	21.751	22.547	<i>Others - net</i>
Beban pajak - neto	245.600	198.843	Tax expense - net

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20. Perpajakan (lanjutan)

Perhitungan beban pajak - tahun berjalan dan utang pajak penghasilan adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Beban pajak penghasilan - tahun berjalan	270.117	213.110
Pembayaran pajak penghasilan di muka	(227.973)	(211.550)
Utang pajak penghasilan	42.144	1.560

Rincian aset pajak tangguhan adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Cadangan penurunan nilai agunan yang diambil alih	7.677	3.585
Cadangan kerugian penurunan nilai aset produktif dan non-produktif	80.655	68.350
Liabilitas atas imbalan kerja	62.021	69.515
Penyusutan aset tetap	(33.413)	(31.617)
Keuntungan penjualan aset tetap (Keuntungan) kerugian yang belum direalisasi atas efek-efek yang tersedia untuk dijual	(31.353)	28.891
Keuntungan yang belum direalisasi atas efek-efek yang diperdagangkan - neto	(1.093)	(1.381)
Total	83.904	136.592

Perhitungan pajak penghasilan untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018 akan menjadi dasar dalam pengisian surat Pemberitahuan Tahunan (SPT) Pajak Penghasilan Badan.

Perhitungan pajak penghasilan untuk tahun yang berakhir pada tanggal 31 Desember 2018 sudah menjadi dasar dalam pengisian surat Pemberitahuan Tahunan (SPT) Pajak Penghasilan Badan.

20. Taxation (continued)

The computations of tax expense - current and income tax payables are as follows:

<i>Tax expense - current</i>	
<i>Pre-payments of income taxes</i>	
<i>Income tax payables</i>	

The details of deferred tax assets are as follows:

<i>Allowance for decline in value of foreclosed assets</i>	
<i>Allowance for impairment losses on earning assets and non-earning assets</i>	
<i>Liability for employees' benefits</i>	
<i>Depreciation of fixed assets</i>	
<i>Gain on sale of fixed assets - net</i>	
<i>Unrealized (gain) loss on available-for-sale securities</i>	
<i>Unrealized gain on trading securities - net</i>	
<i>Total</i>	

The income tax calculation for the year ended 31 December 2019 and 2018 will be the basis in filing Annual Income Tax Return.

The income tax calculation for the year ended 31 December 2018 have become the basis in filing Annual Income Tax Return.

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21. Liabilitas atas Surat Berharga yang Dijual dengan Janji Dibeli Kembali

Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali pada tanggal 31 Desember 2019, terdiri dari:

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai jual/ Sale amount	Nilai pembelian kembali/ Repurchase amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest income	Nilai tercatat/ Carrying value
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI0124	138.825	24 Jun 2019	18 Jun 2020	144.259	147.721	(1.322)	146.399
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI1023	41.648	24 Jun 2019	18 Jun 2020	41.722	42.723	(382)	42.341
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI1023	191.856	7 Nov 2019	18 Jun 2020	192.736	195.614	(1.750)	193.864
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI0127	41.648	24 Jun 2019	18 Jun 2020	40.915	41.897	(375)	41.522
Jumlah/ Total		413.977			419.632	427.955	(3.829)	424.126

Suku bunga efektif untuk liabilitas atas surat berharga yang dijual dengan janji dibeli kembali adalah 2,40%.

Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali pada tanggal 31 Desember 2018, terdiri dari:

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai jual/ Sale amount	Nilai pembelian kembali/ Repurchase amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest income	Nilai tercatat/ Carrying value
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI-23	215.700	20 Dec 2018	3 Jan 2019	209.715	209.915	(200)	209.715
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI-23N	143.800	20 Dec 2018	3 Jan 2019	151.464	151.608	(144)	151.464
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	INDOIS19	221.452	6 Jun 2018	6 Mar 2019	215.700	219.953	(994)	218.959
Jumlah/ Total		580.952			576.879	581.476	(1.338)	580.138

Suku bunga efektif untuk liabilitas atas surat berharga yang dijual dengan janji dibeli kembali adalah 2,45% - 2,60%.

21. Liabilities on Securities Sold under Repurchase Agreements

Liabilities on securities sold under repurchase agreements as of 31 December 2019 consists of:

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai jual/ Sale amount	Nilai pembelian kembali/ Repurchase amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest income	Nilai tercatat/ Carrying value
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI0124	138.825	24 Jun 2019	18 Jun 2020	144.259	147.721	(1.322)	146.399
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI1023	41.648	24 Jun 2019	18 Jun 2020	41.722	42.723	(382)	42.341
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI1023	191.856	7 Nov 2019	18 Jun 2020	192.736	195.614	(1.750)	193.864
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI0127	41.648	24 Jun 2019	18 Jun 2020	40.915	41.897	(375)	41.522
Jumlah/ Total		413.977			419.632	427.955	(3.829)	424.126

The effective interest rate for liabilities on securities sold under repurchase agreements is 2.40%.

Liabilities on securities sold under repurchase agreements as of 31 December 2018 consists of:

Nasabah/ Counterparty	Jenis obligasi pemerintah/ Type of government bonds	Nilai nominal/ Nominal amount	Tanggal dimulai/ Start date	Jatuh tempo/ Due date	Nilai jual/ Sale amount	Nilai pembelian kembali/ Repurchase amount	Pendapatan bunga yang belum direalisasi/ Unrealized interest income	Nilai tercatat/ Carrying value
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI-23	215.700	20 Dec 2018	3 Jan 2019	209.715	209.915	(200)	209.715
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	RI-23N	143.800	20 Dec 2018	3 Jan 2019	151.464	151.608	(144)	151.464
United Overseas Bank Ltd., Singapura/United Overseas Bank Ltd., Singapore	INDOIS19	221.452	6 Jun 2018	6 Mar 2019	215.700	219.953	(994)	218.959
Jumlah/ Total		580.952			576.879	581.476	(1.338)	580.138

The effective interest rate for liabilities on securities sold under repurchase agreements is 2,45% - 2,60%.

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22. Pinjaman yang Diterima

Pinjaman yang diterima pada tanggal 31 Desember 2019 dan 2018, terdiri dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Pihak ketiga			<i>Third parties</i>
Rupiah:			<i>Rupiah:</i>
PT Bank ICBC Indonesia	746.612	758.074	<i>PT Bank ICBC Indonesia</i>
Mata uang asing:			<i>Foreign currencies:</i>
PT Bank Resona Perdania	340.937	352.191	<i>PT Bank Resona Perdania</i>
PT Bank ICBC Indonesia	-	4.875	<i>PT Bank ICBC Indonesia</i>
Pihak berelasi (Catatan 37)			<i>Related parties (Note 37)</i>
Mata uang asing:			<i>Foreign currency:</i>
United Overseas Bank Ltd., Singapura	2.012.963	2.085.100	<i>United Overseas Bank Ltd., Singapore</i>
Total	3.100.512	3.200.240	Total

United Overseas Bank Ltd., Singapura

Pinjaman yang diterima dari United Overseas Bank Ltd., Singapura dengan jangka waktu pinjaman 3 tahun dan merupakan bentuk Pinjaman Luar Negeri (PLN) Jangka Panjang dalam bentuk mata uang USD yang ditujukan untuk memberikan alternatif sumber pendanaan lain bagi Bank dalam mata uang USD dan juga dapat meningkatkan profil likuiditas dalam mata uang USD dimana memberikan *stable funding* USD di atas 1 tahun.

PT Bank Resona Perdania

Pinjaman yang diterima dari PT Bank Resona Perdania dengan jangka waktu pinjaman 3 tahun dan merupakan bagian dari transaksi *Cash Back Funding* (CBF) yang ditujukan sebagai jaminan atas pinjaman nasabah.

Tidak ada pembatasan tertentu yang disyaratkan atas pemberian pinjaman ini.

PT Bank ICBC Indonesia

Pinjaman yang diterima dari PT Bank ICBC Indonesia dengan jangka waktu pinjaman 1 tahun dan merupakan bagian dari transaksi *Cash Back Funding* (CBF) yang ditujukan sebagai jaminan atas pinjaman nasabah.

Pada tanggal 31 Desember 2019, tingkat suku bunga untuk pinjaman yang diterima dalam mata uang Rupiah adalah 6,75% dan dalam mata uang asing 0,00% - 2,69%.

Pada tanggal 31 Desember 2018, tingkat suku bunga untuk pinjaman yang diterima dalam mata uang Rupiah adalah 7,15% dan dalam mata uang asing 0% - 2,87%.

22. Borrowings

Borrowings as of 31 December 2019 and 2018 consist of:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
			<i>Third parties</i>
			<i>Rupiah:</i>
			<i>PT Bank ICBC Indonesia</i>
			<i>Foreign currencies:</i>
			<i>PT Bank Resona Perdania</i>
			<i>PT Bank ICBC Indonesia</i>
			<i>Related parties (Note 37)</i>
			<i>Foreign currency:</i>
			<i>United Overseas Bank Ltd., Singapore</i>
Total	3.100.512	3.200.240	Total

United Overseas Bank Ltd., Singapore

Borrowings from United Overseas Bank Ltd., Singapore with tenor of 3 years and represents Long-Term Foreign Loans (LTFL) in USD which is intended to provide alternative funding sources for the Bank in USD and also can increase the liquidity profile in USD which provides USD stable funding over 1 year.

PT Bank Resona Perdania

Borrowings from PT Bank Resona Perdania has a tenor of 3 years and is part of a Cash Back Funding (CBF) transaction that is intended as collateral for a customer's loan.

There is no specific covenant required from this borrowing.

PT Bank ICBC Indonesia

Borrowings from PT Bank ICBC Indonesia has a tenor of 1 year and is part of a Cash Back Funding (CBF) transaction that is intended as collateral for a customer's loan.

As of 31 December 2019, interest rate for borrowings in Rupiah is 6.75% and in foreign currency is 0.00% - 2.69%.

As of 31 December 2018, interest rate for borrowings in Rupiah is 7.15% and in foreign currency is 0% - 2.87%.

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23. Efek Hutang yang Diterbitkan

Efek hutang yang diterbitkan pada tanggal 31 Desember 2019 dan 2018, terdiri dari:

23. Debt Securities Issued

Debt securities issued as of 31 December 2019 and 2018 consist of:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019 Pihak ketiga Obligasi	650.000	-	Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche II Year 2019 Third parties Bonds
Total nominal Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019	650.000	-	Total Nominal Bank UOB Indonesia Sub Debt Shelf Offering II Tranche II Year 2019
Beban emisi obligasi yang belum diamortisasi	(2.088)	-	Unamortized bonds issuance cost
Total Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019	647.912	-	Total Bank UOB Indonesia Sub Debt Shelf Offering II Tranche II Year 2019
Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 Pihak ketiga Obligasi	100.000	-	Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche I Year 2019 Third parties Bonds
Total nominal Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019	100.000	-	Total Nominal Bank UOB Indonesia Sub Debt Shelf Offering II Tranche I Year 2019
Beban emisi obligasi yang belum diamortisasi	(2.234)	-	Unamortized bonds issuance cost
Total Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019	97.766	-	Total Bank UOB Indonesia Sub Debt Shelf Offering II Tranche I Year 2019
Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 Pihak ketiga Obligasi	100.000	-	Bank UOB Indonesia Senior Debt Shelf Offering II Tranche I Year 2019 Third parties Bonds
Total nominal Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019	100.000	-	Total nominal Bank UOB Indonesia Senior Debt Shelf Offering II Tranche I Year 2019
Beban emisi obligasi yang belum diamortisasi	(369)	-	Unamortized bonds issuance cost
Total Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019	99.631	-	Total Bank UOB Indonesia Senior Debt Shelf Offering II Tranche I Year 2019

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23. Efek Hutang yang Diterbitkan (lanjutan)

Efek hutang yang diterbitkan pada tanggal 31 Desember 2019 dan 2018, terdiri dari: (lanjutan)

23. Debt Securities Issued (continued)

Debt securities issued as of 31 December 2019 and 2018 consist of: (continued)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 Pihak ketiga			<i>Bank UOB Indonesia Senior Debt Shelf Offering I Tranche II Year 2018 Third parties</i>
Obligasi Seri A	-	862.000	<i>Bonds Series A</i>
Obligasi Seri B	83.000	83.000	<i>Bonds Series B</i>
Obligasi Seri C	55.000	55.000	<i>Bonds Series C</i>
Total nominal Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018	138.000	1.000.000	<i>Total nominal Bank UOB Indonesia Senior Debt Shelf Offering I Tranche II Year 2018</i>
Beban emisi obligasi yang belum diamortisasi	(209)	(1.317)	<i>Unamortized bonds issuance cost</i>
Total Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018	137.791	998.683	<i>Total Bank UOB Indonesia Senior Debt Shelf Offering I Tranche II Year 2018</i>
Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017 Pihak ketiga			<i>Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017 Third Parties</i>
Obligasi Seri A	500.000	500.000	
Total nominal Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017	500.000	500.000	<i>Total nominal Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017</i>
Beban emisi obligasi yang belum diamortisasi	(1.047)	(1.263)	<i>Unamortized bonds issuance cost</i>
Total Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017	498.953	498.737	<i>Total Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017</i>
Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 Pihak Berelasi (Catatan 37) Pihak ketiga			<i>Bank UOB Indonesia Senior Debt Shelf Offering I Tranche I Year 2016 Related Parties (Note 37) Third parties</i>
Obligasi Seri B	-	1.000	<i>Bonds Series B</i>
Obligasi Seri B	-	599.000	<i>Bonds Series B</i>
Obligasi Seri C	100.000	100.000	<i>Bonds Series C</i>
Total nominal Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016	100.000	700.000	<i>Total nominal Bank UOB Indonesia Senior Debt Shelf Offering I Tranche I Year 2016</i>
Beban emisi obligasi yang belum diamortisasi	(210)	(1.316)	<i>Unamortized bonds issuance cost</i>
Total Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016	99.790	698.684	<i>Total Bank UOB Indonesia Senior Debt Shelf Offering I Tranche I Year 2016</i>

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23. Efek Hutang yang Diterbitkan (lanjutan)

23. Debt Securities Issued (continued)

Efek hutang yang diterbitkan pada tanggal 31 Desember 2019 dan 2018, terdiri dari: (lanjutan)

Debt securities issued as of 31 December 2019 and 2018 consist of: (continued)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 Pihak ketiga	100.000	100.000	Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche I Year 2016 Third Parties
Total nominal Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016	100.000	100.000	Total nominal Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche I Year 2016
Beban emisi obligasi yang belum diamortisasi	(1.265)	(1.586)	Unamortized bonds issuance cost
Total Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016	98.735	98.414	Total nominal Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche I Year 2016
Obligasi I Bank UOB Indonesia Tahun 2015 Pihak Berelasi (Catatan 37) Obligasi Seri C Pihak ketiga Obligasi Seri C	2.000 498.000	2.000 498.000	Bonds I Bank UOB Indonesia Year 2015 Related Parties (Note 37) Bonds Series C Third parties Bonds Series C
Total nominal Obligasi I Bank UOB Indonesia Tahun 2015	500.000	500.000	Total nominal Senior Debt I Bank UOB Indonesia Year 2015
Beban emisi obligasi yang belum diamortisasi	(213)	(850)	Unamortized bonds issuance cost
Total Obligasi I Bank UOB Indonesia Tahun 2015	499.787	499.150	Total Bank UOB Indonesia Senior Debt I Year 2015
Obligasi Subordinasi I Bank UOB Indonesia Tahun 2014 Pihak Berelasi (Catatan 37) Pihak ketiga	601.000 399.000	605.000 395.000	Subordinated Bonds I Bank UOB Indonesia year 2014 Related Parties (Note 37) Third Parties
Total nominal Obligasi Subordinasi I Bank UOB Indonesia Tahun 2014	1.000.000	1.000.000	Total nominal Bank UOB Indonesia Subordinated Debt I Year 2014
Beban emisi obligasi yang belum diamortisasi	(1.443)	(2.461)	Unamortized bonds issuance cost
Total Obligasi Subordinasi I Bank UOB Indonesia Tahun 2014	998.557	997.539	Total Bank UOB Indonesia Subordinated Debt I Year 2014
Total	3.178.922	3.791.207	Total

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23. Efek Hutang yang Diterbitkan (lanjutan)

Pada bulan Juni 2019, Bank melakukan Penawaran Umum Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp2.000.000.000.000 (nilai penuh).

Pada tahun 2018, Bank telah melakukan Penawaran Umum Obligasi Berkelanjutan II Bank UOB Indonesia dengan target total dana yang dihimpun sebesar Rp3.000.000.000.000 (nilai penuh).

Dalam rangka penawaran umum tersebut Bank menerbitkan Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) yang dikenakan tingkat bunga tetap per tahun masing-masing sebesar 8,20% dibayarkan setiap tiga bulan dan akan jatuh tempo pada tanggal 19 Januari 2020.

Pada tanggal 31 Desember 2019 peringkat Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 menurut *Fitch Ratings* adalah idAAA.

Pada tahun 2016, Bank telah melakukan Penawaran Umum Obligasi Berkelanjutan I Bank UOB Indonesia dan Penawaran Umum Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia dengan target total dana yang dihimpun masing-masing sebesar Rp2.000.000.000.000 (nilai penuh) dan Rp1.000.000.000.000 (nilai penuh).

Dalam rangka penawaran umum tersebut Bank menerbitkan Obligasi-Obligasi sebagai berikut:

1. Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019 pada tanggal 13 November 2019 dalam jangka waktu 7 tahun dengan jumlah pokok sebesar Rp650.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 9,25%.

Pada tanggal 31 Desember 2019, peringkat Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019 menurut *Fitch Ratings* adalah idAA.

2. Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 pada tanggal 4 Juli 2019 dalam jangka waktu 7 tahun dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dengan tingkat bunga tetap sebesar 9,85%.

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23. Debt Securities Issued (continued)

In June 2019, the Bank conducted public offering of Bank UOB Indonesia Subordinated Debt Shelf Offering II with target total funds of Rp2,000,000,000,000 (full amount).

In year 2018, the Bank conducted public offering of Bank UOB Indonesia Senior Debt Shelf Offering II with target total funds of Rp3,000,000,000,000 (full amount).

Regarding the public offering, the Bank issued Bank UOB Indonesia Senior Debt Shelf Offering II Phase I Year 2019 totalling Rp100,000,000,000 (full amount) with fixed interest rate of 8.20% which is repayable every three months and will mature on 19 January 2020.

As of 31 December 2019, the rating of Bank UOB Indonesia Senior Debt Shelf Offering II Phase I Year 2019 based on Fitch Ratings is idAAA.

In 2016, Bank conducted public offering of Bank UOB Indonesia Senior Debt Shelf Offering I and Bank UOB Indonesia Subordinated Debt Shelf Offering I with target total funds of Rp2,000,000,000,000 (full amount) and Rp1,000,000,000,000 (full amount), respectively.

Regarding the public offering, the Bank issued bonds as follows:

1. *UOB Indonesia Subordinated Debt Shelf Offering II Phase II 2019 on 13 November 2019 with tenor of 7 years since issuance date totalling to Rp650,000,000,000 (full amount) with fixed interest rate of 9.25%.*

As of 31 December 2019, the rating of UOB Indonesia Subordinated Debt Shelf Offering II Phase II 2019 based on Fitch Ratings was idAA.

2. *UOB Indonesia Subordinated Debt Shelf Offering II Phase I 2019 on 4 July 2019 with tenor of 7 years since issuance date totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 9.85%*

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23. Efek Hutang yang Diterbitkan (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan Obligasi-Obligasi sebagai berikut: (lanjutan)

Bank memperhitungkan Obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier 2*) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. S-92/PB.32/2019 pada tanggal 20 Desember 2019.

Pada tanggal 31 Desember 2019, peringkat Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 menurut Fitch Ratings adalah idAA.

3. Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 pada tanggal 9 Januari 2019 dengan jangka waktu 370 hari sejak tanggal emisi dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dan tingkat bunga tetap sebesar 8,20%.

Pada tanggal 31 Desember 2019, peringkat Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019 menurut Fitch Ratings adalah idAAA.

4. Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 dengan jumlah pokok sebesar Rp1.000.000.000.000 (nilai penuh) yang terbagi menjadi Obligasi Seri A sebesar Rp862.000.000.000 (nilai penuh), Obligasi Seri B sebesar Rp83.000.000.000 (nilai penuh) dan Obligasi Seri C sebesar Rp55.000.000.000 (nilai penuh) yang dikenakan tingkat bunga tetap per tahun masing-masing sebesar 6,15%, 7,40%, dan 7,65%, yang dibayarkan setiap tiga bulan dan akan jatuh tempo masing-masing pada tanggal 3 Juni 2019, 23 Mei 2021, dan 23 Mei 2023.

Bank telah melakukan pelunasan pokok atas Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 Seri A dengan nilai nominal Rp862.000.000.000 (nilai penuh) yang jatuh tempo pada tanggal 3 Juni 2019.

Pada tanggal 31 Desember 2019 dan 2018, peringkat Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018 menurut Fitch Ratings adalah idAAA.

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23. Debt Securities Issued (continued)

Regarding the public offering, the Bank issued bonds as follows: (continued)

The Bank calculates its bond as part of Lower Supplementary Capital (*Lower Tier 2*) based on Approval Letter from Otoritas Jasa Keuangan No. S-92/PB.32/2019 dated 20 December 2019.

As of 31 December 2019, the rating of Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche I Year 2019 based on Fitch Ratings is idAA.

3. UOB Indonesia Senior Debt Shelf Offering II Phase I Year 2019 on 9 January 2019 with tenor of 370 days since issuance date totalling to Rp100,000,000,000 (full amount) with fixed interest rate of 8.20%

As of 31 December 2019, the rating of Bank UOB Indonesia Senior Debt Shelf Offering II Phase I Year 2019 based on Fitch Ratings is idAAA.

4. Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 totalling Rp1,000,000,000,000 (full amount) consists of Bonds Series A amounting to Rp862,000,000,000 (full amount), Series B amounting to Rp83,000,000,000 (full amount) and Series C amounting to Rp55,000,000,000 (full amount) with fixed interest rates of 6.15%, 7.40%, and 7.65%, respectively, which is repayable every three months and will mature on 3 June 2019, 23 May 2021, and 23 May 2023, respectively.

The Bank paid the principal of Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 Series A with a nominal value of Rp862,000,000,00 (full amount) which matured on 3 June 2019.

As of 31 December 2019 and 2018, the rating of Bank UOB Indonesia Senior Debt Shelf Offering I Phase II Year 2018 based on Fitch Ratings is idAAA.

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23. Efek Hutang yang Diterbitkan (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan Obligasi-Obligasi sebagai berikut: (lanjutan)

5. Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017 dengan jumlah pokok sebesar Rp500.000.000.000 (nilai penuh) dikenakan suku bunga tetap sebesar 9,25% per tahun yang dibayarkan setiap tiga bulan dan jangka waktu selama tujuh tahun dan akan jatuh tempo pada tanggal 17 Oktober 2024. Obligasi tersebut dicatatkan di Bursa Efek Indonesia pada tanggal 18 Oktober 2017.

Bank memperhitungkan Obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier 2*) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. S-84/PB.32/2017 pada tanggal 20 Desember 2017.

Pada tanggal 31 Desember 2019 dan 2018, peringkat Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017 menurut *Fitch Ratings* adalah idAA.

6. Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 dengan jumlah pokok sebesar Rp100.000.000.000 (nilai penuh) dikenakan suku bunga tetap sebesar 9,40% per tahun yang dibayarkan setiap tiga bulan dan jangka waktu selama tujuh tahun dan akan jatuh tempo pada tanggal 25 November 2023. Obligasi tersebut dicatatkan di Bursa Efek Indonesia pada tanggal 28 November 2016.

Bank memperhitungkan Obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier 2*) berdasarkan Surat Persetujuan Otoritas Jasa Keuangan No. S-18/PB.32/2017 pada tanggal 6 Maret 2017.

Pada tanggal 31 Desember 2019 dan 2018, peringkat Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 menurut *Fitch Ratings* adalah idAA.

23. Debt Securities Issued (continued)

Regarding the public offering, Bank issued bonds as follow: (continued)

5. Bank UOB Indonesia Subordinated Debt Shelf Offering I Phase II 2017 with total amount of Rp500,000,000,000 (full amount) that was subject to fixed interest rate of 9.25% per annum which is payable every three months with a seven-year term and will mature on 17 October 2024. The Bond was listed on the Indonesia Stock Exchange at 18 October 2017.

The Bank calculates its bond as part of Lower Supplementary Capital (*Lower Tier 2*) based on Approval Letter from Otoritas Jasa Keuangan No. S-84/PB.32/2017 dated 20 December 2017.

As of 31 December 2019 and 2018, the rating of Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017 based on *Fitch Ratings* is idAA.

6. Bank UOB Indonesia Subordinated Debt Shelf Offering I Phase I 2016 with total amount of Rp100,000,000,000 (full amount) that was subject to fixed interest rate of 9.40% per annum which was payable every three months with a seven-year term and will mature on 25 November 2023. The Bond was listed on the Indonesia Stock Exchange on 28 November 2016.

The Bank calculates its bond as part of Lower Supplementary Capital (*Lower Tier 2*) based on Approval Letter from Otoritas Jasa Keuangan No. S-18/PB.32/2017 dated 6 March 2017.

As of 31 December 2019 and 2018, the rating of Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche I Year 2016 based on *Fitch Ratings* is idAA.

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23. Efek Hutang yang Diterbitkan (lanjutan)

Dalam rangka penawaran umum tersebut Bank menerbitkan Obligasi-Obligasi sebagai berikut: (lanjutan)

7. Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 dengan jumlah pokok sebesar Rp1.000.000.000.000 (nilai penuh) yang terbagi menjadi Obligasi Seri A sebesar Rp300.000.000.000 (nilai penuh), Obligasi Seri B sebesar Rp600.000.000.000 (nilai penuh) dan Obligasi Seri C sebesar Rp100.000.000.000 (nilai penuh) yang dikenakan tingkat bunga tetap per tahun masing-masing sebesar 7,20%, 8,00%, dan 8,25%, yang dibayarkan setiap tiga bulan dan akan jatuh tempo masing-masing pada tanggal 5 Desember 2017, 25 November 2019, dan 25 November 2021.

Bank telah melakukan pelunasan pokok atas Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 Seri A dan B dengan nilai nominal masing-masing Rp300.000.000.000 dan Rp600.000.000.000 (nilai penuh) yang jatuh tempo masing-masing pada tanggal 4 Desember 2017 dan 25 November 2019.

Pada tanggal 31 Desember 2019 dan 2018, peringkat Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 menurut *Fitch Ratings* adalah idAAA.

Pada tanggal 1 April 2015 Bank menerbitkan Obligasi I Bank UOB Indonesia Tahun 2015 dengan jumlah pokok sebesar Rp1.500.000.000.000 (nilai penuh) yang terbagi menjadi Obligasi Seri A sebesar Rp400.000.000.000 (nilai penuh), Obligasi Seri B sebesar Rp600.000.000.000 (nilai penuh) dan Obligasi Seri C sebesar Rp500.000.000.000 (nilai penuh) yang dikenakan tingkat bunga tetap per tahun masing-masing sebesar 8,60%, 9,40% dan 9,60%, yang dibayarkan setiap tiga bulan dan akan jatuh tempo masing-masing pada tanggal 11 April 2016, 1 April 2018, dan 1 April 2020. Obligasi tersebut dicatatkan di Bursa Efek Indonesia dan dinyatakan efektif berdasarkan surat keputusan OJK pada tanggal 24 Maret 2015.

Bank telah melakukan pelunasan pokok atas Obligasi I Bank UOB Indonesia Tahun 2015 Seri A dan Seri B dengan nilai nominal masing-masing Rp400.000.000.000 (nilai penuh) dan Rp600.000.000.000 (nilai penuh) yang jatuh tempo masing-masing pada tanggal 11 April 2016 dan 1 April 2018.

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23. Debt Securities Issued (continued)

Regarding the public offering, the Bank issued bonds as follows: (continued)

7. Bank UOB Indonesia Senior Debt Shelf Offering I Phase I Year 2016 totalling to Rp1,000,000,000,000 (full amount) consists of Bonds Series A amounting to Rp300,000,000,000 (full amount), Series B amounting to Rp600,000,000,000 (full amount) and Series C amounting to Rp100,000,000,000 (full amount) with fixed interest rates of 7.20%, 8.00%, and 8.25%, respectively, which are repayable every three months and will mature on 5 December 2017, 25 November 2019, and 25 November 2021, respectively.

The Bank paid the principal of Bank UOB Indonesia Senior Debt Shelf Offering I Phase I Year 2016 Series A and B with a nominal value Rp300,000,000,000 and Rp600,000,000,00 (full amount) which matured on 4 December 2017 and 25 November 2019, respectively.

As of 31 December 2019 and 2018, the rating of Bank UOB Indonesia Senior Debt Shelf Offering I Phase I 2016 based on *Fitch Ratings* was idAAA.

On 1 April 2015, the Bank issued Bonds of Bank UOB Indonesia Year 2015 totalling Rp1,500,000,000,000 (full amount) that consists of Bonds Series A amounting to Rp400,000,000,000 (full amount), Series B amounting to Rp600,000,000,000 (full amount) and Series C amounting to Rp500,000,000,000 (full amount) with fixed interest rates of 8.60%, 9.40% and 9.60%, respectively, which is repayable every three months and will mature on 11 April 2016, 1 April 2018, and 1 April 2020, respectively. The bonds are listed on the Indonesia Stock Exchange and became effective based on OJK Decision Letter dated 24 March 2015.

The Bank has paid the principal on Bonds I Bank UOB Indonesia in 2015 Series A and Series B with a nominal value of Rp400,000,000,000 (full amount) and Rp600,000,000,000 (full amount), respectively which matured on 11 April 2016 and 1 April 2018.

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23. Efek Hutang yang Diterbitkan (lanjutan)

Pada tanggal 31 Desember 2019 dan 2018, peringkat Obligasi I Bank UOB Indonesia Tahun 2015 menurut *Fitch Ratings* adalah idAAA.

Pada tanggal 28 Mei 2014, Bank menerbitkan Obligasi Subordinasi I Bank UOB Indonesia Tahun 2014 dengan jumlah pokok sebesar Rp1.000.000.000.000 (nilai penuh) dikenakan suku bunga tetap sebesar 11,35% per tahun yang dibayarkan setiap tiga bulan dan jangka waktu selama tujuh tahun dan akan jatuh tempo pada tanggal 28 Mei 2021. Obligasi tersebut dicatatkan di Bursa Efek Indonesia dan dinyatakan efektif berdasarkan surat keputusan OJK pada tanggal 20 Mei 2014.

Bank memperhitungkan Obligasi tersebut sebagai Komponen Modal Pelengkap Level Bawah (*Lower Tier 2*) berdasarkan Surat Peretujuan Otoritas Jasa Keuangan No.S-86/PB.321/2014 pada tanggal 18 Juni 2014.

Pada tanggal 31 Desember 2019 dan 2018, peringkat Obligasi Subordinasi I Bank UOB Indonesia Tahun 2014 menurut *Fitch Ratings* adalah idAA.

Obligasi-obligasi Subordinasi tersebut diatas tidak dijamin dengan jaminan khusus, tetapi dijamin dengan seluruh harta kekayaan Bank.

Wali amanat dari penerbitan Obligasi I Bank UOB Indonesia Tahun 2015 dan Obligasi Subordinasi I Bank UOB Indonesia Tahun 2014 adalah Bank Permata Tbk.

Wali amanat dari penerbitan Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap II Tahun 2019, Obligasi Subordinasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019, Obligasi Berkelanjutan II Bank UOB Indonesia Tahap I Tahun 2019, Obligasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2018, Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap II Tahun 2017, Obligasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 dan Obligasi Subordinasi Berkelanjutan I Bank UOB Indonesia Tahap I Tahun 2016 adalah PT Bank Mandiri (Persero) Tbk.

Tidak terdapat keterkaitan usaha antara wali amanat dengan Bank.

23. Debt Securities Issued (continued)

As of 31 December 2019 and 2018, the rating of the Bonds I Bank UOB Indonesia Year 2015 based on *Fitch Ratings* is idAAA.

On 28 May 2014, the Bank issued Subordinated Bonds I Bank UOB Indonesia Year 2014 with total amount of Rp1,000,000,000,000 (full amount) that was subject to fixed interest rate of 11.35% per annum which was payable every three months; with a seven-year term; and will mature on 28 May 2021. The Bond is listed on the Indonesia Stock Exchange and became effective based on OJK Decision Letter dated 20 May 2014.

The Bank calculates its bond as part of Lower Supplementary Capital (*Lower Tier 2*) based on Approval Letter from Otoritas Jasa Keuangan No.S-86/PB.321/2014 dated 18 June 2014.

As of 31 December 2019 and 2018, the rating of Bank UOB Indonesia Subordinated Bonds I Bank UOB Indonesia Year 2014 based on *Fitch Ratings* is idAA.

The said Subordinated bonds are not secured by specific collateral, but are secured by all assets of the Bank.

The trustee for issuance of Bonds I Bank UOB Indonesia Year 2015 and Subordinated Bonds I of Bank UOB Indonesia Year 2014 was Bank Permata Tbk.

The trustee for issuance of Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche II Year 2019, Bank UOB Indonesia Subordinated Debt Shelf Offering II Tranche I Year 2019, Bank UOB Indonesia Senior Debt Shelf Offering II Tranche I Year 2019, Bank UOB Indonesia Senior Debt Shelf Offering I Tranche II Year 2018, Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche II Year 2017, Bank UOB Indonesia Senior Debt Shelf Offering I Tranche I Year 2016 and Bank UOB Indonesia Subordinated Debt Shelf Offering I Tranche I Year 2016 was PT Bank Mandiri (Persero) Tbk.

There is no business relationship between the trustees and the Bank.

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23. Efek Hutang yang Diterbitkan (lanjutan)

Selama jangka waktu obligasi tersebut diatas, tanpa ijin tertulis dari wali amanat, Bank tidak diperkenankan untuk:

- 1) Mengagunkan sebagian maupun seluruh pendapatan atau harta kekayaan Bank yang ada pada saat ini maupun di masa yang akan datang di luar kegiatan usaha Bank;
- 2) Mengurangi modal dasar, modal ditempatkan dan modal disetor, kecuali pengurangan tersebut dilakukan berdasarkan permintaan dan/atau perintah dari otoritas berwenang (termasuk tetapi tidak terbatas pada OJK);
- 3) Melakukan penggabungan dan/atau peleburan yang menyebabkan bubarnya Bank atau yang akan mempunyai akibat negatif secara material terhadap kelangsungan usaha Perseroan;
- 4) Melakukan pinjaman atau mengeluarkan obligasi yang pembayarannya dan hak tagihnya didahulukan dari Obligasi Subordinasi I Tahun 2014 dan Obligasi I Bank UOB Indonesia Tahun 2015.

Per 31 Desember 2019 dan 2018, Bank telah mengamortisasi biaya emisi obligasi masing-masing sebesar Rp8.908 dan Rp5.412 yang dicatat dalam laporan laba rugi dan penghasilan komprehensif lain.

Selama 2019 dan 2018, Bank telah memenuhi persyaratan-persyaratan dalam penerbitan efek hutang tersebut.

24. Liabilitas Lain-lain

Akun ini terdiri dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Biaya yang masih harus dibayar	307.553	270.823	Accrued expenses
Pendapatan diterima di muka	77.493	98.615	Unearned income
Setoran jaminan	29.321	33.949	Guarantee deposits
Lain-lain	275.713	279.040	Others
Total	690.080	682.427	Total

Per 31 Desember 2019 dan 2018, termasuk dalam biaya yang masih harus dibayar adalah bonus yang diberikan kepada Direksi yang ditangguhkan masing-masing sebesar Rp8.337 dan Rp5.981, sesuai dengan POJK No. 45/POJK.03/2015 tanggal 23 Desember 2015 tentang Penerapan Tata Kelola dalam Pemberian Remunerasi bagi Bank Umum.

23. Debt Securities Issued (continued)

During the term of above mentioned bonds, without written permission from trustee, the Bank is not allowed to:

- 1) Secure part or all of the income or asset of the Bank that exists in the present or in the future, other than for the Bank's business activity;
- 2) Reduce the authorized capital, issued capital and paid-up capital, unless the reduction is carried out based on the request and/or order of the authorized regulator (including but not limited to OJK);
- 3) Perform any merger and/or acquisition which causes the liquidation of the Bank or would have a material adverse impact on the continuation of the Bank's businesses;
- 4) Receive any borrowings or issue bonds which have a precedence right to claim from Subordinated Bonds I Year 2014 and Bonds I Bank UOB Indonesia Year 2015.

As of 31 December 2019 and 2018, the Bank has amortized the bonds issuance cost amounting to Rp8,908 and Rp5,412, respectively, which is recorded in the statement of profit or loss and other comprehensive income.

During 2019 and 2018, the Bank has complied with covenants of the debt securities issued above.

24. Other Liabilities

This account consists of:

As of 31 December 2019 and 2018, included in the accrued expenses is deferred bonus granted to the Board of Directors amounting to Rp8,337 and Rp5,981, respectively, in accordance with POJK No. 45/POJK.03/2015 dated 23 December 2015 concerning the Implementation of Governance for Commercial Banks in the Provision of Remunerations.

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25. Modal Saham

Susunan pemegang saham Bank dan persentase kepemilikannya pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut (Catatan 1):

25. Share Capital

The Bank's shareholders and percentage of ownership as of 31 December 2019 and 2018, are as follows (Note 1):

31 Desember 2019 dan 2018/ 31 December 2019 and 2018				
Pemegang saham	Jumlah saham ditempatkan dan disetor penuh/ Issued and fully paid shares	Persentase kepemilikan/ Percentage of ownership	Total modal/ Total capital	Shareholders
UOB International Investment Private Limited, Singapura	6.586.706.877	68,943%	1.646.676	UOB International Investment Private Limited, Singapore
United Overseas Bank Limited, Singapura	2.871.523.512	30,056%	717.881	United Overseas Bank Limited, Singapore
Yayasan Kesejahteraan Nusantara	95.539.288	1,000%	23.885	Yayasan Kesejahteraan Nusantara
Lain-lain (masing-masing di bawah 1%)	116.127	0,001%	29	Others (below 1% each)
Total	9.553.885.804	100,000%	2.388.471	Total

Pengelolaan Modal

Tujuan utama pengelolaan modal Bank adalah untuk memastikan pemeliharaan rasio modal yang sehat untuk mendukung usaha dan memaksimalkan imbalan bagi pemegang saham.

Selain itu, Bank dipersyaratkan oleh Undang-undang Perseroan Terbatas efektif tanggal 16 Agustus 2007 untuk berkontribusi sampai dengan 20% dari modal saham ditempatkan dan disetor penuh dalam bentuk dana cadangan yang tidak boleh didistribusikan. Persyaratan permodalan tersebut dipertimbangkan oleh Bank pada Rapat Umum Pemegang Saham ("RUPS").

Bank mengelola struktur permodalan dan melakukan penyesuaian terhadap perubahan kondisi ekonomi. Untuk memelihara dan menyesuaikan struktur permodalan, Bank dapat menyesuaikan pembayaran dividen kepada pemegang saham, menerbitkan saham baru atau mengusahakan pendanaan melalui pinjaman. Tidak ada perubahan atas tujuan, kebijakan maupun proses pada tanggal 31 Desember 2019 dan 2018.

Kebijakan Bank adalah mempertahankan struktur permodalan yang sehat untuk mengamankan akses terhadap pendanaan pada biaya yang wajar.

Capital Management

The primary objective of the Bank's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholders value.

In addition, the Bank is also required by the Corporate Law effective 16 August 2007 to contribute and maintain a non-distributable reserve fund until the said reserve reaches 20% of the issued and fully paid up share capital. This capital requirements are considered by the Bank at the Annual General Shareholders' Meeting ("AGM").

The Bank manages its capital structure and makes adjustments to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Bank may adjust the dividend payment to shareholders, issue new shares or raise debt financing. No changes were made in the objectives, policies or processes as of 31 December 2019 and 2018.

The Bank's policy is to maintain a healthy capital structure in order to secure access to finance at a reasonable cost.

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26. Tambahan Modal Disetor

Akun ini terdiri dari:

	31 December 2019 dan 2018/ 31 December 2019 and 2018
Agio saham	
Penawaran umum terbatas III tahun 2006	576.625
Dividen saham	238.276
Biaya emisi efek ekuitas	
Penawaran umum terbatas III tahun 2006	(2.306)
Selisih nilai transaksi restrukturisasi entitas sependengdali	1.289.647
Penyesuaian tambahan modal disetor	4.576
Total	2.106.818

26. Additional Paid-in Capital

This account consists of:

	Paid-in capital
Limited Public Offering III year 2006	
Stock dividend	
Issuance cost	
Limited Public Offering III year 2006	
Difference in the value of restructuring transactions of entities under common control	
Adjustment on additional paid-in capital	
Total	Total

27. Saldo Laba

Dalam Rapat Umum Pemegang Saham Tahunan yang diselenggarakan pada tanggal 29 April 2019 yang berita acaranya diaktakan dengan Akta Aulia Taufani, S.H., No. 68 pada tanggal yang sama, para pemegang saham setuju untuk menambah dana cadangan umum sebesar Rp5.113 guna memenuhi ketentuan Pasal 70 Undang-undang Perseroan Terbatas dan Pasal 20 Anggaran Dasar Bank serta membukukan seluruh laba bersih yang diperoleh tahun 2018 setelah dikurangi cadangan sebagai laba ditahan.

Dalam Rapat Umum Pemegang Saham Tahunan yang diselenggarakan pada tanggal 9 Mei 2018 yang berita acaranya diaktakan dengan Akta Ashoya Ratam, S.H. MKn., No. 20 pada tanggal yang sama, para pemegang saham setuju untuk menambah dana cadangan umum sebesar Rp775 guna memenuhi ketentuan Pasal 70 Undang-undang Perseroan Terbatas dan Pasal 20 Anggaran Dasar Bank serta membukukan seluruh laba bersih yang diperoleh tahun 2017 setelah dikurangi cadangan sebagai laba ditahan.

27. Retained Earnings

At the Annual General Shareholders' Meeting held on 29 April 2019, the minutes of which were notarized under Deed No. 68 of Aulia Taufani, S.H., on the same date, the shareholders agreed to increase the amount appropriated for general reserve amounting to Rp5,113 to comply with Article 70 of the Corporation Law and Article 20 of the Bank's Articles of Association and registered the entire net profit earned in 2018 after deduction against reserve as retained earnings.

At the Annual General Shareholders' Meeting held on 9 May 2018, the minutes of which were notarized under Deed No. 20 of Ashoya Ratam, S.H. MKn., on the same date, the shareholders agreed to increase the amount appropriated for general reserve amounting to Rp775 to comply with Article 70 of the Corporation Law and Article 20 of the Bank's Articles of Association and registered the entire net profit earned in 2017 after deduction against reserve as retained earnings.

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28. Pendapatan Bunga

Akun ini diperoleh dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Kredit yang diberikan	6.736.088	6.070.242
Investasi keuangan dan efek-efek yang diperdagangkan	1.121.016	1.041.100
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	82.493	146.349
Penempatan pada Bank Indonesia dan bank lain	53.225	51.621
Giro pada Bank Indonesia dan bank lain	10.116	9.990
Total	8.002.938	7.319.302

Provisi dan komisi yang diamortisasi dan diakui sebagai pendapatan bunga untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan 2018 masing-masing sebesar Rp344.838 dan Rp339.668.

Informasi mengenai pendapatan bunga yang diperoleh dari pihak-pihak yang berelasi diungkapkan pada Catatan 37.

29. Beban Bunga

Akun ini merupakan beban bunga yang timbul atas:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Deposito berjangka	2.820.258	2.429.180
Giro	458.334	367.283
Efek utang yang diterbitkan	321.844	326.208
Tabungan	283.830	286.642
Simpanan dan pinjaman dari bank lain	260.455	135.006
Premi penjaminan Pemerintah (Catatan 36)	160.875	145.772
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	48.957	25.229
Total	4.354.553	3.715.320

Informasi mengenai beban bunga atas transaksi dengan pihak-pihak yang berelasi diungkapkan pada Catatan 37.

28. Interest Income

This account is derived from the following:

Loans
Financial investments and trading securities
Receivables on securities purchased with agreements to resell
Placements with Bank Indonesia and other banks
Current accounts with Bank Indonesia and other banks
Total

Provision and commission which are amortized and recognized as interest income for the year ended 31 December 2019 and 2018 amounted to Rp344,838 and Rp339,668, respectively.

Interest income earned from related parties of loan are disclosed in Note 37.

29. Interest Expenses

This account represents interest expenses incurred on the following:

Time deposits
Demand deposits
Debt securities issued
Savings deposits
Deposits and borrowings from other banks
Premium on Government guarantee (Note 36)
Liabilities on securities sold under repurchase agreements
Total

Interest expense on transactions with related parties are disclosed in Note 37.

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30. Beban Umum dan Administrasi

Akun ini terdiri dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Telekomunikasi, listrik dan air	264.196	209.374
Iklan dan promosi	216.797	153.974
Pemeliharaan dan perbaikan (Catatan 37)	215.242	175.101
Penyusutan aset tetap (Catatan 13)	206.331	200.503
Jasa <i>outsourcing</i> (Catatan 37)	163.539	170.254
Sewa (Catatan 37)	102.157	109.935
Jasa tenaga ahli	75.921	91.427
Pungutan OJK	50.449	43.377
Barang cetakan dan keperluan kantor	31.320	23.453
Keamanan	14.843	14.280
Asuransi	6.188	7.183
Lain-lain	48.888	35.161
Total	1.395.871	1.234.022

30. General and Administrative Expenses

This account consists of:

Telecommunication, electricity and water
Advertising and promotion
Repairs and maintenance (Note 37)
Depreciation of fixed assets (Note 13)
Outsourcing service (Note 37)
Rental (Note 37)
Professional fees
OJK levy
Printed materials and office supplies
Security
Insurance
Others
Total

31. Beban Gaji dan Kesejahteraan Karyawan

Akun ini terdiri dari:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Gaji, upah dan tunjangan hari raya	1.226.235	1.131.703
Tunjangan pajak PPh 21	272.101	236.948
Manfaat pensiun	141.769	106.305
Makan, transportasi dan tunjangan lainnya	82.282	71.671
Pendidikan dan pelatihan	71.824	87.381
Imbalan kerja (Catatan 35)	66.438	59.784
Pengobatan	65.369	64.299
Jaminan Sosial Tenaga Kerja	58.794	54.587
Insentif	54.358	34.294
Lembur	6.320	7.350
Lain-lain	20.647	22.420
Total	2.066.137	1.876.742

31. Salaries and Employee Benefits Expenses

This account consists of:

Salaries, wages and lebaran bonus
Taxable allowance PPh 21
Gratuity
Meals, transportation and other allowance
Education and training
Employee benefits (Note 35)
Medical
Obligatory employee insurance (Jamsostek)
Incentive
Overtime
Others
Total

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32. Laba Per Saham Dasar

Laba per saham dasar dihitung dengan membagi laba tahun berjalan yang diatribusikan kepada pemegang saham dengan jumlah saham pada tahun bersangkutan.

32. Basic Earnings Per Share

Basic earnings per share is calculated by dividing the income for the year attributable to the equity holders by the number of shares outstanding during the year.

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Laba tahun berjalan diatribusikan kepada pemegang saham	666.291	511.361	Income for the year attributable to equity holders
Jumlah saham	9.553.885.804	9.553.885.804	Share outstanding
Laba per saham dasar (nilai penuh)	70	54	Basic earnings per share (full amount)

33. Transaksi Pembelian dan Penjualan Tunai Mata Uang Asing

Rincian nilai nominal atas pembelian dan penjualan tunai mata uang asing (*spot*) per 31 Desember 2019 dan 2018, adalah sebagai berikut:

33. Spot Foreign Currency Bought and Sold

The details of the notional values of spot foreign currencies bought and sold as of 31 December 2019 and 2018, are as follows:

	31 Desember/31 December 2019			
	Mata uang asing/ Foreign currencies	Rupiah		
Pembelian tunai mata uang asing Pihak ketiga	USD	60.000.000	832.950	Spot foreign currency bought Third parties
			832.950	
Pembelian tunai mata uang asing Pihak berelasi	USD	30.462.572	422.896	Spot foreign currency bought Related parties
	EUR	471.189	7.337	
	GBP	112.000	2.043	
	AUD	15.000	146	
			432.422	
			1.265.372	
Penjualan tunai mata uang asing Pihak ketiga	USD	29.176.000	405.968	Spot foreign currency sold Third parties
			405.968	
Penjualan tunai mata uang asing Pihak berelasi	USD	35.159.113	494.864	Spot foreign currency sold Related parties
	EUR	90.333	1.407	
	AUD	85.000	827	
	SGD	3.470.958	35.877	
	GBP	17.000	310	
			533.285	
			939.253	

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33. Transaksi Pembelian dan Penjualan Tunai Mata Uang Asing (lanjutan)

Rincian nilai nominal atas pembelian dan penjualan tunai mata uang asing (*spot*) per 31 Desember 2019 dan 2018, adalah sebagai berikut: (lanjutan)

33. Spot Foreign Currency Bought and Sold (continued)

The details of the notional values of spot foreign currencies bought and sold as of 31 December 2019 and 2018, are as follows: (continued)

	31 Desember/31 December 2018		Rupiah	
	Mata uang asing/ Foreign currencies			
Pembelian tunai mata uang asing Pihak berelasi	USD	32.000.000	460.160	Spot foreign currency bought Third parties
	SGD	400.000	4.222	
			464.382	
Pembelian tunai mata uang asing Pihak berelasi	USD	6.740.536	96.960	Spot foreign currency bought Related parties
	EUR	460.000	7.572	
	GBP	20.000	366	
	AUD	322.000	3.274	
			108.172	
			572.554	
Penjualan tunai mata uang asing Pihak ketiga	USD	20.140.000	289.613	Spot foreign currency sold Third parties
	GBP	25.562	468	
			290.081	
Penjualan tunai mata uang asing Pihak berelasi	USD	12.925.375	185.933	Spot foreign currency sold Related parties
	EUR	248.000	4.081	
	AUD	1.170.000	11.876	
	GBP	50.000	915	
			202.805	
			492.886	

34. Komitmen dan Kontinjensi

Bank memiliki tagihan dan liabilitas komitmen dan kontinjensi sebagai berikut:

34. Commitments and Contingencies

The Bank's commitments and contingencies are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Komitmen			Commitments
Tagihan komitmen	134.822	82.079	Commitment receivables
Liabilitas komitmen			Commitment liabilities
Fasilitas kredit yang belum digunakan	(42.335.431)	(37.132.500)	Unused loan facilities granted
Irrevocable letters of credit yang masih berjalan	(1.903.557)	(2.746.117)	Outstanding irrevocable letters of credit
Liabilitas komitmen - neto	(44.104.166)	(39.796.538)	Commitment liabilities - net

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34. Komitmen dan Kontinjensi (lanjutan)

Bank memiliki tagihan dan liabilitas komitmen dan kontinjensi sebagai berikut: (lanjutan)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Kontinjensi			Contingencies
Tagihan kontinjensi			Contingent receivables
Pendapatan bunga dalam penyelesaian	311.543	190.700	Interest on non-performing loans
Liabilitas kontinjensi			Contingent liabilities
Bank garansi	(2.702.932)	(3.454.407)	Bank guarantees
Standby letters of credit	(1.230.362)	(1.275.107)	Standby letters of credit
Liabilities kontinjensi - neto	(3.621.751)	(4.538.814)	Contingent liabilities - net
Liabilitas komitmen dan kontinjensi - neto	(47.725.917)	(44.335.352)	Commitments and contingent liabilities - net

34. Commitments and Contingencies (continued)

The Bank's commitments and contingencies are as follows: (continued)

35. Liabilitas atas Imbalan Kerja

Bank memiliki program pensiun iuran pasti dan juga mencatat liabilitas estimasi imbalan kerja atas uang pesangon, uang penghargaan masa kerja dan ganti kerugian kepada karyawan untuk menutupi kemungkinan kekurangan, sesuai dengan UU No. 13/2003 dan perjanjian ketenagakerjaan Bank.

Program pensiun iuran pasti Bank dikelola oleh Dana Pensiun Lembaga Keuangan (DPLK) Manulife Indonesia (pihak ketiga). Iuran yang dibayarkan kepada DPLK pada tahun yang berakhir pada 31 Desember 2019 dan 2018 masing-masing sebesar Rp69.578 dan Rp60.189.

Iuran pensiun ditetapkan sebesar 16% dari gaji karyawan peserta dana pensiun, dimana 10% ditanggung Bank dan sisanya sebesar 6% ditanggung oleh karyawan. Beban pensiun Bank pada tahun yang berakhir pada 31 Desember 2019 dan 2018 masing-masing berjumlah Rp66.438 dan Rp59.784 (Catatan 31).

35. Liability for Employee Benefits

The Bank has defined contribution retirement plan and also recognized estimated liability for termination, gratuity and compensation benefits to cover any deficiency as provided under Law No. 13/2003 and the Bank's labor agreement.

The Bank's defined contribution retirement plan is managed by Dana Pensiun Lembaga Keuangan (DPLK) Manulife Indonesia (a third party). The contribution retirement paid to DPLK for the year ended 31 December 2019 and 2018 amounted to Rp69,578 and Rp60,189, respectively.

The contribution is determined at 16% of the employees' salary who joined the pension plan, of which 10% is contributed by the Bank and the remaining 6% is contributed by the employee. The Bank's pension expense for the year ended 31 December 2019 and 2018 amounted to Rp66,438 and Rp59,784, respectively (Note 31).

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35. Liabilitas atas Imbalan Kerja (lanjutan)

Estimasi liabilitas imbalan kerja karyawan pada tanggal 31 Desember 2019 dan 2018 dicatat berdasarkan penilaian aktuarial yang dilakukan oleh PT Mercer Indonesia, aktuaris independen, berdasarkan laporannya masing-masing bertanggal 23 Januari 2020 dan 4 Januari 2019, dengan menggunakan metode "Projected Unit Credit". Asumsi-asumsi penting yang digunakan dalam penilaian tersebut adalah sebagai berikut:

35. Liability for Employee Benefits (continued)

The estimated liabilities for employee benefits as of 31 December 2019 and 2018, were determined based on the actuarial valuations performed by PT Mercer Indonesia, an independent actuary, in their reports dated 23 January 2020 and 4 January 2019, respectively, using the "Projected Unit Credit" method. The principal assumptions used in the valuations are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Tingkat bunga diskonto	7,25%	8,25%	<i>Discount interest rate</i>
Tingkat proyeksi kenaikan gaji	4,50%	6,00%	<i>Salary increase projection rate</i>
Tabel kematian	TMI 2011	TMI 2011	<i>Mortality table</i>
Tingkat cacat	1% of mortality rate	1% of mortality rate	<i>Disability rate</i>
Usia pensiun (tahun)	55	55	<i>Retirement age (years old)</i>
Tingkat pengunduran diri			<i>Turnover rate</i>
Umur 25-29	12,50%	12,50%	<i>Age 25-29</i>
Umur 30-34	10,00%	10,00%	<i>Age 30-34</i>
Umur 35-39	7,50%	7,50%	<i>Age 35-39</i>
Umur 40-44	5,00%	5,00%	<i>Age 40-44</i>
Umur 45-49	2,50%	2,50%	<i>Age 45-52</i>
Umur 50-54	2,00%	2,00%	<i>Age 51-52</i>
Umur >54	0,00%	0,00%	<i>Age >52</i>
Beban imbalan kerja			<i>Employee benefits expenses</i>
	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Beban jasa kini	44.803	42.464	<i>Current service cost</i>
Beban bunga	21.635	17.320	<i>Interest cost</i>
Beban imbalan kerja (Catatan 31)	66.438	59.784	<i>Employee benefits expense (Note 31)</i>
Nilai kini liabilitas imbalan kerja			<i>Present value of benefit obligations</i>
	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Nilai kini liabilitas imbalan kerja, awal tahun	278.062	328.451	<i>Present value of benefit obligation, beginning of the year</i>
Beban jasa kini	44.803	42.464	<i>Current service cost</i>
Beban bunga	21.635	17.320	<i>Interest cost</i>
Pembayaran manfaat	(28.567)	(19.255)	<i>Payments of benefits</i>
Pengukuran kembali aktuarial	(67.848)	(90.918)	<i>Remeasurement of defined benefit plan</i>
Nilai kini liabilitas imbalan kerja, akhir tahun	248.085	278.062	<i>Present value of benefit obligations, end of year</i>

Jumlah penyesuaian yang timbul pada liabilitas program untuk tahun yang berakhir pada tanggal 31 Desember 2019 dan posisi empat tahun sebelumnya adalah sebagai berikut:

The amounts of experience adjustments arising on the plan liabilities for the year ended 31 December 2019 and previous four years are as follows:

	31 Desember/31 December					
	2019	2018	2017	2016	2015	
Nilai kini liabilitas	248.085	278.062	328.451	209.164	186.262	<i>Present value of benefit obligation</i>
Penyesuaian liabilitas	(39.959)	22.674	18.838	(4.876)	(97)	<i>Experience adjustment on liability</i>

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35. Liabilitas atas Imbalan Kerja (lanjutan)

Perubahan liabilitas atas imbalan kerja untuk tahun yang berakhir pada 31 Desember 2019 dan 2018 adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Saldo awal tahun	278.062	328.451
Beban imbalan kerja tahun berjalan	66.438	59.784
Total yang diakui di penghasilan komprehensif lainnya	(67.848)	(90.918)
Pembayaran manfaat	(28.567)	(19.255)
Saldo akhir tahun	248.085	278.062

Tabel berikut menunjukkan analisa sensitivitas nilai kini liabilitas imbalan kerja diasumsikan terdapat perubahan atas tingkat diskonto dan tingkat kenaikan upah (tidak diaudit):

Tingkat Diskonto

Perubahan Persentase/ Percentage Change	Nilai kini liabilitas/ Present value of employee benefit obligation	
	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
+1%	236.356	264.474
-1%	261.072	293.068

Tingkat Kenaikan Upah

Perubahan Persentase/ Percentage Change	Nilai kini liabilitas/ Present value of employee benefit obligation	
	31 Desember / 31 December 2019	31 Desember/ 31 December 2018
+1%	269.566	307.137
-1%	229.802	253.378

Jatuh tempo dari liabilitas imbalan kerja pada tanggal 31 Desember 2019 dan 2018 (tidak diaudit) adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018
Dalam waktu 12 bulan berikutnya	42.863	31.649
Antara 1 dan 2 tahun	32.274	40.385
Antara 2 dan 5 tahun	126.471	126.645
Antara 5 dan 10 tahun	272.706	355.869
Di atas 10 tahun	539.880	735.586
Total	1.014.194	1.290.134

Durasi rata-rata liabilitas imbalan kerja pada tanggal-tanggal 31 Desember 2019 dan 2018 adalah masing-masing 8,56 tahun dan 6,05 tahun.

35. Liability for Employee Benefits (continued)

The movements of employee benefits liability for year ended 31 December 2019 and 2018, are as follows:

Beginning balance
Employee benefits expense during the year
Total amount recognized in other comprehensive income
Payments of benefits
Ending balance

The tables below show the sensitivity analysis of the present value of employee benefit obligation in the assumed changes in the discount rate and salary increment rate (unaudited):

Discount Rate

Salary Increment Rate

The maturity of the benefits obligation as of 31 December 2019 and 2018 (unaudited) are as follows:

Within the next 12 months
Between 1 and 2 years
Between 2 and 5 years
Between 5 and 10 years
Beyond 10 years

The average duration of employees' benefits liability as of 31 December 2019 and 2018 are years 8.56 years and 6.05 years, respectively.

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36. Jaminan Pemerintah terhadap Liabilitas Pembayaran Bank Umum

Sehubungan dengan liabilitas bank umum yang dijamin oleh Program Penjaminan Pemerintah, Pemerintah Republik Indonesia telah mendirikan, sebuah lembaga independen berdasarkan Undang-undang Republik Indonesia No. 24 tahun 2004 tanggal 22 September 2004. Berdasarkan peraturan ini, Lembaga Penjamin Simpanan (LPS) menjamin dana masyarakat termasuk dana dari bank lain dalam bentuk giro, deposito, sertifikat deposito, tabungan dan/atau bentuk lainnya yang dipersamakan dengan itu.

Pada tanggal 13 Oktober 2008, Presiden Republik Indonesia menetapkan Peraturan Pemerintah No. 66 Tahun 2008 tentang besaran nilai simpanan yang dijamin LPS. Berdasarkan peraturan tersebut, nilai simpanan yang dijamin untuk setiap nasabah pada satu Bank yang semula berdasarkan Undang-undang No. 24 Tahun 2004 ditetapkan maksimum Rp100.000.000 (nilai penuh) diubah menjadi maksimum Rp2.000.000.000 (nilai penuh).

37. Sifat dan Transaksi dengan Pihak Berelasi

Pihak berelasi/ Related parties	Sifat dari hubungan/ Nature of relationship
Dewan Komisaris dan Direksi/ <i>The Board of Commissioners and the Directors</i>	Karyawan kunci dan pengurus/ <i>Key management and Management</i>
United Overseas Bank Ltd., Singapura/ <i>United Overseas Bank Ltd., Singapore</i>	Pemegang saham akhir/ <i>Ultimate shareholder</i>
United Overseas Bank Ltd., Tokyo/ <i>United Overseas Bank Ltd., Tokyo</i>	Mempunyai induk yang sama/ <i>Owned by the same shareholder</i>
United Overseas Bank Ltd., Hong Kong/ <i>United Overseas Bank Ltd., Hong Kong</i>	Mempunyai induk yang sama/ <i>Owned by the same shareholder</i>
United Overseas Bank Ltd., Sydney/ <i>United Overseas Bank Ltd., Sydney</i>	Mempunyai induk yang sama/ <i>Owned by the same shareholder</i>

36. The Government Guarantee for The Payment of Obligations of Commercial Banks

In connection with the obligations guaranteed by commercial bank under the Government Guarantee Program, the Indonesian Government has established an independent institution in accordance with the Republic of Indonesia Law No. 24 year 2004 dated 22 September 2004. Under this Law, The Deposit Guarantee Institution (Lembaga Penjamin Simpanan/LPS) guarantees third party deposits, including deposits from other banks, in the form of demand deposits, time deposits, certificates of deposit, savings deposits and/or other equivalent forms.

On 13 October 2008, the President of the Republic of Indonesia approved Government Regulation No. 66 Year 2008 regarding the amount of guarantee on deposits guaranteed by LPS. Based on such Regulation, the guaranteed customers' deposit amount in a Bank which was previously based on Law No. 24 Year 2004 amounted to a maximum of Rp100,000,000 (full amount) was amended to a maximum of Rp2,000,000,000 (full amount).

37. Nature and Transaction Balances with Related Parties

Sifat dari transaksi/ Nature of transaction
Kredit yang diberikan/ <i>Loans, Simpanan/Deposits</i>
Giro pada bank lain/ <i>Current accounts with other banks, Penempatan pada bank lain/ Placements with other banks, Investasi keuangan/ Financial investment, tagihan dan liabilitas derivatif/ Derivative receivables and payable, Aset lain-lain: tagihan spot/ Other Assets: spot receivable, Simpanan dari bank lain/ Deposits from other Banks, Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali/ Liabilities on securities sold under repurchase agreements, Liabilitas lain-lain: Biaya yang masih harus dibayar dan liabilitas spot/ Other liabilities: Accrued expenses and spot payable, Pinjaman yang diterima/ Borrowings, Pendapatan bunga/ Interest income, Arrangement fee, Pendapatan dan beban dari transaksi derivatif dan spot/ Income and expense from derivative and spot transaction, Beban bunga/ Interest expense, Biaya outsourcing/ Outsourcing cost</i>
Giro pada bank lain/ <i>Current accounts with other banks, Arrangement fee</i>
Giro pada bank lain/ <i>Current accounts with other banks, Pinjaman yang diterima/ Borrowings, Pendapatan dan beban dari transaksi derivatif dan spot/ Income and expense from derivative and spot transaction</i>
Giro pada bank lain/ <i>Current accounts with other banks, Pendapatan bunga/ Interest income</i>

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37. Sifat dan Transaksi dengan Pihak Berelasi
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37. Nature and Transaction Balances with Related
Parties (continued)

Pihak berelasi/ Related parties	Sifat dari hubungan/ Nature of relationship	Sifat dari transaksi/ Nature of transaction
United Overseas Bank Ltd., Malaysia/ United Overseas Bank Ltd., Malaysia	Mempunyai induk yang sama/Owned by the same shareholder	Giro pada bank lain/Current accounts with other banks, Simpanan dari bank lain/Deposits from other banks, Liabilitas lain-lain: liabilitas spot/spot payable, Pendapatan dari transaksi derivatif dan spot/Income from derivative and spot transaction
United Overseas Bank Ltd., Thailand/ United Overseas Bank Ltd., Thailand	Mempunyai induk yang sama/Owned by the same shareholder	Giro pada bank lain/Current accounts with other banks, Simpanan dari bank lain/Deposits from other banks, Beban bunga/Interest expense, Pendapatan dan beban dari transaksi derivatif dan spot/Income and expense from derivative and spot transaction
United Overseas Bank Ltd., Bandar Seri Begawan/ United Overseas Bank Ltd., Bandar Seri Begawan	Mempunyai induk yang sama/Owned by the same shareholder	Simpanan dari bank lain/Deposits from other banks, Beban bunga/Interest expense
UOB Kay Hian Credit Pte., Ltd./ UOB Kay Hian Credit Pte., Ltd.	Mempunyai induk yang sama/Owned by the same shareholder	Pendapatan fee/Fee income, Pendapatan dan beban dari transaksi derivatif dan spot/Income and expense from derivative and spot transaction
UOB Kay Hian Securities/ UOB Kay Hian Securities	Mempunyai induk yang sama/Owned by the same shareholder	Beban dari transaksi derivatif dan spot/Expense from derivative and spot transaction
UOB Property Investment Pte., Ltd./ UOB Property Investment Pte., Ltd.	Mempunyai induk yang sama/Owned by the same shareholder	Efek hutang yang diterbitkan/Debt securities issued, Beban bunga/Interest expense
PT UOB Property/PT UOB Property	Mempunyai induk yang sama/Owned by the same shareholder	Kredit yang diberikan/Loans, Tagihan dan liabilitas derivatif/Derivative receivables and payables, Beban pemeliharaan/Maintenance fee, Beban sewa/Rental expense, Beban dari transaksi derivatif dan spot/Expense from derivative and spot transaction
UOB Kay Hian Pte., Ltd./ UOB Kay Hian Pte., Ltd.	Mempunyai induk yang sama/Owned by the same shareholder	Aset lain-lain: Tagihan spot/Other assets: Spot receivables, Efek hutang yang diterbitkan/Debt securities issued, Efek hutang yang diterbitkan/Debt securities issued, Beban dari transaksi derivatif dan spot/Expense from derivative and spot transaction, Beban bunga/Interest expense
PT Avatec Services Indonesia/ PT Avatec Services Indonesia	Mempunyai induk yang sama/Owned by the same shareholder	Simpanan/Deposits, Beban pemeliharaan/ Maintenance fee
United Overseas Bank Ltd., Labuan/ United Overseas Bank Ltd., Labuan	Mempunyai induk yang sama/Owned by the same shareholder	Arrangement fee
UIC Asian Computer Services/ UIC Asian Computer Services	Mempunyai induk yang sama/Owned by the same shareholder	Beban pemeliharaan dan lainnya/Maintenance fee and others
UOB Travel Planner Pte., Ltd./ UOB Travel Planner Pte., Ltd.	Mempunyai induk yang sama/Owned by the same shareholder	Beban pemeliharaan dan lainnya/Maintenance fee and others
Junipa Pte., Ltd./Junipa Pte., Ltd.	Mempunyai induk yang sama/Owned by the same shareholder	Security agent fee

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37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Dalam menjalankan kegiatan usahanya, Bank melakukan transaksi-transaksi tertentu dengan pihak berelasi dengan persyaratan dan kondisi yang sama dengan yang berlaku bagi pihak ketiga, kecuali kredit yang diberikan kepada karyawan.

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut:

37. Nature and Transaction Balances with Related Parties (continued)

In the normal course of business, the Bank entered into certain transactions with related parties under similar terms and conditions as those with third parties, except for loans to its personnel.

The details of transactions with related parties are as follows:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Aset			Assets
			<i>Current accounts with other banks (Note 5)</i>
Giro pada bank lain (Catatan 5)			<i>United Overseas Bank Ltd., Singapore</i>
United Overseas Bank Ltd., Singapore	334.823	222.980	<i>United Overseas Bank Ltd., Tokyo</i>
United Overseas Bank Ltd., Tokyo	202.542	30.981	<i>United Overseas Bank Ltd., Sydney</i>
United Overseas Bank Ltd., Sydney	553	579	<i>United Overseas Bank Ltd., Malaysia</i>
United Overseas Bank Ltd., Malaysia	61	67	<i>United Overseas Bank Ltd., Thailand</i>
United Overseas Bank Ltd., Thailand	28	-	<i>United Overseas Bank Ltd., Hong Kong</i>
United Overseas Bank Ltd., Hong Kong	-	480	
	<u>538.007</u>	<u>255.087</u>	
Persentase terhadap jumlah aset	<u>0,51%</u>	<u>0,25%</u>	<i>Percentage to total assets</i>
			<i>Placements with other banks (Note 6)</i>
Penempatan pada bank lain (Catatan 6)			<i>Call Money:</i>
Call Money :			<i>United Overseas Bank Ltd., Singapore</i>
United Overseas Bank Ltd., Singapore	939.550	1.699.094	
Persentase terhadap jumlah aset	<u>0,89%</u>	<u>1,64%</u>	<i>Percentage to total assets</i>
			<i>Financial Investments - Held to Maturity</i>
Investasi Keuangan - Efek-efek yang dimiliki hingga jatuh tempo			<i>United Overseas Bank Ltd., Singapore</i>
United Overseas Bank Ltd., Singapore	69.037	-	
Persentase terhadap jumlah aset	<u>0,07%</u>	<u>-</u>	<i>Percentage to total assets</i>
			<i>Derivative Receivables</i>
Tagihan derivatif			<i>United Overseas Bank Ltd., Singapore</i>
United Overseas Bank Ltd., Singapore	43.143	230.709	<i>PT UOB Property</i>
PT UOB Property	7.535	-	
	<u>50.678</u>	<u>230.709</u>	
Persentase terhadap jumlah aset	<u>0,05%</u>	<u>0,22%</u>	<i>Percentage to total assets</i>
			<i>Loans (Note 10)</i>
Kredit yang diberikan (Catatan 10)	294.924	334.057	
Persentase terhadap jumlah aset	<u>0,28%</u>	<u>0,32%</u>	<i>Percentage to total assets</i>
			<i>Other assets - net</i>
Aset lain-lain - net			<i>Spot receivable</i>
Tagihan spot			<i>United Overseas Bank Ltd., Singapore</i>
United Overseas Bank Ltd., Singapore	6.660	1.370	<i>UOB Kay Hian Pte. Ltd.</i>
UOB Kay Hian Pte. Ltd.	223	-	
	<u>6.883</u>	<u>1.370</u>	
Persentase terhadap jumlah aset	<u>0,01%</u>	<u>0,00%</u>	<i>Percentage to total assets</i>

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37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

37. Nature and Transaction Balances with Related Parties (continued)

The details of transactions with related parties are as follows: (continued)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Liabilitas			Liabilities
Simpanan:			Deposits:
Deposito berjangka (Catatan 18)	102.771	320.746	Time deposits (Note 18)
Tabungan (Catatan 17)	93.441	81.354	Savings deposits (Note 17)
Giro (Catatan 16)	92.709	25.562	Demand deposits (Note 16)
	<u>288.921</u>	<u>427.662</u>	
Persentase terhadap jumlah liabilitas	0,31%	0,46%	Percentage to total liabilities
Simpanan dari bank lain: (Catatan 19) <i>Call Money</i>			Deposits from other banks (Note 19) <i>Call Money</i>
United Overseas Bank Ltd., Singapura	-	2.444.600	United Overseas Bank Ltd., Singapore
Giro dari bank lain			Demand deposits from other banks
United Overseas Bank Ltd., Singapura	125.258	16.646	United Overseas Bank Ltd., Singapore
United Overseas Bank Ltd., Malaysia	3.578	29.940	United Overseas Bank Ltd., Malaysia
United Overseas Bank Ltd., Thailand	1.233	804	United Overseas Bank Ltd., Thailand
United Overseas Bank Ltd., Bandar Seri Begawan	126	126	United Overseas Bank Ltd., Bandar Seri Begawan
United Overseas Bank Ltd., Hong Kong	64	-	United Overseas Bank Ltd., Hong Kong
	<u>130.259</u>	<u>2.492.116</u>	
Persentase terhadap jumlah liabilitas	0,14%	2,70%	Percentage to total liabilities
Liabilitas derivatif			Derivative payables
United Overseas Bank Ltd., Singapura	339.553	124.951	United Overseas Bank Ltd., Singapore
PT UOB Property	-	189	PT UOB Property
	<u>339.553</u>	<u>125.140</u>	
Persentase terhadap jumlah liabilitas	0,36%	0,14%	Percentage to total liabilities
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali (Catatan 21)			Liabilities on securities sold under repurchase agreements (Note 21)
United Overseas Bank Ltd., Singapura	424.126	580.138	United Overseas Bank Ltd., Singapore
Persentase terhadap jumlah liabilitas	0,45%	0,63%	Percentage to total liabilities
Efek hutang yang diterbitkan (Catatan 23)			Debt securities issued (Note 23)
UOB Property Investment Pte., Ltd.	567.000	567.000	UOB Property Investment Pte., Ltd.
UOB Kay Hian Pte., Ltd.	36.000	41.000	UOB Kay Hian Pte., Ltd.
	<u>603.000</u>	<u>608.000</u>	
Persentase terhadap jumlah liabilitas	0,65%	0,66%	Percentage to total liabilities

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37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

37. Nature and Transaction Balances with Related Parties (continued)

The details of transactions with related parties are as follows: (continued)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Liabilitas			Liabilities
Liabilitas lain-lain			<i>Other liabilities</i>
Biaya yang masih harus dibayar			<i>Accrued expenses</i>
United Overseas Bank Ltd., Singapura	54.731	74.462	<i>United Overseas Bank Ltd., Singapore</i>
Persentase terhadap jumlah liabilitas	0,06%	0,08%	<i>Percentage to total liabilities</i>
Liabilitas spot			<i>Spot payable</i>
United Overseas Bank Ltd., Singapura	1.899	2.441	<i>United Overseas Bank Ltd., Singapore</i>
United Overseas Bank Ltd., Malaysia	-	7	<i>United Overseas Bank Ltd., Malaysia</i>
	1.899	2.448	
Persentase terhadap jumlah liabilitas	0,00%	0,00%	<i>Percentage to total liabilities</i>
Pinjaman yang diterima (Catatan 22)			<i>Borrowings (Note 22)</i>
United Overseas Bank Ltd., Singapura	2.012.963	2.085.100	<i>United Overseas Bank Ltd., Singapore</i>
	2.012.963	2.085.100	
Persentase terhadap jumlah liabilitas	2,16%	2,26%	<i>Percentage to total liabilities</i>
Pendapatan			Income
Pendapatan bunga			<i>Interest income</i>
Kredit yang diberikan	22.270	24.878	<i>Loans</i>
Penempatan pada bank lain			<i>Placements with other banks</i>
United Overseas Bank Ltd., Singapura	10.575	3.514	<i>United Overseas Bank Ltd., Singapore</i>
Giro pada bank lain			<i>Current account with other banks</i>
United Overseas Bank Ltd., Singapura	268	80	<i>United Overseas Bank Ltd., Singapore</i>
	33.113	28.472	
Persentase terhadap jumlah pendapatan bunga	0,41%	0,39%	<i>Percentage to total interest income</i>
<i>Security agent fee</i>			<i>Security agent fee</i>
Junipa Pte., Ltd.	180	360	<i>Junipa Pte., Ltd.</i>
<i>Arrangement fee</i>			<i>Arrangement fee</i>
United Overseas Bank Ltd., Singapura	15.432	-	<i>United Overseas Bank Ltd., Singapore</i>
United Overseas Bank Ltd., Labuan	952	-	<i>United Overseas Bank Ltd., Labuan</i>
United Overseas Bank Ltd., Tokyo	1.290	-	<i>United Overseas Bank Ltd., Tokyo</i>
Pendapatan <i>fee</i>			<i>Fee income</i>
UOB Kay Hian Credit Pte., Ltd.	2.144	-	<i>UOB Kay Hian Credit Pte., Ltd.</i>
	19.998	360	
Persentase terhadap jumlah komisi dan jasa administrasi - neto	6,79%	0,14%	<i>Percentage to administration fees and commissions - net</i>

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37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

37. Nature and Transaction Balances with Related Parties (continued)

The details of transactions with related parties are as follows: (continued)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Pendapatan (beban) dari transaksi derivatif dan spot			Income (expense) from derivative and spot transaction
Pendapatan dari transaksi derivatif dan spot			Income from derivative and spot transactions
United Overseas Bank Ltd., Singapura	110.606	21.240	United Overseas Bank Ltd., Singapore
United Overseas Bank Ltd., Malaysia	435	220	United Overseas Bank Ltd., Malaysia
United Overseas Bank Ltd., Hong Kong	21	-	United Overseas Bank Ltd., Hong Kong
United Overseas Bank Ltd., Thailand	-	12	United Overseas Bank Ltd., Thailand
UOB Kay Hian Credit Pte., Ltd.	-	7	UOB Kay Hian Credit Pte., Ltd.
			Expense from derivative and spot transactions
Beban dari transaksi derivatif dan spot			Expense from derivative and spot transactions
United Overseas Bank Ltd., Singapura	(243.381)	(130.027)	United Overseas Bank Ltd., Singapore,
UOB Kay Hian Pte., Ltd.	(2.606)	(11.714)	UOB Kay Hian Pte., Ltd.
UOB Kay Hian Credit Pte., Ltd.	(587)	(381)	UOB Kay Hian Credit Pte., Ltd.
PT UOB Property	(119)	(680)	PT UOB Property
United Overseas Bank Ltd., Thailand	(45)	-	United Overseas Bank Ltd., Thailand
UOB Kay Hian Securities	(30)	(1)	UOB Kay Hian Securities
United Overseas Bank Ltd., Hong Kong	(3)	(12)	United Overseas Bank Ltd., Hong Kong,
	(135.709)	(121.336)	
Persentase terhadap keuntungan transaksi mata uang asing - neto	32,21%	45,02%	Percentage to total gain from foreign currency trading securities - net
Beban			Expenses
Beban bunga (Catatan 29)			Interest expense (Note 29)
Efek utang yang diterbitkan			Debt securities issued
UOB Property Investment Pte., Ltd.	64.354	64.354	UOB Property Investment Pte., Ltd.
UOB Kay Hian Pte., Ltd.	4.235	4.728	UOB Kay Hian Pte., Ltd.
Simpanan dari bank lain			Deposits from other banks
Call Money			Call Money
United Overseas Bank Ltd., Singapura	87.192	64.760	United Overseas Bank Ltd., Singapore
Pinjaman yang diterima			Borrowings
United Overseas Bank Ltd., Singapura	75.216	20.470	United Overseas Bank Ltd., Singapore
Giro dari bank lain			Demand deposits from other banks
United Overseas Bank Ltd., Singapura	407	304	United Overseas Bank Ltd., Singapore
United Overseas Bank Ltd., Thailand	5	4	United Overseas Bank Ltd., Thailand
United Overseas Bank Ltd., Bandar Seri Begawan	-	1	United Overseas Bank Ltd., Bandar Seri Begawan

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37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

37. Nature and Transaction Balances with Related Parties (continued)

Rincian dari transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

The details of transactions with related parties are as follows: (continued)

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Beban (lanjutan)			Expenses (continued)
Pinjaman yang diterima (lanjutan)			<i>Borrowings (continued)</i>
Deposito berjangka	7.742	7.198	<i>Time deposits</i>
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	8.292	1.936	<i>Liabilities on securities sold under repurchase agreements</i>
Tabungan	3.404	2.972	<i>Savings deposits</i>
Giro	1.386	1.412	<i>Demand deposits</i>
	252.233	168.139	
Persentase terhadap jumlah beban bunga	5,79%	4,53%	<i>Percentage to total interest expense</i>
Biaya <i>outsourcing</i> (Catatan 30)			<i>Outsourcing cost (Note 30)</i>
United Overseas Bank Ltd., Singapura			<i>United Overseas Bank Ltd., Singapore</i>
Dikapitalisasi ke aset tetap			<i>Capitalized to fixed assets</i>
Peralatan kantor	89.864	88.567	<i>Office equipment</i>
Dibebankan atas aplikasi	56.637	44.571	<i>Charged for software</i>
Beban sewa, pemeliharaan dan lainnya			<i>Rental, maintenance fee and others</i>
PT UOB Property	37.773	34.912	<i>PT UOB Property</i>
UIC Asian Computer Services	29.104	-	<i>UIC Asian Computer Services</i>
PT Avatec Services Indonesia	1.288	-	<i>PT Avatec Services Indonesia</i>
UOB Travel Planner Pte., Ltd.	536	-	<i>UOB Travel Planner Pte., Ltd.</i>
	215.202	168.050	
Persentase terhadap jumlah beban umum dan administrasi	15,42%	13,62%	<i>Percentage to general and administrative expenses</i>
Gaji dan kesejahteraan karyawan			<i>Salaries and employees' benefits</i>
Imbalan kerja jangka pendek	46.671	40.496	<i>Short-term employee benefits</i>
Imbalan kerja jangka panjang	8.178	7.569	<i>Long-term employee benefits</i>
Imbalan pasca kerja	674	987	<i>Post-employment benefits</i>
	55.523	49.052	
Persentase terhadap jumlah gaji dan kesejahteraan karyawan	2,69%	2,61%	<i>Percentage to salaries and employees' benefits</i>

Keterangan:

Notes:

- a. Persentase dari giro pada bank lain, penempatan pada bank lain, investasi keuangan, tagihan derivatif, kredit yang diberikan dan aset lain-lain dihitung terhadap total aset pada masing-masing tanggal laporan posisi keuangan.

- a. The percentages of current accounts with other banks, placements with other banks, financial investments, derivative receivables, loans and other assets are computed based on the total assets at statement of financial position dates.

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37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Keterangan: (lanjutan)

- b. Persentase dari giro, tabungan, deposito berjangka, simpanan dari bank lain, liabilitas derivatif, liabilitas atas surat berharga yang dijual dengan janji dibeli kembali, pinjaman yang diterima, efek hutang yang diterbitkan, biaya yang masih harus dibayar dan liabilitas lain-lain dihitung terhadap total liabilitas pada masing-masing tanggal laporan posisi keuangan.
- c. Persentase dari beban pemeliharaan gedung dihitung terhadap total beban umum dan administrasi untuk masing-masing tahun yang bersangkutan. Beban pemeliharaan gedung merupakan beban pemeliharaan atas gedung UOB Plaza - Thamrin Nine yang dibayarkan ke PT UOB Property.
- d. Persentase dari beban umum dan administrasi lainnya dihitung terhadap total beban umum dan administrasi untuk masing-masing tahun yang bersangkutan.
- e. Persentase dari biaya *outsourcing* yang dikapitalisasi ke aset tetap dihitung terhadap jumlah aset pada masing-masing tanggal laporan posisi keuangan, sedangkan persentase dari biaya *outsourcing* yang dibebankan pada usaha dihitung terhadap jumlah beban operasional lainnya untuk masing-masing tahun yang bersangkutan. Biaya *outsourcing* merupakan biaya yang dibebankan United Overseas Bank Limited (UOB) kepada Bank sehubungan dengan perubahan *Master Outsourcing Agreement* tertanggal 1 April 2008. UOB akan memberikan jasa peningkatan sistem dan teknologi informasi sehubungan dengan kartu kredit, treasury dan aplikasi sistem umum di Bank.

Sebagai imbalan atas jasa ini, Bank wajib membayar *one time cost* atas beban aktual dan *recurring cost* atas beban pemeliharaan serta biaya peningkatan sistem dan aplikasi teknologi informasi (*enhancement cost*) seperti yang diungkapkan dalam perjanjian tersebut.

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37. Nature and Transaction Balances with Related Parties (continued)

Notes: (continued)

- b. The percentages of demand deposits, savings deposits, time deposits, deposits from other banks, derivative payables, liabilities on securities sold under repurchase agreements, borrowings, debt securities issued, accrued expenses and other liabilities are computed based on the total liabilities at statement of financial position dates.
- c. The percentages of building maintenance expenses are computed based on the total general and administrative expenses in each related year. The building maintenance expense represents the maintenance expenses of UOB Plaza - Thamrin Nine which was paid to PT UOB Property.
- d. The percentage of other general and administrative expenses is computed based on the total general and administrative expenses for each year.
- e. The percentage of outsourcing costs capitalized to fixed assets is computed based on total assets at statements of financial position, while the percentage of outsourcing costs charged to operations is computed based on the total other operational expenses for each related year. Outsourcing costs represent costs charged by United Overseas Bank Limited (UOB) to the Bank in connection with the amended *Master Outsourcing Agreement* dated 1 April 2008. UOB renders system enhancement and information technology related services on credit card, treasury and common systems applications in the Bank.

As compensation to the services, the Bank is obliged to pay one time cost and recurring costs such as development and enhancement costs on the application stated in the agreement.

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37. Sifat dan Transaksi dengan Pihak Berelasi (lanjutan)

Keterangan: (lanjutan)

Perjanjian ini berlaku untuk satu tahun sejak tanggal efektif perjanjian dan akan secara otomatis diperbarui untuk satu tahun berikutnya, kecuali jika salah satu pihak memberikan pemberitahuan tertulis untuk tidak memperbarui perjanjian tersebut dalam waktu enam bulan sebelum berakhirnya perjanjian. Transaksi ini telah mendapat persetujuan dari pemegang saham independen Bank pada tanggal 20 Juni 2008.

- f. Pendapatan dan beban bunga dari/kepada pihak-pihak berelasi, yang dihasilkan/menjadi beban Bank berjumlah kurang dari 10% dari jumlah pendapatan dan beban bunga Bank untuk masing-masing tahun yang bersangkutan.
- g. Imbalan kerja jangka pendek yang diterima oleh Dewan Komisaris dan Direksi Bank pada tahun yang berakhir 31 Desember 2019 dan 2018 masing-masing sebesar Rp46.671 dan Rp40.496.

Imbalan kerja jangka panjang yang diterima oleh Dewan Komisaris dan Direksi untuk tahun yang berakhir 31 Desember 2019 dan 2018 masing-masing sebesar Rp8.178 dan Rp7.569. Biaya yang dikeluarkan oleh Bank terkait program imbalan pasca kerja Dewan Komisaris dan Direksi Bank dengan jumlah masing-masing sebesar Rp674 dan Rp987, untuk tahun yang berakhir 31 Desember 2019 dan 2018 seperti yang diungkapkan pada Catatan 1b.

37. Nature and Transaction Balances with Related Parties (continued)

Notes: (continued)

This agreement shall remain in force for a period of one year commencing from the effective date of the agreement and shall be automatically renewed for another one year unless either party gives the other party a written notice of intention not to renew the agreement at least six months prior to expiry date. These transactions have been approved by the Bank's independent shareholders on 20 June 2008.

- f. *Interest income and expenses from/to related parties, which are received/incurred by the Bank is less than 10% of the Bank's total interest income and expenses, respectively, for each related year.*
- g. *Short-term employee benefits received by the Bank's Board of Commissioners and the Board of Directors for the year ended 31 December 2019 and 2018 amounted to Rp46,671 and Rp40,496, respectively.*

Long-term employee benefits received by the Bank's Board of Commissioners and the Board of Directors for the year ended 31 December 2019 and 2018 amounted to Rp8,178 and Rp7,569, respectively. Expenses incurred by the Bank relating to post-employment benefits of the Bank's Board of Commissioners and the Board of Directors amounted to Rp674 and Rp987 for the year ended 31 December 2019 and 2018, respectively and which are disclosed in Note 1b.

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38. Posisi Devisa Neto

Posisi Devisa Neto (PDN) pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

38. Net Open Position

The Net Open Positions (NOP) as of 31 December 2019 and 2018 are as follows:

31 Desember/31 December 2019					
Mata uang asing (dalam jumlah penuh)/ Foreign currencies (in full amount)		Ekuivalen rupiah/ Rupiah equivalent		Posisi Devisa Neto/ Net Open Position	
Aset/ Assets	Liabilitas/ Liabilities	Aset/ Assets	Liabilitas/ Liabilities		
Keseluruhan (laporan posisi keuangan dan rekening administratif)					
Dolar Amerika Serikat	3.448.923.403	3.569.522.155	47.879.679	49.553.891	1.674.212
Euro Eropa	57.855.742	57.997.187	900.849	903.052	2.203
Dolar Singapura	497.544.240	499.908.827	5.132.191	5.156.582	24.391
Yen Jepang	43.269.219.424	43.314.888.302	5.530.239	5.536.076	5.837
Dolar Australia	62.189.670	62.456.675	604.818	607.415	2.597
Franc Swiss	2.352.907	2.361.796	33.734	33.861	127
Dolar Selandia Baru	1.047.432	1.053.769	9.778	9.837	59
Pound Sterling Inggris	5.663.046	5.681.489	103.283	103.620	337
Ringgit Malaysia	17.836	-	60	-	60
Dolar Kanada	2.085.614	2.103.119	22.191	22.377	186
Krona Swedia	590.345	578.028	878	860	18
Yuan Cina	5.704.508	4.999.563	11.375	9.969	1.406
Dolar Hong Kong	859.178	569.100	1.532	1.015	517
Baht Thailand	59.247	-	28	-	28
Total	47.354.112.592	47.522.120.010	60.230.635	61.938.555	1.711.978
Total modal Desember 2019					14.608.291
Rasio PDN atas modal Desember 2019 (keseluruhan)					11,72%
31 Desember/31 December 2018					
Mata uang asing (dalam jumlah penuh)/ Foreign currencies (in full amount)		Ekuivalen Rupiah/ Rupiah equivalent		Posisi Devisa Neto/ Net Open Position	
Aset/ Assets	Liabilitas/ Liabilities	Aset/ Assets	Liabilitas/ Liabilities		
Keseluruhan (laporan posisi keuangan dan rekening administratif)					
Dolar Amerika Serikat	4.370.720.204	4.443.998.374	62.850.957	63.904.697	1.053.740
Euro Eropa	25.503.492	25.621.501	419.294	421.235	1.941
Dolar Singapura	530.006.598	530.375.171	5.594.169	5.598.060	3.891
Yen Jepang	50.105.014.019	50.201.210.213	6.544.716	6.557.282	12.566
Dolar Australia	44.791.517	44.903.587	455.187	456.326	1.139
Franc Swiss	1.084.277	1.052.748	15.825	15.365	460
Dolar Selandia Baru	1.677.012	1.671.544	16.198	16.145	53
Pound Sterling Inggris	6.039.146	6.057.630	110.587	110.924	337
Ringgit Malaysia	19.170	-	67	-	67
Dolar Kanada	11.048.347	11.064.708	116.679	116.851	172
Krona Swedia	19.617.496	19.586.765	31.487	31.437	50
Yuan Cina	5.764.240	5.786.058	12.050	12.096	46
Dolar Hong Kong	613.304	713.520	1.126	1.310	184
Total	55.121.898.822	55.292.041.819	76.168.342	77.241.728	1.074.646
Total Modal Desember 2018					13.213.167
Rasio PDN atas modal Desember 2018 (keseluruhan)					8,13%

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38. Posisi Devisa Neto (lanjutan)

Berdasarkan peraturan BI mengenai PDN sebagaimana telah direvisi melalui Peraturan BI No. 6/20/PBI/2004 pada tanggal 15 Juli 2004, yang terakhir diperbaharui dengan Peraturan BI No. 17/5/PBI/2015 tanggal 29 Mei 2015, PDN bank setinggi-tingginya adalah 20% dari modal. PDN merupakan jumlah absolut dari selisih antara aset dan liabilitas dalam mata uang asing, baik yang terdapat di laporan posisi keuangan maupun rekening administratif. PDN Bank pada tanggal 31 Desember 2019 dan 2018 telah memenuhi ketentuan BI.

39. Informasi Penting

Rasio Kewajiban Penyediaan Modal Minimum

Pada tanggal 31 Desember 2019 dan 2018 rasio Kewajiban Penyediaan Modal Minimum (KPM) Bank dihitung berdasarkan POJK No. 34/POJK.03/2016 tanggal 22 September 2016 dan disusun berdasarkan PBI No.14/18/PBI/2012 tanggal 28 November 2012 dan No.15/12/PBI/2013 tanggal 12 Desember 2013 dengan perhitungan sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Modal inti	12.173.435	11.271.718	Core capital
Modal pelengkap	2.434.856	1.941.449	Supplementary capital
Total modal	14.608.291	13.213.167	Total capital
Aset Tertimbang Menurut Resiko Kredit	76.175.358	75.776.674	Credit Risk Weighted Assets
Aset Tertimbang Menurut Resiko Pasar	3.727.116	2.258.590	Market Risk Weighted Assets
Aset Tertimbang Menurut Resiko Operasional	8.389.744	7.956.767	Operational Risk Weighted Assets
Rasio CET1	13,79%	13,11%	CET1 Ratio
Rasio Tier1	13,79%	13,11%	Tier1 Ratio
Rasio Tier2	2,76%	2,26%	Tier2 Ratio
Rasio Total	16,55%	15,37%	Total Ratio
Rasio KPM yang diwajibkan sesuai dengan profil risiko	9,00%	9,00%	Required Capital Adequacy Ratio in accordance with risk profile
Capital conservation Buffer	2,500%	1,875%	Capital conservation Buffer
Countercyclical Buffer	0,000%	0,000%	Countercyclical Buffer
Capital surcharge untuk Bank Sistemik	0,000%	0,000%	Capital surcharge for D-SIB
Presentase Buffer yang wajib dipenuhi oleh Bank	2,500%	1,875%	Buffer which must be fulfilled by the Bank
CET1 untuk Buffer	7,55%	6,37%	CET1 for Buffer

38. Net Open Position (continued)

In accordance with BI regulation concerning NOP as amended by BI Regulation No. 6/20/PBI/2004 on 15 July 2004 and as further amended by BI Regulation No. 17/5/PBI/2015 dated 29 May 2015, the maximum NOP of banks should be 20% of capital. NOP represents an absolute amount arising from the differences between the assets and liabilities in foreign currencies in the statements of financial position and administrative accounts. The NOP of the Bank as of 31 December 2019 and 2018 is in compliance with BI regulations.

39. Significant Information

Capital Adequacy Ratio

As of 31 December 2019 and 2018, the Bank's Capital Adequacy Ratio (CAR) is computed in accordance with POJK No. 34/POJK.03/2016 dated 22 September 2016 and is computed in accordance with BI Regulation No.14/18/PBI/2012 dated 28 November 2012 and BI regulation No.15/12/PBI/2013 dated 12 December 2013, as follows:

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39. Informasi Penting (lanjutan)

Rasio Kewajiban Penyediaan Modal Minimum (lanjutan)

Berdasarkan POJK No.34/POJK.03/2016 tanggal 22 September 2016 tentang Kewajiban Penyediaan Modal Minimum, Bank wajib membentuk tambahan modal sebagai penyangga (*buffer*), sebagai berikut:

- a. *Capital Conservation Buffer* adalah tambahan modal yang berfungsi sebagai penyangga (*buffer*) apabila terjadi kerugian pada periode krisis;
- b. *Countercyclical Buffer* adalah tambahan modal yang berfungsi untuk mengantisipasi kerugian apabila terjadi pertumbuhan kredit perbankan yang berlebihan sehingga berpotensi mengganggu stabilitas sistem keuangan;
- c. *Capital Surcharge* untuk *Domestic Systemically Important Bank (D-SIB)* adalah tambahan modal yang berfungsi untuk mengurangi dampak negatif terhadap stabilitas sistem keuangan dan perekonomian apabila terjadi kegagalan Bank yang berdampak sistemik melalui peningkatan kemampuan Bank dalam menyerap kerugian.

Pemenuhan modal sebagai penyangga (*buffer*) harus dipenuhi dengan menggunakan komponen modal inti Utama (*Common Equity Tier 1*).

39. Significant Information (continued)

Capital Adequacy Ratio (continued)

Based on POJK No.34/POJK.03/2016 dated 22 September 2016 concerning Capital Adequacy Ratio, the Bank is required to establish additional capital as a buffer, as follows:

- a. *Capital Conservation Buffer* is additional capital which serves as a buffer in the event of a loss in the period of crisis;
- b. *Countercyclical Buffer* is additional capital which serves to anticipate losses in the event of excessive credit growth and thus, potentially disrupt the stability of the financial system;
- c. *Capital Surcharge for Domestic Systemically Important Banks (D-SIB)* is additional capital which serves to reduce the negative impact on the stability of the financial system and economy in the event of Bank failure which has a systemic effect through an increase in the Bank's ability to absorb losses.

Fulfillment of capital as a buffer should be met by using components of Common Equity Tier 1.

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40. Jatuh Tempo Aset dan Liabilitas Bank

Aset dan liabilitas Bank pada tanggal 31 Desember 2019 dan 2018 berdasarkan waktu yang tersisa sampai dengan tanggal jatuh tempo adalah sebagai berikut:

40. Remaining Maturity Periods of the Bank's Assets and Liabilities

As of 31 December 2019 and 2018, the Bank's assets and liabilities based on the remaining period of maturities are as follows:

Keterangan	Tanpa jangka waktu/ No contractual maturity	Lebih dari 1 bulan		Lebih dari 3 bulan		Lebih dari 1 tahun		Total	Description
		Sampai dengan 1 bulan/ up to 1 month	Lebih dari 1 bulan/ More than 1 month up to 3 months	Sampai dengan 3 bulan/ More than 3 months up to 12 months	Lebih dari 3 bulan/ More than 12 months up to 3 months	Sampai dengan 5 tahun/ More than 1 year up to 5 years	Lebih dari 5 tahun/ More than 5 years		
Aset									Assets
Kas	588.775	-	-	-	-	-	-	588.775	Cash
Giro pada Bank Indonesia	5.362.431	-	-	-	-	-	-	5.362.431	Current accounts with Bank Indonesia
Giro pada bank lain	2.095.203	-	-	-	-	-	-	2.095.203	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	-	2.075.699	-	-	-	-	-	2.075.699	Placements with Bank Indonesia and other banks
Efek-erek yang diperdagangkan	-	-	201	-	-	573.264	591.633	1.165.098	Trading securities
Investasi keuangan - neto	-	1.120.004	3.468.230	2.335.610	-	5.540.742	1.492.169	13.956.755	Financial investments - net
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-	-	667.497	750.487	-	-	-	1.417.984	Receivables on securities purchased with agreements to resell
Tagihan derivatif	-	55.071	17.937	27.427	603.364	-	-	703.799	Derivative receivables
Kredit yang diberikan - neto	-	5.652.758	7.423.308	32.353.628	15.998.188	-	12.202.710	73.630.592	Loans - net
Tagihan akseptansi - neto	-	658.027	1.094.539	544.239	35.620	-	-	2.332.425	Acceptance receivables - net
Aset pajak tangguhan - neto	83.904	-	-	-	-	-	-	83.904	Deferred tax assets - net
Aset tetap	1.189.379	-	-	-	-	-	-	1.189.379	Fixed assets
Aset lain-lain - neto	410.636	450.691	-	198.101	-	-	-	1.059.428	Other assets - net
Total Aset	9.730.328	10.012.250	12.671.712	36.209.492	22.751.178	14.286.512	105.661.472		Total Assets

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40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Aset dan liabilitas Bank pada tanggal 31 Desember 2019 dan 2018 berdasarkan waktu yang tersisa sampai dengan tanggal jatuh tempo adalah sebagai berikut (lanjutan):

40. Remaining Maturity Periods of the Bank's Assets and Liabilities (continued)

As of 31 December 2019 and 2018, the Bank's assets and liabilities based on the remaining period of maturities are as follows (continued):

Keterangan	31 Desember/31 December 2019					Description	
	Tanpa jangka waktu/ No contractual maturity	Sampai dengan 1 bulan/ up to 1 month	Lebih dari 1 bulan sampai dengan 3 bulan/ More than 1 month up to 3 months	Lebih dari 3 bulan sampai dengan 12 bulan/ More than 3 months up to 12 months	Lebih dari 1 tahun sampai dengan 5 tahun/ More than 1 year up to 5 years		Total
Liabilitas segera	-	192.683	-	-	-	192.683	Current liabilities
Simpangan	29.011.724	27.193.298	19.050.238	6.162.967	-	81.544.487	Deposits
Simpangan dari bank lain	197.941	697.114	-	-	114.195	895.055	Deposits from other banks
Bunga yang masih harus dibayar	-	-	-	-	-	-	Interest payables
Utang pajak	-	264.769	-	-	-	264.769	Tax payables
Liabilitas derivatif	-	128.701	-	-	-	128.701	Derivative payables
Liabilitas atas Imbalan kerja	-	39.634	23.427	27.465	462.432	552.958	Liabilities for employee benefit
Liabilitas akseptansi	-	626.022	962.480	39.654	90.705	248.085	Acceptance liabilities
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	-	-	-	542.224	35.791	2.166.517	Liabilities on securities sold under repurchase agreements
Pinjaman yang diterima	-	-	-	424.126	-	424.126	Borrowings
Liabilitas lain-lain	-	-	-	1.087.549	2.012.963	3.100.512	Other liabilities
Efek hutang yang diterbitkan	338.904	41.726	280.129	29.321	-	690.080	Debt securities issued
Total Liabilitas	29.548.569	29.283.578	20.316.274	8.813.097	4.549.907	93.386.895	Total Liabilities
Neto	(19.818.241)	(19.271.328)	(7.644.562)	27.396.395	18.201.271	13.411.042	Net

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40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Aset dan liabilitas Bank pada tanggal 31 Desember 2019 dan 2018 berdasarkan waktu yang tersisa sampai dengan tanggal jatuh tempo adalah sebagai berikut (lanjutan):

40. Remaining Maturity Periods of the Bank's Assets and Liabilities (continued)

As of 31 December 2019 and 2018, the Bank's assets and liabilities based on the remaining period of maturities are as follows (continued):

31 Desember/31 December 2018

Keterangan	31 Desember/31 December 2018					Total	Description
	Tanpa jangka waktu/ No contractual maturity	Sampai dengan 1 bulan/ up to 1 month	Lebih dari 1 bulan sampai dengan 3 bulan/ More than 1 month up to 3 months	Lebih dari 3 bulan sampai dengan 12 bulan/ More than 3 months up to 12 months	Lebih dari 1 tahun sampai dengan 5 tahun/ More than 1 year up to 5 years		
Liabilitas segera	-	148.107	-	-	-	148.107	Current liabilities
Simpanan	27.397.520	22.853.390	21.566.476	5.368.607	118.355	77.322.574	Deposits
Simpanan dari bank lain	107.688	1.093.300	1.797.500	143.800	-	3.142.288	Deposits from other banks
Bunga yang masih harus dibayar	-	247.607	-	-	-	247.607	Interest payables
Utang pajak	-	84.823	-	-	-	84.823	Tax payables
Liabilitas derivatif	-	120.865	58.365	169.200	270.155	618.585	Derivative payables
Liabilitas atas Imbalan kerja	-	595.885	963.332	31.649	104.909	278.062	Liabilities for employee benefit
Liabilitas akseptasi	-	-	-	623.335	20.669	2.203.221	Acceptance liabilities
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	-	361.179	218.959	-	-	580.138	Liabilities on securities sold under repurchase agreements
Pinjaman yang diterima	-	4.874	-	758.075	2.437.291	3.200.240	Borrowings
Liabilitas lain-lain	199.555	192.023	256.900	33.949	-	682.427	Other liabilities
Efek hutang yang diterbitkan	-	-	-	1.460.000	1.832.470	3.791.207	Debt securities issued
Total Liabilitas	27.704.763	25.702.053	24.861.532	8.588.615	4.783.849	92.299.279	Total Liabilities
Neto	(18.850.325)	(13.992.067)	(10.576.431)	24.910.673	16.844.789	13.040.030	Net

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40. Remaining Maturity Periods of the Bank's Assets and Liabilities (continued)

The table below shows the remaining contractual maturities of the Bank's financial liabilities based on undiscounted cash flow:

31 Desember/31 December 2019

40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Tabel di bawah ini menunjukkan sisa jatuh tempo kontraktual dari liabilitas keuangan Bank berdasarkan pada arus kas yang tidak didiskonto:

Keterangan	Tanpa jangka waktu/ No contractual maturity	31 Desember/31 December 2019				Total	Description
		Lebih dari 1 bulan sampai dengan 3 bulan/ More than 1 month up to 3 months	Lebih dari 3 bulan sampai dengan 12 bulan/ More than 3 months up to 12 months	Lebih dari 1 tahun sampai dengan 5 tahun/ More than 1 year up to 5 years	Lebih dari 5 tahun/ More than 5 years		
Liabilitas segera	-	192.683	-	-	-	192.683	Current liabilities
Simpanan	29.011.725	27.385.344	6.241.962	126.237	16.995	81.989.139	Deposits
Simpanan dari bank lain	197.941	697.523	-	-	-	895.464	Deposits from other banks
Bunga yang masih harus dibayar	-	264.769	-	-	-	264.769	Interest payables
Liabilitas derivatif	-	39.634	27.465	462.432	-	552.958	Derivative payables
Liabilitas akseptasi	-	626.022	542.224	35.791	-	2.166.517	Acceptance liabilities
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	-	-	427.955	-	-	427.955	Liabilities on securities sold under repurchase agreements
Pinjaman yang diterima	-	64	1.146.097	2.177.892	-	3.324.053	Borrowings
Liabilitas lain-lain	338.904	41.726	29.321	-	-	690.080	Other liabilities
Efek hutang yang diterbitkan	-	125.910	693.560	2.373.094	884.228	4.127.746	Debt securities issued
Total Liabilitas	29.548.570	29.373.675	9.108.584	5.175.446	901.223	94.631.364	Total Liabilities

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40. Remaining Maturity Periods of the Bank's Assets and Liabilities (continued)

The table below shows the remaining contractual maturities of the Bank's financial liabilities based on undiscounted cash flow: (continued)

Keterangan	31 Desember/31 December 2018					Total	Description
	Tanpa jangka waktu/ No contractual maturity	Sampai dengan 1 bulan/ up to 1 month	Lebih dari 1 bulan/ sampai dengan 3 bulan/ More than 1 month up to 3 months	Lebih dari 3 bulan/ sampai dengan 12 bulan/ More than 3 months up to 12 months	Lebih dari 1 tahun/ sampai dengan 5 tahun/ More than 1 year up to 5 years		
Liabilitas segera	-	148.107	-	-	-	148.107	Current liabilities
Simpanan	27.397.520	23.042.117	21.691.915	5.428.255	133.054	77.719.285	Deposits
Simpanan dari bank lain	107.688	1.096.298	1.809.957	145.532	-	3.159.475	Deposits from other banks
Bunga yang masih harus dibayar	-	247.607	-	-	-	247.607	Interest payables
Liabilitas derivatif	-	120.865	58.365	169.200	270.155	618.585	Derivative payables
Liabilitas akseptansi	-	595.885	963.332	623.335	20.669	2.203.221	Acceptance liabilities
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	-	361.523	219.953	-	-	581.476	Liabilities on securities sold under repurchase agreements
Pinjaman yang diterima	-	4.874	-	815.309	2.646.012	3.466.195	Borrowings
Liabilitas lain-lain	199.555	192.023	256.900	33.949	-	682.427	Other liabilities
Efek hutang yang diterbitkan	-	28.064	56.127	1.680.103	2.276.280	4.581.300	Debt securities issued
Total Liabilitas	27.704.763	25.837.363	25.056.549	8.895.683	5.346.170	93.407.678	Total Liabilities

40. Jatuh Tempo Aset dan Liabilitas Bank (lanjutan)

Tabel di bawah ini menunjukkan sisa jatuh tempo kontraktual dari liabilitas keuangan Bank berdasarkan pada arus kas yang tidak didiskonto: (lanjutan)

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41. Kebijakan Manajemen Risiko

Pelaksanaan fungsi manajemen risiko meliputi hal-hal terkait dengan upaya identifikasi, penilaian, pengukuran, evaluasi, pemantauan dan pengendalian risiko termasuk pengembangan teknologi dan sistem informasi manajemen di setiap jenis risiko yang dihadapi oleh Bank, serta peningkatan kualitas sumber daya manusia dalam pengelolaan risiko tersebut.

Secara garis besar, Kebijakan Manajemen Risiko mengacu pada peraturan Regulator, dimana penerapannya mencakup 4 pilar manajemen risiko yang ditetapkan dalam POJK No. 18/POJK.03/2016 tentang Penerapan Manajemen Risiko Bagi Bank Umum, sebagai berikut:

1. Pengawasan aktif dari Dewan Komisaris dan Direksi;
2. Kecukupan kebijakan dan prosedur Manajemen Risiko serta penetapan limit Risiko;
3. Kecukupan proses identifikasi, pengukuran, pemantauan, dan pengendalian risiko, serta sistem informasi Manajemen Risiko; dan
4. Sistem pengendalian intern yang menyeluruh.

Dewan Komisaris dan Direksi bertanggung jawab untuk memastikan bahwa penerapan manajemen risiko telah memadai sesuai dengan karakteristik, kompleksitas, dan profil risiko Bank, serta memahami dengan baik jenis dan tingkat risiko yang melekat pada kegiatan bisnis Bank. Untuk mendukung hal tersebut, dibentuk komite-komite untuk mengkaji masalah terkait manajemen risiko, termasuk rencana perbaikan jika dibutuhkan, memberikan persetujuan atas berbagai Kebijakan Manajemen Risiko, mengkaji Laporan Profil Risiko, dan mengevaluasi pelaksanaan sistem pengendalian Bank. Komite yang dibentuk pada level Komisaris salah satunya yaitu Komite Independen Pemantau Risiko (KIPER), sedangkan pada level Direksi antara lain Komite Manajemen Risiko (RMC), Komite Aktiva & Pasiva (ALCO), Komite Kebijakan Kredit (CPC) dan lainnya.

Penetapan Kebijakan Manajemen Risiko sesuai dengan Profil Risiko Bank yaitu mencakup 8 tipe Risiko yang terdiri dari Risiko Kredit, Risiko Pasar, Risiko Likuiditas, Risiko Operasional, Risiko Kepatuhan, Risiko Strategik, Risiko Hukum dan Risiko Reputasi.

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41. Risk Management Policies

Implementation of risk management function includes identification, assessment, measurement, evaluation, monitoring and risk controls, including the development of technology and management information system in each risk faced by the Bank, as well as the improvement of human resource quality in order to manage the risks.

Generally, the Risk Management Policy refers to the Regulatory provision of which the implementation includes the 4 pillars of risk management, as stipulated in OJK Regulation No. 18/POJK.03/2016 concerning Risk Management Implementation for Commercial Banks, as follows:

1. *Active supervision of the Board of Commissioners and the Board of Directors;*
2. *Adequacy of Risk Management policies, procedures and risk limit stipulation;*
3. *Adequacy of risk identification, measurement, monitoring and controlling process, supported by Risk Management information system; and*
4. *A comprehensive internal control system.*

The Board of Commissioners and the Board of Directors are responsible to ensure the adequacy of risk management implementation tailored with the characteristic, complexity, and risk profile of the Bank, and have a good understanding on the type and level of risks inherent in the Bank's business activities. To support this, committees are formed to assess issues related to risk management, including the improvement plan if necessary, to give approval for a variety of Risk Management Policies, to assess the risk profile report, and to evaluate the implementation of the Bank's risk control system. One of the Committees at the Commissioner level is the Risk Monitoring Committee (ROC), whereas at the Director level are the Risk Management Committee (RMC), Asset & Liability Committee (ALCO), Credit Policy Committee (CPC) and others.

Risk Management Policies are determined in accordance with the Bank's risk profile which includes 8 types of risks, consists of Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Compliance Risk, Strategic Risk, Legal Risk and Reputation Risk.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit

Risiko kredit didefinisikan sebagai risiko kerugian yang timbul dari kegagalan debitur atau *counterparty* dalam memenuhi kewajiban keuangannya pada saat jatuh tempo.

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut:

1. Pemisahan tugas antara berbagai fungsi dalam pemberian Kredit

Terdapat pemisahan tugas antara fungsi kerja originasi (Bisnis), fungsi kerja Administrasi Kredit, fungsi kerja Kredit, dan fungsi kerja *Risk Management* untuk menjaga independensi dan integritas dari berbagai fungsi kredit tersebut.

Bank menetapkan struktur delegasi Batas Wewenang Persetujuan Kredit (CDL), yang meliputi juga proses eskalasi persetujuan atas penyimpangan, pelampauan, dan perpanjangan kredit di luar pagu yang telah ditetapkan. Pemberian delegasi Batas Wewenang Persetujuan Kredit yang diberikan kepada individu tertentu dilakukan melalui proses yang ketat dengan mempertimbangkan pengalaman, senioritas, dan rekam jejak dari pejabat tersebut. Divisi *Credit Risk Management* bertindak sebagai pengelola Batas Wewenang Persetujuan Kredit dan juga memastikan bahwa hal ini telah diadministrasikan secara baik.

Divisi *Credit Risk Management* secara independen melakukan pengawasan terhadap Risiko Kredit dan bertanggung jawab untuk melaporkan dan menganalisa semua elemen Risiko Kredit.

2. Kebijakan dan Prosedur Risiko Kredit

Bank telah menerbitkan beberapa kebijakan terkait untuk mengelola risiko kredit antara lain:

- a. Kebijakan Manajemen Risiko Kredit yang mengatur prinsip - prinsip utama dalam pemberian, pengelolaan dan pemantauan risiko kredit.
- b. Kebijakan Kredit Umum untuk segmen *Wholesale* dan *Business Banking* serta Kebijakan Kredit Konsumer yang mengatur tata cara pemberian kredit konsumer dan berbagai prinsip dan standar kredit guna mengelola risiko kredit Bank pada segmen konsumer.

41. Risk Management Policies (continued)

Credit Risk

Credit risk is defined as the risk of loss arising from any failure by a debtor or a counterparty to fulfill its financial obligations as and when they fall due.

In managing credit risk exposure, the Bank applies several basic principles as follows:

1. *Segregation of duties among functions in granting Credit*

There is segregation of duties between origination function (Business), Credit Administration function, Credit function, and Risk Management function to maintain independence and integrity of the various credit functions.

The Bank established a structure for the delegation of Credit Discretionary Limits (CDL), which is also including the escalation process for approval of exception, excesses and credit extension beyond prescribed limits. The delegation of CDL provided to certain individual follows a stringent process that takes into consideration the experience, seniority and track record of the officer. Credit Risk Management division acts as the custodian of the CDL structure to ensure that the CDLs are properly administered.

Credit Risk Management division provides independent oversight of Credit Risk and is responsible for the reporting and analysis of all elements of Credit Risk.

2. *Credit Risk Policies and Procedures*

The Bank has issued several related policies to manage credit risk, among others:

- a. *Credit Risk Management Policy that governs core principals in lending, credit risk management and monitoring.*
- b. *General Credit Policy for Wholesale and Business Banking segments and Consumer Credit policy that governs the principles of consumer credit extension, and various credit principles and standards by which the Bank undertakes and manages the credit risk for the consumer segment.*

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

2. Kebijakan dan Prosedur Risiko Kredit (lanjutan)

Bank telah menerbitkan beberapa kebijakan terkait untuk mengelola risiko kredit antara lain: (lanjutan)

- c. Kebijakan Manajemen Risiko Konsentrasi Kredit untuk mengelola risiko konsentrasi kredit.
- d. Kebijakan Mitigasi Risiko Kredit yang menentukan jenis dan persyaratan minimum pada agunan, jaminan dan kredit derivatif guna memenuhi persyaratan modal.
- e. Kebijakan Restrukturisasi Kredit (*Non-Retail*) yang memberikan pedoman restrukturisasi kredit bagi debitur yang mengalami kesulitan dalam memenuhi kewajibannya kepada Bank.
- f. Kebijakan Klasifikasi Aset yang memberikan pedoman atas pengkategorian eksposur ke dalam Kelas Aset Basel untuk perhitungan Aktiva Tertimbang Menurut Risiko.

3. Pengelolaan dan Pemantauan Portofolio Kredit

Divisi *Credit Risk Management* menjadi pengawas independen dan melakukan pemantauan portofolio dengan melakukan kaji ulang secara berkala atas risiko internal dan eksternal dan parameter-parameter risiko kredit (seperti: tren *delinquency*, *special mention*, *watch list accounts*, risiko konsentrasi, pergerakan kualitas kredit, dan lainnya).

Salah satu hal yang dilakukan dalam pemantauan penyebaran/diversifikasi portofolio penyediaan dana adalah melalui Laporan *Credit Risk Highlight* yang dilaporkan kepada Direksi.

Bank juga memiliki *Independent Credit Review Unit* (ICRU) yang berada di bawah Divisi *Credit Risk Management* yang secara independen bertugas untuk melakukan *review* terhadap akun-akun *watchlist* dan memastikan bahwa akun-akun tersebut dikelola secara proaktif untuk meminimalkan kerugian Bank serta memiliki kolektibilitas sesuai dengan ketentuan internal Bank dan ketentuan regulator.

41. Risk Management Policies (continued)

Credit Risk (continued)

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

2. *Credit Risk Policies and Procedures (continued)*

The Bank has issued several related policies to manage credit risk, among others: (continued)

- c. *Credit Concentration Risk Management policy to manage credit concentration risk.*
- d. *Credit Risk Mitigation policy that specifies the types and minimum requirements for collateral, guarantees and credit derivatives to be eligible for capital relief.*
- e. *Credit Restructuring policy (Non-Retail) that gives guidance on credit restructuring for borrowers who have difficulties to meet their obligation to the Bank.*
- f. *Asset Classification policy that gives the guidelines for classifying exposures into the Basel Asset Classes for Risk Weighted Asset calculation.*

3. *Management and Monitoring of Credit Portfolio*

Credit Risk Management division provides independent oversight and performs portfolio monitoring by conducting regular reviews of internal and external risk environment and credit risk parameters (i.e delinquency trend, special mention, watch list accounts, concentration risk, loan quality movement, and others).

One of the examples done on portfolio spread/diversification monitoring of fund transaction is by submitting Credit Risk Highlight Report to Board of Directors.

The Bank has an Independent Credit Review Unit (ICRU) under the Credit Risk Management Division whose the task is to independently review the watchlist accounts and to ensure that the accounts are proactively managed to minimize the losses of the Bank and has an appropriate collectibility in accordance with the Bank's internal regulations and regulatory provisions.

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41. Kebijakan Manajemen Risiko (lanjutan)

41. Risk Management Policies (continued)

Risiko Kredit (lanjutan)

Credit Risk (continued)

Bank juga telah membentuk *Credit Management Working Group (CMWG)* dan *Credit Portfolio Quality Management (CPQM)*, yaitu kelompok kerja yang dibentuk dengan tujuan utama untuk melakukan pemantauan atas kualitas kredit yang dimiliki Bank, menerapkan strategi restrukturisasi, dan pemantauan kredit maupun langkah penyelesaian terhadap kredit yang memiliki pemburukan kolektibilitas.

The Bank formed a *Credit Management Working Group (CMWG)* and *Credit Portfolio Quality Management (CPQM)*, which is a working group with key objective to monitor credit quality of the Bank, to determine restructuring strategy, and to monitor portfolio performance and to discuss account strategies for vulnerable accounts.

Pengelolaan Risiko Konsentrasi Kredit

Credit Concentration Risk Management

Risiko konsentrasi kredit didefinisikan sebagai eksposur tunggal atau kelompok yang berpotensi menghasilkan kerugian yang cukup besar (relatif terhadap modal Bank, total aktiva, atau tingkat risiko secara keseluruhan) yang mungkin mengancam kesehatan Bank atau kemampuan Bank untuk mempertahankan operasi intinya. Karena kredit adalah aktivitas utama Bank, maka risiko konsentrasi kredit termasuk risiko yang sangat material.

Credit risk concentration is defined as any single or group exposures with the potential to produce losses large enough (relative to the Bank's capital, total assets, or overall risk level) which may threaten the Bank's health or ability to maintain its core operations. As lending is the Bank's primary activity, credit risk concentration is concerned as highly material risk.

Konsentrasi risiko kredit berdasarkan jenis debitur:

Concentration of credit risk by type of debtors:

	31 Desember/31 December 2019					
	<i>Wholesale</i>	<i>Pemerintah dan Bank Indonesia/Government and Bank Indonesia</i>	<i>Bank</i>	<i>Ritel/Retail</i>	<i>Total</i>	
Giro pada Bank Indonesia	-	5.362.431	-	-	5.362.431	<i>Current accounts with Bank Indonesia</i>
Giro pada bank lain	-	-	2.095.203	-	2.095.203	<i>Current accounts with other banks</i>
Penempatan pada Bank Indonesia dan bank lain	-	1.007.736	1.067.963	-	2.075.699	<i>Placements with Bank Indonesia and other banks</i>
Efek-efek yang diperdagangkan	-	1.165.098	-	-	1.165.098	<i>Trading securities</i>
Investasi keuangan - neto	3.675.148	10.065.657	-	215.950	13.956.755	<i>Financial investments - net</i>
Tagihan derivatif	337.615	-	365.416	768	703.799	<i>Derivative receivables</i>
Kredit yang diberikan - neto	46.039.899	-	1.001.598	26.589.095	73.630.592	<i>Loans - net</i>
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-	-	1.417.984	-	1.417.984	<i>Receivables on securities purchased with agreements to resell</i>
Tagihan akseptasi - neto	2.108.201	-	-	224.224	2.332.425	<i>Acceptance receivables - net</i>
Aset lain-lain*	161.891	121.982	14.247	136.898	435.018	<i>Other assets*</i>
Total	52.322.754	17.722.904	5.962.411	27.166.935	103.175.004	Total
Persentase	50,71%	17,18%	5,78%	26,33%	100,00%	Percentage

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi spot.

* Other assets consist of interest receivables, security deposits and spot transaction.

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41. Kebijakan Manajemen Risiko (lanjutan)

41. Risk Management Policies (continued)

Risiko Kredit (lanjutan)

Credit Risk (continued)

31 Desember/31 December 2018

	Wholesale	Pemerintah dan Bank Indonesia/ Government and Bank Indonesia	Bank	Ritel/Retail	Total	
Giro pada Bank Indonesia	-	6.035.664	-	-	6.035.664	Current accounts with Bank Indonesia
Giro pada bank lain	-	-	679.690	-	679.690	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	-	185.000	2.019.068	-	2.204.068	Placements with Bank Indonesia and other banks
Efek-efek yang diperdagangkan	-	344.546	-	-	344.546	Trading securities
Investasi keuangan - neto	4.917.313	10.202.287	-	467.988	15.587.588	Financial investments - net
Tagihan derivatif	103.893	-	504.119	59.749	667.761	Derivative receivables
Kredit yang diberikan - neto	46.648.557	-	1.020.657	24.638.908	72.308.122	Loans - net
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-	425.768	481.248	-	907.016	Receivables on securities purchased with agreements to resell
Tagihan akseptasi - neto	2.172.153	-	-	2.819	2.174.972	Acceptance receivables - net
Aset lain-lain*	327.741	-	12.786	134.716	475.243	Other assets*
Total	54.169.657	17.193.265	4.717.568	25.304.180	101.384.670	Total
Persentase	53,43%	16,96%	4,65%	24,96%	100,00%	Percentage

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi spot.

* Other assets consist of interest receivables, security deposits and spot transaction.

Eksposur maksimum risiko kredit

Maximum exposure to credit risk

Bank menetapkan limit eksposur untuk individual/grup, sektor industri, jangka waktu, dan nilai tukar asing, yang telah disesuaikan dengan *risk appetite* dan *risk tolerance* sebagai salah satu alat bagi Bank untuk memonitor dan memitigasi risiko konsentrasi kredit.

The Bank sets the exposure limit for single/group exposure, industry sector, tenor, and foreign exchange, which is in line with Bank's risk appetite and risk tolerance as one of the tools for the Bank to monitor and mitigate credit concentration risk.

Eksposur maksimum aset keuangan Bank untuk risiko kredit sebelum memperhitungkan agunan dan jaminan kredit lainnya adalah sebesar nilai tercatatnya (*carrying value*) (Catatan 42).

The Bank's financial asset's maximum exposure to credit risk before taking into account any collateral and other credit enhancements is its carrying value (Note 42).

Eksposur maksimum dari aset keuangan Bank setelah mempertimbangkan dampak dari jaminan dan pengaturan tambahan lain selain dari kredit yang diberikan dan tagihan atas surat berharga yang dibeli dengan janji dijual kembali sama dengan nilai tercatat.

The maximum exposure of the Bank's financial asset after considering the impact of collateral and other enhancement arrangement other than loan and receivable and securities purchased with agreement to resell are equal to its carrying value.

Untuk aset keuangan yang diakui pada laporan posisi keuangan, eksposur maksimum terhadap resiko kredit sama dengan nilai tercatat. Untuk bank garansi dan *Irrevocable Letters of Credit*, eksposur maksimum terhadap risiko kredit adalah nilai maksimum yang harus dibayarkan oleh Bank jika liabilitas atas bank garansi dan *Irrevocable Letters of Credit* tersebut terjadi.

For financial assets recognized in the statement of financial position, the carrying amounts of the financial assets best represent the maximum exposure to credit risk. For bank guarantees and Irrevocable Letters of Credit, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the obligations of the Bank guarantees and Irrevocable Letters of Credit issued are called upon.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan Pemantauan Portofolio Kredit (lanjutan)

Eksposur maksimum risiko kredit (lanjutan)

Untuk aset keuangan yang diakui pada laporan posisi keuangan, eksposur maksimum terhadap risiko kredit sama dengan nilai tercatat. Untuk bank garansi dan *Irrevocable Letters of Credit*, eksposur maksimum terhadap risiko kredit adalah nilai maksimum yang harus dibayarkan oleh Bank jika liabilitas atas bank garansi dan *Irrevocable Letters of Credit* tersebut terjadi.

Analisis eksposur maksimum risiko kredit setelah memperhitungkan dampak agunan dan mitigasi risiko kredit lainnya adalah sebagai berikut:

- a. Nilai tercatat aset keuangan Bank selain pinjaman mewakili eksposur maksimum risiko kredit.
- b. Untuk kredit yang diberikan, Bank menggunakan agunan untuk meminimalkan risiko kredit. Berdasarkan klasifikasi, kredit Bank dapat dibedakan menjadi dua kelompok besar, yaitu:
 1. *Secured loans*
 2. *Unsecured loans*

Untuk *secured loans*, Bank menetapkan jenis dan nilai agunan yang dijaminan sesuai skema kredit. Jenis dari agunan terdiri dari:

- a. *Physical collateral*, antara lain tanah, bangunan dan BPKB kendaraan motor.
- b. *Financial collateral*, antara lain simpanan (tabungan, giro dan deposito berjangka), surat berharga dan emas.
- c. Lainnya antara lain garansi dan lembaga penjamin.

Apabila terjadi *default* (gagal bayar), Bank akan menggunakan agunan tersebut sebagai pilihan terakhir untuk pemenuhan kewajiban *counterparty*.

41. Risk Management Policies (continued)

Credit Risk (continued)

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. *Management and Monitoring of Credit Portfolio (continued)*

Maximum exposure to credit risk (continued)

For financial assets recognized in the statement of financial position, the carrying amounts of the financial assets best represent the maximum exposure to credit risk. For bank guarantees and Irrevocable Letters of Credit, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the obligations of the Bank guarantees and Irrevocable Letters of Credit issued are called upon.

Analysis of maximum exposure to credit risk after taking into account the impact of collaterals and other credit risk mitigations are as follows:

- a. *The carrying amount of the Bank's financial assets other than loans represent the maximum exposure of credit risk.*
- b. *For the loans, Bank uses the collateral to minimize the credit risk. Loans and receivables in Bank are classified into two major categories, as follows:*
 1. *Secured loans*
 2. *Unsecured loans*

For secured loans, Bank determines the type and value of collateral according to the loan scheme. Types of collateral are as follows :

- a. *Physical collateral, such as land, buildings and proof of vehicle ownership.*
- b. *Financial collateral, such as deposits (savings deposits, demand deposits and time deposits), securities, and gold.*
- c. *Others, such as guarantees, government guarantees and guarantee institution.*

In times of default, Bank will use the collateral as the last resort in recovering the obligation of the counterparty.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan Pemantauan Portofolio Kredit (lanjutan)

Eksposur maksimum risiko kredit (lanjutan)

Unsecured loans terdiri dari *fully unsecured loans* dan *partially secured loans* seperti kredit untuk karyawan golongan berpenghasilan tetap dan kredit konsumen lainnya. Dalam pembayaran kewajibannya, *partially secured loans* umumnya dilakukan melalui pemotongan penghasilan secara otomatis.

Meskipun kredit tersebut termasuk dalam kategori *unsecured loans*, namun tingkat risiko *partially secured loans* tidak sebesar nilai tercatat kredit. Sedangkan untuk *fully unsecured loans*, tingkat risiko adalah sebesar nilai tercatat kredit.

Kredit menurut sektor industri per 31 Desember 2019 dan 2018 adalah sebagai berikut:

	31 Desember/ 31 December 2019	31 Desember/ 31 December 2018	
Industri pengolahan	20.651.692	20.409.844	Processing industry
Perdagangan besar dan eceran	18.066.258	17.606.053	Wholesale and retail
Rumah tangga	11.103.491	9.628.304	Household
Perantara keuangan	5.233.694	6.040.076	Financial intermediaries
Pertanian, perburuan dan kehutanan	4.364.669	4.604.734	Agriculture, hunting and forestry
Real estate dan jasa usaha	4.307.478	4.409.433	Real estate and business service
Konstruksi	4.045.888	3.740.448	Construction
Pertambangan dan penggalian	2.552.724	2.164.042	Mining and excavation
Penyedia akomodasi	2.219.748	2.339.603	Accommodation provider
Transportasi, pergudangan, dan komunikasi	1.757.880	1.924.451	Transportation, warehousing, and communication
Listrik, air dan gas	389.814	441.745	Electricity, water and gas
Jasa kemasyarakatan	263.879	193.660	Social service
Jasa kesehatan	103.681	44.855	Health service
Jasa pendidikan	43.922	53.309	Educational service
Perikanan	29.127	46.406	Fishery
Jasa perorangan	2.064	3.668	Personal service
Lainnya	3.401	30.534	Others
Total	75.139.410	73.681.165	Total

Eksposur terbesar Bank tahun 2019 adalah sektor industri pengolahan dengan proporsi sebesar 27,48% dari total kredit Bank dan hal tersebut masih sesuai dengan *risk appetite* dan *risk tolerance* yang dimiliki Bank.

41. Risk Management Policies (continued)

Credit Risk (continued)

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and Monitoring of Credit Portfolio (continued)

Maximum exposure to credit risk (continued)

Unsecured loans consist of *fully unsecured loans* and *partially secured loans* such as loans for fixed income employees, and other consumer loans. In their payment of obligations, *partially secured loans* are generally made through automatic payroll deduction.

Although it is included in the *unsecured loans* category, the risk level of *partially secured loans* is lower than the carrying value. Meanwhile for *fully unsecured loans*, the risk level is equal to the carrying value.

Loans based on industrial sector as of 31 December 2019 and 2018, are as follows:

The biggest Bank's exposure on 2019 is processing industry with proportion of around 27.48% from total loan and it is still within the Bank's *risk appetite* and *risk tolerance*.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan Pemantauan Portofolio Kredit (lanjutan)

Eksposur maksimum risiko kredit (lanjutan)

Kredit berdasarkan sisa umur jatuh tempo per 31 Desember 2019 adalah sebagai berikut:

	Baki debit kredit/ Loan outstanding	Persentase (%)/ Percentage (%)
≤ 1 tahun	46.492.125	61,88%
> 1 tahun ≤ 2 tahun	3.241.314	4,31%
> 2 tahun ≤ 5 tahun	13.053.049	17,37%
> 5 tahun	12.352.922	16,44%
Total	75.139.410	100,00%

Sebagian besar jangka waktu kredit atau 61,88% jatuh tempo dalam kurun waktu kurang dari 1 (satu) tahun, sedangkan untuk kredit yang lebih berisiko dengan jangka waktu lebih besar dari 5 (lima) tahun memiliki porsi 16,44% dan hal ini masih sesuai dengan *risk appetite* dan *risk tolerance* yang dimiliki Bank.

Tabel di bawah ini menunjukkan *net maximum exposure* (setelah memperhitungkan agunan) atas risiko kredit untuk tagihan atas surat berharga yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2019:

	Eksposur maksimum/ Maximum exposure	Agunan/ Collateral	Eksposur - neto/ Net exposure
2019 Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	1.417.984	1.493.977	-

41. Risk Management Policies (continued)

Credit Risk (continued)

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and Monitoring of Credit Portfolio (continued)

Maximum exposure to credit risk (continued)

Loans based on remaining maturities as of 31 December 2019, are as follows:

≤ 1 year	61,88%
> 1 year ≤ 2 years	4,31%
> 2 years ≤ 5 years	17,37%
> 5 years	16,44%

Total

Most of the loan tenor or 61.88% is within less than 1 (one) year and for the riskiest loan which lies in the loan tenor of more than 5 (five) years is 16.44% portion and it is still within the Bank's risk appetite and risk tolerance.

The table below shows the net maximum exposure (after considering collateral) to credit risk of receivable on securities purchased with agreement to resell as of 31 December 2019:

2019 Receivable on securities purchased with agreements to resell

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan Pemantauan Portofolio Kredit (lanjutan)

Manajemen Kredit Bermasalah

Kredit bermasalah dikelola secara terpusat oleh divisi independen, *Special Asset Management (SAM)* untuk segment Wholesale Banking dan RCM untuk segment Retail Banking. SAM terdiri dari dua fungsi:

1. Fungsi Restrukturisasi yang secara proaktif mengelola kredit bermasalah. Tujuan utamanya adalah untuk menangani kredit bermasalah kembali lancar sehingga akun tersebut dapat ditransfer kembali ke fungsi kerja Bisnis; dan
2. Fungsi *Recovery* yang mengelola kredit bermasalah dengan tujuan utama memaksimalkan pemulihan hutang.

Eksposur Kredit pada Basel II

Saat ini Bank menggunakan Pendekatan Standar berdasarkan Basel II dalam mengukur Aktiva Tertimbang Menurut Risiko (ATMR) untuk risiko kredit. Informasi dan pedoman peringkat ATMR untuk risiko kredit diatur dalam Kebijakan Klasifikasi Aset.

Pada pendekatan standar, eksposur Bank dibagi menjadi 11 klasifikasi aset dan portofolio, sebagai berikut:

- a. Pemerintah
- b. Entitas Sektor Publik Bukan Pemerintah Pusat
- c. Bank Pembangunan *Multilateral*
- d. Bank
- e. Korporasi
- f. Karyawan/Pensiunan
- g. Kredit Beragunan Rumah Tinggal
- h. Kredit Beragunan *Real Estate* Komersial
- i. Klaim yang telah jatuh tempo
- j. Aset Lainnya
- k. Kredit pada Bisnis Mikro, Bisnis Kecil, dan Portofolio Ritel

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41. Risk Management Policies (continued)

Credit Risk (continued)

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. *Management and Monitoring of Credit Portfolio (continued)*

Managing Non-Performing Loans

Non-performing loans are centrally managed by an independent unit, Special Asset Management (SAM) for Wholesale Banking and RCM for Retail Banking. SAM consists of two functions:

1. *Restructuring function which proactively manages the non-performing loans. Its primary goal is to handle non-performing loans back to performing so that these accounts can be transferred back to the Business Units; and*
2. *Recovery function which manages non-performing loans with the primary goal to maximize debt recovery.*

Credit exposures under Basel II

Bank currently uses the Standardized Approach under Basel II to measure the Risk Weighted Asset (RWA) for credit risk. The information and guidelines of rating for RWA for credit risk is regulated in the Asset Classification Policy.

Under the Standardized Approach, Bank's exposures are classified into 11 asset classifications and portfolios, as follows:

- a. *Sovereign*
- b. *Non Central Government Public Sector Entities*
- c. *Multilateral Development Bank*
- d. *Banks*
- e. *Corporate*
- f. *Employee/Retiree*
- g. *Loan Secured by Residential Property*
- h. *Loan Secured by Commercial Real Estate*
- i. *Overdue Claims*
- j. *Other Assets*
- k. *Loans for Micro Businesses, Small Businesses, and Retail Portfolio*

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan Pemantauan Portofolio Kredit (lanjutan)

Eksposur Kredit pada Basel II (lanjutan)

Saat ini, Bank hanya mengakui peringkat internasional dari *Moody's*, *Standard and Poor's* dan *Fitch*.

Untuk tujuan manajemen risiko internal Bank telah menerapkan penggunaan model *Internal Rating* pada segmen *Wholesale* dan senantiasa mengembangkan perangkat tambahan, sistem dan proses untuk mendukung penerapan praktik manajemen risiko yang unggul.

Informasi kualitas kredit atas aset keuangan pada tanggal 31 Desember 2019 dan 2018:

41. Risk Management Policies (continued)

Credit Risk (continued)

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. *Management and Monitoring of Credit Portfolio (continued)*

Credit exposures under Basel II (continued)

Currently, the Bank only recognizes international ratings from Moody's, Standard and Poor's and Fitch.

For the purpose of internal risk management, the Bank has implemented Internal Rating model on the Wholesale segment and continuously enhances the Bank's risk management systems and processes to support the Bank in the implementation of a good risk management.

The information on the credit quality of financial assets as of 31 December 2019 and 2018:

31 Desember/31 December 2019

	Belum Jatuh Tempo dan tidak mengalami penurunan nilai/ <i>Neither past due not impaired</i>	Jatuh Tempo dan tidak mengalami penurunan nilai/ <i>Past-due but not impaired</i>	Mengalami penurunan nilai/ <i>Impaired</i>	Total	
Giro pada Bank Indonesia	5.362.431	-	-	5.362.431	Current account with Bank Indonesia
Giro pada bank lain	2.095.203	-	-	2.095.203	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	2.075.699	-	-	2.075.699	Placements with Bank Indonesia and other banks
Efek-efek yang diperdagangkan	1.165.098	-	-	1.165.098	Trading securities
Investasi keuangan	13.984.056	-	-	13.984.056	Financial investment
Tagihan derivatif	703.799	-	-	703.799	Derivative receivables
Kredit yang diberikan	71.784.933	2.082.764	1.271.713	75.139.410	Loans
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	1.417.984	-	-	1.417.984	Receivables on securities purchased with agreements to resell
Tagihan akseptasi	2.338.237	13.239	-	2.351.476	Acceptance receivables
Aset lain-lain*	435.018	-	-	435.018	Other assets*
Total	101.362.458	2.096.003	1.271.713	104.730.174	Total
Cadangan kerugian penurunan nilai	(715.802)	(464.366)	(375.002)	(1.555.170)	Allowance for impairment losses
Neto	100.646.656	1.631.637	896.711	103.175.004	Net

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan Pemantauan Portofolio Kredit (lanjutan)

Informasi kualitas kredit atas aset keuangan pada tanggal 31 Desember 2019 dan 2018: (lanjutan)

31 Desember/31 December 2018					
	Belum Jatuh Tempo dan tidak mengalami penurunan nilai/ <i>Neither past due nor impaired</i>	Jatuh Tempo dan tidak mengalami penurunan nilai/ <i>Past-due but not impaired</i>	Mengalami penurunan nilai/ <i>Impaired</i>	Total	
Giro pada Bank Indonesia	6.035.664	-	-	6.035.664	<i>Current account with Bank Indonesia</i>
Giro pada bank lain	679.690	-	-	679.690	<i>Current accounts with other banks</i>
Penempatan pada Bank Indonesia dan bank lain	2.204.068	-	-	2.204.068	<i>Placements with Bank Indonesia and other banks</i>
Efek-efek yang diperdagangkan	344.546	-	-	344.546	<i>Trading securities</i>
Investasi keuangan	15.626.345	145	-	15.626.490	<i>Financial investment</i>
Tagihan derivatif	667.761	-	-	667.761	<i>Derivative receivables</i>
Kredit yang diberikan	71.159.038	1.476.581	1.045.546	73.681.165	<i>Loans</i>
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	907.016	-	-	907.016	<i>Receivables on securities purchased with agreements to resell</i>
Tagihan akseptasi	2.199.304	3.917	-	2.203.221	<i>Acceptance receivables</i>
Aset lain-lain*	475.243	-	-	475.243	<i>Other assets*</i>
Total	100.298.675	1.480.643	1.045.546	102.824.864	Total
Cadangan kerugian penurunan nilai	(652.719)	(396.833)	(390.642)	(1.440.194)	<i>Allowance for impairment losses</i>
Neto	99.645.956	1.083.810	654.904	101.384.670	Net

* Aset lain-lain terdiri dari piutang bunga, setoran jaminan dan transaksi spot.

* Other assets consist of interest receivables, security deposits and spot transaction.

Analisis umur kredit yang diberikan yang jatuh tempo tetapi tidak mengalami penurunan nilai pada tanggal 31 Desember 2019 dan 2018:

The aging analysis of loans that are past due but not impaired as of 31 December 2019 and 2018:

31 Desember/31 December 2019					
	1 sampai 30 hari/ <i>1 to 30 days</i>	31 sampai 60 hari/ <i>31 to 60 days</i>	61 sampai 90 hari/ <i>61 to 90 days</i>	Total	
Modal kerja	1.241.627	18.803	9.235	1.269.665	<i>Working capital</i>
Konsumen	614.866	554	97	615.517	<i>Consumer</i>
Investasi	196.550	-	-	196.550	<i>Investment</i>
Karyawan	1.032	-	-	1.032	<i>Employee</i>
Total	2.054.075	19.357	9.332	2.082.764	Total
Cadangan kerugian penurunan nilai	(457.692)	(2.140)	(1.082)	(460.914)	<i>Allowance for impairment losses</i>
Neto	1.596.383	17.217	8.250	1.621.850	Net

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kredit (lanjutan)

Dalam mengelola eksposur risiko kredit, Bank menerapkan beberapa prinsip dasar sebagai berikut: (lanjutan)

3. Pengelolaan dan Pemantauan Portofolio Kredit (lanjutan)

Analisis umur kredit yang diberikan yang jatuh tempo tetapi tidak mengalami penurunan nilai pada tanggal 31 Desember 2019 dan 2018: (lanjutan)

31 Desember/31 December 2018

	1 sampai 30 hari/ 1 to 30 days	31 sampai 60 hari/ 31 to 60 days	61 sampai 90 hari/ 61 to 90 days	Total	
Modal kerja	735.256	64.035	2.010	801.301	Working capital
Konsumen	494.086	10	9	494.105	Consumer
Investasi	180.712	-	-	180.712	Investment
Karyawan	463	-	-	463	Employee
Total	1.410.517	64.045	2.019	1.476.581	Total
Cadangan kerugian penurunan nilai	(343.724)	(50.517)	(196)	(394.437)	Allowance for impairment losses
Neto	1.066.793	13.528	1.823	1.082.144	Net

Bank melakukan penilaian terhadap 3 (tiga) pilar dalam menilai aset keuangan yang jatuh tempo atau mengalami penurunan. Ke-3 (tiga) pilar tersebut adalah prospek bisnis, kinerja debitur dan kemampuan bayar debitur, dimana hal tersebut sesuai dengan kebijakan regulator.

Bank memperhitungkan agunan yang layak dalam menghitung Cadangan Kerugian Penurunan Nilai (CKPN). Agunan yang layak yang diperhitungkan oleh Bank adalah kas/setara kas, tanah dan bangunan.

Risiko Pasar

Risiko pasar adalah risiko yang timbul dari pergerakan variabel pasar pada posisi yang dimiliki oleh Bank yang dapat menimbulkan kerugian bagi Bank. Variabel pasar yang mempengaruhi posisi Bank adalah suku bunga dan nilai tukar termasuk perubahan harga *option*.

Kerangka kerja risiko pasar Bank terdiri dari kebijakan dan praktek risiko pasar, pendelegasian wewenang dan limit risiko pasar, validasi atas penilaian dan model risiko, dan lainnya. Kerangka kerja ini juga meliputi proses produk / aktivitas baru untuk memastikan isu-isu risiko pasar telah diidentifikasi secara memadai sebelum diluncurkan.

41. Risk Management Policies (continued)

Credit Risk (continued)

In managing credit risk exposure, the Bank applies several basic principles as follows: (continued)

3. Management and Monitoring of Credit Portfolio (continued)

The aging analysis of loans that are past due but not impaired as of 31 December 2019 and 2018: (continued)

The Bank uses 3 (three) pillars approach in assessing financial assets that are past due or impaired. Those 3 (three) pillars are business prospect, performance of the borrower and repayment capability which are in line with the regulatory provision.

The Bank takes into account the eligible collaterals in calculating the impairment loss. The eligible collaterals recognized by Bank are cash/cash equivalents, land and buildings.

Market Risk

Market risk is the risk arising from movements in market variables on the position held by the Bank which can result in losses for the Bank. Market variables that influence the position of the Bank are interest rates and exchange rates, including changes in the price of the option.

The Bank's market risk framework comprises market risk policies and practices, delegation of authority and market risk limits, validation of valuation and risk models, and others. This framework also encompasses the new product/service program process to ensure the identified market risk issues are adequately addressed prior to its launch.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Pasar (lanjutan)

Direksi mendelegasikan wewenang kepada Komite Aktiva dan Pasiva (ALCO) untuk melakukan pengawasan aktif terhadap manajemen risiko pasar. ALCO melakukan kajian dan memberikan arahan atas seluruh hal terkait risiko pasar.

Bank telah menetapkan tugas dan tanggung jawab pada setiap tingkat pada posisi yang terkait pelaksanaan manajemen risiko pasar disesuaikan dengan tujuan, kebijakan bisnis, ukuran, dan kompleksitas Bank. Tugas dan tanggung jawab ini terdapat pada Kebijakan Manajemen Risiko Pasar.

Bank menggunakan Pendekatan Standar untuk menghitung modal risiko pasar sesuai dengan ketentuan OJK tentang Kewajiban Penyediaan Modal Minimum. Bank memiliki modal yang kuat dengan rasio kecukupan modal sebesar 16,55% pada tanggal 31 Desember 2019. Modal Bank lebih dari cukup untuk menutup potensi kerugian yang mungkin timbul dari fluktuasi tingkat bunga dan nilai tukar.

Secara internal, pada tingkatan portofolio, risiko pasar diukur dan dikontrol menggunakan model internal. Bank mengadopsi *Expected Shortfall (ES)* menggunakan simulasi historis untuk mengukur potensi kerugian pada tingkat kepercayaan 97,5% (menggambil rata-rata 7 hari kerugian paling buruk) dengan menggunakan data historis 300 hari. Perkiraan ES diuji kembali dengan menggunakan data laba dan rugi pada buku perdagangan sebagai proses validasi keakuratan metodologi tersebut. Proses pengujian kembali ini dilakukan guna menganalisa apakah penyimpangan yang terjadi disebabkan oleh kelemahan pada model perhitungan atau karena pergerakan pasar. Seluruh penyimpangan pada model ditangani dengan penyempurnaan model tersebut.

Berdasarkan hasil *back testing* kerugian aktual yang terjadi untuk periode satu tahun telah konsisten dengan model pengukuran ES. Untuk melengkapi pengukuran ES, *stress test* dilakukan pada portofolio *trading* untuk mengidentifikasi ketahanan Bank dalam kondisi krisis.

41. Risk Management Policies (continued)

Market Risk (continued)

The Board of Directors delegates authority to the Assets and Liabilities Committee (ALCO) to conduct active monitoring on market risk management. ALCO reviews and provides direction on all market risk related matters.

The Bank has established the roles and responsibilities on each level of the position which relate to the implementation of market risk management tailored with the purpose, business policy, size and complexity of the Bank. These roles and responsibilities are clearly stated in the Market Risk Management Policies.

The Bank adopts the Standardized Approach to calculate the regulatory market risk capital in compliance with OJK's regulation on Capital Adequacy Ratio. The Bank has a strong capital base with Capital Adequacy Ratio of 16.55% as of 31 December 2019. The Bank's capital is more than sufficient to cover any potential losses that might arise from interest rate and exchange rate fluctuations.

Internally, at portfolio level, the market risk is measured and controlled based on internal models. The Bank adopts the Expected Shortfall (historical simulation) to measure the potential loss at a 97.5% confidence level (average of 7th worst losses) based on 300 days historical price changes. ES estimation are back tested against profit and loss of trading book to validate the robustness of the methodology. The back testing process analyses whether the exceptions are due to model deficiencies or market volatility. All model deficiencies are addressed with appropriate model enhancements.

Based on back testing result, the actual loss for the whole year result is already consistent with the ES forecast model. To complement the ES measurement, stress test is performed on the trading portfolio in order to identify the Bank's vulnerability in the event of crisis.

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41. Kebijakan Manajemen Risiko (lanjutan)

41. Risk Management Policies (continued)

Risiko Pasar (lanjutan)

Market Risk (continued)

Perhitungan ES telah memperhitungkan faktor korelasi antar instrumen pada seluruh posisi *trading book* Bank (tidak diaudit).

ES calculation already includes correlation factors across instruments in trading book portfolios of the Bank (unaudited).

31 Desember/31 December 2019

	Akhir tahun/ Year end	Tinggi/ High	Rendah/ Low	Rata-rata/ Average	
	Ribuan SGD/ SGD Thousand	Ribuan SGD/ SGD Thousand	Ribuan SGD/ SGD Thousand	Ribuan SGD/ SGD Thousand	
Total ES	14,590	18,916	4,181	10,642	Total ES

a. Risiko Nilai Tukar

a. Foreign Exchange Risk

Risiko nilai tukar adalah risiko pada pendapatan dan nilai ekonomis dari aset, kewajiban, dan derivatif keuangan dalam mata uang asing yang disebabkan oleh fluktuasi nilai tukar.

Foreign exchange risk is the risk to earnings and economic value of foreign currency assets, liabilities and financial derivatives caused by fluctuation in foreign exchange rates.

Risiko nilai tukar dikelola melalui kebijakan dan limit risiko yang disetujui oleh ALCO. Limit tersebut meliputi limit *Value-at-Risk*, limit FX NOP, limit PV01, eksposur berdasarkan mata uang, maksimum tenor, dan lainnya. *Market Risk Management & Control Unit* secara harian memantau aktivitas risiko pasar dan/atau eksposur terhadap limit yang telah disetujui oleh ALCO, dan melaporkan kejadian pelampauan limit kepada pejabat terkait untuk mendapatkan persetujuan/pengesahan.

Foreign exchange risk is managed through policies and risk limits approved by the Asset and Liability Committee (ALCO). The limits include Value-at-Risk limit, FX NOP limit, PV01 limit, exposure by currency, maximum tenures and others. Market Risk Management & Control Unit on a daily basis monitors market risk activities and/or exposures against the approved ALCO limits, and escalates any excesses to appropriate officers for approval/ratification.

Risiko nilai tukar Bank dinilai relatif rendah dikarenakan posisi devisa neto (PDN) Bank tercatat rendah, dimana pada akhir Desember 2019 NOP (diluar portofolio *Non-Deliverable Forward/DNDF*) tercatat 11,72% dari permodalan Bank (apabila termasuk DNDF hanya sebesar 6,59% dari modal Bank). Dengan demikian setiap pelemahan mata uang Rupiah terhadap USD sebesar 100pips akan menimbulkan potensi kerugian sebesar Rp12,97 miliar (di luar portofolio DNDF) atau Rp6,9 miliar (termasuk portofolio DNDF).

Foreign exchange risk is assessed at relatively low as Bank's Net Open position (NOP) recorded very low, which at the end of December 2019 the NOP (excluding Non-Deliverable Forward/ DNDF portfolio) has recorded only 11.72% from total capital of the Bank (if including DNDF portfolio, the NOP was recorded at 6.59% of the Bank's capital). Therefore, any weakening of IDR currency around 100 pips against USD would result in potential losses of Rp12.97 billion (excluding DNDF portfolio) or Rp6.9 billion (including DNDF portfolio).

b. Risiko Suku Bunga pada Banking Book

b. Interest Rate Risk in the Banking Book

Risiko Suku Bunga pada *Banking Book* didefinisikan sebagai risiko potensi penurunan atau kerugian pada rentabilitas (pendapatan bunga bersih) dan modal (nilai ekonomis Bank) akibat perubahan dari suku bunga.

Interest Rate Risk in the Banking Book is defined as the risk of potential reduction in or loss of earnings (net interest income) and capital (the economic value of the Bank) due to changes in interest rates.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Pasar (lanjutan)

b. Risiko Suku Bunga pada *Banking Book* (lanjutan)

Eksposur dinilai secara bulanan menggunakan perangkat analisa statis dan simulasi, seperti jadwal *repricing* dan analisa sensitivitas. Perangkat tersebut dapat memberikan indikasi atas dampak potensial perubahan suku bunga pada pendapatan bunga dan harga melalui analisa sensitivitas pada aktiva dan pasiva ketika suku bunga mengalami perubahan. Kesenjangan pada tenor yang lebih panjang akan mengalami perubahan *price-value* yang lebih besar dibandingkan dengan posisi serupa pada tenor yang lebih pendek.

Nilai ekonomis pada ekuitas (EVE) diterapkan untuk mengukur risiko suku bunga dari perubahan suku bunga menggunakan berbagai macam skenario suku bunga, seperti perubahan bentuk pada kurva suku bunga, yang meliputi skenario perubahan suku bunga yang tertinggi dan terendah.

Stress testing dilakukan secara berkala untuk menentukan kecukupan modal dalam memenuhi dampak ekstrim perubahan suku bunga pada laporan posisi keuangan. Tes tersebut juga dilakukan guna memberikan peringatan dini atas potensi kerugian ekstrim, guna mendukung pengelolaan risiko suku bunga secara proaktif dalam menyesuaikan perubahan pada pasar keuangan yang cepat.

EVE *banking book* per posisi 31 Desember 2019 tercatat sebesar Rp567,96 miliar, sedangkan PV01 AFS *banking book* sebesar Rp1,5 miliar. Hal ini berarti, setiap kenaikan 1 bps pada suku bunga pasar akan memberikan dampak potensial kerugian pada Bank sebesar Rp1,5 miliar.

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41. Risk Management Policies (continued)

Market Risk (continued)

b. Interest Rate Risk in the *Banking Book* (continued)

Exposure is quantified on a monthly basis using static and simulation analysis tools, such as repricing schedules and sensitivity analysis. They provide indications of the potential impact of interest rate changes on interest income and price value through analysis of the sensitivity of assets and liabilities from any changes in interest rates. Mismatches in the longer tenor will experience greater change in the price-value of interest rate positions than similar positions in the shorter tenor.

Economic Value of Equity (EVE) is applied to measure the interest rate risk from any changes of interest rate using a variety of interest rate scenarios, such as changes in shape of the curve of interest rates, which include the highest and lowest changes in the interest rate scenario.

Stress testing is performed regularly to determine the adequacy of capital in meeting the impact of extreme interest rate movements on the statement of financial position. Such tests are also performed to provide early warnings of potential extreme losses, facilitating the proactive management of interest rate risks in an environment of rapid financial market changes.

EVE banking book as of 31 December 2019 was recorded at Rp567.96 billion, meanwhile PV01 AFS banking book was recorded at Rp1.5 billion. That means any increment of 1 bps on market interest rate is expected to have an impact on the Bank's potential losses amounting to Rp1.5 billion.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Likuiditas

Risiko likuiditas didefinisikan sebagai risiko yang muncul akibat ketidakmampuan Bank untuk memenuhi kewajiban keuangannya baik terhadap nasabah maupun regulator, tanpa menimbulkan biaya atau kerugian yang signifikan.

Pengukuran utama yang digunakan oleh Bank dalam mengelola risiko likuiditas adalah dengan menggunakan proyeksi arus kas dengan skenario 'business as usual', 'bank-specific crisis' dan 'general market crisis', serta memantau rasio-rasio likuiditas sebagai indikator peringatan dini (*early warning indicator*) seperti rasio penurunan simpanan bukan bank, *Loan to Deposit Ratio (LDR)*, rasio 50 dan 20 nasabah terbesar bukan bank, rasio pendanaan melalui *swap*, rasio *undrawn facility*, dan rasio 20 nasabah besar bank. Proyeksi arus kas menggunakan *behavioral modelling* untuk memastikan arus kas telah mencerminkan perilaku kegiatan bisnis dalam kondisi normal. Disamping itu Bank juga melakukan pemantauan secara berkala terhadap stabilitas pendanaan inti (*core deposits*) yang terdiri dari dana-dana stabil bukan bank seperti giro, tabungan, dan deposito berjangka melalui analisa terhadap volatilitasnya.

Per posisi 31 Desember 2019 Bank telah mencatatkan simpanan nasabah sebesar Rp81,5 triliun atau naik 5,46% dibandingkan dengan simpanan nasabah posisi 31 Desember 2018, dimana giro turun sebesar 3,53% menjadi Rp11,0 triliun, tabungan meningkat sebesar 12,23% menjadi Rp18,2 triliun, dan deposito berjangka meningkat sebesar 5,31% menjadi Rp52,3 triliun. *Loan Deposit Ratio (LDR)*, yaitu rasio kredit yang diberikan terhadap simpanan nasabah Bank tercatat sebesar 90,92%. Bank secara berkesinambungan akan terus menjaga tingkat LDR agar berada dalam kisaran yang sehat.

Disamping itu pengukuran dan pemantauan terhadap analisa *gap*, limit-limit yang ditetapkan, *stress testing*, dan Rencana Pendanaan Darurat dilaksanakan secara konsisten.

41. Risk Management Policies (continued)

Liquidity Risk

Liquidity risk is defined as the risk that arises from its inability to meet its obligations to customer and regulator without incurring significant costs or losses.

The key measures used by the Bank for managing liquidity risk are using cash flow projection under 'business as usual', 'bank-specific crisis' and 'general market crisis' scenarios, also by monitoring the liquidity ratios as early warning indicator i.e. percentage decreased in non-bank deposits, Loan to Deposit Ratio (LDR), top 50 and 20 non-bank depositors ratios, swap funding ratio, undrawn facility ratio, and top 20 bank depositor ratio. Cash flow projection is using behavioral modelling to ensure that the cash flow reflects the business-as-usual behavior. Besides, the Bank also monitors the stability of its 'core deposits' on a regular basis which consists of stable non-bank deposits such as current accounts, savings accounts, and time deposits by analyzing their volatility overtime.

At of 31 December 2019, the Bank's has recorded Rp81.5 trillion of customer's deposits which went up by 5.46% compared to 31 December 2018, contributed by demand deposits which decreased by 3.53% to Rp11.0 trillion, savings deposits which increased by 12.23% to Rp18.2 trillion, and time deposits which increased by 5.31% to Rp52.3 trillion. Loan to Deposit Ratio (LDR), which identifies the extent to which the Bank's loans are funded by customer's deposits was recorded at 90.92%. The Bank will continuously maintain the LDR in a sound range.

In addition to the above measurement and monitoring of the gap analysis, defined limits, stress testing, and Contingency Funding Plan are consistently implemented.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Likuiditas (lanjutan)

Rencana Pendanaan Darurat menjadi komponen penting dalam kerangka kerja manajemen likuiditas dan berfungsi sebagai perpanjangan atas kebijakan operasional atau manajemen likuiditas sehari-hari. Walaupun Bank memantau kebutuhan likuiditas dan pendanaan secara berkala, penting juga untuk mengetahui kejadian yang tak terduga, kondisi ekonomi dan pasar, masalah pendapatan atau situasi di luar kendali yang dapat menyebabkan krisis likuiditas. Rencana Pendanaan Darurat menguraikan tindakan yang harus diambil oleh Bank pada saat terjadi krisis likuiditas dan akan diaktifkan jika terjadi krisis atau *liquidity stress*.

Hal ini berfungsi untuk mengidentifikasi dan mengetahui potensi krisis likuiditas, menentukan tanggung jawab dan tindakan manajemen yang terkait pada saat krisis, memperbaiki area yang menjadi perhatian, dan memastikan bahwa arus informasi dapat tepat waktu sehingga dapat memfasilitasi pengambilan keputusan secara cepat dan efektif.

Tingkat kerumitan dan detil dari rencana tersebut disesuaikan dengan kompleksitas, eksposur risiko, aktivitas, produk, dan struktur organisasi Bank untuk menentukan indikator yang paling relevan untuk digunakan dalam mengelola likuiditas dan pendanaan. Selain itu, Bank juga telah menetapkan *Liquidity Crisis Management Team* yang bertanggung jawab untuk mengevaluasi posisi likuiditas dan menentukan tindakan yang akan diambil pada saat terjadi krisis.

Analisa arus kas mengenai kebutuhan pendanaan bersih melibatkan penyusunan laporan arus kas berdasarkan jatuh tempo (kontraktual) aktual dari arus kas tersebut. Profil arus kas kontraktual mengalokasikan aset-aset, liabilitas - liabilitas, dan rekening administratif ke dalam jangka waktu berdasarkan sisa jatuh tempo aset, liabilitas, dan rekening administratif tersebut.

Selain itu, Bank juga membuat laporan arus kas berdasarkan asumsi behavioral. Arus kas ini terkait dengan pola perilaku dari aset, kewajiban, dan rekening administratif yang dimilikinya dan potensi arus kas diproyeksikan berdasarkan asumsi-asumsi yang didapat dari pola perilaku tersebut. Potensi arus kas tersebut secara khusus terkait dengan karakteristik produk, seperti apakah produk tersebut biasanya diperpanjang setelah jatuh tempo, kecenderungan penarikan lebih awal pada deposito berjangka atau pola secara historis perpanjangan deposito berjangka.

41. Risk Management Policies (continued)

Liquidity Risk (continued)

The Contingency Funding Plan (CFP) is a critical component of the liquidity management framework and serves as an extension of the Bank's operational or daily liquidity management policy. Although the Bank periodically monitors liquidity and funding requirements, it is important to recognize the unexpected events, economic or market conditions, earnings problems or situations beyond its control that could cause a liquidity crisis. The CFP outlines the actions to be taken by the Bank in the event of a liquidity crisis and would be activated in the event of a liquidity stress situation.

It serves to identify and recognize a liquidity crisis, define the appropriate management responsibilities and responses during a crisis, rectify areas of concern, and ensure that information flows remain timely and uninterrupted to facilitate quick and effective decision-making.

The level of sophistication and detail of the plan would commensurate with the complexity, risk exposure, activities, products and organization structure of the Bank to identify the indicators that are most relevant to its management of liquidity and funding. In addition, the Bank also has established a Liquidity Crisis Management Team which is responsible to evaluate the liquidity position and decide the actions to be taken when crisis occurs.

The cash flow analysis of net funding requirement involves the preparation of cash flow mismatch based on actual contractual maturity. Contractual cash flow profiles allocate the assets, liabilities, and off balance sheet items into time band by remaining maturity of the assets, liabilities and off balance sheet items.

In addition, the Bank also produces the cash flow mismatch report based on behavioral assumption. The cash flow related to behavior analysis of assets, liabilities, off balance sheet and the potential cash flow is projected based on assumptions derived from the behavior patterns. Potential cash flows are specifically associated with product characteristic, such as whether the product is renewed, tendency of early redemption for time deposits or the historical trend of time deposit;s rolled over.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Likuiditas (lanjutan)

Dari analisa arus kas secara *behaviour* ini, diperoleh *gap Net Cumulative Outflow* (NCO) yang diperkirakan akan dihadapi Bank. Selama periode Januari sampai dengan Desember 2019, besarnya *gap* NCO masih berada dalam limit yang telah ditetapkan dan dalam toleransi Bank.

Tabel jatuh tempo aset dan liabilitas Bank berdasarkan jangka waktu kontraktual yang tersisa dapat dilihat pada Catatan 40.

Risiko Operasional

Risiko operasional didefinisikan sebagai risiko yang terjadi sebagai akibat dari ketidakcukupan atau kegagalan proses internal, manusia dan sistem atau dari berbagai peristiwa eksternal. Potensi kerugian dapat berupa kerugian finansial atau dampak buruk lainnya, misalnya, kehilangan reputasi dan kepercayaan publik yang berdampak pada kredibilitas Bank dan kemampuan untuk bertransaksi, menjaga likuiditas dan memperoleh bisnis baru.

Bank telah menetapkan Kerangka kerja Manajemen Risiko Operasional yang mencakup seperangkat:

- Struktur tata kelola risiko operasional.
- Kebijakan dan prosedur pengelolaan risiko operasional.
- Membangun kesadaran dan budaya risiko operasional.
- Membuat dan mengembangkan perangkat kerja manajemen risiko operasional: *Event Risk Reporting, Key Risk and Control Self Assessment, Key Operational Risk Indicators, Management Risk Awareness* dan *Product Programme* untuk mengkaji setiap Produk dan Aktivitas Baru di Bank.

Ambang batas untuk Risiko Operasional telah ditetapkan, termasuk namun tidak terbatas pada:

- Pernyataan kuantitatif dan kualitatif terkait hal-hal yang tidak dapat ditoleransi atau diterima oleh Bank.
- *Risk Appetite Statement.*
- *Risk Assessment Matrix.*
- Toleransi risiko yang menjadi bagian dari monitoring rutin atas *Key Operational Risk Indicators.*

41. Risk Management Policies (continued)

Liquidity Risk (continued)

From the *behaviour* cash flow analysis, it is obtained the expected *Net Cumulative Outflow* (NCO) *gap* that will be encountered by the Bank. During January until December 2019, the NCO *gap* is still within the limit and within the Bank's tolerance.

Maturity table of the Bank's asset and liabilities based on contractual can be seen in Note 40.

Operational Risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Potential loss may be in the form of financial loss or other damages, for example, loss of reputation and public confidence that will impact the Bank's credibility and ability to transact, maintain liquidity and obtain new business.

The Bank has established an Operational Risk Management Framework that comprises of:

- *Operational Risk Governance Structure.*
- *Operational Risk Management Policies and Standards.*
- *Developing the operational risk culture and awareness.*
- *Developing and enhancing the Operational Risk Management tools consisting of Event Risk Reporting, Key Risk and Control Self Assessment, Key Operational Risk Indicators, Management Risk Awareness and Product Programme to review new products and activities in the Bank.*

Operational Risk thresholds have been established, including but not limited to the following:

- *Quantative and qualitative statements on what the Bank is not willing to tolerate or condone.*
- *Risk Appetite Statement.*
- *Risk Assessment Matrix.*
- *Risk tolerance embedded in the Key Operational Risk Indicators.*

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Operasional (lanjutan)

Beberapa langkah dan inisiatif berikut ini telah dilakukan untuk meningkatkan kemampuan Bank dalam mengelola risiko operasional:

- Membuat dan melakukan pengkinian terhadap kerangka kerja dan kebijakan manajemen risiko operasional serta kebijakan lainnya yang berkaitan dengan pengelolaan risiko operasional.
- Mengevaluasi secara berkala *Operational Risk Appetite Statement (RAS)* untuk selalu disesuaikan dengan perkembangan agar sejalan dengan sasaran dan strategi bisnis bank secara keseluruhan.
- Melakukan pertemuan Komite Manajemen Risiko setiap bulan yang berfungsi sebagai forum diskusi untuk membahas berbagai permasalahan terkait risiko operasional yang signifikan atau penitng dengan lebih intensif disamping pembahasan Risk Appetite Statement (RAS), Profil Risiko dan Risk Based Bank Rating (RBBR). Komite Manajemen Risiko telah diadakan sebanyak 15 kali di tahun 2019.
- Mengembangkan laporan-laporan manajemen risiko operasional seperti *ORM Risk Dashboard*, *Operational Risk Action Plan Monitoring (ORAP)* dan meningkatkan metode analisa untuk identifikasi risiko.
- Implementasi perangkat kerja ORM seperti *Key Risk and Control Self Assessment (KRCSA)*, *General Operating & Control Environment Questionnaire (GOCEQ)*, *Key Operational Risk Indicator (KORI)*, *Management Risk Awareness (MRA)* dan *Event Risk Reporting (ERR)* untuk mengidentifikasi insiden risiko operasional di semua unit dan cabang.

41. Risk Management Policies (continued)

Operational Risk (continued)

The following processes and initiatives were carried out to improve the Bank's capability in managing its operational risk:

- Developing and reviewing operational risk management framework, policies, and other policies guidelines relating to operational risk management.
- Reviewing current *Operational Risk Appetite Statement (RAS)* to be aligned continually with the Bank's overall business objectives and strategy.
- Conducting *Risk Management Committee* meeting every month which serves as a forum to discuss various significant or important issues related to operational risk in a more intensive manner on top of other discussions on *Risk Appetite Statement (RAS)*, *Risk Profile* and *Risk Based Bank Rating (RBBR)*. *Risk Management Committee* meetings have been held 15 times in 2019.
- Developing operational risk management reports such as *ORM Risk Dashboard*, *Operational Risk Action Plan (ORAP)* and improving analytical methods for risk identification.
- The implementation of ORM tools e.g *Key Risk Control Self Assessment (KRCSA)*, *General Operating & Control Environment Questionnaire (GOCEQ)*, *Key Operational Risk Indicator (KORI)*, *Management Risk Awareness (MRA)*, *Event Risk Reporting (ERR)* to identify operational risk incidents in all working units and branches.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Operasional (lanjutan)

Beberapa langkah dan inisiatif berikut ini telah dilakukan untuk meningkatkan budaya risiko dan kemampuan Bank dalam mengelola risiko operasional: (lanjutan)

- Menyelenggarakan forum *Line Risk Control Manager* (LRCM) secara periodik untuk meningkatkan kesadaran dan kemampuan LRCM dalam mengelola risiko operasional.
- Meningkatkan kesadaran akan pentingnya budaya risiko operasional dengan mendistribusikan pesan-pesan melalui email kepada seluruh unit kerja.
- Membantu unit bisnis dalam melakukan kaji ulang atas sejumlah produk/aktivitas/prosedur baru.

Risiko Kepatuhan

Risiko kepatuhan didefinisikan sebagai risiko yang timbul akibat Bank tidak mematuhi dan/atau tidak melaksanakan peraturan perundang-undangan dan ketentuan yang berlaku.

Fungsi Kerja *Compliance* telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan:

A. Kebijakan dan Prosedur Kepatuhan

Sejalan dengan Peraturan yang berlaku, Kebijakan Kepatuhan telah dirumuskan untuk menentukan cakupan, prinsip-prinsip dan tanggung jawab untuk pengelolaan yang efektif dari fungsi kepatuhan. Pokok-pokok pengaturan kepatuhan beserta tujuan pengaturannya adalah sebagai berikut:

1. Piagam Kepatuhan Bank

Mengatur mengenai Kerangka Kerja Fungsi Kepatuhan Bank (*Compliance Framework*) serta peran dan tanggung jawab seluruh *stakeholders*.

41. Risk Management Policies (continued)

Operational Risk (continued)

The following processes and initiatives were carried out to improve the Bank's risk culture and capability in managing its operational risk: (continued)

- *Line Risk Control Manager* (LRCM) forum periodically to increase LRCM awareness and capability in managing the operational risk.
- Increasing operational risk awareness by sending flash messages through email to all business/support units.
- Assisting business units in reviewing new products/activities/procedures.

Compliance Risk

Compliance risk is defined as the risk that occurs due to the Bank's failure to comply with and/or implement the prevailing laws and regulations.

The Compliance Function has put in place the following measures to mitigate and manage the regulatory compliance risk:

A. Compliance Policies and Procedures

In line with the Regulations, the Compliance Policy is formulated to define the scope, principles and responsibilities for the effective management of the compliance function. The principal regulations as well as its objectives are as follows:

1. Bank's Compliance Charter

Regulating the Bank's Compliance Framework as well as the roles and responsibilities of all stakeholders.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kepatuhan (lanjutan)

Fungsi Kerja *Compliance* telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

A. Kebijakan dan Prosedur Kepatuhan (lanjutan)

Sejalan dengan Peraturan yang berlaku, Kebijakan Kepatuhan telah dirumuskan untuk menentukan cakupan, prinsip-prinsip dan tanggung jawab untuk pengelolaan yang efektif dari fungsi kepatuhan. Pokok-pokok pengaturan kepatuhan beserta tujuan pengaturannya adalah sebagai berikut: (lanjutan)

2. Prosedur Pengkajian Kepatuhan

Mengatur mengenai mekanisme identifikasi kekurangan atau kelemahan kontrol pada kebijakan, ketentuan, sistem, dan prosedur internal Bank serta mekanisme pemantauan risiko kepatuhan dengan pendekatan berbasis risiko (*Risk-Based Approach*).

3. Prosedur Pemantauan Komitmen Bank dan Tindak Lanjut atas Permintaan dari Regulator Terkait

Mengatur mengenai mekanisme pemenuhan kepatuhan dan pelaksanaan terhadap komitmen yang dibuat oleh Bank kepada Regulator.

4. Prosedur Pengeskalasian dan Pelaporan Kejadian Risiko Kepatuhan

Mengatur mengenai mekanisme pelaporan yang tepat waktu untuk setiap pelanggaran atau ketidakpatuhan terhadap peraturan perundang-undangan dan ketentuan yang berlaku.

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41. Risk Management Policies (continued)

Compliance Risk (continued)

The Compliance Function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

A. *Compliance Policies and Procedures (continued)*

In line with the Regulations, the Compliance Policy is formulated to define the scope, principles and responsibilities for the effective management of the compliance function. The principal regulations as well as its objectives are as follows: (continued)

2. *Procedures for Compliance Review*

Regulating the mechanism to identify control deficiencies or weaknesses in the Bank's internal policies, provisions, systems and procedures as well as the mechanism of risk-based approach in compliance risk monitoring.

3. *Procedures in Monitoring the Bank's Commitment and Follow-up on Requests from Related Regulator*

Regulating the mechanism of compliance fulfilment and implementation towards the commitments made by the Bank to the Regulator.

4. *Procedures in Escalating and Reporting Compliance Risk Events*

Regulating the reporting mechanism in a timely manner for each breach or violation of the prevailing laws, regulations and provisions.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kepatuhan (lanjutan)

Fungsi Kerja *Compliance* telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

A. Kebijakan dan Prosedur Kepatuhan (lanjutan)

Sejalan dengan Peraturan yang berlaku, Kebijakan Kepatuhan telah dirumuskan untuk menentukan cakupan, prinsip-prinsip dan tanggung jawab untuk pengelolaan yang efektif dari fungsi kepatuhan. Pokok-pokok pengaturan kepatuhan beserta tujuan pengaturannya adalah sebagai berikut: (lanjutan)

5. Ketentuan-Ketentuan yang Terkait dengan Fungsi Kepatuhan

Memberikan informasi mengenai ketentuan-ketentuan yang terkait dengan pelaksanaan Fungsi Kepatuhan Bank.

Fungsi Kerja *Compliance* bekerja sama dengan Fungsi Kerja *Risk Management* dan Fungsi Kerja *Internal Audit* telah menerbitkan Pedoman Penyesuaian Nilai Kinerja Pegawai/*Key Performance Indicator (KPI)* Berdasarkan Risiko untuk memastikan efektivitas dari pelaksanaan manajemen risiko dan *Good Corporate Governance*, sehingga Tingkat Kesehatan Bank dapat terjaga pada peringkat yang baik.

Selain itu, selama periode tahun 2019 Fungsi Kerja *Compliance* juga telah memperbarui Piagam dan Pedoman kepatuhan serta menerbitkan Prosedur Implementasi Transaksi dengan Pihak Terkait UOB Group.

41. Risk Management Policies (continued)

Compliance Risk (continued)

The Compliance Function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

A. Compliance Policies and Procedures (continued)

In line with the Regulations, the Compliance Policy is formulated to define the scope, principles and responsibilities for the effective management of the compliance function. The principal regulations as well as its objectives are as follows: (continued)

5. Provisions Related to Compliance Function

Providing information on provisions related to the implementation of the Bank's Compliance Function.

Compliance Function in cooperation with Risk Management Function and Internal Audit Function has issued Guidelines of Risk Based Employee Performance/Key Performance Indicator (KPI) to ensure the effectiveness of risk management and Good Corporate Governance implementation, so that the Bank Soundness Rating can be maintained at a good rating.

Moreover, during 2019 period the Compliance Function has updated the Compliance Charter and Guidance also issued the Procedure regarding the implementation of transaction with related party of UOB Group.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kepatuhan (lanjutan)

Fungsi Kerja *Compliance* telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

B. Pemantauan Indikator Keuangan

Beberapa indikator kunci seperti rasio persyaratan modal minimum, kualitas aktiva produktif, rasio NPL, batas maksimum pemberian kredit, persyaratan giro wajib minimum, *loan to deposit ratio* dan posisi devisa neto telah dibentuk untuk memantau dan mengidentifikasi potensi risiko kepatuhan yang mungkin timbul jika Bank gagal untuk memenuhinya.

Divisi *Operational Risk Management* bekerja sama dengan Divisi *Compliance Advisory and Monitoring* untuk melaporkan setiap potensi pelanggaran atau pelanggaran atas ketentuan yang berlaku. Secara berkesinambungan, Bank meningkatkan pengelolaan risiko kepatuhan terhadap peraturan. Sampai dengan Desember 2019, masih terdapat pengenaan sanksi dari Regulator atas kesalahan yang bersifat administratif. Kelemahan yang menimbulkan pengenaan sanksi secara umum ialah *human error* dalam penyusunan dan penyampaian laporan-laporan rutin kepada Bank Indonesia, seperti Laporan Harian Bank Umum (LHBU) dan Laporan Sistem Informasi Debitur (SID). Dalam mengelola risiko kepatuhan yang timbul dari pengenaan sanksi tersebut, manajemen Bank senantiasa secara aktif memberikan pengarahan dan himbauan agar Bank memelihara seluruh aktivitas bisnis dan operasionalnya tetap mematuhi ketentuan-ketentuan yang berlaku.

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41. Risk Management Policies (continued)

Compliance Risk (continued)

The Compliance Function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

B. Monitoring the Financial Indicator

Several key indicators such as minimum capital adequacy ratio, earning asset quality, NPL ratio, legal lending limit, statutory reserve requirement, loan to deposit ratio and net open position have been established to monitor and identify potential compliance risks that may arise if the Bank fails to comply.

Operational Risk Management division collaborate with Compliance Advisory and Monitoring Division to report any potential violation or breach of the prevailing regulations. On an ongoing basis, the Bank has progressively enhanced the management of regulatory compliance risks. Throughout December 2019, there have been sanctions imposed by the Regulator due to administrative errors. Weaknesses that caused the imposing of sanctions in general was due to human error in the preparation and submission of regular reports to Bank Indonesia, such as Commercial Bank Daily Report (LHBU), Commercial Bank Head Office Report (LKPBU), and Debtor Information Report (SID). In managing the compliance risk arising from the imposing of such sanctions, the Bank's Management has actively given directives and guidance so that the Bank continuously maintains all of its business and operational activities to remain compliant towards the prevailing provisions.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kepatuhan (lanjutan)

Fungsi Kerja *Compliance* telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

Dalam penerapan Program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT), Bank telah melakukan langkah-langkah yang mencakup:

- a) Pengawasan aktif dari Dewan Komisaris dan Direksi, dengan dilakukan:
 - a. Penyelenggaraan Komite *Anti Money Laundering* setiap bulannya;
 - b. Rapat berkala antara Direktur Utama, Direktur *Compliance*, Kepala Divisi *AML/CFT and Sanctions* dan *Business Heads* untuk membahas antara lain perkembangan, pencapaian dan tindak lanjut yang akan diambil mengenai pengkinian data, penerapan sanksi terkait *fraud*, dan tindak lanjut untuk meminimalisasi kesalahan pelaporan.

B. Pemantauan Indikator Keuangan (lanjutan)

Dalam penerapan Program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT), Bank telah melakukan langkah-langkah yang mencakup: (lanjutan)

- b) Kebijakan dan Prosedur, dengan:
 - a. Memformulasikan Program APU-PPT dalam kebijakan internal Bank yang disesuaikan dengan aturan dari regulator dan 40 + 9 rekomendasi FATF;
 - b. Implementasi Program APU-PPT dalam bentuk SOP yang mencakup, antara lain:
 - Penerimaan nasabah;
 - *On-going review*;
 - Pelaporan kepada Manajemen;
 - Pemantauan transaksi;
 - Pelaporan kepada regulator.

41. Risk Management Policies (continued)

Compliance Risk (continued)

The *Compliance Function* has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

In implementation of *Anti Money Laundering (AML)* and *Countering the Financing of Terrorism (CFT)* Program, the Bank has taken steps which include:

- a) Active supervision of the Board of Commissioners and the Board of Directors, by conducting:
 - a. *Anti Money Laundering Committee* every month;
 - b. Regular meeting between President Director (CEO), *Compliance Director*, *AML/CFT & Sanctions Division Head* and *Business Heads* to discuss, among other the developments, achievements and the follow-up actions to be taken regarding the updating of data, the imposition of sanctions related to fraud, and the follow-up to minimize the error in reporting.

B. Monitoring the Financial Indicator (continued)

In implementation of *Anti Money Laundering (AML)* and *Countering the Financing of Terrorism (CFT)* Program, the Bank has taken steps which include: (continued)

- b) Policies and procedures, by:
 - a. Formulating the *AML-CFT* program Program within the Bank's internal policy by adopting the regulation from the regulator and the FATF recommendations 40 + 9;
 - b. Implementation *AML-CFT* Program in the form of SOP that includes, among others:
 - Customer acceptance;
 - *On-going review*;
 - Management reporting;
 - Transaction monitoring;
 - Regulatory reporting.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kepatuhan (lanjutan)

Fungsi Kerja *Compliance* telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

B. Pemantauan Indikator Keuangan (lanjutan)

Dalam penerapan Program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT), Bank telah melakukan langkah-langkah yang mencakup: (lanjutan)

c) Sistem Pengendalian Internal:

- a. Penunjukan petugas/pejabat yang bertugas secara khusus dalam pemantauan pelaksanaan proses dan program APU dan PPT pada setiap unit bisnis dan unit pendukung.
- b. Penyusunan SOP yang lebih rinci terkait proses pelaksanaan program APU dan PPT pada masing-masing unit bisnis dan unit pendukung.
- c. Pengembangan metodologi pengklasifikasian risiko APU dan PPT pada unit bisnis dan kantor cabang.
- d. Pengembangan metodologi pengkajian kepatuhan terhadap implementasi ketentuan APU-PPT.

d) Sistem Informasi Manajemen, dimana Bank telah memiliki:

- a. Sistem untuk pemantauan transaksi nasabah, yang meliputi rekening tabungan/giro, deposito dan kartu kredit;
- b. Sistem untuk melakukan *filtering* transaksi dari SWIFT baik *incoming* maupun *outgoing*;
- c. Sistem untuk melakukan proses *screening* terhadap daftar hitam/sanksi;
- d. Sistem aplikasi yang terkait dengan pelaporan kepada *regulator*.

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41. Risk Management Policies (continued)

Compliance Risk (continued)

The Compliance Function has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

B. Monitoring the Financial Indicator (continued)

In implementation of Anti Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Program, the Bank has taken steps which include: (continued)

c) Internal Control System:

- a. Appointment of staff/officer specifically tasked in monitoring the implementation of the AML-CFT process and programs in each business units and support units.
- b. Formulating more detailed SOP regarding AML-CFT program implementation process in each business unit and supporting unit.
- c. Development of AML-CFT risk classification methodology in the business units and branches.
- d. Development of compliance testing methodology on the implementation of AML-CFT regulation.

d) Management Information System, where the Bank has established:

- a. System for transaction monitoring which includes current/savings accounts, time deposits and credit cards;
- b. System for SWIFT transaction filtering both for incoming and outgoing transaction;
- c. System for screening process through the black list/sanctions list;
- d. Application system related to regulatory reporting.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Kepatuhan (lanjutan)

Fungsi Kerja *Compliance* telah menetapkan langkah-langkah berikut untuk mengurangi dan mengelola risiko kepatuhan terhadap peraturan: (lanjutan)

B. Pemantauan Indikator Keuangan (lanjutan)

Dalam penerapan Program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT), Bank telah melakukan langkah-langkah yang mencakup: (lanjutan)

- e) Sumber daya manusia dan pelatihan, di mana Bank telah:
- Melakukan proses *Know Your Employee* (KYE) sebelum penerimaan karyawan;
 - Melakukan pelatihan terkait dengan APU-PPT, minimal 1 tahun sekali;
 - Menerapkan metode *training* dengan cara:
 - Face to face* : Pelatihan *in class*;
 - E-Learning*, dengan penerapan *module Basic, Intermediate dan Advance*.

Selain hal di atas, Fungsi Kerja *Compliance* juga berperan penting sebagai penasehat dengan memberikan saran regulasi dan kepatuhan secara berkelanjutan kepada fungsi kerja bisnis dan fungsi kerja lainnya.

Risiko Strategik

Risiko strategik didefinisikan sebagai risiko akibat ketidaktepatan dalam pengambilan dan/atau pelaksanaan suatu keputusan strategik yang berdampak pada rentabilitas perusahaan serta kegagalan dalam mengantisipasi perubahan lingkungan bisnis seperti perubahan-perubahan yang terjadi di industri perbankan, gejala pada perekonomian nasional, maupun disrupsi pada bidang teknologi.

Kebijakan Manajemen Risiko Strategik telah ditetapkan guna memfasilitasi seluruh fungsi kerja dalam melakukan identifikasi, pengukuran, pemantauan, dan pelaporan risiko strategik.

41. Risk Management Policies (continued)

Compliance Risk (continued)

The *Compliance Function* has put in place the following measures to mitigate and manage the regulatory compliance risk: (continued)

B. Monitoring the Financial Indicator (continued)

In implementation of *Anti Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Program*, the Bank has taken steps which include: (continued)

- e) *Human resource and training*, where the Bank already has:
- Conducted *Know Your Employee (KYE)* process before employee recruitment;
 - Conducted training related to *AML-CFT*, minimum once a year;
 - Implemented training method through:
 - Face to face*: *in class trainings*;
 - E-Learning*, with *Basic, Intermediate and Advance modules application*.

Apart from the above, *Compliance Function* also plays an important advisory role as it provides the business and other units with regulatory and compliance advice on an ongoing basis.

Strategic Risk

Strategic risk is defined as the risk due to poor setting and/or implementation of a strategic decision that has impact on the Bank's profitability, and failure to anticipate any changes in the business environment such as changes in banking industry, turmoil in the national economy, and disruption in technological field.

Strategic Risk Management Policy has been established in order to support the identification, measurement, monitoring and reporting of strategic risk.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Stratejik (lanjutan)

Pengelolaan risiko stratejik merujuk pada bagaimana Bank membuat suatu keputusan stratejik untuk merespon segala perubahan lingkungan (internal dan eksternal) pada masa kini maupun pada masa yang akan datang, serta bagaimana modal dan sumber daya dialokasikan guna mencapai tujuan stratejik Bank.

Secara berkelanjutan, Bank melakukan kaji ulang berkala atas pencapaian target keuangan dan realisasi strategi. Seluruh fungsi kerja bisnis juga bertanggung jawab untuk memantau risiko stratejik pada areanya dan melaporkan secara tepat waktu kepada direktur atau pejabat eksekutif senior terkait apabila terdapat isu potensial atau masalah yang memiliki implikasi stratejik terhadap Bank.

Seluruh fungsi kerja bertanggungjawab untuk memantau risiko stratejik.

Risiko Hukum

Risiko hukum didefinisikan sebagai risiko yang disebabkan oleh adanya kelemahan aspek yuridis yang antara lain disebabkan adanya tuntutan hukum, ketiadaan peraturan perundang-undangan yang mendukung atau kelemahan perikatan seperti tidak dipenuhinya syarat sahnya perjanjian dan pengikatan agunan yang tidak sempurna.

Bank melakukan pemantauan atas potensi risiko hukum yang mungkin timbul dari ketidakjelasan dalam kontrak/perjanjian, adanya perkara-perkara litigasi dan jaminan, klaim, kelemahan sistem hukum dan ketiadaan peraturan perundangan yang jelas. Dalam pengelolaan risiko hukum, Bank melakukan pemantauan komprehensif terhadap seluruh kegiatan operasional, terutama yang melibatkan pihak ketiga, yang berpotensi menimbulkan benturan kepentingan maupun tuntutan hukum. Pemantauan dilakukan dengan mengembangkan standar perjanjian meliputi peraturan dan kebijakan internal, melakukan kaji ulang atas perjanjian transaksional, dan menganalisa potensi risiko hukum pada produk dan aktivitas baru.

41. Risk Management Policies (continued)

Strategic Risk (continued)

Strategic risk management refers to how the Bank makes strategic decisions in response to significant changes in the current and prospective environment (internal and external) and how it deploys capital and resources to achieve its strategic goals.

On an ongoing basis, the Bank performs periodic reviews on the achievement of financial targets and realized strategies. All business functions are also responsible for the monitoring of its strategic risks and reporting promptly to related director or senior executive officers on any potential issues or problems that have strategic implications on the Bank.

All functions are responsible for the monitoring of strategic risk.

Legal Risk

Legal risk is defined as the risk caused by the weakness of the judicial aspect due to lawsuits, the absence of legislation support or weakness in contracting such as not fulfilling the terms of agreement and imperfect collateral binding.

The Bank has monitored the potential legal risk that might arise from lack of clarity of the contracts/agreements, litigation cases and collaterals, claims, weaknesses of juridical aspects and lack of clear regulations. In managing the legal risk, the Bank conducted monitoring in all operational activities, mainly those involving the third parties, which potentially can cause conflict of interest as well as lawsuits. Monitoring is conducted by developing standard agreements that include regulations and internal policies, reviewing transactional agreements, and analyzing new products or activities for potential legal risks.

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Reputasi

Risiko Reputasi dapat berdampak negatif pada pendapatan, likuiditas, atau modal Bank yang timbul dari persepsi atau opini negatif *stakeholder* terhadap praktik bisnis, kegiatan, dan kondisi keuangan Bank.

Pengelolaan risiko reputasi dilakukan melalui pencegahan peristiwa yang dapat menyebabkan risiko reputasi terjadi, misalnya dengan melakukan pemantauan, komunikasi secara berkala kepada para pemangku kepentingan, dan kegiatan tanggung jawab sosial perusahaan.

Mitigasi atas risiko reputasi dilakukan melalui pemantauan dan pengelolaan secara intensif atas pemberitaan negatif di media massa dan semua perangkat layanan nasabah oleh Divisi *Strategic Communication and Brand dan Customer Advocacy and Service Quality*.

Kualitas layanan dan penanganan keluhan nasabah telah ditingkatkan melalui pemantauan secara berkala dan pengembangan program yang dilakukan oleh Divisi *Customer Advocacy and Service Quality*.

Upaya Bank dalam memitigasi risiko reputasi, melalui:

- Melakukan tinjauan (evaluasi) dan revisi yang diperlukan atas kebijakan serta pedoman dalam penanganan keluhan nasabah.
- Mensosialisasikan seluruh revisi kebijakan tersebut serta alur kerja penanganan keluhan pada seluruh unit.
- Memaksimalkan peran *Contact Centre* dengan meningkatkan mekanisme untuk menangani keluhan serta mendelegasikan beberapa wewenang penyelesaian keluhan nasabah.
- Melakukan pemantauan pemberitaan media massa setiap hari dengan memberikan perhatian khusus kepada berita negatif atau keluhan nasabah yang berpotensi berdampak kepada reputasi.
- Melakukan evaluasi dan koordinasi secara berkala dengan unit-unit terkait untuk membahas keluhan nasabah, mencari solusinya termasuk penyelesaian keluhan sesuai dengan *Service Level Agreement (SLA)* yang ditentukan.
- Melakukan edukasi kepada para nasabah mengenai pencegahan atas tindakan pemalsuan atau penipuan (fraud) dengan menempatkan poster di cabang dan ATM, serta melalui iklan pada layar ATM.

41. Risk Management Policies (continued)

Reputation Risk

Reputation Risk is the adverse impact on the Bank's income, liquidity, or capital arising from negative stakeholder perception or opinion of the Bank's business practices, activities, and financial condition.

Risk management for reputation risk is conducted through prevention of events that could lead to reputation risk, for example by conducting a regular communication to related stakeholders and a series of activities such as corporate social responsibility.

Mitigation of reputation risk was performed through intensive monitoring and management of negative news in mass media and all service tools by Strategic Communications and Brand and Customer Advocacy and Service Quality divisions.

Service quality and handling of customer complaints have been improved through the regular monitoring and development programme by Customer Advocacy and Service Quality division.

The Bank's effort in mitigating reputation risk is through:

- *Revising and adjusting policy and guidance for complaint handling.*
- *Socializing all revised policies and complaint management procedure to all units.*
- *Maximising the role of Contact Center by improving the mechanism to handle hard/media threat complaints and delegation of duty regarding customer complaints settlement.*
- *Monitoring media coverage daily and providing special attention to negative news or complaint which has the potential to impact the Bank's reputation.*
- *Evaluating and coordinating regularly with related units to discuss customer complaint resolution, find out alternative solution including complaint resolution as per determined by the Service Level Agreement (SLA).*
- *Educating related customers on the precautionary actions against fraud by placing posters in branches and ATMs as well as through the display space on the ATM screen.*

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41. Kebijakan Manajemen Risiko (lanjutan)

Risiko Reputasi (lanjutan)

Upaya Bank dalam memitigasi risiko reputasi, melalui: (lanjutan)

- Guna meningkatkan kualitas layanan serta mendorong loyalitas nasabah, maka Bank melakukan rapat *Service Excellence Council* setiap bulan.
- Melakukan *coaching* dan pemantauan *standard* layanan untuk semua *front-liner* oleh penanggung jawab *layanan* wilayah secara periodik.
- Melakukan sosialisasi kepada seluruh bisnis segmen dan divisi terkait dengan alur proses penanganan keluhan agar dapat ditindaklanjuti dengan benar.
- Menanggapi keluhan nasabah secara tertulis dengan segera dan benar baik keluhan yang diterima melalui Contact Centre, cabang, media, Bank Indonesia (BI), dan Otoritas Jasa Keuangan (OJK).

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41. Risk Management Policies (continued)

Reputation Risk (continued)

The Bank's effort in mitigating reputation risk is through: (continued)

- In order to improve the service quality and to encourage the customer loyalty, the Bank conducts monthly *Service Excellence Council* meeting.
- Coaching and monitoring on the standardised services for all frontliners by Service PIC from regional periodically.
- Socialising process flow of complaint handling to all business segments and divisions so that complaint can be followed up properly when it occurs.
- Responding to customers' complaints in writing as soon as possible and properly either for complaints received through Contact Center, branches, Media, Bank Indonesia (BI), or Otoritas Jasa Keuangan (OJK).

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42. Nilai Wajar Instrumen Keuangan

Tabel di bawah ini disajikan perbandingan antara nilai tercatat, seperti dilaporkan dalam laporan posisi keuangan, dan nilai wajar semua aset keuangan dan liabilitas keuangan.

42. Fair Value of Financial Instruments

The tables below present the comparison between the carrying values, as reported in the statement of financial position, and the fair values of all financial assets and liabilities.

	31 Desember/ 31 December 2019		
	Nilai Tercatat/ Carrying Value	Nilai Wajar/ Fair Value	
Aset Keuangan			Financial Assets
Pinjaman yang diberikan dan piutang			Loans and receivables
Kas	588.775	588.775	Cash
Giro pada Bank Indonesia	5.362.431	5.362.431	Currents accounts with Bank Indonesia
Giro pada bank lain	2.095.203	2.095.203	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	2.075.699	2.075.699	Placement with Bank Indonesia and other banks
Kredit yang diberikan - neto	72.629.573	72.629.573	Loans - net
Tagihan akseptasi - neto	2.332.425	2.332.425	Acceptance receivables - net
Aset lain-lain	435.018	435.018	Other assets
Aset keuangan diukur pada nilai wajar melalui laporan laba rugi			Financial assets at fair value through profit or loss
Efek-efek yang diperdagangkan	1.165.098	1.165.098	Trading securities
Tagihan derivatif	703.799	703.799	Derivative receivables
Kredit yang diberikan - neto	1.001.019	1.001.019	Loans - net
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	1.417.984	1.417.984	Receivables on securities purchased with agreements to resell
Aset keuangan tersedia untuk dijual			Available-for-sale financial assets
Investasi keuangan tersedia untuk dijual	10.065.657	10.065.657	Financial investments available-for-sale
Aset keuangan yang dimiliki hingga jatuh tempo			Held-to-maturity financial assets
Investasi keuangan Dimiliki hingga jatuh tempo - neto	3.891.098	3.891.098	Financial investments Held-to-maturity - net
Total	103.763.779	103.763.779	Total
Liabilitas Keuangan			Financial Liabilities
Liabilitas keuangan diukur pada nilai wajar melalui laporan laba rugi			Financial liabilities at fair value through profit or loss
Liabilitas derivatif	552.958	552.958	Derivative payables
Pinjaman yang diterima	1.087.549	1.087.549	Borrowings
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	424.126	424.126	Liabilities on securities sold under repurchase agreements
Liabilitas Lain-lain			Other Liabilities
Liabilitas segera	192.683	192.683	Current liabilities
Simpanan	81.544.487	81.544.487	Deposits
Simpanan dari bank lain	895.055	895.055	Deposits from other banks
Bunga yang masih harus dibayar	264.769	264.769	Interest payables
Liabilitas akseptasi	2.166.517	2.166.517	Acceptance payables
Pinjaman yang diterima	2.012.963	2.012.963	Borrowings
Efek hutang yang diterbitkan - neto	3.178.922	3.318.562	Debt securities issued - net
Liabilitas lain-lain	346.247	346.247	Other liabilities
Total	92.666.276	92.805.916	Total

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42. Nilai Wajar Instrumen Keuangan (lanjutan)

Tabel di bawah ini disajikan perbandingan antara nilai tercatat, seperti dilaporkan dalam laporan posisi keuangan, dan nilai wajar semua aset keuangan dan liabilitas keuangan. (lanjutan)

42. Fair Value of Financial Instruments (continued)

The tables below presents the comparison between the carrying values, as reported in the statement of financial position, and the fair values of all financial assets and liabilities. (continued)

	31 Desember/ 31 December 2018		
	Nilai Tercatat/ Carrying Value	Nilai Wajar/ Fair Value	
Aset Keuangan			Financial Assets
Pinjaman yang diberikan dan piutang			Loans and receivables
Kas	519.377	519.377	Cash
Giro pada Bank Indonesia	6.035.664	6.035.664	Currents accounts with Bank Indonesia
Giro pada bank lain	679.690	679.690	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank lain	2.204.068	2.204.068	Placement with Bank Indonesia and other banks
Kredit yang diberikan - neto	71.291.344	71.291.344	Loans - net
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	907.016	907.016	Receivables on securities purchased with agreements to resell
Tagihan akseptasi - neto	2.174.972	2.174.972	Acceptance receivables - net
Aset lain-lain	475.243	475.243	Other assets
Aset keuangan diukur pada nilai wajar melalui laporan laba rugi			Financial assets at fair value through profit or loss
Efek-efek yang diperdagangkan	344.546	344.546	Trading securities
Tagihan derivatif	667.761	667.761	Derivative receivables
Kredit yang diberikan - neto	1.016.778	1.016.778	Loans - net
Aset keuangan tersedia untuk dijual			Available-for-sale financial assets
Investasi keuangan tersedia untuk dijual	10.202.287	10.202.287	Financial investments available-for-sale
Aset keuangan yang dimiliki hingga jatuh tempo			Held-to-maturity financial assets
Investasi keuangan Dimiliki hingga jatuh tempo - neto	5.385.301	5.385.301	Financial investments Held-to-maturity - net
Total	101.904.047	101.904.047	Total
Liabilitas Keuangan			Financial Liabilities
Liabilitas keuangan diukur pada nilai wajar melalui laporan laba rugi			Financial liabilities at fair value through profit or loss
Liabilitas derivatif	618.585	618.585	Derivative payables
Pinjaman yang diterima	1.115.140	1.115.140	Borrowings
Liabilitas Lain-lain			Other Liabilities
Liabilitas segera	148.107	148.107	Current liabilities
Simpanan	77.322.574	77.322.574	Deposits
Simpanan dari bank lain	3.142.288	3.142.288	Deposits from other banks
Bunga yang masih harus dibayar	247.607	247.607	Interest payables
Liabilitas akseptasi	2.203.221	2.203.221	Acceptance payables
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	580.138	580.138	Liabilities on securities sold under repurchase agreements
Pinjaman yang diterima	2.085.100	2.085.100	Borrowings
Efek hutang yang diterbitkan - neto	3.791.207	3.806.581	Debt securities issued - net
Liabilitas lain-lain	311.371	311.371	Other liabilities
Total	91.565.338	91.580.712	Total

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42. Nilai Wajar Instrumen Keuangan (lanjutan)

Nilai wajar aset dan liabilitas keuangan, kecuali efek-efek yang diperdagangkan, tagihan dan liabilitas derivatif, investasi keuangan yang tersedia untuk dijual dan efek hutang yang diterbitkan, mendekati nilai tercatatnya karena aset dan liabilitas keuangan dalam jumlah signifikan memiliki jangka waktu yang pendek dan/atau suku bunganya sering ditinjau ulang. Tagihan dan liabilitas derivatif nilai wajarnya dihitung berdasarkan teknik penilaian. Efek-efek yang diperdagangkan dan investasi keuangan yang tersedia untuk dijual nilai wajarnya berdasarkan harga yang dapat diperoleh atau dapat diobservasi. Nilai wajar dari efek hutang yang diterbitkan dihitung menggunakan diskonto arus kas berdasarkan tingkat suku bunga pasar.

Penilaian atas nilai wajar instrumen keuangan berdasarkan hirarki nilai wajar dapat dilihat pada Catatan 2ad.

Tabel dibawah ini menyajikan aset dan liabilitas yang diakui pada nilai wajar berdasarkan hirarki yang digunakan Bank untuk menentukan dan mengungkapkan nilai wajar dari aset dan liabilitas:

42. Fair Value of Financial Instruments (continued)

The fair value of financial assets and liabilities, except for trading securities, derivative receivables and liabilities, financial investments available-for-sale and debt securities issued, approximate its carrying values because financial assets and liabilities in significant amount have short-term period and/or the interest rate is frequently reviewed. The fair value of derivative receivables and liabilities are based on valuation technique. Trading securities, and financial investment available-for-sale fair value is based on quoted or observable prices. The fair value of debt securities issued are calculated using discounted cash flows using market interest rate.

Valuation for the fair value of financial instruments based on the fair value hierarchy refer to Note 2ad.

The tables below show the asset and liabilities recognized at fair value based on the hierarchy used by the Bank in determining and disclosing the fair value of asset and liabilities:

31 Desember/ 31 December 2019					
	Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	Total	
Aset yang diukur pada nilai wajar					Assets measured at fair value
Kredit yang diberikan - neto	-	1.001.019	-	1.001.019	Loans - net
Tagihan derivatif	-	703.799	-	703.799	Derivative receivables
Efek-efek yang diperdagangkan	1.165.098	-	-	1.165.098	Trading securities
Investasi keuangan tersedia untuk dijual	10.065.657	-	-	10.065.657	Financial investments available-for-sale
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-	1.417.984	-	1.417.984	Receivables on securities purchased with agreements to resell
Total aset yang diukur pada nilai wajar	11.230.755	3.122.802	-	14.353.557	at fair value
Aset yang nilai wajarnya diungkapkan					Assets for which fair value are disclosed
Kredit yang diberikan - neto	-	71.732.862	896.711	72.629.573	Loans - net
Investasi keuangan dimiliki hingga jatuh tempo - neto	-	3.891.098	-	3.891.098	Financial investments held-to-maturity - net
Agunan yang diambil alih - neto	-	-	145.066	145.066	Foreclosed assets - net
Properti terbengkalai	-	-	6.065	6.065	Abandoned property
Total aset yang nilai wajarnya diungkapkan	-	75.623.960	1.047.842	76.671.802	Total assets for which fair value are disclosed
Total	11.230.755	78.746.762	1.047.842	91.025.359	Total

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42. Nilai Wajar Instrumen Keuangan (lanjutan)

Tabel dibawah ini menyajikan aset dan liabilitas yang diakui pada nilai wajar berdasarkan hirarki yang digunakan Bank untuk menentukan dan mengungkapkan nilai wajar dari aset dan liabilitas:

42. Fair Value of Financial Instruments (continued)

The tables below show the asset and liabilities recognized at fair value based on the hierarchy used by the Bank in determining and disclosing the fair value of asset and liabilities:

		31 Desember/ 31 December 2019					
		Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	Total		
Liabilitas yang diukur pada nilai wajar						Liabilities measured at fair value	
Liabilitas derivatif	-		552.958	-	552.958	Derivative liabilities	
Pinjaman yang diterima	-		1.087.549	-	1.087.549	Borrowings	
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	-		424.126	-	424.126	Liabilities on securities sold under repurchase agreements	
Total liabilitas yang diukur pada nilai wajar	-		2.064.633	-	2.064.633	Total liabilities measured at fair value	
Liabilitas yang nilai wajarnya diungkapkan						Liabilities for which fair value are disclosed	
Efek hutang yang diterbitkan - neto	-		3.318.562	-	3.318.562	Debt securities issued - net	
Total liabilitas yang nilai wajarnya diungkapkan	-		3.318.562	-	3.318.562	Total liabilities for which fair value are disclosed	
Total	-		5.383.195	-	5.383.195	Total	
		31 Desember/ 31 December 2018					
		Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	Total		
Aset yang diukur pada nilai wajar						Assets measured at fair value	
Kredit yang diberikan - neto	-		1.016.778	-	1.016.778	Loans - net	
Tagihan derivatif	-		667.761	-	667.761	Derivative receivables	
Efek-efek yang diperdagangkan	344.546		-	-	344.546	Trading securities	
Investasi keuangan tersedia untuk dijual	10.202.287		-	-	10.202.287	Financial investments available-for-sale	
Total aset yang diukur pada nilai wajar	10.546.833		1.684.539	-	12.231.372	Total assets measured at fair value	
Aset yang nilai wajarnya diungkapkan						Assets for which fair value are disclosed	
Kredit yang diberikan - neto	-		70.516.468	774.876	71.291.344	Loans - net	
Tagihan atas surat berharga yang dibeli dengan janji dijual kembali	-		907.016	-	907.016	Receivables on securities purchased with agreements to resell	
Investasi keuangan dimiliki hingga jatuh tempo - neto	-		5.385.301	-	5.385.301	Financial investments held-to-maturity - net	
Agunan yang diambil alih - neto	-		-	68.971	68.971	Foreclosed assets - net	
Properti terbengkalai	-		-	7.424	7.424	Abandoned property	
Total aset yang nilai wajarnya diungkapkan	-		76.808.785	851.271	77.660.056	Total assets for which fair value are disclosed	
Total	10.546.833		78.493.324	851.271	89.891.428	Total	

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42. Nilai Wajar Instrumen Keuangan (lanjutan)

Tabel dibawah ini menyajikan aset dan liabilitas yang diakui pada nilai wajar berdasarkan hirarki yang digunakan Bank untuk menentukan dan mengungkapkan nilai wajar dari aset dan liabilitas: (lanjutan)

42. Fair Value of Financial Instruments (continued)

The tables below show the asset and liabilities recognized at fair value based on the hierarchy used by the Bank in determining and disclosing the fair value of asset and liabilities: (continued)

31 Desember/ 31 December 2018					
Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	Total		
Liabilitas yang diukur pada nilai wajar				Liabilities measured at fair value	
Liabilitas derivatif	618.585	-	618.585	Derivative liabilities	
Pinjaman yang diterima	1.115.140	-	1.115.140	Borrowings	
Total liabilitas yang diukur pada nilai wajar	-	1.733.725	-	1.733.725	Total liabilities measured at fair value
Liabilitas yang nilai wajarnya diungkapkan				Liabilities for which fair value are disclosed	
Liabilitas atas surat berharga yang dijual dengan janji dibeli kembali	580.138	-	580.138	Liabilities on securities sold under repurchase agreements	
Efek hutang yang diterbitkan - neto	3.806.581	-	3.806.581	Debt securities issued - net	
Total liabilitas yang nilai wajarnya diungkapkan	-	4.386.719	-	4.386.719	Total liabilities for which fair value are disclosed
Total	-	6.120.444	-	6.120.444	Total

43. Informasi Segmen Operasi

Tabel berikut adalah informasi segmen Bank berdasarkan segmen operasi:

43. Operating Segment Information

The tables below show the business segment information of the Bank, which are based on operating segment:

31 Desember/ 31 December 2019					
	Wholesale	Retail	Lainnya/ Others	Total	
Laporan laba rugi dan penghasilan komprehensif lain					Statement of profit or loss and other comprehensive income
Pendapatan	2.388.251	2.013.104	469.379	4.870.734	Income
Beban	(748.876)	(2.002.881)	(710.251)	(3.462.008)	Expenses
Cadangan kerugian penurunan nilai	(280.053)	(216.782)	-	(496.835)	Allowance for impairment losses
Laba sebelum beban pajak	1.359.322	(206.559)	(240.872)	911.891	Income before tax expense
Beban pajak				(245.600)	Tax expense
Laba tahun berjalan				666.291	Income for the year
Laporan posisi keuangan					Statement of financial position
Jumlah aset	74.468.692	27.278.147	3.914.633	105.661.472	Total assets
Jumlah liabilitas	45.385.580	40.959.962	7.041.353	93.386.895	Total liabilities

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43. Informasi Segmen Operasi (lanjutan)

Tabel berikut adalah informasi segmen Bank berdasarkan segmen operasi: (lanjutan)

43. Operating Segment Information (continued)

The tables below show the business segment information of the Bank, which are based on operating segment: (continued)

	31 Desember/ 31 December 2018				
	Wholesale	Retail	Lainnya/ Others	Total	
Laporan laba rugi dan penghasilan komprehensif lain					Statement of profit or loss and other comprehensive income
Pendapatan	2.226.137	1.926.537	335.782	4.488.456	Income
Beban	(631.647)	(1.789.146)	(689.971)	(3.110.764)	Expenses
Cadangan kerugian penurunan nilai	(432.381)	(231.030)	(4.077)	(667.488)	Allowance for impairment losses
Laba sebelum beban pajak	1.162.109	(93.639)	(358.266)	710.204	Income before tax expense
Beban pajak				(198.843)	Tax expense
Laba tahun berjalan				511.361	Income for the year
Laporan posisi keuangan					Statement of financial position
Jumlah aset	73.469.699	25.518.707	4.687.542	103.675.948	Total assets
Jumlah liabilitas	42.154.679	37.983.414	12.161.186	92.299.279	Total liabilities

Informasi yang berkaitan dengan segmen geografis Bank disajikan dalam tabel di bawah ini:

Information concerning the geographical segments of the Bank are set out in the tables below:

	31 Desember/ 31 December 2019				
	Jawa dan Bali/ Java and Bali	Sumatera	Kalimantan dan Sulawesi/ Kalimantan and Sulawesi	Total	
Laporan laba rugi dan penghasilan komprehensif lain					Statement of profit or loss and other comprehensive income
Pendapatan*	4.409.997	323.064	137.673	4.870.734	Income*
Laporan posisi keuangan					Statement of financial position
Jumlah aset	96.676.486	6.520.392	2.464.594	105.661.472	Total assets

* Pendapatan terdiri dari Pendapatan bunga neto, Pendapatan operasional lainnya, dan Pendapatan non-operasional.

* Income consist of Interest income-net, Other operating income, and Non-operating income.

	31 Desember/ 31 December 2018				
	Jawa dan Bali/ Java and Bali	Sumatera	Kalimantan dan Sulawesi/ Kalimantan and Sulawesi	Total	
Laporan laba rugi dan penghasilan komprehensif lain					Statement of profit or loss and other comprehensive income
Pendapatan*	4.042.225	319.171	127.060	4.488.456	Income*
Laporan posisi keuangan					Statement of financial position
Jumlah aset	94.401.393	6.734.822	2.539.733	103.675.948	Total assets

* Pendapatan terdiri dari Pendapatan bunga neto, Pendapatan operasional lainnya, dan Pendapatan non-operasional.

* Income consist of Interest income-net, Other operating income, and Non-operating income.

44. Penitipan Harta

Bank juga memberikan jasa penitipan harta. Total uang jasa yang diterima dari pemberian jasa ini selama tahun 2019 dan 2018 adalah masing-masing sebesar Rp2.786 dan Rp280. Pada tanggal 6 Juli 2010, Bank telah memperoleh Surat Keputusan Badan Pengawas Pasar Modal dan Lembaga Keuangan No. KEP-287/BL/2010, tentang Penetapan Penggunaan Persetujuan Bank Umum Sebagai Kustodian Atas Nama PT Bank UOB Indonesia.

44. Custodianship

The Bank engages in the provision of custodial services. Total fees received from custodial services during 2019 and 2018 amounted to Rp2,786 and Rp280, respectively. On 6 July 2010, the Bank has obtained a Decree of the Capital Market and Financial Institutions Supervisory Agency No. KEP-287/BL/2010 about the Stipulation of Use of Approval of Commercial Bank as Custodian on behalf of PT Bank UOB Indonesia.

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45. Tambahan Informasi Arus Kas

Perubahan pada liabilitas yang timbul dari aktivitas pendanaan pada laporan arus kas adalah sebagai berikut:

	1 Januari/ 1 January 2019	Arus kas/Cash flows		Perubahan non kas/ Non-cash changes	Selisih kurs/ Foreign exchange	31 Desember/ 31 December 2019	
		Penerimaan/ Proceeds	Pembayaran/ Payment				
Pinjaman diterima	3.200.240	-	-	-	(99.728)	3.100.512	Borrowings
Surat berharga yang dijual dengan janji dibeli kembali	580.138	419.632	(581.476)	5.832	-	424.126	Securities sold under agreements to repurchase
Efek hutang yang diterbitkan - neto	3.791.207	850.000	(1.462.000)	(285)	-	3.178.922	Debt securities issued - net
Total	7.571.585	1.269.632	(2.043.476)	5.547	(99.728)	6.703.560	Total

	1 Januari/ 1 January 2018	Arus kas/Cash flows		Perubahan non kas/ Non-cash changes	Selisih kurs/ Foreign exchange	31 Desember/ 31 December 2018	
		Penerimaan/ Proceeds	Pembayaran/ Payment				
Pinjaman diterima	333.138	2.851.725	-	-	15.377	3.200.240	Borrowings
Surat berharga yang dijual dengan janji dibeli kembali	-	576.879	-	3.259	-	580.138	Securities sold under agreements to repurchase
Efek hutang yang diterbitkan - neto	3.388.604	1.000.000	(600.000)	2.603	-	3.791.207	Debt securities issued - net
Total	3.721.742	4.428.604	(600.000)	5.862	15.377	7.571.585	Total

45. Supplementary Cash Flow Information

Changes in liabilities arising from financing activities in the cash flow statement are as follows:

46. Standar Akuntansi yang Telah Disahkan Namun Belum Berlaku Efektif

Standar akuntansi dan interpretasi yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK), tetapi belum berlaku efektif untuk laporan keuangan tahun berjalan diungkapkan di bawah ini.

Mulai efektif pada atau setelah 1 Januari 2020

- PSAK 71: Instrumen Keuangan, yang diadopsi dari IFRS 9, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan.

PSAK ini mengatur klasifikasi dan pengukuran instrumen keuangan berdasarkan karakteristik dari arus kas kontraktual dan model bisnis entitas; metode kerugian kredit ekspektasian untuk penurunan nilai yang menghasilkan informasi yang lebih tepat waktu, relevan dan dimengerti oleh pemakai laporan keuangan; akuntansi untuk lindung nilai yang merefleksikan manajemen risiko entitas lebih baik dengan memperkenalkan persyaratan yang lebih umum berdasarkan pertimbangan manajemen.

46. Accounting Standards Issued but not yet Effective

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

Effective beginning on or after 1 January 2020

- SFAS 71: Financial Instruments, adopted from IFRS 9, effective 1 January 2020 with earlier application is permitted.

This SFAS provides for classification and measurement of financial instruments based on the characteristics of contractual cash flows and business model of the entity; expected credit loss impairment model allowing more timely, relevant and understandable information to users of financial statements; accounting for hedging that reflects the entity's risk management better by introducing a more general requirements based on management's judgment.

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46. Standar Akuntansi yang Telah Disahkan
Namun Belum Berlaku Efektif (lanjutan)

Mulai efektif pada atau setelah 1 Januari 2020
(lanjutan)

Standar akuntansi dan interpretasi yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK), tetapi belum berlaku efektif untuk laporan keuangan tahun berjalan diungkapkan di bawah ini. (lanjutan)

- PSAK 72: Pendapatan dari Kontrak dengan Pelanggan, yang diadopsi dari IFRS 15, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan.

PSAK ini adalah standar tunggal untuk pengakuan pendapatan yang merupakan hasil dari *joint project* yang sukses antara *International Accounting Standards Board* (IASB) dan *Financial Accounting Standards Board* (FASB), yang mengatur model pengakuan pendapatan dari kontrak dengan pelanggan, sehingga entitas diharapkan dapat melakukan analisis sebelum mengakui pendapatan.

- PSAK 73: Sewa, yang diadopsi dari IFRS 16, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan untuk entitas yang juga telah menerapkan PSAK 72: Pendapatan dari Kontrak dengan Pelanggan.

PSAK ini menetapkan prinsip pengakuan, pengukuran, penyajian, dan pengungkapan atas sewa dengan memperkenalkan model akuntansi tunggal, untuk mengakui aset hak guna (*right-of-use assets*) dan liabilitas sewa. Terdapat 2 pengecualian opsional dalam pengakuan aset dan liabilitas sewa, yakni untuk: (i) sewa jangka-pendek dan (ii) sewa yang aset terkait (*underlying assets*) bernilai-rendah.

- Amandemen PSAK 1 dan PSAK 25: Definisi material berlaku efektif 1 Januari 2020

Amandemen ini mengklarifikasi definisi material dengan tujuan menyelaraskan definisi yang digunakan dalam kerangka kerja konseptual dan beberapa PSAK terkait. Selain itu, juga memberikan panduan yang jelas mengenai definisi material dalam konteks pengurangan pengungkapan yang berlebihan karena perubahan ambang batas definisi material.

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46. Accounting Standards Issued but not yet
Effective (continued)

Effective beginning on or after 1 January 2020
(continued)

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

- *SFAS 72: Revenue from Contracts with Customers, adopted from IFRS 15, effective 1 January 2020 with earlier application is permitted.*

This SFAS is a single standards that a joint project between the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB), which provides revenue recognition from contracts with customers, and the entity is expected to perform an analysis before recognizing the revenue.

- *SFAS 73: Leases, adopted from IFRS 16, effective 1 January 2020 with earlier application is permitted, but not before an entity applies SFAS 72: Revenue from Contracts with Customers.*

This SFAS establishes the principles of recognition, measurement, presentation, and disclosure of the lease by introducing a single accounting model, to recognize the asset's right-of-use and lease liability; there are 2 optional exclusions in the recognition of the lease assets and liabilities: (i) short-term lease and (ii) lease with low-value underlying assets.

- *Amendment to SFAS 1 and SFAS 25: Definition of Material, effective 1 January 2020*

This amendment clarifies the definition of material with the aim of harmonizing the definitions used in the conceptual framework and some relevant SFAS. In addition, it also provides clearer guidance regarding the definition of material in the context of reducing overdisclosure due to changes in the threshold of the material definition.

PT BANK UOB INDONESIA
CATATAN ATAS LAPORAN KEUANGAN
Tanggal 31 Desember 2019 dan untuk
Tahun yang Berakhir pada Tanggal
Tersebut
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

46. Standar Akuntansi yang Telah Disahkan
Namun Belum Berlaku Efektif (lanjutan)

Mulai efektif pada atau setelah 1 Januari 2020
(lanjutan)

Standar akuntansi dan interpretasi yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK), tetapi belum berlaku efektif untuk laporan keuangan tahun berjalan diungkapkan di bawah ini. (lanjutan)

- Amandemen PSAK 71: Instrumen Keuangan: Fitur Pembayaran di Muka dengan Kompensasi Negatif

Amandemen ini mengklarifikasi bahwa aset keuangan melewati kriteria 'semata-mata pembayaran pokok dan bunga atas jumlah pokok terutang' terlepas dari peristiwa atau keadaan yang menyebabkan pemutusan awal kontrak dan terlepas dari pihak mana membayar atau menerima kompensasi yang wajar untuk awal pemutusan kontrak.

Mulai efektif pada atau setelah 1 Januari 2021

- Amandemen PSAK 22: Definisi Bisnis, berlaku efektif 1 Januari 2021.

Amandemen ini dikeluarkan untuk membantu entitas menentukan apakah serangkaian kegiatan dan aset yang diperoleh adalah bisnis atau tidak. Mereka mengklarifikasi persyaratan minimum untuk bisnis, menghapus penilaian apakah pelaku pasar mampu mengganti elemen yang hilang, menambah panduan untuk membantu entitas menilai apakah proses yang diperoleh adalah substantif, mempersempit definisi bisnis dan output, dan memperkenalkan uji konsentrasi nilai wajar opsional. Contoh ilustratif baru diberikan bersama dengan amandemen.

Pada saat penerbitan laporan keuangan, Bank sedang melakukan finalisasi dampak dari penerapan standar akuntansi baru tersebut terhadap laporan keuangan Bank.

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46. Accounting Standards Issued but not yet
Effective (continued)

Effective beginning on or after 1 January 2020
(continued)

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

- *Amendments to SFAS 71: Financial Instruments: Prepayment Features with Negative Compensation*

These amendments clarify that a financial asset passes the 'solely payments of principal and interest on the principal amount outstanding' criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

Effective beginning on or after 1 January 2021

- *Amendments to SFAS 22: Definition of Business, effective from 1 January 2021*

These amendments were issued to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments.

As at the authorisation date of this financial statements, Bank is finalizing the impacts of these new accounting standards to the Bank's financial statements.

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47. Reklasifikasi Akun

Beberapa akun dalam laporan keuangan untuk tahun yang berakhir pada tanggal 31 Desember 2018 telah direklasifikasi agar sesuai dengan penyajian laporan keuangan untuk tahun yang berakhir pada tanggal 31 Desember 2019.

Rincian reklasifikasi akun-akun tersebut adalah sebagai berikut:

47. Reclassifications of Accounts

Certain accounts in the financial statements for the year ended 31 December 2018 have been reclassified to conform with the presentation of the financial statements for the year ended 31 December 2019.

The details of the accounts reclassification are as follows:

	31 Desember/December 2018			
	Dilaporkan sebelumnya/ As previously reported	Reklasifikasi/ Reclassifications	Dilaporkan saat ini/ As currently Rported	
LAPORAN ARUS KAS				STATEMENT OF CASH FLOWS
ARUS KAS DARI AKTIVITAS OPERASI				CASH FLOWS FROM OPERATING ACTIVITIES
Pembayaran bunga	(3.687.948)	3.259	(3.684.689)	Payment of interest
Kas bersih digunakan untuk aktivitas operasi	(6.881.068)	3.259	(6.877.809)	Net cash used in operating activities
Penerimaan atas surat berharga yang dijual dengan janji dibeli kembali	580.138	(3.259)	576.879	Proceeds from securities sold under repurchase agreements
Kas bersih diperoleh dari aktivitas pendanaan	3.829.054	(3.259)	3.825.795	Net cash provided from financing activities

48. Penyelesaian Laporan Keuangan

Manajemen bertanggung jawab atas penyajian laporan keuangan yang telah diselesaikan dan diotorisasi untuk terbit oleh Direksi Bank pada tanggal 30 Januari 2020.

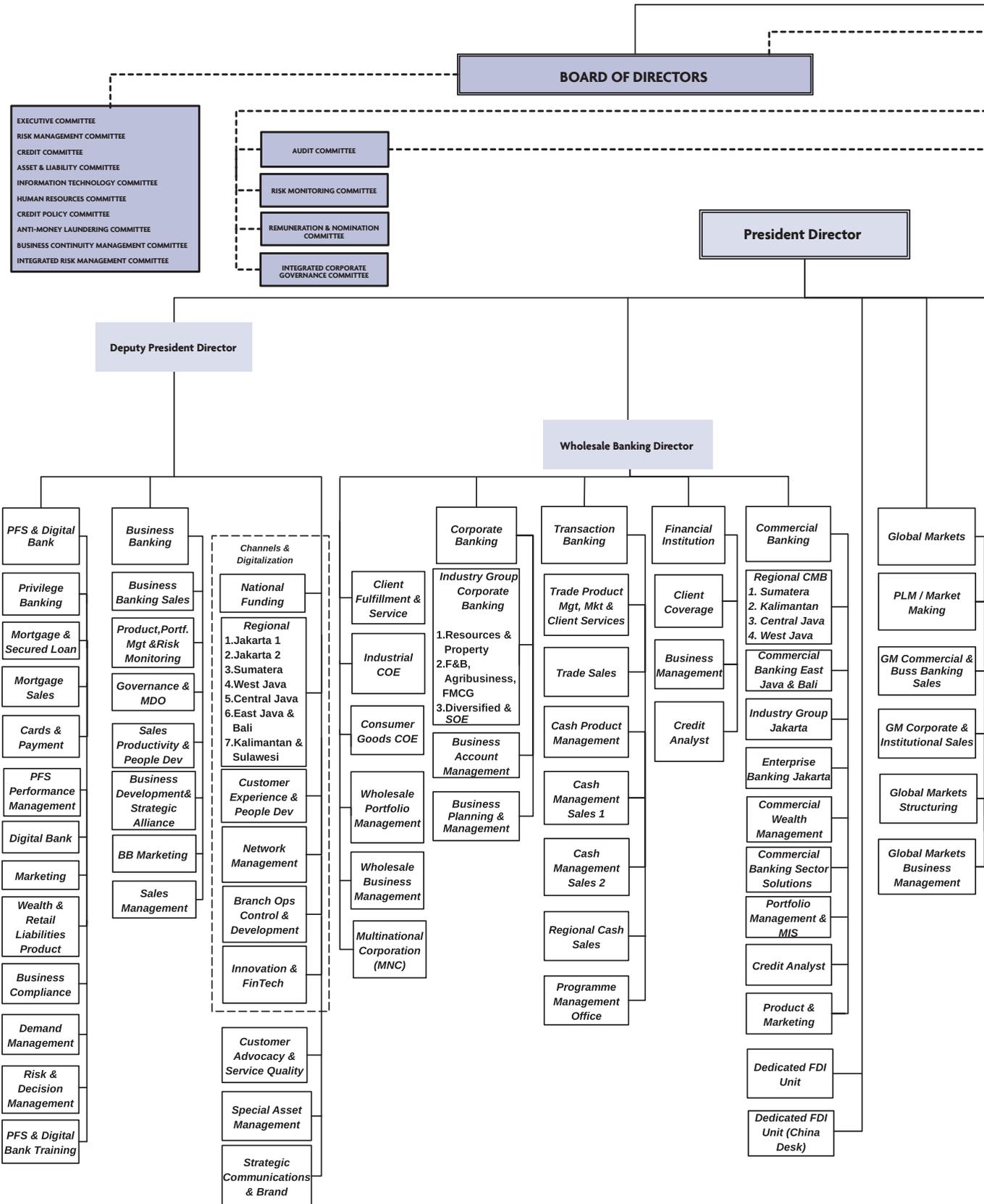
48. Completion of the Financial Statements

The management is responsible for the preparation of financial statements which were completed and authorized for issuance by the Bank's Board of Directors on 30 January 2020.

Corporate Information

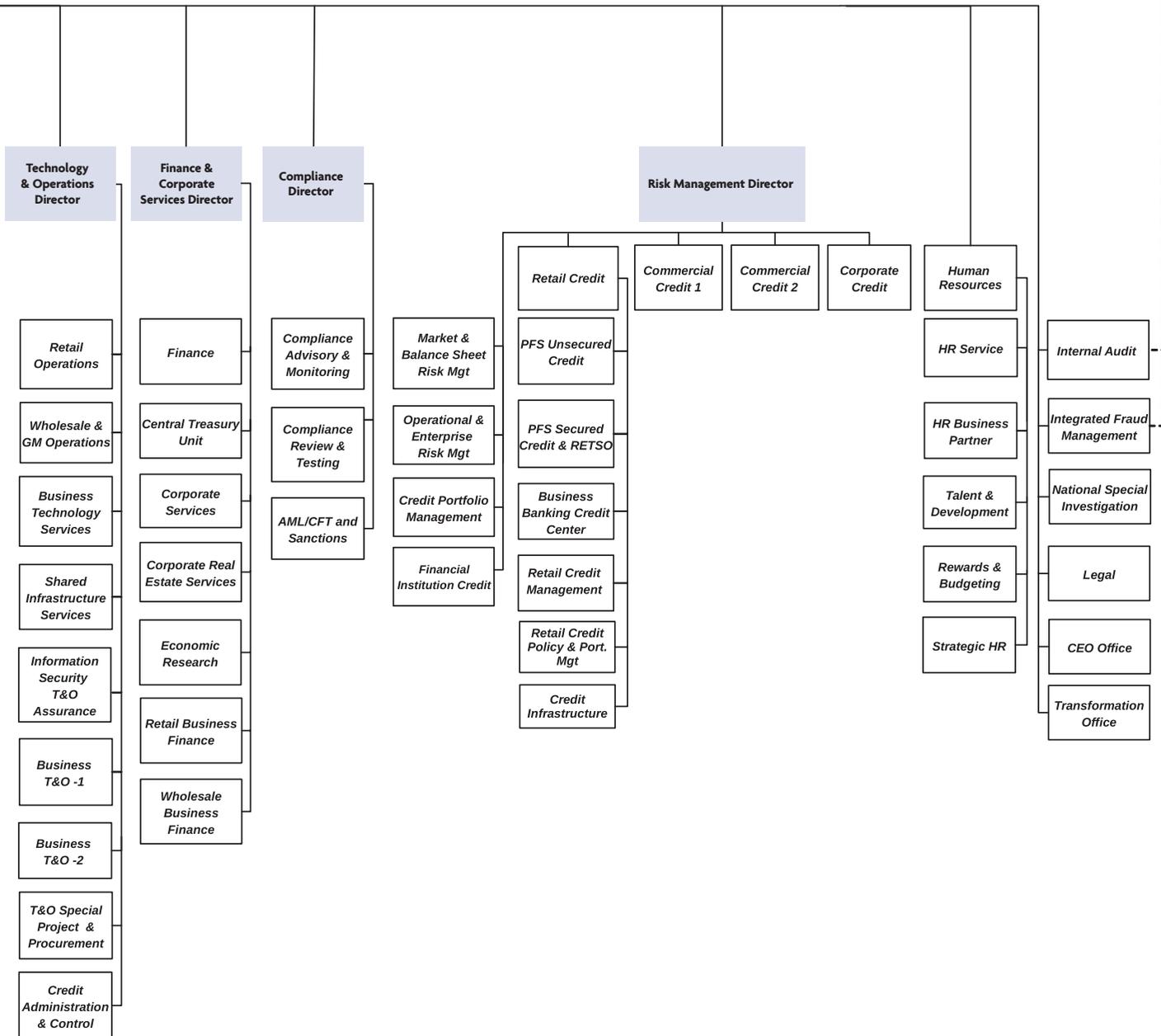
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Organisation Structure [102-18]



GENERAL MEETING OF SHAREHOLDERS

BOARD OF COMMISSIONERS



Profile of Board of Commissioners



Wee Ee Cheong

President Commissioner

Mr Wee Ee Cheong, aged 67 years, is a Singaporean citizen and currently domiciled in Singapore. Mr Wee was appointed President Commissioner at the Annual General Meeting of Shareholders on 29 April 2019 and effectively served in that role from 22 October 2019. He was Deputy President Commissioner from 2011 to 2019 and Commissioner from 2007 to 2011.

He holds a Bachelor of Science (Business Administration) and Master of Arts (Applied Economics) from the American University, Washington, D.C., USA.

A career banker with 40 years of experience, Mr Wee joined United Overseas Bank Limited (UOBS) in 1979. He was appointed as a Director of UOBS in 1990. He currently serves as Deputy Chairman of UOBS, United Overseas Bank (Malaysia) Bhd and United Overseas Bank (Thai) Public Company as well as Chairman of United Overseas Bank (China) Limited. He is also a director of United Overseas Insurance Limited.

Mr Wee is a council member of The Association of Banks in Singapore and The Institute of Banking & Finance. He is also a member of the Singapore-China Foundation Board of Governors, Indonesia-Singapore Business Council, and an Honorary Council Member of the Singapore Chinese Chamber of Commerce & Industry. He was previously Deputy Chairman of the Housing & Development Board and a director of the Port of Singapore Authority, UOL Group and Pan Pacific Hotels Group.

A keen art enthusiast, Mr Wee is the Patron of the Nanyang Academy of Fine Arts. He is also a director of Wee Foundation.

In 2013, he was awarded the Public Service Star for his contributions to the financial industry.

Training attended by Mr Wee in 2019 included ASEAN Conference 2019, ASEAN Connect Seminar 2019, Open Banking and Financial Planning Digital Services Cybersecurity, AML/CFT Sanctions Update, Risk Culture, ESG Strategy Development, Ethical use of data and principles to promote Fairness, Ethics, Accountability and Transparency, Diversity and Inclusiveness workshop, Indonesia Regulatory Framework, Market and Banking Landscape.

Mr Wee has no affiliations with other members of Board of Commissioners and Board of Directors. He has an affiliation with the controlling shareholders of the Bank.



Chin Voon Fat

Deputy President Commissioner

Mr Chin Voon Fat, aged 59 years, is a Malaysian citizen and currently domiciled in Singapore. Mr Chin was appointed as Deputy President Commissioner at the Annual General Meeting of Shareholders on 29 April 2019 and effectively served in the role from 22 October 2019. He was appointed as Commissioner from 27 May 2019 to 22 October 2019. Mr Chin is a member of UOB Indonesia's Remuneration and Nomination Committee.

He holds a Bachelor of Commerce (Accounting and Econometrics) from the University of Melbourne, Australia. Mr Chin has more than 35 years' experience in banking.

Mr Frederick Chin joined United Overseas Bank Limited (UOBS) in 2013 and currently oversees the Wholesale Banking Group, comprising commercial banking, corporate banking, transaction banking, structured trade and commodity finance, sector solutions group, product development, special asset-based finance, financial institution business, investment banking and treasury services.

He began his career at Bank of America from 1984 to 2013. He was the Executive Asia Pacific Committee for the merger of Bank of America Merrill Lynch in 2010-2013. Previously, he also served as a Country Executive for Greater China, Thailand, Indonesia, and Malaysia.

Training attended by Mr Frederick Chin in 2019 included Risk Management Certificate Level 1, ASEAN Conference 2019, Cloud Next 2019 by Google, The Bridge Forum CEO Summit 2019 and GIC Insights and the Singapore Summit 2019, and Open Banking and Financial Planning Digital Services.

Mr Frederick Chin has no affiliations with other members of Board of Commissioners and the Board of Directors. He has an affiliation with the controlling shareholders of the Bank.



Chan Kok Seong
Commissioner

Mr Chan Kok Seong, aged 57 years, is a Singaporean citizen and currently domiciled in Singapore. He was appointed as a Commissioner at the Annual General Meeting of Shareholders on 29 April 2019 and effectively served in that role from 22 October 2019.

He holds a Bachelor of Accounting from the University of Malaya, Malaysia and is a member of the Malaysian Institute of Certified Public Accountants.

Mr Chan Kok Seong has more than 33 years of work experience in risk management and banking. Prior to his appointment in Singapore in 2012, he was the Chief Executive Officer of United Overseas Bank (Malaysia) Bhd. He is a director of United Overseas Bank (Thai) Public Company Limited and Avatec.ai (S) Pte.Ltd, and a member council of United Overseas Bank (Vietnam) Limited.

He began his career at Central Bank of Malaysia in 1986 to 1995. From 1995 to 1998, he was with the Arab-Malaysian Merchant Bank, where he last served as Head of Risk Management.

Training attended by Mr Chan Kok Seong in 2019 included Risk Management Certificate Level 1, Cybersecurity, MAS Lecture on The Rise of Technology in Finance, IMF Regional Economic Outlook for Asia and the Pacific, ASEAN Central Bank Governors and Financial Institution CEOs' Dialogue, and Open Banking and Financial Planning Digital Services.

Mr Chan Kok Seong has no affiliations with other members of Board of Commissioners and the Board of Directors. He has an affiliation with the controlling shareholders of the Bank.



Wayan Alit Antara
Independent Commissioner

Mr Wayan Alit Antara, aged 72 years, is an Indonesian citizen and currently domiciled in Jakarta. He was appointed as the Bank's Independent Commissioner for the first time in January 2009 and reappointed at the Annual General Meeting of Shareholders on 26 April 2017. Currently, he also serves as the Chairman of UOB Indonesia's Risk Monitoring Committee.

He earned his Bachelor of Agricultural Economics from the Faculty of Agriculture of Gadjah Mada University, Yogyakarta. He has more than 43 years of experience in banking industry.

He began his career in banking at PT Bank Rakyat Indonesia in 1976 with his last position as Deputy Managing Director and retired in 2006. During his 30 years of career at PT Bank Rakyat Indonesia, he held several key positions, namely as the Director of Finance and Treasury and the Director of Micro, Retail, and Sharia Loans. From 2007 to 2008, he served as an Independent Commissioner at PT Bhakti Securities and from 2008 to 2016, he served as a Commissioner at PT Sumber Abadi Tirtasentosa.

Training attended by Mr Wayan in 2019 included Bank Tech Asia Jakarta Series 2019 - International Banking Conference.

Mr Wayan has no affiliations with other members of Board of Commissioners, Board of Directors, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies.

Mr Wayna has declared his independency and conveyed the independency statement. This independency statement coincided with his appointment as an Independent Commissioner who has served for more than two periods.

Profile of Board of Commissioners



Aswin Wirjadi

Independent Commissioner

Mr Aswin Wirjadi, aged 72 years, is an Indonesian citizen and currently domiciled in Jakarta. Mr Aswin was appointed as the Bank's Independent Commissioner for the first time in June 2009 and reappointed at the Annual General Meeting of Shareholders on 26 April 2017. Currently, Mr Aswin also serves as the Chairman of UOB Indonesia's Audit Committee.

He earned his Bachelor of Engineering from the Atma Jaya Catholic University, Jakarta. He has more than 42 years of experience in banking industry.

Mr Aswin has began his career at PT IBM Indonesia in 1972. He then joined and worked at Chase Manhattan Bank NA in 1977 to 1989 with his last position as the Country Consumer and Private Banking Head for Jakarta Branch. In 1989, he served as the MIS Director at PT Indomobil Niaga International. After that he joined PT Bank Central Asia in 1990 with his last position as Deputy President Director (2008). Previously, he also served as the Chairman of Financial Wealth Pte Ltd in 2008 to 2016 and a Commissioner at PT Limawira Wisesa from 2005 to 2009.

Training attended by Mr Aswin in 2019 included Bank Tech Asia Jakarta Series 2019 - International Banking Conference and Economic Outlook 2019.

Mr Aswin has no affiliations with other members of Board of Commissioners, Board of Directors, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies.

Mr Aswin has declared his independency and conveyed the independency statement. This independency statement coincided with his appointment as an Independent Commissioner who has served for more than two periods.



VJH Boentaran Lesmana

Independent Commissioner

Mr VJH Boentaran Lesmana, aged 72 years, is an Indonesian citizen and currently domiciled in Jakarta. Mr Boentaran was appointed as the Bank's Independent Commissioner at the Annual General Meeting of Shareholders on 9 May 2018. Currently, he also serves as the Chairman of UOB Indonesia's Remuneration and Nomination Committee.

He earned his Bachelor of Economic from the Faculty of Economics of the University of Indonesia, Jakarta. He has more than 48 years of experience as an auditor with expertise in the financial services sector, including banking, multi finance, pension fund, and insurance.

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

Training attended by Mr Boentaran throughout 2019 included Sustainable Training in Transfer Pricing & Transfer Pricing Documentation, Differences in Income Concepts between PPH Law and IFRS and Their Implications in Practice, and Recent Tax Audit Cases and their Handling Solutions.

Mr Boentaran has no affiliations with other members of Board of Commissioners, Board of Directors, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies.

Profile of Board of Directors



Lam Sai Yoke

President Director

Mr Lam Sai Yoke (Kevin Lam), aged 51 years, is a Singaporean citizen and currently domiciled in Jakarta. Mr Lam Sai Yoke was appointed as UOB Indonesia's President Director for the first time at the Extraordinary General Meeting of Shareholders on 2 November 2015 and reappointed through the Annual General Meeting of Shareholders on 26 April 2017.

He earned his Business Administration degree from the National University of Singapore and has more than 25 years of experience in banking industry.

Mr Lam has worked for several large international foreign banks and technology companies in Singapore, USA, and Hong Kong for more than a decade before joining UOB Group.

In his 26 years of experience in the banking industry, he has held a range of positions in the areas of strategic planning, business management, product development, sales and distribution, technology and banking infrastructure development, and other areas of corporate services.

Mr Lam has been with UOB Group since 2005 and served various strategic positions, such as the Head of Secured Loans Personal Financial Services at UOB Singapore from 2005 to 2009, Managing Director Head of Sales and Distribution at UOB Singapore from 2009 to 2010, and Managing Director Head of Personal Financial Services at UOB Malaysia from 2011 to 2013.

Prior to joining UOB Indonesia, his latest position has been the Deputy Chief Executive Officer at UOB Malaysia since 2013.

Educational and training courses attended by Mr Lam in 2019 included Treasury Advance Certificate, International Financial Reporting Standard 9, UOB Talks 10x Strategy, Breakthrough Service For Senior Management, Anti-Money Laundering and Countering the Financing of Terrorism Basic Level, UOB Indonesia Risk Forum, Digital Banking Workshop and Executive Programme.

Mr Lam has no affiliations with other members of Board of Directors, Board of Commissioners, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies.



Hendra Gunawan

Deputy President Director

Mr Hendra Gunawan, aged 49 years, is an Indonesian citizen and currently domiciled in Jakarta. Mr Hendra was appointed as the Deputy President Director at the Annual General Meeting of Shareholders on 29 April 2019.

He earned his Bachelor's degrees in Finance from the Wharton School of Finance and Commerce, and in Electrical Engineering from the Moore School of Electrical Engineering, University of Pennsylvania, Philadelphia, USA. He has more than 25 years of experience in banking and financial industry.

Since 2011, he has been working at UOB Group and served several strategic positions at UOB Singapore, such as the Managing Director, Head of Centre of Excellence for Agri Business and Food & Beverage across corporate banking businesses outside of Singapore, from 2011 to 2017. He was appointed as the Deputy Chief Executive Officer of UOB Malaysia in 2017 with the responsibility to manage the Wholesale Banking business, Retail Banking business, Islamic Banking business, Technology and Operations, Strategic Communications and Brand, and Customer Advocacy and Service Quality, as well as to drive UOB Malaysia's strategic business initiatives.

Prior to joining UOB, he served as the Vice President of Deutsche Bank Global Corporate Finance, Singapore, from 2000 to 2002. He then joined DBS Group in 2003 until 2011 and served his last position as the President Director of PT Bank DBS Indonesia.

Educational and training courses attended by Mr Hendra Gunawan in 2019 included Risk Management Certificate Level 5, UOB Talks: 10x Strategy, and Anti-Money Laundering and Countering the Financing of Terrorism Basic Level.

Mr Hendra has no affiliations with other members of Board of Directors, Board of Commissioners, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies.

Profile of Board of Directors



Teh Han Yi

Finance and Corporate Services Director

Ms Teh Han Yi, aged 50 years, is a Singaporean citizen and currently domiciled in Jakarta. Ms Han Yi was appointed as a Director at the Extraordinary General Meeting of Shareholders on 21 June 2019 and has effectively served the Bank in that role from 28 November 2019.

She earned her Bachelor of Accounting degree from Nanyang Technological University, Singapore, and is a Certified Public Accountant (CPA). She has more than 25 years of experience in banking and financial service industries.

She began her career as an Auditor at the Auditor General's Office, Singapore, before joining the Overseas Union Bank Limited in the fields of Finance and Corporate Finance. She joined UOB Singapore in 1999 where she worked for eight years before resigning from her last position as the Head of Group Financial Reporting. She then joined IBM China as the Financial Management Solution Leader.

In 2012, she rejoined UOB Group and served as the Chief Financial Officer at UOB China until 2017. In 2017-2019, she worked at Group Human Resources and Group Finance.

Educational and training courses attended by Ms Han Yi in 2019 included Risk Management Certification Level 5, International Financial Reporting Standard 9, and UOB Talks: 10x Strategy.

Ms Han Yi has no affiliations with other members of Board of Directors, Board of Commissioners, and the controlling shareholders of the Bank. She also has no concurrent positions at other companies.



Henky Sulisty

Risk Management Director

Mr Henky Sulisty, aged 45 years, is an Indonesian citizen and currently domiciled in Jakarta. Mr Henky was appointed as UOB Indonesia's Director at the Extraordinary General Meeting of Shareholders on 7 February 2017 and reappointed through the Annual General Meeting of Shareholders on 26 April 2017.

He earned his Master of Business Administration from La Trobe University, Australia. He is also a certified FRM (Financial Risk Manager) by GARP and has more than 21 years of risk management experience in banking industry.

Prior to joining UOB Indonesia, he began his career at the American Express Bank Jakarta in 1998 as a Treasury Middle Officer. In 2001, he was transferred to American Express Bank Singapore until 2008 with his last position being a Director, Regional Risk Manager for Asia Pacific. Afterwards, he joined DBS Bank as a Vice President, Head of Risk Management Unit for DBS Indonesia for two years. In 2010, he served as a Vice President, Corporate Treasury for branches and subsidiaries outside Singapore and Greater China.

In 2012, he returned to Indonesia and joined Bank CIMB Niaga as a Senior Vice President, Head of Risk Management. Subsequently, he joined Maybank Indonesia in 2014 and was appointed as the Director of Risk Management.

Educational and training courses attended by Mr Henky in 2019 included High Performance Leadership (HPL) Programme, International Financial Reporting Standard 9, UOB Talks 10x Strategy, UOB Indonesia Risk Forum, Anti-Money Laundering and Countering the Financing of Terrorism Basic Level, Digital Banking Workshop and Operational Risk Management Begins With Me.

Mr Henky has no affiliations with other members of Board of Directors, Board of Commissioners, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies.



Soehadie Tansol

Compliance Director

Mr Soehadie Tansol, aged 60 years, is an Indonesian citizen and currently domiciled in Jakarta. Mr Soehadie was appointed as the Compliance Director for the first time at the Annual General Meeting of Shareholders on 25 November 2002 and reappointed through the Annual General Meeting of Shareholders on 26 April 2017.

He participated in the Overseas Banker Program at the Pacific Bankers Management Institute at the University of Washington, USA, and has more than 39 years of experience in banking industry.

Prior to joining UOB Indonesia, he served several positions at PT Bank Buana Indonesia Tbk from 1980 to 1990, such as the Current Account Department Head, the Bookkeeping Department Head, and the Special Authorisation Official; from 1990 to 1999 as the Sub-branch Manager in Pontianak, the Branch Manager in Batam, Pontianak, and Palembang; from 1999 to 2001 as the Procedure, Research and Development Division Head; and from 2001 to 2002 as an Associate Director.

Educational and training courses attended by Mr Soehadie in 2019 included Digital Banking Workshop, International Financial Reporting Standard 9, UOB Talks 10x Strategy, and Anti-Money laundering and Countering the Financing of Terrorism Basic Level.

Mr Soehadie has no affiliations with other members of Board of Directors, Board of Commissioners, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies.

Paul Rafiuly

Technology and Operations Director

Mr Paul Rafiuly, aged 43 years, is an Indonesian citizen and currently domiciled in Jakarta. Mr Rafiuly was appointed as UOB Indonesia's Director at the Extraordinary General Meeting of Shareholders on 11 October 2018.

He holds several degrees, namely Bachelor of Architecture and Diploma in Business Administration from the University of Texas in Austin, USA; and Master of Science in Electrical Engineering and Computer Science as well as Master of Science in Building Technology from the Massachusetts Institute of Technology in Cambridge, USA. He also has a number of certifications comprising Chartered Financial Analyst (CFA), Financial Risk Manager (FRM), and Information System Security Professional (CISSP).

Mr Paul has more than 20 years of experience in the area of financial technology and operations and digital business development. He began his career as a Treasury and Risk Management Application Project Leader at Oracle Corporation - Redwood Shores, United States. He then served as a Product Manager at Dell Inc, Texas, United States and Engagement Manager at McKinsey & Company, Singapore. Afterwards, he joined OCBC Bank Singapore with his last position as the Head of (Enterprise) Technology Architecture, before joining Trimegah Securities Jakarta as the Chief Operating Officer.

Educational and training courses attended by Mr Paul in 2019 included Digital Banking Workshop, International Financial Reporting Standard 9, UOB Talks 10x Strategy, and Anti-Money laundering and Countering the Financing of Terrorism Basic Level.

Mr Paul has no affiliations with other members of Board of Directors, Board of Commissioners, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies.

Profile of Board of Directors



Harapman Kasan

Wholesale Banking Director

Mr Harapman Kasan, aged 51 years, is an Indonesian citizen and currently domiciled in Jakarta. Mr Harapman was appointed as a Director through the Extraordinary General Meeting of Shareholders on 21 June 2019.

He accomplished his studies in Accounting from the HKBP Nommensen University, Medan, and earned his Master of Business Administration from Kennedy Western – Lembaga Manajemen Internasional Indonesia (LMII).

He has more than 29 years of experience in banking industry and has been with UOB Indonesia since 2018 as the Head of Wholesale Banking.

Prior to joining UOB Indonesia, he worked at Citibank and served his last position as a Managing Director, Head of Citi Commercial Bank. He then worked at Bank Danamon and served his last position as the EVP Wholesale Business Head, before working at PT. Bank CIMB Niaga with his last position as the Regional Marketing Head.

Educational and training courses attended by Mr Harapman in 2019 included Business Intelligence and Analytics, International Financial Reporting Standard 9, and UOB Talks 10x Strategy.

Mr Harapman has no affiliations with other members of Board of Directors, Board of Commissioners, and the controlling shareholders of the Bank. He also has no concurrent positions at other companies

Profile of Audit Committee



Aswin Wirjadi
Independent Commissioner
Chairman of the Audit Committee

Mr Aswin Wirjadi was appointed as the Chairman of Audit Committee based on Board of Directors' Decision No.19/SKDIR/0038 dated 2 May 2019 on the Appointment of Members of the Audit Committee.

The profile of Mr Aswin can be found on page 402.



Setiawan Kriswanto
Member
(Independent Party)

Mr Setiawan Kriswanto, aged 58 years, is an Indonesian citizen, domiciled in Jakarta. He was first appointed as a member Audit Committee based on the Board of Directors' Decision No. 19/SKDIR/0038 dated 2 May 2019 on the Appointment of Members of the Audit Committee.

Mr Setiawan Kristanto started his career at the Ministry of Finance of the Republic of Indonesia from 1982 to 1983. Then, he dedicated most of his professional journey in financial and banking industry sector. Previously, he held a position of member of Audit Committee at Lembaga Pembiayaan Ekspor Indonesia (LPEI) – Indonesia Eximbank (IEB) from 2013 to 2018, PT Bank BRI AGRO Tbk from 2010 to 2017, PT Humpuss Intermoda Transportasi from 2008 to 2013, PT Bank Internasional Indonesia Tbk from 2008 to 2012, at PT Bank Danamon Indonesia Tbk, from 2002 to 2008, he became a member of Audit Committee and Risk Monitoring Committee. He also served as the Head of Temporary Bank Management Team at Indonesian Bank Restructuring Agency ("BPPN") from 1999 to 2002, the Division Head of Accountancy and Operations at PT Bank Dagang & Industri from 1991 to 1996, and an auditor at the Indonesian National Government Internal Auditor (BPKP) from 1983 to 1991. Among other positions, he currently serves as the member of Audit Committee at PT ABM Investama Tbk, PT CSUL Finance and PT WOM Finance Tbk.

He graduated from Sekolah Tinggi Akuntansi Negara (STAN), Jakarta, and obtained a bachelor degree from Sekolah Tinggi Ilmu Ekonomi Indonesia (STIESIA), Surabaya, as well as a master degree from Krisnadwipayana University, Jakarta.



Nina Diyanti Anwar
Member
(Independent Party)

Mrs Nina Diyanti Anwar, aged 59 years, is an Indonesian citizen, domiciled in Jakarta. She was appointed as a member Audit Committee based on the Board of Directors Decision No. 19/SKDIR/0038 dated 2 May 2019 on the Appointment of Members of the Audit Committee.

Mrs Nina Diyanti Anwar started her career as Auditor at the public accounting firm PricewaterhouseCoopers from 1985 to 1988. She joined as a financial analyst in USAID, Jakarta from 1988 to 1989. Then, she worked in the banking industry and held various position including Account Manager in Bank Indovest from 1989 to 1994; Senior Credit Analyst from 1994 to 1995 and Account Manager/Assistant Vice President (AVP) from 1995 to 1999 in Rabobank; Account Officer/AVP in ABN Amro Bank from 1999 to 2000; as a Group Head/Vice President Investor Relations Division/Treasury Group/Assets Management Division in Indonesian Bank Restructuring Agency (IBRA) from 2000 to 2004. Furthermore, she also was a member of Audit Committee at PT Semen Gresik Tbk, from 2004 to 2011, PT GMF Aerasia from 2006 to 2015 and PT Maybank Indonesia Tbk, from 2012 to April 2018.

She earned her degree, Bachelor in Accounting from Faculty of Economics, University of Indonesia, Jakarta in 1985.

Profile of Remuneration and Nomination Committee



VJH Boentaran Lesmana

Independent Commissioner Chairman of the Remuneration and Nomination Committee

Mr VJH Boentaran Lesmana was appointed as the Chairman of Remuneration and Nomination Committee based on Board of Directors' Decision No.19/SKDIR/0077 dated 1 August 2019 on the Appointment of Members of the Remuneration and Nomination Committee.

The profile of Mr Boentaran can be found on page 402.



Chin Voon Fat (Frederick Chin)

Commissioner Member

Mr Frederick Chin was appointed to the Remuneration and Nomination Committee based on Board of Directors' Decision No.19/SKDIR/0077 dated 1 August 2019 on the Appointment of Members of the Remuneration and Nomination Committee.

The profile of Mr Frederick Chin be found on page 400.



Irene Wiryawan

Member Executive Officer Responsible for HR

Mrs Irene Wiryawan, aged 35 years is an Indonesian citizen. She serves as member of Remuneration and Nomination Committee based on Board of Directors' Decision No.19/SKDIR/0077 dated 1 August 2019 on the Appointment of Members of the Remuneration and Nomination Committee.

Mrs Irene joined UOB Indonesia as Human Resources Rewards and Budgeting Head in January 2018.

Prior to joining UOB Indonesia, Mrs Irene served in The Nielsen Company Indonesia from 2007 to 2010 as HR Manager.

Subsequently, Mrs Irene joined Eka Hospital as HR Corporate Manager until August 2011; Compensation & Benefit Manager from 2011 to 2013 in PT Anugerah Pharmindo Lestari (APL); Head of Services and Rewards in PT Bank Rabobank International Indonesia from 2013 to 2017.

She earned her degree Bachelor in Accounting from Parahyangan Catholic University, Bandung and has more than 16 years of experience in human resources related area.

Profile of Risk Monitoring Committee



Wayan Alit Antara
Independent Commissioner
Chairman of the Risk Monitoring Committee

Mr Wayan Alit Antara was appointed as the Chairman of Risk Monitoring Committee based on Board of Directors' Decision No.19/SKDIR/0039 dated 2 May 2019 on the Appointment of Members of the Risk Monitoring Committee.

The profile of Mr Wayan can be found on page 410.



Thomas Abdon
Member
(Independent Party)

Mr Thomas Abdon aged 77 years, is an Indonesian citizen domiciled in Jakarta. He was appointed as a member of Risk Monitoring Committee based on Board of Directors' Decision No.19/SKDIR/0039 dated 2 May 2019 on the Appointment of Members of the Risk Monitoring Committee.

He started his career as Auditor at Public Accounting Firm of Drs. B Soenasto from 1965 to 1969. He joined with ABN AMRO Bank Jakarta from 1969 to 2000 and held various positions including Head of Accounting Department and Internal Audit Senior Officer. He joined UOB Indonesia's Accounting and Finance Division from 2001 to 2007.

Mr Thomas holds a Bachelor of Economics from the University of Indonesia, Jakarta and has more than 51 years of experience in finance and accounting as well as banking industry.



Hendri Patria Rosa
Member
(Independent Party)

Mr Hendry Patria Rosa is an Indonesian citizen, domiciled in Jakarta and aged 53 years. He was appointed as the Member of Risk Monitoring Committee based on Board of Directors' Decision No. 19/SKDIR/0039 dated 2 May 2019 on the Appointment of Members of the Risk Monitoring Committee.

Mr Hendry started his career as Credit Auditor at PT Bank Bintang Manunggal from 1993 to 1994. Mr Hendry started his career as Credit Auditor at PT Bank Bintang Manunggal from 1993 to 1994. He joined with Bank Artha Graha from 1994 to 2007 until his last position as Branch Manager. From 2007 until present, he is a trainer on Banking Risk Management Certification Programme. He holds a Bachelor of Geodetic Engineering from Gadjah Mada University in Yogyakarta and has more than 27 years of experience in banking industry and risk management.

Profile of Executive Officers



Ani Pangestu

Head of Human Resources

She joined UOB Indonesia in 2015 and currently serves as the Head of Human Resources. Her areas of expertise include human resources development, change management, strategic merger integration, and acquisition. Mrs Pangestu has more than 27 years of experience in various industries, with her last position as the Human Capital Director at Maybank Indonesia. She holds a Master of Science degree, majoring in Management and Organisation Development from Kennedy Western University, Wyoming, USA.



FX Yanto Edy Umar

Head of Commercial Credit 2

He joined UOB Indonesia in 2017 and currently serves as the Head of Commercial Credit 2. Prior to joining UOB Indonesia, he has acquired more than 19 years of credit experience in banking industry, with his last position as the Head of Corporate Banking 2 at PT Bank Permata, Tbk. He earned his Bachelor of Mechanical Engineering degree from Bandung Institute of Technology, Bandung in 1996.



Jenny Lesmana

Head of Financial Institution

She joined UOB Indonesia in 2018 and currently serves as the Head of Financial Institution. She has more than 27 years of banking experience. Prior to joining UOB Indonesia, she spent over 15 years working at Citibank, with her last position as the Head of Financial Institution. She holds a Bachelor of Industrial Engineering degree from Trisakti University and a Master of Management degree, majoring in Finance, from Prasetya Mulya Business Graduate School, Jakarta.



Kan Ngee Fei (Paul Kan)

Head of Business Banking

He joined UOB Indonesia in 2018 and currently serves as the Head of Business Banking. He has more than 20 years of working experience; 13 years of which were spent in Micro, Small, and Medium Enterprise (SME) Banking area, with his last position as Executive Director, Group Sales Management, Group Business Banking at UOB Singapore. He holds a Bachelor of Engineering degree from National University of Singapore and a Master of Business Administration (Finance) degree from Manchester Business School, the University of Manchester, UK.



Khoo Chock Seang

Head of Personal Financial Services and Digital Bank

He joined UOB Indonesia in 2018 and currently serves as the Head of Personal Financial Services and Digital Bank. He has 40 years of working experience in banking industry; 17 years of which were spent in Consumer Banking UOB Malaysia, with his last position as Head of Personal Finance Services and Digital Bank. He holds a Bachelor of Economics degree from the University of Malaya, Malaysia.



Ratnasari Kartawiria

Head of Corporate Credit

She joined UOB Indonesia in 2011 and currently serves as the Head of Corporate Credit. She has 27 years of banking experience in the fields of credit risk, risk management, credit portfolio management, relationship management, and trade finance. Prior to joining UOB Indonesia, she worked at the Royal Bank of Scotland and ABN AMRO Bank N.V. with her last position as the Head of Transaction and Portfolio Management and Head of Credit Risk Assessment. She holds a Bachelor of Science degree, majoring in Business Administration, from California State University, Long Beach, USA.

Profile of Executive Officers



Rudy Widjaja
Head of Retail Credit

He joined UOB Indonesia in 2016 and currently serves as the Head of Retail Credit. Prior to joining UOB Indonesia, he spent over 20 years in Citibank serving various positions, from the Credit Operations Director to Country Collections Head in a number of countries, such as Indonesia, the Philippines, Guam, and Japan. He holds a bachelor degree from Iowa State University, USA and has more than 22 years of experience in banking industry.



Siswo Soebianto Iksan
Head of Commercial Credit I

He joined UOB Indonesia in 2017 and currently serves as the Head of Commercial Credit I. Prior to joining UOB, he worked at PT Bank Danamon Indonesia with his last position as EVP – Senior Credit Officer. He holds a bachelor's degree from Satya Wacana Christian University, Salatiga, and has more than 28 years of experience in the fields of credit, remedial, and treasury.



Sonny Samuel
Head of Global Markets

He joined UOB Indonesia in 2018 and currently serves as the Head of Global Market. He has 28 years of experience in banking industry and served various treasury management positions in several banks. Prior to joining UOB Indonesia, he served as the Head of Global Markets at ANZ Indonesia. He holds a Master of Strategic Management degree from BINUS Business School, Jakarta.



Suryati Budiyanto

Regional Head – Jakarta 2

She joined UOB Indonesia on 1994 and currently serves as the Regional Head – Jakarta 2. Previously, she worked at United Overseas Bank Bali (former name of PT Bank UOB Indonesia). She holds a Bachelor Degree from California State University, USA, and a Master Degree from National University. She has more than 22 years of experience in banking industry.

Tonny Timor Basry

Head of Commercial Banking

He joined UOB Indonesia in 2016 as the Head of Commercial Banking. He has been serving at UOB Group as Executive Director since 2009, with his last position as Commercial Banking - Industry Group Head 1 following his tenures at Standard Chartered Bank in Indonesia and China. He graduated with Summa Cum Laude in Finance from Indiana University at Bloomington, USA. In 2014, Mr Tonny was named one of the winners for The Asian Banker Promising Young Banker Awards.

W. Kartyono

Head of Transaction Banking

He joined UOB Indonesia in 2010 and currently serves as the Head of Transaction Banking. He has more than 19 years of experience in banking industry, with his last position as the Head of Trade and Supply Chain Sales at ANZ Panin Bank following his tenures at Bank Central Asia and Bank DBS Indonesia. He holds a Bachelor of Engineering degree from Tarumanagara University, Jakarta.

Profile of Internal Audit



Dawny Rachella Tahar

Head of Internal Audit

Mrs Dawny Tahar joined UOB Indonesia in 2018 and was appointed as Internal Audit Head under Directors' Decree No.18/SKDIR/0003 dated 8 January 2018. Prior to joining UOB Indonesia, she spent 25 years in Standard Chartered Bank Indonesia serving various roles in Operational Risk Management, Market Risk, Global Markets Operations, with her last position as Country Head of Audit for the past 7 years. She received her Bachelor Degree of Agribusiness at IPB Bogor, followed by a Post Graduate Diploma of Management Studies at Nottingham Trent University, UK.

Profile of Corporate Secretary



Susilowati

Corporate Secretary

Ms Susilowati joined UOB Indonesia in 2014 and was appointed as Corporate Secretary based on Board of Directors Decree No. 15/DIR/0021 dated 24 June 2015. She started her career from 2004 at PT Bank Victoria International Tbk until her latest position as Corporate Secretary. She obtained a Bachelor Degree in Management from Tarumanagara University, Jakarta and followed by a Master Degree in Accounting from Trisakti University, Jakarta.

Profile of Executive Officers

Adrianus Hermawan

Sales Performance Management Head

He joined UOB Indonesia on 3 July 2017 and has more than 11 years of experience in banking industry.

Aina Widjaja

Customer Experience and People Dev. Head

She joined UOB Indonesia on 16 May 2011 and has more than 22 years of experience in banking industry.

Alex

Regional CMB Head – Kalimantan

He joined UOB Indonesia on 1 November 2013 and has more than 14 years of experience in banking industry.

Amelia Ragamulu

Customer Advocacy and Service Quality Head

She joined UOB Indonesia on 21 September 2016 and has more than 24 years of experience in banking industry.

Andreadi Chandra

IG Head Resources and Property

He joined UOB Indonesia on 12 July 2017 and has more than 13 years of experience in banking industry.

Andreas Eduardo Lazuardi

Wholesale Portfolio Management Head

He joined UOB Indonesia on 1 March 2013 and has more than 7 years of experience in banking industry.

Andreas Novio Tjendro

Transformation Office Head

He joined UOB Indonesia on 22 November 2018 and has more than 16 years of experience in banking industry.

Andrianto Guntoro

Global Markets Structuring Head

He joined UOB Indonesia on 1 April 2015 and has more than 7 years of experience in banking industry.

Ani Pangestu

Head of Human Resources

Her profile is available on page 410.

Arief Tjakraamidjaja

Marketing Head

He joined UOB Indonesia on 28 June 2018 and has more than 14 years of experience in banking industry as well as other industries, specifically in the field of Consumer Goods.

Bambang Eko Karjono Joewono

PLM/Markets Making Head/Deputy Treasurer

He joined UOB Indonesia on 24 January 2007 and has more than 28 years of experience in banking industry as well as other industries, specifically in the field of Treasury.

Bambang Harjono

Credit Analyst Head

He joined UOB Indonesia on 5 January 2015 and has more than 19 years of experience in banking industry.

Budi Sanjaya

Trade Product Management, Marketing and Client Services Head

He joined UOB Indonesia on 17 January 2011 and has more than 26 years of experience in banking industry.

Carrie

Business Account Management Head

She joined UOB Indonesia on 30 December 2015 and has more than 11 years of experience in banking industry.

Chen Hongxun

Dedicated FDI Unit

He joined UOB Indonesia on 7 May 2018 and has more than 8 years of experience in various industries.

Christian Yongardi Tandoro Tjhin

Finance Head

He joined UOB Indonesia on 4 January 2016 and has more than 21 years of experience in financial industry.

Dani Hasdani Yambo

National Sales Head – Funding

He joined UOB Indonesia on 12 November 2012 and has more than 23 years of experience in various industries.

Daniel Prabawa

Trade Sales Head

He joined UOB Indonesia on 29 November 2010 and has more than 24 years of experience in banking industry as well as other industries.

Darjong Tungadi

Industrial COE Head

He joined UOB Indonesia on 4 December 2017 and has more than 24 years of experience in banking industry as well as other industries.

Dawny Rachella Tahar

Internal Audit Head

Her profile is available on page 414.

Defi

Cash Management Sales Head 2

He joined UOB Indonesia on 21 February 2018 and has more than 19 years of experience in banking industry.

Denny Susanto

Regional CMB Head – Central Java

He joined UOB Indonesia on 1 June 2016 and has more than 22 years of experience in banking industry.

Profile of Executive Officers

Dessy Fitriani

Business T&O Head – Group 2

She joined UOB Indonesia on 1 February 2017 and has more than 15 years of experience in financial and banking industries.

Dessy Safitri Masri

Cards and Payment Head

She joined UOB Indonesia on 1 August 2016 and has more than 23 years of experience in various industries.

Djohan Kumala

GM Corporate and Institutional Sales Head

He joined UOB Indonesia on 1 April 2015 and has more than 7 years of experience in banking industry.

Edi Wijaya

Financial Institution Credit Head

He joined UOB Indonesia on 4 June 2018 and has more than 15 years of experience in banking industry.

Edwin Kadir

IG Head Diversified and SOE

He joined UOB Indonesia on 16 November 2015 and has more than 19 years of experience in banking industry.

Efriel Lydia

Retail Credit Policy and Port. Mgt Head

She joined UOB Indonesia on 2 September 2013 and has more than 16 years of experience in financial industry, specifically in the field of credit risk cycle.

Eka Kurniawan

Business Banking Credit Center Head

He joined UOB Indonesia on 31 August 2017 and has more than 17 years of experience in financial industry, specifically in the field of credit risk cycle.

Eko Sigit Cahyanto

Product Management Head & Portfolio Management Head

He joined UOB Indonesia on 17 October 2011 and has more than 17 years of experience in banking industry.

Elly Sandora

Governance & MDO Head

She joined UOB Indonesia on 13 December 2016 and has more than 14 years of experience in banking industry.

Endang Santi Santi

CEO Office Head

She joined UOB Indonesia on 31 May 2010 and has more than 16 years of experience in banking industry, specifically in the field of Treasury Support.

Enrico Tanuwidjaja

Economic Research Head

He joined UOB Indonesia on 2 October 2017 and has more than 11 years of experience in banking industry and educational institution.

Erry Erawan Priolaksono

T&O Business Finance and Procurement Head

He joined UOB Indonesia on 1 July 2011 and has more than 17 years of experience in financial industry.

Evelyn Yuvania

Enterprise Banking Head Jakarta

She joined UOB Indonesia on 7 September 2016 and has more than 31 years of experience in banking industry.

Febian Satria Nugraha

Compliance Advisory and Monitoring Head

He joined UOB Indonesia on 9 February 2000 and has more than 18 years of experience in banking industry.

Ferdy Djojo

Non Bank FI Head

He joined UOB Indonesia on 29 May 2017 and has more than 13 years of experience in banking industry.

Fonita Tatang

Wholesale Business Finance Head

She joined UOB Indonesia on 15 September 2017 and has more than 16 years of experience in banking and financial industries.

Fredy Soekendro

Mortgage and Secured Loan Head

He joined UOB Indonesia on 3 December 2014 and has more than 17 years of experience in banking industry.

FX Yanto Edy Umar

Head of Commercial Credit 2

His profile is available on page 410.

Grace Manuela

Cash Management Sales Head 1

She joined UOB Indonesia on 16 April 2015 and has more than 18 years of experience in banking industry.

Gusnawan

PFS Performance Management Head

He joined UOB Indonesia on 22 May 2017 and has more than 24 years of experience in banking industry as well as other industries.

Handi Mulia

Information Security T&O Assurance Head

He joined UOB Indonesia on 9 October 2017 and has more than 24 years of experience in various industries, specifically in the fields of audit and technology.

Hendrik Komandangi

National Sales Head – Lending

He joined UOB Indonesia on 10 November 2014 and has more than 15 years of experience in banking industry.

Hendrik Lambertus

Business Compliance Head

He joined UOB Indonesia on 10 December 2017 and has more than 22 years of experience in banking and financial industries.

Indahdiati

PFS Unsecured Credit Head

She joined UOB Indonesia on 3 September 2015 and has more than 19 years of experience in banking industry.

Inge Kartikasari Wonoadi

Mortgage Sales Head

She joined UOB Indonesia on 15 May 2017 and has more than 15 years of experience in banking industry.

Irene Wiryawan

Rewards and Budgeting Head

She joined UOB Indonesia on 18 January 2018 and has more than 15 years of experience in various industries.

Irvan Gunardwi

Legal Head

He joined UOB Indonesia on 10 November 2014 and has more than 24 years of experience in financial industry.

Ivan Pidyandana

Market and Balance Sheet Risk Management Head

He joined UOB Indonesia on 13 July 2017 and has more than 20 years of experience in banking and financial industries.

Jane Marlene Lesmana

Risk and Decision Management Head

She joined UOB Indonesia on 16 July 2018 and has more than 15 years of experience in banking industry as well as other industries.

Jenny Hadikusuma

Retail Liabilities Product Head

She joined UOB Indonesia on 25 August 2008 and has more than 26 years of experience in various industries.

Jenny Lesmana

Head of Financial Institution

Her profile is available on page 410.

Jenny Lukito

Special Asset Management Head

She joined UOB Indonesia on 12 October 2015 and has more than 24 years of experience in banking industry.

Jieni

Business Technology Services Head

She joined UOB Indonesia on 5 May 1999 and has more than 27 years of experience in banking industry.

Joseph Dermawan

Industry Group Head Jakarta

He joined UOB Indonesia on 2 May 2017 and has more than 4 years of experience in banking industry.

Juliana Surijanto

National Special Investigation Head

She joined UOB Indonesia on 4 January 2017 and has more than 23 years of experience in banking and financial industries.

Juliando Menachem

Retail Operations Head

He joined UOB Indonesia on 9 January 2018 and has more than 15 years of experience in banking industry.

Kan Ngee Fei

Head of Business Banking

His profile is available on page 411.

Katarina Chitra

Global Business Development Head

She joined UOB Indonesia on 1 September 2001 and has more than 24 years of experience in financial industry, specifically in the field of Loan and Marketing.

Khoo Chock Seang

Head of PFS and Digital Bank

His profile is available on page 411.

Laurentius Eko Purwatomoko

AML/CFT and Sanctions Head

He joined UOB Indonesia on 23 July 2001 and has more than 17 years of experience in banking industry.

Lucy Bramastya

Commercial Banking Sector Solutions Head

She joined UOB Indonesia on 16 January 2018 and has more than 24 years of experience in banking industry.

Marwato

Regional CMB Head – Sumatera

He joined UOB Indonesia on 30 January 2017 and has more than 22 years of experience in banking industry.

Maya Rizano

Strategic Communications and Brand Head

She joined UOB Indonesia on 21 September 2015 and has more than 30 years of experience in banking and various industries.

Profile of Executive Officers

Mei Sumiati

Commercial Banking Head East Java and Bali

She joined UOB Indonesia on 10 October 2016 and has more than 22 years of experience in banking industry.

Nancy Lidya

Global Markets Business Management Head

She joined UOB Indonesia on 6 August 2018 and has more than 23 years of experience in banking industry as well as other industries.

Putu Pardiada

PFS Secured Credit and RETSO Head

She joined UOB Indonesia on 6 August 2018 and has more than 16 years of experience in banking industry.

R. Andiona Boedisoejoto

Cash Product Management Head

He joined UOB Indonesia on 16 December 2010 and has more than 30 years of experience in banking industry.

Ratnasari Kartawiria

Head of Corporate Credit

Her profile is available on page 411.

Ria

Product and Marketing Head

She joined UOB Indonesia on 19 March 2012 and has more than 15 years of experience in banking industry.

Ritaria Tjokromulio

Client Fulfillment and Service Head

She joined UOB Indonesia on 1 September 2005 and has more than 27 years of experience in banking industry.

Ronald

Wealth Management Product Head

He joined UOB Indonesia on 10 March 2014 and has more than 13 years of experience in banking industry.

Rudy Widjaja

Head of Retail Credit

His profile is available on page 412.

Rya Rusvandy

Retail Credit Management Head

She joined UOB Indonesia on 1 September 2016 and has more than 24 years of experience in financial industry.

Salvy Gunawan

Retail Business Finance Head

She joined UOB Indonesia on 1 February 2012 and has more than 16 years of experience in banking industry.

Samuel Houten

Foreign Direct Investment Head

He joined UOB Indonesia on 3 March 2014 and has more than 16 years of experience in various industries.

Siswo Soebianto Iksan

Head of Commercial Credit 1

His profile is available on page 412.

Sonny Samuel

Head of Global Markets

His profile is available on page 412.

Stanly Gunawan

Central Treasury Unit Head

He joined UOB Indonesia on 23 April 2018 and has more than 12 years of experience in financial industry.

Stefanus Albert Iman S.

Innovation and Fintech Head

He joined UOB Indonesia on 1 March 2018 and has more than 14 years of experience in banking industry.

Stella Damayanti

Corporate Real Estate Services Head

She joined UOB Indonesia on 1 August 2018 and has more than 17 years of experience in banking industry as well as other industries.

Susan Kwanto

Branch Ops Control and Development Head

She joined UOB Indonesia on 17 December 1992 and has more than 26 years of experience in banking industry.

Susanto Lukman

Consumer Goods COE Head

He joined UOB Indonesia on 2 July 2018 and has more than 19 years of experience in various industries, specifically in banking industry.

Susilowati

Corporate Services Head

Her profile is available on page 414.

Tonny Timor Basry

Head of Commercial Banking

His profile is available on page 413.

Tri Mulyadi

Portfolio Management and MIS Head

He joined UOB Indonesia on 1 March 2012 and has more than 16 years of experience in banking industry.

Vera Hasan

GM Commercial and Retail Sales Head

She joined UOB Indonesia on 22 August 2014 and has more than 21 years of experience in banking industry, specifically in the field of Money Market.

W. Kartyono

Head of Transaction Banking

His profile is available on page 413.

Wienda Trifena Wijaya

Wholesale & GM Operations Head

She joined UOB Indonesia on 1 March 2017 and has more than 24 years of experience in banking and financial industries.

Wiradian

Demand Management Head

He joined UOB Indonesia on 14 October 2010 and has more than 24 years of experience in various industries, specifically in the field of banking.

Yanuar Maulana Yusuf

Credit Portfolio Management Head

He joined UOB Indonesia on 2 May 2018 and has more than 14 years of experience in banking industry.

Yusar

Shared Infrastructure Services Head

He joined UOB Indonesia on 31 August 2017 and has more than 10 years of experience in banking industry as well as other industries, specifically in the field of technology infrastructure.

Regional Head

Alexis Marzo Tan

Regional Head – Sumatera

He joined UOB Indonesia on 4 January 2010 and has more than 31 years of experience in banking industry.

Amir Abidin

Regional Head – Kalimantan and Sulawesi

He joined UOB Indonesia on 25 April 1981 and has more than 37 years of experience in banking industry.

Bontor Sitio

Regional Head – Jakarta 1

He joined UOB Indonesia on 1 December 2010 and has more than 21 years of experience in banking industry, specifically in the field of Regional Human Resources Management.

Edhy Susanto

Regional Head – Central Java

He joined UOB Indonesia on 17 March 1988 and has more than 33 years of experience in banking industry.

Fenny Nataliya Wiratama

Regional Head – East Java & Bali

She joined UOB Indonesia on 5 July 2017 and has more than 18 years of experience in banking industry.

Rony Teja Sukmana

Regional Head – West Java

He joined UOB Indonesia on 25 June 2018 and has more than 29 years of experience in banking industry.

Suryati Budiyo

Regional Head – Jakarta 2

Her profile is available on page 413.

Profile of Area Manager

Agnes Kristina

Area Manager – Surabaya Bukit Darmo

She joined UOB Indonesia on 15 September 2008 and has more than 22 years of experience in banking industry.

Anie Kusumaningsih

Area Manager – Malang

She joined UOB Indonesia on 25 July 2013 and has more than 22 years of experience in banking industry.

Bambang Siyono

Area Manager – Banyuwangi

He joined UOB Indonesia on 25 March 1998 and has more than 20 years of experience in banking industry, specifically in the field of retail banking.

Chandra Trisna

Area Manager – Bandar Lampung

He joined UOB Indonesia on 13 May 2014 and has more than 22 years of experience in banking industry.

Ciayadi Senjaya

Area Manager – Gajah Mada

He joined UOB Indonesia on 6 January 2014 and has more than 10 years of experience in banking industry as well as in other industries.

Deisy

Area Manager – UOB Plaza

She joined UOB Indonesia on 9 July 2018 and has more than 21 years of experience in banking industry.

Dicky Sangkut

Area Manager – Jambi

He joined UOB Indonesia on 2 November 1992 and has more than 27 years of experience in banking industry.

Profile of Executive Officers

Didi Hermawan

Area Manager – Bandung

He joined UOB Indonesia on 4 January 2010 and has more than 28 years of experience in banking industry, specifically in the field of retail banking.

Dion Emanuell

Area Manager – Cirebon

He joined UOB Indonesia on 1 October 2013 and has more than 11 years of experience in banking industry.

Ellen

Area Manager – Tasikmalaya

She joined UOB Indonesia on 1 July 2015 and has more than 19 years of experience in banking industry.

Erika Hakim

Area Manager – Palembang

She joined UOB Indonesia on 28 January 2013 and has more than 14 years of experience in banking industry as well as in other industries.

Eva Lie Hwa

Area Manager – Tegal

She joined UOB Indonesia on 2 January 2013 and has more than 17 years of experience in banking industry.

Hasung

Area Manager – Jambi

He joined UOB Indonesia on 2 November 2015 and has more than 15 years of experience in banking industry.

Hendry Desiyanto

Area Manager – Batam

He joined UOB Indonesia on 1 March 2018 and has more than 13 years of experience in banking industry as well as in other industries.

Heriyanto

Area Manager – Medan

He joined UOB Indonesia on 8 May 2018 and has more than 12 years of experience in banking industry.

I Gusti Ayu Suarningrat

Area Manager – Radio Dalam

She joined UOB Indonesia on 1 August 2012 and has more than 27 years of experience in banking industry.

Indrianto

Area Manager – Solo

He joined UOB Indonesia on 4 January 2010 and has more than 26 years of experience in banking industry, specifically in the field of retail banking.

Ira Christine Wisandha

Area Manager – Green Garden

She joined UOB Indonesia on 2 January 2013 and has more than 14 years of experience in banking industry.

Irfan Iskandar

Area Manager – Makassar

He joined UOB Indonesia on 11 March 2013 and has more than 29 years of experience in banking industry as well as in other industries.

Janty Wijaya

Area Manager – Bengkulu

She joined UOB Indonesia on 27 March 2014 and has several 20 years of experience in banking industry as a Branch Manager.

July Liman Hermanto

Area Manager – Serang

He joined UOB Indonesia on 15 November 1993 and has more than 31 years of experience in banking industry, specifically in the field of retail banking, as well as other industries.

Junardi

Area Manager – Tomang

He joined UOB Indonesia on 1 June 1992 and has more than 26 years of experience in banking industry, specifically in the field of retail banking.

Kadi Soetanto Wijaya

Area Manager – Surabaya Manyar Kertoarjo

He joined UOB Indonesia on 1 April 2011 and has more than 17 years of experience in banking industry.

Ketut Suartini

Area Manager – Denpasar

He joined UOB Indonesia on 2 July 2012 and has more than 28 years of experience in banking industry, specifically as an Area Business Manager.

Latip Tanudjaja

Area Manager – Yogyakarta

He joined UOB Indonesia on 4 May 2015 and has more than 26 years of experience in banking industry, specifically in the field of retail banking.

Lie Liu Tjin

Area Manager – Pontianak

He joined UOB Indonesia on 27 January 1986 and has more than 36 years of experience in banking industry, specifically in the field of retail banking.

Lilik Soesana

Area Manager – Surabaya

She joined UOB Indonesia on 15 March 2010 and has more than 28 years of experience in banking industry, specifically in the field of retail banking.

Lindawati Halim

Area Manager – Bandung Rivai

She joined UOB Indonesia on 1 October 1992 and has more than 28 years of experience in banking industry, specifically in the field of banking operations, as well as other industries.

Manhudi Wijaya

Area Manager – Juanda

He joined UOB Indonesia on 9 March 1998 and has more than 19 years of experience in banking industry.

Ritawaty Mandata

Area Manager – Samarinda

She joined UOB Indonesia on 12 February 1990 and has more than 28 years of experience in banking industry, specifically in the field of retail banking.

Sidik Permono Soenarko

Area Manager – Purwokerto

He joined UOB Indonesia on 3 August 2015 and has more than 23 years of experience in banking industry.

Sonny Johannes Angwijaya Irot

Area Manager – Jombang

He joined UOB Indonesia on 3 December 2012 and has more than 18 years of experience in banking industry.

Tamtomo Bimo Karno

Area Manager – Magelang

He joined UOB Indonesia on 4 May 1987 and has more than 30 years of experience in banking industry.

Teddy Polandra

Area Manager – Denpasar Bali Renon

He joined UOB Indonesia on 4 January 2010 and has more than 22 years of experience in banking industry, specifically in the field of retail banking.

Teguh Herri Waskito

Area Manager – Banjarmasin

He joined UOB Indonesia on 3 September 2012 and has more than 21 years of experience in banking industry, specifically as a Branch Manager, as well as other industries.

Theresia Sherry Tjoa

Area Manager – Batam Centre

She joined UOB Indonesia on 24 January 2005 and has more than 25 years of experience in banking industry, specifically in the field of banking operations.

Tio Lie Meng

Area Manager – Pekanbaru

He joined UOB Indonesia on 3 July 2017 and has more than 28 years of experience in banking industry, specifically as a Branch Manager, as well as other industries.

Win Emiliana

Area Manager – Kelapa Gading

She joined UOB Indonesia on 11 October 2018 and has more than 16 years of experience in banking industry.

Yemmy Priantoro

Area Manager – Semarang

He joined UOB Indonesia on 2 May 2008 and has more than 24 years of experience in banking industry.

Yugho Subekti

Area Manager – Bogor

He joined UOB Indonesia on 1 March 2013 and has more than 13 years of experience in banking industry.

Yusda Elfani

Area Manager – Balikpapan

She joined UOB Indonesia on 6 August 2012 and has more than 23 years of experience in banking industry, specifically in the field of funding.

List of Subsidiaries and/or Associate Entities

As of 31 December 2019, UOB Indonesia has no subsidiaries and associate entities. Hence, information related to the name and address of subsidiaries, associate entities, and joint ventures in which the Issuer has joint control over the entity, as well as share ownership, business lines, total assets, and operating status of the Issuer is not relevant to be disclosed.

Operational Area and Market Served [102-4, 102-6, 102-10]

Up to date, UOB Indonesia is headquartered in Jakarta and has 41 branch offices, 137 sub-branch offices, and 160 automatic teller machines (ATMs) spread across 30 cities in 18 provinces in Indonesia. UOB Indonesia operates only within the territory of the Republic of Indonesia and has no service network abroad.

Office Network

OFFICE NAME	MAIN BRANCH	ADDRESS	DATI II	TELEPHONE	FACSIMILE
HEAD OFFICE					
Head Office	Head Office	Jl. M.H. Thamrin No. 10, Kel. Kebon Melati, Kec. Tanah Abang 10230	0391 - Jakarta Pusat	(021) 23506000	(021) 29936632
REGIONAL OFFICES					
Region 1 Office	Region 1 Office	Gedung UOB Plaza Lantai 11, Jl. M.H. Thamrin No. 10, Kel. Kebon Melati, Kec. Tanah Abang 10230	0391 - Jakarta Pusat	(021) 23506000	(021) 29936632
Region 2 Office	Medan	Jl. Palang Merah No. 30, Lantai 3, Kel. Kesawan, Kec. Medan Barat, Medan 20231	3396 - Kota Medan	(061) 4156574	(061) 4148556 (061) 4154793 (061) 4560116
Region 3 Office	Semarang	Menara Suara Merdeka Lantai 2, Jl. Pandanaran No.30, Kel. Pekunden, Kec. Semarang Tengah, Semarang 50137	0991 - Kota Semarang	(024) 8644 8000	(024) 8644 6066
Region 4 Office	Surabaya	Jl. Panglima Sudirman No. 53, Lantai 3, Kel. Embong Kaliasan, Kec. Genteng Surabaya 60271	1291 - Kota Surabaya	(031) 5471772 (031) 5481888	(031) 5345026 (031) 5345136 (031) 5345146
Region 5 Office	Balikpapan	Kavling 8 Square Blok A6 & A7, Lantai 3, RT 28 Jl. M.T. Haryono, Kel. Damai, Kec. Balikpapan Selatan 76114	5492 - Kota Balikpapan	(0542) 7208888 (0542) 7209999	(0542) 765477
Region 6 Office	Region 6 Office	Kompleks Rukan Gajah, Jl. Dr. Sahardjo No.III, RT. 001, RW. 01, Persil No.12 & No.13, Kel. Tebet Barat, Kec. Tebet 12810	0394 - Jakarta Selatan	(021) 83798666 (021) 83788700	(021) 83798555
Region 7 Office	Bandung	Jl. Jend. Sudirman No. 55 A, Bandung 40241	0191 - Kota Bandung	(022) 4204491	(022) 4238906
BRANCH OFFICES					
Juanda (d/h: Harmoni)	Juanda	Jl. Ir. H. Juanda No.15, Kel. Kebon Kelapa, Kec. Gambir 10120	0391 - Jakarta Pusat	(021) 22035055	(021) 22035056 - 58
UOB Plaza	UOB Plaza	Jl. M.H. Thamrin No. 10, Kel. Kebon Melati, Kec. Tanah Abang 10230	0391 - Jakarta Pusat	(021) 23506000	(021) 29936680-82
Kelapa Gading	Kelapa Gading	Jl. Raya Barat Boulevard Blok LC 7 No. 1-2, Kelapa Gading Permai 14240	0392 - Jakarta Utara	(021) 4529171	(021) 4529179

OFFICE NAME	MAIN BRANCH	ADDRESS	DATI II	TELEPHONE	FACSIMILE
Green Garden	Green Garden	Komplek Perumahan Green Garden, Blok A.7 No. 47-50, Kel. Kedoya Utara, Kec. Kebon Jeruk 11520	0393 - Jakarta Barat	(021) 5819005 (021) 5802814	(021) 5802776
Gajah Mada (d/h : Asemka)	Gajah Mada (d/h : Asemka)	Jl. Gajah Mada No.87-87A, Kel. Krukut, Kec. Taman Sari, Jakarta Barat 11140	0393 - Jakarta Barat	(021) 6329779	(021) 632 9696, (021) 632 9766, (021) 632 9966, (021) 632 9906
Radio Dalam	Radio Dalam	Jl. Radio Dalam No. 9 A, Kel. Gandaria Utara, Kec. Kebayoran Baru 12140	0394 - Jakarta Selatan	(021) 7252647	(021) 7252648
Serang	Serang	Jl. M. Hasanuddin, Serang Plaza Blok II No. 3-7, Serang, Banten 42112	0203 - Kota Serang	(0254) 200153 (0254) 201566	(0254) 200692
Bandar Lampung	Bandar Lampung	Jl. Ikan Tenggiri No. 17/A, Teluk Betung, Bandar Lampung 35223	3991 - Kota Bandar Lampung	(0721) 482982	(0721) 482951
Bogor	Bogor	Jl. Suryakencana No. 260 F, Kel. Gudang, Kec. Bogor Tengah, Kota Bogor 16151	0192 - Kota Bogor	(0251) 832 5256	(0251) 832 5307
Medan	Medan	Jl. Palang Merah No. 30, Kel. Kesawan, Kec. Medan Barat, Medan 20231	3396 - Kota Medan	(061) 4156574	(061) 4148556 (061) 4154793 (061) 4560116
Tomang Elok	Tomang Elok	Jl. Jend. Gatot Subroto, Kompleks Tomang Elok Blok A No. 55, Sei Sikambang, Medan 11520	3396 - Kota Medan	(061) 8455405 (061) 8455785 (061) 8455635	(061) 8455656
Palembang	Palembang	Jl. Mesjid Lama No. 48-50, Palembang, Sumatera Selatan 30125	3691 - Kota Palembang	(0711) 310965	(0711) 313216 (0711) 316663 (0711) 361150 (0711) 357816
Bengkulu	Bengkulu	Jl. Let. Jend. Suprpto No. 169-171, Anggut Dalam, Ratu Samban, Bengkulu 38221	2391 - Kota Bengkulu	(0736) 21705	(0736) 21110
Pekanbaru	Pekanbaru	Jl. Jend. Sudirman No. 442, Wonorejo, Marpoyan Damai, Kota Pekanbaru, Riau 28126	3591 - Kota Pekanbaru	(0761) 21168 (0761) 21116 (0761) 20879 (0761) 848053	(0761) 848052
Jambi	Jambi	Jl. R. Mattaheer No. 34 - 35, Kel. Orang Kayo Hitam, Jambi 36113	3191 - Kota Jambi	(0741) 20623	(0741) 7554014
Batam	Batam	Komplek Batam Plaza Blok E No. 1-3, Jl. Imam Bonjol, Batam 29444	3892 - Kota Batam	(0778) 459691	(0778) 458601
Batam Centre (d/h : Batam New Holiday)	Batam Centre	Komplek Mahkota Raya Blok D No. 7 & No. 8, Jl. Engku Putri, Kel. Teluk Tering, Kec. Batam Kota, Kota Batam, Kepulauan Riau 29461	3892 - Kota Batam	(0778) 7486000	(0778) 7486025
Solo	Solo	Jl. Jend. Urip Sumoharjo No. 13-17, Kepatihan Wetan, Jebres, Kota Surakarta, Jawa Tengah 57129	0996 - Kota Surakarta / Solo	(0271) 646348	(0271) 668758 (0271) 630620 (0271) 646947
Bandung	Bandung	Jl. Jend. Sudirman No. 55 A, Bandung 40241	0191 - Kota Bandung	(022) 4204491	(022) 4238906
Bandung Rivai	Bandung Rivai	Jl. Abdul Rivai No. 2 A, Tamansari, Bandung Wetan, Kota Bandung, Jawa Barat 40116	0191 - Kota Bandung	(022) 4209980	(022) 4209970
Semarang	Semarang	Menara Suara Merdeka (Ground Floor, Mezzanine Floor, 2nd Floor) Jl. Pandanaran No.30, Kel. Pekunden, Kec. Semarang Tengah, Semarang 50137	0991 - Kota Semarang	(024) 8644 8000	(024) 8644 6066
Cirebon	Cirebon	Jl. Yos Sudarso No. 29, Lemahwungkuk, Kota Cirebon, Jawa Barat 45111	0194 - Kota Cirebon	(0231) 205040 (0231) 206959 (0231) 206396 (0231) 221541	(0231) 201989 (0231) 248340
Tasikmalaya	Tasikmalaya	Jl. Empang No. 50, Empangsari, Tawang, Tasikmalaya, Jawa Barat 46113	0195 - Kota Tasikmalaya	(0265) 310300	(0265) 332007
Purwokerto	Purwokerto	Jl. Jend. Sudirman No. 330, Purwokerto 23116	0914 - Kab. Banyumas	(0281) 631464 (0281) 623466 (0281) 635996 (0281) 630942 (0281) 630259 (0281) 635950	(0281) 636747 (0281) 640945
Magelang	Magelang	Jl. Tidar No. 17, Magelang, Jawa Tengah 56126	0995 - Kota Magelang	(0293) 362181 (0293) 364344 (0293) 365261 (0293) 364405-06	(0293) 364271
Yogyakarta	Yogyakarta	Jl. Jend. Sudirman No. 62, Terban, Gondokusuman, Kota Yogyakarta, Daerah Istimewa Yogyakarta 55224	0591 - Kota Yogyakarta	(0274) 562000 (0274) 517410	(0274) 563433
Tegal	Tegal	Jl. Kolonel Sugiono No. 56, RT.003/RW.05, Kel. Pekauman, Kec. Tegal Barat, Tegal 52113	0994 - Kota Tegal	(0283) 325001 (0283) 325005	(0283) 325008
Surabaya	Surabaya	Jl. Panglima Sudirman No. 53, Embong Kaliasin, Genteng, Kota Surabaya 60271	1291 - Kota Surabaya	(031) 5471772 (031) 5481888	(031) 5345026 (031) 5345136 (031) 5345146

Office Network

OFFICE NAME	MAIN BRANCH	ADDRESS	DATI II	TELEPHONE	FACSIMILE
Surabaya Bukit Darmo	Surabaya Bukit Darmo	Jl. Raya Bukit Darmo Golf, Blok R No. 28 – 30, Kel. Pradah Kalikendal, Kec. Dukuh Pakis 60226	1291 - Kota Surabaya	(031) 7343949 (Hunting) (031) 7326000 (Privilege Banking) (031) 5486008 (Call Centre 24 jam)	(031) 7343910 (Sekretariat) (031) 7348259 (Back Office Lt. 1) (031) 7341943 (Back Office Lt. 2)
Surabaya Manyar Kertoarjo (d/h Surabaya Embong Malang)	Surabaya Manyar Kertoarjo	Jl. Manyar Kertoarjo No. 50, Kel. Manyar Sabrangan, Kec. Sukolilo 60116	1291 - Kota Surabaya	(031) 599 1168 (031) 599 1428	(031) 599 1411 (031) 599 1412
Jember	Jember	Jl. Gajah Mada No. 68, Kel. Jember Kidul, Kec. Kaliwates, Kabupaten Jember 68131	1212 - Kab. Jember	(0331) 484545 (0331) 424759 (0331) 424859	(0331) 484980
Denpasar	Denpasar	Jl. Dr. Wahidin No. 39, Kel. Pemecutan, Kec. Denpasar Barat, Kota Denpasar	7291 - Kota Denpasar	(0361) 433014	(0361) 424245
Denpasar Bali Renon	Denpasar Bali Renon	Jl. Raya Puputan Komplek Pertokoan Niti Mandala Raya No.17, Renon, Dangin Puri Klod, Denpasar Timur, Kota Denpasar 80235	7291 - Kota Denpasar	(0361) 241888	(0361) 245978
Banyuwangi	Banyuwangi	Jl. Jend. Sudirman No. 16, Kel. Penganjuran, Kec. Banyuwangi, Kabupaten Banyuwangi 68416	1211 - Kab. Banyuwangi	(0333) 426500 (0333) 424705 (0333) 423061-62 (0333) 422270-71 (0333) 424070	(0333) 424260
Jombang	Jombang	Jl. Merdeka No. 133, Candi Mulyo, Kec. Jombang, Kabupaten Jombang 61413	1204 - Kab. Jombang	(0321) 862500-01 (0321) 862337 (0321) 874857-58	(0321) 862171
Malang	Malang	Jl. Basuki Rahmat No. 63, Kauman, Klojen, Kota Malang 60261	1293 - Kota Malang	(0341) 342333	(0341) 342572
Makassar	Makassar	Jl. Sulawesi No. 83, Pattunuang, Wajo, Kota Makassar 90174	6191 - Kota Makassar	(0411) 321421	(0411) 315702 (0411) 319457
Pontianak	Pontianak	Jl. HOS Cokroaminoto No. 266/A, Darat Sekip, Pontianak Kota, Kota Pontianak 78117	5391 - Kota Pontianak	(0561) 732600 (0561) 734656	(0561) 736282
Balikpapan	Balikpapan	Kavling 8 Square Blok A6 & A7, RT 28 Jl. M.T. Haryono, Kel. Damai, Kec. Balikpapan Selatan 76114	5492 - Kota Balikpapan	(0542) 7208888 (0542) 7209999	(0542) 765477
Samarinda	Samarinda	Jl. Pangeran Diponegoro No. 68-70, Pelabuhan, Samarinda Kota, Kota Samarinda 75112	5491 - Kota Samarinda	(0541) 732492-95-97 (0541) 749516-17-18	(0541) 732490
Banjarmasin	Banjarmasin	Jl. Lambung Mangkurat No. 17, Banjarmasin, Kertak Baru Ulu, Banjarmasin Tengah, Kota Banjarmasin 70111	5191 - Kota Banjarmasin	(0511) 335172 (0511) 3353754 (0551) 3365312	(0511) 3353305
SUB-BRANCH OFFICES					
Glodok Plaza	Gajah Mada (d/h : Asemka)	Komp. Glodok Plaza Blok F No. 1-2, Jl. Pinangsia Raya, Kota Tua, Pinangsia, Tamansari, Kota Jakarta Barat 11110	0393 - Jakarta Barat	(021) 6595026 (021) 6596745 (021) 6280943-44	(021) 6280944
Pluit	Gajah Mada (d/h : Asemka)	Jl. Pluit Kencana Raya No. 76, Pluit, Penjaringan, Kota Jakarta Utara 14450	0392 - Jakarta Utara	(021) 6611770 – 71	(021) 6691163
Petak Baru	Gajah Mada (d/h : Asemka)	Jl. Petak Baru No. 25-26, Roa Malaka, Tambora, Kota Jakarta Barat 11230	0393 - Jakarta Barat	(021) 6922115 (021) 6922432 (021) 6912224 (021) 6924069 (021) 6901756-57 (021) 6917410-11	(021) 6928086
Mangga Dua	Gajah Mada (d/h : Asemka)	Pusat Grosir Pasar Pagi Mangga Dua Lt. III, Blok BC 011,012,012 A & 014, Jl. Mangga Dua Raya 11110	0392 - Jakarta Utara	(021) 6255661 (021) 6127340	(021) 6127341
Mangga Dua Plaza	Gajah Mada (d/h : Asemka)	Mangga Dua Plaza Blok F No. 5 Jl. Mangga Dua Raya 11110	0392 - Jakarta Utara	(021) 6120086 (021) 6120912 (021) 6129128 (021) 6129129	(021) 6129130
Jembatan Dua	Gajah Mada (d/h : Asemka)	Jl. Jembatan Dua No. 139 A, Pejagalan, Penjaringan, Kota Jakarta Utara 14450	0392 - Jakarta Utara	(021) 6631760 (021) 6631761 – 62	(021) 6610615
Muara Karang	Gajah Mada (d/h : Asemka)	Jl. Muara Karang No. 1, RT. 019/RW. 02, Kav. Blok Y3 Barat No. 10, Pluit, Penjaringan, Kota Jakarta Utara 14450	0392 - Jakarta Utara	(021) 6625967-69 (021) 6601048	(021) 6606171
Pluit Village	Gajah Mada (d/h : Asemka)	Pluit Village MG 8-9, Taman Tirta Loka, Jl. Pluit Permai Raya, Pluit, Penjaringan, Kota Jakarta Utara 14450	0392 - Jakarta Utara	(021) 6683682	(021) 6683692
Pantai Indah Kapuk	Gajah Mada (d/h : Asemka)	Rukan Exclusive Blok A No.27, Jl. Marina Raya, Kel. Kamal Muara, Kec. Penjaringan 14470	0392 - Jakarta Utara	(021) 5694 6227	(021) 5694 6227
Petojo	Juanda	Jl. A.M Sangaji No. 25 E, Petojo Utara, Gambir, Kota Jakarta Pusat 10130	0391 - Jakarta Pusat	(021) 6324562-63	(021) 6324562 (021) 63855187

OFFICE NAME	MAIN BRANCH	ADDRESS	DATI II	TELEPHONE	FACSIMILE
Roxy Mas	Juanda	Jl. Kyai Haji Hasyim Ashari Blok D 4 No. 18, Petojo Utara, Gambir, Kota Jakarta Pusat 10150	0393 - Jakarta Barat	(021) 63858204-07	(021) 63858207
K.H.M. Mansyur	Juanda	Jl. KHM Mansyur No. 202 B, Tanah Sereal, Tambora, Kota Jakarta Barat 11270	0393 - Jakarta Barat	(021) 6332755 (021) 6332756	(021) 6332759
Sawah Besar	Juanda	Jl. Sukarjo Wiryopranoto No. 26, Kebon Kelapa, Gambir, Jakarta Utara 10120	0391 - Jakarta Pusat	(021) 3853677 (021) 231368 (021) 2313479 (021) 3453336 (021) 3453337	(021) 3860602
Pasar Baru	Juanda	Jl. K. H. Samanhudi 40 A, RT. 006/RW. 02, Pasar Baru, Sawah Besar 10710	0391 - Jakarta Pusat	(021) 3500523 (021) 3850468 (021) 3866520 (021) 3510587 (021) 3510588	(021) 3510589
Central Park (d/h : Jembatan Lima)	Juanda	Central Park Mall, 3rd Floor, Shop Unit No. L3 – 203 A, Jl. Let. Jend. S. Parman Kav. 28, Kel. Tanjung Duren, Kec. Grogol Petamburan, Jakarta Barat 11470	0393 - Jakarta Barat	(021) 2920 1015 (Hunting) (021) 2920 1013 (021) 2920 1014 (021) 2920 1016	(021) 2920 1017
Mangga Besar	Juanda	Jl. Mangga Besar No. 68 – 68 A 10730	0393 - Jakarta Barat	(021) 6594677 (021) 6292150 (021) 6292349	(021) 6293113
Pangeran Jayakarta	Juanda	Jl. Pangeran Jayakarta No. 126-129 Blok A/5, Kel. Mangga Dua Selatan, Kec. Sawah Besar 10730	0391 - Jakarta Pusat	(021) 62201905 (021) 62201906 (021) 62201907 (021) 6016574	(021) 62201904
Palmerah	UOB Plaza	Jl. Palmerah Barat No. 39 B, Palmerah, Tanah Abang, Jakarta Pusat 10270	0391 - Jakarta Pusat	(021) 5325479 (021) 5308785	(021) 5329249
Tanah Abang	UOB Plaza	Pusat Perdagangan Tanah Abang Bukit Blok F No. 6-8, Jl. K.H. Fahrudin, Jakarta Pusat 10250	0391 - Jakarta Pusat	(021) 3803320 (021) 3846171	(021) 3151787 (021) 38903406
Senen	UOB Plaza	Pusat Grosir Senen Jaya, Lantai Dasar No. C8-1, Jl. Senen Raya, Kel. Senen, Kec. Senen	0391 - Jakarta Pusat	(021) 29939511 (021) 29939513 (021) 29939514 (021) 29939515 (021) 29939516	(021) 29939512
Asemka (d/h : Bungur)	UOB Plaza	Wisma Indramas, Jl. Pintu Besar Selatan No.59-65, Pinangisia, Tamansari, Kota Jakarta Barat 11110	0393 - Jakarta Barat	(021) 22631188	(021) 22632118
Wahid Hasyim	UOB Plaza	Jl. K.H. Wahid Hasyim No. 89, Gondangdia, Menteng, Kota Jakarta Pusat 10350	0391 - Jakarta Pusat	(021) 29276200	(021) 29276400
Metro Tanah Abang	UOB Plaza	Pusat Grosir Metro Tanah Abang Banking Center Lantai 7 Unit No.1, Jl. K.H. Wahid Hasyim No. 187-189, Tanah Abang, Jakarta Pusat 10250	0391 - Jakarta Pusat	(021) 30036023 (021) 30036024 (021) 30036025	(021) 30036026
Rasuna Said (d/h Rawamangun)	UOB Plaza	Wisma Tugu II, Jl. H.R. Rasuna Said Kav. C7 No. 9, Kel. Karet, Kec. Setiabudi, Kuningan, Jakarta 12950	0394 - Jakarta Selatan	(021) 522 1107	(021) 522 1108
PIK Boulevard (d/h : Bekasi)	Kelapa Gading	Graha Indochem, Lantai Basement & Lantai Dasar, Jl. Pantai Indah Kapuk Boulevard Kav. SSB/E, Kel. Kamal Muara, Kec. Penjaringan, Jakarta Utara, 14470	0392 - Jakarta Utara	(021) 2921 0600	(021) 2921 0601
Kelapa Gading Boulevard	Kelapa Gading	Jl. Raya Boulevard Blok FW I No. 18, Kelapa Gading Boulevard, Kelapa Gading, Jakarta Utara 14240	0392 - Jakarta Utara	(021) 4531069–70	(021) 45841059
Tanjung Priok	Kelapa Gading	Jl. Enggano Blok C No.II-G, Kel. Tanjung Priok, Kec. Tanjung Priok, Jakarta Utara	0392 - Jakarta Utara	(021) 435 1460	(021) 436 6562
Sunter Agung	Kelapa Gading	Jl. Danau Sunter Agung Utara Blok D 1 No. 6 B, Sunter Agung, Jakarta Utara 14350	0392 - Jakarta Utara	(021) 6451120-21 (021) 65833281-82	(021) 6453821
Kramat Jati	Kelapa Gading	Jl. Raya Bogor No. 1, Unit RA 2, RT.001/RW.01, Kel. Kramat Jati, Kec. Kramat Jati, Jakarta Timur 13830	0395 - Jakarta Timur	(021) 8092417 (021) 8011644 (021) 80878641	(021) 8013973
Jatinegara	Kelapa Gading	Jl. Pintu Pasar Utara No. 10-12, Kel. Balimester, Kec. Jatinegara, Jakarta Timur 13310	0395 - Jakarta Timur	(021) 8191918 (021) 8193110 (021) 8197726 (021) 2800178	(021) 8508919
Bekasi Selatan	Kelapa Gading	Jl. Achmad Yani Kav. A4 No. 7, Ruko Kalimalang Commercial Centre, Desa Kayuringin, Bekasi 17144	0198 - Kota Bekasi	(021) 889658 91-93 (021) 8853521	(021) 8896 5890
Cikarang	Kelapa Gading	Komplek Ruko Cikarang Commercial Center, Blok B1 No. 23, Jl. Raya Cikarang Cibarusah Km.40 No.1, Kel. Pasir Sari, Kec. Cikarang Selatan, Bekasi 17550	0198 - Kota Bekasi	(021) 89835725 (021) 89835726 (021) 89835727	(021) 89835724
Cempaka Mas	Kelapa Gading	Ruko Mega Grosir Cempaka Mas, Blok D1 No. 3, Jl. Letjen Suprpto, Kel. Sumur Batu, Kec. Kemayoran, Jakarta Pusat 10640	0391 - Jakarta Pusat	(021) 42906693 (021) 42906694 (021) 42889441	(021) 42889440

Office Network

OFFICE NAME	MAIN BRANCH	ADDRESS	DATI II	TELEPHONE	FACSIMILE
Kelapa Gading Boulevard Raya (d/h Kelapa Gading Boulevard Barat)	Kelapa Gading	Jl. Boulevard Raya Blok DG No. 2, Kel. Kelapa Gading Timur, Kelapa Gading 14240	0392 - Jakarta Utara	(021) 4527582	(021) 4527583
Tebet	Kelapa Gading	Kompleks Rukan Gajah, Jl. Dr. Sahardjo No.III, RT. 001, RW. 01, Persil No.12 & No.13, Kel. Tebet Barat, Kec. Tebet 12810	0394 - Jakarta Selatan	(021) 83798666 (021) 83788700	(021) 83798555
Cimone	Green Garden	Jl. Merdeka No. 320, Kel. Cimone Jaya, Kec. Karawaci, Tangerang 15113	0292 - Kota Tangerang	(021) 5522004	(021) 5525017
Green Ville	Green Garden	Komplek Pertokoan Green Ville Blok BG No. 14-15, Kel. Duri Kepa, Kec. Kebon Jeruk, Jakarta Barat 11510	0393 - Jakarta Barat	(021) 56957883-84 (021) 56957895 (021) 56957897	(021) 56957902
Cengkareng	Green Garden	Komplek Taman Palem Lestari Blok D 10 No.1, Cengkareng Barat, Jakarta Barat 11730	0393 - Jakarta Barat	(021) 55957447 (021) 55957448 (021) 55957449	(021) 55957446
Tangerang	Green Garden	Jl. Ki Asnawi No. 64 C-D, Kel. Sukasari, Kec. Tangerang, Kota Tangerang 15111	0292 - Kota Tangerang	(021) 5523081-83-84 (021) 55799082-83	(021) 5523082
Duta Mas	Green Garden	Komplek Perumahan Taman Duta Mas, Blok D8 No. 1, Kec. Grogol Petamburan, Jakarta Barat 11460	0393 - Jakarta Barat	(021) 5648262 (021) 5649550	(021) 5649464
Teluk Gong	Green Garden	Kompleks Duta Harapan Indah Blok G No. 10, Jl. Kapuk Muara, Kel. Kapuk Muara, Kec. Penjaringan, Jakarta Utara 14460	0392 - Jakarta Utara	(021) 6617577 - 78 (021) 6622957	(021) 6612279
BSD Golden	Green Garden	Ruko BSD Golden Boulevard, Blok C No. 6, Jl. Pahlawan Seribu, Kel. Buaran Lengkong Karya, Kec. Serpong, Tangerang, Banten 15322	0292 - Kota Tangerang	(021) 53160680 (021) 53160681 (021) 53153168 (021) 53153169	(021) 53153087
Tanjung Duren	Green Garden	Jl. Tanjung Duren Raya Blok N No. 352 RT.007/RW.03, Kel. Tanjung Duren Utara, Kec. Grogol Petamburan 11470	0393 - Jakarta Barat	(021) 5642027 (021) 5673950 (021) 56969082	(021) 5685079
Puri Kencana (d/h Pesanggrahan)	Green Garden	Grand Puri Kencana, Jl. Puri Kencana Blok K7/2A, Kel. Kembangan Selatan, Kec. Kembangan 11610	0393 - Jakarta Barat	(021) 5823602 (021) 5823603 (021) 5823604 (021) 5823605	(021) 581 9222
Citra Garden 2	Green Garden	Komplek Rukan Citra Niaga, Blok A No. 3, Jl. Utan Jati, Kel. Pegadungan, Kec. Kalideres 10750	0393 - Jakarta Barat	(021) 54377025 - 31	(021) 54374621
Kebon Jeruk	Green Garden	Gedung Graha Kencana, 1st floor, Jl. Raya Perjuangan No.88, Kebon Jeruk 11530	0393 - Jakarta Barat	(021) 5350638	(021) 5350639
Gading Serpong	Green Garden	Ruko Graha Boulevard Blok GBVC / 002, Jl. Boulevard Gading Serpong, Kel. Curug, Kec. Kelapa Dua, Tangerang, Banten 15810	0292 - Kota Tangerang	(021) 2900 1081	(021) 2900 1071
Alam Sutera (d/h : Pondok Gede)	Green Garden	Jl. Jalur Sutera Kav. 29 D, No. 45, Kel. Pakualam, Kec. Serpong Utara Kota Tangerang Selatan 15320	0294 - Tangerang Selatan	(021)3003-0524	(021) 3003-0525
Pasar Minggu	Radio Dalam	Jl. Raya Ragunan No. 11, Pasar Minggu, Jakarta Selatan 12520	0394 - Jakarta Selatan	(021) 7804680 (021) 78831562 (021) 7890439	(021) 7890438
Permata Hijau	Radio Dalam	Grand ITC Permata Hijau - Emerald No. 10, Jl. Letjen Soepeno (Arteri Permata Hijau), Kel. Grogol Utara, Kec. Kebayoran Lama, Jakarta Selatan 12210	0394 - Jakarta Selatan	(021) 53663111 (021) 53664376	(021) 53663222
Pondok Indah	Radio Dalam	Jl. Metro Pondok Indah Sektor II, Blok UA Kav.46-47, Jakarta Selatan 12310	0394 - Jakarta Selatan	(021) 75906165 (021) 75900178	(021) 75900185
Fatmawati	Radio Dalam	Jl. Fatmawati Raya No. 1, RT.001/RW.04, Kel. Gandaria Selatan, Kec. Cilandak, Jakarta Selatan 12410	0394 - Jakarta Selatan	(021) 7504770 (021) 7664823 (021) 7661367	(021) 7661333
Depok	Radio Dalam	Pertokoan ITC Depok No. 48, Jalan Margonda Raya No.56, Kel. Depok, Kec. Pancoran Mas, Kota Depok 16431	0197 - Kota Depok	(021) 7765236 (021) 77202916 - 18	(021) 7765237
Panglima Polim	Radio Dalam	Jl. Panglima Polim Raya No. 18A, B, C, Kel. Pulo, Kec. Kebayoran Baru, Jakarta Selatan 12160	0394 - Jakarta Selatan	(021) 7251603 (021) 7202668 (021) 7251655	(021) 7222187
Wolter Monginsidi (d/h KCP Mampang)	Radio Dalam	Gedung One Wolter Place, Jl. Wolter Monginsidi No. 63 B, Kel. Rawa Barat, Kec. Kebayoran Baru, Jakarta Selatan 12180	0394 - Jakarta Selatan	(021) 7278 6262	(021) 739 4880
Bintaro Sektor 3A	Radio Dalam	Rukan Bintaro Blok A.6 (Rukan depan Bintaro Plaza), Sektor 3A, Kel. Pondok Karya, Kec. Pondok Aren, Kota Tangerang Selatan 15225	0204 - Kab. Tangerang	(021) 736 2898	(021) 736 2897
Kemang	Radio Dalam	Jl. Kemang Raya No. 24 A, Kel. Bangka, Kec. Mampang Prapatan 12730	0394 - Jakarta Selatan	(021) 7179 4084 (021) 7179 4085 (021) 7179 4086	(021) 7179-4083
Cilegon	Serang	Jl. Jend. Ahmad Yani No. 6, Sukmajaya, Kec. Jombang, Cilegon 42411	0291 - Kota Cilegon	(0254) 391033 (0254) 391034 (0254) 392057	(0254) 391151
Rangkasbitung	Serang	Jl. Sunan Kalijaga No. 62, Kel. Muara Ciujung Bar., Kec. Rangkasbitung, Kabupaten Lebak, Banten 42314	0201 - Kab. Lebak	(0252) 201595 (0252) 201596	(0252) 201703

OFFICE NAME	MAIN BRANCH	ADDRESS	DATI II	TELEPHONE	FACSIMILE
Tanjung Karang	Bandar Lampung	Jl. Padang Blok B III No. 2, Tanjung Karang, Gunung Sari, Engal 35111	3991 - Kota Bandar Lampung	(0721) 261155	(0721) 241106
Dewi Sartika	Bogor	Jl. Dewi Sartika No. 54, RT.03/RW.02, Kel. Pabaton, Kec. Bogor Tengah, Bogor 16121	0192 - Kota Bogor	(0251) 8311836 (0251) 8314257	(0251) 8314933
Cibubur	Bogor	Ruko Cibubur Times Square Blok B-1 No.11 & 12, Jl. Alternatif Cibubur KM 3, Kel. Jatikarya, Kec. Jatisampurna, Kota Bekasi 17435	0198 - Kota Bekasi	(021) 84592489 (021) 84302667	(021) 84597922
Tajur	Bogor	Jl. Raya Tajur No. 65 D, Kel. Tajur, Kec. Bogor Timur, Kota Bogor 16141	0192 - Kota Bogor	(0251) 8392485	(0251) 8392486
Central Pasar	Medan	Jl. Letjen Haryono MT, Central Pasar Medan Lt. 1, Blok I No. 1 – 2 – 17 – 18, Medan 20231	3396 - Kota Medan	(061) 4531929 (061) 4531611	(061) 4531737
Asia	Medan	Jl. Asia No. 132/172, Medan, Kel. Sei Rengas I, Kec. Medan Kota, Medan 20214	3396 - Kota Medan	(061) 7368623 (061) 7368653	(061) 7368932
Medan Business Centre	Medan	Komplek Medan Business Centre (MBC), Jl. Let. Jend. S. Parman, Blok A No. 16, Kel. Petisah Tengah, Kec. Medan Petisah, Medan 20112	3396 - Kota Medan	(061) 4148167 (061) 4148724 (061) 4148743	(061) 4148295
Pulo Brayon	Medan	Jl. K.L. Yos Sudarso No.18 A, Kel. Pulo Brayon Kota, Kec. Medan Barat, Medan 20116	3396 - Kota Medan	(061) 6611688 (061) 6611911	(061) 6636922
Petisah	Medan	Jl. Nibung Utama No. 10, Kel. Petisah Tengah, Kec. Medan Petisah, Medan 20112	3396 - Kota Medan	(061) 4554322 (061) 4143383	(061) 4530251
Krakatau	Medan	Jl. Gunung Krakatau No. III-C, Kel. Glugur Darat I, Kec. Medan Timur, Medan 20725	3396 - Kota Medan	(061) 6620991 (061) 6623079 (061) 6632211	(061) 6643483
Medan Djuanda (d/h : Medan Uniplaza)	Medan	Jl. Ir. H. Djuanda No. 20i, Kel. Sukadamai, Kec. Medan Polonia, Medan, 20157	3396 - Kota Medan	(061) 8881 5959	(061) 4200 3822
Jend. Sudirman	Palembang	Jl. Jend. Sudirman No. 1031 D-E, Palembang 30126	3691 - Kota Palembang	(0711) 358682 (0711) 358411 (0711) 358572 (0711) 364952	(0711) 354891
R. Sukanto	Palembang	Jl. R. Sukanto No. 106 C, RT.008/004, Kel. 8 Ilir, Kec. Ilir Timur II, Kotamadya Palembang 30114	3691 - Kota Palembang	(0711) 369 843	(0711) 367 072
Nangka	Pekanbaru	Jl. Nangka/Tuanku Tambusai No. 181, Labuh Baru Tim., Payung Sekaki, Kota Pekanbaru 28125	3591 - Kota Pekanbaru	(0761) 31308-9 (0761) 20440	(0761) 37317
Tanjung Uncang (d/h : Sei Panas)	Batam	Komplek Pertokoan Fanindo Blok A No.9-10, Kel. Tanjung Uncang, Kec. Batu Aji	3892 - Kota Batam	(0778) 743 2468	(0778) 743 2469
Penuin	Batam	Komplek Pertokoan Citra Mas, Blok A No. 8, Penuin, Kec. Lubuk Baja, Batam	3892 - Kota Batam	(0778) 428700	(0778) 452772
Bintan	Batam Centre	Jl. Merdeka No. 6C, Kel. Tanjungpinang Kota, Kec. Tanjungpinang Kota, Kepulauan Riau	3804 - Kab. Bintan	(0771) 314909-10	(0771) 314916
Achmad Yani	Bandung	Jl. Jend. Achmad Yani No. 235, Bandung	0191 - Kota Bandung	(022) 7204952	(022) 7205551
Kopo	Bandung	Jl. Kopo No. 91, Situsaeur, Bojongloa Kidul, Kota Bandung	0191 - Kota Bandung	(022) 5230030 (022) 5204784	(022) 5204784 (022) 5227177
Buah Batu (d/h : Kiaracandong)	Bandung	Ruko Buah Batu No.146 A, Jl. Buah Batu No.1, Kel. Cijagra, Kec. Lengkong	0191 - Kota Bandung	(022) 731 5139	(022) 731 5193
Cimahi	Bandung	Jl. Raya No. 545, Karangmekar, Cimahi Tengah, Kota Cimahi	0196 - Kota Cimahi	(022) 6649530	(022) 6657013
Sukajadi	Bandung	Jl. Sukajadi No. 5, Sukabungah, Sukajadi, Kota Bandung	0191 - Kota Bandung	(022) 2037498 (022) 2039266	(022) 2039266
Setiabudi (d/h : Banceuy)	Bandung	Jl. Dr. Setiabudi No. 146 B, Lingkungan Hegarmanah, Kec.Cidadap, Kota Bandung	0191 - Kota Bandung	(022) 8206 6033	(022) 8206 6481
Andir	Bandung	Jl. Jamika No. 19, Jamika, Bojongloa Kaler, Kota Bandung	0191 - Kota Bandung	(022) 602 3509	(022) 607 9274
Kopo Bihbul	Bandung	Jl. Raya Kopo Bihbul No. 69, Sayati, Margahayu, Kota Bandung	0191 - Kota Bandung	(022) 5401131 (022) 5420269	(022) 5420466
Pasir Kaliki (d/h : Istana Plaza)	Bandung	Jl. Pasir Kaliki No. 161, Pamoyanan, Cicendo, Kota Bandung	0191 - Kota Bandung	(022) 6017027	(022) 3044520
Dago (d/h : Bandung Electronic Center)	Bandung	Jl. Ir. H. Juanda No.43 (Dago), Tamansari, Bandung Wetan, Kota Bandung	0191 - Kota Bandung	(022) 4261175 (022) 4261191	(022) 4267885
Siliwangi	Semarang	Jl. Jend. Sudirman No. 131, Salamanmloyo, Semarang Barat, Kota Semarang	0991 - Kota Semarang	(024) 7608791	(024) 7608623
Majapahit	Semarang	Jl. Brigjend. Sudirato 106, Pandean Lamper, Gayamsari, Kota Semarang	0991 - Kota Semarang	(024) 6723762	(024) 6723761
Salatiga	Semarang	Jl. Jend. Sudirman No.188, Kalicacing, Sidumukti, Kota Salatiga	0992 - Kota Salatiga	(0298) 322027	(0298) 326032
Gang Tengah (d/h LIK)	Semarang	Jl. Gang Tengah No. 16, Kranggan, Semarang Tengah, Kota Semarang	0991 - Kota Semarang	(024) 356 1800	(024) 356 1700

Office Network

OFFICE NAME	MAIN BRANCH	ADDRESS	DATI II	TELEPHONE	FACSIMILE
Mataram	Semarang	Ruko Plaza Blok A No. 8 A, Jl. MT Haryono, Dadapsari, Semarang Utara, Kota Semarang	0901 - Kab. Semarang	(024) 3560033 (024) 3560461	(024) 3560462
Agus Salim	Semarang	Kompleks Ruko THD Blok B-21, Jl. K.H. Agus Salim, Purwodinatan, Semarang Tengah, Semarang	0991 - Kota Semarang	(024) 3584035 (024) 3584007	(024) 3584036
Pasar Klewer	Solo	Kios Pasar Klewer Blok EE No. 9 – 12, Jl. Secoyudan, Kauman, Ps. Kliwon, Kota Surakarta/Solo	0996 - Kota Surakarta / Solo	(0271) 293 3790	(0271) 293 5150
Kratonan	Solo	Jl. Yos Sudarso No. 246	0996 - Kota Surakarta / Solo	(0271) 652626 (0271) 654343	(0271) 655622
Pasar Legi	Solo	Jl. Letjen. S. Parman No.83, Kel. Kestalan, Kec. Banjarsari, Kotamadya Surakarta, Jawa Tengah	0996 - Kota Surakarta / Solo	(0271) 666536	(0271) 641177
Sragen	Solo	Jl. Raya Sukowati No. 194, Sragen, Kel. Sragen Kulon, Kec. Sragen, Kab. Sragen, Jawa Tengah	0925 - Kab. Sragen	(0271) 891276 (0271) 891250	(0271) 891276
Palur	Solo	Jl. Raya Palur No. 59, Palur, Karanganyar, Solo	0996 - Kota Surakarta / Solo	(0271) 827474 (0271) 821733	(0271) 821166
Kuningan	Cirebon	Jl. Jend. Sudirman No. 51/55, Kuningan	0117 - Kab. Kuningan	(0232) 871738 (0232) 871810	(0232) 876641
Pasar Balong Pekiringan	Cirebon	Jl. Pekiringan No. 113, Pekalipan, Kota Cirebon	0194 - Kota Cirebon	(0231) 205625	(0231) 211423
Temanggung	Magelang	Jl. KS. Tubun No. 1, Kel. Temanggung I, Kec. Temanggung	0919 - Kab. Temanggung	(0293) 491-555	(0293) 491-155
Muntilan	Magelang	Komp. Ruko PJK A. II No. 3, Pucungrejo, Muntilan, Magelang	0995 - Kota Magelang	(0293) 586508 (0293) 587323	(0293) 587415
Brigjend Katamso	Yogyakarta	Jl. Brigjend. Katamso No. 278 (lama 280), Keparakan, Mergangsan, Kota Yogyakarta	0591 - Kota Yogyakarta	(0274) 384193 (0274) 415732	(0274) 378569
Pasar Beringharjo	Yogyakarta	Jl. Sriwedani, Ruko No. 11, Kel. Ngupasan, Kec. Gondomanan, Yogyakarta	0591 - Kota Yogyakarta	(0274) 546350	(0274) 555911
Kricak	Yogyakarta	Jl. Magelang No. 81, Kricak, Tegalrejo, Kota Yogyakarta	0591 - Kota Yogyakarta	(0274) 553385	(0274) 563672
Pasar Wage	Purwokerto	Ruko Gede - Kawasan Pasar Wage Blok A No. 1, Jl. Jend. Sudirman, Kel. Purwokerto Lor, Kec. Purwokerto Timur, Kab. Banyumas, Purwokerto	0914 - Kab. Banyumas	(0281) 625508	(0281) 625745
Coklat	Surabaya	Jl. Coklat No. 12 – 14, Bongkaran, Pabean Cantian, Surabaya	1291 - Kota Surabaya	(031) 3526784 (031) 3530966	(031) 3523332
Perak Timur (d/h : Kertopaten)	Surabaya	Ruko Tanjung Perak, Jl. Perak Timur No. 42, Kel. Perak Timur, Kec. Pabean Cantian	1291 - Kota Surabaya	(031) 355 0318	(031) 355 0314
Kedungdoro	Surabaya	Jl. Kedungdoro 155 D, Tegalsari, Surabaya	1291 - Kota Surabaya	(031) 5321365 (031) 5322451	(031) 5471442
Kertajaya	Surabaya	Jl. Kertajaya No. 172, Kertajaya, Gubeng, Surabaya	1291 - Kota Surabaya	(031) 5019391 (031) 5054047 (031) 5031657	(031) 5017300
Kapas Krampung	Surabaya	Jl. Kapas Krampung 55 B, Rangkah, Tambaksari, Surabaya	1291 - Kota Surabaya	(031) 3727910 (031) 3718281 (031) 3769292	(031) 3715633
Rungkut	Surabaya	Jl. Rungkut Kidul Industri No. 62, Rungkut Kidul, Rungkut, Surabaya	1291 - Kota Surabaya	(031) 8418271 (031) 8419272	(031) 8414517
Pasar Atum	Surabaya	Pasar Atum Mall Lantai 4 FS-3,5, Jl. Bunguran 45, Kel. Bongkaran, Kec. Pabean Cantikan, Surabaya	1291 - Kota Surabaya	(031) 3523545 (031) 3558115	(031) 3530793
Raden Saleh (d/h Pasar Turi)	Surabaya	Jl. Raden Saleh No. 8-A, Kel. Bubutan, Kec. Bubutan, Kota Surabaya	1291 - Kota Surabaya	(031) 5359970 (031) 5359971 (031) 5359974 (031) 5359963	(031) 5355964
MERR (d/h Bratang Binangun)	Surabaya	Jl. Dr. Ir. H. Soekarno Kav.R-3, Komp. Ruko Icon 21, MERR, Kel. Klampisngasem, Kec. Sukolilo, Surabaya	1291 - Kota Surabaya	(031) 5925585	(031) 5929072
Baliwerti	Surabaya	Jl. Gembongan No. 65 L, Kel. Aloon-aloon Contong, Kec. Bubutan, Surabaya	1291 - Kota Surabaya	(031) 5322886 (031) 5327030	(031) 5353720
Klampis	Surabaya	Jl. Klampis Jaya No. 27 C, Kel. Klampisngasem, Kec. Sukolilo, Surabaya	1291 - Kota Surabaya	(031) 5927672 (031) 5927673	(031) 5927262
Ambulu	Jember	Jl. Suyitman No. 46, Krajan, Ambulu, Kabupaten Jember	1212 - Kab. Jember	(0336) 881902	(0336) 881902
Tabanan	Denpasar	Jl. Gajah Mada No. 80, Delod Peken, Kec. Tabanan, Kabupaten Tabanan	7203 - Kab. Tabanan	(0361) 811588 (0361) 811277	(0361) 812569
Kuta	Denpasar	Kompleks Ruko Istana Kuta Galeria Blok Valet No.12 & 12 A, Jl. Patih Jelantik, Kuta, Badung, Bali	7204 - Kab. Badung	(0361) 769 100	(0361) 769 256
Gatot Subroto	Denpasar	Jl. Gatot Subroto No. 100 X, Kav. 10, Denpasar Utara, Denpasar	7291 - Kota Denpasar	(0361) 7450714 (0361) 7450175 (0361) 7427697	(0361) 248826

OFFICE NAME	MAIN BRANCH	ADDRESS	DATI II	TELEPHONE	FACSIMILE
Diponegoro	Denpasar	Jl. Diponegoro No. 150 Blok A 1 No. 2, Dauh Puri Klod, Denpasar Bar., Kota Denpasar	7291 - Kota Denpasar	(0361) 262773 (0361) 263719 (0361) 263720	(0361) 247246
Mojokerto	Jombang	Jl. Mojopahit 55-57, Mergelo, Sentanan, Magersari, Kota Mojokerto	1292 - Kota Mojokerto	(0321) 322291 (0321) 322816	(0321) 322719
Sutan Syahrir (d/h Gatot Subroto)	Malang	Jl. Sutan Syahrir No. 51, Kel. Sukoharjo, Kec. Klojen	1293 - Kota Malang	(0341) 343230 (0341) 365096 (0341) 365119	(0341) 365118
Blimbing	Malang	Kompleks Pertokoan (Ruko) Letjend S. Parman 56, Blok A-6 Kel. Purwantoro, Kec. Blimbing, Malang	1213 - Kab. Malang	(0341) 405 100	(0341) 418 441
Sidoarjo	Surabaya Bukit Darmo	Jl. Jend. Achmad Yani 40 J, Sidoarjo	1202 - Kab. Sidoarjo	(031) 8941836 (031) 8941046	(031) 8941047
Mayjend. Sungkono	Surabaya Bukit Darmo	Jl. Mayjend. Sungkono No.142-143, Blok A16, Kel. Gunungsari, Kec. Dukuh Pakis, Surabaya	1291 - Kota Surabaya	(031) 99531299	(031) 99535250
Gresik	Surabaya Bukit Darmo	Jl. Usman Sadar No. 84, Sukorame, Kemuteran, Kec. Gresik, Kabupaten Gresik	1201 - Kab. Gresik	(031) 3990053 (031) 3972145	(031) 3990054
Bandang	Makassar	Jl. Bandang No. 50 B, Bontoala, Kota Makassar	6191 - Kota Makassar	(0411) 326694	(0411) 317445
Panakkukang	Makassar	Jl. Pengayoman No. 48, Pandang, Panakkukang, Kota Makassar	6191 - Kota Makassar	(0411) 421921 (0411) 433017	(0411) 458260
Sui Raya	Pontianak	Jl. Adi Sucipto Km 7,3 , Sungai Raya, Kabupaten Kubu Raya	5391 - Kota Pontianak	(0561) 721770	
Sultan Muhammad	Pontianak	Jl. Sultan Muhammad No. 175, Kel. Benua Melayu Laut, Kec. Pontianak Selatan, Pontianak	5391 - Kota Pontianak	(0561) 731583	(0561) 731582
Plaza Kebun Sayur (d/h : Pandan Wangi)	Balikpapan	Ruko Plaza Kebun Sayur No. T.36, Jl. Jend. Suprpto, Kel. Baru Ilir, Kec. Balikpapan Barat	5492 - Kota Balikpapan	(0542) 748 073	(0542) 748 074
Gunung Sari (d/h : Klandasan Ulu)	Balikpapan	Jl. Jend. A. Yani No. 267, Mekar Sari, Balikpapan Tengah, Kota Balikpapan	5492 - Kota Balikpapan	(0542) 732531	(0542) 732534
Balikpapan Permai	Balikpapan	Komplek Balikpapan Permai, Jl. Jend. Sudirman Blok C/II No. 88, Damai, Balikpapan Kota, Kota Balikpapan	5492 - Kota Balikpapan	(0542) 733238 (0542) 733228	(0542) 733238
Ruko Permata Kaltim (d/h : Dr. Soetomo)	Samarinda	Jl. Pahlawan (Ruko Permata Kaltim No.3B), Samarinda	5491 - Kota Samarinda	(0541) 200138 (0541) 746807 (0541) 745082	(0541) 201961
Yos Sudarso	Samarinda	Jl. Yos Sudarso No. 36, Pelabuhan, Samarinda Kota, Kota Samarinda	5491 - Kota Samarinda	(0541) 731558 (0541) 741586	(0541) 742274
A. Yani	Banjarmasin	Jl. Jend. A. Yani KM 2, No. 12 RT 17, Banjarmasin	5191 - Kota Banjarmasin	(0511) 3269525 (0511) 3262991	(0511) 3269525

Significant Changes to Financial Service Institution [102-10]

During 2019, there has been no significant changes to the Bank's location and operations, share capital structure and other capital formation, and structure of the supply chain.

Membership of Associations [102-13]

Up to the end of 2019, UOB Indonesia has joined several national and international associations, namely Perhimpunan Bank Nasional (PERBANAS), Asosiasi Sistem Pembayaran Indonesia (ASPI).

Capital Market Supporting Institutions/Professionals

Rating Agency	Trustee	
PT Fitch Ratings Indonesia DBS Bank Tower Lt.24 Suite 2403 Jl. Prof Dr. Satrio Kav 3-5 Jakarta Selatan, DKI Jakarta, 12940 Indonesia Telp. (021)29886800 Faks. (021) 29886822	PT Bank Permata Tbk. Permata Bank Tower 3 Lantai 14 Jl. M.H Thamrin Blok B 1 No.1 Pusat Kawasan Niaga Bintaro Jaya Sektor VII Tangerang, Banten, 15244 Indonesia Telp. (021) 7455888 Faks. (021) 7459888	PT Bank Mandiri (Persero) Tbk Plaza Mandiri, Lantai 22 Jl. Jenderal Gatot Subroto Kav. 36-38 Jakarta Selatan, DKI Jakarta, 12190 Indonesia Telp. (021) 5245161, 5268216 Faks. (021) 5268201

Share Registrar	Public Accountant Office	Legal Consultant
PT Sirca Datapro Perdana Wisma Sirca Jl. Johar, No. 18, Menteng Jakarta Pusat, DKI Jakarta 10340 Indonesia Telp. (021) 3140032 Faks. (021) 3900652	Purwantonong, Sungkoro & Surja (Ernst & Young Indonesia) Indonesia Stock Exchange Tower 2, Lt.7 Jl. Jenderal Sudirman Kav. 52-53 Jakarta Selatan, DKI Jakarta 12190 Indonesia Telp. (021)52895000 Faks. (021)52894100	Hiswara Bunjamin & Tandjung Gedung BRI II 23rd Floor Jl. Jenderal Sudirman Kav. 44-46 Jakarta Selatan, DKI Jakarta, 10210 Indonesia Tel : +62 21 574 4010 Fax : +62 21 5744670

Public Notary
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Type of Profession	Service Rendered	Fee in Rp million	Assignment Period
Public Accountant Office	Audit service for the Financial Statements of 2019	4,400	2019 fiscal year
Appraiser	There are no periodic services	None	None
Legal Consultant	There are no periodic services	None	None
Public Notary	There are no periodic services	None	None



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