



2009

Corporate Governance Review

Tinjauan Tata Kelola Perusahaan

Bank Internasional Indonesia



The uncompromising standards, which BII has adhered to since the appointment of the new management, represents a clear reflection of the level commitment, which the Bank now possess for ensuring compliance with all internal, regulatory and ethical requirements.

Standar baku, merupakan hal yang selalu diterapkan oleh Bank sejak di awal kepemimpinan manajemen baru, untuk mencerminkan tingginya komitmen yang dimiliki Bank saat ini dalam menjamin kepatuhan terhadap aturan-aturan dari internal, regulator maupun yang berdasarkan etika.

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In reaching its goals BII maintains the highest standards for Good Corporate Governance (GCG).

Untuk mencapai tujuan-tujuannya BII akan selalu menerapkan standar tertinggi dalam pelaksanaan Tata Kelola Perusahaan yang Baik (GCG).

Implementation Of Good Corporate Governance.

In December 2008, Mayban Offshore Corporate Services (Labuan) Sdn. Bhd. (MOCS) a subsidiary of Malayan Banking Berhad (Maybank) successfully completed the acquisition of shares of BII. The Bank's new BOD were selected during the AGM in March 2009. All Directors had officially assumed their executive positions by 29 May 2009.

BII's entry in to the Maybank Group, is expected to provide optimal benefits for the Bank's customers and facilitate transactions throughout the ASEAN region. Maybank's strength in the financial industry is very strategic and will serve BII as a source of dynamism in the competitive business environment in which the Bank operates. BII will constantly modify its approach to the market as a means to improve and adapt to changing conditions.

In implementing the principles of GCG, BII's management and all employees are committed to continuing and improving the implementation of best practices, which promote moral and ethical execution of prudential banking in accordance with all applicable regulations for banks and public companies. BII will ensure transparency at each and every step of the Bank's operations.

Pelaksanaan Tata Kelola Perusahaan yang Baik (GCG).

Pada bulan Desember 2008, Mayban Offshore Corporate Services (Labuan) Sdn. Bhd. (MOCS) yang merupakan anak perusahaan Malayan Banking Berhad (Maybank) berhasil menyelesaikan proses akuisisi saham BII. Kepengurusan Bank yang baru ditunjuk dalam RUPS pada bulan Maret 2009 dan penunjukan secara lengkap terjadi pada tanggal 29 Mei 2009.

Bergabungnya BII menjadi bagian dari Grup Maybank, diharapkan dapat memberikan manfaat yang optimal bagi nasabah BII dalam bertransaksi di wilayah ASEAN. Kekuatan Maybank dalam industri keuangan sangat strategis dan membantu BII dalam mengantisipasi dinamika bisnis perbankan dimana Bank beroperasi. BII senantiasa menyesuaikan strategi operasinya agar mampu melakukan penyempurnaan serta beradaptasi terhadap perubahan yang terjadi

Dalam pengelolaan GCG, manajemen BII beserta seluruh karyawan berkomitmen untuk melanjutkan dan menyempurnakan penerapan praktek-praktek GCG yang mengedepankan prinsip moral dan etika serta praktek-praktek bisnis yang sehat dalam kegiatan perbankan sesuai dengan ketentuan yang berlaku bagi bank dan perusahaan publik.

This commitment towards the implementation of GCG principles in every business activity is indispensable for BII's ambition to build a competitive organization with quality human resources, which are reliable and maintain the values of integrity, professionalism and leadership. BII aims to ensure that GCG is implemented accordingly, to enhance shareholder value and maintain the trust of all stakeholders.

In 2009, BII's new management has attempted to reform the Bank to make improvements to the organization and embrace a customer-centric approach that supports and promotes cross selling efforts to encourage the Bank's performance.

Ethics and behavior are the most important pillars in building a responsible corporate culture. Therefore high standards for business conduct and personal behavior have been clearly defined in BII's Code of Ethics and Code of Conduct. These standards apply to all employees and managers, without exception, including contracted employees and other parties working with or representing BII directly or indirectly. BII regularly reinforces its staff's renewed personal commitment to the Code of Ethics and Code of Conduct every year. Beginning in 2009, this renewal of commitment was carried out online.

Based on Bank Indonesia Regulation Number 8/4/PBI/2006 dated 30 January 2006 concerning the Implementation of GCG for Commercial Banks, Bank Indonesia Regulation No. 8/14/PBI/2006 dated 5 October 2006 concerning Amendment to Bank Indonesia Regulation Number 8/4/PBI/2006 30 January 2006 concerning the Implementation of GCG for Commercial Banks and Bank Indonesia Circulation Letter No. 9/12/DPNP dated 30 May 2007 concerning the Implementation of GCG for Commercial Banks, and Bapepam regulations and other best practices, BII implements GCG

Komitmen yang tinggi dalam melaksanakan prinsip-prinsip GCG di setiap kegiatan usaha BII mutlak diperlukan dalam upaya membangun organisasi yang kompetitif dengan mutu sumber daya manusia yang handal serta mendasarkan diri pada nilai-nilai integritas, profesionalisme dan kepemimpinan. Hal ini bertujuan untuk memastikan bahwa GCG telah dilaksanakan dengan sebaik-baiknya guna meningkatkan *shareholder's value* dan menjaga kepercayaan *stakeholder*.

Pada 2009 Manajemen BII yang baru telah melakukan pembenahan struktur organisasi perusahaan melalui pendekatan *customer centricity* dalam rangka mendukung upaya *cross selling* untuk meningkatkan kinerja Bank.

Etika dan perilaku merupakan pilar terpenting dalam membangun suatu budaya perusahaan yang bertanggung jawab. Oleh karenanya standar dan perilaku bisnis serta tingkah laku pribadi yang etis ditetapkan dalam Kode Etik dan Pedoman Tingkah Laku yang berlaku untuk seluruh karyawan dan manajemen tanpa terkecuali, termasuk para karyawan kontrak serta para pihak yang bekerjasama dengan BII atau mewakili BII secara langsung atau tidak langsung. Pembaharuan komitmen pribadi atas Kode Etik dan Pedoman Tingkah Laku untuk karyawan dilakukan setiap tahun. Mulai tahun 2009, pembaharuan komitmen tersebut dilakukan secara *online*.

Dengan berpedoman pada Peraturan Bank Indonesia Nomor 8/4/PBI/2006 tanggal 30 Januari 2006 tentang Pelaksanaan GCG bagi Bank Umum, Peraturan Bank Indonesia Nomor 8/14/PBI/2006 tanggal 5 Oktober 2006 tentang Perubahan atas Peraturan Bank Indonesia Nomor 8/4/PBI/2006 tanggal 30 Januari 2006 tentang Pelaksanaan GCG bagi Bank Umum dan Surat Edaran Bank Indonesia Nomor 9/12/DPNP tanggal 30 Mei 2007 tentang Pelaksanaan GCG bagi Bank Umum, serta Peraturan Bapepam maupun *best practices* lainnya, BII melaksanakan GCG dengan berlandaskan

based on 5 basic principles of GCG that consist of transparency, accountability, responsibility, independency and fairness.

Implementation of GCG basic principles includes the submission of BII GCG Implementation Report every year to the relevant parties as determined by regulator. In an effort to restore and improve the quality of the implementation of GCG, BII regularly conducts a comprehensive self assessment of the implementation of GCG to monitor and evaluate the implementation and establish an action plan including corrective actions, if necessary, to obtain better results.

I. General Meeting of Shareholders (GMS)

In 2009, BII has hosted 1 (one) AGMS on 20 March 2009 and 2 (two) EGMS on 20 March 2009 and 29 May 2009 respectively.

Several important decisions were made at the AGMS and EGMS on 20 March 2009 are as follow:

- Approval on the Management report on the Company's performance for the year ended 31 December 2008 and ratified the Balance Sheet and Income/Loss Statement of the Company for the year ended 31 December 2008.
- Approval on the appointment of new members of the BOC and the BOD as previous members of the BOC and BOD had reached the end of their term of office. The meeting approved the appointment of returning President Commissioner Tan Sri Mohamed Basir bin Ahmad, Dato 'Sri Abdul Wahid bin Omar, Spencer Lee Tien Chye, Putu Antara, Umar Juoro, and Taswin Zakaria as the BOC. As for the BOD, Ridha Wirakusumah was appointed as President Director, while Thilagavathy Nadason, Ghazali bin Mohd Rasad, Rahardja Alimhamzah, Stephen Liesty, Rita Mirasari and Satinder Pal Singh Ahluwalia were appointed as Directors of the Company. The General Meeting of Shareholders also approved the

pada 5 prinsip dasar GCG yaitu transparansi (*transparency*), akuntabilitas (*accountability*), pertanggungjawaban (*responsibility*), independensi (*independency*) dan kewajaran (*fairness*).

Pelaksanaan prinsip-prinsip dasar GCG diantaranya dengan menyampaikan Laporan Pelaksanaan GCG BII setiap tahunnya kepada para pihak sesuai ketentuan yang berlaku. Sebagai upaya perbaikan dan peningkatan kualitas pelaksanaan GCG, BII secara berkala melakukan *self assessment* yang komprehensif terhadap pelaksanaan GCG untuk memantau serta mengevaluasi implementasinya dan melakukan kajian rencana tindak lanjut, termasuk tindakan korektif apabila diperlukan guna mendapatkan hasil yang lebih baik.

I. Rapat Umum Pemegang Saham (RUPS)

Pada 2009, BII telah menyelenggarakan 1 (satu) kali RUPST pada 20 Maret 2009 dan 2 (dua) kali RUPSLB masing-masing pada 20 Maret 2009 dan 29 Mei 2009.

Beberapa keputusan penting yang dihasilkan pada RUPST dan RUPSLB tanggal 20 Maret 2009 diantaranya adalah:

- Menyetujui Laporan Direksi tentang kinerja Perseroan untuk tahun buku yang berakhir pada 31 Desember 2008 dan pengesahan Neraca dan Perhitungan Laba/Rugi Perseroan untuk tahun buku yang berakhir 31 Desember 2008.
- Menyetujui pengangkatan anggota Dewan Komisaris dan Direksi yang baru sehubungan dengan berakhirnya masa jabatan anggota Dewan Komisaris dan Direksi yang menjabat saat itu. Menyetujui pengangkatan kembali Presiden Komisaris Tan Sri Mohamed Basir bin Ahmad, Dato' Sri Abdul Wahid bin Omar, Spencer Lee Tien Chye, Putu Antara, Umar Juoro, dan Taswin Zakaria sebagai Dewan Komisaris. Pada jajaran Direksi, Ridha Wirakusumah telah diangkat sebagai Presiden Direktur, sementara Thilagavathy Nadason, Ghazali bin Mohd Rasad, Rahardja Alimhamzah, Stephen Liesty, Rita Mirasari dan Satinder Pal Singh Ahluwalia diangkat menjadi Direktur. Rapat Umum Pemegang Saham juga menyetujui pengunduran diri

resignation of Fransiska Oei as Director of Compliance and approved the appointment of Rita Mirasari as his successor.

- Two existing members of the BOD, Fransiska Oei and Rita Mas'Oen, were willing to support BII during the transition period; therefore their term will expire on 20 April 2009 and 20 June 2009 respectively.

Several important decisions were made at the EGMS on 29 May 2009 are as follows:

- Approval and appointment of new members of the BOD: I Gusti Made Mantera, Lim Eng Khim and Jenny Wiriyanto.
- In effect the new BOD comprise of the following members: Ridha Wirakusumah as President Director, Thilagavathy Nadason, Ghazali bin Mohd Rasad, Rahardja Alimhamzah, Stephen Liesty, Rita Mirasari, Satinder Pal Singh Ahluwalia, I Gusti Made Mantera, Lim Eng Khim, and Jenny Wiriyanto and Rita Mas' Oen as Directors.
- Rita Mas'Oen's term of office expired on 20 June 2009 in accordance with the decision of the AGMS dated 20 March 2009.

II. Board of Commissioners

BII's BOC consists of Commissioners and Independent Commissioners who have an important role in the implementation of GCG. Their main task is to oversee policy and its implementation by the BOD in managing the Company.

Bank Indonesia Regulation Number 8/4/PBI/2006 dated 30 January 2006, as amended by Bank Indonesia Regulation No. 8/14/PBI/2006 dated 5 October 2006 concerning The Implementation of GCG for Commercial Banks states that Independent Commissioner is a member of the BOC with no relation in terms of financial interest, management, shares ownership and/or family relationships with other members of the BOC, the BOD and/or controlling shareholders or any interest with the Bank, which may affect their ability to act independently.

Fransiska Oei sebagai Direktur Kepatuhan serta menyetujui pengangkatan Rita Mirasari sebagai penggantinya.

- Dua anggota Direksi yang ada, Fransiska Oei dan Rita Mas'Oen, telah bersedia untuk mendukung BII selama masa peralihan sehingga masa jabatannya akan berakhir pada 20 April 2009 dan 20 Juni 2009.

RUPSLB yang diselenggarakan 29 Mei 2009 telah memutuskan hal-hal penting sebagai berikut:

- Menyetujui dan mengangkat anggota Direksi baru yaitu: I Gusti Made Mantera, Lim Eng Khim dan Jenny Wiriyanto.
- Sehingga susunan Direksi menjadi sebagai berikut : Ridha Wirakusumah sebagai Presiden Direktur, Thilagavathy Nadason, Ghazali bin Mohd Rasad, Rahardja Alimhamzah, Stephen Liesty, Rita Mirasari, Satinder Pal Singh Ahluwalia, I Gusti Made Mantera, Lim Eng Khim dan Jenny Wiriyanto dan Rita Mas 'Oen menjadi Direktur.
- Jabatan Rita Mas'Oen berakhir pada 20 Juni 2009 sesuai dengan hasil keputusan RUPST 20 Maret 2009.

II. Dewan Komisaris

Dewan Komisaris BII yang terdiri dari Komisaris dan Komisaris Independen memiliki peran sangat penting dalam pelaksanaan GCG, dengan tugas utama mengawasi kebijakan dan pelaksanaan kebijakan tersebut oleh Direksi.

Peraturan Bank Indonesia Nomor 8/4/PBI/2006 tanggal 30 Januari 2006 sebagaimana telah diubah melalui Peraturan Bank Indonesia Nomor 8/14/PBI/2006 tanggal 5 Oktober 2006 tentang Pelaksanaan GCG bagi Bank Umum menyebutkan bahwa Komisaris Independen adalah anggota Dewan Komisaris yang tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan anggota Dewan Komisaris lainnya, Direksi dan/atau pemegang saham pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemampuannya untuk bertindak independen.

A. Implementation of Duties and Responsibilities of The BOC

1. BII's BOC actively ensures GCG principles have been implemented in all of the Bank's business activities at all levels of the organization.
2. The BOC is responsible for implementation of tasks and responsibilities of the BOD on a regular basis, through the provision of advice. The BOD is accountable for each decision made. Supervision is carried out, among others, through regular meetings with the BOD or through the reports submitted exclusively by the Internal Audit Work Unit (SKAI), the Audit Committee, Risk Oversight Committee, Compliance Director, or through any other means of written communication.
3. The BOC direct, monitor and evaluate the implementation of the Bank's strategic policy.
4. The BOC are not involved in the decision of Bank operational activities, except in the provision of funds to related parties, or other matters set forth in the Bank's Articles of Association and/or legislation in force in order to carry out oversight functions.
5. The BOC have established the Audit Committee, the Risk Monitoring Committee, the Remuneration and Nomination Committee, which have effectively carried out their duties, whose duties and responsibilities will be specifically described in this report.
6. Appointment of committee members have been made by the BOD based on decisions reached at the meeting of the BOC.
7. Through the Audit Committee, the BOC have ensured that the BOD have followed up audit findings and recommendations of the SKAI, external auditors, the Bank Indonesia oversight report and/or oversight by other authorities.

A. Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris

1. Dewan Komisaris BII secara aktif memastikan telah diterapkannya prinsip-prinsip GCG dalam setiap kegiatan usaha Bank pada seluruh tingkatan atau jenjang organisasi.
2. Dewan Komisaris melakukan pengawasan terhadap pelaksanaan tugas dan tanggung jawab Direksi secara berkala, melalui pemberian arahan, nasihat maupun meminta pertanggungjawaban Direksi dalam setiap keputusan yang diambil. Pengawasan tersebut dilaksanakan antara lain dilakukan melalui rapat berkala Dewan Komisaris dengan Direksi atau melalui laporan-laporan yang disampaikan secara khusus oleh Satuan Kerja Audit Intern (SKAI), Komite Audit, Komite Pemantau Risiko, Direktur Kepatuhan, atau melalui sarana komunikasi tertulis lainnya.
3. Dewan Komisaris mengarahkan, memantau dan mengevaluasi pelaksanaan kebijakan strategis Bank.
4. Dewan Komisaris tidak terlibat dalam pengambilan keputusan kegiatan operasional Bank, kecuali dalam hal penyediaan dana kepada pihak terkait, atau hal-hal lain yang ditetapkan dalam Anggaran Dasar Bank dan/atau peraturan perundang-undangan yang berlaku dalam rangka melaksanakan fungsi pengawasan.
5. Dewan Komisaris telah membentuk Komite Audit, Komite Pemantau Risiko, Komite Remunerasi dan Nominasi yang telah menjalankan tugasnya secara efektif, dimana tugas dan tanggung jawabnya akan diuraikan secara khusus dalam laporan ini.
6. Pengangkatan anggota komite telah dilakukan Direksi berdasarkan keputusan rapat Dewan Komisaris.
7. Melalui Komite Audit, Dewan Komisaris telah memastikan bahwa Direksi telah menindaklanjuti temuan audit dan rekomendasi dari SKAI, auditor ekstern, hasil pengawasan Bank Indonesia dan atau hasil pengawasan oleh otoritas lainnya.

8. The BOC maintain guidance and a set of disciplines that include establishing work ethics, work time and meeting mechanisms used as a benchmark in assessing performance.
9. The BOC have been provided sufficient time to carry out their duties and responsibilities optimally.

8. Dewan Komisaris memiliki pedoman dan tata tertib kerja yang mencantumkan pengaturan etika kerja, waktu kerja dan mekanisme rapat yang menjadi tolok ukur dalam menilai kinerja.
9. Dewan Komisaris telah menyediakan waktu yang cukup untuk melaksanakan tugas dan tanggung jawabnya secara optimal.

B. Number and Composition of The BOC

The number and composition of BII's BOC as of 31 December 2009 consists of 6 (six) persons namely 1 (one) President Commissioner, 2 (two) Commissioners and 3 (three) Independent Commissioners.

B. Jumlah dan Komposisi Dewan Komisaris

Jumlah dan Komposisi Dewan Komisaris BII per 31 Desember 2009 terdiri dari 6 (enam) orang yaitu 1 (satu) Presiden Komisaris, 2 (dua) Komisaris dan 3 (tiga) Komisaris Independen.

Name Nama	Position Jabatan	Approval Date Tanggal Persetujuan		Terms of Office Up To Masa Jabatan s/d
		GMS RUPS	Bank Indonesia	
Tan Sri Mohamed Basir bin Ahmad *)	President Commissioner Presiden Komisaris	01 December 2008 01 Desember 2008	20 February 2009 20 Februari 2009	AGMS 2012 RUPST 2012
Dato' Sri Abdul Wahid bin Omar	Commissioner Komisaris	01 December 2008 01 Desember 2008	12 March 2009 12 Maret 2009	AGMS 2012 RUPST 2012
Spencer Lee Tien Chye	Commissioner Komisaris	01 December 2008 01 Desember 2008	20 February 2009 20 Februari 2009	AGMS 2012 RUPST 2012
Putu Antara **)	Independent Commissioner Komisaris Independen	20 March 2009 20 Maret 2009	22 October 2002 22 Oktober 2002	AGMS 2012 RUPST 2012
Umar Juoro **)	Independent Commissioner Komisaris Independen	20 March 2009 20 Maret 2009	07 November 2002 07 November 2002	AGMS 2012 RUPST 2012
Taswin Zakaria **)	Independent Commissioner Komisaris Independen	20 March 2009 20 Maret 2009	31 March 2004 31 Maret 2004	AGMS 2012 RUPST 2012

Notes Keterangan:
 *) Resigned as of 7 November 2009 and effective on AGM held on 28 January 2010.
 Mengundurkan diri per tanggal 7 November 2009 dan efektif berdasarkan RUPS yang diadakan pada tanggal 28 Januari 2010.
 **) Member of the Board of Commissioners of Indonesian nationality
 Anggota Dewan Komisaris berkebangsaan Indonesia.

Tan Sri Mohamed Basir bin Ahmad had submitted his resignation from his position as President Commissioner commencing from the date of 7 November 2009 as he was due to retire from his position at Maybank. His resignation was immediately effective after the GMS is concluded.

Tan Sri Mohamed Basir bin Ahmad telah mengajukan permohonan pengunduran diri dari jabatan sebagai Presiden Komisaris terhitung sejak 7 November 2009 dikarenakan telah memasuki masa pensiun di Maybank. Pengunduran diri tersebut efektif setelah RUPS.

Maybank commissioned Tan Sri Dato' Megat Zaharuddin bin Megat Mohd Nor as a candidate for President Commissioner. The candidacy has been approved by BII's Remuneration and Nomination Committee. At the time this report was published, his appointment has already been approved by EGMS held on 28 January 2010, which was followed by approval from Bank Indonesia on 1 April 2010.

As of 31 December 2009 the number and composition of BII's BOC as follows:

- Did not exceed the number of members of the BOD;
- 50% of BOC members are Independent Commissioners; and
- The number of foreign nationalities of members of the BOC do not exceed the number of members of the BOC of Indonesian nationality.

No members of the BOC is serving as commissioner, director or executive officer of another bank, company or institution, except as permitted by Bank Indonesia regulation on the implementation of GCG for Commercial Banks.

The term of office of BOC will expire at the closing of the 2012 AGMS.

C. Criteria of The BOC

All of the appointments and/or replacements of each member of the BOC were approved by the GMS in accordance with the main criteria that take into account integrity, competence, professionalism and adequate financial reputation in accordance with the requirements of the Fit and Proper Test set by Bank Indonesia. Any appointment and/or replacement of members of the BOC must take into account the recommendations of the Remuneration and Nomination Committee.

Maybank menugaskan Tan Sri Dato' Megat Zaharuddin bin Megat Mohd Nor sebagai calon Presiden Komisaris. Pencalonan tersebut telah disetujui Komite Remunerasi dan Nominasi BII. Pada saat laporan ini dikeluarkan, pengangkatan tersebut telah disahkan melalui RUPSLB 28 Januari 2010 dan telah disetujui melalui penilaian kemampuan dan kepatutan (*Fit & Proper Test*) dari Bank Indonesia sejak 1 April 2010.

Per 31 Desember 2009 jumlah dan komposisi anggota Dewan Komisaris BII sebagai berikut:

- Tidak melebihi jumlah anggota Direksi;
- 50%-nya merupakan Komisaris Independen; dan
- Jumlah anggota Dewan Komisaris Warga Negara Asing tidak melampaui jumlah anggota Dewan Komisaris berkebangsaan Indonesia.

Tidak terdapat rangkap jabatan anggota Dewan Komisaris BII sebagai Komisaris, Direksi atau Pejabat Eksekutif pada Bank lain atau perusahaan lain, kecuali sebagaimana diperkenankan dalam Peraturan Bank Indonesia tentang Pelaksanaan GCG Bagi Bank Umum.

Masa jabatan seluruh anggota Dewan Komisaris akan berakhir pada RUPST 2012.

C. Kriteria Dewan Komisaris

Seluruh pengangkatan dan/atau pergantian anggota Dewan Komisaris disetujui oleh RUPS sejalan dengan kriteria utama dengan mempertimbangkan integritas, kompetensi, profesionalisme dan reputasi keuangan yang memadai sesuai dengan persyaratan penilaian kemampuan dan kepatutan (*Fit and Proper Test*) yang telah ditetapkan oleh Bank Indonesia. Setiap pengangkatan dan/atau pergantian anggota Dewan Komisaris senantiasa memperhatikan rekomendasi dari Komite Remunerasi dan Nominasi.

D. Independency Status of The BOC

To avoid conflicts of interest, all members of the BOC must not have financial relationships and family relationships with other members of the BOC and/or members of the BOD.

Each Independent Commissioner must not have a financial relationship, management, ownership and family relationships up to second degree with other members of the BOC, the BOD and/or controlling shareholders that can affect their ability to act independently.

In connection with the above statement, each Independent Commissioner has made and signed the Statement of Independence.

E. Meetings of The BOC

In 2009, the BOC have held meetings 11 (eleven) times, whereby 9 (nine) meetings were attended by all members of the BOC (either in person or via teleconferencing technology).

The BOC meetings were attended by all members of the BOC and took place on 23 January 2009, 20 March 2009, 24 April 2009, 24 July 2009, 28 August 2009, 16 September 2009, 22 October 2009, 6 November 2009 and 11 December 2009.

Decisions made at the BOC meetings have been done on the basis of deliberation to reach a consensus, or majority vote in the deliberation to reach a consensus does not occur. BOC meeting have been set forth in the minutes of meetings and are well documented, and feature the inclusion of dissenting opinions, if any.

D. Status Independensi Dewan Komisaris

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

Seluruh Komisaris Independen tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan hubungan keluarga sampai dengan derajat kedua dengan anggota Dewan Komisaris lainnya, Direksi dan/atau Pemegang Saham Pengendali yang dapat mempengaruhi kemampuannya untuk bertindak independen.

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

E. Rapat Dewan Komisaris

Pada 2009, Dewan Komisaris telah menyelenggarakan rapat sebanyak 11 (sebelas) kali, dimana, 9 (sembilan) kali diantaranya dihadiri oleh seluruh anggota Dewan Komisaris, baik dihadiri secara fisik maupun melalui teknologi telekonferensi.

Rapat Dewan Komisaris yang dihadiri oleh seluruh anggota Dewan Komisaris yaitu pada 23 Januari 2009, 20 Maret 2009, 24 April 2009, 24 Juli 2009, 28 Agustus 2009, 16 September 2009, 22 Oktober 2009, 6 November 2009, dan 11 Desember 2009.

Pengambilan keputusan rapat Dewan Komisaris telah dilakukan berdasarkan musyawarah mufakat, atau suara terbanyak dalam hal tidak terjadi musyawarah mufakat. Hasil rapat Dewan Komisaris telah dituangkan dalam risalah rapat dan didokumentasikan dengan baik, termasuk pencantuman *dissenting opinions* apabila ada.

2009 Board of Commissioners Meetings Rapat Dewan Komisaris Tahun 2009

Name Nama	23/1	20/2	20/3	24/4	29/5	24/7	28/8	16/9	22/10	06/11	11/12	Σ
Board of Commissioners Dewan Komisaris												
Putu Antara	√	√	√	√	√	√	√	√	√	√	√	11
Umar Juoro	√	x	√	√	x	√	√	√	√	√	√	9
Taswin Zakaria	√	√	√	√	√	√	√	√	√	√	√	11
Dato' Sri Abdul Wahid Omar	√	√	√	√	√	**	√	**	**	√	√	11
Tan Sri Mohammed Basir	√	√	√	√	√	**	√	**	**	√	*	10
Spencer Lee Tien Chye	√	√	√	√	√	**	√	**	**	√	√	11
Invitees Undangan												
Henry Ho	√	√	*	No more a member Tidak bergabung lagi								2
Sukatmo Padmosukarso	√	√	x									2
Fransiska Oei	√	√	√									3
Rita Mas'Oen	√	√	x									2
Dira K. Mochtar	√	√	x									2
Prem Kumar	√	√	x									2
Sanjay Kapoor	√	√	x									2
Satinder Pal Sing A	√	√	x									x
Thilagavathy Nadason	Not Yet A Member Belum bergabung			√	√	√	√	√	√	√	√	8
Rita Mirasari	Not Yet A Member Belum bergabung			√	√	√	√	√	√	√	√	8
Ridha Wirakusumah	Not Yet A Member Belum bergabung			√	√	√	√	√	√	√	√	8
Abdul Farid Bin Alias	√	√	√	√	√	√	√	**	**	X	√	10
Khairussaleh Ramli	√	x	x	√	√	√	√	**	**	√	x	8
Lim Eng Khim	√	√	√	√	√	√	x	x	x	x	x	6
Tan Sri Dato' Megat Zaharuddin	Not Yet A Member Belum bergabung									√	√	2
Notes Keterangan: √ : Present Hadir x : Absent Absen *) : Resigned Mengundurkan diri **) : Present Via Teleferencing Technology Melalui teknologi telekonferensi												

Therefore meetings of BII's BOC during 2009 have fulfilled Bank Indonesia regulations.

Dengan demikian penyelenggaraan Rapat Dewan Komisaris BII pada 2009 telah memenuhi ketentuan Bank Indonesia.

F. Transparency and Financial, Management and Family Relationships of The BOC

F. Transparansi dan Hubungan Keuangan, Kepengurusan dan Keluarga Dewan Komisaris

Each member of BII's BOC has made and signed an updated statement, among other related matters as follows:

Anggota Dewan Komisaris BII telah membuat dan menandatangani surat pernyataan yang diperbaharui secara berkala, antara lain terkait hal-hal sebagai berikut:

1. BOC members have no shares totalling 5% or more in BII or in other banks and companies (both national and international);
2. Independent Commissioners have no interests or financial, managerial and/or familial relations with other members of the BOC and Directors and/or with controlling shareholders or relationships within the Bank which may affect their ability to act independently.
3. BOC members are committed to comply with the Codes of Ethics and Conduct.

1. Anggota Dewan Komisaris tidak memiliki saham yang mencapai 5% atau lebih pada BII maupun pada bank dan perusahaan lain (di dalam dan di luar negeri).
2. Komisaris Independen tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan anggota Dewan Komisaris lainnya, Direksi dan/atau Pemegang Saham Pengendali, atau hubungan dengan Bank, yang dapat mempengaruhi kemampuannya untuk bertindak independen.
3. Komitmen terhadap pelaksanaan Kode Etik dan Pedoman Tingkah Laku.

III. The BOD

A. Implementation of Duties and Responsibilities of The BOD

The BOD assumes full responsibility for the Bank's professional business development and risk management. The BOD promotes prudential banking principles in order to increase shareholder value, and consistently follows applicable laws and regulations issued by Bank Indonesia, the Department of Finance, Bapepam-LK, and other authorities. The BOD follows up the audit results and recommendations by the internal auditor and external auditors as well as the results of monitoring by Bank Indonesia and/or other authorities.

Corporate Secretary

Rita Mirasari, Compliance Director, also serves as Corporate Secretary, and is responsible for the maintenance of fair, consistent, and transparent communications regarding matters related to corporate governance, material transactions, and corporate actions.

The Corporate Communication Division, under the Corporate Secretary's direction, provides daily information on the Bank to shareholders, the public, capital market investors, analysts, and the media.

The Corporate Secretary also monitors compliance with capital market laws and regulations, and ensures that the BOD is informed of changes in laws and regulations and their implications.

III. Direksi

A. Pelaksanaan Tugas dan Tanggung Jawab Direksi

Direksi bertanggung jawab penuh dalam pengembangan bisnis dan pengelolaan risiko Bank secara profesional dengan mengedepankan prinsip kehati-hatian (*prudential banking*) untuk meningkatkan *shareholders value* serta senantiasa berpedoman pada peraturan perundang-undangan dan ketentuan yang berlaku, baik yang diterbitkan oleh Bank Indonesia, Departemen Keuangan, Bapepam - LK dan otoritas lainnya yang berwenang. Direksi senantiasa menindaklanjuti hasil temuan audit dan rekomendasi dari SKAI, auditor eksternal, dan hasil pengawasan yang dilakukan oleh Bank Indonesia dan atau otoritas lain yang berwenang.

Sekretaris Perusahaan

Rita Mirasari selaku Direktur Kepatuhan juga menjabat sebagai Sekretaris Perusahaan (*Corporate Secretary*). Sekretaris Perusahaan bertanggung jawab memelihara kewajaran, konsistensi dan transparansi komunikasi mengenai hal-hal terkait tata kelola perusahaan, transaksi material dan tindakan korporasi.

Divisi Komunikasi Perusahaan dengan pengarahan Sekretaris Perusahaan menyediakan informasi harian mengenai Perusahaan kepada pemegang saham, masyarakat, investor pasar saham, analis dan media.

Sekretaris Perusahaan juga memantau kepatuhan terhadap peraturan dan ketentuan pasar modal serta memastikan bahwa Direksi mengetahui perubahan peraturan yang terjadi serta implikasinya.

B. Number and Composition of The BOD

The number and composition of BII's BOD of as 31 December 2009 consisted of 10 (ten) persons with the following composition:

B. Jumlah dan Komposisi Direksi

Jumlah dan Komposisi Direksi BII per tanggal 31 Desember 2009 terdiri dari 10 (sepuluh) orang dengan komposisi sebagai berikut:

Name Nama	Position Jabatan	Approval Date Tanggal Persetujuan	
		GMS RUPS	Bank Indonesia
Ridha Wirakusumah	President Director Presiden Direktur	20 March 2009 20 Maret 2009	18 May 2009 18 Mei 2009
Rita Mirasari	Legal and Compliance Director Direktur Legal dan Compliance	20 March 2009 20 Maret 2009	18 May 2009 18 Mei 2009
Satinder Pal Sing Ahluwalia (*)	Risk Management Director Direktur Risk Manajemen	20 March 2009 (reappointment) 20 Maret 2009 (pengangkatan kembali)	28 August 2006 28 Agustus 2006
Stephen Liestyo	Consumer Banking Director Direktur Perbankan Konsumer	20 March 2009 20 Maret 2009	18 May 2009 18 Mei 2009
Ghazali bin Mohd Rasad	Operations Director Direktur Operasional	20 March 2009 20 Maret 2009	18 May 2009 18 Mei 2009 24 June 2009 24 Juni 2009 (**))
Thilagavathy Nadason	Finance, Financial Planning & Procurement Director Direktur Finance, Financial Planning & Procurement	20 March 2009 20 Maret 2009	4 August 2009 4 Agustus 2009
Rahardja Alimhamzah	Corporate Banking Director Direktur Corporate Banking	20 March 2009 20 Maret 2009	18 May 2009 18 Mei 2009
Jenny Wiriyanto	SME, Commercial and Sharia Banking Director Direktur SME, Komersial dan Sharia Banking	29 May 2009 29 Mei 2009	20 October 2009 20 Oktober 2009
Lim Eng Khim	Director - Chief Operating Officer Direktur - Chief Operating Officer	29 May 2009 29 Mei 2009	20 October 2009 20 Oktober 2009
I Gusti Made Mantera	Human Capital and Corporate Communication Director Direktur Human Capital dan Komunikasi Perusahaan	29 May 2009 29 Mei 2009	24 September 2009 24 September 2009

Notes Keterangan:

*) resigned based on a letter of resignation dated 13 January 2010 and effective by CGM 26 March 2010. Term of office for all members of the BOD will expire at the 2012 Annual General Meeting of Shareholders. mengundurkan diri berdasarkan surat per tanggal 13 Januari 2010 disahkan dalam RUPSBL 26 Maret 2010. Masa jabatan seluruh anggota Direksi akan berakhir pada RUPS Tahunan 2012.

**)) Confirmation letter BI No.11/92/DPB2/TPB 2-5
Penegasan BI No.11/92/DPB2/TPB 2-5

No member of the Board is serving as commissioner, director or executive officer of another bank, company, or institution, except Lim Eng Khim dan Satinder Pal Sing Ahluwalia who concurrently serve as commissioners for non-bank subsidiary, PT Wahana Ottomitra Multiartha Tbk (WOM Finance), as permitted by the Bank Indonesia Regulation on GCG Implementation for Commercial Banks.

Based on a letter dated 16 December 2009, Lim Eng Khim resigned from his position as Vice President Commissioner of WOM. Based on WOM's Articles of Association the resignation is effective as of 16 January 2010. Meanwhile, based on a letter dated 15 January 2010, Satinder Pal Sing Ahluwalia resigned from WOM effective as of 15 February 2010.

In addition to the above mentioned, no members of the BOD become a member of the Remuneration and Nomination Committee.

C. Criteria of Directors

In order to ensure objective and independent results, any appointment and/or replacement of BoD members follows the recommendations made by the Remuneration and Nomination Committee. Criteria for appointing directors include integrity, competence, professionalism, and financial reputation. All candidates must meet the Fit and Proper Test requirements set by Bank Indonesia.

D. Independence of The BOD

No members of the BOD have financial or familial relations to second degree with other BOD and/or BOC members. No directors, either individually or jointly, have shareholdings of more than 25% of the paid-in capital in another company. BOD members do not give proxies to other parties which result in any transfer of duties and functions of the BOD.

Direksi tidak memiliki jabatan rangkap sebagai Komisaris, Direksi atau Pejabat Eksekutif pada Bank, perusahaan dan atau lembaga lain, kecuali Lim Eng Khim dan Satinder Pal Sing Ahluwalia yang merangkap sebagai komisaris pada anak perusahaan bukan bank, yaitu PT Wahana Ottomitra Multiartha Tbk (WOM), sebagaimana diperkenankan dalam PBI tentang Pelaksanaan GCG bagi Bank Umum.

Berdasarkan surat per 16 Desember 2009 Lim Eng Khim telah mengundurkan diri dari jabatannya sebagai Wakil Presiden Komisaris WOM dan berdasarkan ketentuan Anggaran Dasar WOM pengunduran diri efektif sejak tanggal 16 Januari 2010. Sedangkan berdasarkan surat tanggal 15 Januari 2010, Satinder Pal Sing Ahluwalia mengundurkan diri dari WOM dan efektif tanggal 15 Februari 2010.

Selain itu anggota Direksi tidak ada yang menjadi anggota Komite Remunerasi dan Nominasi.

C. Kriteria Direksi

Dalam rangka mendapatkan hasil yang objektif serta independen maka dalam setiap pengangkatan dan/atau penggantian anggota Direksi senantiasa memperhatikan rekomendasi dari Komite Remunerasi dan Nominasi. Kriteria yang ditetapkan untuk memilih anggota Direksi dengan mempertimbangkan integritas, kompetensi, profesionalisme dan reputasi keuangan yang memadai sesuai dengan persyaratan penilaian kemampuan dan kepatutan (*Fit and Proper Test*) yang telah ditetapkan oleh Bank Indonesia.

D. Status Independensi Direksi

Seluruh anggota Direksi BII tidak saling memiliki hubungan keuangan dan hubungan keluarga sampai dengan derajat kedua dengan sesama anggota Direksi dan/atau dengan anggota Dewan Komisaris. Anggota Direksi baik secara sendiri-sendiri atau bersama-sama tidak memiliki saham melebihi 25% (dua puluh lima perseratus) dari modal disetor pada suatu perusahaan lain. Anggota Direksi tidak memberikan kuasa umum kepada pihak lain yang mengakibatkan pengalihan tugas dan fungsi Direksi.

E. Transparency and Financial, Managerial and Familial Relations of the BOD

BII Directors have prepared and signed statements subject to periodic renewal, to the effect that:

1. BOD members have no shares totalling five percent (5%) or more in BII and in other banks and companies (both national and international).
2. BOD members, either individually or jointly, have no interests of more than twenty five percent (25%) of the paid-in capital of another company.
3. BOD members have no financial, managerial and familial relations to the second degree with other members of the BOD and BOC.
4. BOD members are committed to comply with the Codes of Ethics and Conduct.

F. BOD Meetings

During 2009 the BOD held 43 (forty three) regular meetings.

E. Transparansi dan Hubungan Keuangan, Kepengurusan dan Keluarga Direksi

Anggota Direksi telah membuat dan menandatangani surat pernyataan yang diperbaharui secara berkala yang antara lain terkait hal-hal sebagai berikut:

1. Anggota Direksi tidak memiliki saham yang mencapai 5% (lima persen) atau lebih pada BII maupun pada bank dan perusahaan lain (di dalam dan di luar negeri).
2. Anggota Direksi baik secara sendiri-sendiri maupun bersama-sama tidak memiliki saham melebihi 25% (dua puluh lima persen) dari modal disetor pada suatu perusahaan lain.
3. Anggota Direksi tidak saling memiliki hubungan keuangan dan hubungan keluarga sampai dengan derajat kedua dengan sesama anggota Direksi dan/atau dengan anggota Dewan Komisaris.
4. Komitmen terhadap pelaksanaan Kode Etik dan Pedoman Tingkah Laku.

F. Rapat Direksi

Selama tahun 2009 telah diselenggarakan 43 (empat puluh tiga) kali rapat berkala Direksi.

2009 BOD Meeting Rapat Direksi Tahun 2009

Name Nama	Number of Attendance Jumlah Kehadiran	Period Periode
Henry Ho *	7	January to March Januari s/d Maret
Sukatmo Padmosukarso *	10	January to March Januari s/d Maret
Fransiska Oei *	11	January to April Januari s/d April
Rita Mas'Oen *	15	January to June Januari s/d Juni
Dira K Mochtar *	7	January to March Januari s/d Maret
Prem Kumar *	8	January to March Januari s/d Maret
Sanjay Kapoor *	10	January to March Januari s/d Maret
Ridha Wirakusumah	27	March to December Maret s/d Desember
Satinder Pal Singh Ahluwalia	38	January to December Januari s/d Desember
Rita Mirasari	30	March to December Maret s/d Desember
Stephen Liestyo	30	March to December Maret s/d Desember
Lim Eng Khim	30	February to December Februari s/d Desember
I Gusti Made Mantera	22	May to December Mei s/d Desember
Ghazali Bin Mohd Rasad	29	March to December Maret s/d Desember
Rahardja Alimhamzah	28	March to December Maret s/d Desember
Jenny Wiriyanto	20	June to December Juni s/d Desember
Thilagavathy Nadason	26	March to December Maret s/d Desember

* Has resigned
Telah mengundurkan diri

Decisions at BOD meetings were based on consensus, or on majority votes in the event of no consensus. Minutes of BOD meetings have been properly documented, with dissenting opinions, if any.

IV. Completeness And Implementation Of Committee Tasks

To assist in the effectiveness of the functions and duties of, the BOC, BII has several committees, which include: the Audit Committee, Risk Oversight Committee, Remuneration and Nomination Committee.

A. Audit Committee

BII set up an Audit Committee pursuant to Jakarta Stock Exchange Rule No. Kep-305/BEJ/07-2004 dated 19 July 2004, Bapepam Chairman Decree No. Kep 29/PM/2004 of 24 September 2004, and BI Regulation No. 8/4/PBI/2006 of 30 January 2006 on Good Corporate Governance Implementation for Commercial Banks. The committee assists the BOC in performing its functions.

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

Pursuant to Bapepam rule No. IX.I.5 dated 24 September 2004, in 2009 the composition of the Audit Committee members has changed. Spencer Lee Tien Chye as a member of the BOC (not Independent) became a member of the Audit Committee since 23 January 2009.

Composition of Audit Committee members as of 31 December 2009 became as follows:

Name Nama	Position Jabatan
Taswin Zakaria Independent Commissioner Komisaris Independen	Chairman/Member Ketua/Anggota
Spencer Lee Tien Chye Commissioner Komisaris	Member Anggota
Setiawan Kriswanto Independent Party Pihak Independen	Secretary/Member Sekretaris/Anggota
Hadi Indraprasta Independent Party Pihak Independen	Member Anggota

Pengambilan keputusan rapat Direksi telah dilakukan berdasarkan musyawarah mufakat, atau suara terbanyak dalam hal tidak terjadi musyawarah mufakat. Hasil rapat Direksi telah dituangkan dalam risalah rapat dan didokumentasikan dengan baik, termasuk pencantuman *dissenting opinions* apabila ada.

IV. Kelengkapan Dan Pelaksanaan Tugas Komite-Komite

Untuk membantu efektivitas pelaksanaan fungsi dan tugasnya, Dewan Komisaris BII telah memiliki beberapa komite, yaitu Komite Audit, Komite Pemantau Risiko, Komite Remunerasi dan Nominasi.

A. Komite Audit

Sesuai ketentuan Bursa Efek Jakarta No. Kep-305/BEJ/07-2004 tanggal 19 Juli 2004, peraturan Bapepam No. IX.I.5 tanggal 24 September 2004 dan Peraturan Bank Indonesia No. PBI 8/4/PBI/2006, tanggal 30 Januari 2006, BII telah membentuk Komite Audit untuk membantu Dewan Komisaris dalam melakukan tugasnya.

1. Struktur, Keanggotaan, Keahlian dan Independensi Anggota Komite Audit

Sebagai pelaksanaan peraturan Bapepam No. IX.I.5 tanggal 24 September 2004, pada tahun 2009 telah terjadi perubahan susunan keanggotaan Komite Audit. Spencer Lee Tien Chye sebagai anggota Dewan Komisaris (bukan Independen) menjadi anggota Komite Audit sejak tanggal 23 Januari 2009.

Susunan anggota Komite Audit per 31 Desember 2009 menjadi sebagai berikut:

The structure, composition, expertise and criteria for independence of the Audit Committee has been in accordance with the provisions of Bank Indonesia, Bapepam-Financial Institutions and the Indonesia Stock Exchange.

2. Duties And Responsibilities of The Audit Committee

The Audit Committee is in charge of providing professional and independent advice to the BOC regarding reports or matters presented by the BOD to the BOC, and identifying items requiring the attention of the BOC. The Committee's roles and responsibilities include:

- Preparing annual plans for approval by the BOC.
- Monitoring the preparation of financial statements and ensuring that applicable accounting standards and policies are properly followed as well as reviewing financial information to be disclosed by the Bank, including financial statements and forecasts, and other finance-related data to determine their conformity to applicable standards and policies.
- Assessing the Bank's compliance with capital market regulations and other legislation concerning banking business.
- Reviewing audit plans and performance by SKAI (internal audit working unit) and assessing and ensuring the adequacy of the Internal Audit Charter.
- Giving advice and input for the selection of external auditors, and assessing their independence, objectivity and quality of service, and whether the audit fees proposed by the auditors are reasonable.
- Reviewing and assessing the Bank's internal control, risk management and control, and identifying risks and evaluating control for risk mitigation.
- Reviewing and monitoring follow-ups on audit results by the internal audit, external auditor and Bank Indonesia.
- Reviewing complaints regarding the Bank's performance.

Susunan, komposisi, keahlian dan kriteria independensi dari Komite Audit tersebut telah sesuai dengan ketentuan Bank Indonesia, Bapepam-LK dan Bursa Efek Indonesia.

2. Tugas dan Tanggung Jawab Komite Audit

Komite Audit bertugas memberikan pendapat profesional yang independen kepada Dewan Komisaris terhadap laporan atau hal-hal yang disampaikan oleh Direksi kepada Dewan Komisaris serta mengidentifikasi hal-hal yang memerlukan perhatian Dewan Komisaris yang antara lain meliputi:

- Membuat rencana kegiatan tahunan yang disetujui oleh Dewan Komisaris.
- Melakukan pemantauan atas proses penyusunan Laporan Keuangan dengan menekankan agar standar dan kebijakan akuntansi yang berlaku dapat terpenuhi serta menelaah informasi keuangan yang akan dikeluarkan oleh Bank seperti laporan keuangan, proyeksi dan informasi keuangan lainnya untuk menilai kesesuaiannya dengan standar dan kebijakan yang berlaku.
- Melakukan penelaahan atas kepatuhan Bank terhadap peraturan perundang-undangan di bidang Pasar Modal dan peraturan perundang-undangan lainnya yang berhubungan dengan kegiatan Bank.
- Melakukan penelaahan atas rencana kerja dan pelaksanaan pemeriksaan oleh SKAI serta mengkaji kecukupan Piagam Audit Intern.
- Memberi masukan dalam proses pemilihan Auditor Ekstern dengan menelaah independensi dan objektivitas, menilai kualitas pelayanan serta kewajaran biaya yang diajukan Audit Ekstern.
- Melakukan penelaahan dan penilaian atas efektivitas pengendalian intern, proses manajemen risiko dan kontrol, termasuk identifikasi risiko dan evaluasi kontrol untuk memperkecil risiko tersebut.
- Melakukan penelaahan dan pemantauan atas tindak-lanjut hasil pemeriksaan Audit Intern, Auditor Ekstern dan Bank Indonesia.
- Melakukan penelaahan atas pengaduan yang berkaitan dengan Bank.

3. Audit Committee Work Program and Realization

3. Program Kerja Komite Audit dan Realisasinya

No.	Work Program and Realization	Program Kerja dan Realisasi
1	Reviewed and discussed quarterly, semi-annual, and annual reports prior to publications.	Melakukan review dan membahas laporan keuangan triwulanan, semesteran dan tahunan yang akan dipublikasikan.
2	Involved in the process of selecting prospective public accountants to be appointed as the Bank's independent auditor for the 2008 fiscal year, and discussed plans and scope of audit.	Turut serta dalam proses pemilihan Auditor Ekstern sebagai auditor independen tahun buku 2009 serta membahas rencana dan ruang lingkup audit.
3	Reviewed the drafting of the Bank's Business Plans, and assisted the BOC in preparing its Oversight Report.	Melakukan penelaahan atas penyusunan Rencana Bisnis dan membantu dalam penyusunan Laporan Pengawasan Pelaksanaan Rencana Kerja oleh Dewan Komisaris.
4	Evaluate SKAI annual plans, the effectiveness of SKAI function, analyze and discuss SKAI report and attending SKAI audit exit meeting.	Melakukan evaluasi atas rencana kerja SKAI, efektivitas fungsi SKAI, dan mereview laporan & membahas hasil audit SKAI serta menghadiri beberapa audit exit meeting SKAI.
5	Monitored the management's follow-up on recommendations made by Bank Indonesia, and the external and internal auditors.	Memantau atas tindak-lanjut Manajemen atas rekomendasi dari hasil audit Bank Indonesia, Audit Ekstern dan Audit Intern.
6	Supervised the self-assessments of GCG implementation.	Memantau pelaksanaan <i>self assessment</i> terhadap implementasi GCG.

4. Audit Committee Meeting

During 2009, the Audit Committee has conducted 23 (twenty three) meetings, which consisted of meetings with SKAI Audit Committee, External Audit, Finance and Accounting Division as well as with other work units.

The level of attendance of each member of the Audit Committee meetings was:

4. Rapat Komite Audit

Selama tahun 2009, Komite Audit telah menyelenggarakan 23 (dua puluh tiga) kali rapat, yang terdiri dari rapat Komite Audit dengan SKAI, Audit Ekstern, Divisi Keuangan dan Akuntansi maupun dengan unit kerja lainnya.

Tingkat kehadiran setiap anggota Komite Audit adalah sebagai berikut:

Meeting With Rapat Dengan		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Σ	
		27/1	9/2	4/3	19/3	24/4	28/4	13/5	28/5	24/7	19/8	28/8	15/9	21/10	26/10	5/11	10/12		
Audit Committee Komite Audit	Taswin Zakaria	SKAI	√			√	√			√	√		√				√	√	23
		ARD			√	√	√		√					√			√	√	
		PwC	√					√											
		E&Y		√							√	√		√		√			
		BI													√				
Spencer Lee Tien Chye	SKAI	x			√	√		x	√	√		√					√	√	13
	ARD			x	√	√								x			√	√	
	PwC	x					x												
	E&Y		x								√	√		x		x			
	BI																x		
Setiawan Kriswanto	SKAI	√			√	√			√	√		√					√	√	23
	ARD			√	√	√		√						√			√	√	
	PwC	√					√												
	E&Y		√								√	√		√		√			
	BI														√				
Hadi Indraprasta	SKAI	√			√	√			√	√		√					√	√	23
	ARD			√	√	√		√						√			√	√	
	PwC	√					√												
	E&Y		√								√	√		√		√			
	BI														√				

Notes Keterangan:

√ : Present Hadir
X : Absent Absen

SKAI : Internal Audit Work Unit Satuan Kerja Audit Intern
FAD : Finance & Accounting Division Divisi Keuangan dan Akuntansi
E&Y : KAP Purwanto, Sarwoko dan Sandjaja (Ernst & Young)

B. Risk Oversight Committee (ROC)

1. Structure, Membership, Skills And
Independency of Members of The Risk
Oversight Committee

In early 2009 the composition of the ROC was as follows:

Name Nama	Position Jabatan
Putu Antara Independent Commissioner Komisaris Independen	Chairman/Member Ketua/Anggota
Umar Juoro Independent Commissioner Komisaris Independen	Member Anggota
Farid Harianto Independent Party – Risk Management Pihak Independen – Bidang Manajemen Risiko	Member Anggota
Agus Kretarto Independent Party – Finance/Accounting Pihak Independen – Bidang Keuangan/Akuntansi	Secretary/Member Sekretaris/Anggota

Further, Based on decision by the BOC made at the 24 April 2009 meeting and the letter of appointment No.SK.2009.004/DIR OT dated 30 April 2009, there were 2 (two) new members appointed so that the composition of the ROC is now:

Name Nama	Position Jabatan
Putu Antara Independent Commissioner Komisaris Independen	Chairman/Member Ketua/Anggota
Umar Juoro Independent Commissioner Komisaris Independen	Member Anggota
Taswin Zakaria Independent Commissioner Komisaris Independen	Member Anggota
Spencer Lee Tien Chye Commissioner Komisaris	Member Anggota
Farid Harianto Independent Party – Risk Management Pihak Independen – Bidang Manajemen Risiko	Member Anggota
Agus Kretarto Independent Party – Finance/Accounting Pihak Independen – Bidang Keuangan/Akuntansi	Secretary/Member Sekretaris/Anggota

The structure, composition, expertise and criteria for the independence of the ROC has remained in accordance with the provisions of Bank Indonesia.

2. Duties and Responsibilities of Risk
Monitoring Committee

Based on the Charter of the ROC as of 23 April 2009, the scope of duties and responsibilities of the ROC are as follows:

- Evaluating and reviewing policies and risk management strategies to be presented and approved by the BOC:

B. Komite Pemantau Risiko (ROC)

1. Struktur, Keanggotaan, Keahlian dan
Independensi Anggota Komite Pemantau
Risiko

Pada awal tahun 2009 komposisi ROC adalah sebagai berikut:

Selanjutnya berdasarkan keputusan rapat Dewan Komisaris tanggal 24 April 2009 dan surat pengangkatan Direksi No.SK.2009.004/DIR OT tanggal 30 April 2009, terdapat penambahan 2 (dua) anggota baru sehingga susunan ROC menjadi:

Susunan, komposisi, keahlian dan kriteria independensi dari ROC tersebut telah sesuai dengan ketentuan Bank Indonesia.

2. Tugas Dan Tanggung Jawab Komite
Pemantau Risiko

Berdasarkan Piagam ROC yang direvisi per 23 April 2009, ruang lingkup tugas dan tanggung jawab ROC adalah sebagai berikut:

- Mengevaluasi dan mengkaji kebijakan dan strategi manajemen risiko untuk dipresentasikan dan dimintakan persetujuan Dewan Komisaris:

- Framework and policies of Bank Risk Management
 - Limit policies for the treasury and FI
 - Credit policy
 - Operational risk policy, including IT policy
 - Liquidity risk policy
 - Market risk policy
 - Review and assess policies and procedures to implement stress testing, and review the effectiveness of stress-testing programs.
 - Evaluate the compliance of the implementation of risk management with risk management policies.
 - Evaluate compliance with prudential regulations and conformity with the policy framework and control system built by the relevant units.
 - Review the business plan prior to BOC approval.
 - Monitor and evaluate the implementation of the Risk Management units and Risk Management Committee tasks
 - Provide advice to the BOC related to risk monitoring information and implementation responsibilities.
 - Other matters deemed necessary by the BOC or the ROC.
- Kerangka dan kebijakan Manajemen Risiko Bank
 - Kebijakan dan limit treasury dan FI
 - Kebijakan kredit
 - Kebijakan di bidang risiko operasional termasuk Teknologi Informasi
 - Kebijakan di bidang risiko likuiditas
 - Kebijakan di bidang risiko pasar
 - Mereview dan menilai kebijakan dan prosedur untuk melaksanakan program *stress testing*, dan mereview efektivitas program *stress testing*.
 - Mengevaluasi kesesuaian antara pelaksanaan manajemen risiko dengan kebijakan manajemen risikonya.
 - Mengevaluasi kepatuhan terhadap aturan kehati-hatian serta kesesuaian terhadap kerangka kerja kebijakan dan sistem pengendalian yang dibangun oleh unit-unit terkait
 - Mereview Rencana Bisnis Bank sebelum mendapat persetujuan Dewan Komisaris.
 - Memantau dan mengevaluasi pelaksanaan tugas Komite Manajemen Risiko dan unit-unit Manajemen Risiko
 - Memberikan advis kepada Dewan Komisaris terkait dengan informasi pemantauan risiko dan pelaksanaan tanggung jawabnya.
 - Hal-hal lain yang dipandang perlu oleh Dewan Komisaris ataupun ROC.

3. ROC Meetings

ROC Chartered requires that meetings are held at least once every two months. In 2009, the ROC held the following 6 meetings:

3. Rapat-Rapat ROC

Menurut Piagam ROC, rapat akan dilakukan sekurang-kurangnya sekali dalam dua bulan. Selama tahun 2009, ROC telah menyelenggarakan 8 (delapan) kali rapat sebagai berikut:

Name Nama	1 20/02	2 19/03	3 23/04	4 28/05	5 23/07	6 28/08	7 05/11	8 10/12	Σ
Putu Antara	√	√	√	√	√	√	√	√	8
Umar Juoro	X	√	√	X	√	√	√	√	6
Taswin Zakaria	*)	*)	*)	√	√	√	√	√	5
Spencer Lee Tien Chye	*)	*)	*)	√	X	√	√	√	4
Farid Harianto	√	√	√	√	√	√	X	X	6
Agus Kretarto	√	√	√	√	√	√	√	√	8
Notes Keterangan: √ : Present Hadir X : Absent Absen *) : Not serves as a member of the committee Belum menjabat sebagai anggota komite									

4. ROC Work Agenda

The agenda of each meeting is as follows:

4. Agenda Kerja ROC

Adapun agenda masing-masing rapat adalah sebagai berikut:

Month Bulan		Agenda	Agenda
February Februari	1	Confirmation of minutes for previous meeting	Konfirmasi risalah rapat sebelumnya
	2	Portfolio: bank-wide, consumer, WOM, SME/commercial, corporate	Portfolio: bank-wide, konsumen, WOM, SME/komersial, korporasi
	3	PLN Approval limit	Persetujuan limit PLN
	4	Market risk and liquidity risk	Risiko pasar dan risiko likuiditas
	5	Operational Risk	Risiko operasional
	6	Fraud	Fraud
	7	Legal and compliance risk	Risiko hukum dan kepatuhan
March Maret	1	Confirmation of minutes for previous meeting	Konfirmasi risalah rapat sebelumnya
	2	Executive Summary	Ringkasan eksekutif
	3	Portfolio: consumer, WOM, corporate, SME/commercial	Portfolio: konsumen, WOM, korporasi, SME/komersial
	4	Market Risk	Risiko Pasar
	5	SDB Problem	Masalah SDB
April April	1	Confirmation of minutes for previous meeting	Konfirmasi risalah rapat sebelumnya
	2	Portfolio: consumer, WOM, SME/commercial, corporate, bank-wide	Portfolio: konsumen, WOM, SME/komersial, korporasi, bank-wide
	3	Market Risk	Risiko pasar
	4	Continuation of SDB issues	Kelanjutan masalah SDB
	5	Compliance Risk	Risiko kepatuhan
May Mei	1	Confirmation of minutes for previous meeting	Konfirmasi risalah rapat sebelumnya
	2	Portfolio: bank-wide, consumer, SME/commercial, corporate	Portfolio: bank-wide, konsumen, SME/komersial, korporasi
	3	Subsidiary performance	Kinerja anak perusahaan
	4	Market Risk	Risiko pasar
	5	Operational Risk	Risiko operasional
	6	IT risk management	Manajemen risiko TI
	7	Fraud	<i>Fraud</i>
	8	Compliance Risk	Risiko kepatuhan
July Juli	1	Confirmation of minutes for previous meeting	Konfirmasi risalah rapat sebelumnya
	2	Summary of risk management	Rangkuman manajemen risiko
	3	Provision of productive assets	Penyisihan penghapusan aktiva produktif
	4	CAR stress test relating to Business Plan 2009-2011	CAR <i>Stress Test</i> terkait Rencana Bisnis 2009-2011
	5	Corporate target market	Target pasar korporasi
	6	Continuation of SDB issues	Kelanjutan masalah SDB
August Agustus	1	Confirmation of minutes for previous meeting	Konfirmasi risalah rapat sebelumnya
	2	Portfolio: bank-wide, WOM, consumer, SME/commercial, corporate	Portfolio: bank-wide, WOM, konsumen, SME/komersial, korporasi
	3	Market Risk	Risiko pasar
	4	Operational Risk	Risiko operasional

Month Bulan		Agenda	Agenda
November November	1	Confirmation of minutes for previous meeting	Konfirmasi risalah rapat sebelumnya
	2	Portfolio: bank-wide, WOM, consumer, SME/ commercial, corporate	Portfolio: bank-wide, WOM, konsumen, SME/ komersial, korporasi
	3	Brown model	<i>Brown model</i>
	4	Corporate target market	Target pasar komersial
	5	Industry limit and credit authorization review	Review limit industri dan otorisasi kredit
	6	3rd quarter risk profile	Profil risiko triwulan 3
	7	Market Risk	Risiko pasar
	8	Loss event related to the Padang earthquake	<i>Loss event</i> terkait gempa bumi Padang
December Desember	1	Confirmation of minutes for previous meeting	Konfirmasi risalah rapat sebelumnya
	2	Portfolio: bank-wide, WOM, consumer, SME/ commercial, corporate	Portfolio: bank-wide, WOM, konsumen, SME/ komersial, korporasi
	3	Market Risk	Risiko pasar
	4	Merchant fraud	<i>Merchant fraud</i>

5. Other Important Information

Quorum requirements for all meetings met. Results of ROC meetings are reported to the BOC by the Chairman of the ROC.

5. Informasi Penting Lainnya

Semua rapat memenuhi persyaratan kuorum. Hasil-hasil rapat ROC dilaporkan oleh Ketua ROC kepada Dewan Komisaris dalam rapat-rapat.

C. Remuneration and Nomination Committee

The Remuneration Committee and the Nomination Committee, which were previously separate were merged on December 15, 2009 as per the new Organizational Structure, published by BII SE No.SE.2009.009/Presdir.

C. Komite Remunerasi dan Nominasi

Komite Remunerasi dan Komite Nominasi yang sebelumnya dibentuk secara terpisah maka per tanggal 15 Desember 2009 berdasarkan Struktur Organisasi BII yang diterbitkan melalui SE BII No.SE.2009.009/Presdir digabung menjadi satu komite.

Remuneration Committee

1. Structure, Membership, Expertise and Independence of the Remuneration Committee Members

In 2009 the membership composition of the Remuneration Committee was as follows:

Chairman : Umar Juoro
Independent Commissioner
Member : Taswin Zakaria
Independent Commissioner
Member : Dato' Sri Abdul Wahid bin Omar
Commissioner
Member : Prabowo Bayu Waskito
Executive Officer

The structure, composition and independence criteria of the Remuneration Committee is in accordance with Bank Indonesia regulation.

Komite Remunerasi

1. Struktur, Keanggotaan, Keahlian dan Independensi Anggota Komite Remunerasi

Pada tahun 2009 susunan keanggotaan Komite Remunerasi adalah sebagai berikut:

Ketua : Umar Juoro
Komisaris Independen
Anggota : Taswin Zakaria
Komisaris Independen
Anggota : Dato' Sri Abdul Wahid bin Omar
Komisaris
Anggota : Prabowo Bayu Waskito
Pejabat Eksekutif

Susunan, komposisi dan kriteria independensi dari Komite Remunerasi telah sesuai dengan ketentuan Bank Indonesia.

2. Duties and Responsibilities Remuneration Committee

The duties and responsibilities of the Remuneration Committee are:

1. Designing and evaluating the remuneration for the BOC, BOD and Executive Officers.
2. Ensuring that the level of remuneration of the BOC, BOD and Executive Officers have been adequate and in accordance with the capacity and the Bank's compensation system.
3. Evaluating the individual and collective performance of Directors, monitoring the Executive Development Program and evaluating succession plan for top management.
4. Providing recommendations to the BOC about:
 - Remuneration Policy for BOC, BOD and Executive Officers.
 - Remuneration and benefits package for each of the BOD and Executive Officers.

3. Remuneration Committee Meeting Frequency

Remuneration Committee meetings were held 6 (six) times during 2009 and were attended by all members of the committee.

2. Tugas dan Tanggung Jawab Komite Remunerasi

Tugas dan tanggung jawab Komite Remunerasi adalah:

1. Merancang dan mengevaluasi remunerasi bagi Dewan Komisaris, Direksi dan Pejabat Eksekutif.
2. Memastikan bahwa tingkat remunerasi Dewan Komisaris, Dewan Direksi dan Pejabat Eksekutif telah memadai dan sesuai dengan kapasitas serta sistem kompensasi Bank.
3. Mengevaluasi kinerja individu dan kolektif Direksi, memantau Program Pengembangan Pejabat Eksekutif serta mengevaluasi rencana suksesi untuk manajemen puncak.
4. Memberikan rekomendasi kepada Dewan Komisaris perihal:
 - Kebijakan Remunerasi untuk Dewan Komisaris, Direksi dan Pejabat Eksekutif.
 - Paket remunerasi dan benefit untuk masing-masing Direksi dan Pejabat Eksekutif.

3. Frekuensi Rapat Komite Remunerasi

Pada 2009 Rapat Komite Remunerasi diadakan 6 (enam) kali dan dihadiri oleh seluruh anggota komite.

Name Nama	1 23/01/09	2 20/02/09	3 03/03/09	4 20/03/09	5 24/04/09	6 06/11/09	Σ
Umar Juoro	√	√	√	√	√	√	6
Taswin Zakaria	√	√	√	√	√	√	6
Dato' Sri Abdul Wahid	x	√	√	√	√	√	5
Prabowo Bayu Waskito	x	√	√	√	√	√	5

Notes Keterangan:
 √ : Present Hadir
 X : Absent Tidak Hadir

4. Remuneration Committee and Work Program Realization

During 2009 the Remuneration Committee has provided recommendations to the BOC concerning the allocation of bonus payments to employees, members of the BOC and Directors.

4. Program Kerja Komite Remunerasi Dan Realisasinya

Selama tahun 2009 Komite Remunerasi telah memberikan rekomendasi kepada Dewan Komisaris mengenai alokasi pembayaran Bonus untuk karyawan, anggota Dewan Komisaris dan Direksi.

Nomination Committee

1. Structure, Membership, Skills And Independency of Members of the Nomination Committee

In 2009 the membership composition of the Nomination Committee was as follows:

Name Nama	Position Jabatan
Umar Juoro Independent Commissioner Komisaris Independen	Chairman/Member Ketua/Anggota
Taswin Zakaria Independent Commissioner Komisaris Independen	Member Anggota
Dato' Sri Abdul Wahid bin Omar Commissioner Komisaris	Member Anggota
Prabowo Bayu Waskito Executive Officer Pejabat Eksekutif	Member Anggota

The structure, composition and independence criteria of the Nomination Committee are in accordance with Bank Indonesia regulation.

2. Duties and Responsibilities of the Nomination Committee

The tasks and responsibilities of the Nomination Committee are as follows:

1. Provide recommendations to the BOC regarding policies for the selection and/or replacement of the BOC and BOD.
2. Nominate candidates for the BOC and BOD.

3. Frequency Meeting of The Nomination Committee

The Committee met 6 (six) times during 2009. The meetings were attended by all members of the Committee with the following data:

Name Nama	1 23/01/09	2 20/02/09	3 03/03/09	4 20/03/09	5 24/04/09	6 06/11/09	Σ
Umar Juoro	√	√	√	√	√	√	6
Taswin Zakaria	√	√	√	√	√	√	6
Dato' Sri Abdul Wahid	X	√	√	√	√	√	5
Prabowo Bayu Waskito	X	√	√	√	√	√	5

Notes Keterangan:
√ : Present Hadir
X : Absent Tidak Hadir

4. Nomination Committee Work Program and its implementations.

During 2009 the Nomination Committee has conducted the election for members of the BOC and BOD and all have been approved by the GMS.

Komite Nominasi

1. Struktur, Keanggotaan, Keahlian Dan Independensi Anggota Komite Nominasi

Pada tahun 2009 susunan keanggotaan Komite Nominasi adalah sebagai berikut:

Name Nama	Position Jabatan
Umar Juoro Independent Commissioner Komisaris Independen	Chairman/Member Ketua/Anggota
Taswin Zakaria Independent Commissioner Komisaris Independen	Member Anggota
Dato' Sri Abdul Wahid bin Omar Commissioner Komisaris	Member Anggota
Prabowo Bayu Waskito Executive Officer Pejabat Eksekutif	Member Anggota

Susunan, komposisi dan kriteria independensi dari Komite Nominasi telah sesuai dengan Ketentuan Bank Indonesia.

2. Tugas dan Tanggung Jawab Komite Nominasi

Tugas dan Tanggung Jawab Komite Nominasi adalah sebagai berikut:

1. Memberikan rekomendasi kepada Dewan Komisaris mengenai kebijakan untuk pemilihan dan atau penggantian Dewan Komisaris dan Direksi.
2. Menominasikan kandidat anggota Dewan Komisaris dan Direksi.

3. Frekuensi Rapat Komite Nominasi

Komite bertemu 6 (enam) kali selama tahun 2009 yang dihadiri oleh seluruh anggota Komite dengan data sebagai berikut:

Name Nama	1 23/01/09	2 20/02/09	3 03/03/09	4 20/03/09	5 24/04/09	6 06/11/09	Σ
Umar Juoro	√	√	√	√	√	√	6
Taswin Zakaria	√	√	√	√	√	√	6
Dato' Sri Abdul Wahid	X	√	√	√	√	√	5
Prabowo Bayu Waskito	X	√	√	√	√	√	5

Notes Keterangan:
√ : Present Hadir
X : Absent Tidak Hadir

4. Program Kerja Komite Nominasi Dan Realisasinya

Selama tahun 2009 Komite Nominasi telah melakukan proses pemilihan calon anggota Dewan Komisaris dan Direksi dan seluruhnya telah disetujui oleh RUPS.

V. Remuneration Package/Policy and Other Facilities for the BOC and BOD

According to GMS 2009 decision, remuneration for the BOC and BOD for the year 2009 are as follows:

V. Paket/Kebijakan Remunerasi dan Fasilitas Lain bagi Dewan Komisaris dan Direksi

Sesuai keputusan RUPS 2009, remunerasi Dewan Komisaris dan Direksi untuk tahun 2009 adalah sebagai berikut:

Type of Remuneration and Other Facilities Jenis Remunerasi dan Fasilitas Lain	Total Amount Received in 1 year Jumlah Diterima dalam 1 Tahun **)			
	Board of Commissioners Dewan Komisaris		BOD Direksi	
	Person Orang *)	Million Rupiah Jutaan Rupiah	Person Orang *)	Million Rupiah Jutaan Rupiah
Gross Remuneration (salaries, bonuses, routine allowances, gratification and other facilities in the form of non natura) Remunerasi bruto (gaji, bonus, tunjangan rutin, tantiem dan fasilitas lainnya dalam bentuk non natura)	7	9.069	17	38.832
Other facilities in kind (housing, transportation, health, etc.) are Fasilitas lain dalam bentuk natura (perumahan, transportasi, kesehatan dan sebagainya) yang:	3	241		6.103
a. can be owned dapat dimiliki				
b. can not be owned tidak dapat dimiliki				

Notes Keterangan:
*) Including Termasuk:
- 1 previous Commissioner (up to March 2009) 1 Komisaris sebelumnya (s/d Maret 2009)
- 5 previous Directors (up to March 2009) 5 Direktur sebelumnya (s/d Maret 2009)
- 1 previous Director (up to April 2009) 1 Direksi sebelumnya (s/d April 2009)
- 1 previous Director (up to June 2009) 1 Direksi sebelumnya (s/d Juni 2009)

and 10 new members of the BOD dan 10 orang Direksi baru:
- 1 re-appointed Director 1 Direksi yang diangkat kembali
- 6 Directors appointed in April 2009 6 Direksi diangkat bulan April 2009
- 2 Directors appointed in May 2009 2 Direksi diangkat bulan Mei 2009
- 1 Director appointed in June 2009 1 Direksi diangkat bulan Juni 2009

**) Before tax Sebelum dipotong pajak

(Jumlah Orang / Number of Person)

The Amount of Remuneration per Person in 1 year Jumlah Remunerasi per Orang Dalam 1 Tahun **)	Number of Directors Jumlah Direksi *)	Number of Commissioners Jumlah Komisaris *)
Above Rp2 billion Di atas Rp2 miliar	6	0
Above Rp1 billion up to Rp2 billion Di atas Rp1 miliar s.d. Rp2 miliar	11	6
Above Rp500 million up to Rp1 billion Di atas Rp500 juta s.d. Rp1 miliar	0	0
Below Rp500 million Rp500 juta ke bawah	0	0

Notes Keterangan:
*) Including Termasuk:
- 1 previous Commissioner (up to March 2009) 1 Komisaris sebelumnya (s/d Maret 2009)
- 5 previous Directors (up to March 2009) 5 Direktur sebelumnya (s/d Maret 2009)
- 1 previous Director (up to April 2009) 1 Direksi sebelumnya (s/d April 2009)
- 1 previous Director (up to June 2009) 1 Direksi sebelumnya (s/d Juni 2009)

and 10 new members of the BOD dan 10 orang Direksi baru:
- 1 re-appointed Director 1 Direksi yang diangkat kembali
- 6 Directors appointed in April 2009 6 Direksi diangkat bulan April 2009
- 2 Directors appointed in May 2009 2 Direksi diangkat bulan Mei 2009
- 1 Director appointed in June 2009 1 Direksi diangkat bulan Juni 2009

**) The amount received in cash before taxes (gross) Yang diterima secara tunai sebelum dipotong pajak (bruto)

VI. Ownership of Shares and Option Shares

There was no ownership of shares or share options by Commissioners, Directors, Executive Officers and employees during 2009.

VI. Kepemilikan Saham dan Shares Option

Tidak ada kepemilikan saham dan share option bagi Komisaris, Direksi, Pejabat Eksekutif dan karyawan selama tahun 2009.

VII. Ratio Highest and Lowest Salaries

The ratio of the highest to lowest salaries in the Bank in 2009 was as follows:

VII. Rasio Gaji Tertinggi dan Terendah

Rasio gaji tertinggi dan terendah di Bank pada tahun 2009 adalah sebagai berikut:

Type of Ratio Jenis Rasio	Ratio - Besarnya Rasio
Ratio of the highest to lowest salaries for employees Rasio gaji pegawai yang tertinggi dan terendah	121 x
Ratio of the highest to lowest salaries for Directors Rasio gaji Direksi yang tertinggi dan terendah	2,7 x
Ratio of the highest to lowest salaries for Commissioners Rasio gaji Komisaris yang tertinggi dan terendah	1,3 x
Ratio of the highest director to the highest employee salaries Rasio gaji Direksi tertinggi dan pegawai tertinggi	2,1 x

VIII. Internal Fraud

Internal fraud is any violation/misconduct committed by members of the management and permanent and non-permanent employees (contract and outsourced) related to the Bank's processes and operations which significantly affects its financial conditions, with resulting liability or loss valued at more than one hundred million rupiah (Rp100,000,000).

VIII. Internal Fraud

Internal fraud adalah penyimpangan/kecurangan yang dilakukan oleh pengurus, pegawai tetap dan tidak tetap (*honorer* dan *outsourcing*) terkait dengan proses kerja dan kegiatan operasional Bank yang mempengaruhi kondisi keuangan Bank secara signifikan dengan dampak penyimpangannya lebih dari Rp100.000.000,00 (seratus juta rupiah).

Internal Fraud In 1 Year Internal Fraud Dalam 1 Tahun	Number of Cases Conducted By Jumlah Kasus yang Dilakukan Oleh								
	Management Pengurus			Full Time Employee Pegawai Tetap			Part Time Employee Pegawai Tidak Tetap		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
Total Fraud Total Fraud	-	-	-	3	1	3	1	-	-
Has been completed Telah diselesaikan	-	-	-	2	1	-	1	-	-
In the process of the bank's internal settlement Dalam proses penyelesaian di internal bank	-	-	-	1	-	3	-	-	-
Have not attempted solutions Belum diupayakan penyelesaiannya	-	-	-	-	-	-	-	-	-
Have been followed up through the legal process Telah ditindaklanjuti melalui proses hukum	-	-	-	-	-	-	-	-	-

IX. Legal Issues

The number of legal issues faced by the Bank and has been filed through the legal process during the period of 2009 and is as follows:

IX. Permasalahan Hukum

Jumlah permasalahan hukum yang dihadapi Bank dan telah diajukan melalui proses hukum selama periode 2009 adalah sebagai berikut:

A. Bank as Defendant/Reported Party

A. Bank Sebagai Tergugat/Terlapor

(satuan / unit)

Legal Case Permasalahan Hukum	Number Jumlah	
	Civil Perdata	Criminal Pidana
Has been resolved (with permanent legal force) Telah selesai (telah mempunyai kekuatan hukum yang tetap)	14	8
In the process of being resolved Dalam proses penyelesaian	57	10
Total	71	18

B. Bank as Plaintiff/Applicant/ Reporter

B. Bank Sebagai Penggugat/Pemohon/
Pelapor

(satuan / unit)

Legal Case Permasalahan Hukum	Number Jumlah	
	Civil Perdata	Criminal Pidana
A. Legal case related to Housing Loan (KPR) Perkara berkaitan dengan pemberian Kredit Pemilikan Rumah (KPR) *)		
Has been solved (with permanent legal force) Telah selesai (telah mempunyai kekuatan hukum yang tetap)	20	
In the process of being solved Dalam proses penyelesaian	17	
Total	37	
B. Legal case related to other loan types Perkara berkaitan dengan pemberian kredit lainnya		
Has been solved (with permanent legal force) Telah selesai (telah mempunyai kekuatan hukum yang tetap)	9	
In the process of being solved Dalam proses penyelesaian	25	
Total	34	
C. Bankruptcy Case Perkara kepailitan		
Has been solved (with permanent legal force) Telah selesai (telah mempunyai kekuatan hukum yang tetap)	2	
In the process of being solved Dalam proses penyelesaian	1	
Total	3	
D. Other Cases Perkara lainnya		
Has been solved (with permanent legal force) Telah selesai (telah mempunyai kekuatan hukum yang tetap)		
In the process of being solved Dalam proses penyelesaian		14
Total		14

Notes Keterangan

*) Legal case related to housing loan with more than Rp500 million in values.
Perkara KPR dengan nilai di atas Rp500 juta.

X. Conflict of Interest Transactions

In order to preserve public interests, BII consistently values personal integrity and professionalism as set forth in its internal Codes of Ethics and Conduct to be observed by all directors, commissioners, employees and third parties who work with the Bank.

The Bank's Code of Ethics and Code of Conduct regulate matters to be avoided to prevent any conflict of interest arising in day to day activities including decision making.

No transactions causing conflicts of interest were reported in 2009.

XI. Buy Back Shares and Buy Back Bonds

In 2009, there were no transactions made by the Bank to buy back shares or obligations. For such transactions, the Bank always refers to applicable laws and regulations.

XII. Funds For Social And Political Activities

Providing funds for Social Action is a form of implementation of the Corporate Social Responsibility (CSR) program from BII through the program "BII Berbagi" (BII Sharing) which focuses on three aspects, namely health, education and the environment while still having a sensitivity to the situation in the country as the event of natural disasters.

A. Health

- In the health sector, BII has implemented programs providing nutritious biscuits ("School Feeding Program") for more than five thousand elementary school children (SD) in 20 cities in Indonesia. The program has required donations of USD100,000/year for the past 4 years. The biscuits are fortified with 9 vitamins and 4 types of minerals, which are capable of providing up to 50% of children's average daily nutrition requirements. This year, BII entering the fourth year in cooperation with the United Nations-World Food Programme (UN-WFP), the largest humanitarian organization in the world, which operates under the auspices of the United Nations (UN), and is charged with handling matters related to international malnutrition.

X. Transaksi Yang Mengandung Benturan Kepentingan

Dalam rangka menjaga kepentingan publik, BII senantiasa menjunjung tinggi integritas pribadi dan profesionalisme yang luhur, yang dituangkan dalam bentuk kebijakan internal mengenai Pedoman Kode Etik dan Tingkah Laku yang wajib dipatuhi oleh segenap jajaran Direksi, Dewan Komisaris, karyawan maupun para pihak yang terkait kerjasama dengan Bank.

Pedoman Kode Etik dan Tingkah Laku telah mengatur hal-hal yang harus dihindari untuk mencegah potensi terjadinya benturan kepentingan dalam setiap aktivitas, termasuk dalam pengambilan keputusan.

Tidak terdapat laporan mengenai adanya transaksi yang mengandung benturan kepentingan selama tahun 2009.

XI. Buy Back Saham dan Buy Back Obligasi Bank

Selama 2009 Bank tidak melakukan transaksi buy back shares atau buy back obligasi. Bank mengacu pada peraturan perundang-undangan yang berlaku mengenai hal tersebut.

XII. Pemberian Dana Untuk Kegiatan Sosial Dan Kegiatan Politik

Pemberian dana untuk Kegiatan Sosial merupakan bentuk implementasi dari Program Tanggung Jawab Sosial Perusahaan (CSR) dari BII melalui program "BII Berbagi" yang fokus pada tiga aspek, yakni kesehatan, pendidikan dan lingkungan hidup dengan tetap memiliki kepekaan terhadap situasi yang terjadi di tanah air seperti jika terjadi bencana alam.

A. Kesehatan

- Di bidang kesehatan, BII telah melaksanakan program pemberian biskuit bergizi ("School Feeding Program") kepada lebih dari lima ribu anak sekolah dasar (SD) di 20 kota di Indonesia dengan total nilai sebesar USD100.000. Biskuit ini telah diperkaya dengan sembilan jenis vitamin dan empat jenis mineral, yang memenuhi sekitar 50% dari kebutuhan nutrisi anak per hari. Tahun ini, BII memasuki tahun keempat bekerja sama dengan United Nations-World Food Programme (UN-WFP), organisasi kemanusiaan terbesar di dunia di bawah naungan Perserikatan Bangsa Bangsa (PBB), yang menangani malnutrisi internasional.

- In May of 2009, BII provided donations to the Yayasan Jantung Anak Indonesia, for the treatment of heart surgery patients and children with congenital heart disease.
- Also in May of 2009, BII made contributions to the Daarul Rizki Clinic for surgery to donate children requiring cleft lip and hernia surgery.
- In September 2009, BII directly providing funds for the treatment of children with leukemia.

B. Education

- In conjunction with the "School Feeding Program", BII employees, who volunteered to the program 'BII Berbagi' (BII Sharing), provided education material on nutrition, basic banking, introduction to computers and English. Additionally staff advanced introduction of banking work processes through the activities of "Ayo ke Bank" (Let's Go to the Bank), BI's program for elementary school beneficiaries in Jakarta, Bogor and Tangerang. This banking education program was launched by BI in 2009.
- BII's "Kontes Suara Konsumen" (Consumer Voice Contest), 2009 is organized by the Banking Education Working Group and the Indonesian Banking Architecture Team (API) at BI.
- In October 2009, BII organized educational activities of the "Card Day" at the University of Gadjah Mada University, Yogyakarta.
- In conjunction with the "Kontes Suara Konsumen", BII also provided funding support for the realization of a Short Film Making Competition themed "Aku dan Bank" (Me and the Bank) for students and student categories.
- In June 2009, as part of BII's 50th anniversary celebrations and the Bank's continuing involvement with Banking Education, BII organized writing and photography contests for journalists.
- In line with BI's Banking Education programs, BII also held training and introduction to Trade Services programs for journalists.
- In continuing the scholarship program launched in 2008, BII provided scholarships and behavioral competency programs from September 2009 to enrich student knowledge through a brief training program which included: leadership, managerial and other training to 50 students at the University of Gadjah Mada in Yogyakarta. To implement this program, BII cooperated with facilitated

- Bekerja sama dengan Yayasan Jantung Anak Indonesia, BII memberikan donasi untuk perawatan dan operasi jantung pasien anak penderita jantung bawaan dari keluarga tidak mampu pada Mei 2009.
- Melalui Klinik Daarul Rizki memberikan donasi untuk operasi anak-anak penderita bibir sumbing dan hernia pada Mei 2009.
- Pada bulan September 2009, BII secara langsung memberikan bantuan dana perawatan bagi anak penderita leukimia.

B. Pendidikan

- Melengkapi "School Feeding Program", para karyawan BII yang menjadi sukarelawan program "BII Berbagi" memberikan materi mengenai gizi, perbankan dasar, pengenalan komputer dan bahasa Inggris, serta pengenalan proses kerja perbankan melalui kegiatan 'kunjungan ke Bank' bagi siswa-siswi SD-SD penerima manfaat (*beneficiary school*) di Jakarta, Bogor dan Tangerang. Hal ini sejalan dengan program Edukasi Perbankan 'Ayo ke Bank' yang dicanangkan oleh Bank Indonesia tahun ini.
- BII mensukseskan "Kontes Suara Konsumen" (KSK) 2009 yang diselenggarakan oleh Kelompok Kerja (Pokja) Edukasi Perbankan dan Tim Arsitektur Perbankan Indonesia (API) Bank Indonesia (BI).
- Pada Oktober 2009 BII menyelenggarakan kegiatan edukasi mengenai Kartu Pembayaran ("Card Day") di Universitas Gadjah Mada, Yogyakarta.
- Dalam program "Kontes Suara Konsumen", BII juga memberikan dukungan dana bagi penyelenggaraan Lomba Pembuatan Film Pendek bertemakan "Aku dan Bank" untuk kategori pelajar dan mahasiswa.
- Dalam rangka merayakan Ulang Tahun BII ke 50 serta sejalan dengan program Edukasi Perbankan 2009 "Ayo ke Bank", BII menyelenggarakan Lomba Menulis dan Fotografi untuk wartawan mengenai perbankan pada Juni 2009.
- Sejalan dengan program Edukasi Perbankan 2009 yang ditetapkan oleh Bank Indonesia (BI), pada Agustus 2009 BII menyelenggarakan pelatihan tentang *Trade Services* kepada para jurnalis.
- Melanjutkan program beasiswa tahun 2008, pada September 2009 BII memberikan beasiswa serta memperkaya pengetahuan kompetensi perilaku mahasiswa melalui pelatihan singkat seperti *leadership*,

by the Yayasan Karya Salemba Empat (KSE), a non-profit community organization specializing in the field of education that focuses on helping the implementation of education, including providing scholarships, to improve Indonesia's quality of human resources.

- In 2009 BII initiated a pilot internship program for students through BII's Apprentice Program in cooperation with ABFI Institute Perbanas, an educational institution in the banking and financial sector managed informatics Perbanas Education Foundation. This initiative organized job training programs or apprenticeships for 10 final year students who were carefully selected for the 6 month program, which began in November 2009.

C. Environmental Protection and Disaster Relief

In connection with natural disasters that hit several regions in Indonesia and caused many casualties, BII provides assistance aimed at creating social awareness and easing the burden on victims of the natural disasters. Among others, these included:

- Working with Mercy Corps Malaysia in providing medical assistance to victims of earthquake in Padang Pariman. BII provided transportation to doctors, medical personnel, equipment and required logistics required in October 2009.
- BII also provides cash assistance in November 2009 to earthquake victims throughout West Sumatra and Jambi. The Bank also provided assistance to BII staff members and families affected by the natural disasters.
- In December 2009, BII opened a special earthquake relief a fundraising account "Pundi Emas BII Berbagi". As of year-end 2009, the fund had collected a total of Rp413,786,054 in assistance to be allocated for the affected area's recovery program, including for the reconstruction of social facilities such as schools and other public institutions.

BII does not fund any political activities.

managerial, dan lain-lain kepada 50 mahasiswa Universitas Gadjah Mada Yogyakarta. Kerja sama ini difasilitasi oleh Yayasan Karya Salemba Empat (KSE), sebuah organisasi nirlaba di bidang pendidikan yang fokus pada upaya membantu terselenggaranya pendidikan, termasuk memberikan beasiswa, guna meningkatkan kualitas sumber daya manusia bangsa.

- Merintis program magang secara kolektif bagi mahasiswa melalui BII *Apprentice Program*. Sebagai *pilot project*, BII bekerjasama dengan ABFI Institute Perbanas yaitu lembaga pendidikan di bidang keuangan perbankan dan informatika yang dikelola Yayasan Pendidikan Perbanas, menyelenggarakan program pelatihan kerja atau magang bagi 10 mahasiswa tingkat akhir yang terpilih selama enam bulan, pada November 2009.

C. Lingkungan Hidup dan Penanganan Bencana

Sehubungan dengan terjadinya bencana alam yang menimpa beberapa wilayah di Indonesia dan telah menimbulkan banyak korban, BII memberikan bantuan dalam rangka mewujudkan kepedulian sosial dan meringankan beban para korban bencana alam, antara lain;

- Bekerjasama dengan Mercy Malaysia dalam memberikan bantuan medis kepada para korban gempa di Padang Pariaman berupa penyediaan alat transportasi bagi para dokter, tenaga medis, peralatan dan logistik yang diperlukan pada bulan Oktober 2009.
- BII juga memberikan bantuan berupa dana tunai pada bulan November 2009 kepada korban gempa yang terjadi di Sumatera Barat dan Jambi beberapa waktu lalu yang diantaranya menimpa karyawan BII beserta anggota keluarga mereka.
- Membuka rekening penggalangan dana "Pundi Emas BII Berbagi". Hingga akhir Desember 2009, telah terkumpul dana sejumlah Rp413.786.054 yang akan disalurkan bagi program pemulihan, diantaranya untuk pembangunan kembali fasilitas-fasilitas sosial seperti sekolah dan lainnya.

BII tidak memberikan dana untuk kegiatan politik.

The following is a summary of the social activities undertaken by BII during 2009.

Berikut rangkuman kegiatan sosial yang dilakukan oleh BII selama 2009.

Date Tanggal	Type Jenis	Amount Jumlah	Description Keterangan
24-Mar-09	School Feeding Programme Program Pembagian Biskuit Bergizi untuk Anak Sekolah	1,000,000,000	World Food Programme (WFP)
3-Apr-09	Consumer Voice Contest "Me and the Bank" Kontes Suara Konsumen "Aku dan Bank"	40,000,000	Banking Education Program Program Edukasi Perbankan
6-May-09	Heart Surgery Assistance Bantuan Operasi Jantung	30,000,000	Yayasan Jantung Anak Indonesia
12-May-09	Free Cleft Lip and Hernia Surgery Bantuan Operasi Bibir Sumbing dan Hernia	23,000,000	Daarul Rizki Clinic Klinik Daarul Rizki
19-Jun-09	BII School Visit Kunjungan Sekolah Binaan BII	2,300,000	MIS AnNahdlatul Ilmiah
22-Jun-09	Walk The World Walk The World	50,000,000	World Food Programme (WFP)
10-Aug-09	Consumer Voice Contest Dukungan Sosialisasi Kontes Suara Konsumen	2,372,500	Banking Education Program Program Edukasi Perbankan
12-Aug-09	BII School Visit Kunjungan Sekolah Binaan BII	3,724,175	Gobang 4 Elementary School Rumpin Bogor SDN Gobang 4 Rumpin Bogor
11-Sep-09	Journalist Training Pelatihan Wartawan	11,711,890	Banking Education Program Program Edukasi Perbankan
30-Sep-09	Assistance for Leukemia Patients Bantuan untuk Penderita Leukemia	15,000,000	
19-Oct-09	"Card Day" and UGM Campus Visit Edukasi Kartu Pembayaran ("Card Day") dan Kunjungan Kampus ke UGM	9,842,263	Banking Education Program & Soft Skill Training Program Edukasi Perbankan & Pelatihan <i>Soft Skill</i>
23-Oct-09	Vehicle Assistance for Mercy Operation in Padang Bantuan Fasilitas Kendaraan untuk Operasional Mercy di Padang	23,000,000	PT MAS Transportation Services
13-Nov-09	Disaster Relief Bantuan Bencana	520,000,000	Padang Earthquake Gempa Padang
23-Nov-09	Journalist Writing & Photo Contest Lomba Menulis dan Fotografi untuk Wartawan	95,000,000	Banking Education Program Program Edukasi Perbankan
25-Nov-09	Banking Education through Roxy Mas Branch Office Edukasi Perbankan melalui KC Roxy Mas	5,500,000	Banking Education Program Program Edukasi Perbankan
1-Dec-09	BII Apprentice Program Program Magang BII	74,100,000	ABFII Perbanas
4-Dec-09	Scholarship Program Program Beasiswa	131,000,000	Karya Salemba Empat (KSE)
TOTAL		2,036,550,828	

XIII. Implementation Of Compliance, Internal Audit And External Audit Functions

A. Bank Compliance Function

In order to ensure the implementation of prudent banking principles in the management of the Bank, as well as to ensure compliance with Bank Indonesia regulations and all other relevant laws and regulations, it is required that a member of the BOD is assigned as the Compliance Director to monitor and ensure implementation of compliance within the Bank.

To comply with such regulation by Bank Indonesia, BII has appointed 1 (one) Director as the Compliance Director, whereby such appointment is in accordance with prevailing regulations.

The Compliance Director continuously performs the required duties and obligations to ensure adherence with all rules and regulations, and supervise any risks that may arise out of a failure to comply with applicable regulations. Among others, this is carried out through the following:

- Conducting reviews on policies and procedures to prevent irregularities, which may arise as a result of such policies.
- Communicating policies and procedures to all work units/employees through circulars/memorandums/other internal communications. These items are regularly posted to the website of the BII Corporate University (Intranet).
- Engaging in efforts to review and improve internal regulations; reporting systems; and mechanisms of internal control. In addition, responsible for conducting training programs and socialization related to the implementation of GCG as well as conducting self assessments on the implementation of GCG practices.
- Periodically report on compliance activities and measures as part of the duties and responsibilities of the Compliance Director, in the form of a Report of the Compliance Director in accordance with prevailing regulations, and to act as the liaison officer between Bank Indonesia and the Bank.
- Monitoring and ensuring the fulfillment and follow-up on agreement and commitment to Bank Indonesia and/or other regulatory bodies.

XIII. Penerapan Fungsi Kepatuhan, Audit Intern dan Audit Ekstern

A. Fungsi Kepatuhan Bank

Dalam rangka menegakkan pelaksanaan prinsip kehati-hatian dalam pengelolaan Bank dan untuk memastikan agar Bank mematuhi semua Peraturan Bank Indonesia serta hukum dan peraturan yang berlaku, maka diperlukan adanya anggota Direksi yang ditugaskan sebagai Direktur Kepatuhan guna memantau dan memastikan pelaksanaan hal tersebut.

Untuk memenuhi ketentuan Bank Indonesia tersebut, BII telah menunjuk 1 (satu) orang direktur sebagai Direktur Kepatuhan dan penunjukannya telah sesuai dengan ketentuan yang berlaku.

Direktur Kepatuhan secara terus menerus melakukan tugas dan kewajibannya untuk memastikan kepatuhan Bank terhadap peraturan dan ketentuan yang berlaku, sekaligus melakukan pengawasan terhadap risiko kepatuhan yang mungkin timbul dengan menetapkan langkah-langkah, antara lain.

- Melakukan review atas kebijakan dan prosedur untuk mencegah terjadinya penyimpangan yang mungkin timbul atas kebijakan tersebut.
- Mengkomunikasikan kebijakan dan prosedur kepada unit kerja/karyawan melalui surat edaran/memorandum/komunikasi internal lainnya yang disampaikan melalui sarana Corporate University BII (Internal Web BII).
- Melakukan berbagai upaya perbaikan dan penyempurnaan terhadap ketentuan internal serta mekanisme sistem pelaporan dan pengendalian intern. Selain itu juga mengadakan program pelatihan dan sosialisasi penerapan Tata Kelola Perusahaan/GCG serta melaksanakan Self Assesment terhadap penerapan ketentuan Tata kelola Perusahaan yang Baik.
- Melaporkan secara berkala aktivitas kepatuhan beserta langkah-langkah/kegiatan kepatuhan yang merupakan bagian dari pelaksanaan tugas dan tanggung jawab Direktur Kepatuhan dalam bentuk Laporan Direktur Kepatuhan sesuai dengan ketentuan yang berlaku sekaligus bertindak sebagai pejabat perantara antara Bank Indonesia dengan Bank.
- Melakukan pemantauan dan memastikan kepatuhan terhadap pemenuhan tindak lanjut atas perjanjian serta komitmen dengan Bank Indonesia dan/atau dengan lembaga otoritas lainnya yang berwenang.

- Supervising the work of the KYC/AML Division to coordinate the implementation of Know Your Customer (KYC) principle at BII in an integrated manner, including reporting of suspicious transactions to PPAJK.

In ensuring the Bank's compliance aspects as well as in monitoring the compliance risk, the Compliance Director is assisted by the Compliance Division, which is independent from the Bank's operational work units. The Compliance Division provides opinions as well as compliance recommendations throughout the Bank. Additionally, the Compliance Division conducts reviews of guidelines, product/activity, systems and procedures, and socializing of prevailing regulations.

The following activities related to the compliance function were carried out in 2009:

- Conducted reviews of all internal policies to be issued by the Bank using the Compliance Review Sheet in order to ensure that internal policies issued by the management are aligned with prevailing regulations.
- Monitored the implementation of regulations issued by Bank Indonesia in the relevant work units.
- Provided compliance opinions in consultation sessions (advisory function) in the form of recommendations, suggestions, proposals and information, as well as responses to questions from Work Unit or Branch.
- Monitored the commitments and follow-ups to audit findings and reported such actions to Bank Indonesia.
- Introduced the compliance plan program based on the risk based approach, which will be assessed every year.
- Established a compliance monitoring mechanism, the Compliance Plan Self Assessment (CPSA), which is used to identify and measure the level of compliance for all units and branches. The CPSA is conducted regularly by each work unit/branch.
- Published a Compliance Brief, a summary of Bank Indonesia regulations to be thoroughly disseminated to every employee in order to create a compliance culture within the Bank.

- Melakukan supervisi atas Divisi KYC/AML untuk mengkoordinasikan penerapan prinsip mengenal nasabah (*Know Your Customer* – KYC) di BII secara terintegrasi, termasuk melakukan pelaporan transaksi yang mencurigakan kepada PPAJK.

Didalam memastikan kepatuhan Bank dan pengawasan terhadap risiko kepatuhan, Direktur Kepatuhan dibantu oleh Divisi Kepatuhan yang fungsi dan kedudukannya independen terhadap satuan kerja operasional. Divisi Kepatuhan memberikan opini dan rekomendasi kepatuhan untuk kepentingan Bank, melakukan review atas pedoman, produk/aktivitas, sistem dan prosedur serta melakukan sosialisasi atas regulasi yang berlaku.

Selama tahun 2009, kegiatan-kegiatan yang telah dilakukan dalam rangka menerapkan fungsi kepatuhan diantaranya adalah:

- Melakukan review atas kebijakan internal yang akan diterbitkan oleh bank yang dituangkan dalam bentuk *Compliance Review Sheet* agar kebijakan internal yang dikeluarkan oleh manajemen telah sesuai dengan peraturan perundang-undangan yang berlaku
- Melakukan pemantauan atas kewajiban pelaksanaan ketentuan yang telah diterbitkan Bank Indonesia kepada unit-unit kerja terkait.
- Memberikan opini kepatuhan dalam bentuk konsultasi (Fungsi *Advisory*) berupa saran, usulan, rekomendasi, pemberian informasi serta tanggapan kepatuhan atas pertanyaan-pertanyaan dari Unit Kerja atau Cabang
- Melakukan pemantauan terhadap komitmen dan tindak lanjut hasil pemeriksaan serta melaporkannya ke Bank Indonesia.
- Memperkenalkan dan menerapkan program *Compliance Plan* berbasis risiko yang efektivitas pelaksanaannya akan dievaluasi setiap tahun.
- Membuat mekanisme monitoring compliance, yaitu *Compliance Plan Self Assessment* (CPSA) sebagai sarana identifikasi dan pengukuran tingkat kepatuhan setiap unit kerja/cabang yang dilakukan secara berkala oleh unit kerja/cabang.
- Menerbitkan *Compliance Brief* atau rangkuman dari Peraturan Bank Indonesia yang dirasa penting sebagai bentuk sosialisasi peraturan kepada setiap karyawan dalam rangka menciptakan budaya patuh dalam perusahaan.

- Introduced the Compliance on-Spot Review program to branch offices and work units in order to ensure compliance of branches and work units to such prevailing regulations.
- Conducted information extension and training sessions to build employees' understanding and awareness of applicable laws and regulations.
- Conducted a gap analysis concerning the implementation of GCG as of 30 October 2009. The result of the analysis has been submitted to the President Director and the Compliance Director and forwarded to the Audit Committee in preparation of the GCG Self Assessment 2009 and the GCG Implementation Report 2009.
- Memperkenalkan program *Compliance On-Spot Review* ke kantor cabang dan unit kerja yang bertujuan untuk memastikan kepatuhan cabang dan unit kerja terhadap ketentuan yang berlaku
- Melakukan sosialisasi dan pelatihan untuk meningkatkan pemahaman dan *awareness* karyawan terhadap peraturan perundang-undangan yang berlaku..
- Melakukan *gap analysis* atas penerapan GCG per 30 Oktober 2009 yang hasilnya telah disampaikan kepada Presiden Direktur dan Direktur Kepatuhan dengan tembusan kepada Komite Audit dalam rangka persiapan pembuatan *Self Assesment* 2009 dan penyusunan Laporan Pelaksanaan GCG 2009.

In addition to the Compliance Division, the Compliance Director is also assisted by the KYC/AML Division related to the implementation of Anti Money Laundering (APU) and the Prevention of Terrorism Funding (PPT) programs, through the following action plan:

Selain Divisi Kepatuhan, Direktur Kepatuhan juga dibantu oleh Divisi KYC/AML dalam rangka menerapkan program Anti Pencucian Uang (APU) dan Pencegahan Pendanaan Terorisme (PPT), dengan menetapkan langkah-langkah sebagai berikut:

- Establishment of a Special Work Unit (UKK) located at the Bank's headquarters known as the KYC/AML division, and appoint dedicated KYC/AML officers at every work unit/branch both within and outside the country to monitor the implementation of APU & PPT programs at the respective branches.
- Evaluate and establish implementation policies and procedures for APU & PPT that is continuously adjusted in response to modifications to policies of Bank Indonesia/PPATK.
- Ensuring that the implementation of APU & PPT programs has been in accordance with BI Regulation (PBI) No. 11/28/PBI/2009 dated 1 July 2009 and BI Circular Letter No. 11/31/DPNP dated 31 November 2009, as well as in accordance with established policies and procedures:
 - Conduct client acceptance (including to Walk-In Customers [WIC]) based on a Risk-Based Approach (RBA);
 - Conduct monitoring and updating of customer data profiles on a continuous basis using the risk based approach; including updating profiles Correspondent banks;
- Membentuk Unit Kerja Khusus (UKK) ditingkat Pusat (yaitu Divisi KYC/AML) dan menetapkan pejabat UKK (KYC/AML officer) beserta tugas dan tanggungjawabnya di tingkat Cabang/Cabang Pembantu/Unit Kerja, baik dalam maupun luar negeri, sebagai pemantau pelaksanaan KYC/AML atau program APU & PPT di masing-masing cabang.
- Mengevaluasi dan menetapkan Kebijakan dan Prosedur pelaksanaan APU & PPT secara berkesinambungan yang disesuaikan dengan perkembangan kebijakan Bank Indonesia/PPATK.
- Memastikan pelaksanaan Program APU & PPT telah sesuai dengan PBI No. 11/28/PBI/2009, 1 Juli 2009 dan SE BI No. 11/31/DPNP, 31 November 2009 serta telah dilaksanakan sesuai dengan Kebijakan dan Prosedur yang berlaku, yaitu:
 - Melakukan penerimaan nasabah (termasuk *Walk in Customer/WIC*) berdasarkan pendekatan berbasis risiko (*Risk Based Approach/RBA*),
 - Melakukan pemantauan dan pengkinian/*update data/profile* data nasabah secara berkesinambungan dan berdasarkan risiko; termasuk *update profile* terhadap Bank Koresponden;

- Conduct monitoring of customer transactions on a continuous basis through technology systems (MIS KYC/AML Report), which can be accessed by all KYC Officers at Branch/Sub-Branch level as well as UKK unit at Head Office (KYC/AML division) to enable interactive communication between Head Office and Branches.
- Monitor the implementation of APU and PPT programs through on-sight random sampling, as well as internal communications via e-mail in the KYC/AML media forum to branch/sub-branch/work units.
- Reporting all suspicious transactions (LTKM/STR) and cash transaction above a certain limit (LTKT/CTR) as part of the Bank's fulfillment of its obligations to regulators (PPATK).
- Institutionalize an APU/PPT training program to be administered on an ongoing basis, including communications to branch offices through Focus Group Discussions (FGD) sessions.
- The Internal Audit Unit (SKAI) oversees the implementation of APU/PPT programs, with an oversight function that is separate and independent to the work units that carry out APU & PPT programs.
- Melakukan pemantauan transaksi nasabah secara berkesinambungan melalui sistem teknologi (MIS KYC/AML Report), yang dapat diakses oleh seluruh KYC Officer Kantor Cabang/Cabang Pembantu maupun UKK Kantor Pusat (Divisi KYC/AML), sehingga dapat dilakukan komunikasi secara interactive antara Kantor Pusat dan Cabang.
- Melakukan pemantauan pelaksanaan program APU dan PPT dengan melakukan uji sampling (*on-site visit*) maupun komunikasi melalui internal media email kepada KYC Forum ke Cabang/Cabang Pembantu/Unit Kerja.
- Melaporkan hasil pemantauan terhadap transaksi keuangan yang tergolong mencurigakan (LTKM/STR) dan transaksi tunai dengan jumlah tertentu (LTKT/CTR) sebagai pemenuhan kewajiban kepada pihak regulator (PPATK).
- Menetapkan program pelatihan APU dan PPT secara berkesinambungan termasuk membangun komunikasi yang baik ke cabang melalui *Focus Group Discussion* (FGD) ke cabang.
- Adanya Satuan Kerja Audit Intern (SKAI) mengawasi pelaksanaan program APU/PPT dan fungsi pengawasannya terpisah atau independen dengan unit kerja yang melaksanakan program APU & PPT.

The Bank is continuously improving the quality of human resources through training conducted both internally and by external parties. This includes encouraging employees to gain certification in risk management in accordance with the requirements of applicable regulations.

Submission of the main report for performance of duties. Compliance Director conducted implementation in accordance with applicable regulations.

Internal Audit Function

Internal Audit (SKAI) is an independent function responsible directly to the President Director, and indirectly to the BOC through the Audit Committee. The position, authority, responsibilities, professional standards, organization and scope of work of SKAI are governed by the internal audit function performance standards (SPFAIB) described in Bank Indonesia Regulation No. 1/6/PBI/1999

Bank secara terus menerus meningkatkan kualitas sumber daya manusianya melalui pelatihan-pelatihan baik yang dilakukan secara internal maupun pelatihan yang diselenggarakan oleh pihak eksternal, diantaranya mengikutsertakan karyawan untuk memperoleh sertifikasi manajemen risiko sesuai dengan persyaratan dalam ketentuan yang berlaku.

Peyampaian laporan pokok pelaksanaan tugas Direktur Kepatuhan telah dilaksanakan sesuai dengan ketentuan yang berlaku.

Fungsi Audit Intern

Satuan Kerja Audit Intern (SKAI) merupakan fungsi independen yang melapor langsung kepada Presiden Direktur, dan kepada Dewan Komisaris melalui Komite Audit. Posisi, kewenangan, tanggung jawab, profesionalisme, organisasi, dan cakupan tugas SKAI telah mengacu pada standar fungsi audit intern (SPFAIB) yang ditetapkan dalam peraturan Bank Indonesia Nomor 1/6/PBI/1999 tanggal

of 20 September 1999 on the Assignment of the Compliance Director and Application of Commercial Bank Internal Audit Function Performance Standards.

SKAI has a mission to support the BOC and BOD in audit planning and the exercise, and oversight of audit results. It is also responsible for ensuring sound and sufficient management at all managerial levels of the Bank.

SKAI supported the Bank in its target achievement by providing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and GCG. The scope of activities included operations, credit, technology and information systems, as well as other support functions at head office. In performing its functions, Internal Audit had the authority to access all functions, records, properties and the Bank's personnel without restriction.

With reference to Bank Indonesia Circular No. 5/22/DPNP of 29 September 2003 on Guidelines for Internal Control System Standards for Commercial Banks, BII set up three pillars of internal control to ensure comprehensive and effective internal control was exercised. The three pillars were as follows:

1. Control at business unit level, covering:
 - a. Competent staff and adequate organizational structure.
 - b. Sufficient systems and procedures.
 - c. Sound business practices and strict code of ethics.
 - d. Independent monitoring of compliance by Compliance Division and Branch Quality Assurance.
 - e. Independent risk management group.
2. Internal Audit was responsible for evaluating periodic internal control functions using Business Control Rating System (BCRS) and risk Based Auditing.
3. The BOC and BOD acted as the final entities in charge of internal control implementation within the company as represented, among others, by reviews by the Audit Committee and the Compliance Director.

20 September 1999 tentang Penugasan Direktur Kepatuhan (Compliance Director) dan Penerapan Standar Pelaksanaan Fungsi Audit Intern Bank Umum.

Misi SKAI adalah mendukung Dewan Komisaris dan Direksi dalam menerapkan perencanaan, pelaksanaan audit dan pengawasan hasil-hasilnya serta menjamin adanya pengelolaan yang sehat dan memadai pada semua tingkatan manajemen di seluruh Bank.

SKAI membantu Bank dalam mencapai tujuan dengan pendekatan yang sistematis dan disiplin dalam mengevaluasi dan meningkatkan efektivitas manajemen risiko, pengendalian intern serta GCG. Aktivitasnya mencakup bidang-bidang operasional, kredit, teknologi, dan sistem informasi serta fungsi-fungsi pendukung di Kantor Pusat. Dalam menjalankan tugasnya, Audit Intern berwenang mengakses semua fungsi, catatan, properti dan karyawan Bank sesuai penugasan audit tanpa dibatasi oleh pihak manapun.

Merujuk pada Surat Edaran Bank Indonesia Nomor 5/22/DPNP tanggal 29 September 2003 tentang Pedoman Standar Sistem Pengendalian Intern bagi Bank Umum, BII menetapkan tiga pilar pengendalian intern untuk memastikan penerapan pengendalian intern yang menyeluruh dan efektif. Ketiga pilar tersebut adalah:

1. Pengendalian (*control*) pada tingkat unit bisnis yang mencakup:
 - a. Staf yang kompeten dan struktur organisasi yang memadai
 - b. Sistem dan prosedur yang memadai
 - c. Praktek bisnis yang sehat dan kode etik yang ketat
 - d. *Monitoring* kepatuhan yang independen oleh Divisi Kepatuhan dan *Branch Quality Assurance*
 - e. Grup manajemen risiko yang independen
2. Audit Intern melakukan evaluasi atas fungsi kontrol intern secara periodik dengan menggunakan Business Control Rating System (BCRS) dan pendekatan *Risk Based Auditing*.
3. Dewan Komisaris dan Direksi merupakan penanggung jawab akhir atas terlaksananya pengendalian intern dalam perusahaan yang dituangkan dalam bentuk antara lain *review* oleh Komite Audit dan Direktur Kepatuhan.

BII applied a risk-based audit approach, i.e. audit planning and activities are performed based on risk assessments at both macro and micro levels. Macro level risk assessment was used to give audit priority to branches or business units with greater risks. The overall results of the macro risk and the Bank's risk profile assessments were used as the basis for the annual audit planning. Assessment of risks at the micro level, provided the basis for allocating audit resources according to the audit priority for riskier business processes within branch offices or business units covered in the annual audit.

In 2009, Internal Audit undertook 148 assignments. It also monitored the implementation of the 2009 audit plan and budget; ensured follow-up of audit findings using Corrective Action Tracking System (CATS); updated the audit manual; exercised electronic working papers; proceeded with the implementation of Computer-Aided Audit Techniques (CAATs) enabling auditors to perform automatic data extraction for audit sampling, preparing reports and verifying calculations.

BII telah menerapkan pendekatan audit berdasarkan risiko, yaitu perencanaan dan aktivitas audit dilakukan berdasarkan penilaian risiko di tingkat makro dan mikro. Penilaian risiko di tingkat makro digunakan untuk memprioritaskan audit pada cabang atau unit bisnis yang lebih berisiko. Hasil penilaian risiko makro dan profil risiko Bank secara keseluruhan dijadikan sebagai dasar dalam penyusunan rencana audit tahunan. Sementara penilaian risiko di tingkat mikro digunakan untuk mengalokasikan sumber daya audit yang diperlukan berdasarkan prioritas audit pada proses bisnis yang lebih berisiko pada cabang atau unit bisnis yang masuk dalam cakupan audit tahunan.

Sepanjang tahun 2009, Audit Intern telah melakukan 148 penugasan. Selain itu, Audit Intern memonitor pelaksanaan rencana dan anggaran audit tahun 2009, memastikan tindak lanjut temuan-temuan audit melalui Corrective Action Tracking System (CATS), pengkinian manual audit, implementasi kertas kerja elektronik, melanjutkan implementasi Teknik Audit Berbantuan Komputer (TABK) yang memungkinkan auditor melakukan ekstraksi data secara otomatis untuk *audit sampling*, membuat laporan pengecualian, dan memeriksa kebenaran perhitungan oleh sistem.

Audit Object Obyek Audit	2009			2008		
	Audit Plan Rencana Audit	Audit Realization Realisasi Audit	Achievement Pencapaian (%)	Audit Plan Rencana Audit	Audit Realization Realisasi Audit	Achievement Pencapaian (%)
In-Shore Branch Office (Operation and Lending) Cabang Dalam Negeri (Operasional dan Kredit)	60	60	100%	69	69	100%
Off-Shore Branch Office and Subsidiary Cabang Luar Negeri dan Anak Perusahaan	2	2	100%	3	3	100%
Head Office Work Unit Unit Kerja Kantor Pusat	27	26	96%	25	26	104%
Sharia Work Unit Unit Kerja Syariah	2	2	100%	3	3	100%
Technology and Information System Teknologi dan Sistem Informasi	11	11	100%	12	12	100%
Credit Portfolio Review Review Portofolio Kredit	14	14	100%	14	14	100%
Special Assignment Penugasan Khusus	15	33	220%	15	29	193%
Total Jumlah	131	148	113%	141	156	111%

One (1) audit of the headquarters' Unsecured Lending Business (ULB) Support Unit was not carried out due to changes in the Bank's organizational structure. Some aspects regarding to ULB Support Division have been moved to IT and the Central Processing Center (CPC). However, activities related to IT have been audited by IT audit team.

In an effort to produce high-quality audits, Group Internal Audit requires employees to have a relevant professional certification (BSMR, QIA, CIA, CISA, CFE and CBIA).

The External Audit Function

As a public company, BII selects public accountants and public accounting firms from the approved lists supplied by Bank Indonesia and Bapepam-LK.

Authority to appoint a public accounting firm was awarded by a resolution of the AGM in 2009 to the BOC. The BOC, based on the recommendation of the Audit Committee, has appointed KAP Purwanto, Sarwoko & Sandjaja (PSS), member of Ernst & Young (EY). This is the first year in which this particular KAP has been selected by BII to execute this function.

XIV. Risk Management Function

BOC and BOD believe that risk management approach should be clearly stated is integral to the Bank's strategies. Risk management is a prioritized area in 2008 due to the challenges arising as a result of slowing economic growth and new regulations. The Bank combines tactical steps to minimize the number of NPLs with strategic steps to upgrade infrastructure and raise skill and competence levels throughout the Bank.

Based on BI regulation, the Bank is exposed to eight (8) risk types, namely Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Legal Risk, Reputation Risk, Strategic Risk, and Compliance Risk. In managing these eight types of risk, the Bank issued a guideline for the implementation of risk management which is updated periodically. This guideline is also applicable to the subsidiaries.

Satu penugasan audit kantor pusat yaitu Unsecured Lending Business (ULB) Support Unit tidak dilakukan karena adanya perubahan struktur organisasi dimana terjadi pengendalian sistem operasional dari Divisi ULB Support telah beralih ke grup TI dan Central Processing Centre (CPC). Namun demikian aktivitas yang berkaitan dengan aspek TI telah diaudit oleh tim audit TI.

Dalam upaya menghasilkan audit berkualitas tinggi, Group Audit Intern mensyaratkan karyawannya untuk memiliki sertifikasi profesional terkait (BSMR, QIA, CIA, CISA, CFE dan CBIA).

Fungsi Audit Ekstern

Sebagai perusahaan publik, BII menunjuk Akuntan Publik dan Kantor Akuntan Publik (KAP) yang terdaftar di Bank Indonesia dan Bapepam-LK.

Salah satu keputusan RUPS 2009, antara lain memberi kuasa kepada Dewan Komisaris untuk menunjuk KAP sebagai auditor ekstern yang independen untuk memeriksa laporan keuangan BII tahun 2009. Berdasarkan kuasa tersebut, Dewan Komisaris sesuai dengan rekomendasi Komite Audit menunjuk KAP Purwanto, Sarwoko & Sandjaja (PSS), member of Ernst & Young (EY). Tahun 2009 merupakan penugasan tahun pertama bagi KAP tersebut.

XIV. Fungsi Manajemen Risiko

Dewan Komisaris dan Direksi meyakini bahwa pendekatan manajemen risiko harus dinyatakan dengan jelas dalam strategi Bank. Dimana manajemen risiko mendukung pertumbuhan bisnis Bank dengan menerapkan prinsip kehati-hatian dan tata kelola manajemen risiko. Bank mengkombinasikan langkah taktis untuk meminimalkan jumlah kredit bermasalah dan langkah strategis untuk meningkatkan kualitas kredit, infrastruktur dan kompetensi sumber daya manusia.

BII dengan tingkat kompleksitasnya terekspos pada delapan jenis risiko utama menurut Peraturan Bank Indonesia, yaitu Risiko Kredit, Risiko Pasar, Risiko Likuiditas, Risiko Operasional, Risiko Hukum, Risiko Reputasi, Risiko Strategik dan Risiko Kepatuhan. Sebagai panduan dalam mengelola kedelapan risiko utama tersebut, Bank memiliki Pedoman Pelaksanaan Manajemen Risiko (PPMR) yang diperbarui secara periodik. PPMR tersebut juga berlaku sebagai pedoman dalam pelaksanaan manajemen risiko bagi anak perusahaan.

To identify and manage all types of risk, a management organization suitable with the measure, complexity ability, objective and policy is needed. The Bank manages the risks through independent units to ensure the objectivity and firm accountability, such as unit for policy maker, credit approval and remedial which are separated for each credit segment, market risk management, liquidity risk, and operational risk.

Other than forming Risk Oversight Committee and risk management units, Bank also established the following committees to give advise and oversight the Bank's risk management.

A. Risk Management Committee (RMC)

This is a BoD-level committee and responsible for:

- a. Drafting policies and revising policies on risk management, as well as risk management and contingency strategies.
- b. Implementing the Bank's policies on risk management and exposure.
- c. Revising and/or improving risk management in consistent and independent manner.
- d. Assessing the Bank's risk exposures, including credit exposure, and ensuring proper management of these exposures.
- e. Validating business decisions which are not based on normal procedures and/or beyond set limits.
- f. Evaluating to ensure:
 - Accuracy of the risk assessment methodology
 - Sufficient and proper implementation of the risk management system
 - Adequate risk policies, procedures and set limits are in place
- g. Promoting risk management culture at all levels of the organization, and ensuring improved competence in the management of risks.

Untuk dapat mengidentifikasi dan mengelola seluruh jenis risiko yang dihadapi maka diperlukan bentuk struktur organisasi pengelolaan yang sesuai dengan ukuran, kompleksitas, kemampuan bank serta tujuan dan kebijakan Bank. BII mengelola risiko melalui unit-unit independen untuk menjamin objektivitas dan pertanggungjawaban yang tegas, antara lain unit penyusun kebijakan (policy), pemutus kredit dan remedial yang terpisah untuk setiap segmentasi kredit, unit manajemen risiko pasar, unit manajemen risiko likuiditas dan unit manajemen risiko operasional.

Selain melalui pembentukan Komite Pemantau Risiko dan unit-unit untuk mengelola manajemen risiko, Bank juga telah menetapkan komite-komite berikut ini untuk memberikan bimbingan dan melakukan pengawasan terhadap pengelolaan risiko Bank:

A. Komite Manajemen Risiko (RMC)

Komite ini berada pada tingkat Direksi dan bertanggung jawab untuk:

- a. Mempersiapkan kebijakan dan revisi kebijakan manajemen risiko, termasuk strategi manajemen risiko dan rencana darurat.
- b. Bertanggung jawab atas penerapan kebijakan manajemen dan eksposur risiko secara keseluruhan yang telah diambil oleh Bank.
- c. Merevisi dan/atau meningkatkan penerapan manajemen risiko secara konsisten dan independen.
- d. Menelaah eksposur risiko Bank termasuk eksposur kredit secara berkala serta memastikan bahwa eksposur tersebut dikelola dengan baik.
- e. Mengesahkan keputusan bisnis yang tidak mengikuti prosedur normal dan/atau melampaui batasan.
- f. Melakukan evaluasi untuk memastikan:
 - Keakuratan metodologi penilaian risiko.
 - Kecukupan implementasi sistem manajemen risiko
 - Memadainya kebijakan risiko, prosedur dan penetapan limit.
- g. Mengembangkan budaya manajemen risiko di seluruh tingkatan organisasi serta memastikan peningkatan kompetensi sumber daya manusia yang berkaitan dengan manajemen risiko.

RMC membership is as follows:

- Chairman : President Director
 Vice Chairman : Risk Management Director
 Secretary : Bank-wide Risk Management Division
 Members : - Legal & Compliance Director
 - Corporate Banking Director
 - SME, Commercial and Sharia Banking Director
 - Consumer Banking Director
 - Chief Operating Officer - Director
 - Bank-wide Risk Management Head
 - Chief Credit Officer
 - Operations Director

Komposisi keanggotaan RMC adalah sebagai berikut:

- Ketua : Presiden Direktur
 Wakil Ketua : Direktur Manajemen Risiko
 Sekretaris : Divisi Bank-wide Risk Management
 Anggota : - Direktur Hukum & Kepatuhan
 - Direktur Perbankan Korporasi
 - Direktur SME, Komersial dan Perbankan Syariah
 - Direktur Perbankan Konsumer
 - Direktur - Chief Operating Officer
 - Bank-wide Risk Management Head
 - Chief Credit Officer
 - Direktur Operasional

Information which RMC was concerned with was presented to the BOD (whose members were all in the Committee) through BOD Meetings and monthly meetings with the President Director.

Informasi-informasi yang menjadi perhatian RMC disampaikan kepada Direksi (yang sebagian besar adalah anggota RMC) melalui Rapat Direksi dan rapat bulanan dengan Presiden Direktur.

RMC coordinated two sub-committees:

RMC mengkoordinasi dua sub-komite yang terdiri dari:

1. Credit Policy Committee - responsible for credit risks and credit policies of the Bank and its subsidiaries.

1. Komite Kebijakan Kredit, yang bertanggung jawab terhadap risiko kredit serta kebijakan kredit Bank dan anak perusahaannya.

Membership composition:

Komposisi keanggotaan:

Chairman Ketua	Director of Risk Management
Secretary Sekretaris	Bank Risk Management Division
Members Anggota	<ul style="list-style-type: none"> • Corporate Banking Director • SME, Commercial and Sharia Banking Director • Consumer Banking Director • Consumer Credit Risk Management Head • Unsecured Lending Business Head • Secured Lending Business Head • Internal Audit Head • Corporate Credit Risk Management Head • SME & Commercial Credit Risk Management Head • Corporate Banking Head • Bank Risk Management Head • Trade Services Head

Duties and responsibilities:

- Providing input to the BOD in the context of preparing Credit Policy Manual (including the Product Policy Program).
- Monitoring to ensure Credit Policy Manual (including the Product Policy Program) can be applied and implemented in a consistent manner and to address problems when there are obstacles in the implementation of the Credit Policy Manual.
- Ensuring that BII and its subsidiaries meet legitimate and appropriate credit needs.
- Establish credit decision authority based on risk and business demands.

2. The Operational Risk Management Committee (ORMC) consists of the BOD and is chaired by the Operations Director. In 2009, the ORMC meeting was carried out through separate meetings with each member of the ORMC as follows:

Tugas dan tanggung jawab:

- Memberi masukan kepada Direksi dalam rangka penyusunan Manual Kebijakan Perkreditan (termasuk juga *Product Program Policy*).
- Mengawasi agar Manual Kebijakan Perkreditan (termasuk juga *Product Program Policy*) dapat diterapkan dan dilaksanakan secara konsisten dan merumuskan pemecahan masalah apabila terdapat hambatan dalam penerapan Manual Kebijakan Perkreditan.
- Memastikan Bahwa BII beserta anak perusahaannya memenuhi kebutuhan kredit yang sah dan benar.
- Menetapkan wewenang pemutusan kredit yang didasarkan pada risiko dan tuntutan bisnis.

2. Operational Risk Management Committee (ORMC) beranggotakan seluruh anggota Direksi dan diketuai oleh Direktur Operasional. Pada 2009, rapat ORMC dilakukan dalam beberapa rapat terpisah dengan masing-masing anggota ORMC sebagai berikut:

Finance, Financial Planning and Procurement & Premises Director Direktur Finance, Financial Planning and Procurement & Premises	13 July 2009 13 Juli 2009
Director and Chief Operating Officer Direktur dan Chief Operating Officer	11 June 2009 and 2 September 2009 11 Juni 2009 dan 2 September 2009
Legal and Compliance Director Direktur Hukum dan Kepatuhan	20 May 2009 20 Mei 2009
Corporate Banking Director Direktur Perbankan Korporasi	10 June 2009 10 Juni 2009
Human Capital & Corporate Communication Director Direktur Human Capital & Komunikasi Perusahaan	28 May 2009 28 Mei 2009
Operations Director Direktur Operasional	12 June 2009, 17 June 2009 and 2 September 2009 12 Juni 2009, 17 Juni 2009 dan 2 September 2009
Consumer Banking Director Direktur Perbankan Konsumer	28 May 2009 28 Mei 2009
President Director Presiden Direktur	27 May 2009 27 Mei 2009

During 2009 meetings were carried out 9 (nine) times.

B. The Asset & Liabilities Committee (ALCO) and the Asset Liabilities Management (ALM) committee.

Asset & Liability Management is the management of market risk associated with the organization and controlling the Bank's balance sheet and profit/loss. The ALM focuses on the management of interest rates, liquidity and exchange rates and foreign currency funding risks.

Based on an ALCO meeting on 26 November 2009, ALCO consists of the following members:

Chairman : President Director
Vice Chairman : Treasurer
Secretary : Asset & Liability Management Support Unit Head
Members : - Risk Management Director.
- Corporate Banking Director
- SME, Commercial and Sharia Banking Director
- Consumer Banking Director
- Legal & Compliance Director
- Finance, Financial Planning and Procurement & Premises Director
- Director and Chief Operating Officer

The ALCO maintains the following responsibilities:

1. Providing latest update of the macroeconomic performance of the Bank and the industry as a whole that can be a guide for members of the Committee in determining policy, especially interest rates and asset liability.
2. Ensuring that every time the bank and legal entity within it have sufficient liquidity, capital and funds to meet the business requirements and meet all existing regulations;
3. Building a stable fund structure by managing long-term profile assets and liabilities;
4. Managing the Balance Sheet and ensuring that capital adequacy is in line with the Bank's strategy for liquidity, capital and funding sources, which are adequately diversified.

Pada 2009 telah diadakan 9 (sembilan) kali rapat.

B. Asset & Liabilities Committee (ALCO) and Asset Liabilities Management (ALM)

Asset & Liability Management adalah manajemen risiko pasar yang berhubungan dengan organisasi dan kontrol daripada neraca dan rugi/laba. ALM berfokus pada manajemen tingkat suku bunga, likuiditas dan nilai tukar mata uang asing dan risiko funding.

Berdasarkan pertemuan ALCO tanggal 26 November 2009, komposisi keanggotaan ALCO adalah :

Ketua : Presiden Direktur
Wakil Ketua : Treasurer
Sekretaris : Asset & Liability Management Support Unit Head
Anggota : - Direktur Manajemen Risiko
- Direktur Perbankan Korporasi
- Direktur SME, Komersial dan Perbankan Syariah
- Direktur Perbankan Konsumer
- Direktur Hukum & Kepatuhan
- Direktur Finance, Financial Planning and Procurement & Premises
- Direktur dan Chief Operating Officer

Secara rinci ALCO memiliki tanggung jawab sebagai berikut:

1. Memberikan gambaran terkini mengenai makroekonomi, kinerja Bank dan industri secara keseluruhan yang dapat menjadi pedoman bagi para anggota komite dalam penentuan kebijakan, terutama tingkat suku bunga *asset* dan *liability*.
2. Memastikan bahwa setiap saat bank dan badan hukum di dalamnya memiliki kecukupan likuiditas, modal dan dana untuk memenuhi persyaratan bisnis dan memenuhi semua peraturan yang ada;
3. Membangun struktur dana yang stabil dengan mengelola profil jangka panjang daripada *asset* dan *liability* (mengacu pada *structural gap*);
4. Mengelola *Balance Sheet* dan memastikan strategi sejalan dengan kecukupan likuiditas, modal dan sumber dana yang terdiversifikasi;

- | | |
|--|---|
| <ol style="list-style-type: none"> 5. Ensuring the diversification of Bank funds with reference to source, duration, instrument (including alternative instruments such as asset sales), and currency; 6. Making asset pricing policies liabilities, which are consistent with the balance sheet; 7. Creating policies relating to capital, financing or liquidity; 8. Ensuring that the treasury has sufficient support to effectively meet the above obligations; 9. Approving new Treasury activities in terms of price and liquidity and market risk exposures. | <ol style="list-style-type: none"> 5. Mendiversifikasikan dana daripada bank menurut sumber, jangka waktu, instrumen (termasuk alternatif instrumen seperti penjualan asset), dan mata uang; 6. Membuat kebijakan harga asset / liability yang konsisten dengan balance sheet; 7. Membuat kebijakan yang berhubungan dengan modal, pendanaan atau likuiditas; 8. Memastikan bahwa Treasurer memiliki support yang memadai untuk secara efektif memenuhi kewajiban di atas; 9. Menyetujui kegiatan <i>Treasury</i> yang baru dalam hal harga dan likuiditas dan <i>market risk exposures</i>. |
|--|---|

The ALCO met 11 times in 2009. The meetings were attended by ALCO Committee (Director, Treasurer and other senior managers). The Chairman of the Committee may call meetings more frequently, if necessary.

ALCO bertemu 11 kali pada tahun 2009. Pertemuan ALCO dihadiri oleh ALCO Committee (Direktur, Treasurer dan senior manager yang lain). Ketua Komite dapat memanggil pertemuan yang lebih sering, bila diperlukan.

ALCO Meetings in 2009:

30 January
27 February
22 April
27 May
22 June
29 July
31 August
30 September
9 November
26 November
30 December

Rapat ALCO tahun 2009:

30 Januari
27 Februari
22 April
27 Mei
22 Juni
29 Juli
31 Agustus
30 September
9 November
26 November
30 Desember

In 2009, the market risk management unit developed market risk management processes by applying more measurement methods and using existing infrastructure more comprehensive in line with global practices. The Bank also aligned its processes for market risk management with the Maybank Group. Additionally, the Bank also conducted stress tests with several scenarios to determine the Bank's ability in dealing with fluctuations or abnormally volatile market conditions. The Bank therefore ensured that its guidelines and procedures continue to be more up to date with the latest regulations and the development of the Bank.

Pada 2009, Unit manajemen risiko pasar telah mengembangkan proses pengelolaan risiko pasar dengan menerapkan lebih banyak metode pengukuran dan menggunakan infrastruktur yang lebih komprehensif sejalan dengan *global best practice* dan telah dilakukan pula penyesuaian dalam proses pengelolaan risiko pasar antara BII dengan Maybank. Disamping itu, Bank juga melakukan *stress test* dengan beberapa skenario untuk mengetahui kemampuan Bank dalam menghadapi pergerakan atau kondisi pasar yang tidak normal. Sementara itu proses pengkinian pedoman dan prosedur terus dilakukan agar lebih *up to date* dengan regulasi-regulasi terkini serta perkembangan Bank.

In operational risk, since 2006 Bank has developed a policy comprising of framework and courses as well as socialization of operational risk awareness by conducting

Dari aspek risiko operasional, sejak tahun 2006 Bank telah merancang kebijakan yang mencakup kerangka kerja (*framework policy*) serta pelatihan dan sosialisasi kesadaran risiko operasional (*operational risk awareness*), baik secara pembelajaran kelas (*classical*),

formal classes, assessment workshop, and also e-learning for all employees. Furthermore, the Bank has implemented operational risk management through policy, quantitative and qualitative operational risk tools in all business functions and branches (Bank-wide).

The risk management framework is the main tool used to help manage, monitor and summarize operational risk is Minimum Operational Risk Standard (MORS), a device used for Self Assessment, Key Risk Indicators and Risk Event Reporting. MORS is also used for assessment (review) of the activities, systems, procedures and banking products. Furthermore, the Bank is now also prepared to include Operational Risk Capital expenses in the calculation of Risk According to Fixed Assets (RWA) in accordance with the requirements of BI, which will be introduced in January 2010.

The Bank continuously conducts risk management certification for employees. The special course has been started since 2007 which covers Operational Risk, SME & Commercial Risk and Consumer Risk. Risk Management Team has been strengthened by the professional employee in risk expertise (Operational Risk, Market Risk, Consumer Risk, SME & Commercial Risk and Analysis).

In line with the roadmap that has been determined by Bank Indonesia for the implementation of Basel 2 Standardized Approach (SA) methodology that will be effective in 2010, Bank has completed data mapping, performs gap analysis, and continuously conduct data cleansing and gap closure process. Currently the Bank is developing engine to calculate capital adequacy related to the implementation of Basel 2 SA using internal resources. In parallel, the Bank has also been preparing the implementation of Basel 2 Internal Rating Based Approach (IRB-A) by meeting all mandatory requirements.

C. IT Steering Committee

The Bank has an IT Steering Committee, which serves to give recommendations to the BOD regarding strategic IT plans tailored to the Bank's business activities, which will enable the Bank

assessment workshop serta *e-learning* (pembelajaran secara elektronik) untuk seluruh karyawan. Selanjutnya Bank telah mengimplementasikan manajemen risiko operasional melalui kebijakan dan perangkat risiko operasional secara kualitatif dan kuantitatif di semua fungsi dan cabang-cabang secara menyeluruh (Bank-wide).

Kerangka kerja dan perangkat utama yang digunakan untuk membantu mengelola, memantau dan mengikhtisarkan risiko operasional adalah Minimum Operational Risk Standard (MORS), perangkat *Self Assessment*, *Key Risk Indicators* dan *Event Risk Reporting*, serta *review* terhadap aktivitas, sistem, prosedur dan produk perbankan. Selanjutnya, Bank juga telah mempersiapkan diri mengikutsertakan Beban Modal Risiko Operasional dalam perhitungan Aktiva Tetap Menurut Risiko (ATMR) sesuai dengan persyaratan Bank Indonesia yang mulai diterapkan pada Januari 2010.

Bank melakukan program sertifikasi manajemen risiko untuk karyawan Bank secara berkesinambungan. Program pelatihan khusus yang dimulai tahun 2007 mencakup Risiko Operasional, Risiko Perbankan UKM & Komersial dan Konsumer. Tim manajemen risiko diperkuat dengan karyawan profesional di bidang Risiko Operasional, Risiko Pasar, Risiko Konsumer, Risiko UKM & Komersial dan Analisis.

Sejalan dengan *roadmap* yang telah ditetapkan Bank Indonesia dalam implementasi metodologi Basel 2 Standardized Approach (SA) yang direncanakan akan berlaku efektif tahun 2010, Bank telah menyelesaikan pemetaan data (*data mapping*), melakukan *gap analysis* dan secara berkesinambungan melakukan *data cleansing* dan *gap closure process*. Saat ini Bank sedang mengembangkan 'engine' untuk menghitung kecukupan modal dalam konteks penerapan Basel 2 SA menggunakan sumber daya internal Bank. Secara paralel Bank mempersiapkan diri untuk mengimplementasikan Basel 2 Internal Rating Based Approach (IRB-A), dengan terlebih dahulu memenuhi syarat-syarat minimum yang ditetapkan.

C. IT Steering Committee

Bank memiliki IT Steering Committee yang berfungsi memberikan rekomendasi kepada Direksi mengenai rencana strategis TI yang disesuaikan dengan rencana strategis kegiatan

to more carefully monitor the effectiveness and efficiency of IT policy implementation.

Duties and responsibilities of IT Steering Committee:

- Establish IT strategic planning in accordance with the strategic plan of the Bank's business in order to improve effectiveness and efficiency.
- Provide and allocate the necessary resources to realize the established IT plan.
- Formulate IT policies and procedures, particularly those relating to security and risk management and associated with the use of IT.
- Determine the priority scale of IT projects in line with the strategic plan.
- Monitor the performance of IT and increase efforts.
- Resolve issues related to IT that cannot be solved by working units.
- Take steps to effectively minimize risk of IT investments and ensure that the Bank is supporting investment bank business objectives.

IT Steering Committee consists of:

- President Director (Chairman)
- Director and Chief Operating Officer
- Finance, Financial Planning and Procurement & Premises Director
- Risk Management Director
- Operations Director
- Corporate Banking Director
- Consumer Banking Director
- SME & Commercial and Sharia Banking Director
- IT Head

In addition to the above, membership in the IT Steering Committee may invite officials of relevant work units in terms of topics that will be presented at the meeting. During 2009 in the IT Steering Committee has met twice (30 January and 25 May).

D. Other Committees

In addition to the management level, BII also has HR & Compensation Committee and Services Committee.

usaha Bank serta memantau efektivitas dan efisiensi penerapan kebijakan TI.

Tugas dan tanggung jawab IT Steering Committee:

- Membuat rencana strategis TI yang sesuai dengan rencana strategis dari bisnis Bank sehingga dapat meningkatkan efektivitas dan efisiensi.
- Menyediakan dan mengalokasikan sumber daya yang diperlukan untuk merealisasikan rencana TI yang telah ditetapkan.
- Merumuskan kebijakan dan prosedur TI, terutama yang berkaitan dengan pengamanan dan manajemen risiko yang terkait dengan penggunaan TI.
- Menentukan skala prioritas dari proyek-proyek TI sejalan dengan rencana strategis TI.
- Memantau kinerja TI dan upaya peningkatannya.
- Menyelesaikan berbagai masalah yang terkait dengan TI yang belum dapat diselesaikan oleh unit kerja.
- Mengambil langkah-langkah yang efektif untuk meminimalisasi risiko dari investasi TI Bank dan memastikan bahwa investasi tersebut mendukung tujuan bisnis Bank.

IT Steering Committee terdiri dari:

- Presiden Direktur (Ketua)
- Direktur dan Chief Operating Officer
- Direktur Finance, Financial Planning and Procurement & Premises
- Direktur Manajemen Risiko
- Direktur Operasional
- Direktur Perbankan Korporasi
- Direktur Perbankan Konsumer
- Direktur Perbankan UKM & Komersial dan Syariah
- IT Head

Selain keanggotaan diatas IT Steering Committee dapat mengundang pejabat pada unit kerja terkait dalam hal pokok bahasan yang akan disampaikan dalam rapat. Selama 2009 IT Steering Committee telah melakukan dua kali pertemuan (30 Januari dan 25 Mei).

D. Komite Lainnya

Selain komite-komite level direksi yang telah disebutkan diatas BII juga memiliki HR & Compensation Committee dan Services Committee.

XV. Provision of Funds To Related Parties And Provision for Larger Exposures

Exposures to related parties and large debtors/groups as at 31 December 2009 were as follows:

	Total Jumlah	
	Debtor Debitur	Nominal (Millions of Rupiah) (Jutaan Rupiah)
Provision of Funds Penyediaan Dana		
Related Parties Kepada Pihak Terkait*)	46	424,084
To Debtor Core Kepada Debitur Inti:		
1. Individual Individu	8	2,421,139
2. Group Grup		
	17	7,259,206
Notes Keterangan:		
*) Number of Provision Fund To Related Parties including:		
• Investments in subsidiaries (BII Finance and WOM) after audited		
• Loans to Executive Officers in the Bank which provided the framework welfare Bank's Human Resources.		
*) Jumlah Penyediaan Dana Kepada Pihak Terkait termasuk:		
• Penyertaan di anak perusahaan (BII Finance dan WOM) setelah diaudit		
• Pinjaman kepada Pejabat Eksekutif Bank yang diberikan dalam rangka kesejahteraan Sumber Daya Manusia Bank.		

Exposures to related parties and large debtors/groups were in compliance with Bank Indonesia's regulations on maximum Legal Lending Limit (LLL) and no violations or excesses have been incurred.

In every decision made on the provision of funds, the management's independence was intact and no intervention by related parties was found.

Exposures to large debtors include loans extended to 8 individual debtors with a total of Rp2,421,139 million and to 17 group debtors with a loan total of Rp7,259,206 million.

The Bank has an internal policy in place with regard to the mechanisms for monitoring exposures to ensure well managed distribution/diversification of exposures within the portfolio. An internal policy on exposure limits was also in place, these included industry and in-house limits.

XVI. Bank's Strategic Plan

In the first half of 2009, the Bank's annual business plan still refers to the strategic plan in 2004 to 2008 as it was still relevant to the existing conditions at that time and was

XV. Penyediaan Dana Kepada Pihak Terkait (Related Party) dan Penyediaan Dana Besar (Large Exposure)

Penyediaan dana kepada pihak terkait (related party) dan debitur/group inti per tanggal 31 Desember 2009 adalah sebagai berikut:

Penyediaan dana kepada pihak terkait (related party) dan debitur/group inti telah dilakukan sesuai dengan ketentuan Bank Indonesia tentang Batas Maksimum Pemberian Kredit (BMPK) dan tidak terdapat pelampauan maupun pelanggaran BMPK.

Dalam setiap pengambilan keputusan penyediaan dana, independensi pengurus senantiasa terjaga dan tidak terdapat intervensi dari pihak terkait.

Kredit diberikan kepada Debitur Inti terdiri dari pemberian kredit kepada delapan debitur individu sejumlah total Rp2.421.139 juta dan 17 grup debitur sejumlah total Rp7.259.206 juta.

Bank telah memiliki kebijakan internal mengenai mekanisme pemantauan penyediaan dana dengan memperhatikan penyebaran/diversifikasi portofolio penyediaan dana yang diberikan, Bank telah menetapkan kebijakan internal mengenai limit penyediaan dana, seperti *industry limit* dan *in-house limit*.

XVI. Rencana Strategis Bank

Pada semester pertama tahun 2009 rencana bisnis tahunan Bank masih mengacu kepada rencana strategis tahun 2004 – 2008 karena masih relevan dengan kondisi yang ada pada

primarily associated with changes in the Bank's controlling shares. The Bank appointed a new management team, which was fully in place on 29 May 2009.

In the second quarter of 2009, the Bank established 3 phase strategic approach, which comprises the following:

1. Rebound: Back to Basics;
2. Regain: Develop Winning Businesses; and
3. Reestablish: Establish Market Leadership

The initial Bank business plan for 2009 was present by the previous BOD and approved by the BOC on 23 January 2009.

Subsequent to the appointment of the new BOD, which was fully in place from 29 May 2009, a review of existing business policies to fit with the expectations and policies of the controlling shareholder was conducted. The Bank also introduced a new logo for the new identity strategies in synergy with Maybank. This has coincided with the establishment of a new strategy for business development and the inclusion by BII of the Maybank Group core values known as TIGER:

- Team Work,
- Integrity,
- Growth,
- Excellence & Efficiency,
- Relationship Building.

To ensure achievement of the work plan, quarterly evaluations have been conducted by leaders of work units. Revisions to the Bank's Business Plan were made in two quarters of 2009 which were socialized throughout the bank via Memorandum No. M.2009.029/DIR FIN-Financial Planning dated 22 June 2009.

Year 2009 is year of consolidation for BII during which time the Bank established a solid foundation which will enable the Bank to achieve its goals. The Back to Basics approach witness a strengthening of the Bank's basic infrastructure. As Phase 1 of the Business plan was completed faster than previously targeted, Therefore, Phase 2, which was originally planned for implementation from March of 2010 was moved forward to October 2009.

saat itu dan berkaitan dengan perubahan saham pengendali. Penunjukan tim manajemen yang baru secara lengkap baru terjadi pada tanggal 29 Mei 2009.

Pada kuartal kedua tahun 2009 telah ditetapkan 3 pendekatan strategi yang akan dilakukan, yaitu:

1. Rebound: Memperbaiki Basic Fundamental;
2. Regain: Mengembangkan Bisnis Unggulan; dan
3. Reestablish: Membangun Kepemimpinan Pasar.

Rencana Bisnis Bank tahun 2009 dipresentasikan oleh Direksi (kepengurusan lama) dan disetujui oleh Dewan Komisaris pada tanggal 23 Januari 2009.

Dengan terbentuknya tim manajemen baru, dilakukan review atas kebijakan bisnis yang ada guna menyesuaikannya dengan harapan dan kebijakan pemegang saham pengendali yang baru. Bank juga memperkenalkan logo baru sebagai strategi identitas baru dalam bersinergi dengan Maybank dan dilanjutkan dengan penetapan strategi baru untuk pengembangan bisnis di masa mendatang, serta memperkenalkan nilai perusahaan yang baru yang dikenal dengan sebutan TIGER, yaitu :

- Team Work,
- Integrity,
- Growth,
- Excellence & Efficiency,
- Relationship Building.

Pencapaian rencana kerja dievaluasi secara berkala dan setiap kuartal telah dilakukan pertemuan dengan seluruh pemimpin unit kerja. Berdasarkan hasil evaluasi selama dua kuartal tahun 2009, pada Juni 2009 telah dilakukan revisi atas Rencana Bisnis Bank tahun 2009 dan telah disetujui melalui Memorandum No. M.2009.029/DIR FIN-Financial Planning tanggal 22 Juni 2009.

Tahun 2009 merupakan tahun konsolidasi, pembenahan dan pembentukan dasar yang kuat bagi pencapaian tujuan di masa depan, yang diawali dengan pendekatan strategi Back to Basic, yaitu memperbaiki basic fundamental. Fase 1, pendekatan strategi Back to Basic berhasil diselesaikan lebih cepat dari yang ditargetkan sebelumnya, sehingga Fase 2 yang semula direncanakan dilaksanakan mulai Maret 2010 dapat dipercepat pelaksanaannya pada Oktober 2009.

The Bank's successful transition to new ownership and management has also been characterized by rapid growth of core business in 2009. This has been reflected by significant credit growth as well as the growth in funds achieved over the course of the year. Furthermore, the Bank's subsidiary, PT Wahana Ottomitra Multiartha, Tbk. (WOM), has performed exceptionally well in 2009 thus recording significant growth. Other important initiatives successfully implemented over the course of 2009, have included the development of important new products and services. and Additionally, the Bank has opened new offices and upgraded expanded the ATM network.

BII won numerous awards during the year 2009, including "GCG Award 2009" for the field of corporate governance; It received a 2nd place ranking in the "2009 Top 10 Bank Service Quality" awards, and awards from Asiamoney in the field of treasury.

During the year 2009, the Bank performed various Corporate Social Responsibility (CSR) programs primarily in the fields of health, education and disaster relief. Among others the the Bank: continued its "School Feeding Program", participated in the "End Hunger-Walk the World 2009", provided training internship work opportunities through programs such as the "BII Apprentice Program". BII also provided assistance to victims of natural disaster through initiatives such as the "Pundi Emas BII Berbagi" (Golden Pundi BII Share) fund raising program, to be allocated for the affected area's recovery program, including for the reconstruction of social facilities such as schools and other public institutions.

Going forward BII will work closely with the Maybank Group to build strong synergy across all lines in order to support overall business development, which is sustainable.

Moving forward into 2010, BII will continue to implement the Bank's strategic business plan (RBB) with a spirit of optimism for the success of business development in the future. The Bank's optimism is fully supported by the success achieved during the 2nd semester of 2009 and the strong support, which the Bank has received from its controlling shareholders. Furthermore, the ongoing recovery of the Indonesian global economy are continuing to present a promising frontier for growth and development.

Keberhasilan melewati masa transisi tersebut juga ditandai dengan pertumbuhan inti bank bisnis yang pesat pada semester 2 tahun 2009. Hal ini tercermin dari pertumbuhan kredit dan dana yang berhasil dicapai sesuai dengan yang diharapkan. Kinerja anak perusahaan, PT Wahana Ottomitra Multiartha, Tbk. (WOM), menunjukkan perkembangan yg positif dan berhasil membukukan laba. Berbagai inisiatif penting lainnya berhasil dilaksanakan pada tahun 2009, seperti pengembangan produk dan aktivitas baru, dan penambahan jaringan kantor serta ATM.

Bank berhasil meraih berbagai penghargaan selama tahun 2009, diantaranya "GCG Award 2009" untuk bidang tata kelola perusahaan, "Peringkat Pertama dari 10 Bank dalam Kualitas Pelayanan 2009", dan penghargaan dari Asiamoney di bidang treasury.

Selama 2009, Bank melakukan berbagai kegiatan tanggung jawab sosial perusahaan (CSR), dalam bidang kesehatan, pendidikan, lingkungan hidup dan penanganan bencana, termasuk "School Feeding Program", "End Hunger-Walk The World 2009", melalui "BII Apprentice Program" memberikan kesempatan kepada para mahasiswa melakukan praktik kerja profesional atau magang. BII juga membantu meringankan korban gempa melalui penggalangan dana "Pundi Emas BII Berbagi" yang akan disalurkan bagi program pemulihan, diantaranya untuk pembangunan kembali fasilitas-fasilitas sosial seperti sekolah dan lainnya.

BII Bersama Maybank senantiasa berusaha untuk membangun sinergi yang kuat disemua lini guna mendukung perkembangan usaha secara keseluruhan dan berkesinambungan.

Memasuki tahun 2010, manajemen menyusun Rencana Bisnis Bank (RBB) dengan semangat optimisme untuk keberhasilan pengembangan bisnis di masa yang akan datang. Keyakinan ini ditopang oleh keberhasilan yang dicapai selama semester 2 tahun 2009, dukungan yang kuat dari pemegang saham pengendali, dan menguatnya fundamental perekonomian Indonesia serta pulihnya perekonomian global.

XVII. Financial And Non Financial Conditions Transparency

The preparation and presentation of financial statements and statements regarding non-financial matters have been conducted in accordance with procedures, types and coverage in accordance with applicable regulations and provisions as stipulated by BI.

Information on the financial statements are presented through the home page of BII (www.bii.co.id), which may be accessed by its all stakeholders.

XVIII. Results on the Implementation of GCG Self-Assessment

The results of the Bank's GCG implementation self assessment for the reporting period of 2009 gives a Composite Score of "1.55" with a Composite Notation of "Good".

For a rating for each assessed item, please consult the attached table.

XVII. Transparansi Kondisi Keuangan Dan Non Keuangan Bank

Penyusunan dan penyajian laporan keuangan dan non keuangan telah dilakukan sesuai dengan tata cara, jenis dan cakupan menurut ketentuan yang berlaku dari Bank Indonesia.

Informasi mengenai laporan keuangan disajikan pula melalui *home page* BII (www.bii.co.id) sehingga dapat diakses oleh seluruh *stakeholders*.

XVIII. Hasil Self-Assessment Penerapan GCG

Berdasarkan hasil *self assessment* untuk pelaksanaan GCG periode 2009 maka diperoleh Nilai Komposit sebesar "1,55" dengan Predikat Komposit "Baik".

Peringkat masing-masing faktor dapat dilihat pada tabel terlampir.

Composite Value Calculation Summary Ringkasan Perhitungan Nilai Komposit

Self Assessment Good Corporate Governance As of December 2009

Aspects assessed Aspek yang dinilai	Weight Bobot (a)	Ranking Peringkat 2	Score Nilai (a) x (b)	Notes* Catatan
The Implementation of the Roles and Responsibilities of the Board of Commissioners Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris	10.00%	1	0.1	<p>The total number, membership structure, integrity and competence of the Board of Commissioners complies with applicable regulations. Members are capable of taking actions and making decisions independently. The performance of their roles and responsibilities is in full compliance with the GCG principles. The board arranged effective and efficient meetings. Transparency by members of the Board has been excellent and its practice has never violated the prevailing laws and regulations.</p> <p>Jumlah, komposisi, integritas dan kompetensi anggota Dewan Komisaris sangat sesuai dibandingkan dengan ukuran dan kompleksitas usaha Bank serta telah memenuhi ketentuan yang berlaku, mampu bertindak dan mengambil keputusan secara independen. Pelaksanaan tugas dan tanggung jawab telah sepenuhnya memenuhi prinsip-prinsip GCG dan telah berjalan sangat efektif dan tidak ada kelemahan minor. Rapat Dewan Komisaris terselenggara sangat efektif dan efisien. Aspek transparansi anggota Dewan Komisaris sangat baik dan tidak pernah melanggar ketentuan/perundangan yang berlaku.</p>
The Implementation of the Roles and Responsibilities of the BOD Pelaksanaan Tugas dan Tanggung Jawab Direksi	20.00%	1	0.2	<p>The total number, membership structure, integrity and competence of members of the BOD are in line with the size and business complexity of the Bank, and have complied with applicable regulations. The Board members are capable of taking actions and making decisions independently. The highly effective performance of their roles and responsibilities are in full compliance with the GCG principles. The Board have arranged effective and efficient meetings. Transparency by members of the Board has been excellent and its practice has never violated the prevailing laws and regulations.</p> <p>Jumlah, komposisi, integritas dan kompetensi anggota Direksi sangat sesuai dibandingkan dengan ukuran dan kompleksitas usaha Bank serta telah memenuhi ketentuan yang berlaku. Seluruh anggota Direksi mampu bertindak dan mengambil keputusan secara independen serta melaksanakan tugas dan tanggung jawabnya memenuhi prinsip-prinsip GCG, berjalan sangat efektif dan tidak ada kelemahan minor. Rapat Direksi terselenggara secara sangat efektif dan efisien. Aspek transparansi anggota Direksi sangat baik dan tidak pernah melanggar ketentuan/ perundangan yang berlaku.</p>

Aspects assessed Aspek yang dinilai	Weight Bobot (a)	Ranking Peringkat 2	Score Nilai (a) x (b)	Notes* Catatan
Committees and their Responsibilities Kelengkapan dan Pelaksanaan Tugas Komite	10.00%	2	0.2	<p>The structures of the committees and the competence of their members have been according to applicable rules and regulations. All committees perform their functions effectively based on their respective committee charter. Recommendations made by the committees have been beneficial and used as reference by the Board of Commissioners in making decisions. Committee meetings have been arranged and scheduled according to internal guidelines and run effectively and efficiently.</p> <p>Komposisi dan kompetensi anggota Komite-Komite sesuai dibandingkan dengan ukuran dan kompleksitas usaha Bank. Pelaksanaan tugas Komite-komite telah berjalan efektif namun masih terdapat kelemahan minor. Rekomendasi Komite-Komite, bermanfaat dan dapat dipergunakan sebagai bahan acuan keputusan dewan Komisaris. Penyelenggaraan rapat Komite-Komite berjalan sesuai dengan pedoman intern dan terselenggara secara efektif dan efisien.</p>
Handling of Conflicting Interests Penanganan Benturan Kepentingan	10.00%	1	0.1	<p>The Bank already has policies, systems and procedures with regard to the handling of conflicts of interests, all of which are contained in the bank's codes of ethics and conduct. These codes set out principles, policies and regulations to be adhered to by employees and other parties who work with BII. They also have a comprehensive set of provisions that regulate applicable resolutions to conflicts of interests.</p> <p>Bank memiliki kebijakan, sistem dan prosedur penyelesaian benturan kepentingan yang sangat lengkap dan efektif. Seluruh benturan kepentingan telah diungkapkan dalam setiap keputusan, telah dilengkapi dengan risalah rapat, telah diadministrasikan dan terdokumentasi dengan sangat baik. Benturan kepentingan tidak merugikan atau mengurangi keuntungan Bank.</p>
Bank Compliance Function Exercise Penerapan Fungsi Kepatuhan Bank	5.00%	2	0.1	<p>The compliance function has been exercised by the Compliance Director and the Compliance Working Unit effectively and independently. The compliance Director and the Compliance Working unit have conducted periodic. Reviews with regard to compliance by the majority of the Bank's operational working units. Guidelines, systems and procedures for all levels of the organization are available, updated and in accordance with prevailing laws and regulations.</p> <p>Kepatuhan Bank tergolong baik namun pernah melakukan pelanggaran yang tidak material terhadap ketentuan dan komitmen yang telah dibuat, dan telah diselesaikan pada masa triwulan penilaian CAMELS Rating. Pelaksanaan tugas dan independensi Direktur Kepatuhan dan Satuan Kerja Kepatuhan berjalan efektif. Direktur Kepatuhan dan Satuan Kerja Kepatuhan melakukan review secara berkala mengenai kepatuhan mayoritas satuan kerja operasional. Pedoman, sistem dan prosedur seluruh jenjang organisasi tersedia lengkap, kini dan sesuai dengan ketentuan dan perundang-undangan yang berlaku.</p>

Aspects assessed Aspek yang dinilai	Weight Bobot (a)	Ranking Peringkat 2	Score Nilai (a) x (b)	Notes* Catatan
Internal Audit Function Exercise Penerapan Fungsi Audit Intern	5.00%	1	0.05	<p>A highly effective (independent and objective) internal audit has been performed, and the internal audit guidelines have been in compliance with the minimum standards set in the SPFAIB, and no minor weaknesses have been found.</p> <p>Pelaksanaan fungsi audit intern telah berjalan sangat efektif, pedoman intern sesuai dengan standar minimum yang ditetapkan dalam SPFAIB dan tidak ada kelemahan minor. SKAI telah menjalankan fungsinya secara sangat independen dan obyektif.</p>
External Audit Function Exercise Penerapan Fungsi Audit Ekstern	5.00%	2	0.1	<p>The audit by the public accountant as well as the quality and scope of the audit results have been excellent, and effectively and independently performed, and have followed the set requirements and criteria.</p> <p>Pelaksanaan audit oleh Akuntan Publik efektif dan sesuai dengan persyaratan minimum yang ditetapkan dalam ketentuan 3 namun terdapat kekurangan minor. Kualitas dan cakupan hasil audit Akuntan Publik baik. Pelaksanaan audit oleh Akuntan Publik/KAP telah independen dan memenuhi kriteria yang ditetapkan.</p>
Risk Management and Internal Control Function Exercise Penerapan Fungsi Manajemen Risiko dan Pengendalian Intern	7.50%	2	0.15	<p>Effective Management in identifying and controlling all the risks the Bank. Management is active in monitoring, policies, procedures, and setting limits, system of comprehensive management information and effective to maintain the internal conditions of a healthy bank. Procedures and implementation of comprehensive internal controls and the Bank in accordance with the objectives, size and complexity of business and the risks faced by the Bank. Effective management of the Bank to monitor compliance with the principles of state management of a healthy bank, the provisions in force and comply with internal policies and procedures of the Bank. Implementation of internal control to show a weakness, but corrective action has been carried out so as not to cause significant influence on the condition of the bank.</p> <p>Manajemen efektif dalam mengidentifikasi dan mengendalikan seluruh risiko Bank. Manajemen aktif pemantauan, kebijakan, prosedur, dan penetapan limit, sistem informasi manajemen yang komprehensif dan efektif untuk memelihara kondisi internal Bank yang sehat. Prosedur dan penerapan pengendalian intern Bank komprehensif dan sesuai dengan tujuan, ukuran dan kompleksitas usaha dan risiko yang dihadapi Bank. Manajemen efektif dalam memantau kesesuaian kondisi Bank dengan prinsip pengelolaan Bank yang sehat, ketentuan yang berlaku serta sesuai dengan kebijakan dan prosedur intern Bank. Penerapan pengendalian intern menunjukkan adanya kelemahan, namun telah dilakukan tindakan korektif sehingga tidak menimbulkan pengaruh signifikan terhadap kondisi bank.</p>

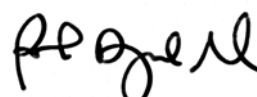
Aspects assessed Aspek yang dinilai	Weight Bobot	Ranking Peringkat	Score Nilai	Notes* Catatan
	(a)	2	(a) x (b)	
Exposures to Related Parties and Large Exposures Penyediaan Dana Kepada Pihak Terkait (Related Party) Dan Debitur Besar (Large Exposures)	7.50%	2	0.15	<p>The Bank already has written, updated and comprehensive policies, systems and procedures with regard to exposures to related parties and large debtors. Exposures to related parties and to large debtors have been in compliance with Bank Indonesia's regulations and the applicable prudential banking principles, and to date no maximum lending limit has been violated or exceeded. In every decision made on the exposures, the management's independence has been intact and no intervention by related parties has been found. Decisions on exposures to related parties and large debtors have been made in a highly independent manner.</p> <p>Bank telah memiliki kebijakan, sistem dan prosedur tertulis yang up to date dan lengkap untuk penyediaan dana kepada pihak terkait dan penyediaan dana besar. Tidak ada pelanggaran BMPK maupun prinsip kehati-hatian. Diversifikasi penyediaan dana merata atau jumlah penyediaan dana besar/debitur inti dibandingkan dengan total penyediaan dana tidak signifikan. Pengambilan keputusan dalam penyediaan dana kepada pihak terkait dan penyediaan dana besar dilakukan secara independen.</p>
Transparency of the Bank's Financial and Non-Financial Conditions, GCG Implementation and Internal Reports Transparansi Kondisi Keuangan Dan Non Keuangan Bank, Laporan Pelaksanaan GCG dan Laporan Internal	15.00%	2	0.3	<p>The bank has been highly transparent in providing information on both financial and non-financial issues to the public through the easily-accessible bank's homepage and other media. Financial and non-financial information is available timely, comprehensively, accurately, in whole and in an updated form. The bank has been very transparent in providing information about its products and services, applying a very effective customer response system, and maintains highly sufficient customers' personal data and information. The bank's 2008 GCG implementation report has been prepared with reference to prevailing regulations of Bank Indonesia, and will be submitted timely in compliance with effective regulations. The bank's management information system, particularly in relation to the bank's internal reporting system, is capable of providing timely, accurate, comprehensive, reliable and effective data and information for the decision-making process by the management.</p> <p>Bank transparan dalam menyampaikan informasi keuangan dan non-keuangan kepada public melalui homepage dan media yang memadai. Cakupan informasi keuangan dan non-keuangan tersedia secara tepat waktu, lengkap, akurat, kini dan utuh. Bank transparan menyampaikan informasi produk dan jasa, menerapkan pengelolaan pengaduan nasabah dengan efektif serta memelihara data dan informasi pribadi nasabah secara memadai. Cakupan laporan pelaksanaan GCG lengkap, akurat, kini dan utuh, telah disampaikan secara tepat waktu kepada shareholder sesuai ketentuan yang berlaku. Sistem Informasi Manajemen Bank khususnya terkait Sistem Pelaporan Internal Bank mampu menyediakan data dan informasi secara tepat waktu, akurat, lengkap dan handal serta efektif untuk pengambilan keputusan manajemen.</p>

Aspects assessed Aspek yang dinilai	Weight Bobot (a)	Ranking Peringkat 2	Score Nilai (a) x (b)	Notes* Catatan
Bank's Strategic Plan Rencana Strategis Bank	5.00%	2	0.1	<p>The bank's business plans are in line with its vision and mission as well as with its corporate plans, all of which have been realistically prepared taking into account all external and internal factors, prudent banking and sound banking principles. The business plan realization has been according to the bank's strategic risk rating or moderate-to-low strategic risk rating.</p> <p>Rencana Bisnis Bank (business plan) sesuai dengan visi dan misi Bank serta Rencana Korporasi (corporate plan) Bank. Rencana Korporasi (corporate plan) dan Rencana Bisnis Bank (business plan) disusun realistis dan telah memperhatikan seluruh faktor eksternal dan faktor internal, prinsip kehati-hatian dan azas perbankan yang sehat. Realisasi Rencana Bisnis sesuai dengan Rencana Bisnis Bank (business plan). Low Strategic Risk Rating atau Moderate to Low Strategic Risk Rating.</p>
Nilai Komposit				
Composite Value	100.00%		1.55	
<p>* contains an explanation on assessor's rating as shown in column (b) berisikan penjelasan mengapa penilai memberikan peringkat sebagaimana pada kolom (b)</p>				

Composite Ranking Peringkat Komposit		General Conclusion Kesimpulan Umum
1.55	Good Baik	<p>Performance of the roles and responsibilities of the Boards of Commissioners and Directors has been according to applicable rules and regulations; setup of committees and performance of their functions comply with applicable rules and regulations; handling of conflicts of interests has been embedded in the Bank's internal policies, i.e. Codes of Ethics and Conduct; Bank compliance function has been properly operational; Internal audit and external audit functions are effectively in place following prescribed rules and regulations; Risk management and internal control functions have been effective and in compliance with applicable rules and regulations; exposures to related parties and large exposures are according to applicable rules and regulations; transparent exposure of the Bank's financial and non-financial conditions; GCG implementation and internal reporting are according to applicable rules and regulations, and the Bank's strategic plans have been determined and included in its annual business plan.</p> <p>Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris dan Direksi telah dilakukan dengan mengikuti ketentuan yang berlaku; Kelengkapan dan Pelaksanaan Tugas Komite dilakukan dengan mengikuti ketentuan yang berlaku; Penanganan Benturan Kepentingan dituangkan dalam bentuk kebijakan internal mengenai Pedoman Kode Etik dan Tingkah Laku; Penerapan Fungsi Kepatuhan Bank dijalankan dengan baik; Penerapan Fungsi Audit Intern dan Audit Ekstern telah berjalan sesuai dengan ketentuan yang berlaku; Penerapan Fungsi Manajemen Risiko dan Pengendalian Intern telah dilakukan dengan baik dan mengikuti ketentuan yang berlaku; Penyediaan Dana Kepada Pihak Terkait (Related Party) dan Debitur Besar (Large Exposures) dilakukan dengan baik dengan memperhatikan ketentuan yang berlaku; Transparansi Kondisi Keuangan dan Non Keuangan, Laporan Pelaksanaan GCG dan pelaporan internal dilakukan sesuai dengan ketentuan yang berlaku; dan Rencana Strategis Bank telah ditetapkan dan dijabarkan dalam rencana bisnis tahunan.</p>



Tan Sri Dato' Megat Zaharuddin bin Megat Mohd Nor
President Commissioner
Presiden Komisaris



Ridha Wirakusumah
President Director
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