

Result of Good Governance Implementation Self Assessment in 2019

ASSESSMENT PROCEDURES AND CRITERIA

The Bank conducted self-assessment on GCG within the Maybank Indonesia environment based on the provisions of the Financial Services Authority Regulation No.55/POJK.03/2016 and the Financial Services Authority Circular Letter No.13/SEOJK.03/2017 regarding the Implementation of Governance for Commercial Banks. The Bank practices corporate governance based on GCG principles encompassing Transparency, Accountability, Responsibility, Independency, and Fairness in order to deliver governance rating which become substantial factor in determining the Risk Based Bank Rating pursuant to OJK Regulation No. 4/POJK.03/2016. This assessment conducted towards 3 aspects in governance system, which are Structure, Process, and Result of GCG for 11 GCG implementation assessment factors as follows:

1. Performance of duties and responsibilities of the Board of Directors;
2. Performance of duties and responsibilities of the Board of Commissioners;
3. Performance and fulfillment of duties and responsibilities of the Committees;
4. Management of conflict of interest;
5. Implementation of Compliance function;
6. Implementation of Internal Audit function;
7. Implementation of External Audit function;
8. Implementation of Risk Management including Internal Control System;
9. Provision of Funds to Related Parties with Large Exposures;
10. Financial and Non-Financial Transparency, Corporate Governance Report and Internal Reporting; and
11. Bank Strategic Planning.

METHODS AND PARTY CONDUCTING THE ASSESSMENT

The assessment of GCG was conducted using self-assessment method. This assessment involves Board of Commissioners, Board of Directors, Independent Parties, Executive Officers and independent working units in order to deliver comprehensive and structured assessment result on effectiveness and result quality of the GCG system. This self-assessment also includes the application of good corporate governance in accordance with applicable regulations.

ASSESSMENT SCORING

The Self-assessment result of the Bank's GCG as consolidated in December 2019 is as follows:

Assessment Factors	Rating			
	Individual Bank	MIF	WOMF	Consolidated
	Weight 90.75%	Weight 4.49%	Weight 4.76%	
Governance	2	1	2	2

RECOMMENDATION AND FOLLOW UP TOWARDS GCG ASSESSMENT IN 2019

GCG Self-Assessment results in the Bank and WOMF each resulted in rating 2, respectively, with assessment of GOOD. The consolidated rating 2 (two), reflecting that Management of the Bank and the subsidiaries have conducted GCG implementation in good manner. It is indicated from the sufficient fulfillment of the GCG principles. In general, there is not any significant issue. This can be achieved through the fulfillment of the several fundamental regulations.

Meanwhile, the results of MIF governance self-assessment resulted in rating 1, a VERY GOOD rating. This accomplishment is due to the effort of the Bank and its subsidiaries by fulfilling the GCG principles appropriately. Bank continuously commits and attempts to perform required improvements to support Bank's business sustainability.