



# **PT. BANK BNP PARIBAS INDONESIA**

***ANNUAL REPORT 2012***



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## **President Director's Message**

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The financial year ending December 2012 was another profitable year for PT Bank BNP Paribas Indonesia. We achieved a NPAT per previous year of IDR 54.3 billion in comparison to IDR 65.6 billion in 2011.

Our balance sheet remains very strong to date, with Equity and Tier II being IDR 1,309.2 billion by the end of 2012. With continued growth our asset increased to IDR 4,215 billion in 2012 from IDR 3,341 billion in 2011. The loan book grew significantly from 982.5 billion in 2011 to circa IDR 2,195.5 billion by December 2012.

The core business strategy, being a Corporate and Investment bank in Indonesia for Corporates and Institutions remain sound, coupled with a strong balance sheet, and supported by the Parent bank, BNP Paribas SA, with long term ratings of A+, A2 and A+ (by Standard and Poors, Moodys and Fitch respectively). This has enabled us to conduct and focus on the core activities in Indonesia being:

- A wholesale bank to Corporates and Institutions
- Fixed income i.e. foreign exchange, interest rates and bond activities

The growth of the Bank in Indonesia is on track, as what we have indicated in the past, ie to roll out our Global Transaction Banking ("GTB") capability with dedicated Cash Management and Trade specialists in order to increase our flow banking activities. This has been achieved with the gradual increase in workforce over the past few years (not only in the front office but also operations, support functions, Finance and Control, and Compliance). We are now able to service multinationals and local corporates providing them with a full banking service, Cash Management, Trade, Treasury and Working Capital solutions. Our market presence has strengthened considerably with an enlarged clientele base which has also provided alternative source of liquidity to fund our loan growth.

The Indonesian macro economic factors continue to perform well with strong GDP growth expected to be circa 6.3% per annum. With a strong domestic economy albeit not fully insulated from the uncertainties in the global economy, Indonesia's economy is expected to perform relatively well in comparison to the rest of the world. We have forecast a measured and gradual growth for the PT Bank BNP Paribas Indonesia achieving NPAT over the next few years expected between IDR 67 – 88 billion per annum. Over the next few years we will focus on bedding down our strategy (given that the platform is now well established and stable) and rolling our capabilities further to include electronic platforms.



**BNP PARIBAS**  
CORPORATE & INVESTMENT BANKING

## **President Director's Message**

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The Bank's affairs are well managed in all aspects including financially and operationally, and not only do we adhere to the regulations of Bank Indonesia, being part of the Group, we also maintain the standards adopted by the BNP Paribas Group globally, which is recognized to be one of the largest and most respectable financial institutions globally.

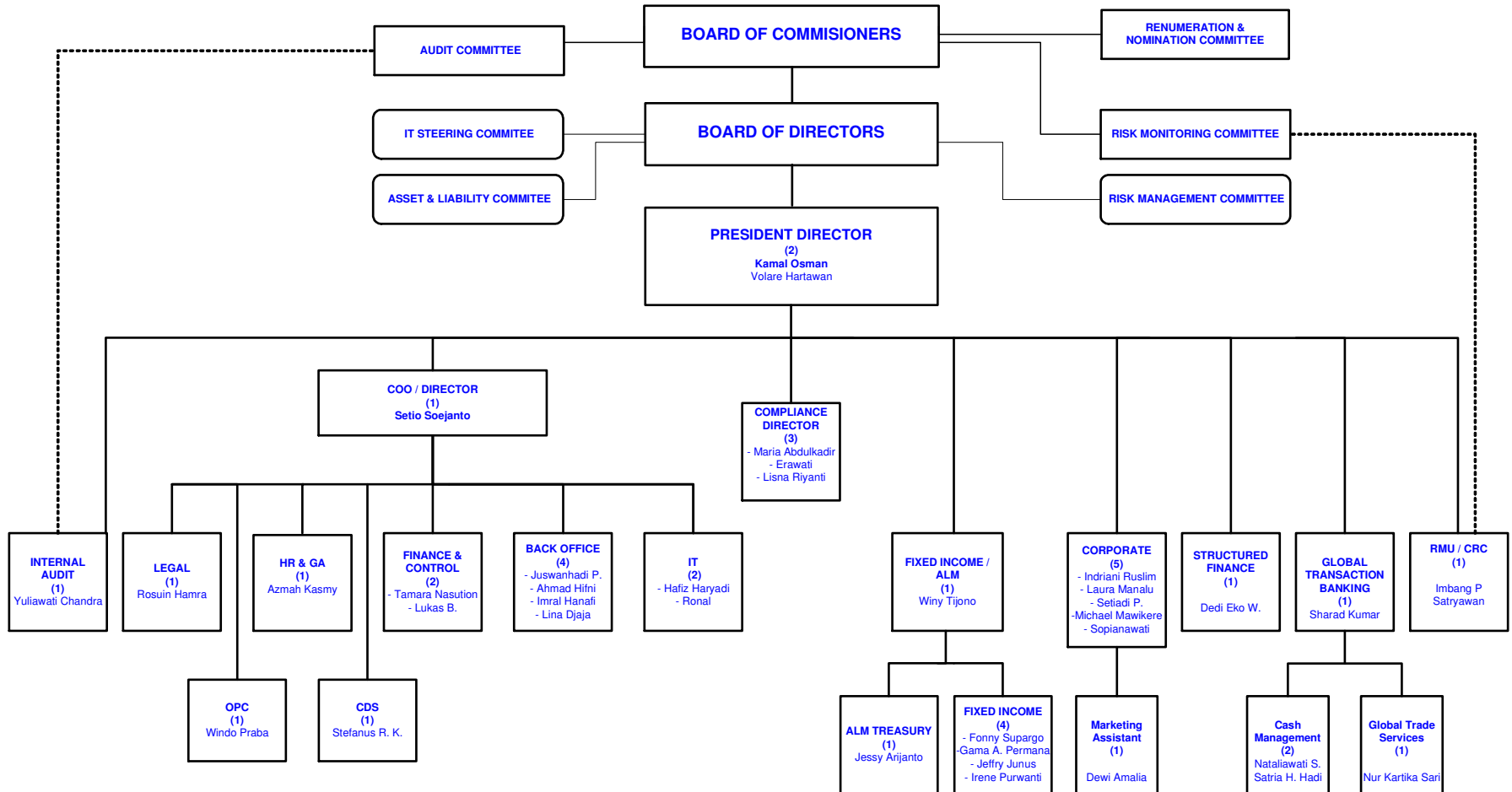
Jakarta, 28 May 2013

A handwritten signature in black ink, consisting of several fluid, overlapping strokes.

Kamarulzaman bin Mohamed Osman  
President Director  
PT Bank BNP Paribas Indonesia

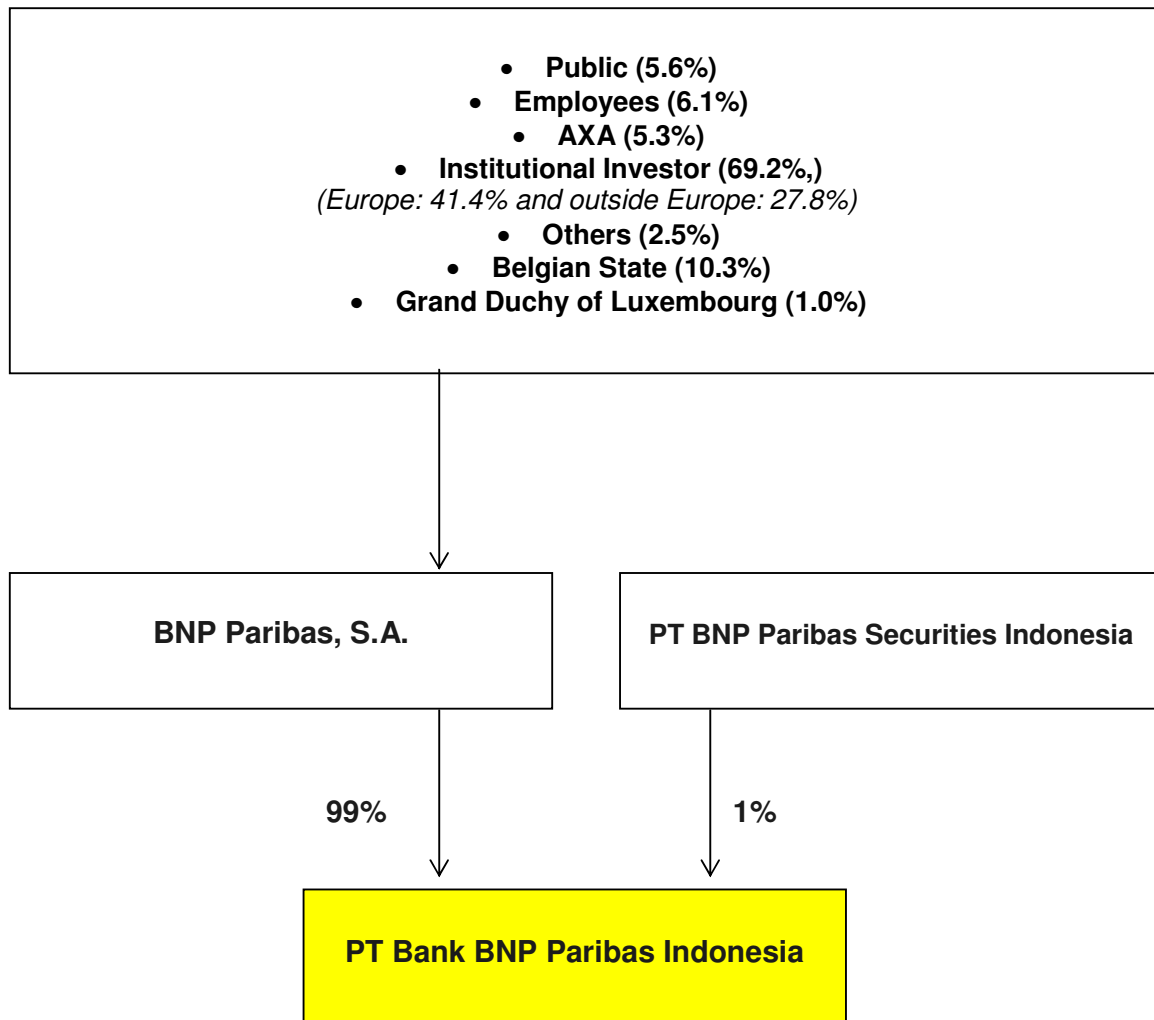


**ORGANIZATION CHART -  
PT. BANK BNP PARIBAS INDONESIA  
as per 31 DECEMBER 2012**



## The Business Group Structure of PT Bank BNP Paribas Indonesia

Struktur Kelompok Usaha dari PT Bank BNP Paribas Indonesia





## Company Profile

### PT Bank BNP Paribas Indonesia

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#### Historical Background

- PT Bank BNP Paribas Indonesia (“Bank”) was established as a joint venture bank in 1989.
- Created as **PT Bank BNP Lippo Indonesia**, it had BNP Group (70%) and Lippo Group (30%) as Shareholders by 1999.
- In 2000 the composition of shareholders was changed to: BNP Paribas SA 99% and PT BNP Paribas Securities Indonesia (formerly PT BNP Prime Peregrine) 1%.
- In 22 November 2000, the name was changed to **PT Bank BNP Paribas Indonesia** to reflect the merger between BNP and Paribas.

#### Product and services (as at 31 December 2012)

The Bank operates as a commercial bank providing a full range of banking facilities for medium and large Indonesian and multinational companies:

- Corporate Banking:
  - Working capital loan
  - Medium term syndication loan
  - Trade finance
  - Project and structured finance
  - Bank guarantee
- Deposit:
  - Current account
  - Time deposit
- Treasury and Fixed Income activities:
  - Foreign exchange transaction
  - Derivatives
  - Money market

#### General Information

Head Office:  
Menara BCA, 35<sup>th</sup> Floor  
Jl. M.H. Thamrin No.1  
Jakarta 10310, Indonesia

Telephone: (021) 23586262  
Facsimile: (021) 23586098  
Swift ID: BNPLIDJA



### Management

- Board of Commissioners:
  - Jean-Pierre Bernard                      President Commissioner
  - Chris Kanter                                  Independent Commissioner
  - Soebowo Musa                              Independent Commissioner
  
- Board of Directors:
  - Kamarulzaman Bin Mohamed Osman    President Director
  - Setio Soejanto                                Director
  - Maria Abdulkadir                            Compliance Director

### Number of employees (full time permanent) :

- |                                 |    |
|---------------------------------|----|
| • Master                        | 11 |
| • Bachelor                      | 23 |
| • Diploma                       | 3  |
| • Total as of 31 December 2012: | 37 |

### Other Information

- Established:
  - As a joint venture bank with initial name of **PT Bank BNP Lippo Indonesia**, under the Deed number 111 dated 10 November 1989 executed before Poerbaningsih Adi Warsito, SH., Notary Public in Jakarta and approved by the Minister of Justice of the Republic of Indonesia in its Decision Letter No. C2.10578.HT.01.01.TH'89, dated 18 November 1989.
  - Change into new name **PT Bank BNP Paribas Indonesia** based on Decision Letter of Minister of Law and Legislation of the Republic of Indonesia No.C-22222 HT.01.04.TH.2000 dated 10 October 2000, and Decision Letter of Senior Deputy Governor Bank Indonesia No. 2/29/KEP.DGS/2000 dated 22 November 2000.
  
- Business License:
  - Decision Letter of Minister of Finance of the Republic of Indonesia No. 1415/KMK.013/1989 dated 23 Dec 1989.





## Company Profile

<b>FINANCIAL HIGHLIGHTS</b>	<i>in million IDR</i>	
<b>As of 31 December</b>	<b>2011</b>	<b>2012</b>
Total Assets	<b>3,340,791</b>	<b>4,214,632</b>
Total Loans to Third Parties	<b>982,507</b>	<b>1,955,189</b>
Total Third Party Fund	<b>774,069</b>	<b>1,097,307</b>
Net Interest Income	<b>93,429</b>	<b>70,374</b>
Operating Profit (Loss)	<b>81,041</b>	<b>74,661</b>
Profit (Loss) Before Tax	<b>94,500</b>	<b>74,171</b>
Net Profit (Loss)	<b>65,630</b>	<b>54,314</b>
Productive Assets	<b>4,401,008</b>	<b>4,933,756</b>
Borrowings	<b>544,050</b>	<b>530,063</b>
Subordinated Debts	<b>272,025</b>	<b>289,125</b>
Cost of Funds (Interest Expense)	<b>22,520</b>	<b>66,404</b>
Share Capital (Authorized Capital)	<b>726,320</b>	<b>726,320</b>
Total Capital	<b>1,367,826</b>	<b>1,309,178</b>



## Company Profile

<b>FINANCIAL RATIOS</b>		
As of 31 December	<b>2011</b>	<b>2012</b>
Capital Adequacy Ratio (Excluding Market Risk Charge)	<b>62.22%</b>	<b>74.43%</b>
Capital Adequacy Ratio (Including Market Risk Charge)	<b>48.99%</b>	<b>60.44%</b>
Non-Performing Assets	<b>0.00%</b>	<b>0.00%</b>
Gross NPL Ratio	<b>0.00%</b>	<b>0.00%</b>
Net NPL Ratio	<b>0.00%</b>	<b>0.00%</b>
Net Open Position (NOP)	<b>16.47%</b>	<b>5.19%</b>
Loan to Deposit Ratio (LDR)	<b>178.18%</b>	<b>126.93%</b>
Minimum Reserve Requirement (IDR)	<b>8.09%</b>	<b>8.57%</b>
Net Interest Margin (NIM)	<b>10.20%</b>	<b>2.12%</b>
Operational Expense to Operational Income	<b>66.72%</b>	<b>55.44%</b>
Return on Assets (ROA)	<b>1.86%</b>	<b>3.01%</b>
Return on Equity (ROE)	<b>4.68%</b>	<b>5.77%</b>
Legal Lending Limit Violation	<b>0.00%</b>	<b>0.00%</b>
Legal Lending Limit Excess	<b>0.00%</b>	<b>0.00%</b>

## Management Performance

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### **I. Business Strategy**

#### **Vision and Mission of the Bank**

The Bank's Vision is to be a benchmark bank, focusing on customer satisfaction for Corporates and Institutions in Indonesia and actively pursuing the improvement of its earning capacity.

This is derived from the four corporate values which all come under the umbrella of the BNP Paribas signature and logo, the four stars "taking flight" emblem, a symbol of dynamism and progress.

#### Responsiveness

- Speed in the assessment of new situations and developments, and in identifying opportunities and risks
- Efficiency in decision making and in action

#### Creativity

- Encouraging initiatives and new ideas
- Recognising contributions
- 

#### Commitment

- Commitment to the service of clients and collective accomplishment
- Exemplary behaviour

#### Ambition

- Aspiration for challenge and leadership
- Desire to obtain team success in a competition where the referee is the client

The Bank's mission is to fulfill the market needs and provide banking services to corporates and institutions, of which majority are Indonesian corporates and MNC's subsidiaries.

We are committed to build long-term relationship based on trust from our clients. We service our clients with the best service by providing innovative financial solutions. We want to be known for our performances, our human resources and our great team work.

By realizing the growth and success of our clients, we play an active role in promoting the long term growth of Indonesia and provide high return to our shareholders.

#### • **Strategy for 2012**

To achieve its vision and mission, in 2012 the Bank continued its business strategy which was initiated in 2011 to strengthen its Global Transactional Banking platform, by enhancing its product offering in the Global Trade Services and Cash Management, including ebanking, Host-to-Host and corporate connectivity.

## Management performance

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Partner bank arrangement was a crucial element for the implementation of Cash Management by expanding our reach to our Cash Management clients throughout Indonesia via our partner bank's branches. We have also targeted new hiring for Cash Management and Trade.

We continued developing our bonds franchise to become a major player in the government bonds repo/reverse repo market.

In line with our commitment to participate in the economic growth of Indonesia, we continued to increase our loan portfolios, which also required the Bank to increase its funding plan, including bolstering our third party funds via Cash Management and long term funding from our parent bank.

Our lending strategy remains unchanged with the focus on Multi-Nationals Companies (MNC) and blue chips companies in the Media and Telecommunication, Oil and Gas, Power and Utilities industries.

- **Strategy Realization for 2012**

The approval of the bank partnership arrangement with CIMB Niaga in Oct 2012 boosted our Cash Management business by expanding our reach to our Cash Management clients throughout Indonesia via our partner bank's branches.

As a result of the Cash Management initiative, our third party funds have also increased substantially to almost IDR 1.1 trillion. We have also obtained and drawn circa USD 60 mio of the funding from our parent bank to support our loan growth.

Our loan portfolio also grew to IDR 1,955 billion as of end 2012, a substantial increase of almost 100% as compared to IDR 983 billion as of end 2011. Our net interest income was IDR 70 billion.

We have also employed 1 additional staff in 2012 in the Cash Management to support its business expansion.

Our Bond franchise remained relatively unchanged but our plan to become a major player in the repo/reverse repo market was delayed due to forthcoming approval from Bank Indonesia.

## **II. Compliance Management**

### **Good Corporate Governance**

The Bank applies good corporate governance principle by always striving to be in line with the applicable laws and regulations (PBI No. 8/4/PBI/2006 and its amendment PBI No. 8/14/PBI/2006 regarding Good Corporate Governance).

To ascertain the optimal implementation of the GCG, the Bank's Management has issued its Good Corporate Governance manual, which contains duties and responsibilities of the Board of Commissioners and Directors, work ethics provisions, committees within the Bank, the provisions of the Shareholders' General Meeting, compliance, internal audit and external audit function, and also the implementation of risk management.

The General Meeting of Shareholders ('GMOS') constitutes the highest authority in the organization, and is held once a year as a performance evaluation forum of Board of Commissioners ('BoC'), and Board of Director ('BoD'), in carrying out their duties and responsibilities. In addition to the annual GMOS, the Bank can also hold an Extraordinary General Meeting of Shareholders (EGMOS) whenever it is deemed necessary.

In conducting its supervision duty on the policies of the BoD in managing the Bank, as well as by implementing a close and permanent control, the BoC is supported by the appropriate Committees; namely the Audit Committee, Remuneration and Nomination Committee and Risk Monitoring Committee.

In order to manage the Bank's daily activities and to achieve its GCG objectives, the Bank is managed by the BoD consisting of 3 (three) Directors. All members of the BoD have passed the Fit and Proper Test stipulated by Bank Indonesia. The BoD is chaired by the President Director who is independent from the controlling shareholder and all member of the BoD are domiciled in Indonesia.

The Bank evaluates and implements the principles of GCG (Transparency, Accountability, Responsibility, Independence and Fairness) continuously. Those five principles have been integrated and incorporated into the Bank's daily operation activities, its disclosure policies and its compliance to prevailing rules and regulations. The Bank has a guideline regarding the implementation of Good Corporate Governance which is summarized in the GCG Manual.

In line with the BI regulation, the Bank has submitted its Good Corporate Governance Report and Good Corporate Governance Self-Assessment to Bank Indonesia in May 2013 and included the GCG Report in this Annual Report.

### **Know Your Customer (KYC) and Anti Money Laundering (AML)**

One of the function of the Compliance unit is to monitor the implementation of Anti money Laundering and Terrorism and Financing prevention as required by Bank Indonesia

In line with the above BI requirement, the Bank has a commitment to actively participate in combating money laundering and gives high priority to the development of systems necessary to support the implementation of Know Your Customers (KYC) program.

## **Management performance**

To maintain staff awareness on the KYC principles, the KYC trainings conducted by the Bank and/or its parent bank for the Bank's staff were held several times; i.e.

- 1) Annual Mandatory *Compliance Awareness* (including AML/KYC) training for all employees on May 2012.
- 2) Mandatory Compliance e-training and Non Compliance e-training such as :
  - A. CIB – Anti Money laundering (UK) the basics
  - B. Intuition – Understanding and Dealing with Market Abuse
  - C. CIB- Financial Crime Bribery and Corruption
  - D. Embargoes
  - E. Conflict of Interest
  - F. CIB – Combating Fraud
  - G. Risk awareness
  - H. New annual IT security

In line with Bank Indonesia regulation, the AML Officer has conducted several KYC trainings for new employees on February and April 2012. The Bank also sent its employees to join several external trainings regarding KYC and Anti Money Laundering; including Combating Fraud trainings by Bank Indonesia, Indonesia Financial Transactions Reports and Analysis Center (INTRAC/PPATK) and Compliance Director Association (FKDKP) on April, June and July 2012, and Training for Compliance Officer on October 2012 by external training provider.

To improve its KYC rating, the bank continuously updates its clients' KYC documentations and to date almost all clients' KYC documentations have been updated.

The Bank will continue implementing the KYC throughout the Bank and conduct regular specific training on anti money laundering and Know Your Customers for all staff members.

During 2012 there was no cash transaction report and also no suspicious transaction report submitted to PPATK.

### ***Compliance with regulations***

The Bank unfailingly complies with BI regulations. The Compliance Director monitors and reports periodically to Bank Indonesia regarding the activities of the Compliance Directorate, including the following:

- Anti Money Laundering /Know Your Customer
- Monitoring on prudential principles: LLL, NOP, Minimum Capital Requirement, etc.
- Monitoring on Bank Business Plan
- Monitoring on Fulfillment of Bank Commitment on BI Audit Finding
- Monitoring on Financial Sanction on Violation of BI regulation.
- Customer Complaint Report
- Anti Faud Strategy

Compliance Directorate continuously monitored the Bank's fulfillment of BI Audit recommendations and reported the update to the BI Supervision Department accordingly. As at December 2012 no overdue BI recommendations existed.

## Management performance

In the year 2013, the Bank will continue to fulfill its commitments to Bank Indonesia.

### III. Risk Management

Board of Commissioners and Board of Directors of PT Bank BNP Paribas Indonesia (“BNPPI”) are responsible to ensure that the application of Risk Management has been sufficiently in line with the bank’s characteristics, complexity and risk profile.

Meanwhile, managing risk effectively in an organization such as BNPPI requires a risk management culture. Our culture supports sound commercial decision-making that adequately balances the risk.

The organizational structures with regards to Risk Management at BNPPI are composed of as follows:

1. Risk Management Committee (“RMC”)
2. Assets and Liabilities Committee (“ALCO”);
3. Risk Management Team as working unit (“RMU”)

#### 1. RMC

To evaluate and to recommend some following items to President Director related to Risk Management:

- Preparation of Risk Management policy and its changes.
- Improvement in Risk Management process on regular and irregular basis following the change of external and internal condition of the Bank that influence capital adequacy, and Bank risk profile.
- Improvements or advancements in application of Risk Management;
- Justification of matters pertaining to business decisions;
- Formulation or changes in the Loan Policy and any alteration and abolition of the Internal Bylaws relevant to Loan Policy;
- Other matters deemed necessary in the opinion of the President Director.

#### 2. ALCO

- Development, review, and modification of ALMA strategy;
- Evaluation of the interest rate risk position of the Bank and ALMA strategy to ensure that the outcome of the Bank’s risk taking position is consistent with the objectives of interest rate risk management;
- Review of the assets and liabilities pricing strategy to ensure that pricing achieves optimum results in fund placements, minimizes cost of funds, and maintains the balance sheet structure of the Bank in accordance with the Bank’s ALMA strategy;
- Review of deviations between actual results and the budget projections and business plan of the Bank; and
- Report to the Board of Directors of any developments in relevant legal provisions and regulations affecting ALMA strategy and policy.

**3. RMU**

- Monitoring of implementation of the risk management strategy recommended by the Risk Management Committee and approved by the Board of Directors.
- Monitoring of position/risk exposures on an overall basis by type of risk and by business line.
- Application of stress testing to ascertain the impact of implementation of risk management policy and strategy on the performance of each operating units.
- Study of proposal for any new activity and/or product submitted or developed by the relevant units.
- Recommendations to operating departments on the size of maximum risk exposures to be maintained by the relevant units, in accordance with the powers vested in Risk Management Unit.
- Evaluation of the accuracy and validity of data used by the relevant units to measure risk, for a Bank using model for internal purposes.
- Preparation and submission of the risk profile report to the President Director, Risk Management Committee, and Bank Indonesia on a quarterly basis.
- Support for the Risk Management Committee.

The Bank's risk management approach is based on a combination of risk oversight at BOD level and individual risk management structures within the business units. A risk management unit in the Bank has to ensure that risk inherent in the Bank's activities is more consistent with its business objectives, risk appetite and capital. The risk management unit is independent of business operations and reports to the President Director.

The BOD is responsible for the level of risks assumed by the Bank while the BOC approves the risk management policy. The BOD delegates to manage formulation and implementation of risk management policy. The risk management process comprises establishing appropriate prudential limits and controls ensuring that the Bank activities are conducted in a prudent and sound manner. The objectives of the risk management process are to identify, evaluate and monitor them.

**Risk Management Process**

The Bank has continued applying the risk management process as per Bank Indonesia regulation:

- Organization

BNP Paribas Indonesia has a special department dedicated to implement the bank's risks, the Risk Management Unit, independent from Operational Departments, reporting directly to the President Director. The scope of missions and duties of this Department are complied with Bank Indonesia regulations and recommendations on the risk management, as well as the guidelines of the GCG.

In order to implement the risk management policy, Risk Monitoring Committee has been formed to monitor the Bank's risk management implementation.





## Management performance

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Each Department Head has also been invited to participate, at its level, in building the internal control system and in drawing up the relevant procedures to control the risk inherent to its activity. The Risk Management Unit is coordinating the work, under the supervision of the BOD.

- Policies and procedures

The Bank has adapted the Group policies and procedures to the Bank's local needs and Bank Indonesia's requirements. The Bank will keep updating those policies and procedures to keep abreast of any evolution in the regulations or the business environment.

- Human resources

In line with the regulatory requirements and the needs for successful risk management, the Bank has set up specific trainings on Risk Management, Know Your Customer and Anti-Money Laundering. Furthermore, the Bank has also sent its staff to go for the Risk Management Certification (BSMR) test, in accordance with BI Regulation No. 7/25/PBI/2005. The Bank will continue registering additional staff whenever subsequent test will be conducted, until all requirements are met.

- Management Information System

The Bank is constantly adapting the Group's Information & Technology policies to the local needs and current regulations. The Bank's information systems can provide sufficient and comprehensive internal data/information for sound decision-making, as well as provide reliable and credible information on bank activities. The Bank has organized business contingency and disaster recovery plans and backup systems to prevent possible failure of activities to protect the MIS from all potential risks of disruption. This business contingency plan is also being adapted to cover future incidental risks, with potential impact either on the staff or the assets of the Bank, such as earthquake, flooding, riots or political disturbances. Full testing of banking transactions is performed regularly from the Disaster Recovery site located outside the Bank and business area. Business Continuity Procedures (BCP) has been updated accordingly. Moreover, an appropriate business contingency plan has also been defined to cope with potential risks of pandemics, where the Bank's staff, and not the facilities, is at risk.

- Accounting

The Bank's accounting system is in compliance with Bank Indonesia's requirements. Reconciliations of data are performed, the periodicity of which depends on the reconciliation types. Evaluation of accounting methods is conducted yearly. All accounting documents and files (sub-ledgers, general ledgers, etc.) are kept for audit trails. In line with the Shareholders' policy at the level of the Group and all guidelines given by Bank Indonesia, the Bank will implement the various recommendations contained in the Basel 2 Agreement within the given framework.

**Risk Profiles**

Specific check lists have been set up for risk exposures, to be reported to the Risk Management Unit, which allows this team to report its status properly to Bank Indonesia through the quarterly Risk Profile report.

As required, the Bank has submitted quarterly to Bank Indonesia its self assessment on the Bank's Risk Profile. Summary of the assessment report for 2012 is as follows:

Risk Type	Risk Assessment		
	Inherent Risk	Risk Management Quality Rating	Risk Rating
Credit Risk	Low to Moderate	Satisfactory	2
Market Risk	Low to Moderate	Satisfactory	2
Liquidity Risk	Low to Moderate	Satisfactory	2
Operational Risk	Low to Moderate	Satisfactory	2
Legal Risk	Low	Satisfactory	1
Strategic Risk	Moderate	Satisfactory	2
Compliance Risk	Low to Moderate	Satisfactory	2
Reputation Risk	Low	Satisfactory	1
<b>Composite Rating</b>			<b>2</b>

**IV. Human Resources Management**

The Bank is committed to the development of the quality of its human resources in order to match its business requirement, as well as to face the challenge in a fast changing business environment. The Bank offers a wide range of compulsory and/or voluntary basic training programs as part of a continuous effort to enhance the skills and knowledge of the staff.

The Bank also offers attractive personal career management, as a pledge to foster staff's commitment to the Bank's strategic objective, as well as to promote the Bank's corporate culture. In addition, the Bank also provides educational assistance program, which is granted to selected staff who attends formal education in any university in Indonesia. Under this program, the Bank reimburses the eligible staff for an agreed part of the expenses associated with his/her education activities.

In 2012, the Bank has recruited 6 new full time employees as part of its plan to strengthen and expand its business in Indonesia. The Bank continues to implement education and training programs, conducted locally and abroad, covering banking related subjects such as: Marketing, Credit Analysis, Capital Market, Credit control and reporting, ALM Treasury, Internal Auditing, Risk Management, Human Resources, Information Technology, Compliance etc., as well as other programs to help the staff in performing their assignments better, such as English language training. Overseas trainings were mainly held by BNP Paribas SA overseas branches, such as Hong Kong, Singapore and Paris.

In line with BI Regulation No. 7/25/PBI/2005 dated 3rd August 2005 regarding Risk Management Certification for the Management and Officers of Commercial Banks, during 2012 the Bank has sent 8 of its staff to attend this training. 6 staff passed the BSMR examinations in 3 levels: 2 staff for level 1, 2 staff for level 2, 2 staff for level 3. 2 staff attended the BSMR refresher courses. The Bank also continues to provide training for all staff regarding anti-money

laundering and KYC, in compliance with BI Regulation No. 3/PBI/2001 dated 18th June 2001 and No. 2/23/PBI/2001 dated 13th December 2001.

## **V. Information Technology Management**

The Bank firmly believes that in a very competitive business sector, utilization of Information Technology (IT) is crucial in order to provide the best quality service to its customers. The Bank benefits from up-to-date hardware facilities as well as outstanding international standards software designed and provided by BNP Paribas Group, which are customized to fit local needs. Systems are constantly being updated in order to match technological advances and evolution of the business requirements.

Policies, guidelines and procedures on all IT operations, systems hardware and software manuals have been considered as the most important factors to control the operational risks hence they are properly documented, reviewed and updated periodically.

In line with Bank Indonesia regulation no. 9/15/PBI/2007 regarding Risk Management Implementation for the use of Information Technology by Commercial Banks issued on 30 November 2007, the Bank has updated and reviewed its IT risks management policy annually, and the Bank has in-sourced a few of its transactional process which is considered to be inherent banking function since May 2011.

In line with Government Regulation PP Nomor 82 Tahun 2012 on Implementation of Electronic System and Transaction issued on October 2012, the Bank has reviewed the possibility to in-source our core banking system and the Bank is waiting Bank Indonesia regulation on the implementation of this Government Regulation in the banking industry in Indonesia.

To enhance the awareness of the Bank's staff on IT security risk, the Bank has implemented an IT Security e-learning program which is compulsory for all staff and is renewed annually as part of the Bank's internal training program. IT skills continue to be enhanced for IT staff by sending them to regional training centers of BNP Paribas Group in Singapore, as well as any other local IT training providers.

To anticipate unexpected disruption (e.g. natural disaster, social unrest, etc) on the Bank's operation in the main office, the Bank has established since 2005, a Disaster Recovery Center (DRC) located in Gedung German Center, BSD Tangerang which is set up as a back-up office, and as the alternative for the main office in Jakarta. To increase staff confidence, competence and readiness in facing unexpected disruption on the Bank's operation, the Bank has been conducting regular Call Tree Testing and Business Contingency Planning (BCP) exercises.

The Bank has established joint crisis committee meeting with two others BNP Paribas entities to anticipate wide area disaster scenario. The purpose of the Joint Crisis Committee is to manage the response to a wide area crisis which is a crisis affecting or with the potential to affect the 3 entities.

During 2012 the Bank has conducted two exercises on 29<sup>th</sup> April and 7<sup>th</sup> November with satisfactory result.

## Financial Performance

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### I. Balance Sheet

- Assets

The overall asset quality remained very satisfactory. The assets quality remained highly satisfactory as they are mainly government securities (SUN) at IDR 1,379.5 billion and loans to customers at IDR 1,955.2 billion rated “pass”.

- Loans

As at 31 December 2012, total gross loan portfolio was IDR 1,955.2 billion while Gross NPL Ratio was 0.00%. Rupiah denominated loan/credit of IDR 320.7 billion, while the foreign currency denominated loan/credit was IDR 1,634.5 billion in USD equivalent.

Penggolongan Bank Indonesia	Jumlah Pada Tanggal	
	31-Dec-12	31-Dec-11
<u>Kredit yang diberikan</u>		
Lancar	1,955,189	981,050
Dalam Perhatian Khusus	0	0
Kurang Lancar	0	0
Diragukan	0	0
Macet	0	0
Jumlah	1,955,189	981,050
CKPN	0	0
% CKPN	0%	0%
<u>Fasilitas kredit kepada nasabah yang belum ditarik</u>		
<i>Committed</i>	404,940	273,385
<i>Uncommitted</i>	380,777	551,850
Jumlah	785,717	825,235

- Funding

Given its wholesale focus and single branch operation, aside from its wholesale clients' deposits, the Bank relies on inter-bank and parent bank's support (sub-debt circa USD 30 mio has been fully drawn and constitute part of Tier II capital) and a long term borrowing (drawn for USD 55 mio and a remaining facility of USD 95 mio) for its liquidity need.

Third Party Fund - The Bank's third party funds is at IDR 1,097.3 billion. Generally our Third Party Fund profile is mainly large corporate with big amount of deposits and is price sensitive.



- Capital Adequacy and Equity

Capital Adequacy Ratio (CAR) against Credit Risk of 62.22% as of 31st December 2012. Equity reported comprised of Tier 1 capital of IDR 1,114.0 billion and Tier 2 of 60% of USD 30 mio (equivalent to IDR 173.5 billion), the latter represented by a ten-year subordinated loan obtained from the Parent bank in late 2006 which was amortized straight line over the remaining 5 years starting December 2011.

## **II. Profit and Loss**

Net profit for the 12 months to 31 December 2012 was IDR 54.3 billion compared to IDR 65.6 billion previously. The bank continued to enjoy healthy net interest income of IDR 70.4 billion (with a NIM of 1.42%).

- Operational Expense Over Operational Income (BOPO)

BOPO for the period was 66.72%.

## **III. Financial Ratio**

Capital Adequacy Ratio (CAR) against Credit Risk of 62.22% as of 31st December 2012 against CAR for Credit and Market Risk was at 48.99%.

Return on Equity (ROE) continued to be satisfactory at 4.68% as of end December 2012, Return on Assets (ROA) was reported at 1.86%.

Loan to Deposit Ratio – The Bank's LDR was 178.18%.

## **IV. Taxation**

The Corporate Income Tax expense for fiscal year 2012 amounted to IDR 19.9 billion. The deferred tax assets amounted to IDR 0.5 billion.



## Credit Information

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### Kolektibilitas kredit yang diberikan / *Loan granted by Collectibility*

31 Desember 2012 / 31 December 2012

dalam jutaan Rp / in million IDR

<b>Kualitas Kredit / <i>Loan Quality</i></b>	<b>Rp</b>	<b>%</b>
Lancar / <i>Pass</i>	1,955,189	100.00%
Dalam Perhatian Khusus / <i>Special Mention</i>	0	0.00%
Kurang Lancar / <i>Substandard</i>	0	0.00%
Diragukan / <i>Doubtful</i>	0	0.00%
Macet / <i>Loss</i>	0	0.00%
<b>Total</b>	<b>1,955,189</b>	<b>100.00%</b>



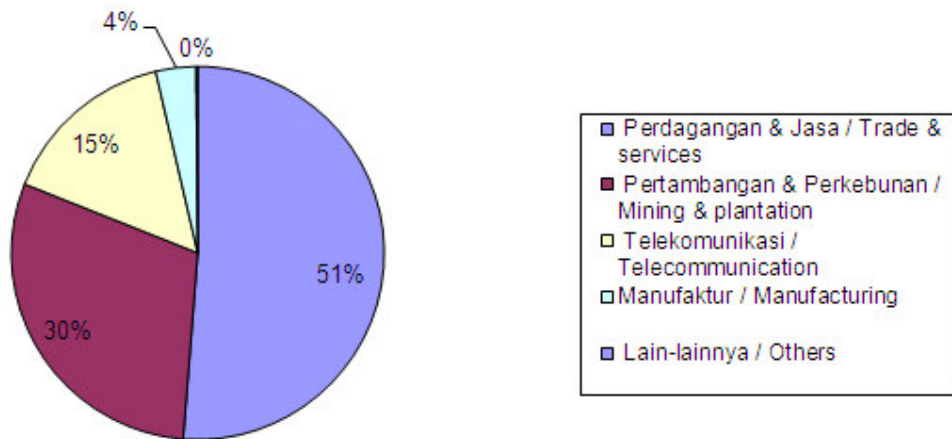
**Kredit yang diberikan sektor ekonomi / *Loan granted by economic sectors***

31 Desember 2012 / 31 December 2012

dalam jutaan Rp

Sektor ekonomi	Rp	%
Perdagangan & Jasa	1.002.101	51,25%
Pertambangan & Perkebunan	582.166	29,78%
Telekomunikasi	299.823	15,33%
Manufaktur	68.187	3,49%
Lain-lainnya	2.912	0,15%
<b>Total</b>	<b>1.955.189</b>	<b>100,00%</b>

**Pinjaman Menurut Sektor Ekonomi / Loans by Economic Sectors**





## **Good Corporate Governance**

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The bank continues to implement the principles of Good Corporate Governance (GCG) within its operational activities, as it is important for the growth of the Bank's business and gives added value to its stakeholders. Generally, the Bank has fulfilled the requirements and criteria according to BI Regulation on GCG. However, the Bank will continuously improve itself to be in line with the GCG criteria.

To ascertain the optimal implementation of the GCG, the Bank's Management evaluate and implement the principles of GCG (Transparency, Accountability, Responsibility, Independence and Fairness) continuously. These five principles have been integrated and incorporated into the Bank's daily operational activities, its disclosure policies and its compliance to the prevailing rules and regulations. The Bank has a GCG Manual which is a guideline summarizing the implementation of GCG.

### **I. THE GENERAL MEETING OF SHAREHOLDER**

The General Meeting of Shareholders ('GMOS') constitutes the highest authority in the organization. The GMOS must be held in accordance to the prevailing law and regulations as well as the information presented to the shareholders.

The GMOS is held once a year as a performance evaluation forum for the Board of Commissioners ('BOC') and the Board of Director ('BOD') in carrying out their duties and responsibilities. In addition to the annual GMOS, the Bank can also hold an Extraordinary General Meeting of Shareholders (EGMOS) whenever it is deemed necessary.

In accordance to the Bank's Articles of Association, in the GMOS:

- a. The BOD shall submit an annual account consisting of the audited balance sheet and profit and loss account of the relevant financial year and explanations concerning the said documents upon reviewed by the BOC for ratification in the meeting.
- b. The BOD shall submit an annual report on the affairs and operations of the Bank, the result achieved, estimated business projection, progress of the main business of the Bank and its changes during the financial year and description of problems arising during the financial year which affect the Bank's business.
- c. The use of the Bank's earnings shall be determined and the annual profit distribution plan and the annual expenses plan of the Bank shall be approved.
- d. The appointment of the Bank's public accountant.
- e. Other matters properly brought in the meeting.

### **II. THE BOARD OF COMMISSIONER ("BOC")**

The implementation of GCG practices are the responsibility of the BOC and BOD, however they do not preclude the role of executive officers to carry out the GCG practices as well. During 2012 the BOC did not find the BOD in violation of the financial or banking regulations, nor did the BOD placed the Bank into any situation that can harm the Bank's continuity.

#### **II. 1. Membership**

At the end of December 2012, the Bank has 3 (three) members of the BOC, 2 (two) of them are the Independent Commissioners who are independent from influence of the controlling shareholders and domiciled in Indonesia.



The members of the BOC are elected and dismissed by the GMOS, but if following such GMOS, there were new appointment or replacement of the members of the BOC, the Bank would then seek the recommendation from the Remuneration and Nomination Committee with previous agreement given by the GMOS.

To ensure the independency of the BOC, the BOC member has to sign a Disclosure Form which states that BOC member must not hold any other positions as member of BOC, BOD, or Executive Officer at any other bank, company or institution except as those stated in Bank Indonesia Regulation regarding the implementation of GCG by Banks. Soebowo Musa, the Bank's Independent Commissioner, is also the CEO of Kiran Resources Indonesia, a non-financial institution.

The BOC members have no stock ownership either in any other Bank or company, except Soebowo Musa, who has stock amounting to 30% (thirty percent) at PT Kiran Resources Indonesia. The BOC members do not have financial and/or family relationship with other members of BOC, BOD and/or the Controlling Shareholders, except the President Commissioner which has financial relationship with the Controlling Shareholder; i.e, as the employee of the Parent Bank and holds position as the Regional Head for South East Asia, BNP Paribas SA.

The Bank's BOC structure at the end of 2012 is as follows:

<b>BNPPI's Structure of the Board of Commissioner</b>	
President Commissioner	: Jean-Pierre Bernard
Independent Commissioner	: Soebowo Musa
Independent Commissioner	: Chris Kanter

## **II.2. Roles and Responsibilities of the Board of Commissioner**

Generally, the responsibilities of the BOC are:

1. The BOC shall supervise the policies of the BOD in managing the Bank and render advice to the BOD.
2. The BOC must ensure the implementation of GCG in each of the Bank business activity on all organizational levels or hierarchy.
3. In performing the supervisory function, BOC must direct, monitor, and evaluate the implementation of Bank strategic policies.
4. In line with Bank Indonesia regulation concerning the Implementation of GCG, the BOC has to set up:
  - a. Audit Committee
  - b. Risk Monitoring Committee
  - c. Remuneration and Nomination Committee
5. The BOC must ensure the BOD follow-up on audit findings and recommendations from the Bank's Internal Audit Work Unit, External Auditor, Bank Indonesia supervision result and/or other authorities supervision result.

In line with the performance of the role and responsibilities of the BOC, the Bank has implemented guidelines concerning the roles and responsibilities of the BOC in which such guidelines are part of the Bank's Article of Association and GCG Manual.



**II.3. Frequency of the Board of Commissioner Meeting**

In 2012, the Bank has 4 (four) BOC Meetings, with the details of the percentage of the attendance of each member as follows:

Name of the Commissioners	Meeting		Attendance		Percentage
	Scheduled	Attendance	Physically	Teleconference	
Jean-Pierre Bernard	4	4	4	0	100%
Soebowo Musa	4	4	4	0	100%
Chris Kanter	4	4	4	0	100%

**II.4. Completeness and Performance of Duties of the Committees**

To be in line with Bank Indonesia Regulation No. 8/4/PBI/2006 as amended by Bank Indonesia Regulation No. 8/14/PBI/2006 regarding GCG Implementation by Commercial Banks, since 2007 the Bank has set up and adjust the structure and the membership of the committees under the BOC.

**III. AUDIT COMMITTEE**

**III.1. Membership**

The Audit Committee was established in Q4 2007. Currently, the Audit Committee consists of 3 (three) members, and comprises of 1 (one) Independent Commissioner (acting as Chairman of the Committee), 1 (one) independent party as member whose expertise is in law, and 1 (one) independent party as member who also has expertise in finance.

The Bank is aware of the management relationship in this committee between the Chairman of the Audit Committee (also acting as Chairman of Risk Monitoring Committee) with one of its member (also acting as member of Risk Monitoring Committee). However, both of them have declared to act professionally and independently during their assignment as Chairman of the Audit Committee as well as its member through Letter of Undertaking submitted to Bank Indonesia. At the end of December 2012, the structure of the Audit Committee is as follows:

BNPPI's Audit Committee Structure	
Chairman of Audit Committee	: Soebowo Musa
Member of Audit Committee	: Jono Effendy
Member of Audit Committee	: Neny Risantiny

### **III.2. Roles and Responsibilities of Audit Committee**

The Audit Committee performs the monitoring and evaluation of the audit planning and implementation, as well as monitoring the audit recommendation follow-up actions, in order to assess the adequacy of internal audit, including the adequacy of the financial reporting process.

In order to implement its tasks, the Audit Committee must at least perform the monitoring and evaluation of implementation of the tasks of the Internal Audit Work Unit; consistency between audit implementation by the Public Accountant Office with prevailing auditing standards, consistency between the financial report with prevailing accounting standards, implementation of follow-up actions by the BOD on findings by the Internal Audit Work Unit, Public Accountant, and Bank Indonesia supervision result in order to give a recommendation to the BOC.

### **III.3. Frequency of the Audit Committee Meeting**

During their assignment period in 2012, the Audit Committee had two meetings which attended physically by all member of the Audit Committee. The result of the Committee meeting is written into minutes of meeting and signed by all of the participants in the meeting and documented properly.

During 2012, the Audit Committee has given its recommendation to the Bank to pay attention to the issue of independency of the Bank's internal audit from the Bank's parent company internal audit group, in particular in the audit plan preparation and the internal audit policy for the Bank should be done in accordance to the Bank's conditions and local requirements.

## **IV. RISK MONITORING COMMITTEE**

### **IV.1. Membership**

Risk Monitoring Committee was set up at the end of 2007. The member of the Risk Monitoring Committee consist of 3 (three) members which is chaired by the Independent Commissioner, 1 (one) independent party as a member who has expertise in Risk Management and 1 (one) independent party as a member who has expertise in finance.

The Bank is aware of the management relationship in this committee between the Chairman of the Risk Monitoring Committee (also acting as Chairman of the Audit Committee) with one of the Risk Monitoring Member (also acting as member of the Audit Committee). However, both of them have declared to act professional and independently during their assignment as Chairman of the Risk Monitoring Committee as well as its member through Letter of Undertaking submitted to Bank Indonesia. At the end of December 2012, the structure of Risk Monitoring Committee is as follows:

<b>BNPPI's Risk Monitoring Committee Structure</b>	
Chairman of Risk Monitoring Committee	: Soebowo Musa
Member of Risk Monitoring Committee	: Lando Simatupang
Member of Risk Monitoring Committee	: Jono Effendy

#### **IV.2. Roles and Responsibilities of the Risk Monitoring Committee**

The Risk Monitoring Committee should have at least the following functions:

- To evaluate on the implementation of the risk management policies and functions within the Bank;
- To conduct monitoring and evaluation on the performance of the Risk Management Committee and The Risk Management Unit within the Bank.

In 2012, the Risk Monitoring Committee has given its recommendation to the Bank to set up a Risk Management Work Unit, which is independent from the Operational Work Unit, and to adjust its Risk Management policy accordingly. Further, the Risk Monitoring Committee also requested the Risk Management Unit of the Bank to prepare the respective policies for credit, market, liquidity, and operational risks in line with the Bank's business activities and complexity; and such policies should also be in compliant with the Bank Indonesia regulations. The Risk Monitoring Committee also discussed the Bank's Risk Profile prepared by the Risk Management Unit with the objective to improve the Bank's Risk Profile through more rigorous risk control, mitigation and monitoring which such initiatives could result in better risk profile for the Bank in the respective risks (e.g. credit, market and operational risks).

#### **IV.3. Frequency of the Risk Monitoring Committee Meeting**

During their assignment period in 2012, the Risk Monitoring Committee has conducted 4 (four) meetings which have been physically attended by all members of the Risk Monitoring Committee. The results of the Committee meeting is written into minutes of meeting and signed by all of the participants in the meeting and documented properly.

### **V. REMUNERATION AND NOMINATION COMMITTEE**

#### **V.1. Membership**

The Remuneration and Nomination Committee ("RNC") had been set up in 2007 and is chaired by the Independent Commissioner, with 1 (one) Commissioner and 1 (one) Head of Human Resource as its members. Following the resignation of 2 (two) RNC members, Philippe Rene Francis Sirgant and Bernard Georges Francois Pittie on April and August 2010 consecutively, the RNC was inactive since then. However, following the BI approval on the Bank's new Independent Commissioner, Chris Kanter on 2011, the Remuneration and Nomination Committee has been reactivated accordingly. At the end of December 2012, the Remuneration and Nomination Committee structure is as follows:

**BNPPI's Remuneration and Nomination Committee Structure**

Chairman of Remuneration and Nomination Committee	: Chris Kanter
Member of Remuneration and Nomination Committee	: Jean-Pierre Bernard
Member of Remuneration and Nomination Committee	: Azmah Kasmy

**V.2. Roles and Responsibilities of the Remuneration and Nomination Committee**

The Committee's duties are as follows:

1. To give recommendations to the BOC on the following matters:
  - Numbers and Structures of Directors and Commissioners,
  - The criteria, rules and regulations of Directors and Commissioners; and nominating the candidate for BOD and BOC which would then be decided in the GMOS.
  - Determination of the Remuneration System for BOD and BOC
  - Bonus and Performance Calculation Method for Directors and Commissioners
2. To perform an evaluation of the remuneration policy.

**V.3. Frequency of the Remuneration and Nomination Committee Meeting**

During 2012, the Remuneration and Nomination Committee has conducted two meetings during the first semester on 13 February 2012 and 27 April 2012 discussing, among others, overall performance evaluation of the staff over 2011 and 2012, outsourcing policies with regards to the latest BI regulations, blocked leave 2011 and others.

**VI. THE BOARD OF DIRECTOR (BOD)**
**VI.1. Membership**

In order to manage the Bank's daily activities and to achieve its GCG objectives, the Bank is managed by the BOD consisting of 3 (three) Directors. All members of the BOD have passed the Fit and Proper Test stipulated by Bank Indonesia. The BOD is chaired by the President Director who is independent from the controlling shareholder, and all members of the BOD are domiciled in Indonesia.

To ensure the independence of the BOD, the Bank has a Disclosure Form signed by every BOD member which stated that member of the BOD does not hold any other positions as member of the BOC, BOD, or Executive Officer at any other bank, company or institution except as those stated in Bank Indonesia Regulation regarding the implementation of GCG by banks.

As of December 2012, the Bank's structure of the BoD is as follows:

**BNPPI's Structure of the Board of Director**

President Director	: Kamal Osman
Director	: Setio Soejanto
Compliance Director	: Maria Abdulkadir

**VI.2. Roles and Responsibilities of the Board of Director**

The BOD is responsible to manage the day-to-day business and operational of the Bank including, but not limited to, organizing internal control system, monitoring and managing risks,



improving work flow to increase employees' productivity and their professionalism, and increasing shareholders value.

The BOD also follows up the audit recommendations of the Internal Audit, Bank Indonesia and other supervisory/regulatory bodies.

### **VI.3. Meetings of the Board of Director**

The BOD, together with the Bank's Executive Officers, routinely conducts internal discussion regarding the Bank's strategic plan and any other matters through the BOD Meeting or Management Meeting.

## **VII. IMPLEMENTATION OF COMPLIANCE FUNCTION, INTERNAL AUDIT FUNCTION AND EXTERNAL AUDIT FUNCTION**

### **VII.1. The Implementation of the Compliance Function**

Bank's compliance functions include external compliance and internal compliance. External compliance is related to the Bank's compliance to the prevailing rules and regulations related to financial sector, especially to the banking sector. Whereas the internal compliance is related to ensure the Bank's compliance to all policies, rules, and procedure, as well as prevailing ethics and standard (code of conduct) established by the Bank.

In order to establish Compliance Culture in Bank, in 2012 Compliance Department conducted some activities among others Socialisation on new Bank Indonesia Regulation, monitoring the implementation of e-learning regarding Compliance Awareness, reminding to related department regarding reporting to Bank Indonesia, involve in preparation of new product or activities, etc.

The Compliance Work Unit also acts as the coordinator to implement the Know Your Customer (KYC) Principle and Anti Money Laundering (AML).

The main responsibilities of the Bank's compliance department are:

- Support the development of Compliance Culture at all business activities and each organization hierarchy
- Identifying, measuring, monitoring, and controlling Compliance Risk by referring to BI regulation regarding Commercial Bank Risk Management Implementation;
- Evaluating the effectiveness, adequacy, and conformity of Bank policies and procedures.
- Reviewing and recommending updating and improvement of Bank policies and procedures to be in line with the prevailing regulations.
- Performing other duties with regard to Compliance function.

## Good Corporate Governance

During 2012, the Bank has generally performed its activities in compliance with the prevailing laws and regulations. However, the Bank will remain prudent and continue to improve its compliance quality.

<b>Compliance to the Prudential Laws and Regulations</b>		
<i>Prudential Principle</i>	<i>Status</i>	<i>Remarks</i>
CAR	In line with regulation	On December 2012, the Bank's CAR level stood at level 48.99%
Statutory Reserve	In line with regulation	Statutory Reserve in IDR and USD as of December 2012 are 8.09% and USD at 10.20%
Non Performing Loan	In line with regulation	The Bank's NPL ratio as of December 2012 amounted to 0.0%.
Net Open Position	In line with regulation	The Bank's NOP ratio at the end of December 2012 amounted to 16.47%
Legal Lending Limit	In line with regulation	There was a LLL breach on 3 <sup>rd</sup> quarter 2012 which has been resolved.
Know Your Customer Principle and Anti Money Laundering	In line with regulation	The Bank has conducted several KYC and AML trainings, including AML training for new comers. No suspicious transaction found.

### **VII.2. The Internal Audit Function**

The Bank's Internal Audit Working Unit (IAWU) is responsible for ensuring an effective internal audit function and for assisting the BOD to fulfill its supervisory duties. The IAWU is independent of the Operational Working Unit.

IAWU's work is based on its approved annual audit plan determined largely through a risk assessment process. Internal Audit Findings are reported directly to the President Director and copied to the Audit Committee. The Audit Committee reports the findings to the BOC for their information and follow-up (where necessary).

## **Good Corporate Governance**

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In 2012, there were 10 audit and non-audit activities planned and conducted by IAWU with 62 recommendations issued. 56 of the issued recommendations (including those from the previous year) were closed while 10 recommendations were outstanding as at 31 December 2012.

### **VII.3. The External Audit Function**

The implementation of External Audit function follows the prevailing Bank Indonesia regulation. The designated Public Accountant and Public Accountant Office should be licensed from the Indonesian Ministry of Finance and listed in Bank Indonesia. The appointment of the external auditor is proposed to the BOC and is approved in the GMOS. The appointment of the same Public Accountant Office is limited to not more than 5 years continuously, unless approved by Bank Indonesia

## **VIII. IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL**

### **VIII.1. Risk Management Implementation**

In order to comply with the risk management regulations no. 5/8/PBI/2003 dated 19 May 2003 and no 11/25/PBI/2009 dated 01 July 2009 as well as Circular 5/21/DPNP/2003 and Circular 13/23/DPNP dated 25 October 2011, the Bank has set up policies and procedures as required.

At the moment, the Bank has Credit Risk Policy, Market and Liquidity Risk Policy, and Credit Risk Control Procedure on top of Overall Risk Management Guideline.

In line with the Risk Profile Report submitted to Bank Indonesia, starting September 2010, the Bank has monitored 8 types of risk, i.e. Credit risk, Market risk, Liquidity risk, Operational risk, Legal Risk, Reputational Risk, Strategic Risk and Compliance Risk. At the moment, the Risk Management/Credit Risk Control Department is the unit in charge of Credit Risk, Market Risk and Liquidity Risk while Chief Operating Officer is in charge of Operational Risk, Legal Department is in charge of Legal Risk, Compliance Department is in charge of Compliance Risk and Reputational Risk, and President Director is in charge of Strategic Risk. For consolidating and providing Risk Profile Report, Risk Management/Credit Risk Control Department is the department coordinating this report.

The Bank has continued to implement its Risk Management through the active supervision of BOC and BOD, such as:

- Closely monitoring Legal Lending Limit (LLL) to comply with Bank Indonesia.
- On monthly basis, overdue annual reviews are reported to BOD or BOC.
- The BOD has made considerable efforts to understand Credit, Market, Liquidity, Operational, Legal, Reputational, Strategic and Compliance Risks underlying all functional activities.
- The BOD has taken strong actions to understand the inherent compliance risk in certain Bank Activities, especially those that may significantly affect the financial condition of the Bank.
- As part of the on-going process to elevate its standard for risk management, Bank has continuously developed and improved its risk management culture by setting up specific trainings on Risk Management, KYC and AML.



**VIII.2. Internal Control**

To support internal monitoring and to control risk, in particular to risks associated with the operational activities of the Bank, the Bank is supported with adequate systems provided by the Group. The Bank's information systems can provide sufficient and comprehensive internal data/information for sound decision-making, as well as provide reliable and credible information on its activities.

Bank has already had the Guidelines for Internal Control Systems which covered active supervision by the Board of Commissioners, Board of Directors, departments and relevant work units which each of the main controls and functions are attached to respective officials as the risk owners.

**IX. LENDING TO RELATED PARTY AND LENDING IN LARGE EXPOSURE**

During 2012 Bank has extend credit to its core debtor which are corporate clients. Details of credit extend during the 2012 as shown in the following table:

No.	Provision of Fund	Total	
		Debtors	Nominal (in million IDR)
1.	To Related Party	4	1,590
2.	To Core Debtors		
	a. Individuals	9	1,524,292
	b. Groups	2	386,330

The Bank provides loan to related party on a prudent basis. In 2012 the Bank continued granting the facility to PT. BNP Paribas Securities Indonesia however this was fully covered by the SBLC issued by BNP Paribas Hong Kong. As of 31 Dec 2012, there was no outstanding loan to BNPP Securities Indonesia.

**X. TRANSPARENCY OF FINANCIAL AND NON-FINANCIAL CONDITIONS**
**X.1. Transparency of Financial Condition**

The Bank expresses its financial condition in a transparent manner through its Annual Report, Quarterly Publish Balance Sheet, and Monthly Publish Balance Sheet. In the Bank's Annual Report, the Bank has enclosed its examination by the Public Accountant appointed by the Bank which is listed in Bank Indonesia. Furthermore, the information contained in the Bank's Annual Report includes information regarding its Business Group, Risk Management Exposure, and Management Letter.

**X.2. Transparency of Non-Financial Condition**

The Bank disclosed its information of non-financial condition to its potential customer regarding its product in writing as well as verbally. Information regarding the Bank Products is available in the term sheet agreement between the Bank and its potential customer with regards to the benefits and risks attached to its product.



**Good Corporate Governance**

Bank has published its financial and non financial information in its homepage (<http://www.bnpparibas.co.id>) and at least in one newspaper having wide circulation in Indonesia.

**XI. REMUNERATION PACKAGE/POLICY AND OTHER FACILITIES TO THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTOR**

During the period of 2012, the remuneration received by the BOC and BOD are as follows:

Type of Remuneration and Other Facilities	Accumulative basis in 1 year for 2012			
	Board of Commissioners		Board of Directors	
	Number of Members	Mio IDR	Number of Members	Mio IDR
1. Remuneration (salary, bonus, routine allowances, gratuities, and other facilities in non-benefit-in-kind form)	3	1,725	3	8,901
2. Other facilities in nature form (housing, transportation, health insurance, etc), which *) : a. May be owned b. May not be owned	3	0	3	1,005
<b>Total</b>		1,725		9,906

(per person)

Remuneration per person for a period of one year *)	Board of Directors	Board of Commissioners
above Rp 2 billion	1	-
above Rp 1 billion up to Rp 2 billion	2	-
above Rp 500 million up to Rp 1 billion	-	2
below Rp 500 million	-	1

\*) in cash

Moreover, the highest and the lowest salary ratio as per December 2012 within the Bank are as follows:

- The highest and lowest of employees salary ratio : 32.72
- The highest and the lowest of BOD salary ratio : 4.12
- The highest and the lowest of BOC salary ratio : 1.03
- The highest of the BOD and employees salary ratio : 1.35

**XII. STOCK OWNERSHIP OF BOC AND BOD OF MORE THAN 5 % (FIVE PERCENT) OF PAID UP CAPITAL**

All members of the BOD and BOC do not have stock ownership of more than 5% (five percent) of paid up capital. The Bank has a disclosure form which contained the information about the ownership and related parties of the BOC and BOD. The Bank has also implemented the policy regarding Personal Account Dealing (PAD) which must be signed by all staff.

**STOCK OPTION**

During 2012 the Bank did not have Stock Option Program as a form of the compensation to members of the BOC, BOD and Executive Officers, as determined by Stockholders General Meeting and/or Articles of Association.

Descrpitions/Names	Number of stockheld (shares)	Number of Option		Option Price (IDR)	Time Period
		Distributed (shares)	Exercised (shares)		
<b>BOC</b> Jean Pierre-Bernard Soebowo Musa Chris Kanter			<b>NIL</b>		
<b>BOD</b> Kamal Osman Maria Abdulkadir Setio Soejanto			<b>NIL</b>		
<b>Executive Officer</b>			<b>NIL</b>		

**XIII. INTERNAL FRAUD**

Internal fraud is defined in SEBI No. 15/15/DPNP regarding the Implementation of GCG by Commercial Banks as a fraud conducted by management or permanent/temporary employees, in their work process and operational activities, which impacted the Bank's financial condition significantly, and the amount exceed IDR 100,000,000.00 (one hundred million rupiah).

In line with above requirement, during the 2012 there were no internal fraud with the nominal amount more than IDR 100,000,000.00 (one hundred million rupiah) as shown in the table below:



**Good Corporate Governance**

Internal Fraud in 1 year	Number of case conducted by					
	Management		Permanent Employees		Non Permanent Employees	
	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
Total Fraud	NIL					
Settled	NIL					
In Banks Internal Settlement Process	NIL					
Unsettled	NIL					
Followed up through Legal process.	NIL					

**XIV. LEGAL MATTERS**

The Bank has no legal cases involving civil laws in relation to credit client and other banking facility client. The Bank also does not have any criminal case as of 31 December 2012.

Below is the report of litigation case for year 2012

Legal Matters	Number	
	Disputes	Crimes
Settled (permanent settlement)	0	0
In settlement process	0	0
Total	0	0

**XV. CONFLICT OF INTEREST**

The Bank's exercises prudent management via its code of conduct and policies, particularly in the prevention of conflict of interest and segregation of functions, which are important aspects of its management policy.

The Bank's general policies with regards to the Conflict of Interest are as follows:

- All staff should observe high standards of integrity and fair dealing. Staff should serve the interest of customers with professionalism, diligence, neutrality and discretion, avoiding potential conflicts of interest.



- Staff should not place themselves in a position where their own interest could conflict with those of the bank or any of its customers. If such conflict arises, they should ensure fair treatment to all customers by disclosure or declining to act.

**XVI. BUY BACK OF STOCKS AND BONDS**

During 2012, the Bank did not exercise any buy back of shares or bonds.

**XVII. PROVISION OF FUND FOR SOCIAL AND POLITICAL ACTIVITIES**

The Bank did not undertake any sponsorship for social and political activities in 2012.

**XVIII. BANK'S STRATEGIC PLAN**

Please refer to page 11 of this report under Management Performance for the report on the Bank's Strategy for 2012 and its strategy realization.

**XIX. OTHER INFORMATION**

There was no intervention from shareholders either vis-à-vis the duties performed by the Board of Commissioners, Board of Directors or operations of the Bank.  
Neither internal conflict nor issues coming from remunerations policies were noted.



**SELF ASSESSMENT REPORT ON GOOD CORPORATE GOVERNANCE  
(GCG) IMPLEMENTATION**

Bank Name : Bank BNP Paribas Indonesia  
Position: December 2012

<b>GCG Implementation Self Assessment</b>		
<b>Individual</b>	<b>Rating</b>	<b>Rating Definition</b>
	2	Good
<b>Analysis</b>		
<p>The Bank has implemented GCG properly at all levels of the Bank's organization. The governance structure aspects which consist of the Bank's structure and infrastructure are complete and fulfil the Good Corporate Governance (CGC) regulation. The entire structure of the Bank's governance is already in line with the GCG regulation and there is not any intervention by the shareholders.</p> <p>Similarly with the completeness of the infrastructure, all the structure components already have complete policies and procedures of the Bank and supported by reliable management information system such as the Bank has a policy and procedure regarding Conflict of Interest (the Bank's Code of Ethics, Personal Account Dealing (PAD) Procedure, Gift &amp; Entertainment, Chinese Walls); Compliance Manual; Internal Audit Guidelines, Comprehensive Risk Management Guidelines, Credit Risk Policy, Market and Liquidity Risks Policy, Operational Risk Policy, etc. Meantime there is not any negative factor in the aspects of the governance structure.</p> <p>The aspects of the governance process at all factors in the implementation of the GCG Self Assessment have fulfilled the regulation determined in the GCG Self Assessment, such as:</p> <ul style="list-style-type: none"> <li>a) The Board of Commissioners has carried out its duties and responsibilities independently and there is not any intervention from the owner to the implementation of the Board of Commissioners' duties.</li> <li>b) The Directors have managed the Bank according to the authority and responsibility as stated in the Articles of Association and the prevailing law and regulations, the Directors are fully responsible for the implementation of the Bank's management.</li> <li>c) All Committees have carried out their functions according to the regulation determined in the GCG. Similarly with other Units such as Compliance, Risk Management Unit, SKAI, etc. which have carried out their duties and obligations as regulated in Bank Indonesia regulation.</li> <li>d) The Board of Commissioners and Directors have carried out their duties and responsibilities related to the implementation of the external audit function and the risk management implementation including the internal control.</li> </ul> <p>There is not any negative factor found in the implementation of the governance process aspects.</p> <p>The result of the GCG implementation process supported by adequate structure and infrastructure produces very good quality of governance outcome as reflected such as:</p> <ul style="list-style-type: none"> <li>a) The Bank is very transparent in presenting and submitting the reports such as the submission of the annual reports to all parties determined by Bank Indonesia, inclusion of the financial reports in the Bank's homepage in timely basis including the publication of the financial reports in the newspaper.</li> <li>b) There are minutes of meeting of each meeting of the Commissioners, Directors and Committees which are informed to all meeting participants and well administered.</li> <li>c) The Bank always complies with Bank Indonesia regulations and the prevailing law and regulations as reflected in the accuracy of the submission of the various reports to Bank Indonesia and the compliance of the Bank's commitments to Bank Indonesia. In 2012 all the Bank's commitments to Bank Indonesia have been fulfilled according to the determined time target.</li> <li>d) So far there has not been an dispute between the customers and the Bank.</li> <li>e) There is an increase of lending to companies in Indonesia and the increase of cash management and trade finance activities. Meantime, the Bank's earnings and capital meet with Bank Indonesia requirements.</li> </ul>		

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## Curriculum Vitae

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### President Commissioner

#### **Jean-Pierre BERNARD**

Born on March 23rd, 1949 in Paris, France  
French nationality.

#### **Education**

Bachelor of Science, Business Administration, Babson College, Wellesley, MA, USA.

#### **Experience**

Present	President Commissioner PT Bank BNP Paribas Indonesia, Regional Head for South-East Asia and CEO, BNP Paribas Singapore.
Sep 2002 - Jun 2004	Deputy Head of Corporate and Financial Institutions, Head of International Network, Member of Corporate and Investment Banking Executive Committee, BNP Paribas Paris, France
Sep 2001 - Sep 2002	Global Head of Corporate Banking & Head of Europe, BNP Paribas, Paris, France.
Sep 1998 - Aug 2001	Deputy Head for North America, and Head of Corporate Banking, BNP/BNP Paribas New York, USA
Sep 1995 - Aug 1998	Global Head of Correspondent Banking, BNP Paris, France.
Jul 1990 - Aug 1995	General Manager for Western USA, BNP San Francisco, USA
Jun 1985 - Aug 1990	Deputy General Manager for South-East Asia, BNP Singapore
Jun 1982 - Jun 1985	Branch Manager, BNP Los Angeles, USA.
Jul 1978 - May 1982	Internal Auditor, BNP Paris, France
Mar 1973 - Jun 1978	Head of Credit Department, BNP Sydney, Australia

### Independent Commissioner

#### **Soebowo MUSA**

Born on 15 February 1962 in Semarang, Indonesia  
Indonesian nationality.

#### **Education**

1982 – 1984	Bachelor of Electrical Engineering, Polytechnic University, Brooklyn, New York, USA
1984 – 1986	Master of Electrical Engineering, majoring in Signal Process and Communication System, Polytechnic University, Brooklyn, New York, USA
1988 – 1990	Master of Finance and Bisnis Internasional

#### **Experience**

Present	Independent Commissioner of PT Bank BNP Paribas Indonesia
Mar 2004 - present	CEO of PT. Kiran Resources Indonesia
Dec 1999 - Feb 2004	Advisor to the Chairman Office, Banking Development Area – Badan Penyehatan Perbankan Nasional, Jakarta, Indonesia
Jun 2000 - Dec 2002	Commisioner - PT. Bank Niaga Tbk, Jakarta, Indonesia
May 1998 - Dec 1999	Head of Trade Structured Finance - PT. Cargill Indonesia, Jakarta, Indonesia
Jan 1994 - May 1998	Director of PT. ABS Finance Indonesia, Jakarta, Indonesia
1994 - 1994	Senior Banking Officer, Bank of Tokyo Ltd, Jakarta, Indonesia
1990 - 1991	Associate, Bank of Tokyo Trust Co., New York, USA





**Independent Commissioner**

**Chris KANTER**

Born on 25 April 1952 in Manado, Indonesia  
Indonesian nationality.

**Education:** Faculty of Engineering, University of Trisakti, Jakarta

**Experience**

May 2011 – Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Independent Commissioner
Jun 2010 – Present	Government of Republic of Indonesia	Expert team, Joint Study Group on Long Term Vision for Trade and Investment Cooperation Indonesia – European Union, Ministry of Trade
May 2010 - Present	Government of Republic of Indonesia	National Economic Committee / <i>Komite Ekonomi Nasional</i> , Perpres No. 31/2010
Jan 2010 – Present	Government of Republic of Indonesia	Committee on Investment in Business Community, Investment Coordinating Board / <i>Komite Penanaman Modal Bidang Hubungan Dunia Usaha, Badan Koordinasi Penanaman Modal</i>
1999 – May 2011	PT KN Sigma	President Director
1999 – May 2011	PT Unggul Cipta Trans	President Director
2009 – Present	PT Indosat Tbk	Board of Commissioner
2009 – Present	FIATA, Asia Pacific (“Federation Internationale des Associations de Transitaires et Assimiles)	Chairman
2005 – Present	FIATA, Head Office Swiss	Vice President FIATA
2000 – Present	Swiss German University Foundation, Jakarta, Indonesia	Board of Trustees, Swiss German University, Indonesia
2009 – Present	Government of Indonesia	Coordination Team on Handling Constraints of Industry and Trade, Ministry of Economy / <i>Tim Koordinasi Penanganan Hambatan Industri dan Perdagangan, Menko Perekonomian</i>
2007 – Present	Government of Indonesia	External Observation Team on Implementation of Acceleration and Empowerment of Real Sector of Small & Medium enterprises, Ministry of Economy / <i>Tim Eksternal Pemantau Pelaksanaan Kebijakan Percepatan Pengembangan Sektor Riil dan Pemberdayaan Usaha Mikro, Kecil dan Menengah, Menko Perekonomian</i>
2007 – 2009	Government of Indonesia	External Observation Team on Implementation on Imporvement of Investment Climate Policy Package, Ministry of Economy / <i>Tim Eksternal Pemantau Pelaksanaan Paket Kebijakan Perbaikan Iklim Investasi, Menko Perekonomian</i>
2008	Government of Indonesia	Organization Committee Chairman of Presidential Lecture Featuring Bill Gates
2006 – 2007	Government of Indonesia	External Observation Team on Implementation on Improvement of Investment Climate Policy Package, Ministry of Economy / <i>Tim Eksternal Pemantau Pelaksanaan Paket Kebijakan Perbaikan Iklim Investasi, Menko Perekonomian</i>
2006	Government of Indonesia	Organization Committee Chairman Indonesia Infrastructure, 2006 – Conference and Exhibition
2005	Government of Indonesia	Coordination Team on Improvement of Export and Import Goods Flow / <i>Tim Koordinasi Peningkatan Kelancaran Arus Barang Ekspor dan Impor</i>
2005	Government of Indonesia	Organization Committee Chairman Asia-Africa Summit 2005
2009 – Present	EKONID	Advisory Board of EKONID (Indonesia-German Association)
2007 – 2009	EKONID	President EKONID (Indonesia – German Association)
1998 – 2002	MPR RI	Member
2003 – Present	GAFEKSI	Board of Trustees INFA
1989 - 2003	GAKEKSI	Chairman INFA (for 3 terms/period)
1992 – 1995	HIPMI	Honorary Board
1989 – 1992	HIPMI	Board of Trustees
1983 – 1989	HIPMI	Chairman
2009 – 2010	KADIN Indonesia	Vice Chairman (Investment & Transportation Sector) / <i>Wakil Ketua Umum (Bidang Investasi &amp; Transportasi)</i>
2004 – 2009	KADIN Indonesia	Vice Chairman (Investment, Transportation, Information & Communication and Tourism Sector) / <i>Wakil Ketua Umum (Bidang Investasi, Transportasi, Informatika &amp; Telekomunikasi dan Pariwisata)</i>
1999 – 2004	KADIN Indonesia	Vice Chairman (Communication Sector) / <i>Wakil Ketua Umum (Bidang Perhubungan)</i>
1994 – 1999	KADIN Indonesia	Vice Chairman (Communication Sector) / <i>Wakil Ketua Umum (Bidang Perhubungan)</i>



**President Director**

***Kamarulzaman Bin Mohamed OSMAN***

Born on 14 December 1970, in Singapore.  
Singapore nationality.

**Education**

2001	Securities Institute of Australia – Graduate Diploma
1991-1993	University of Western Australia – Bachelor degree

**Experience**

Present	President Director PT Bank BNP Paribas Indonesia.
Sep 2006 – May 2009	Senior Banker Coverage – PT Bank BNP Paribas Indonesia
Apr 2002 – Sep 2006	VP Coverage – BNP Paribas Australia
Dec 2000 – Jan 2002	Senior Project Manager – Credit Lyonnais Securities, Singapore
Aug 1998 – Dec 2000	Senior Corporate Analyst – BNP Australia
Aug 1995 – Aug 1998	Business Lending Officer – National Australia Bank, Australia
Mar 1994 – Aug 1995	Securities Officer – Westpac Banking Corporation, Australia

**Compliance Director**

***Maria ABDULKADIR***

Born on 06 May 1964, in Bandung, Indonesia.  
Indonesian nationality.

**Education**

Graduated from Faculty of Physics, Institute Technology Bandung

**Experience**

Present	Director of Compliance PT Bank BNP Paribas Indonesia.
May 2000 - 2006	Compliance Division – Lippobank Head Office, Senior Manager/ Division Head
Mar 1999 – May 2000	System & Regulatory Compliance Audit Group – Lippobank Head Office
Jan 1998 – Mar 1999	Audit Service Group – Lippobank Head Office, Manager/ Information System Auditor
Nov 1991 – Jan 1998	Audit Service Group – Lippobank Head Office, Manager/ Operation, Finance & Credit Auditor
Aug 1990 – Oct 1991	Lippobank Asian Office – Central Java

**Director**
***Setio SOEJANTO***

Born on 06 January 1968 in Jakarta, Indonesia  
 Indonesian nationality.

**Education**

Graduated from Business Administration, University of San Francisco, San Francisco, USA

**Experience**

Present	Director at PT Bank BNP Paribas Indonesia
Jul 2005 - 2008	Head of ALM Treasury – PT Bank BNP Paribas Indonesia, Jakarta
Jan 2003 – Jul 2005	Head of Treasury – PT Bank Chinatrust Indonesia, Jakarta
Jan 2002 – Dec 2002	Deputy Head of Treasury – PT Rabobank International Indonesia, Jakarta
Jan 1998 – Dec 2001	Assistant Vice President Treasury – PT Rabobank International Indonesia, Jakarta
Jun 1991 – Jan 1998	Assistant Manager Treasury – PT Rabobank International Indonesia, Jakarta
Mar 1991 – Jun 1991	Foreign Exchange & Money Market Dealer – PT Rabobank International Indonesia, Jakarta

**Head of Operation**
***Juswanhadi PITONO***

Born on 28 July 1967 in Jakarta, Indonesia  
 Indonesian nationality.

**Education**

Bachelor of Anthropology, University of Padjajaran, Bandung – West Java

**Experience**

8 July 2010 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Operation
June 2005 – 7 July 2010	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	AVP, Operation
Dec 2000 – Dec 2005	Bank OCBC, Indonesia Jakarta, Indonesia	Operation Officer
Oct 1996 – March 1999	PT Bank Mashill Utama, Indonesia, Jakarta, Indonesia	Asst Manager Product Development and Consumer Banking
April 1996 – Oct 1996	PT Bank Mashill Utama, Indonesia, Jakarta, Indonesia	Asst Manager Jakarta Clearing Centralisation
Sep 1993 – April 1996	PT Bank Mashill Utama, Indonesia, Jakarta, Indonesia	Asst Manager Operations
1992 – Sep 1993	PT Bank Mashill Utama, Indonesia, Jakarta, Indonesia	Management Trainee, Batch 1

## Curriculum Vitae

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### **Head of Risk Management**

***Imbang Perdana SATRYAWAN***

Born on 13 January 1978 in Payakumbuh  
 Indonesian nationality.

### **Education**

Master of Business Administration, School of Business and Management – Institut  
 Teknologi Bandung  
 Bachelor Accounting, University of Padjajaran, Bandung – West Java

### **Experience**

Aug 2012 – now	PT Bank BNP Pariba Indonesia, Jakarta, Indonesia	Head of Risk Management
July 2011 – Aug 2012	PT Bank ANZ Indonesia, Jakarta, Indonesia	Head of Corporate & Enablement Audit
April 2006 – June 2011	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Internal Audit
2005 - March 2006	PT Bank Maybank Indocorp Jakarta, Indonesia	Head of Internal Audit
2002 - 2004	PT. Asuransi Jiwa Manulife Indonesia / Manulife Financial Jakarta, Indonesia	Internal Audit Assistant Manager
1999 - 2002	Deloitte Touche Tohmatsu / Hans Tuankotta Mustofa Jakarta, Indonesia	Senior Auditor / Associate Consultant
1999	Drs. Moh Mansur & Co, Registered Public Accountant Bandung , West Java	Junior Auditor
1997 - 1999	Faculty of Economy, University Padjajaran	Assistant Lecturer for Subject Principle Accounting, Intermediate Accounting, Advance Accounting, and Cost Accounting

**Head of Human Resources and General Affairs**
***Azmah KASMY***

Born on 24 September 1965 in Jakarta, Indonesia  
 Indonesian nationality.

**Education**

Associate Degree in Accounting, Strayer College, Arlington, Virginia – USA

**Experience**

Aug. 2007 – Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Human Resources and General Affairs
Sept. 2005 – July 2007	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Finance & Control Officer
Jan. 2000 – Sept. 2005	PT Bank BNP Paribas Indonesia Jakarta, Indonesia	Human Resources and General Affairs Officers
Dec. 1989 – Dec. 1999	PT Bank BNP Lippo Indonesia Jakarta, Indonesia	Human Resources and General Affairs supervisor
Oct. 1986 – Nov. 1989	Association of South East Asian Nations (ASEAN), Jakarta, Indonesia	General Affairs staff.

**Head of Fixed Income**
***Winy Janti TIJONO***

Born on 26 May 1971 in Jakarta, Indonesia  
 Indonesian nationality.

**Education**

Master in Applied Finance, Macquarie University, Sydney, Australia  
 Bachelor in Economics, Parahyangan Catholic University, Bandung, Indonesia

**Experience**

Dec. 2011 - now	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Fixed Income and ALM
2005 – Dec. 2011	PT UBS Securities Indonesia, Jakarta, Indonesia	Executive Director – Head of Fixed Income Indonesia
2000 - 2005	PT Deutsche Securities Indonesia Jakarta, Indonesia	President Director
1996 - 2000	Deutsche Bank, Jakarta, Indonesia	Head of Institutional and Corporate Client Group
1996	Klein Benson / Mashill Jaya Securities, Jakarta, Indonesia	Assistant Manager Corporate Finance / Analyst
1993 - 1994	Sumitomo Leasing Co. / Summit Sinar Mas Finance Jakarta, Indonesia	Accounting Officer

**Head of Global Transactional Banking**
***Sharad KUMAR***

Born on 4<sup>th</sup> February 1960 in Agra, India.  
 Indian nationality.

**Education**

- Bachelor of Science, St. John's College, Agra, India
- Master of Science, St. John's College, Agra, India

**Experience**

Oct. 2011 – Present	PT Bank BNP Paribas Indonesia, Indonesia	Head of Global Transaction Banking
2008-Sep. 2011	BNP Paribas, India	Associate Director and Deputy Head – Cash Management based at Mumbai branch
2005-2007	BNP Paribas, India	Vice President and Deputy Head – Cash Management based at Mumbai branch
2001-2004	BNP Paribas, India	Senior Sales Manager – Cash Management based at Mumbai branch
2000- 2001	Corporation Bank, India	Branch Head of Ahmadabad branch
1996-2000	Corporation Bank, India	Head of the Sales team of Mumbai branch
1992-1996	Corporation Bank, India	Branch Manager, Cash Management Branch, Delhi, India
1990 - 1992	Corporation Bank, India	Marketing Officer, Delhi.
1985 - 1990	Corporation Bank, India	Officer, Delhi.

**Head of Internal Audit**
***Yulianawati CHANDRA***

Born on 8 July 1973 in Mentok (Bangka), Indonesia  
 Indonesian nationality.

**Education**

Bachelor Degree in Economy, University of Trisakti, Jakarta, Indonesia

**Experience**

August 2011 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Internal Audit
Jan. 2010 – Aug. 2011	PT Bank Bank of China, Jakarta, Indonesia	VP Internal Audit
Jul. 1999 – Dec. 2009	PT. Bank UOB Indonesia, Jakarta, Indonesia	Assistant Manager Internal Audit
Feb 1995 – Jul. 1999	Prasetio Utomo & Rekan (Ernest & Young), Jakarta, Indonesia	Supervisor

**Head of Legal**
***Rosuin HAMRA***

Born on 14 November 1968 in Medan, Indonesia  
 Indonesian nationality.

**Education**

Bachelor of Law – Civil Law, University of Indonesia, Jakarta

**Experience**

Oct 2008 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Legal
Jan 2008 - Sept 2008	PT Bank UOB Indonesia Jakarta, Indonesia	Legal Manager
Aug 1999 - Nov 2007	PT Bank Rabobank International Indonesia Jakarta, Indonesia	VP, Head of Legal
Sep 1997 - Aug 1999	PT Credit Agricole Indosuez Jakarta, Indonesia	Legal Manager
Sept 1994 – Aug 1997	PT UOB Indonesia. Jakarta, Indonesia	Sr. Legal Officer
May 1992 – Aug 1994	PT Bank Central Asia. Jakarta, Indonesia	Legal Officer
June 1989 – April 1992	PT. United Yohary Aviation, Indonesia	General Affairs

**Head of Information Technology**
***Hafiz HARYADI***

Born on 11 September 1974 in Jakarta, Indonesia  
 Indonesian nationality.

**Education**

Master Degree in Computer Science, Maitrise Informatique, Universite Henri Poincare Nancy 1  
 Nancy, France  
 Bachelor Degree in Computer Science, Licence Informatique, Universite Henri Poincare Nancy 1,  
 France

**Experience**

June 2006 – Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Information Technology
June 2005 - May 2006	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Deputy Head of Information Technology
April 2003 - June 2005	PT. Mitshubishi Jaya Elevator & Escalator Jakarta, Indonesia	Information Technology Coodinator
Dec 2000 - April 2003	Badan Koordinasi Survey dan Pemetaan Nasional (BAKOSURTANAL) Cibinong, Indonesia	Database System and Network Engineer
1999 - December 2000	DMRM Project (PT. BLOM Dantarsa – Bakosurtanal), Jakarta, Indonesia	Database System and Network Engineer



**Head of Finance & Control**

***Tamara M. NASUTION***

Born on 20 September 1966 in Bandung, Indonesia  
Indonesian nationality.

**Education**

Bachelor of Business Administration, Indonesia European University, Jakarta

**Experience**

Jan 2011 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Finance & Control
May 2010 – Dec 2010	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Oversight Operational Control Permanent (2OPC) Officer
July 2007 – April 2010	Standard Chartered Bank, Indonesia Jakarta, Indonesia	Group Reporting Manager
Oct 1998 – Jun 2007	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Finance Officer
Sept 1997 – Sept 1998	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Back Office Officer
Jan 1994 – Aug 1997	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Accounting Supervisor
July 1992 – Dec 1993	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Operations Clerk





**Laporan Keuangan yang telah diaudit oleh Akuntan Publik**  
***Audited Financial Statement***

Pada halaman-halaman berikut ini kami lampirkan Laporan Keuangan serta Internal Control Memorandum PT. Bank BNP Paribas Indonesia pada dan untuk tahun yang berakhir pada 31 Desember 2012 dan 2011, yang telah diaudit oleh Kantor Akuntan Publik Osman Bing Satrio & Eny.

**(Harap membuka Laporan Keuangan dalam format Pdf yang terlampirkan dalam CD ini)**

*In the next pages we attach the Financial Statements and Internal Control Memorandum of PT Bank BNP Paribas Indonesia as at and for the years ended 31 December 2012 and 2010 which has been audited by Public Accountant Office Osman Bing Satrio & Eny.*

**(Please open the Financial Statements in Pdf format attached to this CD)**