



06.

TATA KELOLA PERUSAHAAN

Corporate Governance





Pendahuluan

Foreword

Commonwealth Bank meyakini bahwa Tata Kelola Perusahaan yang Baik (*Good Corporate Governance* / GCG) merupakan pondasi untuk keberlanjutan. Dengan menerapkan tata kelola yang baik, maka Commonwealth Bank senantiasa terpacu untuk memberikan layanan terbaik, sekaligus meningkatkan kemampuan daya saing. Selain itu, juga mampu menghindari dari berbagai penyimpangan dan pelanggaran yang berdampak buruk bagi jalannya Commonwealth Bank. Di tengah persaingan industri perbankan yang kian ketat, hanya bank dengan tata kelola yang baiklah yang akan bertahan.

Penerapan Tata Kelola Perusahaan yang Baik tak terlepas dari berbagai aturan dan ketentuan yang berlaku di Indonesia. Antara lain, Undang-undang Republik Indonesia No. 10 Tahun 1998 tentang Perubahan atas Undang-undang No. 7 Tahun 1992 tentang Perbankan, Undang-undang Republik Indonesia No. 40 Tahun 2007 tentang Perseroan Terbatas, Peraturan Otoritas Jasa Keuangan (OJK) No.55/POJK.03/2016 tentang Penerapan Tata Kelola bagi Bank Umum, Surat Edaran OJK No.13/SEOJK03/2017 perihal Penerapan Tata Kelola bagi Bank Umum.

Merujuk pada aturan dan ketentuan itu, Dewan Komisaris, Direksi dan seluruh karyawan Commonwealth Bank berkomitmen penuh mengelola bisnis dengan mengikuti prinsip-prinsip Transparansi, Akuntabilitas, Tanggung Jawab, Independensi dan Kewajaran. Untuk menguji pelaksanaan tata kelola, Commonwealth Bank secara rutin melakukan *self-assessment* komprehensif. *Assessment* sesuai 11 (sebelas) aspek evaluasi dalam memantau dan mengevaluasi hasil implementasi, menetapkan rencana aksi, dan mengambil tindakan perbaikan yang diperlukan.

Commonwealth Bank believes that Good Corporate Governance (GCG) is the foundation for sustainability. By implementing good governance principles, Commonwealth Bank is always pushing itself to provide the best in services while also increasing its ability to compete. In addition, doing so also allows the bank to avoid a variety of transgressions and violations that have negative impacts on its journey. In the midst of an increasingly competitive banking environment, only banks with good corporate governance can survive.

The Implementation of Good Corporate Governance cannot be separated from the numerous rules and regulations that apply in Indonesia. They include Law No. 10/1998 on Changes to Law No. 7/1992 on Banking, Law No. 40/2007 on Limited Liability Companies, Financial Services Authority (FSA) Regulation No. 55/POJK.03/2016 on Implementation of Governance for Commercial Banks, and FSA Circular Letter No. 13/SEOJK03/2017 on Implementation of Corporate Governance for Commercial Banks.

In reference to these Rules and Regulations, Commonwealth Bank's entire Board of Commissioners, Board of Directors and employees have expressed their full commitment to managing businesses in ways that follow the principles of Transparency, Accountability, Responsibility, Independence and Fairness. In order to evaluate its implementation of governance principles, Commonwealth Bank has routinely conducted comprehensive self-assessments. These assessments are based on 11 (eleven) different evaluation criteria that monitor and examine the results of its GCG implementation. In addition, these assessments also establish plans for action and administer any necessary corrective measures.

Prinsip-prinsip GCG

GCG Principles

Secara umum, Commonwealth Bank menerapkan prinsip-prinsip dasar GCG yang mencakup

In general, Commonwealth Bank implements basic GCG principles that encompass transparency,

transparency, accountability, responsibility, independency dan fairness (TARIF). Penerapan prinsip-prinsip GCG dilakukan secara menyeluruh, baik internal maupun eksternal Bank. Commonwealth Bank meyakini, dengan penerapan prinsip-prinsip GCG tersebut akan menjamin terciptanya keseimbangan bisnis secara menyeluruh, baik bisnis maupun sosial, individu dengan kelompok, *internal* juga eksternal, jangka pendek dan jangka panjang serta kepentingan shareholders dan stakeholders.

accountability, responsibility, independence and fairness (TARIF). The implementation of GCG principles is done comprehensively, whether internally or externally in regard to the Bank. Commonwealth Bank believes that the implementation of GCG principles will guarantee the existence of balance for business on the whole, whether for groups, individuals from groups, internally, externally, within the short term, the long-term, and for shareholders and stakeholders.

Dasar Acuan Pelaksanaan

Basic References for the Implementation

Dalam pelaksanaan tata kelola yang baik, Commonwealth Bank mengacu kepada berbagai peraturan perundang-undangan antara lain:

1. Peraturan Otoritas Jasa Keuangan (POJK) No.55/POJK.03/2016 tentang Penerapan Tata Kelola Bagi Bank Umum;
2. Surat Edaran OJK No.13/SEOJK03/2017 perihal Penerapan Tata Kelola Bagi Bank Umum;
3. Peraturan OJK No 18/POJK.03/2014 tanggal 18 November 2014 berikut Surat Edaran OJK tentang Penerapan Tata Kelola Terintegrasi bagi Konglomerasi Keuangan;
4. POJK No.45/POJK.03/2015 Tentang Penerapan Tata Kelola Dalam Pemberian Remunerasi Bagi Bank Umum;
5. SE OJK No.40/POJK.03/2016 Tentang Penerapan Tata Kelola Dalam Pemberian Remunerasi Bagi Bank Umum;
6. POJK No. 04/POJK.03/2016 perihal Penilaian Tingkat Kesehatan Bank Umum;
7. Pedoman Umum GCG Indonesia dan GCG Perbankan Indonesia oleh Komite Nasional Kebijakan Governance (KNKG).

In implementing principles of Good Corporate Governance, Commonwealth Bank uses a number of rules and regulations as reference. They include:

1. Financial Services Authority (FSA) Regulation No. 55/POJK.03/2016 on Implementation of Governance for Commercial Banks;
2. FSA Regulation No.13/SEOJK03/2017 on the Implementation of Corporate Governance for Commercial Bank;
3. FSA Regulation No. 18/POJK.03/2014 dated on 18 November 2014 and the FSA Circular Letter on the Implementation of Integrated Governance for Financial Conglomerations;
4. FSA Regulation No. 45/POJK.03/2015 on the Implementation of Governance in Providing Remuneration for Commercial Banks;
5. FSA Circular Letter No. 40/POJK.03/2016 on the Implementation of Governance in Providing Remuneration for Commercial Banks;
6. FSA Regulation No. 04/POJK.03/2016 on Ratings for Commercial Banks;
7. The General Guidelines for GCG in Indonesia and GCG for Indonesian banks by the National Committee on Governance Policy (KNKG).

Arti Penting GCG

The Importance of GCG

GCG memiliki arti yang sangat penting bagi Commonwealth Bank. Terdapat sejumlah manfaat yang sangat besar ketika prinsip-prinsip GCG dapat diterapkan dengan baik, yang intinya dapat dikelompokkan menjadi 4 (empat), yaitu:

1. Meningkatkan kinerja melalui terciptanya proses pengambilan keputusan yang lebih baik, meningkatkan efisiensi operasional perusahaan serta lebih meningkatkan pelayanan kepada stakeholders. Dengan membangun GCG akan dapat memperbaiki kinerja Bank serta menciptakan Bank yang berhasil yang akan membentuk keunggulan komparatif. Karena dengan GCG maka manajemen Bank akan berjalan dengan baik, efisiensi akan berjalan dan pada akhirnya meningkatkan kepuasan para stakeholders. Hal ini berkaitan pula dengan pembentukan citra yang baik dari Perseroan. Lebih dari itu, prinsip-prinsip GCG memiliki arti yang begitu penting bagi Perseroan dalam rangka mewujudkan sebuah *sustainable company*. GCG akan menuntun Perseroan kearah keunggulan kompetitif yang pada gilirannya memberikan kontribusi positif pada perkembangan ekonomi dan menjamin kelanggungan kemakmuran yang akan dinikmati rakyat banyak.
2. Meningkatkan corporate value. Dengan dilakukannya praktik GCG akan dapat meningkatkan nilai (*value*) Perseroan melalui peningkatkan kinerja keuangan dan mengurangi risiko yang memungkinkan dilakukan oleh manajemen dengan keputusan yang menguntungkan diri sendiri. Prinsip-prinsip GCG akan mendorong *value driver* untuk bekerja secara lebih baik karena Perseroan dikelola atas dasar *best practice* yang kemudian akan meningkatkan nilai sebuah Bank (*Value Creation*).
3. Meningkatkan kepercayaan investor. Praktik GCG yang dapat dijalankan dengan baik akan dapat meningkatkan kepercayaan investor dan sebaliknya pelaksanaan GCG yang buruk akan menurunkan tingkat kepercayaan mereka. GCG menjadi perhatian utama para investor menyamai kinerja finansial dan potensi pertumbuhan, khususnya bagi pasarspasar yang sedang berkembang (*emerging markets*). Para investor cenderung menghindari perusahaan-perusahaan yang buruk dalam penerapan GCG yang dipandang sebagai kriteria kualitatif penentu.

GCG has a very important meaning for Commonwealth Bank. There are a number of very significant benefits for properly implementing GCG principles. These benefits can be divided into 4 (four) categories. They are:

1. *Improving work performance through the existence of an improved decision-making process, increasing the company's operational efficiency and improving services to stakeholders. Through the building of GCG, the Bank's work performance will improve and result in a successful Bank that can form a competitive advantage. Through GCG, the Bank's management will run more smoothly, there will be more efficiency, and satisfaction for stakeholders will increase. This is related to the creation of a better image from the Company. Moreover, the principles of GCG have an important meaning for the Company in its desire to create a sustainable company. GCG will guide the Company in the direction of a competitive advantage that can provide a positive contribution for the development of the economy and guarantee continued prosperity that many people can enjoy.*
2. *Increasing corporate value. Practicing GCG allows the value of the Company to increase through the raising of financial performance and through the reduction of potential risks that can be made by the management that only benefit themselves. The GCG principles are a value driver for better work performance, as they allow the Company to be managed on the basis of best practices that can then serve as value creation for the Bank.*
3. *Improving trust from investors. Proper implementation of GCG can improve the trust that investors have in you, while poor implementation of GCG will reduce their trust in you. GCG has become a central focus point for investors that is on the same level as financial performance and growth potential, especially for emerging markets. Investors tend to avoid companies that have poor implementation of GCG. For them, the implementation of GCG is considered a determining qualitative criterion.*



4. Pemegang saham akan merasa puas dengan kinerja Bank yang selanjutnya akan meningkatkan *shareholders value*. GCG dibutuhkan untuk meningkatkan kinerja Bank dengan tujuan akhir yaitu tercapainya *stakeholder satisfaction* yang meliputi *task satisfaction* dan *employee satisfaction*.
4. Shareholders will feel more satisfied with the Bank's work performance, which will result in increased shareholder value. GCG is necessary for improving the Bank's work performance, with the end goal being the achievement of stakeholder satisfaction, which encompasses task satisfaction and employee satisfaction.

Penilaian Tata Kelola Perusahaan

Corporate Governance Evaluation

Memenuhi Peraturan Otoritas Jasa Keuangan No.55/POJK.03/2016 tentang Penerapan Tata Kelola Bagi Bank Umum serta POJK No. 04/POJK.03/2016 perihal Penilaian Tingkat Kesehatan Bank Umum, salah satu poin penilaian tingkat kesehatan Bank adalah penilaian sendiri (*self assessment*) atas pelaksanaan prinsip-prinsip Tata Kelola Perusahaan yang Baik (GCG) pada bank. Pelaksanaan *Self Assessment* tersebut dilakukan secara periodik setiap semester yaitu pada bulan-bulan Juni dan Desember pada tahun berjalan.

Terdapat 11 (sebelas) Faktor Penilaian Pelaksanaan GCG yang tersaji dalam tabel berikut:

When it comes to fulfilling FSA Regulation No. 55/POJK.03/2016 on the Implementation of Good Corporate Governance for Commercial Banks and FSA Regulation No. 04/POJK.03/2016 on Ratings for Commercial Banks, one of the ways a bank can evaluate its own health is through self-assessing its GCG implementation. These self-assessments can be periodically carried out, each semester in June and December.

There are 11 (eleven) Factors for Evaluating the GCG implementation that the Bank has laid out in the following table:

No.	Aspek Penilaian / Evaluation Criteria	Catatan / Notes
1	Kinerja Dewan Komisaris dalam Melaksanakan Tugas dan Tanggung Jawab / <i>Work performance of the Board of Commissioners in carrying out its duties and responsibilities</i>	Jumlah orang dan komposisi anggota Dewan sesuai ketentuan PBI. Dewan mampu membuat keputusan yang independen dan melakukan tugasnya sesuai dengan prinsip-prinsip GCG. Rapat diselenggarakan secara efektif dan efisien. / <i>The number of individuals and the composition of the Board are in accordance with Bank Indonesia regulations. The board is capable of making independent decisions and carrying out their duties in accordance with principles of GCG. Meetings are held effectively and efficiently.</i>
2	Kinerja Direksi dalam Melaksanakan Tugas dan Tanggung Jawab / <i>Work performance of the Board of Directors in carrying out its duties and responsibilities</i>	Kompetensi, integritas dan susunan anggota Direksi telah sesuai dengan kapasitas dan kompleksitas usaha saat ini. Anggota Direksi mampu bertindak dan mengambil keputusan secara internal. Dalam melaksanakan tugasnya, Direksi memenuhi prinsip kepatuhan dan GCG. Rapat diselenggarakan secara efektif dan efisien. / <i>The competence, integrity and composition of the Board of Directors is in accordance with the current capacity and complexity. Members of the Board of Directors are capable of taking action and making decisions internally. In carrying out its duties, the Board of Directors is able to fulfill principles of compliance and GCG. Meetings are held effectively and efficiency.</i>
3	Kekuatan dan Kinerja Komite dalam Melaksanakan Tugas / <i>Competence and work performance of the Committee in carrying out its duties</i>	Komposisi dan kompetensi anggota Komite telah sesuai dengan ketentuan PBI. Rapat Komite telah diselenggarakan dan dihadiri oleh para anggotanya. / <i>The composition and competence of Committee members are in accordance with Bank Indonesia regulations. Committee meetings are held and attended by its members.</i>
4	Mengelola Konflik Kepentingan / <i>Managing conflicts of interest</i>	Segala potensi benturan kepentingan dimitigasi dengan pelaksanaan kebijakan Bank yang tegas, mengikat seluruh karyawan Commonwealth Bank dan pihak lainnya yang bekerja sama dengan Bank. / <i>All potential for conflicts of interest are mitigated through the firm implementation of the Bank's policies. They connect all employees and other parties that work together with the Bank.</i>

No.	Aspek Penilaian / Aspek Penilaian	Catatan / Catatan
5	Pelaksanaan Fungsi Kepatuhan Bank / <i>Implementation of the Bank's compliance function</i>	Dewan Komisaris dan Direksi berkomitmen untuk meningkatkan dan menjaga kepatuhan Bank pada peraturan dan perundangan yang berlaku. Commonwealth Bank menunjuk Direktur Kepatuhan yang lulus Tes <i>Fit and Proper</i> yang diselenggarakan OJK. Fungsi kepatuhan telah ditingkatkan selama tahun ini. / <i>The Board of Commissioners and the Board of Directors are committed to increasing and safeguarding the Bank's compliance to existing rules and regulations. Commonwealth Bank has assigned a Compliance Director who has passed a Fit and Proper Test hosted by the Financial Services Authority. This compliance function has been improved throughout the year.</i>
6	Pelaksanaan Fungsi Audit Internal / <i>Implementation of the Bank's internal audit function</i>	Pelaksanaan Fungsi Audit Internal dilaksanakan dengan baik sesuai Standar Minimum yang ditegakkan SPFAIB. / <i>The implementation of the Bank's internal audit function has been done properly in accordance with the Minimum Standards of the Bank's Internal Audit Function (SPFAIB).</i>
7	Pelaksanaan Fungsi Audit Eksternal / <i>Pelaksanaan Fungsi Audit Eksternal</i>	Pelaksanaan Fungsi Audit Eksternal dilaksanakan dengan baik oleh Akuntan Publik independen yang memenuhi syarat. / <i>The implementation of the Bank's external audit function has been done properly by an independent Public Accountant who has fulfilled all the necessary requirements.</i>
8	Pelaksanaan Fungsi Manajemen Risiko dan Pengendalian Internal / <i>Implementation of Bank's external audit function</i>	Manajemen Risiko akan terus dan tetap mengidentifikasi dan mengelola risiko Bank. Manajemen secara aktif memonitor dan mengendalikan risiko Bank dan mengawasi kebijakan dan prosedur demi menjaga kesehatan kondisi internal Bank. / <i>Risk management continues to identify and manage the Bank's risks. The management actively monitors and controls the Bank's risks, while also overseeing policies and procedures to protect the Bank's internal conditions.</i>
9	Penyediaan Dana pada Pihak Terkait dan Eksposur Besar / <i>Implementation of the Bank's risk management and internal controls function</i>	Pelaksanaan penyediaan dana kepada pihak terkait dan penyediaan dana besar, termasuk di antaranya proses pengambilan keputusan, dilakukan sesuai kepatuhan terhadap Peraturan Bank Indonesia tentang Batas Maksimum Pemberian Kredit. / <i>The channeling of funds to relevant parties and the provision of large funds has been done in accordance with Bank Indonesia regulations on the maximum limits allowed for the lending of credit.</i>
10	Transparansi Kondisi Keuangan dan Non-Keuangan Bank, Laporan Pelaksanaan Good Corporate Governance dan Laporan Internal / <i>Transparency of the Bank's financial and non-financial conditions, reports on the implementation of GCG, and internal reports</i>	Laporan keuangan dan non-keuangan Bank disampaikan kepada publik secara transparan dan dapat diakses dengan mudah oleh para pemangku kepentingan melalui berbagai media dan situs Bank. Laporan pelaksanaan Good Corporate Governance dilaporkan secara tepat waktu dan sesuai dengan ketentuan PBI. Sistem Manajemen Informasi terkait Laporan internal dilaksanakan terus-menerus dan diperbaiki secara bertahap guna memberikan informasi yang tepat waktu, akurat dan lengkap. / <i>The Bank's financial and non-financial reports have been delivered to the public in a transparent manner and can be easily accessed by different stakeholders through a variety of media and the Bank's website. The Bank's report on its implementation of GCG has been reported in a timely manner that is in accordance with Bank Indonesia regulations. The information management system related to the internal report is carried out continuously and is improved upon step by step in order to provide information that is timely, accurate and comprehensive.</i>
11	Rencana Strategis Bank / <i>The Bank's strategic plans</i>	Rencana strategis Bank telah disusun dan disetujui oleh Dewan Komisaris dan disampaikan kepada OJK. Rencana ini menjadi pedoman dalam melaksanakan bisnis perbankan. / <i>The Bank's strategic plans have been arranged and approved by the Board of Commissioners, and have been presented to the Financial Services Authority. These plans have become guidelines for the Bank as it conducts business.</i>

Penilaian sendiri ini dimaksudkan untuk memetakan kekuatan dan kelemahan pelaksanaan GCG di Commonwealth Bank yang ditinjau dari 3 (tiga) aspek yaitu:

1. Governance Structure
2. Governance Process
3. Governance Outcome

This evaluation process is designed to map Commonwealth Bank's strengths and weaknesses the following 3 (three) areas of GCG implementation:

1. Governance Structure
2. Governance Process
3. Governance Outcome

Berdasarkan ketiga aspek penilaian tersebut, melalui *self assessment* GCG pada tahun 2016, Commonwealth Bank telah menetapkan skor implementasi pelaksanaan GCG sebagai berikut:

Faktor Penilaian GCG / GCG Evaluation Factor	Jun 2013 / Jun 2013	Des 2013 / Dec 2013	Jun 2014 / Jun 2014	Des 2014 / Dec 2014	Jun 2015 / Jun 2015	Des 2015 / Dec 2015	Jun 2016 / Jun 2016	Des 2016 / Dec 2016	Tren / Trend
	2	2	2	2	2	2	2	2	Stabil / Stable

Based on evaluations of these three grading criteria, through GCG self assessment in 2016, Commonwealth Bank has set the following score for its GCG implementation.

Struktur dan Mekanisme GCG

GC^G Structure and Mechanism

Struktur GCG

Sesuai Undang-undang Nomor 40 Tahun 2007 tentang Perseroan Terbatas, organ perseroan Commonwealth Bank terdiri atas Rapat Umum Pemegang Saham, Direksi, dan Dewan Komisaris. Dalam pelaksanaan tugasnya, Dewan Komisaris dibantu oleh Komite-komite dibawah Dewan Komisaris yakni Komite Audit, Komite Pemantau Risiko dan Komite Nominasi dan Remunerasi. Dalam pelaksanaan tugasnya, Direksi dibantu oleh Unit-unit kerja dibawah Direksi dalam sebuah struktur organisasi yang telah dikaji secara seksama. Setiap Organ Perseroan saling menghormati fungsi dan tugas masing-masing.

GC^G Structure

In accordance with Law No. 40/2007 on Limited Liability Companies, the Organs of Commonwealth Bank as a company are composed of the General Meeting of Shareholders, the Board of Directors and the Board of Commissioners. In carrying out its duties, the Board of Commissioners has the aid of committees underneath its command, which are the Audit Committee, the Risk Oversight Committee and the Nomination and Remuneration Committee. In carrying out its duties, the Board of Directors has the aid of work units underneath its command within an well-reviewed organisational structure. Each organ of the Company respects the duties and tasks of the other.

Mekanisme GCG

Mekanisme GCG dijalankan dengan pembuatan berbagai kebijakan dan *standard operating procedure* (SOP) yang dijalankan dengan penuh komitmen dan konsisten. Commonwealth Bank juga memiliki mekanisme pelaporan pelanggaran (*whistleblowing system*) sebagai sarana pelaporan bagi pihak internal dan eksternal jika menemukan pelanggaran di lingkup Commonwealth Bank.

GC^G Mechanism

The mechanisms of GCG are carried out through the creation of policies and standard operating procedures executed in a committed and consistent manner. Commonwealth Bank also has a whistle-blowing system available as a means to submit reports about internal or external parties suspected of violations within the jurisdiction of Commonwealth Bank.

Rapat Umum Pemegang Saham (RUPS)

General Meeting of Shareholders (GMS)

Rapat Umum Pemegang Saham, yang selanjutnya disebut RUPS, adalah Organ Perseroan yang mempunyai wewenang yang tidak diberikan kepada Direksi atau Dewan Komisaris dalam batas yang ditentukan dalam Undang-Undang ini dan/atau anggaran dasar. Selama 2016, Commonwealth Bank mengambil keputusan RUPS sebanyak 7 kali, seperti tercantum dalam Akta Notaris berikut:

General Meeting of Shareholders, hereinafter referred to as GMS, is the Company's organ holding the authority not granted to the Board of Directors or the Board of Commissioners as stipulated in the Law and/or Articles of Association. In 2016, Commonwealth Bank issued GMS resolutions seven (7) times, as listed in the following Notary Deeds:

No. / No.	Nomor Keputusan RUPS / GMS Resolution Number	Nomor Tanggal Akta / Deed Number, Date	Ringkasan Keputusan / Decision Summary
1	20 Januari 2016 / 20 January 2016	No.2 tanggal 4 Februari 2016 / No.2 dated 4 February 2016	<ul style="list-style-type: none"> a. Berakhirnya jabatan Tuan Antonio Da Silva Costa sebagai Presiden Direktur. / Office termination of Mr. Antonio Da Silva Costa as President Director. b. Pengangkatan Nyonya Lauren Sulistiawati sebagai Presiden Direktur. / Appointment of Ms. Lauren Sulistiawati as President Director.
2	19 Mei 2016 / 19 May 2016	No.6 tanggal 15 Juni 2016 / No.6 dated 15 June 2016	<ul style="list-style-type: none"> a. Pengangkatan Nyonya Rustini Dewi sebagai Direktur. / Appointment of Ms. Rustini Dewi as Director. b. Pengangkatan Nyonya Ida Apulia Simatupang sebagai Direktur. / Appointment of Ms. Ida Apulia Simatupang as Director.
3	28 Juni 2016 / 28 June 2016	No.3 tanggal 21 Juli 2016 / No.3 dated July 2016	<ul style="list-style-type: none"> a. Menyetujui laporan tahunan perusahaan untuk tahun yang berakhir pada tanggal 31 Desember 2015 / Approving the Company's Annual Report for the year ending on 31 December 2015 b. Mengesahkan laporan keuangan perseroan untuk tahun yang berakhir pada tanggal 31 Desember 2015 / Approving the Company's Financial Statement for the year ending on 31 December 2015 c. Menyetujui untuk memberikan kewenangan kepada Dewan komisaris untuk menunjuk auditor independen untuk mengaudit laporan keuangan perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2016. / Approving the delegation of authority to the Board of Commissioners to appoint an independent auditor to audit the Company's financial statement for the financial year ending on 31 December 2016.
4	24 Juni 2016 / 24 June 2016	No.4 tanggal 21 Juli 2016 / No.4 dated 21 July 2016	<ul style="list-style-type: none"> a. Menyetujui dan menerima pengunduran diri Setiawan Hasjim (Paul Setiawan Hasjim) sebagai Direktur yang bertanggung jawab di bidang Operasional dan Teknologi Informasi; / Approving and accepting the resignation of Mr. Setiawan Hasjim (Paul Setiawan Hasjim) from the position of the director responsible for Operations and Information Technology; b. Pengangkatan Nyonya Tjoe Mei Tjuen (Mei Tjuen Tjoe) sebagai Direktur; / Appointing Ms. Tjoe Mei Tjuen (Mei Tjuen Tjoe) as Director; c. Mengangkat kembali Tuan Khairil Anwar sebagai Komisaris Independen. / Reappointing Mr. Tuan Khairil Anwar as Independent Commissioner.
5	31 Oktober 2016 / 31 October 2016	No.7 tanggal 10 Nopember 2016 / No.7 dated 10 November 2016	<ul style="list-style-type: none"> a. Menyetujui dan menerima pengunduran diri Geoffrey David Coates sebagai Presiden Komisaris; / Approving and accepting the resignation of Mr. Geoffrey David Coates from the position of President Commissioner; b. Menyetujui dan menerima pengunduran diri Guy Martin Harding sebagai Wakil Presiden Komisaris; / Approving and accepting the resignation of Mr. Guy Martin Harding from the position of Vice President Commissioner; c. Pengangkatan Tuan Andrew Farmer sebagai Wakil Presiden Komisaris. / Appointing Mr. Andrew Farmer as Vice President Commissioner.
6	2 Desember 2016 / 2 December 2016	No.10 tanggal 23 Desember 2016 / No.10 dated 23 December 2016	<ul style="list-style-type: none"> • Mengangkat kembali Tuan Adhiputra Tanoyo sebagai Direktur. / Reappointing Mr. Adhiputra Tanoyo as Director.
7	30 Desember 2016 / 30 December 2016	No.6 tanggal 24 Januari 2017 / No.6 dated 24 January 2017	<ul style="list-style-type: none"> • Menyetujui pengangkatan Tuan Robert Dharshan Jesudason *). / Approving the appointment of Mr. Robert Dharshan Jesudason

*) Sdr. Robert Dharshan Jesudason (Rob Jesudason) telah ditunjuk sebagai Presiden Komisaris Commonwealth Bank sejak bulan Desember 2016 dan efektif menjabat sejak tanggal 7 Maret 2017 sesuai Akta Notaris No. 6 tanggal 24 Januari 2017 dan telah mendapat persetujuan dari OJK. / Robert Dharshan Jesudason (Rob Jesudason) has been appointed as President Commissioner of Commonwealth Bank since December 2016 and effectively serving since 7 March 2017 in accordance with Notarial Deed No. 6 dated 24 January 2017 and has been approved by the FSA.

Selain melakukan RUPS 5 kali selama tahun pelaporan, Commonwealth Bank juga telah merealisasikan keputusan RUPS tahun sebelumnya sebagai berikut:

Nomor Keputusan / Decision Number	Tanggal Keputusan / Decision Date	Ringkasan Keputusan RUPS 2015 / GMS 2015 Decision Summary	Pelaksanaan pada 2016 / Implementation Status as of 2016
111	30 April 2015	Penunjukkan kembali Bpk. Paul Setiawan Hasjim sebagai Direktur. / <i>Re-appointing Mr. Paul Setiawan Hasjim as Director.</i>	Telah dilaksanakan seluruhnya / <i>Fully carried out</i>
1	1 June 2015	Berakhirnya masa jabatan Ibu Mia Patria Bernardhi sebagai Direktur / <i>Ending Mrs. Mia Patria Bernardhi office as Director.</i>	Telah dilaksanakan seluruhnya / <i>Fully carried out</i>
16	23 July 2015	<ul style="list-style-type: none"> • Persetujuan laporan tahunan Bank dan ratifikasi laporan keuangan Bank untuk tahun buku yang berakhir 31 Desember 2014 / <i>Annual Bank report approval and ratification of the Bank's financial statements for the year ending on 31 December 2014.</i> • Menunjuk auditor independen untuk mengaudit laporan keuangan tahun buku yang berakhir 31 Desember 2015 / <i>Appointing an independent auditor for performing an independent financial audit for the year ending on 31 December 2015.</i> • Memberi wewenang kepada Direksi atas penggunaan laba bersih setelah pajak untuk tahun buku yang berakhir 31 Desember 2014. / <i>Providing the Board of Directors with authority on the use of net profits after tax for the year ending on 31 December 2014.</i> 	Telah dilaksanakan seluruhnya / <i>Fully carried out</i>
16	24 November 2015	Penunjukkan kembali Ibu Suwartini sebagai Komisaris Independen. / <i>Re-appointing Mrs. Suwartini as Independent Commissioner.</i>	Telah dilaksanakan seluruhnya / <i>Fully carried out</i>

Pemegang Saham Utama dan Pengendali

Pemegang saham utama adalah pihak yang, baik secara langsung maupun tidak langsung, memiliki sekurang-kurangnya 20% (dua puluh persen) hak suara dari seluruh saham yang mempunyai hak suara yang dikeluarkan oleh Perusahaan atau Bank, atau jumlah yang lebih kecil dari itu sebagaimana ditetapkan oleh Otoritas Jasa Keuangan. Pemegang saham pengendali merupakan badan hukum, orang perseorangan dan/atau kelompok usaha yang memiliki saham perusahaan atau Bank sebesar 25% (dua puluh lima persen) atau lebih dari jumlah yang saham yang dikeluarkan dan mempunyai hak suara atau memiliki saham perusahaan dan atau Bank kurang dari 25% (dua puluh lima persen) dari jumlah saham yang dikeluarkan dan mempunyai hak suara namun yang bersangkutan dapat dibuktikan telah melakukan pengendalian perusahaan atau Bank, baik secara langsung maupun tidak langsung.

In addition to holding 5 (five) times of GMS, Commonwealth Bank has also realised the previous year's GMS resolutions as follows:

Major Shareholders and Controlling Shareholders

Major shareholders both directly and indirectly own at least 20% (twenty percent) of voting rights from all shares with voting rights issued by a Company or a Bank. This represents a smaller number than is established by the Financial Services Authority. The controlling shareholder is a legal entity, individual and/or a business group that owns 25% (twenty-five percent) or more of the Company's or the Bank's shares with voting rights. It also may alternatively own less than 25% (twenty-five percent) of a Company's or Bank's shares with voting rights. However, the parties concerned can directly or indirectly demonstrate proof of control of a Company or Bank.

Pemegang saham pengendali di Commonwealth Bank dimiliki oleh Commonwealth Bank of Australia sebanyak 99% saham. Commonwealth Bank of Australia didirikan oleh pemerintah Australia melalui the Commonwealth Bank Act pada tahun 1911. Di tahun 1991, Commonwealth Bank of Australia mendaftarkan diri di Australian Stock Exchange dan pada tahun 1996, pemerintah Australia secara penuh menjadikan Commonwealth Bank of Australia sebagai badan usaha swasta. Kini, Commonwealth Bank of Australia menjadi bank terbesar di Australia yang menawarkan layanan *retail banking, premium banking, business banking* dan *institutional banking*, pengelolaan keuangan, dana pensiun, asuransi, investasi pialang dan produk saham.

Grup Commonwealth Bank of Australia merupakan salah satu dari sepuluh perusahaan terbesar di dunia berdasarkan *market capitalisation*. Grup Commonwealth Bank of Australia mempunyai anak-anak perusahaan sebagai berikut: Bankwest, Colonial First State Investments Limited, ASB Bank (New Zealand), Commonwealth Securities Limited (CommSec) dan Commonwealth Insurance Limited (Commlnsure). Saat ini, Grup Commonwealth Bank of Australia memiliki lebih dari 800.000 pemegang saham, 52.000 karyawan, lebih dari 4,6 juta nasabah dan lebih dari 1.100 kantor cabang.

The holders of the controlling shares at Commonwealth Bank are owned by Commonwealth Bank of Australia, at 99% of stocks. Commonwealth Bank of Australia was established by the Australian government through the Commonwealth Bank Act in 1911. In 1991, Commonwealth Bank of Australia registered itself in the Australian Stock Exchange and in 1996, the Australian government fully transformed the Commonwealth Bank of Australia into a private entity. Today, the Commonwealth Bank of Australia has become Australia's biggest bank. It offers services in retail banking, premium banking, business banking and institutional banking, as well as financial management, pension funds, insurance, stock broking and investment products.

The Commonwealth Bank of Australia Group is one of the ten largest companies in the world based on market capitalisation. The group has the following subsidiaries: Bankwest, Colonial First State Investments Limited, ASB Bank (New Zealand), Commonwealth Securities Limited (CommSec) and Commonwealth Insurance Limited (Commlnsure). The group currently has more than 800,000 stockholders, 52,000 employees, over 4.6 million customers and more than 1,100 branch offices.

Dewan Komisaris

Board of Commissioners

Komposisi, Kriteria, dan Independensi Dewan Komisaris

Dewan Komisaris adalah organ perseroan yang bertugas melakukan pengawasan secara umum dan/atau khusus sesuai dengan anggaran dasar serta memberi nasihat kepada Direksi sebagaimana dimaksud dalam Undang-Undang Nomor 40 Tahun 2007 tentang Perseroan Terbatas. Penerapan tata kelola Dewan Komisaris di Commonwealth Bank telah sesuai dengan ketentuan seperti tercantum dalam Peraturan Otoritas Jasa Keuangan No.55/POJK.03/2016 tentang Penerapan Tata Kelola Bagi Bank Umum.

Menurut ketentuan OJK, Dewan Komisaris paling kurang terdiri dari 3 (tiga) orang anggota Dewan Komisaris; paling kurang 50% (lima puluh perseratus)

Board of Commissioners Composition, Criteria and Independence

The Board of Commissioners is a company organ tasked with both specific and general oversight duties in accordance to the Articles of Association. It also assigned to providing advice with the Board of Directors as stipulated in Law No. 40/2007 on Limited Liability Companies. The governance process of the Board of Commissioners at Commonwealth Bank is in accordance with FSA Regulation No. 55/POJK.03/2016 on the Implementation of Governance for Commercial Banks.

According to FSA regulations, the Board of Commissioners must at least consist of 3 (three) members. In the event that the board consists of 3



dari jumlah anggota dewan Komisaris adalah Komisaris Independen.

Per 31 Desember 2016, Dewan Komisaris Commonwealth Bank terdiri dari 4 (empat) orang, dimana 2 (dua) orang di antaranya adalah Komisaris Independen. Seluruh Komisaris Independen berdomisili di Indonesia sebagai berikut:

No.	Nama / Name	Jabatan / Position
1	Robert Dharshan Jesudason *)	Presiden Komisaris / President Commissioner
2	Andrew Farmer	Wakil Presiden Komisaris / Vice President Commissioner
3	Suwartini **)	Komisaris Independen / Plt Presiden Komisaris / Independent Commissioner/Acting President Commissioner
4	Khairil Anwar	Komisaris Independen / Independent Commissioner

*) Sdr. Robert Dharshan Jesudason (Rob Jesudason) telah ditunjuk sebagai Presiden Komisaris Commonwealth Bank sejak bulan Desember 2016 dan efektif menjabat sejak tanggal 7 Maret 2017 sesuai Akta Notaris No. 6 tanggal 24 Januari 2017 dan telah mendapat persetujuan dari OJK. / Robert Dharshan Jesudason (Rob Jesudason) has been appointed as President Commissioner of Commonwealth Bank since December 2016 and effectively serving since 7 March 2017 in accordance with Notarial Deed No. 6 dated 24 January 2017 and has been approved by the FSA.

**) Sdri. Suwartini bertindak sebagai Pelaksana Tugas Sementara sebagai Presiden Komisaris sejak 25 Oktober 2016 hingga Sdr. Rob Jesudason efektif menjabat sebagai Presiden Komisaris pada tanggal 7 Maret 2017. / Suwartini served as Acting President Commissioner from 25 October 2016 until Rob Jesudason effectively served as President Commissioner on 7 March 2017.

Komisaris Independen merupakan anggota Dewan Komisaris yang tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan anggota Dewan Komisaris lainnya dan/atau dengan pemegang saham mayoritas atau hubungan lainnya dengan Bank, dimana hal tersebut dapat memengaruhi pengambilan keputusan dan tindakan secara independen.

Pada 31 Desember 2016, tidak terdapat anggota Dewan Komisaris yang memiliki 5% (lima persen) saham atau lebih dari modal disetor pada Commonwealth Bank, lembaga bank, lembaga keuangan nonbank, dan perusahaan lainnya di dalam atau di luar Indonesia.

(three) members, at least 50% (fifty percent) of the members is Independent Commisioner.

As of 31 December 2016, the Board of Commissioners at Commonwealth Bank consists of 4 (four) members, some 2 (two) of whom are Independent Commissioners all residing in Indonesia. The members of the board are as follows:

Independent Commissioners are members of the Board of Commissioners who have no financial ties with other members of the Board of Commissioners, nor do they have any family relations or stocks shared with them or with the major shareholders of the Bank. They have no conflicts of interests that prevent them from coming to decisions and actions in an independent manner.

As of December 31, 2016, no member of the Board of Commissioners owned more than 5% (five percent) of stocks from the paid-up capital at Commonwealth Bank or at any banking institutions, non-bank financial institutions or other companies in and outside of Indonesia.

Uji Kemampuan dan Kepatutan

Seluruh anggota Dewan Komisaris memiliki integritas, kompetensi, dan reputasi keuangan yang baik, dan tidak berasal dari mantan anggota Direksi dan/atau Pejabat Eksekutif Bank atau pihak-pihak yang memiliki hubungan dengan Bank.

Setiap anggota Dewan Komisaris juga telah lulus *Fit & Proper Test* (Uji Kemampuan dan Kepatutan) dan memperoleh persetujuan dari Bank Indonesia. Dengan demikian, Dewan Komisaris secara efektif diangkat setelah dinyatakan lulus *Fit & Proper Test*.

Fit and Proper Test

Each member of the Board of Commissioners possesses good integrity and competence, as well as a good financial reputation. None of them are ex-members of the Board of Directors, nor were they Executive Officers of the Bank or parties that have had relations to the Bank.

Each member of the Board of Commissioners has also passed a *Fit & Proper Test* and received approval from Bank Indonesia. As such, the Board of Commissioners has effectively been elected after having been declared as passing the *Fit & Proper Test*.

Program Orientasi bagi Komisaris Baru

Program orientasi bagi Komisaris yang baru diangkat, diatur di dalam Board Manual Dewan Komisaris dan Direksi. Program Orientasi yang diberikan dapat berupa sebuah sesi pertemuan yang disertai dengan presentasi baik dari Dewan maupun Direksi, kunjungan ke kantor-kantor Perseroan, perkenalan dengan para pejabat eksekutif/Branch Manager serta pengenalan program-program SDM lainnya sesuai dengan kebutuhan.

Pada tahun 2016 terdapat pengangkatan Anggota Dewan Komisaris baru yakni Andrew Farmer yang diangkat berdasarkan RUPS No.7 Tanggal 10 November 2016.

Terhadap Andrew Farmer telah dilaksanakan Program Orientasi bagi Anggota Dewan Komisaris baru.

Orientation Program for New Commissioners

The orientation program for newly-appointed Commissioners is outlined in the Board Manual of the Boards of Commissioners and Directors. The orientation process can be done in the form of a meeting accompanied by a presentation, whether from the Board of Commissioners or the Board of Directors. It can also include visits to the Company's offices, introductions to the executives and branch managers, and acquainting the new members with various human resource programs, depending on what is required.

As of 2016, Andrew Farmer has been appointed as a member of the Board of Commissioners based on GMS No. 7 on 10 November 2016.

As a new member of the Board of Commissioners, Andrew Farmer has already undergone an orientation program.

Pernyataan Independensi oleh Komisaris Independen

Masing-masing Komisaris Independen menandatangani pernyataan independensi dan diperbarui secara berkala.

Independent Statements by Independent Commissioners

Each Independent Commissioner has signed a statement of independence and is periodically renewed.

Pernyataan Komisaris Independen / Pernyataan Komisaris Independen	Komisaris Independen Commonwealth Bank / Commonwealth Bank Independent Commissioners	
	Suwartini	Khairil Anwar
Tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan anggota Dewan Komisaris, Direksi dan/atau pemegang saham pengendali atau hubungan dengan Commonwealth Bank, yang dapat mempengaruhi kemampuannya untuk bertindak independen / Does not have financial ties with members of the Board of Commissioners, Directors and/or controlling shareholders, or relations with Commonwealth Bank. Has no managerial control over them or family ties with them. They have no conflicts of interests that prevent them from coming to decisions and actions in an independent manner.	✓	✓
Berasal dari Luar Commonwealth Bank / Originates from outside of Commonwealth Bank	✓	✓
Bukan orang yang bekerja atau memiliki wewenang dan tanggung jawab untuk merencanakan, mengarahkan, mengendalikan, atau mengawasi aktivitas Commonwealth Bank dalam periode 1 (satu) tahun terakhir / Is not a person who works, or has any authority and responsibility, for planning, guiding, controlling or supervising the activities of Commonwealth Bank in the period of 1 (one) past year.	✓	✓
Tidak memiliki hubungan usaha yang terkait dengan kegiatan Commonwealth Bank secara langsung maupun tidak langsung / Does not have direct or indirect business relations that are related to the activities of Commonwealth Bank.	✓	✓

Tugas dan Tanggung Jawab Dewan Komisaris

Berdasarkan Peraturan Otoritas Jasa Keuangan No.55/POJK.03/2016 tentang Penerapan Tata Kelola Bagi Bank Umum mengenai kewajiban memastikan terselenggaranya pelaksanaan Good Corporate Governance, Dewan Komisaris tidak terlibat dalam pengambilan keputusan yang berkaitan dengan kegiatan operasional sehari-hari.

Dewan Komisaris bertugas melakukan pengawasan atas kebijakan pengurusan dan mengarahkan Direksi untuk menjamin keberlangsungan bisnis Commonwealth Bank. Dewan Komisaris melaksanakan tugas dan tanggung jawabnya dengan mengadakan rapat Dewan Komisaris dan rapat gabungan dengan Direksi. Tugas pokok, fungsi (TUPOKSI) dan tanggung jawab Dewan Komisaris diatur lebih detail di dalam Pedoman Kerja Dewan Komisaris (*Board Manual*).

Tugas dan Tanggung Jawab

- a. Dewan Komisaris memantau dan memastikan penerapan prinsip-prinsip Good Corporate Governance dalam semua aspek bisnis Commonwealth Bank dan di semua level organisasi.
- b. Dewan Komisaris secara aktif memantau kinerja Direksi melaksanakan segala tugas dan tanggung jawab, memberikan rekomendasi dan saran, juga memantau dan mengevaluasi pelaksanaan kebijakan strategis Commonwealth Bank.
- c. Dewan Komisaris memastikan Direksi membahas temuan audit dan rekomendasi Auditor Internal Commonwealth Bank, Auditor Eksternal, serta hasil audit dan tinjauan Otoritas Jasa Keuangan (OJK) dan/atau otoritas pengawas lainnya.
- d. Dewan Komisaris tidak terlibat dalam proses perumusan keputusan operasional, dengan pengecualian persetujuan kredit kepada pihak terkait sebagaimana diatur dalam ketentuan Bank Indonesia tentang Batas Maksimum Pemberian Kredit Bank Umum atau peraturan dan perundangan yang berlaku lainnya.
- e. Sesuai Peraturan Otoritas Jasa Keuangan, Dewan Komisaris wajib membentuk Komite Audit,

Board of Commissioner Duties and Responsibilities

According to Financial Services Authority Regulation No.55/POJK.03/2016 on the Implementation of Governance for Commercial Banks, when it comes to ensuring the implementation of GCG, the Board of Commissioners is not involved with making decisions that are related to daily operations.

The Board of Commissioners is tasked with performing supervision over maintenance policy and with guiding the Board of Directors to ensure the continued business operations of Commonwealth Bank. The Board of Commissioners is to perform its duties and responsibilities by holding Board of Commissioners meetings as well as joint meetings with the Board of Directors. The basic duties, functions and responsibilities of the Board of Directors are laid out in more detail in the Board Manual.

Duties and Responsibilities

- a. *The Board of Commissioners supervises and ensures the implementation of Good Corporate Governance principles in all aspects of business at Commonwealth Bank and in all levels of the organisation.*
- b. *The Board of Commissioners actively watches over the performance of the Board of Directors and ensures that it performs all of its duties and responsibilities. It also gives recommendations and advice, while also supervising and evaluating the implementation of strategic policy at Commonwealth Bank.*
- c. *The Board of Commissioners ensures that the Board of Directors discusses audit-related findings and recommends internal and external auditors for Commonwealth Bank, and discusses the results of audits and Financial Services Authority (FSA) reviews and other supervisory authorities.*
- d. *The Board of Commissioners is not involved in the process of formulating operational decisions, with the exception of approving credit to relevant parties, as is outlined in Bank Indonesia regulations on the Maximum Limits for Commercial Banks and in other relevant laws and regulations.*
- e. *As is stipulated in FSA regulations, the Board of Commissioners is responsible for the formation of*

Komite Pemantau Risiko dan Komite Remunerasi dan Nominasi. Pengangkatan anggota Komite didasarkan pada keputusan yang dibuat dalam rapat Dewan Komisaris. Saat ini, ada 4 (empat) Komite yang telah dibentuk, yaitu Komite Audit, Komite Pemantau Risiko dan Komite Remunerasi dan Nominasi, serta Komite Tata Kelola Terintegrasi dan penunjukan masing-masing anggota komite dilakukan sesuai dengan hukum dan peraturan yang berlaku.

Pedoman Kerja Dewan Komisaris

Pedoman kerja Dewan Komisaris diatur dalam kebijakan dan Tata Tertib Dewan Komisaris (*Board Manual*). *Board Manual* merupakan suatu petunjuk penatalaksanaan pekerjaan Dewan Komisaris yang menjelaskan tahapan aktivitas secara sistematis, terstruktur dan mudah dipahami serta dapat dilakukan dengan konsisten, sehingga dengan sendirinya *Board Manual* ini dapat menjadi acuan bagi Dewan Komisaris dalam melaksanakan tugasnya masing-masing untuk mencapai Visi dan Misi Perusahaan sebagaimana tertuang dalam kebijakan strategis Bank.

Board Manual bagi Dewan Komisaris merupakan uraian tentang tugas dan kewajiban, hak dan wewenang, fungsi, persyaratan, keanggotaan, masa jabatan, etika jabatan, serta rapat Dewan Komisaris yang disusun berdasarkan prinsip-prinsip hukum korporasi, ketentuan sesuai Anggaran Dasar Commonwealth Bank maupun peraturan perundang-undangan yang berlaku serta prinsip-prinsip korporasi yang sehat dengan memperhatikan arahan dari Pemegang Saham maupun praktik-praktik terbaik (*best practices*) dalam penerapan GCG.

Penyusunan *Board Manual* ini ditujukan untuk memberi batasan/arahan serta untuk menjelaskan hubungan kerja Dewan Komisaris dalam melaksanakan tugasnya agar tercipta pengelolaan perusahaan yang secara profesional, transparan dan efisien. *Board Manual* ini telah diperbarui per Agustus 2015.

Board Manual Dewan Komisaris Commonwealth Bank antara lain berisi ketentuan sebagai berikut:

Bab I: Pendahuluan

Bab II: Dewan Komisaris

Bab III: Sanksi Pidana Terkait dengan Dewan Komisaris

an Audit Committee, a Risk Monitoring Committee and a Nomination and Remuneration Committee. There are currently 4 (four) Committees that have been formed. They are the Audit Committee, a Risk Monitoring Committee, a Nomination and Remuneration Committee and the Integrated Governance Committee. The appointment of members for each of these committees has been conducted in accordance with relevant laws and regulations.

Board of Commissioners Work Guidelines

The work guidelines for the Board of Commissioners are outlined within policy and in the Board Manual of the Board of Commissioners. This manual is one source of guidance for consistently carrying out the duties of the Board of Commissioners. It details in a systematic, structured and easy-to-understand manner all the steps and activities of the board. As such, it serves as a reference point for the members of the Board of Commissioners in carrying out their individual tasks and achieving the Company's Vision and Mission, as outlined in the Bank's strategic policies.

The Board Manual for the Board of Commissioners is a description of the duties, responsibilities, rights, authorities, functions, requirements, membership details, terms of office, ethics policy, and meetings for the Board of Commissioners members that has been compiled based on the principles of corporate law, and has provisions based on the Commonwealth Bank's Articles of Association. It also describes applicable legislation and healthy corporate principles that take into account the direction of shareholders as well as best practices in the GCG implementation.

The arrangement of this Board Manual is designed to outline directives and to elaborate on the work relationship that members of the Board of the Commissioners have in carrying out their duties so as to create a professional, transparent and efficient system of company management. This Board Manual has been renewed as of August 2015.

The regulations included in the the Board Manual for the Board of Commissioners of Commonwealth Bank have been divided as follows:

Chapter I: Introduction

Chapter II: Board of Commissioners

Chapter III: Criminal Sanctions Involving the Board of Commissioners



Pengawasan dan Rekomendasi Dewan Komisaris

Selama 2016, Dewan Komisaris bertanggung jawab atas beberapa aspek penting di Commonwealth Bank, termasuk:

1. Memberikan nasihat, saran dan rekomendasi kepada Direksi, dan bersama-sama dengan Direksi menyetujui Rencana Bisnis Commonwealth Bank untuk 2016 dan revisi Rencana Bisnis tersebut pada Juni 2016.
2. Mengevaluasi kinerja keuangan Commonwealth Bank sepanjang 2016.
3. Memantau, mengkaji dan mengevaluasi tindakan yang disetujui dari hasil temuan audit internal, eksternal dan sesuai peraturan serta membahas rencana audit internal dan eksternal.
4. Pembahasan Laporan Tingkat Kesehatan Bank, Laporan Triwulan Profil Risiko serta penerbitan peraturan baru yang mungkin berdampak bagi Commonwealth Bank.

Pelatihan Dewan Komisaris

Untuk meningkatkan kompetensi, selama tahun 2016, Dewan Komisaris telah mengikuti serangkaian pelatihan, workshop, seminar, dan lain-lain, sebagai berikut:

No. / No.	Nama Dewan Komisaris / Board of Commissioner Member Name	Judul Pelatihan yang Diikuti / Training Session Attended	Tanggal Penyelenggaraan / Date Held
1	Khairil Anwar	Operational Risk Management Framework and Risk Insite Workshop	5 Oktober 2016 / 5 October 2016
2	Suwartini	Risk Management Certification Refreshment	19-21 September 2016 / 19-21 September 2016

Komite-komite di Bawah Dewan Komisaris

Dalam pelaksanaan tugasnya, Dewan Komisaris dibantu oleh Komite Audit, Komite Pemantau Risiko dan Komite Nominasi dan Remunerasi serta Komite Tata Kelola Terintegrasi. Uraian mengenai komite-komite dibawah Dewan Komisaris akan disajikan dalam uraian tersendiri.

Supervision and Recommendations by the Board of Commissioners

Throughout 2016, the Board of Commissioners has been responsible for a number of important aspects in the running of Commonwealth Bank, which include:

1. Providing advice, council and recommendations to the Board of Directors. Together with the Board of Directors, they approved the Commonwealth Bank Business Plan for 2016 and revised this plan in June 2016.
2. Evaluating the financial performance of Commonwealth Bank throughout 2016.
3. Monitoring, studying and evaluating actions that have been approved based on the findings from internal and external audits in accordance with regulations. The board has also discussed internal and external audit plans.
4. Discussing the Bank Health Report, the Quarterly Risk Profile Report and the issuance of new regulations and of the effects these might have on Commonwealth Bank.

Board of Commissioners Member Training

To increase its competency, the Board of Commissioners throughout 2016 has participated in the following training sessions, workshops, seminars and activities:

Committees under Board of Commissioners

In carrying out its duties, the Board of Commissioners has been aided by the Audit Committee, the Risk Monitoring Committee, as well as the Nomination and Remuneration Committee. A description of these committees underneath the Board of Commissioners will be provided in a separate article.

Direksi

Board of Directors

Komposisi, Independensi dan Kepemilikan Saham Direksi

Direksi merupakan organ Perusahaan yang bertanggung jawab terhadap pengelolaan seluruh kegiatan usaha Commonwealth Bank dan mempertanggungjawabkan pelaksanaan tugasnya melalui RUPS. Direksi berwenang dan bertanggung jawab sesuai dengan Anggaran Dasar Commonwealth Bank yang merujuk kepada Undang-Undang Perseroan Terbatas, ketentuan Bank Indonesia, OJK dan ketentuan terkait lainnya.

Keanggotaan Direksi Commonwealth Bank telah sesuai dengan Peraturan Otoritas Jasa Keuangan No.55/POJK.03/2016 tentang Penerapan Tata Kelola Bagi Bank Umum. Misalnya, jumlah anggota Direksi paling kurang 3 (tiga) orang, Direksi dipimpin oleh Presiden Direktur atau Direktur Utama, serta seluruh anggota Direksi berdomisili di Indonesia.

Seluruh anggota Direksi tidak memiliki hubungan keuangan atau keluarga dengan anggota Dewan Komisaris, anggota Direksi lainnya dan/atau Pemegang Saham Pengendali Commonwealth Bank, dengan demikian tidak mempengaruhi pengambilan keputusan oleh masing-masing Direktur. Untuk menjamin independensi tersebut, setiap anggota Direksi telah menandatangani pernyataan independensi. Tak satu pun dari anggota Direksi memiliki 5% (lima persen) atau lebih modal disetor Commonwealth Bank, lembaga bank lain, lembaga keuangan non-bank, dan perusahaan lainnya di dalam atau di luar Indonesia.

Pada tahun pelaporan, terjadi perubahan komposisi Direksi, baik dari segi jumlah maupun personel. Jika pada 2015, jumlah Direksi ada 4 (empat) orang, pada 2016 bertambah tiga sehingga menjadi 7 (tujuh) orang.

Antonio Da Silva Costa efektif mengundurkan diri dari jabatannya sebagai Presiden Direktur per 14 Februari 2016 dan telah memperoleh persetujuan RUPS sebagaimana diatur dalam Akta No.2 tanggal 4 Februari 2016. Posisinya digantikan oleh Lauren Sulistiawati.

The Composition, Independence and Stock Ownership of the Board of Directors

The Board of Directors is an organ of the Company responsible for managing all the business activities of Commonwealth Bank. The Board accounts for the implementation of its duties through the General Meeting of Shareholders. The Board of Directors' authority and responsibilities are in accordance with the Commonwealth Bank's Articles of Association and refer to Limited Liability Laws as well as applicable regulations from Bank Indonesia, the Financial Services Authority and others.

Membership of the Commonwealth Bank Board of Directors is in accordance with Financial Services Authority Regulation No. 55/POJK.03/2016 on the Implementation of Governance for Commercial Banks. For example, the number of members of the Board of Directors is at least than 3 (three) individuals. The Board of Directors is led by the President Director or Executive Director, and all of the Board's members reside in Indonesia.

Members of the Board of Directors do not have financial ties with members of the Board of Commissioners, Directors and/or controlling shareholders. They have no conflicts of interests that prevent each of them from coming to decisions and actions in an independent manner. To guarantee their independence, each member of the Board of Directors has signed a statement of independence. Not a single member of the Board of Directors owns 5% (five percent) or more of the paid-up capital of Commonwealth Bank or of other banks, non-bank financial institutions, or other companies in or out of Indonesia.

The composition of the Board of Directors has undergone a change in both numbers and in personnel. In 2015 the Board of Directors consisted of 4 (four) individuals, and in 2016, three people have been added to this number, making for a total of 7 (seven) members.

Antonio Da Silva Costa effectively resigned from his position as President Director as of 14 February 2016. This action has been approved by the General Meeting of Shareholders, as outlined in Act No. 2 dated 4 February 2016. He has been replaced by Lauren Sulistiawati.



Sementara itu, Paul Setiawan Hasjim melepas jabatan sebagai Direktur Operasional dan Teknologi Informasi sejak November 2016, dan pengantinya adalah Tjioe Mei Tjuen yang diangkat pada November 2016.

Selain pergantian dua posisi tersebut, Commonwealth Bank menambah tiga Direktur, yakni Ida Apulia Simatupang sebagai Direktur Strategy, Digital Solutions & Customer Franchise, Rustini Dewi sebagai Direktur Retail Banking dan Stephen Vile sebagai Direktur.

Dengan adanya pergantian dan penambahan posisi baru, Direksi Commonwealth Bank per 31 Desember 2016 terdiri dari 7 (tujuh) orang dengan komposisi sebagai berikut:

No.	Nama / Name	Jabatan / Position
1	Lauren Sulistiawati	Presiden Direktur / President Director
2	Ida Apulia Simatupang*)	Direktur SME & Corporate Strategy / Director of SME & Corporate Strategy
3	Rustini Dewi	Direktur Retail Banking / Director of Retail Banking
4	Tjioe Mei Tjuen	Direktur Operations & IT / Director of Operations & IT
5	Angeline Nangoi	Direktur Kepatuhan / Director of Compliance
6	Adhiputra Tanoyo**)	Direktur Manajemen Risiko / Director of Risk Management
7	Stephen Vile***)	Direktur Manajemen Risiko / Director of Risk Management

*) Sejak 24 Februari 2017, jabatan Ida A. Simatupang berubah menjadi Direktur SME & Corporate Strategy. Sebelumnya beliau menjabat sebagai Direktur Strategy, Digital Solutions & Customer Franchise sejak bulan Agustus 2016. / Since 24 February 2017, Ida A. Simatupang's title has changed to Director of SME & Corporate Strategy. Previously her title was Director of Strategy, Digital Solutions & Customer Franchise from August 2016.

**) Adhiputra Tanoyo telah mengundurkan diri sebagai Direktur Manajemen Risiko efektif tanggal 31 Maret 2017. / Adhiputra Tanoyo has resigned as Director of Risk Management effectively since 31 March 2017.

***) Stephen Vile akan menggantikan Adhiputra Tanoyo sebagai Direktur Manajemen Risiko dan telah memperoleh penegasan dari OJK berdasarkan surat No.SR-103/PB.12/2016 tanggal 29 November 2016 perihal Keputusan atas Pencalonan Anggota Direksi Commonwealth Bank. Saat ini kelengkapan dokumen yang bersangkutan masih dalam proses sehingga yang bersangkutan belum efektif sebagai Direktur Commonwealth Bank. / Stephen Vile will replace Adhiputra Tanoyo as Director of Risk Management and has obtained confirmation from the FSA by letter No.SR-103 / PB.12 / 2016 of 29 November 2016 concerning the decision on the candidacy of the Board of Directors Member of the Commonwealth Bank. At present, the relevant documents are still in the process so that he currently is not effectively serving as the Director of the Commonwealth Bank yet.

Uji Kemampuan dan Kepatutan

Seluruh anggota Direksi memiliki integritas, kompetensi, dan reputasi keuangan yang baik, dan tidak berasal dari mantan anggota Direksi dan/atau Pejabat Eksekutif Bank atau pihak-pihak yang memiliki hubungan dengan Bank.

Setiap anggota Direksi juga telah lulus Fit & Proper Test (Uji Kemampuan dan Kepatutan) dan memperoleh persetujuan dari Otoritas Jasa Keuangan. Dengan demikian, Dewan Komisaris secara efektif diangkat setelah dinyatakan lulus Fit & Proper Test.

Meanwhile, Paul Setiawan Hasjim has resigned from his position as Director of Operations and Information Technology since November 2016. He has been replaced by Tjioe Mei Tjuen, who was appointed in November 2016.

Aside from the changing of these two positions, Commonwealth Bank has also added three Directors. They are Ida Apulia Simatupang as Director of Strategy, Digital Solutions & Customer Franchise, Rustini Dewi as Director of Retail Banking and Stephen Vile as a Director.

With these changes and new additions, Commonwealth Bank's Board of Directors as of 31 December 2016 is composed of the following 7 (seven) members:

Fit & Proper Test

Each member of the Board of Directors has good integrity and competence, as well as a good financial reputation. None of them is former member the Board of Directors, nor were they Executive Officers of the Bank or parties that have had relations to the Bank.

Each member of the Board of Directors has passed a Fit & Proper Test and received approval from Bank Indonesia. As such, the Board of Directors has effectively been elected after having been declared as passing the Fit & Proper Test.

Program Orientasi bagi Direksi Baru

Program orientasi bagi Komisaris yang baru diangkat, diatur di dalam Board Manual Dewan Komisaris dan Direksi. Program Orientasi yang diberikan dapat berupa sebuah sesi pertemuan yang disertai dengan presentasi baik dari Dewan maupun Direksi, kunjungan ke kantor-kantor Perseroan, perkenalan dengan para pejabat eksekutif/Branch Manager serta pengenalan program-program SDM lainnya sesuai dengan kebutuhan.

Pada tahun 2016 terdapat pengangkatan Anggota Direksi baru yakni Lauren Sulistiawati, Tjoe Mei Tjuen, Ida Apulia Simatupang dan Rustini Dewi. Seluruh anggota Direksi baru telah diberikan Program Orientasi.

Tugas dan Tanggung Jawab

1. Direksi bertanggung jawab penuh terhadap operasional manajemen Commonwealth Bank dan mengelola bisnis sesuai wewenang dan tanggung jawab dalam Anggaran Dasar serta peraturan dan perundangan yang berlaku.
2. Direksi bertanggung jawab untuk menerapkan prinsip-prinsip Good Corporate Governance dalam semua aspek bisnis Commonwealth Bank dan di seluruh level organisasi Commonwealth Bank.
3. Direksi secara konsisten membahas temuan dan rekomendasi yang dilaporkan oleh Audit Internal, auditor ekstern, dan ulasan OJK dan/atau otoritas lain.
4. Direksi mengembangkan dan memastikan pelaksanaan Manajemen Risiko di semua tingkat struktur organisasi Commonwealth Bank dan memastikan bahwa fungsi Manajemen Risiko telah beroperasi secara independen.
5. Direksi melaporkan kinerja dalam menjalankan tugas dan tanggung jawabnya kepada Rapat Umum Pemegang Saham.

Pedoman Kerja Direksi

Sama halnya dengan Dewan Komisaris, Pedoman kerja Direksi diatur pula di dalam kebijakan dan Tata Tertib Direksi (*Board Manual*). *Board Manual* merupakan suatu petunjuk penatalaksanaan pekerjaan Direksi yang menjelaskan tahapan aktivitas secara sistematis, terstruktur dan mudah dipahami serta dapat dilakukan

Orientation Program for New Directors

The orientation program for newly-appointed Directors is outlined in the Board Manual of the Boards of Commissioners and Directors. The orientation process can be done in the form of a meeting accompanied by a presentation, whether from the Board of Commissioners or the Board of Directors. It can also include visits to the Company's offices, introductions to the executives and branch managers, and acquainting the new members with various human resource programs, depending on what is required.

As of 2016, Lauren Sulistiawati, Tjoe Mei Tjuen, Ida Apulia Simatupang and Rustini Dewi have been appointed as new members of the Board of Directors. Each of these members has been delivered orientation programs.

Duties and responsibilities

1. *The Board of Directors has full responsibility over the operational management of Commonwealth Bank and over its business management, as outlined in the Articles of Association and in applicable legislation.*
2. *The Board of Directors is responsible for implementing principles of Good Corporate Governance in all aspects of business at Commonwealth Bank and in all levels of organisation at Commonwealth Bank.*
3. *The Board of Directors must consistently discuss the findings and recommendations that have been reported by Internal Auditors, External Auditors and reviews from the FSA or other authorities.*
4. *The Board of Directors must develop and ensure the implementation of Risk Management at all levels of organisation at Commonwealth Bank and must ensure that the function of Risk Management operates independently.*
5. *The Board of Directors must report its performance in carrying out its duties and responsibilities to the General Meeting of Shareholders.*

Board of Directors Work Guidelines

As with the Board of Commissioners, the Work Guidelines for the Board of Directors has been outlined within policy and in the Board Manual of the Board of Directors. This manual is one source of guidance for consistently carrying out the duties of the Board of Directors. It details in a systematic, structured and



dengan konsisten, sehingga dengan sendirinya *Board Manual* ini dapat menjadi acuan bagi Direksi dalam melaksanakan tugasnya masing-masing untuk mencapai Visi dan Misi Perusahaan sebagaimana tertuang dalam kebijakan strategis Bank.

Board Manual bagi Direksi merupakan uraian tentang tugas dan kewajiban, hak dan wewenang, fungsi, persyaratan, keanggotaan, masa jabatan, etika jabatan, serta rapat Direksi yang disusun berdasarkan prinsip-prinsip hukum korporasi, ketentuan sesuai Anggaran Dasar Commonwealth Bank maupun peraturan perundang-undangan yang berlaku serta prinsip-prinsip korporasi yang sehat dengan memperhatikan arahan dari Pemegang Saham maupun praktik-praktik terbaik (*best practices*) dalam penerapan GCG.

Penyusunan *Board Manual* ini ditujukan untuk memberi batasan/arahan serta untuk menjelaskan hubungan Direksi dalam melaksanakan tugasnya agar tercipta pengelolaan perusahaan yang secara profesional, transparan dan efisien. *Board Manual* ini telah diperbarui per Oktober 2015.

Pedoman Direksi Commonwealth Bank antara lain berisi ketentuan sebagai berikut:

- Bab I: Pendahuluan
- Bab II: Dewan Direksi
- Bab III: Direktur Kepatuhan
- Bab IV: Sanksi Pidana Terkait dengan Direksi

Pelatihan Direksi

Untuk meningkatkan kompetensi, selama tahun 2016, Direksi telah mengikuti serangkaian pelatihan, workshop, seminar, dan lain-lain, sebagai berikut:

No.	Nama Direksi / Director Name	Judul Pelatihan yang Diikuti / Training Event Attended	Tanggal Penyelenggaraan / Date Held
1	Lauren Sulistiawati	Socialisation of Vision Values Workshop for SLT / Socialisation of Vision Values Workshop for SLT	3 Juni 2016 / 3 June 2016
		Productivity - Green Belt Training / Productivity - Green Belt Training	29-30 Juni 2016 / 29-30 June 2016
		Risk Management Certification Refreshment / Risk Management Certification Refreshment	16 November 2016 / 16 November 2016

easy-to-understand manner all the steps and activities of the board. As such, it serves as a reference point for members of the Board of Directors in carrying out their individual tasks and achieving the Company's Vision and Mission, as outlined in the Bank's strategic policies.

The *Board Manual* for the Board of Directors is a description of the duties, responsibilities, rights, authority, functions, requirements, membership details, terms of office, ethics policy, and meetings for the Board of Directors members that has been compiled based on the principles of corporate law, and has provisions based on the Commonwealth Bank's Articles of Association. It also describes applicable legislation and healthy corporate principles that take into account the direction of shareholders as well as best practices in the implementation of GCG.

The arrangement of this *Board Manual* is designed to outline directives and to elaborate on the work relationship that members of the Board of the Directors have in carrying out their duties in order to create a professional, transparent and efficient system of company management. This *Board Manual* has been renewed as of October 2015.

The regulations included in the *Board Manual* for the Board of Directors of Commonwealth Bank have been divided as follows:

- Chapter I: Introduction
- Chapter II: Board of Directors
- Chapter II: Director of Compliance
- Chapter IV: Criminal Sanctions Involving the Board of Directors

Board of Directors Member Training

Throughout 2016, members of the Board of Directors have undergone the following training activities, workshops, seminars and other related activities:

No.	Nama Direksi / Director Name	Judul Pelatihan yang Diikuti / Training Event Attended	Tanggal Penyelenggaraan / Date Held
2	Adhiputra Tanoyo	Seminar dan <i>Executive Roundtable</i> Konglomerasi Jasa Keuangan di Indonesia / <i>Conglomeration of Financial Services In Indonesia</i>	14 Januari 2016 / 14 January 2016
		<i>Elearning: Data Quality</i> / <i>Elearning: Data Quality</i>	18 Februari 2016 / 18 February 2016
		<i>Elearning: Risk Insite Introduction</i> / <i>Elearning: Risk Insite Introduction</i>	1 Maret 2016 / 1 March 2016
		<i>Socialisation of Vision Values Workshop for SLT</i> / <i>Socialisation of Vision Values Workshop for SLT</i>	3 Juni 2016 / 3 June 2016
		<i>Kiosk Workshop</i> / <i>Kiosk Workshop</i>	16 Austus 2016 / 16 August 2016
		<i>Talent Master Class</i> / <i>Talent Master Class</i>	28 September 2016 / 28 September 2016
3	Ida Apulia Simatupang	<i>Elearning: Peraturan Perusahaan</i> / <i>Elearning: Company Regulations</i>	21 Desember 2016 / 21 December 2016
		Pelatihan Sertifikasi Manajemen Risiko (Level 5) / <i>Risk Management Certification Training (Level 5)</i>	17 Mei 2016 / 17 May 2016
		Pelatihan Sertifikasi Manajemen Risiko (Level 5) / <i>Risk Management Certification Training (Level 5)</i>	21 Mei 2016 / 21 May 2016
		<i>Socialisation of Vision Values Workshop For SLT</i> / <i>Socialisation of Vision Values Workshop For SLT</i>	3 Juni 2016 / 3 June 2016
		<i>Productivity - Green Belt Training</i> / <i>Productivity - Green Belt Training</i>	29-30 Juni 2016 / 29-30 June 2016
		<i>Talent Master Class</i> / <i>Talent Master Class</i>	28 September 2016 / 28 September 2016
4	Rustini Dewi	<i>Operational Risk Management Framework and Risk Insite Workshop</i> / <i>Operational Risk Management Framework and Risk Insite Workshop</i>	5 Oktober 2016 / 5 October 2016
		Pelatihan Sertifikasi Manajemen Risiko (Level 5) / <i>Risk Management Certification Training (Level 5)</i>	18-19 April 2016 / 18-19 April 2016
		<i>Socialisation of Vision Values Workshop For SLT</i> / <i>Socialisation of Vision Values Workshop For SLT</i>	3 Juni 2016 / 3 June 2016
		<i>Productivity - Green Belt Training</i> / <i>Productivity - Green Belt Training</i>	29-30 Juni 2016 / 29-30 June 2016
		<i>Kiosk Workshop</i> / <i>Kiosk Workshop</i>	16 Agustus 2016 / 16 August 2016
		<i>Talent Master Class</i> / <i>Talent Master Class</i>	28 September 2016 / 28 September 2016
		<i>Operational Risk Management Framework and Risk Insite Workshop</i> / <i>Operational Risk Management Framework and Risk Insite Workshop</i>	5 Oktober 2016 / 5 October 2016
		<i>Elearning: Peraturan Perusahaan</i> / <i>Elearning: Company Regulations</i>	20 Desember 2016 / 20 December 2016

No.	Nama Direksi / Director Name	Judul Pelatihan yang Diikuti / Training Event Attended	Tanggal Penyelenggaraan / Date Held
		Talent Master Class / Talent Master Class	28 September 2016 / 28 September 2016
5	Tjioe Mei Tjuen	Operational Risk Management Framework and Risk Insite Workshop / Operational Risk Management Framework and Risk Insite Workshop	5 Oktober 2016 / 5 October 2016

Rapat Dewan Komisaris dan Direksi

Board of Commissioners and Board of Directors' Meetings

Rapat Dewan Komisaris

Selama periode 2016, Dewan Komisaris telah menyelenggarakan 6 (enam) kali rapat dengan perincian sebagai berikut:

Board of Commissioners Meetings

Throughout the period of 2016, the Board of Commissioners has conducted 6 (six) meetings, with the following details:

No. / No.	Anggota / Member	Jabatan / Title	Periode / Period					
			Feb	Apr	Jun	Aug	Oct	Dec
1	Geoffrey David Coates *)	Presiden Komisaris / President Commissioner	✓	✓	✓	-	-	-
2	Guy Martin Harding **)	Wakil Presiden Komisaris / Vice President Commissioner	-	✓	✓	✓	-	-
3	Suwartini ***)	Komisaris Independen / Independent Commissioner	✓	✓	✓	✓	✓	✓
4	Khairil Anwar	Komisaris Independen / Independent Commissioner	✓	✓	✓	✓	✓	✓

*) Berakhir masa jabatannya pada Juli 2016.

**) Menyampaikan pengunduran dirinya, efektif pada 30 September 2016.

***) Ditunjuk oleh Dewan Komisaris sebagai Acting Presiden Komisaris selama kosongnya jabatan Presiden Komisaris sampai posisi tersebut terisi kembali pada tanggal 7 Maret 2017.

*) Office ended in July 2016.

**) Delivered his resignation, effective September 30, 2016.

***)Appointed by the Board of Commissioners as Acting President Commissioner until the position of President Commissioner has been occupied once again.

Tanggal / Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / List of Attendees
25 Februari 2016 / 25 February 2016	<ol style="list-style-type: none"> 1. Update Hasil Rapat Komite Audit / Update on Result of Audit Committee Meeting 2. Update Hasil Rapat Komite Pemantau Risiko / Update on Result of Risk Monitoring Committee Meeting 3. Update Hasil Rapat Komite Remunerasi dan Nominasi / Update on Result of Remuneration and Nomination Committee Meeting 4. Pembahasan mengenai kasus FX Trading / Discussion on FX Trading cases 5. Struktur Organisasi Commonwealth Bank / Commonwealth Bank's Organisation Structure 6. Laporan Presiden Direktur kepada Dewan Komisaris / Report of the President Director to the Board of Commissioners 7. Update Kepatuhan / Update on Compliance 8. Update Projek Sinkronisasi / Update on Project Synchronisation 9. Update Rencana Anggaran Tahunan / Update on Annual Budget Plan 10. Update Program Jupiter / Update on Jupiter Program 11. Agenda Lain-lain / Other matters 	<ul style="list-style-type: none"> • Geoffrey David Coates • Suwartini • Khairil Anwar
28 April 2016 / 28 April 2016	<ol style="list-style-type: none"> 1. Update Hasil Rapat Komite Audit / Update on Result of Audit Committee Meeting 2. Update Hasil Rapat Komite Pemantau Risiko / Update on Result of Risk Monitoring Committee Meeting 3. Update Hasil Rapat Komite Remunerasi dan Nominasi / Update on Result of Remuneration and Nomination Committee Meeting 4. Laporan Presiden Direktur kepada Dewan Komisaris / Report of the President Director to the Board of Commissioners 5. Update Kepatuhan / Update on Compliance 6. Update Annual Contingency Plan / Update on the Annual Contingency Plan 7. Agenda Lain-lain / Other matters 	<ul style="list-style-type: none"> • Geoffrey David Coates • Guy Martin Harding • Suwartini • Khairil Anwar
23 Juni 2016 / 23 June 2016	<ol style="list-style-type: none"> 1. Update Hasil Rapat Komite Audit / Update on Result of Audit Committee Meeting 2. Update Hasil Rapat Komite Pemantau Risiko / Update on Result of Risk Monitoring Committee Meeting 3. Update Hasil Rapat Komite Remunerasi dan Nominasi / Update on Result of Remuneration and Nomination Committee Meeting 4. Laporan Presiden Direktur kepada Dewan Komisaris / Report of the President Director to the Board of Commissioners 5. Update Kepatuhan / Update on Compliance 6. Permintaan Pengesahan Rencana Anggaran Tahunan 2017 / Request for Approval of the Annual Budget Plan for 2017 7. Permintaan Rekomendasi / Request for Recommendation: Liquidity Report 2016 8. Agenda Lain-lain / Other matters 	<ul style="list-style-type: none"> • Geoffrey David Coates • Guy Martin Harding • Suwartini • Khairil Anwar

Tanggal / Date	Agenda Rapat / Agenda Rapat	Daftar Hadir / List of Attendees
18 Agustus 2016 / 18 August 2016	<ol style="list-style-type: none"> 1. <i>Update Hasil Rapat Komite Audit / Update on Result of Audit Committee Meeting</i> 2. <i>Update Hasil Rapat Komite Pemantau Risiko / Update on Result of Risk Monitoring Committee Meeting</i> 3. <i>Update Hasil Rapat Komite Remunerasi dan Nominasi / Update on Result of Remuneration and Nomination Committee Meeting</i> 4. Pengesahan Kebijakan dan Strategi Risiko Likuiditas Presentasi mengenai Kondisi Perekonomian / <i>Approval of Policy and Liquidity Risk Presentation on Economic Condition</i> 5. Laporan Presiden Direktur kepada Dewan Komisaris / <i>Report of the President Director to the Board of Commissioners</i> 6. <i>Update Kepatuhan / Update on Compliance</i> 7. Permintaan Pengesahan: Rencana Kerja Dewan Komisaris dan Komite Tahun 2017 / <i>Request for Approval of the Annual Budget Plan for 2017</i> 8. Agenda Lain-lain / <i>Other matters</i> 	<ul style="list-style-type: none"> • Guy Martin Harding • Suwartini • Khairil Anwar
25 Oktober 2016 / 25 October 2016	<ol style="list-style-type: none"> 1. <i>Update Hasil Rapat Komite Audit / Update on Result of Audit Committee Meeting</i> 2. <i>Update Hasil Rapat Komite Pemantau Risiko / Update on Result of Risk Monitoring Committee Meeting</i> 3. <i>Update Hasil Rapat Komite Remunerasi dan Nominasi / Update on Result of Remuneration and Nomination Committee Meeting</i> 4. Tindak Lanjut Hasil Rapat Sebelumnya / <i>Follow-up on the Meeting's Previous Result</i> 5. Presentasi Kemajuan Pekerjaan Penjualan Premises Commonwealth Bank / <i>Presentation on the Advancement of Sales Performance of Commonwealth Bank Premises</i> 6. Laporan Kemajuan Pekerjaan terkait dengan Kebijakan Manajemen Risiko IT / <i>Report of the Work Progress related to the IT Risk Management Policy</i> 7. Presentasi mengenai Kondisi Perekonomian / <i>Presentation on Economic Condition</i> 8. Laporan Presiden Direktur kepada Dewan Komisaris / <i>Report of the President Director to the Board of Commissioners</i> 9. <i>Update Kepatuhan / Update on Compliance</i> 10. Penilaian terhadap HQLA AUD Bonds / <i>Assessment to HQLA AUD Bonds</i> 11. Agenda Lain-lain / <i>Other matters</i> 	<ul style="list-style-type: none"> • Suwartini • Khairil Anwar

Tanggal / Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / Daftar Hadir
15 Desember 2016 / 15 December 2016	<ol style="list-style-type: none"> 1. Update Hasil Rapat Komite Audit / Update on Result of Audit Committee Meeting 2. Update Hasil Rapat Komite Pemantau Risiko / Update on Result of Risk Monitoring Committee Meeting 3. Update Hasil Rapat Komite Remunerasi dan Nominasi / Update on Result of Remuneration and Nomination Committee Meeting 4. Laporan Presiden Direktur kepada Dewan Komisaris mengenai: / Report of the President Director to the Board of Commissioners that include: <ul style="list-style-type: none"> a. Presentasi Kondisi Perekonomian / Presentation on Economic Condition b. Laporan Kinerja Bisnis Commonwealth Bank periode Oktober 2016 / Commonwealth Bank's Work Performance for the period of October 2016 c. Struktur Organisasi dan Penempatan SDM / HRD's organisation structure and placement 5. Update Projek: HRIS, PSGL danKIOSK / Update on HRIS, PSGL and KIOSK projects 6. Update Kepatuhan / Update on Compliance 7. Agenda Lain-lain / Other matters 	<p>• Suwartini • Khairil Anwar</p>

Bila diperlukan, dalam rapat-rapat tersebut, Direksi, Pejabat Eksekutif dan Audit Internal turut diundang guna mendapatkan informasi terkait bisnis dan kegiatan operasional Commonwealth Bank.

If necessary, the Board of Directors, the Executive Officers and the Internal Auditors are invited to these meetings in order to gain information on the business operations and activities of Commonwealth Bank.

Rapat Direksi

Selama periode 2016, Direksi telah menyelenggarakan 40 (empat puluh) kali rapat Direksi, baik Rapat Direksi maupun Rapat Direksi dengan Manajemen dengan perincian sebagai berikut:

Board of Directors Meetings

Throughout 2016, the Board of Directors has hosted 40 (forty) different meetings, including simple Board of Directors meetings as well as the board's meetings with the management. The details of the meetings are as follows:

No. / No.	Hari/Tanggal / Day/Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / List of Attendees
1	Selasa, 12 Januari 2016 Tuesday, 12 January 2016	<ul style="list-style-type: none"> • Kajian Umum / General Inquiry 	<ul style="list-style-type: none"> • Tony Costa (President Director) • Paul S. Hasjim (Director of Operations and IT) • Adhiputra Tanoyo (Director of Risk Management) • Angeline Nangoi (Director of Compliance)

No. / No.	Hari/Tanggal / Day/Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / List of Attendees
2	Selasa, 26 Januari 2016 Tuesday, 26 January 2016	<ul style="list-style-type: none"> Transisi Kepemimpinan di Commonwealth Bank / Leadership Transition at Commonwealth Bank Customer Complaint Handling Update / Customer Complaint Handling Update Project Synchronisation Update / Project Synchronisation Update Jupiter Phase I Update / Jupiter Phase I Update Kajian Umum / General Inquiry Kajian Bisnis / Business Inquiry 	<ul style="list-style-type: none"> Paul S. Hasjim (Director of Operations and IT) Adhiputra Tanoyo (Director of Risk Management) Angeline Nangoi (Director of Compliance)
3	Selasa, 9 Februari 2016 / Tuesday, 9 February 2016	<ul style="list-style-type: none"> Productivity Program Benefit Tracking / Productivity Program Benefit Tracking Commonwealth Foundation / Commonwealth Foundation Kajian Umum / General Inquiry Kajian Bisnis / Business Inquiry 	<ul style="list-style-type: none"> Paul S. Hasjim (Director of Operations and IT) Adhiputra Tanoyo (Director of Risk Management) Angeline Nangoi (Director of Compliance)
4	Senin, 22 Februari 2016 / Monday, 22 February 2016	<ul style="list-style-type: none"> Laporan Keuangan / Financial Report Kajian Bisnis / Business Performance Kajian Risiko / Risk Inquiry Permasalahan Karyawan / Employee Issues Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Paul S. Hasjim (Director of Operations and IT) Adhiputra Tanoyo (Director of Risk Management) Angeline Nangoi (Director of Compliance)
5	Senin, 29 Februari 2016 / Monday, 29 February 2016	<ul style="list-style-type: none"> Laporan Keuangan / Financial Report Pengesahan Notulen / Approving Minutes Permasalahan Karyawan / Employee Issues Kajian Risiko / Risk Inquiry Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Paul S. Hasjim (Director of Operations and IT) Adhiputra Tanoyo (Director of Risk Management) Angeline Nangoi (Director of Compliance)
6	Rabu, 2 Maret 2016 / Wednesday, 2 March 2016	<ul style="list-style-type: none"> Update Laporan / Report Update 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Paul S. Hasjim (Director of Operations and IT) Angeline Nangoi (Director of Compliance)
7	Senin, 7 Maret 2016 / Monday, 7 March 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Laporan Keuangan / Financial Report Permasalahan Karyawan / Employee & Culture 2016 Survey Kajian Risiko / Risk Inquiry Kinerja Bisnis / Businesss Performance Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Paul S. Hasjim (Director of Operations and IT) Adhiputra Tanoyo (Director of Risk Management) Angeline Nangoi (Director of Compliance)
8	Senin, 21 Maret 2016 / Monday, 21 March 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Charter Rapat Direksi / Board of Directors Meeting Charter Laporan Keuangan / Financial Report Laporan SDM / Human Resources Report Kajian Risiko / Risk Inquiry Kinerja Bisnis / Business Performance Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Paul S. Hasjim (Director of Operations and IT) Adhiputra Tanoyo (Director of Risk Management) Angeline Nangoi (Director of Compliance)
9	Senin, 28 Maret 2016 / Monday, 28 March 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Laporan Keuangan / Financial Report Laporan Proyek Jupiter / Jupiter Project Report Kajian Risiko / Risk Inquiry Kinerja Bisnis / Business Performance Suara Pelanggan / Customer Feedback Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Paul S. Hasjim (Director of Operations and IT) Adhiputra Tanoyo (Director of Risk Management) Angeline Nangoi (Director of Compliance)

No. / No.	Hari/Tanggal / Day/Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / List of Attendees
10	Senin, 4 April 2016 / Monday, 4 April 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Laporan Keuangan / Financial Report • Laporan e-channel / E-channel Report • Kajian LFR Assessment / Kajian LFR Assessment • Kajian Risiko / Risk Inquiry • Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Paul S. Hasjim (Director of Operations and IT) • Adhiputra Tanoyo (Director of Risk Management) • Angeline Nangoi (Director of Compliance)
11	Selasa, 12 April 2016 / Tuesday, 12 April 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Laporan Keuangan / Financial Report • Laporan SDM / Human Resources Report • Kajian Risiko / Risk Inquiry • Topik Lainnya / Other Topics 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Paul S. Hasjim (Director of Operations and IT) • Adhiputra Tanoyo (Director of Risk Management)
12	Senin, 20 April 2016 / Monday, 20 April 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Laporan Keuangan / Financial Report • Laporan SDM / Human Resources Report • Summary Risk Profile / Summary Risk Profile 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Adhiputra Tanoyo (Director of Risk Management) • Angeline Nangoi (Director of Compliance)
13	Senin, 25 April 2016 / Monday, 25 April 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Laporan Keuangan / Financial Report • Compliance Screening Solution / Compliance Screening Solution • Commonwealth Bank Committee Structure / Commonwealth Bank Committee Structure • Tindak Lanjut Hasil Pemeriksaan OJK / FSA Inspection Results Follow-up • Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Paul S. Hasjim (Director of Operations and IT) • Adhiputra Tanoyo (Director of Risk Management) • Angeline Nangoi (Director of Compliance)
14	Senin, 2 Mei 2016 / Monday, 2 May 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Laporan Keuangan / Financial Report • Internal Audit Update / Internal Audit Update • OJK Website Update / FSA Website Update • Business Update / Business Update • Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Paul S. Hasjim (Director of Operations and IT) • Adhiputra Tanoyo (Director of Risk Management)
15	Senin, 10 Mei 2016 / Monday, 10 May 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Laporan Keuangan / Financial Report • HR Update / HR Update • Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Paul S. Hasjim (Director of Operations and IT) • Adhiputra Tanoyo (Director of Risk Management) • Angeline Nangoi (Director of Compliance)
16	Senin, 23 Mei 2016 / Monday, 23 May 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Laporan Keuangan / Financial Report • HR Update / HR Update • Productivity Update / Productivity Update • Peraturan Baru Mengenai Jaringan Kantor Berdasarkan Modal Inti / New Office Network Regulation Based on Core Capital 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Paul S. Hasjim (Director of Operations and IT) • Adhiputra Tanoyo (Director of Risk Management) • Angeline Nangoi (Director of Compliance)
17	Senin, 6 Juni 2016 / Monday, 6 June 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Laporan Keuangan / Financial Report • Internal Audit Update / Internal Audit Update • Banking Service Excellence Monitoring (BSEM) MRI & Infobank Updates / Banking Service Excellence Monitoring (BSEM) MRI & Infobank Updates • People and Culture Survey / People and Culture Survey • Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Paul S. Hasjim (Director of Operations and IT) • Adhiputra Tanoyo (Director of Risk Management) • Angeline Nangoi (Director of Compliance)



No. / No.	Hari/Tanggal / Day/Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / List of Attendees
18	Senin, 20 Juni 2016 / Monday, 20 June 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Laporan Keuangan / Financial Report HR Update / HR Update 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance)
19	Rabu, 22 Juni 2016 / Wednesday, 22 June 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Service Quality Update / Service Quality Update HR Update / HR Update Commercial Business Opportunity / Commercial Business Opportunity AML Review Update / AML Review Update SOP/SIP Roadmap / SOP/SIP Roadmap Agenda Lainnya / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance)
20	Selasa, 28 Juni 2016 / Tuesday, 28 June 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Demo MBSB / Demo MBSB Peraturan Remunerasi / Remuneration Regulations Laporan Keuangan / Financial Report Sertifikasi BM / Sertifikasi BM 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Adhiputra Tanoyo (Director of Risk Management) Angeline Nangoi (Director of Compliance)
21	Jumat, 15 Juli 2016 / Friday, 15 July 2016	<ul style="list-style-type: none"> Laporan Keuangan / Financial Report Agenda Lain-lain / Other Agendas FY 16 Results / FY 16 Results Rencana FY 17 / FY 17 Plans CAMS Issue Update / CAMS Issue Update 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Adhiputra Tanoyo (Director of Risk Management) Rustini Dewi (Director of Retail Banking)
22	Selasa, 19 Juli 2016 / Tuesday, 19 July 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Laporan Keuangan / Financial Report CAP Line 2 / CAP Line 2 Internal Audit Update / Internal Audit Update Product Simplification / Product Simplification Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Adhiputra Tanoyo (Director of Risk Management) Rustini Dewi (Director of Retail Banking)
23	Senin, 25 Juli 2016 / Monday, 25 July 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Retail Banking Development Program / Retail Banking Development Program Risk profile & ICAAP Update / Risk profile & ICAAP Update Finance Update / Finance Update Consumer Business Review / Consumer Business Review Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Adhiputra Tanoyo (Director of Risk Management) Rustini Dewi (Director of Retail Banking)
24	Senin, 1 Agustus 2016 / Monday, 1 August 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Laporan Keluhan Nasabah / Customer Complaints Report Risk Based Bank Rating 1H 2016 / Risk Based Bank Rating 1H 2016 Laporan Keuangan / Financial Report HR Update / HR Update 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Adhiputra Tanoyo (Director of Risk Management) Rustini Dewi (Director of Retail Banking)
25	Rabu, 10 Agustus 2016 / Wednesday, 10 August 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes ICSM Update / ICSM Update Operational Risk Awareness Performance / Operational Risk Awareness Performance CRS Update / CRS Update Financial Crimes Project Update / Financial Crimes Project Update Internal Audit Update / Internal Audit Update Finance Update / Finance Update Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Adhiputra Tanoyo (Director of Risk Management) Rustini Dewi (Director of Retail Banking)

No. / No.	Hari/Tanggal / Day/Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / List of Attendees
26	Senin, 15 Agustus 2016 / Monday, 15 August 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Outsourcing Update / Outsourcing Update SME Business Review / SME Business Review RM Accelerations & RMDP Update / RM Accelerations & RMDP Update PSGL Implementations Update / PSGL Implementations Update Treasury & Market Update / Treasury & Market Update Finance Update / Finance Update Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Adhiputra Tanoyo (Director of Risk Management) Rustini Dewi (Director of Retail Banking)
27	Senin, 22 Agustus 2016 / Monday, 22 August 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes WISE Update / WISE Update Aktivitas Pegawai / Employee Activities HR Commnet Update / HR Commnet Update Finance Update / Finance Update Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Adhiputra Tanoyo (Director of Risk Management) Rustini Dewi (Director of Retail Banking)
28	Senin, 29 Agustus 2016 / Monday, 29 August 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Customer Complaint Report / Customer Complaint Report Treasury & Market Update / Treasury & Market Update Finance Update / Finance Update Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise)
29	Selasa, 13 September 2016 / Tuesday, 13 September 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Internal Audit Update / Internal Audit Update HRIS Update / HRIS Update Extra Wealth Program Update / Extra Wealth Program Update Finance Update / Finance Update Commonwealth Bank Property Appraisal Value / Commonwealth Bank Property Appraisal Value Komunikasi Branch Transformation / Branch Transformation Communications Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Adhiputra Tanoyo (Director of Risk Management)
30	Senin, 19 September 2016 / Monday, 19 September 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Kunjungan ke Bankwest / Inkwest Visit Finance Update / Finance Update 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Adhiputra Tanoyo (Director of Risk Management) Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise)
31	Selasa, 27 September 2016 / Tuesday, 27 September 2016	<ul style="list-style-type: none"> Pengesahan Notulen / Approving Minutes Laporan Fraud Risk & Control Assessment / Fraud Risk & Control Assessment Report Staff Housing Loan / Staff Housing Loan Customer Complain Report / Customer Complain Report Finance Reporting Update / Finance Reporting Update Finance Update / Finance Update Retail Banking Update / Retail Banking Update Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Adhiputra Tanoyo (Director of Risk Management) Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise)

No. / No.	Hari/Tanggal / Day/Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / List of Attendees
32	Rabu, 5 Oktober 2016 / Wednesday, 5 October 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Internal Audit Update / Internal Audit Update • HR Update / HR Update • PD's High tea Program Update / PD's High tea Program Update • Counterparty Bank Due Diligence / Counterparty Bank Due Diligence • Finance Update / Finance Update • FY 17 Q2 Forecast / FY 17 Q2 Forecast 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Angeline Nangoi (Director of Compliance) • Rustini Dewi (Director of Retail Banking) • Adhiputra Tanoyo (Director of Risk Management) • Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise)
33	Selasa, 18 Oktober 2016 / Tuesday, 18 October 2016	<ul style="list-style-type: none"> • Pengesahan Notulen / Approving Minutes • Government Bond's Warehousing Limit Proposal / Government Bond's Warehousing Limit Proposal • Commonwealth Bank Employee Value Proposition (EVP) / Commonwealth Bank Employee Value Proposition (EVP) • Cashflow Security Issue Solution / Cashflow Security Issue Solution • Customer Complaint Monthly Report (Sept 2016) / Customer Complaint Monthly Report (Sept 2016) • Risk Appetite Statement (Annual Review 2016) / Risk Appetite Statement (Annual Review 2016) • Quarterly Risk Profile (Q3 2016) / Quarterly Risk Profile (Q3 2016) • Financial Pack / Financial Pack • Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Angeline Nangoi (Director of Compliance) • Rustini Dewi (Director of Retail Banking) • Adhiputra Tanoyo (Director of Risk Management) • Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise)
34	Senin, 24 Oktober 2016 / Monday, 24 October 2016	<ul style="list-style-type: none"> • Finance Update / Finance Update • Paparan Cashflow / Cashflow Exposure • Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Angeline Nangoi (Director of Compliance) • Rustini Dewi (Director of Retail Banking) • Adhiputra Tanoyo (Director of Risk Management) • Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise)
35	Selasa, 1 November 2016 / Tuesday, 1 November 2016	<ul style="list-style-type: none"> • Pemaparan Risk Culture Survey / Risk Culture Survey Exposure • Paparan Bulanan Internal Audit / Monthly Internal Audit Exposure • Presentasi Expense Approval Workflow / Expense Approval Workflow Presentation • Implikasi dari POJK 45No.45/POJK.03/2015 dan SE POJK No.40/SEOJK.03/2016 terhadap Kebijakan Remunerasi Commonwealth Bank / Implications of POJK 45No.45/POJK.03/2015 and SE POJK No.40/SEOJK.03/2016 Towards Commonwealth Bank's Remuneration Policy • Compliance dan Legal Update / Compliance dan Legal Update • Finance Update / Finance Update • Paparan Cashflow / Cashflow Exposure • Agenda Lain-lain / Other Agendas 	<ul style="list-style-type: none"> • Lauren Sulistiawati (President Director) • Angeline Nangoi (Director of Compliance) • Rustini Dewi (Director of Retail Banking) • Adhiputra Tanoyo (Director of Risk Management) • Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise)

No. / No.	Hari/Tanggal / Day/Date	Agenda Rapat / Meeting Agenda	Daftar Hadir / List of Attendees
36	Selasa, 8 November 2016 / Tuesday, 8 November 2016	<ul style="list-style-type: none"> Update kepada Commonwealth Bank mengenai progress program CRS (Common Reporting Standard) / <i>Update to Commonwealth Bank on the progress of CRS (Common Reporting Standard) program</i> Commonwealth Bank sebagai <i>Selling Agent</i> bagi IPO Obligasi Retail Indonesia and Saving Bonds Retail 2017 / <i>Commonwealth Bank as Selling Agent for IPO of Indonesia Retail Obligation and Saving Bonds Retail 2017</i> H1 Outlook dan Update mengenai RBB / H1 Outlook and Update on the Bank's Business Plan (RBB) Publikasi Laporan keuangan / <i>Publication on Financial Report</i> Cash Flow / <i>Cash Flow</i> Agenda Lain-lain / <i>Other matters</i> 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise)
37	Rabu, 23 November 2016 / Wednesday, 23 November 2016	<ul style="list-style-type: none"> Finance Update / <i>Finance Update</i> Cash Flow / <i>Cash Flow</i> Agenda Lain-lain / <i>Other matters</i> 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Adhiputra Tanoyo (Director of Risk Management) Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise) Tjo Mei Tjuen (Director of Operations & IT)
38	Selasa, 29 November 2016 / Tuesday, 29 November 2016	<ul style="list-style-type: none"> Laporan Bulanan <i>Customer Complaint</i> (Oktober 2016) / <i>Monthly Report on Customer Complaint (October 2016)</i> Net Promoter Score (NPS) / <i>Net Promoter Score (NPS)</i> Transformasi Cabang Digital / <i>Digital Branch Transformation</i> Laporan Keuangan (Outlook Nov'2016) / <i>Financial Report (Outlook November 2016)</i> Balance Sheet dan Laporan Arus Kas / <i>Balance Sheet and Cash Flow Statement</i> Agenda Lain-lain / <i>Other matters</i> 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Adhiputra Tanoyo (Director of Risk Management) Tjo Mei Tjuen (Director of Operations & IT)
39	Selasa, 13 Desember 2016 / Tuesday, 13 December 2016	<ul style="list-style-type: none"> Pembahasan mengenai Commcare Club / <i>Discussion on Commcare Club</i> Laporan Perkembangan dari Compliance dan Legal / <i>Progress Report from Compliance and Legal</i> Laporan Keuangan (Outlook Desember 2016 per 12 December 2016) / <i>Financial Report (December 2016 outlook, as of 12 December 2016)</i> Agenda Lain-lain / <i>Other matters</i> 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Adhiputra Tanoyo (Director of Risk Management) Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise) Tjo Mei Tjuen (Director of Operations & IT)
40	Selasa, 20 Desember 2016 / Tuesday, 20 December 2016	<ul style="list-style-type: none"> Laporan Bulanan Keluhan Nasabah (November 2016) / <i>Monthly Report on Customer Complaint (November 2016)</i> Finance Update (Outlook December 2016 per 19 December 2016) / <i>Financial Update (December 2016 Outlook, as of 19 December 2016)</i> Laporan Perkembangan dari Retail Banking / <i>Progress Report from Retail Banking</i> Agenda Lain-lain / <i>Other matters</i> 	<ul style="list-style-type: none"> Lauren Sulistiawati (President Director) Angeline Nangoi (Director of Compliance) Rustini Dewi (Director of Retail Banking) Adhiputra Tanoyo (Director of Risk Management) Ida Apulia Simatupang (Director of Strategy, Digital Solutions & Customer Franchise) Tjo Mei Tjuen (Director of Operations & IT)



Hubungan Afiliasi Dewan Komisaris, Direksi, dan Pemegang Saham Utama/ Pengendali

Affiliated Relations Among Board of Commissioners, Board of Directors, and Key Shareholders

Antar anggota Dewan Komisaris, antara anggota Dewan Komisaris dengan anggota Direksi serta Pemegang Saham Utama dan/atau Pengendali tidak ada hubungan keluarga sedarah sampai dengan derajat ketiga, baik menurut garis lurus maupun garis ke samping atau hubungan semenda.

Members of the Board of Commissioners, members of the Board of Directors and major/controlling shareholders do not have any blood relatives in a direct line upwards or downwards to the third degree.

Nama / Name	Hubungan Keluarga dengan Organ Perseroan / Family Relationship with the Company's Structure						Hubungan Kepengurusan di Perusahaan Lain / Management Position in other Companies					
	Dewan Komisaris / Board of Commissioners		Direksi / Board of Directors		Pemegang Saham / Shareholders		Sebagai Dewan Komisaris / As member of the Board of Commissioners		Sebagai Direksi / As member of the Board of Directors		Sebagai Pemegang Saham / As the Shareholders	
	Ya / Yes	Tidak / No	Ya / Yes	Tidak / No	Ya / Yes	Tidak / No	Ya / Yes	Tidak / No	Ya / Yes	Tidak / No	Ya / Yes	Tidak / No
DEWAN KOMISARIS / BOARD OF COMMISSIONERS												
Robert Dharshan Jesudason*)	✓		✓		✓		✓		✓		✓	
Andrew Farmer		✓		✓		✓		✓		✓		✓
Suwartini	✓		✓		✓		✓		✓		✓	
Khairil Anwar		✓		✓		✓		✓		✓		✓
DIREKSI / BOARD OF DIRECTORS												
Lauren Sulistiawati	✓		✓		✓		✓		✓		✓	
Ida Apulia Simatupang		✓		✓		✓		✓		✓		✓
Rustini Dewi	✓		✓		✓		✓		✓		✓	
Tjioe Mei Tjuen		✓		✓		✓		✓		✓		✓
Angeline Nangoi	✓		✓		✓		✓		✓		✓	
Adhiputra Tanoyo		✓		✓		✓		✓		✓		✓
Stephen Vile**)	✓		✓		✓		✓		✓		✓	

*) Sdr. Robert Dharshan Jesudason (Rob Jesudason) telah ditunjuk sebagai Presiden Komisaris Commonwealth Bank sejak bulan Desember 2016 dan efektif menjabat sejak tanggal 7 Maret 2017 sesuai Akta Notaris No. 6 tanggal 24 Januari 2017 dan telah mendapat persetujuan dari OJK.

**) Stephen Vile telah memperoleh penegasan dari OJK berdasarkan surat No.SR-103/PB.12/2016 tanggal 29 November 2016 perihal Keputusan atas Pencalonan Anggota Direksi Commonwealth Bank. Saat ini kelengkapan dokumen yang bersangkutan masih dalam proses sehingga yang bersangkutan belum efektif sebagai Direktur Commonwealth Bank.

*) Robert Dharshan Jesudason (Rob Jesudason) has been appointed as President Commissioner of Commonwealth Bank since December 2016 and effectively serving since 7 March 2017 in accordance with Notarial Deed No. 6 dated 24 January 2017 and has been approved by the FSA.

**) Stephen Vile has received FSA confirmation based on letter No.SR-103/PB.12/2016 from 29 November 2016, on the Decision to Nominate a Member of the Board of Directors of Commonwealth Bank. The current status of the relevant documents in question is still being processed. As a result, the relevant party has not been effectively made a Director of Commonwealth Bank.

Keberagaman Komposisi Dewan Komisaris dan Direksi

Diverse Compositions of Members of the Board of Commissioners and the Board of Directors

Kebijakan Keberagaman Komposisi Dewan Komisaris

Commonwealth Bank adalah perusahaan yang mengedepankan persamaan kesempatan bagi setiap orang dengan menekankan profesionalisme. Commonwealth Bank menghargai dan menghormati setiap perbedaan dalam sudut pandang, pengetahuan, kemampuan dan pengalaman masing-masing individu, serta tidak membeda-bedakan ras, etnis, jenis kelamin dan agama.

Kebijakan keberagaman Commonwealth Bank digunakan sebagai bahan pertimbangan dalam proses nominasi dan suksesi Dewan Komisaris dengan memperhatikan pengetahuan, keahlian dan pengalaman yang sesuai dengan kebutuhan perusahaan, sehingga mendapatkan komposisi Dewan Komisaris yang optimal.

Selain itu, lingkup dan keseimbangan pengetahuan, keahlian dan pengalaman juga menjadi bahan pertimbangan dalam memenuhi komposisi yang optimal pada jajaran Dewan Komisaris yang diharapkan dapat mengoptimalkan pengambilan keputusan dan meningkatkan kinerja perusahaan.

Keberagaman Komposisi Dewan Komisaris

Sesuai dengan kebutuhan Commonwealth Bank, komposisi anggota Dewan Komisaris seperti tersebut di atas telah memperhatikan keahlian, pengetahuan dan pengalaman, serta gender. Keberagaman itu niscaya berkorelasi positif terhadap pelaksanaan fungsi dan tanggung jawab Dewan Komisaris sebagaimana terlihat dalam tabel berikut:

Policy of Diverse Composition of Members of the Board of Commissioners

Commonwealth Bank is a company that promotes equal opportunity for all with a stress on professionalism. The Bank appreciates and honours differences in point of view, knowledge, ability and experience of each individual, without regard to race, ethnicity, sex and religion.

The Bank's diversity policy is used as consideration in the nomination and succession process of members of the Board of Commissioners with due observation on their knowledge, skill and experience in accordance with the need of the company, hence seeing an optimum composition of the Board of Commissioners.

In addition, the scope and balance between knowledge, expertise and experience also serve as consideration in having an optimum composition within the Board of Commissioners which is expected to optimise decision making and improve the performance of the company.

Diversity in the Composition of the Board of Commissioners

In accordance with the need of Commonwealth Bank, the composition of members of the Board of Commissioners as mentioned above has taken into account the factors of expertise, knowledge, experience and gender. This diversity is believed to have positive correlation with the function and responsibility of the Board of Commissioners as shown in the following table:

Nama / Name	Jabatan / Position	Usia (tahun) / Age (year)	Jenis Kelamin / Sex
Robert Dharshan Jesudason *)	Presiden Komisaris / President Commissioner	45	Laki-laki / Male
Andrew Farmer	Wakil Presiden Komisaris / Vice President Commissioner	43	Laki-laki / Male
Suwartini **)	Komisaris Independen/Plt Presiden Komisaris / Independent Commissioner/Acting President Commissioner	63	Perempuan / Female
Khairil Anwar	Komisaris Independen / Independent Commissioner	61	Laki-laki / Male

*) Sdr. Robert Dharshan Jesudason (Rob Jesudason) telah ditunjuk sebagai Presiden Komisaris Commonwealth Bank sejak bulan Desember 2016 dan efektif menjabat sejak tanggal 7 Maret 2017 sesuai Akta Notaris No. 6 tanggal 24 Januari 2017 dan telah mendapat persetujuan dari OJK. / Robert Dharshan Jesudason (Rob Jesudason) has been appointed as President Commissioner of Commonwealth Bank since December 2016 and effectively serving since 7 March 2017 in accordance with Notarial Deed No. 6 dated 24 January 2017 and has been approved by the FSA.

**) Sdri. Suwartini bertindak sebagai Pelaksana Tugas Sementara sebagai Presiden Komisaris sejak 25 Oktober 2016 hingga Sdr. Rob Jesudason efektif menjabat sebagai Presiden Komisaris pada tanggal 7 Maret 2017. / Suwartini served as Acting President Commissioner from 25 October 2016 until Rob Jesudason effectively served as President Commissioner on 7 March 2017.

Kebijakan Keberagaman Komposisi Direksi

Commonwealth Bank adalah perusahaan yang mengedepankan persamaan kesempatan bagi setiap orang dengan menekankan profesionalisme. Commonwealth Bank menghargai dan menghormati setiap perbedaan dalam sudut pandang, pengetahuan, kemampuan dan pengalaman masing-masing individu, serta tidak membeda-bedakan ras, etnis, jenis kelamin dan agama.

Kebijakan keberagaman Commonwealth Bank digunakan sebagai bahan pertimbangan dalam proses nominasi dan suksesi Direksi dengan memperhatikan pengetahuan, keahlian dan pengalaman yang sesuai dengan kebutuhan perusahaan, sehingga mendapatkan komposisi Direksi yang optimal.

Keberagaman Komposisi Direksi

Sesuai dengan kebutuhan Commonwealth Bank, komposisi anggota Dewan Komisaris seperti tersebut di atas telah memperhatikan keahlian, pengetahuan dan pengalaman, serta gender. Keberagaman itu niscaya berkorelasi positif terhadap pelaksanaan fungsi dan tanggung jawab Dewan Komisaris sebagaimana terlihat dalam tabel berikut:

Policy of Diversity in the Composition of the Board of Directors

Commonwealth Bank is a company that promotes equal opportunity for all with a stress on professionalism. Commonwealth Bank appreciates and honours every difference in point of view, knowledge, ability and experience of each individual, without regard to race, ethnicity, sex and religion.

The Commonwealth Bank's diversity policy is used as consideration in the nomination and succession process of members of the Board of Directors with due observation on the knowledge, skill and experience in accordance with the need of the company, hence seeing an optimum composition of the Board of Directors.

Diversity in the Composition of the Board of Directors

In accordance with the need of Commonwealth Bank, the composition of members of the Board of Directors as mentioned above has observed the factors of skill, knowledge, experience and gender. This diversity is believed to have positive correlation with the function and responsibility of the Board of Directors as shown in the following table:

Nama / Name	Jabatan / Position	Usia (tahun) / Age (year)	Jenis Kelamin / Sex
Lauren Sulistiawati	Presiden Direktur / President Director	56	Perempuan / Female
Ida Apulia Simatupang	Direktur Strategy, Digital Solutions & Customer Franchise / Director of Strategy Digital Solutions of Customer Franchise	53	Perempuan / Female
Rustini Dewi	Direktur Retail Banking / Director of Retail Banking	48	Perempuan / Female
Tjioe Mei Tjuen	Direktur Operations & IT / Director of Operations & IT	59	Perempuan / Female
Angeline Nangoi	Direktur Kepatuhan / Director of Compliance	60	Perempuan / Female
Adhiputra Tanoyo	Direktur Manajemen Risiko / Director of Risk Management	44	Laki-laki / Male
Stephen Vile*)	Direktur / Director	57	Laki-laki / Male

*) Stephen Vile telah memperoleh penegasan dari OJK berdasarkan surat No.SR-103/PB.12/2016 tanggal 29 November 2016 perihal Keputusan atas Pencalonan Anggota Direksi Commonwealth Bank. Saat ini kelengkapan dokumen yang bersangkutan masih dalam proses sehingga yang bersangkutan belum efektif sebagai Direktur Commonwealth Bank. / Stephen Vile has obtained confirmation from the FSA by letter No.SR-103 / PB.12 / 2016 of 29 November 2016 concerning the decision on the candidacy of the Board of Directors Member of the Commonwealth Bank. At present, the relevant documents are still in the process so that he currently is not effectively serving as the Director of the Commonwealth Bank yet.

Komite Audit

Audit Committee

Komite Audit dibentuk guna mendukung pelaksanaan tugas dan tanggung jawab Dewan Komisaris secara efektif. Dalam melaksanakan tugasnya, Komite Audit didukung oleh Piagam Komite Audit yang memberikan kejelasan wewenang dan tanggung jawabnya.

Audit Committee is formed in order to support effective implementation of duties and responsibilities of the Board of Commissioners. In performing its duties, the Audit Committee is supported by the Audit Committee Charter which elaborates its authority and responsibilities.

Komposisi dan Keanggotaan

Komposisi, keanggotaan dan keahlian Komite Audit telah sesuai persyaratan dari peraturan yang berlaku. Komite Audit terdiri dari seorang Komisaris Independen yang menjabat sebagai Ketua Komite Audit dan seorang anggota yang seorang di antaranya adalah Komisaris Independen, dan dua anggota yang mewakili Pihak Independen yang memiliki keahlian di bidang keuangan/akuntansi dan perbankan/manajemen risiko.

Keanggotaan Komite Audit per Desember 2016 adalah sebagai berikut:

Composition and Membership

The composition, membership and expertise of the Audit Committee have been in conformity with the requirements of applicable regulations. The Audit Committee consists of one Independent Commissioner who serves as Chairperson of the Audit Committee and one member one of whom acts as an Independent Commissioner, and two members representing independent parties that have expertise in the field of finance/accounting and banking/risk management.

Membership of the Audit Committee as of December 2016:



No.	Jabatan / Position	Nama / Name
1	Ketua (Komisaris Independen) / Chairperson (Independent Commissioner)	Khairil Anwar
2	Anggota (Wakil Presiden Komisaris) / Member (Vice President Commissioner)	Suwartini
3	Anggota (Pihak Independen), yang memiliki keahlian pada bidang Keuangan dan Akuntansi / Member (Independent Party), who has expertise in the field of Finance and Accounting	Teuku Radja Sjahnan
4	Anggota (Pihak Independen), yang memiliki keahlian pada bidang Perbankan dan Manajemen Risiko / Member (Independent Party), who has expertise in the field of Banking and Risk Management	Jono Effendy

Profil Komite Audit

Komite Audit Commonwealth Bank diisi oleh personel-personel dengan latar belakang pendidikan dan pengalaman yang sesuai dan mendukung tugas dan tanggung jawabnya.

Khairil Anwar

Ketua/Komisaris Independen

Profil dapat dilihat di Bagian Profil Dewan Komisaris.

Suwartini

Anggota/Komisaris Independen

Profil dapat dilihat di Bagian Profil Dewan Komisaris.

Teuku Radja Sjahnan

Anggota/Pihak Independen

Teuku Radja Sjahnan memiliki keahlian dan pengalaman di bidang keuangan dan akuntansi. Beliau juga berpengalaman sebagai anggota Komite Audit di beberapa lembaga bank, seperti PT Bank BNI Tbk, PT Bank Barclays Indonesia, dan PT Bank BNI Syariah. Beliau pendiri dan pengelola situs JariUngu.com. Saat ini beliau juga menjadi konsultan bagi DPD-RI dalam bidang hasil audit Badan Pemeriksa Keuangan (BPK), dan anggota komite audit independen di PT Commonwealth Life, anggota komite audit independen PT Cardig Aero Services, Tbk dan anggota Komite Standar Akuntansi Keuangan Bank Indonesia.

Jono Effendy

Anggota/Pihak Independen

Jono Effendy memiliki keahlian di bidang perbankan dan manajemen risiko. Beliau juga memiliki pengalaman sebagai anggota Komite Audit dan Komite Pemantau Risiko selama beberapa tahun di berbagai perusahaan, seperti PT Bank Barclays Indonesia serta

Profile of Audit Committee

The Audit Committee of Commonwealth Bank consists of personnel with the education background and experience conforming to and supporting their duties and responsibilities.

Khairil Anwar

Chairperson/Independent Commissioner

His profile can be seen in the Profile of the Board of Commissioners.

Suwartini

Member/Independent Commissioner

Her profile can be seen in the Profile of the Board of Commissioners.

Teuku Radja Sjahnan

Member/Independent Party

Teuku Radja Sjahnan has expertise and experience in the field of finance and accounting. He is also experienced as member of Audit Committees in several banking institutions such as PT Bank BNI Tbk, PT Bank Barclays Indonesia, and PT Bank BNI Syariah. He is the founder and administrator of the JariUngu.com website. Presently, he also works as a consultant for the Regional Representative Council of the Republic of Indonesia (DPD-RI) in the field of audit result of the State Audit Board (BPK), and member of the independent audit committee at PT Commonwealth Life, member of the independent audit committee at PT Cardig Aero Services, Tbk and member of the Accounting Standard Committee of Bank Indonesia.

Jono Effendy

Member/Independent Party

Jono Effendy has expertise in the field of banking and risk management. He also has experience as member of Audit Committees and Risk Monitoring Committees in several companies, such as PT Bank Barclays Indonesia and Audit Committee at BII Finance. In

Komite Audit BII Finance. Selain itu, beliau juga pernah menduduki jabatan sebagai Head of Research Banking Landscape, Group Head Consultant Management Unit dan Coordinator of IBRA Chairperson Special Staff di Badan Penyehatan Perbankan Indonesia (BPPN).

Selain menjabat sebagai pihak independen Komite Audit dan Komite Pemantau Risiko di Commonwealth Bank, Beliau juga menjabat sebagai anggota Komite Audit dan Komite Pemantau Risiko di PT Bank BNP Paribas Indonesia, serta anggota Komite Audit dan Komite Pemantau Risiko di PT Commonwealth Life. Selain itu, juga menjabat sebagai Managing Director di PT Kiran Resources Indonesia, Komisaris Independen di PT Commonwealth Life, dan angota Risk Oversight Committee di BFI Finance.

In addition, he has also served in several positions such as Head of Research Banking Landscape, Group Head of Consultant Management Unit and Coordinator of IBRA Chairperson Special Staff at the Indonesian Banking Restructuring Agency (IBRA).

Other than assuming position as an Independent Party in the Audit Committee and Risk Monitoring Committee at Commonwealth Bank, he is also member of the Audit Committee and Risk Monitoring Committee at PT Bank BNP Paribas Indonesia, and member of Audit Committee and Risk Monitoring Committee at PT Commonwealth Life. In addition, he also served as Managing Director at PT Kiran Resources Indonesia, Independent Commissioner at PT Commonwealth Life, and member of the Risk Oversight Committee at BFI Finance.

Tugas dan Tanggung Jawab

Komite Audit secara independen mengkaji laporan keuangan Commonwealth Bank dan pengungkapan informasi keuangan, berdasarkan informasi yang diberikan oleh Direksi dan Auditor Ekstern, serta meninjau kebijakan akuntansi untuk memastikan kepatuhan terhadap hukum, peraturan, dan standar akuntansi yang berlaku. Komite Audit mempertimbangkan dan membahas dengan Direksi dan Auditor Ekstern mengenai isu-isu dan penilaian pelaporan keuangan yang signifikan terkait penyusunan laporan keuangan. Selain itu, Komite Audit juga bertugas meninjau kepastian atas efektivitas sistem pengendalian intern; mengawasi dan mengevaluasi independensi, efektivitas, lingkup pekerjaan, rencana audit tahunan auditor intern dan ekstern; dan mengawasi dan mengevaluasi rencana aksi yang dibuat oleh Direksi terkait isu audit yang diangkat oleh audit internal, audit eksternal, dan regulator.

Komite Audit secara berkala melaporkan kegiatannya, termasuk pemberian nasihat terkait hal-hal yang menjadi perhatian Dewan Komisaris, dan memberi rekomendasi dalam pencalonan Auditor Ekstern kepada Dewan Komisaris untuk persetujuan lebih lanjut dalam Rapat Umum Pemegang Saham.

Duties and Responsibilities

The Audit Committee independently reviews financial statements of Commonwealth Bank and discloses financial information, based on information provided by the Board of Directors and External Auditors, and reviews the accounting policy to ensure compliance with applicable laws, regulations, and accounting standard. The Audit Committee considers and discusses with the Board of Directors and External auditors significant issues and evaluation on financial statements related to preparation of financial statements. In addition, the Audit Committee has the duty to review the certainty of the effectiveness of internal control system; supervise and evaluate the independence, effectiveness, scope of work, annual audit plan of internal and external auditors; and supervise and evaluate the action plan prepared by the Board of Directors related to the audit issues brought up by an internal audit, external audit, and regulator.

The Audit Committee periodically reports its activities, including advices provided on matters that are under attention of the Board of Commissioners, and provides recommendation related to nomination of external auditors to the Board of Commissioners for further approval in the General Meeting of Shareholders.

Independensi Komite Audit

Dalam menjalankan tugas, Komite Audit bertindak secara profesional dan independen, serta tidak menerima/melakukan intervensi dari/atau kepada pihak lainnya. Selain itu, anggota Komite Audit tidak terkait dengan pemegang saham, Dewan Komisaris maupun Direksi. Untuk menjaga independensi, anggota Komite Audit yang berasal dari luar Commonwealth Bank tidak

Independency of Audit Committee

In performing its duties, the Audit Committee acts professionally and independently, and does not accept intervention from/or intervene other parties. In addition, members of the Audit Committee are not related to any of shareholders, members of the Board of Commissioners or the Board of Directors. To keep its independence, members of the Audit Committee



memiliki hubungan dan keterkaitan secara pribadi yang memungkinkan terjadinya benturan atau konflik kepentingan dengan Bank.

Independensi Komite Audit ditunjukkan dalam tabel berikut:

Aspek Independensi / Independence Aspect	Khairil Anwar	Suwartini	Teuku Radja Sjahnan	Jono Effendy
Tidak memiliki hubungan keluarga dengan Direksi, Dewan Komisaris dan sesama anggota Komite Audit / No family relationship with any members of the Board of Directors, Board of Commissioners and fellow members of the Audit Committee	✓	✓	✓	✓
Tidak menjabat sebagai pengurus partai politik, pejabat dan pemerintah / Not concurrently serving as an executive in any political parties, official and government	✓	✓	✓	✓
Tidak memiliki kepemilikan saham di Commonwealth Bank / Not having shares in Commonwealth Bank	✓	✓	✓	✓

Rapat Komite Audit

Sepanjang 2016, Komite Audit menyelenggarakan rapat resmi Komite Audit sebagai berikut:

No. /	Anggota / Member	Jabatan / Title	Periode / Period					
			Feb	Apr	Jun	Aug	Oct	Dec
1	Khairil Anwar	Komisaris Independen / Independent Commissioner	✓	✓	✓	✓	✓	✓
2	Guy Martin Harding *)	Wakil Presiden Komisaris / Vice President Commissioner	-	✓	✓	✓	-	-
3	Suwartini	Komisaris Independen / Independent Commissioner	✓	✓	✓	✓	✓	✓
4	Teuku Radja Sjahnan	Pihak Independen / Independent Party	✓	✓	✓	✓	✓	✓
5	Jono Effendy	Pihak Independen / Independent Party	✓	✓	✓	✓	✓	✓

*) Menyampaikan pengunduran dirinya, efektif pada 30 September 2016. / Has tendered resignation letter, effective on 30 September 2016.

Rapat dengan Audit Internal

Rapat dengan Audit Internal membahas rencana audit dan realisasinya, pendekatan audit berbasis risiko, lingkup audit, laporan audit yang diterbitkan selama periode pelaporan, temuan signifikan Audit Internal, termasuk temuan berulang yang terjadi di kantor cabang dan, tindak lanjut rencana korektif dari temuan audit internal.

originating from outside Commonwealth Bank do not have any personal relation and link that may cause conflict of interest with the Bank.

The independency of the Audit Committee is shown in the following table:

Aspek Independensi / Independence Aspect	Khairil Anwar	Suwartini	Teuku Radja Sjahnan	Jono Effendy
Tidak memiliki hubungan keluarga dengan Direksi, Dewan Komisaris dan sesama anggota Komite Audit / No family relationship with any members of the Board of Directors, Board of Commissioners and fellow members of the Audit Committee	✓	✓	✓	✓
Tidak menjabat sebagai pengurus partai politik, pejabat dan pemerintah / Not concurrently serving as an executive in any political parties, official and government	✓	✓	✓	✓
Tidak memiliki kepemilikan saham di Commonwealth Bank / Not having shares in Commonwealth Bank	✓	✓	✓	✓

Meetings of Audit Committee

Throughout 2016, the Audit Committee convened several Audit Committee official meetings as follows:

Meeting with Internal Auditors

Meetings with Internal Auditors discussed the audit plan and its realisation, risk-based audit approach, scope of audit, audit reports issued during the reporting period, significant findings in Internal audit, including repeated findings occurring in branch offices and, follow-up action in the corrective plan from findings during internal audit.

Rapat dengan Auditor Eksternal

Rapat dengan Auditor Eksternal membahas laporan keuangan Commonwealth Bank untuk tanggal yang berakhir pada 31 Desember 2016. Auditor Eksternal telah memberikan pendapat wajar tanpa pengecualian atas laporan keuangan Commonwealth Bank. Selain itu, rapat membahas kepatuhan Commonwealth Bank terhadap standar akuntansi yang berlaku dan temuan Auditor Eksternal terkait pengendalian internal, rencana audit, ruang lingkup audit, dan penerapan PSAK 50/55 oleh Commonwealth Bank. Berdasarkan pembahasan, Komite Audit memberi rekomendasi kepada Dewan Komisaris untuk menyetujui laporan keuangan 2016 dan atas penunjukan KAP Tanudiredja, Wibisana, Rintis & Rekan sebagai Auditor Eksternal Bank.

Rapat dengan Direksi

Rapat dengan Direksi membahas Laporan Keuangan rancangan per Desember 2015, 31 Maret 2016, 30 Juni 2016, dan 30 September 2016, serta membahas tindak lanjut temuan Audit Internal dan untuk Otoritas Jasa Keuangan terkait dengan Aktivitas Fungsional Kredit, Aktivitas Fungsional Teknologi Informasi, dan Penerapan Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme.

Pelaksanaan Kegiatan Komite Audit

Selama tahun pelaporan, selain melakukan rapat rutin, Komite Audit telah melaksanakan pekerjaan sesuai tugas dan tanggung jawabnya sebagai berikut:

Semester I Tahun 2016:

Rapat kerja Komite Audit dihadiri oleh seluruh anggota komite beserta undangan lainnya dari pihak eksekutif yang relevan.

Beberapa hal yang dibicarakan selama rapat kerja Komite Audit antara lain:

- presentasi mengenai perencanaan dan hasil audit,
- tindak lanjut serta pengawasan atas temuan audit OJK serta temuan signifikan dari auditor eksternal,
- pengimplementasian DLP (Data Loss Prevention),
- tindak lanjut temuan di unit Treasury and Market terkait limit,
- tindak lanjut atas hasil audit terkait Disaster Recovery and Data Center (DRC),
- perubahan rencana bisnis Bank dari sebelumnya

Meetings with External Auditors

Meetings with External Auditors discussed the financial statements of Commonwealth Bank for the reports ending on 31 December 2016. The external auditors have given unqualified opinion on the financial statements of Commonwealth Bank. In addition, the meetings discussed the compliance of Commonwealth Bank with applicable accounting standards and findings by the external auditors related to internal control, audit plan, scope of audit, and application of the PSAK 50/55 by Commonwealth Bank. Based on discussion, the Audit Committee provides recommendations to the Board of Commissioners to ratify the 2016 financial statements and appointment of the Tanudiredja, Wibisana, Rintis & Partners KAP as the Bank's External Auditor.

Meetings with the Board of Directors

Meetings with the Board of Directors discussed the draft Financial statements as of December 2015, 31 March 2016, 30 June 2016, and 30 September 2016, and discussed the follow-up action to the findings by the Internal audit and for the Financial Services Authority related to the activities of Credit Functions, Information Technology functions, and Application of Anti Money Laundering and Prevention of Terrorism Funding.

Audit Committee Activities

Throughout the reporting year, in addition to convening routine meetings, the Audit Committee has performed its roles based on the following duties and responsibilities:

First Semester of 2016:

Meeting of the Audit Committee is attended by all members of the committee and other parties of relevant executives.

Topics discussed in the meeting of the Audit Committee among others are:

- presentation on the audit plan and result,
- follow-up and oversight on the audit findings by the Financial Services Authority (OJK) as well as the audit findings by the external auditor,
- implementation of DLP (Data Loss Prevention)
- follow-up on the findings in the Treasury and Market in relation to limit,
- follow-up on the audit findings related to Disaster Recovery and Data Center,
- change in the Bank's business plan from the



- menjual seluruh portofolio Komersial ke institusi keuangan lainnya menjadi mengelola “exit” portofolio kredit Komersial, dan
- *Risk Culture Survey.*

Selain itu anggota Komite Audit secara rutin juga melaksanakan pertemuan baik dengan tim Internal Audit ataupun Eksternal Audit untuk membicarakan hal-hal yang signifikan yang memerlukan input dan perhatian dari Komisaris.

Semester II Tahun 2016:

Rapat kerja Komite Audit dilaksanakan sebanyak 3 (tiga) kali, secara berturut-turut di bulan Agustus, Oktober dan Desember 2016 dan dihadiri oleh seluruh anggota komite beserta undangan lainnya dari pihak eksekutif yang relevan.

Beberapa hal yang dibicarakan dalam rapat kerja Komite Audit antara lain:

- Presentasi mengenai perencanaan dan hasil audit yang dilaksanakan oleh auditor internal maupun eksternal (yaitu PricewaterhouseCoopers Indonesia dan OJK),
- Tindak lanjut atas temuan audit yang mencakup permasalahan dalam manajemen dokumen jaminan kredit kepemilikan rumah, permasalahan dalam *Consumer Assets Management System (CAMS)* yang menyebabkan keterlambatan proses tutup buku akhir bulan,
- Kesalahan data mengenai hapus tagih yang diumumkan pada Publikasi Laporan Keuangan yang disebabkan oleh tidak adanya sinkronisasi antara kriteria pencatatan data pada *core banking* dengan kriteria pelaporan yang disyaratkan regulator,
- Pelaksaaan *Risk Culture Survey.*

Di samping rapat kerja tersebut, anggota Komite Audit juga melakukan pertemuan berkala maupun ad-hoc dengan tim Internal Audit dan Eksternal Audit untuk mendiskusikan hal-hal yang perlu dikonsultasikan dengan Komite Audit.

previous plan of selling all the commercial portfolio to institution, and

- *Risk Culture Survey.*

In addition, the Audit Committee routinely conducts meeting with the Internal Audit team or the External Audit to discuss significant matters that need inputs and attentions from Commissioners.

Second Semester of 2016:

The Audit Committee conducted 3 (three) meetings consecutively in August, October and December 2016, which were attended by all members of the committee and other related executives.

Topics discussed in the meeting of the Audit Committee among others are:

- *Presentation on the audit's plan and result by internal auditor and external auditor (namely PricewaterhouseCoopers Indonesia and FSA),*
- *Follow-up on the audit findings that include issues in the management of collateral document for mortgage loans, issues in Consumer Assets Management System (CAMS) that hinder the process of closing book as of the end of each month,*
- *Data error on write-off accounts announced in the Financial Report publication. The error is due to the absence of synchronisation between core banking data recording criteria with reporting criteria required by the regulator,*
- *Implementation of Risk Culture Survey.*

In addition to the aforementioned meeting, members of the Audit Committee holds regular meeting or ad-hoc meeting with the Internal Audit and the External Audit to discuss significant matters.

Komite Pemantau Risiko

Risk Monitoring Committee

Komite Pemantau Risiko dibentuk guna mendukung pelaksanaan tugas dan tanggung

The Risk Monitoring Committee is formed to support the effective implementation of duties and responsibilities

jawab Dewan Komisaris secara efektif. Dalam melaksanakan tugasnya, Komite Pemantau Risiko didukung Piagam Komite Pemantau Risiko yang memberikan kejelasan tanggung jawabnya.

of the Board of Commissioners. In performing its duties, the Risk Monitoring Committee is supported by the Risk Monitoring Committee Charter that elaborates its responsibilities.

Komposisi dan Keanggotaan

Penyusunan komposisi Komite Pemantau Risiko telah sesuai dengan ketentuan yang berlaku, antara lain, Peraturan Otoritas Jasa Keuangan No.55/POJK.03/2016 tentang Penerapan Tata Kelola Bagi Bank Umum. Peraturan ini menetapkan bahwa anggota Komite Pemantau Risiko paling kurang terdiri dari seorang Komisaris Independen; seorang Pihak Independen yang memiliki keahlian di bidang keuangan; dan seorang Pihak Independen yang memiliki keahlian di bidang manajemen risiko; serta Komite Pemantau Risiko diketuai oleh Komisaris Independen.

Composition and Membership

The composition of the Risk Monitoring Committee has conformed to applicable provisions among others, Regulation of the Financial Services Authority No.55/POJK.03/2016 regarding Application of Good Governance in Commercial Banks. This Regulation stipulates that members of the Risk Monitoring Committee consist of at least one Independent Commissioner; one Independent Party with expertise in the field of finance; and one Independent Party with expertise in the field of risk management; while the Risk Monitoring Committee is chaired by an Independent Commissioner.

Komite Pemantau Risiko Commonwealth Bank terdiri dari seorang komisaris independen sebagai ketua dan seorang anggota dari Komisaris Independen, dan dua pihak independen yang memiliki keahlian di bidang Perbankan dan Manajemen Risiko.

The Risk Monitoring Committee of Commonwealth Bank consists of one independent commissioner as Chairperson and one member from Independent Commissioner, and two Independent Parties that have expertise in the field of Banking and Risk Management.

Komposisi anggota Komite Pemantau Risiko per 31 Desember 2016 adalah sebagai berikut:

The composition of members of the Risk Monitoring Committee as of 31 December 2016 is as follows:

No.	Jabatan / Position	Nama / Name
1	Ketua (Komisaris Independen) / Chairperson (Independent Commissioner)	Suwartini
2	Anggota (Komisaris Independen) / Member (Independent Commissioner)	Khairil Anwar
3	Anggota (Pihak Independen), yang memiliki keahlian pada bidang Keuangan dan Akuntansi / Member (Independent Party), that has expertise in the field of Finance and Accounting	Teuku Radja Sjahnan
4	Anggota (Pihak Independen), yang memiliki keahlian pada bidang Perbankan dan Manajemen Risiko / Member (Independent Party), that has expertise in the field of Banking and Risk Management	Jono Effendy

Profil Komite Pemantau Risiko

Profile of Risk Monitoring Committee

Komite Audit Commonwealth Bank diisi oleh personel-personel dengan latar belakang pendidikan dan pengalaman yang sesuai dan mendukung tugas dan tanggung jawabnya.

The Audit Committee of Commonwealth Bank consists of personnel with the education backgrounds and experience conforming to and supporting their duties and responsibilities.

Suwartini

Suwartini

Ketua/Komisaris Independen

Chairperson/Independent Commissioner

Profil dapat dilihat di Bagian Profil Dewan Komisaris.

Her profile can be seen in the Profile of the Board of Commissioners.



Khairil Anwar

Anggota/Komisaris Independen

Profil dapat dilihat di Bagian Profil Dewan Komisaris.

Khairil Anwar

Member/Independent Commissioner

His profile can be seen in the Profile of the Board of Commissioners.

Teuku Radja Sjahnan

Anggota/Pihak Independen

Profil dapat dilihat di Bagian Profil Komite Audit.

Teuku Radja Sjahnan

Member/Independent Party

His profile can be seen in the Profile of Audit Committee.

Jono Effendy

Anggota/Pihak Independen

Profil dapat dilihat di Bagian Profil Komite Audit.

Jono Effendy

Member/Independent Party

His profile can be seen in the Profile of Audit Committee.

Tugas dan Tanggung Jawab

Komite Pemantau Risiko bertanggung jawab memantau delapan area risiko yang harus Commonwealth Bank kelola, yaitu Risiko Kredit, Pasar, Likuiditas, Operasional, Hukum, Reputasi, Kepatuhan dan Strategis, dan memastikan bahwa penerapan manajemen risiko telah sesuai dengan kebijakan manajemen risiko.

Komite juga memantau dan menilai kinerja *Executive Risk Committees* dan unit kerja Manajemen Risiko dalam melaksanakan tugas mereka, juga memantau perkembangan kasus hukum yang melibatkan Bank dan menilai risiko terkait, seperti risiko hukum, reputasi dan kepatuhan. Komite Pemantau Risiko secara berkala melaporkan kegiatannya, termasuk pemberian nasihat tentang hal-hal yang menjadi perhatian Dewan Komisaris.

Duties and Responsibilities

The Risk Monitoring Committee is responsible for monitoring eight risk areas that must be managed by Commonwealth Bank, namely the Risks of Credit, Market, Liquidity, Operations, Law, Reputation, Compliance and Strategic, and to ensure that application of risk management has conformed to the policy of risk management.

The Committee also monitors and assesses the performance of Executive Risk Committees and the working unit of Risk Management in performing their duties, and also monitors the development of legal cases which involve the Bank and assess the related risks, such as the risks of law, reputation and compliance. The Risk Monitoring Committee periodically reports its activities, including advice provision concerning matters that attract the attention of the Board of Commissioners.

Independensi Komite Pemantau Risiko

Dalam menjalankan tugas, Komite Pemantau Risiko bertindak secara profesional dan independen, serta tidak menerima/melakukan intervensi dari/atau kepada pihak lainnya. Selain itu, anggota Komite Pemantau Risiko tidak terkait dengan pemegang saham, Dewan Komisaris maupun Direksi. Untuk menjaga independensi, anggota Komite Pemantau yang berasal dari luar Commonwealth Bank tidak memiliki hubungan dan keterkaitan secara pribadi yang memungkinkan terjadinya benturan atau konflik kepentingan dengan Bank.

Independensi Komite Pemantau Risiko ditunjukkan dalam tabel berikut:

Independency of Risk Monitoring Committee

In performing its duties, the Risk Monitoring Committee acts professionally and independently, and does not accept intervention from/or intervene other parties. In addition, members of the Risk Monitoring Committee are not related to any of shareholders, members of the Board of Commissioners or Board of Directors. To keep its independence, members of the Monitoring Committee originating from outside Commonwealth Bank do not have any personal relation and link that may cause conflict of interest with the Bank.

The independency of the Risk Monitoring Committee is shown in the following table:

Aspek Independensi / Independence Aspect	Suwartini	Khairil Anwar	Teuku Radja Sjahnan	Jono Effendy
Tidak memiliki hubungan keluarga dengan Direksi, Dewan Komisaris dan sesama anggota Komite Audit / No family relationship with any members of the Board of Directors, Board of Commissioners and fellow members of the Audit Committee	✓	✓	✓	✓
Tidak menjabat sebagai pengurus partai politik, pejabat dan pemerintah / Not concurrently serving as an executive in any political parties, official and government	✓	✓	✓	✓
Tidak memiliki kepemilikan saham di Commonwealth Bank / Not having shares in Commonwealth Bank	✓	✓	✓	✓

Rapat Komite Pemantau Risiko

Sepanjang 2016, Komite Pemantau Risiko menyelenggarakan rapat resmi sebagai berikut:

Meetings of Risk Monitoring Committee

Throughout 2016, the Risk Monitoring Committee convened official meetings as follows:

No.	Anggota / Member	Jabatan / Position	Periode / Period					
			Feb	Apr	Jun	Aug	Oct	Dec
1	Khairil Anwar	Komisaris Independen / Independent Commissioner	✓	✓	✓	✓	✓	✓
2	Guy Martin Harding *)	Wakil Presiden Komisaris / Vice President Commissioner	-	✓	✓	✓	-	-
3	Suwartini	Komisaris Independen / Independent Commissioner	✓	✓	✓	✓	✓	✓
4	Teuku Radja Sjahnan	Pihak Independen / Independent Party	✓	✓	✓	✓	✓	✓
5	Jono Effendy	Pihak Independen / Independent Party	✓	✓	✓	✓	✓	✓

*) Menyampaikan pengunduran dirinya, efektif pada 30 September 2016. / Has tendered resignation, effective on 30 September 2016.

Pelaksanaan Kegiatan Komite Pemantau Risiko

Selama tahun pelaporan, selain menyelenggarakan rapat rutin, Komite Pemantau Risiko telah melaksanakan pekerjaan sesuai tugas dan tanggung jawabnya sebagai berikut:

Activities of Risk Monitoring Committee

Throughout the reporting year, in addition to organising routine meetings, the Risk Monitoring Committee has performed its duties in accordance with its duties and responsibilities as follows:

Semester I Tahun 2016:

Rapat kerja Komite Pemantau Risiko dalam Semester I 2016 dihadiri secara lengkap oleh seluruh anggota komite beserta undangan lainnya dari pihak eksekutif sesuai dengan topik/bidang yang dibicarakan. Di luar rapat tersebut, Komite Pemantau Risiko juga melaksanakan pertemuan-pertemuan dengan anggota dari satuan kerja Manajemen Risiko (Risiko Kredit, Risiko Operasional, dan Departemen Kepatuhan) saat dianggap perlu.

First Semester of 2016:

The Risk Monitoring Committee's meeting in the first Semester of 2016 was attended by all members of the committee along with other parties of relevant executives based on the topics discussed. Outside the meeting, if deemed necessary, the Risk Monitoring Committee also holds meetings with members of Risk Management working units (Credit Risk, Operational Risk and Compliance Risk).



Beberapa hal yang dibicarakan selama rapat kerja Komite Pemantau Risiko antara lain:

- *Risk, Security & Compliance Assessment, Risk & Control Self Assessment,*
- *NPL,*
- restrukturisasi akun nasabah & penghapus bukuan,
- Laporan Kuartalan *Risk Profile,*
- *Risk Appetite Statement,*
- kebijakan-kebijakan seperti mengkaji proses *end to end AML & Sanction,*
- analisa sensitivitas dari pendanaan dan penyaluran dana Bank,
- *Good Corporate Governance Policy,*
- *Integrated Governance and Risk Management for Financial Conglomeration,*
- *Annual Liquidity Review*
- memonitor dan meminta update atas perkembangan kredit macet.

Semester II Tahun 2016:

Rapat kerja Komite Pemantau Risiko dalam Semester II 2016 membahas mengenai:

1. Laporan Profil Risiko
2. *Risk Appetite Statement*
3. Manajemen kredit macet (*Non Performing Loans*)
4. *Interest Rate Sensitivity Analysis*
5. Risiko Kepatuhan terhadap Kebijakan *Gift and Entertainment*
6. Risiko Operasional berupa ATM *skimming* dan penipuan tagihan manfaat kesehatan
7. *Common Reporting Project FATCA*
8. Pemantauan Risiko Reputasi dengan pembentukan *service council* untuk memantau keluhan nasabah, strategi SME serta membahas perubahan terhadap *Credit Committee Charter.*

Topics discussed during meeting of the Risk Monitoring Committee among others are:

- *Risk, Security & Compliance Assessment, Risk & Control Self Assessment,*
- *NPL,*
- *restructuring customer account and write-off*
- *Quarterly Report of Risk Profile,*
- *Risk Appetite Statement,*
- *policies such as reviewing processes of end to end AML & Sanction,*
- *sensitivity analysis of the Bank's financing and fund channel,*
- *Good Corporate Governance Policy,*
- *Integrated Governance and Risk Management for Financial Conglomeration,*
- *Annual Liquidity Review*
- *monitoring and updating on non-performing loans development.*

Second Semester of 2016:

Meeting of the Risk Monitoring Committee in the second semester of 2016 discussed:

1. *Risk Profile Report*
2. *Risk Appetite Statement*
3. *Management of Non Performing Loans*
4. *Interest Rate Sensitivity Analysis*
5. *Compliance Risk to the policy of Gift and Entertainment*
6. *Operasional Risk in the forms of ATM skimming and health benefit billing fraud*
7. *Common Reporting Project FATCA*
8. *Monitoring of Risk Monitoring by means of forming service council to monitor customer complaints, SME strategy, and discussing the change of Credit Committee Charter.*

Komite Remunerasi dan Nominasi

Remuneration and Nomination Committee

Seperti halnya Komite lain di bawah Dewan Komisaris, Komite Remunerasi dan Nominasi juga dibentuk untuk membantu pelaksanaan tugas Dewan Komisaris agar lebih efektif. Komposisi Komite Remunerasi dan Nominasi telah sesuai dengan peraturan yang berlaku, antara lain, Peraturan Otoritas Jasa Keuangan No.55/

As for other Committees under the Board of Commissioners, the Remuneration and Nomination Committee is formed to assist the Board of Commissioners so as to run its duties more effectively. The Composition of the Remuneration and Nomination Committee has conformed to applicable regulations,

POJK.03/2016 tentang Penerapan Tata Kelola Bagi Bank Umum. Peraturan ini mengatur ketentuan yakni anggota Komite Remunerasi dan Nominasi paling kurang terdiri dari seorang Komisaris Independen; seorang Komisaris; dan seorang Pejabat Eksekutif. Adapun Ketua Komite Remunerasi dan Nominasi dijabat oleh Komisaris Independen.

Per 31 Desember 2016, susunan Komite Remunerasi dan Nominasi Commonwealth Bank terdiri dari seorang Komisaris Independen sebagai Ketua dan dua anggota yang terdiri dari seorang Komisaris dan seorang perwakilan pejabat eksekutif dari Departemen Sumber Daya Manusia.

Komposisi Komite Remunerasi dan Nominasi per Desember 2016 adalah sebagai berikut:

No.	Nama / Name	Jabatan / Position
1	Suwartini (Komisaris Independen / Independent Commissioner)	Ketua / Chairperson
2	Khairil Anwar (Komisaris Independen / Independent Commissioner)	Anggota / Member
3	Bagus Harimawan (Chief of Human Resources)	Anggota / Member

Profil Komite Remunerasi dan Nominasi

Komite Remunerasi dan Nominasi oleh personel-personel dengan latar belakang pendidikan dan pengalaman yang sesuai dan mendukung tugas dan tanggung jawabnya.

Suwartini

Ketua/Komisaris Independen

Profil dapat dilihat di Bagian Profil Dewan Komisaris.

Khairil Anwar

Anggota/Komisaris Independen

Profil dapat dilihat di Bagian Profil Dewan Komisaris.

Bagus Harimawan

Anggota/Pejabat Eksekutif yang membawahi Sumber Daya Manusia

Bagus Harimawan menyelesaikan gelar Sarjana bidang Financial Management di Universitas Brawijaya, Malang. Beliau telah bergabung di Commonwealth Bank sejak tahun 2010.

among others, Regulation of the Financial Services Authority No.55/POJK.03/2016 regarding Application of Good Governance for Commercial Banks. This Regulation provides that members of the Remuneration and Nomination Committee shall consist of at least one Independent Commissioner; one Commissioner; and one Executive Officer. Chairperson of the Remuneration and Nomination Committee is assumed by an Independent Commissioner.

As of 31 December 2016, the composition of members of the Remuneration and Nomination Committee of Commonwealth Bank comprised one Independent Commissioner as Chairperson and two members consisting of one Commissioner and one representative of executive officer from the Department of Human Resources.

The composition of the Remuneration and Nomination Committee as of December 2016 is as follows:

Profile of Remuneration and Nomination Committee

The Remuneration and Nomination Committee consists of personnel with the educational backgrounds and experience conforming to and supporting their duties and responsibilities.

Suwartini

Chairperson/Independent Commissioner

Her profile can be seen in the Profile of the Board of Commissioners.

Khairil Anwar

Member/Independent Commissioner

His profile can be seen in the Profile of the Board of Commissioners.

Bagus Harimawan

Member/ Executive Officer overseeing Human Resources

Bagus Harimawan obtained his bachelor's degree program in Financial Management from the University of Brawijaya, Malang. He has joined PT. Bank Commonwealth since 2010.

Bagus Harimawan telah berkecimpung di bidang Sumber Daya Manusia selama hampir 20 tahun, termasuk hampir 10 tahun berada di industri Perbankan, yakni Citibank N.A, HSBC, dan Standard Chartered Bank. Jabatan beliau di Commonwealth Bank saat ini sebagai Chief of Human Resources.

Tugas dan Tanggung Jawab

Tugas dan tanggung jawab Komite Remunerasi dan Nominasi adalah sebagai berikut:

Komite bertanggung jawab untuk melaksanakan fungsi pengawasan terhadap penyusunan dan/atau pelaksanaan Program dan Kebijakan Remunerasi bagi anggota Dewan Komisaris, anggota Direksi, dan karyawan Bank yang diajukan oleh Direksi melalui Presiden Direktur dan/atau Direktur yang bertanggung jawab atas Direktorat/Fungsi Sumber Daya Manusia, yang memiliki dampak dan/atau perubahan signifikan pada kondisi finansial Bank dan/atau yang memiliki dampak signifikan pada Anggota Dewan Komisaris, Direksi dan Karyawan Bank yang didasarkan pada remunerasi berbasis kinerja dengan memperhatikan faktor-faktor risiko yang ada, yakni:

- a. Kinerja Keuangan Bank beserta tata cara pembukuan sesuai dengan peraturan dan ketentuan yang berlaku.
- b. Kinerja Bank secara keseluruhan dan kinerja masing-masing Individu.
- c. Risiko Bank.
- d. Kewajaran dengan *peer group* di dalam industri perbankan.
- e. Menerapkan azas keadilan dan kesetaraan dalam pemberian remunerasi.
- f. Perbandingan dan daya saing dengan industri yang sejenis.
- g. Pertimbangan terhadap strategi dan rencana Bank dalam jangka menengah dan/atau jangka panjang.
- h. Pemenuhan cadangan sebagaimana diatur dalam peraturan perundang-undangan dan potensi pendapatan Bank pada masa yang akan datang.

Selain itu, Komite ini juga melakukan evaluasi, menyusun dan memastikan Program dan Kebijakan Remunerasi Bank memiliki daya saing dengan industri sejenis serta menerapkan azas kesetaraan dan keadilan dalam menerapkan Program Remunerasi di Bank berdasarkan kinerja, di antaranya dengan melakukan tinjauan terhadap program remunerasi secara berkala, menyesuaikan dan meningkatkan program-program remunerasi dan manfaat.

Bagus Harimawan has been involved in the field of Human Resources for almost 20 years, including nearly 10 years in the Banking industry, namely Citibank N.A, HSBC, and Standard Chartered Bank. His current position in PT. Bank Commonwealth is the Head of Human Resources.

Duties and Responsibilities

The duties and responsibilities of the Remuneration and Nomination Committee are as follows:

The Committee is responsible for performing its oversight function in preparation and/or implementation of Remuneration Program and Policy for members of the Board of Commissioners, members of the Board of Directors, and employees of the Bank proposed by the Board of Directors through the President Director and/or Director that oversees the Directorate/Function of Human Resources, that has significant impact and/or change on the Bank's financial condition and/or that has significant impact on members of the Board of Commissioners, the Board of Directors and Employees of the Bank based on performance-based remuneration by observing the existing risk factors, namely:

- a. *The Bank's Financial performance and the accounting procedures in accordance with applicable regulations and the Bank's.*
- b. *The Bank's performance as a whole and performance of each individual.*
- c. *The Bank's Risk.*
- d. *Reasonability with peer groups in the banking industry.*
- e. *Application of the principles of fairness and equality in giving remuneration.*
- f. *Comparison and competitiveness with similar industries.*
- g. *Consideration on the Bank's strategy and plan in the medium and/or long-term.*
- h. *Fulfillment of reserves as stipulated in law and regulations and the Bank's potential future earnings.*

In addition, this Committee also evaluates, prepares and ensures that the Bank's Remuneration Program and Policy has competitiveness with similar industries and applies the principles of equality and fairness in applying performance-based Remuneration Program at the Bank among others by reviewing the remuneration program periodically, adjusting and improving the remuneration and benefits programs.

Setelah melaksanakan fungsi pengawasan, termasuk melakukan evaluasi, Komite akan memberikan rekomendasi kepada Dewan Komisaris mengenai:

- a. Penyusunan dan/atau pelaksanaan Program dan Kebijakan Remunerasi bagi Direksi dan Dewan Komisaris untuk disampaikan kepada RUPS; dan
- b. Penyusunan dan/atau pelaksanaan Program dan Kebijakan Remunerasi bagi pegawai secara keseluruhan untuk disampaikan kepada Direksi.

Komite juga bertanggung jawab dalam:

- a. Memberikan rekomendasi kepada Dewan Komisaris terkait dengan sistem, prosedur, pemilihan, pengangkatan, penggantian, dan pengangkatan kembali untuk anggota Dewan Komisaris dan anggota Direksi kepada Dewan Komisaris, termasuk calon anggota Dewan Komisaris dan/atau calon anggota Direksi untuk disampaikan kepada RUPS;
- b. Terkait dengan pemilihan, pengangkatan, penggantian, dan pengangkatan kembali Pihak Independen yang menjadi anggota komite-komite organ kerja Dewan Komisaris, Komite memberikan rekomendasi lebih lanjut kepada Dewan Komisaris untuk dapat dilakukan tinjauan lebih lanjut;
- c. Melakukan tinjauan lebih lanjut terhadap rekomendasi Presiden Direktur atas pemaparan mengenai tinjauan kinerja secara berkala dari Direktur-Direktur dan Manajemen Puncak (*Top Management*) yang berada pada 1 (satu) tingkat dibawah Presiden Direktur selama masa penugasan tiap-tiap individu tersebut di Bank dan akan menyusun rekomendasi lebih lanjut kepada Dewan Komisaris.

Independensi Komite Remunerasi dan Nominasi

Dalam menjalankan tugas, Komite Remunerasi dan Nominasi bertindak secara profesional dan independen, serta tidak menerima/melakukan intervensi dari atau kepada pihak lainnya. Selain itu, anggota Komite Remunerasi dan Nominasi tidak terkait dengan pemegang saham, Dewan Komisaris maupun Direksi. Untuk menjaga independensi, anggota Komite Remunerasi dan Nominasi yang berasal dari luar Commonwealth Bank tidak memiliki hubungan dan keterkaitan secara pribadi yang memungkinkan terjadinya benturan atau konflik kepentingan dengan Bank.

After performing its oversight function, including evaluation, the Committee shall give recommendation to the Board of Commissioners on:

- a. *Preparation and/or implementation of the Remuneration Program and Policy for the Board of Directors and the Board of Commissioners to be forwarded to the GMS; and*
- b. *Preparation and/or implementation of the Remuneration Program and Policy for employees as a whole to be forwarded to the Board of Directors.*

The Committee is also responsible for:

- a. *Giving recommendation to the Board of Commissioners related to the system, procedure, election, appointment, replacement, and re-appointment for members of the Board of Commissioners and members of the Board of Directors, including prospective members of the Board of Commissioners and/or prospective members of the Board of Directors to be forwarded to the GMS;*
- b. *Related to selection, appointment, replacement, and re-appointment of an Independent Party to become a member of committees in the working structure of the Board of Commissioners, the Committee also gives further recommendation to the Board of Commissioners for further review;*
- c. *Further reviewing the recommendation of the President Director related to presentation of periodic review from Directors and Top Management which is 1 (one) level below the President Director during the assignment of each individual in the Bank and prepare further recommendation to the Board of Commissioners.*

Independency of Remuneration and Nomination Committee

In performing its duties, the Remuneration and Nomination Committee acts professionally and independently, and does not accept intervention from/ or intervene other parties. In addition, members of the Remuneration and Nomination Committee are not related to any of shareholders, members of the Board of Commissioners or Board of Directors. To keep its independence, members of the Remuneration and Nomination Committee originating from outside Commonwealth Bank do not have any personal relation and link that may cause conflict of interest with the Bank.

Independensi Komite Remunerasi dan Nominasi ditunjukkan dalam tabel berikut:

The independency of the Remuneration and Nomination Committee is shown in the following table:

Aspek Independensi / Independence Aspect	Suwartini	Khairil Anwar	Bagus Harimawan
Tidak memiliki hubungan keluarga dengan Direksi, Dewan Komisaris dan sesama anggota Komite / <i>No family relationship with any members of the Board of Directors, Board of Commissioners and fellow members of the Audit Committee</i>	✓	✓	✓
Tidak menjabat sebagai pengurus partai politik, pejabat dan pemerintah / <i>Not concurrently serving as an executive in any political parties, official and government</i>	✓	✓	✓
Tidak memiliki kepemilikan saham di Commonwealth Bank / <i>Not having shares in Commonwealth Bank</i>	✓	✓	✓

Rapat Komite Remunerasi dan Nominasi

Sepanjang 2016, Komite telah menyelenggarakan beberapa rapat sebagai berikut:

Meetings of Remuneration and Nomination Committee

Throughout 2016, the Remuneration and Nomination Committee convened official meetings as follows:

Tanggal / Date	Kehadiran / Attendance		
	Suwartini	Khairil Anwar	Bagus Harimawan
25 Feb 2016	✓	✓	✓
28 Apr 2016	-	✓	✓
23 Jun 2016	✓	✓	✓
18 Aug 2016	✓	✓	✓
25 Okt 2016	✓	✓	✓
Jumlah kehadiran dan Persentase / Total Attendance and Percentage	5 Pertemuan (83.3%) / 5 Meetings (83.3%)	6 Pertemuan (100%) / 6 Meetings (100%)	6 Pertemuan (100%) / 6 Meetings (100%)

Pelaksanaan Kegiatan Komite Remunerasi dan Nominasi

Selama tahun pelaporan, selain menyelenggarakan rapat rutin, Komite Remunerasi dan Nominasi telah melaksanakan pekerjaan sesuai tugas dan tanggung jawabnya sebagai berikut:

Activities of Remuneration and Nomination Committee

During the reporting year, in addition to organising routine meetings, the Remuneration and Nomination Committee has performed its function in accordance with its duties and responsibilities as follows:

1. Menerima surat pengunduran diri Geoffrey Coates sebagai Presiden Komisaris dan Guy Harding sebagai Wakil Presiden Komisaris serta merekomendasikan Suwartini sebagai *acting* Presiden Komisaris sampai posisi tersebut terisi kembali.
2. Merekendasikan perpanjangan masa kerja Adhiputra Tanoyo sebagai Direktur.

1. Received resignation letter from Geoffrey Coates as President Commissioner and Guy Harding as Vice President Commissioner and recommended Suwartini as the *acting* President Commissioner until such position is filled-in again.
2. Recommended extension of the service term of Adhiputra Tanoyo as Director.

3. Melakukan evaluasi terhadap kualifikasi, latar belakang, serta profil dan merekomendasikan Robert Dharshan Jesudason sebagai Presiden Komisaris.
4. Melakukan evaluasi terhadap kualifikasi, latar belakang, serta profil dan merekomendasikan Andrew Farmer sebagai Wakil Presiden Komisaris.
5. Melakukan evaluasi terhadap kualifikasi, latar belakang, serta profil dan merekomendasikan Stephen Vile sebagai Direktur Risk Management.
6. Melakukan evaluasi terhadap kualifikasi, latar belakang, serta profil dan merekomendasikan Mei Tjuen Tjioe sebagai Direktur Operations & IT.
7. Menyetujui rekomendasi Presiden Direktur untuk pengangkatan Khairil Anwar sebagai bagian dari Komite Remunerasi dan Nominasi.
8. Merekendasikan perpanjangan masa kerja Jono Effendy dan Teuku Radja sebagai Anggota Komite Independen.
3. *Evaluated the qualification, background, and profile of and recommended Robert Dharshan Jesudason as President Commissioner.*
4. *Evaluated the qualification, background, and profile of and recommended Andrew Farmer as Vice President Commissioner.*
5. *Evaluated the qualification, background, and profile of and recommended Stephen Vile as Director of Risk Management.*
6. *Evaluated the qualification, background, and profile of and recommended Mei Tjuen Tjioe as Director of Operations & IT.*
7. *Approved the recommendation of the President Director to appoint of Khairil Anwar as a part of the Remuneration and Nomination Committee.*
8. *Recommended extension of the service term of Jono Effendy and Teuku Radja as Member of the Independent Committee.*

Komite Tata Kelola Terintegrasi

Integrated Good Governance Committee

Komite Tata Kelola Terintegrasi dan Piagam Komite telah ditetapkan pada tanggal 29 Oktober 2015.

Tujuan dari pembentukan Komite Tata Kelola Terintegrasi adalah untuk mendukung tugas Dewan Komisaris Entitas Utama dalam:

1. Mengevaluasi efektifitas pelaksanaan tugas dan tanggung jawab dari Direksi Entitas Utama, serta memberikan arahan/nasihat kepada Direksi Entitas Utama untuk penyempurnaan Pedoman Tata Kelola Terintegrasi
2. Mengawasi efektifitas pelaksanaan Tata Kelola Terintegrasi selaras dengan Pedoman Tata Kelola Terintegrasi, dan
3. Mengevaluasi efektifitas Pedoman Tata Kelola Terintegrasi.

The Integrated Governance Committee and Committee Chapter were established on 29 October 2015.

The objective of the committee's establishment is to support the Board of Commissioners of the main entity in performing their duties of:

1. *Evaluating the effectiveness of the execution of duties and responsibilities of the Board of Directors of the main entity, and providing directions/ suggestions to the Board of Directors of the main entity for the improvement of the integrated governance guidelines*
2. *Monitoring the effectiveness of the implementation the integrated governance to be in line with the integrated governance guidelines, and*
3. *Evaluating the effectiveness of the integrated governance guidelines.*

Komposisi Komite Tata Kelola Terintegrasi per Desember 2016 adalah sebagai berikut:

The composition of Integrated Governance Committee as of December 2016 is as follows:

No.	Jabatan / Position	Nama / Name
1	Ketua dan anggota (Komisaris Independen Commonwealth Bank) / Chairperson and member (Independent Commissioner of Commonwealth Bank)	Suwartini
2	Anggota (Komisaris Independen PT Commonwealth Life) / Member (Independent Commissioner of PT Commonwealth Life)	Jono Effendy
3	Anggota (Pihak Independen Commonwealth Bank) / Member (Independent party from Commonwealth Bank)	Teuku Radja

Profil Komite Tata Kelola Terintegrasi

Komite Remunerasi dan Nominasi oleh personel-personel dengan latar belakang pendidikan dan pengalaman yang sesuai dan mendukung tugas dan tanggung jawabnya.

Suwartini

Ketua/Komisaris Independen Commonwealth Bank

Profil dapat dilihat di Bagian Profil Dewan Komisaris.

Jono Effendy

Anggota/ Komisaris Independen PT Commonwealth Life

Profil dapat dilihat di Bagian Profil Komite Audit.

Teuku Radja Sjahnan

Anggota/Pihak Independen Commonwealth Bank

Profil dapat dilihat di Bagian Profil Komite Audit.

Tugas dan Tanggung Jawab

Komite Tata Kelola Terintegrasi memiliki tugas dan tanggung jawab sebagai berikut:

1. Mendukung tugas Dewan Komisaris Entitas Utama dalam mengevaluasi pelaksanaan Tata Kelola Terintegrasi oleh Direksi Entitas Utama paling sedikit melalui penilaian kecukupan pengendalian intern dan pelaksanaan fungsi kepatuhan secara terintegrasi.
2. Memberikan rekomendasi kepada Dewan Komisaris Entitas Utama untuk penyempurnaan Kebijakan Tata Kelola Terintegrasi menyelenggarakan rapat

Profiles of Integrated Governance Committee

Members of the Integrated Governance Committee are individuals with education background and experiences relevant to their duties and responsibilities.

Suwartini

Chairperson/Independent Commissioner of Commonwealth Bank

Her profile can be seen in the Profile of the Board of Commissioners.

Jono Effendy

Member/Independent Commissioner of PT Commonwealth Life Commonwealth Life

His profile can be seen in the profile of the Board of Commissioners.

Teuku Radja Sjahnan

Member/Independent party from Commonwealth Bank

His profile can be seen in the profile of the Board of Commissioners.

Duties and Responsibilities

The Integrated Governance Committee has the following duties and responsibilities:

1. *Support the work of the Board of Commissioners in evaluating the implementation of integrated governance by the Board of Directors in the form of, at the very least, the assessment of the adequacy of internal control and the implementation of integrated compliance function.*
2. *Give recommendation to the Board of Commissioners for the improvement of Integrated governance policy and hold the Integrated*

Komite Tata Kelola Terintegrasi paling sedikit 1 (satu) kali setiap semester.

3. Hasil rapat Komite Tata Kelola Terintegrasi telah dituangkan dalam risalah rapat dan didokumentasikan dengan baik, termasuk pengungkapan secara jelas *dissenting opinions* beserta alasannya yang terjadi dalam rapat Komite Tata Kelola Terintegrasi.

Governance Committee meetings at least one (1) time in one semester.

3. Prepare and document the minute of the result of the committee meetings, including the clear disclosure of dissenting opinions and their arguments as they occur in the committee meetings.

Independensi Komite Tata Kelola Terintegrasi

Dalam menjalankan tugas, Komite Tata Kelola Terintegrasi bertindak secara profesional dan independen, serta tidak menerima/melakukan intervensi dari/atau kepada pihak lainnya. Selain itu, anggota Komite Tata Kelola Terintegrasi tidak terkait dengan pemegang saham, Dewan Komisaris maupun Direksi. Untuk menjaga independensi, anggota Komite yang berasal dari luar Commonwealth Bank tidak memiliki hubungan dan keterkaitan secara pribadi yang memungkinkan terjadinya benturan atau konflik kepentingan dengan Bank.

Independence of the Integrated Governance Committee

In performing its duties, the Integrated Governance Committee acts professionally and independently. The committee does not receive interference from, nor does it interfere, other parties. Moreover, the members of the Integrated Governance Committee are not related to any of the shareholders, the Board of Commissioners or the Board of Directors. To maintain its independence, the committee members coming from outside Commonwealth Bank does not have any personal relationship or connection which may cause any conflict of interest with the Bank.

Aspek Independensi / Aspect of Independence	Suwartini	Jono Effendy	Teuku Radja Sjahnan
Tidak memiliki hubungan keluarga dengan Direksi, Dewan Komisaris dan sesama anggota Komite Tata Kelola Terintegrasi / Does not have familial relationship with any members of the Board of Directors, the Board of Commissioners, and other members of the committee	✓	✓	✓
Tidak menjabat sebagai pengurus partai politik, pejabat dan pemerintah / Doesn't serve as a trustee in a political party, or as a government official	✓	✓	✓
Tidak memiliki kepemilikan saham di Commonwealth Bank / Doesn't have shares in Commonwealth Bank	✓	✓	✓

Rapat Komite Tata Kelola Terintegrasi

Sepanjang 2016, Komite Tata Kelola Terintegrasi menyelenggarakan rapat resmi sebagai berikut:

Committee Meetings

Throughout 2016, the Integrated Governance Committee held the following meetings:

No. /	Anggota / Member	Jabatan / Title	Periode / Period	
			Feb	Jul
1	Suwartini	Komisaris Independen Commonwealth Bank / Independent Commissioner of Commonwealth Bank	*)	✓
2	Jono Effendy	Komisaris Independen PT Commonwealth Life / Independent Commissioner of PT Commonwealth Life	✓	✓
3	Teuku Radja	Pihak Independen Commonwealth Bank / Independent Party from Commonwealth Bank	✓	✓

*) Sdri. Suwartini berhalangan hadir dan ketidakhadiran telah diwakilkan oleh Sdr. Khairil Anwar / Ms. Suwartini couldn't attend and was represented by Khairil Anwar.

Komite-Komite di Bawah Direksi

Committees Under the Board of Directors

Dalam pelaksanaan tugasnya, Direksi didukung oleh 8 (delapan) komite, yakni:

1. Risk Management Committee
2. Asset and Liability Committee (ALCO)
3. Komite Kredit
4. Komite Pengarah Teknologi Informasi
5. Komite Disipliner
6. Komite Risiko Operasional
7. People Committee
8. Komite Manajemen Risiko Terintegrasi

In the performance of its duties, the Board of Directors is supported by 8 (eight) committees, namely:

1. Risk Management Committee
2. Asset and Liability Committee (ALCO)
3. Credit Committee
4. Information Technology Steering Committee
5. Disciplinary Committee
6. Operational Risk Committee
7. People Committee
8. Integrated Risk Management Committee

Risk Management Committee (RMC)

Pembentukan RMC bertujuan untuk membantu Direksi dan Tim Manajemen dalam memantau dan mengelola Risiko Kredit, Pasar, Likuiditas, Operasional, Hukum, Strategis, Kepatuhan dan Reputasi, guna memastikan kesesuaian dengan kebijakan internal dan persyaratan Otoritas Jasa Keuangan.

Risk Management Committee (RMC)

Establishment of RMC has the purpose to assist the Board of Directors and the Management Team in monitoring and managing the Risks of Credit, Market, Liquidity, Operation, Law, Strategy, Compliance and Reputation, so as to ensure conformity with the internal policy and requirements of the Financial Services Authority.

Komposisi

Komposisi Risk Management Committee sebagai berikut:

Ketua / Chairperson	:	Direktur Manajemen Risiko / Director of Risk Management
Anggota / Members	:	Direksi atau pemegang jabatan senior setara di Commonwealth Bank / Board of Directors or a person with senior equivalent position at Commonwealth Bank
		Presiden Direktur / President Director
		Direktur Operations & IT / Director of Operations & Information Technology
		Kepala Satuan Audit Internal (anggota non-voting) / Head of Internal Audit Unit (non-voting member)
		Direktur Perbankan Retail / Director of Retail Banking
		Direktur Strategic, Digital Solution & Customer Franchise / Director of Strategy Digital Solutions of Customer Franchise
		Direktur Kepatuhan / Director of Compliance
		Chief Financial Officer / Chief Financial Officer
		Chief of Treasury & Markets / Head of Treasury & Markets
		Chief of Human Resources / Head of Human Resources

Tugas dan Tanggung Jawab

1. Memberikan rekomendasi kepada Presiden Direktur terkait dengan:
 - Pembuatan kebijakan, strategi dan petunjuk terkait manajemen risiko
 - Perbaikan terkait penerapan manajemen risiko berdasarkan hasil evaluasi yang telah dilakukan
2. Menjamin pelaksanaan kerangka kerja manajemen risiko Bank secara efektif melalui:
 - Mengkaji dan mendukung kerangka kerja manajemen risiko Bank, yang termasuk namun tidak terbatas pada kerangka *Internal Capital Adequacy Assessment Process*, Pernyataan *Risk Appetite*, dokumen Risiko Material, dan *Key Risk Indicators (KRI)* Bank.
 - Memantau efektivitas fungsi masing-masing komite risiko, yang mencakup namun tidak terbatas pada aktivitas meninjau dan mendukung penerapan piagam masing-masing, secara berkala meninjau KRI masing-masing komite, meninjau dan mendukung dokumen kebijakan dan prosedur, meninjau rencana tindak yang diusulkan komite-komite tersebut dan memastikan pelaksanaannya sesuai standar yang telah disepakati.
3. Memberikan arahan tingkat tinggi dan panduan untuk setiap area risiko dengan:
 - Mengkaji dan mengesahkan laporan profil risiko masing-masing area risiko.
 - Mengkaji dan mengesahkan dokumen kebijakan dan prosedur.
 - Mengkaji setiap pelanggaran di ambang batas KRI dan temuan audit.
 - Menjadi titik eskalasi bagi komite atas semua hal yang terkait manajemen risiko, yang meliputi namun tidak terbatas pada insiden risiko yang signifikan dan penyimpangan ad-hoc dalam kebijakan dan prosedur.
4. Memberikan dukungan atas dokumen yang perlu diajukan kepada Komite Pemantau Risiko, yang mungkin mencakup dokumen kebijakan dan prosedur dan penyimpangan dari kebijakan dan prosedur yang ada.

Duties and Responsibilities

1. Give recommendation to the President Director related to:
 - Formulation of policies, strategies and guidelines related to risk management
 - Improvement related to application of risk management based on the result of evaluation
2. Guarantee effective implementation of the Bank's risk management framework by:
 - Reviewing and supporting the Bank's risk management framework, including but not limited to the framework of the bank's Internal Capital Adequacy Assessment Process, Statement of Risk Appetite, documents of Material Risks, and Key Risk Indicators (KRI).
 - Monitoring the effectiveness of function of each risk committee, which includes but not limited to the activity of reviewing and supporting the application of each charter, periodically reviewing the KRI of each committee, reviewing and supporting the document of policy and procedure, reviewing the action plan proposed by those committees and ensuring the implementation thereof conforms to the agreed standard.
3. Provide high-level guidelines and guidance for each risk area by:
 - Reviewing and supporting reports of risk profile of each risk area.
 - Reviewing and supporting the documents of policy and procedure.
 - Reviewing each violation in the KRI threshold and audit finding.
 - Becoming the escalation point for the committee for all matters related to risk management, which includes but not limited to incidents of significant risks and ad hoc deviation in policies and procedures.
4. Provide support for the documents that need to be submitted to the Risk Monitoring Committee that may include the documents of policies and procedures and deviation from the existing policies and procedures.

Asset and Liability Committee (ALCO)

Tujuan pembentukan ALCO adalah untuk mengawasi risiko pasar, manajemen *banking book*, strategi pendanaan dan pinjaman, aktivitas *trading*, serta kebijakan dan metodologi manajemen modal yang digunakan oleh Commonwealth Bank; memastikan konsistensi antara risiko dan tujuan permodalan Dewan Komisaris dengan risiko pasar dan prinsip-prinsip manajemen dan kebijakan permodalan Commonwealth Bank; dan menyetujui hasil kajian produk yang telah dianalisa dan direkomendasikan oleh *Product Owner* dan pemangku kepentingan terkait untuk produk baru, produk yang sudah ada dan produk yang dihentikan berkenaan dengan risiko reputasi, kebutuhan nasabah, *risk appetite*, dan peraturan/kebijakan.

Komposisi

Ketua / Chairperson	:	Presiden Direktur / President Director
Anggota / Members	:	Chief of Treasury & Markets / Head of Treasury & Markets
		Chief Financial Officer / Chief Financial Officer
		Director/Chief of Strategy, Digital Solutions, and Customer Franchise / Director/Head of Strategy, Digital Solutions, and Customer Franchise
		Direktur Operations & IT / Director of Operations & IT
		Direktur Perbankan Retail dan Bisnis / Director of Retail Banking and Business
		Direktur Manajemen Risiko / Director of Risk Management
		Dua orang perwakilan Kepala Unit Bisnis di bawah Perbankan Retail dan Bisnis / Two representatives from Head of Business Units under Retail Banking and Business

ALCO memiliki anggota *non-voting*, yaitu *Head of Liquidity & Balance Sheet Management*, *Head of Market and Balance Sheet Risk Management*, *Head of Wholesale Banking*, *Head of SME Banking*, *Head of Sales and Distribution*, *Head of Consumer Liabilities Products & Wealth Management*, *Head of Consumer Lending Products*, Direktur Kepatuhan (atau pengganti yang ditunjuk) sebagai pengamat.

Tugas dan Tanggung Jawab

- Meninjau usulan kebijakan dan metodologi untuk mendapatkan persetujuan Dewan Komisaris. Tinjauan termasuk perubahan bauran atau sasaran permodalan, manajemen likuiditas, pembiayaan, penempatan/investasi, *funds transfer pricing*, risiko pasar *baik traded maupun non-traded*;
- Menyetujui sasaran dan strategi perubahan pengelolaan modal dan risiko pasar *non-traded* yang menjadi otoritas Presiden Direktur;

Asset and Liability Committee (ALCO)

The purpose of setting up ALCO is to monitor market risks, management of banking book, funding and loan strategy, trading activities as well as capital management policies and methodology used by PT. Bank Commonwealth; ensure consistency between the risk and purpose of capital extension of the Board of Commissioners and the market risk and Commonwealth Bank's principles of capital management and policy; and approve the result of reviews on products that have been analysed and recommended by the Product Owner and stakeholders related to new products, existing products and products which production is discontinued due to the risk of reputation, customers' needs, risk appetite, and regulations/policies.

Composition

ALCO has non-voting members, namely *Head of Liquidity & Balance Sheet Management*, *Head of Market and Balance Sheet Risk Management*, *Head of Wholesale Banking*, *Head of SME Banking*, *Head of Sales and Distribution*, *Head of Consumer Liabilities Products & Wealth Management*, *Head of Consumer Lending Products*, Director of compliance (or the designated replacement) as observers.

Duties and Responsibilities

- Review the proposed policy and methodology to get approval from the Board of Commissioners. The review includes change in the capital mix or target, liquidity management, funding, placement/investment, funds transfer pricing, market risks both traded and non-traded;
- Approve the target and strategy of change of capital management and non-traded market risk to become under the authority of the President Director;

3. Menyetujui investasi atas permodalan dan persyaratan dividen oleh/untuk pemegang saham;
 4. Mengawasi dan menjamin bahwa kualitas aset senantiasa baik;
 5. Mengawasi kepatuhan kebijakan, posisi permodalan, dan eksposur risiko;
 6. Mengawasi kinerja bisnis yang terkait arah dan penjelasan terhadap *net interest margin* bank dan *total banking margin*; dan
 7. Mengawasi kepatuhan terhadap ketentuan peraturan dan perundangan yang berlaku.
3. Approve investment on capitalisation and/or dividend requirements by and for shareholders;
 4. Monitor and ensure that the quality of assets is always up to par;
 5. Monitor compliance policy, capitalisation position, risk exposure;
 6. Supervise the performance of business related to direction and explanation of the Bank's *net interest margin* and *total banking margin*; and
 7. Monitor compliance with applicable laws and regulations.

Komite Kredit (KK)

Tujuan dibentuknya Komite Kredit adalah untuk memastikan pengambilan dan pengawasan keputusan kredit yang prudent yang sesuai *risk appetite* Commonwealth Bank. Komite ini bersifat operasional yang membantu Direksi dalam mengevaluasi dan/atau mengambil keputusan Aplikasi Kredit berdasarkan jumlah dan jenis kredit yang disetujui Direksi.

Komposisi

Anggota (dengan hak voting) / Members (with voting rights) :	Presiden Direktur / President Director <ul style="list-style-type: none"> • Direktur Retail Bisnis / Director of Retail Business • Direktur Strategy, Digital Solutions & Customer Franchise / Director of Strategy, Digital Solutions & Customer Franchise • Kepala Wholesale Banking / Head of Wholesale Banking • Kepala SME Banking / Head of SME Banking
Anggota (tanpa hak voting) / Members (without voting right) :	<ul style="list-style-type: none"> • Direktur Manajemen Risiko / Director of Risk Management • Kepala Risiko Kredit atau Delegasinya (Laporan Langsung) / Head of Credit Risk or his/her delegation (Direct Report)

- Kehadiran dari tim Risiko Kredit oleh anggota tanpa hak voting menjadi hal perlu guna memberikan pandangan dan rekomendasi seimbang atas tiap proposal yang diserahkan dalam rapat KK.
- KK dapat mengundang Eksekutif lainnya menghadiri sebagian atau seluruh rapat.
- Jika Presiden Direktur tidak dapat memimpin komite, Direktur *Retail* Bisnis akan memimpin rapat. Dalam kapasitas ini, Direktur *Retail* Bisnis tidak dapat mendeklasifikasi lagi kewenangannya.

Credit Committee (KK)

The purpose of forming the Credit Committee is to ensure prudent decision making and supervision of credit extension in accordance with the Bank's risk appetite. This committee is operational in nature to assist the Board of Directors in evaluating and/or making decisions on Credit Application based on the total number and type of credits approved by the Board of Directors.

Composition

- The presence of members without voting right in the Credit risk team is important in order to give balanced view and recommendation for each proposal submitted in KK meetings.
- KK may invite other Executives to attend some or all the meetings.
- If the President Director is unable to chair a committee meeting, the Director of Retail Business will do. In this capacity, the Director of Retail Business is no longer allowed to delegate his/her authority.

Tugas dan Tanggung Jawab

1. Menyetujui atau menolak aplikasi kredit sesuai dengan batas-batas yang telah ditentukan oleh Direksi.
2. Berkoordinasi dengan Assets and Liabilities Committee (ALCO) dalam pendanaan kredit.
3. Mematuhi aturan atas tingkat kecukupan penghapusan dan tagihan atas penghapusan piutang, serta pemberian pinjaman kepada pihak terkait. Hal ini harus dalam pengetahuan Dewan Komisaris melalui pertemuan Dewan Komisaris.
4. Meninjau dan mendukung semua kebijakan kredit terkait termasuk penyimpangan kebijakan:
 - a. Menjalankan fungsinya dalam memberi persetujuan/penolakan kredit berdasarkan profesionalisme, kejujuran, objektivitas, dan akurasi.
 - b. Menolak permintaan dan atau pengaruh dari pihak-pihak terkait kepada pemohon kredit dalam proses pencairan kredit.

Komite Pengarah Teknologi Informasi (KPTI)

Tujuan dari KPTI adalah untuk membantu Direksi dalam memantau kegiatan TI terkait melalui penyesuaian rencana strategis Teknologi Informasi (TI) dengan strategi bisnis bank, optimalisasi pengelolaan sumber daya, nilai yang diberikan TI (*IT Value Delivery*), pengukuran kinerja dan efektifitas penerapan manajemen risiko.

Komposisi

Ketua / Chairperson

:

Direktur Operations & IT / Director of Operations & IT

Voting Membership:

- Presiden Direktur
- Direktur Operations & TI (Chairperson)
- Direktur Retail Banking
- Direktur of Strategy, Digital Solution & Customer Franchise (Vice Chairperson)
- Direktur SME Banking
- Direktur Manajemen Risiko
- Direktur Legal & Compliance
- Chief of Finance

Duties and Responsibilities

1. Approve or reject a credit application in accordance with the limits stipulated by the Board of Directors.
2. Coordinate with the Assets and Liabilities Committee (ALCO) in credit funding.
3. Comply with regulations on adequacy level for writing off and collecting written off liabilities, and extension of loan to relevant parties. This must be within the knowledge of the Board of Commissioners through meetings of the Board of Commissioners.
4. Review and support all credit policies related to their deviation:
 - a. Carry out its function to give approval/reject credits based on professionalism, honesty, objectiveness and accuracy.
 - b. Reject the request and/or the influence from related parties to credit applicants in the process of credit disbursement.

Information Technology Steering Committee (KPTI)

The purpose of KPTI is to assist the Board of Directors in monitoring relevant IT activities through harmonisation of Information Technology (TI) strategic plan and the Bank's business strategy, optimisation of resource management, IT value, measurement of performance and effectiveness in the application of risk management.

Composition

Voting Membership:

- President Director
- Director of Operations & IT (Chairperson)
- Director of Retail Banking
- Director of Strategy, Digital Solution & Customer Franchise (Vice Chairperson)
- Director of SME Banking
- Director of Risk Management
- Director of Legal & Compliance
- Head of Finance

Non-Voting Membership:

- Chief of Internal Audit
- Head of IT
- Kepala Divisi terkait atau satu level dibawah Direktur/Chief dapat diundang ke pertemuan ini sebagai tamu apabila terdapat agenda yang akan dibahas dalam pertemuan ini.

Tugas dan Tanggung Jawab

Umum:

- a. Keselarasan rencana serta implementasi strategis TI dengan strategi bisnis Bank
- b. Efektifitas implementasi kebijakan pengamanan informasi Bank
- c. Efektifitas langkah-langkah mitigasi risiko yang dilakukan untuk meningkatkan pengamanan informasi Bank.

Khusus:

- Keselarasan rencana strategis TI dengan rencana strategi bisnis Bank serta pemantauan keseluruhan kinerja TI dan upaya untuk meningkatkannya.
- *Roadmap* untuk mencapai rencana TI untuk mendukung rencana dan strategi bisnis Bank. *Roadmap* terdiri dari kondisi saat ini, keadaan masa depan dan tindakan yang harus dilakukan untuk mencapai keadaan masa depan.
- Kesesuaian dan prioritas proyek TI dan rencana strategis TI.
- Kemajuan dan status dari *portfolio* proyek yang melibatkan TI termasuk kesesuaian jadwal, finansial, ruang lingkup, sumber daya manusia dan risiko, dan rekomendasi untuk mengatasi masalah atau risiko tersebut.
- Kinerja dari sistem TI dan SLA (*Service Level Agreement*) layanan, setiap insiden kunci, dan kemajuan dari perbaikan yang berkelanjutan.
- Status biaya TI dan investasi dibandingkan dengan anggaran.
- Status keamanan TI, insiden yang terjadi, dan kemajuan perbaikan yang berkelanjutan.
- Status risiko utama yang dihadapi TI dan kemampuan untuk mendukung operasional bisnis Bank, rencana, dan strategi jangka panjang, dan efektivitas tindakan mitigasi serta rencana untuk menghadapi risiko tersebut.

Non-Voting Membership:

- *Head of Internal Audit*
- *Head of IT*
- *Relevant Head of Division or an official one level under the Director/Head may be invited to this meeting as a guest if there is an agenda to be discussed in the meeting.*

Duties and Responsibilities

General:

- a. *Harmony between the IT strategic implementation plan and the Bank's business strategy*
- b. *Effective implementation of the Bank's information security policy*
- c. *Effective risk mitigation measures taken to improve the Bank's information security.*

Specific:

- *Harmony between the IT strategic plan and the Bank's business strategic plan as well as comprehensive monitoring of IT performance and efforts made to improve it.*
- *Roadmap to achieve the IT plan to support the Bank's business strategy and plan. The Roadmap consists of the present condition, future condition and measures taken to achieve the future condition.*
- *Conformity and priority of IT project and the IT strategic plan.*
- *Progress and status of the project portfolio involving IT such as schedule conformity, finance, scope, human resources and risk, and recommendation to solve the problems or risk.*
- *Performance of IT system and SLA (*Service Level Agreement*), any key incident, and progress of sustainable improvement.*
- *Status of IT and investment cost compared to the budget.*
- *Security status of TI, incidents, and progress of sustainable improvement.*
- *Status of major risks faced by IT and ability to support the Bank's business operation, plan, long-term strategy, and effectiveness of mitigation efforts and the plan to deal with the risk.*

- Kinerja vendor utama dan isu utama atau risiko yang terkait dengan pengiriman produk atau jasa dari vendor TI.
- Setiap hal penting terkait dengan sumber daya manusia atau proses yang terkait dengan pemberian layanan TI bagi organisasi.
- Penyelesaian berbagai isu atau risiko yang berkaitan dengan TI yang tidak dapat diselesaikan oleh unit pengguna dan unit TI secara efektif, efisien dan tepat waktu.
- Penyusunan kebijakan TI yang utama dan prosedur dan manajemen risiko terkait dengan penggunaan TI dalam organisasi.
- Efektivitas pelaksanaan kebijakan keamanan informasi.
- *Performance of major vendors and main issues or risks related to delivery of products and services from IT vendors.*
- *Every important issue related to human resources or process related to provision of IT services for the organisation.*
- *Settlement of various issues and risks related to IT that cannot be settled by the user unit and IT unit effectively, efficiently and timely.*
- *Formulation of main IT policies and the procedure and risk management related to use of IT in the organisation.*
- *Effectiveness implementation of information security policy.*

Komite Disipliner

Merubah nama Komite Integritas menjadi Komite *Disciplinary* yang memiliki tujuan yang sama yaitu untuk mengelola Strategi *Anti Fraud* Commonwealth Bank, termasuk korupsi dan pelanggaran, melalui *Disciplinary Programmed*.

Disciplinary Committee

Change the name of Integrity Committee to become Disciplinary Committee that has the same purpose namely to manage the Anti Fraud Strategy of Commonwealth Bank, including corruption and violations through Disciplinary Program.

Komposisi

Composition

Ketua / Chairperson	:	Presiden Direktur / President Director
Anggota / Members	:	Direktur Operations & IT / Director of Operations and Information Technology
		Direktur Manajemen Risiko / Director of Risk Management
		Direktur Kepatuhan / Director of Compliance
		Chief of Human Resources / Head of Human Resources
		Direktur Perbankan Retail dan Bisnis / Director of Retail Banking and Business
		Kepala bagian Risiko Operasional / Head of Operational Risk Division
		Kepala bagian Kejadian Keuangan / Head of Financial Crime Division
		Kepala Departemen Hukum / Head of Law Department
		Chief Audit Executive (Pemantau) / Chief Audit Executive (Observer)

Tugas dan Tanggung Jawab

- Mengelola dan mengawasi pelaksanaan Strategi *Anti Fraud* Commonwealth Bank dan semua kebijakan, prosedur dan praktik-praktik yang terkait
- Mengkaji laporan tindak penyimpangan, korupsi atau pelanggaran di dalam Bank dan mengarahkan tindak lanjut yang sesuai

Duties and Responsibilities

- Manage and supervise the implementation of Commonwealth Bank's Anti Fraud Strategy implementation and all policies, procedures and related practices
- Review reports of irregularities, corruption or violation in the Bank and direct appropriate follow-up actions

- Mempertimbangkan hasil penyelidikan tindak penyimpangan, korupsi atau pelanggaran dan menentukan tindakan disipliner atau tindakan lainnya yang harus diambil dan oleh siapa
- Memastikan bahwa setiap departemen yang memiliki kebijakan atau prosedur yang berhubungan langsung atau tidak langsung dengan pencegahan dan mitigasi tindak penyimpangan, korupsi atau pelanggaran telah secara aktif terlibat dalam pelaksanaan kebijakan dan prosedur tersebut
- Dengan sungguh-sungguh membuat keputusan atau rekomendasi sehubungan dengan hal-hal lain yang berdampak pada kemampuan Commonwealth Bank dalam mencegah dan mengurangi tindak penyimpangan, korupsi dan kesalahan
- Consider the result of investigations to irregularities, corruption or violation and determine the disciplinary measures or other actions to proceed and by whom the actions should be taken
- Ensure that each department has policies or procedures directly or indirectly related to prevention and mitigation of irregularities, corruption or violation actively involving in the implementation of such policies and procedures
- Seriously make decision or recommendation related to other matters that have the impact on the ability of Commonwealth Bank in preventing and minimising irregularities, corruption and errors

Komite Risiko Operasional (KRO)

Tujuan pembentukan KRO adalah untuk mendukung RMC dalam mengevaluasi dan memantau efektivitas pelaksanaan manajemen risiko operasional meminimalkan dan mengurangi risiko dalam kegiatan operasional.

Komposisi

Ketua / Chairperson	Direktur Operations and IT / Director of Operations and IT
Anggota dengan Voting / Members with Voting Right	Presiden Direktur / President Director
	Direktur Manajemen Risiko (1st Vice Chairperson) / Director of Risk Management (1st Vice Chairperson)
	Direktur Perbankan Retail dan Bisnis / Director of Retail Banking and Business
	Direktur Corporate Strategy, Digital Solution, Communication and Customer Experience (2nd Vice Chairperson) / Director of Corporate Strategy, Digital Solution, Communication and Customer Experience
	Chief of Finance / Chief of Finance
Anggota dengan Non Voting / Members with No Voting Right :	Chief Audit Executive (anggota tanpa hak voting) / Chief Audit Executive (member with no voting right)
	Direktur Kepatuhan (anggota tanpa hak voting) / Director of Compliance (member with no voting right)
	Kepala Divisi di Commonwealth Bank yang bertanggung jawab atas / Division Heads of Commonwealth Bank responsible for: <ul style="list-style-type: none"> - BSQA / BSQA - OCU / OCU - IT Governance, Risk and Cyber Security / IT Governance, Risk and Cyber Security - Global Market / Global Market - Finance / Finance

Operational Risk Committee (KRO)

Risk Operational Committee is established to support RMC in evaluating and monitoring the effectiveness of the operational risk management in minimising and lessening the risks during operational activities.

Composition

Tugas dan Tanggung Jawab

1. Meninjau dan menyetujui seluruh kebijakan dan prosedur terkait risiko operasional
2. Mengevaluasi dan menyetujui ambang dan batas risiko operasional
3. Mengkaji dan melakukan pengkinian isu maupun masalah terkait risiko operasional, yang meliputi pengendalian terhadap *weaknesses* dan akar masalah dari insiden *fraud*. Sebagai bagian dari tindak lanjut, melakukan pemantauan *progress* dari tindakan yang diambil
4. Mengevaluasi dan mengkaji efektivitas pengendalian
5. Memutuskan kebijakan guna mengatasi situasi khusus yang berhubungan dengan risiko operasional sedemikian rupa agar sesuai dengan Pernyataan Risiko yang dapat Diterima
6. Mengkaji Indikator Risiko Utama; *Risk Control Self-Assessment*; Pengujian Kontrol dan laporan *Loss Event Data*
7. Mengkaji temuan kunci yang dilaporkan oleh auditor intern, auditor ekstern dan unit pengendalian yang berdampak pada risiko operasional dan memastikan ada tindakan korektif yang diambil
8. Memantau dan melaporkan risiko operasional yang signifikan kepada *Risk Management Committee*
9. Melaporkan dan menginformasikan efektivitas penerapan manajemen risiko operasional kepada RMC
10. Hal-hal mendesak atau penting lainnya harus diputuskan oleh ORC
11. Mengembangkan dan menjaga budaya risiko di Commonwealth Bank

People Committee

Komite ini bertanggung jawab membantu Dewan Komisaris/Komite Remunerasi & Nominasi memenuhi tanggung jawab pengawasan atas Direksi dan Pejabat Eksekutif untuk hal-hal seperti:

- Pengangkatan (Rekrutmen, Rotasi, Promosi)
- Penilaian Kinerja
- *Talent Management* terkait dengan pengembangan karir, *Retention Strategies*, dan Perencanaan *Succession Management*

Duties and Responsibilities

1. Oversee and approve the policy and procedures related to operational risks
2. Evaluate and approves operational risk threshold and limit
3. Analyse and update issues and problems related to operational risk, which includes control over the weaknesses and root problem of fraud incident. As a part of follow-up action, monitor the progress of measures taken
4. Evaluate and review the effectiveness of control
5. Formulate policies in order to handle specific situation related to operational risk in such a way that it conforms to the Risk Statement received
6. Review the Indicators of major Risks; *Risk Control Self-Assessment*; Examination of control and reports of *Loss Event Data*
7. Review key findings reported by internal auditors, external auditors and controlling unit that has an impact on the operational risk and ensure corrective measures taken
8. Monitor and report significant operational risks to the *Risk Management Committee*
9. Report and inform the effectiveness of application of operational risk management to RMC
10. Other urgent or important matters that must be decided upon by ORC
11. Develop and maintain the risk culture within Commonwealth Bank

People Committee

This Committee is responsible for assisting the Board of Commissioners / Remuneration & Nomination Committee to fulfill the responsibility of supervising the Board of Directors and Executive Officer for the following matters:

- Appointment (Recruitment, Transfer, Promotion)
- Performance Assessment
- *Talent Management* related to career development, *Retention Strategies*, and Succession Management planning

Pada awalnya, diskusi pada hal-hal terkait *People Committee* diadakan terpisah dengan rapat Direksi. Terdapat 3 (tiga) rapat komite yang telah dilakukan, yakni pada periode Januari, Februari, dan Mei 2016. Namun, Direksi melakukan tinjauan agar pelaksanaan komite Commonwealth Bank di bawah Direksi menjadi lebih efektif sehingga mulai tanggal 15 Juni 2016, dihasilkan salah satu keputusan bahwa *People Committee* menjadi bagian di dalam rapat Direksi, dimana alokasi waktu diberikan kepada Chief of Human Resources untuk membahas hal-hal terkait di atas.

Initially, discussion on matters related to People Committee was held separately from meetings of the Board of Directors. There have been 3 (three) committee meetings held, namely in January, February, and May 2016. However, the Board of Directors conducted a review to ensure that the performance of Commonwealth Bank committee under the Board of Directors become more effective; hence, starting 15 June 2016, a decision was made that the People Committee becomes a part in meetings of the Board of Directors, in which time is allocated to the Head of Human Resources to discuss the aforementioned matters.

Komposisi

Ketua / Chairperson	:	Presiden Direktur / President Director
Anggota / Members	:	Direktur Operations & IT / Director of Operations & IT
		Direktur Manajemen Risiko / Director of Risk Management
		Direktur Kepatuhan / Director of Compliance
		Direktur Strategy, Digital Solutions & Customer Franchise / Director of Strategy Digital Solutions of Customer Franchise
		Direktur Retail Banking / Director of Retail Banking and Business
		Chief of Human Resources / Head of Human Resources

Tugas dan Tanggung Jawab

Komite bertanggung jawab untuk:

1. Membantu Dewan Direksi dan/atau Komite Remunerasi dan Nominasi untuk memenuhi kewajiban pemantauannya untuk Dewan Direksi dan pejabat Eksekutif, antara lain:
 - o Penunjukan (Rekrutmen, Rotasi, Promosi)
 - o Evaluasi Kinerja
 - o Pengelolaan Bakat:
 - a. Pengembangan
 - b. Strategi Retention
 - c. Pengelolaan Succession Planning
 - o Strategi remunerasi
2. Mengkaji dan melakukan evaluasi terhadap *Talent* (*Talent Review*) termasuk perencanaan suksesi dan individual development program untuk *Talent*
3. Mengkaji perubahan/pengkinian (maupun baru) atas kebijakan, program dan/atau petunjuk yang memiliki dampak terhadap karyawan
4. Mengkaji dan menetapkan *bank-wide gate opener assessment* mengenai risiko yang terjadi di Bank, melakukan kajian terhadap *ethical issue* atau *misconduct* atau kasus *fraud* yang dilakukan oleh karyawan di seluruh tingkat jabatan

Composition

Duties and Responsibilities

The Committee has the responsibility to:

1. Assist the Board of Directors and/or Remuneration and Nomination Committee to fulfill its supervisory obligation for the Board of Directors and Executive Officer, among others:
 - o Appointment (Recruitment, Transfer, Promotion)
 - o Performance Evaluation
 - o Talent Management:
 - a. Development
 - b. Retention Strategy
 - c. Management of Succession Planning
 - o Remuneration Strategy
2. Review and evaluate talent including succession planning and individual development program for talent
3. Review revision/updating (or renewal) of policies, programs and/or guidelines that have impact on employees
4. Review and stipulate bank-wide gate opener assessment on risks occurring in the Bank, conduct study on ethical issue or misconduct or fraud cases committed by employees throughout all levels of position

Sekretaris Perusahaan

Corporate Secretary

Guna melancarkan komunikasi antara Commonwealth Bank dengan para pemangku kepentingan, Direksi dibantu oleh seorang Sekretaris Perusahaan. Sekretaris Perusahaan bertanggung jawab kepada Direksi, dan laporan tugasnya disampaikan pula kepada Dewan Komisaris. Mengingat posisinya yang vital, Sekretaris Perusahaan dituntut untuk mampu memberikan pelayanan kepada para pemangku kepentingan atas setiap informasi yang dibutuhkan berkaitan dengan kondisi Commonwealth Bank, dan untuk itu harus memiliki akses terhadap informasi berkaitan dengan Bank yang relevan. Selain itu, Sekretaris Perusahaan juga harus mampu mengingatkan Direksi tentang tanggung jawabnya untuk melaksanakan tata kelola yang baik.

Sesuai dengan Kebijakan Sekretaris Perusahaan, fungsi Sekretaris Perusahaan adalah:

1. Memberikan masukan kepada Direksi dan Dewan Komisaris untuk mematuhi ketentuan peraturan perundang-undangan;
2. Menetapkan jadwal pertemuan Direksi dan Dewan Komisaris dengan memperhatikan masukan dari setiap anggota;
3. Mengatur dan mendokumentasikan rapat Dewan Komisaris, Komite Pengawas Risiko, Komite Tata Kelola Integritas, dan Komite Audit;
4. Menatausahakan dan menyimpan dokumen perusahaan dan dokumen Dewan Komisaris, Komite Tata Kelola Integritas, Komite Pengawas Risiko, dan Komite Audit;
5. Menjadi penghubung dalam komunikasi formal antara Direksi dan Dewan Komisaris;
6. Menjadi penyelenggara dan mendokumentasi Rapat Umum Pemegang Saham;
7. Menjadi penyelenggara dan mendokumentasi rapat Direksi dan/atau Dewan Komisaris; dan
8. Sebagai penghubung antara Bank, pemegang saham, dan dengan pemangku kepentingan lainnya.

In order to have an uninterrupted communication between Commonwealth Bank and the stakeholders, the Board of Directors is assisted by a Corporate Secretary, who is responsible to the Board of Directors; and also reports its duties to the Board of Commissioners. Considering his/her vital position, the Corporate Secretary is demanded to be able to provide services to the stakeholders for each information needed related to the Bank's condition, and for that purpose shall have access to relevant information related to the Bank. In addition, the Corporate Secretary shall also remind the Board of Directors about its responsibility to perform good governance.

The following are functions of the Corporate Secretary in line with its policy:

1. *Providing inputs to the Boards of Directors and Commissioners to comply with the applicable legislation;*
2. *Scheduling meetings of the Boards of Directors and Commissioners, with inputs from every member of each board;*
3. *Arranging and documenting meetings of the Board of Commissioners, the Risk Monitoring Committee, the Integrated Corporate Governance Committee and the Audit Committee;*
4. *Administering and keeping documents of the company, the Board of Commissioners, the Integrated Corporate Governance Committee, the Risk Monitoring Committee and the Audit Committee;*
5. *Taking role as a communication link between the Board of Directors and the Board of Commissioners;*
6. *Taking role as an organiser and documenting General Meeting of Shareholders;*
7. *Taking role as an organiser and documenting meetings of the Board of Directors and/or the Board of Commissioners; and*
8. *As a liaison between the Bank, shareholders and other stakeholders.*

Satuan Kerja Audit Internal

Internal Audit Working Unit

Satuan Kerja Audit Internal (SKAI) merupakan sebuah fungsi yang melakukan penilaian yang independen dan obyektif terhadap kecukupan dan efektifitas desain operasional sistem pengendalian internal, manajemen risiko, dan tata kelola Bank. Dalam menjalankan tugasnya, SKAI berpedoman pada Standar Pelaksanaan Fungsi Audit Internal Bank (SPFAIB) yang ditetapkan dalam Peraturan Bank Indonesia No. 1/6/PBI/1999 tentang Penugasan Direktur Kepatuhan dan Penerapan Standar Pelaksanaan Fungsi Audit Internal Bank Umum, Standard Praktik Profesional dari the Institute of Internal Auditors (IIA), dan Piagam Audit Internal yang menjabarkan visi, misi, wewenang, dan tanggung jawab SKAI.

Visi dan Misi Satuan Kerja Audit Internal

Visi SKAI adalah: "Untuk menjadi penyedia jasa assurance yang konstruktif, profesional, berkualitas tinggi dan dikenal sebagai tempat yang nyaman untuk bekerja" dan misi SKAI adalah: "Untuk memberikan assurance yang independen dan obyektif kepada Dewan Direksi dan Dewan Komisaris melalui Komite Audit terhadap efektivitas desain dan efektivitas operasional tata kelola, manajemen risiko, dan sistem pengendalian internal Bank".

SKAI memiliki wewenang secara menyeluruh, bebas, dan tidak terbatas untuk mengakses setiap dan semua catatan, property fisik maupun personel yang relevan dengan fungsi yang sedang dikaji. SKAI tidak boleh memiliki tanggung jawab operasional atau kewenangan atas aktivitas dari area yang dikaji untuk menjaga independensinya. SKAI juga tidak boleh menyusun atau menginstal sistem atau prosedur, membuat dokumentasi, atau terlibat dalam aktivitas yang biasanya diaudit; Unit Kerja terkaitlah yang memiliki tanggung jawab atas efektivitas dan efisiensi atas pengendalian internal mereka. Wewenang dan tanggung jawab SKAI tersebut telah tercantum dalam Piagam Audit Internal.

Untuk memastikan independensi dan obyektifitas, setiap tahun anggota SKAI menandatangani Sertifikat Independensi.

Internal Audit Working Unit (SKAI) is a function that conducts independent and objective assessment on the adequacy and effectiveness of the operational design of the Bank's internal control system, risk management, and governance. In performing its duties, SKAI refers to the Standard for Implementing the Function of Bank Internal audit (SPFAIB) stipulated in Bank Indonesia Regulation No. 1/6/PBI/1999 regarding Assignment of the Director of Compliance and Application of Standard for Implementing Commercial Banks' Internal audit Function, Professional Practice Standard from the Institute of Internal Auditors (IIA), and the Internal Audit Charter that elaborates the vision, mission, authorities, and responsibilities of SKAI.

Vision and Mission of Internal Audit Working Unit

The vision of SKAI is: "to become a constructive, professional, high-quality assurance service provider and is known as an comfortable place to work at" and the mission of SKAI is: "to provide an independent and objective assurance to the Board of Directors and the Board of Commissioners through the Audit Committee on the effectiveness of design and operation of good governance, risk management, and internal control system of a Bank".

SKAI has a comprehensive, free and unlimited authority to access each of and all records, physical property and personnel relevant with the function being reviewed. SKAI may not have operational responsibility or authority over areas being reviewed to keep its independence. SKAI may not also prepare or install a system or procedure, make documentation, or involved in the activities usually audited; it is the relevant Working Unit that has the responsibility for the effectiveness and efficiency of their internal control. These SKAI's authorities and responsibilities are incorporated in the Internal Audit Charter.

To ensure its independence and objectiveness, every year members of SKAI sign a Certificate of Independence.

Struktur Organisasi dan Pengembangan Anggota Tim SKAI

SKAI Commonwealth Bank memiliki panduan dalam pelaksanaan tugasnya yang terdapat dalam Internal Audit Charter yang disahkan pada 17 Juni 2014.

Struktur Organisasi

Kepala SKAI melapor langsung kepada Presiden Direktur dan memiliki jalur komunikasi dengan Dewan Komisaris melalui Komite Audit. SKAI memiliki anggota tim yang berasal dari berbagai latar belakang seperti firma akuntansi atau bank lain dengan mayoritas pengalaman audit, dan juga dari Unit Kerja lain dalam Bank dengan keahlian dan pengetahuan di area tertentu. Seleksi anggota tim SKAI dilakukan dengan cara yang hati-hati untuk memilih personil yang terampil dan berkualitas.

SKAI melakukan pelatihan dan pengembangan anggotanya secara berkesinambungan melalui beberapa aktivitas berikut:

- Pengikutsertaan anggota SKAI dalam pelatihan-pelatihan, terkait keahlian khusus seperti, Teknologi Informasi, Kredit, serta program sertifikasi seperti Certified Internal Auditor (CIA), Certification in Control Self Assessment (CCSA), Certified Information System Auditor (CISA), dan Manajemen Risiko Perbankan (LSPP).
- SKAI menjadwalkan program alih pengetahuan secara berkesinambungan untuk para anggotanya secara internal dengan mengadakan sharing session yaitu mengundang pembicara dari departemen atau unit kerja terkait untuk menjelaskan proses, produk, dan lain sebagainya kepada anggota SKAI.

Organisational Structure and Development of Members of SKAI Team

SKAI of Commonwealth Bank has guidelines in implementing its duties that is incorporated in the Internal Audit Charter ratified on 17 June 2014.

Organisational Structure

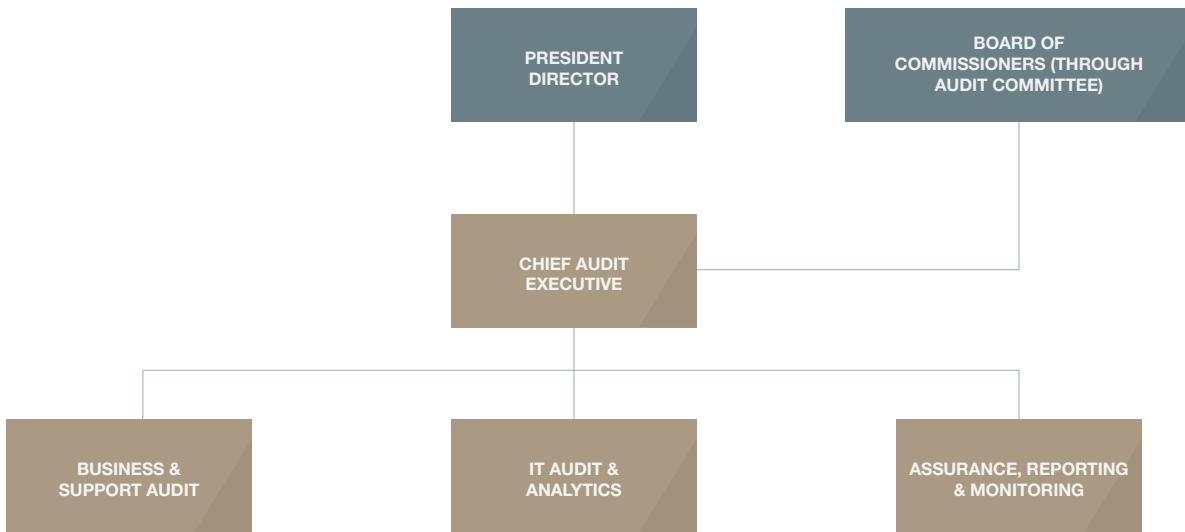
Chairperson of SKAI directly report to the President Director and has a communication line with the Board of Commissioners through the Audit Committee. SKAI has team members from various backgrounds such as accounting firms or other banks the majority of whom have audit experience, and also from other Working units in the Bank with expertise and knowledge in certain areas. Selection of members of SKAI team is performed by way of carefully selecting skilful and quality personnel.

SKAI administers training and development for its members continuously through several activities as follows:

- Inclusion of SKAI members in trainings, related to special skill such as, Information Technology, Credit, and certification program such as Certified Internal Auditor (CIA), Certification in Control Self Assessment (CCSA), Certified Information System Auditor (CISA), and Banking Risk Management (LSPP).
- SKAI schedules the transfer of knowledge program sustainably for its members internally by having sharing sessions namely inviting speakers from the relevant department or working unit to explain the process, product, and so forth for SKAI members.

Per 31 Desember 2016, struktur organisasi SKAI di Commonwealth Bank adalah sebagai berikut:

As of 31 December 2016, the SKAI organisational structure in Commonwealth Bank is as follows:



Saat ini Kepala SKAI dijabat oleh Reza HM Soemadipradja. Sampai dengan 31 Desember 2016, jumlah anggota SKAI adalah 19 orang, termasuk Kepala SKAI.

Currently SKAI Head is assumed by Reza HM Soemadipradja. As of 31 December 2016, the total number of SKAI members is 19 persons, including the Head of SKAI.

Profil Kepala SKAI

Reza Soemadipradja

Kepala Satuan Kerja Audit Internal

Karir Reza HM. Soemadipradja di bidang audit keuangan berasal pada tahun 1997 pada saat ia mulai bekerja di Kantor Akuntan Publik Sarwoko & Sandjaja (Ernst & Young) dan menjabat sebagai Senior Auditor sampai dengan tahun 2001.

Kemudian ia beralih ke sektor perbankan pada tahun 2001 dengan berpindah kerja ke Citibank N.A. dan selama hampir 10 tahun menjabat sebagai Senior Vice President, Kepala Satuan Kerja Audit Internal.

Pada bulan Juli 2011, ia bergabung dengan PT Bank Commonwealth sebagai Chief Audit Executive hingga saat ini.

Head of SKAI Profile

Reza Soemadipradja

Head of Internal Audit Working Unit

The career of Reza HM. Soemadipradja in the field of financial audit commenced in 1997 when he started work at the Sarwoko & Sandjaja Public Accounting Firm (Ernst & Young) and assumed position as Senior Auditor up to 2001.

He then transferred to the banking sector in 2001 and joined Citibank N.A., and for almost 10 years he assumed position as Senior Vice President, Head of Internal Audit Working Unit.

In July 2011, he joined PT Bank Commonwealth as Chief Audit Executive until now.

Pendekatan Audit

Dalam melakukan perencanaan audit tahunan maupun penugasan audit, SKAI menggunakan pendekatan berbasis risiko (*risk-based*). Dengan pendekatan berbasis risiko tersebut, Bank akan mendapatkan nilai tambah berupa area-area prioritas dengan risiko yang lebih besar di Bank.

Audit Approach

In conducting annual audit planning and audit assignment, SKAI uses the risk-based approach. The approach allows the Bank to have an added value in the form of areas of priority with higher risk at the Bank.

Pendekatan berbasis risiko untuk perencanaan audit tahunan dilakukan dengan menilai setiap entitas yang berpotensi untuk diaudit, terhadap beberapa parameter seperti risiko strategik, risiko kredit, risiko pasar, risiko likuiditas, risiko operasional (termasuk insiden risiko operasional dan kasus *fraud* - apabila ada), risiko hukum, risiko kepatuhan, risiko reputasi, *Assets Under Management*, temuan dari Otoritas Jasa Keuangan, dan rating laporan audit terakhir. Rencana Audit juga disusun dengan mempertimbangkan jumlah sumber daya manusia yang ada di SKAI. Penjelasan secara rinci atas langkah-langkah audit dijabarkan dalam Panduan Audit Internal.

Metodologi dan pendekatan audit secara berkala dikaji ulang agar sesuai dengan perkembangan terkini dan praktik terbaik.

Secara berkesinambungan, SKAI melakukan pemantauan atas pencapaian rencana audit serta risiko-risiko yang muncul (*emerging risks*). Hal ini dilakukan sehingga dari waktu ke waktu, SKAI dapat mengevaluasi rencana audit di tahun berjalan dan melakukan perubahan jika diperlukan.

SKAI juga secara berkala bertemu dengan Direksi dan Komite Audit untuk membahas aktivitas audit yang telah dilaksanakan, temuan-temuan yang perlu menjadi perhatian Komite Audit, serta status pelaksanaan rencana perbaikan atas temuan temuan SKAI tersebut.

Risk-based approach for annual audit planning is conducted by assessing every entity potential to be audited, against several parameters such as strategic risk, credit risk, market risk, liquidity risk, operational risk (including incidents of operational risk and fraud cases – if any), legal risk, compliance risk, reputation risk, Assets Under Management, findings by the Financial Service Authority, and rating of the latest audit report. Audit plan is also prepared by considering the total number of existing human resources at SKAI. Detailed explanation on the audit steps is elaborated in the Internal Audit Guidelines.

The Methodology and audit approach are tested periodically so as conforming to the latest development and best practices.

Continuously, SKAI conducts monitoring on the achievement of audit plan and emerging risks. This is carried out so that from time to time, SKAI can evaluate audit plan in the current year and make changes if necessary.

SKAI also periodically have meetings with the Board of Directors and the Audit Committee to discuss audit activities carried out, findings that need to be put into attention of the Audit Committee, and the status of implementation of correction plan over such findings by SKAI.

Realisasi Audit pada 2016

SKAI telah melaksanakan 35 audit di tahun 2016 yang juga tercakup di dalamnya beberapa audit khusus yang dilakukan untuk menanggapi *emerging risk*. Realisasi Audit tahun 2016 telah disosialisasikan kepada Direksi dan Dewan Komisaris melalui Rapat Komite Audit yang diadakan setiap 2 bulan sekali.

Audit Realisation in 2016

SKAI has conducted 35 audits in 2016 covering several special audits to respond to the emerging risk. Audit Realisation in 2016 has been communicated to the Board of Directors and the Board of Commissioners through Meetings of the Audit Committee held bi-monthly.

Peran Satuan Kerja Audit Internal Terintegrasi (“SKAIT”)

SKAIT juga telah melakukan pemantauan atas pelaksanaan audit dan temuan-temuan audit di LJK dalam Konglomerasi Keuangan. Hal ini telah dilaporkan dalam Rapat Komite Tata Kelola Terintegrasi (tertanggal 26 Juli 2016) dimana perwakilan Direksi Entitas Utama juga hadir sebagai undangan (Direktur Kepatuhan dan Direktur Manajemen Risiko).

Role of Integrated Internal Audit Working Unit (“SKAIT”)

SKAIT has also monitored implementation of audit and audit findings at LJK in the Financial Conglomeration. This has been reported in the Meeting of Integrated Good Governance Committee (on 26 July 2016) in which the representative from the Main Entity of the Board of Directors was also present as the invitee (Director of Compliance and Director of Risk Management).

Penanganan Benturan Kepentingan

Handling of Conflict of Interest

Benturan kepentingan dapat timbul dari suatu interaksi antara Bank dengan para karyawannya, nasabahnya, dan pengurusnya atau pemegang saham, termasuk namun tidak terbatas pada hal-hal yang menempatkan seorang karyawan dalam posisi yang menguntungkan diri sendiri dan/atau keluarga/kerabat karyawan. Pada saat kepentingan dari para stakeholder berbeda, hal tersebut dapat menimbulkan benturan kepentingan.

Saat ini, kebijakan berlaku untuk semua karyawan tetap, tenaga kontrak langsung dan tidak langsung, termasuk jajaran direksi dan dewan komisaris, yang berisi tentang peran dan tanggung jawab dari masing-masing unit terkait, pengendalian benturan kepentingan, pengungkapan jenis benturan kepentingan, pelaporan, dan tindakan disipliner bila ditemukan pelanggaran atas kebijakan ini.

Conflict of interest may arise from an interaction between the Bank and its employees, customers, and the management or shareholders, including but not limited to matters that place an employee in a position that favors him/herself and/or his family/relatives. The difference in the interest of stakeholders is likely to create conflict of interest.

Presently, the policy applies to all permanent employees, direct and indirect contract workers, including members of the Board of Directors and the Board of Commissioners. The policy contains the role and responsibility of each relevant unit, control of conflict of interest, disclosure of type of conflict of interest, reporting, and disciplinary measures when violations to this policy are found.

Fungsi Kepatuhan

Compliance Function

Ketatnya persaingan usaha didalam industry perbankan menuntut dipenuhinya berbagai peraturan dan ketentuan demi melindungi keamanan Bank dan kepentingan nasabah. Diperlukan suatu tindakan pencegahan untuk meminimalisir terjadinya pelanggaran atas peraturan perundang-undangan yang berlaku. Hal ini penting untuk menjaga reputasi Bank sebagai institusi yang bergerak di bidang jasa keuangan.

Sebagai bagian dari proses tata kelola perusahaan yang baik dan dalam rangka menjalankan fungsi kepatuhan, Commonwealth Bank telah memiliki kebijakan dan prosedur kepatuhan yang menjabarkan tugas dan tanggung jawab Unit Kepatuhan dalam menjalankan fungsi kepatuhan. Melalui pengelolaan kepatuhan yang

The stiff competition in the banking industry demands that the Bank comply with the law and regulations to ensure the security of the Bank and the interests of the customers. There needs to preventive measures to minimise violation of law and regulations. This is important to maintain the reputation of the Bank as an institution engaging in the financial sector.

As part of the Good Corporate Governance and to exercise the compliance function, Commonwealth Bank is equipped with compliance policy and procedures, which describe the duties and responsibilities of Compliance Unit in performing the compliance function. With the management of compliance to be



selaras dengan strategi Bank, Commonwealth Bank berkomitmen membangun budaya kepatuhan dan terus mengembangkan pengelolaan risiko yang efektif.

in line with the Bank strategies, Commonwealth Bank is committed to foster the culture of compliance and develop effective risk management.

Visi dan Misi Kepatuhan

Melalui perubahan peran dan fungsi Kepatuhan yang lebih melihat ke depan dan lebih sensitif terhadap dinamika perubahan yang ada, diperlukan komitmen arah dan tujuan fungsi kepatuhan yang jelas melalui penentuan visi dan misi, sebagai berikut:

Visi

Menjadi mitra bagi seluruh pihak dalam harmoni dan ketaatan berbudaya demi mencapai visi dan misi Bank.

Misi

Bertindak lebih strategis dalam mendukung kinerja bank yang lebih baik dengan menjaga keseimbangan antara kepentingan komersial Bank dan kepatuhan terhadap peraturan.

Struktur Organisasi Kepatuhan

Fungsi organisasi kepatuhan terbagi menjadi dua unit sebagai berikut:

- Unit Anti Pencucian Uang/Pencegahan Pendanaan Terorisme (APU/APU) dan Sanction. Unit ini bertanggung jawab dalam pelaksanaan program APU/PPT sesuai peraturan yang berlaku dan juga memastikan transaksi keuangan dan perdagangan internasional sesuai dengan ketentuan Sanctions yang berlaku.
- Unit Kepatuhan. Unit ini memiliki tanggung jawab komunikasi dengan regulator, memberi saran kepatuhan dan mengkaji setiap kebijakan dan prosedur internal Commonwealth Bank, serta bertanggung jawab memantau kepatuhan Commonwealth Bank terhadap ketentuan yang berlaku; melakukan penilaian pemantauan dan memberikan pelatihan yang diperlukan untuk meningkatkan budaya dan pengetahuan kepatuhan di Bank.

Compliance Vision and Mission

With the change of the role and function of compliance, which is more forward looking and more sensitive to the current dynamics, Commonwealth Bank sees the need for strong commitment to having clear direction and objective of the compliance function. Thus, the Bank sets the compliance vision and mission as follows:

Vision

To be a trusted partner to all parties, working in developing harmony and culture compliance to achieve the Bank's vision and mission.

Mission

To act strategically and support the performance of the Bank by maintaining the balance between the Bank's commercial interests and compliance with regulations.

Organisational Structure

The organisation of compliance function is divided into two units:

- *Anti-money laundering/Prevention of Terrorism Funding (APU/PPT) Unit and Sanction. The unit is responsible for the execution of APU/PPT programs with adherence to the prevailing regulation and for ensuring that financial transactions and international trades comply with the reigning Sanctions provisions.*
- *Compliance Unit. The unit is responsible for maintaining good communication with the regulator; providing advice related to compliance; reviewing all products, services, and internal policy and procedures; overseeing the Bank's compliance with the prevailing regulation; conducting oversight assessment and providing the necessary training to foster compliance culture and knowledge in Commonwealth Bank.*



Pelaksanaan Kegiatan Unit Kepatuhan

Agar dapat mengelola risiko kepatuhan secara benar, sepanjang 2016 Unit Kepatuhan melakukan beberapa kegiatan, yang meliputi:

1. Melakukan sosialisasi dan diskusi dengan departemen terkait untuk setiap peraturan baru.
2. Mengadakan pelatihan Kode Etik Kepatuhan bagi seluruh karyawan Bank.
3. Memberikan *regulatory refresher* kepada departemen terkait atas peraturan penting yang memberikan dampak terhadap operasional bank sehari-hari.
4. Mengadakan pelatihan reguler terkait APU / PPT dan *Sanctions* kepada semua karyawan baru dan *regulatory refresher* kepada unit-unit terkait.
5. Memberikan masukan pada setiap proyek bank terkait kepatuhan pada regulasi.
6. Melakukan kajian Kepatuhan melalui:
 - a. Tinjauan kepatuhan untuk setiap produk dan aktivitas baru
 - b. Tinjauan kepatuhan untuk setiap kebijakan baru dan perubahannya
7. Melakukan uji kepatuhan pada beberapa departemen guna memastikan kepatuhan mereka pada pelaksanaan kebijakan dan prosedur.

Unit Kepatuhan juga terus memantau setiap komitmen terhadap temuan pemeriksaan Regulator dalam rangka memastikan pemenuhan komitmen Bank sesuai dengan waktu yang telah ditetapkan dan kualitas yang ditentukan. Proses pemantauan meliputi:

1. Diskusi dengan pemilik proses untuk mengidentifikasi faktor-faktor yang berpotensi menyebabkan temuan pemeriksaan yang berulang; dan
2. Diskusi dengan pemilik proses untuk mengidentifikasi faktor-faktor mitigasi;

Compliance Unit Activities

To manage compliance risk well, throughout 2016, Compliance Unit conducted the following activities:

1. *Provide socialization and hold discussion with the related department about any new regulation.*
2. *Provide Compliance Code of Conduct training for all employees.*
3. *Provide regulatory refresher for related departments on important regulations which impact the Bank's daily operations.*
4. *Hold regular training sessions on APU/PPT and Sanctions for all new employees, and regulatory refresher for the related units.*
5. *Provide inputs for each of the Bank's project in matters related to compliance with regulations.*
6. *Conduct Compliance review in the form of:*
 - a. *Compliance review of all new products and activities*
 - b. *Compliance review of all new policy and its revision*
7. *Conduct compliance tests on several departments to ensure their compliance with the policy and procedures.*

Compliance Unit continues to monitor each commitment to the regulator's audit findings. This is to ensure that the Bank fulfills its commitment in a timely manner and with high quality. The oversight process includes:

1. *Discussion with the process owner to identify factors which have the potential repeated audit findings; and*
2. *Discussion with the process executor to identify mitigation factors;*

Untuk meningkatkan kompetensi, selama tahun 2016, Unit Kepatuhan dan Unit Anti Pencucian Uang/Pencegahan Pendanaan Terorisme (APU/APU) dan Sanction telah mengikuti serangkaian pelatihan internal, pelatihan eksternal, workshop dan seminar, serta telah juga mengikuti sertifikasi manajemen risiko berdasarkan tingkatan sertifikasi yang dipersyaratkan untuk jabatan tertentu sebagaimana diatur oleh regulator.

To improve competence, throughout 2016, Compliance Unit and Anti-money laundering Unit/Prevention of Terrorism Funding (APU/APU) and Sanctions held a series of internal and external training sessions, workshop, and seminar. Compliance Unit and Anti-money laundering Unit/Prevention of Terrorism Funding (APU/APU) and Sanctions also participated in risk management certification process based on certification level required for certain positions by the regulator.

Anti Pencucian Uang/Pencegahan Pendanaan Terorisme

Terkait dengan pelaksanaan kegiatan Anti Pencucian Uang/Pencegahan Pendanaan Terorisme, Commonwealth Bank berkomitmen untuk melaksanakannya dengan cara:

1. Pengawasan Aktif Direksi dan Dewan Komisaris

Dalam rangka menerapkan fungsi pengawasan aktif dari Direksi dan Dewan Komisaris, penyampaian laporan telah dilakukan secara rutin baik bulanan maupun dwibulanan.

Adapun informasi yang disampaikan dalam laporan meliputi kegiatan APU/PPT, perkembangan pelaksanaan peraturan dan kebijakan yang berlaku, termasuk pengembangan sistem serta hal-hal yang dianggap memiliki pengaruh signifikan terhadap pelaksanaan penerapan APU/PPT.

2. Kebijakan dan Prosedur

Seiring dengan perkembangan usaha dan kegiatan transaksi bank, penyempurnaan kebijakan dan prosedur yang terkait dengan pelaksanaan APU & PPT terus-menerus dilakukan antara lain dengan memperbarui:

- Kebijakan Pemantauan transaksi; dan
- Pedoman lainnya yang terkait dengan pelaksanaan program APU & PPT.

3. Pengendalian Intern

Pengendalian intern merupakan bagian dari upaya untuk memastikan pelaksanaan terhadap program APU/PPT telah berjalan sesuai dengan ketentuan dan peraturan yang berlaku. Audit Internal secara berkala melakukan pengawasan pada unit terkait maupun cabang-cabang. Pengawasan juga mencakup implementasi dari kebijakan dan prosedur internal.

Anti Money Laundering/Prevention of Terrorism Funding

Commonwealth Bank is committed to the anti-money laundering/prevention of terrorism funding activities, and conducts the following measures:

1. Active Oversight by the Board of Directors and the Board of Commissioners

To implement active monitoring/oversight function of the Board of Directors and the Board of Commissioners, there is a mechanism for routine submission of reports, either monthly or bimonthly.

The information related in the report includes APU/PPT activities, the development of the implementation of the prevailing law and regulations, including system development, and matters considered having significant impact to the implementation of APU/PPT activities.

2. Policy and Procedures

Along with the development of the business and the transaction activities, Commonwealth Bank continuously improves its policy and procedures related to APU & PPT. Some of the improvements are related to:

- Transaction Monitoring Policy; and
- Other guidelines related to the execution of APU/PPT program.

3. Internal control

Internal control is part of the efforts to ensure that the execution of APU/PPT program complies with the law and regulation. Internal Audit periodically oversees the related units and branches. The monitoring also covers the implementation of internal policy and procedures.

4. Sistem Informasi Manajemen

Dalam upaya mendukung pelaksanaan program Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme (APU/PPT), bank telah melakukan peninjauan terhadap sistem yang menunjang program APU & PPT di antaranya:

1. Sistem Monitoring Transaksi Nasabah (*Transaction Monitoring System*)

Transaction Monitoring System berfungsi untuk memantau transaksi nasabah. Terdapat beberapa parameter dalam sistem tersebut yang dipergunakan untuk mendeteksi transaksi yang dianggap tidak wajar atau di luar *profile*.

2. Negative List Tools

Negative List Tool System mencakup di antaranya yang terkait APU dan PPT adalah daftar berisikan nama-nama baik perorangan atau individu yang merupakan *Politically Exposed Persons*, Teroris/DTTOT, terkena sanksi dari regulator baik dalam dan luar negeri. Database ini dipergunakan untuk melakukan proses *screening* terhadap calon nasabah maupun proses *backwashing* pada nasabah *existing*.

5. Sumber Daya Manusia dan Pelatihan

Pengembangan dan pelatihan sumber daya manusia merupakan bagian dari upaya bank untuk meningkatkan kemampuan karyawan dalam menerapkan program APU/PPT. Berbagai upaya dilakukan melalui pelatihan program APU/PPT di antaranya *Induction Training*, *e-learning* dan program *Compliance Roadshow*. Pelatihan ini merupakan program yang harus diikuti oleh karyawan yang berhubungan langsung dengan nasabah (frontliners) maupun karyawan unit pendukung (*Support Unit*).

Adapun cakupan materi pelatihan di antaranya adalah:

- a. Pelaksanaan peraturan perundang-undangan yang terkait dengan program APU/PPT;
- b. Tipologi pencucian uang dan pendanaan terorisme;
- c. Kebijakan dan prosedur internal penerapan program APU dan PPT serta peran dan tanggung jawab karyawan dalam memberantas pencucian uang dan pendanaan terorisme;

4. Management Information System

To support APU/PPT program, Commonwealth Bank monitors the system that support APU/PPT program, namely:

1. *Transaction Monitoring System*

Transaction Monitoring System monitors the customer transactions. Some parameters in the system are used to detect transactions deemed irregular or outside the profile.

2. *Negative List Tools*

Negative List Tool System which connects with APU/PPT is a list consisting of names of either individuals considered to be Politically Exposed Persons, terrorists/DTTOT (List of Alleged Terrorists and Terrorist Organisations), or those having received sanction from the regulator locally or overseas. The database is used to conduct screening process of the prospective customers or the backwashing process for the existing customers.

5. Human Resources and Training

Human resources development and training is part of the Bank's efforts to improve the capacity of its employees in executing APU/PPT programs. Some efforts regarding this are *Induction Training*, *e-learning*, and *Compliance Roadshow* program. The training is a program that must be attended by employees who deal directly with customers (front liners) and *Support Unit* employees.

The training materials cover the following subjects:

- a. The implementation law and regulations related to APU/PPT program;
- b. Typology of money laundering and funding of terrorism;
- c. Internal policy and procedures on the implementation of APU and PPT program, and the role and responsibility of the employees in combating money laundering and funding of terrorism;

- d. Proses identifikasi dan pelaporan transaksi keuangan mencurigakan dan transaksi tunai dalam jumlah besar;
- e. Pemahaman tentang Sanksi (*Economic & Trade Sanctions*) yang diberikan oleh negara atau sekelompok negara kepada pihak tertentu;
- f. Contoh kasus yang terjadi dalam aktifitas sehari-hari.

Pelaksanaan program pelatihan APU/PPT sebagai berikut:

a. Basic Inductions

Pelatihan APU-PPT yang dikhususkan untuk karyawan yang baru bergabung dengan Commonwealth Bank, yang telah dilaksanakan sebanyak 9 kali pada:

- 15 Maret 2016
- 16 Mei 2016
- 11 Mei 2016
- 18 Juli 2016
- 8 Agustus 2016
- 19 September 2016
- 10 Oktober 2016
- 16 November 2016
- 5 Desember 2016

b. Compliance Regulatory and Risk Awareness

Dalam rangka meningkatkan kewaspadaan terhadap peraturan dan risiko, pelatihan diberikan kepada karyawan terutama yang berhubungan langsung dengan nasabah dan transaksi nasabah. Pelatihan telah dilaksanakan sebanyak 12 kali diberbagai lokasi sebagai berikut:

- 10 September 2016 - Balikpapan
- 17 September 2016 - Surabaya
- 24 September 2016 - Bali
- 1 Oktober 2016 - Medan
- 8 Oktober 2016 - Semarang
- 15 Oktober 2016 - Bandung
- 22 Oktober 2016 - Surabaya
- 29 Oktober 2016 - Jakarta
- 12 November 2016 - Jakarta
- 19 November 2016 - Jakarta
- 26 November 2016 - Jakarta
- 17 Desember 2016 - Jakarta

- d. *The process of identification and reporting of suspicious transactions and cash transactions of significant amount;*
- e. *Understanding of the Sanctions (Economic & Trade Sanctions) imposed by countries or a group of countries to a certain party;*
- f. *Sample cases in daily operations.*

The APU/PPT training programs comprise the following:

a. Basic Inductions

APU/PPT training for new employees of Commonwealth Bank. In 2016, the Bank held 9 (nine) training sessions on:

- 15 March 2016
- 16 May 2016
- 11 May 2016
- 18 July 2016
- 8 August 2016
- 19 September 2016
- 10 October 2016
- 16 November 2016
- 5 December 2016

b. Compliance Regulatory and Risk Awareness

To foster awareness of the regulation and risks, the training is provided to employees who directly deal with customers and customer transactions. In 2016, Commonwealth Bank held the following 12 training batches in different locations:

- 10 September 2016 - Balikpapan
- 17 September 2016 - Surabaya
- 24 September 2016 - Bali
- 1 October 2016 - Medan
- 8 October 2016 - Semarang
- 15 October 2016 - Bandung
- 22 October 2016 - Surabaya
- 29 October 2016 - Jakarta
- 12 November 2016 - Jakarta
- 19 November 2016 - Jakarta
- 26 November 2016 - Jakarta
- 17 December 2016 - Jakarta

Regulatory Central dan Obligation Register

Dalam upaya terus meningkatkan tingkat Good Corporate Governance, Manajemen Risiko dan Kepatuhan dan sebagai komitmen mengembangkan budaya kepatuhan di Bank, Unit Kepatuhan secara berkesinambungan melanjutkan inisiatif dalam memberikan akses lebih mudah dan lebih cepat untuk para staff (Business dan Support) terhadap seluruh dokumen peraturan yang berlaku dan kewajiban Bank dalam memenuhi ketentuan melalui file penyimpanan khusus di CommNet untuk *Regulatory Central* ("RC") dan *Obligations Register* ("OR").

Unit Kepatuhan telah mengkinikan RC dengan peraturan-peraturan regulator, slides presentasi peraturan, sirkulasi surat elektronik mengenai ringkasan ketentuan ke unit bisnis terkait, dan petunjuk kepatuhan atas ketentuan regulator. Diharapkan dengan fitur tambahan di RC, unit bisnis terkait dapat berfungsi dengan lebih cepat, lebih mudah, dan dapat lebih mudah memahami peraturan sehingga dapat melakukan tindak lanjut sesuai dengan persyaratan peraturan.

Peran Satuan Kerja Kepatuhan Terintegrasi (SKKT)

Seiring dengan perkembangan globalisasi, teknologi informasi, dan inovasi produk serta aktivitas Perusahaan Lembaga Jasa Keuangan (LJK) telah menciptakan sistem keuangan yang kompleks, dinamis, dan saling terkait antar masing-masing sektor keuangan baik dalam produk dan kelembagaan, maupun kepemilikan. Menghadapi kondisi tersebut, Commonwealth Bank (yang telah ditunjuk secara sah oleh pemegang saham pengendali akhir untuk menjadi Entitas Utama) perlu menerapkan tata kelola yang baik pada Konglomerasi Keuangan Commonwealth Bank of Australia yang mencakup PT Commonwealth Life, PT First State Investments Indonesia dan PT Bank Commonwealth (sebagai Entitas Utama).

Salah satu organ yang wajib dibentuk dalam penerapan Tata Kelola Terintegrasi adalah Satuan Kerja Kepatuhan Terintegrasi yang melapor langsung kepada Direktur Kepatuhan Entitas Utama. Adapun Satuan Kerja Kepatuhan yang telah ada dapat merangkap sebagai Satuan Kerja Kepatuhan Terintegrasi ("SKKT").

Tugas Utama dari SKKT dalam membantu Direktur Kepatuhan Entitas Utama adalah:

1. Melakukan pemantauan dan evaluasi atas pelaksanaan fungsi kepatuhan pada masing-masing LJK dalam Konglomerasi Keuangan;

Regulatory Central and Obligation Register

To escalate the quality of Good Corporate Governance, and Risk and Compliance Management, and to foster compliance culture, Compliance Unit continuously carries out the initiative of providing easy and swift access for business and support staff to all regulatory documents and the Bank's obligation to fulfil the requirement with special registry at CommNet for Regulatory Central ("RC") and Obligations Register ("OR").

Compliance Unit has updated RC with provisions from the regulator, presentation slides on regulations, circulation of electronic mails on the summary of regulations to related business units, and compliance manual on the regulator's provisions. It is expected that with the additional features available at RC, the related business units can function better and swifter, and can understand the regulation more easily so that they can follow up matters based on the regulations.

Roles of Integrated Compliance Work Unit (SKKT)

Along with the globalisation, information technology development, product innovation, and activities, Financial Services Institution (LJK) enterprises have created highly complex and dynamic financial systems, which are inter-related in terms of products, institution and ownership. To overcome this condition, Commonwealth Bank (having been legally appointed by the controlling shareholders to become Prime Entity) needs to implement good governance of Commonwealth Bank of Australia financial conglomerates. This conglomerates comprises PT Commonwealth Life, PT First State Investments Indonesia, and PT Bank Commonwealth (as the prime entity).

One of the compulsory organs for the implementation of Integrated Governance is Integrated Compliance Work Unit. The unit reports directly to the prime entity's Compliance Director. And the existing Compliance Work Unit can hold double position as Integrated Compliance Work Unit ("SKKT").

Main duties of SKKT in assisting the Director of compliance of the Prime Entity:

1. *Monitor and evaluate the implementation of compliance function in each LJK in the Financial Conglomerates;*

2. Menyampaikan laporan pelaksanaan tugas dan tanggung jawab kepada Direktur Kepatuhan Entitas Utama;
3. Membantu Direktur Kepatuhan dalam mempersiapkan dan menyampaikan laporan tentang pelaksanaan tugas dan tanggung jawab kepatuhan terintegrasi kepada Direksi dan Dewan Komisaris Entitas Utama.

Berdasarkan tugas utama SKKT di atas, maka SKKT telah menyampaikan laporan pelaksanaan tugas dan tanggung jawab atas hasil pemantauan dan evaluasi pelaksanaan fungsi kepatuhan pada masing-masing LJK dalam Konglomerasi Keuangan.

SKKT juga telah menyampaikan laporan pelaksanaan tugas dan tanggung jawabnya kepada Direktur Kepatuhan Entitas Utama untuk posisi 31 Desember 2016.

2. Submit report on implementation of duties and responsibilities to the Director of compliance of the Prime Entity;
3. Assist the Director of Compliance in preparing and submitting reports on implementation of duties and responsibility of integrated compliance to the Board of Directors and the Prime Entity of the Board of Commissioners.

Based on the main duties of SKKT above, the SKKT has submitted report of performance of duties and responsibility on the result of monitoring and evaluation on the implementation of compliance function in each LJK in the Financial Conglomerates.

SKKThas also submitted reports of its duty performance and responsibility to the Director of Compliance of the Prime Entity for the position as of 31 December 2016.

Audit Eksternal

External Auditor

Berdasarkan keputusan Para Pemegang Saham di Luar Rapat Umum Pemegang Saham Tahunan Bank tanggal 28 Juni 2016, Dewan Komisaris diberikan kewenangan untuk menunjuk auditor independen untuk mengaudit Laporan Keuangan Bank untuk tahun buku yang berakhir pada tanggal 31 Desember 2016 dan untuk menentukan syarat-syarat dan ketentuan-ketentuan penunjukan tersebut dengan tetap memperhatikan rekomendasi dari Komite Audit Perseroan.

Dewan Komisaris menunjuk Kantor Akuntan Publik (KAP) Tanudiredja, Wibisana, Rintis & Rekan (PwC) sebagai auditor eksternal untuk tahun buku yang berakhir pada tanggal 31 Desember 2016 dengan biaya audit sebesar Rp2.210.000.000 (di luar VAT dan OPE). Penunjukan KAP Tanudiredja, Wibisana, Rintis & Rekan telah memenuhi ketentuan yang berlaku dan sesuai dengan syarat dan ketentuan yang direkomendasikan oleh Komite Audit.

Kantor Akuntan Publik dan Akuntan Publik yang memberikan jasa audit adalah sebagai berikut:

Based on Unanimous Written Resolutions of the Shareholders of the Bank in Lieu of the Annual General Meeting of Shareholders dated 28 June 2016, the Board of Commissioners is granted the authority to appoint an independent auditor to audit the Bank's Financial statements for the accounting year ended on 31 December 2016 and to determine terms and conditions for such appointment by observing the recommendation of the Company's Audit Committee.

The Board of Commissioners appointed the Public Accounting Firm (KAP) of Tanudiredja, Wibisana, Rintis & Partners (PwC) as an external auditor for the accounting year ended on 31 December 2016 with audit fee of Rp2,210,000,000 (excluded VAT and OPE). The appointment of the Tanudiredja, Wibisana, Rintis & Partners KAP has fulfilled the applicable provision and in conformity with the terms and conditions recommended by the Audit Committee.

Public Accounting Firms and Public Accountants that provided the audit services are as follows:

Tahun / Year	Kantor Akuntan Publik (KAP) / Public Accounting Firm (KAP)	Nama Akuntan / Name of Accountant
2012	Tanudiredja, Wibisana & Rekan (anggota PwC Global Network) / Tanudiredja, Wibisana & Partners (member of PwC Global Network)	Angelique Dewi Daryanto, S.E, CPA
2013	Tanudiredja, Wibisana & Rekan (anggota PwC Global Network) / Tanudiredja, Wibisana & Partners (member of PwC Global Network)	Angelique Dewi Daryanto, S.E, CPA
2014	Tanudiredja, Wibisana & Rekan (anggota PwC Global Network) / Tanudiredja, Wibisana & Partners (member of PwC Global Network)	Angelique Dewi Daryanto, S.E, CPA
2015	Tanudiredja, Wibisana, Rintis & Rekan (anggota PwC Global Network) / Tanudiredja, Wibisana, Rintis & Partners (member of PwC Global Network)	Drs. M. Jusuf Wibisana, M.Ec, CPA
2016	Tanudiredja, Wibisana, Rintis & Rekan (anggota PwC Global Network) / Tanudiredja, Wibisana, Rintis & Partners (member of PwC Global Network)	Drs. M. Jusuf Wibisana, M.Ec, CPA

Pada tahun pelaporan, jasa lain yang diberikan oleh Firma anggota jaringan Global PricewaterhouseCoopers adalah melakukan *review* atas perhitungan pajak penghasilan Bank.

In the reporting year, other service provided by PricewaterhouseCoopers Global Network is reviewing the Bank's corporate income tax computation.

Manajemen Risiko

Risk Management

Manajemen risiko telah menjadi bagian integral dari bisnis, pengambilan keputusan dan proses budaya yang menekankan kesadaran risiko karyawan. Kerangka kerja manajemen risiko Bank berfokus pada pengawasan aktif dari Dewan Komisaris dan Direksi, pengembangan kebijakan dan prosedur, proses identifikasi risiko yang memadai, pengukuran dan pengawasan. Selama pelaksanaan, manajemen risiko sebagai suatu proses menyeluruh yang komprehensif menjadi tanggung jawab semua karyawan di setiap tingkatan organisasi melalui kerangka "3 Lines of Defense".

Kebijakan dan prosedur manajemen risiko Commonwealth Bank menetapkan identifikasi, pengukuran, pemantauan dan pengendalian atas risiko di lingkungan Bank. Kebijakan manajemen risiko dan *risk appetite* Commonwealth Bank disusun sesuai dengan misi visi dan strategi bisnis. Kebijakan dan prosedur ini dikaji dan disetujui oleh pihak-pihak terkait

Risk management has become an integral part of the business, decision making and cultural process that stresses on consciousness on risks among employees. The Bank's risk management framework focuses on active supervision by the Board of Commissioners and the Board of Directors, development of policy and procedures, adequate risk identification process, measurement and supervision. During the implementation, risk management as a comprehensive process becomes the responsibility of all employees at all level of the organisation through the framework of "3 Lines of Defense".

The Commonwealth Bank's risk management policy and procedure determines identification, assessment, monitoring and control of the Bank's environmental risk. The risk management and risk appetite policy of Commonwealth Bank is formulated in accordance with the mission, vision and business strategy. This policy and procedure have been reviewed and approved

sesuai prinsip-prinsip *Good Corporate Governance* Bank.

Dewan Komisaris dan Direksi memahami risiko-risiko yang dihadapi Commonwealth Bank dan menganggap ini sebagai syarat mempertahankan bisnis yang berkelanjutan. Divisi Manajemen Risiko memantau eksposur risiko Commonwealth Bank dan menyusun laporan analisis secara rutin. Laporan-laporan ini disampaikan kepada Manajemen, Direksi dan Dewan Komisaris dan menjadi bagian komite yang relevan, agar risiko menjadi bagian diskusi manajemen saat pembuatan keputusan. Manajemen risiko telah tertanam pada semua pengambilan keputusan penting manajemen, seperti rencana modal Commonwealth Bank dan pemilihan inisiatif strategis.

Guna memastikan kemampuan manajemen risiko Commonwealth Bank yang memadai, Commonwealth Bank secara sadar berinvestasi dalam sumber daya manusia dan sistem yang mendukung Manajemen Risiko, serta melakukan perbaikan terus-menerus sesuai kerangka manajemen risiko. Hal ini dianggap sebagai elemen bisnis penting, seiring kompleksitas Commonwealth Bank yang semakin luas dan meningkat.

by the relevant parties in accordance with the Bank's Principles of Good Corporate Governance.

The Board of Commissioners and the Board of Directors understand the risks faced by Commonwealth Bank and consider it as a condition to maintain a sustainable business. The Division of Risk Management routinely monitors the risk exposure of Commonwealth Bank and routinely prepares analysis reports. These reports are submitted to the Management, the Board of Directors and the Board of Commissioners and become a part of the relevant committee so that risks become the management discussion at the time of decision making. Risk management has been embedded in all important decision making of the management, such as the capital plan of Commonwealth Bank and selection of strategic initiatives.

To ensure adequate ability of the Commonwealth Bank's risk management, Commonwealth Bank consciously invest in human resources and the system that supports risk management, enabling it to have continuous improvement in accordance with the framework of risk management. This is deemed as an important element for business, in line with the Bank's increasing complexity.

Perkara Penting yang Dihadapi

Important Case

Jumlah kasus perdata dan pidana yang dihadapi oleh Commonwealth Bank, baik diselesaikan dengan kekuatan hukum final maupun dalam proses penyelesaian, per 31 Desember 2016, adalah sebagai berikut:

Below are details on the criminal and civil cases faced by Commonwealth Bank, both resolved by final legal binding power and in the process of settlement, as of 31 December 2016:

Perkara Hukum yang Dihadapi Commonwealth Bank

Commonwealth Bank sebagai Penggugat:

Proses Hukum / Legal Proceedings	Jumlah Laporan / Number of Legal Proceedings					
	Kriminal / Criminal		Perdata / Civil		PKPU / PKPU	
	2015	2016	2015	2016	2015	2016
Sudah selesai (dengan finalisasi hukum dan kekuatan mengikat) / <i>Resolved with legal binding power</i>	-	-	-	-	-	-
• Rp101 juta s/d Rp 500 juta / <i>Rp101 million to Rp500 million</i>	-	-	-	-	-	-
• Di atas Rp500 juta / <i>above Rp500 million</i>	-	-	-	-	-	-
Dalam proses penyelesaian / <i>In the process of settlement</i>	1	1	-	-	-	-
• Rp101 juta s/d Rp500 juta / <i>Rp101 million to Rp500 million</i>	1	1	-	-	1	5
• Di atas Rp500 juta / <i>above Rp500 million</i>	1	1	-	-	1	5
Total	2	2	-	-	1	5

Commonwealth Bank sebagai Tergugat:

Commonwealth Bank as the Plaintiff:

Commonwealth Bank as the Defendant:

Proses Hukum / Legal Proceedings	Jumlah Laporan / Number of Legal Proceedings			
	Kriminal / Criminal		Perdata / Civil	
	2015	2016	2015	2016
Sudah selesai (dengan finalisasi hukum dan kekuatan mengikat) / <i>Resolved with legal binding power</i>	-	-	-	-
• Rp101 juta s/d Rp500 juta / <i>Rp101 million to Rp500 million</i>	-	-	-	-
• Di atas Rp500 juta / <i>above Rp500 million</i>	-	-	-	-
Dalam proses penyelesaian / <i>In the process of settlement</i>	-	-	-	3
• Rp101 juta s/d Rp500 juta / <i>Rp101 million to Rp500 million</i>	-	-	-	-
• Di atas Rp500 juta / <i>above Rp500 million</i>	-	-	-	-
Total	-	-	-	3

Informasi di bawah ini terkait persidangan hukum yang masih dalam proses:

1. Kasus Dugaan Tindak Pidana Penggelapan oleh Nasabah

Adanya klaim dari Mastercard atas transaksi Nasabah dengan konversi mata uang yang tidak sesuai via ATM di negara lain.

Bank telah mengambil langkah hukum yaitu melaporkan dugaan tindak pidana penggelapan yang diduga dilakukan nasabah ke Badan Reserse Kriminal Mabes Polri.

2. Kasus Pemalsuan dan Penipuan atas Bilyet Giro

Ditemukan pemalsuan Bilyet Giro (BG) dengan karena terdapat 2 Bilyet Giro (BG) yang sama baik nominal dan nomor seri.

The following information is related to the legal proceedings which are still in process:

1. Alleged embezzlement by the Customer

There is claim from Mastercard on Customer's transactions with the currency conversions which is not in accordance via ATM in other country.

The Bank has taken legal action, namely reporting the criminal offense of embezzlement allegedly committed by the customer to the Indonesian Police's Criminal Investigation Division.

2. Check book Counterfeiting and Fraud Cases

There is finding regarding counterfeiting of checks (BG) since there is same 2 (two) checks (BG) either nominal and serial number.

Bank telah mengambil langkah hukum yaitu melaporkan kasus pemalsuan atas Bilyet Giro (BG) ini ke Kepolisian.

3. Kasus Gugatan Perdata

- a. Sedang terjadi sengketa hukum antara para pemegang saham Debitur dengan jaminan Bank sebagai objek sengketa.

Tidak ada sengketa antara Bank dengan Debitur.

Dalam kasus ini Bank menjalani proses sebagai saksi dan Turut Tergugat.

Hingga saat ini, proses perkara di pengadilan masih berjalan.

- b. Bank menghadapi gugatan perdata yang diajukan salah satu Debitur yang bergerak di bidang perdagangan komoditas dengan tuduhan Bank melakukan wanprestasi atas perjanjian kredit yang ditandatangani antara Bank dan Debitur.

Saat ini proses peradilan masih berjalan.

- c. Terhadap Nasabah yang wanprestasi, Bank melakukan eksekusi jaminan yang akan digunakan sebagai pelunasan. Namun, Penjamin dari Debitur mengajukan gugatan perdata kepada Debitur sebagai Tergugat 1 dan Bank sebagai Tergugat 2 di Pengadilan Negeri Jakarta Timur.

Proses persidangan masih berjalan.

4. Kasus Penundaan Kewajiban Pembayaran Utang (PKPU)

- a. Terdapat 1 (satu) Debitur yang menjalankan usahanya dalam bidang pertanian telah gagal bayar berdasarkan perjanjian fasilitas pinjaman dan diajukan proses PKPU oleh Bank.

Debitur tidak dapat melaksanakan kewajibannya sebagaimana disepakati dalam perjanjian homologasi. Saat ini eksekusi lelang asset jaminan masih dalam proses.

- b. Terdapat 1 (satu) Nasabah yang tidak dapat melaksanakan kewajibannya dan Nasabah mengajukan proses PKPU atas nama Nasabah sendiri, dan penanganan oleh Kurator masih berlangsung.

The Bank has taken legal action, namely reporting the counterfeiting case to the Police.

3. Civil Code Allegation

- a. Currently, there is a legal dispute in progress between the shareholders of the debtor with Bank's collateral as an object of dispute.*

There is no dispute between the Bank and the Debtor.

In this case, the Bank is part of the legal process acting as a witness and co-defendant.

Until now, the legal case is still on going.

- b. The Bank face the civil lawsuit that proposed by one of the Debtor which engages in the commodity trading field with the accusation that the Bank default of contract on the credit agreement signed by the Bank and the Debtor.*

The court process is still on going.

- c. Against the Customer who default, the Bank execute the collateral which will be used as a repayment. However, The guarantor from the Debtor filed a civil lawsuit against the Debtor as a Defendant 1 and Bank as a Defendant 2 at East Jakarta District Court.*

The trials are still on going.

4. The Postponement of Debt Payment Obligation (PKPU)

- a. There is 1 (one) Debtor who conducts their business on plantation field and not perform their obligation based on loan facility agreement and proposed the process of PKPU filed by the Bank.*

The Debtor did not perform their obligation as agreed by the homologation agreement. Currently the execution of auction collateral assets still on process.

- b. There is 1 (one) Customer who can not perform their obligations and the Customer proposed the process of PKPU, by itself and handling by the Curator is still on going.*

c. Terdapat 4 (empat) kasus dimana Debitur diajukan proses PKPU oleh para Kreditornya, dan Bank termasuk salah satu Kreditornya.

- 1) Debitur menjalankan usahanya dalam bidang usaha percetakan. Dalam hal ini, Kreditor mengajukan proses PKPU.

Saat ini masih menunggu pembagian boedel pailit yang mana masih dalam verifikasi Kurator.

- 2) Debitur menjalankan usahanya dalam bidang distribusi bahan bakar dan pelumas. Dalam hal ini Debitur diajukan proses PKPU oleh para kreditornya.

Pengadilan Niaga menyetujui akta homologasi untuk menyelesaikan kasus ini.

Seluruh kewajiban Debitur telah dibayar.

- 3) Debitur menjalankan usahanya dalam bidang *paper packaging*. Dua pemasok Debitur mengajukan PKPU terhadap Debitur.

Batas waktu pembatasan proposal perdamaian berakhir pada tanggal 24 Januari 2017.

- 4) Nasabah menjalankan usahanya dalam bidang usaha makanan ternak. Kreditor mengajukan proses PKPU terhadap Nasabah.

Nasabah mengajukan proposal perdamaian.

c. There is 4 (four) cases where the Debtor is proposed the process of PKPU by their Creditor, and Bank as one of their Creditor.

- 1) The Debtor conducts their business in printing field. In this case the Creditor filed the PKPU's process.

Currently, still waiting the sharing/division of the bankrupt estate as the Curator is still verifying them.

- 2) The Debtor conducts their business in distributor of fuel and lubricants. The Debtor was served PKPU process by his creditors.

The Commercial Court approved the homologation deed to settle the case.

The Debtor has paid all obligations.

- 3) The Debtor conducts their business in paper packaging. Two of the Debtor's supplier filed for PKPU against the Debtor.

The deadline for the proposal was on 24 January 2017.

- 4) The Customer conducts their business in animal field. The Creditor filled for PKPU against the Customer.

The Customer proposed the settlement agreement.

Perkara Hukum yang Dihadapi Dewan Komisaris dan Direksi Commonwealth Bank

Selama tahun 2016 tidak terdapat perkara hukum yang melibatkan Dewan Komisaris dan Direksi Commonwealth Bank.

Dampak terhadap Commonwealth Bank

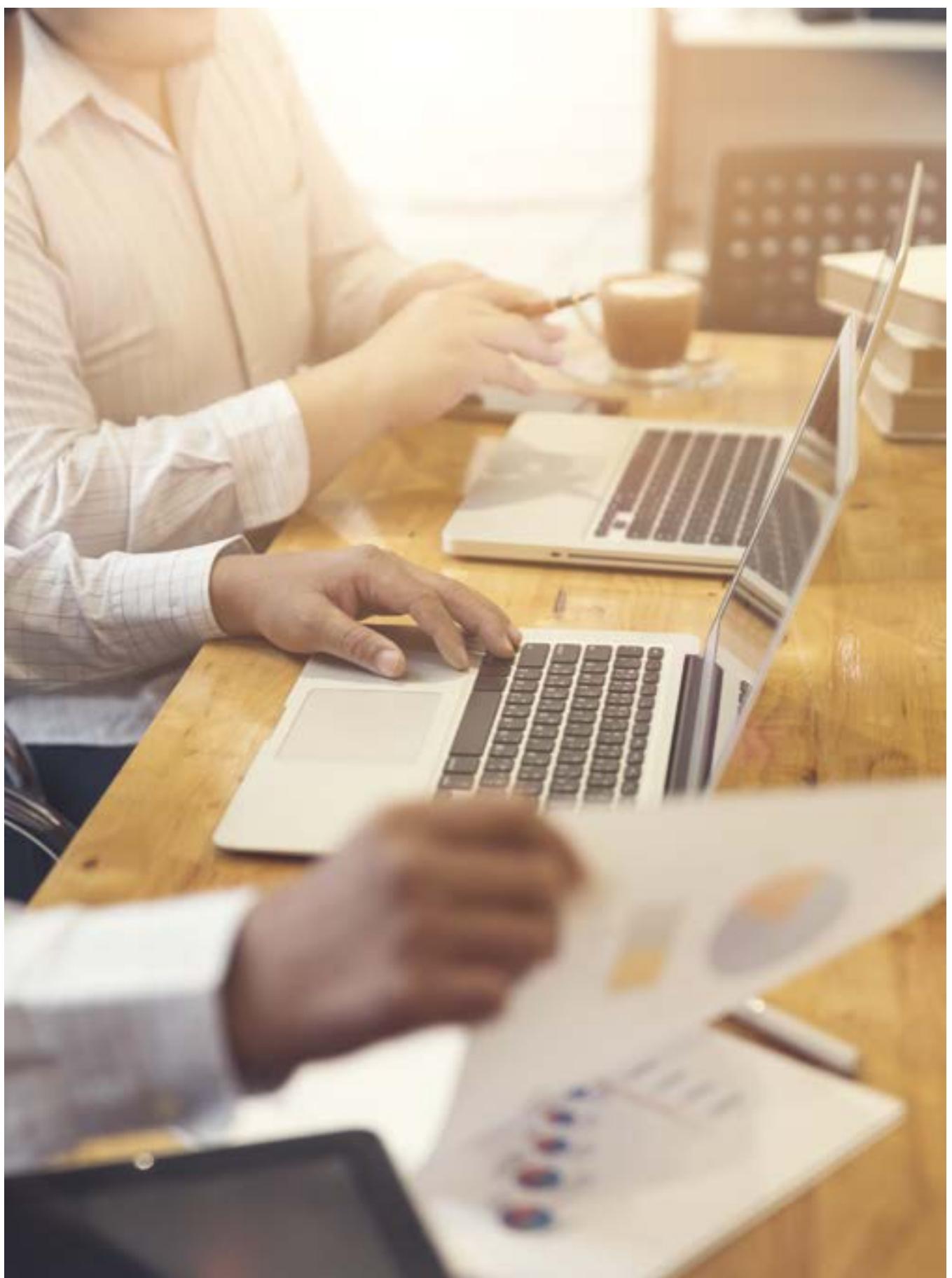
Permasalahan hukum yang dihadapi di tahun 2016, pengaruhnya terhadap Commonwealth Bank tidak signifikan karena telah dilakukan mitigasi yang memadai oleh Commonwealth Bank.

Legal Cases Faced by the Board of Commissioners and the Board of Directors

Throughout 2016, no cases involved the Board of Commissioners and the Board of Directors of Commonwealth Bank.

Impacts for Commonwealth Bank

The legal cases faced by the Bank in 2016 caused no significant effects as the Bank has taken proper mitigation.



Penyediaan Dana untuk Pihak Terkait dan Penyediaan Dana Besar

Provision of Funds to Related Parties and Provision of Major Funds

Dalam pelaksanaan usaha, Commonwealth Bank secara konsisten menjunjung tinggi prinsip kehati-hatian dalam pemberian dana mengacu pada Peraturan Bank Indonesia tentang Batas Maksimum Pemberian Kredit serta peraturan dan perundangan yang berlaku lainnya.

Data di bawah adalah 50 debitur inti dan debitur grup selain pihak terafiliasi yang merupakan eksposur besar. Sepanjang 2016, Commonwealth Bank telah bertindak sesuai dengan peraturan dan melaporkan transaksi kepada Bank Indonesia secara tepat waktu.

Rincian penyediaan dana kepada pihak terkait dan penyediaan dana besar per 31 Desember 2016 adalah sebagai berikut:

Pemberian Dana / Fund Disbursement	Jumlah Debitur / No. of Debtors	Jumlah (dalam Juta Rupiah) / Total (in million Rupiah)
Kepada Pihak Terkait / To related parties	32	25,549.13
Penyediaan Dana Besar / Provision of Major Funds	50	1,996,561.75
a. Debitur Individu / Individual Debtors	35	1,427,148.88
b. Debitur Grup / Group Debtors	15	569,412.87

Dalam rangka menerapkan prinsip kehati-hatian dan manajemen risiko, Bank memiliki kebijakan/pedoman dan prosedur tertulis tentang penyediaan dana kepada Pihak Terkait, penyediaan dana besar, dan atau penyediaan dana kepada pihak lain yang memiliki kepentingan di Bank. Seperti disebutkan, pedoman ditinjau secara berkala. Selain itu, eksposur besar, dan atau penyediaan dana kepada pihak lain yang memiliki kepentingan di Bank dilakukan berdasarkan kewajaran dan kelaziman usaha, sesuai kemampuan modal bank, dan tanpa konsentrasi signifikan dari peminjam atau peminjam kelompok tertentu.

In doing its business, Commonwealth Bank consistently adheres to prudential principle in fund disbursement with reference to Bank Indonesia Regulation on Maximum Ceiling for Credit Disbursement and other rules and regulations.

The data below involves of the 50 principle debtors and group of debtors aside from affiliates with major exposure. Throughout 2016, Commonwealth Bank complied with the regulations and reported all transactions to Bank Indonesia in a timely manner.

The details of fund provision to related parties and major funds as of 31 December 2016 are as follows:

In executing the prudential principle in the risk management, the Bank has written policy/guideline and procedures on the disbursement of funds to related parties, provision of major funds, and/or provision of funds for other parties with relation to the Bank. As mentioned, the guideline undergoes periodic reviewing. Moreover, major exposure, and/or provision of funds for other parties with ties to the Bank follow the principle of business fairness and predominance, based on the Bank's capital ability, and with no significant concentration from debtors or certain groups of debtors.

Rencana Strategis Bank

Bank Strategic Plans

1. Bank memulai perencanaan strategis tahunan di bulan Agustus yang melibatkan semua unit. Rencana strategis ini mengacu pada visi dan misi Bank yaitu “*to excel at securing and enhancing the financial wellbeing of people, businesses and communities*” dan “*to be the market leader in providing Digital Financial Solutions for our Retail & SME target customers*” dan mempertimbangkan kondisi ekonomi dan peluang yang ada. Rencana strategis ini kemudian diterjemahkan dalam Rencana Bisnis Bank. Dalam menyusun Rencana Bisnis Bank, Bank memperhatikan pemenuhan prinsip kehati-hatian dan penerapan manajemen risiko serta masukan dari regulator. Rencana Bisnis Bank mencakup rencana strategis jangka panjang secara menyeluruh yang berisi rumusan arah dalam rangka mencapai tujuan Bank.
2. Rencana Bisnis Bank disusun dengan memperhatikan ketentuan regulator, serta dikaji dan disetujui oleh *Board of Director* (BoD) dan *Board of Commissioner* (BoC) sebelum disampaikan kepada regulator paling lambat pada akhir bulan November sebelum tahun Rencana Bisnis dimulai.

Bank akan terus memantau kondisi makro ekonomi yang berpotensi mempengaruhi Rencana Bisnis Bank, jika terdapat perubahan yang signifikan dalam kondisi perekonomian, Bank akan menyampaikan Perubahan Rencana Bisnis paling lambat pada akhir bulan Juni tahun berjalan.

1. *The Bank commenced its annual strategic planning in August, which involves all units. These strategic plans refer to the Bank's vision and mission “to excel at securing and enhancing the financial wellbeing of people, businesses and communities” and “to be the market leader in providing Digital Financial Solutions for our Retail & SME target customers,” and by considering the economic condition and available opportunities. These plans are then translated into the Bank Business Plan (RBB). In formulating RBB, Commonwealth Bank observes the prudential principle and risk management, as well as inputs from the regulator. RBB comprises long-term and thorough strategic plans which contain the directions for the Bank to reach its objectives.*
2. *The formulation of RBB considers the prevailing regulations, and are studied and approved by the Board of Directors (BoD) and the Board of Commissioners (BoC) before they are submitted to the regulator no later than the end of November before the business plan year starts.*

The Bank will continue to monitor the macroeconomic condition which has the potential of affecting RBB. Should there be any significant change in the economy, the Bank will submit a revision of RBB no later than the end of June of the current year.

Transparansi Kondisi Keuangan dan Non-Keuangan Bank

Transparency of Financial and Non-Financial Condition

Informasi dalam laporan keuangan dan laporan tahunan telah disusun dan disajikan menurut prosedur, jenis dan cakupan sebagaimana diatur dalam Peraturan Otoritas Jasa Keuangan dan Surat Edaran tentang Transparansi dan Publikasi Laporan Bank Umum Konvensional dan disampaikan kepada Otoritas Jasa Keuangan dan instansi terkait lainnya secara tepat waktu.

Informasi di atas juga tersedia secara *online* di situs Commonwealth Bank (www.commbank.co.id) sehingga dapat diakses dengan mudah oleh seluruh pemangku kepentingan Commonwealth Bank.

The information in the financial statement and the annual report is prepared and presented following the procedures, types and coverage as stipulated in the Regulation of Financial Services Authority and Circular Letter on the Transparency and Publication of the Report of Public Conventional Banks, and is submitted to Financial Services Authority and related agencies in a timely manner.

The information above is also available online on Commonwealth Bank's website (www.commbank.co.id) which all stakeholders can easily access.

Opsi Saham

Stock Option

Selama 2016, Commonwealth Bank tidak memberikan opsi saham kepada anggota Dewan Komisaris, Direksi, Pejabat Eksekutif, dan Kepala Unit Bisnis lainnya.

Throughout 2016, Commonwealth Bank did not provide stock options to the members of the Board of Commissioners and Board of Directors, executives, and heads of business units.

Penyimpangan Internal

Internal Fraud

Penyimpangan internal dalam bagian ini, tidak berkonotasi kejahatan yang memiliki unsur pidana, karena bisa bermakna etika maupun administrasi. Pada intinya, tindakan yang tidak sesuai dengan norma yang telah ditetapkan Bank secara internal maupun norma lain yang ditetapkan oleh regulator.

The internal fraud in this part does not have the connotation with criminal offence, but refers to ethical and administrative matters. Basically, it refers to actions which do not conform to the norms established by the Bank internally, or other norms established by the regulator.

Penyimpangan yang terjadi sepanjang tahun 2016 adalah sebagai berikut:

Misappropriation/Frauds that happened throughout 2016 is as follows:

Penipuan Internal 2016 / 2016 Internal Fraud	Jumlah Kasus yang Dilakukan / Number of cases					
	Manajemen / Management		Karyawan Tetap / Permanent Employees		Karyawan Temporari / Temporary employees	
	Tahun Sebelumnya / Previous Year	Tahun Buku / Current Year	Tahun Sebelumnya / Previous Year	Tahun Buku / Current Year	Tahun Sebelumnya / Previous Year	Tahun Buku / Current Year
Jumlah Penipuan Internal / No. of Internal Fraud	0	0	1	3	0	0
Telah selesai / Resolved	0	0	1	3	0	0
Dalam proses penyelesaian internal / In a process of internal settlement	0	0	0	0	0	0
Dalam proses penyelesaian internal dan dengan nasabah / In a process of internal settlement and with customer	0	0	0	0	0	0
Saat ini tidak terdapat upaya penyelesaian / No settlement process	0	0	0	0	0	0
Diproses secara legal / In legal process	0	0	0	0	0	0

Dibanding tahun 2015, jumlah penyimpangan internal di Commonwealth Bank pada tahun 2016 menunjukkan peningkatan utamanya untuk kasus penipuan oleh staff/ pihak internal, namun demikian investigasi terhadap kasus tersebut telah selesai dilakukan, termasuk kerugian yang terjadi telah dikembalikan oleh staff yang bersangkutan, dan staff tersebut telah diberikan sanksi sesuai peraturan yang berlaku di bank.

Compared to 2015, the number of internal frauds in Commonwealth Bank throughout 2016 showed an increase, especially by staff/internal parties. Nevertheless, investigations against those cases have been completed, including the restitution to the loss of fraud by those staff, who have been imposed sanctions pursuant to the Bank's prevailing regulations.

Transaksi yang Mengandung Benturan Kepentingan

Transactions with Conflict of Interest

Guna mendukung *risk awareness* dan pengetahuan akan Benturan Kepentingan, seiring pembaruan Peraturan Commonwealth Bank periode 2016-2018, telah diatur dalam pasal 59 dalam Peraturan Perusahaan bahwa Karyawan wajib membaca, memahami, mematuhi dan menerapkan Peraturan Perusahaan dan Peraturan Pelaksana. Karyawan

In support of risk awareness and improving the knowledge concerning conflicts of interest, and with regard to the revision of Commonwealth Bank 2016-2018 period regulation, Article 59 of Employee Regulation state that employees are required to read, understand, obey and implement Company Regulations and their Executing Regulation. New and current employees are

baru dan lama juga diwajibkan untuk menandatangani Pernyataan *Professional Practice* dan berpartisipasi dalam Pelatihan wajib Kode Etik, yang salah satu modulnya adalah tentang Benturan Kepentingan.

Selain itu, Commonwealth Bank telah melakukan survei tahunan atas seluruh Komisaris, Direksi, dan Pejabat Eksekutif mengenai informasi terkini pengecekan pihak-pihak terkait.

required to sign Professional Practice Statement and participate in Code of Ethics training, whose one of the modules deal with Conflict of Interest.

Moreover, Commonwealth Bank conducts annual survey for all commissioners, directors, and executives regarding the latest information on the monitoring of related parties.

Pembelian Kembali Saham dan Obligasi Bank

Bank's Stock and Bonds Buyback

Per 31 Desember 2016, tidak terdapat transaksi pembelian kembali obligasi atau saham.

As of 31 December 2016, Commonwealth Bank did not conduct any bond or stock buyback transactions.

Dana untuk Kegiatan Sosial dan Politik

Funds for Social and Political Activities

Kegiatan Sosial

Dalam melaksanakan tanggung jawab sosial perusahaan, Commonwealth Bank secara aktif berpartisipasi dalam meningkatkan kesejahteraan masyarakat, dengan fokus pada bidang edukasi literasi keuangan dan sosial.

Dalam bidang Literasi Keuangan, Bank berkomitmen untuk meningkatkan kesejahteraan finansial masyarakat melalui program inklusi keuangan di bawah program WISE. WISE adalah program inklusi keuangan dari perempuan, oleh perempuan untuk perempuan yang diluncurkan Bank sejak tahun 2014 yang bertujuan untuk meningkatkan kesejahteraan finansial perempuan Indonesia melalui suatu program literasi keuangan yang terpadu dan berkesinambungan; yang dilakukan melalui berbagai *platform* (pertemuan tatap muka/workshop, aplikasi mobile WISE dan artikel edukasi di online media).

Social Activities

In performing its corporate social responsibility, Commonwealth Bank participates in the improvement of the welfare of the people, with focus on financial literacy and social issues.

In financial literacy, the Bank is committed to improving the financial welfare of the community through financial inclusive program under WISE program. WISE is a financial inclusion program from women, by women, and for women. Commonwealth Bank launched the program in 2014, with the objective of improving the financial welfare of Indonesian women through integrated and continuous financial literacy program. WISE program uses several platforms: discussion/workshop, WISE mobile application, and educational content in online media.

Pada akhir Desember 2016, lebih dari 2.200 perempuan telah mengikuti kelas WISE dan sebanyak hampir 3.500 perempuan telah mengunduh aplikasi WISE (portal finansial untuk perempuan) yang diluncurkan pada bulan Mei 2015.

Bank juga bekerja sama dengan beberapa komunitas perempuan dan juga media khusus perempuan seperti IWAPI (Ikatan Wanita Pengusaha Indonesia), the Australian Embassy and Australian Trade Commission (Austrade) dan majalah Her World dalam menyelenggarakan beberapa kelas edukasi untuk perempuan pengusaha, mendukung program Women in Global Business Forum dari Austrade dan juga Her World's Women of the Year 2016.

Juga di dalam bidang Literasi Keuangan, secara rutin Bank mengadakan kelas edukasi "Belajar Investasi" untuk masyarakat umum (khususnya kelar menengah) dengan topik mengenai Perencanaan dan Pengelolaan Keuangan serta Investasi.

Dalam bidang sosial, melalui CommCare Club – wadah internal bagi staff untuk terlibat dalam berbagai kegiatan CSR Bank, Bank mengadakan berbagai aktivitas sosial bekerja sama dengan organisasi nirlaba dan penerima bantuan.

By the end of December 2016, more than 2,200 women had participated in WISE class, and close to 3,500 women had downloaded WISE application, a financial portal for women which the Bank launched in May 2015.

Commonwealth Bank also collaborates with several women communities and women-specific media, such as IWAPI (Association of Indonesian Women Entrepreneurs), the Australian Embassy and Australian Trade Commission (Austrade), and Her World magazine in organising several educational sessions for women entrepreneurs, supporting Women in Global Business Forum from Austrade, and Her World's Women of The Year 2016 event.

Still in financial literacy, the Bank organises routine classes with the theme "Investment Education." The class is for the public, especially the middle class, and presents topics on Financial and Investment Planning and Management.

In social issues, through CommCare Club, the internal medium for staff seeking to get involved in various CSR activities, Commonwealth Bank organised various social activities in collaboration with non-profit organisations and beneficiaries.



Selama 2016, berikut adalah rincian kegiatan dan dana yang digunakan dalam menyelenggarakan program Corporate Social Responsibility Bank baik dalam bidang Literasi Keuangan dan Social.

Throughout 2016, below are some details on the activities and funds used in Corporate Social Responsibility programs, in both financial literacy and social programs.

No.	Jenis dan Tujuan Program / Type and Purpose of Program	Penerima / Beneficiary	Total
1	Program WISE (<i>Women Investment Series</i>) – program edukasi keuangan untuk wanita, yang terdiri dari: kelas-kelas edukasi bersama komunitas perempuan, Aplikasi Seluler WISE, edukasi di <i>social media</i> . / <i>WISE Program (Women Investment Series) – financial education program targeting women, consisting of some elements: WISE Financial Workshops, WISE Mobile Application, educational content in social media, etc.</i>	Public – 13 sesi / sessions	Rp440.846.604
2	Program Literasi Keuangan – Program edukasi dengan topik Perencanaan dan Pengelolaan Keuangan / <i>Financial Literacy Program – Educational program with topic about Financial Planning and Management</i>	Publik (program partisipasi) – 4 sesi / Public (program participants) – 4 sessions	Rp20.000.000
3	Program kunjungan anak-anak Sekolah Bisa ke KidZania / <i>Visit to KidZania for Sekolah Bisa's students</i>	Sekolah Bisa, Bintaro	Rp15.359.000
4	Pembangunan 1 rumah di Gunung Sari – Tangerang, Desa Babakan Madang-Sentul, Bogor / <i>Building a house at Gunung Sari –Tangerang, Desa Babakan Madang-Sentul, Bogor</i>	Habitat Bagi Kemanusiaan / <i>Habitat For Humanity</i> www.habitatindonesia.org	Rp49.740.000
5	Hari Donor Darah – Program donor darah regular bekerja sama dengan Palang Merah Indonesia (PMI) –1 kali / <i>Blood Drive Day – Regular blood drive program in collaboration with Indonesian Red Cross (PMI) – 1 time</i>	Palang Merah Indonesia (PMI) / <i>Indonesian Red Cross (PMI)</i>	+/- 150 blood packs
6	Donasi untuk peralatan belajar mengajar (alat bantu dengar) untuk anak-anak Sekolah Aluna dan sesi edukasi "Hidup Bersih Sehat" untuk orangtua / <i>Donation for hearing aid facilities for children at Sekolah Aluna and education session "Healthy Lifestyle" for parents</i>	Sekolah Aluna Jalan Kebagusan Dalam IV No. 34A Pasar Minggu Jakarta Selatan	Rp64.900.000
7	Bowling Fun Games dengan PIISEI – Acara penggalangan dana melalui kompetisi <i>bowling</i> , yang hasilnya akan disumbangkan ke rumah yatim piatu / <i>Bowling Fun Games with PIISEI –Fundraising event through bowling competition to be given to orphanage house</i>	PIISEI (Persatuan Istri Ikatan Sarjana Ekonomi Indonesia)	Rp15.000.000
8	Golf Amal dengan PIISEI – Acara penggalangan dana melalui kompetisi <i>bowling</i> , yang hasilnya akan disumbangkan ke rumah yatim piatu / <i>Charity Golf with PIISEI – Fundraising event through golf competition to be given to orphanage house</i>	PIISEI (Persatuan Istri Ikatan Sarjana Ekonomi Indonesia)	Rp10.000.000
9	Australia Indonesia Association of NSW (AIA) Scholarship 2016, program pertukaran pelajar Indonesia & Australia / <i>Australia Indonesia Association of NSW (AIA) Scholarship 2016, student exchange between Indonesia & Australia</i>	Australia Indonesia Association of NSW	AUD 8.000

Kegiatan Politik

Pada 2016, Commonwealth Bank tidak mendanai kegiatan politik.

Political Activities

In 2016, Commonwealth Bank did not fund any political activities.

Kode Etik Kepatuhan

Compliance Code of Conduct

Kode Etik Kepatuhan (COC) berisi pedoman perilaku karyawan dalam operasional sehari-hari. COC mengatur hubungan antara Bank, Karyawan, Nasabah dan Pemangku Kepentingan lainnya.

Code of Conduct (COC) contains guidelines for employees' conducts in daily operations. COC regulates the relationship between the Bank, employees, customers, and other stakeholders.

Isi Kode Etik Kepatuhan

Beberapa poin terkait dengan COC antara lain:

a. Kerahasiaan

Karyawan bertanggung jawab menjaga kerahasiaan informasi pribadi dan nasabah. Mengungkap informasi nasabah kepada pihak ketiga di luar Bank merupakan pelanggaran serius terhadap hukum dan peraturan.

b. Hadiah dan Hiburan

Mengatur hadiah dan hiburan yang diterima oleh karyawan Commonwealth Bank dan kewajiban untuk melaporkannya.

c. Benturan Kepentingan

Karyawan harus menghindari situasi yang mengarah pada benturan kepentingan. Dalam situasi bila benturan kepentingan tidak bisa dihindari, maka karyawan harus melaporkannya kepada HRD atau Departemen Kepatuhan.

d. Hubungan dengan Nasabah

Seluruh karyawan yang menangani nasabah harus membangun dan menjaga kejelasan hubungan dengan nasabah secara profesional.

e. Anti Pencucian Uang dan Prinsip Mengenal Nasabah

Seluruh karyawan harus waspada terhadap penyalahgunaan Bank oleh para pencuci uang, teroris, kriminal dan koruptor lainnya.

Contents of the Code of Conduct

Some points in the Code of Conduct are as follows:

a. Confidentiality

Employees are responsible for the confidentiality of personal information and that of the customers. Disclosure of customers' information to a third party outside Commonwealth Bank is a grave violation of the law and regulations.

b. Prizes and Consolation

This part regulates prizes and consolations the employees receive and their duty to report it.

c. Conflict of Interest

Employees must avoid any situation which leads to conflicts of interest. In a situation where conflict of interest becomes unavoidable, employees have the duty to report it to HRD or to Compliance Department.

d. Relationship with Customers

All employees who interact with customers are required to build and maintain the clarity of relationship with the customers in a professional manner.

e. Anti-Money laundering and Know-Your-Customer Principle

All employees must be aware and wary of misappropriation of the Bank for money laundering, terror-related activities, and criminal activities, and other corrupt practices.

Sosialisasi dan Keberlakuan Kode Etik Kepatuhan

Kode Etik Kepatuhan berlaku untuk seluruh karyawan yang ada di Commonwealth Bank.

Information Sharing and Enforcement of Code of Conduct

Code of Conduct applies to all employees of Commonwealth Bank.

Kode Etik Kepatuhan disosialisasikan melalui berbagai cara, antara lain melalui program pengenalan karyawan (*Staff Induction*) yang wajib diikuti oleh karyawan sebelum karyawan melewati masa percobaan 3 bulan.

Pada tahun pelaporan, tidak terdapat pelanggaran dan sanksi yang dijatuhkan berkaitan dengan Kode Etik Kepatuhan.

Commonwealth Bank disseminates information regarding Code of Conduct using several methods, including the obligatory Staff Induction program for employees before they pass their three-month probation period.

Throughout the current year, there was no violation of and sanction given related to Code of Conduct.

Whistleblowing System

Whistleblowing System

Commonwealth Bank berkomitmen menjaga lingkungan kerja dan budaya organisasi yang tidak mentolerir tindak penyimpangan, korupsi dan perilaku yang tidak pantas sesuai dengan standar perusahaan yang dituangkan dalam Kebijakan Perlindungan Whistleblower. Kebijakan ini mendorong karyawan untuk melaporkan indikasi tindak penyimpangan, penyuapan dan korupsi, kegiatan ilegal, tidak etis, atau pelanggaran hukum dan peraturan.

Mekanisme pelaporan ini untuk melindungi kerahasiaan identitas pelapor dan memastikan pelaporan anonim.

Commonwealth Bank is committed to creating and maintaining a working environment and corporate culture which do not overlook misappropriation or frauds, corrupt practices, and activities which do not conform to appropriate and standard practices of the Bank as described in Whistleblower Protection Policy. The policy encourages employees to report any indication of frauds, bribery and other corrupt practices, illegal and unethical activities, or violation of law and regulations.

The mechanism for reporting is to protect the identity of the whistleblower and to ensure anonymous reporting.

Program Perlindungan Whistleblower

Dalam mendeteksi tindak penyimpangan atau perilaku lain yang dianggap tidak benar, Program Perlindungan Whistleblower menjadi jalur pelaporan yang disediakan oleh Bank sehingga pelaporan melalui jalur komunikasi dapat dilakukan oleh pihak internal dan eksternal, yaitu antara lain melalui:

- Email: integrity@commbank.co.id
- Hotline Whistleblower: 08071919191
- Telepon Internal call: 8800
- Surat: Whistleblower, FCU, WTC 6 Lantai 16,
- Jl. Jend. Sudirman Kav. 29-31, Jakarta 12920.

Pelaporan dapat didasarkan pada bukti dan dasar pemikiran melakukan pelaporan. Bank melindungi identitas pelapor dan menjamin kerahasiaannya pada saat laporan ditindaklanjuti oleh unit terkait.

Whistleblower Protection Program

In detecting frauds or other inappropriate acts, the Whistleblower Protection Program is the reporting channel provided by the Bank which enables internal and external communication. The media for reporting are:

- Email: integrity@commbank.co.id
- Hotline Whistleblower: 08071919191
- Internal phone, call: 8800
- Mail: Whistleblower, FCU, WTC 6, 16th floor,
- Jl. Jend. Sudirman Kav. 29-31, Jakarta 12920.

The reporting can be based on evidence and the rationale for reporting. Commonwealth Bank will protect the identity of the whistleblower and guarantee the person's confidentiality when the related unit follow up the report.

Seluruh laporan yang diterima dikelola oleh Unit Kejahatan Keuangan sebagai pihak yang ditunjuk mengelola pelaporan yang masuk sesuai dengan standar operasi terkait *whistleblower*. Laporan akan ditindaklanjuti oleh *Whistleblower Investigation Officer* (WIO) yang akan menghubungi pelapor untuk meminta bukti atau informasi tambahan jika perlu. *Whistleblower Protection Officer* (WPO) akan memastikan dengan baik bahwa *whistleblower* diberikan perlindungan.

Jika informasi yang diberikan tidak cukup, atau tidak relevan untuk dilanjutkan proses penyidikan, pelapor akan diinformasikan bahwa penyelidikan dihentikan.

Demi meningkatkan efektivitas Program Perlindungan *Whistleblower*, Bank melakukan beberapa kegiatan:

- Sosialisasi dilakukan melalui *desktop wallpaper*, poster, atau sesi pelatihan guna mendorong pelaporan atau sebagai *whistleblower*.
- *Anti Fraud Awareness* melalui pengiriman *e-mail* kepada seluruh karyawan secara berkala.

Laporan *Whistleblowing* 2016

Jenis Pelaporan / Type of Reporting	Jumlah Laporan / No. of Reports	
	2015	2016
Jumlah Laporan / Number of Reports	8	3
Yang sudah selesai / Resolved	8	3
Penjabaran detail / Details:		
Information only / No Finding	5	3
Misconduct	2	0
Fraud	1	0

Jumlah laporan *whistleblower* pada tahun 2016 menunjukkan penurunan dibanding tahun 2015 terutama untuk laporan *whistleblower* yang berujung pada kasus *Misconduct* dan *Fraud* dari total 3 (tiga) kasus menjadi 0 (nol) di tahun 2016. Walaupun terjadi penurunan terhadap laporan *whistleblower*, namun hal ini sejalan dengan penurunan yang terjadi terhadap kasus yang berujung pada kasus *Misconduct* dan *Fraud*. Hal itu menunjukkan perkembangan yang membaik terhadap risiko yang terjadi di bank, namun demikian Commonwealth Bank tetap mengambil kebijakan untuk secara berkelanjutan melakukan sosialisasi dan program penyegaran secara periodik dan konsisten kepada seluruh staff terkait pelaporan *Whistelblower* ini.

All reports are managed by the Monetary Crime Unit as the unit appointed to manage the reports based on the standard operational procedure on whistleblower. Whistleblower Investigation Officer (WIO) will follow up the report by contacting the whistleblower to ask for further proofs or additional information if necessary. Whistleblower Protection Officer (WPO) will make sure that the whistleblower receives protection.

In the event that the information is not adequate, or irrelevant for investigation process, the whistleblower will then be notified about the termination of the investigation.

To improve the effectiveness of Whistleblower Protection Program, the Bank has taken some steps:

- Information sharing through desktop wallpaper, poster, or training session to encourage reporting or whistleblower.
- Anti-Fraud Awareness through e-mail sent to all employees periodically.

Whistleblowing Reports in 2016

The number of whistleblower reports in 2016 showed a decline from 2015, including for whistleblower leading to cases of Misconduct and Fraud, from three (3) cases to nil (0) in 2016. The decline in the number of whistleblower reports is in line with the decline in the number of cases leading to Misconduct and Fraud. This shows positive development regarding risks. Commonwealth Bank, however, opts for maintaining its information dissemination program and periodic refresher course for all employees concerning whistleblowing report.

Pengungkapan Informasi Kebijakan Remunerasi dalam Laporan Tahunan Pelaksanaan Tata Kelola

Information Disclosure on the Remuneration Policy in the Governance Implementation's Annual Report

Komite Remunerasi

Komposisi Komite Remunerasi:

Remuneration Committee

The Composition of Remuneration Committee:

No.	Nama / Name	Jabatan / Position
1	Suwartini (Komisaris Independen / Independent Commissioner)	Ketua / Chairperson
2	Khairil Anwar (Komisaris Independen / Independent Commissioner)	Anggota / Member
3	Bagus Harimawan (Chief of Human Resources)	Anggota / Member

Tugas Pokok dan Fungsi Komite Remunerasi dan Nominasi

Terkait dengan Kebijakan Remunerasi

1. Komite bertanggung jawab untuk melaksanakan fungsi pengawasan terhadap penyusunan dan/atau pelaksanaan Program dan Kebijakan Remunerasi bagi anggota Dewan Komisaris, anggota Direksi, dan karyawan Bank yang diajukan oleh Direksi melalui Presiden Direktur dan/atau Direktur yang bertanggung jawab atas Direktorat/Fungsi Sumber Daya Manusia, yang memiliki dampak dan/atau perubahan signifikan pada kondisi finansial Bank dan/atau yang memiliki dampak signifikan pada Anggota Dewan Komisaris, Direksi dan Karyawan Bank yang didasarkan pada remunerasi berbasis kinerja dengan memperhatikan faktor-faktor risiko yang ada.

The Composition of Remuneration Committee:

Related to Remuneration Policy

1. *The committee is responsible for executing a monitoring function on the drafting and/or implementation of the Remuneration Program and Policy for the members of the Board of Commissioners, the Board of Directors, and the Bank employees. The program and policy are proposed by the Board of Directors through President Director and/or the director responsible for the Directorate/Functions of Human Resources, and they bear significant impact and/or changes to the financial condition of the Bank, and/or bear significant impact to the members of the Board of Commissioners, the Board of Directors, and the Bank's employees, and are based on the performance-based remuneration with regard to the present risk factors.*
2. *The Board of Commissioners through Remuneration and Nomination Committee gives mandate to the Board of Directors through President Director and/or the official responsible for the human resources directorate/functions to evaluate, formulate and ensure that the Remuneration Program and Policy possesses competitive advantages in the industry, and applies the principle of equity and fairness in its Remuneration Program, which is based on*

Program Remunerasi di Bank berbasiskan kinerja, di antaranya dengan melakukan tinjauan terhadap program remunerasi secara berkala, menyesuaikan dan meningkatkan program-program remunerasi dan manfaat.

3. Setelah melaksanakan fungsi pengawasan, termasuk melakukan evaluasi, Komite akan memberikan rekomendasi kepada Dewan Komisaris mengenai:

3.1 Penyusunan dan/atau pelaksanaan Program dan Kebijakan Remunerasi bagi Direksi dan Dewan Komisaris untuk disampaikan kepada RUPS; dan

3.2 Penyusunan dan/atau pelaksanaan Program dan Kebijakan Remunerasi bagi pegawai secara keseluruhan untuk disampaikan kepada Direksi.

Terkait dengan Kebijakan Nominasi

1. Memberikan rekomendasi kepada Dewan Komisaris terkait dengan sistem, prosedur, pemilihan, pengangkatan, penggantian, dan pengangkatan kembali untuk anggota Dewan Komisaris dan anggota Direksi kepada Dewan Komisaris, termasuk calon anggota Dewan Komisaris dan/atau calon anggota Direksi untuk disampaikan kepada RUPS;
2. Terkait dengan pemilihan, pengangkatan, penggantian, dan pengangkatan kembali Pihak Independen yang menjadi anggota komite-komite organ kerja Dewan Komisaris, Komite memberikan rekomendasi lebih lanjut kepada Dewan Komisaris untuk dapat dilakukan tinjauan lebih lanjut dan selanjutnya Pihak Independen tersebut dapat ditetapkan dan diangkat oleh Direksi;
3. Dewan Komisaris melalui Komite Remunerasi dan Nominasi akan melakukan tinjauan lebih lanjut terhadap rekomendasi Presiden Direktur atas pemaparan mengenai tinjauan kinerja secara berkala dari Direktur-Direktur dan Manajemen Puncak (*Top Management*) yang berada pada 1 (satu) tingkat dibawah Presiden Direktur selama masa penugasan tiap-tiap individu tersebut di Bank dan akan menyusun rekomendasi lebih lanjut kepada Dewan Komisaris.

performance. This means there should be periodic evaluation of the remuneration program, as well as adjustment and improvement of the remuneration program and benefits.

3. *Following the monitoring function, including the evaluation, the committee gives recommendation to the Board of Commissioners on:*

3.1 The formulation and/or execution of the Remuneration Program and Policy for the Board of Directors and the Board of Commissioners to be submitted at General Meeting of Shareholders; and

3.2 The formulation and/or execution the Remuneration Program and Policy for all employees to be reported to the Board of Directors.

Related to Nomination Policy

1. *Give recommendation to the Board of Commissioners on matters related to the system, procedure, nomination, appointment, and reappointment of the members of the Board of Commissioners and the Board of Directors, including the prospective commissioners and/or directors to be submitted to General Meeting of Shareholders;*
2. *Regarding nomination, appointment, replacement, and reappointment of the members of working organ committees to support the Board of Commissioners, the Committee gives further recommendation to the Board of Commissioners for further review so that the independent party can be appointed by the directors;*
3. *The Board of Commissioners through the Remuneration and Nomination Committee reviews the President Director's recommendation of the periodic performance assessment of the directors and the top management one (1) level under President Director during the term of each individual, and formulates further recommendation for the Board of Commissioners.*

Jumlah Rapat yang telah Dilakukan sepanjang 2016:

Jumlah rapat Komite Remunerasi dan Nominasi sepanjang 2016 dilaksanakan sebanyak 6 (enam) kali pertemuan sesuai dengan jadwal tahunan, yang terdiri dari:

1. 25 Februari 2016
2. 28 April 2016
3. 23 Juni 2016
4. 18 Agustus 2016
5. 25 Oktober 2016
6. 15 Desember 2016

Remunerasi yang telah dibayarkan kepada anggota Komite Remunerasi dan Nominasi selama 1 (satu) tahun adalah sebesar Rp5.928.928.819 bruto

Proses Penyusunan Kebijakan Remunerasi

Tinjauan mengenai latar belakang dan tujuan kebijakan Remunerasi

Kebijakan ini ditetapkan sebagai pedoman dan panduan mengenai Remunerasi dan manfaat serta untuk memberikan pemahaman yang jelas mengenai kompensasi dan manfaat yang diterima oleh Karyawan, dengan memperhatikan penerapan prinsip kehati-hatian dan manajemen risiko dalam kebijakan Remunerasi yang ditetapkan sesuai dengan ketentuan OJK dan Peraturan Pemerintah yang berlaku.

Pelaksanaan kaji ulang atas kebijakan Remunerasi pada tahun sebelumnya, beserta perbaikannya

Kebijakan Remunerasi dan Manfaat untuk Karyawan yang terbaru yang berlaku mulai Desember 2016, merupakan hasil peninjauan ulang atas Kebijakan Remunerasi dan Manfaat untuk Karyawan sebelumnya yang diterbitkan pada bulan Desember 2014.

Sementara itu terkait dengan Kebijakan Remunerasi dan Manfaat untuk Direksi yang terbaru yang berlaku mulai Januari 2017, merupakan hasil peninjauan ulang atas Kebijakan Remunerasi dan Manfaat untuk Direksi sebelumnya yang diterbitkan pada bulan Desember 2013.

The Number of Meetings held throughout 2016:

The Remuneration and Nomination Committee held six (6) meetings according to the annual schedule on:

1. 25 February 2016
2. 28 April 2016
3. 23 June 2016
4. 18 August 2016
5. 25 October 2016
6. 15 December 2016

The remuneration given to the members of the Remuneration and Nomination Committee in one (1) year was Rp5,928,928,819 (Gross).

Formulation of the Remuneration Policy

Background and Objectives

The policy acts as the guidelines and manuals on remuneration and benefits. The policy also provides understanding of compensation and benefits received by the employees, with attention given to the prudent principles and risk management as stipulated in the FSA regulation and the prevailing government regulations.

The review of Remuneration Policy in the Previous Year, and its Improvement

The latest policy of remuneration and employee benefits was effective starting December 2016. The policy is the revision of the previous version issued in December 2014.

As to the latest policy on remuneration and benefit for the Board of Directors which became effective in January 2017, the policy is the improvement of the previous policy issued in December 2013.



Mekanisme untuk memastikan bahwa Remunerasi bagi Pegawai di unit kontrol bersifat independen dari unit kerja yang diawasinya

Proses peninjauan remunerasi di setiap direktorat dan unit termasuk unit control, dilakukan berdasarkan penilaian dari Atasan Langsung dan Atasan dari Atasan Langsung. Pemberian Remunerasi akan mengacu kepada ketentuan yang ditetapkan oleh HRD dan disetujui oleh Direksi. Unit kerja yang diawasi oleh Unit Kontrol tidak terlibat dalam menentukan pemberian atau peninjauan remunerasi bagi pegawai di Unit Kontrol.

Cakupan Kebijakan Remunerasi dan Implementasinya Per Unit Bisnis, per Wilayah dan pada Perusahaan Anak atau Kantor Cabang yang Berlokasi di Luar Negeri

Kebijakan Remunerasi yang ditetapkan berlaku untuk Direksi dan seluruh karyawan Commonwealth Bank, baik untuk pegawai dengan status Pegawai Tetap atau Pegawai Kontrak, tanpa membedakan unit bisnis dan wilayah kerja.

Remunerasi Dikaitkan dengan Risiko

Dalam menerapkan tata kelola, Bank wajib memperhatikan prinsip kehati-hatian dalam pemberian Remunerasi kepada Karyawan, baik Remunerasi yang bersifat tetap maupun Remunerasi yang bersifat variable.

Dalam pemberian Remunerasi yang Bersifat Variabel bagi Karyawan, Bank wajib mempertimbangkan:

a) Kinerja

1. Kinerja dari Karyawan,
2. Kinerja unit bisnis,
3. Kinerja Bank; dan

b) Risiko

Mengacu pada kebijakan tersebut di atas, dalam setiap pemberian remunerasi Bank wajib memperhatikan hasil evaluasi atas kinerja dan kejadian atas risiko.

Direktur atau Pegawai yang mempunyai hasil penilaian kinerja yang tidak memenuhi ekspektasi dan/atau tercatat melakukan suatu kejadian atas risiko selama masa periode penilaian, maka pemberian remunerasi kepada yang bersangkutan dapat dibatalkan atau ditunda.

The Mechanism to Ensure the Remuneration for Control Unit's Employees is Independent of the Supervised Working Unit

The process of reviewing the remuneration in each directorate and unit, including control unit, is based on the assessment from the direct superior and his or her superior. The remuneration refers to the guidelines set by HRD and approved by the Board of Directors. The working units supervised by the control unit are not involved in the granting or reviewing the remuneration for the employees in the control units.

Coverage of the Remuneration Policy and Its Implementation According to Business Unit, Region and to Subsidiary or Branch Offices Abroad

The remuneration policy applies to the Board of Directors and all employees of Commonwealth Bank, either permanent employees or contract employees, disregarding their business unit and work region.

Remuneration Related to Risk

In implementing governance, the Bank is required to observe prudent principal in granting remuneration to employees, either fixed remuneration or variable remuneration.

In granting variable remuneration, the Bank is required to consider the following factors:

a) Performance

1. The performance of the employees,
2. The performance of the business unit,
3. The performance of the Bank; and

b) Risks

Referring to this policy, in each remuneration decision, the Bank is required to take into account the result of the evaluation on the performance and occurrences against risks.

Director or employee, whose result of the performance assessment does not meet the expectation, and/or who has been proved to have conducted an act with risks during the period of assessment, may have his or her remuneration repealed or postponed.

Pengukuran Kinerja Dikaitkan dengan Remunerasi

Dalam melakukan pekerjaannya, pegawai diharapkan untuk memastikan bahwa tindakan mereka menambah nilai bagi organisasi dan bahwa mereka secara pribadi melakukan peran penting dalam mengelola risiko. Ini mengharuskan mereka untuk memahami risiko.

Dalam proses peninjauan kinerja pegawai, terdapat 3 (tiga) faktor penilaian yaitu Hasil Kinerja (*Business Outcome*), Nilai (*Values*), dan Risiko (*Risk*). Dimana dalam penilaian Hasil Kinerja, Karyawan diukur dengan nilai *Below Expectation*, *Achieved Expectation* dan *Above Expectation*. Untuk hasil penilaian Behaviour/Nilai, Pegawai diukur dengan nilai *Inconsistently Demonstrated*, *Well Demonstrated*, dan *Exceptional Demonstrated*. Sedangkan untuk penilaian terkait Risiko, Karyawan diukur dengan nilai *Not Met*, *Partially Met* dan *Fully Met*. Di dalam faktor penilaian Risiko, akan dilakukan evaluasi *Risk Insight*, yang mana Pegawai yang tercatat mempunyai kejadian atas suatu risiko, peninjauan remunerasi yang bersangkutan dapat ditunda atau dibatalkan.

Penilaian Kinerja (Assessment) Dewan Komisaris dan Direksi

Penilaian Kinerja Dewan Komisaris

Penilaian kinerja Anggota Dewan Komisari dilakukan oleh Pemegang Saham, khususnya Pemegang Saham Mayoritas/Pengendali. Penilaian kinerja Anggota Dewan Komisaris mengacu pada target yang tertuang dalam Rencana Bisnis Bank (RBB) yang telah ditetapkan di awal periode dan dituangkan sebagai Indikator Kinerja Utama (*Key Performance Indicator* — KPI) Dewan Komisaris.

Adapun kriteria yang dipakai dalam penilaian kinerja Dewan Komisaris di antaranya adalah sebagai berikut:

- a. Melakukan pengawasan terhadap pelaksanaan kegiatan operasional Bank
- b. Melakukan pengawasan terhadap pelaksanaan Good Corporate Governance (GCG)
- c. Melakukan pengawasan terhadap realisasi Rencana Bisnis Bank (RBB)
- d. Melakukan pengawasan terhadap nilai *Risk Based Bank Rating* (RBBR)

Performance Measurement Related to Remuneration

In performing their job, employees are expected to ensure that their actions add values to the organisation, and that they personally play an instrumental role in managing risks. This means that they need to have understanding about the risks.

In the process of assessing an employee's performance, three (3) assessment factors are taken into consideration: Business Outcome, Values, and Risk. In the assessment performance report, the employees receive either one of these values: Below Expectation, Achieved Expectation or Above Expectation. For Behaviour/Value assessment, the employees receive either Inconsistently Demonstrated, Well Demonstrated, or Exceptional Demonstrated. And, for Risk assessment, the employees receive either one of these: Not Met, Partially Met or Fully Met. In Risk assessment, the employees undergo Risk Insight evaluation, in which the employees who have had experience in risk-related occurrence, may have their remuneration review postponed or repealed.

Board of Commissioners and Board of Directors' Assessment

Performance Assessment of the Board of Commissioners

The assessment of the Board of Commissioners is conducted by the shareholders, notably the majority/controlling shareholders. The assessment refers to the targets explained in the Business Plan (RBB) set at the beginning of the period and expressed as the Board of Commissioners' Key Performance Indicator (KPI).

The criteria used in the assessment are as follows:

- a. *The oversight of the Bank's operations*
- b. *The oversight of the implementation of Good Corporate Governance (GCG)*
- c. *The oversight of the execution of Business Plan (RBB)*
- d. *The oversight of the value of Risk Based Bank Rating (RBBR)*

- e. Memberikan masukan kepada Direksi sesuai dengan kepentingan Bank dan Pemegang Saham.

Selain penilaian KPI yang dilaksanakan berdasarkan pencapaian kinerja korporat, Commonwealth Bank juga melakukan penilaian kinerja Anggota Dewan Komisaris dalam rangka pelaksanaan penilaian kualitas penerapan praktik GCG sesuai kriteria indikator penilaian penerapan *best practices* GCG di Commonwealth Bank.

Penilaian Kinerja Anggota Direksi

Untuk mengetahui, mengukur dan menilai kinerja Direksi, Commonwealth Bank melakukan asesmen terhadap Anggota Direksi. Asesmen Anggota Direksi dilakukan melalui prosedur sebagai berikut:

- Kinerja Direksi dan masing-masing Anggota Direksi akan dievaluasi oleh Dewan Komisaris dan disampaikan kepada Pemegang Saham dalam RUPS.
- Setiap anggota Direksi menyusun rencana kerja pada awal tahun keuangan sesuai dengan fungsi, tugas dan tanggung jawab dalam mencapai rencana dan strategi bisnis bank yang telah ditentukan.
- Kriteria evaluasi formal disampaikan secara terbuka kepada Anggota Direksi yang bersangkutan sejak tanggal pengangkatannya.
- Kinerja Direksi akan dievaluasi oleh Dewan Komisaris secara berkala dua kali dalam satu tahun dan disampaikan kepada Pemegang Saham dalam RUPS.
- Hasil evaluasi terhadap kinerja Direksi akan digunakan sebagai dasar skema kompensasi dan remunerasi bagi Anggota Direksi.

Adapun kriteria yang dipakai dalam asesmen Anggota Direksi adalah sebagai berikut:

- a. Empat kategori dalam KPI yang dijadikan ukuran dalam penilaian kinerja Direksi adalah sebagai berikut:
 - *Business* – penilaian terkait dengan pencapaian dan strategi bisnis
 - *Productivity* – penilaian terhadap produktivitas secara individu, tim, fungsional maupun direktorat
 - *Customer* – penilaian terhadap proses yang dilakukan untuk meningkatkan pelayanan kita terhadap customer internal maupun eksternal

- e. *Recommendation and inputs to the Board of Directors based for the interest of the Bank and shareholders.*

Aside from KPI assessment conducted based on the corporate work performance, Commonwealth Bank also conducts performance assessment on the members of the Board of Commissioners in the implementation of GCG following the criteria of GCG best practices indicator used in Commonwealth Bank.

Performance Assessment of the Board of Directors

To know, measure, and assess the directors' performance, Commonwealth Bank conducts its assessment using the following procedure:

- *The Board of Commissioners evaluates the performance of the Board and its members and the result is submitted to shareholders in General Meeting of Shareholders.*
- *Each director prepares his or her work plan at the beginning of the financial year based on their duties and responsibilities to achieve the Bank's plans and strategies.*
- *The criteria for the evaluation are informed openly to the directors since the date of their appointment.*
- *The Board of Commissioners evaluates the performance of the Board twice in a year and the result is submitted at General Meeting of Shareholders.*
- *The result of the evaluation is used as the basis for compensation and remuneration scheme for the directors.*

Criteria used in the assessment of members of the Board of Directors are as follows:

- a. *Four categories in KPI used in the assessment are as follows:*
 - *Business* – assessment related to business achievement and strategies
 - *Productivity* – assessment on the productivity of each director, the teams, function and directorate
 - *Customer* – assessment on the process used to improve services to internal and external customers

- *People* – penilaian terhadap pengembangan talenta individu maupun tim secara keseluruhan
- b. KPI yang telah ditetapkan untuk masing-masing Direksi

Pada tahun pelaporan, asesmen Direksi telah dilakukan pada bulan Juni 2016 oleh Dewan Komisaris. Hasil asesmen pada 2016 menunjukkan bahwa masing-masing anggota Direksi dalam menjalankan tugas dan tanggung jawabnya sesuai dengan arahan dan strategi bisnis Bank.

Penyesuaian Remunerasi Dikaitkan dengan Kinerja dan Risiko

Penyesuaian Remunerasi diberikan dengan memperhatikan prinsip kehati-hatian sebagai bagian dari penerapan manajemen risiko, yang mana prinsip-prinsip tersebut telah sesuai dengan aturan dan/atau regulasi yang ditetapkan oleh regulator.

Nama Konsultan Eksternal dan Tugas Konsultan Terkait Kebijakan Remunerasi

Commonwealth Bank tidak menggunakan jasa konsultan eksternal dalam membuat kebijakan Remunerasi.

Paket Remunerasi dan Fasilitas yang Diterima oleh Direksi dan Dewan Komisaris Mencakup Struktur Remunerasi dan Rincian Jumlah Nominal

Remunerasi bagi Dewan Komisaris dan Direksi Commonwealth Bank direkomendasikan oleh Komite Remunerasi dan Nominasi berdasarkan perumusan remunerasi yang berpedoman kepada kebijakan internal Commonwealth Bank, peraturan eksternal yang berlaku, serta pertimbangan atas kinerja Commonwealth Bank.

Rekomendasi Komite Remunerasi dan Nominasi tersebut kemudian diserahkan kepada Dewan Komisaris dan disampaikan pada RUPS untuk mendapatkan persetujuan, sebagaimana telah diatur dalam Anggaran Dasar Bank.

Paket/kebijakan remunerasi dan fasilitas lain yang diperoleh Dewan Komisaris dan Direksi meliputi:

- *People* – assessment on the development of individuals or team

- b. *KPI set by each director*

For the reporting year, the assessment was conducted in June 2016. The result of the assessment shows that each member of the Board of Directors performed their duties and responsibilities based on the direction and business strategies of Commonwealth Bank.

Adjustment to the Remuneration Related to Performance and Risk

The adjustment of the remuneration takes into account the prudent principles as part of the implementation of risk management; these principles comply with the rules and regulations issued by the regulator.

The Name of the External Consultant and the Duties of the Consultant Related to Remuneration Policy

Commonwealth Bank did not employ any from external consultant in formulating its remuneration policy.

Remuneration Package and Facilities Received by the Board of Directors and the Board of Commissioners Covering Structures and Details

The remuneration for the Board of Commissioners and the Board of Directors of Commonwealth Bank follows the recommendation from Remuneration and Nomination Committee based on the formulation of remuneration which used as the guidelines Commonwealth Bank's internal policy, the prevailing external regulation, and the Bank's performance.

Recommendation from the committee is then submitted to the Board of Commissioners and presented during General Meeting of Shareholders to gain approval in conformity to the Bank's Articles of Association.

The remuneration package/policy and facilities for the Board of Commissioners and the Board of Directors include:

1. Remunerasi dalam bentuk non-natura, termasuk gaji dan penghasilan tetap lainnya antara lain tunjangan, kompensasi berbasis saham, dan bentuk remunerasi lainnya; dan
2. Fasilitas lain dalam bentuk natura/non-natura yaitu penghasilan tidak tetap lainnya, termasuk tunjangan untuk perumahan, transportasi, asuransi kesehatan, dan fasilitas lainnya yang dapat dimiliki maupun tidak dapat dimiliki.

Pengungkapan paket/kebijakan remunerasi, paling kurang meliputi:

1. Paket/kebijakan remunerasi dan fasilitas lain bagi anggota Dewan Komisaris dan Direksi yang ditetapkan Rapat Umum Pemegang Saham Bank;
2. Jenis remunerasi dan fasilitas lain bagi seluruh anggota Dewan Komisaris dan Direksi, paling kurang mencakup jumlah anggota Dewan Komisaris, jumlah anggota Direksi, dan jumlah seluruh paket/kebijakan remunerasi dan fasilitas lain sebagaimana dimaksud dalam Angka 1, sebagaimana tabel di bawah ini:

1. *Remuneration in the form of Non-Natura (Non-BIK), including salary and other fixed income, such as benefits, stock-based compensation, and other form of remuneration; and*
2. *Other facilities in the form of benefit in kind (BIK)/ non-BIK, namely other types of non-fixed income, including allowance for housing, transportation, health insurance, and other facilities to own or not to own.*

The disclosure of remuneration package/policy at the least includes:

1. *The remuneration package/policy and other facilities for the members of the Board of Commissioners and the Board of Directors approved by General Meeting of Shareholders;*
2. *The type of remuneration and facilities for all members of the Board of Commissioners and the Board of Directors cover, at the very least, the number of commissioners, the number of directors, and all other remuneration package/policy and facilities which refer to Number 1, as described in the table below:*

Jenis Remunerasi dan Fasilitas Lain / Type of Remuneration and Other Facilities	Jumlah Diterima Tahun 2016 / Amount Received in 2016			
	Dewan Komisaris / the Board of Commissioners		Direksi / the Board of Directors	
	Jumlah SDM / No. of Human Resources	Dalam Juta Rupiah (bruto) / in Million Rupiah (gross)	Jumlah SDM / No. of Human Resources	Dalam Juta Rupiah (bruto) / in Million Rupiah (gross)
1. Remunerasi (gaji, bonus, tunjangan rutin, dan fasilitas lainnya dalam bentuk non natura) / Remuneration (salary, bonus, routine allowances, and other facilities in the form of Non-BIK)	2	3.410	6	34.981
2. Fasilitas lain dalam bentuk natura (perumahan, transportasi, asuransi kesehatan dan sebagainya) yang: / Other facilities in the form of BIK (housing, transportation, health insurance and others) which are: a. Dapat dimiliki / To own b. Tidak dapat dimiliki / Not to own	2	699	6	2.144
Total	2	4.110	6	37.126

Jumlah Anggota Dewan Komisaris dan Direksi yang menerima paket remunerasi dalam 1 (satu) tahun dikelompokkan sesuai tingkat penghasilan sebagai berikut:

Numbers of members of the Board of Commissioners and Directors receiving remuneration in a year are grouped based on the following levels of salary:

Remunerasi per orang dalam 1 (satu) tahun di 2016 / Remuneration per person in one (1) year in 2016	Jumlah Komisaris / Commissioners	Jumlah Direktur / Directors
Di atas Rp3 miliar / Above Rp3 billion	-	3
Di atas Rp2 miliar dan sampai dengan Rp3 miliar / Above Rp2 billion and up to Rp3 billion	-	3
Di atas Rp1 miliar dan sampai dengan Rp2 miliar / Above Rp1 billion and up to Rp2 billion	2*)	-
Di atas Rp500 juta dan sampai dengan Rp1 miliar / Above Rp500 million and up to Rp1 billion	-	-
Di bawah Rp500 juta / Under Rp500 million	-	-

*) Biaya remunerasi untuk Komisaris Non-Lokal ditanggung oleh CBA / Funds for remuneration for Non-local Commissioners is the responsibility of CBA

Remunerasi yang Bersifat Variabel

Commonwealth Bank memberikan remunerasi yang bersifat variable dalam bentuk *Sign on Award* (untuk karyawan baru ditingkat jabatan atau pada kondisi tertentu), *Annual Performance Bonus*, *SIP Bonus* dan *Retention Scheme*.

Jumlah Direksi, Dewan Komisaris dan Pegawai yang Menerima Remunerasi yang Bersifat Variabel Selama 1 (Satu) Tahun, dan Total Nominalnya

Remunerasi yang Bersifat Variabel / Remuneration in the form of Variables	Jumlah Diterima dalam 1 (satu) Tahun / Received in one (1) Year					
	Direksi / Board of Directors		Dewan Komisaris / Board of Commissioners		Pegawai / Employees	
	Orang / Persons	Juta Rp / Juta Rp	Orang / Persons	Juta Rp / Juta Rp	Orang / Persons	Juta Rp / Juta Rp
Total	2	777	6	17.275	1.603	67.145

*) *Sign on Bonus*, *SIP Bonus*, *Bonus Kinerja*, *Retention Bonus* (dalam bentuk bruto) / *Sign on Bonus*, *SIP Bonus*, *Bonus Kinerja*, *Retention Bonus* (dalam bentuk bruto)

Jabatan dan Jumlah Pihak yang Menjadi Material Risk Takers

Commonwealth Bank menetapkan pihak-pihak yang menjadi *Material Risk Takers* sebanyak 8 orang sebagai berikut:

Remuneration as Variable

Commonwealth Bank grants remuneration in the form of variables, namely *Sign on Award* (for new employees in certain positions or conditions), *Annual Performance Bonus*, *SIP Bonus*, and *Retention Scheme*.

Number of Directors, Commissioners and Employees Receiving Numeration as Variables in One (1) Year, and the Total Value

Positions and Parties Who were Material Risk Takers

Commonwealth Bank confirmed eight (8) parties/positions as *Material Risk Takers*; they are:

No.	Jabatan / Position
1	President Director
2	Director of Operations & Information Technology
3	Director of Risk Management
4	Director of Compliance
5	Director of Retail Banking
6	Director of Strategy, Digital Solutions & Customer Franchise
7	Chief of Finance
8	Chief of Human Resources

Shares Option yang Dimiliki Direksi, Dewan Komisaris, dan Pejabat Eksekutif

Selama 2016, Commonwealth Bank tidak memberikan opsi saham kepada anggota Dewan Komisaris, Direksi, Pejabat Eksekutif, dan Kepala Unit Bisnis lainnya.

Shares Option for Directors, Commissioners and Executives

Throughout 2016, Commonwealth Bank did not issue shares option to members of the Board of Commissioners, the Board of Directors, the Bank's executives and other heads of Business Units.

Rasio Gaji Tertinggi dan Terendah

Ratio of Highest and Lowest Salaries

Keterangan / Description	Rasio / Ratio
Karyawan dengan gaji tertinggi dan terendah / Employees with highest and lowest salaries	74,16 : 1
Direktur dengan gaji tertinggi dan terendah / Directors with highest and lowest salaries	2,5 : 1
Komisaris dengan gaji tertinggi dan terendah / Commissioners with highest and lowest salaries	1 : 1
Karyawan dan Direktur dengan gaji tertinggi / Employees and directors with highest salaries	1 : 2,16

Jumlah Penerima dan Jumlah Total Remunerasi yang Bersifat Variabel

Jumlah penerima Remunerasi yang Bersifat Variabel pada tahun 2016 adalah 1.611 orang dengan total pembayaran sebesar Rp85.196.634.958 bruto.

Number of Recipients and Total Amount of Remuneration as Variables

In 2016, as many as 1,611 individuals received remuneration as variables with the total amount of Rp85,196,634,958 (Gross).

Jumlah Pegawai yang Terkena Pemutusan Hubungan Kerja dan Total Nominal Pesangon yang Dibayarkan

Selama tahun 2016, terdapat 225 pegawai yang telah bersepakat untuk melakukan Pemutusan Hubungan Kerja karena program Rasionalisasi, dengan total nominal pesangon yang dibayarkan sebesar Rp49.069.142.787 bruto.

Number of Employees Whose Employment was Terminated and the Total Amount of Severance Pay

Throughout 2016, as many as 225 employees agreed to have their employment terminated due to Rationalisation Plan. The total amount of severance pay in 2016 was Rp49,069,142,787 (Gross).

Jumlah Nominal Pesangon yang dibayarkan per orang dalam 1 (satu) Tahun / Amount of Severance Pay for a Person in one (1) Year	Jumlah Pegawai / No. of Employees
Di atas Rp1 miliar / Above Rp1 billion	13
Di atas Rp500 juta s.d. Rp1 miliar / Above Rp500 million and up to Rp1 billion	8
Rp500 juta ke bawah / Under Rp500 million	204

Jumlah Total Remunerasi yang Bersifat Variabel yang Ditangguhkan

Pada tahun 2016, belum terdapat remunerasi dari *Material Risk Taker* (MRT) yang bersifat variabel yang ditangguhkan pembayarannya. Hal ini dikarenakan kebijakan remunerasi berlaku sejak 1 Januari 2017, dengan demikian:

- Ketentuan penangguhan variabel bonus telah berlaku bagi 4 (empat) Direktur baru yang bergabung dengan Bank pada tahun 2016, namun mereka belum berhak mendapatkan pembayaran remunerasi yang bersifat variabel di tahun 2016.
- Ketentuan penangguhan variabel bonus diberlakukan efektif 1 Januari 2017 bagi 2 (dua) Direktur dan 2 (dua) Chief yang bergabung pada bank sebelum tahun 2016 dan akan diterapkan pada pembayaran bonus bulan September 2016.

Jumlah Total Remunerasi yang Bersifat Variabel yang Ditangguhkan yang Dibayarkan selama 1 Tahun

Pada tahun 2016, belum terdapat remunerasi dari *Material Risk Taker* (MRT) yang bersifat variabel yang ditangguhkan pembayarannya.

Total Amount of Remuneration as Variables which was Deferred

In 2016, Commonwealth Bank did not defer any payment of remuneration in the form of variables for *Material Risk Takers* (MRT). This is due to the fact that the remuneration policy was effective starting on 1 January 2017, hence:

- The provision regarding the suspension of variable bonus affected the four (4) new directors who joined Commonwealth Bank in 2016. The four directors, however, were not entitled to the remuneration in the form of variables in 2016.
- The provision regarding the suspension of variable bonus was effective on 1 January 2017 for two (2) directors and two (2) Chiefs who joined with Commonwealth Bank before 2016, and was included in the payment of bonus in September 2016.

The Total Amount of Remuneration as Variables Deferred for One Year

In 2016, Commonwealth Bank did not suspend any payment of remuneration in the form of variables to *Material Risk Takers* (MRT).

Rincian Jumlah Remunerasi yang Diberikan dalam Satu Tahun

Details of Remuneration Given in One Year

Remunerasi yang Bersifat Tetap*) / Fixed Remuneration		
		Rp22.545
1. Tunai / Cash		Rp22.545
2. Saham/instrumen yang berbasis saham yang diterbitkan Bank / Shares/Stock-based instruments issued by the Bank		Rp 0
Remunerasi yang Bersifat Variabel*) / Remuneration in the form of Variables		
	Tidak ditangguhkan / Not suspended	Ditangguhkan / Suspended
1. Tunai / Cash	Rp18.413	Rp0
2. Saham/instrumen yang berbasis saham yang diterbitkan Bank / Shares/Stock-based instruments issued by the Bank	Rp0	Rp0

*) Hanya untuk MRT dan diungkap dalam juta rupiah / Only for MRT, and in Million Rupiah

Informasi Kuantitatif

Quantitative Information

Jenis Remunerasi yang Bersifat Variabel *) / Remuneration as Variables	Sisa yang Masih ditangguhkan / Suspended Remuneration	Total Pengurangan Selama Periode Laporan / Total Reduction during Reporting Period		
		Disebabkan Penyesuaian Eksplisit (A) / Due to Explicit Adjustment (A)	Disebabkan Penyesuaian Implisit (B) / Due to Implicit Adjustment (B)	Total (A) + (B)
Tunai (dalam juta rupiah) / Cash (in Million Rupiah)	-	-	-	-
Saham /Instrumen yang berbasis saham yang diterbitkan Bank (dalam lembar saham dan nominal juta rupiah yang merupakan konversi dari lembar saham tersebut) / Shares/Stock Instruments issued by the Bank (in number of shares and in million Rupiah after share conversion)	-	-	-	-

Penilaian Sendiri (*Self Assessment*) Penerapan Tata Kelola

Self Assessment on the Implementation of Good Corporate Governance

Hasil Penilaian Sendiri (Self Assessment) Penerapan Tata Kelola / Self Assessment Results on the Implementation of Good Corporate Governance

	Peringkat / Rank	Definisi Peringkat / Rank Definition
Individual / Individual	2	Baik / Good
Konsolidasi / Consolidation	N/A	N/A

Ringkasan Umum Hasil *Self Assessment* Implementasi *Good Corporate Governance* Commonwealth Bank pada umumnya adalah Baik. Hal ini mencerminkan pemenuhan yang cukup atas prinsip-prinsip GCG, yang terdiri dari 11 (sebelas) prinsip yang komprehensif. *Self assessment* ini dilaksanakan secara komprehensif dan terstruktur, yang terintegrasi dalam 3 (tiga) aspek tata kelola, yaitu struktur tata kelola, proses tata kelola, dan hasil tata kelola, yang kesemuanya menjadi proses berkelanjutan.

A. Struktur Tata Kelola

- Komposisi Dewan Komisaris yang sesuai dengan ketentuan dimana 50% (lima puluh persen) anggota Dewan Komisaris adalah Komisaris Independen dan semua Komisaris Independen berdomisili di Indonesia.
- Komposisi Direksi telah memenuhi persyaratan yang berlaku dimana semua anggota Direksi berdomisi di Indonesia.
- Komposisi Komite dibawah Komisaris yang telah sesuai dengan ketentuan yang berlaku termasuk dengan anggota komite pihak independen untuk Komite Audit dan Komite Pemantau Risiko yang memiliki pengetahuan dan pengalaman dibidang akuntansi, perbankan dan manajemen risiko untuk lebih memperkuat fungsi komite itu sendiri.
- Terdapat kebijakan Benturan Kepentingan yang berlaku untuk semua Karyawan untuk mencegah potensi terjadinya benturan kepentingan.

The General Conclusion on the Self-Assessment Results on the Implementation of Good Corporate Governance of Commonwealth Bank in general is Good. This is reflected in an adequate fulfillment of the GCG principles, comprising 11 (eleven) comprehensive. The self-assessment was carried out comprehensively and structured, integrated into 3 (three) aspects of governance which are governance structure, governance process and governance outcome, as a continuous process.

A. Governance Structure

- *Composition of the Board of Commissioners in accordance with the provisions in which 50% (fifty percent) of the members of the Board of Commissioners are Independent Commissioners and all Independent Commissioners are domiciled in Indonesia.*
- *The composition of the Board of Directors has met the applicable requirements in which all members of the Board of Directors are domiciled in Indonesia.*
- *Composition of the Committee under the Board of Commissioners is in accordance with applicable provisions including with independent party committee members for the Audit Committee and Risk Monitoring Committee who have knowledge and experience in accounting, banking and risk management to further strengthen the functions of the committee itself.*
- *There is a Conflict of Interest policy applicable to all Employees to prevent potential conflicts of interest.*

- Terdapat Fungsi Kepatuhan yang idendependen dari fungsi operasional dibawah pimpinan Direktur Kepatuhan.
- Fungsi Internal Audit yang telah sesuai dengan peraturan yang berlaku termasuk dengan penyusunan piagam dan rencana kerja dari audit internal yang dikinikan secara berkala.
- Terkait dengan Fungsi Audit Eksternal, Bank telah memiliki prosedur atau kriteria dalam proses penunjukan auditor eksternal.
- Struktur organisasi yang memadai untuk mendukung penerapan manajemen risiko dan pengendalian internal yang baik serta terdapat kebijakan, prosedur dan penetapan limit risiko yang memadai dan dikinikan secara berkala termasuk kebijakan dan prosedur terkait penyediaan dana terhadap pihak terkait dan penyediaan dana besar.
- Pelaporan yang sesuai dengan regulasi terkait transparansi kondisi keuangan dan non keuangan Bank serta pelaporan internal yang didukung oleh sistem core banking dan dilakukan pemeliharaan secara berkala.
- Rencana Bisnis Bank yang disusun berdasarkan visi dan misi serta didukung oleh pemegang saham pengendali Bank.
- There is an independent Function of Compliance from the operational function under the leadership of the Compliance Director.
- Internal Audit Functions that are in compliance with applicable regulations including the preparation of the charter and work plan of internal audits that are periodically updated.
- In relation to the External Audit Function, the Bank already has procedures or criteria in the process of appointing an external auditor.
- Sufficient organizational structure to support the implementation of risk management and good internal control. Policies, procedures and the establishment of risk limits are adequate and periodically updated including policies and procedures related to the provision of funds to related parties and the provision of large funds.
- Reporting in accordance with regulations relating to transparency of the Bank's financial and non-financial condition and internal reporting supported by the core banking system and periodic maintenance.
- Bank Business Plan based on vision and mission and supported by Bank's controlling shareholder.

B. Proses Tata Kelola

- Frekuensi dari rapat Dewan Komisaris 2 (dua) bulan sekali untuk lebih memperkuat fungsi pengawasan serta hadirnya Komisaris Independen di kantor Bank minimal satu kali seminggu sebagai bagian dari fungsi pengawasan dengan memberikan arahan kepada Direksi.
- Pengawasan hasil audit oleh Dewan Komisaris melalui Komite Audit dan oleh Direksi melalui rapat Direksi untuk memastikan tindak lanjut dan komitmen Bank telah sesuai dengan hasil temuan. Fungsi Audit Internal menggunakan mekanisme e-mail setiap minggu untuk mengingatkan jatuh tempo dari temuan audit baik internal, dan fungsi Kepatuhan setiap bulan untuk temuan audit regulator kepada divisi-divisi terkait termasuk direksinya. Per posisi Desember 2016 tidak terdapat audit Otoritas Jasa Keuangan yang memerlukan perpanjangan tenggang waktu.
- Fungsi kepatuhan yang telah bertugas dan bertanggung jawab dalam rangka mendukung budaya kepatuhan melalui sosialisasi peraturan, partisipasi secara aktif dalam proses produk dan

B. Governance Process

- The frequency of the Board of Commissioners' meetings is 2 (two) months to further strengthen the supervisory function and the presence of Independent Commissioners at the Bank Office at least once a week as part of the supervisory function by providing direction to the Board of Directors.
- Supervision of audit results by the Board of Commissioners through the Audit Committee and by the Board of Directors through Board of Directors meetings to ensure that the Bank's follow-up and commitment are in accordance with the findings. The Internal Audit Function uses an e-mail mechanism every week to remind the maturity of internal audit findings, and the monthly Compliance function for regulatory audit findings to related divisions including its directors. As of December 2016, there is no audit of the Financial Services Authority requiring an extension of the grace period.
- A responsible compliance function in order to support a culture of compliance through regulatory socialization, active participation in new product and activity processes and review of policies and

aktivitas baru serta melakukan kaji-ulang terhadap kebijakan dan prosedur dari departemen lainnya untuk memastikan bahwa kebijakan dan prosedur tersebut telah sesuai dengan peraturan yang berlaku.

- Fungsi Audit internal yang telah melakukan fungsi pengawasan secara efektif dan independen dengan cakupan tugas yang dibuat menggunakan pendekatan berbasis risiko. Realisasi kerja audit telah sesuai dengan Rencana Kerja Audit dan dilaporkan secara berkala kepada Direksi dan Dewan Komisaris melalui Komite Audit.
- Proses penunjukan audit eksternal yang telah memperhatikan peraturan yang berlaku, prosedur internal Bank serta mendapatkan rekomendasi dari Komite Audit dan mendapatkan persetujuan dalam Rapat Umum Pemegang Saham.
- Dewan Komisaris sudah menjalankan tugas dan tanggung jawabnya secara memadai dan aktif serta memiliki pemahaman yang baik mengenai Manajemen Risiko Bank. Direksi sudah menjalankan tugasnya secara memadai dan memiliki pemahaman yang baik atas Manajemen Risiko antara lain kebijakan, strategi dan kerangka Manajemen Risiko dirumuskan secara tertulis termasuk untuk keseluruhan limit risiko dan per jenis risiko sejalan dengan tingkat risiko yang diambil dan toleransi risiko terhadap kecukupan permodalan.
- Penerapan sistem pengendalian internal yang menyeluruh dan efektif telah dilaksanakan dalam mendukung pelaksanaan manajemen risiko dan ditata sesuai dengan tujuan bisnis. Pengendalian risiko Bank dikelola berdasarkan Model Tiga Lini Pertahanan. Model ini memberikan struktur dimana kerangka manajemen risiko dapat diimplementasikan dan dalam hal bersamaan membantu membangun kepercayaan bahwa kewajiban pengelolaan risiko telah didefinisikan dan dilakukan secara efektif oleh seluruh bisnis unit, termasuk untuk pengendalian.
- Proses penyusunan Rencana Bisnis Bank yang memperhatikan beberapa faktor seperti Peraturan regulator, kondisi eksternal perusahaan, kondisi internal perusahaan, serta masukan dari Tim Pengawas Otoritas Jasa Keuangan. Selain itu proses penyusunan ini merupakan kolaborasi dari unit bisnis dan unit pendukung seperti manajemen risiko yang memberikan parameter risiko dimana unit bisnis dapat bekerja sesuai dengan target yang ditetapkan sehingga rencana bisnis

procedures of other departments to ensure that the policies and procedures are in compliance with regulations applicable.

- *Internal Audit Functions that have performed monitoring and supervisory functions effectively and independently with scope of tasks created using a risk-based approach. The realization of the audit work is in accordance with the Audit Work Plan and reported periodically to the Board of Directors and Board of Commissioners through the Audit Committee.*
- *The process of appointing an external audit that has taken into account the prevailing regulations, internal procedures of the Bank and received recommendations from the Audit Committee and obtained approval in the General Meeting of Shareholders.*
- *The Board of Commissioner has performed its duties and responsibilities adequately and actively and has a good understanding of the Bank's Risk Management. The Board of Directors has performed its duties adequately and has a good understanding of Risk Management, among others, policies, strategies and risk management framework formulated in writing including for overall risk limits and per risk types in line with the level of risk taken and risk tolerance to capital adequacy.*
- *Implementation of a comprehensive and effective internal control system has been implemented in support of risk management implementation and arranged in line with business objectives. Risk controls are managed under the Three Defense Line Model. This model provides a structure in which the risk management framework can be implemented and at the same time helps build confidence that the risk management obligations have been defined and effected effectively by all business units, including for control.*
- *The Bank Business Plan preparation process that takes into account several factors such as regulatory regulation, external conditions, internal conditions of the company, and input from the Financial Services Authority Supervisory Team. In addition, this drafting process is a collaboration of business units and support units such as risk management that provide risk parameters where business units can work in accordance with the targets set so that the business plan Commonwealth Bank arranged*

Commonwealth Bank tersusun secara realistik, komprehensif, dengan memperhatikan prinsip kehati-hatian. Rencana bisnis dan revisinya disusun oleh Direksi dan mendapatkan persetujuan dari Dewan Komisaris.

realistically, comprehensively, with due observance of prudential principles. The business plan and its revision are prepared by the Board of Directors and approved by the Board of Commissioners.

C. Hasil Tata Kelola

- Hasil rapat Dewan Komisaris, Direksi dan Komite dituangkan dalam risalah rapat serta didokumentasikan dengan baik termasuk diskusi selama rapat dilakukan dan jika terdapat *dissenting opinion*.
- Penerapan Manajemen Risiko secara efektif melalui penyusunan struktur organisasi yang menyertakan tugas dan wewenang yang jelas dari setiap unit Risiko yang ada di Bank untuk menunjang penerapan dan pemantauan Manajemen Risiko, dimana penerapan tersebut dilaksanakan sesuai dengan tujuan dan ditunjang dengan kebijakan, strategi dan kerangka yang telah disesuaikan dengan ukuran dan kompleksitas usaha Bank.
- Bank telah menyampaikan laporan pokok pelaksanaan tugas Direktur Kepatuhan kepada Otoritas Jasa Keuangan secara tepat waktu dan cakupan laporan tersebut sesuai dengan ketentuan regulator.
- Bank sudah menerapkan manajemen risiko secara efektif dengan menyusun struktur organisasi yang menyertakan tugas dan wewenang yang jelas dari setiap unit Risiko yang ada di Bank guna menunjang penerapan dan pemantauan Manajemen Risiko dimana penerapan tersebut dilaksanakan sesuai dengan tujuan dan ditunjang dengan kebijakan, strategi dan kerangka yang disesuaikan dengan ukuran dan kompleksitas usaha.
- Bank telah mempublikasi laporan bulanan, triwulan serta laporan pelaksanaan GCG pada homepage Bank secara tepat waktu.
- Rencana Bisnis Bank disusun oleh Direksi dan disetujui oleh Dewan Komisaris dimana rencana strategis Bank yang tercantum dalam RBB ini juga dikomunikasikan kepada seluruh jenjang organisasi yang ada pada Bank.

Kelemahan dan Penyebab

Hasil self-assessment GCG tahun 2016 menunjukkan bahwa terdapat sedikit kelemahan berkaitan dengan

C. Governance Outcome

- *The results of the meetings of the Board of Commissioners, Board of Directors and the Committee are set forth in minutes of meetings and are well documented including discussions during meetings and if there is a dissenting opinion.*
- *Implementation of Risk Management effectively through the preparation of an organizational structure that includes the clear duties and authority of each Risk unit in the Bank to support the implementation and monitoring of Risk Management, where the implementation is carried out in accordance with the objectives and supported by the policies, strategies and frameworks that have been adjusted to the size and complexity of the Bank's business.*
- *The Bank has submitted the principal report on the implementation of the Compliance Director's duties to the Financial Services Authority on a timely basis and the scope of the report in accordance with the regulatory requirements.*
- *The Bank has effectively implemented risk management by drawing up an organizational structure that incorporates clear duties and authority of each Risk unit in the Bank to support the implementation and monitoring of Risk Management where the implementation is carried out in accordance with the objectives and supported by the policies, strategies and frameworks Tailored to the size and complexity of the business.*
- *The Bank has published monthly, quarterly reports and GCG implementation reports on the Bank's homepage in a timely manner.*
- *Bank Business Plan is prepared by the Board of Directors and approved by the Board of Commissioners in which the Bank's strategic plan listed in this Bank Business Plan is also communicated to all levels of the existing organization at the Bank.*

Weakness and Causes

The results of the GCG self-assessment for 2016 indicate that there were minor weaknesses with regard

pelaksanaan GCG di Commonwealth Bank, namun tidak memiliki dampak material.

to GCG implementation within Commonwealth Bank, however it has no material impacts and would be corrected immediately.

Kekuatan Pelaksanaan GCG

Good Corporate Governance dilaksanakan dengan baik dan didukung oleh pelaksanaan tugas dan tanggung jawab Dewan Komisaris, Direksi, dan berbagai Komite di bawah Dewan Komisaris dan Direksi yang efektif, independen dan sesuai peraturan. Pelaksanaan kebijakan benturan kepentingan tersebut telah sesuai dengan peraturan yang berlaku. Tata kelola yang baik juga diperkuat dengan pelaksanaan Fungsi Kepatuhan, Audit Internal dan Audit Eksternal yang independen dan efektif. Commonwealth Bank memiliki kebijakan dan prosedur, sistem informasi manajemen serta tugas pokok dan fungsi masing-masing struktur organisasi. Pengungkapan benturan kepentingan pada pengambilan keputusan telah diadministrasikan dengan baik dan didokumentasikan dengan sesuai. Pelaksanaan Manajemen Risiko sesuai dengan kompleksitas usaha Bank, termasuk pengawasan aktif Dewan Komisaris dan Peningkatan Pengawasan Internal. Pemberian dana kepada pihak terkait dan penyediaan untuk eksposur besar juga telah diatur dalam Kebijakan dan Prosedur dan dilaksanakan dengan baik. Transparansi kondisi keuangan dan non-keuangan juga telah cukup dan akurat, dan dilaporkan secara tepat waktu. Rencana Bisnis Bank telah disusun sesuai dengan visi dan misi bank dan pelaksanaannya dipantau secara berkala.

GCG Implementation Strength

Good Corporate Governance is implemented properly and supported by the implementation of the duties and responsibilities of the Board of Commissioners, Board of Directors, and the Committees under the Board of Commissioners and Board of Directors which are effective, independent and complied with regulations. Implementation of any conflict of interest has been in accordance with existing regulations. Good Governance is also strengthened by the implementation of Compliance Function, Internal Audit and External Audit which are independent and effective. Commonwealth Bank has policies and procedures, information management system as well as main duties and functions of each organizational structure. Disclosure of conflicts of interest upon decision making is well administered and documented properly. Implementation of Risk Management is in accordance with the Bank's business complexity including active supervision of the Board of Commissioners and Improvement of Internal Controls. Funds provision to related parties and provision for large exposures has also been governed in the Policies and Procedures and well implemented. Transparency of financial and non-financial conditions is also sufficient, accurate, and timely reporting. Bank's Business Plan has been prepared in accordance with the bank's vision and mission and its implementation is monitored regularly.

Overall, the implementation of GCG principles is strongly supported by the serious commitment of all employees, Directors and Commissioners as well as the commitment of the controlling shareholders to consistently support the implementation of good corporate governance in order to achieve the mission and vision of the Bank as it has been determined.

Penutup

Sejauh ini, Bank telah membangun fondasi yang kuat untuk melaksanakan GCG, dengan memenuhi semua ketentuan yang ditetapkan oleh Bank Indonesia dan OJK, sehingga menunjukkan komitmen Bank dalam menerapkan semua prinsip dan peraturan GCG.

Bank menyadari bahwa penerapan GCG tidaklah hanya untuk memenuhi ketentuan Bank Indonesia, tetapi juga untuk mendukung operasional Bank dalam mencapai visi dan misi Bank demi mendapatkan hasil terbaik bagi seluruh nasabah, karyawan, regulator, dan masyarakat tempat Bank beroperasi dan juga pemegang saham.

Selain itu, kami berharap pembinaan dan instruksi berkesinambungan OJK bagi kemajuan dan perkembangan Bank, pada khususnya, dan dunia perbankan, pada umumnya.

Closing

So far, Bank has placed a strong foundation to implement GCG, by fulfilling all regulations defined by Bank Indonesia and FSA, which shows Bank's commitment in implementing all principles and regulation of GCG.

Bank realizes that GCG implementation is not only to fulfill Bank Indonesia regulations, but also to support Bank's operations in reaching Bank's vision and mission to obtain best results for all customers, employees, regulators, and the community where the Bank operates and also shareholders.

Furthermore, we expect OJK's continuous guidance and instruction for the betterment and development of our bank in particular and the banking world in general.

PT Bank Commonwealth,
PT Bank Commonwealth,,



Suwartini

Komisaris Independen / Plt Presiden Komisaris /
Independent Commissioner / Acting President Commissioner



Lauren Sulistiawati

Presiden Direktur /
President Director