

Background

To implement integrated good corporate governance and to comply with Regulation of the Financial Services Authority (OJK) No.18/POJK.03/2014 dated 18 November 2014 on the Implementation of Integrated Corporate Governance for Financial Conglomerates and Circular of the Financial Services Authority No.15/SEOJK.03/2015 dated 25 May 2015 on the Implementation of Integrated Corporate Governance for Financial Conglomerates, BCA deems it necessary to establish a Manual for the Implementation of Integrated Corporate Governance for Financial Conglomerate.

The establishment of the Integrated Corporate Governance Manual is targeted at the Main Entity and the Financial Conglomerate (namely the Financial Services Institutions (FSI) owned and/or controlled by the Main Entity, whether directly or indirectly, both at home and abroad). This Integrated Corporate Governance Manual is intended to:

- improve the implementation quality of the integrated corporate governance;
- enable the Financial Conglomerate to exercise greater prudence in their governance according to the principles of transparency, accountability, responsibility, independency, professionalism, and fairness;
- promote sustainable business growth and eventually increase competitiveness.

Legal Grounds

As evidence of BCA's commitment to implementing integrated governance for Financial Conglomerate at PT Bank Central Asia Tbk as the Main Entity and all the Subsidiaries including their subsidiaries as members of the Financial Services Institutions (FSI), BCA has evaluated and updated its Integrated Corporate Governance Manual, which was ratified by Decision Letter No.298/SK/KOM/2017 dated 14 November 2017. The evaluation and improvement of the Integrated Corporate Governance Manual was done in 2020 with due observance of the following:

- a. Regulation of Bank Indonesia No. 11/33/PBI/2009 on the Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units.
- b. Circular of Bank Indonesia No. 12/13/DPbS on the Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units.
- c. Regulation of the Financial Services Authority No.4/POJK.05/2013 on the Fit and Proper Test for the Main Entity of Insurance Companies, Pension Funds, Finance Companies, and Guarantee Companies.
- d. Regulation of the Financial Services Authority No. 17/POJK.03/2014 on the Implementation of Integrated Risk Management for Financial Conglomerates.
- e. Regulation of the Financial Services Authority No.18/POJK.03/2014 on the Implementation of Integrated Corporate Governance for Financial Conglomerates.
- f. Regulation of the Financial Services Authority No. 28/POJK.05/2014 on Business Licenses and Organization of Financial Companies.
- g. Regulation of the Financial Services Authority No. 30/POJK.05/2014 on Good Corporate Governance for Finance Companies.

- h. Regulation of the Financial Services Authority No. 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Listed Companies or Public Companies.
- i. Regulation of the Financial Services Authority No. 34/POJK.05/2015 on Business Licenses and Organization of Venture Capital Companies.
- j. Regulation of the Financial Services Authority No. 36/POJK.05/2015 on Good Corporate Governance for Venture Capital Companies.
- k. Regulation of the Financial Services Authority No. 5/POJK.03/2016 on Business Plans of Banks.
- l. Regulation of the Financial Services Authority No. 20/POJK.04/2016 on the Licensing of Securities Companies Conducting Business as Underwriters and Broker-Dealers.
- m. Regulation of the Financial Services Authority No. 27/POJK.03/2016 on the Fit and Proper Test for the Main Parties of Financial Services Institutions.
- n. Regulation of the Financial Services Authority No. 55/POJK.03/2016 on the Implementation of Good Corporate Governance for Commercial Banks.
- o. Regulation of the Financial Services Authority No. 67/POJK.05/2016 on Business Licenses and Organization of Insurance Companies, Sharia Insurance Companies, Reinsurance Companies, and Sharia Reinsurance Companies.
- p. Regulation of the Financial Services Authority No. 73/POJK.05/2016 on Good Corporate Governance for Insurance Companies.
- q. Regulation of the Financial Services Authority No. 38/POJK.03/2017 on the Implementation of Consolidated Risk Management for Banks Controlling the Subsidiaries.
- r. Regulation of the Financial Services Authority No. 51/POJK.03/2017 on the Implementation of Sustainable Financing for Financial Services Institutions, Listed Companies, and Public Companies.
- s. Regulation of the Financial Services Authority No. 57/POJK.04/2017 on the Implementation of Good Corporate Governance for Securities Companies Conducting Business as Underwriters and Broker-Dealers.
- t. Regulation of the Financial Services Authority No. 24/POJK.05/2019 on Business Plans of Non-Bank Financial Services Institutions.
- u. Regulation of the Financial Services Authority No. 43/POJK.05/2019 on the Amendment to Regulation of the Financial Services Authority No. 73/POJK.05/2016 on Good Corporate Governance for Insurance Companies.
- v. Regulation of the Financial Services Authority No. 28/POJK.03/2019 on Banking Synergy in One Ownership for the Development of Sharia Banking.
- w. Regulation of the Financial Services Authority No. 29/POJK.05/2020 on the Amendment to Regulation of the Financial Services Authority No. 30/POJK.05/2014 dated 19 November 2014 on Good Corporate Governance for Finance Companies.
- x. Regulation of the Financial Services Authority No. 12/POJK.03/2020 on the Consolidation of Commercial Banks.
- y. Regulation of the Financial Services Authority No. 15/POJK.04/2020 on the Planning and Conduct of the General Meeting of Shareholders of Public Limited Companies.

- z. Regulation of the Financial Services Authority No. 16/POJK.04/2020 on the Conduct of Electronic General Meetings of Shareholders of Public Limited Companies.
- aa. Regulation of the Financial Services Authority No. 42/POJK.04/2020 on Affiliated-Party Transactions and Transactions Involving Conflicts of Interest.
- bb. Regulation of the Financial Services Authority No. 45/POJK.03/2020 on Financial Conglomerates.
- cc. Circular of the Financial Services Authority No. 15/SEOJK.03/2015 on the Implementation of Integrated Corporate Governance for Financial Conglomerates.
- dd. Circular of the Financial Services Authority No. 14/SEOJK.03/2015 on the Implementation of Integrated Risk Management for Financial Conglomerates.
- ee. Circular of the Financial Services Authority No. 15/SEOJK.05/2016 on the Report on the Implementation of Good Corporate Governance for Insurance Companies.
- ff. Circular of the Financial Services Authority No. 25/SEOJK.03/2016 on Business Plans of Commercial Banks.
- gg. Circular of the Financial Services Authority No. 31/SEOJK.05/2016 on the Fit and Proper Test for the Main Parties of Non-Bank Financial Services Institutions.
- hh. Circular of the Financial Services Authority No. 39/SEOJK.03/2016 on the Fit and Proper Test for Prospective Controlling Shareholders, Prospective Members of the Board of Directors, and Prospective Members of the Board of Commissioners of Banks.
- ii. Circular of the Financial Services Authority No. 13/SEOJK.03/2017 on the Implementation of Good Corporate Governance for Commercial Banks.
- jj. Circular of the Financial Services Authority No. 43/SEOJK.03/2017 on the Prudence Principle and Report on the Implementation of Consolidated Risk Management for Banks Controlling Subsidiaries.
- kk. Circular of the Financial Services Authority No. 55/SEOJK.04/2017 on the Report on the Implementation of Good Corporate Governance for Securities Companies Conducting Business as Underwriters and Broker-Dealers.
- ll. Circular of the Financial Services Authority No. 57/SEOJK.04/2017 on the Fit and Proper Test for the Main Parties of Securities Companies Conducting Business as Underwriters and/or Broker-Dealers.
- mm. Circular of the Financial Services Authority No. 1/SEOJK.05/2018 on the Form and Structure of Periodic Reports for Insurance Companies and Reinsurance Companies.
- nn. Circular of the Financial Services Authority No. 4/SEOJK.05/2018 on the Report on the Implementation of Good Corporate Governance for Venture Capital Companies.
- oo. Circular of the Financial Services Authority No. 14/SEOJK.05/2019 on the Formation, Membership Composition, and Terms of Office of the Committees in the Board of Commissioners of Insurance Companies, Sharia Insurance Companies, Reinsurance Companies, and Sharia Reinsurance Companies.
- pp. Circular of the Financial Services Authority No. 23/SEOJK.05/2019 on Business Plans of Finance Companies and Sharia Finance Companies.
- qq. BCA's Articles of Association.

Scope

This Integrated Corporate Governance Manual covers, among other things, the following:

- Framework of Integrated Corporate Governance for the Main Entity
- Framework of Integrated Corporate Governance for Subsidiaries within the Financial Conglomerate
- Integrated Governance Committee
- Reporting
- Affiliated-Party Transactions and Transactions involving Conflicts of Interest

Definitions

The definitions used in this Integrated Corporate Governance Manual have been adopted with due observance of Regulation of the Financial Services Authority No.18/POJK.03/2014 dated 18 November 2014 on the Implementation of Integrated Corporate Governance for Financial Conglomerates.

In this Integrated Corporate Governance Manual, the following terms shall have the following meanings:

- **"Financial Conglomerate"** means the Financial Services Institutions that exist within a group due to ownership and/or control relationship, which in this Integrated Corporate Governance Manual shall refer to PT Bank Central Asia Tbk and all of its Subsidiaries including their subsidiaries.
- **"Main Entity"** means PT Bank Central Asia Tbk.
- **"Subsidiaries"** means the juristic persons or companies owned and/or controlled by the Main Entity, whether directly or indirectly, both at home and abroad, carrying on business in the financial services sector, which in this Integrated Corporate Governance Manual shall refer to the Subsidiaries (including their subsidiaries) of PT Bank Central Asia Tbk, namely:
 - a. PT BCA Finance
 - b. BCA Finance Limited
 - c. PT Bank BCA Syariah
 - d. PT BCA Sekuritas
 - e. PT Asuransi Umum BCA
 - f. PT BCA Multi Finance
 - g. PT Asuransi Jiwa BCA
 - h. PT Central Capital Ventura
 - i. PT Bank Digital BCA

and other juristic persons or companies owned and/or controlled by the Main Entity, whether directly or indirectly, both at home and abroad.

- **"Controlled Company"** means a company controlled, whether directly or indirectly, by PT Bank Central Asia Tbk.

Purposes and Objectives

This Integrated Good Corporate Governance Manual is intended, among other things, to provide the terms of reference for:

1. The Board of Directors of the Main Entity in carrying out its duties and responsibilities to ensure the implementation of integrated good corporate governance in the Financial Conglomerate, namely, by conducting at least the following:
 - Establishing the Integrated Corporate Governance Manual;
 - Directing, monitoring and evaluating the implementation of the Integrated Corporate Governance Manual; and
 - Following up on the recommendations or advice from the Board of Commissioners of the Main Entity to improve the Integrated Corporate Governance Manual.
 - Ensuring that the audit findings and recommendations from the integrated internal audit work unit, external auditor, and results of the examination by the OJK and/or other authorities have been followed up by each of the Financial Services Institutions (FSI) within the Financial Conglomerate.
2. The Board of Commissioners of the Main Entity in carrying out its duties and responsibilities to supervise the implementation of integrated corporate governance, namely, by conducting at least the following:
 - Supervising the implementation of good corporate governance by each Subsidiary to ensure compliance with the Integrated Corporate Governance Manual;
 - Supervising the implementation of the duties and responsibilities of the Board of Directors of the Main Entity, and providing recommendations and advice to the Board of Directors of the Main Entity in relation to the implementation of the Integrated Corporate Governance Manual; and
 - Reviewing the Integrated Corporate Governance Manual and providing recommendations for improvement.
3. The Integrated Governance Committee in carrying out its duties and responsibilities, namely, by conducting at least the following:
 - Evaluating the implementation of integrated corporate governance at least by assessing the adequacy of internal control and implementation of the compliance function in an integrated manner; and
 - Giving recommendations to the Board of Commissioners of the Main Entity for the improvement of the Integrated Corporate Governance Manual.
4. The Subsidiaries within the Financial Conglomerate to implement Good Corporate Governance.

Contact Us

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