



# TRANSACTIONS CONTAINING CONFLICT OF INTEREST

The Company always complies with the provisions applicable in the Financial Services Authority Circular No. 13 / SEOJK.03 / 2017 dated March 17, 2017 concerning IX.E.1 dated November 25, 2009 concerning Affiliated Transactions and Conflicts of Interest of Certain Transactions. The company also adheres to the implementation of Governance for commercial banks and provisions in the capital market sector such as the Decree of the Chair of the Capital Market and Financial Institution Supervisory Agency (BAPEPAM-LK) No.IX.E.1 dated November 25, 2009 concerning Affiliated Transactions and Conflicts of Interest for Certain Transactions.

The Company has a Policy regarding Transactions with a Conflict of Interest as set forth in the Board Manual. The policy regarding Provision of Funds for Related Parties with a Conflict of Interest is included in a separate Board of Directors regulation stating that the Bank is prohibited from funding Related Parties without obtaining an approval from the Board of Commissioners.

In the event of a Conflict of Interest between the Company and the shareholder, member of the Board of Commissioners, member of the Board of Directors, Executive Officers, and/or other parties related to the Bank should occur, then the member of the Board of

Commissioners, member of the Board of Directors, and Executive Officers are prohibited in taking actions that might jeopardize the Bank or reduce the profits of the Bank, and shall fully disclose the Conflict of Interest in every decision.

The Company properly documents every transaction containing any Conflict of Interest and discloses it in accordance with the applicable regulations. The Disclosure of Conflict of Interest is stated in the Minutes of Meeting, which at least includes the name of the party having the Conflict of Interest, the main problematic issue of the Conflict of Interest and the basis of consideration in the decision making.

In principle, all Company employees must avoid making any decisions in situations and conditions containing any Conflict of Interest. Loans are granted to the Board of Directors, the Board of Commissioners and Company Employees relevant with reasonable limits and in accordance with the applicable Bank regulations without any distinction from customers (arm's length basis).

Information related to transactions with a Conflict of Interest throughout 2018 are as follows:

Funder	Name & Position Having Conflict of Interest		Decision Maker	Type of Transaction	Amount of Transaction (in million Rupiah)	Description
	Name	Position				
PT. Bank Tabungan Negara, Tbk	Vachromi Umar	Head of the Madiun Branch Office	Commissioner	Kredit Agunan Rumah (KAR) BTN	450	In Line with the Procedure
PT. Bank Tabungan Negara, Tbk	Darminto	Head of the Kebon Jeruk Branch Office	Commissioner	Kredit Pemilikan Rumah (KPR) BTN	800	In Line with the Procedure

## Insider Trading Prevention

The Company has in place policies regarding Insider Trading actions, which are regulated in the Board of Directors' Regulation No. 39/PD/CSD/2011 concerning the Investor Relations Activity Policy Guidelines as well as the Board of Directors Charter and the Board of Commissioners Charter.

In this provision, the Board of Directors and the Board of Commissioners and Employees are prohibited from conducting Insider Trading through the following:

- a. Conducting transactions regarding the Company's shares and other shares of companies that conduct business transactions with the Company;

- b. Influencing other parties to buy the Company's shares and/or other companies shares that conduct business transactions with the Company;
- c. Providing unauthorized information to other parties.

Subsequent to the stock transaction, the Board of Directors and the Board of Commissioners must report the transaction to the Financial Services Authority and the Indonesian Stock Exchange within 3 working days.

The purpose of this policy is to circumvent any potential Insider Trading.

# TRANSPARENCY OF FINANCIAL AND NON-FINANCIAL CONDITIONS

The Company fulfills the obligation of Transparency and the publication of Financial and Non-Financial conditions to Stakeholders and the Financial Services Authority (OJK) in accordance with the provisions, as follows:

1. Monthly Financial Reports to the Regulators and published through the Company's website;
2. Quarterly Financial Reports to the FSA Regulators, Indonesian Stock Exchange (IDX), Indonesian Capital Market Electronic Library (ICaMEL) and published through newspapers and websites of the Company;
3. The Company's Annual Report prepared and presented in accordance with the provisions and submitted to the Regulators and Shareholders and published through the Company's website;
4. Information regarding Corporate Governance which includes the Report regarding the Implementation of Corporate Governance, Vision and Mission, Company Values, Composition and Profile of the Board of Commissioners and the Board of Directors as well as Internal Regulations related to Governance including the Company's Articles of Association and Committee Charter, which are also published through the Company's website;
5. Information regarding the Company's Products and Services including office networks is published through the Annual Report and the Company's website so that customers, investors and the general public can conveniently access information regarding the Bank's Products and Services;
6. Information regarding the Procedure for Submitting Customers Complaints in using banking services are published through the Company's website for the implementation of consumer protection provisions;
7. Other information that aims to support the Disclosure of Information, Financial Education and Services to the Public.