



# 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