

Table of internal fraud for 2020

Internal Fraud	Total Cases by					
	Administrators		Permanent Employee		Non-permanent Employees	
	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
Number of internal fraud	-	0	38	11	1	0
Resolved	-	0	22	6	1	0
In internal settlement process	-	0	16	5	-	0
No resolution has been attempted yet	-	0	-	0	-	0
Has been followed up through a legal process	-	0	5	4	-	0

Internal Control System

The Company is committed to reduce the risk of financial losses, irregularities and violations of the prudential principle. For this reason, the Company has implemented an effective internal control system in line with Bank Indonesia regulations and the Implementation of Standards for the Implementation of Commercial Bank Internal Audit Functions. The Internal Control System of the Company line with Bank Indonesia regulation and application of the Internal Audit Standards for Commercial Banks in order to reduce the risk of financial loss, abuse and violation of the prudential principle.

In addition, the internal control system of the Company has also been prepared in accordance with regulations regarding Internal Control System Guidelines for Commercial Banks and best practices of the Committee of Sponsoring Organizations of The Treadway Commission (COSO) framework . With such a policy, the supervision mechanism has been established by the Company's management on an ongoing basis to safeguard and secure the Company's assets , ensure the availability of accurate reports, increase compliance with applicable regulations, reduce the impact of financial losses, irregularities including fraud and violations of prudential aspects, as well as increasing organizational effectiveness and increasing cost efficiency.

Violation Report

Policy of Whistleblowing System (WBS) of the Company is guided by Bank Indonesia Regulation No.5/8/PBI/2003 Sustainability Report 2019 88 89 amended by PBI Number 11/23/PBI/2009 and Bank Indonesia Circular Letter Number 13/28/DPNP concerning Anti-Fraud Policy. WBS of the Company is part of the internal control system in preventing the occurrence of irregularities and aims to detect early and prevent the occurrence of irregularities or violations and gradually create a work environment that is open, transparent, fair and accountable in the Company.

WBS mechanism in the Company ensures that every report receives appropriate responses and follows-up, including enforcement of sanctions that can provide a deterrent effect for violators and also for those who intend to do so.

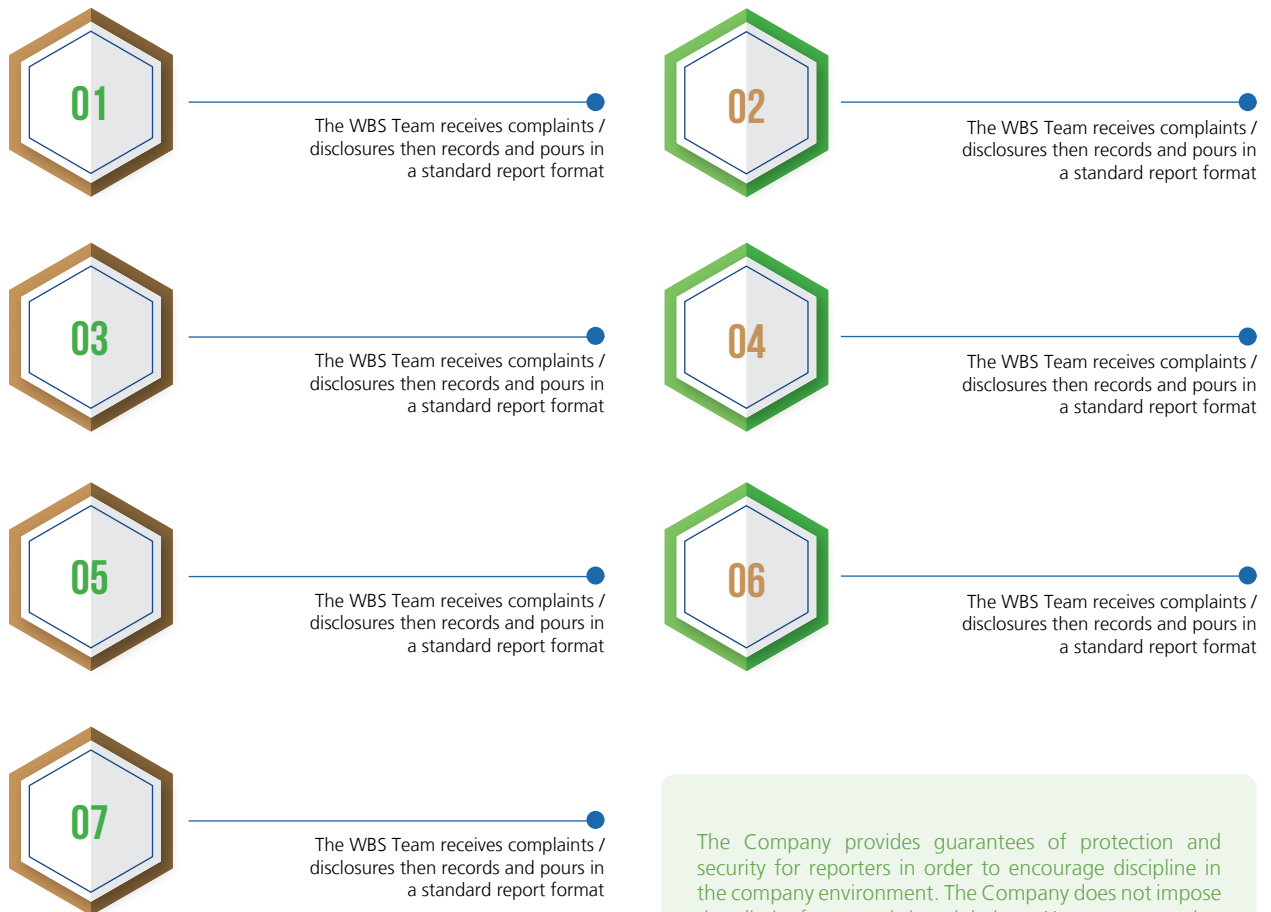
WBS aims to strengthen internal control mechanisms to support business growth.

1. Early detection and prevention of irregularities or violations;
2. Gradually creating an open, voluntary, truthful and responsible work culture in the Company.

Violation Reporting Channel



Mechanism of Violation Reporting (GRI 103-2, GRI 103-3)



The Company provides guarantees of protection and security for reporters in order to encourage discipline in the company environment. The Company does not impose time limits for committing violations. However, reporting should be carried out as soon as possible after the reporter believes the truth of the violation and is submitted no later than three months after the violation has occurred.

To encourage the use of WBS, the Company provides guarantees of protection and a sense of security for reporters to encourage discipline enforcement within the Company. In this case, the Company does not apply a time limit for reporting violations. However, reporting should be carried out as soon as possible after the reporter believes the truth of the violation and is submitted no later than 3 (three) months after the violation has occurred in order to facilitate further investigation.

Number of Complaints and Follow Up

Year	Media of Delivery			Case Closed (Not Proven)	Follow-up		
	Mail/PO BOX	Messages/ By Phone/ Visit	E-Mail		On-Going Process (Audit Process/ Reporting Process/ Inter Division Process)	Imposed Sanctions on Reports (Including Administrative Sanctions)	Report Forwarded to auditor (Related to Public Crime or Corruption)
2016	5	2	1	0	1	7	0
2017	1	0	4	0	2	2	1
2018	1	0	5	0	6	0	0
2019	5	2	3	0	1	9	0
2020	3	2	9	0	12	2	0

Stakeholder Engagement (E.4)

In running a business, the Company had a number of stakeholders. In this report, stakeholders were entities or individuals who were affected by the Company's activities, products and services. On the other hand, their existence also influenced the Company in realizing the success of strategy implementation and goal achievement.

With regard to stakeholders, the Company has identified key stakeholder groups using the stakeholder mapping method. Thus, the Company has clear understanding about who has the most interests with the Company in a reciprocal manner, what relationships are established, what needs to be communicated, and how to maximize the characteristics of the communication media in order to effectively communicate with stakeholders and ultimately to achieve further targets as expected by the Company. The full list of stakeholders is presented in the following table:

Table of Stakeholders and Their Engagement

Stakeholders (GRI 102-40)	Engagement Method (GRI 102-43)	Frequency (GRI102-43)	Priority Topics (GRI 102-44)
Shareholders	Annual GMS	Once a year	Achievement of the Company's targets
	Performance Exposure	Quarter	
	Extraordinary GMS	Once a year	
Customer	Customer Satisfaction Survey	2 times a year	Service and quality of service to customers
	Communication Media for Customers	Once a month	
	Customer Call Center Services	Anytime if needed	
	Company website and Frontline Information		
	Direct visit		
Development Partners	Property Awards	Every year	Home sales opportunities
	Gathering	Anytime if needed	The Success of the Million Homes Program
	Capacity Building	Anytime if needed	Transparency