

## REPUTATION RISK

31 December 2020

Bank BTPN's reputation is a very important asset for the continuity of the business. For that reason, every activity of conveying message to external parties, either involving the mass media or not, which may affect the reputation of the company must be coordinated with Corporate Communications within the Communications & Daya Division.

Referring to SOP.01/CCOM/03/2018, Corporate Communications, a unit under the Directorate of Legal, Compliance & Corporate Secretary, has the main function to manage the company's reputation, by means of conducting communication activities (delivering information) to internal and external parties.

The main duty and function of the Corporate Communications is to manage the company's reputation through effective and efficient communication activities in line with the company's strategy, vision, mission and values. Related to the main function to manage company's reputation, Corporate Communications is responsible and plays the role as the main party in conveying interenal and external information. Corporate Communications also perform control and monitoring functions of Bank BTPN overall communication activities in general, and in specifics which are performed by every business units and support function units.

1. Adequacy of Policies, Procedures and Limit

The Bank's risk profile, Individual and Consolidated, as of Quarter 3 - 2020, is at level 2 (Satisfactory).

2. Adequacy in the Processes of Risk Identification, Measurement, Monitoring and Control, as well as Risk Management Information System Referring to Crisis Communication Manual, the Communications & Daya Division is responsible for reputation crisis communication at the head office and assigns the person/party in charge of the regional reputation crisis communication. Communications & Daya division provide support for all aspects of external and internal communication, starting from planning to implementation, monitoring and evaluation of the communication process at time of reputation crisis.

The main tasks during a situation of reputation crisis, include the following:

- Prepare communication strategy and tactics;
- Design and prepare main messages;

- Consider the communication channels to use;
  - Determine the spokesperson and the person in charge of communication;
  - Conduct coordination with the designated person in charge of communication and spokesperson;
  - Conduct intensive communication function to external and internal parties;
  - Manage requests for information or interviews with the media;
  - Conduct monitoring and assessment of communication effectiveness.
3. Internal Control System of Reputation Risk Referring to SOP.01/CCOM/03 /2018, Corporate Communications bears the main duty and function to manage the Bank's reputation, by means of effective and quality communication programs, to support the Bank's activities, so that the Bank's vision and mission are achieved. Corporate Communication SOP becomes the guidelines in managing the Bank's reputation through communication programs and activities conducted by Corporate Communications.

To optimize the function and role of Corporate Communications, all programs and activities of delivering information conducted by Corporate Communications must refer to prevailing regulations. Among others are the laws and regulations of related government institutions, policies and regulations of Bank BTPN, Standard Operating Procedures of Corporate Communications, other related regulations and provisions, as well as the principles of Good Corporate Governance.

Corporate Communications is a unit under the supervision of the Directorate of Legal, Compliance & Corporate Secretary which consists of the following functions:

1. External Communication;
2. Internal Communication;
3. Corporate Brand & Activation