

Anti-Fraud Policy

PT Bank BTPN Syariah Tbk (hereinafter referred to as the **Bank**) is committed to preventing all kinds of fraud incidents. The Bank seeks to take an immediate action to minimize any loss to the customers or the Bank, including negative publicity as well as reputational risk.

To minimize fraud, it is necessary to have a stronger internal control system in the form of an anti-fraud strategy implemented by the Bank. The Bank requires all employees to act in honesty and with high integrity and professionalism in order to take an active role in protecting and safeguarding assets, customers' funds, and stakeholders' interest by complying with all internal regulations and the applicable laws and regulations. It is expected that every employee plays an active role in fraud prevention, among others, by submitting complaints/informing on fraud indications.

The Bank has zero tolerance to all kinds of fraud (including those against or by customers, partners, government officials, employees).

The anti-fraud strategy is implemented in accordance with the Regulation of the Indonesian Financial Services Authority Number: 39/POJK.03/2019 dated 19 December 2019 on the Implementation of Anti-Fraud Strategy for Commercial Banks, and the Bank has a special unit installed called the Anti-Fraud Management (AFM) Unit.

1. Adequacy of Policy and Procedure

The Bank has an Anti-Fraud Management (AFM) Unit installed and has an adequate Anti-Fraud Strategy Policy and Standard Operating Procedure in place.

In performing its duties and responsibilities, the Anti-Fraud Management (AFM), as a fraud management unit, engages several relevant units within the Bank to implement the Anti-Fraud Strategy.

2. Adequacy of Implementation of 4 (Four) Anti-Fraud Strategy Pillars: Prevention, Detection, Investigation, Reporting, Sanction, Monitoring, Evaluation, and Follow-Up Action.

1) Prevention:

- Active supervision by the Board of Commissioners and the Board of Directors for the purpose of implementing Good Corporate Governance (GCG).
- Anti-fraud awareness campaign to internal and external parties through various medias available to the Bank.

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- Continuous dissemination through induction training and regular training for Bank employees as a refresher and to ensure that Bank employees have adequate knowledge of anti-fraud including anti-corruption [measures].
- Know-Your-Employee (KYE) principle.
- Signing of an integrity pact by all organizational levels of the Bank, including the Board of Directors, Board of Commissioners, Sharia Supervisory Board, and all employees.
- Anti-fraud declaration to internal and external parties as a form of the Bank's commitment to its zero-tolerance policy against all kinds of fraud.

2) Detection:

- The Bank has a whistleblowing system in place as a secure and confidential channel for reporting any indication of fraud so that Bank employees can actively participate in the reporting of fraud indications, including other violations.
- The Bank has a special unit installed that conducts surprise audits to ensure that processes are carried out in adherence to the applicable procedures.

3) Investigation, Reporting, and Sanction:

The Bank has a work unit installed that is tasked with investigating fraud indications, and in this case, the scope of investigation is determined by the relevant units, with each unit performing duties in accordance with the applicable regulations.

The Bank also reports fraud incidents on a regular basis to the Regulator (cq Indonesian Financial Services Authority). Meanwhile, for discussion and imposition of sanctions on fraud perpetrators, the Bank has a Fraud Committee installed that involves every business unit, Human Capital unit, and Litigation and Anti-Fraud Management units. The Fraud Committee meets regularly in accordance with the applicable regulations.

4) Monitoring, Evaluation, and Follow-Up Action:

The Bank has a fraud reporting system in place that records each and all fraud incidents. All information/data on fraud incidents is documented, maintained, and updated to inform periodic evaluations and corrective actions.

3. Overall Internal Control System

The Bank introduces the following control measures to prevent, control, monitor, and follow-up on fraud, including bribery and corruption:

- In terms of gratuities/giving or receiving gifts/commissions – Employees are prohibited from giving and/or receiving all kinds of gifts from external parties as a form of rewards between individuals in their work/position. – If it is impossible to avoid giving/receiving gifts from external parties (for example, due to cultural norms), employees must submit a written declaration to their supervisor. – Gifts or entertainment may be given as long as they are intended to build good relationships (goodwill), within a reasonable amount. – A reasonable amount means a gift/reward with a value of no more than the equivalent of Rp1,000,000 (one million Rupiah). – Gifts/rewards in the form of cash and/or commissions of any amount are prohibited.
- In terms of Conflict of Interest, employees are prohibited from receiving and/or soliciting gifts of any kind and form from employees/prospective employees, customers/prospective customers, partners/prospective partners on the basis of rewarding an achievement that is already part of their obligations.

The foregoing is included in the Bank's Code of Ethics and Company Regulation (CR), with a maximum sanction of Termination of Employment (*Pemutusan Hubungan Kerja/PHK*) given by the Bank to perpetrators and/or related parties.

- *JAGA (Jalankan sesuai prosedur/Work according to procedures, Amati lingkungan sekitar/Observe your surroundings, Gali informasi/Gather information, and Ajukan laporan jika ada dugaan fraud/Report any indication of fraud)*

The Bank provides JAGA, a reporting channel with maintained confidentiality that can be securely and easily accessed by an employee ("Informer") to submit a report/complaint of fraud indication. The available reporting channels are as follows:

- i. Email: for reporting via an electronic mail
- ii. Mail: for reporting via a postal mail
- iii. Hotline: for verbal reporting where the informer can talk directly to the JAGA team.
- iv. Anonymous Link: for reporting where the identity of the informer is kept anonymous.