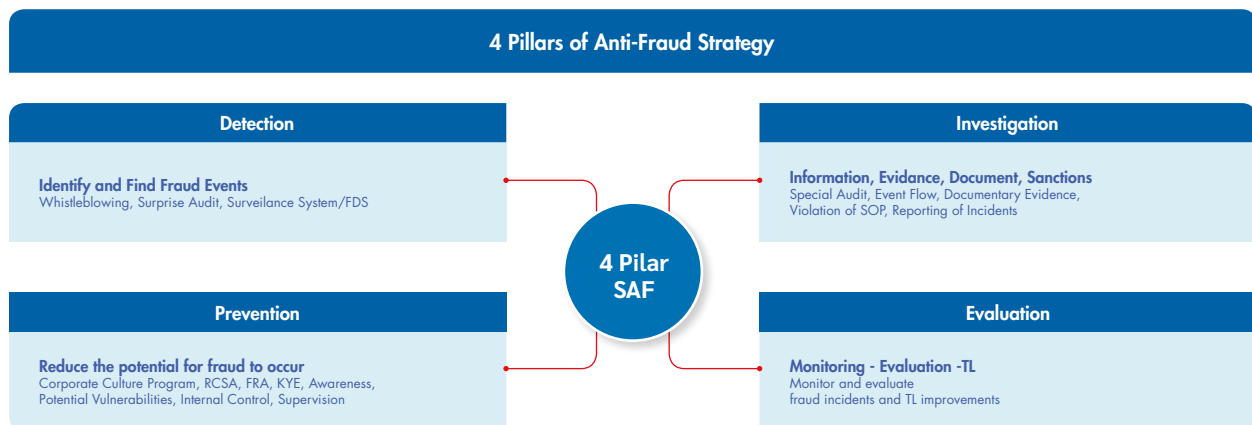


3. Conduct visits and awareness in the context of implementing data cleansing to improve the quality of the loss event database at Bank BTN.
4. Fostering a culture of compliance, this activity is carried out with an approach through the implementation of each business process which must always be guided by applicable internal and external rules and regulations as well as SOPs.
5. Implementing continuous prevention so that there are no significant weaknesses in the first line defense process and making corrective action plans in coordination between the Risk Management Work Unit and the Internal Audit Work Unit.
6. Strengthening operational risk control through various activities such as seminars, workshops, risk outlook and culture days.
7. The Bank has an operational risk control system throughout the Bank's network. The Bank has implemented awareness regarding the use of the ORMIS application as a form of implementing risk management throughout the branch office network.
8. Carrying out risk awareness of potential fraud vulnerabilities through Fraud Risk Assessment (FRA) within the scope of all Work Units. The FRA method is carried out based on OJK Circular Letter No. 39/POJK.03/2019 concerning Implementation of Anti-Fraud Strategy which is described as follows:



## Risk Assessment

In accordance with the Regulation of OJK Regulation No. 18/POJK.03/2016 dated March 16, 2016, concerning the Implementation of Risk Management for Commercial Banks and Circular Letter of OJK Circular Letter No. 34/SEOJK.03/2016 dated September 01, 2016 concerning the Implementation of Risk Management for Commercial Banks, Risk Management Division shall report the risk profile to OJK quarterly containing information about Credit Risk Exposure, Market Risk, Liquidity Risk, Operational Risk, Compliance Risk, Strategic Risk, Legal Risk, and Reputation Risk. The assessment of the risk profile covers the assessment of the Inherent Risk and the Quality Rating on the Implementation of Risk Management in Bank's operational activities.

Taking into account the results of self-assessment, the Company strives to maintain the Risk Profile Quarter IV 2023 to be in Low to Moderate level. The probable loss encountered by the Bank in terms of the Inherent Risk is considered low (Low to Moderate), with a Satisfactory rating for the Quality Rating on the Implementation of Risk Management. Details are listed as follows:

Types of Risk	Inherent Risk Rating	Quality Rating on the Implementation of Risk Management	Risk Rating
Credit Risk	Low to Moderate	Satisfactory	Low to Moderate
Market Risk	Low to Moderate	Satisfactory	Low to Moderate
Liquidity Risk	Low to Moderate	Satisfactory	Low to Moderate
Operational Risk	Low to Moderate	Satisfactory	Low to Moderate
Legal Risk	Low to Moderate	Satisfactory	Low to Moderate
Strategic Risk	Low to Moderate	Satisfactory	Low to Moderate
Compliance Risk	Low to Moderate	Satisfactory	Low to Moderate
Reputational Risk	Low to Moderate	Satisfactory	Low to Moderate