

PT. BANK BNP PARIBAS INDONESIA

ANNUAL REPORT 2010

Table of Contents

President Director's Message	3
Organization Chart	5
Business Group Structure	6
Company Profile	7
Management Performance	11
Financial Performance	17
Credit Information	19
Good Corporate Governance	21
Management Curriculum Vitae	36
Audited Financial Statement	43



President Director's Message

The financial year ended December 2010 marked another profitable year for PT Bank BNP Paribas Indonesia. We achieved NPAT of IDR 72.2 billion, and close to the targeted loan growth as per our Business Plan. The assets have grown significantly to IDR 2,851 billion as at 31 December 2010, in comparison to the previous projection at IDR 1,451 billion.

Our core business strategy, being a wholesale Corporate and Investment Bank in Indonesia remains sound, coupled with a strong balance sheet, and supported by the Parent bank, BNP Paribas SA, with long term ratings of AA, Aa2 and AA- (by Standard and Poors, Moodys and Fitch respectively).

Our balance sheet remains very healthy to date, attributed to retained profits generated over the years (without any dividend payout). Together with the subordinated debt and funding received from the Parent bank, the asset base has increased gradually over the 2009-2010 periods. This has enabled us to conduct and focus on the core activities in Indonesia being:

- 1) A wholesale funding bank to Corporates and Institutions
- 2) Fixed income i.e. foreign exchange, interest rates and bond activities

During the year, low interest rates, rising consumer confidence and per capita incomes have pushed retail activities to new peaks in recent months. Foreign direct investment ("FDI") is returning to Indonesia. In 1H2010, it rose by USD 4.8 billion against USD 3.3 billion in the same period a year ago. The government targeted an ambitious USD 13 billion in FDI in 2010 against USD 4.9 billion in 2009. Between 2010 and 2014, the government is targeting USD161 billion in infrastructure spending. Combined with rising FDI, it will enable Indonesia to scale new heights in terms of GDP growth and asset prices. Although inflation is rising, we believe the authorities are willing to tolerate higher consumer prices, as evidenced by the shift in Bank Indonesia's (BI) inflation target from 3.5- 5.5% in 2009 to 4.0-6.0% in 2010. These, coupled with strong foreign exchange reserves, bode well for Indonesia, and we are optimistic for Indonesia in achieving an "Investment Grade" status in the near future.

As the BNP Paribas Group embarks into its "Asian Strategy"- doubling its exposure/revenue in Asia in three years, Indonesia is targeted to be one of its key focuses. We have equipped ourselves over the course of last year by consolidating our position. To cater for the imminent growth we have increased our workforce significantly by boosting our Coverage and Fixed Income teams. In parallel, we have also increase headcounts in our back office, in the areas of Finance and Control, Compliance, Operations and Risk.

Going forward, we have forecast a measured and gradual growth for the PT Bank BNP Paribas Indonesia achieving NPAT in excess of IDR 115 billion per annum over the next three years. The Bank's affairs are well managed in all aspects including financially and operationally, and not only do we adhere to the regulations of Bank Indonesia, being part of the BNP Paribas Group, we also maintain the standards adopted by the Group globally, which is recognized to be one of the largest and most respectable financial institutions in the world.



President Director's Message

Our activities in 2011 will be similar and focused in

- 1) Wholesale Banking activities supporting our Fixed Income and Corporate/ Structured Finance Activities (to be done in conjunction with our Affiliates and Parent Entity where necessary);
- 2) A focused clientele base, largely comprising of large Indonesian corporates, albeit in the commodity sector we are willing to look at the smaller corporates;
- 3) Increased exposure in the Commodity sector, which are considered growth sector of the Indonesian economy and in the Media and Telecommunications Sectors (again in certain instances, with our Parent Entity);
- 4) Concentration on Fixed Income Activities, foreign exchange, interest rates and bond activities.

In addition, in 2011 we will also be embarking on our Global Transaction Banking business to complement the current activities. Throughout 2011, we will be investing in the development of this business based on the flow banking products namely Trade and Cash Management. The success will be dependent partly on the ability to tap into the BNP Paribas Group's extensive clientele base globally (key Multinational Companies). The result of this initiative will most likely be evident in 2012.

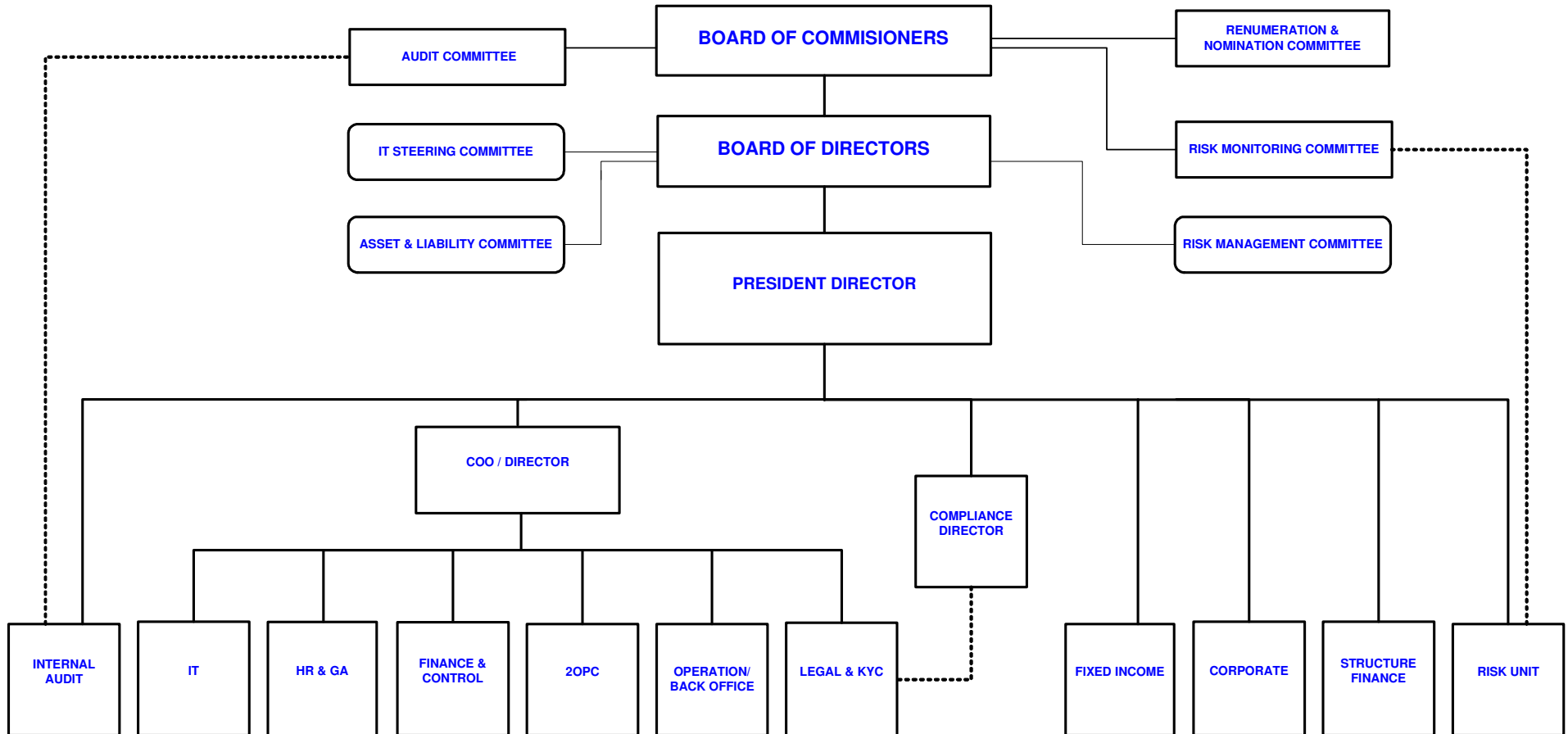
Jakarta, 26 May 2011

A handwritten signature in black ink, consisting of several fluid, overlapping strokes.

Kamarulzaman bin Mohamed Osman
President Director
PT Bank BNP Paribas Indonesia

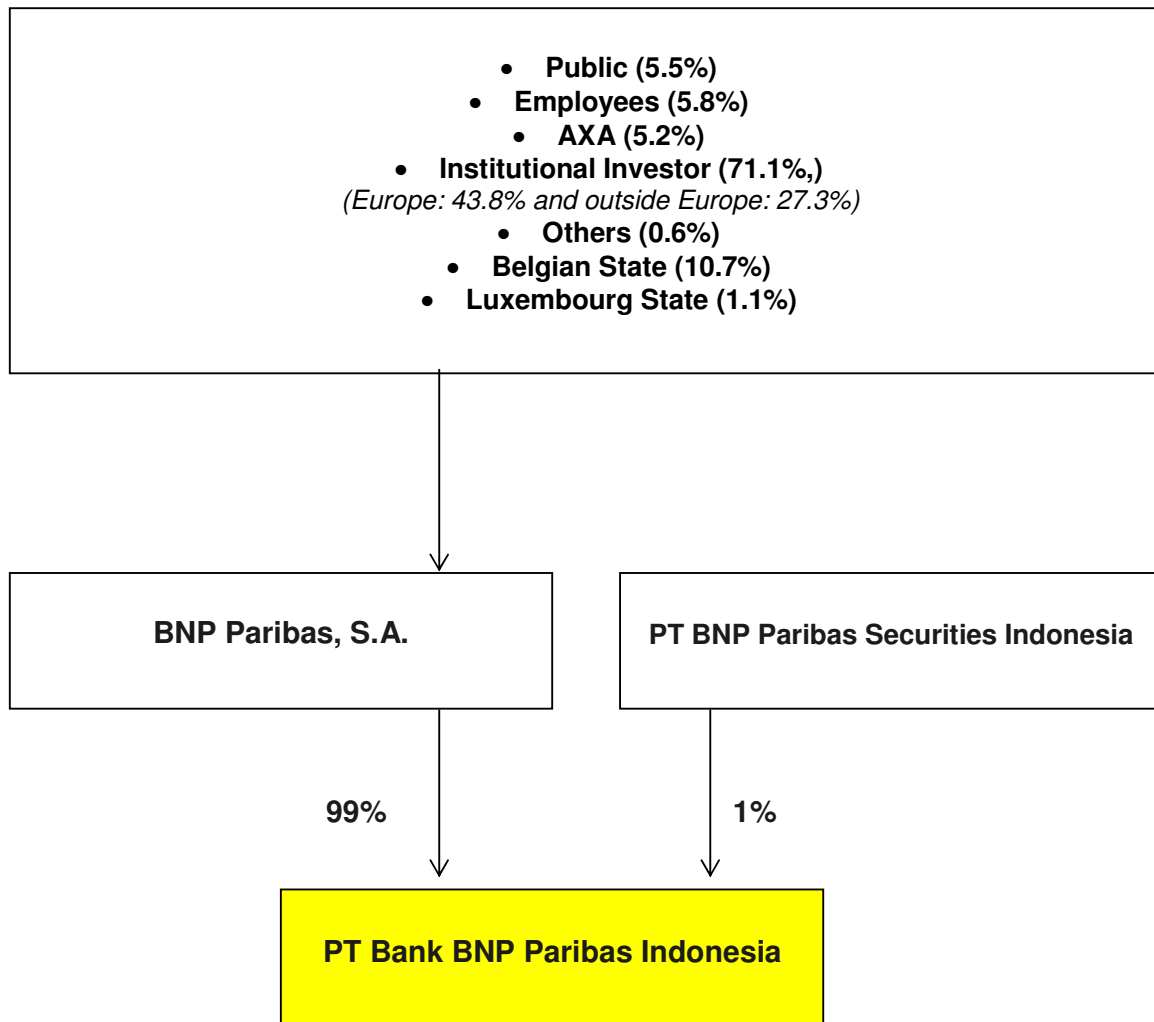


**ORGANIZATION CHART -
PT. BANK BNP PARIBAS INDONESIA
as per 31 DECEMBER 2010**



The Business Group Structure of PT Bank BNP Paribas Indonesia

Struktur Kelompok Usaha dari PT Bank BNP Paribas Indonesia





Company Profile

PT Bank BNP Paribas Indonesia

Historical Background

- PT Bank BNP Paribas Indonesia (“Bank”) was established as a joint venture bank in 1989.
- Created as **PT Bank BNP Lippo Indonesia**, it had BNP Group (70%) and Lippo Group (30%) as Shareholders by 1999.
- In 2000 the composition of shareholders was changed to: BNP Paribas SA 99% and PT BNP Paribas Securities Indonesia (formerly PT BNP Prime Peregrine) 1%.
- In 22 November 2000, the name was changed to **PT Bank BNP Paribas Indonesia** to reflect the merger between BNP and Paribas.

Product and services (as at 31 December 2010)

The Bank is operating as a commercial bank providing a full range of banking facilities for medium and large Indonesian and multinational companies:

- Corporate Banking:
 - Working capital loan
 - Medium term syndication loan
 - Trade finance
 - Project and structured finance
 - Bank guarantee
- Deposit:
 - Current account
 - Time deposit
- Treasury and Fixed Income activities:
 - Foreign exchange transaction
 - Derivatives
 - Money market

General Information

Head Office:
Menara BCA, 35th Floor
Jl. M.H. Thamrin No.1
Jakarta 10310, Indonesia

Telephone: (021) 23586262
Facsimile: (021) 23586098
Swift ID: BNPLIDJA

Company Profile

FINANCIAL HIGHLIGHTS	<i>in million IDR</i>	
As of 31 December	2009	2010
Total Assets	1,614,398	2,850,738
Total Loans to Third Parties	80,425	262,369
Total Third Party Fund	229,587	129,856
Net Interest Income	85,735	51,423
Operating Profit (Loss)	225,781	101,959
Profit (Loss) Before Tax	225,879	101,208
Net Profit (Loss)	160,202	72,158
Productive Assets	2,850,420	3,534,921
Borrowings	-	-
Subordinated Debts	281,850	270,300
Cost of Funds (Interest Expense)	21,699	9,253
Share Capital (Authorized Capital)	726,320	726,320
Total Capital	1,235,973	1,351,731



Company Profile

FINANCIAL RATIOS	<i>in million IDR</i>	
	2009	2010
As of 31 December		
Capital Adequacy Ratio (Excluding Market Risk Charge)	206.61%	266.17%
Capital Adequacy Ratio (Including Market Risk Charge)	162.72%	103.06%
Non-Performing Assets	0.00%	0.03%
Gross NPL Ratio	0.00%	0.53%
Net NPL Ratio	0.00%	0.00%
Net Open Position (NOP)	6.06%	12.01%
Loan to Deposit Ratio (LDR)	35.03%	202.05%
Minimum Reserve Requirement (IDR)	7.43%	15.95%
Net Interest Margin (NIM)	4.77%	3.40%
Operational Expense to Operational Income	29.08%	41.97%
Return on Assets (ROA)	11.12%	5.07%
Return on Equity (ROE)	17.28%	5.35%
Legal Lending Limit Violation	0.00%	0.00%
Legal Lending Limit Excess	0.00%	0.00%

Management performance

I. Business Strategy

- Strategy for 2010

For 2010, with a clean and healthy balance sheet, PT Bank BNP Paribas was able to embark on a gradual strategy focusing on the following:

- Wholesale Banking activities supporting our Fixed Income, and Corporate/ Structured Finance Activities (to be done in conjunction with our Affiliates and Parent Entity);
- More exposure in the Commodity Sectors – (again in certain instances, with our Parent Entity);
- Concentration on Fixed Income Activities.

However it was emphasized the growth plans was to be pragmatic and measured, and within the Wholesale Banking area where the Bank has carved a niche.

At the same time in 2010, to cater for the imminent growth, we were to increase our workforce significantly.

- Strategy Realization for 2010

We ended 2010 with a NPAT IDR 72.2 billion. The performance, albeit below budget, was considered satisfactory. The main variance from our budget was attributed to slightly lower net interest income (from the bond and loan portfolio) and lower income from fee income, foreign exchange and bond activities. We previously forecast an NPAT of IDR 100.3 bio in our Business Plan.

As at December 2010, the Bank employed thirty staff; having employed additional nine staff over the course of 2010, in the areas of Coverage origination, Debt Capital Markets, Fixed Income sale and trading, Compliance, Operations, Finance and Control, as well as Risk Management. The staff hires are part of the plan to strengthen our team and reinvigorate our activities

II. Compliance Management

Good Corporate Governance

The Bank applies Good Corporate Governance (GCG) principles by always striving to be in line with the applicable laws and regulations (PBI No. 8/4/PBI/2006 and its amendment PBI No. 8/14/PBI/2006 regarding GCG), as well as by implementing close and permanent control through the appropriate Committees; namely the Audit Committee, Remuneration and Nomination Committee and Risk Monitoring Committee.

The Bank's GCG manual contains duties and responsibilities of the Board of Commissioners and Directors, work ethics provisions, committees within the Bank, the provisions of the Shareholders' General Meeting, compliance, internal audit and external audit function, and also the implementation of risk management.

In line with the BI regulation, the Bank has submitted its GCG Report and GCG Self-Assessment to Bank Indonesia in May 2011 and included the GCG Report in our 2010 Annual Report.

KYC (Know Your Customer) and Anti Money Laundering

The Bank has a commitment to actively participate in combating money laundering and gives high priority to the development of systems necessary to support the implementation of Know Your Customers (KYC) program.

To maintain staff awareness of the KYC principles, the KYC trainings for the Bank's staff were held several times; i.e. KYC training pertaining to Fixed Income Account Opening Policy on April 2010 for Fixed Income staff, Compliance and AML officer; Compliance Awareness (including KYC) for all employees on August 2010, KYC Training for Compliance & KYC officers on August 2010, and training on new KYC procedures on September 2010.

To improve its KYC rating, the bank intensively updates its clients' KYC documentations; which has resulted in almost 100% of clients' KYC documentations updated.

In line with the new Bank Indonesia regulation No. 11/28/PBI/2009 regarding the Anti Money Laundering and Prevention of Terrorist Financing, the Bank has updated its KYC Manual in April 2010.

On the second quarter of 2010, the Bank has to re-update its KYC Manual and adopted the new BNP Paribas global policies and procedures, to be in line with the (new) IIIrd European Directive and its transcription into French Law which required upgrading the KYC framework.

This new KYC Manual has been approved by the Board of Commissioners and submitted to BI within 7 (seven) days after its effective date.

The Bank will continue implementing the KYC throughout the Bank and conduct regular specific training on anti money laundering and KYC for all staff members.

Compliance with regulations

The Bank unfailingly complies with BI regulations. The Compliance Director monitors and reports periodically to Bank Indonesia the following:

- Minimum Capital Requirement
- Legal Lending Limit
- Net Open Position
- Asset Quality
- Provisions
- Financial Ratios

In the year 2011, the Bank will continue to fulfill its commitments to Bank Indonesia.

III. Risk Management

Managing risk effectively in an organization such as PT Bank BNP Paribas Indonesia requires a risk management culture. Our culture supports sound commercial decision-making that adequately balances the risk.

Risk management approach

The Bank's risk management approach is based on a combination of risk oversight at BOD level and independent risk management structures within the business units.

A risk management unit in the Bank has to ensure that risk inherent in the Bank's activities is more consistent with its business objectives, risk appetite and capital. The risk management unit is independent of business operations and reports to the President Director. The risk management unit is responsible for:

1. Developing and recommending risk management policies
2. Developing methodologies to identify, measure, manage and control risks
3. Monitoring compliance with established policies
4. Reporting to the BOD

The BOD is responsible for the level of risks assumed by the Bank while the BOC approves the risk management policy. The BOD delegates to manage formulation and implementation of risk management policy. The risk management process comprises establishing appropriate prudential limits and controls ensuring that the Bank activities are conducted in a prudent and sound manner. The objectives of the risk management process are to identify, evaluate and monitor them.

To see the table showing the self assessment on our risk management by Bank Indonesia, please refer to the GCG report on page 28.

Risk Management Process

The Bank has been achieving several improvements as per Bank Indonesia regulation as follows:

- Organization

BNP Paribas Indonesia has a special department dedicated to implement the bank's risks, the Risk Management Unit, independent from Operational Departments, reporting directly to the President Director. The scope of missions and duties of this Department are complied with Bank Indonesia regulations and recommendations on the risk management, as well as the guidelines of the GCG.

In order to implement the risk management policy, Risk Monitoring Committee has been formed to monitor the Bank's risk management implementation.

Each Department Head has also been invited to participate, at its level, in building the internal control system and in drawing up the relevant procedures to control the risk inherent to its activity. The Risk Management Unit is coordinating the work, under the supervision of the BOD.



- Policies and procedures

The Bank has adapted the Group policies and procedures to the Bank's local needs and Bank Indonesia's requirements. The Bank will keep updating those policies and procedures to keep abreast of any evolution in the regulations or the business environment.

- Human resources

In line with the regulatory requirements and the needs for successful risk management, the Bank has set up specific trainings on Risk Management, Know Your Customer and Anti-Money Laundering. Furthermore, the Bank has also sent its staff to go for the Risk Management Certification (BSMR) test, in accordance with BI Regulation No. 7/25/PBI/2005. The Bank will continue registering additional staff whenever subsequent test will be conducted, until all requirements are met.

- Management Information System

The Bank is constantly adapting the Group's Information & Technology policies to the local needs and current regulations. The Bank's information systems can provide sufficient and comprehensive internal data/information for sound decision-making, as well as provide reliable and credible information on bank activities. The Bank has organized contingency recovery plans and back up systems to prevent possible failure of activities to protect the MIS from all potential risks of disruption. This contingency plan is also being adapted to cover future incidental risks, with potential impact either on the staff or the assets of the Bank, such as earthquake, flooding, riots or political disturbances. Full testing of banking transactions is performed regularly from the Disaster Recovery site located outside the Bank and business area. Business Continuity Procedures (BCP) has been updated accordingly. Moreover, an appropriate contingency plan has also been defined to cope with potential risks of pandemics, where the Bank's staff, and not the facilities, is at risk.

- Accounting

The Bank's accounting system is in compliance with Bank Indonesia's requirements. Reconciliations of data are performed, the periodicity of which depends on the reconciliation types. Evaluation of accounting methods is conducted yearly. All accounting documents and files (sub-ledgers, general ledgers, etc.) are kept for audit trails. In line with the Shareholders' policy at the level of the Group and all guidelines given by Bank Indonesia, the Bank will implement the various recommendations contained in the Basel 2 Agreement within the given framework.

Risk Profiles

Specific check lists have been set up for risk exposures, to be reported to the Risk Management Unit, which allows this team to report its status properly to Bank Indonesia through the quarterly Risk Profile report.

As of December 2010, the summary assessment of Risk Profile was rated Moderate. This has assessed 8 types of risks, i.e. Credit, Market, Liquidity, Operational, Legal, Reputational, Strategic and Compliance.

IV. Human Resources Management

The Bank is committed to the development of the quality of its human resources in order to match its business requirement, as well as to face the challenge in a fast changing business environment. The Bank offers a wide range of compulsory and/or voluntary basic training programs as part of a continuous effort to enhance the skills and knowledge of the staff.

The Bank also offers attractive personal career management, as a pledge to foster staff's commitment to the Bank's strategic objective, as well as to promote the Bank's corporate culture. In addition, the Bank also provides educational assistance program, which is granted to selected staff who attends formal education in any university in Indonesia. Under this program, the Bank reimburses the eligible staff for an agreed part of the expenses associated with his/her education activities.

In 2010, the Bank has recruited 9 new full time employees as part of its plan to re-expand its business in Indonesia. The Bank continues to implement education and training programs, conducted in Indonesia and abroad, covering banking related subjects such as: Marketing, Credit Analysis, Capital Market, Credit control and reporting, ALM Treasury, Internal Auditing, Risk Management, Human Resources, Information Technology, Compliance etc., as well as other programs to help the staff in performing their assignments better, such as English language training. Overseas trainings were mainly held by BNP Paribas SA overseas branches, such as Hong Kong, Singapore and Paris.

In line with BI Regulation No. 7/25/PBI/2005 dated 3rd August 2005 regarding Risk Management Certification for the Management and Officers of Commercial Banks, during 2010 the Bank has sent 11 of its staff to attend this training. All 11 passed the BSMR examinations in 3 levels: 7 for level 1, 2 for each level 2 and 3. The Bank also continues to provide training for all staff regarding anti-money laundering and KYC, in compliance with BI Regulation No. 3/PBI/2001 dated 18th June 2001 and No. 2/23/PBI/2001 dated 13th December 2001.

V. Information Technology Management

The Bank firmly believes that in a very competitive business sector, utilization of Information Technology (IT) is crucial in order to provide the best quality service to its customers. The Bank benefits from up-to-date hardware facilities as well as outstanding international standards software designed and provided by BNP Paribas Group, which are customized to fit local needs. Systems are constantly being updated in order to match technological advances and evolution of the business requirements.

Policies, guidelines and procedures on all IT operations, systems hardware and software manuals have been considered as the most important factors to control the operational risks hence they are properly documented, reviewed and updated periodically.

In line with Bank Indonesia regulation no. 9/15/PBI/2007 regarding Risk Management Implementation for the use of Information Technology by Commercial Banks issued on 30 November 2007, the Bank has updated and reviewed its IT risks management policy annually, and the Bank will be in-sourcing a few of its transactional process which is considered to be inherent banking function by November 2011.



To enhance the awareness of the Bank's staff on IT security risk, the Bank has implemented an IT Security e-learning program which is compulsory for all staff and is renewed annually as part of the Bank's internal training program. IT skills continue to be enhanced for IT staff by sending them to regional training centers of BNP Paribas Group in Singapore, as well as any other local IT training providers.

To anticipate unexpected disruption (e.g. natural disaster, social unrest, etc) on the Bank's operation in the main office, the Bank has established since 2005, a Disaster Recovery Center (DRC) located in Gedung German Center, BSD Tangerang which is set up as a back-up office, and as the alternative for the main office in Jakarta. To increase staff confidence, competence and readiness in facing unexpected disruption on the Bank's operation, the Bank has been conducting regular Call Tree Testing and Business Contingency Planning (BCP) exercises.

During 2010 the Bank has conducted the exercise on 9th December with satisfactory result.

Financial Performance

I. Balance Sheet

- Assets

The overall asset quality remained very satisfactory. The assets quality remained highly satisfactory as they are mainly government securities (SUN/SBI) at IDR 2,024.9 billion/IDR 396.8 billion respectively.

- Loans

As at 31 December 2010, total gross loan portfolio was IDR 262.3 billion while Gross NPL Ratio was 0.03%. Rupiah denominated loan/credit of IDR 110.1 billion, while the foreign currency denominated loan/credit was IDR 152.3 billion in USD equivalent.

Bank Indonesia Rating	Outstanding as at 31 Dec 2010	(IDR' mio) 31 Dec 2009
Pass	260,986	80,425
Special Mention	0	0
Substandard	1,383	0
Doubtful	0	0
Loss	0	0
Total	262,369	80,425
Loan Loss	1,383	1,805
Provisions		
Provisions %	0.53%	2.24%

- Funding

Given its wholesale focus and single branch operation, aside from its wholesale clients' deposits, the Bank relies on inter-bank and parent bank's support (sub-debt circa USD 30 mio has been fully drawn and constitute part of Tier II capital) for its liquidity need.

Third Party Fund - The Bank's third party funds is at IDR 129.9 billion. Generally our Third Party Fund profile is mainly large corporate with big amount of deposits and is price sensitive.

- Capital Adequacy and Equity

Capital Adequacy Ratio (CAR) against Credit Risk of 266.17% as of 31st December 2010. Equity reported comprised of Tier 1 capital of IDR 1081.3 billion and Tier 2 of more than USD 30 mio (equivalent to IDR 270.4 billion), the latter represented by a ten-year subordinated loan obtained from the Parent bank in late 2006.

II. Profit and Loss

Net profit for the 12 months to 31 December 2010 was IDR 72.2 billion compared to IDR 160.2 billion previously. The bank continued to enjoy healthy net interest income of IDR 51.4 billion (with a NIM of 3.40%); FX transactions of IDR 20.7 billion and the revaluation of bonds of IDR 96.6 billion were the main contributors to the bottom line.

- Operational Expense Over Operational Income (BOPO)

BOPO for the period was 41.97%.

III. Financial Ratio

Capital Adequacy Ratio (CAR) against Credit Risk of 266.17% as of 31st December 2010 was higher than the target. Similarly, CAR for Credit and Market Risk was at 103.06%.

Return on Equity (ROE) continued to be satisfactory at 5.35% as of end December 2010, Return on Assets (ROA) was reported at 5.07%.

Loan to Deposit Ratio – The Bank's LDR was 202.05%.

IV. Taxation

The Corporate Income Tax expense for fiscal year 2010 amounted to IDR 29.1 billion. The deferred tax assets amounted to IDR 7.17 billion with a claim of tax refunds of IDR 21.7 billion attributable to the prepayments made as result of preliminary estimates.



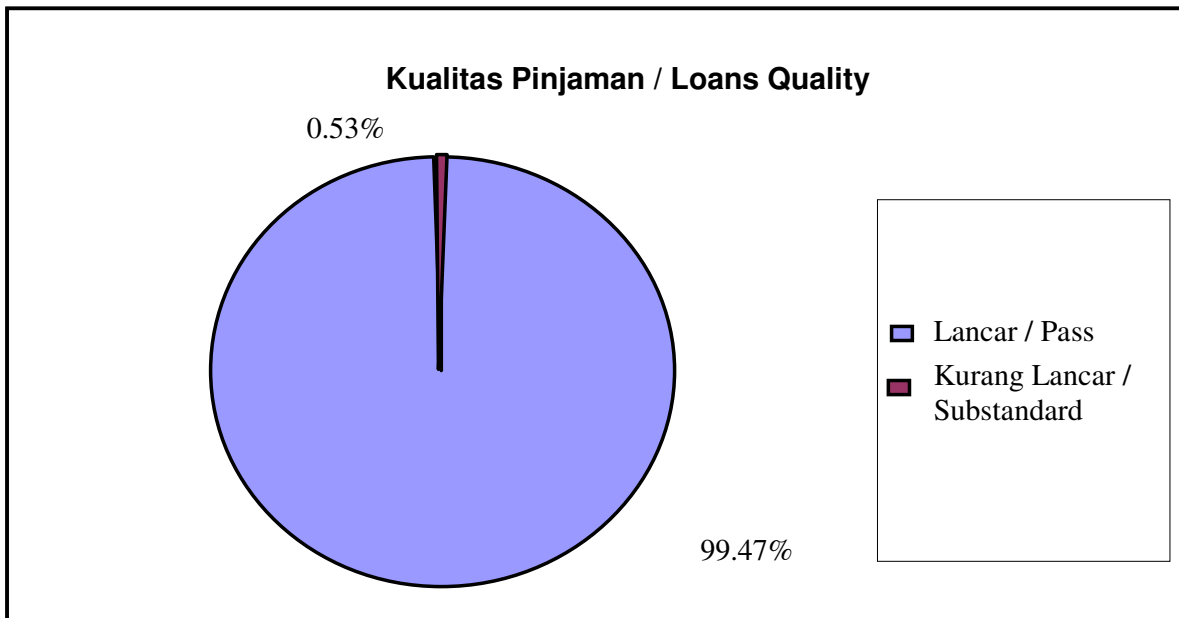
Credit Information

Kolektibilitas kredit yang diberikan / Loan granted by Collectibility

31 Desember 2010 / 31 December 2010

dalam jutaan Rp / in million IDR

Kualitas Kredit / <i>Loan Quality</i>	Rp	%
Lancar / <i>Pass</i>	260,986	99.47%
Dalam Perhatian Khusus / <i>Special Mention</i>	0	0.00%
Kurang Lancar / <i>Substandard</i>	1,383	0.53%
Diragukan / <i>Doubtful</i>	0	0.00%
Macet / <i>Loss</i>	0	0.00%
Total	262,369	100.00%



Credit Information

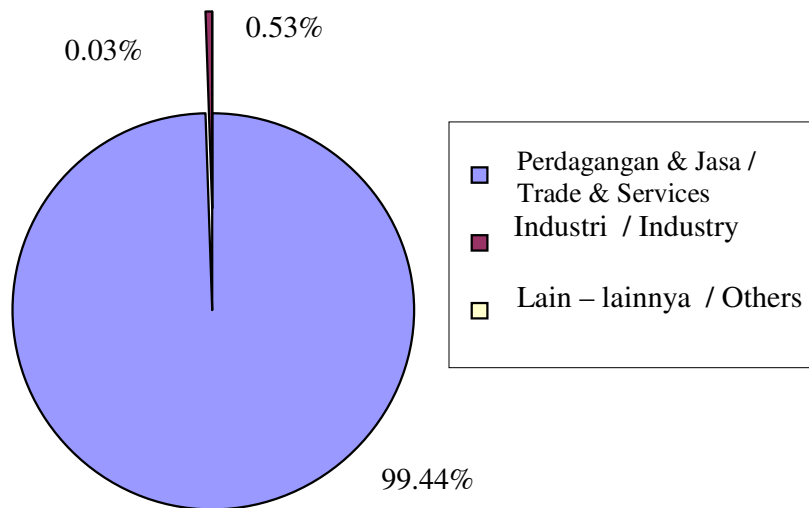
Kredit yang diberikan sektor ekonomi / *Loan granted by economic sectors*

31 Desember 2010 / 31 December 2010

dalam jutaan Rp / in million Rp

Sektor ekonomi / <i>Economic sectors</i>	Rp	%
Perdagangan & Jasa / <i>Trade & services</i>	260,899	99.44%
Industri / <i>Industry</i>	1,383	0.53%
Lain-lainnya / <i>Others</i>	87	0.03%
Total	262,369	100.00%

Pinjaman Menurut Sektor Ekonomi / Loans by Economic Sectors



Good Corporate Governance

The bank continues to implement the principles of Good Corporate Governance (GCG) within its operational activities, as it is important for the growth of the Bank's business and gives added value to its stakeholders. Generally, the Bank has fulfilled the requirements and criteria according to BI Regulation on GCG. However, the Bank will continuously improve itself to be in line with the GCG criteria.

To ascertain the optimal implementation of the GCG, the Bank's Management evaluate and implement the principles of GCG (Transparency, Accountability, Responsibility, Independence and Fairness) continuously. These five principles have been integrated and incorporated into the Bank's daily operational activities, its disclosure policies and its compliance to the prevailing rules and regulations. The Bank has a GCG Manual which is a guideline summarizing the implementation of GCG.

I. THE GENERAL MEETING OF SHAREHOLDER

The General Meeting of Shareholders ('GMOS') constitutes the highest authority in the organization. The GMOS must be held in accordance to the prevailing law and regulations as well as the information presented to the shareholders.

The GMOS is held once a year as a performance evaluation forum for the Board of Commissioners ('BOC') and the Board of Director ('BOD') in carrying out their duties and responsibilities. In addition to the annual GMOS, the Bank can also hold an Extraordinary General Meeting of Shareholders (EGMOS) whenever it is deemed necessary.

In accordance to the Bank's Articles of Association, in the GMOS:

- a. The BOD shall submit an annual account consisting of the audited balance sheet and profit and loss account of the relevant financial year and explanations concerning the said documents upon reviewed by the BOC for ratification in the meeting.
- b. The BOD shall submit an annual report on the affairs and operations of the Bank, the result achieved, estimated business projection, progress of the main business of the Bank and its changes during the financial year and description of problems arising during the financial year which affect the Bank's business.
- c. The use of the Bank's earnings shall be determined and the annual profit distribution plan and the annual expenses plan of the Bank shall be approved.
- d. The appointment of the Bank's public accountant.
- e. Other matters properly brought in the meeting.

II. THE BOARD OF COMMISSIONER ("BOC")

The implementation of GCG practices are the responsibility of the BOC and BOD, however they do not preclude the role of executive officers to carry out the GCG practices as well.

During 2010 the BOC did not find the BOD in violation of the financial or banking regulations, nor did the BOD placed the Bank into any situation that can harm the Bank's continuity.

II. 1. Membership

At the end of December 2010, the Bank has 2 (two) member of the BOC, 1 (one) of them is the Independent Commissioner who is independent from influence of the controlling shareholders and domiciled in Indonesia. Following the resignation of Phillippe Rene Francis Sirgant on 5th April 2010 and Bernard Georges Francois Pittie on 4th August 2010, the Bank has proposed to Bank Indonesia to assign a new Independent Commissioner, Chris Kanter, through its letter No. ADM/148/VIII/2010 dated 31 August 2010.

Bank Indonesia's approval has been received on 08 April 2011 through its letter No. 13/34/GBI/DPIP/Rahasia. The Bank's shareholders have appointed Chris Kanter as the Bank's Independent Commissioner on May 13, 2011.

The members of the BOC are elected and dismissed by the GMOS, but if following such GMOS, there were new appointment or replacement of the members of the BOC, the Bank would then seek the recommendation from the Remuneration and Nomination Committee with previous agreement given by the GMOS.

To ensure the independency of the BOC, the BOC member has to sign a Disclosure Form which states that BOC member must not hold any other positions as member of BOC, BOD, or Executive Officer at any other bank, company or institution except as those stated in Bank Indonesia Regulation regarding the implementation of GCG by Banks.

The BOC members have no stock ownership either in any other Bank or company, except Soebowo Musa, who has stock amounting to 30% (thirty percent) at PT Kiran Resources Indonesia. They do not have financial and/or family relationship with other members of BOC, BOD and/or the Controlling Shareholders.

The Bank's BOC structure at the end of 2010 is as follows:

BNPPI's Structure of the Board of Commissioner	
President Commissioner	: Jean Pierre-Bernard
Independent Commissioner	: Soebowo Musa
Independent Commissioner	: to be appointed

II.2. Roles and Responsibilities of the Board of Commissioner

Generally, the responsibilities of the BOC are:

1. The BOC shall supervise the policies of the BOD in managing the Bank and render advice to the BOD.
2. The BOC must ensure the implementation of GCG in each of the Bank business activity on all organizational levels or hierarchy.
3. In performing the supervisory function, BOC must direct, monitor, and evaluate the implementation of Bank strategic policies.
4. In line with Bank Indonesia regulation concerning the Implementation of GCG, the BOC has to set up:
 - a. Audit Committee
 - b. Risk Monitoring Committee
 - c. Remuneration and Nomination Committee
5. The BOC must ensure the BOD follow-up on audit findings and recommendations from the Bank's Internal Audit Work Unit, External Auditor, Bank Indonesia supervision result and/or other authorities supervision result.

In line with the performance of the role and responsibilities of the BOC, the Bank has implemented guidelines concerning the roles and responsibilities of the BOC in which such guidelines are part of the Bank's Article of Association and GCG Manual.

II.3. Frequency of the Board of Commissioner Meeting

During 2010, the Bank has 4 (four) BOC Meetings, with the details of the percentage of the attendance of each member as follows:

Name of the Commissioners	Meeting		Attendance		Percentage
	Scheduled	Attendance	Physically	Teleconference	
Jean Pierre-Bernard	4	4	4	0	100%
Soebowo Musa	4	4	4	0	100%

II.4. Completeness and Performance of Duties of the Committees

To be in line with Bank Indonesia Regulation No. 8/4/PBI/2006 as amended by Bank Indonesia Regulation No. 8/14/PBI/2006 regarding GCG Implementation by Commercial Banks, since 2007 the Bank has set up and adjust the structure and the membership of the committees under the BOC

III. Audit Committee

III.1. Membership

The Audit Committee was established in Q4 2007. Currently, the Audit Committee consists of 3 (three) members, and comprises of 1 (one) Independent Commissioner (acting as Chairman of the Committee) whose expertise is in finance and accounting, 1 (one) independent party as member whose expertise is in law, and 1 (one) independent party as member who also has expertise in finance.

The Bank is aware of the management relationship in this committee between the Chairman of the Audit Committee (also acting as Chairman of Risk Monitoring Committee) with one of its member (also acting as member of Risk Monitoring Committee). However, both of them have declared to act professionally and independently during their assignment as Chairman of the Audit Committee as well as its member through Letter of Undertaking submitted to Bank Indonesia.

At the end of December 2010, the structure of the Audit Committee is as follows:

BNPPI's Audit Committee Structure	
Chairman of Audit Committee	: Soebowo Musa
Member of Audit Committee	: Jono Effendy
Member of Audit Committee	: Neny Risantiny

III.2. Roles and Responsibilities of Audit Committee

The Audit Committee performs the monitoring and evaluation of the audit planning and implementation, as well as monitoring the audit recommendation follow-up actions, in order to assess the adequacy of internal audit, including the adequacy of the financial reporting process.

In order to implement its tasks, the Audit Committee must at least perform the monitoring and evaluation of implementation of the tasks of the Internal Audit Work Unit; consistency between audit implementation by the Public Accountant Office with prevailing auditing standards, consistency between the financial report with prevailing accounting standards, implementation of follow-up actions by the BOD on findings by the Internal Audit Work Unit, Public Accountant, and Bank Indonesia supervision result in order to give a recommendation to the BOC.

III.3. Frequency of the Audit Committee Meeting

During their assignment period in 2010, the Audit Committee had one meeting which attended physically by all member of the Audit Committee.

The result of the Committee meeting is written into minutes of meeting and signed by all of the participants in the meeting and documented properly.

IV. Risk Monitoring Committee

IV.1. Membership

Risk Monitoring Committee was set up at the end of 2007.

The member of the Risk Monitoring Committee consist of 3 (three) members which is chaired by the Independent Commissioner, 1 (one) independent party as a member who has expertise in Risk Management and 1 (one) independent party as a member who has expertise in finance.

The Bank is aware of the management relationship in this committee between the Chairman of the Risk Monitoring Committee (also acting as Chairman of the Audit Committee) with one of the Risk Monitoring Member (also acting as member of the Audit Committee). However, both of them have declared to act professional and independently during their assignment as Chairman of the Risk Monitoring Committee as well as its member through Letter of Undertaking submitted to Bank Indonesia.

At the end of December 2010, the structure of Risk Monitoring Committee is as follows:

BNPPI's Risk Monitoring Committee Structure	
Chairman of Risk Monitoring Committee	: Soebowo Musa
Member of Risk Monitoring Committee	: Lando Simatupang
Member of Risk Monitoring Committee	: Jono Effendy

IV.2. Roles and Responsibilities of the Risk Monitoring Committee

The Risk Monitoring Committee should have at least the following functions:

- To evaluate on the implementation of the risk management policies and functions within the Bank;
- To conduct monitoring and evaluation on the performance of the Risk Management Committee and The Risk Management Unit within the Bank.

During 2010, the Risk Monitoring Committee has given its recommendation to the Bank to set up a Risk Management Work Unit, which is independent from the Operational Work Unit, and to adjust its Risk Management policy accordingly.

IV.3. Frequency of the Risk Monitoring Committee Meeting

During their assignment period in 2010, the Risk Monitoring Committee has conducted 2 (two) meetings which have been physically attended by all members of the Risk Monitoring Committee. The results of the Committee meeting is written into minutes of meeting and signed by all of the participants in the meeting and documented properly.

V. Remuneration and Nomination Committee

V.1. Membership

The Remuneration and Nomination Committee had been set up in 2007 and is chaired by the Independent Commissioner, with 1 (one) Commissioner and 1 (one) Head of Human Resource and General Affairs as its members. Following the resignation of Bernard Georges Francois Pittie on 4th August 2010 and Phillippe Rene Francis Sirgant on 5th April 2010, currently the Remuneration and Nomination Committee have only 1 (one) member, i.e. Azmah Kasmy.

At the end of December 2010, the Risk Monitoring structure is as follows:

BNPPI's Remuneration and Nomination Committee Structure	
Chairman of Remuneration and Nomination Committee	: TBA
Member of Remuneration and Nomination Committee	: TBA
Member of Remuneration and Nomination Committee	: Azmah Kasmy

V.2. Roles and Responsibilities of the Remuneration and Nomination Committee

The Committee's duties are to give recommendations to the BOC on the following matters:

- Numbers and Structures of Directors and Commissioners
- The criteria, rules and regulations of Directors and Commissioners; and nominating the candidate for BOD and BOC which would then be decided in the GMOS.
- Determination of the Remuneration System for BOD and BOC
- Bonus and Performance Calculation Method for Directors and Commissioners

V.3. Frequency of the Remuneration and Nomination Committee Meeting

During 2010, the Remuneration and Nomination Committee has conducted 1 (one) meeting. The result of the Committee meeting is written into minutes of meeting and signed by all of the participants in the meeting and documented properly.

VI. THE BOARD OF DIRECTOR (BOD)

VI.1. Membership

In order to manage the Bank's daily activities and to achieve its GCG objectives, the Bank is managed by the BOD consisting of 3 (three) Directors. All members of the BOD have passed the Fit and Proper Test stipulated by Bank Indonesia.

The BOD is chaired by the President Director who is independent from the controlling shareholder, and all members of the BOD are domiciled in Indonesia.

To ensure the independence of the BOD, the Bank has a Disclosure Form signed by every BOD members which stated that member of the BOD does not hold any other positions as member of the BOC, BOD, or Executive Officer at any other bank, company or institution except as those stated in Bank Indonesia Regulation regarding the implementation of GCG by banks.

As of December 2010, the Bank's structure of the BoD is as follows:

BNPPI's Structure of the Board of Director	
President Director	: Kamal Osman
Director	: Setio Soejanto
Compliance Director	: Maria Abdulkadir

VI.2. Roles and Responsibilities of the Board of Director

The BOD is responsible to manage the day-to-day business and operational of the Bank including, but not limited to, organizing internal control system, monitoring and managing risks, improving work flow to increase employees' productivity and their professionalism, and increasing shareholders value.

The BOD also follow-ups the audit recommendations of the internal audit, Bank Indonesia and other supervisory/regulatory bodies.

VI.3. Meetings of the Board of Director

The BOD, together with the Bank's Executive Officers, routinely conducts internal discussion regarding the Bank's strategic plan and any other matters through the BOD Meeting or Management Meeting.

VII. THE IMPLEMENTATION OF THE COMPLIANCE FUNCTION, INTERNAL AUDIT FUNCTION AND EXTERNAL AUDIT FUNCTION

VII. 1. The Implementation of the Compliance Function

Bank's compliance functions include external compliance and internal compliance. External compliance is related to the Bank's compliant to the prevailing rules and regulations related to financial sector, especially to the banking sector. Whereas the internal compliance is related to ensure the Bank's compliant to all policies, rules, and procedure, as well as prevailing ethics and standard (code of conduct) established by the Bank.

To ensure the Bank's compliance to the prevailing laws and regulations, the Bank has appointed 1 (one) member of the BOD as a Compliance Director; and to assist the Compliance Director in performing her duties, the Bank has formed the Compliance Work Unit.

The Compliance Work Unit also acts as the coordinator to implement the Know Your Customer (KYC) Principle and Anti Money Laundering (AML).

The main responsibilities of the Bank's compliance department are:

- Reviewing the Bank's policy, procedure, working methods and evaluations.
- Monitoring the implementation of the Bank's compliance initiatives
- Preparing and circulating references of compliance issues.
- Organizing trainings to ensure all staff understand and is abreast on the compliance standards, and that the design and execution of a transaction would be in compliance to the prevailing rules and regulations.
- Coordinating with external parties to uphold/implement compliance

During 2010, the Bank has generally performed its activities in compliance with the prevailing laws and regulations. However, the Bank will remain prudent and continue to improve its compliance quality.

Compliance to the Prudential Laws and Regulations		
Prudential Principle	Status	Remarks
CAR	In line with regulation	On December 2010, the Bank's CAR level stood at level 103.06%
Statutory Reserve	In line with regulation	Statutory Reserve in IDR and USD as of December 2010 are 15.95% and USD at 7.43%
Non Performing Loan	In line with regulation	The Bank's NPL ratio as of December 2010 amounted as 0.03%.
Net Open Position	In line with regulation	The Bank's NOP ratio at the end of December 2010 amounted as 6.06%
Legal Lending Limit	In line with regulation	Neither violation nor breach into the LLL happened in 2010.
Know Your Customer Principle and Anti Money Laundering	In line with regulation	The Bank has conducted 2 (two) of KYC and AML Trainings. No suspicious transaction found.

VII.2. The Internal Audit Function

The Bank's Internal Audit Working Unit (IAWU) is responsible for ensuring an effective internal audit function and for assisting the BOD to fulfill its supervisory duties. The IAWU is independent of the Operational Working Unit.

IAWU's work is based on its approved annual audit plan determined largely through a risk assessment process. Internal Audit Findings are reported directly to the President Director and copied to the Audit Committee. The Audit Committee reports the findings to the BOC for their information and follow up (where necessary).

In 2010, there were 11 audit and non-audit activities planned and conducted by IAWU with 52 recommendations issued. 80 of the issued recommendations (including those from the previous year) were closed while 35 recommendations were outstanding as at 31 December 2010.

VII.3. The External Audit Function

The implementation of External Audit function follows the prevailing Bank Indonesia regulation. The designated Public Accountant and Public Accountant Office should be licensed from the Indonesian Ministry of Finance and listed in Bank Indonesia. The appointment of the external auditor is proposed to the BOC and is approved in the GMOS. The appointment of the same Public Accountant Office is limited to not more than 5 years continuously, unless approved by Bank Indonesia

VIII. THE IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL

VIII.1. Risk Management Implementation

In order to comply with the risk management regulations no. 5/8/PBI/2003 dated 19 May 2003 and no 11/25/PBI/2009 dated 01 July 2009, the Bank has set up policies and procedures as required. At the moment, the Bank has Credit Risk Policy, Market and Liquidity Risk Policy, and Credit Risk Control Procedure.

In line with the Risk Profile Report submitted to Bank Indonesia, starting September 2010, the Bank has monitored 8 types of risk, i.e. Credit risk, Market risk, Liquidity risk, Operational risk, Legal Risk, Reputational Risk, Strategic Risk and Compliance Risk. At the moment, the Risk Management/Credit Risk Control Department is the unit in charge of Credit Risk, Market Risk and Liquidity Risk while Chief Operating Officer is in charge of Operational Risk, Legal Department is in charge of Legal Risk, Compliance Department is in charge of Compliance Risk and Reputational Risk, and President Director is in charge of Strategic Risk. For consolidating and providing Risk Profile Report, Risk Management/Credit Risk Control Department is the department coordinating this report.

※ Assessment on Risk Management by Bank Indonesia

Risk Management	General Audit As of March 2008	General Audit As of February 2009	General Audit As of February 2010
- Credit Risk	Moderate	-	-
- Market Risk	Moderate	Moderate	Moderate
- Liquidity Risk	Moderate	Moderate	-
- Operational Risk	Moderate	-	Moderate

The Bank has continued to implement its Risk Management through the active supervision of BOC and BOD, such as:

- Closely monitoring Legal Lending Limit (LLL) to comply with Bank Indonesia.
- On monthly basis, overdue annual reviews are reported to BOD or BOC.
- The BOD has made considerable efforts to understand Credit, Market, Liquidity, Operational, Legal, Reputational, Strategic and Compliance Risks underlying all functional activities.
- The BOD has taken strong actions to understand the inherent compliance risk in certain Bank Activities, especially those that may significantly affect the financial condition of the Bank.
- As part of the on-going process to elevate its standard for risk management, Bank has continuously developed and improved its risk management culture by setting up specific trainings on Risk Management, KYC and AML.

VIII.2. Internal Control

To support internal monitoring and to control risk, in particular to risks associated with the operational activities of the Bank, the Bank is supported with adequate systems provided by the Group. The Bank's information systems can provide sufficient and comprehensive internal data/information for sound decision-making, as well as provide reliable and credible information on its activities.

IX. LENDING TO RELATED PARTY AND LENDING IN LARGE EXPOSURE

During 2010 Bank has extend credit to its core debtor which are corporate clients. Details of Credit extend during the 2010 as shown in the following table:

No.	Provision of Fund	Total	
		Debtors	Nominal (in million IDR)
1.	To Related Party	0	0
2.	To Core Debtors		
	a. Individuals	0	0
	b. Groups	3	184,944

The Bank provides loan to related party on a prudent basis. In 2010 the Bank continued granting the facility to PT. BNP Paribas Securities Indonesia however this was fully covered by the SBLC issued by BNP Paribas Hong Kong. As of 31 Dec 2010, there was no outstanding loan to BNPP Securities Indonesia.

X. TRANSPARENCY OF FINANCIAL AND NON-FINANCIAL CONDITIONS
X.1. Transparency of Financial Condition

The Bank expresses its financial condition in a transparent manner through its Annual Report, Quarterly Publish Balance Sheet, and Monthly Publish Balance Sheet.

In the Bank's Annual Report, the Bank has enclosed its examination by the Public Accountant appointed by the Bank which is listed in Bank Indonesia.

Furthermore, the information contained in the Bank's Annual Report includes information regarding its Business Group, Risk Management Exposure, and Management Letter.

X.2. Transparency of Non-Financial Condition

The Bank disclosed its information of non-financial condition to its potential customer regarding its product in writing as well as verbally. Information regarding the Bank Products is available in the term sheet agreement between the Bank and its potential customer with regards to the benefits and risks attached to its product.

XI. REMUNERATION PACKAGE/POLICY AND OTHER FACILITIES TO THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTOR

During the period of 2010, the remuneration received by the BOC and BOD are as follows:

Type of Remuneration and Other Facilities	Accumulative basis in 1 year for 2010			
	Board of Commissioners		Board of Directors	
	Number of Members	Mio IDR	Number of Members	Mio IDR
1. Remuneration (salary, bonus, routine allowances, gratuities, and other facilities in non-benefit-in-kind form)	2	943	3	5,850
2. Other facilities in nature form (housing, transportation, health insurance, etc), which *) : a. May be owned b. May not be owned	1	0	3	738
Total		943		6,588

Moreover, the highest and the lowest salary ratio as per Dec 2010 within the Bank are as follows:

- The highest and lowest of employees salary ratio : 21.98
- The highest and the lowest of BOD salary ratio : 2.86
- The highest and the lowest of BOC salary ratio : 4.07
- The highest of the BOD and employees salary ratio : 0.81

XII. STOCK OWNERSHIP OF BOC AND BOD OF MORE THAN 5 % (FIVE PERCENT) OF PAID UP CAPITAL

All members of the BOD and BOC do not have stock ownership of more than 5% (five percent) of paid up capital. The Bank has a disclosure form which contained the information about the ownership and related parties of the BOC and BOD. The Bank has also implemented the policy regarding Personal Account Dealing (PAD) which must be signed by all staff.

STOCK OPTION

During 2010 the Bank did not have Stock Option Program as a form of the compensation to members of the BOC, BOD and Executive Officers, as determined by Stockholders General Meeting and/or Articles of Association.



Descriptions/Names	Number of stockheld (shares)	Number of Option		Option Price (IDR)	Time Period
		Distributed (shares)	Exercised (shares)		
BOC Jean Pierre-Bernard Soebowo Musa			NIL		
BOD Kamal Osman Maria Abdulkadir Setio Soejanto			NIL		
Executive Officer			NIL		

XIII. INTERNAL FRAUD

Internal fraud is defined in SEBI No. 9/12/DPnP regarding the Implementation of GCG by Commercial Banks as a fraud conducted by management or permanent/temporary employees, in their work process and operational activities, which impacted the Bank's financial condition significantly, and the amount exceed IDR 100,000,000.00 (one hundred million rupiah).

In line with above requirement, during the 2010 there were no internal fraud with the nominal amount more than IDR 100,000,000.00 (one hundred million rupiah) as shown in the table below:

Internal Fraud in 1 year	Number of case conducted by					
	Management		Permanent Employees		Non Permanent Employees	
	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
Total Fraud						
Settled						
In Banks Internal Settlement Process						
Unsettled						
Followed up through Legal process.						



XIV. LEGAL MATTERS

The Bank has 2 (two) legal cases involving civil laws in relation to credit client and other banking facility client, in which both cases have been legally processed at the relevant courts. However as of 31st December 2010 there were no verdicts on these cases respectively. The Bank does not have any criminal case as of 31st December 2010.

Below is the report of litigation case for year 2010

Legal Matters	Number	
	Disputes	Crimes
Settled (permanent settlement)	0	0
In settlement process	2	0
Total	2	0

XV. CONFLICT OF INTEREST

The Bank's exercises prudent management via its code of conduct and policies, particularly in the prevention of conflict of interest and segregation of functions, which are important aspects of its management policy.

The Bank's general policies with regards to the Conflict of Interest are as follows:

- All staff should observe high standards of integrity and fair dealing. Staff should serve the interest of customers with professionalism, diligence, neutrality and discretion, avoiding potential conflicts of interest.
- Staff should not place themselves in a position where their own interest could conflict with those of the bank or any of its customers. If such conflict arises, they should ensure fair treatment to all customers by disclosure or declining to act.

XVI. BUY BACK OF STOCKS AND BONDS

During 2010, the Bank did not exercise any buy back of shares or bonds.

XVII. PROVISION OF FUND FOR SOCIAL AND POLITICAL ACTIVITIES

The Bank did not undertake any sponsorship for social and political activities in 2010.

XVIII. BANK'S STRATEGIC PLAN

For 2010, with a clean and healthy balance sheet, PT Bank BNP Paribas was able to embark on a gradual strategy focusing on the following:

- Wholesale Banking activities supporting our Fixed Income, and Corporate/ Structured Finance Activities (to be done in conjunction with our Affiliates and Parent Entity);
- More exposure in the Commodity Sectors – (again in certain instances, with our Parent Entity);
- Concentration on Fixed Income Activities.

However it was emphasized the growth plans was to be pragmatic and measured, and within the Wholesale Banking area where the Bank has carved a niche.

At the same time in 2010, to cater for the imminent growth, we were to increase our workforce significantly.

We ended 2010 with a NPAT IDR 72.2 billion. The performance albeit below budget was considered satisfactory. The main variance from our budget was attributed to slightly lower net interest income (from the bond and loan portfolio) and lower income from fee income, foreign exchange and bond activities. We previously forecast an NPAT of IDR 100.3 bio in our Business Plan.

As at December 2010, the Bank employed thirty staff; having employed an additional nine staff over the course of 2010, in the areas of Coverage origination, Debt Capital Markets, Fixed Income sale and trading, Compliance, Operations, Finance and Control, as well as Risk Management. The staff hires are part of the plan to strengthen our team and reinvigorate our activities



Good Corporate Governance

SUMMARY OF COMPOSITE VALUE CALCULATION
GOOD CORPORATE GOVERNANCE SELF ASSESSMENT

Assessment Aspect	Weight (a)	Rating (b)	Score (a) x (b)	Remarks*
The implementation of Board of Commissioners Tasks and Responsibilities	10.00%	2	0.2	BoC's number, composition, integrity and competence have been in line with the GCG principles. BoC's tasks and responsibilities have been implemented effectively.
The implementation of Board of Director Tasks and Responsibilities	20.00%	2	0.4	BoD's number, composition, integrity and competence have been in line with the Bank size and complexity and in line with the prevailing regulations. BoD's tasks and responsibilities have been implemented effectively and in line with the GCG principles.
The implementation of Committees Functions	10.00%	2	0.2	Currently, members of both Audit Committee and Risk Monitoring Committee of BNPI consists of one Independent Commissioner and two Independent Parties. There is no Independent Commissioner heading for Remuneration and Nomination Committee. Following the resignation of Mr. Bernard Pittie (ex-Independent Commissioner) and Mr. Philippe Sirgant (ex-commissioner), currently the member of Remuneration and Nomination Committee is only Head of HR. The Bank will assign the other members after receiving BI Fit & Proper Test approval of our new Independent Commissioner.
Handling of Conflict of Interest	10.00%	1	0.1	Bank has effective and complete policy, system and procedure to settle all conflict of interest. Policy, system and procedures documented on the Bank GCG Manual and Bank's Regulation. Bank has been settling all conflict of interest prudentially.
Implementation of Bank Compliance Function	5.00%	2	0.1	Compliance Director and Compliance Working Unit have implemented their tasks effectively and independently. Compliance Working Unit has conducted periodic review on the operational working unit, working guideline, system and procedures in all organization hierarchy. All guidelines have been complete and updated.
Implementation of Bank Internal Audit Function	5.00%	2	0.1	The Bank's internal Audit function has been implemented effectively. The Internal Audit Unit has conducted its function independently and in line with audit cycle based on risk assessment. The SPFAIB requirements have all been applied, however there are some minor weakness which can be settled by routine improvement.
Implementation of Bank External Audit Function	5.00%	1	0.05	External Auditor chosen is one of the best international CPA. They met the minimum requirements within the timeline set, though they have encountered challenges as 2010 audit was their first assignment with the bank.
Implementation of Risks Management Including Internal Control System	7.50%	2	0.15	The management has identified and managed all the Bank risks effectively and monitored the Bank's condition to be in line with the principles of sound bank managements. There are some minor weaknesses which must be settled, however they would not give the significant impact to the Bank condition.
Funding of Related Party and Large Exposures	7.50%	2	0.15	Bank has had an updated written credit risk policy and credit risk control procedure that regulate how to lend to related parties and large exposures. There is no violation on the Legal Lending Limit and the prudential principles regulations. Furthermore Board of Commissioner and Board of Director have been closely monitoring Legal Lending Limit to comply with Bank Indonesia regulation. Whilst the comparison of core debtors to total on balance sheet loan is high, it is a fact that the Bank has gross and net NPL of NIL figures. This happens as a result of implementing the quality credit guideline. In addition, the decision making in funding to related parties and large exposures has been conducted independently.
Transparency of Bank Financial and Non Financial Condition, GCG Report and Internal Report	15.00%	1	0.15	Bank has been very transparent in disclose the financial and non financial informations to public through Bank homepage and accessible media. Bank has been very transparent in disclosing Bank's products and services information, implemented customer complaint management effectively and maintained the client personal data information adequately.
Bank Strategic Plan	5.00%	2	0.1	Bank business plan has been in line with the Bank vision and mission and its corporate plan. The Bank's Corporate plan and business plan have been established realistically and considering all external and internal factors, prudential principles, and sound banking principles. The strategic risk level is low.
Composite Value	100.00%		1.7	Conclusion: Overall Bank has met the GCG criterias. However Bank will continuously improve to be in line with all GCG criterias.

* : to contain elucidations as to thereasons of the assessor to give the respective rating for column (b)

Composite Value	Predicate
Nilai Komposit < 1.5	Very Good
1.5 = Nilai Komposit < 2.5	Good
2.5 = Nilai Komposit < 3.5	Adequately Good



The Bank Composite Value is **1.7 (Good)**.

PT. Bank BNP Paribas Indonesia

Halaman ini sengaja dikosongkan
This page has been intentionally left blank



Curriculum Vitae

President Commissioner

Jean-Pierre Bernard

Born on March 23rd, 1949 in Paris, France
French nationality.

Education

Bachelor of Science, Business Administration, Babson College, Wellesley, MA, USA.

Experience

Present	President Commissioner PT Bank BNP Paribas Indonesia, Regional Head for South-East Asia and CEO, BNP Paribas Singapore.
Sep 2002 - Jun 2004	Deputy Head of Corporate and Financial Institutions, Head of International Network, Member of Corporate and Investment Banking Executive Committee, BNP Paribas Paris, France
Sep 2001 - Sep 2002	Global Head of Corporate Banking & Head of Europe, BNP Paribas, Paris, France.
Sep 1998 - Aug 2001	Deputy Head for North America, and Head of Corporate Banking, BNP/BNP Paribas New York, USA
Sep 1995 - Aug 1998	Global Head of Correspondent Banking, BNP Paris, France.
Jul 1990 - Aug 1995	General Manager for Western USA, BNP San Francisco, USA
Jun 1985 - Aug 1990	Deputy General Manager for South-East Asia, BNP Singapore
Jun 1982 - Jun 1985	Branch Manager, BNP Los Angeles, USA.
Jul 1978 - May 1982	Internal Auditor, BNP Paris, France
Mar 1973 - Jun 1978	Head of Credit Department, BNP Sydney, Australia

Independent Commissioner

Soebowo MUSA

Born on 15 February 1962 in Semarang, Indonesia
Indonesian Nationality.

Education

1982 – 1984	Bachelor of Electrical Engineering, Polytechnic University, Brooklyn, New York, USA
1984 – 1986	Master of Electrical Engineering, majoring in Signal Process and Communication System, Polytechnic University, Brooklyn, New York, USA
1988 – 1990	Master of Finance and Bisnis Internasional

Experience

Present	Independent Commissioner of PT Bank BNP Paribas Indonesia
Mar 2004 - present	CEO of PT. Kiran Resources Indonesia
Dec 1999 - Feb 2004	Advisor to the Chairman Office, Banking Development Area – Badan Penyehatan Perbankan Nasional, Jakarta, Indonesia
Jun 2000 -Dec 2002	Commisioner - PT. Bank Niaga Tbk, Jakarta, Indonesia
May 1998 - Dec 1999	Head of Trade Structured Finance - PT. Cargill Indonesia, Jakarta, Indonesia
Jan 1994 - May 1998	Director of PT. ABS Finance Indonesia, Jakarta, Indonesia
1994 - 1994	Senior Banking Officer, Bank of Tokyo Ltd, Jakarta, Indonesia
1990 - 1991	Associate, Bank of Tokyo Trust Co., New York, USA



President Director

Kamarulzaman Bin Mohamed OSMAN

Born on 14 December 1970, in Singapore.
Singapore nationality.

Education

2001	Securities Institute of Australia – Graduate Diploma
1991-1993	University of Western Australia – Bachelor degree

Experience

Present	President Director PT Bank BNP Paribas Indonesia.
Sep 2006 – May 2009	Senior Banker Coverage – PT Bank BNP Paribas Indonesia
Apr 2002 – Sep 2006	VP Coverage – BNP Paribas Australia
Dec 2000 – Jan 2002	Senior Project Manager – Credit Lyonnais Securities, Singapore
Aug 1998 – Dec 2000	Senior Corporate Analyst – BNP Australia
Aug 1995 – Aug 1998	Business Lending Officer – National Australia Bank, Australia
Mar 1994 – Aug 1995	Securities Officer – Westpac Banking Corporation, Australia

Compliance Director

Maria Abdulkadir

Born on 06 May 1964, in Bandung, Indonesia.
Indonesian nationality.

Education

Graduated from Faculty of Physics, Institute Technology Bandung

Experience

Present	Director of Compliance PT Bank BNP Paribas Indonesia.
May 2000 - 2006	Compliance Division – Lippobank Head Office, Senior Manager/ Division Head
Mar 1999 – May 2000	System & Regulatory Compliance Audit Group – Lippobank Head Office
Jan 1998 – Mar 1999	Audit Service Group – Lippobank Head Office, Manager/ Information System Auditor
Nov 1991 – Jan 1998	Audit Service Group – Lippobank Head Office, Manager/ Operation, Finance & Credit Auditor
Aug 1990 – Oct 1991	Lippobank Asian Office – Central Java

Director
Setio SOEJANTO

Born on 06 January 1968 in Jakarta, Indonesia
 Indonesian nationality

Education

Graduated from Business Administration, University of San Francisco, San Francisco, USA

Experience

Present	Director at PT Bank BNP Paribas Indonesia
Jul 2005 - 2008	Head of ALM Treasury – PT Bank BNP Paribas Indonesia, Jakarta
Jan 2003 – Jul 2005	Head of Treasury – PT Bank Chinatrust Indonesia, Jakarta
Jan 2002 – Dec 2002	Deputy Head of Treasury – PT Rabobank International Indonesia, Jakarta
Jan 1998 – Dec 2001	Assistant Vice President Treasury – PT Rabobank International Indonesia, Jakarta
Jun 1991 – Jan 1998	Assistant Manager Treasury – PT Rabobank International Indonesia, Jakarta
Mar 1991 – Jun 1991	Foreign Exchange & Money Market Dealer – PT Rabobank International Indonesia, Jakarta

Head of Operation
Juswanhadi PITONO

Born on 28 July 1967 in Jakarta, Indonesia
 Indonesian nationality.

Education

Bachelor of Anthropology, University of Padjajaran, Bandung – West Java

Experience

8 July 2010 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Operation
June 2005 – 7 July 2010	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	AVP, Operation
Dec 2000 – Dec 2005	Bank OCBC, Indonesia Jakarta, Indonesia	Operation Officer
Oct 1996 – March 1999	PT Bank Mashill Utama, Indonesia, Jakarta, Indonesia	Asst Manager Product Development and Consumer Banking
April 1996 – Oct 1996	PT Bank Mashill Utama, Indonesia, Jakarta, Indonesia	Asst Manager Jakarta Clearing Centralisation
Sep 1993 – April 1996	PT Bank Mashill Utama, Indonesia, Jakarta, Indonesia	Asst Manager Operations
1992 – Sep 1993	PT Bank Mashill Utama, Indonesia, Jakarta, Indonesia	Management Trainee, Batch 1

Head of Risk Management
Arjanto BASUKI

Born on 03 September 1967 in Bogor, Indonesia
 Indonesian nationality.

Education

Master Degree in Management / Finance, University of Gajah Mada, Yogyakarta
 Bachelor Degree in Economics / Management, Univesrity of Parahyangan Bandung - West Java

Experience

Aug 2008 –Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Risk Management
2006 - 2008	Commercial Banking Group – Risk Mangement Citibank. Jakarta, Indonesia	Senior Credit Analyst / Approver
2005 - 2006	HSBC Jakarta, Indonesia	Assistant Vice President Credit Approval Unit
2003 - 2005	HSBC Jakarta, Indonesia	Assistant Vice President Financial Analyst
2001 - 2003	HSBC. Semarang, Indonesia	Manager Corporate Banking
1998 - 2000	HSBC. Jakarta, Indonesia	Assistant Manager Credit Recovery
1997 - 1998	HSBC. Jakarta, Indonesia	Assistant Manager Corporate Baking
1995 - 1996	PT. Federal International Finance / Astra Group (FIF) Jakarta, Indonesia	Business Process Reengineering Officer
1991 - 1994	PT. Federal International Finance / Astra Group (FIF) Jakarta, Indonesia	Account Officer

Head of Human Resources and General Affairs
Azmah KASMY

Born on 24 September 1965 in Jakarta, Indonesia
 Indonesian nationality.

Education

Associate Degree in Accounting, Strayer College, Arlington, Virginia – USA

Experience

Aug. 2007 – Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Human Resources and General Affairs
Sept. 2005 – July 2007	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Finance & Control Officer
Jan. 2000 – Sept. 2005	PT Bank BNP Paribas Indonesia Jakarta, Indonesia	Human Resources and General Affairs Officers
Dec. 1989 – Dec. 1999	PT Bank BNP Lippo Indonesia Jakarta, Indonesia	Human Resources and General Affairs supervisor
Oct. 1986 – Nov. 1989	Association of South East Asian Nations (ASEAN), Jakarta, Indonesia	General Affairs staff.

Head of Fixed Income
Fukky TANTANG

Born on 06 November 1973 in Semarang, Indonesia
 Indonesian nationality.

Education

Master of Science in Engineering, University of Michigan, Ann Arbor, USA

Experience

2005 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Fixed Income
2003 - 2005	BNP Paribas – Singapore Branch, Singapore	Director , Fixed Income Marketing
2001 - 2003	UBS AG Singapore	Head of Derivatives and Structured Product

Head of Structured Finance
Nicolas DREAN

Born on 5 August 1974 in Paris, France.
 French nationality.

Education

- MBA (DESS Affaires Internationales) / International Trade Finance ,
Paris 9 Dauphine University, Paris, France.
- Master of Business Administration (Maitrise Des Sciences de Gestion / Finance,
Paris 9 Dauphine University, Paris, France.
- BA of Economy and Management (DEUG Sciences Economiques et de Gestions)/
Paris 9 Dauphine University, Paris, France.

Experience

Nov. 2009 - Present	PT. Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Structured Finance
Aug. 2007 – Oct. 2009	BNP Paribas Representative Office, Jakarta, Indonesia	Head of Representative Office Energy Commodities, Export Project Financing
Jun. 2006 – 2007	BNP Paribas Tokyo Branch, Tokyo, Japan	Vice President
Jan 2003 – Jun. 2006	BNP Paribas Paris, France Export Finance Asia Pacific Head Office, Paris, France	Area Manager for ASEAN
Jan. 2001 – Dec. 2002	BNP Paribas Paris. Coface Export Finance. Asia Pacific Team, Paris, France	Project Manager for ASEAN
May 1999 – Dec. 2000	BNP Paribas Representative Office, Jakarta, Indonesia	International Trainee (VIE)
June/Nov 1998	Coface Project Finance Team	Internship
June/Sept 1996	Société Générale Hongkong	Internship

Head of Internal Audit
Imbang Perdana SATRYAWAN

Born on 13 January 1978 in Payakumbuh, Indonesia
 Indonesian nationality.

Education

Bachelor Degree in Accounting, University of Padjajaran, Bandung – West Java
 Certified Internal Auditor (CIA), The Institute of Internal Auditors

Experience

April 2006 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Internal Audit
2005 - March 2006	PT Bank Maybank Indocorp Jakarta, Indonesia	Head of Internal Audit
2002 - 2004	PT. Asuransi Jiwa Manulife Indonesia / Manulife Financial Jakarta, Indonesia	Internal Audit Assistant Manager
1999 - 2002	Deloitte Touche Tohmatsu / Hans Tuankotta Mustofa Jakarta, Indonesia	Senior Auditor / Associate Consultant
1999	Drs. Moh Mansur & Co, Registered Public Accountant Bandung , West Java	Junior Auditor
1997 - 1999	Faculty of Economy, University Padjajaran	Assistant Lecturer for Subject Principle Accounting, Intermediate Accounting, Advance Accounting, and Cost Accounting

Head of Legal
Rosuin HAMRA

Born on 14 November 1968 in Medan, Indonesia
 Indonesian nationality.

Education

Bachelor of Law – Civil Law, University of Indonesia, Jakarta

Experience

Oct 2008 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Legal
Jan 2008 - Sept 2008	PT Bank UOB Indonesia Jakarta, Indonesia	Legal Manager
Aug 1999 - Nov 2007	PT Bank Rabobank International Indonesia Jakarta, Indonesia	VP, Head of Legal
Sep 1997 - Aug 1999	PT Credit Agricole Indosuez Jakarta, Indonesia	Legal Manager
Sept 1994 – Aug 1997	PT UOB Indonesia. Jakarta, Indonesia	Sr. Legal Officer
May 1992 – Aug 1994	PT Bank Central Asia. Jakarta, Indonesia	Legal Officer
June 1989 – April 1992	PT. United Yohary Aviation, Indonesia	General Affairs

Head of Information Technology
Hafiz HARYADI

Born on 11 September 1974 in Jakarta, Indonesia
 Indonesian nationality.

Education

Master Degree in Computer Science, Maitrise Informatique, Universite Henri Poincare Nancy 1
 Nancy, France
 Bachelor Degree in Computer Science, Licence Informatique, Universite Henri Poincare Nancy 1,
 France

Experience

June 2006 – Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Information Technology
June 2005 - May 2006	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Deputy Head of Information Technology
April 2003 - June 2005	PT. Mitshubishi Jaya Elevator & Escalator Jakarta, Indonesia	Information Technology Coodinator
Dec 2000 - April 2003	Badan Koordinasi Survey dan Pemetaan Nasional (BAKOSURTANAL) Cibinong, Indonesia	Database System and Network Engineer
1999 - December 2000	DMRM Project (PT. BLOM Dantarsa – Bakosurtanal), Jakarta, Indonesia	Database System and Network Engineer

Head of Finance & Control
Tamara M. NASUTION

Born on 20 September 1966 in Bandung, Indonesia
 Indonesian nationality.

Education

Bachelor of Business Administration, Indonesia European University, Jakarta

Experience

Jan 2011 - Present	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Head of Finance & Control
May 2010 – Dec 2010	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Oversight Operational Control Permanent (2OPC) Officer
July 2007 – April 2010	Standard Chartered Bank, Indonesia Jakarta, Indonesia	Group Reporting Manager
Oct 1998 – Jun 2007	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Finance Officer
Sept 1997 – Sept 1998	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Back Office Officer
Jan 1994 – Aug 1997	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Accounting Supervisor
July 1992 – Dec 1993	PT Bank BNP Paribas Indonesia, Jakarta, Indonesia	Operations Clerk



Laporan Keuangan yang telah diaudit oleh Akuntan Publik
Audited Financial Statement

Pada halaman-halaman berikut ini kami lampirkan Laporan Keuangan serta Internal Control Memorandum PT. Bank BNP Paribas Indonesia pada dan untuk tahun yang berakhir pada 31 Desember 2010 dan 2009, yang telah diaudit oleh Kantor Akuntan Publik Osman Bing Satrio & Rekan – Deloitte.

(Harap membuka Laporan Keuangan dalam format Pdf yang terlampirkan dalam CD ini)

In the next pages we attach the Financial Statements and Internal Control Memorandum of PT Bank BNP Paribas Indonesia as at and for the years ended 31 December 2010 and 2009 which has been audited by Public Accountant Office Osman Bing Satrio & Rekan – Deloitte.

(Please open the Financial Statements in Pdf format attached to this CD)